



H.R. 2638 – Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009

EXECUTIVE SUMMARY

H.R. 2638 will fund government programs through March 6, 2009. The current appropriations Acts expire on September 30, 2008. Therefore, a Continuing Resolution (CR) is necessary to avoid a government shutdown. This legislation funds most government operations at fiscal year 2008 levels, with the notable exceptions of the Department of Defense, Homeland Security, Veterans Affairs and Military Construction. Other important policy revisions provided for in this legislation are detailed below.

On August 1, 2008, the House passed the first and only appropriations bill it considered, the Military Construction, the Department of Veterans Affairs, and Related Agencies Appropriations Act of 2009 (H.R. 6599) by a vote of 409 to 4. The President issued a veto threat against this legislation. However, Congress did not send any appropriations bills to the President's desk for fiscal year 2009, and therefore the President's veto threat was not acted upon.

According to a floor statement made by Representative Jerry Lewis (R-CA), Ranking Member of the House Appropriations Committee, during the debate on H.R. 6599 on July 31, 2008, "this year, the largely bipartisan work of the Appropriations Committee has ground to a virtual standstill because of the energy issue...the majority leadership has decided to put on the shelf most of the annual spending bills as well as any and all meaningful bipartisan efforts to lower the price of oil and gas." The House Committee on Appropriations has not moved any bills through the full committee since June 25, 2008.

This legislation is expected to be considered under a closed rule on the House floor on September 24, 2008.

FLOOR SITUATION

H.R. 2638 is being considered on the floor pursuant to a closed rule. The rule:

- Provides for consideration of the Senate amendment to H.R. 2638;
- Makes in order a motion by the chairman of the Committee on Appropriations that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying the resolution;
- Waives all points of order against consideration of the motion except those arising under clause 10 (PAYGO) of rule XXI;
- Provides 1 hour of debate on the motion equally divided and controlled by the Chairman and Ranking Minority Member of the Committee on Appropriations;
- Provides that the Senate amendment and the motion shall be considered as read;
- Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the motion to a time designated by the Speaker;
- Provides that the Chairman of the Committee on Appropriations shall insert in the Congressional Record dated September 24, 2008, such material as he may deem explanatory of the motion.



The bill is expected to be considered on the floor on September 24, 2008.

BACKGROUND

On August 1, 2008, the House passed the first and only appropriations bill it considered, the Military Construction, the Department of Veterans Affairs, and Related Agencies Appropriations Act of 2009 (H.R. 6599) by a vote of 409 to 4. The Statement of Administration Policy for the bill highlighted their concerns regarding "costly earmarks" and "overall excessive spending" and encouraged Congress to offset spending increases with reductions to lower-priority programs instead of increasing the burden on taxpayers. The SAP further stated that "If Congress increases VA funding above the President's request and does not offset this increase with spending reductions in other bills, the President will veto any of the other bills that exceed his request until Congress demonstrates a path to reach the President's topline." ([SAP for H.R. 6599](#)) However, Congress did not send any appropriations bills to the President's desk for fiscal year 2009, and therefore the President's veto threat was not acted upon.

According to a floor statement made by Representative Jerry Lewis (R-CA), Ranking Member of the House Appropriations Committee, during the debate on H.R. 6599 on July 31, 2008, "this year, the largely bipartisan work of the Appropriations Committee has ground to a virtual standstill because of the energy issue...the majority leadership has decided to put on the shelf most of the annual spending bills as well as any and all meaningful bipartisan efforts to lower the price of oil and gas." The House Committee on Appropriations has not moved any bills through the full committee since June 25, 2008.

The current appropriations bills expire at the end of the fiscal year, on September 30, 2008. Without a continuing resolution, the nonessential functions of Federal agencies will be discontinued due to lack of budget authority.

SUMMARY

The continuing resolution will fund the government through March 6, 2009, at fiscal year 2008 levels, however this legislation includes new funding levels for Homeland Security, Defense, and Military Construction and Veterans Affairs. Funding anomalies and additional policy provisions included in this continuing resolution are detailed below.

