

FEBRUARY 5, 2018

RULES COMMITTEE PRINT 115–58
TEXT OF THE HOUSE AMENDMENT TO THE
SENATE AMENDMENT TO H.R. 1892

**[Showing the text of Further Extension of Continuing
Appropriations Act, 2018]**

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
9 are provided for ‘Department of Commerce—Bureau of
10 the Census—Periodic Censuses and Programs’ at a rate
11 for operations of \$1,251,000,000, and such amounts may
12 be apportioned up to the rate for operations necessary to
13 maintain the schedule and deliver the required data ac-
14 cording to statutory deadlines in the 2020 Decennial Cen-
15 sus 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 ap-
7 pears.

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

24 “SEC. 159. Amounts made available by section 101
25 for ‘The Judiciary—Courts of Appeals, District Courts,

1 and Other Judicial Services—Fees of Jurors and Commis-
2 sioners’ may be apportioned up to the rate for operations
3 necessary to accommodate increased juror usage.

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

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

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

22 **DIVISION C—DEPARTMENT OF DEFENSE**
23 **APPROPRIATIONS ACT, 2018**

24 That the following sums are appropriated, out of any
25 money in the Treasury not otherwise appropriated, for the

1 fiscal year ending September 30, 2018, for military func-
2 tions administered by the Department of Defense and for
3 other purposes, namely:

4 TITLE I

5 MILITARY PERSONNEL

6 MILITARY PERSONNEL, ARMY

7 For pay, allowances, individual clothing, subsistence,
8 interest on deposits, gratuities, permanent change of sta-
9 tion travel (including all expenses thereof for organiza-
10 tional movements), and expenses of temporary duty travel
11 between permanent duty stations, for members of the
12 Army on active duty (except members of reserve compo-
13 nents provided for elsewhere), cadets, and aviation cadets;
14 for members of the Reserve Officers' Training Corps; and
15 for payments pursuant to section 156 of Public Law 97-
16 377, as amended (42 U.S.C. 402 note), and to the Depart-
17 ment of Defense Military Retirement Fund,
18 \$41,427,054,000.

19 MILITARY PERSONNEL, NAVY

20 For pay, allowances, individual clothing, subsistence,
21 interest on deposits, gratuities, permanent change of sta-
22 tion travel (including all expenses thereof for organiza-
23 tional movements), and expenses of temporary duty travel
24 between permanent duty stations, for members of the
25 Navy on active duty (except members of the Reserve pro-

1 vided for elsewhere), midshipmen, and aviation cadets; for
2 members of the Reserve Officers' Training Corps; and for
3 payments pursuant to section 156 of Public Law 97-377,
4 as amended (42 U.S.C. 402 note), and to the Department
5 of Defense Military Retirement Fund, \$28,707,918,000
6 (reduced by \$2,000,000) (increased by \$2,000,000).

7 MILITARY PERSONNEL, MARINE CORPS

8 For pay, allowances, individual clothing, subsistence,
9 interest on deposits, gratuities, permanent change of sta-
10 tion travel (including all expenses thereof for organiza-
11 tional movements), and expenses of temporary duty travel
12 between permanent duty stations, for members of the Ma-
13 rine Corps on active duty (except members of the Reserve
14 provided for elsewhere); and for payments pursuant to sec-
15 tion 156 of Public Law 97-377, as amended (42 U.S.C.
16 402 note), and to the Department of Defense Military Re-
17 tirement Fund, \$13,165,714,000.

18 MILITARY PERSONNEL, AIR FORCE

19 For pay, allowances, individual clothing, subsistence,
20 interest on deposits, gratuities, permanent change of sta-
21 tion travel (including all expenses thereof for organiza-
22 tional movements), and expenses of temporary duty travel
23 between permanent duty stations, for members of the Air
24 Force on active duty (except members of reserve compo-
25 nents provided for elsewhere), cadets, and aviation cadets;

1 for members of the Reserve Officers' Training Corps; and
2 for payments pursuant to section 156 of Public Law 97–
3 377, as amended (42 U.S.C. 402 note), and to the Depart-
4 ment of Defense Military Retirement Fund,
5 \$28,738,320,000.

6 RESERVE PERSONNEL, ARMY

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

19 RESERVE PERSONNEL, NAVY

20 For pay, allowances, clothing, subsistence, gratuities,
21 travel, and related expenses for personnel of the Navy Re-
22 serve on active duty under section 10211 of title 10,
23 United States Code, or while serving on active duty under
24 section 12301(d) of title 10, United States Code, in con-
25 nection with performing duty specified in section 12310(a)

1 of title 10, United States Code, or while undergoing re-
2 serve training, or while performing drills or equivalent
3 duty, and expenses authorized by section 16131 of title
4 10, United States Code; and for payments to the Depart-
5 ment of Defense Military Retirement Fund,
6 \$1,987,662,000.

7 RESERVE PERSONNEL, MARINE CORPS

8 For pay, allowances, clothing, subsistence, gratuities,
9 travel, and related expenses for personnel of the Marine
10 Corps Reserve on active duty under section 10211 of title
11 10, United States Code, or while serving on active duty
12 under section 12301(d) of title 10, United States Code,
13 in connection with performing duty specified in section
14 12310(a) of title 10, United States Code, or while under-
15 going reserve training, or while performing drills or equiv-
16 alent duty, and for members of the Marine Corps platoon
17 leaders class, and expenses authorized by section 16131
18 of title 10, United States Code; and for payments to the
19 Department of Defense Military Retirement Fund,
20 \$762,793,000.

21 RESERVE PERSONNEL, AIR FORCE

22 For pay, allowances, clothing, subsistence, gratuities,
23 travel, and related expenses for personnel of the Air Force
24 Reserve on active duty under sections 10211, 10305, and
25 8038 of title 10, United States Code, or while serving on

1 active duty under section 12301(d) of title 10, United
2 States Code, in connection with performing duty specified
3 in section 12310(a) of title 10, United States Code, or
4 while undergoing reserve training, or while performing
5 drills or equivalent duty or other duty, and expenses au-
6 thorized by section 16131 of title 10, United States Code;
7 and for payments to the Department of Defense Military
8 Retirement Fund, \$1,808,434,000.

9 NATIONAL GUARD PERSONNEL, ARMY

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

23 NATIONAL GUARD PERSONNEL, AIR FORCE

24 For pay, allowances, clothing, subsistence, gratuities,
25 travel, and related expenses for personnel of the Air Na-

1 tional Guard on duty under sections 10211, 10305, or
2 12402 of title 10 or section 708 of title 32, United States
3 Code, or while serving on duty under section 12301(d) of
4 title 10 or section 502(f) of title 32, United States Code,
5 in connection with performing duty specified in section
6 12310(a) of title 10, United States Code, or while under-
7 going training, or while performing drills or equivalent
8 duty or other duty, and expenses authorized by section
9 16131 of title 10, United States Code; and for payments
10 to the Department of Defense Military Retirement Fund,
11 \$3,406,137,000.

12

TITLE II

13

OPERATION AND MAINTENANCE

14

OPERATION AND MAINTENANCE, ARMY

15

For expenses, not otherwise provided for, necessary
16 for the operation and maintenance of the Army, as author-
17 ized by law, \$38,483,846,000 (reduced by \$5,000,000)
18 (reduced by \$5,600,000) (reduced by \$6,000,000): *Pro-*
19 *vided*, That not to exceed \$12,478,000 can be used for
20 emergencies and extraordinary expenses, to be expended
21 on the approval or authority of the Secretary of the Army,
22 and payments may be made on his certificate of necessity
23 for confidential military purposes.

1 OPERATION AND MAINTENANCE, NAVY

2 For expenses, not otherwise provided for, necessary
3 for the operation and maintenance of the Navy and the
4 Marine Corps, as authorized by law, \$45,980,133,000 (re-
5 duced by \$598,000) (reduced by \$7,000,000): *Provided*,
6 That not to exceed \$15,055,000 can be used for emer-
7 gencies and extraordinary expenses, to be expended on the
8 approval or authority of the Secretary of the Navy, and
9 payments may be made on his certificate of necessity for
10 confidential military purposes.

11 OPERATION AND MAINTENANCE, MARINE CORPS

12 For expenses, not otherwise provided for, necessary
13 for the operation and maintenance of the Marine Corps,
14 as authorized by law, \$6,885,884,000.

15 OPERATION AND MAINTENANCE, AIR FORCE

16 For expenses, not otherwise provided for, necessary
17 for the operation and maintenance of the Air Force, as
18 authorized by law, \$38,592,745,000: *Provided*, That not
19 to exceed \$7,699,000 can be used for emergencies and ex-
20 traordinary expenses, to be expended on the approval or
21 authority of the Secretary of the Air Force, and payments
22 may be made on his certificate of necessity for confidential
23 military purposes.

1 OPERATION AND MAINTENANCE, DEFENSE-WIDE

2 (INCLUDING TRANSFER OF FUNDS)

3 For expenses, not otherwise provided for, necessary
4 for the operation and maintenance of activities and agen-
5 cies of the Department of Defense (other than the military
6 departments), as authorized by law, \$33,771,769,000 (in-
7 creased by \$5,000,000) (reduced by \$10,000,000) (re-
8 duced by \$100,000) (increased by \$100,000) (reduced by
9 \$194,897,000) (increased by \$194,897,000) (reduced by
10 \$26,200,000) (reduced by \$20,000,000) (reduced by
11 \$6,000,000) (reduced by \$4,000,000) (reduced by
12 \$20,000,000) (reduced by \$1,000,000) (reduced by
13 \$10,000,000) (reduced by \$2,500,000) (reduced by
14 \$2,000,000) (reduced by \$8,000,000) (reduced by
15 \$6,250,000) (reduced by \$10,000,000) (reduced by
16 \$10,000,000) (reduced by \$30,000,000) (reduced by
17 \$34,734,000) (reduced by \$60,000,000): *Provided*, That
18 not more than \$15,000,000 may be used for the Combat-
19 ant Commander Initiative Fund authorized under section
20 166a of title 10, United States Code: *Provided further*,
21 That not to exceed \$36,000,000 can be used for emer-
22 gencies and extraordinary expenses, to be expended on the
23 approval or authority of the Secretary of Defense, and
24 payments may be made on his certificate of necessity for
25 confidential military purposes: *Provided further*, That of

1 the funds provided under this heading, not less than
2 \$38,458,000 shall be made available for the Procurement
3 Technical Assistance Cooperative Agreement Program, of
4 which not less than \$3,600,000 shall be available for cen-
5 ters defined in 10 U.S.C. 2411(1)(D): *Provided further*,
6 That none of the funds appropriated or otherwise made
7 available by this Act may be used to plan or implement
8 the consolidation of a budget or appropriations liaison of-
9 fice of the Office of the Secretary of Defense, the office
10 of the Secretary of a military department, or the service
11 headquarters of one of the Armed Forces into a legislative
12 affairs or legislative liaison office: *Provided further*, That
13 \$9,385,000, to remain available until expended, is avail-
14 able only for expenses relating to certain classified activi-
15 ties, and may be transferred as necessary by the Secretary
16 of Defense to operation and maintenance appropriations
17 or research, development, test and evaluation appropria-
18 tions, to be merged with and to be available for the same
19 time period as the appropriations to which transferred:
20 *Provided further*, That any ceiling on the investment item
21 unit cost of items that may be purchased with operation
22 and maintenance funds shall not apply to the funds de-
23 scribed in the preceding proviso: *Provided further*, That
24 of the funds provided under this heading, \$415,000,000,
25 of which \$100,000,000 to remain available until Sep-

1 tember 30, 2019, shall be available to provide support and
2 assistance to foreign security forces or other groups or in-
3 dividuals to conduct, support or facilitate
4 counterterrorism, crisis response, or other Department of
5 Defense security cooperation programs: *Provided further,*
6 That the transfer authority provided under this heading
7 is in addition to any other transfer authority provided else-
8 where in this Act.

9 OPERATION AND MAINTENANCE, ARMY RESERVE

10 For expenses, not otherwise provided for, necessary
11 for the operation and maintenance, including training, or-
12 ganization, and administration, of the Army Reserve; re-
13 pair of facilities and equipment; hire of passenger motor
14 vehicles; travel and transportation; care of the dead; re-
15 cruiting; procurement of services, supplies, and equip-
16 ment; and communications, \$2,870,163,000.

17 OPERATION AND MAINTENANCE, NAVY RESERVE

18 For expenses, not otherwise provided for, necessary
19 for the operation and maintenance, including training, or-
20 ganization, and administration, of the Navy Reserve; re-
21 pair of facilities and equipment; hire of passenger motor
22 vehicles; travel and transportation; care of the dead; re-
23 cruiting; procurement of services, supplies, and equip-
24 ment; and communications, \$1,038,507,000.

1 OPERATION AND MAINTENANCE, MARINE CORPS

2 RESERVE

3 For expenses, not otherwise provided for, necessary
4 for the operation and maintenance, including training, or-
5 ganization, and administration, of the Marine Corps Re-
6 serve; repair of facilities and equipment; hire of passenger
7 motor vehicles; travel and transportation; care of the dead;
8 recruiting; procurement of services, supplies, and equip-
9 ment; and communications, \$282,337,000.

10 OPERATION AND MAINTENANCE, AIR FORCE RESERVE

11 For expenses, not otherwise provided for, necessary
12 for the operation and maintenance, including training, or-
13 ganization, and administration, of the Air Force Reserve;
14 repair of facilities and equipment; hire of passenger motor
15 vehicles; travel and transportation; care of the dead; re-
16 cruiting; procurement of services, supplies, and equip-
17 ment; and communications, \$3,233,745,000.

18 OPERATION AND MAINTENANCE, ARMY NATIONAL

19 GUARD

20 For expenses of training, organizing, and admin-
21 istering the Army National Guard, including medical and
22 hospital treatment and related expenses in non-Federal
23 hospitals; maintenance, operation, and repairs to struc-
24 tures and facilities; hire of passenger motor vehicles; per-
25 sonnel services in the National Guard Bureau; travel ex-

1 penses (other than mileage), as authorized by law for
2 Army personnel on active duty, for Army National Guard
3 division, regimental, and battalion commanders while in-
4 specting units in compliance with National Guard Bureau
5 regulations when specifically authorized by the Chief, Na-
6 tional Guard Bureau; supplying and equipping the Army
7 National Guard as authorized by law; and expenses of re-
8 pair, modification, maintenance, and issue of supplies and
9 equipment (including aircraft), \$7,275,820,000.

10 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

11 For expenses of training, organizing, and admin-
12 istering the Air National Guard, including medical and
13 hospital treatment and related expenses in non-Federal
14 hospitals; maintenance, operation, and repairs to struc-
15 tures and facilities; transportation of things, hire of pas-
16 senger motor vehicles; supplying and equipping the Air
17 National Guard, as authorized by law; expenses for repair,
18 modification, maintenance, and issue of supplies and
19 equipment, including those furnished from stocks under
20 the control of agencies of the Department of Defense;
21 travel expenses (other than mileage) on the same basis as
22 authorized by law for Air National Guard personnel on
23 active Federal duty, for Air National Guard commanders
24 while inspecting units in compliance with National Guard

1 Bureau regulations when specifically authorized by the
2 Chief, National Guard Bureau, \$6,735,930,000.

3 UNITED STATES COURT OF APPEALS FOR THE ARMED
4 FORCES

5 For salaries and expenses necessary for the United
6 States Court of Appeals for the Armed Forces,
7 \$14,538,000, of which not to exceed \$5,000 may be used
8 for official representation purposes.

9 ENVIRONMENTAL RESTORATION, ARMY
10 (INCLUDING TRANSFER OF FUNDS)

11 For the Department of the Army, \$215,809,000, to
12 remain available until transferred: *Provided*, That the Sec-
13 retary of the Army shall, upon determining that such
14 funds are required for environmental restoration, reduc-
15 tion and recycling of hazardous waste, removal of unsafe
16 buildings and debris of the Department of the Army, or
17 for similar purposes, transfer the funds made available by
18 this appropriation to other appropriations made available
19 to the Department of the Army, to be merged with and
20 to be available for the same purposes and for the same
21 time period as the appropriations to which transferred:
22 *Provided further*, That upon a determination that all or
23 part of the funds transferred from this appropriation are
24 not necessary for the purposes provided herein, such
25 amounts may be transferred back to this appropriation:

1 *Provided further*, That the transfer authority provided
2 under this heading is in addition to any other transfer au-
3 thority provided elsewhere in this Act.

4 ENVIRONMENTAL RESTORATION, NAVY
5 (INCLUDING TRANSFER OF FUNDS)

6 For the Department of the Navy, \$288,915,000 (in-
7 creased by \$34,734,000) (increased by \$30,000,000), to
8 remain available until transferred: *Provided*, That the Sec-
9 retary of the Navy shall, upon determining that such
10 funds are required for environmental restoration, reduc-
11 tion and recycling of hazardous waste, removal of unsafe
12 buildings and debris of the Department of the Navy, or
13 for similar purposes, transfer the funds made available by
14 this appropriation to other appropriations made available
15 to the Department of the Navy, to be merged with and
16 to be available for the same purposes and for the same
17 time period as the appropriations to which transferred:
18 *Provided further*, That upon a determination that all or
19 part of the funds transferred from this appropriation are
20 not necessary for the purposes provided herein, such
21 amounts may be transferred back to this appropriation:
22 *Provided further*, That the transfer authority provided
23 under this heading is in addition to any other transfer au-
24 thority provided elsewhere in this Act.

1 ENVIRONMENTAL RESTORATION, AIR FORCE

2 (INCLUDING TRANSFER OF FUNDS)

3 For the Department of the Air Force, \$308,749,000
4 (increased by \$30,000,000), to remain available until
5 transferred: *Provided*, That the Secretary of the Air Force
6 shall, upon determining that such funds are required for
7 environmental restoration, reduction and recycling of haz-
8 ardous waste, removal of unsafe buildings and debris of
9 the Department of the Air Force, or for similar purposes,
10 transfer the funds made available by this appropriation
11 to other appropriations made available to the Department
12 of the Air Force, to be merged with and to be available
13 for the same purposes and for the same time period as
14 the appropriations to which transferred: *Provided further*,
15 That upon a determination that all or part of the funds
16 transferred from this appropriation are not necessary for
17 the purposes provided herein, such amounts may be trans-
18 ferred back to this appropriation: *Provided further*, That
19 the transfer authority provided under this heading is in
20 addition to any other transfer authority provided else-
21 where in this Act.

22 ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

23 (INCLUDING TRANSFER OF FUNDS)

24 For the Department of Defense, \$9,002,000 (in-
25 creased by \$10,000,000), to remain available until trans-

ferred: *Provided*, That the Secretary of Defense shall,
upon determining that such funds are required for envi-
ronmental restoration, reduction and recycling of haz-
ardous waste, removal of unsafe buildings and debris of
the Department of Defense, or for similar purposes, trans-
fer the funds made available by this appropriation to other
appropriations made available to the Department of De-
fense, to be merged with and to be available for the same
purposes and for the same time period as the appropria-
tions to which transferred: *Provided further*, That upon
a determination that all or part of the funds transferred
from this appropriation are not necessary for the purposes
provided herein, such amounts may be transferred back
to this appropriation: *Provided further*, That the transfer
authority provided under this heading is in addition to any
other transfer authority provided elsewhere in this Act.

ENVIRONMENTAL RESTORATION, FORMERLY USED
DEFENSE SITES

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, \$233,673,000, to
remain available until transferred: *Provided*, That the Sec-
retary of the Army shall, upon determining that such
funds are required for environmental restoration, reduc-
tion and recycling of hazardous waste, removal of unsafe
buildings and debris at sites formerly used by the Depart-

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

13 OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

14 For expenses relating to the Overseas Humanitarian,
15 Disaster, and Civic Aid programs of the Department of
16 Defense (consisting of the programs provided under sec-
17 tions 401, 402, 404, 407, 2557, and 2561 of title 10,
18 United States Code), \$107,900,000, to remain available
19 until September 30, 2018.

20 COOPERATIVE THREAT REDUCTION ACCOUNT

21 For assistance, including assistance provided by con-
22 tract or by grants, under programs and activities of the
23 Department of Defense Cooperative Threat Reduction
24 Program authorized under the Department of Defense Co-

1 operative Threat Reduction Act, \$324,600,000, to remain
2 available until September 30, 2019.

3 OPERATION AND MAINTENANCE, NATIONAL DEFENSE
4 RESTORATION FUND
5 (INCLUDING TRANSFER OF FUNDS)

6 In addition to amounts provided elsewhere in this
7 Act, there is appropriated \$5,000,000,000, for the “Oper-
8 ation and Maintenance, National Defense Restoration
9 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 De-
12 fense Strategy: *Provided further*, That such funds shall not
13 be available for transfer until 30 days after the Secretary
14 has submitted, and the congressional defense committees
15 have approved, the proposed allocation plan for the use
16 of such funds to implement such strategy: *Provided fur-*
17 *ther*, That such allocation plan shall include a detailed jus-
18 tification for the use of such funds and a description of
19 how such investments are necessary to implement the
20 strategy: *Provided further*, That the Secretary of Defense
21 may transfer these funds only to operation and mainte-
22 nance accounts: *Provided further*, That the funds trans-
23 ferred shall be merged with and shall be available for the
24 same purposes and for the same time period, as the appro-
25 priation to which transferred: *Provided further*, That none

1 of the funds made available under this heading may be
2 transferred to any program, project, or activity specifically
3 limited or denied by this Act: *Provided further*, That the
4 transfer authority provided under this heading is in addi-
5 tion to any other transfer authority available to the De-
6 partment of Defense.

7 TITLE III

8 PROCUREMENT

9 AIRCRAFT PROCUREMENT, ARMY

10 For construction, procurement, production, modifica-
11 tion, and modernization of aircraft, equipment, including
12 ordnance, ground handling equipment, spare parts, and
13 accessories therefor; specialized equipment and training
14 devices; expansion of public and private plants, including
15 the land necessary therefor, for the foregoing purposes,
16 and such lands and interests therein, may be acquired,
17 and construction prosecuted thereon prior to approval of
18 title; and procurement and installation of equipment, ap-
19 pliances, and machine tools in public and private plants;
20 reserve plant and Government and contractor-owned
21 equipment layaway; and other expenses necessary for the
22 foregoing purposes, \$4,456,533,000, to remain available
23 for obligation until September 30, 2020.

1 MISSILE PROCUREMENT, ARMY

2 For construction, procurement, production, modifica-
3 tion, and modernization of missiles, equipment, including
4 ordnance, ground handling equipment, spare parts, and
5 accessories therefor; specialized equipment and training
6 devices; expansion of public and private plants, including
7 the land necessary therefor, for the foregoing purposes,
8 and such lands and interests therein, may be acquired,
9 and construction prosecuted thereon prior to approval of
10 title; and procurement and installation of equipment, ap-
11 pliances, and machine tools in public and private plants;
12 reserve plant and Government and contractor-owned
13 equipment layaway; and other expenses necessary for the
14 foregoing purposes, \$2,581,600,000, to remain available
15 for obligation until September 30, 2020.

16 PROCUREMENT OF WEAPONS AND TRACKED COMBAT
17 VEHICLES, ARMY

18 For construction, procurement, production, and
19 modification of weapons and tracked combat vehicles,
20 equipment, including ordnance, spare parts, and acces-
21 sories therefor; specialized equipment and training devices;
22 expansion of public and private plants, including the land
23 necessary therefor, for the foregoing purposes, and such
24 lands and interests therein, may be acquired, and con-
25 struction prosecuted thereon prior to approval of title; and

1 procurement and installation of equipment, appliances,
2 and machine tools in public and private plants; reserve
3 plant and Government and contractor-owned equipment
4 layaway; and other expenses necessary for the foregoing
5 purposes, \$3,556,175,000, to remain available for obliga-
6 tion until September 30, 2020.

7 PROCUREMENT OF AMMUNITION, ARMY

8 For construction, procurement, production, and
9 modification of ammunition, and accessories therefor; spe-
10 cialized equipment and training devices; expansion of pub-
11 lic and private plants, including ammunition facilities, au-
12 thorized by section 2854 of title 10, United States Code,
13 and the land necessary therefor, for the foregoing pur-
14 poses, and such lands and interests therein, may be ac-
15 quired, and construction prosecuted thereon prior to ap-
16 proval of title; and procurement and installation of equip-
17 ment, appliances, and machine tools in public and private
18 plants; reserve plant and Government and contractor-
19 owned equipment layaway; and other expenses necessary
20 for the foregoing purposes, \$1,811,808,000, to remain
21 available for obligation until September 30, 2020.

22 OTHER PROCUREMENT, ARMY

23 For construction, procurement, production, and
24 modification of vehicles, including tactical, support, and
25 non-tracked combat vehicles; the purchase of passenger

1 motor vehicles for replacement only; communications and
2 electronic equipment; other support equipment; spare
3 parts, ordnance, and accessories therefor; specialized
4 equipment and training devices; expansion of public and
5 private plants, including the land necessary therefor, for
6 the foregoing purposes, and such lands and interests
7 therein, may be acquired, and construction prosecuted
8 thereon prior to approval of title; and procurement and
9 installation of equipment, appliances, and machine tools
10 in public and private plants; reserve plant and Govern-
11 ment and contractor-owned equipment layaway; and other
12 expenses necessary for the foregoing purposes,
13 \$6,356,044,000 (increased by \$30,000,000), to remain
14 available for obligation until September 30, 2020.

15 AIRCRAFT PROCUREMENT, NAVY

16 For construction, procurement, production, modifica-
17 tion, and modernization of aircraft, equipment, including
18 ordnance, spare parts, and accessories therefor; specialized
19 equipment; expansion of public and private plants, includ-
20 ing the land necessary therefor, and such lands and inter-
21 ests therein, may be acquired, and construction prosecuted
22 thereon prior to approval of title; and procurement and
23 installation of equipment, appliances, and machine tools
24 in public and private plants; reserve plant and Govern-
25 ment and contractor-owned equipment layaway,

1 \$17,908,270,000, to remain available for obligation until
2 September 30, 2020.

3 WEAPONS PROCUREMENT, NAVY

4 For construction, procurement, production, modifica-
5 tion, and modernization of missiles, torpedoes, other weap-
6 ons, and related support equipment including spare parts,
7 and accessories therefor; expansion of public and private
8 plants, including the land necessary therefor, and such
9 lands and interests therein, may be acquired, and con-
10 struction prosecuted thereon prior to approval of title; and
11 procurement and installation of equipment, appliances,
12 and machine tools in public and private plants; reserve
13 plant and Government and contractor-owned equipment
14 layaway, \$3,387,826,000 (increased by \$26,200,000), to
15 remain available for obligation until September 30, 2020.

16 PROCUREMENT OF AMMUNITION, NAVY AND MARINE
17 CORPS

18 For construction, procurement, production, and
19 modification of ammunition, and accessories therefor; spe-
20 cialized equipment and training devices; expansion of pub-
21 lic and private plants, including ammunition facilities, au-
22 thorized by section 2854 of title 10, United States Code,
23 and the land necessary therefor, for the foregoing pur-
24 poses, and such lands and interests therein, may be ac-
25 quired, and construction prosecuted thereon prior to ap-

1 proval of title; and procurement and installation of equip-
2 ment, appliances, and machine tools in public and private
3 plants; reserve plant and Government and contractor-
4 owned equipment layaway; and other expenses necessary
5 for the foregoing purposes, \$735,651,000, to remain avail-
6 able for obligation until September 30, 2020.

7 SHIPBUILDING AND CONVERSION, NAVY

8 For expenses necessary for the construction, acquisi-
9 tion, or conversion of vessels as authorized by law, includ-
10 ing armor and armament thereof, plant equipment, appli-
11 ances, and machine tools and installation thereof in public
12 and private plants; reserve plant and Government and con-
13 tractor-owned equipment layaway; procurement of critical,
14 long lead time components and designs for vessels to be
15 constructed or converted in the future; and expansion of
16 public and private plants, including land necessary there-
17 for, and such lands and interests therein, may be acquired,
18 and construction prosecuted thereon prior to approval of
19 title, as follows:

20 Ohio Replacement Submarine (AP),
21 \$842,853,000;

22 Carrier Replacement Program, \$1,869,646,000;

23 Carrier Replacement Program (AP),
24 \$2,561,058,000;

25 Virginia Class Submarine, \$3,305,315,000;

1 Virginia Class Submarine (AP),
2 \$1,920,596,000;
3 CVN Refueling Overhauls, \$1,569,669,000;
4 CVN Refueling Overhauls (AP), \$75,897,000;
5 DDG-1000 Program, \$164,976,000;
6 DDG-51 Destroyer, \$3,499,079,000;
7 DDG-51 Destroyer (AP), \$90,336,000;
8 Littoral Combat Ship, \$1,566,971,000;
9 Expeditionary Sea Base, \$635,000,000;
10 LHA Replacement, \$1,695,077,000;
11 TAO Fleet Oiler, \$449,415,000;
12 TAO Fleet Oiler (AP), \$75,068,000;
13 Ship to Shore Connector, \$390,554,000;
14 Service Craft, \$23,994,000;
15 Towing, Salvage, and Rescue Ship,
16 \$76,204,000;
17 LCU 1700, \$31,850,000;
18 For outfitting, post delivery, conversions, and
19 first destination transportation, \$542,626,000; and
20 Completion of Prior Year Shipbuilding Pro-
21 grams, \$117,542,000.
22 In all: \$21,503,726,000, to remain available for obli-
23 gation until September 30, 2022: *Provided*, That addi-
24 tional obligations may be incurred after September 30,
25 2022, for engineering services, tests, evaluations, and

1 other such budgeted work that must be performed in the
2 final stage of ship construction: *Provided further*, That
3 none of the funds provided under this heading for the con-
4 struction or conversion of any naval vessel to be con-
5 structed in shipyards in the United States shall be ex-
6 pended in foreign facilities for the construction of major
7 components of such vessel: *Provided further*, That none
8 of the funds provided under this heading shall be used
9 for the construction of any naval vessel in foreign ship-
10 yards: *Provided further*, That funds appropriated or other-
11 wise made available by this Act for production of the com-
12 mon missile compartment of nuclear-powered vessels may
13 be available for multiyear procurement of critical compo-
14 nents to support continuous production of such compart-
15 ments only in accordance with the provisions of subsection
16 (i) of section 2218a of title 10, United States Code (as
17 added by section 1023 of the National Defense Authoriza-
18 tion Act for Fiscal Year 2017 (Public Law 114–328)).

19 OTHER PROCUREMENT, NAVY

20 For procurement, production, and modernization of
21 support equipment and materials not otherwise provided
22 for, Navy ordnance (except ordnance for new aircraft, new
23 ships, and ships authorized for conversion); the purchase
24 of passenger motor vehicles for replacement only; expan-
25 sion of public and private plants, including the land nec-

1 essary therefor, and such lands and interests therein, may
2 be acquired, and construction prosecuted thereon prior to
3 approval of title; and procurement and installation of
4 equipment, appliances, and machine tools in public and
5 private plants; reserve plant and Government and con-
6 tractor-owned equipment layaway, \$7,852,952,000, to re-
7 main available for obligation until September 30, 2020.

8 PROCUREMENT, MARINE CORPS

9 For expenses necessary for the procurement, manu-
10 facture, and modification of missiles, armament, military
11 equipment, spare parts, and accessories therefor; plant
12 equipment, appliances, and machine tools, and installation
13 thereof in public and private plants; reserve plant and
14 Government and contractor-owned equipment layaway; ve-
15 hicles for the Marine Corps, including the purchase of pas-
16 senger motor vehicles for replacement only; and expansion
17 of public and private plants, including land necessary
18 therefor, and such lands and interests therein, may be ac-
19 quired, and construction prosecuted thereon prior to ap-
20 proval of title, \$1,818,846,000 (increased by
21 \$20,000,000), to remain available for obligation until Sep-
22 tember 30, 2020.

23 AIRCRAFT PROCUREMENT, AIR FORCE

24 For construction, procurement, and modification of
25 aircraft and equipment, including armor and armament,

1 specialized ground handling equipment, and training de-
2 vices, spare parts, and accessories therefor; specialized
3 equipment; expansion of public and private plants, Gov-
4 ernment-owned equipment and installation thereof in such
5 plants, erection of structures, and acquisition of land, for
6 the foregoing purposes, and such lands and interests
7 therein, may be acquired, and construction prosecuted
8 thereon prior to approval of title; reserve plant and Gov-
9 ernment and contractor-owned equipment layaway; and
10 other expenses necessary for the foregoing purposes in-
11 cluding rents and transportation of things,
12 \$16,553,196,000 (increased by \$16,000,000), to remain
13 available for obligation until September 30, 2020.

14 MISSILE PROCUREMENT, AIR FORCE

15 For construction, procurement, and modification of
16 missiles, rockets, and related equipment, including spare
17 parts and accessories therefor; ground handling equip-
18 ment, and training devices; expansion of public and pri-
19 vate plants, Government-owned equipment and installa-
20 tion thereof in such plants, erection of structures, and ac-
21 quisition of land, for the foregoing purposes, and such
22 lands and interests therein, may be acquired, and con-
23 struction prosecuted thereon prior to approval of title; re-
24 serve plant and Government and contractor-owned equip-
25 ment layaway; and other expenses necessary for the fore-

1 going purposes including rents and transportation of
2 things, \$2,203,101,000, to remain available for obligation
3 until September 30, 2020.

4 SPACE PROCUREMENT, AIR FORCE

5 For construction, procurement, and modification of
6 spacecraft, rockets, and related equipment, including
7 spare parts and accessories therefor; ground handling
8 equipment, and training devices; expansion of public and
9 private plants, Government-owned equipment and installa-
10 tion thereof in such plants, erection of structures, and ac-
11 quisition of land, for the foregoing purposes, and such
12 lands and interests therein, may be acquired, and con-
13 struction prosecuted thereon prior to approval of title; re-
14 serve plant and Government and contractor-owned equip-
15 ment layaway; and other expenses necessary for the fore-
16 going purposes including rents and transportation of
17 things, \$3,210,355,000, to remain available for obligation
18 until September 30, 2020.

19 PROCUREMENT OF AMMUNITION, AIR FORCE

20 For construction, procurement, production, and
21 modification of ammunition, and accessories therefor; spe-
22 cialized equipment and training devices; expansion of pub-
23 lic and private plants, including ammunition facilities, au-
24 thorized by section 2854 of title 10, United States Code,
25 and the land necessary therefor, 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; and procurement and installation of equip-
4 ment, appliances, and machine tools in public and private
5 plants; reserve plant and Government and contractor-
6 owned equipment layaway; and other expenses necessary
7 for the foregoing purposes, \$1,316,977,000, to remain
8 available for obligation until September 30, 2020.

9 OTHER PROCUREMENT, AIR FORCE

10 For procurement and modification of equipment (in-
11 cluding ground guidance and electronic control equipment,
12 and ground electronic and communication equipment),
13 and supplies, materials, and spare parts therefor, not oth-
14 erwise provided for; the purchase of passenger motor vehi-
15 cles for replacement only; lease of passenger motor vehi-
16 cles; and expansion of public and private plants, Govern-
17 ment-owned equipment and installation thereof in such
18 plants, erection of structures, and acquisition of land, for
19 the foregoing purposes, and such lands and interests
20 therein, may be acquired, and construction prosecuted
21 thereon, prior to approval of title; reserve plant and Gov-
22 ernment and contractor-owned equipment layaway,
23 \$19,318,814,000, to remain available for obligation until
24 September 30, 2020.

1 PROCUREMENT, DEFENSE-WIDE

2 For expenses of activities and agencies of the Depart-
3 ment of Defense (other than the military departments)
4 necessary for procurement, production, and modification
5 of equipment, supplies, materials, and spare parts there-
6 for, not otherwise provided for; the purchase of passenger
7 motor vehicles for replacement only; expansion of public
8 and private plants, equipment, and installation thereof in
9 such plants, erection of structures, and acquisition of land
10 for the foregoing purposes, and such lands and interests
11 therein, may be acquired, and construction prosecuted
12 thereon prior to approval of title; reserve plant and Gov-
13 ernment and contractor-owned equipment layaway,
14 \$5,239,239,000 (reduced by \$10,000,000), to remain
15 available for obligation until September 30, 2020.

16 DEFENSE PRODUCTION ACT PURCHASES

17 For activities by the Department of Defense pursuant
18 to sections 108, 301, 302, and 303 of the Defense Produc-
19 tion Act of 1950 (50 U.S.C. 4518, 4531, 4532, and 4533),
20 \$67,401,000, to remain available until expended.

21 PROCUREMENT, NATIONAL DEFENSE RESTORATION

22 FUND

23 (INCLUDING TRANSFER OF FUNDS)

24 In addition to amounts provided elsewhere in this
25 Act, there is appropriated \$12,622,931,000, for the “Pro-

1 curement, National Defense Restoration Fund”: *Provided*,
2 That such funds provided under this heading shall only
3 be available for programs, projects and activities necessary
4 to implement the 2018 National Defense Strategy: *Pro-*
5 *vided further*, That such funds shall not be available for
6 transfer until 30 days after the Secretary has submitted,
7 and the congressional defense committees have approved,
8 the proposed allocation plan for the use of such funds to
9 implement such strategy: *Provided further*, That such allo-
10 cation plan shall include a detailed justification for the use
11 of such funds and a description of how such investments
12 are necessary to implement the strategy: *Provided further*,
13 That the Secretary of Defense may transfer these funds
14 only to procurement accounts: *Provided further*, That the
15 funds transferred shall be merged with and shall be avail-
16 able for the same purposes and for the same time period,
17 as the appropriation to which transferred: *Provided fur-*
18 *ther*, That none of the funds made available under this
19 heading may be transferred to any program, project, or
20 activity specifically limited or denied by this Act, except
21 for missile defense requirements resulting from urgent or
22 emergent operational needs: *Provided further*, That the
23 transfer authority provided under this heading is in addi-
24 tion to any other transfer authority available to the De-
25 partment of Defense.

1 TITLE IV
2 RESEARCH, DEVELOPMENT, TEST AND
3 EVALUATION

4 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
5 ARMY

6 For expenses necessary for basic and applied sci-
7 entific research, development, test and evaluation, includ-
8 ing maintenance, rehabilitation, lease, and operation of fa-
9 cilities and equipment, \$9,674,222,000 (increased by
10 \$6,000,000) (increased by \$4,000,000) (increased by
11 \$12,000,000) (increased by \$5,000,000), to remain avail-
12 able for obligation until September 30, 2019.

13 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
14 NAVY

15 For expenses necessary for basic and applied sci-
16 entific research, development, test and evaluation, includ-
17 ing maintenance, rehabilitation, lease, and operation of fa-
18 cilities and equipment, \$17,196,521,000 (increased by
19 \$598,000) (increased by \$20,000,000) (reduced by
20 \$2,500,000) (increased by \$24,000,000), to remain avail-
21 able for obligation until September 30, 2019: *Provided*,
22 That funds appropriated in this paragraph which are
23 available for the V-22 may be used to meet unique oper-
24 ational requirements of the Special Operations Forces.

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

3 For expenses necessary for basic and applied sci-
4 entific research, development, test and evaluation, includ-
5 ing maintenance, rehabilitation, lease, and operation of fa-
6 cilities and equipment, \$33,874,980,000 (increased by
7 \$5,000,000) (increased by \$6,000,000) (increased by
8 \$10,000,000) (reduced by \$30,000,000) (increased by
9 \$30,000,000), to remain available for obligation until Sep-
10 tember 30, 2019.

11 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
12 DEFENSE-WIDE

13 (INCLUDING TRANSFER OF FUNDS)

14 For expenses of activities and agencies of the Depart-
15 ment of Defense (other than the military departments),
16 necessary for basic and applied scientific research, devel-
17 opment, test and evaluation; advanced research projects
18 as may be designated and determined by the Secretary
19 of Defense, pursuant to law; maintenance, rehabilitation,
20 lease, and operation of facilities and equipment,
21 \$20,698,353,000 (reduced by \$16,000,000) (reduced by
22 \$12,000,000) (reduced by \$2,500,000) (reduced by
23 \$12,500,000) (increased by \$20,000,000) (reduced by
24 \$20,000,000) (reduced by \$4,135,000) (increased by
25 \$4,135,000) (reduced by \$27,500,000) (increased by

1 \$10,000,000), to remain available for obligation until Sep-
2 tember 30, 2019: *Provided*, That, of the funds made avail-
3 able in this paragraph, \$250,000,000 for the Defense
4 Rapid Innovation Program shall only be available for ex-
5 penses, not otherwise provided for, to include program
6 management and oversight, to conduct research, develop-
7 ment, test and evaluation to include proof of concept dem-
8 onstration; engineering, testing, and validation; and tran-
9 sition to full-scale production: *Provided further*, That the
10 Secretary of Defense may transfer funds provided herein
11 for the Defense Rapid Innovation Program to appropria-
12 tions for research, development, test and evaluation to ac-
13 complish the purpose provided herein: *Provided further*,
14 That this transfer authority is in addition to any other
15 transfer authority available to the Department of Defense:
16 *Provided further*, That the Secretary of Defense shall, not
17 fewer than 30 days prior to making transfers from this
18 appropriation, notify the congressional defense committees
19 in writing of the details of any such transfer.

20 OPERATIONAL TEST AND EVALUATION, DEFENSE

21 For expenses, not otherwise provided for, necessary
22 for the independent activities of the Director, Operational
23 Test and Evaluation, in the direction and supervision of
24 operational test and evaluation, including initial oper-
25 ational test and evaluation which is conducted prior to,

1 and in support of, production decisions; joint operational
2 testing and evaluation; and administrative expenses in
3 connection therewith, \$210,900,000, to remain available
4 for obligation until September 30, 2019.

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

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

1 be available for the same purposes and for the same time
2 period, as the appropriation to which transferred: *Pro-*
3 *vided further*, That none of the funds made available under
4 this heading may be transferred to any program, project,
5 or activity specifically limited or denied by this Act, except
6 for missile defense requirements resulting from urgent or
7 emergent operational needs: *Provided further*, That the
8 transfer authority provided under this heading is in addi-
9 tion to any other transfer authority available to the De-
10 partment of Defense.

11 TITLE V

12 REVOLVING AND MANAGEMENT FUNDS

13 DEFENSE WORKING CAPITAL FUNDS

14 For the Defense Working Capital Funds,
15 \$1,586,596,000.

16 TITLE VI

17 OTHER DEPARTMENT OF DEFENSE PROGRAMS

18 DEFENSE HEALTH PROGRAM

19 For expenses, not otherwise provided for, for medical
20 and health care programs of the Department of Defense
21 as authorized by law, \$33,931,566,000 (increased by
22 \$7,000,000) (increased by \$1,000,000) (increased by
23 \$10,000,000) (increased by \$2,000,000) (increased by
24 \$2,000,000) (increased by \$10,000,000) (increased by
25 \$5,000,000) (increased by \$10,000,000); of which

1 \$31,735,923,000 (increased by \$2,000,000) (increased by
2 \$5,000,000) shall be for operation and maintenance, of
3 which not to exceed one percent shall remain available for
4 obligation until September 30, 2019, and of which up to
5 \$15,349,700,000 may be available for contracts entered
6 into under the TRICARE program; of which
7 \$895,328,000, to remain available for obligation until Sep-
8 tember 30, 2020, shall be for procurement; and of which
9 \$1,300,315,000 (increased by \$7,000,000) (increased by
10 \$1,000,000) (increased by \$10,000,000) (increased by
11 \$2,000,000) (increased by \$10,000,000) (increased by
12 \$10,000,000), to remain available for obligation until Sep-
13 tember 30, 2019, shall be for research, development, test
14 and evaluation: *Provided*, That, notwithstanding any other
15 provision of law, of the amount made available under this
16 heading for research, development, test and evaluation,
17 not less than \$8,000,000 shall be available for HIV pre-
18 vention educational activities undertaken in connection
19 with United States military training, exercises, and hu-
20 manitarian assistance activities conducted primarily in Af-
21 rican nations: *Provided further*, That of the funds provided
22 under this heading for research, development, test and
23 evaluation, not less than \$627,100,000 shall be made
24 available to the United States Army Medical Research and

1 Materiel Command to carry out the congressionally di-
2 rected medical research programs.

3 CHEMICAL AGENTS AND MUNITIONS DESTRUCTION,
4 DEFENSE

5 For expenses, not otherwise provided for, necessary
6 for the destruction of the United States stockpile of lethal
7 chemical agents and munitions in accordance with the pro-
8 visions of section 1412 of the Department of Defense Au-
9 thorization Act, 1986 (50 U.S.C. 1521), and for the de-
10 struction of other chemical warfare materials that are not
11 in the chemical weapon stockpile, \$961,732,000, of which
12 \$104,237,000 shall be for operation and maintenance, of
13 which no less than \$49,401,000 shall be for the Chemical
14 Stockpile Emergency Preparedness Program, consisting of
15 \$21,045,000 for activities on military installations and
16 \$28,356,000, to remain available until September 30,
17 2019, to assist State and local governments; \$18,081,000
18 shall be for procurement, to remain available until Sep-
19 tember 30, 2020, of which \$18,081,000 shall be for the
20 Chemical Stockpile Emergency Preparedness Program to
21 assist State and local governments; and \$839,414,000, to
22 remain available until September 30, 2019, shall be for
23 research, development, test and evaluation, of which
24 \$750,700,000 shall only be for the Assembled Chemical
25 Weapons Alternatives program.

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 trans-
21 ferred back to this appropriation: *Provided further*, That
22 the transfer authority provided under this heading is in
23 addition to any other transfer authority contained else-
24 where in this Act.

1 OFFICE OF THE INSPECTOR GENERAL

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

14 TITLE VII

15 RELATED AGENCIES

16 CENTRAL INTELLIGENCE AGENCY RETIREMENT AND
17 DISABILITY SYSTEM FUND

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

23 INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

24 For necessary expenses of the Intelligence Commu-
25 nity Management Account, \$522,100,000.

1 TITLE VIII

2 GENERAL PROVISIONS

3 SEC. 1101. No part of any appropriation contained
4 in this Act shall be used for publicity or propaganda pur-
5 poses not authorized by the Congress.

6 SEC. 1102. During the current fiscal year, provisions
7 of law prohibiting the payment of compensation to, or em-
8 ployment of, any person not a citizen of the United States
9 shall not apply to personnel of the Department of Defense:
10 *Provided*, That salary increases granted to direct and indi-
11 rect hire foreign national employees of the Department of
12 Defense funded by this Act shall not be at a rate in excess
13 of the percentage increase authorized by law for civilian
14 employees of the Department of Defense whose pay is
15 computed under the provisions of section 5332 of title 5,
16 United States Code, or at a rate in excess of the percent-
17 age increase provided by the appropriate host nation to
18 its own employees, whichever is higher: *Provided further*,
19 That this section shall not apply to Department of De-
20 fense foreign service national employees serving at United
21 States diplomatic missions whose pay is set by the Depart-
22 ment of State under the Foreign Service Act of 1980: *Pro-*
23 *vided further*, That the limitations of this provision shall
24 not apply to foreign national employees of the Department
25 of Defense in the Republic of Turkey.

SEC. 1103. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 1104. No more than 20 percent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 1105. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed \$4,500,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated

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

19 SEC. 1106. (a) With regard to the list of specific pro-
20 grams, projects, and activities (and the dollar amounts
21 and adjustments to budget activities corresponding to
22 such programs, projects, and activities) contained in the
23 tables titled Explanation of Project Level Adjustments in
24 the explanatory statement regarding this Act, the obliga-
25 tion and expenditure of amounts appropriated or other-

1 wise made available in this Act for those programs,
2 projects, and activities for which the amounts appro-
3 priated exceed the amounts requested are hereby required
4 by law to be carried out in the manner provided by such
5 tables to the same extent as if the tables were included
6 in the text of this Act.

7 (b) Amounts specified in the referenced tables de-
8 scribed in subsection (a) shall not be treated as subdivi-
9 sions of appropriations for purposes of section 8005 of this
10 Act: *Provided*, That section 8005 shall apply when trans-
11 fers of the amounts described in subsection (a) occur be-
12 tween appropriation accounts.

13 SEC. 1107. (a) Not later than 60 days after enact-
14 ment of this Act, the Department of Defense shall submit
15 a report to the congressional defense committees to estab-
16 lish the baseline for application of reprogramming and
17 transfer authorities for fiscal year 2018: *Provided*, That
18 the report shall include—

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

24 (2) a delineation in the table for each appro-
25 priation both by budget activity and program,

1 project, and activity as detailed in the Budget Ap-
2 pendix; and

3 (3) an identification of items of special congres-
4 sional interest.

5 (b) Notwithstanding section 8005 of this Act, none
6 of the funds provided in this Act shall be available for
7 reprogramming or transfer until the report identified in
8 subsection (a) is submitted to the congressional defense
9 committees, unless the Secretary of Defense certifies in
10 writing to the congressional defense committees that such
11 reprogramming or transfer is necessary as an emergency
12 requirement: *Provided*, That this subsection shall not
13 apply to transfers from the following appropriations ac-
14 counts:

15 (1) “Environmental Restoration, Army”;

16 (2) “Environmental Restoration, Navy” ;

17 (3) “Environmental Restoration, Air Force”;

18 (4) “Environmental Restoration, Defense-
19 Wide”

20 (5) “Environmental Restoration, Formerly
21 Used Defense Sites”; and

22 (6) “Drug Interdiction and Counter-drug Ac-
23 tivities, Defense”.

1 (TRANSFER OF FUNDS)

2 SEC. 1108. During the current fiscal year, cash bal-
3 ances in working capital funds of the Department of De-
4 fense established pursuant to section 2208 of title 10,
5 United States Code, may be maintained in only such
6 amounts as are necessary at any time for cash disburse-
7 ments to be made from such funds: *Provided*, That trans-
8 fers may be made between such funds: *Provided further*,
9 That transfers may be made between working capital
10 funds and the “Foreign Currency Fluctuations, Defense”
11 appropriation and the “Operation and Maintenance” ap-
12 propriation accounts in such amounts as may be deter-
13 mined by the Secretary of Defense, with the approval of
14 the Office of Management and Budget, except that such
15 transfers may not be made unless the Secretary of Defense
16 has notified the Congress of the proposed transfer: *Pro-*
17 *vided further*, That except in amounts equal to the
18 amounts appropriated to working capital funds in this Act,
19 no obligations may be made against a working capital fund
20 to procure or increase the value of war reserve material
21 inventory, unless the Secretary of Defense has notified the
22 Congress prior to any such obligation.

23 SEC. 1109. Funds appropriated by this Act may not
24 be used to initiate a special access program without prior

1 notification 30 calendar days in advance to the congres-
2 sional defense committees.

3 SEC. 1110. None of the funds provided in this Act
4 shall be available to initiate: (1) a multiyear contract that
5 employs economic order quantity procurement in excess of
6 \$20,000,000 in any one year of the contract or that in-
7 cludes an unfunded contingent liability in excess of
8 \$20,000,000; or (2) a contract for advance procurement
9 leading to a multiyear contract that employs economic
10 order quantity procurement in excess of \$20,000,000 in
11 any one year, unless the congressional defense committees
12 have been notified at least 30 days in advance of the pro-
13 posed contract award: *Provided*, That no part of any ap-
14 propriation contained in this Act shall be available to ini-
15 tiate a multiyear contract for which the economic order
16 quantity advance procurement is not funded at least to
17 the limits of the Government's liability: *Provided further*,
18 That no part of any appropriation contained in this Act
19 shall be available to initiate multiyear procurement con-
20 tracts for any systems or component thereof if the value
21 of the multiyear contract would exceed \$500,000,000 un-
22 less specifically provided in this Act: *Provided further*,
23 That no multiyear procurement contract can be termi-
24 nated without 30-day prior notification to the congres-
25 sional defense committees: *Provided further*, That the exe-

1 cution of multiyear authority shall require the use of a
2 present value analysis to determine lowest cost compared
3 to an annual procurement: *Provided further*, That none of
4 the funds provided in this Act may be used for a multiyear
5 contract executed after the date of the enactment of this
6 Act unless in the case of any such contract—

7 (1) the Secretary of Defense has submitted to
8 Congress a budget request for full funding of units
9 to be procured through the contract and, in the case
10 of a contract for procurement of aircraft, that in-
11 cludes, for any aircraft unit to be procured through
12 the contract for which procurement funds are re-
13 quested in that budget request for production be-
14 yond advance procurement activities in the fiscal
15 year covered by the budget, full funding of procure-
16 ment of such unit in that fiscal year;

17 (2) cancellation provisions in the contract do
18 not include consideration of recurring manufacturing
19 costs of the contractor associated with the produc-
20 tion of unfunded units to be delivered under the con-
21 tract;

22 (3) the contract provides that payments to the
23 contractor under the contract shall not be made in
24 advance of incurred costs on funded units; and

1 (4) the contract does not provide for a price ad-
2 justment based on a failure to award a follow-on
3 contract.

4 Funds appropriated in title III of this Act may be used,
5 subject to section 2306b of title 10 , United States Code,
6 for multiyear procurement contracts as follows: V-22 Os-
7 prey aircraft variants; up to 13 SSN Virginia Class Sub-
8 marines and Government-furnished equipment; and
9 DDG-51 Arleigh Burke class Flight III guided missile de-
10 stroyers, the MK 41 Vertical Launching Systems, and as-
11 sociated Government-furnished systems and subsystems.

12 SEC. 1111. Within the funds appropriated for the op-
13 eration and maintenance of the Armed Forces, funds are
14 hereby appropriated pursuant to section 401 of title 10,
15 United States Code, for humanitarian and civic assistance
16 costs under chapter 20 of title 10, United States Code.
17 Such funds may also be obligated for humanitarian and
18 civic assistance costs incidental to authorized operations
19 and pursuant to authority granted in section 401 of chap-
20 ter 20 of title 10, United States Code, and these obliga-
21 tions shall be reported as required by section 401(d) of
22 title 10, United States Code: *Provided*, That funds avail-
23 able for operation and maintenance shall be available for
24 providing humanitarian and similar assistance by using
25 Civic Action Teams in the Trust Territories of the Pacific

1 Islands and freely associated states of Micronesia, pursu-
2 ant to the Compact of Free Association as authorized by
3 Public Law 99–239: *Provided further*, That upon a deter-
4 mination by the Secretary of the Army that such action
5 is beneficial for graduate medical education programs con-
6 ducted at Army medical facilities located in Hawaii, the
7 Secretary of the Army may authorize the provision of med-
8 ical services at such facilities and transportation to such
9 facilities, on a nonreimbursable basis, for civilian patients
10 from American Samoa, the Commonwealth of the North-
11 ern Mariana Islands, the Marshall Islands, the Federated
12 States of Micronesia, Palau, and Guam.

13 SEC. 1112. (a) During the current fiscal year, the
14 civilian personnel of the Department of Defense may not
15 be managed on the basis of any end-strength, and the
16 management of such personnel during that fiscal year
17 shall not be subject to any constraint or limitation (known
18 as an end-strength) on the number of such personnel who
19 may be employed on the last day of such fiscal year.

20 (b) The fiscal year 2019 budget request for the De-
21 partment of Defense as well as all justification material
22 and other documentation supporting the fiscal year 2019
23 Department of Defense budget request shall be prepared
24 and submitted to the Congress as if subsections (a) and

1 (b) of this provision were effective with regard to fiscal
2 year 2019.

3 (c) As required by section 1107 of the National De-
4 fense Authorization Act for Fiscal Year 2014 (Public Law
5 113–66; 10 U.S.C. 2358 note) civilian personnel at the
6 Department of Army Science and Technology Reinvention
7 Laboratories may not be managed on the basis of the
8 Table of Distribution and Allowances, and the manage-
9 ment of the workforce strength shall be done in a manner
10 consistent with the budget available with respect to such
11 Laboratories.