Division A - Continuing Resolution

General Provisions

- States that no appropriation or funds may be used to initiate or resume any project or authority for which funds or authority was not available during fiscal year 2008.
- Requires that funds provided under this Act shall be available until an appropriate appropriations bill is enacted, or until March 6, 2009, whichever is first.
- Will be implemented so that only the most limited permissible funding action will be undertaken.
- Allows the offshore drilling ban to expire on September 30, 2008. Allows certain restrictions on oil shale leasing to expire on September 30, 2008.

Agriculture

- Funds the Department of Agriculture's Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) at a rate of \$6.7 billion, \$600 million over FY08 levels.
- Funds the Department of Agriculture's Rural Housing Service rental assistance program at a rate of \$997 million. The legislation also provides funding for the Rural Housing Insurance Fund to maintain the same principal amount of loan guarantees as in fiscal year 2008.



U.S. Postal Service

- Provides \$14,043,000 for the operations of the Postal Service Fund.
- Provides \$233,440,000 for the operations of the Postal Service Inspector General.

State Foreign Operations

- Extends State Foreign Operations benefits previously authorized for operations in Iraq and Afghanistan through March 6, 2009.
- Extends the authority of the Overseas Private Investment Corporation (OPIC) through March 6, 2009.
- Provides up to \$5,000,000 of amounts previously appropriated to the Treasury for Foreign Debt Restructuring to assist Liberia in buying back its commercial debt through the Debt Reduction Facility of the International Development Association.
- Requires the Secretary of State to report to Congress on how the \$2.55 billion in funding provided to Israel by the U.S. in fiscal year 2009 will assist Israel in defending itself.

Housing

- Includes language to provide funding above 2008 level to allow the Secretary to fund certain expiring section 8 project-based rental assistance contracts.
- Extends Hope VI Housing programs through March 6, 2009.
- Extends the Home Equity Mortgage Conversion program through March 6, 2009.
- Increases the cap on FHA single family loan commitments to \$241 billion, an increase of \$56 billion over the 2008 level.
- Transfers up to \$15,000,000 to the "Working Capital Fund" for information technology needs of the FHA.

Transportation

- Provides that amounts available for National Transportation Safety Board (NTSB) Salaries and Expenses shall include funding for capital lease payments owed by the NTSB for fiscal year 2009.
- Extends the authorization for the Interagency Council on Homelessness through March 6, 2009.

Other Provisions

- Funds the Bureau of the Census at a rate of \$2.9 billion for preparations for the 2010 Decennial Census.
- Provides funding at a rate of \$180 million for the Digital Television Transition administrative expenses at the National Telecommunications and Information Administration (NTIA). Reallocates previously provided funds to provide a \$20 million increase for NTIA administrative expenses related to Digital Television conversion.
- Funds the Federal Prison System at a rate of \$5.4 billion for salaries and expenses.



- Provides a rate of funding of \$1.3 billion for the Detention Trustee program at the Department of Justice.
- Appropriates \$3.4 million for Federal elections observers (as provided for under the Voting Rights Act of 1956). These funds will be reimbursed to the Office of Personnel Management for salaries and expenses.
- Extends the Appalachian Regional Commission through March 6, 2009.
- Appropriates \$7.5 billion to the Department of Energy for direct loans to auto manufacturers (Advanced Technology Vehicles Manufacturing Loan Program). Commitments for direct loans using this funding may not exceed \$25 billion. The bill also directs the Secretary to establish rules for the administration of such loans within 60 days of enactment. The Secretary is also allowed to hire personnel to discharge these functions. These provisions are provided as emergency funding.
- Appropriates \$67.9 million for the Department of the Treasury to meet the requirements of the Economic Stimulus Act of 2008.
- Appropriates \$5.7 million for email restoration activities in the Executive Office of the President.
- Provides \$8 million for Presidential transition expenses to carry out the Presidential Transition Act of 1963.
- Allows the District of Columbia to expend funds at the rate specified in the District's [Proposed Budget and Financial Plan](#) submitted to Congress on June 9, 2008.
- Provides \$15 million to the District of Columbia for emergency planning and security operations related to the Inauguration.
- Appropriates \$20 million to the Federal Communications Commission for consumer education activities regarding the digital television transition.
- Funds the General Services Administration at \$2.7 million for the Allowances and Office Staff for Former Presidents. Appropriates \$8.5 million to the GSA for presidential transition expenses.
- Increases the National Credit Union Administration's borrowing authority from \$1.5 billion to \$41 billion to allow for a provision of liquidity loans for credit unions.
- Extends the National Flood Insurance Program to March 6, 2009.
- Provides an additional \$2,000,000 to the National Park Service for security and visitor safety activities related to the Presidential Inaugural Ceremonies.
- Extends activities authorized under the Trade Adjustment Assistance Act through March 6, 2009.
- Appropriates \$5.1 billion, through September 30, 2009, to expand the the Low-Income Home Energy Assistance program. Of this amount, \$2.8 billion is provided as emergency spending. Overrides existing law to expand eligibility to individuals with incomes up to 75 percent of the State median income (versus the current law cap of 60 percent of median income).



- The Legislation provides \$169,300 in death payments to the family of the late Representative from Ohio, Stephanie Tubbs-Jones.
- Authorizes a government-wide COLA of 3.9 percent for civilian employees.
- Funds the Pell Grant program through the Department of Education at \$18 billion, \$2.5 billion above the 2008 level.
- Appropriates \$198 million for a Filipino Veterans Equity Compensation fund. These funds are provided as emergency funds.
- Appropriates \$163 million for the Commodity Supplemental Food Program, an increase of \$23.5 million over 2008 levels.

Division B - Disaster Relief and Recovery Supplemental Appropriations Act

**Note: All of the appropriations included in this section are designated as emergency spending.*

TITLE I

Department of Agriculture: The bill establishes the Rural Development Disaster Assistance Fund at the Department of the Treasury and provides \$150 million to remain in the account until expended. The fund will provide additional amounts for activities conducted by the agencies of the Rural Development Mission Area in declared disaster areas. The bill also provides \$115 million for the Emergency Conservation program, \$100 million for the Emergency Watershed Protection Program, and \$5 million for the Office of the Inspector General to conduct oversight of the disaster and emergency funding.

Department of Commerce: It provides \$400 million for Economic Development Assistance Programs for expenses related to disaster relief, long-term recovery, and restoration of infrastructure related to the consequences of natural disasters that occurred during 2008. The bill appropriates \$17 million to remain available until September 30, 2009, for the National Oceanic and Atmospheric Administration (NOAA) to improve hurricane track and intensity forecasts and \$75 million for fishery disaster assistance. In addition, the National Aeronautics and Space Administration (NASA) is provided \$30 million for disaster mitigation and restoration of NASA owned properties that were damaged during the 2008 natural disasters.

Army Corps of Engineers: The bill provides \$1.539 billion for construction for necessary expenses related to the consequences of Hurricane Katrina and other hurricanes, floods, and other natural disasters. In addition, it provides \$82.4 million for dredge eligible projects and to repair damage to Federal projects on the Mississippi River and tributaries. It also provides the Army Corps of Engineers with \$740 million to dredge navigation channels and repair other Corps projects related to natural disasters.

General Services Administration: The bill provides \$182 million for the site acquisition, design, and construction for the new courthouse project in Cedar Rapids, Iowa.

Small Business Administration: The bill appropriates \$498 million for the Disaster Loans Program Account for the cost of direct loans. It also provides \$288 million for administrative expenses to carry out the direct loan program, including onsite assistance to disaster victims, increased staff at call centers, processing centers, and field inspection teams.

Federal Emergency Management Agency: The bill provides \$7.96 billion for disaster relief to remain available until expended, which includes \$98.15 million for the Disaster Assistance Direct Loan Program Account.