12 (d) Nothing in this section shall be construed to apply
13 to military (civilian) technicians.

14 SEC. 1113. None of the funds made available by this
15 Act shall be used in any way, directly or indirectly, to in-
16 fluence congressional action on any legislation or appro-
17 priation matters pending before the Congress.

18 SEC. 1114. None of the funds appropriated by this
19 Act shall be available for the basic pay and allowances of
20 any member of the Army participating as a full-time stu-
21 dent and receiving benefits paid by the Secretary of Vet-
22 erans Affairs from the Department of Defense Education
23 Benefits Fund when time spent as a full-time student is
24 credited toward completion of a service commitment: *Pro-*
25 *vided*, That this section shall not apply to those members

1 who have reenlisted with this option prior to October 1,
2 1987: *Provided further*, That this section applies only to
3 active components of the Army.

4 (TRANSFER OF FUNDS)

5 SEC. 1115. Funds appropriated in title III of this Act
6 for the Department of Defense Pilot Mentor-Protégé Pro-
7 gram may be transferred to any other appropriation con-
8 tained in this Act solely for the purpose of implementing
9 a Mentor-Protégé Program developmental assistance
10 agreement pursuant to section 831 of the National De-
11 fense Authorization Act for Fiscal Year 1991 (Public Law
12 101–510; 10 U.S.C. 2302 note), as amended, under the
13 authority of this provision or any other transfer authority
14 contained in this Act.

15 SEC. 1116. None of the funds in this Act may be
16 available for the purchase by the Department of Defense
17 (and its departments and agencies) of welded shipboard
18 anchor and mooring chain 4 inches in diameter and under
19 unless the anchor and mooring chain are manufactured
20 in the United States from components which are substan-
21 tially manufactured in the United States: *Provided*, That
22 for the purpose of this section, the term “manufactured”
23 shall include cutting, heat treating, quality control, testing
24 of chain and welding (including the forging and shot blast-
25 ing process): *Provided further*, That for the purpose of this

1 section substantially all of the components of anchor and
2 mooring chain shall be considered to be produced or manu-
3 factured in the United States if the aggregate cost of the
4 components produced or manufactured in the United
5 States exceeds the aggregate cost of the components pro-
6 duced or manufactured outside the United States: *Pro-*
7 *vided further*, That when adequate domestic supplies are
8 not available to meet Department of Defense requirements
9 on a timely basis, the Secretary of the service responsible
10 for the procurement may waive this restriction on a case-
11 by-case basis by certifying in writing to the Committees
12 on Appropriations that such an acquisition must be made
13 in order to acquire capability for national security pur-
14 poses.

15 SEC. 1117. None of the funds available to the De-
16 partment of Defense may be used to demilitarize or dis-
17 pose of M-1 Carbines, M-1 Garand rifles, M-14 rifles,
18 .22 caliber rifles, .30 caliber rifles, or M-1911 pistols, or
19 to demilitarize or destroy small arms ammunition or am-
20 munition components that are not otherwise prohibited
21 from commercial sale under Federal law, unless the small
22 arms ammunition or ammunition components are certified
23 by the Secretary of the Army or designee as unserviceable
24 or unsafe for further use.

1 SEC. 1118. No more than \$500,000 of the funds ap-
2 propriated or made available in this Act shall be used dur-
3 ing a single fiscal year for any single relocation of an orga-
4 nization, unit, activity or function of the Department of
5 Defense into or within the National Capital Region: *Pro-*
6 *vided*, That the Secretary of Defense may waive this re-
7 striction on a case-by-case basis by certifying in writing
8 to the congressional defense committees that such a relo-
9 cation is required in the best interest of the Government.

10 SEC. 1119. Of the funds made available in this Act,
11 \$20,000,000 shall be available for incentive payments au-
12 thorized by section 504 of the Indian Financing Act of
13 1974 (25 U.S.C. 1544): *Provided*, That a prime contractor
14 or a subcontractor at any tier that makes a subcontract
15 award to any subcontractor or supplier as defined in sec-
16 tion 1544 of title 25, United States Code, or a small busi-
17 ness owned and controlled by an individual or individuals
18 defined under section 4221(9) of title 25, United States
19 Code, shall be considered a contractor for the purposes
20 of being allowed additional compensation under section
21 504 of the Indian Financing Act of 1974 (25 U.S.C.
22 1544) whenever the prime contract or subcontract amount
23 is over \$500,000 and involves the expenditure of funds
24 appropriated by an Act making appropriations for the De-
25 partment of Defense with respect to any fiscal year: *Pro-*

1 *vided further*, That notwithstanding section 1906 of title
2 41, United States Code, this section shall be applicable
3 to any Department of Defense acquisition of supplies or
4 services, including any contract and any subcontract at
5 any tier for acquisition of commercial items produced or
6 manufactured, in whole or in part, by any subcontractor
7 or supplier defined in section 1544 of title 25, United
8 States Code, or a small business owned and controlled by
9 an individual or individuals defined under section 4221(9)
10 of title 25, United States Code.

11 SEC. 1120. Funds appropriated by this Act for the
12 Defense Media Activity shall not be used for any national
13 or international political or psychological activities.

14 SEC. 1121. During the current fiscal year, the De-
15 partment of Defense is authorized to incur obligations of
16 not to exceed \$350,000,000 for purposes specified in sec-
17 tion 2350j(c) of title 10, United States Code, in anticipa-
18 tion of receipt of contributions, only from the Government
19 of Kuwait, under that section: *Provided*, That, upon re-
20 ceipt, such contributions from the Government of Kuwait
21 shall be credited to the appropriations or fund which in-
22 curred such obligations.

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

1 (1) \$30,800,000 shall be available from “Oper-
2 ation and Maintenance, Air Force” to support Civil
3 Air Patrol Corporation operation and maintenance,
4 readiness, counter-drug activities, and drug demand
5 reduction activities involving youth programs;

6 (2) \$10,600,000 shall be available from “Air-
7 craft Procurement, Air Force”; and

8 (3) \$1,700,000 shall be available from “Other
9 Procurement, Air Force” for vehicle procurement.

10 (b) The Secretary of the Air Force should waive reim-
11 bursement for any funds used by the Civil Air Patrol for
12 counter-drug activities in support of Federal, State, and
13 local government agencies.

14 SEC. 1123. (a) None of the funds appropriated in this
15 Act are available to establish a new Department of De-
16 fense (department) federally funded research and develop-
17 ment center (FFRDC), either as a new entity, or as a
18 separate entity administrated by an organization man-
19 aging another FFRDC, or as a nonprofit membership cor-
20 poration consisting of a consortium of other FFRDCs and
21 other nonprofit entities.

22 (b) No member of a Board of Directors, Trustees,
23 Overseers, Advisory Group, Special Issues Panel, Visiting
24 Committee, or any similar entity of a defense FFRDC,
25 and no paid consultant to any defense FFRDC, except

1 when acting in a technical advisory capacity, may be com-
2 pensated for his or her services as a member of such enti-
3 ty, or as a paid consultant by more than one FFRDC in
4 a fiscal year: *Provided*, That a member of any such entity
5 referred to previously in this subsection shall be allowed
6 travel expenses and per diem as authorized under the Fed-
7 eral Joint Travel Regulations, when engaged in the per-
8 formance of membership duties.

9 (c) Notwithstanding any other provision of law, none
10 of the funds available to the department from any source
11 during the current fiscal year may be used by a defense
12 FFRDC, through a fee or other payment mechanism, for
13 construction of new buildings not located on a military in-
14 stallation, for payment of cost sharing for projects funded
15 by Government grants, for absorption of contract over-
16 runs, or for certain charitable contributions, not to include
17 employee participation in community service and/or devel-
18 opment.

19 (d) Notwithstanding any other provision of law, of
20 the funds available to the department during fiscal year
21 2018, not more than 6,000 staff years of technical effort
22 (staff years) may be funded for defense FFRDCs: *Pro-*
23 *vided*, That, of the specific amount referred to previously
24 in this subsection, not more than 1,180 staff years may
25 be funded for the defense studies and analysis FFRDCs:

1 *Provided further*, That this subsection shall not apply to
2 staff years funded in the National Intelligence Program
3 (NIP) and the Military Intelligence Program (MIP).

4 (e) The Secretary of Defense shall, with the submis-
5 sion of the department's fiscal year 2019 budget request,
6 submit a report presenting the specific amounts of staff
7 years of technical effort to be allocated for each defense
8 FFRDC during that fiscal year and the associated budget
9 estimates.

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

13 SEC. 1124. None of the funds appropriated or made
14 available in this Act shall be used to procure carbon, alloy,
15 or armor steel plate for use in any Government-owned fa-
16 cility or property under the control of the Department of
17 Defense which were not melted and rolled in the United
18 States or Canada: *Provided*, That these procurement re-
19 strictions shall apply to any and all Federal Supply Class
20 9515, American Society of Testing and Materials (ASTM)
21 or American Iron and Steel Institute (AISI) specifications
22 of carbon, alloy or armor steel plate: *Provided further*,
23 That the Secretary of the military department responsible
24 for the procurement may waive this restriction on a case-
25 by-case basis by certifying in writing to the Committees

1 on Appropriations of the House of Representatives and the
2 Senate that adequate domestic supplies are not available
3 to meet Department of Defense requirements on a timely
4 basis and that such an acquisition must be made in order
5 to acquire capability for national security purposes: *Pro-*
6 *vided further*, That these restrictions shall not apply to
7 contracts which are in being as of the date of the enact-
8 ment of this Act.

9 SEC. 1125. For the purposes of this Act, the term
10 “congressional defense committees” means the Armed
11 Services Committee of the House of Representatives, the
12 Armed Services Committee of the Senate, the Sub-
13 committee on Defense of the Committee on Appropriations
14 of the Senate, and the Subcommittee on Defense of the
15 Committee on Appropriations of the House of Representa-
16 tives.

17 SEC. 1126. During the current fiscal year, the De-
18 partment of Defense may acquire the modification, depot
19 maintenance and repair of aircraft, vehicles and vessels
20 as well as the production of components and other De-
21 fense-related articles, through competition between De-
22 partment of Defense depot maintenance activities and pri-
23 vate firms: *Provided*, That the Senior Acquisition Execu-
24 tive of the military department or Defense Agency con-
25 cerned, with power of delegation, shall certify that success-

1 ful bids include comparable estimates of all direct and in-
2 direct costs for both public and private bids: *Provided fur-*
3 *ther*, That Office of Management and Budget Circular A-
4 76 shall not apply to competitions conducted under this
5 section.

6 SEC. 1127. (a)(1) If the Secretary of Defense, after
7 consultation with the United States Trade Representative,
8 determines that a foreign country which is party to an
9 agreement described in paragraph (2) has violated the
10 terms of the agreement by discriminating against certain
11 types of products produced in the United States that are
12 covered by the agreement, the Secretary of Defense shall
13 rescind the Secretary's blanket waiver of the Buy Amer-
14 ican Act with respect to such types of products produced
15 in that foreign country.

16 (2) An agreement referred to in paragraph (1) is any
17 reciprocal defense procurement memorandum of under-
18 standing, between the United States and a foreign country
19 pursuant to which the Secretary of Defense has prospec-
20 tively waived the Buy American Act for certain products
21 in that country.

22 (b) The Secretary of Defense shall submit to the Con-
23 gress a report on the amount of Department of Defense
24 purchases from foreign entities in fiscal year 2018. Such
25 report shall separately indicate the dollar value of items

1 for which the Buy American Act was waived pursuant to
2 any agreement described in subsection (a)(2), the Trade
3 Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any
4 international agreement to which the United States is a
5 party.

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

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

15 SEC. 1129. (a) Notwithstanding any other provision
16 of law, the Secretary of the Air Force may convey at no
17 cost to the Air Force, without consideration, to Indian
18 tribes located in the States of Nevada, Idaho, North Da-
19 kota, South Dakota, Montana, Oregon, Minnesota, and
20 Washington relocatable military housing units located at
21 Grand Forks Air Force Base, Malmstrom Air Force Base,
22 Mountain Home Air Force Base, Ellsworth Air Force
23 Base, and Minot Air Force Base that are excess to the
24 needs of the Air Force.

1 (b) The Secretary of the Air Force shall convey, at
2 no cost to the Air Force, military housing units under sub-
3 section (a) in accordance with the request for such units
4 that are submitted to the Secretary by the Operation
5 Walking Shield Program on behalf of Indian tribes located
6 in the States of Nevada, Idaho, North Dakota, South Da-
7 kota, Montana, Oregon, Minnesota, and Washington. Any
8 such conveyance shall be subject to the condition that the
9 housing units shall be removed within a reasonable period
10 of time, as determined by the Secretary.

11 (c) The Operation Walking Shield Program shall re-
12 solve any conflicts among requests of Indian tribes for
13 housing units under subsection (a) before submitting re-
14 quests to the Secretary of the Air Force under subsection
15 (b).

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

22 SEC. 1130. During the current fiscal year, appropria-
23 tions which are available to the Department of Defense
24 for operation and maintenance may be used to purchase

1 items having an investment item unit cost of not more
2 than \$250,000.

3 SEC. 1131. None of the funds made available by this
4 Act may be used to—

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

9 (2) close, downgrade from host to extension
10 center, or place on probation a Senior Reserve Offi-
11 cers' Training Corps program in accordance with the
12 information paper of the Department of the Army
13 titled "Army Senior Reserve Officers' Training
14 Corps (SROTC) Program Review and Criteria",
15 dated January 27, 2014.

16 SEC. 1132. The Secretary of Defense shall issue reg-
17 ulations to prohibit the sale of any tobacco or tobacco-
18 related products in military resale outlets in the United
19 States, its territories and possessions at a price below the
20 most competitive price in the local community: *Provided*,
21 That such regulations shall direct that the prices of to-
22 bacco or tobacco-related products in overseas military re-
23 tail outlets shall be within the range of prices established
24 for military retail system stores located in the United
25 States.

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

14 (b) The fiscal year 2019 budget request for the De-
15 partment of Defense as well as all justification material
16 and other documentation supporting the fiscal year 2019
17 Department of Defense budget shall be prepared and sub-
18 mitted to the Congress on the basis that any equipment
19 which was classified as an end item and funded in a pro-
20 curement appropriation contained in this Act shall be
21 budgeted for in a proposed fiscal year 2019 procurement
22 appropriation and not in the supply management business
23 area or any other area or category of the Department of
24 Defense Working Capital Funds.

1 SEC. 1134. None of the funds appropriated by this
2 Act for programs of the Central Intelligence Agency shall
3 remain available for obligation beyond the current fiscal
4 year, except for funds appropriated for the Reserve for
5 Contingencies, which shall remain available until Sep-
6 tember 30, 2019: *Provided*, That funds appropriated,
7 transferred, or otherwise credited to the Central Intel-
8 ligence Agency Central Services Working Capital Fund
9 during this or any prior or subsequent fiscal year shall
10 remain available until expended: *Provided further*, That
11 any funds appropriated or transferred to the Central Intel-
12 ligence Agency for advanced research and development ac-
13 quisition, for agent operations, and for covert action pro-
14 grams authorized by the President under section 503 of
15 the National Security Act of 1947 (50 U.S.C. 3093) shall
16 remain available until September 30, 2019.

17 SEC. 1135. Notwithstanding any other provision of
18 law, funds made available in this Act and hereafter for
19 the Defense Intelligence Agency may be used for the de-
20 sign, development, and deployment of General Defense In-
21 telligence Program intelligence communications and intel-
22 ligence information systems for the Services, the Unified
23 and Specified Commands, and the component commands.

24 SEC. 1136. Of the funds appropriated to the Depart-
25 ment of Defense under the heading “Operation and Main-

1 tenance, Defense-Wide”, not less than \$12,000,000 shall
2 be made available only for the mitigation of environmental
3 impacts, including training and technical assistance to
4 tribes, related administrative support, the gathering of in-
5 formation, documenting of environmental damage, and de-
6 veloping a system for prioritization of mitigation and cost
7 to complete estimates for mitigation, on Indian lands re-
8 sulting from Department of Defense activities.

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

15 (b) If the Secretary of Defense determines that a per-
16 son has been convicted of intentionally affixing a label
17 bearing a “Made in America” inscription to any product
18 sold in or shipped to the United States that is not made
19 in America, the Secretary shall determine, in accordance
20 with section 2410f of title 10, United States Code, wheth-
21 er the person should be debarred from contracting with
22 the Department of Defense.

23 (c) In the case of any equipment or products pur-
24 chased with appropriations provided under this Act, it is
25 the sense of the Congress that any entity of the Depart-

1 ment of Defense, in expending the appropriation, purchase
2 only American-made equipment and products, provided
3 that American-made equipment and products are cost-
4 competitive, quality competitive, and available in a timely
5 fashion.

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

9 (1) to establish a field operating agency; or

10 (2) to pay the basic pay of a member of the
11 Armed Forces or civilian employee of the depart-
12 ment who is transferred or reassigned from a head-
13 quarters activity if the member or employee's place
14 of duty remains at the location of that headquarters.

15 (b) The Secretary of Defense or Secretary of a mili-
16 tary department may waive the limitations in subsection
17 (a), on a case-by-case basis, if the Secretary determines,
18 and certifies to the Committees on Appropriations of the
19 House of Representatives and the Senate that the grant-
20 ing of the waiver will reduce the personnel requirements
21 or the financial requirements of the department.

22 (c) This section does not apply to—

23 (1) field operating agencies funded within the
24 National Intelligence Program;

1 (2) an Army field operating agency established
2 to eliminate, mitigate, or counter the effects of im-
3 provised explosive devices, and, as determined by the
4 Secretary of the Army, other similar threats;

5 (3) an Army field operating agency established
6 to improve the effectiveness and efficiencies of bio-
7 metric activities and to integrate common biometric
8 technologies throughout the Department of Defense;
9 or

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

14 SEC. 1139. (a) None of the funds appropriated by
15 this Act shall be available to convert to contractor per-
16 formance an activity or function of the Department of De-
17 fense that, on or after the date of the enactment of this
18 Act, is performed by Department of Defense civilian em-
19 ployees unless—

20 (1) the conversion is based on the result of a
21 public-private competition that includes a most effi-
22 cient and cost effective organization plan developed
23 by such activity or function;

24 (2) the Competitive Sourcing Official deter-
25 mines that, over all performance periods stated in

1 the solicitation of offers for performance of the ac-
2 tivity or function, the cost of performance of the ac-
3 tivity or function by a contractor would be less costly
4 to the Department of Defense by an amount that
5 equals or exceeds the lesser of—

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

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

11 (3) the contractor does not receive an advan-
12 tage for a proposal that would reduce costs for the
13 Department of Defense by—

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

18 (B) offering to such workers an employer-
19 sponsored health benefits plan that requires the
20 employer to contribute less towards the pre-
21 mium or subscription share than the amount
22 that is paid by the Department of Defense for
23 health benefits for civilian employees under
24 chapter 89 of title 5, United States Code.

1 (b)(1) The Department of Defense, without regard
2 to subsection (a) of this section or subsection (a), (b), or
3 (c) of section 2461 of title 10, United States Code, and
4 notwithstanding any administrative regulation, require-
5 ment, or policy to the contrary shall have full authority
6 to enter into a contract for the performance of any com-
7 mercial or industrial type function of the Department of
8 Defense that—

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

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

17 (C) is planned to be converted to performance
18 by a qualified firm under at least 51 percent owner-
19 ship by an Indian tribe, as defined in section 4(e)
20 of the Indian Self-Determination and Education As-
21 sistance Act (25 U.S.C. 450b(e)), or a Native Ha-
22 waiian Organization, as defined in section 8(a)(15)
23 of the Small Business Act (15 U.S.C. 637(a)(15)).

(2) This section shall not apply to depot contracts or contracts for depot maintenance as provided in sections 2469 and 2474 of title 10, United States Code.

(c) The conversion of any activity or function of the Department of Defense under the authority provided by this section shall be credited toward any competitive or outsourcing goal, target, or measurement that may be established by statute, regulation, or policy and is deemed to be awarded under the authority of, and in compliance with, subsection (h) of section 2304 of title 10, United States Code, for the competition or outsourcing of commercial activities.

13 (RESCISSIONS)

SEC. 1140. Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts: *Provided*, That no amounts may be rescinded from amounts that were designated by the Congress for Overseas Contingency Operations/Global War on Terrorism or as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended:

24 “Aircraft Procurement, Navy”, 2016/2018,
25 \$274,000,000;

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
4 may be used to reduce the authorized positions for mili-
5 tary technicians (dual status) of the Army National
6 Guard, Air National Guard, Army Reserve and Air Force
7 Reserve for the purpose of applying any administratively
8 imposed civilian personnel ceiling, freeze, or reduction on
9 military technicians (dual status), unless such reductions
10 are a direct result of a reduction in military force struc-
11 ture.

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

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

1 ligence Program and the Military Intelligence Program:
2 *Provided*, That nothing in this section authorizes deviation
3 from established Reserve and National Guard personnel
4 and training procedures.

5 SEC. 1144. (a) None of the funds available to the
6 Department of Defense for any fiscal year for drug inter-
7 diction or counter-drug activities may be transferred to
8 any other department or agency of the United States ex-
9 cept as specifically provided in an appropriations law.

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

15 SEC. 1145. None of the funds appropriated by this
16 Act may be used for the procurement of ball and roller
17 bearings other than those produced by a domestic source
18 and of domestic origin: *Provided*, That the Secretary of
19 the military department responsible for such procurement
20 may waive this restriction on a case-by-case basis by certi-
21 fying in writing to the Committees on Appropriations of
22 the House of Representatives and the Senate, that ade-
23 quate domestic supplies are not available to meet Depart-
24 ment of Defense requirements on a timely basis and that
25 such an acquisition must be made in order to acquire ca-

1 pability for national security purposes: *Provided further*,
2 That this restriction shall not apply to the purchase of
3 “commercial items”, as defined by section 103 of title 41,
4 United States Code, except that the restriction shall apply
5 to ball or roller bearings purchased as end items.

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

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

21 SEC. 1148. None of the funds in this Act may be
22 used to purchase any supercomputer which is not manu-
23 factured in the United States, unless the Secretary of De-
24 fense certifies to the congressional defense committees
25 that such an acquisition must be made in order to acquire

1 capability for national security purposes that is not avail-
2 able from 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 De-
10 partment of Defense under this Act shall be obligated or
11 expended to pay a contractor under a contract with the
12 Department of Defense for costs of any amount paid by
13 the contractor to an employee when—

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

17 (2) such bonus is part of restructuring costs as-
18 sociated 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
22 under the heading “Operation and Maintenance, Defense-
23 Wide” may be transferred to appropriations available for
24 the pay of military personnel, to be merged with, and to
25 be available for the same time period as the appropriations

1 to which transferred, to be used in support of such per-
2 sonnel in connection with support and services for eligible
3 organizations and activities outside the Department of De-
4 fense pursuant to section 2012 of title 10, United States
5 Code.

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

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

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

22 (3) in the case of an expired account, the obli-
23 gation is not chargeable to a current appropriation
24 of the Department of Defense under the provisions
25 of section 1405(b)(8) of the National Defense Au-

1 thorization Act for Fiscal Year 1991, Public Law
2 101–510, as amended (31 U.S.C. 1551 note): *Pro-*
3 *vided*, That in the case of an expired account, if sub-
4 sequent review or investigation discloses that there
5 was not in fact a negative unliquidated or unex-
6 pended balance in the account, any charge to a cur-
7 rent account under the authority of this section shall
8 be reversed and recorded against the expired ac-
9 count: *Provided further*, That the total amount
10 charged to a current appropriation under this sec-
11 tion may not exceed an amount equal to 1 percent
12 of the total appropriation for that account.

13 SEC. 1153. (a) Notwithstanding any other provision
14 of law, the Chief of the National Guard Bureau may per-
15 mit the use of equipment of the National Guard Distance
16 Learning Project by any person or entity on a space-avail-
17 able, reimbursable basis. The Chief of the National Guard
18 Bureau shall establish the amount of reimbursement for
19 such use on a case-by-case basis.

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

1 SEC. 1154. None of the funds available to the De-
2 partment of Defense may be obligated to modify command
3 and control relationships to give Fleet Forces Command
4 operational and administrative control of United States
5 Navy forces assigned to the Pacific fleet: *Provided*, That
6 the command and control relationships which existed on
7 October 1, 2004, shall remain in force until a written
8 modification has been proposed to the House and Senate
9 Appropriations Committees: *Provided further*, That the
10 proposed modification may be implemented 30 days after
11 the notification unless an objection is received from either
12 the House or Senate Appropriations Committees: *Provided*
13 *further*, That any proposed modification shall not preclude
14 the ability of the commander of United States Pacific
15 Command to meet 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
20 for continued implementation and expansion of the Sexual
21 Assault Special Victims’ Counsel Program: *Provided*, That
22 the funds are made available for transfer to the Depart-
23 ment of the Army, the Department of the Navy, and the
24 Department of the Air Force: *Provided further*, That funds
25 transferred shall be merged with and available for the

1 same purposes and for the same time period as the appro-
2 priations to which the funds are transferred: *Provided fur-*
3 *ther*, That this transfer authority is in addition to any
4 other transfer authority provided in this Act.

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

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

1 country, or would invalidate reciprocal trade agreements
2 for the procurement of defense items entered into under
3 section 2531 of title 10, United States Code, and the
4 country does not discriminate against the same or similar
5 defense items produced in the United States for that coun-
6 try.

7 (b) Subsection (a) applies with respect to—

8 (1) contracts and subcontracts entered into on
9 or after the date of the enactment of this Act; and

10 (2) options for the procurement of items that
11 are exercised after such date under contracts that
12 are entered into before such date if the option prices
13 are adjusted for any reason other than the applica-
14 tion of a waiver granted under subsection (a).

15 (c) Subsection (a) does not apply to a limitation re-
16 garding construction of public vessels, ball and roller bear-
17 ings, food, and clothing or textile materials as defined by
18 section XI (chapters 50–65) of the Harmonized Tariff
19 Schedule of the United States and products classified
20 under headings 4010, 4202, 4203, 6401 through 6406,
21 6505, 7019, 7218 through 7229, 7304.41 through
22 7304.49, 7306.40, 7502 through 7508, 8105, 8108, 8109,
23 8211, 8215, and 9404.

24 SEC. 1158. None of the funds appropriated or other-
25 wise made available by this or other Department of De-

1 fense Appropriations Acts may be obligated or expended
2 for the purpose of performing repairs or maintenance to
3 military family housing units of the Department of De-
4 fense, including areas in such military family housing
5 units that may be used for the purpose of conducting offi-
6 cial Department of Defense business.

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

20 SEC. 1160. The Secretary of Defense shall continue
21 to provide a classified quarterly report to the House and
22 Senate Appropriations Committees, Subcommittees on
23 Defense on certain matters as directed in the classified
24 annex accompanying this Act.

1 SEC. 1161. Notwithstanding section 12310(b) of title
2 10, United States Code, a Reserve who is a member of
3 the National Guard serving on full-time National Guard
4 duty under section 502(f) of title 32, United States Code,
5 may perform duties in support of the ground-based ele-
6 ments of the National Ballistic Missile Defense System.

7 SEC. 1162. None of the funds provided in this Act
8 may be used to transfer to any nongovernmental entity
9 ammunition held by the Department of Defense that has
10 a center-fire cartridge and a United States military no-
11 menclature designation of “armor penetrator”, “armor
12 piercing (AP)”, “armor piercing incendiary (API)”, or
13 “armor-piercing incendiary tracer (API-T)”, except to an
14 entity performing demilitarization services for the Depart-
15 ment of Defense under a contract that requires the entity
16 to demonstrate to the satisfaction of the Department of
17 Defense that armor piercing projectiles are either:

18 (1) rendered incapable of reuse by the demili-
19 tarization process; or

20 (2) used to manufacture ammunition pursuant
21 to a contract with the Department of Defense or the
22 manufacture of ammunition for export pursuant to
23 a License for Permanent Export of Unclassified
24 Military Articles issued by the Department of State.

1 SEC. 1163. Notwithstanding any other provision of
2 law, the Chief of the National Guard Bureau, or his des-
3 ignee, may waive payment of all or part of the consider-
4 ation that otherwise would be required under section 2667
5 of title 10, United States Code, in the case of a lease of
6 personal property for a period not in excess of 1 year to
7 any organization specified in section 508(d) of title 32,
8 United States Code, or any other youth, social, or fra-
9 ternal nonprofit organization as may be approved by the
10 Chief of the National Guard Bureau, or his designee, on
11 a case-by-case basis.

12 (INCLUDING TRANSFER OF FUNDS)

13 SEC. 1164. Of the amounts appropriated in this Act
14 under the heading “Operation and Maintenance, Army”,
15 \$66,881,780 shall remain available until expended: *Pro-*
16 *vided*, That, notwithstanding any other provision of law,
17 the Secretary of Defense is authorized to transfer such
18 funds to other activities of the Federal Government: *Pro-*
19 *vided further*, That the Secretary of Defense is authorized
20 to enter into and carry out contracts for the acquisition
21 of real property, construction, personal services, and oper-
22 ations related to projects carrying out the purposes of this
23 section: *Provided further*, That contracts entered into
24 under the authority of this section may provide for such
25 indemnification as the Secretary determines to be nec-

1 essary: *Provided further*, That projects authorized by this
2 section shall comply with applicable Federal, State, and
3 local law to the maximum extent consistent with the na-
4 tional security, as determined by the Secretary of Defense.

5 SEC. 1165. (a) None of the funds appropriated in this
6 or any other Act may be used to take any action to mod-
7 ify—

8 (1) the appropriations account structure for the
9 National Intelligence Program budget, including
10 through the creation of a new appropriation or new
11 appropriation account;

12 (2) how the National Intelligence Program
13 budget request is presented in the unclassified P–1,
14 R–1, and O–1 documents supporting the Depart-
15 ment of Defense budget request;

16 (3) the process by which the National Intel-
17 ligence Program appropriations are apportioned to
18 the executing agencies; or

19 (4) the process by which the National Intel-
20 ligence Program appropriations are allotted, obli-
21 gated and disbursed.

22 (b) Nothing in section (a) shall be construed to pro-
23 hibit the merger of programs or changes to the National
24 Intelligence Program budget at or below the Expenditure

1 Center level, provided such change is otherwise in accord-
2 ance with paragraphs (a)(1)–(3).

3 (c) The Director of National Intelligence and the Sec-
4 retary of Defense may jointly, only for the purposes of
5 achieving auditable financial statements and improving
6 fiscal reporting, study and develop detailed proposals for
7 alternative financial management processes. Such study
8 shall include a comprehensive counterintelligence risk as-
9 sessment to ensure that none of the alternative processes
10 will adversely affect counterintelligence.

11 (d) Upon development of the detailed proposals de-
12 fined under subsection (c), the Director of National Intel-
13 ligence and the Secretary of Defense shall—

14 (1) provide the proposed alternatives to all af-
15 fected agencies;

16 (2) receive certification from all affected agen-
17 cies attesting that the proposed alternatives will help
18 achieve auditability, improve fiscal reporting, and
19 will not adversely affect counterintelligence; and

20 (3) not later than 30 days after receiving all
21 necessary certifications under paragraph (2), present
22 the proposed alternatives and certifications to the
23 congressional defense and intelligence committees.

24 SEC. 1166. In addition to amounts provided else-
25 where in this Act, \$5,000,000 (increased by \$5,000,000)

1 is hereby appropriated to the Department of Defense, to
2 remain available for obligation until expended: *Provided*,
3 That notwithstanding any other provision of law, that
4 upon the determination of the Secretary of Defense that
5 it shall serve the national interest, these funds shall be
6 available only for a grant to the Fisher House Foundation,
7 Inc., only for the construction and furnishing of additional
8 Fisher Houses to meet the needs of military family mem-
9 bers when confronted with the illness or hospitalization of
10 an eligible military beneficiary.

11 (INCLUDING TRANSFER OF FUNDS)

12 SEC. 1167. Of the amounts appropriated in this Act
13 under the headings “Procurement, Defense-Wide” and
14 “Research, Development, Test and Evaluation, Defense-
15 Wide”, \$705,800,000 shall be for the Israeli Cooperative
16 Programs: *Provided*, That of this amount, \$92,000,000
17 shall be for the Secretary of Defense to provide to the Gov-
18 ernment of Israel for the procurement of the Iron Dome
19 defense system to counter short-range rocket threats, sub-
20 ject to the U.S.-Israel Iron Dome Procurement Agree-
21 ment, as amended; \$221,500,000 shall be for the Short
22 Range Ballistic Missile Defense (SRBMD) program, in-
23 cluding cruise missile defense research and development
24 under the SRBMD program, of which \$120,000,000 shall
25 be for co-production activities of SRBMD missiles in the

1 United States and in Israel to meet Israel's defense re-
2 quirements consistent with each nation's laws, regulations,
3 and procedures, subject to the U.S.-Israeli co-production
4 agreement for SRBMD, as amended; \$205,000,000 shall
5 be for an upper-tier component to the Israeli Missile De-
6 fense Architecture, of which \$120,000,000 shall be for co-
7 production activities of Arrow 3 Upper Tier missiles in
8 the United States and in Israel to meet Israel's defense
9 requirements consistent with each nation's laws, regula-
10 tions, and procedures, subject to the U.S.-Israeli co-pro-
11 duction agreement for Arrow 3 Upper Tier, as amended;
12 \$105,000,000 shall be for testing of the upper-tier compo-
13 nent to the Israeli Missile Defense Architecture in the
14 United States; and \$82,300,000 shall be for the Arrow
15 System Improvement Program including development of
16 a long range, ground and airborne, detection suite: *Pro-*
17 *vided further*, That the transfer authority provided under
18 this provision is in addition to any other transfer authority
19 contained in this Act.

20 (INCLUDING TRANSFER OF FUNDS)

21 SEC. 1168. Of the amounts appropriated in this Act
22 under the heading "Shipbuilding and Conversion, Navy",
23 \$117,542,000 shall be available until September 30, 2018,
24 to fund prior year shipbuilding cost increases: *Provided*,
25 That upon enactment of this Act, the Secretary of the

1 Navy shall transfer funds to the following appropriations
2 in the amounts specified: *Provided further*, That the
3 amounts transferred shall be merged with and be available
4 for the same purposes as the appropriations to which
5 transferred to:

6 (1) Under the heading “Shipbuilding and Con-
7 version, Navy”, 2012/2018: Carrier Replacement
8 Program \$20,000,000;

9 (2) Under the heading “Shipbuilding and Con-
10 version, Navy”, 2008/2018: DDG–51 Destroyer
11 \$19,436,000;

12 (3) Under the heading “Shipbuilding and Con-
13 version, Navy”, 2012/2018: Littoral Combat Ship
14 \$6,394,000;

15 (4) Under the heading “Shipbuilding and Con-
16 version, Navy”, 2012/2018: LHA Replacement
17 \$14,200,000;

18 (5) Under the heading “Shipbuilding and Con-
19 version, Navy”, 2013/2018: DDG–51 Destroyer
20 \$31,941,000;

21 (6) Under the heading “Shipbuilding and Con-
22 version, Navy”, 2014/2018: Littoral Combat Ship
23 \$20,471,000; and

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

1 SEC. 1169. Funds appropriated by this Act, or made
2 available by the transfer of funds in this Act, for intel-
3 ligence activities are deemed to be specifically authorized
4 by the Congress for purposes of section 504 of the Na-
5 tional Security Act of 1947 (50 U.S.C. 3094) during fiscal
6 year 2018 until the enactment of the Intelligence Author-
7 ization Act for Fiscal Year 2018.

8 SEC. 1170. None of the funds provided in this Act
9 shall be available for obligation or expenditure through a
10 reprogramming of funds that creates or initiates a new
11 program, project, or activity unless such program, project,
12 or activity must be undertaken immediately in the interest
13 of national security and only after written prior notifica-
14 tion to the congressional defense committees.

15 SEC. 1171. The budget of the President for fiscal
16 year 2018 submitted to the Congress pursuant to section
17 1105 of title 31, United States Code, shall include sepa-
18 rate budget justification documents for costs of United
19 States Armed Forces' participation in contingency oper-
20 ations for the Military Personnel accounts, the Operation
21 and Maintenance accounts, the Procurement accounts,
22 and the Research, Development, Test and Evaluation ac-
23 counts: *Provided*, That these documents shall include a de-
24 scription of the funding requested for each contingency op-
25 eration, for each military service, to include all Active and

1 Reserve components, and for each appropriations account:
2 *Provided further*, That these documents shall include esti-
3 mated costs for each element of expense or object class,
4 a reconciliation of increases and decreases for each contin-
5 gency operation, and programmatic data including, but
6 not limited to, troop strength for each Active and Reserve
7 component, and estimates of the major weapons systems
8 deployed in support of each contingency: *Provided further*,
9 That these documents shall include budget exhibits OP-
10 5 and OP-32 (as defined in the Department of Defense
11 Financial Management Regulation) for all contingency op-
12 erations for the budget year and the two preceding fiscal
13 years.

14 SEC. 1172. None of the funds in this Act may be
15 used for research, development, test, evaluation, procure-
16 ment or deployment of nuclear armed interceptors of a
17 missile defense system.

18 SEC. 1173. Notwithstanding any other provision of
19 this Act, to reflect savings due to favorable foreign ex-
20 change rates, the total amount appropriated in this Act
21 is hereby reduced by \$289,000,000.

22 SEC. 1174. None of the funds appropriated or made
23 available in this Act shall be used to reduce or disestablish
24 the operation of the 53rd Weather Reconnaissance Squad-
25 ron of the Air Force Reserve, if such action would reduce

1 the WC-130 Weather Reconnaissance mission below the
2 levels funded in this Act: *Provided*, That the Air Force
3 shall allow the 53rd Weather Reconnaissance Squadron to
4 perform other missions in support of national defense re-
5 quirements during the non-hurricane season.

6 SEC. 1175. None of the funds provided in this Act
7 shall be available for integration of foreign intelligence in-
8 formation unless the information has been lawfully col-
9 lected and processed during the conduct of authorized for-
10 eign intelligence activities: *Provided*, That information
11 pertaining to United States persons shall only be handled
12 in accordance with protections provided in the Fourth
13 Amendment of the United States Constitution as imple-
14 mented through Executive Order No. 12333.

15 SEC. 1176. (a) None of the funds appropriated by
16 this Act may be used to transfer research and develop-
17 ment, acquisition, or other program authority relating to
18 current tactical unmanned aerial vehicles (TUAVs) from
19 the Army.

20 (b) The Army shall retain responsibility for and oper-
21 ational control of the MQ-1C Gray Eagle Unmanned Aer-
22 ial Vehicle (UAV) in order to support the Secretary of De-
23 fense in matters relating to the employment of unmanned
24 aerial vehicles.

1 SEC. 1177. None of the funds appropriated by this
2 Act for programs of the Office of the Director of National
3 Intelligence shall remain available for obligation beyond
4 the current fiscal year, except for funds appropriated for
5 research and technology, which shall remain available until
6 September 30, 2019.

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

15 SEC. 1179. (a) Not later than 60 days after the date
16 of enactment of this Act, the Director of National Intel-
17 ligence shall submit a report to the congressional intel-
18 ligence committees to establish the baseline for application
19 of reprogramming and transfer authorities for fiscal year
20 2018: *Provided*, That the report shall include—

21 (1) a table for each appropriation with a sepa-
22 rate column to display the President’s budget re-
23 quest, adjustments made by Congress, adjustments
24 due to enacted rescissions, if appropriate, and the
25 fiscal year enacted level;

(2) a delineation in the table for each appropriation by Expenditure Center and project; and

3 (3) an identification of items of special congres-
4 sional interest.

(b) None of the funds provided for the National Intelligence Program in this Act shall be available for reprogramming or transfer until the report identified in subsection (a) is submitted to the congressional intelligence committees, unless the Director of National Intelligence certifies in writing to the congressional intelligence committees that such reprogramming or transfer is necessary as an emergency requirement.

SEC. 1180. None of the funds made available by this Act may be used to eliminate, restructure, or realign Army Contracting Command—New Jersey or make disproportionate personnel reductions at any Army Contracting Command—New Jersey sites without 30-day prior notification to the congressional defense committees.

19 (RESCISSION)

SEC. 1181. Of the unobligated balances available to the Department of Defense, the following funds are permanently rescinded from the following accounts and programs in the specified amounts to reflect excess cash balances in the Department of Defense Acquisition Workforce Development Fund:

1 From “Department of Defense Acquisition
2 Workforce Development Fund, Defense”,
3 \$10,000,000.

4 SEC. 1182. None of the funds made available by this
5 Act for excess defense articles, assistance under section
6 333 of title 10, United States Code, or peacekeeping oper-
7 ations for the countries designated annually to be in viola-
8 tion of the standards of the Child Soldiers Prevention Act
9 of 2008 (Public Law 110–457; 22 U.S.C. 2370c–1) may
10 be used to support any military training or operation that
11 includes child soldiers, as defined by the Child Soldiers
12 Prevention Act of 2008, unless such assistance is other-
13 wise permitted under section 404 of the Child Soldiers
14 Prevention Act of 2008.

15 SEC. 1183. (a) None of the funds provided for the
16 National Intelligence Program in this or any prior appro-
17 priations Act shall be available for obligation or expendi-
18 ture through a reprogramming or transfer of funds in ac-
19 cordance with section 102A(d) of the National Security
20 Act of 1947 (50 U.S.C. 3024(d)) that—

21 (1) creates a new start effort;

22 (2) terminates a program with appropriated
23 funding of \$10,000,000 or more;

24 (3) transfers funding into or out of the Na-
25 tional Intelligence Program; or

1 (4) transfers funding between appropriations,
2 unless the congressional intelligence committees are
3 notified 30 days in advance of such reprogramming
4 of funds; this notification period may be reduced for
5 urgent national security requirements.

6 (b) None of the funds provided for the National Intel-
7 ligence Program in this or any prior appropriations Act
8 shall be available for obligation or expenditure through a
9 reprogramming or transfer of funds in accordance with
10 section 102A(d) of the National Security Act of 1947 (50
11 U.S.C. 3024(d)) that results in a cumulative increase or
12 decrease of the levels specified in the classified annex ac-
13 companying the Act unless the congressional intelligence
14 committees are notified 30 days in advance of such re-
15 programming of funds; this notification period may be re-
16 duced for urgent national security requirements.

17 SEC. 1184. The Director of National Intelligence
18 shall submit to Congress each year, at or about the time
19 that the President's budget is submitted to Congress that
20 year under section 1105(a) of title 31, United States
21 Code, a future-years intelligence program (including asso-
22 ciated annexes) reflecting the estimated expenditures and
23 proposed appropriations included in that budget. Any such
24 future-years intelligence program shall cover the fiscal

1 year with respect to which the budget is submitted and
2 at least the four succeeding fiscal years.

3 SEC. 1185. For the purposes of this Act, the term
4 “congressional intelligence committees” means the Perma-
5 nent Select Committee on Intelligence of the House of
6 Representatives, the Select Committee on Intelligence of
7 the Senate, the Subcommittee on Defense of the Com-
8 mittee on Appropriations of the House of Representatives,
9 and the Subcommittee on Defense of the Committee on
10 Appropriations of the Senate.

11 (INCLUDING TRANSFER OF FUNDS)

12 SEC. 1186. During the current fiscal year, not to ex-
13 ceed \$11,000,000 from each of the appropriations made
14 in title II of this Act for “Operation and Maintenance,
15 Army”, “Operation and Maintenance, Navy”, and “Oper-
16 ation and Maintenance, Air Force” may be transferred by
17 the military department concerned to its central fund es-
18 tablished for Fisher Houses and Suites pursuant to sec-
19 tion 2493(d) of title 10, United States Code.

20 (INCLUDING TRANSFER OF FUNDS)

21 SEC. 1187. Not to exceed \$500,000,000 appropriated
22 by this Act for operation and maintenance may be avail-
23 able for the purpose of making remittances and transfer
24 to the Defense Acquisition Workforce Development Fund

1 in accordance with section 1705 of title 10, United States
2 Code.

3 SEC. 1188. (a) Any agency receiving funds made
4 available in this Act, shall, subject to subsections (b) and
5 (c), post on the public website of that agency any report
6 required to be submitted by the Congress in this or any
7 other Act, upon the determination by the head of the agen-
8 cy that it shall serve the national interest.

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

10 (1) the public posting of the report com-
11 promises national security; or

12 (2) the report contains proprietary information.

13 (c) The head of the agency posting such report shall
14 do so only after such report has been made available to
15 the requesting Committee or Committees of Congress for
16 no less than 45 days.

17 SEC. 1189. (a) None of the funds appropriated or
18 otherwise made available by this Act may be expended for
19 any Federal contract for an amount in excess of
20 \$1,000,000, unless the contractor agrees not to—

21 (1) enter into any agreement with any of its
22 employees or independent contractors that requires,
23 as a condition of employment, that the employee or
24 independent contractor agree to resolve through ar-
25 bitration any claim under title VII of the Civil

1 Rights Act of 1964 or any tort related to or arising
2 out of sexual assault or harassment, including as-
3 sault and battery, intentional infliction of emotional
4 distress, false imprisonment, or negligent hiring, su-
5 pervision, or retention; or

6 (2) take any action to enforce any provision of
7 an existing agreement with an employee or inde-
8 pendent contractor that mandates that the employee
9 or independent contractor resolve through arbitra-
10 tion any claim under title VII of the Civil Rights Act
11 of 1964 or any tort related to or arising out of sex-
12 ual assault or harassment, including assault and
13 battery, intentional infliction of emotional distress,
14 false imprisonment, or negligent hiring, supervision,
15 or retention.

16 (b) None of the funds appropriated or otherwise
17 made available by this Act may be expended for any Fed-
18 eral contract unless the contractor certifies that it requires
19 each covered subcontractor to agree not to enter into, and
20 not to take any action to enforce any provision of, any
21 agreement as described in paragraphs (1) and (2) of sub-
22 section (a), with respect to any employee or independent
23 contractor performing work related to such subcontract.
24 For purposes of this subsection, a “covered subcon-

1 tractor” is an entity that has a subcontract in excess of
2 \$1,000,000 on a contract subject to subsection (a).

3 (c) The prohibitions in this section do not apply with
4 respect to a contractor’s or subcontractor’s agreements
5 with employees or independent contractors that may not
6 be enforced in a court of the United States.

7 (d) The Secretary of Defense may waive the applica-
8 tion of subsection (a) or (b) to a particular contractor or
9 subcontractor for the purposes of a particular contract or
10 subcontract if the Secretary or the Deputy Secretary per-
11 sonally determines that the waiver is necessary to avoid
12 harm to national security interests of the United States,
13 and that the term of the contract or subcontract is not
14 longer than necessary to avoid such harm. The determina-
15 tion shall set forth with specificity the grounds for the
16 waiver and for the contract or subcontract term selected,
17 and shall state any alternatives considered in lieu of a
18 waiver and the reasons each such alternative would not
19 avoid harm to national security interests of the United
20 States. The Secretary of Defense shall transmit to Con-
21 gress, and simultaneously make public, any determination
22 under this subsection not less than 15 business days be-
23 fore the contract or subcontract addressed in the deter-
24 mination may be awarded.

1 (INCLUDING TRANSFER OF FUNDS)

2 SEC. 1190. From within the funds appropriated for
3 operation and maintenance for the Defense Health Pro-
4 gram in this Act, up to \$115,519,000, shall be available
5 for transfer to the Joint Department of Defense-Depart-
6 ment of Veterans Affairs Medical Facility Demonstration
7 Fund in accordance with the provisions of section 1704
8 of the National Defense Authorization Act for Fiscal Year
9 2010, Public Law 111–84: *Provided*, That for purposes
10 of section 1704(b), the facility operations funded are oper-
11 ations of the integrated Captain James A. Lovell Federal
12 Health Care Center, consisting of the North Chicago Vet-
13 erans Affairs Medical Center, the Navy Ambulatory Care
14 Center, and supporting facilities designated as a combined
15 Federal medical facility as described by section 706 of
16 Public Law 110–417: *Provided further*, That additional
17 funds may be transferred from funds appropriated for op-
18 eration and maintenance for the Defense Health Program
19 to the Joint Department of Defense-Department of Vet-
20 erans Affairs Medical Facility Demonstration Fund upon
21 written notification by the Secretary of Defense to the
22 Committees on Appropriations of the House of Represent-
23 atives and the Senate.

24 SEC. 1191. None of the funds appropriated or other-
25 wise made available by this Act may be used by the De-

1 partment of Defense or a component thereof in contraven-
2 tion of the provisions of section 130h of title 10, United
3 States Code.

4 SEC. 1192. Appropriations available to the Depart-
5 ment of Defense may be used for the purchase of heavy
6 and light armored vehicles for the physical security of per-
7 sonnel or for force protection purposes up to a limit of
8 \$450,000 per vehicle, notwithstanding price or other limi-
9 tations applicable to the purchase of passenger carrying
10 vehicles.

11 (INCLUDING TRANSFER OF FUNDS)

12 SEC. 1193. Upon a determination by the Director of
13 National Intelligence that such action is necessary and in
14 the national interest, the Director may, with the approval
15 of the Office of Management and Budget, transfer not to
16 exceed \$1,500,000,000 of the funds made available in this
17 Act for the National Intelligence Program: *Provided*, That
18 such authority to transfer may not be used unless for
19 higher priority items, based on unforeseen intelligence re-
20 quirements, than those for which originally appropriated
21 and in no case where the item for which funds are re-
22 quested has been denied by the Congress: *Provided further*,
23 That a request for multiple reprogrammings of funds
24 using authority provided in this section shall be made
25 prior to June 30, 2017.

1 SEC. 1194. None of the funds appropriated or other-
2 wise made available in this or any other Act may be used
3 to transfer, release, or assist in the transfer or release to
4 or within the United States, its territories, or possessions
5 Khalid Sheikh Mohammed or any other detainee who—

6 (1) is not a United States citizen or a member
7 of the Armed Forces of the United States; and

8 (2) is or was held on or after June 24, 2009,
9 at United States Naval Station, Guantánamo Bay,
10 Cuba, by the Department of Defense.

11 SEC. 1195. (a) None of the funds appropriated or
12 otherwise made available in this or any other Act may be
13 used to construct, acquire, or modify any facility in the
14 United States, its territories, or possessions to house any
15 individual described in subsection (c) for the purposes of
16 detention or imprisonment in the custody or under the ef-
17 fective control of the Department of Defense.

18 (b) The prohibition in subsection (a) shall not apply
19 to any modification of facilities at United States Naval
20 Station, Guantánamo Bay, Cuba.

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

1 (1) is not a citizen of the United States or a
2 member of the Armed Forces of the United States;
3 and

4 (2) is—

5 (A) in the custody or under the effective
6 control of the Department of Defense; or

7 (B) otherwise under detention at United
8 States Naval Station, Guantánamo Bay, Cuba.

9 SEC. 1196. None of the funds appropriated or other-
10 wise made available in this Act may be used to transfer
11 any individual detained at United States Naval Station
12 Guantánamo Bay, Cuba, to the custody or control of the
13 individual's country of origin, any other foreign country,
14 or any other foreign entity except in accordance with sec-
15 tion 1034 of the National Defense Authorization Act for
16 Fiscal Year 2016 (Public Law 114–92) and section 1034
17 of the National Defense Authorization Act for Fiscal Year
18 2017 (Public Law 114–328).

19 SEC. 1197. None of the funds made available by this
20 Act may be used in contravention of the War Powers Res-
21 olution (50 U.S.C. 1541 et seq.).

22 SEC. 1198. (a) None of the funds appropriated or
23 otherwise made available by this or any other Act may
24 be used by the Secretary of Defense, or any other official
25 or officer of the Department of Defense, to enter into a

1 contract, memorandum of understanding, or cooperative
2 agreement with, or make a grant to, or provide a loan
3 or loan guarantee to Rosoboronexport or any subsidiary
4 of Rosoboronexport.

5 (b) The Secretary of Defense may waive the limita-
6 tion in subsection (a) if the Secretary, in consultation with
7 the Secretary of State and the Director of National Intel-
8 ligence, determines that it is in the vital national security
9 interest of the United States to do so, and certifies in writ-
10 ing to the congressional defense committees that, to the
11 best of the Secretary's knowledge:

12 (1) Rosoboronexport has ceased the transfer of
13 lethal military equipment to, and the maintenance of
14 existing lethal military equipment for, the Govern-
15 ment of the Syrian Arab Republic;

16 (2) The armed forces of the Russian Federation
17 have withdrawn from Crimea, other than armed
18 forces present on military bases subject to agree-
19 ments in force between the Government of the Rus-
20 sian Federation and the Government of Ukraine;
21 and

22 (3) Agents of the Russian Federation have
23 ceased taking active measures to destabilize the con-
24 trol of the Government of Ukraine over eastern
25 Ukraine.

1 (c) The Inspector General of the Department of De-
2 fense shall conduct a review of any action involving
3 Rosoboronexport with respect to a waiver issued by the
4 Secretary of Defense pursuant to subsection (b), and not
5 later than 90 days after the date on which such a waiver
6 is issued by the Secretary of Defense, the Inspector Gen-
7 eral shall submit to the congressional defense committees
8 a report containing the results of the review conducted
9 with respect to such waiver.

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

15 SEC. 1200. (a) Of the funds appropriated in this Act
16 for the Department of Defense, amounts may be made
17 available, under such regulations as the Secretary of De-
18 fense may prescribe, to local military commanders ap-
19 pointed by the Secretary, or by an officer or employee des-
20 ignated by the Secretary, to provide at their discretion ex
21 gratia payments in amounts consistent with subsection (d)
22 of this section for damage, personal injury, or death that
23 is incident to combat operations of the Armed Forces in
24 a foreign country.

1 (b) An ex gratia payment under this section may be
2 provided only if—

3 (1) the prospective foreign civilian recipient is
4 determined by the local military commander to be
5 friendly to the United States;

6 (2) a claim for damages would not be compen-
7 sable under chapter 163 of title 10, United States
8 Code (commonly known as the “Foreign Claims
9 Act”); and

10 (3) the property damage, personal injury, or
11 death was not caused by action by an enemy.

12 (c) NATURE OF PAYMENTS.—Any payments provided
13 under a program under subsection (a) shall not be consid-
14 ered an admission or acknowledgement of any legal obliga-
15 tion to compensate for any damage, personal injury, or
16 death.

17 (d) AMOUNT OF PAYMENTS.—If the Secretary of De-
18 fense determines a program under subsection (a) to be ap-
19 propriate in a particular setting, the amounts of pay-
20 ments, if any, to be provided to civilians determined to
21 have suffered harm incident to combat operations of the
22 Armed Forces under the program should be determined
23 pursuant to regulations prescribed by the Secretary and
24 based on an assessment, which should include such factors

1 as cultural appropriateness and prevailing economic condi-
2 tions.

3 (e) LEGAL ADVICE.—Local military commanders
4 shall receive legal advice before making ex gratia pay-
5 ments under this subsection. The legal advisor, under reg-
6 ulations of the Department of Defense, shall advise on
7 whether an ex gratia payment is proper under this section
8 and applicable Department of Defense regulations.

9 (f) WRITTEN RECORD.—A written record of any ex
10 gratia payment offered or denied shall be kept by the local
11 commander and on a timely basis submitted to the appro-
12 priate office in the Department of Defense as determined
13 by the Secretary of Defense.

14 (g) REPORT.—The Secretary of Defense shall report
15 to the congressional defense committees on an annual
16 basis the efficacy of the ex gratia payment program in-
17 cluding the number of types of cases considered, amounts
18 offered, the response from ex gratia payment recipients,
19 and any recommended modifications to the program.