American Red Cross: The bill appropriates \$100 million to remain available until September 30, 2009, to the Department of Homeland Security for payments to reimburse the disaster relief and recovery expenditures provided by the American Red Cross during Presidentially declared natural disasters.

Wildland Fire Management: Provides a total of \$910 million for fire related activities for the Bureau of Land Management and the Forest Service, including \$610 million for emergency wildfire suppression activities.

Social Services Block Grant: The bill provides \$600 million for the Social Services Block Grant to remain available through September 30, 2009, for expenses resulting from the 2008 natural disasters and from Hurricanes Katrina and Rita.

Extension of Waiver Authority: The bill extends the Secretary of Education's authority to waive or modify any requirement relating to maintenance of effort, the use of Federal funds to supplement non-Federal funds, and matching fund requirements for programs administered by the Secretary through fiscal year 2009. This provision also applies the waiver authority to areas affected by a major natural disaster in 2008.

Federal Highway Administration: The Federal-Aid Highway Emergency Relief Program is appropriated \$850 million to remain available until expended and allows the Secretary to obligate more than \$100 million for eligible expenses in a State to respond to damage caused by Hurricanes Gustav and Ike.

Community Development Fund: The bill provides \$6.5 billion to the Community Development Fund to be administered through an entity designated by the Governor of each State affected by a major disaster in 2008.

TITLE II

Economic Support Fund: The bill provides \$465 million for the Economic Support Fund, of which \$365 million is required to be made available for assistance for Georgia and not less than \$100 million shall be made available for hurricane relief and reconstruction assistance for Haiti and other Caribbean countries.

Bill Emerson Humanitarian Trust: It appropriates \$100 million for the Bill Emerson Humanitarian Trust, which is a food reserve administered by the USDA that is available to meet emergency humanitarian food needs in developing countries.

Division C – Department of Defense Appropriations Act, 2009

The total discretionary funding included in this bill for the Department of Defense is \$487.7 billion. This is \$4 billion less than the President's FY2009 request and a \$28.4 billion increase from fiscal year 2008.

DOD Overseas Humanitarian, Disaster, and Civic Aid: \$83.237 million

Medical Care: The bill provides \$25.8 billion, \$1 billion above the President's request, for military medical care. This includes \$300 million for traumatic brain injury and psychological health.

Cooperative Threat Reduction Account: The bill provides \$434,135,000 for the Cooperative Threat Reduction Account for assisting the republics of the former Soviet Union facilitate the elimination and safe and secure transport and storage of nuclear, chemical, and other weapons.

Navy Shipbuilding: The bill provides \$13.1 billion for Navy Shipbuilding.

National Defense Sealift Fund: The bill provides \$1,666,572,000 for the National Defense Sealift Fund.



Defense Health Program: The bill provides \$25.8 billion for Department of Defense Health Programs, including \$8 million for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted primarily in African nations.

Drug Interdiction: The bill provides \$1.097 billion for drug interdiction and counter drug activities conducted by the Department of Defense.

North Korea: The bill prohibits the use of funds made available under this act to be obligated or expended for assistance to North Korea unless specifically obligated for that purpose.

F-22A Advanced Tactical Fighter: None of the funds in this act may be used to approve or license the sale of the F-22A advanced tactical fighter to any foreign government.

Malt Beverages and Wine: The bill prohibits the use of funds for the procurement of malt beverages and wine for resale on a military installation located in the United States unless they are purchased within the State where the military installation is located.

Barracks and Military Hospitals: Provides \$3 billion for funding barracks and military hospitals improvements. This level is \$734 million over the President's request.

Guantanamo: Requires the Secretary of Defense produce a report within 180 days of enactment detailing plans for a potential closure of the detention facility at Guantanamo.

Inspector General: Appropriates \$262 million for DoD Inspector General, \$24 million above the President's request.

Stop Loss Compensation: Appropriates \$72 million for a new initiative to pay troops \$500 for every month their term of service will be involuntarily extended in 2009. This funding was not requested by the President.