20 SEC. 1201. None of the funds available in this Act
21 to the Department of Defense, other than appropriations
22 made for necessary or routine refurbishments, upgrades
23 or maintenance activities, shall be used to reduce or to
24 prepare to reduce the number of deployed and non-de-
25 ployed strategic delivery vehicles and launchers below the

1 levels set forth in the report submitted to Congress in ac-
2 cordance with section 1042 of the National Defense Au-
3 thorization Act for Fiscal Year 2012.

4 SEC. 1202. The Secretary of Defense shall post grant
5 awards on a public Website in a searchable format.

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

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

15 (1) conduct an acquisition pursuant to section
16 702 of the Foreign Intelligence Surveillance Act of
17 1978 for the purpose of targeting a United States
18 person; or

19 (2) acquire, monitor, or store the contents (as
20 such term is defined in section 2510(8) of title 18,
21 United States Code) of any electronic communica-
22 tion of a United States person from a provider of
23 electronic communication services to the public pur-
24 suant to section 501 of the Foreign Intelligence Sur-
25 veillance Act of 1978.

1 SEC. 1205. None of the funds made available by this
2 Act may be obligated or expended to implement the Arms
3 Trade Treaty until the Senate approves a resolution of
4 ratification for the Treaty.

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

17 SEC. 1207. None of the funds made available in this
18 Act may be obligated for activities authorized under sec-
19 tion 1208 of the Ronald W. Reagan National Defense Au-
20 thorization Act for Fiscal Year 2005 (Public Law 112–
21 81; 125 Stat. 1621) to initiate support for, or expand sup-
22 port to, foreign forces, irregular forces, groups, or individ-
23 uals unless the congressional defense committees are noti-
24 fied in accordance with the direction contained in the clas-
25 sified annex accompanying this Act, not less than 15 days

1 before initiating such support: *Provided*, That none of the
2 funds made available in this Act may be used under sec-
3 tion 1208 for any activity that is not in support of an
4 ongoing military operation being conducted by United
5 States Special Operations Forces to combat terrorism:
6 *Provided further*, That the Secretary of Defense may waive
7 the prohibitions in this section if the Secretary determines
8 that such waiver is required by extraordinary cir-
9 cumstances and, by not later than 72 hours after making
10 such waiver, notifies the congressional defense committees
11 of such waiver.

12 SEC. 1208. None of the funds made available by this
13 Act may be used with respect to Iraq in contravention of
14 the War Powers Resolution (50 U.S.C. 1541 et seq.), in-
15 cluding for the introduction of United States armed forces
16 into hostilities in Iraq, into situations in Iraq where immi-
17 nent involvement in hostilities is clearly indicated by the
18 circumstances, or into Iraqi territory, airspace, or waters
19 while equipped for combat, in contravention of the con-
20 gressional consultation and reporting requirements of sec-
21 tions 3 and 4 of such Resolution (50 U.S.C. 1542 and
22 1543).

23 SEC. 1209. None of the funds provided in this Act
24 for the T-AO Fleet Oiler or the Towing, Salvage, and Res-
25 cue Ship programs shall be used to award a new contract

1 that provides for the acquisition of the following compo-
2 nents unless those components are manufactured in the
3 United States: Auxiliary equipment (including pumps) for
4 shipboard services; propulsion equipment (including en-
5 gines, reduction gears, and propellers); shipboard cranes;
6 and spreaders for shipboard cranes.

7 SEC. 1210. The amount appropriated in title II of
8 this Act for “Operation and Maintenance, Army” is here-
9 by reduced by \$75,000,000 to reflect excess cash balances
10 in Department of Defense Working Capital Funds.

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

15 SEC. 1212. None of the funds made available by this
16 Act may be used for Government Travel Charge Card ex-
17 penses by military or civilian personnel of the Department
18 of Defense for gaming, or for entertainment that includes
19 topless or nude entertainers or participants, as prohibited
20 by Department of Defense FMR, Volume 9, Chapter 3
21 and Department of Defense Instruction 1015.10 (enclo-
22 sure 3, 14a and 14b).

23 SEC. 1213. None of the funds made available by this
24 Act may be used to propose, plan for, or execute a new

1 or additional Base Realignment and Closure (BRAC)
2 round.

3 SEC. 1214. Of the amounts appropriated in this Act
4 for “Operation and Maintenance, Navy”, \$289,255,000,
5 to remain available until expended, may be used for any
6 purposes related to the National Defense Reserve Fleet
7 established under section 11 of the Merchant Ship Sales
8 Act of 1946 (50 U.S.C. 4405): *Provided*, That such
9 amounts are available for reimbursements to the Ready
10 Reserve Force, Maritime Administration account of the
11 United States Department of Transportation for pro-
12 grams, projects, activities, and expenses related to the Na-
13 tional Defense Reserve Fleet.

14 SEC. 1215. None of the funds made available by this
15 Act for the Joint Surveillance Target Attack Radar Sys-
16 tem recapitalization program may be obligated or ex-
17 pended for pre-milestone B activities after March 31,
18 2018, except for source selection and other activities nec-
19 essary to enter the engineering and manufacturing devel-
20 opment phase.

21 SEC. 1216. None of the funds made available by this
22 Act may be used to carry out the closure or realignment
23 of the United States Naval Station, Guantánamo Bay,
24 Cuba.

1 (INCLUDING TRANSFER OF FUNDS)

2 SEC. 1217. Additional readiness funds made available
3 in title II of this Act for “Operation and Maintenance,
4 Army”, “Operation and Maintenance, Navy”, “Operation
5 and Maintenance, Marine Corps”, and “Operation and
6 Maintenance, Air Force” may be transferred to and
7 merged with any appropriation of the Department of De-
8 fense for activities related to the Zika virus in order to
9 provide health support for the full range of military oper-
10 ations and sustain the health of the members of the Armed
11 Forces, civilian employees of the Department of Defense,
12 and their families, to include: research and development,
13 disease surveillance, vaccine development, rapid detection,
14 vector controls and surveillance, training, and outbreak re-
15 sponse: *Provided*, That the authority provided in this sec-
16 tion is subject to the same terms and conditions as the
17 authority provided in section 8005 of this Act.

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

22 (b) Nothing in subsection (a) shall limit the use of
23 funds necessary for any Federal, State, tribal, or local law
24 enforcement agency or any other entity carrying out crimi-
25 nal investigations, prosecution, or adjudication activities,

1 or for any activity necessary for the national defense, in-
2 cluding intelligence activities.

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

10 SEC. 1220. No amounts credited or otherwise made
11 available in this or any other Act to the Department of
12 Defense Acquisition Workforce Development Fund may be
13 transferred to:

14 (1) the Rapid Prototyping Fund established
15 under section 804(d) of the National Defense Au-
16 thorization Act for Fiscal Year 2016 (10 U.S.C.
17 2302 note); or

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

23 (INCLUDING TRANSFER FUND)

24 SEC. 1221. In addition to amounts provided else-
25 where in this Act for military personnel pay, including ac-

1 tive duty, reserve and National Guard personnel,
2 \$206,400,000 is hereby appropriated to the Department
3 of Defense and made available for transfer only to military
4 personnel accounts: *Provided*, That the transfer authority
5 provided under this heading is in addition to any other
6 transfer authority provided elsewhere in this Act.

7 SEC. 1222. In addition to amounts provided else-
8 where in this Act, there is appropriated \$235,000,000, for
9 an additional amount for “Operation and Maintenance,
10 Defense-Wide”, to remain available until expended: *Pro-*
11 *vided*, That such funds shall only be available to the Sec-
12 retary of Defense, acting through the Office of Economic
13 Adjustment of the Department of Defense, or for transfer
14 to the Secretary of Education, notwithstanding any other
15 provision of law, to make grants, conclude cooperative
16 agreements, or supplement other Federal funds to con-
17 struct, renovate, repair, or expand elementary and sec-
18 ondary public schools on military installations in order to
19 address capacity or facility condition deficiencies at such
20 schools: *Provided further*, That in making such funds
21 available, the Office of Economic Adjustment or the Sec-
22 retary of Education shall give priority consideration to
23 those military installations with schools having the most
24 serious capacity or facility condition deficiencies as deter-
25 mined by the Secretary of Defense: *Provided further*, That

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

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

23 SEC. 1224. In carrying out the program described in
24 the memorandum on the subject of “Policy for Assisted
25 Reproductive Services for the Benefit of Seriously or Se-

1 verely Ill/Injured (Category II or III) Active Duty Service
2 Members” issued by the Assistant Secretary of Defense
3 for Health Affairs on April 3, 2012, and the guidance
4 issued to implement such memorandum, the Secretary of
5 Defense shall apply such policy and guidance, except
6 that—

7 (1) the limitation on periods regarding embryo
8 cryopreservation and storage set forth in part III(G)
9 and in part IV(H) of such memorandum shall not
10 apply; and

11 (2) the term “assisted reproductive technology”
12 shall include embryo cryopreservation and storage
13 without limitation on the duration of such
14 cryopreservation and storage.

15 TITLE IX

16 OVERSEAS CONTINGENCY OPERATIONS/GLOBAL 17 WAR ON TERRORISM

18 MILITARY PERSONNEL

19 MILITARY PERSONNEL, ARMY

20 For an additional amount for “Military Personnel,
21 Army”, \$2,635,317,000: *Provided*, That such amount is
22 designated by the Congress for Overseas Contingency Op-
23 erations/Global War on Terrorism pursuant to section
24 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
25 Deficit Control Act of 1985.

1 MILITARY PERSONNEL, NAVY

2 For an additional amount for “Military Personnel,
3 Navy”, \$377,857,000: *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 MILITARY PERSONNEL, MARINE CORPS

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

15 MILITARY PERSONNEL, AIR FORCE

16 For an additional amount for “Military Personnel,
17 Air Force”, \$912,779,000: *Provided*, That such amount
18 is designated by the Congress for Overseas Contingency
19 Operations/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, ARMY

23 For an additional amount for “Reserve Personnel,
24 Army”, \$24,942,000: *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 RESERVE PERSONNEL, NAVY

5 For an additional amount for “Reserve Personnel,
6 Navy”, \$9,091,000: *Provided*, That such amount is des-
7 ignated by the Congress for Overseas Contingency Oper-
8 ations/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 RESERVE PERSONNEL, MARINE CORPS

12 For an additional amount for “Reserve Personnel,
13 Marine Corps”, \$2,328,000: *Provided*, That such amount
14 is designated by the Congress for Overseas Contingency
15 Operations/Global War on Terrorism pursuant to section
16 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
17 Deficit Control Act of 1985.

18 RESERVE PERSONNEL, AIR FORCE

19 For an additional amount for “Reserve Personnel,
20 Air Force”, \$20,569,000: *Provided*, That such amount is
21 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 NATIONAL GUARD PERSONNEL, ARMY

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

8 NATIONAL GUARD PERSONNEL, AIR FORCE

9 For an additional amount for “National Guard Per-
10 sonnel, Air Force”, \$5,004,000: *Provided*, That such
11 amount is designated by the Congress for Overseas Con-
12 tingency Operations/Global War on Terrorism pursuant to
13 section 251(b)(2)(A)(ii) of the Balanced Budget and
14 Emergency Deficit Control Act of 1985.

15 MILITARY PERSONNEL, NATIONAL DEFENSE

16 RESTORATION FUND

17 (INCLUDING TRANSFER OF FUNDS)

18 In addition to amounts provided elsewhere in this
19 Act, there is appropriated \$1,000,000,000, for the “Mili-
20 tary Personnel, National Defense Restoration Fund”: *Pro-*
21 *vided*, That such funds provided under this heading shall
22 only be available for programs, projects and activities nec-
23 essary to implement the 2018 National Defense Strategy:
24 *Provided further*, That such funds shall not be available
25 for transfer until 30 days after the Secretary has sub-

mitted, and the congressional defense committees have approved, the proposed allocation plan for the use of such funds to implement such strategy: *Provided further*, That such allocation plan shall include a detailed justification for the use of such funds and a description of how such investments are necessary to implement the strategy: *Provided further*, That the Secretary of Defense may transfer these funds only to military personnel accounts: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: *Provided further*, That none of the funds made available under this heading may be transferred to any program, project, or activity specifically limited or denied by this Act: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That such 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

2 OPERATION AND MAINTENANCE, ARMY

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

9 OPERATION AND MAINTENANCE, NAVY

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

18 OPERATION AND MAINTENANCE, MARINE CORPS

19 For an additional amount for “Operation and Main-
20 tenance, Marine Corps”, \$1,116,640,000: *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
24 and Emergency Deficit Control Act of 1985.

1 OPERATION AND MAINTENANCE, AIR FORCE

2 For an additional amount for “Operation and Main-
3 tenance, Air Force”, \$10,266,295,000: *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
7 and Emergency Deficit Control Act of 1985.

8 OPERATION AND MAINTENANCE, DEFENSE-WIDE

9 For an additional amount for “Operation and Main-
10 tenance, Defense-Wide”, \$6,944,201,000: *Provided*, That
11 of 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
17 State of Iraq and the Levant: *Provided further*, That such
18 reimbursement payments may be made in such amounts
19 as the Secretary of Defense, with the concurrence of the
20 Secretary of State, and in consultation with the Director
21 of the Office of Management and Budget, may determine,
22 based on documentation determined by the Secretary of
23 Defense to adequately account for the support provided,
24 and such determination is final and conclusive upon the
25 accounting officers of the United States, and 15 days fol-

1 lowing notification to the appropriate congressional com-
2 mittees: *Provided further*, That funds provided under this
3 heading may be used for the purpose of providing special-
4 ized training and procuring supplies and specialized equip-
5 ment and providing such supplies and loaning such equip-
6 ment on a non-reimbursable basis to coalition forces sup-
7 porting United States military and stability operations in
8 Afghanistan and to counter the Islamic State of Iraq and
9 the Levant, and 15 days following notification to the ap-
10 propriate congressional committees: *Provided further*,
11 That funds provided under this heading may be used to
12 support the Government of Jordan, in such amounts as
13 the Secretary of Defense may determine, to enhance the
14 ability of the armed forces of Jordan to increase or sustain
15 security along its borders, upon 15 days prior written noti-
16 fication to the congressional defense committees outlining
17 the amounts intended to be provided and the nature of
18 the expenses incurred: *Provided further*, That of the funds
19 provided under this heading, not to exceed \$750,000,000,
20 to remain available until September 30, 2019, shall be
21 available to provide support and assistance to foreign secu-
22 rity forces or other groups or individuals to conduct, sup-
23 port, or facilitate counterterrorism, crisis response, or
24 other Department of Defense security cooperation pro-
25 grams: *Provided further*, That such amount is designated

1 by the Congress for Overseas Contingency Operations/
2 Global War on Terrorism pursuant to section
3 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
4 Deficit Control Act of 1985.

5 OPERATION AND MAINTENANCE, ARMY RESERVE

6 For an additional amount for “Operation and Main-
7 tenance, Army Reserve”, \$24,699,000: *Provided*, 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
11 and Emergency Deficit Control Act of 1985.

12 OPERATION AND MAINTENANCE, NAVY RESERVE

13 For an additional amount for “Operation and Main-
14 tenance, Navy Reserve”, \$23,980,000: *Provided*, That
15 such amount is designated by the Congress for Overseas
16 Contingency Operations/Global War on Terrorism pursu-
17 ant to section 251(b)(2)(A)(ii) of the Balanced Budget
18 and Emergency Deficit Control Act of 1985.

19 OPERATION AND MAINTENANCE, MARINE CORPS

20 RESERVE

21 For an additional amount for “Operation and Main-
22 tenance, Marine Corps Reserve”, \$3,367,000: *Provided*,
23 That such amount is designated by the Congress for Over-
24 seas Contingency Operations/Global War on Terrorism

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

3 OPERATION AND MAINTENANCE, AIR FORCE RESERVE

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

10 OPERATION AND MAINTENANCE, ARMY NATIONAL
11 GUARD

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

18 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

19 For an additional amount for “Operation and Main-
20 tenance, Air National Guard”, \$15,400,000: *Provided*,
21 That such amount is designated by the Congress for Over-
22 seas Contingency Operations/Global War on Terrorism
23 pursuant to section 251(b)(2)(A)(ii) of the Balanced
24 Budget and Emergency Deficit Control Act of 1985.

1 OPERATION AND MAINTENANCE, NATIONAL DEFENSE
2 RESTORATION FUND
3 (INCLUDING TRANSFER OF FUNDS)

4 In addition to amounts provided elsewhere in this
5 Act, there is appropriated \$2,000,000,000, for the “Oper-
6 ation and Maintenance, National Defense Restoration
7 Fund”: *Provided*, That such funds provided under this
8 heading shall only be available for programs, projects and
9 activities necessary to implement the 2018 National De-
10 fense Strategy: *Provided further*, That such funds shall not
11 be available for transfer until 30 days after the Secretary
12 has submitted, and the congressional defense committees
13 have approved, the proposed allocation plan for the use
14 of such funds to implement such strategy: *Provided fur-*
15 *ther*, That such allocation plan shall include a detailed jus-
16 tification for the use of such funds and a description of
17 how such investments are necessary to implement the
18 strategy: *Provided further*, That the Secretary of Defense
19 may transfer these funds only to operation and mainte-
20 nance accounts: *Provided further*, That the funds trans-
21 ferred shall be merged with and shall be available for the
22 same purposes and for the same time period, as the appro-
23 priation to which transferred: *Provided further*, That none
24 of the funds made available under this heading may be
25 transferred to any program, project, or activity specifically

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

9 AFGHANISTAN SECURITY FORCES FUND

10 For the “Afghanistan Security Forces Fund”,
11 \$4,937,515,000 (reduced by \$12,000,000), to remain
12 available until September 30, 2019: *Provided*, That such
13 funds shall be available to the Secretary of Defense, not-
14 withstanding any other provision of law, for the purpose
15 of allowing the Commander, Combined Security Transi-
16 tion Command—Afghanistan, or the Secretary’s designee,
17 to provide assistance, with the concurrence of the Sec-
18 retary of State, to the security forces of Afghanistan, in-
19 cluding the provision of equipment, supplies, services,
20 training, facility and infrastructure repair, renovation,
21 construction, and funding: *Provided further*, That the Sec-
22 retary of Defense may obligate and expend funds made
23 available to the Department of Defense in this title for
24 additional costs associated with existing projects pre-
25 viously funded with amounts provided under the heading

1 “Afghanistan Infrastructure Fund” in prior Acts: *Pro-*
2 *vided further*, That such costs shall be limited to contract
3 changes resulting from inflation, market fluctuation, rate
4 adjustments, and other necessary contract actions to com-
5 plete existing projects, and associated supervision and ad-
6 ministration costs and costs for design during construc-
7 tion: *Provided further*, That the Secretary may not use
8 more than \$50,000,000 under the authority provided in
9 this section: *Provided further*, That the Secretary shall no-
10 tify in advance such contract changes and adjustments in
11 annual reports to the congressional defense committees:
12 *Provided further*, That the authority to provide assistance
13 under this heading is in addition to any other authority
14 to provide assistance to foreign nations: *Provided further*,
15 That contributions of funds for the purposes provided
16 herein from any person, foreign government, or inter-
17 national organization may be credited to this Fund, to re-
18 main available until expended, and used for such purposes:
19 *Provided further*, That the Secretary of Defense shall no-
20 tify the congressional defense committees in writing upon
21 the receipt and upon the obligation of any contribution,
22 delineating the sources and amounts of the funds received
23 and the specific use of such contributions: *Provided fur-*
24 *ther*, That the Secretary of Defense shall, not fewer than
25 15 days prior to obligating from this appropriation ac-

1 count, notify the congressional defense committees in writ-
2 ing of the details of any such obligation: *Provided further*,
3 That the Secretary of Defense shall notify the congres-
4 sional defense committees of any proposed new projects
5 or transfer of funds between budget sub-activity groups
6 in excess of \$20,000,000: *Provided further*, That the
7 United States may accept equipment procured using funds
8 provided under this heading in this or prior Acts that was
9 transferred to the security forces of Afghanistan and re-
10 turned by such forces to the United States: *Provided fur-*
11 *ther*, That equipment procured using funds provided under
12 this heading in this or prior Acts, and not yet transferred
13 to the security forces of Afghanistan or transferred to the
14 security forces of Afghanistan and returned by such forces
15 to the United States, may be treated as stocks of the De-
16 partment of Defense upon written notification to the con-
17 gressional defense committees: *Provided further*, That of
18 the funds provided under this heading, not less than
19 \$10,000,000 shall be for recruitment and retention of
20 women in the Afghanistan National Security Forces, and
21 the recruitment and training of female security personnel:
22 *Provided further*, That such amount is designated by the
23 Congress for Overseas Contingency Operations/Global
24 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of

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

3 COUNTER-ISIL TRAIN AND EQUIP FUND

4 For the “Counter-Islamic State of Iraq and the Le-
5 vant Train and Equip Fund”, \$1,769,000,000, to remain
6 available until September 30, 2019: *Provided*, That such
7 funds shall be available to the Secretary of Defense in co-
8 ordination with the Secretary of State, to provide assist-
9 ance, including training; equipment; logistics support, sup-
10 plies, and services; stipends; infrastructure repair and ren-
11 ovation; and sustainment, to foreign security forces, irreg-
12 ular forces, groups, or individuals participating, or pre-
13 paring to participate in activities to counter the Islamic
14 State of Iraq and the Levant, and their affiliated or asso-
15 ciated groups: *Provided further*, That these funds may be
16 used in such amounts as the Secretary of Defense may
17 determine to enhance the border security of nations adja-
18 cent to conflict areas including Jordan, Lebanon, Egypt,
19 and Tunisia resulting from actions of the Islamic State
20 of Iraq and the Levant: *Provided further*, That amounts
21 made available under this heading shall be available to
22 provide assistance only for activities in a country des-
23 ignated by the Secretary of Defense, in coordination with
24 the Secretary of State, as having a security mission to
25 counter the Islamic State of Iraq and the Levant, and fol-

1 lowing written notification to the congressional defense
2 committees of such designation: *Provided further*, That the
3 Secretary of Defense shall ensure that prior to providing
4 assistance to elements of any forces or individuals, such
5 elements or individuals are appropriately vetted, including
6 at a minimum, assessing such elements for associations
7 with terrorist groups or groups associated with the Gov-
8 ernment of Iran; and receiving commitments from such
9 elements to promote respect for human rights and the rule
10 of law: *Provided further*, That the Secretary of Defense
11 shall, not fewer than 15 days prior to obligating from this
12 appropriation account, notify the congressional defense
13 committees in writing of the details of any such obligation:
14 *Provided further*, That the Secretary of Defense may ac-
15 cept and retain contributions, including assistance in-kind,
16 from foreign governments, including the Government of
17 Iraq and other entities, to carry out assistance authorized
18 under this heading: *Provided further*, That contributions
19 of funds for the purposes provided herein from any foreign
20 government or other entity may be credited to this Fund,
21 to remain available until expended, and used for such pur-
22 poses: *Provided further*, That the Secretary of Defense
23 may waive a provision of law relating to the acquisition
24 of items and support services or sections 40 and 40A of
25 the Arms Export Control Act (22 U.S.C. 2780 and 2785)

1 if the Secretary determines that such provision of law
2 would prohibit, restrict, delay or otherwise limit the provi-
3 sion of such assistance and a notice of and justification
4 for such waiver is submitted to the congressional defense
5 committees, the Committees on Appropriations and For-
6 eign Relations of the Senate and the Committees on Ap-
7 propriations and Foreign Affairs of the House of Rep-
8 resentatives: *Provided further*, That the United States may
9 accept equipment procured using funds provided under
10 this heading, or under the heading, “Iraq Train and Equip
11 Fund” in prior Acts, that was transferred to security
12 forces, irregular forces, or groups participating, or pre-
13 paring to participate in activities to counter the Islamic
14 State of Iraq and the Levant and returned by such forces
15 or groups to the United States, may be treated as stocks
16 of the Department of Defense upon written notification
17 to the congressional defense committees: *Provided further*,
18 That equipment procured using funds provided under this
19 heading, or under the heading, “Iraq Train and Equip
20 Fund” in prior Acts, and not yet transferred to security
21 forces, irregular forces, or groups participating, or pre-
22 paring to participate in activities to counter the Islamic
23 State of Iraq and the Levant may be treated as stocks
24 of the Department of Defense when determined by the
25 Secretary to no longer be required for transfer to such

1 forces or groups and upon written notification to the con-
2 gressional defense committees: *Provided further*, That the
3 Secretary of Defense shall provide quarterly reports to the
4 congressional defense committees on the use of funds pro-
5 vided under this heading, including, but not limited to,
6 the number of individuals trained, the nature and scope
7 of support and sustainment provided to each group or in-
8 dividual, the area of operations for each group, and the
9 contributions of other countries, groups, or individuals:
10 *Provided further*, That such amount is designated by the
11 Congress for Overseas Contingency Operations/ Global
12 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of
13 the Balanced Budget and Emergency Deficit Control Act
14 of 1985.

15 PROCUREMENT

16 AIRCRAFT PROCUREMENT, ARMY

17 For an additional amount for “Aircraft Procurement,
18 Army”, \$424,686,000, to remain available until Sep-
19 tember 30, 2020: *Provided*, That such amount is des-
20 ignated 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 MISSILE PROCUREMENT, ARMY

2 For an additional amount for “Missile Procurement,
3 Army”, \$557,583,000, to remain available until Sep-
4 tember 30, 2020: *Provided*, That such amount is des-
5 ignated by the Congress for Overseas Contingency Oper-
6 ations/Global War on Terrorism pursuant to section
7 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
8 Deficit Control Act of 1985.

9 PROCUREMENT OF WEAPONS AND TRACKED COMBAT
10 VEHICLES, ARMY

11 For an additional amount for “Procurement of Weap-
12 ons and Tracked Combat Vehicles, Army”,
13 \$1,191,139,000, to remain available until September 30,
14 2020: *Provided*, That such amount is designated by the
15 Congress for Overseas Contingency Operations/Global
16 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of
17 the Balanced Budget and Emergency Deficit Control Act
18 of 1985.

19 PROCUREMENT OF AMMUNITION, ARMY

20 For an additional amount for “Procurement of Am-
21 munition, Army”, \$193,436,000, to remain available until
22 September 30, 2020: *Provided*, That such amount is des-
23 ignated 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, ARMY

4 For an additional amount for “Other Procurement,
5 Army”, \$405,575,000, to remain available until Sep-
6 tember 30, 2020: *Provided*, That such amount is des-
7 ignated by the Congress for Overseas Contingency Oper-
8 ations/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 AIRCRAFT PROCUREMENT, NAVY

12 For an additional amount for “Aircraft Procurement,
13 Navy”, \$157,300,000, to remain available until September
14 30, 2020: *Provided*, That such amount is designated by
15 the Congress for Overseas Contingency Operations/Global
16 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of
17 the Balanced Budget and Emergency Deficit Control Act
18 of 1985.

19 WEAPONS PROCUREMENT, NAVY

20 For an additional amount for “Weapons Procure-
21 ment, Navy”, \$130,994,000, to remain available until
22 September 30, 2020: *Provided*, That such amount is des-
23 ignated 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 PROCUREMENT OF AMMUNITION, NAVY AND MARINE
4 CORPS

5 For an additional amount for “Procurement of Am-
6 munition, Navy and Marine Corps”, \$223,843,000, to re-
7 main available until September 30, 2020: *Provided*, 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
11 and Emergency Deficit Control Act of 1985.

12 OTHER PROCUREMENT, NAVY

13 For an additional amount for “Other Procurement,
14 Navy”, \$207,984,000, to remain available until September
15 30, 2020: *Provided*, That such amount is designated by
16 the Congress for Overseas Contingency Operations/Global
17 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of
18 the Balanced Budget and Emergency Deficit Control Act
19 of 1985.

20 PROCUREMENT, MARINE CORPS

21 For an additional amount for “Procurement, Marine
22 Corps”, \$64,071,000, to remain available until September
23 30, 2020: *Provided*, That such amount is designated by
24 the Congress for Overseas Contingency Operations/Global
25 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of

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

3 AIRCRAFT PROCUREMENT, AIR FORCE

4 For an additional amount for “Aircraft Procurement,
5 Air Force”, \$510,836,000, to remain available until Sep-
6 tember 30, 2020: *Provided*, That such amount is des-
7 ignated by the Congress for Overseas Contingency Oper-
8 ations/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 MISSILE PROCUREMENT, AIR FORCE

12 For an additional amount for “Missile Procurement,
13 Air Force”, \$381,700,000, to remain available until Sep-
14 tember 30, 2020: *Provided*, That such amount is des-
15 ignated by the Congress for Overseas Contingency Oper-
16 ations/Global War on Terrorism pursuant to section
17 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
18 Deficit Control Act of 1985.

19 SPACE PROCUREMENT, AIR FORCE

20 For an additional amount for “Space Procurement,
21 Air Force”, \$2,256,000, to remain available until Sep-
22 tember 30, 2020: *Provided*, That such amount is des-
23 ignated 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 PROCUREMENT OF AMMUNITION, AIR FORCE

4 For an additional amount for “Procurement of Am-
5 munition, Air Force”, \$501,509,000, to remain available
6 until September 30, 2020: *Provided*, That such amount
7 is designated by the Congress for Overseas Contingency
8 Operations/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 OTHER PROCUREMENT, AIR FORCE

12 For an additional amount for “Other Procurement,
13 Air Force”, \$3,998,887,000, to remain available until
14 September 30, 2020: *Provided*, That such amount is des-
15 ignated by the Congress for Overseas Contingency Oper-
16 ations/Global War on Terrorism pursuant to section
17 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
18 Deficit Control Act of 1985.

19 PROCUREMENT, DEFENSE-WIDE

20 For an additional amount for “Procurement, De-
21 fense-Wide”, \$510,741,000, to remain available until Sep-
22 tember 30, 2020: *Provided*, That such amount is des-
23 ignated 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 NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT

4 For procurement of rotary-wing aircraft; combat, tac-
5 tical and support vehicles; other weapons; and other pro-
6 curement items for the reserve components of the Armed
7 Forces, \$1,000,000,000, to remain available for obligation
8 until September 30, 2020: *Provided*, That the Chiefs of
9 National Guard and Reserve components shall, not later
10 than 30 days after enactment of this Act, individually sub-
11 mit to the congressional defense committees the mod-
12 ernization priority assessment for their respective Na-
13 tional Guard or Reserve component: *Provided further*,
14 That none of the funds made available by this paragraph
15 may be used to procure manned fixed wing aircraft, or
16 procure or modify missiles, munitions, or ammunition:
17 *Provided further*, That such amount is designated by the
18 Congress for Overseas Contingency Operations/Global
19 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of
20 the Balanced Budget and Emergency Deficit Control Act
21 of 1985.

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

8 RESEARCH, DEVELOPMENT, TEST AND
9 EVALUATION

10 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
11 ARMY

12 For an additional amount for “Research, Develop-
13 ment, Test and Evaluation, Army”, \$119,368,000 (in-
14 creased by \$6,000,000), to remain available until Sep-
15 tember 30, 2019: *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 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
21 NAVY

22 For an additional amount for “Research, Develop-
23 ment, Test and Evaluation, Navy”, \$124,865,000, to re-
24 main available until September 30, 2019: *Provided*, That
25 such amount is designated by the Congress for Overseas

1 Contingency Operations/Global War on Terrorism pursu-
2 ant 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 AIR FORCE

6 For an additional amount for “Research, Develop-
7 ment, Test and Evaluation, Air Force”, \$144,508,000, to
8 remain available until September 30, 2019: *Provided*,
9 That such amount is designated by the Congress for Over-
10 seas Contingency Operations/Global War on Terrorism
11 pursuant to section 251(b)(2)(A)(ii) of the Balanced
12 Budget and Emergency Deficit Control Act of 1985.

13 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
14 DEFENSE-WIDE

15 For an additional amount for “Research, Develop-
16 ment, Test and Evaluation, Defense-Wide”,
17 \$226,096,000, to remain available until September 30,
18 2019: *Provided*, That such amount is designated by the
19 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.

1 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,
2 NATIONAL DEFENSE RESTORATION FUND
3 (INCLUDING TRANSFER OF FUNDS)

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

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

9 REVOLVING AND MANAGEMENT FUNDS

10 DEFENSE WORKING CAPITAL FUNDS

11 For an additional amount for “Defense Working
12 Capital Funds”, \$148,956,000: *Provided*, That such
13 amount is designated by the Congress for Overseas Con-
14 tingency Operations/Global War on Terrorism pursuant to
15 section 251(b)(2)(A)(ii) of the Balanced Budget and
16 Emergency Deficit Control Act of 1985.

17 OTHER DEPARTMENT OF DEFENSE PROGRAMS

18 DEFENSE HEALTH PROGRAM

19 For an additional amount for “Defense Health Pro-
20 gram”, \$395,805,000, which shall be for operation and
21 maintenance: *Provided*, That such amount is designated
22 by the Congress for Overseas Contingency Operations/
23 Global War on Terrorism pursuant to section
24 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
25 Deficit Control Act of 1985.

1 DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES,
2 DEFENSE

3 For an additional amount for “Drug Interdiction and
4 Counter-Drug Activities, Defense”, \$196,300,000: *Pro-*
5 *vided*, That such amount is designated by the Congress
6 for Overseas Contingency Operations/Global War on Ter-
7 rorism pursuant to section 251(b)(2)(A)(ii) of the Bal-
8 anced Budget and Emergency Deficit Control Act of 1985.

9 JOINT IMPROVISED-THREAT DEFEAT FUND
10 (INCLUDING TRANSFER OF FUNDS)

11 For the “Joint Improvised-Threat Defeat Fund”,
12 \$483,058,000, to remain available until September 30,
13 2020: *Provided*, That such funds shall be available to the
14 Secretary of Defense, notwithstanding any other provision
15 of law, for the purpose of allowing the Director of the
16 Joint Improvised-Threat Defeat Organization to inves-
17 tigate, develop and provide equipment, supplies, services,
18 training, facilities, personnel and funds to assist United
19 States forces in the defeat of improvised explosive devices:
20 *Provided further*, That the Secretary of Defense may
21 transfer funds provided herein to appropriations for mili-
22 tary personnel; operation and maintenance; procurement;
23 research, development, test and evaluation; and defense
24 working capital funds to accomplish the purpose provided
25 herein: *Provided further*, That this transfer authority is

1 in addition to any other transfer authority available to the
2 Department of Defense: *Provided further*, That the Sec-
3 retary of Defense shall, not fewer than 5 days prior to
4 making transfers from this appropriation, notify the con-
5 gressional defense committees in writing of the details of
6 any such transfer: *Provided further*, That such amount is
7 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 OFFICE OF THE INSPECTOR GENERAL

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

18 GENERAL PROVISIONS—THIS TITLE

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

23 (INCLUDING TRANSFER OF FUNDS)

24 SEC. 1302. Upon the determination of the Secretary
25 of Defense that such action is necessary in the national

1 interest, the Secretary may, with the approval of the Of-
2 fice of Management and Budget, transfer up to
3 \$2,500,000,000 between the appropriations or funds made
4 available to the Department of Defense in this title: *Pro-*
5 *vided*, That the Secretary shall notify the Congress
6 promptly of each transfer made pursuant to the authority
7 in this section: *Provided further*, That the authority pro-
8 vided in this section is in addition to any other transfer
9 authority available to the Department of Defense and is
10 subject to the same terms and conditions as the authority
11 provided in section 8005 of this Act.

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

22 SEC. 1304. From funds made available in this title,
23 the Secretary of Defense may purchase for use by military
24 and civilian employees of the Department of Defense in

1 the United States Central Command area of responsi-
2 bility:

3 (1) passenger motor vehicles up to a limit of
4 \$75,000 per vehicle; and

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

10 SEC. 1305. Not to exceed \$5,000,000 of the amounts
11 appropriated by this title under the heading “Operation
12 and Maintenance, Army” may be used, notwithstanding
13 any other provision of law, to fund the Commanders’
14 Emergency Response Program (CERP), for the purpose
15 of enabling military commanders in Afghanistan to re-
16 spond to urgent, small-scale, humanitarian relief and re-
17 construction requirements within their areas of responsi-
18 bility: *Provided*, That each project (including any ancillary
19 or related elements in connection with such project) exe-
20 cuted under this authority shall not exceed \$2,000,000:
21 *Provided further*, That not later than 45 days after the
22 end of each 6 months of the fiscal year, the Secretary of
23 Defense shall submit to the congressional defense commit-
24 tees a report regarding the source of funds and the alloca-
25 tion and use of funds during that 6-month period that

1 were made available pursuant to the authority provided
2 in this section or under any other provision of law for the
3 purposes described herein: *Provided further*, That, not
4 later than 30 days after the end of each fiscal year quar-
5 ter, the Army shall submit to the congressional defense
6 committees quarterly commitment, obligation, and expend-
7 iture data for the CERP in Afghanistan: *Provided further*,
8 That, not less than 15 days before making funds available
9 pursuant to the authority provided in this section or under
10 any other provision of law for the purposes described here-
11 in for a project with a total anticipated cost for completion
12 of \$500,000 or more, the Secretary shall submit to the
13 congressional defense committees a written notice con-
14 taining each of the following:

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

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

24 (3) A plan for the sustainment of the proposed
25 project, including the agreement with either the host

1 nation, a non-Department of Defense agency of the
2 United States Government or a third-party contrib-
3 utor to finance the sustainment of the activities and
4 maintenance of any equipment or facilities to be pro-
5 vided through the proposed project.

6 SEC. 1306. Funds available to the Department of De-
7 fense for operation and maintenance may be used, not-
8 withstanding any other provision of law, to provide sup-
9 plies, services, transportation, including airlift and sealift,
10 and other logistical support to allied forces participating
11 in a combined operation with the armed forces of the
12 United States and coalition forces supporting military and
13 stability operations in Afghanistan and to counter the Is-
14 lamic State of Iraq and the Levant: *Provided*, That the
15 Secretary of Defense shall provide quarterly reports to the
16 congressional defense committees regarding support pro-
17 vided under this section.

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

22 (1) To establish any military installation or
23 base for the purpose of providing for the permanent
24 stationing of United States Armed Forces in Iraq.

1 (2) To exercise United States control over any
2 oil resource of Iraq.

3 (3) To establish any military installation or
4 base for the purpose of providing for the permanent
5 stationing of United States Armed Forces in Af-
6 ghanistan.

7 SEC. 1308. None of the funds made available in this
8 Act may be used in contravention of the following laws
9 enacted or regulations promulgated to implement the
10 United Nations Convention Against Torture and Other
11 Cruel, Inhuman or Degrading Treatment or Punishment
12 (done at New York on December 10, 1984):

13 (1) Section 2340A of title 18, United States
14 Code.

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

22 (3) Sections 1002 and 1003 of the Department
23 of Defense, Emergency Supplemental Appropriations
24 to Address Hurricanes in the Gulf of Mexico, and

1 Pandemic Influenza Act, 2006 (Public Law 109–
2 148).

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

17 SEC. 1310. Funds made available in this title to the
18 Department of Defense for operation and maintenance
19 may be used to purchase items having an investment unit
20 cost of not more than \$250,000: *Provided*, That, upon de-
21 termination by the Secretary of Defense that such action
22 is necessary to meet the operational requirements of a
23 Commander of a Combatant Command engaged in contin-
24 gency operations overseas, such funds may be used to pur-

1 chase items having an investment item unit cost of not
2 more than \$500,000.

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

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

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

1 vided under this heading, notify the congressional defense
2 committees in writing of the details of any such obligation:
3 *Provided further*, That the United States may accept
4 equipment procured using funds provided under this head-
5 ing in this or prior Acts that was transferred to the secu-
6 rity forces of Ukraine and returned by such forces to the
7 United States: *Provided further*, That equipment procured
8 using funds provided under this heading in this or prior
9 Acts, and not yet transferred to the military or National
10 Security Forces of Ukraine or returned by such forces to
11 the United States, may be treated as stocks of the Depart-
12 ment of Defense upon written notification to the congres-
13 sional defense committees: *Provided further*, That amounts
14 made available by this section are designated by the Con-
15 gress for Overseas Contingency Operations/Global War on
16 Terrorism pursuant to section 251(b)(2)(A)(ii) of the Bal-
17 anced Budget and Emergency Deficit Control Act of 1985.

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

23 SEC. 1315. None of the funds made available by this
24 Act under section 9013 for “Assistance and Sustainment
25 to the Military and National Security Forces of Ukraine”

1 may be used to procure or transfer man-portable air de-
2 fense systems.

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

11 (1) cooperating with the United States in
12 counterterrorism efforts against the Haqqani Net-
13 work, the Quetta Shura Taliban, Lashkar e-Tayyiba,
14 Jaish-e-Mohammed, Al Qaeda, and other domestic
15 and foreign terrorist organizations, including taking
16 steps to end support for such groups and prevent
17 them from basing and operating in Pakistan and
18 carrying out cross border attacks into neighboring
19 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
10 and 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
15 the Secretary of State, may waive the restriction in sub-
16 section (a) on a case-by-case basis by certifying in writing
17 to the congressional defense committees that it is in the
18 national security interest to do so: *Provided*, That if the
19 Secretary of Defense, in coordination with the Secretary
20 of State, exercises such waiver authority, the Secretaries
21 shall report to the congressional defense committees on
22 both the justification for the waiver and on the require-
23 ments of this section that the Government of Pakistan was
24 not able to meet: *Provided further*, That such report may
25 be submitted in classified 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
5 transfer only to the operation and maintenance, military
6 personnel, and procurement accounts, to improve the intel-
7 ligence, surveillance, and reconnaissance capabilities of the
8 Department of Defense: *Provided*, That the transfer au-
9 thority 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
12 the transfer authority provided in this section, the Sec-
13 retary of Defense shall submit a report to the congres-
14 sional defense committees on the proposed uses of these
15 funds: *Provided further*, That the funds provided in this
16 section may not be transferred to any program, project,
17 or activity specifically limited or denied by this Act: *Pro-*
18 *vided further*, That amounts made available by this section
19 are designated by the Congress for Overseas Contingency
20 Operations/Global War on Terrorism pursuant to section
21 251(b)(2)(A)(ii) of the Balanced Budget and Emergency
22 Deficit Control Act of 1985: *Provided further*, That the
23 authority to provide funding under this section shall termi-
24 nate on September 30, 2018.

SEC. 1318. None of the funds made available by this Act may be used with respect to Syria in contravention of the War Powers Resolution (50 U.S.C. 1541 et seq.), including for the introduction of United States armed or military forces into hostilities in Syria, into situations in Syria where imminent involvement in hostilities is clearly indicated by the circumstances, or into Syrian territory, airspace, or waters while equipped for combat, in contravention of the congressional consultation and reporting requirements of sections 3 and 4 of that law (50 U.S.C. 1542 and 1543).

12 (RESCISSIONS)

13 SEC. 1319. Of the funds appropriated in Department
14 of Defense Appropriations Acts, the following funds are
15 hereby rescinded from the following accounts and pro-
16 grams in the specified amounts: *Provided*, That such
17 amounts are designated by the Congress for Overseas
18 Contingency Operations/Global War on Terrorism pursu-
19 ant to section 251(b)(2)(A)(ii) of the Balanced Budget
20 and Emergency Deficit Control Act of 1985:

21 “Other Procurement, Air Force”, 2017/2019,
22 \$25,100,000;
23 “Afghanistan Security Forces Fund”, 2017/
24 2018, \$100,000,000; and

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
7 the Congress for Overseas Contingency Operations/Global
8 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of
9 the Balanced Budget and Emergency Deficit Control Act
10 of 1985 shall be available only if the President subse-
11 quently so designates all such amounts and transmits such
12 designations 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
15 to Congress a report on the United States strategy to de-
16 feat Al-Qaeda, the Taliban, the Islamic State of Iraq and
17 Syria (ISIS), and their associated forces and co-belliger-
18 ents.

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

21 (1) An analysis of the adequacy of the existing
22 legal framework to accomplish the strategy described
23 in subsection (a), particularly with respect to the
24 Authorization for Use of Military Force (Public Law
25 107–40; 50 U.S.C. 1541 note) and the Authoriza-

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

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

7 (c) Not later than 30 days after the date on which
8 the President submits to the appropriate congressional
9 committees the report required by subsection (a), the Sec-
10 retary of State and the Secretary of Defense shall testify
11 at any hearing held by any of the appropriate congres-
12 sional committees on the report and to which the Sec-
13 retary is invited.

14 (d) In this section, the term “appropriate congres-
15 sional committees” means—

16 (1) the Committee on Foreign Relations and
17 the Committee on Armed Services of the Senate; and

18 (2) the Committee on Foreign Affairs and the
19 Committee on Armed Services of the House of Rep-
20 resentatives.

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

- 1 (1) “Military Personnel, Army”, \$48,377,000;
- 2 (2) “Military Personnel, Marine Corps”,
- 3 \$179,000;
- 4 (3) “Military Personnel, Air Force”,
- 5 \$1,340,000;
- 6 (4) “Operation and Maintenance, Army”,
- 7 \$872,491,000;
- 8 (5) “Operation and Maintenance, Navy”,
- 9 \$76,274,000;
- 10 (6) “Operation and Maintenance, Marine
- 11 Corps”, \$24,734,000;
- 12 (7) “Operation and Maintenance, Defense-
- 13 Wide”, \$81,164,000;
- 14 (8) “Procurement of Ammunition, Navy and
- 15 Marine Corps”, \$10,853,000, to remain available
- 16 until September 30, 2020;
- 17 (9) “Other Procurement, Navy”, \$31,500,000,
- 18 to remain available until September 30, 2020; and
- 19 (10) “Research, Development, Test and Evalua-
- 20 tion, Navy”, \$37,200,000, to remain available until
- 21 September 30, 2019.

22 (b) Amounts provided pursuant to this section are
23 hereby designated by the Congress for Overseas Contin-
24 gency Operations/Global War on Terrorism pursuant to

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

3 TITLE X—ADDITIONAL GENERAL PROVISIONS

4 REFERENCES TO REPORT

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

10 SPENDING REDUCTION ACCOUNT

11 SEC. 1402. \$0.

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

16 SEC. 1404. None of the funds made available in this
17 Act may be used for the closure of a biosafety level 4 lab-
18 oratory.

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

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

24 SEC. 1407. None of the funds appropriated by this
25 Act may be used to plan for, begin, continue, complete,

1 process, or approve a public-private competition under the
2 Office of Management and Budget Circular A-76.

3 SEC. 1408. Notwithstanding any other provision of
4 law, with respect to the revised security category (as that
5 term is defined in section 250(c)(4)(D) of the Balanced
6 Budget and Emergency Deficit Control Act of 1985), any
7 sequestration order issued under such Act for fiscal year
8 2018 shall have no force or effect.

9 This division may be cited as the “Department of De-
10 fense Appropriations Act, 2018”.

11 **DIVISION D—MISCELLANEOUS**

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

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

19 (b) Section 1241 of the Food Security Act of 1985
20 (16 U.S.C. 3841) is amended—

21 (1) in subsection (a)—

22 (A) in the matter preceding paragraph (1),
23 by striking “2018” and inserting “2018 (and
24 fiscal year 2019 in the case of the program
25 specified in paragraph (5))”; and

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

4 (2) in subsection (b), by striking “2018” and
5 inserting “2018 (and fiscal year 2019 in the case of
6 the 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”.

1 **TITLE I—MEDICARE EXTENDERS**
2 **AND RELATED POLICIES**
3 **Subtitle A—Medicare Part A**

4 **SEC. 2101. EXTENSION OF THE MEDICARE-DEPENDENT**
5 **HOSPITAL (MDH) PROGRAM.**

6 (a) IN GENERAL.—Section 1886(d)(5)(G) of the So-
7 cial Security Act (42 U.S.C. 1395ww(d)(5)(G)) is amend-
8 ed—

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

11 (2) in clause (ii)(II), by striking “October 1,
12 2017” and inserting “October 1, 2019”; and

13 (3) in clause (iv)—

14 (A) by amending subclause (I) to read as
15 follows:

16 “(I) that—

17 “(aa) is located in a rural
18 area; or

19 “(bb) for discharges occur-
20 ring on or after October 1, 2017,
21 is located in a State with no
22 rural area (as defined in para-
23 graph (2)(D)) and satisfies any
24 of the criteria in subclause (I),

1 (II), (III), or (IV) of paragraph
2 (8)(E)(ii),”; and
3 (B) by adding at the end, after and below
4 subclause (IV), the following flush sentence:
5 “For purposes of applying subclause (II) of paragraph
6 (8)(E)(ii) under subclause (I)(bb), such subclause (II)
7 shall be applied by inserting ‘as of January 1, 2018,’ after
8 ‘such State’ each place it appears.”.

9 (b) CONFORMING AMENDMENTS.—

10 (1) EXTENSION OF TARGET AMOUNT.—Section
11 1886(b)(3)(D) of the Social Security Act (42 U.S.C.
12 1395ww(b)(3)(D)) is amended—

13 (A) in the matter preceding clause (i), by
14 striking “October 1, 2017” and inserting “Oc-
15 tober 1, 2019”; and

16 (B) in clause (iv), by striking “through fis-
17 cal year 2017” and inserting “through fiscal
18 year 2019”.

19 (2) PERMITTING HOSPITALS TO DECLINE RE-
20 CLASSIFICATION.—Section 13501(e)(2) of the Omni-
21 bus Budget Reconciliation Act of 1993 (42 U.S.C.
22 1395ww note) is amended by striking “through fis-
23 cal year 2017” and inserting “through fiscal year
24 2019”.

1 **SEC. 2102. EXTENSION OF INCREASED INPATIENT HOS-**
2 **PITAL PAYMENT ADJUSTMENT FOR CERTAIN**
3 **LOW-VOLUME HOSPITALS.**

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

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

9 (2) in subparagraph (C)(i), by striking “fiscal
10 years 2011 through 2017” and inserting “fiscal
11 years 2011 through 2019” each place it appears;
12 and

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

16 **SEC. 2103. STUDIES RELATING TO HOSPITAL PROGRAMS**
17 **PAID OUTSIDE OF PROSPECTIVE PAYMENT**
18 **SYSTEMS.**

19 (a) MEDPAC REPORT.—Using data from hospital
20 programs with respect to which hospitals receive payment
21 outside of the prospective payment systems under sections
22 1833 and 1886 of the Social Security Act (42 U.S.C.
23 1395l; 42 U.S.C. 1395ww) (such programs referred to in
24 this subsection as “PPS carve-out programs”) or other
25 data, as available, not later than June 30, 2019, the Medi-
26 care Payment Advisory Commission shall submit to Con-

1 gress a report that evaluates and recommends changes to
2 PPS carve-out programs, including with respect to amend-
3 ments made by sections 2101 and 2102 of this Act, sec-
4 tions 1814, 1820, 1886(d)(5)(D)(iii), and 1115(A) of the
5 Social Security Act, and such other sections of title XVIII
6 of the Social Security Act deemed appropriate. To the ex-
7 tent feasible, such report shall make recommendations on
8 a payment methodology under the Medicare program for
9 hospital payments, including with respect to PPS carve-
10 out programs, that differs from the payment methodology
11 applicable to such programs as of September 30, 2017.

12 (b) MEDPAC RECOMMENDATIONS FOR POSSIBLE
13 ALTERNATIVE PAYMENTS.—Not later than 2 years after
14 the date by which the Secretary of Health and Human
15 Services has collected 2 years of data under sections
16 1886(d)(5)(G) and 1886(d)(12) of the Social Security Act
17 (42 U.S.C. 1395ww(d)(5)(G); 42 U.S.C. 1395ww(d)(12)),
18 as extended pursuant to sections 2101 and 2102 of this
19 Act, the Medicare Payment Advisory Commission shall
20 submit to Congress a report, including—

21 (1) recommendations on payments, including a
22 technical prototype for payments for PPS carve-out
23 programs, if warranted;

24 (2) recommendations, if any, on which Medicare
25 fee-for-service regulations for hospital payments

1 under title XVIII of the Social Security Act should
2 be altered (such as the critical access hospital 96-
3 hour rule);

4 (3) an analysis of the impact of the rec-
5 ommended payments described in paragraph (1) on
6 Medicare beneficiary cost-sharing, access to care,
7 and choice of setting;

8 (4) a projection of any potential reduction in
9 expenditures under title XVIII of the Social Security
10 Act that may be attributable to the application of
11 the recommended payments described in paragraph
12 (1);

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

17 (6) the types of rural hospital classifications
18 and payment methodologies under the Medicare pro-
19 gram, including information on each special payment
20 structure such as eligibility criteria, and any areas
21 of overlap between such special payment programs;

22 (7) Medicare spending on each PPS carve-out
23 program;

24 (8) the financial aspects of hospitals partici-
25 pating in such PPS carve-out programs, such as the

1 share of discharges under the Medicare and Med-
2 icaid programs; and

3 (9) whether such payment programs are empiri-
4 cally justified to support Medicare beneficiary access
5 to care.

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

7 (a) EXTENSION.—

8 (1) IN GENERAL.—Section 421 of the Medicare
9 Prescription Drug, Improvement, and Modernization
10 Act of 2003 (Public Law 108–173; 117 Stat. 2283;
11 42 U.S.C. 1395fff note), as amended by section
12 5201(b) of the Deficit Reduction Act of 2005 (Pub-
13 lic Law 109–171; 120 Stat. 46), section 3131(c) of
14 the Patient Protection and Affordable Care Act
15 (Public Law 111–148; 124 Stat. 428), and section
16 210 of the Medicare Access and CHIP Reauthoriza-
17 tion Act of 2015 (Public Law 114–10; 129 Stat.
18 151) is amended—

19 (A) in subsection (a), by striking “January
20 1, 2018” and inserting “January 1, 2019” each
21 place it appears;

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

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

4 (D) by inserting after subsection (a) the
5 following new subsection:

6 “(b) SUBSEQUENT TEMPORARY INCREASE.—

7 “(1) IN GENERAL.—The Secretary shall in-
8 crease the payment amount otherwise made under
9 such section 1895 for home health services furnished
10 in a county (or equivalent area) in a rural area (as
11 defined in such section 1886(d)(2)(D)) that, as de-
12 termined by the Secretary—

13 “(A) is in the highest quartile of all coun-
14 ties (or equivalent areas) based on the number
15 of Medicare home health episodes furnished per
16 100 individuals who are entitled to, or enrolled
17 for, benefits under part A of title XVIII of the
18 Social Security Act or enrolled for benefits
19 under part B of such title (but not enrolled in
20 a plan under part C of such title)—

21 “(i) in the case of episodes and visits
22 ending during 2019, by 1.5 percent; and

23 “(ii) in the case of episodes and visits
24 ending during 2020, by 0.5 percent;

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

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

6 “(ii) in the case of episodes and visits
7 ending during 2020, by 3 percent;

8 “(iii) in the case of episodes and visits
9 ending during 2021, by 2 percent; and

10 “(iv) in the case of episodes and visits
11 ending during 2022, by 1 percent; and

12 “(C) is not described in either subpara-
13 graph (A) or (B)—

14 “(i) in the case of episodes and visits
15 ending during 2019, by 3 percent;

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

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

20 “(2) RULES FOR DETERMINATIONS.—

21 “(A) NO SWITCHING.—For purposes of
22 this subsection, the determination by the Sec-
23 retary as to which subparagraph of paragraph
24 (1) applies to a county (or equivalent area)
25 shall be made a single time and shall apply for

1 the duration of the period to which this sub-
2 section applies.