Short Range Ballistic Missile Defense Program: The bill provides \$177,237,000 from the Research, Development, Test and Evaluation, Defense Wide heading to the Israeli Cooperative Programs and requires that of that amount \$72,895,00 shall be for the Short Range Ballistic Missile Defense Program and \$74,342,000 shall be for the Arrow Missile Defense Program.

Specified Grants: The bill requires the Secretary of Defense to make the following grants: \$20 million to the United Service Organization; \$30 million to the Red Cross; \$15 million for the Waterbury Industrial Commons Redevelopment Project; \$4.75 million for the SOAR Virtual School District; \$1.75 million to The Presidio Trust; \$5 million to the STEM Education Research Center; \$10 million to the Intrepid Museum Foundation; \$4 million to the Go For Broke National Education Center; \$9.9 million to the U.S.S. Missouri Memorial Association; \$4 million to the Nimitz Center; \$3 million to Special Olympics International; and \$5 million to the Paralympics Military Program.

53rd Weather Reconnaissance Squadron: Prohibits funds made available under this act to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve.

Permanent Basing: The conference agreement retains a House passed provision that prohibits DOD from permanently establishing U.S. military bases in Iraq.

**Note: The House has voted at least 12 times (at least six of which have been signed into law) on provisions stating an exact or similar prohibition.*



Division D - Department of Homeland Security Appropriations Act, 2009

This legislation funds the Department of Homeland Security at \$39.98 billion for fiscal year 2009. This is \$2.3 billion over the President's requested budget for DHS (\$38.8 billion). Key funding levels and policy provisions are detailed below.

Border Security: This bill provides \$775 million in funding for border fencing, infrastructure, and technology programs.

Coast Guard: The bill provides \$9.36 billion in funding for the Coast Guard, an increase of \$290 million over the President's request. This sum includes \$97 million to begin work on a new Coast Guard headquarters at St. Elizabeth's in Washington, D.C.

Customs and Border Protection: This bill provides \$9.8 billion for CBP, which is \$334 million more than requested by the President.

Detention Centers: The bill includes funding increases to provide an additional 1,400 detention beds for a total capacity of 33,400 beds. The bill also requires ICE to cancel contracts with detention facilities that receive two consecutive grades of less than "adequate". Additionally, the bill requires a plan to implement the "Alternatives to Detention" program nation-wide and provides \$63 million for this purpose. The "Alternatives to Detention" program utilizes alternatives to detention for criminal aliens, in the event of bed shortages at detention centers. Such "alternatives" utilized by this program include appearance bonds, electronic monitoring devices, and releases on an Order of Recognizance which track and process criminal aliens - instead of holding them at detention centers.

DHS Personnel System: This bill prohibits DHS from implementing a new human resources system, commonly known as MaxHR.

Disaster Relief: This bill provides \$1.4 billion in funding for disaster relief efforts, including \$16 million for the DHS IG Office.

Emergency Food and Shelter: This bill provides \$200 million for emergency food and shelter, double the President's request.

Federal Emergency Management Agency: The bill provides \$943 million for FEMA.

Federal Protective Service: The bill requires DHS to have at least 900 full-time FPS Officers or equivalents protecting Federal buildings daily.

Flood Maps: The bill provides \$220 million to update and digitize flood maps which are used to determine flood insurance rates. This represents a \$70 million increase over the President's request.

Grant Programs: This bill funds several DHS grant programs at levels significantly over the President's request. The total level of grant funding for programs in this bill is \$4.2 billion. The bill also provides \$400 million in port security grants. Grantees must provide reports on their use of funds, as determined by the Secretary.

The bill provides \$950 million in state grants to help train and equip local first responders - \$750 million over the President's request. Urban Area Grants for high-risk urban communities receive \$837.5 million in this bill - \$17.5 million above the President's request. This bill provides \$400 million for Transit Grants to protect critical infrastructure, which is \$225 million above the President's requested level. Emergency Management Performance Grants are funded at \$315 million, \$100 million above the President's request.