3 “(B) UTILIZATION.—In determining which
4 counties (or equivalent areas) are in the highest
5 quartile under paragraph (1)(A), the following
6 rules shall apply:

7 “(i) The Secretary shall use data from
8 2015.

9 “(ii) The Secretary shall exclude data
10 from the territories (and the territories
11 shall not be described in such paragraph).

12 “(iii) The Secretary may exclude data
13 from counties (or equivalent areas) in rural
14 areas with a low volume of home health
15 episodes (and if data is so excluded with
16 respect to a county (or equivalent area),
17 such county (or equivalent area) shall not
18 be described in such paragraph).

19 “(C) POPULATION DENSITY.—In deter-
20 mining population density under paragraph
21 (1)(B), the Secretary shall use data from the
22 2010 decennial Census.

23 “(3) LIMITATIONS ON REVIEW.—There shall be
24 no administrative or judicial review under section

1 1869, section 1878, or otherwise of determinations
2 under paragraph (1).”.

3 (2) REQUIREMENT TO SUBMIT COUNTY DATA
4 ON CLAIM FORM.—Section 1895(c) of the Social Se-
5 curity Act (42 U.S.C. 1395fff(c)) is amended—

6 (A) in paragraph (1), by striking “and” at
7 the end;

8 (B) in paragraph (2), by striking the pe-
9 riod at the end and inserting “; and”; and

10 (C) by adding at the end the following new
11 paragraph:

12 “(3) in the case of home health services fur-
13 nished on or after January 1, 2019, the claim con-
14 tains the code for the county (or equivalent area) in
15 which the home health service was furnished.”.

16 (b) OIG REVIEW.—The Office of the Inspector Gen-
17 eral shall submit to Congress, not later than January 1,
18 2020, and annually thereafter through January 1, 2024,
19 a report containing—

20 (1) an analysis of payments made under section
21 1895 of the Social Security Act (42 U.S.C. 1395fff)
22 increased under section 421 of the Medicare Pre-
23 scription Drug, Improvement, and Modernization
24 Act of 2003 (Public Law 108–173; 117 Stat. 2283;
25 42 U.S.C. 1395fff note), as amended by section

1 5201(b) of the Deficit Reduction Act of 2005 (Pub-
2 lic Law 109–171; 120 Stat. 46), section 3131(e) of
3 the Patient Protection and Affordable Care Act
4 (Public Law 111–148; 124 Stat. 428), section 210
5 of the Medicare Access and CHIP Reauthorization
6 Act of 2015 (Public Law 114–10; 129 Stat. 151),
7 and subsection (a); and

8 (2) a recommendation on whether such pay-
9 ments should continue to be made based on county
10 data.

11 **Subtitle B—Medicare Part B**

12 **SEC. 2111. GROUND AMBULANCE SERVICES COST REPORT-** 13 **ING REQUIREMENT.**

14 (a) IN GENERAL.—Section 1121 of the Social Secu-
15 rity Act (42 U.S.C. 1320a) is amended—

16 (1) in subsection (a)—

17 (A) by striking “For the purposes of” and
18 inserting “Subject to subsection (d), for the
19 purposes of”;

20 (B) by inserting “suppliers of ground am-
21 bulance services,” after “health maintenance or-
22 ganizations,”; and

23 (C) in the matter following paragraph (5),
24 by adding the following new sentence: “Not
25 later than December 31, 2019, the Secretary

1 shall modify the uniform reporting systems for
2 providers of services with respect to ground am-
3 bulance services to ensure that such systems
4 contain information similar (as determined by
5 the Secretary) to information required under
6 the uniform reporting system for suppliers of
7 ground ambulance services.”; and

8 (2) by adding at the end the following new sub-
9 section:

10 “(d) In the case of a provider or supplier of ground
11 ambulance services, the Secretary may modify the require-
12 ments for the inclusion of any data element specified in
13 subsection (a) in reports made in accordance with the uni-
14 form reporting system established under this section with
15 respect to such services for such provider or supplier.”.

16 (b) SUSPENSION OF PAYMENT FOR GROUND AMBU-
17 LANCE SERVICES; DEEMING CERTAIN PAYMENTS OVER-
18 PAYMENTS.—Section 1834(l) of the Social Security Act
19 (42 U.S.C. 1395m(l)) is amended by adding at the end
20 the following new paragraph:

21 “(17) REQUIREMENT TO SUBMIT COST REPORT
22 AND AUTHORITY TO SUSPEND PAYMENTS AND DEEM
23 CERTAIN PAYMENTS OVERPAYMENTS FOR GROUND
24 AMBULANCE SERVICES.—

1 “(A) IN GENERAL.—With respect to
2 ground ambulance services furnished by a sup-
3 plier of such services during cost reporting peri-
4 ods (as defined in subparagraph (I)) beginning
5 on or after January 1, 2020, such supplier shall
6 make reports to the Secretary of information
7 described in section 1121(a) in accordance with
8 the uniform reporting system established under
9 such section for such suppliers and, as may be
10 required by the Secretary, of any of the infor-
11 mation described in subparagraph (B).

12 “(B) ADDITIONAL INFORMATION.—The
13 Secretary may, with respect to a supplier of
14 ground ambulance services, require the fol-
15 lowing information (to be reported to the extent
16 practicable under the uniform reporting system
17 established under section 1121(a) for such sup-
18 pliers):

19 “(i) Whether the supplier is part of
20 an emergency services department, a gov-
21 ernmental organization, or another type of
22 entity (as described by the Secretary).

23 “(ii) The number of hours in a week
24 during which the supplier is available for
25 furnishing ground ambulance services.

1 “(iii) The average number of volun-
2 teer hours a week used by the supplier.

3 “(C) SUSPENSION OF PAYMENT.—Subject
4 to subparagraph (E), in the case that the Sec-
5 retary determines that a supplier of ground am-
6 bulance services has not made to the Secretary
7 a timely report described in subparagraph (A)
8 with respect to a cost reporting period begin-
9 ning on or after January 1, 2020, and before
10 January 1, 2022, the Secretary may suspend
11 payments made under this subsection, in whole
12 or in part, to such supplier until the Secretary
13 determines that such supplier has made such a
14 report.

15 “(D) DEEMING CERTAIN PAYMENTS OVER-
16 PAYMENTS.—Subject to subparagraphs (E) and
17 (F), in the case that the Secretary determines
18 that a supplier of ground ambulance services
19 has not made to the Secretary a complete, accu-
20 rate, and timely report described in subpara-
21 graph (A) with respect to a cost reporting pe-
22 riod beginning on or after January 1, 2022, the
23 Secretary may either—

24 “(i) deem payments made under this
25 subsection to such supplier for such period

1 to be overpayments and recoup such over-
2 payments; or

3 “(ii) suspend payments made under
4 this subsection to such supplier for such
5 period.

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

13 “(F) AUTHORITY TO MODIFY COST RE-
14 PORTING ELEMENTS AND ENFORCEMENT.—Not
15 earlier than January 1, 2024, the Secretary
16 may provide that subparagraph (D) no longer
17 applies to suppliers of ground ambulance serv-
18 ices or a category of such suppliers after—

19 “(i) taking into account the rec-
20 ommendation of the Medicare Payment
21 Advisory Commission in the most recent
22 report available to the Secretary submitted
23 under section 2111(g) of the SUSTAIN
24 Care Act of 2018 whether cost reports
25 made by suppliers or a category of sup-

1 pliers (as specified for purposes of the re-
2 port submitted under such section) of
3 ground ambulance services should be re-
4 quired or modified; and

5 “(ii) undertaking notice and comment
6 rulemaking.

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

11 “(H) APPEALS.—The Secretary shall es-
12 tablish a process whereby a supplier of ground
13 ambulance services may appeal a determination
14 described in subparagraph (C) or (D) made
15 with respect to a cost report required to be
16 made by such supplier under subparagraph (A).

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

21 (c) STAKEHOLDER FEEDBACK.—

22 (1) IN GENERAL.—The Secretary of Health and
23 Human Services shall implement the provisions of
24 this section, including the amendments made by this

1 section, through notice and comment rulemaking
2 and seek input from stakeholders.

3 (2) NONAPPLICATION OF PAPERWORK REDUC-
4 TION ACT.—Chapter 35 of title 44, United States
5 Code, shall not apply with respect to—

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

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

19 (d) IMPLEMENTATION RESOURCES.—In addition to
20 funds otherwise available, there are appropriated to the
21 Centers for Medicare & Medicaid Services Program Man-
22 agement Account from the Federal Hospital Insurance
23 Trust Fund under section 1817 of the Social Security Act
24 (42 U.S.C. 1395i) \$8,000,000 and from the Federal Sup-
25 plementary Medical Insurance Trust Fund under section

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

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

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

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

19 (f) SENSE OF CONGRESS.—It is the sense of Con-
20 gress that—

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

1 ground ambulance services furnished during such a
2 period by 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 REPORT-
9 ING 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
13 Commission shall assess and submit to Congress a
14 report on cost reports of suppliers and providers of
15 ground ambulance services carried out in accordance
16 with sections 1121(a) and 1834(l) of the Social Se-
17 curity Act (42 U.S.C. 1320a(a), 1395m(l)), the ade-
18 quacy of payments for such services made under sec-
19 tion 1834(l) of such Act, and geographic variations
20 in the 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 pro-
2 viders and suppliers of such services associated
3 with reporting 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 re-
10 quired or modified, taking into account the
11 analyses described in subparagraphs (A) and
12 (B).

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

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

17 **SEC. 2113. REPEAL OF MEDICARE PAYMENT CAP FOR**
18 **THERAPY SERVICES; REPLACEMENT WITH**
19 **LIMITATION TO ENSURE APPROPRIATE**
20 **THERAPY.**

21 Section 1833(g) of the Social Security Act (42 U.S.C.
22 1395l(g)) is amended—

23 (1) in paragraph (1)—

1 (A) by striking “Subject to paragraphs (4)
2 and (5)” and inserting “(A) Subject to para-
3 graphs (4) and (5)”;

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

11 (C) by adding at the end the following new
12 subparagraph:

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

1 (2) in paragraph (3)—

2 (A) by striking “Subject to paragraphs (4)
3 and (5)” and inserting “(A) Subject to para-
4 graphs (4) and (5)”;

5 (B) in the subparagraph (A), as inserted
6 and designated by subparagraph (A) of this
7 paragraph, by adding at the end the following
8 new sentence: “The preceding sentence shall
9 not apply to expenses incurred with respect to
10 services furnished after December 31, 2017.”;
11 and

12 (C) by adding at the end the following new
13 subparagraph:.

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

25 (3) in paragraph (5)—

1 (A) by redesignating subparagraph (D) as
2 paragraph (8) and moving such paragraph to
3 immediately follow paragraph (7), as added by
4 paragraph (4) of this section; and

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

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

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

19 “(B) TARGETED MEDICAL REVIEW FOR CER-
20 TAIN SERVICES ABOVE THRESHOLD.—

21 “(i) IN GENERAL.—In the case where ex-
22 penses that would be incurred for such services
23 would exceed the threshold described in clause
24 (ii) for the year, such services shall be subject

1 to the process for medical review implemented
2 under paragraph (5)(E).

3 “(ii) THRESHOLD.—The threshold under
4 this clause for—

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

6 “(II) 2028, is the amount specified in
7 subclause (I) increased by the percentage
8 increase in the MEI (as defined in section
9 1842(i)(3)) for 2028; and

10 “(III) a subsequent year, is the
11 amount specified in this clause for the pre-
12 ceding year increased by the percentage in-
13 crease in the MEI (as defined in section
14 1842(i)(3)) for such subsequent year;

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

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

20 “(I) for physical therapy services and
21 speech-language pathology services; and

22 “(II) for occupational therapy serv-
23 ices.

24 “(iv) FUNDING.—For purposes of carrying
25 out this subparagraph, the Secretary shall pro-

vide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1841 to the Centers for Medicare & Medicaid Services Program Management Account, of \$5,000,000 for each fiscal year beginning with fiscal year 2018, to remain available until expended. Such funds may not be used by a contractor under section 1893(h) for medical reviews under this subparagraph.”.

Subtitle C—Miscellaneous

SEC. 2121. PROVIDING CONTINUED ACCESS TO MEDICARE ADVANTAGE SPECIAL NEEDS PLANS FOR VULNERABLE POPULATIONS.

(a) EXTENSION.—Section 1859(f)(1) of the Social Security Act (42 U.S.C. 1395w–28(f)(1)) is amended by striking “and for periods before January 1, 2019”.

(b) INCREASED INTEGRATION OF DUAL SNPs.—

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

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

“(F) The plan meets the requirements applicable under paragraph (8).”; and

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

1 “(8) INCREASED INTEGRATION OF DUAL
2 SNPS.—

3 “(A) DESIGNATED CONTACT.—The Sec-
4 retary, acting through the Federal Coordinated
5 Health Care Office established under section
6 2602 of Public Law 111–148, shall serve as a
7 dedicated point of contact for States to address
8 misalignments that arise with the integration of
9 specialized MA plans for special needs individ-
10 uals described in subsection (b)(6)(B)(ii) under
11 this paragraph and, consistent with such role,
12 shall establish—

13 “(i) a uniform process for dissemi-
14 nating to State Medicaid agencies informa-
15 tion under this title impacting contracts
16 between such agencies and such plans
17 under this subsection; and

18 “(ii) basic resources for States inter-
19 ested in exploring such plans as a platform
20 for integration, such as a model contract
21 or other tools to achieve those goals.

22 “(B) UNIFIED GRIEVANCES AND APPEALS
23 PROCESS.—

24 “(i) IN GENERAL.—Not later than
25 April 1, 2020, the Secretary shall establish

1 procedures, to the extent feasible as deter-
2 mined by the Secretary, unifying griev-
3 ances and appeals procedures under sec-
4 tions 1852(f), 1852(g), 1902(a)(3),
5 1902(a)(5), and 1932(b)(4) for items and
6 services provided by specialized MA plans
7 for special needs individuals described in
8 subsection (b)(6)(B)(ii) under this title
9 and title XIX. With respect to items and
10 services described in the preceding sen-
11 tence, procedures established under this
12 clause shall apply in place of otherwise ap-
13 plicable grievances and appeals procedures.
14 The Secretary shall solicit comment in de-
15 veloping such procedures from States,
16 plans, beneficiaries and their representa-
17 tives, and other relevant stakeholders.

18 “(ii) PROCEDURES.—The procedures
19 established under clause (i) shall be in-
20 cluded in the plan contract under para-
21 graph (3)(D) and shall—

22 “(I) adopt the provisions for the
23 enrollee that are most protective for
24 the enrollee and, to the extent feasible
25 as determined by the Secretary, are

1 compatible with unified timeframes
2 and consolidated access to external re-
3 view under an integrated process;

4 “(II) take into account dif-
5 ferences in State plans under title
6 XIX to the extent necessary;

7 “(III) be easily navigable by an
8 enrollee; and

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

11 “(iii) ELEMENTS DESCRIBED.—Both
12 unified appeals and unified grievance pro-
13 cedures shall include, as applicable, the fol-
14 lowing elements described in this clause:

15 “(I) Single written notification of
16 all applicable grievances and appeal
17 rights under this title and title XIX.
18 For purposes of this subparagraph,
19 the Secretary may waive the require-
20 ments under section 1852(g)(1)(B)
21 when the specialized MA plan covers
22 items or services under this part or
23 under title XIX.

24 “(II) Single pathways for resolu-
25 tion of any grievance or appeal related

1 to a particular item or service pro-
2 vided by specialized MA plans for spe-
3 cial needs individuals described in
4 subsection (b)(6)(B)(ii) under this
5 title and title XIX.

6 “(III) Notices written in plain
7 language and available in a language
8 and format that is accessible to the
9 enrollee, including in non-English lan-
10 guages that are prevalent in the serv-
11 ice area of the specialized MA plan.

12 “(IV) Unified timeframes for
13 grievances and appeals processes,
14 such as an individual’s filing of a
15 grievance or appeal, a plan’s acknowl-
16 edgment and resolution of a grievance
17 or appeal, and notification of decisions
18 with respect to a grievance or appeal.

19 “(V) Requirements for how the
20 plan must process, track, and resolve
21 grievances and appeals, to ensure
22 beneficiaries are notified on a timely
23 basis of decisions that are made
24 throughout the grievance or appeals
25 process and are able to easily deter-

1 mine the status of a grievance or ap-
2 peal.

3 “(iv) CONTINUATION OF BENEFITS
4 PENDING APPEAL.—The unified procedures
5 under clause (i) shall, with respect to all
6 benefits under parts A and B and title
7 XIX subject to appeal under such proce-
8 dures, incorporate provisions under current
9 law and implementing regulations that pro-
10 vide continuation of benefits pending ap-
11 peal under this title and title XIX.

12 “(C) REQUIREMENT FOR UNIFIED GRIEV-
13 ANCES AND APPEALS.—For 2021 and subse-
14 quent years, the contract of a specialized MA
15 plan for special needs individuals described in
16 subsection (b)(6)(B)(ii) with a State Medicaid
17 agency under paragraph (3)(D) shall require
18 the use of unified grievances and appeals proce-
19 dures as described in subparagraph (B).

20 “(D) REQUIREMENTS FOR INTEGRA-
21 TION.—

22 “(i) IN GENERAL.—For 2021 and
23 subsequent years, a specialized MA plan
24 for special needs individuals described in
25 subsection (b)(6)(B)(ii) shall meet one or

1 more of the following requirements, to the
2 extent permitted under State law, for inte-
3 gration of benefits under this title and title
4 XIX:

5 “(I) The specialized MA plan
6 must meet the requirements of con-
7 tracting with the State Medicaid
8 agency described in paragraph (3)(D)
9 in addition to coordinating long-term
10 services and supports or behavioral
11 health services, or both, by meeting an
12 additional minimum set of require-
13 ments determined by the Secretary
14 through the Federal Coordinated
15 Health Care Office established under
16 section 2602 of the Patient Protection
17 and Affordable Care Act based on
18 input from stakeholders, such as noti-
19 fying the State in a timely manner of
20 hospitalizations, emergency room vis-
21 its, and hospital or nursing home dis-
22 charges of enrollees, assigning one
23 primary care provider for each en-
24 rollee, or sharing data that would ben-
25 efit the coordination of items and

1 services under this title and the State
2 plan under title XIX. Such minimum
3 set of requirements must be included
4 in the contract of the specialized MA
5 plan with the State Medicaid agency
6 under such paragraph.

7 “(II) The specialized MA plan
8 must meet the requirements of a fully
9 integrated plan described in section
10 1853(a)(1)(B)(iv)(II) (other than the
11 requirement that the plan have simi-
12 lar average levels of frailty, as deter-
13 mined by the Secretary, as the PACE
14 program), or enter into a capitated
15 contract with the State Medicaid
16 agency to provide long-term services
17 and supports or behavioral health
18 services, or both.

19 “(III) In the case of a specialized
20 MA plan that is offered by a parent
21 organization that is also the parent
22 organization of a Medicaid managed
23 care organization providing long term
24 services and supports or behavioral
25 services under a contract under sec-

1 tion 1903(m), the parent organization
2 must assume clinical and financial re-
3 sponsibility for benefits provided
4 under this title and title XIX with re-
5 spect to any individual who is enrolled
6 in both the specialized MA plan and
7 the Medicaid managed care organiza-
8 tion.

9 “(ii) SUSPENSION OF ENROLLMENT
10 FOR FAILURE TO MEET REQUIREMENTS
11 DURING INITIAL PERIOD.—During the pe-
12 riod of plan years 2021 through 2025, if
13 the Secretary determines that a specialized
14 MA plan for special needs individuals de-
15 scribed in subsection (b)(6)(B)(ii) has
16 failed to comply with clause (i), the Sec-
17 retary may provide for the application
18 against the Medicare Advantage organiza-
19 tion offering the plan of the remedy de-
20 scribed in section 1857(g)(2)(B) in the
21 same manner as the Secretary may apply
22 such remedy, and in accordance with the
23 same procedures as would apply, in the
24 case of an MA organization determined by
25 the Secretary to have engaged in conduct

1 described in section 1857(g)(1). If the Sec-
2 retary applies such remedy to a Medicare
3 Advantage organization under the pre-
4 ceding sentence, the organization shall sub-
5 mit to the Secretary (at a time, and in a
6 form and manner, specified by the Sec-
7 retary) information describing how the
8 plan will come into compliance with clause
9 (i).

10 “(E) STUDY AND REPORT TO CONGRESS.—

11 “(i) IN GENERAL.—Not later than
12 January 1, 2022, and, subject to clause
13 (iii), biennially thereafter through 2032,
14 the Medicare Payment Advisory Commis-
15 sion established under section 1805, in
16 consultation with the Medicaid and CHIP
17 Payment and Access Commission estab-
18 lished under section 1900, shall conduct
19 (and submit to the Secretary and the Com-
20 mittees on Ways and Means and Energy
21 and Commerce of the House of Represent-
22 atives and the Committee on Finance of
23 the Senate a report on) a study to deter-
24 mine how specialized MA plans for special
25 needs individuals described in subsection

1 (b)(6)(B)(ii) perform among each other
2 based on data from Healthcare Effective-
3 ness Data and Information Set (HEDIS)
4 quality measures, reported on the plan
5 level, as required under section 1852(e)(3)
6 (or such other measures or data sources
7 that are available and appropriate, such as
8 encounter data and Consumer Assessment
9 of Healthcare Providers and Systems data,
10 as specified by such Commissions as ena-
11 bling an accurate evaluation under this
12 subparagraph). Such study shall include,
13 as feasible, the following comparison
14 groups of specialized MA plans for special
15 needs individuals described in subsection
16 (b)(6)(B)(ii):

17 “(I) A comparison group of such
18 plans that are described in subpara-
19 graph (D)(i)(I).

20 “(II) A comparison group of such
21 plans that are described in subpara-
22 graph (D)(i)(II).

23 “(III) A comparison group of
24 such plans operating within the Fi-
25 nancial Alignment Initiative dem-

1 demonstration for the period for which
2 such plan is so operating and the
3 demonstration is in effect, and, in the
4 case that an integration option that is
5 not with respect to specialized MA
6 plans for special needs individuals is
7 established after the conclusion of the
8 demonstration involved.

9 “(IV) A comparison group of
10 such plans that are described in sub-
11 paragraph (D)(i)(III).

12 “(V) A comparison group of MA
13 plans, as feasible, not described in a
14 previous subclause of this clause, with
15 respect to the performance of such
16 plans for enrollees who are special
17 needs individuals described in sub-
18 section (b)(6)(B)(ii).

19 “(ii) DISCRETIONARY ADDITIONAL RE-
20 PORTS.—Beginning with 2033 and every
21 five years thereafter, the Medicare Pay-
22 ment Advisory Commission, in consultation
23 with the Medicaid and CHIP Payment and
24 Access Commission shall, at the discretion

1 of the Secretary, conduct a study described
2 in clause (i).”.

3 (2) CONFORMING AMENDMENT TO RESPON-
4 SIBILITIES OF FEDERAL COORDINATED HEALTH
5 CARE OFFICE.—Section 2602(d) of Public Law 111–
6 148 (42 U.S.C. 1315b(d)) is amended by adding at
7 the end the following new paragraphs:

8 “(6) To act as a designated contact for States
9 under subsection (f)(8)(A) of section 1859 of the So-
10 cial Security Act (42 U.S.C. 1395w–28) with respect
11 to the integration of specialized MA plans for special
12 needs individuals described in subsection
13 (b)(6)(B)(ii) of such section.

14 “(7) To be responsible, subject to the final ap-
15 proval of the Secretary, for developing regulations
16 and guidance related to the implementation of a uni-
17 fied grievance and appeals process as described in
18 subparagraphs (B) and (C) of section 1859(f)(8) of
19 the Social Security Act (42 U.S.C. 1395w–28(f)(8)).

20 “(8) To be responsible, subject to the final ap-
21 proval of the Secretary, for developing regulations
22 and guidance related to the integration or alignment
23 of policy and oversight under the Medicare program
24 under title XVIII of such Act and the Medicaid pro-
25 gram under title XIX of such Act regarding special-

1 ized MA plans for special needs individuals described
2 in subsection (b)(6)(B)(ii) of such section 1859.”.

3 (c) IMPROVEMENTS TO SEVERE OR DISABLING
4 CHRONIC CONDITION SNPS.—

5 (1) CARE MANAGEMENT REQUIREMENTS.—Sec-
6 tion 1859(f)(5) of the Social Security Act (42
7 U.S.C. 1395w–28(f)(5)) is amended—

8 (A) by striking “ALL SNPS.—The require-
9 ments” and inserting “ALL SNPS.—

10 “(A) IN GENERAL.—Subject to subpara-
11 graph (B), the requirements”;

12 (B) by redesignating subparagraphs (A)
13 and (B) as clauses (i) and (ii), respectively, and
14 indenting appropriately; and

15 (C) in clause (ii), as redesignated by sub-
16 paragraph (B), by redesignating clauses (i)
17 through (iii) as subclauses (I) through (III), re-
18 spectively, and indenting appropriately; and

19 (D) by adding at the end the following new
20 subparagraph:

21 “(B) IMPROVEMENTS TO CARE MANAGE-
22 MENT REQUIREMENTS FOR SEVERE OR DIS-
23 ABLING CHRONIC CONDITION SNPS.—For 2020
24 and subsequent years, in the case of a special-
25 ized MA plan for special needs individuals de-

1 scribed in subsection (b)(6)(B)(iii), the require-
2 ments described in this paragraph include the
3 following:

4 “(i) The interdisciplinary team under
5 subparagraph (A)(ii)(III) includes a team
6 of providers with demonstrated expertise,
7 including training in an applicable spe-
8 cialty, in treating individuals similar to the
9 targeted population of the plan.

10 “(ii) Requirements developed by the
11 Secretary to provide face-to-face encoun-
12 ters with individuals enrolled in the plan
13 not less frequently than on an annual
14 basis.

15 “(iii) As part of the model of care
16 under clause (i) of subparagraph (A), the
17 results of the initial assessment and an-
18 nual reassessment under clause (ii)(I) of
19 such subparagraph of each individual en-
20 rolled in the plan are addressed in the indi-
21 vidual’s individualized care plan under
22 clause (ii)(II) of such subparagraph.

23 “(iv) As part of the annual evaluation
24 and approval of such model of care, the
25 Secretary shall take into account whether

1 the plan fulfilled the previous year's goals
2 (as required under the model of care).

3 “(v) The Secretary shall establish a
4 minimum benchmark for each element of
5 the model of care of a plan. The Secretary
6 shall only approve a plan's model of care
7 under this paragraph if each element of
8 the model of care meets the minimum
9 benchmark applicable under the preceding
10 sentence.”.

11 (2) REVISIONS TO THE DEFINITION OF A SE-
12 VERE OR DISABLING CHRONIC CONDITIONS SPECIAL-
13 IZED NEEDS INDIVIDUAL.—

14 (A) IN GENERAL.—Section
15 1859(b)(6)(B)(iii) of the Social Security Act
16 (42 U.S.C. 1395w–28(b)(6)(B)(iii)) is amend-
17 ed—

18 (i) by striking “who have” and insert-
19 ing “who—

20 “(I) before January 1, 2022,
21 have”;

22 (ii) in subclause (I), as added by
23 clause (i), by striking the period at the end
24 and inserting “; and”; and

1 (iii) by adding at the end the fol-
2 lowing new subclause:

3 “(II) on or after January 1,
4 2022, have one or more comorbid and
5 medically complex chronic conditions
6 that is life threatening or significantly
7 limits overall health or function, have
8 a high risk of hospitalization or other
9 adverse health outcomes, and require
10 intensive care coordination and that is
11 listed under subsection (f)(9)(A).”.

12 (B) PANEL OF CLINICAL ADVISORS.—Sec-
13 tion 1859(f) of the Social Security Act (42
14 U.S.C. 1395w–28(f)), as amended by subsection
15 (b), is amended by adding at the end the fol-
16 lowing new paragraph:

17 “(9) LIST OF CONDITIONS FOR CLARIFICATION
18 OF THE DEFINITION OF A SEVERE OR DISABLING
19 CHRONIC CONDITIONS SPECIALIZED NEEDS INDIV-
20 VIDUAL.—

21 “(A) IN GENERAL.—Not later than De-
22 cember 31, 2020, and every 5 years thereafter,
23 subject to subparagraphs (B) and (C), the Sec-
24 retary shall convene a panel of clinical advisors

1 to establish and update a list of conditions that
2 meet each of the following criteria:

3 “(i) Conditions that meet the defini-
4 tion of a severe or disabling chronic condi-
5 tion under subsection (b)(6)(B)(iii) on or
6 after January 1, 2022.

7 “(ii) Conditions that require prescrip-
8 tion drugs, providers, and models of care
9 that are unique to the specific population
10 of enrollees in a specialized MA plan for
11 special needs individuals described in such
12 subsection on or after such date and—

13 “(I) as a result of access to, and
14 enrollment in, such a specialized MA
15 plan for special needs individuals, in-
16 dividuals with such condition would
17 have a reasonable expectation of slow-
18 ing or halting the progression of the
19 disease, improving health outcomes
20 and decreasing overall costs for indi-
21 viduals diagnosed with such condition
22 compared to available options of care
23 other than through such a specialized
24 MA plan for special needs individuals;
25 or

1 “(II) have a low prevalence in the
2 general population of beneficiaries
3 under this title or a disproportionately
4 high per-beneficiary cost under this
5 title.

6 “(B) INCLUSION OF CERTAIN CONDI-
7 TIONS.—The conditions listed under subpara-
8 graph (A) shall include HIV/AIDS, end stage
9 renal disease, and chronic and disabling mental
10 illness.

11 “(C) REQUIREMENT.—In establishing and
12 updating the list under subparagraph (A), the
13 panel shall take into account the availability of
14 varied benefits, cost-sharing, and supplemental
15 benefits under the model described in para-
16 graph (2) of section 1859(h), including the ex-
17 pansion under paragraph (1) of such section.”.

18 (d) QUALITY MEASUREMENT AT THE PLAN LEVEL
19 FOR SNPs AND DETERMINATION OF FEASIBILITY OF
20 QUALITY MEASUREMENT AT THE PLAN LEVEL FOR ALL
21 MA PLANS.—Section 1853(o) of the Social Security Act
22 (42 U.S.C. 1395w–23(o)) is amended by adding at the end
23 the following new paragraphs:

24 “(6) QUALITY MEASUREMENT AT THE PLAN
25 LEVEL FOR SNPs.—

1 “(A) IN GENERAL.—Subject to subpara-
2 graph (B), the Secretary may require reporting
3 of data under section 1852(e) for, and apply
4 under this subsection, quality measures at the
5 plan level for specialized MA plans for special
6 needs individuals instead of at the contract
7 level.

8 “(B) CONSIDERATIONS.—Prior to applying
9 quality measurement at the plan level under
10 this paragraph, the Secretary shall—

11 “(i) take into consideration the min-
12 imum number of enrollees in a specialized
13 MA plan for special needs individuals in
14 order to determine if a statistically signifi-
15 cant or valid measurement of quality at
16 the plan level is possible under this para-
17 graph;

18 “(ii) take into consideration the im-
19 pact of such application on plans that
20 serve a disproportionate number of individ-
21 uals dually eligible for benefits under this
22 title and under title XIX;

23 “(iii) if quality measures are reported
24 at the plan level, ensure that MA plans are

1 not required to provide duplicative infor-
2 mation; and

3 “(iv) ensure that such reporting does
4 not interfere with the collection of encoun-
5 ter data submitted by MA organizations or
6 the administration of any changes to the
7 program under this part as a result of the
8 collection of such data.

9 “(C) APPLICATION.—If the Secretary ap-
10 plies quality measurement at the plan level
11 under this paragraph—

12 “(i) such quality measurement may
13 include Medicare Health Outcomes Survey
14 (HOS), Healthcare Effectiveness Data and
15 Information Set (HEDIS), Consumer As-
16 sessment of Healthcare Providers and Sys-
17 tems (CAHPS) measures and quality
18 measures under part D; and

19 “(ii) the Secretary shall consider ap-
20 plying administrative actions, such as rem-
21 edies described in section 1857(g)(2), at
22 the plan level.

23 “(7) DETERMINATION OF FEASIBILITY OF
24 QUALITY MEASUREMENT AT THE PLAN LEVEL FOR
25 ALL MA PLANS.—

1 “(A) DETERMINATION OF FEASIBILITY.—

2 The Secretary shall determine the feasibility of
3 requiring reporting of data under section
4 1852(e) for, and applying under this subsection,
5 quality measures at the plan level for all MA
6 plans under this part.

7 “(B) CONSIDERATION OF CHANGE.—After
8 making a determination under subparagraph
9 (A), the Secretary shall consider requiring such
10 reporting and applying such quality measures
11 at the plan level as described in such subpara-
12 graph”.

13 (e) GAO STUDY AND REPORT ON STATE-LEVEL IN-
14 TEGRATION BETWEEN DUAL SNPs AND MEDICAID.—

15 (1) STUDY.—The Comptroller General of the
16 United States (in this subsection referred to as the
17 “Comptroller General”) shall conduct a study on
18 State-level integration between specialized MA plans
19 for special needs individuals described in subsection
20 (b)(6) (B)(ii) of section 1859 of the Social Security
21 Act (42 U.S.C. 1395w–28) and the Medicaid pro-
22 gram under title XIX of such Act (42 U.S.C. 1396
23 et seq.). Such study shall include an analysis of the
24 following:

1 (A) The characteristics of States in which
2 the State agency responsible for administering
3 the State plan under such title XIX has a con-
4 tract with such a specialized MA plan and that
5 delivers long-term services and supports under
6 the State plan under such title XIX through a
7 managed care program, including the require-
8 ments under such State plan with respect to
9 long-term services and supports.

10 (B) The types of such specialized MA
11 plans, which may include the following:

12 (i) A plan described in section
13 1853(a)(1)(B)(iv)(II) of such Act (42
14 U.S.C. 1395w-23(a)(1)(B)(iv)(II)).

15 (ii) A plan that meets the require-
16 ments described in subsection (f)(3)(D) of
17 such section 1859.

18 (iii) A plan described in clause (ii)
19 that also meets additional requirements es-
20 tablished by the State.

21 (C) The characteristics of individuals en-
22 rolled in such specialized MA plans.

23 (D) As practicable, the following with re-
24 spect to State programs for the delivery of long-

1 term services and supports under such title
2 XIX through a managed care program:

3 (i) Which populations of individuals
4 are eligible to receive such services and
5 supports.

6 (ii) Whether all such services and sup-
7 ports are provided on a capitated basis or
8 if any of such services and supports are
9 carved out and provided through fee-
10 forservice.

11 (E) As practicable, how the availability
12 and variation of integration arrangements of
13 such specialized MA plans offered in States af-
14 fects spending, service delivery options, access
15 to community-based care, and utilization of
16 care.

17 (F) The efforts of State Medicaid pro-
18 grams to transition dually-eligible beneficiaries
19 receiving long-term services and supports
20 (LTSS) from institutional settings to home and
21 community-based settings and related financial
22 impacts of such transitions.

23 (G) Barriers and opportunities for making
24 further progress on dual integration, as well as
25 recommendations for legislation or administra-

1 tive action to expedite or refine pathways to-
2 ward fully integrated care.

3 (2) REPORT.—Not later than 2 years after the
4 date of the enactment of this Act, the Comptroller
5 General shall submit to Congress a report containing
6 the results of the study conducted under paragraph
7 (1), together with recommendations for such legisla-
8 tion and administrative action as the Comptroller
9 General determines appropriate.

10 **SEC. 2122. EXTENSION OF CERTAIN MIPPA FUNDING PROVI-**
11 **SIONS; STATE HEALTH INSURANCE ASSIST-**
12 **ANCE PROGRAM REPORTING REQUIRE-**
13 **MENTS.**

14 (a) FUNDING EXTENSIONS.—Section 119 of the
15 Medicare Improvements for Patients and Providers Act of
16 2008 (42 U.S.C. 1395b–3 note) is amended—

17 (1) in subsection (a)(1)(B)—

18 (A) in clause (vi), by striking “and” at the
19 end;

20 (B) in clause (vii), by striking the period
21 at the end and inserting “; and”; and

22 (C) by inserting after clause (vii) the fol-
23 lowing new clause:

24 “(viii) for each of fiscal years 2018
25 and 2019, of \$13,000,000.”;

1 (2) in subsection (b)(1)(B)—

2 (A) in clause (vi), by striking “and” at the
3 end;

4 (B) in clause (vii), by striking the period
5 at the end and inserting “; and”; and

6 (C) by inserting after clause (vii) the fol-
7 lowing new clause:

8 “(viii) for each of fiscal years 2018
9 and 2019, of \$7,500,000.”;

10 (3) in subsection (c)(1)(B)—

11 (A) in clause (vi), by striking “and” at the
12 end;

13 (B) in clause (vii), by striking the period
14 at the end and inserting “; and”; and

15 (C) by inserting after clause (vii) the fol-
16 lowing new clause:

17 “(viii) for each of fiscal years 2018
18 and 2019, of \$5,000,000.”; and

19 (4) in subsection (d)(2)—

20 (A) in clause (vi), by striking “and” at the
21 end;

22 (B) in clause (vii), by striking the period
23 at the end and inserting “; and”; and

24 (C) by inserting after clause (vii) the fol-
25 lowing new clause:

1 “(viii) for each of fiscal years 2018
2 and 2019, of \$12,000,000.”.

3 (b) STATE HEALTH INSURANCE ASSISTANCE PRO-
4 GRAM REPORTING REQUIREMENTS.—Beginning not later
5 than April 1, 2019, and biennially thereafter, the Agency
6 for Community Living shall electronically post on its
7 website the following information, with respect to grants
8 to States for State health insurance assistance programs,
9 (such information to be presented by State and by entity
10 receiving funds from the State to carry out such a pro-
11 gram funded by such grant):

12 (1) The amount of Federal funding provided to
13 each such State for such program for the period in-
14 volved and the amount of Federal funding provided
15 by each such State for such program to each such
16 entity for the period involved.

17 (2) Information as the Secretary may specify,
18 with respect to such programs carried out through
19 such grants, consistent with the terms and condi-
20 tions for receipt of such grants.

21 **SEC. 2123. EXTENSION OF FUNDING FOR QUALITY MEAS-**
22 **URE ENDORSEMENT, INPUT, AND SELECTION;**
23 **REPORTING REQUIREMENTS.**

24 (a) IN GENERAL.—Section 1890(d) of the Social Se-
25 curity Act (42 U.S.C. 1395aaa(d)) is amended—

1 (1) in paragraph (2), by adding at the end the
2 following new sentence: “Any of such amounts re-
3 maining available as of the date of the enactment of
4 the SUSTAIN Care Act of 2018 shall be used only
5 for purposes under this section that are purposes
6 other than funding a contract entered into under
7 subsection (a).”; and

8 (2) by adding at the end the following new
9 paragraph:

10 “(3) For purposes of carrying out this section,
11 the Secretary shall provide for the transfer, from the
12 Federal Hospital Insurance Trust Fund under sec-
13 tion 1817 and the Federal Supplemental Medical In-
14 surance Trust Fund under 1841, in such proportion
15 as Secretary deems appropriate, to the Centers for
16 Medicare & Medicaid Services Program Management
17 Account of \$7,500,000 for each of fiscal years 2018
18 and 2019. Of the amount transferred under the pre-
19 vious sentence for a fiscal year, there shall be used
20 for the purpose of funding a contract entered into
21 under subsection (a) with respect to carrying out
22 section 1890A (other than subsections (e) and (f))
23 for such fiscal year an amount that is not less than
24 the amount used for such purpose for fiscal year
25 2017.”.

1 (b) ANNUAL REPORT BY SECRETARY TO CON-
2 GRESS.—Section 1890 of the Social Security Act (42
3 U.S.C. 1395aaa) is amended by adding at the end the fol-
4 lowing new subsection:

5 “(e) ANNUAL REPORT BY SECRETARY TO CON-
6 GRESS.—By not later than March 1 of each year (begin-
7 ning with 2018), the Secretary shall submit to Congress
8 a report containing the following:

9 “(1) A comprehensive plan that identifies the
10 quality measurement needs of programs and initia-
11 tives of the Secretary and provides a strategy for
12 using the work performed by the entity with a con-
13 tract under subsection (a) and the work of any other
14 entity the Secretary has contracted with to perform
15 work associated with this section or section 1890A
16 to help meet those needs, specifically with respect to
17 the programs under this title and title XIX.

18 “(2) The amount of mandatory funding pro-
19 vided under subsection (d) for purposes of carrying
20 out this section and section 1890A that has been ob-
21 ligated by the Secretary, the amount of funding pro-
22 vided that has been expended, and the amount of
23 funding provided that remains unobligated.

24 “(3) A description of how the funds provided
25 that are obligated have been allocated, including how

1 much of that funding has been allocated for work
2 performed by the Secretary, the entity with a con-
3 tract under subsection (a), and any other entity the
4 Secretary has contracted with to perform work re-
5 lated to this section or section 1890A, respectively.

6 “(4) A description of the activities for which
7 the obligated funds have been or will be used, includ-
8 ing any activities performed by the Secretary, task
9 orders, specific projects, and activities assigned to
10 the entity with a contract under subsection (a), and
11 task orders, specific projects, and activities assigned
12 to any other entity the Secretary has contracted
13 with to perform work related to carrying out this
14 section or section 1890A.

15 “(5) The amount of funding allocated to each
16 of the activities described in paragraph (4).

17 “(6) Estimates for, and descriptions of, obliga-
18 tions and expenditures that the Secretary anticipates
19 will be needed in the succeeding two year period to
20 carry out each of the quality measurement activities
21 required under this section and section 1890A, in-
22 cluding any obligations that will require funds to be
23 expended in a future year.”.

1 (c) REVISIONS TO ANNUAL REPORT FROM CON-
2 SENSUS-BASED ENTITY TO CONGRESS AND THE SEC-
3 RETARY.—

4 (1) IN GENERAL.—Section 1890(b)(5)(A) of the
5 Social Security Act (42 U.S.C. 1395aaa(b)(5)(A)) is
6 amended—

7 (A) by redesignating clauses (i) through
8 (vi) as subclauses (I) through (VI), respectively,
9 and moving the margins accordingly;

10 (B) in the matter preceding subclause (I),
11 as redesignated by clause (i), by striking “con-
12 taining a description of—” and inserting “con-
13 taining the following:

14 “(i) A description of—”; and

15 (C) by adding at the end the following new
16 clauses:

17 “(ii) An itemization of financial infor-
18 mation for the fiscal year ending Sep-
19 tember 30 of the preceding year, includ-
20 ing—

21 “(I) annual revenues of the enti-
22 ty (including any government funding,
23 private sector contributions, grants,
24 membership revenues, and investment
25 revenue);

1 “(II) annual expenses of the enti-
2 ty (including grants paid, benefits
3 paid, salaries or other compensation,
4 fundraising expenses, and overhead
5 costs); and

6 “(III) a breakdown of the
7 amount awarded per contracted task
8 order and the specific projects funded
9 in each task order assigned to the en-
10 tity.

11 “(iii) Any updates or modifications of
12 internal policies and procedures of the en-
13 tity as they relate to the duties of the enti-
14 ty under this section, including—

15 “(I) specifically identifying any
16 modifications to the disclosure of in-
17 terests and conflicts of interests for
18 committees, work groups, task forces,
19 and advisory panels of the entity; and

20 “(II) information on external
21 stakeholder participation in the duties
22 of the entity under this section (in-
23 cluding complete rosters for all com-
24 mittees, work groups, task forces, and
25 advisory panels funded through gov-

1 ernment contracts, descriptions of rel-
2 evant interests and any conflicts of in-
3 terest for members of all committees,
4 work groups, task forces, and advisory
5 panels, and the total percentage by
6 health care sector of all convened
7 committees, work groups, task forces,
8 and advisory panels.”.

9 (2) EFFECTIVE DATE.—The amendments made
10 by this subsection shall apply to reports submitted
11 for years beginning with 2018.

12 (d) GAO STUDY AND REPORT.—

13 (1) STUDY.—The Comptroller General of the
14 United States shall conduct a study on health care
15 quality measurement efforts funded under sections
16 1890 and 1890A of the Social Security Act (42
17 U.S.C. 1395aaa; 1395aaa–1). Such study shall in-
18 clude an examination of the following:

19 (A) The extent to which the Secretary of
20 Health and Human Services (in this subsection
21 referred to as the “Secretary”) has set and
22 prioritized objectives to be achieved for each of
23 the quality measurement activities required
24 under such sections 1890 and 1890A.

1 (B) The efforts that the Secretary has un-
2 dertaken to meet quality measurement objec-
3 tives associated with such sections 1890 and
4 1890A, including division of responsibilities for
5 those efforts within the Department of Health
6 and Human Services and through contracts
7 with a consensus-based entity under subsection
8 (a) of such section 1890 (in this subsection re-
9 ferred to as the “consensus-based entity”) and
10 other entities, and the extent of any overlap
11 among the work performed by the Secretary,
12 the consensus-based entity, the Measure Appli-
13 cation Partnership (MAP) convened by such en-
14 tity to provide input to the Secretary on the se-
15 lection of quality and efficiency measures, and
16 any other entities the Secretary has contracted
17 with to perform work related to carrying out
18 such sections 1890 and 1890A.

19 (C) The total amount of mandatory fund-
20 ing provided to the Secretary for purposes of
21 carrying out such sections 1890 and 1890A, the
22 amount of such funding that has been obligated
23 by the Secretary, and the amount of such fund-
24 ing that remains unobligated.

1 (D) How the obligated funds have been al-
2 located, including how much of the obligated
3 funding has been allocated for work performed
4 by the Secretary, the consensus-based entity,
5 and any other entity the Secretary has con-
6 tracted with to perform work related to car-
7 rying out such sections 1890 and 1890A, re-
8 spectively, and descriptions of such work.

9 (E) The extent to which the Secretary has
10 developed a comprehensive and long-term plan
11 to ensure that it can achieve quality measure-
12 ment objectives related to carrying out such
13 sections 1890 and 1890A in a timely manner
14 and with efficient use of available resources, in-
15 cluding the roles of the consensus-based entity,
16 the Measure Application Partnership (MAP),
17 and any other entity the Secretary has con-
18 tracted with to perform work related to such
19 sections 1890 and 1890A in helping the Sec-
20 retary achieve those objectives.

21 (2) REPORT.—Not later than 18 months after
22 the date of enactment of this Act, the Comptroller
23 General of the United States shall submit to Con-
24 gress a report containing the results of the study
25 conducted under paragraph (1), together with rec-

1 ommendations for such legislation and administra-
2 tive action as the Comptroller General determines
3 appropriate.

4 **TITLE II—ADDITIONAL MEDI-**
5 **CARE POLICIES RELATING TO**
6 **EXTENDERS**

7 **SEC. 2201. HOME HEALTH PAYMENT REFORM.**

8 (a) BUDGET NEUTRAL TRANSITION TO A 30-DAY
9 UNIT OF PAYMENT FOR HOME HEALTH SERVICES.—Sec-
10 tion 1895(b) of the Social Security Act (42 U.S.C.
11 1395fff(b)) is amended—

12 (1) in paragraph (2)—

13 (A) by striking “PAYMENT.—In defining”
14 and inserting “PAYMENT.—

15 “(A) IN GENERAL.—In defining”; and

16 (B) by adding at the end the following new
17 subparagraph:

18 “(B) 30-DAY UNIT OF SERVICE.—For pur-
19 poses of implementing the prospective payment
20 system with respect to home health units of
21 service furnished during a year beginning with
22 2020, the Secretary shall apply a 30-day unit of
23 service as the unit of service applied under this
24 paragraph.”;

25 (2) in paragraph (3)—

1 (A) in subparagraph (A), by adding at the
2 end the following new clause:

3 “(iv) BUDGET NEUTRALITY FOR
4 2020.—With respect to payments for home
5 health units of service furnished that end
6 during the 12-month period beginning Jan-
7 uary 1, 2020, the Secretary shall calculate
8 a standard prospective payment amount
9 (or amounts) for 30-day units of service
10 (as described in paragraph (2)(B)) for the
11 prospective payment system under this
12 subsection. Such standard prospective pay-
13 ment amount (or amounts) shall be cal-
14 culated in a manner such that the esti-
15 mated aggregate amount of expenditures
16 under the system during such period with
17 application of paragraph (2)(B) is equal to
18 the estimated aggregate amount of expend-
19 itures that otherwise would have been
20 made under the system during such period
21 if paragraph (2)(B) had not been enacted.
22 The previous sentence shall be applied be-
23 fore (and not affect the application of)
24 paragraph (3)(B). In calculating such
25 amount (or amounts), the Secretary shall

1 make assumptions about behavior changes
2 that could occur as a result of the imple-
3 mentation of paragraph (2)(B) and the
4 case-mix adjustment factors established
5 under paragraph (4)(B) and shall provide
6 a description of such assumptions in the
7 notice and comment rulemaking used to
8 implement this clause.”; and

9 (B) by adding at the end the following new
10 subparagraph:

11 “(D) BEHAVIOR ASSUMPTIONS AND AD-
12 JUSTMENTS.—

13 “(i) IN GENERAL.—The Secretary
14 shall annually determine the impact of dif-
15 ferences between assumed behavior
16 changes (as described in paragraph
17 (3)(A)(iv)) and actual behavior changes on
18 estimated aggregate expenditures under
19 this subsection with respect to years begin-
20 ning with 2020 and ending with 2026.

21 “(ii) PERMANENT ADJUSTMENTS.—
22 The Secretary shall, at a time and in a
23 manner determined appropriate, through
24 notice and comment rulemaking, provide
25 for one or more permanent increases or de-

1 creases to the standard prospective pay-
2 ment amount (or amounts) for applicable
3 years, on a prospective basis, to offset for
4 such increases or decreases in estimated
5 aggregate expenditures (as determined
6 under clause (i)).

7 “(iii) TEMPORARY ADJUSTMENTS FOR
8 RETROSPECTIVE BEHAVIOR.—The Sec-
9 retary shall, at a time and in a manner de-
10 termined appropriate, through notice and
11 comment rulemaking, provide for one or
12 more temporary increases or decreases to
13 the payment amount for a unit of home
14 health services (as determined under para-
15 graph (4)) for applicable years, on a pro-
16 spective basis, to offset for such increases
17 or decreases in estimated aggregate ex-
18 penditures (as determined under clause
19 (i)). Such a temporary increase or decrease
20 shall apply only with respect to the year
21 for which such temporary increase or de-
22 crease is made, and the Secretary shall not
23 take into account such a temporary in-
24 crease or decrease in computing such

1 amount under this subsection for a subse-
2 quent year.”; and

3 (3) in paragraph (4)(B)—

4 (A) by striking “FACTORS.—The Sec-
5 retary” and inserting “FACTORS.—

6 “(i) IN GENERAL.—The Secretary”;

7 and

8 (B) by adding at the end the following new
9 clause:

10 “(ii) TREATMENT OF THERAPY
11 THRESHOLDS.—For 2020 and subsequent
12 years, the Secretary shall eliminate the use
13 of therapy thresholds (established by the
14 Secretary) in case mix adjustment factors
15 established under clause (i) for calculating
16 payments under the prospective payment
17 system under this subsection.”.

18 (b) TECHNICAL EXPERT PANEL.—

19 (1) IN GENERAL.—During the period beginning
20 on January 1, 2018, and ending on December 31,
21 2018, the Secretary of Health and Human Services
22 shall hold at least one session of a technical expert
23 panel, the participants of which shall include home
24 health providers, patient representatives, and other
25 relevant stakeholders. The technical expert panel

1 shall identify and prioritize recommendations with
2 respect to the prospective payment system for home
3 health services under section 1895(b) of the Social
4 Security Act (42 U.S.C. 1395fff(b)), on the fol-
5 lowing:

6 (A) The Home Health Groupings Model,
7 as described in the proposed rule “Medicare
8 and Medicaid Programs; CY 2018 Home
9 Health Prospective Payment System Rate Up-
10 date and Proposed CY 2019 Case-Mix Adjust-
11 ment Methodology Refinements; Home Health
12 Value-Based Purchasing Model; and Home
13 Health Quality Reporting Requirements” (82
14 Fed. Reg. 35294 through 35332 (July 28,
15 2017)).

16 (B) Alternative case-mix models to the
17 Home Health Groupings Model that were sub-
18 mitted during 2017 as comments in response to
19 proposed rule making, including patient-focused
20 factors that consider the risks of hospitalization
21 and readmission to a hospital, improvement or
22 maintenance of functionality of individuals to
23 increase the capacity for self-care, quality of
24 care, and resource utilization.

1 (2) INAPPLICABILITY OF FACA.—The provisions
2 of the Federal Advisory Committee Act (5 U.S.C.
3 App.) shall not apply to the technical expert panel
4 under paragraph (1).

5 (3) REPORT.—Not later than April 1, 2019, the
6 Secretary of Health and Human Services shall sub-
7 mit to the Committee on Ways and Means and the
8 Committee on Energy and Commerce of the House
9 of Representatives and the Committee on Finance of
10 the Senate a report on the recommendations of such
11 panel described in such paragraph.

12 (4) NOTICE AND COMMENT RULEMAKING.—Not
13 later than December 31, 2019, the Secretary of
14 Health and Human Services shall pursue notice and
15 comment rulemaking on a case-mix system with re-
16 spect to the prospective payment system for home
17 health services under section 1895(b) of the Social
18 Security Act (42 U.S.C. 1395fff(b)).

19 (c) REPORTS.—

20 (1) INTERIM REPORT.—Not later than March
21 15, 2022, the Medicare Payment Advisory Commis-
22 sion shall submit to Congress an interim report on
23 the application of a 30-day unit of service as the
24 unit of service applied under section 1895(b)(2) of
25 the Social Security Act (42 U.S.C. 1395fff(b)(2)), as

1 amended by subsection (a), including an analysis of
2 the level of payments provided to home health agen-
3 cies as compared to the cost of delivering home
4 health services, and any unintended consequences,
5 including with respect to behavioral changes and
6 quality.

7 (2) FINAL REPORT.—Not later than March 15,
8 2026, such Commission shall submit to Congress a
9 final report on such application and any such con-
10 sequences.

11 **SEC. 2202. INFORMATION TO SATISFY DOCUMENTATION OF**
12 **MEDICARE ELIGIBILITY FOR HOME HEALTH**
13 **SERVICES.**

14 (a) PART A.—Section 1814(a) of the Social Security
15 Act (42 U.S.C. 1395f(a)) is amended by inserting before
16 “For purposes of paragraph (2)(C),” the following new
17 sentence: “For purposes of documentation for physician
18 certification and recertification made under paragraph (2)
19 on or after January 1, 2019, and made with respect to
20 home health services furnished by a home health agency,
21 in addition to using documentation in the medical record
22 of the physician who so certifies or the medical record of
23 the acute or post-acute care facility (in the case that home
24 health services were furnished to an individual who was
25 directly admitted to the home health agency from such a

1 facility), the Secretary may use documentation in the med-
2 ical record of the home health agency as supporting mate-
3 rial, as appropriate to the case involved.”.

4 (b) PART B.—Section 1835(a) of the Social Security
5 Act (42 U.S.C. 1395n(a)) is amended by inserting before
6 “For purposes of paragraph (2)(A),” the following new
7 sentence: “For purposes of documentation for physician
8 certification and recertification made under paragraph (2)
9 on or after January 1, 2019, and made with respect to
10 home health services furnished by a home health agency,
11 in addition to using documentation in the medical record
12 of the physician who so certifies or the medical record of
13 the acute or post-acute care facility (in the case that home
14 health services were furnished to an individual who was
15 directly admitted to the home health agency from such a
16 facility), the Secretary may use documentation in the med-
17 ical record of the home health agency as supporting mate-
18 rial, as appropriate to the case involved.”.

19 **SEC. 2203. VOLUNTARY SETTLEMENT OF HOME HEALTH**
20 **CLAIMS.**

21 (a) SETTLEMENT PROCESS FOR HOME HEALTH
22 CLAIMS.—

23 (1) IN GENERAL.—Not later than one year
24 after the date of enactment of this Act, the Sec-
25 retary of Health and Human Services shall establish

1 a settlement process under which a home health
2 agency entitled to an eligible administrative appeal
3 has the option to enter into a settlement with the
4 Secretary that is reached in a manner consistent
5 with the succeeding paragraphs of this subsection.

6 (2) PROCESS AND CONSIDERATION OF HOME
7 HEALTH CLAIMS.—A settlement under paragraph
8 (1) with a home health agency that is with respect
9 to an eligible administrative appeal may only be
10 reached in accordance with the following process:

11 (A) A settlement under such paragraph
12 with the home health agency shall be with re-
13 spect to all claims by such agency, subject to
14 paragraph (4), that, as of the date of such set-
15 tlement, are under an eligible administrative
16 appeal.

17 (B) For the duration of the settlement
18 process with such agency, an eligible adminis-
19 trative appeal that is with respect to any such
20 claim by such agency shall be suspended.

21 (C) Under the settlement process, the Sec-
22 retary shall determine an aggregate amount to
23 be paid to the home health agency with respect
24 to all claims by such agency that are under an

1 eligible administrative appeal in the following
2 manner:

3 (i) The Secretary shall, for purposes
4 of applying clause (ii) with respect to all
5 settlements under paragraph (1), select a
6 percentage. In selecting such percentage,
7 the Secretary shall consider the percentage
8 used under the Centers for Medicare &
9 Medicaid Services hospital appeals settle-
10 ment that began on August 29, 2014.

11 (ii) The Secretary shall, with respect
12 to each denied claim for such agency that
13 is under an eligible administrative appeal,
14 calculate an amount (referred to in this
15 subparagraph as an “individual claim
16 amount”) by multiplying the net payable
17 amount for such claim by the percentage
18 selected under clause (i).

19 (iii) Such aggregate amount with re-
20 spect to such agency shall be determined
21 by calculating the total sum of all the indi-
22 vidual claim amounts calculated under
23 clause (ii) with respect to such agency.

24 (3) EFFECT OF PROCESS.—

25 (A) EFFECT OF SETTLEMENT.—

1 (i) FURTHER APPEAL.—As part of
2 any settlement under paragraph (1) be-
3 tween a home health agency and the Sec-
4 retary, such home health agency shall be
5 required to forego the right to an adminis-
6 trative appeal under section 1869 of the
7 Social Security Act (42 U.S.C. 1395ff) or
8 section 1878 of such Act (42 U.S.C.
9 1395oo) (including any redetermination,
10 reconsideration, hearing, or review) with
11 respect to any claims for home health serv-
12 ices that are subject to the settlement.

13 (ii) JUDICIAL REVIEW.—There shall
14 be no administrative or judicial review
15 under such section 1869 or otherwise of a
16 settlement under paragraph (1) and the
17 claims covered by the settlement.

18 (B) EFFECT OF NO SETTLEMENT.—In the
19 event that the process described in paragraph
20 (2) does not, with respect to a home health
21 agency, result in a settlement under paragraph
22 (1) with such agency, any appeal under such
23 section 1869 that is with respect to a claim by
24 such agency that was suspended pursuant to

1 paragraph (2)(B) shall resume under such sec-
2 tion.

3 (4) COORDINATION WITH LAW ENFORCE-
4 MENT.—The Secretary of Health and Human Serv-
5 ices shall establish a process to coordinate with ap-
6 propriate law enforcement agencies in order to avoid
7 the inadvertent settlement of cases that involve
8 fraud or other criminal activity.

9 (b) NO ENTITLEMENT TO SETTLEMENT PROCESS.—
10 Nothing in this section shall be construed as creating an
11 entitlement to enter into a settlement process established
12 pursuant to subsection (a).

13 (c) ELIGIBLE ADMINISTRATIVE APPEAL DEFINED.—
14 For purposes of this section, the term “eligible administra-
15 tive appeal” means an appeal under section 1869 of the
16 Social Security Act (42 U.S.C. 1395ff) (including any re-
17 determination, reconsideration, hearing, or review)—

18 (1) that is with respect to one or more claims
19 that—

20 (A) are for home health services that were
21 furnished on or after January 1, 2011, and be-
22 fore January 1, 2015; and

23 (B) were timely filed consistent with sec-
24 tion 1814(a)(1) of such Act (42 U.S.C.
25 1395f(a)(1)) or sections 1835(a)(1) and

1 1842(b)(3) of such Act (42 U.S.C. 1395n(a)(1),
2 1395u(b)(3)); and
3 (2) either—

4 (A) was timely filed consistent with section
5 1869 of such Act (42 U.S.C. 1395ff) and is
6 pending; or

7 (B) for which the applicable time frame to
8 file an appeal has not expired.

9 (d) CONFORMING AMENDMENT.—Section 1869 of the
10 Social Security Act (42 U.S.C. 1395ff) is amended by add-
11 ing at the end the following new subsection:

12 “(j) APPLICATION WITH RESPECT TO CERTAIN
13 HOME HEALTH CLAIMS.—For the application of the pro-
14 visions of this section with respect to certain claims for
15 home health services that were furnished on or after Janu-
16 ary 1, 2011, and before January 1, 2015, see section 106
17 of the Healthcare Extension, Reauthorization, and Oppor-
18 tunities Act of 2017.”.

1 **SEC. 2204. EXTENSION OF ENFORCEMENT INSTRUCTION ON**
2 **MEDICARE SUPERVISION REQUIREMENTS**
3 **FOR OUTPATIENT THERAPEUTIC SERVICES**
4 **IN CRITICAL ACCESS AND SMALL RURAL**
5 **HOSPITALS.**

6 Section 1834 of the Social Security Act (42 U.S.C.
7 1395m) is amended by adding at the end the following
8 new subsection:

9 “(v) EXTENSION OF ENFORCEMENT INSTRUCTION
10 ON SUPERVISION REQUIREMENTS FOR OUTPATIENT
11 THERAPEUTIC SERVICES IN CRITICAL ACCESS AND
12 SMALL RURAL HOSPITALS.—For calendar year 2017, the
13 Secretary shall continue to apply the enforcement instruc-
14 tion described in the notice of the Centers for Medicare
15 & Medicaid Services entitled ‘Enforcement Instruction on
16 Supervision Requirements for Outpatient Therapeutic
17 Services in Critical Access and Small Rural Hospitals for
18 CY 2013’, dated November 1, 2012 (providing for an ex-
19 ception to the restatement and clarification under the final
20 rulemaking changes to the Medicare hospital outpatient
21 prospective payment system and calendar year 2009 pay-
22 ment rates (published in the Federal Register on Novem-
23 ber 18, 2008, 73 Fed. Reg. 68702 through 68704) with
24 respect to requirements for direct supervision by physi-
25 cians for therapeutic hospital outpatient services), as pre-
26 viously extended under section 1 of Public Law 113-198,

1 as amended by section 1 of Public Law 114-112 and sec-
2 tion 16004(a) of the 21st Century Cures Act (Public Law
3 114-255).”.

4 **SEC. 2205. TECHNICAL AMENDMENTS TO PUBLIC LAW 114-**

5 **10.**

6 (a) MIPS TRANSITION.—Section 1848 of the Social
7 Security Act (42 U.S.C. 1395w-4) is amended—

8 (1) in subsection (q)—

9 (A) in paragraph (1)—

10 (i) in subparagraph (B), by striking
11 “items and services” and inserting “cov-
12 ered professional services (as defined in
13 subsection (k)(3)(A))”; and

14 (ii) in subparagraph (C)(iv)—

15 (I) by amending subclause (I) to
16 read as follows:

17 “(I) The minimum number (as
18 determined by the Secretary) of—

19 “(aa) for performance peri-
20 ods beginning before January 1,
21 2018, individuals enrolled under
22 this part who are treated by the
23 eligible professional for the per-
24 formance period involved; and

1 “(bb) for performance peri-
2 ods beginning on or after Janu-
3 ary 1, 2018, individuals enrolled
4 under this part who are fur-
5 nished covered professional serv-
6 ices (as defined in subsection
7 (k)(3)(A)) by the eligible profes-
8 sional for the performance period
9 involved.”;

10 (II) in subclause (II), by striking
11 “items and services” and inserting
12 “covered professional services (as de-
13 fined in subsection (k)(3)(A))”; and

14 (III) by amending subclause (III)
15 to read as follows:

16 “(III) The minimum amount (as
17 determined by the Secretary) of—

18 “(aa) for performance peri-
19 ods beginning before January 1,
20 2018, allowed charges billed by
21 such professional under this part
22 for such performance period; and

23 “(bb) for performance peri-
24 ods beginning on or after Janu-
25 ary 1, 2018, allowed charges for

1 covered professional services (as
2 defined in subsection (k)(3)(A))
3 billed by such professional for
4 such performance period.”;

5 (B) in paragraph (5)(D)—

6 (i) in clause (i)(I), by inserting “sub-
7 ject to clause (iii),” after “clauses (i) and
8 (ii) of paragraph (2)(A),”; and

9 (ii) by adding at the end the following
10 new clause:

11 “(iii) TRANSITION YEARS.—For each
12 of the second, third, fourth, and fifth years
13 for which the MIPS applies to payments,
14 the performance score for the performance
15 category described in paragraph (2)(A)(ii)
16 shall not take into account the improve-
17 ment of the professional involved.”;

18 (C) in paragraph (5)(E)—

19 (i) in clause (i)(I)(bb)—

20 (I) in the heading by striking
21 “FIRST 2 YEARS” and inserting
22 “FIRST 5 YEARS”; and

23 (II) by striking “the first and
24 second years” and inserting “each of
25 the first through fifth years”;

1 (ii) in clause (i)(II)(bb)—

2 (I) in the heading, by striking “2
3 YEARS” and inserting “5 YEARS”; and

4 (II) by striking the second sen-
5 tence and inserting the following new
6 sentences: “For each of the second,
7 third, fourth, and fifth years for
8 which the MIPS applies to payments,
9 not less than 10 percent and not more
10 than 30 percent of such score shall be
11 based on performance with respect to
12 the category described in clause (ii) of
13 paragraph (2)(A). Nothing in the pre-
14 vious sentence shall be construed, with
15 respect to a performance period for a
16 year described in the previous sen-
17 tence, as preventing the Secretary
18 from basing 30 percent of such score
19 for such year with respect to the cat-
20 egory described in such clause (ii), if
21 the Secretary determines, based on in-
22 formation posted under subsection
23 (r)(2)(I) that sufficient resource use
24 measures are ready for adoption for
25 use under the performance category

1 under paragraph (2)(A)(ii) for such
2 performance period.”;

3 (D) in paragraph (6)(D)—

4 (i) in clause (i), in the second sen-
5 tence, by striking “Such performance
6 threshold” and inserting “Subject to
7 clauses (iii) and (iv), such performance
8 threshold”;

9 (ii) in clause (ii)—

10 (I) in the first sentence, by in-
11 serting “(beginning with 2019 and
12 ending with 2024)” after “for each
13 year of the MIPS”; and

14 (II) in the second sentence, by
15 inserting “subject to clause (iii),”
16 after “For each such year,”;

17 (iii) in clause (iii)—

18 (I) in the heading, by striking
19 “2” and inserting “5”; and

20 (II) in the first sentence, by
21 striking “two years” and inserting
22 “five years”; and

23 (iv) by adding at the end the following
24 new clause:

1 “(iv) ADDITIONAL SPECIAL RULE FOR
2 THIRD, FOURTH AND FIFTH YEARS OF
3 MIPS.—For purposes of determining MIPS
4 adjustment factors under subparagraph
5 (A), in addition to the requirements speci-
6 fied in clause (iii), the Secretary shall in-
7 crease the performance threshold with re-
8 spect to each of the third, fourth, and fifth
9 years to which the MIPS applies to ensure
10 a gradual and incremental transition to the
11 performance threshold described in clause
12 (i) (as estimated by the Secretary) with re-
13 spect to the sixth year to which the MIPS
14 applies.”;

15 (E) in paragraph (6)(E)—

16 (i) by striking “In the case of items
17 and services” and inserting “In the case of
18 covered professional services (as defined in
19 subsection (k)(3)(A))”; and

20 (ii) by striking “under this part with
21 respect to such items and services” and in-
22 serting “under this part with respect to
23 such covered professional services”; and

24 (F) in paragraph (7), in the first sentence,
25 by striking “items and services” and inserting

1 “covered professional services (as defined in
2 subsection (k)(3)(A))”;

3 (2) in subsection (r)(2), by adding at the end
4 the following new subparagraph:

5 “(I) INFORMATION.—The Secretary shall,
6 not later than December 31st of each year (be-
7 ginning with 2018), post on the Internet
8 website of the Centers for Medicare & Medicaid
9 Services information on resource use measures
10 in use under subsection (q), resource use meas-
11 ures under development and the time-frame for
12 such development, potential future resource use
13 measure topics, a description of stakeholder en-
14 gagement, and the percent of expenditures
15 under part A and this part that are covered by
16 resource use measures.”; and

17 (3) in subsection (s)(5)(B), by striking “section
18 1833(z)(2)(C)” and inserting “section
19 1833(z)(3)(D)”.

20 (b) PHYSICIAN-FOCUSED PAYMENT MODEL TECH-
21 NICAL ADVISORY COMMITTEE PROVISION OF INITIAL
22 PROPOSAL FEEDBACK.—Section 1868(c)(2)(C) of the So-
23 cial Security Act (42 U.S.C. 1395ee(c)(2)(C)) is amended
24 to read as follows:

1 “(C) COMMITTEE REVIEW OF MODELS
2 SUBMITTED.—The Committee, on a periodic
3 basis—

4 “(i) shall review models submitted
5 under subparagraph (B);

6 “(ii) may provide individuals and
7 stakeholder entities who submitted such
8 models with—

9 “(I) initial feedback on such
10 models regarding the extent to which
11 such models meet the criteria de-
12 scribed in subparagraph (A); and

13 “(II) an explanation of the basis
14 for the feedback provided under sub-
15 clause (I); and

16 “(iii) shall prepare comments and rec-
17 ommendations regarding whether such
18 models meet the criteria described in sub-
19 paragraph (A) and submit such comments
20 and recommendations to the Secretary.”.

1 **SEC. 2206. REVISED REQUIREMENTS FOR MEDICARE IN-**
2 **TENSIVE CARDIAC REHABILITATION PRO-**
3 **GRAMS.**

4 (a) IN GENERAL.—Section 1861(eee)(4)(B) of the
5 Social Security Act (42 U.S.C. 1395x(eee)(4)(B)) is
6 amended—

7 (1) in clause (v), by striking “or” at the end;

8 (2) in clause (vi), by striking the period at the
9 end and inserting a semicolon; and

10 (3) by adding at the end the following new
11 clauses:

12 “(vii) stable, chronic heart failure (defined
13 as patients with left ventricular ejection fraction
14 of 35 percent or less and New York Heart As-
15 sociation (NYHA) class II to IV symptoms de-
16 spite being on optimal heart failure therapy for
17 at least 6 weeks); or

18 “(viii) any additional condition for which
19 the Secretary has determined that a cardiac re-
20 habilitation program shall be covered, unless
21 the Secretary determines, using the same proc-
22 ess used to determine that the condition is cov-
23 ered for a cardiac rehabilitation program, that
24 such coverage is not supported by the clinical
25 evidence.”.

(b) ENSURING FUTURE SUPERVISION LEVEL PARITY WITH CARDIAC REHABILITATION PROGRAMS.—Section 1861(eee)(4)(A) of the Social Security Act (42 U.S.C. 1395x(eee)(4)(A)) is amended, in the matter preceding clause (i), by striking “physician-supervised program (as described in paragraph (2))” and inserting “program (supervised as described in paragraph (2))”.

TITLE III—CREATING HIGH-QUALITY RESULTS AND OUTCOMES NECESSARY TO IMPROVE CHRONIC (CHRONIC) CARE

Subtitle A—Receiving High Quality Care in the Home

SEC. 2301. EXTENDING THE INDEPENDENCE AT HOME DEMONSTRATION PROGRAM.

(a) IN GENERAL.—Section 1866E of the Social Security Act (42 U.S.C. 1395cc–5) is amended—

(1) in subsection (e)—

(A) in paragraph (1)—

(i) by striking “An agreement” and inserting “Agreements”; and

(ii) by striking “5-year” and inserting “7-year”; and

(B) in paragraph (5)—

1 (i) by striking “10,000” and inserting
2 “15,000”; and

3 (ii) by adding at the end the following
4 new sentence: “An applicable beneficiary
5 that participates in the demonstration pro-
6 gram by reason of the increase from
7 10,000 to 15,000 in the preceding sentence
8 pursuant to the amendment made by sec-
9 tion 2301(a)(1)(B) of the SUSTAIN Care
10 Act of 2018 shall be considered in the
11 spending target estimates under paragraph
12 (1) of subsection (c) and the incentive pay-
13 ment calculations under paragraph (2) of
14 such subsection for the sixth and seventh
15 years of such program.”;

16 (2) in subsection (g), in the first sentence, by
17 inserting “, including, to the extent practicable, with
18 respect to the use of electronic health information
19 systems, as described in subsection (b)(1)(A)(vi)”
20 after “under the demonstration program”; and

21 (3) in subsection (i)(1)(A), by striking “will not
22 receive an incentive payment for the second of 2”
23 and inserting “did not achieve savings for the third
24 of 3”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a)(3) shall take effect as if included in the en-
3 actment of Public Law 111–148.

4 **SEC. 2302. EXPANDING ACCESS TO HOME DIALYSIS THER-**
5 **APY.**

6 (a) IN GENERAL.—Section 1881(b)(3) of the Social
7 Security Act (42 U.S.C. 1395rr(b)(3)) is amended—

8 (1) by redesignating subparagraphs (A) and
9 (B) as clauses (i) and (ii), respectively;

10 (2) in clause (ii), as redesignated by paragraph
11 (1), by striking “on a comprehensive” and insert
12 “subject to subparagraph (B), on a comprehensive”;

13 (3) by striking “With respect to” and inserting
14 “(A) With respect to”; and

15 (4) by adding at the end the following new sub-
16 paragraph:

17 “(B)(i) For purposes of subparagraph (A)(ii), subject
18 to clause (ii), an individual determined to have end stage
19 renal disease receiving home dialysis may choose to receive
20 monthly end stage renal disease-related clinical assess-
21 ments furnished on or after January 1, 2019, via tele-
22 health.

23 “(ii) Clause (i) shall apply to an individual only if
24 the individual receives a face-to-face clinical assessment,
25 without the use of telehealth—

1 “(I) in the case of the initial 3 months of home
2 dialysis of such individual, at least monthly; and

3 “(II) after such initial 3 months, at least once
4 every 3 consecutive months.”.

5 (b) ORIGINATING SITE REQUIREMENTS.—

6 (1) IN GENERAL.—Section 1834(m) of the So-
7 cial Security Act (42 U.S.C. 1395m(m)) is amend-
8 ed—

9 (A) in paragraph (4)(C)(ii), by adding at
10 the end the following new subclauses:

11 “(IX) A renal dialysis facility,
12 but only for purposes of section
13 1881(b)(3)(B).

14 “(X) The home of an individual,
15 but only for purposes of section
16 1881(b)(3)(B).”; and

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

19 “(5) TREATMENT OF HOME DIALYSIS MONTHLY
20 ESRD-RELATED VISIT.—The geographic require-
21 ments described in paragraph (4)(C)(i) shall not
22 apply with respect to telehealth services furnished on
23 or after January 1, 2019, for purposes of section
24 1881(b)(3)(B), at an originating site described in

1 subclause (VI), (IX), or (X) of paragraph
2 (4)(C)(ii).”.

3 (2) NO FACILITY FEE IF ORIGINATING SITE
4 FOR HOME DIALYSIS THERAPY IS THE HOME.—Sec-
5 tion 1834(m)(2)(B) of the Social Security (42
6 U.S.C. 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
12 this clause” and inserting “subclause (I) or this
13 subclause”;

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 ORIGI-
21 NATING SITE FOR HOME DIALYSIS THER-
22 APY IS THE HOME.—No facility fee shall
23 be paid under this subparagraph to an
24 originating site described in paragraph
25 (4)(C)(ii)(X).”.

1 (c) CLARIFICATION REGARDING TELEHEALTH PRO-
2 VIDED TO BENEFICIARIES.—Section 1128A(i)(6) of the
3 Social Security Act (42 U.S.C. 1320a–7a(i)(6)) is amend-
4 ed—

5 (1) in subparagraph (H), by striking “or” at
6 the end;

7 (2) in subparagraph (I), by striking the period
8 at the end and inserting “; or”; and

9 (3) by adding at the end the following new sub-
10 paragraph:

11 “(J) the provision of telehealth tech-
12 nologies (as defined by the Secretary) on or
13 after January 1, 2019, by a provider of services
14 or a renal dialysis facility (as such terms are
15 defined for purposes of title XVIII) to an indi-
16 vidual with end stage renal disease who is re-
17 ceiving home dialysis for which payment is
18 being made under part B of such title, if—

19 “(i) the telehealth technologies are not
20 offered as part of any advertisement or so-
21 licitation;

22 “(ii) the telehealth technologies are
23 provided for the purpose of furnishing tele-
24 health services related to the individual’s
25 end stage renal disease; and

1 “(iii) the provision of the telehealth
2 technologies meets any other requirements
3 set forth in regulations promulgated by the
4 Secretary.”.

5 (d) CONFORMING AMENDMENT.—Section 1881(b)(1)
6 of the Social Security Act (42 U.S.C. 1395rr(b)(1)) is
7 amended by striking “paragraph (3)(A)” and inserting
8 “paragraph (3)(A)(i)”.

9 **Subtitle B—Expanding Innovation**
10 **and Technology**

11 **SEC. 2311. ADAPTING BENEFITS TO MEET THE NEEDS OF**
12 **CHRONICALLY ILL MEDICARE ADVANTAGE**
13 **ENROLLEES.**

14 Section 1859 of the Social Security Act (42 U.S.C.
15 1395w–28) is amended by adding at the end the following
16 new subsection:

17 “(h) NATIONAL TESTING OF MEDICARE ADVANTAGE
18 VALUE-BASED INSURANCE DESIGN MODEL.—

19 “(1) IN GENERAL.—In implementing the Medi-
20 care Advantage Value-Based Insurance Design
21 model that is being tested under section 1115A(b),
22 the Secretary shall revise the testing of the model
23 under such section to cover, effective not later than
24 January 1, 2020, all States.

1 “(2) TERMINATION AND MODIFICATION PROVI-
2 SION NOT APPLICABLE UNTIL JANUARY 1, 2022.—
3 The provisions of section 1115A(b)(3)(B) shall apply
4 to the Medicare Advantage Value-Based Insurance
5 Design 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
11 design, implement, and evaluate the Medicare Ad-
12 vantage Value-Based Insurance Design model, as re-
13 vised 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
18 Security 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 BENE-
2 FITS TO MEET THE NEEDS OF CHRONICALLY
3 ILL ENROLLEES.—

4 “(i) IN GENERAL.—For plan year
5 2020 and subsequent plan years, in addi-
6 tion to any supplemental health care bene-
7 fits otherwise provided under this para-
8 graph, an MA plan, including a specialized
9 MA plan for special needs individuals (as
10 defined in section 1859(b)(6)), may pro-
11 vide supplemental benefits described in
12 clause (ii) to a chronically ill enrollee (as
13 defined in clause (iii)).

14 “(ii) SUPPLEMENTAL BENEFITS DE-
15 SCRIBED.—

16 “(I) IN GENERAL.—Supplemental
17 benefits described in this clause are
18 supplemental benefits that, with re-
19 spect to a chronically ill enrollee, have
20 a reasonable expectation of improving
21 or maintaining the health or overall
22 function of the chronically ill enrollee
23 and may not be limited to being pri-
24 marily health related benefits.

1 “(II) AUTHORITY TO WAIVE UNI-
2 FORMITY REQUIREMENTS.—The Sec-
3 retary may, only with respect to sup-
4 plemental benefits provided to a
5 chronically ill enrollee under this sub-
6 paragraph, waive the uniformity re-
7 quirements under this part, as deter-
8 mined appropriate by the Secretary.

9 “(iii) CHRONICALLY ILL ENROLLEE
10 DEFINED.—In this subparagraph, the term
11 ‘chronically ill enrollee’ means an enrollee
12 in an MA plan that the Secretary deter-
13 mines—

14 “(I) has one or more comorbid
15 and medically complex chronic condi-
16 tions that is life threatening or signifi-
17 cantly limits the overall health or
18 function of the enrollee;

19 “(II) has a high risk of hos-
20 pitalization or other adverse health
21 outcomes; and

22 “(III) requires intensive care co-
23 ordination.”.

24 (b) GAO STUDY AND REPORT.—

1 (1) STUDY.—The Comptroller General of the
2 United States (in this subsection referred to as the
3 “Comptroller General”) shall conduct a study on
4 supplemental benefits provided to enrollees in Medi-
5 care Advantage plans under part C of title XVIII of
6 the Social Security Act, including specialized MA
7 plans for special needs individuals (as defined in sec-
8 tion 1859(b)(6) of such Act (42 U.S.C. 1395w-
9 28(b)(6))). To the extent data are available, such
10 study shall include an analysis of the following:

11 (A) The type of supplemental benefits pro-
12 vided to such enrollees, the total number of en-
13 rollees receiving each supplemental benefit, and
14 whether the supplemental benefit is covered by
15 the standard benchmark cost of the benefit or
16 with an additional premium.

17 (B) The frequency in which supplemental
18 benefits are utilized by such enrollees.

19 (C) The impact supplemental benefits have
20 on—

21 (i) indicators of the quality of care re-
22 ceived by such enrollees, including overall
23 health and function of the enrollees;

24 (ii) the utilization of items and serv-
25 ices for which benefits are available under

1 the original Medicare fee-for-service pro-
2 gram option under parts A and B of such
3 title XVIII by such enrollees; and

4 (iii) the amount of the bids submitted
5 by Medicare Advantage Organizations for
6 Medicare Advantage plans under such part
7 C.

8 (2) CONSULTATION.—In conducting the study
9 under paragraph (1), the Comptroller General shall,
10 as necessary, consult with the Centers for Medicare
11 & Medicaid Services and Medicare Advantage orga-
12 nizations offering Medicare Advantage plans.

13 (3) REPORT.—Not later than 5 years after the
14 date of the enactment of this Act, the Comptroller
15 General shall submit to Congress a report containing
16 the results of the study conducted under paragraph
17 (1), together with recommendations for such legisla-
18 tion and administrative action as the Comptroller
19 General determines appropriate.

20 **SEC. 2313. INCREASING CONVENIENCE FOR MEDICARE AD-**
21 **VANTAGE ENROLLEES THROUGH TELE-**
22 **HEALTH.**

23 (a) IN GENERAL.—Section 1852 of the Social Secu-
24 rity Act (42 U.S.C. 1395w–22) is amended—

1 (1) in subsection (a)(1)(B)(i), by inserting “,
2 subject to subsection (m),” after “means”; and

3 (2) by adding at the end the following new sub-
4 section:

5 “(m) PROVISION OF ADDITIONAL TELEHEALTH
6 BENEFITS.—

7 “(1) MA PLAN OPTION.—For plan year 2020
8 and subsequent plan years, subject to the require-
9 ments of paragraph (3), an MA plan may provide
10 additional telehealth benefits (as defined in para-
11 graph (2)) to individuals enrolled under this part.

12 “(2) ADDITIONAL TELEHEALTH BENEFITS DE-
13 FINED.—

14 “(A) IN GENERAL.—For purposes of this
15 subsection and section 1854:

16 “(i) DEFINITION.—The term ‘addi-
17 tional telehealth benefits’ means services—

18 “(I) for which benefits are avail-
19 able under part B, including services
20 for which payment is not made under
21 section 1834(m) due to the conditions
22 for payment under such section; and

23 “(II) that are identified for the
24 year involved by the Secretary as
25 clinically appropriate to furnish using

1 electronic information and tele-
2 communications technology when a
3 physician (as defined in section
4 1861(r)) or practitioner (described in
5 section 1842(b)(18)(C)) providing the
6 service is not at the same location as
7 the plan enrollee.

8 “(ii) EXCLUSION OF CAPITAL AND IN-
9 FRASTRUCTURE COSTS AND INVEST-
10 MENTS.—The term ‘additional telehealth
11 benefits’ does not include capital and infra-
12 structure costs and investments relating to
13 such benefits.

14 “(B) PUBLIC COMMENT.—Not later than
15 November 30, 2018, the Secretary shall solicit
16 comments on—

17 “(i) what types of items and services
18 (including those provided through supple-
19 mental health care benefits, such as remote
20 patient monitoring, secure messaging,
21 store and forward technologies, and other
22 non-face-to-face communication) should be
23 considered to be additional telehealth bene-
24 fits; and

1 “(ii) the requirements for the provi-
2 sion or furnishing of such benefits (such as
3 licensure, training, and coordination re-
4 quirements).

5 “(3) REQUIREMENTS FOR ADDITIONAL TELE-
6 HEALTH BENEFITS.—The Secretary shall specify re-
7 quirements for the provision or furnishing of addi-
8 tional telehealth benefits, including with respect to
9 the following:

10 “(A) Physician or practitioner qualifica-
11 tions (other than licensure) and other require-
12 ments such as specific training.

13 “(B) Factors necessary for the coordina-
14 tion of such benefits with other items and serv-
15 ices, including those furnished in-person.

16 “(C) Such other areas as determined by
17 the Secretary.

18 “(4) ENROLLEE CHOICE.—If an MA plan pro-
19 vides a service as an additional telehealth benefit (as
20 defined in paragraph (2))—

21 “(A) the MA plan shall also provide access
22 to such benefit through an in-person visit (and
23 not only as an additional telehealth benefit);
24 and

1 “(B) an individual enrollee shall have dis-
2 cretion as to whether to receive such service
3 through the in-person visit or as an additional
4 telehealth benefit.

5 “(5) TREATMENT UNDER MA.—For purposes of
6 this subsection and section 1854, if a plan provides
7 additional telehealth benefits, such additional tele-
8 health benefits shall be treated as if they were bene-
9 fits under the original Medicare fee-for-service pro-
10 gram option.

11 “(6) CONSTRUCTION.—Nothing in this sub-
12 section shall be construed as affecting the require-
13 ment under subsection (a)(1) that MA plans provide
14 enrollees with items and services (other than hospice
15 care) for which benefits are available under parts A
16 and B, including benefits available under section
17 1834(m).”.

18 (b) CLARIFICATION REGARDING INCLUSION IN BID
19 AMOUNT.—Section 1854(a)(6)(A)(ii)(I) of the Social Se-
20 curity Act (42 U.S.C. 1395w-24(a)(6)(A)(ii)(I)) is
21 amended by inserting “, including, for plan year 2020 and
22 subsequent plan years, the provision of additional tele-
23 health benefits as described in section 1852(m)” before
24 the semicolon at the end.

1 **SEC. 2314. PROVIDING ACCOUNTABLE CARE ORGANIZA-**
2 **TIONS THE ABILITY TO EXPAND THE USE OF**
3 **TELEHEALTH.**

4 (a) IN GENERAL.—Section 1899 of the Social Secu-
5 rity Act (42 U.S.C. 1395jjj) is amended by adding at the
6 end the following new subsection:

7 “(1) PROVIDING ACOs THE ABILITY TO EXPAND
8 THE USE OF TELEHEALTH SERVICES.—

9 “(1) IN GENERAL.—In the case of telehealth
10 services for which payment would otherwise be made
11 under this title furnished on or after January 1,
12 2020, for purposes of this subsection only, the fol-
13 lowing shall apply with respect to such services fur-
14 nished by a physician or practitioner participating in
15 an applicable ACO (as defined in paragraph (2)) to
16 a Medicare fee-for-service beneficiary assigned to the
17 applicable ACO:

18 “(A) INCLUSION OF HOME AS ORIGINATING
19 SITE.—Subject to paragraph (3), the home of a
20 beneficiary shall be treated as an originating
21 site described in section 1834(m)(4)(C)(ii).

22 “(B) NO APPLICATION OF GEOGRAPHIC
23 LIMITATION.—The geographic limitation under
24 section 1834(m)(4)(C)(i) shall not apply with
25 respect to an originating site described in sec-
26 tion 1834(m)(4)(C)(ii) (including the home of a

1 beneficiary under subparagraph (A)), subject to
2 State licensing requirements.

3 “(2) DEFINITIONS.—In this subsection:

4 “(A) APPLICABLE ACO.—The term ‘appli-
5 cable ACO’ means an ACO participating in a
6 model tested or expanded under section 1115A
7 or under this section—

8 “(i) that operates under a two-sided
9 model—

10 “(I) described in section
11 425.600(a) of title 42, Code of Fed-
12 eral Regulations; or

13 “(II) tested or expanded under
14 section 1115A; and

15 “(ii) for which Medicare fee-for-serv-
16 ice beneficiaries are assigned to the ACO
17 using a prospective assignment method, as
18 determined appropriate by the Secretary.

19 “(B) HOME.—The term ‘home’ means,
20 with respect to a Medicare fee-for-service bene-
21 ficiary, the place of residence used as the home
22 of the beneficiary.

23 “(3) TELEHEALTH SERVICES RECEIVED IN THE
24 HOME.—In the case of telehealth services described
25 in paragraph (1) where the home of a Medicare fee-

1 for-service beneficiary is the originating site, the fol-
2 lowing shall apply:

3 “(A) NO FACILITY FEE.—There shall be
4 no facility fee paid to the originating site under
5 section 1834(m)(2)(B).

6 “(B) EXCLUSION OF CERTAIN SERVICES.—
7 No payment may be made for such services that
8 are inappropriate to furnish in the home setting
9 such as services that are typically furnished in
10 inpatient settings such as a hospital.”.

11 (b) STUDY AND REPORT.—

12 (1) STUDY.—

13 (A) IN GENERAL.—The Secretary of
14 Health and Human Services (in this subsection
15 referred to as the “Secretary”) shall conduct a
16 study on the implementation of section 1899(l)
17 of the Social Security Act, as added by sub-
18 section (a). Such study shall include an analysis
19 of the utilization of, and expenditures for, tele-
20 health services under such section.

21 (B) COLLECTION OF DATA.—The Sec-
22 retary may collect such data as the Secretary
23 determines necessary to carry out the study
24 under this paragraph.

1 (2) REPORT.—Not later than January 1, 2026,
2 the Secretary shall submit to Congress a report con-
3 taining the results of the study conducted under
4 paragraph (1), together with recommendations for
5 such legislation and administrative action as the
6 Secretary determines appropriate.

7 **SEC. 2315. EXPANDING THE USE OF TELEHEALTH FOR INDIV-**
8 **IDUALS WITH STROKE.**

9 Section 1834(m) of the Social Security Act (42
10 U.S.C. 1395m(m)), as amended by section 2302(b), is
11 amended—

12 (1) in paragraph (4)(C)(i), in the matter pre-
13 ceding subclause (I), by striking “The term” and in-
14 serting “Except as provided in paragraph (6), the
15 term”; and

16 (2) by adding at the end the following new
17 paragraph:

18 “(6) TREATMENT OF STROKE TELEHEALTH
19 SERVICES.—

20 “(A) NON-APPLICATION OF ORIGINATING
21 SITE REQUIREMENTS.—The requirements de-
22 scribed in paragraph (4)(C) shall not apply with
23 respect to telehealth services furnished on or
24 after January 1, 2021, for purposes of diag-
25 nosis, evaluation, or treatment of symptoms of

1 an acute stroke, as determined by the Sec-
2 retary.

3 “(B) INCLUSION OF CERTAIN SITES.—
4 With respect to telehealth services described in
5 subparagraph (A), the term ‘originating site’
6 shall include any hospital (as defined in section
7 1861(e)) or critical access hospital (as defined
8 in section 1861(mm)(1)), any mobile stroke
9 unit (as defined by the Secretary), or any other
10 site determined appropriate by the Secretary, at
11 which the eligible telehealth individual is located
12 at the time the service is furnished via a tele-
13 communications system.

14 “(C) NO ORIGINATING SITE FACILITY FEE
15 FOR NEW SITES.—No facility fee shall be paid
16 under paragraph (2)(B) to an originating site
17 with respect to a telehealth service described in
18 subparagraph (A) if the originating site does
19 not otherwise meet the requirements for an
20 originating site under paragraph (4)(C).”.

**Subtitle C—Identifying the
Chronically Ill Population**

**SEC. 2321. PROVIDING FLEXIBILITY FOR BENEFICIARIES
TO BE PART OF AN ACCOUNTABLE CARE OR-
GANIZATION.**

Section 1899(c) of the Social Security Act (42 U.S.C.
1395jjj(c)) is amended—

(1) by redesignating paragraphs (1) and (2) as
subparagraphs (A) and (B), respectively, and indent-
ing appropriately;

(2) by striking “ACOs.—The Secretary” and
inserting “ACOs.—

“(1) IN GENERAL.—Subject to paragraph (2),
the Secretary”; and

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

“(2) PROVIDING FLEXIBILITY.—

“(A) CHOICE OF PROSPECTIVE ASSIGN-
MENT.—For each agreement period (effective
for agreements entered into or renewed on or
after January 1, 2020), in the case where an
ACO established under the program is in a
Track that provides for the retrospective assign-
ment of Medicare fee-for-service beneficiaries to
the ACO, the Secretary shall permit the ACO

1 to choose to have Medicare fee-for-service bene-
2 ficiaries assigned prospectively, rather than ret-
3 rospectively, to the ACO for an agreement pe-
4 riod.

5 “(B) ASSIGNMENT BASED ON VOLUNTARY
6 IDENTIFICATION BY MEDICARE FEE-FOR-SERV-
7 ICE BENEFICIARIES.—

8 “(i) IN GENERAL.—For performance
9 year 2018 and each subsequent perform-
10 ance year, if a system is available for elec-
11 tronic designation, the Secretary shall per-
12 mit a Medicare fee-for-service beneficiary
13 to voluntarily identify an ACO professional
14 as the primary care provider of the bene-
15 ficiary for purposes of assigning such bene-
16 ficiary to an ACO, as determined by the
17 Secretary.

18 “(ii) NOTIFICATION PROCESS.—The
19 Secretary shall establish a process under
20 which a Medicare fee-for-service bene-
21 ficiary is—

22 “(I) notified of their ability to
23 make an identification described in
24 clause (i); and

1 “(II) informed of the process by
2 which they may make and change
3 such identification.

4 “(iii) SUPERSEDING CLAIMS-BASED
5 ASSIGNMENT.—A voluntary identification
6 by a Medicare fee-for-service beneficiary
7 under this subparagraph shall supersede
8 any claims-based assignment otherwise de-
9 termined by the Secretary.”.

10 **Subtitle D—Empowering Individ-**
11 **uals and Caregivers in Care De-**
12 **livery**

13 **SEC. 2331. ELIMINATING BARRIERS TO CARE COORDINA-**
14 **TION UNDER ACCOUNTABLE CARE ORGANI-**
15 **ZATIONS.**

16 (a) IN GENERAL.—Section 1899 of the Social Secu-
17 rity Act (42 U.S.C. 1395jjj), as amended by section
18 2314(a), is amended—

19 (1) in subsection (b)(2), by adding at the end
20 the following new subparagraph:

21 “(I) An ACO that seeks to operate an
22 ACO Beneficiary Incentive Program pursuant
23 to subsection (m) shall apply to the Secretary
24 at such time, in such manner, and with such in-
25 formation as the Secretary may require.”;

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

3 “(m) AUTHORITY TO PROVIDE INCENTIVE PAY-
4 MENTS TO BENEFICIARIES WITH RESPECT TO QUALI-
5 FYING PRIMARY CARE SERVICES.—

6 “(1) PROGRAM.—

7 “(A) IN GENERAL.—In order to encourage
8 Medicare fee-for-service beneficiaries to obtain
9 medically necessary primary care services, an
10 ACO participating under this section under a
11 payment model described in clause (i) or (ii) of
12 paragraph (2)(B) may apply to establish an
13 ACO Beneficiary Incentive Program to provide
14 incentive payments to such beneficiaries who
15 are furnished qualifying services in accordance
16 with this subsection. The Secretary shall permit
17 such an ACO to establish such a program at
18 the Secretary’s discretion and subject to such
19 requirements, including program integrity re-
20 quirements, as the Secretary determines nec-
21 essary.

22 “(B) IMPLEMENTATION.—The Secretary
23 shall implement this subsection on a date deter-
24 mined appropriate by the Secretary. Such date

1 shall be no earlier than January 1, 2019, and
2 no later than January 1, 2020.

3 “(2) CONDUCT OF PROGRAM.—

4 “(A) DURATION.—Subject to subpara-
5 graph (H), an ACO Beneficiary Incentive Pro-
6 gram established under this subsection shall be
7 conducted for such period (of not less than 1
8 year) as the Secretary may approve.

9 “(B) SCOPE.—An ACO Beneficiary Incen-
10 tive Program established under this subsection
11 shall provide incentive payments to all of the
12 following Medicare fee-for-service beneficiaries
13 who are furnished qualifying services by the
14 ACO:

15 “(i) With respect to the Track 2 and
16 Track 3 payment models described in sec-
17 tion 425.600(a) of title 42, Code of Fed-
18 eral Regulations (or in any successor regu-
19 lation), Medicare fee-for-service bene-
20 ficiaries who are preliminarily prospectively
21 or prospectively assigned (or otherwise as-
22 signed, as determined by the Secretary) to
23 the ACO.

24 “(ii) With respect to any future pay-
25 ment models involving two-sided risk,

1 Medicare fee-for-service beneficiaries who
2 are assigned to the ACO, as determined by
3 the Secretary.

4 “(C) QUALIFYING SERVICE.—For purposes
5 of this subsection, a qualifying service is a pri-
6 mary care service, as defined in section 425.20
7 of title 42, Code of Federal Regulations (or in
8 any successor regulation), with respect to which
9 coinsurance applies under part B, furnished
10 through an ACO by—

11 “(i) an ACO professional described in
12 subsection (h)(1)(A) who has a primary
13 care specialty designation included in the
14 definition of primary care physician under
15 section 425.20 of title 42, Code of Federal
16 Regulations (or any successor regulation);

17 “(ii) an ACO professional described in
18 subsection (h)(1)(B); or

19 “(iii) a Federally qualified health cen-
20 ter or rural health clinic (as such terms
21 are defined in section 1861(aa)).

22 “(D) INCENTIVE PAYMENTS.—An incentive
23 payment made by an ACO pursuant to an ACO
24 Beneficiary Incentive Program established
25 under this subsection shall be—

1 “(i) in an amount up to \$20, with
2 such maximum amount updated annually
3 by the percentage increase in the consumer
4 price index for all urban consumers
5 (United States city average) for the 12-
6 month period ending with June of the pre-
7 vious year;

8 “(ii) in the same amount for each
9 Medicare fee-for-service beneficiary de-
10 scribed in clause (i) or (ii) of subparagraph
11 (B) without regard to enrollment of such a
12 beneficiary in a medicare supplemental pol-
13 icy (described in section 1882(g)(1)), in a
14 State Medicaid plan under title XIX or a
15 waiver of such a plan, or in any other
16 health insurance policy or health benefit
17 plan;

18 “(iii) made for each qualifying service
19 furnished to such a beneficiary described
20 in clause (i) or (ii) of subparagraph (B)
21 during a period specified by the Secretary;
22 and

23 “(iv) made no later than 30 days after
24 a qualifying service is furnished to such a

1 beneficiary described in clause (i) or (ii) of
2 subparagraph (B).

3 “(E) NO SEPARATE PAYMENTS FROM THE
4 SECRETARY.—The Secretary shall not make
5 any separate payment to an ACO for the costs,
6 including incentive payments, of carrying out
7 an ACO Beneficiary Incentive Program estab-
8 lished under this subsection. Nothing in this
9 subparagraph shall be construed as prohibiting
10 an ACO from using shared savings received
11 under this section to carry out an ACO Bene-
12 ficiary Incentive Program.

13 “(F) NO APPLICATION TO SHARED SAV-
14 INGS CALCULATION.—Incentive payments made
15 by an ACO under this subsection shall be dis-
16 regarded for purposes of calculating bench-
17 marks, estimated average per capita Medicare
18 expenditures, and shared savings under this
19 section.

20 “(G) REPORTING REQUIREMENTS.—An
21 ACO conducting an ACO Beneficiary Incentive
22 Program under this subsection shall, at such
23 times and in such format as the Secretary may
24 require, report to the Secretary such informa-
25 tion and retain such documentation as the Sec-

1 retary may require, including the amount and
2 frequency of incentive payments made and the
3 number of Medicare fee-for-service beneficiaries
4 receiving such payments.

5 “(H) TERMINATION.—The Secretary may
6 terminate an ACO Beneficiary Incentive Pro-
7 gram established under this subsection at any
8 time for reasons determined appropriate by the
9 Secretary.

10 “(3) EXCLUSION OF INCENTIVE PAYMENTS.—
11 Any payment made under an ACO Beneficiary In-
12 centive Program established under this subsection
13 shall not be considered income or resources or other-
14 wise taken into account for purposes of—

15 “(A) determining eligibility for benefits or
16 assistance (or the amount or extent of benefits
17 or assistance) under any Federal program or
18 under any State or local program financed in
19 whole or in part with Federal funds; or

20 “(B) any Federal or State laws relating to
21 taxation.”;

22 (3) in subsection (e), by inserting “, including
23 an ACO Beneficiary Incentive Program under sub-
24 sections (b)(2)(I) and (m)” after “the program”;
25 and

1 (4) in subsection (g)(6), by inserting “or of an
2 ACO Beneficiary Incentive Program under sub-
3 sections (b)(2)(I) and (m)” after “under subsection
4 (d)(4)”.

5 (b) AMENDMENT TO SECTION 1128B.—Section
6 1128B(b)(3) of the Social Security Act (42 U.S.C. 1320a–
7 7b(b)(3)) is amended—

8 (1) by striking “and” at the end of subpara-
9 graph (I);

10 (2) by striking the period at the end of sub-
11 paragraph (J) and inserting “; and”; and

12 (3) by adding at the end the following new sub-
13 paragraph:

14 “(K) an incentive payment made to a
15 Medicare fee-for-service beneficiary by an ACO
16 under an ACO Beneficiary Incentive Program
17 established under subsection (m) of section
18 1899, if the payment is made in accordance
19 with the requirements of such subsection and
20 meets such other conditions as the Secretary
21 may establish.”.

22 (c) EVALUATION AND REPORT.—

23 (1) EVALUATION.—The Secretary of Health
24 and Human Services (in this subsection referred to
25 as the “Secretary”) shall conduct an evaluation of

1 the ACO Beneficiary Incentive Program established
2 under subsections (b)(2)(I) and (m) of section 1899
3 of the Social Security Act (42 U.S.C. 1395jjj), as
4 added by subsection (a). The evaluation shall include
5 an analysis of the impact of the implementation of
6 the Program on expenditures and beneficiary health
7 outcomes under title XVIII of the Social Security
8 Act (42 U.S.C. 1395 et seq.).

9 (2) REPORT.—Not later than October 1, 2023,
10 the Secretary shall submit to Congress a report con-
11 taining the results of the evaluation under para-
12 graph (1), together with recommendations for such
13 legislation and administrative action as the Sec-
14 retary determines appropriate.

15 **SEC. 2332. GAO STUDY AND REPORT ON LONGITUDINAL**
16 **COMPREHENSIVE CARE PLANNING SERVICES**
17 **UNDER MEDICARE PART B.**

18 (a) STUDY.—The Comptroller General shall conduct
19 a study on the establishment under part B of the Medicare
20 program under title XVIII of the Social Security Act of
21 a payment code for a visit for longitudinal comprehensive
22 care planning services. Such study shall include an anal-
23 ysis of the following to the extent such information is
24 available:

1 (1) The frequency with which services similar to
2 longitudinal comprehensive care planning services
3 are furnished to Medicare beneficiaries, which pro-
4 viders of services and suppliers are furnishing those
5 services, whether Medicare reimbursement is being
6 received for those services, and, if so, through which
7 codes those services are being reimbursed.

8 (2) Whether, and the extent to which, longitu-
9 dinal comprehensive care planning services would
10 overlap, and could therefore result in duplicative
11 payment, with services covered under the hospice
12 benefit as well as the chronic care management code,
13 evaluation and management codes, or other codes
14 that already exist under part B of the Medicare pro-
15 gram.

16 (3) Any barriers to hospitals, skilled nursing fa-
17 cilities, hospice programs, home health agencies, and
18 other applicable providers working with a Medicare
19 beneficiary to engage in the care planning process
20 and complete the necessary documentation to sup-
21 port the treatment and care plan of the beneficiary
22 and provide such documentation to other providers
23 and the beneficiary or the beneficiary's representa-
24 tive.

1 (4) Any barriers to providers, other than the
2 provider furnishing longitudinal comprehensive care
3 planning services, accessing the care plan and asso-
4 ciated documentation for use related to the care of
5 the Medicare beneficiary.

6 (5) Potential options for ensuring that applica-
7 ble providers are notified of a patient's existing lon-
8 gitudinal care plan and that applicable providers
9 consider that plan in making their treatment deci-
10 sions, and what the challenges might be in imple-
11 menting such options.

12 (6) Stakeholder's views on the need for the de-
13 velopment of quality metrics with respect to longitu-
14 dinal comprehensive care planning services, such as
15 measures related to—

16 (A) the process of eliciting input from the
17 Medicare beneficiary or from a legally author-
18 ized representative and documenting in the
19 medical record the patient-directed care plan;

20 (B) the effectiveness and patient-
21 centeredness of the care plan in organizing de-
22 livery of services consistent with the plan;

23 (C) the availability of the care plan and as-
24 sociated documentation to other providers that
25 care for the beneficiary; and

1 (D) the extent to which the beneficiary re-
2 ceived services and support that is free from
3 discrimination based on advanced age, disability
4 status, or advanced illness.

5 (7) Stakeholder's views on how such quality
6 metrics would provide information on—

7 (A) the goals, values, and preferences of
8 the beneficiary;

9 (B) the documentation of the care plan;

10 (C) services furnished to the beneficiary;

11 and

12 (D) outcomes of treatment.

13 (8) Stakeholder's views on—

14 (A) the type of training and education
15 needed for applicable providers, individuals, and
16 caregivers in order to facilitate longitudinal
17 comprehensive care planning services;

18 (B) the types of providers of services and
19 suppliers that should be included in the inter-
20 disciplinary team of an applicable provider; and

21 (C) the characteristics of Medicare bene-
22 ficiaries that would be most appropriate to re-
23 ceive longitudinal comprehensive care planning
24 services, such as individuals with advanced dis-

1 ease and individuals who need assistance with
2 multiple activities of daily living.

3 (9) Stakeholder’s views on the frequency with
4 which longitudinal comprehensive care planning
5 services should be furnished.

6 (b) REPORT.—Not later than 18 months after the
7 date of the enactment of this Act, the Comptroller General
8 shall submit to Congress a report containing the results
9 of the study conducted under subsection (a), together with
10 recommendations for such legislation and administrative
11 action as the Comptroller General determines appropriate.

12 (c) DEFINITIONS.—In this section:

13 (1) APPLICABLE PROVIDER.—The term “appli-
14 cable provider” means a hospice program (as defined
15 in subsection (dd)(2) of section 1861 of the Social
16 Security Act (42 U.S.C. 1395ww)) or other provider
17 of services (as defined in subsection (u) of such sec-
18 tion) or supplier (as defined in subsection (d) of
19 such section) that—

20 (A) furnishes longitudinal comprehensive
21 care planning services through an interdiscipli-
22 nary team; and

23 (B) meets such other requirements as the
24 Secretary may determine to be appropriate.

1 (2) COMPTROLLER GENERAL.—The term
2 “Comptroller General” means the Comptroller Gen-
3 eral of the United States.

4 (3) INTERDISCIPLINARY TEAM.—The term
5 “interdisciplinary team” means a group that—

6 (A) includes the personnel described in
7 subsection (dd)(2)(B)(i) of such section 1861;

8 (B) may include a chaplain, minister, or
9 other clergy; and

10 (C) may include other direct care per-
11 sonnel.

12 (4) LONGITUDINAL COMPREHENSIVE CARE
13 PLANNING SERVICES.—The term “longitudinal com-
14 prehensive care planning services” means a vol-
15 untary shared decisionmaking process that is fur-
16 nished by an applicable provider through an inter-
17 disciplinary team and includes a conversation with
18 Medicare beneficiaries who have received a diagnosis
19 of a serious or life-threatening illness. The purpose
20 of such services is to discuss a longitudinal care plan
21 that addresses the progression of the disease, treat-
22 ment options, the goals, values, and preferences of
23 the beneficiary, and the availability of other re-
24 sources and social supports that may reduce the

1 beneficiary's health risks and promote self-manage-
2 ment and shared decisionmaking.

3 (5) SECRETARY.—The term “Secretary” means
4 the Secretary of Health and Human Services.

5 **Subtitle E—Other Policies to Im-**
6 **prove Care for the Chronically**
7 **Ill**

8 **SEC. 2341. GAO STUDY AND REPORT ON IMPROVING MEDI-**
9 **CATION SYNCHRONIZATION.**

10 (a) STUDY.—The Comptroller General of the United
11 States (in this section referred to as the “Comptroller
12 General”) shall conduct a study on the extent to which
13 Medicare prescription drug plans (MA–PD plans and
14 stand alone prescription drug plans) under part D of title
15 XVIII of the Social Security Act and private payors use
16 programs that synchronize pharmacy dispensing so that
17 individuals may receive multiple prescriptions on the same
18 day to facilitate comprehensive counseling and promote
19 medication adherence. The study shall include a analysis
20 of the following:

21 (1) The extent to which pharmacies have adopt-
22 ed such programs.

23 (2) The common characteristics of such pro-
24 grams, including how pharmacies structure coun-
25 seling sessions under such programs and the types

1 of payment and other arrangements that Medicare
2 prescription drug plans and private payors employ
3 under such programs to support the efforts of phar-
4 macies.

5 (3) How such programs compare for Medicare
6 prescription drug plans and private payors.

7 (4) What is known about how such programs
8 affect patient medication adherence and overall pa-
9 tient health outcomes, including if adherence and
10 outcomes vary by patient subpopulations, such as
11 disease state and socioeconomic status.

12 (5) What is known about overall patient satis-
13 faction with such programs and satisfaction with
14 such programs, including within patient subpopula-
15 tions, such as disease state and socioeconomic sta-
16 tus.

17 (6) The extent to which laws and regulations of
18 the Medicare program support such programs.

19 (7) Barriers to the use of medication synchroni-
20 zation programs by Medicare prescription drug
21 plans.

22 (b) REPORT.—Not later than 18 months after the
23 date of the enactment of this Act, the Comptroller General
24 shall submit to Congress a report containing the results
25 of the study under subsection (a), together with rec-

1 ommendations for such legislation and administrative ac-
2 tion as the Comptroller General determines appropriate.