Grants to help local fire departments are funded at \$755 million - \$450 million more than requested by the President.

The Metropolitan Medical Response System, which the President did not request funding for, is funded at \$41 million in this bill. This bill also provides \$50 million for interoperable communications grants, which the President did not request funding for. Finally, this bill provides \$35 million in grants for emergency operation centers – the President did not request any funding for such grants.

Immigration and Customs Enforcement: The bill provides \$4.9 billion for ICE, \$241 million above the President's request.

National Applications Office: This bill prohibits DHS from using Defense satellites for Federal law enforcement purposes until DHS submits and GAO reviews a certification of the program's legality.

Real ID: This bill provides \$100 million in funding for the REAL ID program, including \$50 for a "data hub" for DHS to share information between State DMVs and other record-keeping agencies.

Reporting Requirements: This bill includes several reporting requirements for DHS. The Department must submit reports to Congress on the following programs: Deepwater, the Security Border Initiative, National Cyber Security Initiative, Next Generation Networks program, US-VISIT, and the Automated Commercial Environment. Additionally, DHS must report to Congress on each instance in which a Government Accountability Office request for records or employee interviews was not granted within 20 or 7 days, respectively.

Secret Service: This bill provides \$1.4 billion for the U.S. Secret Service, which is \$43.5 million less than requested by the President.

Staffing: The Chief Financial Officer of DHS must report to Congress monthly with a budget and detailed staffing report.

Transportation Security Administration: The bill provides \$4.6 billion for TSA, \$301 million above the President's request.

Division E – Military Construction and Veterans Affairs Appropriations Act, 2009

Table: Milcon-VA Appropriations
(funding in \$ millions)

	FY09 Final	FY09 House-passed	FY09 Administration Request	FY08 Enacted
Net Budget	72.900	72,700	69,300	63,900
Military Construction, Army	4.693	4.75	4.616	3.928
Military construction, Navy and Marine Corps.	3.333	3.281	3.096	2.188
Military construction, Air Force	1.118	0.959	0.935	1.149
Family Housing, Total	3.164	3.166	3.203	2.866
Base realignment and closure account, 1990	0.458	0.473	0.393	0.296
Base realignment and closure account, 2005	8.766	9.065	9.065	7.235
Veterans Administration, Total	47.6	47.7	44.8	43.1
Medical Services, Veterans Health Administration	30.97	30.854	34.076	27.168



Medical Support and Compliance, VHA	4.45	4.4	4.26	4.07
Medical Facilities, VHA	5.029	5.029	4.661	3.592
Medical and Prosthetic Research, VHA	0.51	0.5	0.442	0.411
Office of Inspector General	0.087	0.088	0.077	0.073

Key Provisions

Title I

Military Construction: This bill appropriates a total of \$25 billion for military construction efforts. This total is \$649 million over the President’s budget and \$200 million over the original House-passed version.

Military Housing: The bill appropriates a total of \$3.2 billion for military and family housing projects. This is an increase of \$300 million over the fiscal year 2008 level. This funding is used for construction and maintenance of housing units.

NATO Security Investment Program: The bill appropriates \$230 million for the North Atlantic Treaty Organization (NATO) Security Investment Program. The program finances the provision of the installations and facilities needed to support the roles of NATO Strategic Commands. These investments cover such installations and facilities as communications and information systems, radar, military headquarters, airfields, fuel pipelines and storage, and harbors.

1990 Base Realignment and Closure (BRAC): This bill provides \$458 million to carry out environmental cleanup efforts at bases closed during previous BRAC rounds. These bases are identified in the most recent “Defense Environmental Programs Annual Report.” This funding is \$65 million above the President’s request and \$15 million below original House-passed version.

2005 Base Realignment and Closure (BRAC) and Re-stationing: The bill appropriates \$8.8 billion for the re-stationing of overseas U.S. military personnel to the United States. This funding is \$299 million below the President’s request and the original House-passed version.