3 **SEC. 2342. GAO STUDY AND REPORT ON IMPACT OF OBE-**
4 **SITY DRUGS ON PATIENT HEALTH AND**
5 **SPENDING.**

6 (a) STUDY.—The Comptroller General of the United
7 States (in this section referred to as the “Comptroller
8 General”) shall, to the extent data are available, conduct
9 a study on the use of prescription drugs to manage the
10 weight of obese patients and the impact of coverage of
11 such drugs on patient health and on health care spending.
12 Such study shall examine the use and impact of these obe-
13 sity drugs in the non-Medicare population and for Medi-
14 care beneficiaries who have such drugs covered through
15 an MA–PD plan (as defined in section 1860D–1(a)(3)(C)
16 of the Social Security Act (42 U.S.C. 1395w–
17 101(a)(3)(C))) as a supplemental health care benefit. The
18 study shall include an analysis of the following:

19 (1) The prevalence of obesity in the Medicare
20 and non-Medicare population.

21 (2) The utilization of obesity drugs.

22 (3) The distribution of Body Mass Index by in-
23 dividuals taking obesity drugs, to the extent prac-
24 ticable.

1 (4) What is known about the use of obesity
2 drugs in conjunction with the receipt of other items
3 or services, such as behavioral counseling, and how
4 these compare to items and services received by
5 obese individuals 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
9 or limit coverage for individuals who fail to receive
10 clinical benefit.

11 (7) What is known about the extent to which
12 individuals who take obesity drugs adhere to the pre-
13 scribed regimen.

14 (8) What is known about the extent to which
15 individuals who take obesity drugs maintain weight
16 loss 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 obe-
21 sity.

22 (10) What is known about the spending associ-
23 ated with the care of individuals who take obesity
24 drugs, compared to the spending associated with the
25 care of individuals who do not take such drugs.

1 (b) REPORT.—Not later than 18 months after the
2 date of the enactment of this Act, the Comptroller General
3 shall submit to Congress a report containing the results
4 of the study under subsection (a), together with rec-
5 ommendations for such legislation and administrative ac-
6 tion as the Comptroller 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”)
12 shall conduct a study on long-term cost drivers to the
13 Medicare program, including obesity, tobacco use, mental
14 health conditions, and other factors that may contribute
15 to the deterioration of health conditions among individuals
16 with chronic conditions in the Medicare population. The
17 study shall include an analysis of any barriers to collecting
18 and analyzing such information and how to remove any
19 such barriers (including through legislation and adminis-
20 trative actions).

21 (b) REPORT.—Not later than 18 months after the
22 date of the enactment of this Act, the Secretary shall sub-
23 mit to Congress a report containing the results of the
24 study under subsection (a), together with recommenda-
25 tions for such legislation and administrative action as the

1 Secretary determines appropriate. The Secretary shall also
2 post such report on the Internet website of the Depart-
3 ment of Health 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 Se-
11 curity Act (42 U.S.C. 1395m(u)) is amended by adding
12 at 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
20 (B) and subject to the provisions of this
21 paragraph, provide a home infusion ther-
22 apy services temporary transitional pay-
23 ment under this part to an eligible home
24 infusion supplier (as defined in subpara-
25 graph (F)) for items and services described

1 in subparagraphs (A) and (B) of section
2 1861(iii)(2)) furnished during the period
3 specified in clause (ii) by such supplier in
4 coordination with the furnishing of transi-
5 tional home infusion drugs (as defined in
6 clause (iii)).

7 “(ii) PERIOD SPECIFIED.—For pur-
8 poses of clause (i), the period specified in
9 this clause is the period beginning on Jan-
10 uary 1, 2019, and ending on the day be-
11 fore the date of the implementation of the
12 payment system under paragraph (1)(A).

13 “(iii) TRANSITIONAL HOME INFUSION
14 DRUG DEFINED.—For purposes of this
15 paragraph, the term ‘transitional home in-
16 fusion drug’ has the meaning given to the
17 term ‘home infusion drug’ under section
18 1861(iii)(3)(C)), except that clause (ii) of
19 such section shall not apply if a drug de-
20 scribed in such clause is identified in
21 clauses (i), (ii), (iii) or (iv) of subpara-
22 graph (C) as of the date of the enactment
23 of this paragraph.

24 “(B) PAYMENT METHODOLOGY.—For pur-
25 poses of this paragraph, the Secretary shall es-

1 tablish a payment methodology, with respect to
2 items and services described in subparagraph
3 (A)(i). Under such payment methodology the
4 Secretary shall—

5 “(i) create the three payment cat-
6 egories described in clauses (i), (ii), and
7 (iii) of subparagraph (C);

8 “(ii) assign drugs to such categories,
9 in accordance with such clauses;

10 “(iii) assign appropriate Healthcare
11 Common Procedure Coding System
12 (HCPCS) codes to each payment category;
13 and

14 “(iv) establish a single payment
15 amount for each such payment category, in
16 accordance with subparagraph (D), for
17 each infusion drug administration calendar
18 day in the individual’s home for drugs as-
19 signed to such category.

20 “(C) PAYMENT CATEGORIES.—

21 “(i) PAYMENT CATEGORY 1.—The
22 Secretary shall create a payment category
23 1 and assign to such category drugs which
24 are covered under the Local Coverage De-
25 termination on External Infusion Pumps

1 (LCD number L33794) and billed with the
2 following HCPCS codes (as identified as of
3 January 1, 2018, and as subsequently
4 modified by the Secretary): J0133, J0285,
5 J0287, J0288, J0289, J0895, J1170,
6 J1250, J1265, J1325, J1455, J1457,
7 J1570, J2175, J2260, J2270, J2274,
8 J2278, J3010, or J3285.

9 “(ii) PAYMENT CATEGORY 2.—The
10 Secretary shall create a payment category
11 2 and assign to such category drugs which
12 are covered under such local coverage de-
13 termination and billed with the following
14 HCPCS codes (as identified as of January
15 1, 2018, and as subsequently modified by
16 the Secretary): J1555 JB, J1559 JB,
17 J1561 JB, J1562 JB, J1569 JB, or
18 J1575 JB.

19 “(iii) PAYMENT CATEGORY 3.—The
20 Secretary shall create a payment category
21 3 and assign to such category drugs which
22 are covered under such local coverage de-
23 termination and billed with the following
24 HCPCS codes (as identified as of January
25 1, 2018, and as subsequently modified by

1 the Secretary): J9000, J9039, J9040,
2 J9065, J9100, J9190, J9200, J9360, or
3 J9370.

4 “(iv) INFUSION DRUGS NOT OTHER-
5 WISE INCLUDED.—With respect to drugs
6 that are not included in payment category
7 1, 2, or 3 under clause (i), (ii), or (iii), re-
8 spectively, the Secretary shall assign to the
9 most appropriate of such categories, as de-
10 termined by the Secretary, drugs which
11 are—

12 “(I) covered under such local cov-
13 erage determination and billed under
14 HCPCS codes J7799 or J7999 (as
15 identified as of July 1, 2017, and as
16 subsequently modified by the Sec-
17 retary); or

18 “(II) billed under any code that
19 is implemented after the date of the
20 enactment of this paragraph and in-
21 cluded in such local coverage deter-
22 mination or included in subregulatory
23 guidance as a home infusion drug de-
24 scribed in subparagraph (A)(i).

25 “(D) PAYMENT AMOUNTS.—

1 “(i) IN GENERAL.—Under the pay-
2 ment methodology, the Secretary shall pay
3 eligible home infusion suppliers, with re-
4 spect to items and services described in
5 subparagraph (A)(i) furnished during the
6 period described in subparagraph (A)(ii) by
7 such supplier to an individual, at amounts
8 equal to the amounts determined under the
9 physician fee schedule established under
10 section 1848 for services furnished during
11 the year for codes and units of such codes
12 described in clauses (ii), (iii), and (iv) with
13 respect to drugs included in the payment
14 category under subparagraph (C) specified
15 in the respective clause, determined with-
16 out application of the geographic adjust-
17 ment under subsection (e) of such section.

18 “(ii) PAYMENT AMOUNT FOR CAT-
19 EGORY 1.—For purposes of clause (i), the
20 codes and units described in this clause,
21 with respect to drugs included in payment
22 category 1 described in subparagraph
23 (C)(i), are one unit of HCPCS code 96365
24 plus three units of HCPCS code 96366 (as

1 identified as of January 1, 2018, and as
2 subsequently 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,
24 with respect to the furnishing of transi-
25 tional home infusion drugs or home infu-

1 sion drugs to an individual by an eligible
2 home infusion supplier or a qualified home
3 infusion therapy supplier, a reference to
4 payment to such supplier for an infusion
5 drug administration calendar day in the in-
6 dividual's home shall refer to payment only
7 for the date on which professional services
8 (as described in section 1861(iii)(2)(A))
9 were furnished to administer such drugs to
10 such individual. For purposes of the pre-
11 vious sentence, an infusion drug adminis-
12 tration calendar day shall include all such
13 drugs administered to such individual on
14 such day.

15 “(ii) TREATMENT OF MULTIPLE
16 DRUGS ADMINISTERED ON SAME INFUSION
17 DRUG ADMINISTRATION DAY.—In the case
18 that an eligible home infusion supplier,
19 with respect to an infusion drug adminis-
20 tration calendar day in an individual's
21 home, furnishes to such individual transi-
22 tional home infusion drugs which are not
23 all assigned to the same payment category
24 under subparagraph (C), payment to such
25 supplier for such infusion drug administra-

1 tion calendar day in the individual’s home
2 shall be a single payment equal to the
3 amount of payment under this paragraph
4 for the drug, among all such drugs so fur-
5 nished to such individual during such cal-
6 endar day, for which the highest payment
7 would be made under this paragraph.

8 “(F) ELIGIBLE HOME INFUSION SUP-
9 PLIERS.—In this paragraph, the term ‘eligible
10 home infusion supplier’ means a supplier that is
11 enrolled under this part as a pharmacy that
12 provides external infusion pumps and external
13 infusion pump supplies and that maintains all
14 pharmacy licensure requirements in the State in
15 which the applicable infusion drugs are admin-
16 istered.

17 “(G) IMPLEMENTATION.—Notwithstanding
18 any other provision of law, the Secretary may
19 implement this paragraph by program instruc-
20 tion or otherwise.”.

21 (b) CONFORMING AMENDMENT.—

22 (1) Section 1842(b)(6)(I) of the Social Security
23 Act (42 U.S.C. 1395u(b)(6)(I)) is amended by in-
24 serting “or, in the case of items and services de-
25 scribed in clause (i) of section 1834(u)(7)(A) fur-

1 nished to an individual during the period described
2 in clause (ii) of such section, payment shall be made
3 to the eligible home infusion therapy supplier” after
4 “payment shall be made to the qualified home infu-
5 sion therapy supplier”.

6 (2) Section 5012(d) of the 21st Century Cures
7 Act is amended by inserting the following before the
8 period at the end the following: “, except that the
9 amendments made by paragraphs (1) and (2) of
10 subsection (c) shall apply to items and services fur-
11 nished on or after January 1, 2019”.

12 **SEC. 2402. ORTHOTIST’S AND PROSTHETIST’S CLINICAL**
13 **NOTES AS PART OF THE PATIENT’S MEDICAL**
14 **RECORD.**

15 Section 1834(h) of the Social Security Act (42 U.S.C.
16 1395m(h)) is amended by adding at the end the following
17 new paragraph:

18 “(5) DOCUMENTATION CREATED BY
19 ORTHOTISTS AND PROSTHETISTS.—For purposes of
20 determining the reasonableness and medical neces-
21 sity of orthotics and prosthetics, documentation cre-
22 ated by an orthotist or prosthetist shall be consid-
23 ered part of the individual’s medical record to sup-
24 port documentation created by eligible professionals
25 described in section 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
6 Security 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
10 “or the conditions and requirements under
11 section 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
18 received 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
23 shall (as the Secretary determines appropriate) conduct,
24 with respect to such accreditation body and provider enti-
25 ties, any or all of the following as frequently as is other-

1 wise required to be conducted under this title with respect
2 to other accreditation bodies or other provider entities:

3 “(1) Validation surveys referred to in sub-
4 section (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
14 Act, the Secretary of Health and Human Services
15 shall begin accepting requests from national accredi-
16 tation 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 pro-
19 vider entities that are required to meet the condi-
20 tions and requirements under section 1881(b) of
21 such Act (42 U.S.C. 1395rr(b)).

22 (b) REQUIREMENT FOR TIMING OF SURVEYS OF
23 NEW DIALYSIS FACILITIES.—Section 1881(b)(1) of the
24 Social Security Act (42 U.S.C. 1395rr(b)(1)) is amended
25 by adding at the end the following new sentence: “Begin-

1 ning 180 days after the date of the enactment of this sen-
2 tence, an initial survey of a provider of services or a renal
3 dialysis facility to determine if the conditions and require-
4 ments under this paragraph are met shall be initiated not
5 later than 90 days after such date on which both the pro-
6 vider enrollment form (without regard to whether such
7 form is submitted prior to or after such date of enactment)
8 has been determined by the Secretary to be complete and
9 the provider's enrollment status indicates approval is
10 pending the results of such survey.”.

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
15 PURSUANT 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 collec-
25 tion of documents, including contemporaneous docu-

1 ments evidencing the course of conduct between the
2 parties 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
7 new 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
13 met if—

14 “(i) not later than 90 consecutive cal-
15 endar days immediately following the date
16 on which the compensation arrangement
17 became noncompliant, the parties obtain
18 the 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 PUR-
24 SUANT TO THE STARK RULE.—Section 1877(e) of the So-
25 cial 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 ARRANGE-
4 MENTS.—In the case of a holdover lease ar-
5 rangement for the lease of office space or equip-
6 ment, which immediately follows a lease ar-
7 rangement described in subparagraph (A) for
8 the use of such office space or subparagraph
9 (B) for the use of such equipment and that ex-
10 pired after a term of at least 1 year, payments
11 made by the lessee to the lessor pursuant to
12 such holdover lease arrangement, if—

13 “(i) the lease arrangement met the
14 conditions of subparagraph (A) for the
15 lease of office space or subparagraph (B)
16 for the use of equipment when the ar-
17 rangement expired;

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 per-
5 sonal service arrangement, which immediately
6 follows an arrangement described in subpara-
7 graph (A) that expired after a term of at least
8 1 year, remuneration from an entity pursuant
9 to such holdover personal service arrangement,
10 if—

11 “(i) the personal service arrangement
12 met the conditions of subparagraph (A)
13 when the arrangement expired;

14 “(ii) the holdover personal service ar-
15 rangement is on the same terms and condi-
16 tions as the immediately preceding ar-
17 rangement; and

18 “(iii) the holdover arrangement con-
19 tinues to satisfy the conditions of subpara-
20 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
13 CRIMINAL 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 insert-
20 ing “\$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 insert-
14 ing “\$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 “\$25,000” and inserting “\$100,000”;

1 (D) in subsection (d), in the flush text fol-
2 lowing paragraph (2), by striking “\$25,000”
3 and inserting “\$100,000”; and

4 (E) in subsection (e), by striking “\$2,000”
5 and inserting “\$4,000”.

6 (b) INCREASED SENTENCES FOR FELONIES INVOLV-
7 ING FEDERAL HEALTH CARE PROGRAM FRAUD AND
8 ABUSE.—

9 (1) FALSE STATEMENTS AND REPRESENTA-
10 TIONS.—Section 1128B(a) of the Social Security Act
11 (42 U.S.C. 1320a–7b(a)) is amended, in the matter
12 following paragraph (6), by striking “not more than
13 five years or both, or (ii)” and inserting “not more
14 than 10 years or both, or (ii)”.

15 (2) ANTIKICKBACK.—Section 1128B(b) of such
16 Act (42 U.S.C. 1320a–7b(b)) is amended—

17 (A) in paragraph (1), in the flush text fol-
18 lowing subparagraph (B), by striking “not more
19 than five years” and inserting “not more than
20 10 years”; and

21 (B) in paragraph (2), in the flush text fol-
22 lowing subparagraph (B), by striking “not more
23 than five years” and inserting “not more than
24 10 years”.

1 (3) FALSE STATEMENT OR REPRESENTATION
2 WITH RESPECT TO CONDITIONS OR OPERATIONS OF
3 FACILITIES.—Section 1128B(c) of such Act (42
4 U.S.C. 1320a–7b(c)) is amended by striking “not
5 more than five years” and inserting “not more than
6 10 years”.

7 (4) EXCESS CHARGES.—Section 1128B(d) of
8 such Act (42 U.S.C. 1320a–7b(d)) is amended, in
9 the flush text following paragraph (2), by striking
10 “not more than five years” and inserting “not more
11 than 10 years”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to acts committed after the date
14 of the enactment of this Act.

15 **SEC. 2413. REDUCING THE VOLUME OF FUTURE EHR-RE-**
16 **LATED SIGNIFICANT HARDSHIP REQUESTS.**

17 Section 1848(o)(2)(A) of the Social Security Act (42
18 U.S.C. 1395w–4(o)(2)(A)) and section 1886(n)(3)(A) of
19 such Act (42 U.S.C. 1395ww(n)(3)(A)) are each amended
20 in the last sentence by striking “by requiring” and all that
21 follows through “this paragraph”.

22 **SEC. 2414. COVERAGE OF CERTAIN DNA SPECIMEN PROVE-**
23 **NANCE ASSAY TESTS UNDER MEDICARE.**

24 (a) BENEFIT.—

1 (1) COVERAGE.—Section 1861 of the Social Se-
2 curity Act (42 U.S.C. 1395x) is amended—

3 (A) in subsection (s)(2)—

4 (i) in subparagraph (FF), by striking
5 “and” at the end;

6 (ii) in subparagraph (GG), by insert-
7 ing “and” at the end; and

8 (iii) by adding at the end the fol-
9 lowing new subparagraph:

10 “(HH) a prostate cancer DNA Specimen Prove-
11 nance Assay test (DSPA test) (as defined in sub-
12 section (jjj)); and”;

13 (B) by adding at the end the following new
14 subsection:

15 “(jjj) PROSTATE CANCER DNA SPECIMENT PROVE-
16 NANCE ASSAY TEST.—The term ‘prostate cancer DNA
17 Specimen Provenance Assay Test’ (DSPA test) means a
18 test that, after a determination of cancer in one or more
19 prostate biopsy specimens obtained from an individual, as-
20 sesses the identity of the DNA in such specimens by com-
21 paring such DNA with the DNA that was separately taken
22 from such individual at the time of the biopsy.”.

23 (2) EXCLUSION FROM COVERAGE.—Section
24 1862(a)(1) of the Social Security Act (42 U.S.C.
25 1395y(a)(1)) is amended—

1 (A) in subparagraph (O), by striking
2 “and” at the end;

3 (B) in subparagraph (P), by striking the
4 semicolon at the end and inserting “, and”; and

5 (C) by adding at the end the following new
6 subparagraph:

7 “(Q) in the case of a prostate cancer DNA
8 Specimen Provenance Assay test (DSPA test) (as
9 defined in section 1861(jjj)), unless such test is fur-
10 nished on or after January 1, 2019, and before Jan-
11 uary 1, 2024, and such test is ordered by the physi-
12 cian who furnished the prostate cancer biopsy that
13 obtained the specimen tested;”.

14 (b) PAYMENT AMOUNT AND RELATED REQUIRE-
15 MENTS.—Section 1834 of the Social Security Act (42
16 U.S.C. 1395m), as amended by section 2204, is further
17 amended by adding at the end the following new sub-
18 section:

19 “(w) PROSTATE CANCER DNA SPECIMEN PROVE-
20 NANCE ASSAY TESTS.—

21 “(1) PAYMENT FOR COVERED TESTS.—

22 “(A) IN GENERAL.—Subject to subpara-
23 graph (B), the payment amount for a prostate
24 cancer DNA Specimen Provenance Assay test
25 (DSPA test) (as defined in section 1861(jjj))

1 shall be \$200. Such payment shall be payment
2 for all of the specimens obtained from the bi-
3 opsy furnished to an individual that are tested.

4 “(B) LIMITATION.—Payment for a DSPA
5 test under subparagraph (A) may only be made
6 on an assignment-related basis.

7 “(C) PROHIBITION ON SEPARATE PAY-
8 MENT.—No separate payment shall be made for
9 obtaining DNA that was separately taken from
10 an individual at the time of a biopsy described
11 in subparagraph (A).

12 “(2) HCPCS CODE AND MODIFIER ASSIGN-
13 MENT.—

14 “(A) IN GENERAL.—The Secretary shall
15 assign one or more HCPCS codes to a prostate
16 cancer DNA Specimen Provenance Assay test
17 and may use a modifier to facilitate making
18 payment under this section for such test.

19 “(B) IDENTIFICATION OF DNA MATCH ON
20 CLAIM.—The Secretary shall require an indica-
21 tion on a claim for a prostate cancer DNA
22 Specimen Provenance Assay test of whether the
23 DNA of the prostate biopsy specimens match
24 the DNA of the individual diagnosed with pros-
25 tate cancer. Such indication may be made

1 through use of a HCPCS code, a modifier, or
2 other means, as determined appropriate by the
3 Secretary.

4 “(3) DNA MATCH REVIEW.—

5 “(A) IN GENERAL.—The Secretary shall
6 review at least three years of claims under part
7 B for prostate cancer DNA Specimen Prove-
8 nance Assay tests to identify whether the DNA
9 of the prostate biopsy specimens match the
10 DNA of the individuals diagnosed with prostate
11 cancer.

12 “(B) POSTING ON INTERNET WEBSITE.—
13 Not later than July 1, 2022, the Secretary shall
14 post on the Internet website of the Centers for
15 Medicare & Medicaid Services the findings of
16 the review conducted under subparagraph
17 (A).”.

18 (c) COST-SHARING.—Section 1833(a)(1) of the Social
19 Security Act (42 U.S.C. 1395l(a)(1)) is amended—

20 (1) by striking “and (BB)” and inserting
21 “(BB)”; and

22 (2) by inserting before the semicolon at the end
23 the following: “, and (CC) with respect to a prostate
24 cancer DNA Specimen Provenance Assay test
25 (DSPA test) (as defined in section 1861(jjj)), the

1 amount paid shall be an amount equal to 80 percent
2 of the lesser of the actual charge for the test or the
3 amount specified under section 1834(w)’’.

4 **SEC. 2415. STRENGTHENING RULES IN CASE OF COMPETI-**
5 **TION FOR DIABETIC TESTING STRIPS.**

6 (a) SPECIAL RULE IN CASE OF COMPETITION FOR
7 DIABETIC TESTING STRIPS.—

8 (1) IN GENERAL.—Paragraph (10) of section
9 1847(b) of the Social Security Act (42 U.S.C.
10 1395w–3(b)) is amended—

11 (A) in subparagraph (A), by striking the
12 second sentence and inserting the following new
13 sentence: “With respect to bids to furnish such
14 types of products on or after January 1, 2019,
15 the volume for such types of products shall be
16 determined by the Secretary through the use of
17 multiple sources of data (from mail order and
18 non-mail order Medicare markets), including
19 market-based data measuring sales of diabetic
20 testing strip products that are not exclusively
21 sold by a single retailer from such markets.”;
22 and

23 (B) by adding at the end the following new
24 subparagraphs:

1 “(C) DEMONSTRATION OF ABILITY TO
2 FURNISH TYPES OF DIABETIC TESTING STRIP
3 PRODUCTS.—With respect to bids to furnish di-
4 abetic testing strip products on or after Janu-
5 ary 1, 2019, an entity shall attest to the Sec-
6 retary that the entity has the ability to obtain
7 an inventory of the types and quantities of dia-
8 abetic testing strip products that will allow the
9 entity to furnish such products in a manner
10 consistent with its bid and—

11 “(i) demonstrate to the Secretary,
12 through letters of intent with manufactur-
13 ers, wholesalers, or other suppliers, or
14 other evidence as the Secretary may speci-
15 fy, such ability; or

16 “(ii) demonstrate to the Secretary
17 that it made a good faith attempt to obtain
18 such a letter of intent or such other evi-
19 dence.

20 “(D) USE OF UNLISTED TYPES IN CAL-
21 CULATION OF PERCENTAGE.—With respect to
22 bids to furnish diabetic testing strip products
23 on or after January 1, 2019, in determining
24 under subparagraph (A) whether a bid sub-
25 mitted by an entity under such subparagraph

1 covers 50 percent (or such higher percentage as
2 the Secretary may specify) of all types of dia-
3 betic testing strip products, the Secretary may
4 not attribute a percentage to types of diabetic
5 testing strip products that the Secretary does
6 not identify by brand, model, and market share
7 volume.

8 “(E) ADHERENCE TO DEMONSTRATION.—

9 “(i) IN GENERAL.—In the case of an
10 entity that is furnishing diabetic testing
11 strip products on or after January 1,
12 2019, under a contract entered into under
13 the competition conducted pursuant to
14 paragraph (1), the Secretary shall estab-
15 lish a process to monitor, on an ongoing
16 basis, the extent to which such entity con-
17 tinues to cover the product types included
18 in the entity’s bid.

19 “(ii) TERMINATION.—If the Secretary
20 determines that an entity described in
21 clause (i) fails to maintain in inventory, or
22 otherwise maintain ready access to
23 (through requirements, contracts, or other-
24 wise) a type of product included in the en-
25 tity’s bid, the Secretary may terminate

1 such contract unless the Secretary finds
2 that the failure of the entity to maintain
3 inventory of, or ready access to, the prod-
4 uct is the result of the discontinuation of
5 the product by the product manufacturer,
6 a market-wide shortage of the product, or
7 the introduction of a newer model or
8 version of the product in the market in-
9 volved.”.

10 (b) CODIFYING AND EXPANDING ANTI-SWITCHING
11 RULE.—Section 1847(b) of the Social Security Act (42
12 U.S.C. 1395w–3(b)), as amended by subsection (a)(1), is
13 further amended—

14 (1) by redesignating paragraph (11) as para-
15 graph (12); and

16 (2) by inserting after paragraph (10) the fol-
17 lowing new paragraph:

18 “(11) ADDITIONAL SPECIAL RULES IN CASE OF
19 COMPETITION FOR DIABETIC TESTING STRIPS.—

20 “(A) IN GENERAL.—With respect to an en-
21 tity that is furnishing diabetic testing strip
22 products to individuals under a contract entered
23 into under the competitive acquisition program
24 established under this section, the entity shall
25 furnish to each individual a brand of such prod-

1 ucts that is compatible with the home blood glu-
2 cose monitor selected by the individual.

3 “(B) PROHIBITION ON INFLUENCING AND
4 INCENTIVIZING.—An entity described in sub-
5 paragraph (A) may not attempt to influence or
6 incentivize an individual to switch the brand of
7 glucose monitor or diabetic testing strip product
8 selected by the individual, including by—

9 “(i) persuading, pressuring, or advis-
10 ing the individual to switch; or

11 “(ii) furnishing information about al-
12 ternative brands to the individual where
13 the individual has not requested such in-
14 formation.

15 “(C) PROVISION OF INFORMATION.—

16 “(i) STANDARDIZED INFORMATION.—
17 Not later than January 1, 2019, the Sec-
18 retary shall develop and make available to
19 entities described in subparagraph (A)
20 standardized information that describes
21 the rights of an individual with respect to
22 such an entity. The information described
23 in the preceding sentence shall include in-
24 formation regarding—

1 “(I) the requirements established
2 under subparagraphs (A) and (B);

3 “(II) the right of the individual
4 to purchase diabetic testing strip
5 products from another mail order sup-
6 plier of such products or a retail phar-
7 macy if the entity is not able to fur-
8 nish the brand of such product that is
9 compatible with the home blood glu-
10 cose monitor selected by the indi-
11 vidual; and

12 “(III) the right of the individual
13 to return diabetic testing strip prod-
14 ucts furnished to the individual by the
15 entity.

16 “(ii) REQUIREMENT.—With respect to
17 diabetic testing strip products furnished on
18 or after the date on which the Secretary
19 develops the standardized information
20 under clause (i), an entity described in
21 subparagraph (A) may not communicate
22 directly to an individual until the entity
23 has verbally provided the individual with
24 such standardized information.

1 “(D) ORDER REFILLS.—With respect to
2 diabetic testing strip products furnished on or
3 after January 1, 2019, the Secretary shall re-
4 quire an entity furnishing diabetic testing strip
5 products to an individual to contact and receive
6 a request from the individual for such products
7 not more than 14 days prior to dispensing a re-
8 fill of such products to the individual.”.

9 (c) IMPLEMENTATION; NON-APPLICATION OF THE
10 PAPERWORK REDUCTION ACT.—

11 (1) IMPLEMENTATION.—Notwithstanding any
12 other provision of law, the Secretary of Health and
13 Human Services may implement the provisions of,
14 and amendments made by, this section by program
15 instruction or otherwise.

16 (2) NON-APPLICATION OF THE PAPERWORK RE-
17 DUCTION ACT.—Chapter 35 of title 44, United
18 States Code (commonly referred to as the “Paper-
19 work Reduction Act of 1995”), shall not apply to
20 this section or the amendments made by this section.

**TITLE V—OTHER HEALTH
EXTENDERS**

**SEC. 2501. EXTENSION FOR COMMUNITY HEALTH CENTERS,
THE NATIONAL HEALTH SERVICE CORPS,
AND TEACHING HEALTH CENTERS THAT OP-
ERATE GME PROGRAMS.**

(a) COMMUNITY HEALTH CENTERS FUNDING.—Sec-
tion 10503(b)(1) of the Patient Protection and Affordable
Care Act (42 U.S.C. 254b–2(b)(1)), as amended by sec-
tion 3101 of Public Law 115–96, is amended by amending
subparagraph (F) to read as follows:

“(F) \$3,600,000,000 for each of fiscal
years 2018 and 2019.”.

(b) OTHER COMMUNITY HEALTH CENTERS PROVI-
SIONS.—Section 330 of the Public Health Service Act (42
U.S.C. 254b) is amended—

(1) in subsection (b)(1)(A)(ii), by striking
“abuse” and inserting “use disorder”;

(2) in subsection (b)(2)(A), by striking “abuse”
and inserting “use disorder”;

(3) in subsection (c)—

(A) in paragraph (1), by striking subpara-
graphs (B) through (D);

1 (B) by striking “(1) IN GENERAL” and all
2 that follows through “The Secretary” and in-
3 serting the following:

4 “(1) CENTERS.—The Secretary”; and

5 (C) in paragraph (1), as amended, by re-
6 designating clauses (i) through (v) as subpara-
7 graphs (A) through (E) and moving the margin
8 of each of such redesignated subparagraph 2
9 ems to the left;

10 (4) by striking subsection (d) and inserting the
11 following:

12 “(d) IMPROVING QUALITY OF CARE.—

13 “(1) SUPPLEMENTAL AWARDS.—The Secretary
14 may award supplemental grant funds to health cen-
15 ters funded under this section to implement evi-
16 dence-based models for increasing access to high-
17 quality primary care services, which may include
18 models related to—

19 “(A) improving the delivery of care for in-
20 dividuals with multiple chronic conditions;

21 “(B) workforce configuration;

22 “(C) reducing the cost of care;

23 “(D) enhancing care coordination;

1 “(E) expanding the use of telehealth and
2 technology-enabled collaborative learning and
3 capacity building models;

4 “(F) care integration, including integration
5 of behavioral health, mental health, or sub-
6 stance use disorder services; and

7 “(G) addressing emerging public health or
8 substance use disorder issues to meet the health
9 needs of the population served by the health
10 center.

11 “(2) SUSTAINABILITY.—In making supple-
12 mental awards under this subsection, the Secretary
13 may consider whether the health center involved has
14 submitted a plan for continuing the activities funded
15 under this subsection after supplemental funding is
16 expended.

17 “(3) SPECIAL CONSIDERATION.—The Secretary
18 may give special consideration to applications for
19 supplemental funding under this subsection that
20 seek to address significant barriers to access to care
21 in areas with a greater shortage of health care pro-
22 viders and health services relative to the national av-
23 erage.”;

24 (5) in subsection (e)(1)—

25 (A) in subparagraph (B)—

1 (i) by striking “2 years” and inserting
2 “1 year”; and

3 (ii) by adding at the end the fol-
4 lowing: “The Secretary shall not make a
5 grant under this paragraph unless the ap-
6 plicant provides assurances to the Sec-
7 retary that within 120 days of receiving
8 grant funding for the operation of the
9 health center, the applicant will submit, for
10 approval by the Secretary, an implementa-
11 tion plan to meet the requirements of sub-
12 section (k)(3). The Secretary may extend
13 such 120-day period for achieving compli-
14 ance upon a demonstration of good cause
15 by the health center.”; and

16 (B) in subparagraph (C)—

17 (i) in the subparagraph heading, by
18 striking “AND PLANS”;

19 (ii) by striking “or plan (as described
20 in subparagraphs (B) and (C) of sub-
21 section (c)(1))”;

22 (iii) by striking “or plan, including
23 the purchase” and inserting the following:
24 “including—

25 “(i) the purchase”;

1 (iv) by inserting “, which may include
2 data and information systems” after “of
3 equipment”;

4 (v) by striking the period at the end
5 and inserting a semicolon; and

6 (vi) by adding at the end the fol-
7 lowing:

8 “(ii) the provision of training and
9 technical assistance; and

10 “(iii) other activities that—

11 “(I) reduce costs associated with
12 the provision of health services;

13 “(II) improve access to, and
14 availability of, health services provided
15 to individuals served by the centers;

16 “(III) enhance the quality and
17 coordination of health services; or

18 “(IV) improve the health status
19 of communities.”;

20 (6) in subsection (e)(5)(B)—

21 (A) in the heading of subparagraph (B), by
22 striking “AND PLANS”; and

23 (B) by striking “and subparagraphs (B)
24 and (C) of subsection (c)(1) to a health center

1 or to a network or plan” and inserting “to a
2 health center or to a network”;

3 (7) in subsection (e), by adding at the end the
4 following:

5 “(6) NEW ACCESS POINTS AND EXPANDED
6 SERVICES.—

7 “(A) APPROVAL OF NEW ACCESS
8 POINTS.—

9 “(i) IN GENERAL.—The Secretary
10 may approve applications for grants under
11 subparagraph (A) or (B) of paragraph (1)
12 to establish new delivery sites.

13 “(ii) SPECIAL CONSIDERATION.—In
14 carrying out clause (i), the Secretary may
15 give special consideration to applicants
16 that have demonstrated the new delivery
17 site will be located within a sparsely popu-
18 lated area, or an area which has a level of
19 unmet need that is higher relative to other
20 applicants.

21 “(iii) CONSIDERATION OF APPLICA-
22 TIONS.—In carrying out clause (i), the
23 Secretary shall approve applications for
24 grants in such a manner that the ratio of
25 the medically underserved populations in

1 rural areas which may be expected to use
2 the services provided by the applicants in-
3 volved to the medically underserved popu-
4 lations in urban areas which may be ex-
5 pected to use the services provided by the
6 applicants is not less than two to three or
7 greater than three to two.

8 “(iv) SERVICE AREA OVERLAP.—If in
9 carrying out clause (i) the applicant pro-
10 poses to serve an area that is currently
11 served by another health center funded
12 under this section, the Secretary may con-
13 sider whether the award of funding to an
14 additional health center in the area can be
15 justified based on the unmet need for addi-
16 tional services within the catchment area.

17 “(B) APPROVAL OF EXPANDED SERVICE
18 APPLICATIONS.—

19 “(i) IN GENERAL.—The Secretary
20 may approve applications for grants under
21 subparagraph (A) or (B) of paragraph (1)
22 to expand the capacity of the applicant to
23 provide required primary health services
24 described in subsection (b)(1) or additional

1 health services described in subsection
2 (b)(2).

3 “(ii) PRIORITY EXPANSION
4 PROJECTS.—In carrying out clause (i), the
5 Secretary may give special consideration to
6 expanded service applications that seek to
7 address emerging public health or behav-
8 ioral health, mental health, or substance
9 abuse issues through increasing the avail-
10 ability of additional health services de-
11 scribed in subsection (b)(2) in an area in
12 which there are significant barriers to ac-
13 cessing care.

14 “(iii) CONSIDERATION OF APPLICA-
15 TIONS.—In carrying out clause (i), the
16 Secretary shall approve applications for
17 grants in such a manner that the ratio of
18 the medically underserved populations in
19 rural areas which may be expected to use
20 the services provided by the applicants in-
21 volved to the medically underserved popu-
22 lations in urban areas which may be ex-
23 pected to use the services provided by such
24 applicants is not less than two to three or
25 greater than three to two.”;

1 (8) in subsection (h)—

2 (A) in paragraph (1), by striking “and
3 children and youth at risk of homelessness” and
4 inserting “, children and youth at risk of home-
5 lessness, homeless veterans, and veterans at
6 risk of homelessness”; and

7 (B) in paragraph (5)—

8 (i) by striking subparagraph (B);

9 (ii) by redesignating subparagraph
10 (C) as subparagraph (B); and

11 (iii) in subparagraph (B) (as so redes-
12 ignated)—

13 (I) in the subparagraph heading,
14 by striking “ABUSE” and inserting
15 “USE DISORDER”; and

16 (II) by striking “abuse” and in-
17 serting “use disorder”;

18 (9) in subsection (k)—

19 (A) in paragraph (2)—

20 (i) in the paragraph heading, by in-
21 serting “UNMET” before “NEED”;

22 (ii) in the matter preceding subpara-
23 graph (A), by inserting “or subsection
24 (e)(6)” after “subsection (e)(1)”;

1 (iii) in subparagraph (A), by inserting
2 “unmet” before “need for health services”;

3 (iv) in subparagraph (B), by striking
4 “and” at the end;

5 (v) in subparagraph (C), by striking
6 the period at the end and inserting “;
7 and”; and

8 (vi) by adding after subparagraph (C)
9 the following:

10 “(D) in the case of an application for a
11 grant pursuant to subsection (e)(6), a dem-
12 onstration that the applicant has consulted with
13 appropriate State and local government agen-
14 cies, and health care providers regarding the
15 need for the health services to be provided at
16 the proposed delivery site.”;

17 (B) in paragraph (3)—

18 (i) in the matter preceding subpara-
19 graph (A), by inserting “or subsection
20 (e)(6)” after “subsection (e)(1)(B)”;

21 (ii) in subparagraph (B), by striking
22 “in the catchment area of the center” and
23 inserting “, including other health care
24 providers that provide care within the
25 catchment area, local hospitals, and spe-

1 cialty providers in the catchment area of
2 the center, to provide access to services not
3 available through the health center and to
4 reduce the non-urgent use of hospital
5 emergency departments”;

6 (iii) in subparagraph (H)(ii), by in-
7 serting “who shall be directly employed by
8 the center” after “approves the selection of
9 a director for the center”;

10 (iv) in subparagraph (L), by striking
11 “and” at the end;

12 (v) in subparagraph (M), by striking
13 the period and inserting “; and”; and

14 (vi) by inserting after subparagraph
15 (M), the following:

16 “(N) the center has written policies and
17 procedures in place to ensure the appropriate
18 use of Federal funds in compliance with appli-
19 cable Federal statutes, regulations, and the
20 terms and conditions of the Federal award.”;
21 and

22 (C) by striking paragraph (4);

23 (10) in subsection (l), by adding at the end the
24 following: “Funds expended to carry out activities
25 under this subsection and operational support activi-

1 ties under subsection (m) shall not exceed 3 percent
2 of the amount appropriated for this section for the
3 fiscal year involved.”;

4 (11) in subsection (q)(4), by adding at the end
5 the following: “A waiver provided by the Secretary
6 under this paragraph may not remain in effect for
7 more than 1 year and may not be extended after
8 such period. An entity may not receive more than
9 one waiver under this paragraph in consecutive
10 years.”;

11 (12) in subsection (r)(3)—

12 (A) by striking “appropriate committees of
13 Congress a report concerning the distribution of
14 funds under this section” and inserting the fol-
15 lowing: “Committee on Health, Education,
16 Labor, and Pensions of the Senate, and the
17 Committee on Energy and Commerce of the
18 House of Representatives, a report including, at
19 a minimum—

20 “(A) the distribution of funds for carrying
21 out this section”;

22 (B) by striking “populations. Such report
23 shall include an assessment” and inserting the
24 following: “populations;

25 “(B) an assessment”;

1 (C) by striking “and the rationale for any
2 substantial changes in the distribution of
3 funds.” and inserting a semicolon; and

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

5 “(C) the distribution of awards and fund-
6 ing for new or expanded services in each of
7 rural areas and urban areas;

8 “(D) the distribution of awards and fund-
9 ing for establishing new access points, and the
10 number of new access points created;

11 “(E) the amount of unexpended funding
12 for loan guarantees and loan guarantee author-
13 ity under title XVI;

14 “(F) the rationale for any substantial
15 changes in the distribution of funds;

16 “(G) the rate of closures for health centers
17 and access points;

18 “(H) the number and reason for any
19 grants awarded pursuant to subsection
20 (e)(1)(B); and

21 “(I) the number and reason for any waiv-
22 ers provided pursuant to subsection (q)(4).”;

23 (13) in subsection (r), by adding at the end the
24 following new paragraph:

1 “(5) FUNDING FOR PARTICIPATION OF HEALTH
2 CENTERS IN ALL OF US RESEARCH PROGRAM.—In
3 addition to any amounts made available pursuant to
4 paragraph (1) of this subsection, section 402A of
5 this Act, or section 10503 of the Patient Protection
6 and Affordable Care Act, there is authorized to be
7 appropriated, and there is appropriated, out of any
8 monies in the Treasury not otherwise appropriated,
9 to the Secretary \$25,000,000 for fiscal year 2018 to
10 support the participation of health centers in the All
11 of Us Research Program under the Precision Medi-
12 cine Initiative under section 498E of this Act.”; and
13 (14) by striking subsection (s).

14 (c) NATIONAL HEALTH SERVICE CORPS.—Section
15 10503(b)(2) of the Patient Protection and Affordable
16 Care Act (42 U.S.C. 254b–2(b)(2)), as amended by sec-
17 tion 3101 of Public Law 115–96, is amended by amending
18 subparagraph (F) to read as follows:

19 “(F) \$310,000,000 for each of fiscal years
20 2018 and 2019.”.

21 (d) TEACHING HEALTH CENTERS THAT OPERATE
22 GRADUATE MEDICAL EDUCATION PROGRAMS.—

23 (1) PAYMENTS.—Subsection (a) of section
24 340H of the Public Health Service Act (42 U.S.C.
25 256h) is amended to read as follows:

1 “(a) PAYMENTS.—

2 “(1) IN GENERAL.—Subject to subsection
3 (h)(2), the Secretary shall make payments under
4 this section for direct expenses and indirect expenses
5 to qualified teaching health centers that are listed as
6 sponsoring institutions by the relevant accrediting
7 body for, as appropriate—

8 “(A) maintenance of filled positions at ex-
9 isting approved graduate medical residency
10 training programs;

11 “(B) expansion of existing approved grad-
12 uate medical residency training programs; and

13 “(C) establishment of new approved grad-
14 uate medical residency training programs.

15 “(2) PER RESIDENT AMOUNT.—In making pay-
16 ments under paragraph (1), the Secretary shall con-
17 sider the cost of training residents at teaching
18 health centers and the implications of the per resi-
19 dent amount on approved graduate medical resi-
20 dency training programs at teaching health centers.

21 “(3) PRIORITY.—In making payments under
22 paragraph (1)(C), the Secretary shall give priority to
23 qualified teaching health centers that—

24 “(A) serve a health professional shortage
25 area with a designation in effect under section

1 332 or a medically underserved community (as
2 defined in section 799B); or

3 “(B) are located in a rural area (as de-
4 fined in section 1886(d)(2)(D) of the Social Se-
5 curity Act).”.

6 (2) FUNDING.—Paragraph (1) of section
7 340H(g) of the Public Health Service Act (42
8 U.S.C. 256h(g)), as amended by section 3101 of
9 Public Law 115–96, is amended by striking “and
10 \$30,000,000 for the period of the first and second
11 quarters of fiscal year 2018” and inserting “and
12 \$126,500,000 for each of fiscal years 2018 and
13 2019”.

14 (3) ANNUAL REPORTING.—Subsection (h)(1) of
15 section 340H of the Public Health Service Act (42
16 U.S.C. 256h) is amended—

17 (A) by redesignating subparagraph (D) as
18 subparagraph (H); and

19 (B) by inserting after subparagraph (C)
20 the following:

21 “(D) The number of patients treated by
22 residents described in paragraph (4).

23 “(E) The number of visits by patients
24 treated by residents described in paragraph (4).

1 “(F) Of the number of residents described
2 in paragraph (4) who completed their residency
3 training at the end of such residency academic
4 year, the number and percentage of such resi-
5 dents entering primary care practice (meaning
6 any of the areas of practice listed in the defini-
7 tion of a primary care residency program in
8 section 749A).

9 “(G) Of the number of residents described
10 in paragraph (4) who completed their residency
11 training at the end of such residency academic
12 year, the number and percentage of such resi-
13 dents who entered practice at a health care fa-
14 cility—

15 “(i) primarily serving a health profes-
16 sional shortage area with a designation in
17 effect under section 332 or a medically un-
18 derserved community (as defined in section
19 799B); or

20 “(ii) located in a rural area (as de-
21 fined in section 1886(d)(2)(D) of the So-
22 cial Security Act).”.

23 (4) REPORT ON TRAINING COSTS.—Not later
24 than March 31, 2019, the Secretary of Health and
25 Human Services shall submit to the Congress a re-

1 port on the direct graduate expenses of approved
2 graduate medical residency training programs, and
3 the indirect expenses associated with the additional
4 costs of teaching residents, of qualified teaching
5 health centers (as such terms are used or defined in
6 section 340H of the Public Health Service Act (42
7 U.S.C. 256h)).

8 (5) DEFINITION.—Subsection (j) of section
9 340H of the Public Health Service Act (42 U.S.C.
10 256h) is amended—

11 (A) by redesignating paragraphs (2) and
12 (3) as paragraphs (3) and (4), respectively; and

13 (B) by inserting after paragraph (1) the
14 following:

15 “(2) NEW APPROVED GRADUATE MEDICAL
16 RESIDENCY TRAINING PROGRAM.—The term ‘new
17 approved graduate medical residency training pro-
18 gram’ means an approved graduate medical resi-
19 dency training program for which the sponsoring
20 qualified teaching health center has not received a
21 payment under this section for a previous fiscal year
22 (other than pursuant to subsection (a)(1)(C)).”.

23 (6) TECHNICAL CORRECTION.—Subsection (f)
24 of section 340H (42 U.S.C. 256h) is amended by

1 striking “hospital” each place it appears and insert-
2 ing “teaching health center”.

3 (7) PAYMENTS FOR PREVIOUS FISCAL YEARS.—

4 The provisions of section 340H of the Public Health
5 Service Act (42 U.S.C. 256h), as in effect on the
6 day before the date of enactment of Public Law
7 115–96, shall continue to apply with respect to pay-
8 ments under such section for fiscal years before fis-
9 cal year 2018.

10 (e) APPLICATION.—Amounts appropriated pursuant
11 to this section for fiscal year 2018 or 2019 are subject
12 to the requirements contained in Public Law 115–31 for
13 funds for programs authorized under sections 330 through
14 340 of the Public Health Service Act (42 U.S.C. 254b–
15 256).

16 (f) CONFORMING AMENDMENT.—Paragraph (4) of
17 section 3014(h) of title 18, United States Code, as amend-
18 ed by section 3101 of Public Law 115–96, is amended by
19 striking “and section 3101(d) of the CHIP and Public
20 Health Funding Extension Act” and inserting “and sec-
21 tion 2501(e) of the SUSTAIN Care Act of 2018”.

22 **SEC. 2502. EXTENSION FOR SPECIAL DIABETES PROGRAMS.**

23 (a) SPECIAL DIABETES PROGRAM FOR TYPE I DIA-
24 BETES.—Subparagraph (D) of section 330B(b)(2) of the
25 Public Health Service Act (42 U.S.C. 254c–2(b)(2)), as

1 amended by section 3102 of Public Law 115–96, is
2 amended to read as follows:

3 “(D) \$150,000,000 for each of fiscal years
4 2018 and 2019, to remain available until ex-
5 pended.”.

6 (b) SPECIAL DIABETES PROGRAM FOR INDIANS.—
7 Subparagraph (D) of section 330C(c)(2) of the Public
8 Health Service Act (42 U.S.C. 254c–3(c)(2)), as amended
9 by section 3102 of Public Law 115–96, is amended to read
10 as follows:

11 “(D) \$150,000,000 for each of fiscal years
12 2018 and 2019, to remain available until ex-
13 pended.”.

14 **SEC. 2503. EXTENSION FOR FAMILY-TO-FAMILY HEALTH IN-**
15 **FORMATION CENTERS.**

16 Section 501(c) of the Social Security Act (42 U.S.C.
17 701(c)) is amended—

18 (1) in paragraph (1)(A)—

19 (A) in clause (v), by striking “and” at the
20 end;

21 (B) in clause (vi), by striking the period at
22 the end and inserting “; and”; and

23 (C) by adding at the end the following new
24 clause:

1 “(vii) \$6,000,000 for each of fiscal years 2018
2 and 2019.”;

3 (2) in paragraph (3)(C), by inserting before the
4 period the following: “, and with respect to fiscal
5 years 2018 and 2019, such centers shall also be de-
6 veloped in all territories and at least one such center
7 shall be developed for Indian Tribes”; and

8 (3) by amending paragraph (5) to read as fol-
9 lows:

10 “(5) For purposes of this subsection—

11 “(A) the term ‘Indian Tribe’ has the meaning
12 given to the term ‘Indian tribe’ in section 4 of the
13 Indian Health Care Improvement Act (25 U.S.C.
14 1603);

15 “(B) the term ‘State’ means each of the 50
16 States and the District of Columbia; and

17 “(C) the term ‘territory’ means Puerto Rico,
18 Guam, American Samoa, the United States Virgin
19 Islands, and the Northern Mariana Islands.”.

20 **SEC. 2504. EXTENSION FOR SEXUAL RISK AVOIDANCE EDU-**
21 **CATION.**

22 (a) IN GENERAL.—Section 510 of the Social Security
23 Act (42 U.S.C. 710) is amended to read as follows:

24 **“SEC. 510. SEXUAL RISK AVOIDANCE EDUCATION.**

25 “(a) IN GENERAL.—

1 “(1) ALLOTMENTS TO STATES.—For the pur-
2 pose described in subsection (b), the Secretary shall,
3 for each of fiscal years 2018 and 2019, allot to each
4 State which has transmitted an application for the
5 fiscal year under section 505(a) an amount equal to
6 the product of—

7 “(A) the amount appropriated pursuant to
8 subsection (e)(1) for the fiscal year, minus the
9 amount reserved under subsection (e)(2) for the
10 fiscal year; and

11 “(B) the proportion that the number of
12 low-income children in the State bears to the
13 total of such numbers of children for all the
14 States.

15 “(2) OTHER ALLOTMENTS.—

16 “(A) OTHER ENTITIES.—For the purpose
17 described in subsection (b), the Secretary shall,
18 for each of fiscal years 2018 and 2019, for any
19 State which has not transmitted an application
20 for the fiscal year under section 505(a), allot to
21 one or more entities in the State the amount
22 that would have been allotted to the State
23 under paragraph (1) if the State had submitted
24 such 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
7 an application for the fiscal year under
8 section 505(a), the Secretary publishes a
9 notice soliciting grant applications; and

10 “(ii) not later than 120 days after
11 such deadline, all such applications must
12 be submitted.

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 allot-
17 ment under subsection (a) to a State (or to another
18 entity in the State pursuant to subsection (a)(2)) is
19 to enable the State or other entity to implement edu-
20 cation exclusively on sexual risk avoidance (meaning
21 voluntarily refraining from sexual activity).

22 “(2) REQUIRED COMPONENTS.—Education on
23 sexual risk avoidance pursuant to an allotment
24 under 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
22 nonmarital sexual activity in order to improve
23 the 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
4 activity.

5 “(D) The foundational components of
6 healthy relationships and their impact on the
7 formation of healthy marriages and safe and
8 stable 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
15 sex remains a youth risk behavior.

16 “(4) CONTRACEPTION.—Education on sexual
17 risk avoidance pursuant to an allotment under this
18 section shall ensure that—

19 “(A) any information provided on contra-
20 ception is medically accurate and complete and
21 ensures that students understand that contra-
22 ception offers physical risk reduction, but not
23 risk 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 enti-
6 ty receiving an allotment pursuant to subsection
7 (a) may use up to 20 percent of such allotment
8 to build the evidence base for sexual risk avoid-
9 ance education by conducting or supporting re-
10 search.

11 “(B) REQUIREMENTS.—Any research con-
12 ducted or supported pursuant to subparagraph
13 (A) shall be—

14 “(i) rigorous;

15 “(ii) evidence-based; and

16 “(iii) designed and conducted by inde-
17 pendent researchers who have experience
18 in conducting and publishing research in
19 peer-reviewed outlets.

20 “(6) INFORMATION COLLECTION AND REPORT-
21 ING.—A State or other entity receiving an allotment
22 pursuant to subsection (a) shall, as specified by the
23 Secretary—

1 “(A) collect information on the programs
2 and activities funded through the allotment;
3 and

4 “(B) submit reports to the Secretary on
5 the data from such programs and activities.

6 “(c) NATIONAL EVALUATION.—

7 “(1) IN GENERAL.—The Secretary shall—

8 “(A) in consultation with appropriate State
9 and local agencies, conduct one or more rig-
10 orous evaluations of the education funded
11 through this section and associated data; and

12 “(B) submit a report to the Congress on
13 the results of such evaluations, together with a
14 summary of the information collected pursuant
15 to subsection (b)(6).

16 “(2) CONSULTATION.—In conducting the eval-
17 uations required by paragraph (1), including the es-
18 tablishment of rigorous evaluation methodologies,
19 the Secretary shall consult with relevant stake-
20 holders and evaluation experts.

21 “(d) APPLICABILITY OF CERTAIN PROVISIONS.—

22 “(1) Sections 503, 507, and 508 apply to allot-
23 ments under subsection (a) to the same extent and
24 in the same manner as such sections apply to allot-
25 ments under section 502(c).

1 “(2) Sections 505 and 506 apply to allotments
2 under subsection (a) to the extent determined by the
3 Secretary to be appropriate.

4 “(e) DEFINITIONS.—In this section:

5 “(1) The term ‘age-appropriate’ means suitable
6 (in terms of topics, messages, and teaching methods)
7 to the developmental and social maturity of the par-
8 ticular age or age group of children or adolescents,
9 based on developing cognitive, emotional, and behav-
10 ioral capacity typical for the age or age group.

11 “(2) The term ‘medically accurate and com-
12 plete’ means verified or supported by the weight of
13 research conducted in compliance with accepted sci-
14 entific methods and—

15 “(A) published in peer-reviewed journals,
16 where applicable; or

17 “(B) comprising information that leading
18 professional organizations and agencies with
19 relevant expertise in the field recognize as accu-
20 rate, objective, and complete.

21 “(3) The term ‘rigorous’, with respect to re-
22 search or evaluation, means using—

23 “(A) established scientific methods for
24 measuring the impact of an intervention or pro-
25 gram model in changing behavior (specifically

1 sexual activity or other sexual risk behaviors),
2 or reducing pregnancy, among youth; or

3 “(B) other evidence-based methodologies
4 established by the Secretary for purposes of this
5 section.

6 “(4) The term ‘youth’ refers to one or more in-
7 dividuals who have attained age 10 but not age 20.

8 “(f) FUNDING.—

9 “(1) IN GENERAL.—To carry out this section,
10 there is appropriated, out of any money in the
11 Treasury not otherwise appropriated, \$75,000,000
12 for each of fiscal years 2018 and 2019.

13 “(2) RESERVATION.—The Secretary shall re-
14 serve, for each of fiscal years 2018 and 2019, not
15 more than 20 percent of the amount appropriated
16 pursuant to paragraph (1) for administering the
17 program under this section, including the conducting
18 of national evaluations and the provision of technical
19 assistance to the recipients of allotments.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section takes effect on October 1, 2017.

22 **SEC. 2505. EXTENSION FOR PERSONAL RESPONSIBILITY**
23 **EDUCATION.**

24 (a) IN GENERAL.—Section 513 of the Social Security
25 Act (42 U.S.C. 713) is amended—

1 (1) in subsection (a)(1)(A), by striking “2017”
2 and inserting “2019”; and

3 (2) in subsection (a)(4)—

4 (A) in subparagraph (A), by striking
5 “2017” each place it appears and inserting
6 “2019”; and

7 (B) in subparagraph (B)—

8 (i) in the subparagraph heading, by
9 striking “3-YEAR GRANTS” and inserting
10 “COMPETITIVE PREP GRANTS”; and

11 (ii) in clause (i), by striking “solicit
12 applications to award 3-year grants in each
13 of fiscal years 2012 through 2017” and in-
14 serting “continue through fiscal year 2019
15 grants awarded for any of fiscal years
16 2015 through 2017”;

17 (3) in subsection (c)(1), by inserting after
18 “youth with HIV/AIDS,” the following: “victims of
19 human trafficking,”; and

20 (4) in subsection (f), by striking “2017” and
21 inserting “2019”.

22 (b) EFFECTIVE DATE.—The amendments made by
23 this section take effect on October 1, 2017.

1 **TITLE VI—CHILD AND FAMILY**
2 **SERVICES AND SUPPORT**
3 **Subtitle A—Family First**
4 **Prevention 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
12 use Federal funds available under parts B and E of title
13 IV of the Social Security Act to provide enhanced support
14 to children and families and prevent foster care place-
15 ments through the provision of mental health and sub-
16 stance abuse prevention and treatment services, in-home
17 parent skill-based programs, and kinship navigator serv-
18 ices.

19 **Subchapter A—Prevention Activities Under**
20 **Title IV–E**

21 **SEC. 2621. FOSTER CARE PREVENTION SERVICES AND PRO-**
22 **GRAMS.**

23 (a) STATE OPTION.—Section 471 of the Social Secu-
24 rity Act (42 U.S.C. 671) is amended—

1 (1) in subsection (a)(1), by striking “and” and
2 all that follows through the semicolon and inserting
3 “, adoption assistance in accordance with section
4 473, and, at the option of the State, services or pro-
5 grams specified in subsection (e)(1) of this section
6 for children who are candidates for foster care or
7 who are pregnant or parenting foster youth and the
8 parents or kin caregivers of the children, in accord-
9 ance with the requirements of that subsection;”; and

10 (2) by adding at the end the following:

11 “(e) PREVENTION AND FAMILY SERVICES AND PRO-
12 GRAMS.—

13 “(1) IN GENERAL.—Subject to the succeeding
14 provisions of this subsection, the Secretary may
15 make a payment to a State for providing the fol-
16 lowing services or programs for a child described in
17 paragraph (2) and the parents or kin caregivers of
18 the child when the need of the child, such a parent,
19 or such a caregiver for the services or programs are
20 directly related to the safety, permanence, or well-
21 being of the child or to preventing the child from en-
22 tering foster care:

23 “(A) MENTAL HEALTH AND SUBSTANCE
24 ABUSE PREVENTION AND TREATMENT SERV-
25 ICES.—Mental health and substance abuse pre-

1 vention and treatment services provided by a
2 qualified clinician for not more than a 12-
3 month period that begins on any date described
4 in paragraph (3) with respect to the child.

5 “(B) IN-HOME PARENT SKILL-BASED PRO-
6 GRAMS.—In-home parent skill-based programs
7 for not more than a 12-month period that be-
8 gins on any date described in paragraph (3)
9 with respect to the child and that include par-
10 enting skills training, parent education, and in-
11 dividual and family counseling.

12 “(2) CHILD DESCRIBED.—For purposes of
13 paragraph (1), a child described in this paragraph is
14 the following:

15 “(A) A child who is a candidate for foster
16 care (as defined in section 475(13)) but can re-
17 main safely at home or in a kinship placement
18 with receipt of services or programs specified in
19 paragraph (1).

20 “(B) A child in foster care who is a preg-
21 nant or parenting foster youth.

22 “(3) DATE DESCRIBED.—For purposes of para-
23 graph (1), the dates described in this paragraph are
24 the following:

1 “(A) The date on which a child is identi-
2 fied in a prevention plan maintained under
3 paragraph (4) as a child who is a candidate for
4 foster care (as defined in section 475(13)).

5 “(B) The date on which a child is identi-
6 fied in a prevention plan maintained under
7 paragraph (4) as a pregnant or parenting foster
8 youth in need of services or programs specified
9 in paragraph (1).

10 “(4) REQUIREMENTS RELATED TO PROVIDING
11 SERVICES AND PROGRAMS.—Services and programs
12 specified in paragraph (1) may be provided under
13 this subsection only if specified in advance in the
14 child’s prevention plan described in subparagraph
15 (A) and the requirements in subparagraphs (B)
16 through (E) are met:

17 “(A) PREVENTION PLAN.—The State
18 maintains a written prevention plan for the
19 child that meets the following requirements (as
20 applicable):

21 “(i) CANDIDATES.—In the case of a
22 child who is a candidate for foster care de-
23 scribed in paragraph (2)(A), the prevention
24 plan shall—

1 “(I) identify the foster care pre-
2 vention strategy for the child so that
3 the child may remain safely at home,
4 live temporarily with a kin caregiver
5 until reunification can be safely
6 achieved, or live permanently with a
7 kin caregiver;

8 “(II) list the services or pro-
9 grams to be provided to or on behalf
10 of the child to ensure the success of
11 that prevention strategy; and

12 “(III) comply with such other re-
13 quirements as the Secretary shall es-
14 tablish.

15 “(ii) PREGNANT OR PARENTING FOS-
16 TER YOUTH.—In the case of a child who is
17 a pregnant or parenting foster youth de-
18 scribed in paragraph (2)(B), the preven-
19 tion plan shall—

20 “(I) be included in the child’s
21 case plan required under section
22 475(1);

23 “(II) list the services or pro-
24 grams to be provided to or on behalf
25 of the youth to ensure that the youth

1 is prepared (in the case of a pregnant
2 foster youth) or able (in the case of a
3 parenting foster youth) to be a par-
4 ent;

5 “(III) describe the foster care
6 prevention strategy for any child born
7 to the youth; and

8 “(IV) comply with such other re-
9 quirements as the Secretary shall es-
10 tablish.

11 “(B) TRAUMA-INFORMED.—The services or
12 programs to be provided to or on behalf of a
13 child are provided under an organizational
14 structure and treatment framework that in-
15 volves understanding, recognizing, and respond-
16 ing to the effects of all types of trauma and in
17 accordance with recognized principles of a trau-
18 ma-informed approach and trauma-specific
19 interventions to address trauma’s consequences
20 and facilitate healing.

21 “(C) ONLY SERVICES AND PROGRAMS PRO-
22 VIDED IN ACCORDANCE WITH PROMISING, SUP-
23 PORTED, OR WELL-SUPPORTED PRACTICES PER-
24 MITTED.—

1 “(i) IN GENERAL.—Only State ex-
2 penditures for services or programs speci-
3 fied in subparagraph (A) or (B) of para-
4 graph (1) that are provided in accordance
5 with practices that meet the requirements
6 specified in clause (ii) of this subparagraph
7 and that meet the requirements specified
8 in clause (iii), (iv), or (v), respectively, for
9 being a promising, supported, or well-sup-
10 ported practice, shall be eligible for a Fed-
11 eral matching payment under section
12 474(a)(6)(A).

13 “(ii) GENERAL PRACTICE REQUIRE-
14 MENTS.—The general practice require-
15 ments specified in this clause are the fol-
16 lowing:

17 “(I) The practice has a book,
18 manual, or other available writings
19 that specify the components of the
20 practice protocol and describe how to
21 administer the practice.

22 “(II) There is no empirical basis
23 suggesting that, compared to its likely
24 benefits, the practice constitutes a
25 risk of harm to those receiving it.

1 “(III) If multiple outcome studies
2 have been conducted, the overall
3 weight of evidence supports the bene-
4 fits of the practice.

5 “(IV) Outcome measures are reli-
6 able and valid, and are administrated
7 consistently and accurately across all
8 those receiving the practice.

9 “(V) There is no case data sug-
10 gesting a risk of harm that was prob-
11 ably caused by the treatment and that
12 was severe or frequent.

13 “(iii) PROMISING PRACTICE.—A prac-
14 tice shall be considered to be a ‘promising
15 practice’ if the practice is superior to an
16 appropriate comparison practice using con-
17 ventional standards of statistical signifi-
18 cance (in terms of demonstrated meaning-
19 ful improvements in validated measures of
20 important child and parent outcomes, such
21 as mental health, substance abuse, and
22 child safety and well-being), as established
23 by the results or outcomes of at least one
24 study that—

1 “(I) was rated by an independent
2 systematic review for the quality of
3 the study design and execution and
4 determined to be well-designed and
5 well-executed; and

6 “(II) utilized some form of con-
7 trol (such as an untreated group, a
8 placebo group, or a wait list study).

9 “(iv) SUPPORTED PRACTICE.—A prac-
10 tice shall be considered to be a ‘supported
11 practice’ if—

12 “(I) the practice is superior to an
13 appropriate comparison practice using
14 conventional standards of statistical
15 significance (in terms of demonstrated
16 meaningful improvements in validated
17 measures of important child and par-
18 ent outcomes, such as mental health,
19 substance abuse, and child safety and
20 well-being), as established by the re-
21 sults or outcomes of at least one study
22 that—

23 “(aa) was rated by an inde-
24 pendent systematic review for the
25 quality of the study design and

1 execution and determined to be
2 well-designed and well-executed;

3 “(bb) was a rigorous ran-
4 dom-controlled trial (or, if not
5 available, a study using a rig-
6 orous quasi-experimental re-
7 search design); and

8 “(cc) was carried out in a
9 usual care or practice setting;
10 and

11 “(II) the study described in sub-
12 clause (I) established that the practice
13 has a sustained effect (when com-
14 pared to a control group) for at least
15 6 months beyond the end of the treat-
16 ment.

17 “(v) WELL-SUPPORTED PRACTICE.—A
18 practice shall be considered to be a ‘well-
19 supported practice’ if—

20 “(I) the practice is superior to an
21 appropriate comparison practice using
22 conventional standards of statistical
23 significance (in terms of demonstrated
24 meaningful improvements in validated
25 measures of important child and par-

1 ent outcomes, such as mental health,
2 substance abuse, and child safety and
3 well-being), as established by the re-
4 sults or outcomes of at least two stud-
5 ies that—

6 “(aa) were rated by an inde-
7 pendent systematic review for the
8 quality of the study design and
9 execution and determined to be
10 well-designed and well-executed;

11 “(bb) were rigorous random-
12 controlled trials (or, if not avail-
13 able, studies using a rigorous
14 quasi-experimental research de-
15 sign); and

16 “(cc) were carried out in a
17 usual care or practice setting;
18 and

19 “(II) at least one of the studies
20 described in subclause (I) established
21 that the practice has a sustained ef-
22 fect (when compared to a control
23 group) for at least 1 year beyond the
24 end of treatment.

1 “(D) GUIDANCE ON PRACTICES CRITERIA
2 AND PRE-APPROVED SERVICES AND PRO-
3 GRAMS.—

4 “(i) IN GENERAL.—Not later than Oc-
5 tober 1, 2018, the Secretary shall issue
6 guidance to States regarding the practices
7 criteria required for services or programs
8 to satisfy the requirements of subpara-
9 graph (C). The guidance shall include a
10 pre-approved list of services and programs
11 that satisfy the requirements.

12 “(ii) UPDATES.—The Secretary shall
13 issue updates to the guidance required by
14 clause (i) as often as the Secretary deter-
15 mines necessary.

16 “(E) OUTCOME ASSESSMENT AND REPORT-
17 ING.—The State shall collect and report to the
18 Secretary the following information with respect
19 to each child for whom, or on whose behalf
20 mental health and substance abuse prevention
21 and treatment services or in-home parent skill-
22 based programs are provided during a 12-
23 month period beginning on the date the child is
24 determined by the State to be a child described
25 in paragraph (2):

1 “(i) The specific services or programs
2 provided and the total expenditures for
3 each of the services or programs.

4 “(ii) The duration of the services or
5 programs provided.

6 “(iii) In the case of a child described
7 in paragraph (2)(A), the child’s placement
8 status at the beginning, and at the end, of
9 the 1-year period, respectively, and wheth-
10 er the child entered foster care within 2
11 years after being determined a candidate
12 for foster care.

13 “(5) STATE PLAN COMPONENT.—

14 “(A) IN GENERAL.—A State electing to
15 provide services or programs specified in para-
16 graph (1) shall submit as part of the State plan
17 required by subsection (a) a prevention services
18 and programs plan component that meets the
19 requirements of subparagraph (B).

20 “(B) PREVENTION SERVICES AND PRO-
21 GRAMS PLAN COMPONENT.—In order to meet
22 the requirements of this subparagraph, a pre-
23 vention services and programs plan component,
24 with respect to each 5-year period for which the

1 plan component is in operation in the State,
2 shall include the following:

3 “(i) How providing services and pro-
4 grams specified in paragraph (1) is ex-
5 pected to improve specific outcomes for
6 children and families.

7 “(ii) How the State will monitor and
8 oversee the safety of children who receive
9 services and programs specified in para-
10 graph (1), including through periodic risk
11 assessments throughout the period in
12 which the services and programs are pro-
13 vided on behalf of a child and reexamina-
14 tion of the prevention plan maintained for
15 the child under paragraph (4) for the pro-
16 vision of the services or programs if the
17 State determines the risk of the child en-
18 tering foster care remains high despite the
19 provision of the services or programs.

20 “(iii) With respect to the services and
21 programs specified in subparagraphs (A)
22 and (B) of paragraph (1), information on
23 the specific promising, supported, or well-
24 supported practices the State plans to use

1 to provide the services or programs, includ-
2 ing a description of—

3 “(I) the services or programs and
4 whether the practices used are prom-
5 ising, supported, or well-supported;

6 “(II) how the State plans to im-
7 plement the services or programs, in-
8 cluding how implementation of the
9 services or programs will be continu-
10 ously monitored to ensure fidelity to
11 the practice model and to determine
12 outcomes achieved and how informa-
13 tion learned from the monitoring will
14 be used to refine and improve prac-
15 tices;

16 “(III) how the State selected the
17 services or programs;

18 “(IV) the target population for
19 the services or programs; and

20 “(V) how each service or pro-
21 gram provided will be evaluated
22 through a well-designed and rigorous
23 process, which may consist of an on-
24 going, cross-site evaluation approved
25 by the Secretary.

1 “(iv) A description of the consultation
2 that the State agencies responsible for ad-
3 ministering the State plans under this part
4 and part B engage in with other State
5 agencies responsible for administering
6 health programs, including mental health
7 and substance abuse prevention and treat-
8 ment services, and with other public and
9 private agencies with experience in admin-
10 istering child and family services, including
11 community-based organizations, in order to
12 foster a continuum of care for children de-
13 scribed in paragraph (2) and their parents
14 or kin caregivers.

15 “(v) A description of how the State
16 shall assess children and their parents or
17 kin caregivers to determine eligibility for
18 services or programs specified in para-
19 graph (1).

20 “(vi) A description of how the services
21 or programs specified in paragraph (1)
22 that are provided for or on behalf of a
23 child and the parents or kin caregivers of
24 the child will be coordinated with other
25 child and family services provided to the

1 child and the parents or kin caregivers of
2 the child under the State plans in effect
3 under subparts 1 and 2 of part B.

4 “(vii) Descriptions of steps the State
5 is taking to support and enhance a com-
6 petent, skilled, and professional child wel-
7 fare workforce to deliver trauma-informed
8 and evidence-based services, including—

9 “(I) ensuring that staff is quali-
10 fied to provide services or programs
11 that are consistent with the prom-
12 ising, supported, or well-supported
13 practice models selected; and

14 “(II) developing appropriate pre-
15 vention plans, and conducting the risk
16 assessments required under clause
17 (iii).

18 “(viii) A description of how the State
19 will provide training and support for case-
20 workers in assessing what children and
21 their families need, connecting to the fami-
22 lies served, knowing how to access and de-
23 liver the needed trauma-informed and evi-
24 dence-based services, and overseeing and

1 evaluating the continuing appropriateness
2 of the services.

3 “(ix) A description of how caseload
4 size and type for prevention caseworkers
5 will be determined, managed, and overseen.

6 “(x) An assurance that the State will
7 report to the Secretary such information
8 and data as the Secretary may require
9 with respect to the provision of services
10 and programs specified in paragraph (1),
11 including information and data necessary
12 to determine the performance measures for
13 the State under paragraph (6) and compli-
14 ance with paragraph (7).

15 “(C) REIMBURSEMENT FOR SERVICES
16 UNDER THE PREVENTION PLAN COMPONENT.—

17 “(i) LIMITATION.—Except as provided
18 in subclause (ii), a State may not receive
19 a Federal payment under this part for a
20 given promising, supported, or well-sup-
21 ported practice unless (in accordance with
22 subparagraph (B)(iii)(V)) the plan includes
23 a well-designed and rigorous evaluation
24 strategy for that practice.

1 “(ii) WAIVER OF LIMITATION.—The
2 Secretary may waive the requirement for a
3 well-designed and rigorous evaluation of
4 any well-supported practice if the Sec-
5 retary deems the evidence of the effective-
6 ness of the practice to be compelling and
7 the State meets the continuous quality im-
8 provement requirements included in sub-
9 paragraph (B)(iii)(II) with regard to the
10 practice.

11 “(6) PREVENTION SERVICES MEASURES.—

12 “(A) ESTABLISHMENT; ANNUAL UP-
13 DATES.—Beginning with fiscal year 2021, and
14 annually thereafter, the Secretary shall estab-
15 lish the following prevention services measures
16 based on information and data reported by
17 States that elect to provide services and pro-
18 grams specified in paragraph (1):

19 “(i) PERCENTAGE OF CANDIDATES
20 FOR FOSTER CARE WHO DO NOT ENTER
21 FOSTER CARE.—The percentage of can-
22 didates for foster care for whom, or on
23 whose behalf, the services or programs are
24 provided who do not enter foster care, in-
25 cluding those placed with a kin caregiver

1 outside of foster care, during the 12-month
2 period in which the services or programs
3 are provided and through the end of the
4 succeeding 12-month period.

5 “(ii) PER-CHILD SPENDING.—The
6 total amount of expenditures made for
7 mental health and substance abuse preven-
8 tion and treatment services or in-home
9 parent skill-based programs, respectively,
10 for, or on behalf of, each child described in
11 paragraph (2).

12 “(B) DATA.—The Secretary shall establish
13 and annually update the prevention services
14 measures—

15 “(i) based on the median State values
16 of the information reported under each
17 clause of subparagraph (A) for the 3 then
18 most recent years; and

19 “(ii) taking into account State dif-
20 ferences in the price levels of consumption
21 goods and services using the most recent
22 regional price parities published by the Bu-
23 reau of Economic Analysis of the Depart-
24 ment of Commerce or such other data as
25 the Secretary determines appropriate.

1 “(C) PUBLICATION OF STATE PREVENTION
2 SERVICES MEASURES.—The Secretary shall an-
3 nually make available to the public the preven-
4 tion services measures of each State.

5 “(7) MAINTENANCE OF EFFORT FOR STATE
6 FOSTER CARE PREVENTION EXPENDITURES.—

7 “(A) IN GENERAL.—If a State elects to
8 provide services and programs specified in para-
9 graph (1) for a fiscal year, the State foster care
10 prevention expenditures for the fiscal year shall
11 not be less than the amount of the expenditures
12 for fiscal year 2014 (or, at the option of a State
13 described in subparagraph (E), fiscal year 2015
14 or fiscal year 2016 (whichever the State
15 elects)).

16 “(B) STATE FOSTER CARE PREVENTION
17 EXPENDITURES.—The term ‘State foster care
18 prevention expenditures’ means the following:

19 “(i) TANF; IV-B; SSBG.—State ex-
20 penditures for foster care prevention serv-
21 ices and activities under the State program
22 funded under part A (including from
23 amounts made available by the Federal
24 Government), under the State plan devel-
25 oped under part B (including any such

1 amounts), or under the Social Services
2 Block Grant Programs under subtitle A of
3 title XX (including any such amounts).

4 “(ii) OTHER STATE PROGRAMS.—
5 State expenditures for foster care preven-
6 tion services and activities under any State
7 program that is not described in clause (i)
8 (other than any State expenditures for fos-
9 ter care prevention services and activities
10 under the State program under this part
11 (including under a waiver of the pro-
12 gram)).

13 “(C) STATE EXPENDITURES.—The term
14 ‘State expenditures’ means all State or local
15 funds that are expended by the State or a local
16 agency including State or local funds that are
17 matched or reimbursed by the Federal Govern-
18 ment and State or local funds that are not
19 matched or reimbursed by the Federal Govern-
20 ment.

21 “(D) DETERMINATION OF PREVENTION
22 SERVICES AND ACTIVITIES.—The Secretary
23 shall require each State that elects to provide
24 services and programs specified in paragraph
25 (1) to report the expenditures specified in sub-

1 paragraph (B) for fiscal year 2014 and for such
2 fiscal years thereafter as are necessary to deter-
3 mine whether the State is complying with the
4 maintenance of effort requirement in subpara-
5 graph (A). The Secretary shall specify the spe-
6 cific services and activities under each program
7 referred to in subparagraph (B) that are ‘pre-
8 vention services and activities’ for purposes of
9 the reports.

10 “(E) STATE DESCRIBED.—For purposes of
11 subparagraph (A), a State is described in this
12 subparagraph if the population of children in
13 the State in 2014 was less than 200,000 (as de-
14 termined by the Bureau of the Census).

15 “(8) PROHIBITION AGAINST USE OF STATE FOS-
16 TER CARE PREVENTION EXPENDITURES AND FED-
17 ERAL IV–E PREVENTION FUNDS FOR MATCHING OR
18 EXPENDITURE REQUIREMENT.—A State that elects
19 to provide services and programs specified in para-
20 graph (1) shall not use any State foster care preven-
21 tion expenditures for a fiscal year for the State
22 share of expenditures under section 474(a)(6) for a
23 fiscal year.

24 “(9) ADMINISTRATIVE COSTS.—Expenditures
25 described in section 474(a)(6)(B)—

1 “(A) shall not be eligible for payment
2 under subparagraph (A), (B), or (E) of section
3 474(a)(3); and

4 “(B) shall be eligible for payment under
5 section 474(a)(6)(B) without regard to whether
6 the expenditures are incurred on behalf of a
7 child who is, or is potentially, eligible for foster
8 care maintenance payments under this part.

9 “(10) APPLICATION.—

10 “(A) IN GENERAL.—The provision of serv-
11 ices or programs under this subsection to or on
12 behalf of a child described in paragraph (2)
13 shall not be considered to be receipt of aid or
14 assistance under the State plan under this part
15 for purposes of eligibility for any other program
16 established under this Act.

17 “(B) CANDIDATES IN KINSHIP CARE.—A
18 child described in paragraph (2) for whom such
19 services or programs under this subsection are
20 provided for more than 6 months while in the
21 home of a kin caregiver, and who would satisfy
22 the AFDC eligibility requirement of section
23 472(a)(3)(A)(ii)(II) but for residing in the
24 home of the caregiver for more than 6 months,
25 is deemed to satisfy that requirement for pur-

1 poses of determining whether the child is eligi-
2 ble for foster care maintenance payments under
3 section 472.”.

4 (b) DEFINITION.—Section 475 of such Act (42
5 U.S.C. 675) is amended by adding at the end the fol-
6 lowing:

7 “(13) The term ‘child who is a candidate for
8 foster care’ means, a child who is identified in a pre-
9 vention plan under section 471(e)(4)(A) as being at
10 imminent risk of entering foster care (without re-
11 gard to whether the child would be eligible for foster
12 care maintenance payments under section 472 or is
13 or would be eligible for adoption assistance or kin-
14 ship guardianship assistance payments under section
15 473) but who can remain safely in the child’s home
16 or in a kinship placement as long as services or pro-
17 grams specified in section 471(e)(1) that are nec-
18 essary to prevent the entry of the child into foster
19 care are provided. The term includes a child whose
20 adoption or guardianship arrangement is at risk of
21 a disruption or dissolution that would result in a
22 foster care placement.”.

23 (c) PAYMENTS UNDER TITLE IV–E.—Section 474(a)
24 of such Act (42 U.S.C. 674(a)) is amended—

1 (1) in paragraph (5), by striking the period at
2 the end and inserting “; plus”; and

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

4 “(6) subject to section 471(e)—

5 “(A) for each quarter—

6 “(i) subject to clause (ii)—

7 “(I) beginning after September
8 30, 2019, and before October 1, 2026,
9 an amount equal to 50 percent of the
10 total amount expended during the
11 quarter for the provision of services or
12 programs specified in subparagraph
13 (A) or (B) of section 471(e)(1) that
14 are provided in accordance with prom-
15 ising, supported, or well-supported
16 practices that meet the applicable cri-
17 teria specified for the practices in sec-
18 tion 471(e)(4)(C); and

19 “(II) beginning after September
20 30, 2026, an amount equal to the
21 Federal medical assistance percentage
22 (which shall be as defined in section
23 1905(b), in the case of a State other
24 than the District of Columbia, or 70
25 percent, in the case of the District of

1 Columbia) of the total amount ex-
2 pended during the quarter for the pro-
3 vision of services or programs speci-
4 fied in subparagraph (A) or (B) of
5 section 471(e)(1) that are provided in
6 accordance with promising, supported,
7 or well-supported practices that meet
8 the applicable criteria specified for the
9 practices in section 471(e)(4)(C) (or,
10 with respect to the payments made
11 during the quarter under a coopera-
12 tive agreement or contract entered
13 into by the State and an Indian tribe,
14 tribal organization, or tribal consor-
15 tium for the administration or pay-
16 ment of funds under this part, an
17 amount equal to the Federal medical
18 assistance percentage that would
19 apply under section 479B(d) (in this
20 paragraph referred to as the ‘tribal
21 FMAP’) if the Indian tribe, tribal or-
22 ganization, or tribal consortium made
23 the payments under a program oper-
24 ated under that section, unless the
25 tribal FMAP is less than the Federal

1 medical assistance percentage that ap-
2 plies to the State); except that

3 “(ii) not less than 50 percent of the
4 total amount expended by a State under
5 clause (i) for a fiscal year shall be for the
6 provision of services or programs specified
7 in subparagraph (A) or (B) of section
8 471(e)(1) that are provided in accordance
9 with well-supported practices; plus

10 “(B) for each quarter specified in subpara-
11 graph (A), an amount equal to the sum of the
12 following proportions of the total amount ex-
13 pended during the quarter—

14 “(i) 50 percent of so much of the ex-
15 penditures as are found necessary by the
16 Secretary for the proper and efficient ad-
17 ministration of the State plan for the pro-
18 vision of services or programs specified in
19 section 471(e)(1), including expenditures
20 for activities approved by the Secretary
21 that promote the development of necessary
22 processes and procedures to establish and
23 implement the provision of the services and
24 programs for individuals who are eligible
25 for the services and programs and expendi-

1 tures attributable to data collection and re-
2 porting; and

3 “(ii) 50 percent of so much of the ex-
4 penditures with respect to the provision of
5 services and programs specified in section
6 471(e)(1) as are for training of personnel
7 employed or preparing for employment by
8 the State agency or by the local agency ad-
9 ministering the plan in the political sub-
10 division and of the members of the staff of
11 State-licensed or State-approved child wel-
12 fare agencies providing services to children
13 described in section 471(e)(2) and their
14 parents or kin caregivers, including on how
15 to determine who are individuals eligible
16 for the services or programs, how to iden-
17 tify and provide appropriate services and
18 programs, and how to oversee and evaluate
19 the ongoing appropriateness of the services
20 and programs.”.

21 (d) TECHNICAL ASSISTANCE AND BEST PRACTICES,
22 CLEARINGHOUSE, AND DATA COLLECTION AND EVALUA-
23 TIONS.—Section 476 of such Act (42 U.S.C. 676) is
24 amended by adding at the end the following:

1 “(d) TECHNICAL ASSISTANCE AND BEST PRACTICES,
2 CLEARINGHOUSE, DATA COLLECTION, AND EVALUATIONS
3 RELATING TO PREVENTION SERVICES AND PROGRAMS.—

4 “(1) TECHNICAL ASSISTANCE AND BEST PRAC-
5 TICES.—The Secretary shall provide to States and,
6 as applicable, to Indian tribes, tribal organizations,
7 and tribal consortia, technical assistance regarding
8 the provision of services and programs described in
9 section 471(e)(1) and shall disseminate best prac-
10 tices with respect to the provision of the services and
11 programs, including how to plan and implement a
12 well-designed and rigorous evaluation of a prom-
13 ising, supported, or well-supported practice.

14 “(2) CLEARINGHOUSE OF PROMISING, SUP-
15 PORTED, AND WELL-SUPPORTED PRACTICES.—The
16 Secretary shall, directly or through grants, con-
17 tracts, or interagency agreements, evaluate research
18 on the practices specified in clauses (iii), (iv), and
19 (v), respectively, of section 471(e)(4)(C), and pro-
20 grams that meet the requirements described in sec-
21 tion 427(a)(1), including culturally specific, or
22 location- or population-based adaptations of the
23 practices, to identify and establish a public clearing-
24 house of the practices that satisfy each category de-
25 scribed by such clauses. In addition, the clearing-

1 house shall include information on the specific out-
2 comes associated with each practice, including
3 whether the practice has been shown to prevent child
4 abuse and neglect and reduce the likelihood of foster
5 care placement by supporting birth families and kin-
6 ship families and improving targeted supports for
7 pregnant and parenting youth and their children.

8 “(3) DATA COLLECTION AND EVALUATIONS.—

9 The Secretary, directly or through grants, contracts,
10 or interagency agreements, may collect data and
11 conduct evaluations with respect to the provision of
12 services and programs described in section 471(e)(1)
13 for purposes of assessing the extent to which the
14 provision of the services and programs—

15 “(A) reduces the likelihood of foster care
16 placement;

17 “(B) increases use of kinship care arrange-
18 ments; or

19 “(C) improves child well-being.

20 “(4) REPORTS TO CONGRESS.—

21 “(A) IN GENERAL.—The Secretary shall
22 submit to the Committee on Finance of the
23 Senate and the Committee on Ways and Means
24 of the House of Representatives periodic reports
25 based on the provision of services and programs

1 described in section 471(e)(1) and the activities
2 carried out under this subsection.

3 “(B) PUBLIC AVAILABILITY.—The Sec-
4 retary shall make the reports to the Congress
5 submitted under this paragraph publicly avail-
6 able.

7 “(5) APPROPRIATION.—Out of any money in
8 the Treasury of the United States not otherwise ap-
9 propriated, there are appropriated to the Secretary
10 \$1,000,000 for fiscal year 2018 and each fiscal year
11 thereafter to carry out this subsection.”.

12 (e) APPLICATION TO PROGRAMS OPERATED BY IN-
13 DIAN TRIBAL ORGANIZATIONS.—

14 (1) IN GENERAL.—Section 479B of such Act
15 (42 U.S.C. 679c) is amended—

16 (A) in subsection (c)(1)—

17 (i) in subparagraph (C)(i)—

18 (I) in subclause (II), by striking

19 “and” after the semicolon;

20 (II) in subclause (III), by strik-

21 ing the period at the end and insert-

22 ing “; and”; and

23 (III) by adding at the end the

24 following:

1 “(IV) at the option of the tribe,
2 organization, or consortium, services
3 and programs specified in section
4 471(e)(1) to children described in sec-
5 tion 471(e)(2) and their parents or
6 kin caregivers, in accordance with sec-
7 tion 471(e) and subparagraph (E).”;
8 and

9 (ii) by adding at the end the fol-
10 lowing:

11 “(E) PREVENTION SERVICES AND PRO-
12 GRAMS FOR CHILDREN AND THEIR PARENTS
13 AND KIN CAREGIVERS.—

14 “(i) IN GENERAL.—In the case of a
15 tribe, organization, or consortium that
16 elects to provide services and programs
17 specified in section 471(e)(1) to children
18 described in section 471(e)(2) and their
19 parents or kin caregivers under the plan,
20 the Secretary shall specify the require-
21 ments applicable to the provision of the
22 services and programs. The requirements
23 shall, to the greatest extent practicable, be
24 consistent with the requirements applicable
25 to States under section 471(e) and shall

1 permit the provision of the services and
2 programs in the form of services and pro-
3 grams that are adapted to the culture and
4 context of the tribal communities served.

5 “(ii) PERFORMANCE MEASURES.—The
6 Secretary shall establish specific perform-
7 ance measures for each tribe, organization,
8 or consortium that elects to provide serv-
9 ices and programs specified in section
10 471(e)(1). The performance measures
11 shall, to the greatest extent practicable, be
12 consistent with the prevention services
13 measures required for States under section
14 471(e)(6) but shall allow for consideration
15 of factors unique to the provision of the
16 services by tribes, organizations, or con-
17 sortia.”; and

18 (B) in subsection (d)(1), by striking “and
19 (5)” and inserting “(5), and (6)(A)”.

20 (2) CONFORMING AMENDMENT.—The heading
21 for subsection (d) of section 479B of such Act (42
22 U.S.C. 679c) is amended by striking “FOR FOSTER
23 CARE MAINTENANCE AND ADOPTION ASSISTANCE
24 PAYMENTS”.

1 (f) APPLICATION TO PROGRAMS OPERATED BY TER-
2 RITORIES.—Section 1108(a)(2) of the Social Security Act
3 (42 U.S.C. 1308(a)(2)) is amended by striking “or
4 413(f)” and inserting “413(f), or 474(a)(6)”.

5 **SEC. 2622. FOSTER CARE MAINTENANCE PAYMENTS FOR**
6 **CHILDREN WITH PARENTS IN A LICENSED**
7 **RESIDENTIAL FAMILY-BASED TREATMENT**
8 **FACILITY FOR SUBSTANCE ABUSE.**

9 (a) IN GENERAL.—Section 472 of the Social Security
10 Act (42 U.S.C. 672) is amended—

11 (1) in subsection (a)(2)(C), by striking “or”
12 and inserting “, with a parent residing in a licensed
13 residential family-based treatment facility, but only
14 to the extent permitted under subsection (j), or in
15 a”; and

16 (2) by adding at the end the following:

17 “(j) CHILDREN PLACED WITH A PARENT RESIDING
18 IN A LICENSED RESIDENTIAL FAMILY-BASED TREAT-
19 MENT FACILITY FOR SUBSTANCE ABUSE.—

20 “(1) IN GENERAL.—Notwithstanding the pre-
21 ceding provisions of this section, a child who is eligi-
22 ble for foster care maintenance payments under this
23 section, or who would be eligible for the payments if
24 the eligibility were determined without regard to
25 paragraphs (1)(B) and (3) of subsection (a), shall be

1 eligible for the payments for a period of not more
2 than 12 months during which the child is placed
3 with a parent who is in a licensed residential family-
4 based treatment facility for substance abuse, but
5 only if—

6 “(A) the recommendation for the place-
7 ment is specified in the child’s case plan before
8 the placement;

9 “(B) the treatment facility provides, as
10 part of the treatment for substance abuse, par-
11 enting skills training, parent education, and in-
12 dividual and family counseling; and

13 “(C) the substance abuse treatment, par-
14 enting skills training, parent education, and in-
15 dividual and family counseling is provided
16 under an organizational structure and treat-
17 ment framework that involves understanding,
18 recognizing, and responding to the effects of all
19 types of trauma and in accordance with recog-
20 nized principles of a trauma-informed approach
21 and trauma-specific interventions to address the
22 consequences of trauma and facilitate healing.

23 “(2) APPLICATION.—With respect to children
24 for whom foster care maintenance payments are
25 made under paragraph (1), only the children who

1 satisfy the requirements of paragraphs (1)(B) and
2 (3) of subsection (a) shall be considered to be chil-
3 dren with respect to whom foster care maintenance
4 payments are made under this section for purposes
5 of subsection (h) or section 473(b)(3)(B).”.

6 (b) CONFORMING AMENDMENT.—Section 474(a)(1)
7 of such Act (42 U.S.C. 674(a)(1)) is amended by inserting
8 “subject to section 472(j),” before “an amount equal to
9 the Federal” the first place it appears.

10 **SEC. 2623. TITLE IV-E PAYMENTS FOR EVIDENCE-BASED**
11 **KINSHIP NAVIGATOR PROGRAMS.**

12 Section 474(a) of the Social Security Act (42 U.S.C.
13 674(a)), as amended by section 2621(c) of this Act, is
14 amended—

15 (1) in paragraph (6), by striking the period at
16 the end and inserting “; plus”; and

17 (2) by adding at the end the following:

18 “(7) an amount equal to 50 percent of the
19 amounts expended by the State during the quarter
20 as the Secretary determines are for kinship navi-
21 gator programs that meet the requirements de-
22 scribed in section 427(a)(1) and that the Secretary
23 determines are operated in accordance with prom-
24 ising, supported, or well-supported practices that
25 meet the applicable criteria specified for the prac-

1 tices in section 471(e)(4)(C), without regard to
2 whether the expenditures are incurred on behalf of
3 children who are, or are potentially, eligible for fos-
4 ter care maintenance payments under this part.”.

5 **Subchapter B—Enhanced Support Under**
6 **Title IV—B**

7 **SEC. 2631. ELIMINATION OF TIME LIMIT FOR FAMILY RE-**
8 **UNIFICATION SERVICES WHILE IN FOSTER**
9 **CARE AND PERMITTING TIME-LIMITED FAM-**
10 **ILY REUNIFICATION SERVICES WHEN A**
11 **CHILD RETURNS HOME FROM FOSTER CARE.**

12 (a) IN GENERAL.—Section 431(a)(7) of the Social
13 Security Act (42 U.S.C. 629a(a)(7)) is amended—

14 (1) in the paragraph heading, by striking
15 “TIME-LIMITED FAMILY” and inserting “FAMILY”;
16 and

17 (2) in subparagraph (A)—

18 (A) by striking “time-limited family” and
19 inserting “family”;

20 (B) by inserting “or a child who has been
21 returned home” after “child care institution”;
22 and

23 (C) by striking “, but only during the 15-
24 month period that begins on the date that the
25 child, pursuant to section 475(5)(F), is consid-

1 ered to have entered foster care” and inserting
2 “and to ensure the strength and stability of the
3 reunification. In the case of a child who has
4 been returned home, the services and activities
5 shall only be provided during the 15-month pe-
6 riod that begins on the date that the child re-
7 turns home”.

8 (b) CONFORMING AMENDMENTS.—

9 (1) Section 430 of such Act (42 U.S.C. 629) is
10 amended in the matter preceding paragraph (1), by
11 striking “time-limited”.

12 (2) Subsections (a)(4), (a)(5)(A), and (b)(1) of
13 section 432 of such Act (42 U.S.C. 629b) are
14 amended by striking “time-limited” each place it ap-
15 pears.

16 **SEC. 2632. REDUCING BUREAUCRACY AND UNNECESSARY**
17 **DELAYS WHEN PLACING CHILDREN IN**
18 **HOMES ACROSS STATE LINES.**

19 (a) STATE PLAN REQUIREMENT.—

20 (1) IN GENERAL.—Section 471(a)(25) of the
21 Social Security Act (42 U.S.C. 671(a)(25)) is
22 amended—

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
6 interstate case-processing system” before the
7 first 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 RE-
12 QUIREMENT TO HAVE IN EFFECT PROCEDURES PRO-
13 VIDING FOR THE USE OF AN ELECTRONIC INTER-
14 STATE CASE-PROCESSING SYSTEM.—The require-
15 ment in section 471(a)(25) that a State plan provide
16 that the State shall have in effect procedures pro-
17 viding for the use of an electronic interstate case-
18 processing system shall not apply to an Indian tribe,
19 tribal organization, or tribal consortium that elects
20 to operate a program under this part.”.

21 (b) FUNDING FOR THE DEVELOPMENT OF AN ELEC-
22 TRONIC INTERSTATE CASE-PROCESSING SYSTEM TO EX-
23 PEDITE THE INTERSTATE PLACEMENT OF CHILDREN IN
24 FOSTER CARE OR GUARDIANSHIP, OR FOR ADOPTION.—

1 Section 437 of such Act (42 U.S.C. 629g) is amended by
2 adding at the end the following:

3 “(g) FUNDING FOR THE DEVELOPMENT OF AN
4 ELECTRONIC INTERSTATE CASE-PROCESSING SYSTEM TO
5 EXPEDITE THE INTERSTATE PLACEMENT OF CHILDREN
6 IN FOSTER CARE OR GUARDIANSHIP, OR FOR ADOP-
7 TION.—

8 “(1) PURPOSE.—The purpose of this subsection
9 is to facilitate the development of an electronic inter-
10 state case-processing system for the exchange of
11 data and documents to expedite the placements of
12 children in foster, guardianship, or adoptive homes
13 across State lines.

14 “(2) REQUIREMENTS.—A State that seeks
15 funding under this subsection shall submit to the
16 Secretary the following information:

17 “(A) A description of the goals and out-
18 comes to be achieved, which goals and outcomes
19 must result in—

20 “(i) reducing the time it takes for a
21 child to be provided with a safe and appro-
22 priate permanent living arrangement
23 across State lines;

1 “(ii) improving administrative proc-
2 esses and reducing costs in the foster care
3 system; and

4 “(iii) the secure exchange of relevant
5 case files and other necessary materials in
6 real time, and timely communications and
7 placement decisions regarding interstate
8 placements of children.

9 “(B) A description of the activities to be
10 funded in whole or in part with the funds, in-
11 cluding the sequencing of the activities.

12 “(C) A description of the strategies for in-
13 tegrating programs and services for children
14 who are placed across State lines.

15 “(D) Such other information as the Sec-
16 retary may require.

17 “(3) FUNDING AUTHORITY.—The Secretary
18 may provide funds to a State that complies with
19 paragraph (2). In providing funds under this sub-
20 section, the Secretary shall prioritize States that are
21 not yet connected with the electronic interstate case-
22 processing system referred to in paragraph (1).

23 “(4) USE OF FUNDS.—A State to which fund-
24 ing is provided under this subsection shall use the
25 funding to support the State in connecting with, or

1 enhancing or expediting services provided under, the
2 electronic interstate case-processing system referred
3 to in paragraph (1).

4 “(5) EVALUATIONS.—Not later than 1 year
5 after the final year in which funds are awarded
6 under this subsection, the Secretary shall submit to
7 the Congress, and make available to the general
8 public by posting on a website, a report that con-
9 tains the following information:

10 “(A) How using the electronic interstate
11 case-processing system developed pursuant to
12 paragraph (4) has changed the time it takes for
13 children to be placed across State lines.

14 “(B) The number of cases subject to the
15 Interstate Compact on the Placement of Chil-
16 dren that were processed through the electronic
17 interstate case-processing system, and the num-
18 ber of interstate child placement cases that
19 were processed outside the electronic interstate
20 case-processing system, by each State in each
21 year.

22 “(C) The progress made by States in im-
23 plementing the electronic interstate case-proc-
24 essing system.

1 “(D) How using the electronic interstate
2 case-processing system has affected various
3 metrics related to child safety and well-being,
4 including the time it takes for children to be
5 placed across State lines.

6 “(E) How using the electronic interstate
7 case-processing system has affected administra-
8 tive costs and caseworker time spent on placing
9 children across State lines.

10 “(6) DATA INTEGRATION.—The Secretary, in
11 consultation with the Secretariat for the Interstate
12 Compact on the Placement of Children and the
13 States, shall assess how the electronic interstate
14 case-processing system developed pursuant to para-
15 graph (4) could be used to better serve and protect
16 children that come to the attention of the child wel-
17 fare system, by—

18 “(A) connecting the system with other
19 data systems (such as systems operated by
20 State law enforcement and judicial agencies,
21 systems operated by the Federal Bureau of In-
22 vestigation for the purposes of the Innocence
23 Lost National Initiative, and other systems);

24 “(B) simplifying and improving reporting
25 related to paragraphs (34) and (35) of section

1 471(a) regarding children or youth who have
2 been identified as being a sex trafficking victim
3 or children missing from foster care; and

4 “(C) improving the ability of States to
5 quickly comply with background check require-
6 ments of section 471(a)(20), including checks of
7 child abuse and neglect registries as required by
8 section 471(a)(20)(B).”.

9 (c) RESERVATION OF FUNDS TO IMPROVE THE
10 INTERSTATE PLACEMENT OF CHILDREN.—Section 437(b)
11 of such Act (42 U.S.C. 629g(b)) is amended by adding
12 at the end the following:

13 “(4) IMPROVING THE INTERSTATE PLACEMENT
14 OF CHILDREN.—The Secretary shall reserve
15 \$5,000,000 of the amount made available for fiscal
16 year 2018 for grants under subsection (g), and the
17 amount so reserved shall remain available through
18 fiscal year 2022.”.

19 **SEC. 2633. ENHANCEMENTS TO GRANTS TO IMPROVE WELL-**
20 **BEING OF FAMILIES AFFECTED BY SUB-**
21 **STANCE ABUSE.**

22 Section 437(f) of the Social Security Act (42 U.S.C.
23 629g(f)) is amended—

24 (1) in the subsection heading, by striking “IN-
25 CREASE THE WELL-BEING OF, AND TO IMPROVE

1 THE PERMANENCY OUTCOMES FOR, CHILDREN AF-
2 FECTED BY” and inserting “IMPLEMENT IV–E PRE-
3 VENTION SERVICES, AND IMPROVE THE WELL-
4 BEING OF, AND IMPROVE PERMANENCY OUTCOMES
5 FOR, CHILDREN AND FAMILIES AFFECTED BY HER-
6 OIN, OPIOIDS, AND OTHER”;

7 (2) by striking paragraph (2) and inserting the
8 following:

9 “(2) REGIONAL PARTNERSHIP DEFINED.—In
10 this subsection, the term ‘regional partnership’
11 means a collaborative agreement (which may be es-
12 tablished on an interstate, State, or intrastate basis)
13 entered into by the following:

14 “(A) MANDATORY PARTNERS FOR ALL
15 PARTNERSHIP GRANTS.—

16 “(i) The State child welfare agency
17 that is responsible for the administration
18 of the State plan under this part and part
19 E.

20 “(ii) The State agency responsible for
21 administering the substance abuse preven-
22 tion and treatment block grant provided
23 under subpart II of part B of title XIX of
24 the Public Health Service Act.

1 “(B) MANDATORY PARTNERS FOR PART-
2 NERSHIP GRANTS PROPOSING TO SERVE CHIL-
3 DREN IN OUT-OF-HOME PLACEMENTS.—If the
4 partnership proposes to serve children in out-of-
5 home placements, the Juvenile Court or Admin-
6 istrative Office of the Court that is most appro-
7 priate to oversee the administration of court
8 programs in the region to address the popu-
9 lation of families who come to the attention of
10 the court due to child abuse or neglect.

11 “(C) OPTIONAL PARTNERS.—At the option
12 of the partnership, any of the following:

13 “(i) An Indian tribe or tribal consor-
14 tium.

15 “(ii) Nonprofit child welfare service
16 providers.

17 “(iii) For-profit child welfare service
18 providers.

19 “(iv) Community health service pro-
20 viders, including substance abuse treat-
21 ment providers.

22 “(v) Community mental health pro-
23 viders.

24 “(vi) Local law enforcement agencies.

25 “(vii) School personnel.

1 “(viii) Tribal child welfare agencies
2 (or a consortia of the agencies).

3 “(ix) Any other providers, agencies,
4 personnel, officials, or entities that are re-
5 lated to the provision of child and family
6 services under a State plan approved under
7 this subpart.

8 “(D) EXCEPTION FOR REGIONAL PART-
9 NERSHIPS WHERE THE LEAD APPLICANT IS AN
10 INDIAN TRIBE OR TRIBAL CONSORTIA.—If an
11 Indian tribe or tribal consortium enters into a
12 regional partnership for purposes of this sub-
13 section, the Indian tribe or tribal consortium—

14 “(i) may (but is not required to) in-
15 clude the State child welfare agency as a
16 partner in the collaborative agreement;

17 “(ii) may not enter into a collabo-
18 rative agreement only with tribal child wel-
19 fare agencies (or a consortium of the agen-
20 cies); and

21 “(iii) if the condition described in
22 paragraph (2)(B) applies, may include
23 tribal court organizations in lieu of other
24 judicial partners.”;

25 (3) in paragraph (3)—

1 (A) in subparagraph (A)—

2 (i) by striking “2012 through 2016”

3 and inserting “2017 through 2021”; and

4 (ii) by striking “\$500,000 and not

5 more than \$1,000,000” and inserting

6 “\$250,000 and not more than

7 \$1,000,000”;

8 (B) in subparagraph (B)—

9 (i) in the subparagraph heading, by

10 inserting “; PLANNING” after “APPROVAL”;

11 (ii) in clause (i), by striking “clause

12 (ii)” and inserting “clauses (ii) and (iii)”;

13 and

14 (iii) by adding at the end the fol-

15 lowing:

16 “(iii) SUFFICIENT PLANNING.—A

17 grant awarded under this subsection shall

18 be disbursed in two phases: a planning

19 phase (not to exceed 2 years) and an im-

20 plementation phase. The total disburse-

21 ment to a grantee for the planning phase

22 may not exceed \$250,000, and may not ex-

23 ceed the total anticipated funding for the

24 implementation phase.”; and

25 (C) by adding at the end the following:

- 1 “(D) LIMITATION ON PAYMENT FOR A FIS-
2 CAL YEAR.—No payment shall be made under
3 subparagraph (A) or (C) for a fiscal year until
4 the Secretary determines that the eligible part-
5 nership has made sufficient progress in meeting
6 the goals of the grant and that the members of
7 the eligible partnership are coordinating to a
8 reasonable degree with the other members of
9 the eligible partnership.”;
- 10 (4) in paragraph (4)—
- 11 (A) in subparagraph (B)—
- 12 (i) in clause (i), by inserting “, par-
13 ents, and families” after “children”;
- 14 (ii) in clause (ii), by striking “safety
15 and permanence for such children; and”
16 and inserting “safe, permanent caregiving
17 relationships for the children;”;
- 18 (iii) in clause (iii), by striking “or”
19 and inserting “increase reunification rates
20 for children who have been placed in out-
21 of-home care, or decrease”; and
- 22 (iv) by redesignating clause (iii) as
23 clause (v) and inserting after clause (ii)
24 the following:

1 “(iii) improve the substance abuse
2 treatment outcomes for parents including
3 retention in treatment and successful com-
4 pletion of treatment;

5 “(iv) facilitate the implementation, de-
6 livery, and effectiveness of prevention serv-
7 ices and programs under section 471(e);
8 and”;

9 (B) in subparagraph (D), by striking
10 “where appropriate,”; and

11 (C) by striking subparagraphs (E) and (F)
12 and inserting the following:

13 “(E) A description of a plan for sustaining
14 the services provided by or activities funded
15 under the grant after the conclusion of the
16 grant period, including through the use of pre-
17 vention services and programs under section
18 471(e) and other funds provided to the State
19 for child welfare and substance abuse preven-
20 tion and treatment services.

21 “(F) Additional information needed by the
22 Secretary to determine that the proposed activi-
23 ties and implementation will be consistent with
24 research or evaluations showing which practices
25 and approaches are most effective.”;

1 (5) in paragraph (5)(A), by striking “abuse
2 treatment” and inserting “use disorder treatment in-
3 cluding medication assisted treatment and in-home
4 substance abuse disorder treatment and recovery”;

5 (6) in paragraph (7)—

6 (A) by striking “and” at the end of sub-
7 paragraph (C); and

8 (B) by redesignating subparagraph (D) as
9 subparagraph (E) and inserting after subpara-
10 graph (C) the following:

11 “(D) demonstrate a track record of suc-
12 cessful collaboration among child welfare, sub-
13 stance abuse disorder treatment and mental
14 health agencies; and”;

15 (7) in paragraph (8)—

16 (A) in subparagraph (A)—

17 (i) by striking “establish indicators
18 that will be” and inserting “review indica-
19 tors that are”; and

20 (ii) by striking “in using funds made
21 available under such grants to achieve the
22 purpose of this subsection” and inserting
23 “and establish a set of core indicators re-
24 lated to child safety, parental recovery,
25 parenting capacity, and family well-being.

1 In developing the core indicators, to the
2 extent possible, indicators shall be made
3 consistent with the outcome measures de-
4 scribed in section 471(e)(6)”; and
5 (B) in subparagraph (B)—

6 (i) in the matter preceding clause (i),
7 by inserting “base the performance meas-
8 ures on lessons learned from prior rounds
9 of regional partnership grants under this
10 subsection, and” before “consult”; and

11 (ii) by striking clauses (iii) and (iv)
12 and inserting the following:

13 “(iii) Other stakeholders or constitu-
14 encies as determined by the Secretary.”;

15 (8) in paragraph (9)(A), by striking clause (i)
16 and inserting the following:

17 “(i) SEMIANNUAL REPORTS.—Not
18 later than September 30 of each fiscal year
19 in which a recipient of a grant under this
20 subsection is paid funds under the grant,
21 and every 6 months thereafter, the grant
22 recipient shall submit to the Secretary a
23 report on the services provided and activi-
24 ties carried out during the reporting pe-
25 riod, progress made in achieving the goals

1 of the program, the number of children,
2 adults, and families receiving services, and
3 such additional information as the Sec-
4 retary determines is necessary. The report
5 due not later than September 30 of the
6 last such fiscal year shall include, at a
7 minimum, data on each of the performance
8 indicators included in the evaluation of the
9 regional partnership.”; and

10 (9) in paragraph (10), by striking “2012
11 through 2016” and inserting “2017 through 2021”.

12 **Subchapter C—Miscellaneous**

13 **SEC. 2641. REVIEWING AND IMPROVING LICENSING STAND-** 14 **ARDS FOR PLACEMENT IN A RELATIVE FOS-** 15 **TER FAMILY HOME.**

16 (a) IDENTIFICATION OF REPUTABLE MODEL LI-
17 CENSING STANDARDS.—Not later than October 1, 2018,
18 the Secretary of Health and Human Services shall identify
19 reputable model licensing standards with respect to the li-
20 censing of foster family homes (as defined in section
21 472(c)(1) of the Social Security Act).

22 (b) STATE PLAN REQUIREMENT.—Section 471(a) of
23 the Social Security Act (42 U.S.C. 671(a)) is amended—

24 (1) in paragraph (34)(B), by striking “and”
25 after the semicolon;

1 (2) in paragraph (35)(B), by striking the period
2 at the end and inserting a semicolon; and

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

4 “(36) provides that, not later than April 1,
5 2019, the State shall submit to the Secretary infor-
6 mation addressing—

7 “(A) whether the State licensing standards
8 are in accord with model standards identified
9 by the Secretary, and if not, the reason for the
10 specific deviation and a description as to why
11 having a standard that is reasonably in accord
12 with the corresponding national model stand-
13 ards is not appropriate for the State;

14 “(B) whether the State has elected to
15 waive standards established in 471(a)(10)(A)
16 for relative foster family homes (pursuant to
17 waiver authority provided by 471(a)(10)(D)), a
18 description of which standards the State most
19 commonly waives, and if the State has not
20 elected to waive the standards, the reason for
21 not waiving these standards;

22 “(C) if the State has elected to waive
23 standards specified in subparagraph (B), how
24 caseworkers are trained to use the waiver au-
25 thority and whether the State has developed a

1 process or provided tools to assist caseworkers
2 in waiving nonsafety standards per the author-
3 ity provided in 471(a)(10)(D) to quickly place
4 children with relatives; and

5 “(D) a description of the steps the State is
6 taking to improve caseworker training or the
7 process, if any; and”.