Pinon Canyon: No funds are available to promote the expansion of the boundaries or size of the Pinon Canyon Maneuver Site, Colorado. The Army announced plans to expand the site in 2007, but has experienced legal resistance due to certain environmental concerns.

Prohibiting New Bases: This bill bars the construction of new bases in the U.S. without Congressional appropriation.

Quality of Life Initiative: The bill provides \$233 to continue a quality of life initiative that was begun in the 2008 Supplemental. This sum includes \$122 million for new trainee and recruit housing, and \$111 million for medical military construction and upgrades to certain medical treatment facilities. The President did not request this funding in his budget.

Steel Procurement: The bill bars the procurement of steel unless American producers and manufacturers are able to compete.

Title II

Department of Veterans Affairs: The bill includes a total funding level of \$47.6 billion for the Department of Veterans Affairs. This total is \$2.8 billion over the President’s request and \$100 million less than previously passed House version.

Extended Care Facilities: This bill appropriates \$175 million in grants for States to construct and renovate VA extended care facilities. This sum exceeds the President’s request by \$90 million.



VA Inspector General: The bill funds the Department of Veterans Affairs Office of Inspector General at \$87.8 million. This level is \$4 million above the President's requested budget.

Veterans Health Administration: The bill funds the Veterans Health Administration at \$40.8 billion for medical care for veterans. This level is \$1.8 billion over the President's requested budget.

Veterans Medical Facilities: The bill appropriates \$5 billion for VA medical facilities- \$368 million above the President's request. The funding level is \$769 million above last year's level and equal to the amount included in the original House-passed version.

Veterans Medical Research: The bill provides \$510 million for medical and prosthetic research, including trauma and mental health research. This level is \$48 million above the President's request, and \$30 million above the fiscal year 2008 level.

Veterans Medical Services: The bill includes a total of \$30.97 billion for veterans' medical services. This sum is \$1 billion over the President's requested level. This includes \$375 million for the enrollment of some Priority 8 veterans.

Note: The President banned enrollment of new Priority 8 veterans on January 17, 2003, due to overcrowding in the VA health care system. Priority 8 veterans are those veterans whose injuries are not service related and who have an income of 80% of the median in their community.

This provision also includes \$3.8 billion in funding for specialty mental health care and \$133 million to increase the travel reimbursement rate to 41.5 cents per mile. The bill also includes \$130 million in funding for the homeless veterans grants program.

Veterans Medical Support: The bill includes \$4.45 billion for VA medical support and compliance. Some of this funding will also be used to support the initiative to increase enrollment of Priority 8 veterans in the health care system. This level of funding is \$194 million over the President's requested budget.

Title III

American Battle Monuments Commission: The American Battle Monuments Commission, responsible for operating and supporting American military monuments and cemeteries around the world, is funded at \$59.5 million. This sum is \$12 million above the President's requested budget for the Commission.

Armed Forces Retirement Home: The bill appropriates \$63 million from the Armed Forces Retirement Home Trust Fund for the operation of the Retirement Home. This includes \$8 million for capital expenditures at the Washington, D.C. campus.

TITLE IV

Monuments to Me: The bill would prohibit funds to be used for a project or program named for a serving Member, Delegate, Resident Commissioner, or Member of the United States Congress.

**Note: During House consideration of the Military Construction and Veterans Affairs Appropriations bill for FY2009, Representative Michael McCaul (R-TX) had an amendment adopted by a vote of 329-86 that would prohibit funds to be used for a project or program named for a serving Member, Delegate, Resident Commissioner, Senator of the United States Congress. During negotiations with the Senate, the Senate removed the prohibition on providing funds for a project or program named for a serving Senator.*



LEGISLATIVE DIGEST

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The Congressional Budget Office (CBO) has not produced a cost estimate for H.R. 758 as of September 22, 2008.

STAFF CONTACT

For questions or further information contact the Conference Policy Office at 6-2302.