8 **SEC. 2642. DEVELOPMENT OF A STATEWIDE PLAN TO PRE-**
9 **VENT CHILD ABUSE AND NEGLECT FATALI-**
10 **TIES.**

11 Section 422(b)(19) of the Social Security Act (42
12 U.S.C. 622(b)(19)) is amended to read as follows:

13 “(19) document steps taken to track and pre-
14 vent child maltreatment deaths by including—

15 “(A) a description of the steps the State is
16 taking to compile complete and accurate infor-
17 mation on the deaths required by Federal law
18 to be reported by the State agency referred to
19 in paragraph (1), including gathering relevant
20 information on the deaths from the relevant or-
21 ganizations in the State including entities such
22 as State vital statistics department, child death
23 review teams, law enforcement agencies, offices
24 of medical examiners, or coroners; and

1 “(B) a description of the steps the State is
2 taking to develop and implement a comprehen-
3 sive, statewide plan to prevent the fatalities
4 that involves and engages relevant public and
5 private agency partners, including those in pub-
6 lic health, law enforcement, and the courts.”.

7 **SEC. 2643. MODERNIZING THE TITLE AND PURPOSE OF**
8 **TITLE IV-E.**

9 (a) PART HEADING.—The heading for part E of title
10 IV of the Social Security Act (42 U.S.C. 670 et seq.) is
11 amended to read as follows:

12 **“PART E—FEDERAL PAYMENTS FOR FOSTER**
13 **CARE, PREVENTION, AND PERMANENCY”.**

14 (b) PURPOSE.—The first sentence of section 470 of
15 such Act (42 U.S.C. 670) is amended—

16 (1) by striking “1995) and” and inserting
17 “1995),”;

18 (2) by inserting “kinship guardianship assist-
19 ance, and prevention services or programs specified
20 in section 471(e)(1),” after “needs,”; and

21 (3) by striking “(commencing with the fiscal
22 year which begins October 1, 1980)”.

23 **SEC. 2644. EFFECTIVE DATES.**

24 (a) EFFECTIVE DATES.—

1 (1) IN GENERAL.—Except as provided in para-
2 graph (2), subject to subsection (b), the amend-
3 ments made by this chapter shall take effect on Oc-
4 tober 1, 2018.

5 (2) EXCEPTIONS.—The amendments made by
6 sections 2621(d), 2641, and 2643 shall take effect
7 on the date of enactment of this Act.

8 (b) TRANSITION RULE.—

9 (1) IN GENERAL.—In the case of a State plan
10 under part B or E of title IV of the Social Security
11 Act which the Secretary of Health and Human Serv-
12 ices determines requires State legislation (other than
13 legislation appropriating funds) in order for the plan
14 to meet the additional requirements imposed by the
15 amendments made by this chapter, the State plan
16 shall not be regarded as failing to comply with the
17 requirements of such part solely on the basis of the
18 failure of the plan to meet such additional require-
19 ments before the first day of the first calendar quar-
20 ter beginning after the close of the first regular ses-
21 sion of the State legislature that begins after the
22 date of enactment of this Act. For purposes of the
23 previous sentence, in the case of a State that has a
24 2-year legislative session, each year of the session

1 shall be deemed to be a separate regular session of
2 the State legislature.

3 (2) APPLICATION TO PROGRAMS OPERATED BY
4 INDIAN TRIBAL ORGANIZATIONS.—In the case of an
5 Indian tribe, tribal organization, or tribal consortium
6 which the Secretary of Health and Human Services
7 determines requires time to take action necessary to
8 comply with the additional requirements imposed by
9 the amendments made by this chapter (whether the
10 tribe, organization, or tribal consortium has a plan
11 under section 479B of the Social Security Act or a
12 cooperative agreement or contract entered into with
13 a State), the Secretary shall provide the tribe, orga-
14 nization, or tribal consortium with such additional
15 time as the Secretary determines is necessary for the
16 tribe, organization, or tribal consortium to take the
17 action to comply with the additional requirements
18 before being regarded as failing to comply with the
19 requirements.

1 **CHAPTER 2—ENSURING THE NECESSITY**
2 **OF A PLACEMENT THAT IS NOT IN A**
3 **FOSTER FAMILY HOME**

4 **SEC. 2651. LIMITATION ON FEDERAL FINANCIAL PARTICI-**
5 **PATION FOR PLACEMENTS THAT ARE NOT IN**
6 **FOSTER FAMILY HOMES.**

7 (a) LIMITATION ON FEDERAL FINANCIAL PARTICIPA-
8 TION.—

9 (1) IN GENERAL.—Section 472 of the Social
10 Security Act (42 U.S.C. 672), as amended by sec-
11 tion 2622 of this Act, is amended—

12 (A) in subsection (a)(2)(C), by inserting “,
13 but only to the extent permitted under sub-
14 section (k)” after “institution”; and

15 (B) by adding at the end the following:

16 “(k) LIMITATION ON FEDERAL FINANCIAL PARTICI-
17 PATION.—

18 “(1) IN GENERAL.—Beginning with the third
19 week for which foster care maintenance payments
20 are made under this section on behalf of a child
21 placed in a child-care institution, no Federal pay-
22 ment shall be made to the State under section
23 474(a)(1) for amounts expended for foster care
24 maintenance payments on behalf of the child un-
25 less—

1 “(A) the child is placed in a child-care in-
2 stitution that is a setting specified in paragraph
3 (2) (or is placed in a licensed residential family-
4 based treatment facility consistent with sub-
5 section (j)); and

6 “(B) in the case of a child placed in a
7 qualified residential treatment program (as de-
8 fined in paragraph (4)), the requirements speci-
9 fied in paragraph (3) and section 475A(c) are
10 met.

11 “(2) SPECIFIED SETTINGS FOR PLACEMENT.—
12 The settings for placement specified in this para-
13 graph are the following:

14 “(A) A qualified residential treatment pro-
15 gram (as defined in paragraph (4)).

16 “(B) A setting specializing in providing
17 prenatal, post-partum, or parenting supports
18 for youth.

19 “(C) In the case of a child who has at-
20 tained 18 years of age, a supervised setting in
21 which the child is living independently.

22 “(D) A setting providing high-quality resi-
23 dential care and supportive services to children
24 and youth who have been found to be, or are

1 at risk of becoming, sex trafficking victims, in
2 accordance with section 471(a)(9)(C).

3 “(3) ASSESSMENT TO DETERMINE APPRO-
4 PRIATENESS OF PLACEMENT IN A QUALIFIED RESI-
5 DENTIAL TREATMENT PROGRAM.—

6 “(A) DEADLINE FOR ASSESSMENT.—In
7 the case of a child who is placed in a qualified
8 residential treatment program, if the assess-
9 ment required under section 475A(c)(1) is not
10 completed within 30 days after the placement is
11 made, no Federal payment shall be made to the
12 State under section 474(a)(1) for any amounts
13 expended for foster care maintenance payments
14 on behalf of the child during the placement.

15 “(B) DEADLINE FOR TRANSITION OUT OF
16 PLACEMENT.—If the assessment required under
17 section 475A(c)(1) determines that the place-
18 ment of a child in a qualified residential treat-
19 ment program is not appropriate, a court dis-
20 approves such a placement under section
21 475A(c)(2), or a child who has been in an ap-
22 proved placement in a qualified residential
23 treatment program is going to return home or
24 be placed with a fit and willing relative, a legal
25 guardian, or an adoptive parent, or in a foster

1 family home, Federal payments shall be made
2 to the State under section 474(a)(1) for
3 amounts expended for foster care maintenance
4 payments on behalf of the child while the child
5 remains in the qualified residential treatment
6 program only during the period necessary for
7 the child to transition home or to such a place-
8 ment. In no event shall a State receive Federal
9 payments under section 474(a)(1) for amounts
10 expended for foster care maintenance payments
11 on behalf of a child who remains placed in a
12 qualified residential treatment program after
13 the end of the 30-day period that begins on the
14 date a determination is made that the place-
15 ment is no longer the recommended or approved
16 placement for the child.

17 “(4) QUALIFIED RESIDENTIAL TREATMENT
18 PROGRAM.—For purposes of this part, the term
19 ‘qualified residential treatment program’ means a
20 program that—

21 “(A) has a trauma-informed treatment
22 model that is designed to address the needs, in-
23 cluding clinical needs as appropriate, of chil-
24 dren with serious emotional or behavioral dis-
25 orders or disturbances and, with respect to a

1 child, is able to implement the treatment identi-
2 fied for the child by the assessment of the child
3 required under section 475A(c);

4 “(B) subject to paragraphs (5) and (6),
5 has registered or licensed nursing staff and
6 other licensed clinical staff who—

7 “(i) provide care within the scope of
8 their practice as defined by State law;

9 “(ii) are on-site in accordance with
10 the treatment model referred to in sub-
11 paragraph (A); and

12 “(iii) are available 24 hours a day and
13 7 days a week;

14 “(C) to extent appropriate, and in accord-
15 ance with the child’s best interests, facilitates
16 participation of family members in the child’s
17 treatment program;

18 “(D) facilitates outreach to the family
19 members of the child, including siblings, docu-
20 ments how the outreach is made (including con-
21 tact information), and maintains contact infor-
22 mation for any known biological family and fic-
23 tive kin of the child;

24 “(E) documents how family members are
25 integrated into the treatment process for the

1 child, including post-discharge, and how sibling
2 connections are maintained;

3 “(F) provides discharge planning and fam-
4 ily-based aftercare support for at least 6
5 months post-discharge; and

6 “(G) is licensed in accordance with section
7 471(a)(10) and is accredited by any of the fol-
8 lowing independent, not-for-profit organizations:

9 “(i) The Commission on Accreditation
10 of Rehabilitation Facilities (CARF).

11 “(ii) The Joint Commission on Ac-
12 creditation of Healthcare Organizations
13 (JCAHO).

14 “(iii) The Council on Accreditation
15 (COA).

16 “(iv) Any other independent, not-for-
17 profit accrediting organization approved by
18 the Secretary.

19 “(5) ADMINISTRATIVE COSTS.—The prohibition
20 in paragraph (1) on Federal payments under section
21 474(a)(1) shall not be construed as prohibiting Fed-
22 eral payments for administrative expenditures in-
23 curred on behalf of a child placed in a child-care in-
24 stitution and for which payment is available under
25 section 474(a)(3).

1 “(6) RULE OF CONSTRUCTION.—The require-
2 ments in paragraph (4)(B) shall not be construed as
3 requiring a qualified residential treatment program
4 to acquire nursing and behavioral health staff solely
5 through means of a direct employer to employee re-
6 lationship.”.

7 (2) CONFORMING AMENDMENT.—Section
8 474(a)(1) of such Act (42 U.S.C. 674(a)(1)), as
9 amended by section 2622(b) of this Act, is amended
10 by striking “section 472(j)” and inserting “sub-
11 sections (j) and (k) of section 472”.

12 (b) DEFINITION OF FOSTER FAMILY HOME, CHILD-
13 CARE INSTITUTION.—Section 472(c) of such Act (42
14 U.S.C. 672(c)(1)) is amended to read as follows:

15 “(c) DEFINITIONS.—For purposes of this part:

16 “(1) FOSTER FAMILY HOME.—

17 “(A) IN GENERAL.—The term ‘foster fam-
18 ily home’ means the home of an individual or
19 family—

20 “(i) that is licensed or approved by
21 the State in which it is situated as a foster
22 family home that meets the standards es-
23 tablished for the licensing or approval; and

24 “(ii) in which a child in foster care
25 has been placed in the care of an indi-

1 vidual, who resides with the child and who
2 has been licensed or approved by the State
3 to be a foster parent—

4 “(I) that the State deems capable
5 of adhering to the reasonable and pru-
6 dent parent standard;

7 “(II) that provides 24-hour sub-
8 stitute care for children placed away
9 from their parents or other care-
10 takers; and

11 “(III) that provides the care for
12 not more than six children in foster
13 care.

14 “(B) STATE FLEXIBILITY.—The number of
15 foster children that may be cared for in a home
16 under subparagraph (A) may exceed the numer-
17 ical limitation in subparagraph (A)(ii)(III), at
18 the option of the State, for any of the following
19 reasons:

20 “(i) To allow a parenting youth in fos-
21 ter care to remain with the child of the
22 parenting youth.

23 “(ii) To allow siblings to remain to-
24 gether.

1 “(iii) To allow a child with an estab-
2 lished meaningful relationship with the
3 family to remain with the family.

4 “(iv) To allow a family with special
5 training or skills to provide care to a child
6 who has a severe disability.

7 “(C) RULE OF CONSTRUCTION.—Subpara-
8 graph (A) shall not be construed as prohibiting
9 a foster parent from renting the home in which
10 the parent cares for a foster child placed in the
11 parent’s care.

12 “(2) CHILD-CARE INSTITUTION.—

13 “(A) IN GENERAL.—The term ‘child-care
14 institution’ means a private child-care institu-
15 tion, or a public child-care institution which ac-
16 commodates no more than 25 children, which is
17 licensed by the State in which it is situated or
18 has been approved by the agency of the State
19 responsible for licensing or approval of institu-
20 tions of this type as meeting the standards es-
21 tablished for the licensing.

22 “(B) SUPERVISED SETTINGS.—In the case
23 of a child who has attained 18 years of age, the
24 term shall include a supervised setting in which
25 the individual is living independently, in accord-

1 ance with such conditions as the Secretary shall
2 establish in regulations.

3 “(C) EXCLUSIONS.—The term shall not in-
4 clude detention facilities, forestry camps, train-
5 ing schools, or any other facility operated pri-
6 marily for the detention of children who are de-
7 termined to be delinquent.”.

8 (c) TRAINING FOR STATE JUDGES, ATTORNEYS, AND
9 OTHER LEGAL PERSONNEL IN CHILD WELFARE
10 CASES.—Section 438(b)(1) of such Act (42 U.S.C.
11 629h(b)(1)) is amended in the matter preceding subpara-
12 graph (A) by inserting “shall provide for the training of
13 judges, attorneys, and other legal personnel in child wel-
14 fare cases on Federal child welfare policies and payment
15 limitations with respect to children in foster care who are
16 placed in settings that are not a foster family home,” after
17 “with respect to the child,”.

18 (d) ASSURANCE OF NONIMPACT ON JUVENILE JUS-
19 TICE SYSTEM.—

20 (1) STATE PLAN REQUIREMENT.—Section
21 471(a) of such Act (42 U.S.C. 671(a)), as amended
22 by section 2641 of this Act, is further amended by
23 adding at the end the following:

24 “(37) includes a certification that, in response
25 to the limitation imposed under section 472(k) with

1 respect to foster care maintenance payments made
2 on behalf of any child who is placed in a setting that
3 is not a foster family home, the State will not enact
4 or advance policies or practices that would result in
5 a significant increase in the population of youth in
6 the State’s juvenile justice system.”.

7 (2) GAO STUDY AND REPORT.—The Comp-
8 troller General of the United States shall evaluate
9 the impact, if any, on State juvenile justice systems
10 of the limitation imposed under section 472(k) of
11 the Social Security Act (as added by subsection
12 (a)(1) of this section) on foster care maintenance
13 payments made on behalf of any child who is placed
14 in a setting that is not a foster family home, in ac-
15 cordance with the amendments made by subsections
16 (a) and (b) of this section. In particular, the Comp-
17 troller General shall evaluate the extent to which
18 children in foster care who also are subject to the ju-
19 venile justice system of the State are placed in a fa-
20 cility under the jurisdiction of the juvenile justice
21 system and whether the lack of available congregate
22 care placements under the jurisdiction of the child
23 welfare systems is a contributing factor to that re-
24 sult. Not later than December 31, 2024, the Comp-

1 troller General shall submit to Congress a report on
2 the results of the evaluation.

3 **SEC. 2652. ASSESSMENT AND DOCUMENTATION OF THE**
4 **NEED FOR PLACEMENT IN A QUALIFIED RES-**
5 **IDENTIAL TREATMENT PROGRAM.**

6 Section 475A of the Social Security Act (42 U.S.C.
7 675a) is amended by adding at the end the following:

8 “(c) ASSESSMENT, DOCUMENTATION, AND JUDICIAL
9 DETERMINATION REQUIREMENTS FOR PLACEMENT IN A
10 QUALIFIED RESIDENTIAL TREATMENT PROGRAM.—In
11 the case of any child who is placed in a qualified residen-
12 tial treatment program (as defined in section 472(k)(4)),
13 the following requirements shall apply for purposes of ap-
14 proving the case plan for the child and the case system
15 review procedure for the child:

16 “(1)(A) Within 30 days of the start of each
17 placement in such a setting, a qualified individual
18 (as defined in subparagraph (D)) shall—

19 “(i) assess the strengths and needs of the
20 child using an age-appropriate, evidence-based,
21 validated, functional assessment tool approved
22 by the Secretary;

23 “(ii) determine whether the needs of the
24 child can be met with family members or
25 through placement in a foster family home or,

1 if not, which setting from among the settings
2 specified in section 472(k)(2) would provide the
3 most effective and appropriate level of care for
4 the child in the least restrictive environment
5 and be consistent with the short- and long-term
6 goals for the child, as specified in the perma-
7 nency plan for the child; and

8 “(iii) develop a list of child-specific short-
9 and long-term mental and behavioral health
10 goals.

11 “(B)(i) The State shall assemble a family and
12 permanency team for the child in accordance with
13 the requirements of clauses (ii) and (iii). The quali-
14 fied individual conducting the assessment required
15 under subparagraph (A) shall work in conjunction
16 with the family of, and permanency team for, the
17 child while conducting and making the assessment.

18 “(ii) The family and permanency team shall
19 consist of all appropriate biological family members,
20 relative, and fictive kin of the child, as well as, as
21 appropriate, professionals who are a resource to the
22 family of the child, such as teachers, medical or
23 mental health providers who have treated the child,
24 or clergy. In the case of a child who has attained
25 age 14, the family and permanency team shall in-

1 clude the members of the permanency planning team
2 for the child that are selected by the child in accord-
3 ance with section 475(5)(C)(iv).

4 “(iii) The State shall document in the child’s
5 case plan—

6 “(I) the reasonable and good faith effort of
7 the State to identify and include all such indi-
8 viduals on the family of, and permanency team
9 for, the child;

10 “(II) all contact information for members
11 of the family and permanency team, as well as
12 contact information for other family members
13 and fictive kin who are not part of the family
14 and permanency team;

15 “(III) evidence that meetings of the family
16 and permanency team, including meetings relat-
17 ing to the assessment required under subpara-
18 graph (A), are held at a time and place conven-
19 ient for family;

20 “(IV) if reunification is the goal, evidence
21 demonstrating that the parent from whom the
22 child was removed provided input on the mem-
23 bers of the family and permanency team;

1 “(V) evidence that the assessment required
2 under subparagraph (A) is determined in con-
3 junction with the family and permanency team;

4 “(VI) the placement preferences of the
5 family and permanency team relative to the as-
6 sessment that recognizes children should be
7 placed with their siblings unless there is a find-
8 ing by the court that such placement is con-
9 trary to their best interest; and

10 “(VII) if the placement preferences of the
11 family and permanency team and child are not
12 the placement setting recommended by the
13 qualified individual conducting the assessment
14 under subparagraph (A), the reasons why the
15 preferences of the team and of the child were
16 not recommended.

17 “(C) In the case of a child who the qualified in-
18 dividual conducting the assessment under subpara-
19 graph (A) determines should not be placed in a fos-
20 ter family home, the qualified individual shall specify
21 in writing the reasons why the needs of the child
22 cannot be met by the family of the child or in a fos-
23 ter family home. A shortage or lack of foster family
24 homes shall not be an acceptable reason for deter-
25 mining that the needs of the child cannot be met in

1 a foster family home. The qualified individual also
2 shall specify in writing why the recommended place-
3 ment in a qualified residential treatment program is
4 the setting that will provide the child with the most
5 effective and appropriate level of care in the least re-
6 strictive environment and how that placement is con-
7 sistent with the short- and long-term goals for the
8 child, as specified in the permanency plan for the
9 child.

10 “(D)(i) Subject to clause (ii), in this subsection,
11 the term ‘qualified individual’ means a trained pro-
12 fessional or licensed clinician who is not an employee
13 of the State agency and who is not connected to, or
14 affiliated with, any placement setting in which chil-
15 dren are placed by the State.

16 “(ii) The Secretary may approve a request of a
17 State to waive any requirement in clause (i) upon a
18 submission by the State, in accordance with criteria
19 established by the Secretary, that certifies that the
20 trained professionals or licensed clinicians with re-
21 sponsibility for performing the assessments de-
22 scribed in subparagraph (A) shall maintain objec-
23 tivity with respect to determining the most effective
24 and appropriate placement for a child.

1 “(2) Within 60 days of the start of each place-
2 ment in a qualified residential treatment program, a
3 family or juvenile court or another court (including
4 a tribal court) of competent jurisdiction, or an ad-
5 ministrative body appointed or approved by the
6 court, independently, shall—

7 “(A) consider the assessment, determina-
8 tion, and documentation made by the qualified
9 individual conducting the assessment under
10 paragraph (1);

11 “(B) determine whether the needs of the
12 child can be met through placement in a foster
13 family home or, if not, whether placement of
14 the child in a qualified residential treatment
15 program provides the most effective and appro-
16 priate level of care for the child in the least re-
17 strictive environment and whether that place-
18 ment is consistent with the short- and long-
19 term goals for the child, as specified in the per-
20 manency plan for the child; and

21 “(C) approve or disapprove the placement.

22 “(3) The written documentation made under
23 paragraph (1)(C) and documentation of the deter-
24 mination and approval or disapproval of the place-
25 ment in a qualified residential treatment program by

1 a court or administrative body under paragraph (2)
2 shall be included in and made part of the case plan
3 for the child.

4 “(4) As long as a child remains placed in a
5 qualified residential treatment program, the State
6 agency shall submit evidence at each status review
7 and each permanency hearing held with respect to
8 the child—

9 “(A) demonstrating that ongoing assess-
10 ment of the strengths and needs of the child
11 continues to support the determination that the
12 needs of the child cannot be met through place-
13 ment in a foster family home, that the place-
14 ment in a qualified residential treatment pro-
15 gram provides the most effective and appro-
16 priate level of care for the child in the least re-
17 strictive environment, and that the placement is
18 consistent with the short- and long-term goals
19 for the child, as specified in the permanency
20 plan for the child;

21 “(B) documenting the specific treatment or
22 service needs that will be met for the child in
23 the placement and the length of time the child
24 is expected to need the treatment or services;
25 and

1 “(C) documenting the efforts made by the
2 State agency to prepare the child to return
3 home or to be placed with a fit and willing rel-
4 ative, a legal guardian, or an adoptive parent,
5 or in a foster family home.

6 “(5) In the case of any child who is placed in
7 a qualified residential treatment program for more
8 than 12 consecutive months or 18 nonconsecutive
9 months (or, in the case of a child who has not at-
10 tained age 13, for more than 6 consecutive or non-
11 consecutive months), the State agency shall submit
12 to the Secretary—

13 “(A) the most recent versions of the evi-
14 dence and documentation specified in paragraph
15 (4); and

16 “(B) the signed approval of the head of
17 the State agency for the continued placement of
18 the child in that setting.”.

19 **SEC. 2653. PROTOCOLS TO PREVENT INAPPROPRIATE DI-**
20 **AGNOSES.**

21 (a) STATE PLAN REQUIREMENT.—Section
22 422(b)(15)(A) of the Social Security Act (42 U.S.C.
23 622(b)(15)(A)) is amended—

24 (1) in clause (vi), by striking “and” after the
25 semicolon;

1 (2) by redesignating clause (vii) as clause (viii);

2 and

3 (3) by inserting after clause (vi) the following:

4 “(vii) the procedures and protocols
5 the State has established to ensure that
6 children in foster care placements are not
7 inappropriately diagnosed with mental ill-
8 ness, other emotional or behavioral dis-
9 orders, medically fragile conditions, or de-
10 velopmental disabilities, and placed in set-
11 tings that are not foster family homes as
12 a result of the inappropriate diagnoses;
13 and”.

14 (b) EVALUATION.—Section 476 of such Act (42
15 U.S.C. 676), as amended by section 2621(d) of this Act,
16 is further amended by adding at the end the following:

17 “(e) EVALUATION OF STATE PROCEDURES AND PRO-
18 TOCALS TO PREVENT INAPPROPRIATE DIAGNOSES OF
19 MENTAL ILLNESS OR OTHER CONDITIONS.—The Sec-
20 retary shall conduct an evaluation of the procedures and
21 protocols established by States in accordance with the re-
22 quirements of section 422(b)(15)(A)(vii). The evaluation
23 shall analyze the extent to which States comply with and
24 enforce the procedures and protocols and the effectiveness
25 of various State procedures and protocols and shall iden-

1 tify best practices. Not later than January 1, 2020, the
2 Secretary shall submit a report on the results of the eval-
3 uation to Congress.”.

4 **SEC. 2654. ADDITIONAL DATA AND REPORTS REGARDING**
5 **CHILDREN PLACED IN A SETTING THAT IS**
6 **NOT A FOSTER FAMILY HOME.**

7 Section 479A(a)(7)(A) of the Social Security Act (42
8 U.S.C. 679b(a)(7)(A)) is amended by striking clauses (i)
9 through (vi) and inserting the following:

10 “(i) with respect to each such place-
11 ment—

12 “(I) the type of the placement
13 setting, including whether the place-
14 ment is shelter care, a group home
15 and if so, the range of the child popu-
16 lation in the home, a residential treat-
17 ment facility, a hospital or institution
18 providing medical, rehabilitative, or
19 psychiatric care, a setting specializing
20 in providing prenatal, post-partum, or
21 parenting supports, or some other
22 kind of child-care institution and if so,
23 what kind;

24 “(II) the number of children in
25 the placement setting and the age,

1 race, ethnicity, and gender of each of
2 the children;

3 “(III) for each child in the place-
4 ment setting, the length of the place-
5 ment of the child in the setting,
6 whether the placement of the child in
7 the setting is the first placement of
8 the child and if not, the number and
9 type of previous placements of the
10 child, and whether the child has spe-
11 cial needs or another diagnosed men-
12 tal or physical illness or condition;
13 and

14 “(IV) the extent of any special-
15 ized education, treatment, counseling,
16 or other services provided in the set-
17 ting; and

18 “(ii) separately, the number and ages
19 of children in the placements who have a
20 permanency plan of another planned per-
21 manent living arrangement; and”.

1 **SEC. 2655. CRIMINAL RECORDS CHECKS AND CHECKS OF**
2 **CHILD ABUSE AND NEGLECT REGISTRIES**
3 **FOR ADULTS WORKING IN CHILD-CARE INSTI-**
4 **TUTIONS AND OTHER GROUP CARE SET-**
5 **TINGS.**

6 (a) STATE PLAN REQUIREMENT.—Section
7 471(a)(20) of the Social Security Act (42 U.S.C.
8 671(a)(20)) is amended—

9 (1) in each of subparagraphs (A)(ii) and
10 (B)(iii), by striking “and” after the semicolon;

11 (2) in subparagraph (C), by adding “and” after
12 the semicolon; and

13 (3) by inserting after subparagraph (C) the fol-
14 lowing:

15 “(D) provides procedures for any child care in-
16 stitution, including a group home, residential treat-
17 ment center, shelter, or other congregate care set-
18 ting, to conduct criminal records checks, including
19 fingerprint-based checks of national crime informa-
20 tion databases (as defined in section 534(f)(3)(A) of
21 title 28, United States Code), and checks described
22 in subparagraph (B) of this paragraph, on any adult
23 working in a child-care institution, including a group
24 home, residential treatment center, shelter, or other
25 congregate care setting, unless the State reports to
26 the Secretary the alternative criminal records checks

1 and child abuse registry checks the State conducts
2 on any adult working in a child-care institution, in-
3 cluding a group home, residential treatment center,
4 shelter, or other congregate care setting, and why
5 the checks specified in this subparagraph are not ap-
6 propriate for the State;”.

7 (b) TECHNICAL AMENDMENTS.—Subparagraphs (A)
8 and (C) of section 471(a)(20) of the Social Security Act
9 (42 U.S.C. 671(a)(20)) are each amended by striking
10 “section 534(e)(3)(A)” and inserting “section
11 534(f)(3)(A)”.

12 **SEC. 2656. EFFECTIVE DATES; APPLICATION TO WAIVERS.**

13 (a) EFFECTIVE DATES.—

14 (1) IN GENERAL.—Subject to paragraph (2)
15 and subsections (b) through (d), the amendments
16 made by this chapter shall take effect on January 1,
17 2018.

18 (2) TRANSITION RULE.—In the case of a State
19 plan under part B or E of title IV of the Social Se-
20 curity Act which the Secretary of Health and
21 Human Services determines requires State legisla-
22 tion (other than legislation appropriating funds) in
23 order for the plan to meet the additional require-
24 ments imposed by the amendments made by this
25 chapter, the State plan shall not be regarded as fail-

1 ing to comply with the requirements of such part
2 solely on the basis of the failure of the plan to meet
3 the additional requirements before the first day of
4 the first calendar quarter beginning after the close
5 of the first regular session of the State legislature
6 that begins after the date of enactment of this Act.
7 For purposes of the previous sentence, in the case
8 of a State that has a 2-year legislative session, each
9 year of the session shall be deemed to be a separate
10 regular session of the State legislature.

11 (b) LIMITATION ON FEDERAL FINANCIAL PARTICI-
12 PATION FOR PLACEMENTS THAT ARE NOT IN FOSTER
13 FAMILY HOMES AND RELATED PROVISIONS.—

14 (1) IN GENERAL.—The amendments made by
15 sections 2651(a), 2651(b), 2651(d), and 2652 shall
16 take effect on October 1, 2019.

17 (2) STATE OPTION TO DELAY EFFECTIVE DATE
18 FOR NOT MORE THAN 2 YEARS.—If a State requests
19 a delay in the effective date provided for in para-
20 graph (1), the Secretary of Health and Human
21 Services shall delay the effective date with respect to
22 the State for the amount of time requested by the
23 State not to exceed 2 years. If the effective date is
24 so delayed for a period with respect to a State under
25 the preceding sentence, then—

1 (A) notwithstanding section 2644, the date
2 that the amendments made by section 2621(c)
3 take effect with respect to the State shall be de-
4 layed for the period; and

5 (B) in applying section 474(a)(6) of the
6 Social Security Act with respect to the State,
7 “on or after the date this paragraph takes ef-
8 fect with respect to the State” is deemed to be
9 substituted for “after September 30, 2019” in
10 subparagraph (A)(i)(I) of such section.

11 (c) CRIMINAL RECORDS CHECKS AND CHECKS OF
12 CHILD ABUSE AND NEGLECT REGISTRIES FOR ADULTS
13 WORKING IN CHILD-CARE INSTITUTIONS AND OTHER
14 GROUP CARE SETTINGS.—The amendments made by sec-
15 tion 2655 shall take effect on October 1, 2018.

16 (d) APPLICATION TO STATES WITH WAIVERS.—In
17 the case of a State that, on the date of enactment of this
18 Act, has in effect a waiver approved under section 1130
19 of the Social Security Act (42 U.S.C. 1320a–9), the
20 amendments made by this chapter shall not apply with
21 respect to the State before the expiration (determined
22 without regard to any extensions) of the waiver to the ex-
23 tent the amendments are inconsistent with the terms of
24 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
6 AS A FAMILY SUPPORT SERVICE.—Section 431(a)(2)(B)
7 of the Social Security Act (42 U.S.C. 631(a)(2)(B)) is
8 amended by redesignating clauses (iii) through (vi) as
9 clauses (iv) through (vii), respectively, and inserting after
10 clause (ii) 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
18 of any money in the Treasury of the United States not
19 otherwise appropriated, there are appropriated to the Sec-
20 retary for fiscal year 2018, \$8,000,000 for the Secretary
21 to make competitive grants to States, Indian tribes, or
22 tribal consortia to support the recruitment and retention
23 of high-quality foster families to increase their capacity
24 to place more children in family settings, focused on
25 States, Indian tribes, or tribal consortia with the highest

1 percentage of children in non-family settings. The amount
2 appropriated under this subparagraph shall remain avail-
3 able through fiscal 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 So-
8 cial Security Act (42 U.S.C. 625) is amended by striking
9 “2012 through 2016” and inserting “2017 through
10 2021”.

11 (b) EXTENSION OF PROMOTING SAFE AND STABLE
12 FAMILIES PROGRAM AUTHORIZATIONS.—

13 (1) IN GENERAL.—Section 436(a) of such Act
14 (42 U.S.C. 629f(a)) is amended by striking all that
15 follows “\$345,000,000” and inserting “for each of
16 fiscal years 2017 through 2021.”.

17 (2) DISCRETIONARY GRANTS.—Section 437(a)
18 of such Act (42 U.S.C. 629g(a)) is amended by
19 striking “2012 through 2016” and inserting “2017
20 through 2021”.

21 (c) EXTENSION OF FUNDING RESERVATIONS FOR
22 MONTHLY CASEWORKER VISITS AND REGIONAL PART-
23 NERSHIP GRANTS.—Section 436(b) of such Act (42
24 U.S.C. 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
5 through 2016” and inserting “2017 through 2021”.

6 (d) REAUTHORIZATION OF FUNDING FOR STATE
7 COURTS.—

8 (1) EXTENSION OF PROGRAM.—Section
9 438(c)(1) of such Act (42 U.S.C. 629h(c)(1)) is
10 amended by striking “2012 through 2016” and in-
11 serting “2017 through 2021”.

12 (2) EXTENSION OF FEDERAL SHARE.—Section
13 438(d) of such Act (42 U.S.C. 629h(d)) is amended
14 by striking “2012 through 2016” and inserting
15 “2017 through 2021”.

16 (e) REPEAL OF EXPIRED PROVISIONS.—Section
17 438(e) 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
23 (42 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 as-
2 sistance and services to youths who have aged out
3 of foster care and have not attained such age, in ac-
4 cordance with such subsection)” after “21 years of
5 age”;

6 (2) in subsection (b)(3)(A)—

7 (A) by inserting “(i)” before “A certifi-
8 cation”;

9 (B) by striking “children who have left fos-
10 ter care” and all that follows through the pe-
11 riod and inserting “youths who have aged out
12 of foster care and have not attained 21 years of
13 age.”; and

14 (C) by adding at the end the following:

15 “(ii) If the State has elected under section
16 475(8)(B) to extend eligibility for foster care to
17 all children who have not attained 21 years of
18 age, or if the Secretary determines that the
19 State agency responsible for administering the
20 State plans under this part and part B uses
21 State funds or any other funds not provided
22 under this part to provide services and assist-
23 ance for youths who have aged out of foster
24 care that are comparable to the services and as-
25 sistance the youths would receive if the State

1 had made such an election, the certification re-
2 quired under clause (i) may provide that the
3 State will provide assistance and services to
4 youths who have aged out of foster care and
5 have not attained 23 years of age.”; and

6 (3) in subsection (b)(3)(B), by striking “chil-
7 dren who have left foster care” and all that follows
8 through the period and inserting “youths who have
9 aged out of foster care and have not attained 21
10 years of age (or 23 years of age, in the case of a
11 State with a certification under subparagraph (A)(i)
12 to provide assistance and services to youths who
13 have aged out of foster care and have not attained
14 such age, in accordance with subparagraph
15 (A)(ii)).”.

16 (b) AUTHORITY TO REDISTRIBUTE UNSPENT
17 FUNDS.—Section 477(d) of such Act (42 U.S.C. 677(d))
18 is amended—

19 (1) in paragraph (4), by inserting “or does not
20 expend allocated funds within the time period speci-
21 fied under section 477(d)(3)” after “provided by the
22 Secretary”; and

23 (2) by adding at the end the following:

24 “(5) REDISTRIBUTION OF UNEXPENDED
25 AMOUNTS.—

1 “(A) AVAILABILITY OF AMOUNTS.—To the
2 extent that amounts paid to States under this
3 section in a fiscal year remain unexpended by
4 the States at the end of the succeeding fiscal
5 year, the Secretary may make the amounts
6 available for redistribution in the second suc-
7 ceeding fiscal year among the States that apply
8 for additional funds under this section for that
9 second succeeding fiscal year.

10 “(B) REDISTRIBUTION.—

11 “(i) IN GENERAL.—The Secretary
12 shall redistribute the amounts made avail-
13 able under subparagraph (A) for a fiscal
14 year among eligible applicant States. In
15 this subparagraph, the term ‘eligible appli-
16 cant State’ means a State that has applied
17 for additional funds for the fiscal year
18 under subparagraph (A) if the Secretary
19 determines that the State will use the
20 funds for the purpose for which originally
21 allotted under this section.

22 “(ii) AMOUNT TO BE REDISTRIB-
23 UTED.—The amount to be redistributed to
24 each eligible applicant State shall be the
25 amount so made available multiplied by the

1 State foster care ratio, (as defined in sub-
2 section (c)(4), except that, in such sub-
3 section, ‘all eligible applicant States (as de-
4 fined in subsection (d)(5)(B)(i))’ shall be
5 substituted for ‘all States’).

6 “(iii) TREATMENT OF REDISTRIBUTED
7 AMOUNT.—Any amount made available to
8 a State under this paragraph shall be re-
9 garded as part of the allotment of the
10 State under this section for the fiscal year
11 in which the redistribution is made.

12 “(C) TRIBES.—For purposes of this para-
13 graph, the term ‘State’ includes an Indian tribe,
14 tribal organization, or tribal consortium that re-
15 ceives an allotment under this section.”.

16 (c) EXPANDING AND CLARIFYING THE USE OF EDU-
17 CATION AND TRAINING VOUCHERS.—

18 (1) IN GENERAL.—Section 477(i)(3) of such
19 Act (42 U.S.C. 677(i)(3)) is amended—

20 (A) by striking “on the date” and all that
21 follows through “23” and inserting “to remain
22 eligible until they attain 26”; and

23 (B) by inserting “, but in no event may a
24 youth participate in the program for more than

1 5 years (whether or not consecutive)” before
2 the period.

3 (2) CONFORMING AMENDMENT.—Section
4 477(i)(1) of such Act (42 U.S.C. 677(i)(1)) is
5 amended by inserting “who have attained 14 years
6 of age” before the period.

7 (d) OTHER IMPROVEMENTS.—Section 477 of such
8 Act (42 U.S.C. 677), as amended by subsections (a), (b),
9 and (c) of this section, is amended—

10 (1) in the section heading, by striking “**INDE-**
11 **PENDENCE PROGRAM**” and inserting “**PROGRAM**
12 **FOR SUCCESSFUL TRANSITION TO ADULT-**
13 **HOOD**”;

14 (2) in subsection (a)—

15 (A) in paragraph (1)—

16 (i) by striking “identify children who
17 are likely to remain in foster care until 18
18 years of age and to help these children
19 make the transition to self-sufficiency by
20 providing services” and inserting “support
21 all youth who have experienced foster care
22 at age 14 or older in their transition to
23 adulthood through transitional services”;

1 (ii) by inserting “and post-secondary
2 education” after “high school diploma”;
3 and

4 (iii) by striking “training in daily liv-
5 ing skills, training in budgeting and finan-
6 cial management skills” and inserting
7 “training and opportunities to practice
8 daily living skills (such as financial literacy
9 training and driving instruction)”;

10 (B) in paragraph (2), by striking “who are
11 likely to remain in foster care until 18 years of
12 age receive the education, training, and services
13 necessary to obtain employment” and inserting
14 “who have experienced foster care at age 14 or
15 older achieve meaningful, permanent connec-
16 tions with a caring adult”;

17 (C) in paragraph (3), by striking “who are
18 likely to remain in foster care until 18 years of
19 age prepare for and enter postsecondary train-
20 ing and education institutions” and inserting
21 “who have experienced foster care at age 14 or
22 older engage in age or developmentally appro-
23 priate activities, positive youth development,
24 and experiential learning that reflects what
25 their peers in intact families experience”; and

1 (D) by striking paragraph (4) and redesignig-
2 nating paragraphs (5) through (8) as para-
3 graphs (4) through (7);

4 (3) in subsection (b)—

5 (A) in paragraph (2)(D), by striking “ado-
6 lescents” and inserting “youth”; and

7 (B) in paragraph (3)—

8 (i) in subparagraph (D)—

9 (I) by inserting “including train-
10 ing on youth development” after “to
11 provide training”; and

12 (II) by striking “adolescents pre-
13 paring for independent living” and all
14 that follows through the period and
15 inserting “youth preparing for a suc-
16 cessful transition to adulthood and
17 making a permanent connection with
18 a caring adult.”;

19 (ii) in subparagraph (H), by striking
20 “adolescents” each place it appears and in-
21 serting “youth”; and

22 (iii) in subparagraph (K)—

23 (I) by striking “an adolescent”
24 and inserting “a youth”; and

1 (II) by striking “the adolescent”
2 each place it appears and inserting
3 “the youth”; and

4 (4) in subsection (f), by striking paragraph (2)
5 and inserting the following:

6 “(2) REPORT TO CONGRESS.—Not later than
7 October 1, 2019, the Secretary shall submit to the
8 Committee on Ways and Means of the House of
9 Representatives and the Committee on Finance of
10 the Senate a report on the National Youth in Tran-
11 sition Database and any other databases in which
12 States report outcome measures relating to children
13 in foster care and children who have aged out of fos-
14 ter care or left foster care for kinship guardianship
15 or adoption. The report shall include the following:

16 “(A) A description of the reasons for entry
17 into foster care and of the foster care experi-
18 ences, such as length of stay, number of place-
19 ment settings, case goal, and discharge reason
20 of 17-year-olds who are surveyed by the Na-
21 tional Youth in Transition Database and an
22 analysis of the comparison of that description
23 with the reasons for entry and foster care expe-
24 riences of children of other ages who exit from
25 foster care before attaining age 17.

1 “(B) A description of the characteristics of
2 the individuals who report poor outcomes at
3 ages 19 and 21 to the National Youth in Tran-
4 sition Database.

5 “(C) Benchmarks for determining what
6 constitutes a poor outcome for youth who re-
7 main in or have exited from foster care and
8 plans the executive branch will take to incor-
9 porate these benchmarks in efforts to evaluate
10 child welfare agency performance in providing
11 services to children transitioning from foster
12 care.

13 “(D) An analysis of the association be-
14 tween types of placement, number of overall
15 placements, time spent in foster care, and other
16 factors, and outcomes at ages 19 and 21.

17 “(E) An analysis of the differences in out-
18 comes for children in and formerly in foster
19 care at age 19 and 21 among States.”.

20 (e) CLARIFYING DOCUMENTATION PROVIDED TO
21 FOSTER YOUTH LEAVING FOSTER CARE.—Section
22 475(5)(I) of such Act (42 U.S.C. 675(5)(I)) is amended
23 by inserting after “REAL ID Act of 2005” the following:
24 “, and any official documentation necessary to prove that
25 the child was 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 Secu-
7 rity 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”
13 and inserting “2021”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 subsection (a) shall take effect as if enacted on October
16 1, 2017.

17 **CHAPTER 5—TECHNICAL CORRECTIONS**

18 **SEC. 2667. TECHNICAL CORRECTIONS TO DATA EXCHANGE**
19 **STANDARDS TO IMPROVE PROGRAM COORDI-**
20 **NATION.**

21 (a) IN GENERAL.—Section 440 of the Social Security
22 Act (42 U.S.C. 629m) is amended to read as follows:

1 **“SEC. 440. DATA EXCHANGE STANDARDS FOR IMPROVED**
2 **INTEROPERABILITY.**

3 “(a) DESIGNATION.—The Secretary shall, in con-
4 sultation with an interagency work group established by
5 the Office of Management and Budget and considering
6 State government perspectives, by rule, designate data ex-
7 change standards to govern, under this part and part E—

8 “(1) necessary categories of information that
9 State agencies operating programs under State
10 plans approved under this part are required under
11 applicable Federal law to electronically exchange
12 with another State agency; and

13 “(2) Federal reporting and data exchange re-
14 quired under applicable Federal law.

15 “(b) REQUIREMENTS.—The data exchange standards
16 required by paragraph (1) shall, to the extent prac-
17 ticable—

18 “(1) incorporate a widely accepted, non-propri-
19 etary, searchable, computer-readable format, such as
20 the Extensible Markup Language;

21 “(2) contain interoperable standards developed
22 and maintained by intergovernmental partnerships,
23 such as the National Information Exchange Model;

24 “(3) incorporate interoperable standards devel-
25 oped and maintained by Federal entities with au-
26 thority over contracting and financial assistance;

1 “(4) be consistent with and implement applica-
2 ble accounting principles;

3 “(5) be implemented in a manner that is cost-
4 effective and improves program efficiency and effec-
5 tiveness; and

6 “(6) be capable of being continually upgraded
7 as necessary.

8 “(c) RULE OF CONSTRUCTION.—Nothing in this sub-
9 section shall be construed to require a change to existing
10 data exchange standards found to be effective and effi-
11 cient.”.

12 (b) EFFECTIVE DATE.—Not later than the date that
13 is 24 months after the date of the enactment of this sec-
14 tion, the Secretary of Health and Human Services shall
15 issue a proposed rule that—

16 (1) identifies federally required data exchanges,
17 include specification and timing of exchanges to be
18 standardized, and address the factors used in deter-
19 mining whether and when to standardize data ex-
20 changes; and

21 (2) specifies State implementation options and
22 describes future milestones.

1 **SEC. 2668. TECHNICAL CORRECTIONS TO STATE REQUIRE-**
2 **MENT TO ADDRESS THE DEVELOPMENTAL**
3 **NEEDS OF YOUNG CHILDREN.**

4 Section 422(b)(18) of the Social Security Act (42
5 U.S.C. 622(b)(18)) is amended by striking “such chil-
6 dren” and inserting “all vulnerable children under 5 years
7 of age”.

8 **CHAPTER 6—ENSURING STATES REIN-**
9 **VEST SAVINGS RESULTING FROM IN-**
10 **CREASE IN ADOPTION ASSISTANCE**

11 **SEC. 2669. DELAY OF ADOPTION ASSISTANCE PHASE-IN.**

12 (a) IN GENERAL.—The table in section 473(e)(1)(B)
13 of the Social Security Act (42 U.S.C. 673(e)(1)(B)) is
14 amended by striking the last 2 rows and inserting the fol-
15 lowing:

“2017 through 2023	2
2024	2 (or, in the case of a child for whom an adoption assistance agreement is entered into under this section on or after July 1, 2024, any age)
2025 or thereafter	any age.”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall take effect on January 1, 2018.

1 **SEC. 2670. GAO STUDY AND REPORT ON STATE REINVEST-**
2 **MENT OF SAVINGS RESULTING FROM IN-**
3 **CREASE IN ADOPTION ASSISTANCE.**

4 (a) STUDY.—The Comptroller General of the United
5 States shall study the extent to which States are com-
6 plying with the requirements of section 473(a)(8) of the
7 Social Security Act relating to the effects of phasing out
8 the AFDC income eligibility requirements for adoption as-
9 sistance payments under section 473 of the Social Security
10 Act, as enacted by section 402 of the Fostering Conne-
11 ctions to Success and Increasing Adoptions Act of 2008
12 (Public Law 110–351; 122 Stat. 3975) and amended by
13 section 206 of the Preventing Sex Trafficking and
14 Strengthening Families Act (Public Law 113–183; 128
15 Stat. 1919). In particular, the Comptroller General shall
16 analyze the extent to which States are complying with the
17 following requirements under section 473(a)(8)(D) of the
18 Social Security Act:

19 (1) The requirement to spend an amount equal
20 to the amount of the savings (if any) in State ex-
21 penditures under part E of title IV of the Social Se-
22 curity Act resulting from phasing out the AFDC in-
23 come eligibility requirements for adoption assistance
24 payments under section 473 of such Act to provide
25 to children of families any service that may be pro-
26 vided under part B or E of title IV of such Act.

1 (2) The requirement that a State shall spend
2 not less than 30 percent of the amount of any sav-
3 ings described in paragraph (1) on post-adoption
4 services, post-guardianship services, and services to
5 support and sustain positive permanent outcomes for
6 children who otherwise might enter into foster care
7 under the responsibility of the State, with at least $\frac{2}{3}$
8 of the spending by the State to comply with the 30
9 percent requirement being spent on post-adoption
10 and post-guardianship services.

11 (b) REPORT.—The Comptroller General of the
12 United States shall submit to the Committee on Finance
13 of the Senate, the Committee on Ways and Means of the
14 House of Representatives, and the Secretary of Health
15 and Human Services a report that contains the results of
16 the study required by subsection (a), including rec-
17 ommendations to ensure compliance with laws referred to
18 in subsection (a).

19 **Subtitle B—Supporting Social Im-**
20 **pact Partnerships to Pay for Re-**
21 **sults**

22 **SEC. 2681. SUPPORTING SOCIAL IMPACT PARTNERSHIPS TO**
23 **PAY FOR RESULTS.**

24 Title XX of the Social Security Act (42 U.S.C. 1397
25 et seq.) is amended—

1 (1) in the title heading, by striking “TO
2 STATES” and inserting “AND PROGRAMS”; and

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

4 “Subtitle C—Social Impact Demonstration Projects

5 “PURPOSES

6 “SEC. 2051. The purposes of this subtitle are the fol-
7 lowing:

8 “(1) To improve the lives of families and indi-
9 viduals in need in the United States by funding so-
10 cial programs that achieve real results.

11 “(2) To redirect funds away from programs
12 that, based on objective data, are ineffective, and
13 into programs that achieve demonstrable, measur-
14 able results.

15 “(3) To ensure Federal funds are used effec-
16 tively on social services to produce positive outcomes
17 for both service recipients and taxpayers.

18 “(4) To establish the use of social impact part-
19 nerships to address some of our Nation’s most
20 pressing problems.

21 “(5) To facilitate the creation of public-private
22 partnerships that bundle philanthropic or other pri-
23 vate resources with existing public spending to scale
24 up effective social interventions already being imple-
25 mented by private organizations, nonprofits, chari-

1 table organizations, and State and local governments
2 across the country.

3 “(6) To bring pay-for-performance to the social
4 sector, allowing the United States to improve the im-
5 pact and effectiveness of vital social services pro-
6 grams while redirecting inefficient or duplicative
7 spending.

8 “(7) To incorporate outcomes measurement and
9 randomized controlled trials or other rigorous meth-
10 odologies for assessing program impact.

11 “SOCIAL IMPACT PARTNERSHIP APPLICATION

12 “SEC. 2052. (a) NOTICE.—Not later than 1 year
13 after the date of the enactment of this subtitle, the Sec-
14 retary of the Treasury, in consultation with the Federal
15 Interagency Council on Social Impact Partnerships, shall
16 publish in the Federal Register a request for proposals
17 from States or local governments for social impact part-
18 nership projects in accordance with this section.

19 “(b) REQUIRED OUTCOMES FOR SOCIAL IMPACT
20 PARTNERSHIP PROJECT.—To qualify as a social impact
21 partnership project under this subtitle, a project must
22 produce one or more measurable, clearly defined outcomes
23 that result in social benefit and Federal, State, or local
24 savings through any of the following:

1 “(1) Increasing work and earnings by individ-
2 uals in the United States who are unemployed for
3 more than 6 consecutive months.

4 “(2) Increasing employment and earnings of in-
5 dividuals who have attained 16 years of age but not
6 25 years of age.

7 “(3) Increasing employment among individuals
8 receiving Federal disability benefits.

9 “(4) Reducing the dependence of low-income
10 families on Federal means-tested benefits.

11 “(5) Improving rates of high school graduation.

12 “(6) Reducing teen and unplanned pregnancies.

13 “(7) Improving birth outcomes and early child-
14 hood health and development among low-income
15 families and individuals.

16 “(8) Reducing rates of asthma, diabetes, or
17 other preventable diseases among low-income fami-
18 lies and individuals to reduce the utilization of emer-
19 gency and other high-cost care.

20 “(9) Increasing the proportion of children living
21 in two-parent families.

22 “(10) Reducing incidences and adverse con-
23 sequences of child abuse and neglect.

24 “(11) Reducing the number of youth in foster
25 care by increasing adoptions, permanent guardian-

1 ship arrangements, reunifications, or placements
2 with a fit and willing relative, or by avoiding placing
3 children in foster care by ensuring they can be cared
4 for safely in their own homes.

5 “(12) Reducing the number of children and
6 youth in foster care residing in group homes, child
7 care institutions, agency-operated foster homes, or
8 other non-family foster homes, unless it is deter-
9 mined that it is in the interest of the child’s long-
10 term health, safety, or psychological well-being to
11 not be placed in a family foster home.

12 “(13) Reducing the number of children return-
13 ing to foster care.

14 “(14) Reducing recidivism among juvenile of-
15 fenders, individuals released from prison, or other
16 high-risk populations.

17 “(15) Reducing the rate of homelessness among
18 our most vulnerable populations.

19 “(16) Improving the health and well-being of
20 those with mental, emotional, and behavioral health
21 needs.

22 “(17) Improving the educational outcomes of
23 special-needs or low-income children.

24 “(18) Improving the employment and well-being
25 of returning United States military members.

1 “(19) Increasing the financial stability of low-
2 income families.

3 “(20) Increasing the independence and employ-
4 ability of individuals who are physically or mentally
5 disabled.

6 “(21) Other measurable outcomes defined by
7 the State or local government that result in positive
8 social outcomes and Federal savings.

9 “(c) APPLICATION REQUIRED.—The notice described
10 in subsection (a) shall require a State or local government
11 to submit an application for the social impact partnership
12 project that addresses the following:

13 “(1) The outcome goals of the project.

14 “(2) A description of each intervention in the
15 project and anticipated outcomes of the intervention.

16 “(3) Rigorous evidence demonstrating that the
17 intervention can be expected to produce the desired
18 outcomes.

19 “(4) The target population that will be served
20 by the project.

21 “(5) The expected social benefits to participants
22 who receive the intervention and others who may be
23 impacted.

24 “(6) Projected Federal, State, and local govern-
25 ment costs and other costs to conduct the project.

1 “(7) Projected Federal, State, and local govern-
2 ment savings and other savings, including an esti-
3 mate of the savings to the Federal Government, on
4 a program-by-program basis and in the aggregate, if
5 the project is implemented and the outcomes are
6 achieved as a result of the intervention.

7 “(8) If savings resulting from the successful
8 completion of the project are estimated to accrue to
9 the State or local government, the likelihood of the
10 State or local government to realize those savings.

11 “(9) A plan for delivering the intervention
12 through a social impact partnership model.

13 “(10) A description of the expertise of each
14 service provider that will administer the intervention,
15 including a summary of the experience of the service
16 provider in delivering the proposed intervention or a
17 similar intervention, or demonstrating that the serv-
18 ice provider has the expertise necessary to deliver
19 the proposed intervention.

20 “(11) An explanation of the experience of the
21 State or local government, the intermediary, or the
22 service provider in raising private and philanthropic
23 capital to fund social service investments.

24 “(12) The detailed roles and responsibilities of
25 each entity involved in the project, including any

1 State or local government entity, intermediary, serv-
2 ice provider, independent evaluator, investor, or
3 other stakeholder.

4 “(13) A summary of the experience of the serv-
5 ice provider in delivering the proposed intervention
6 or a similar intervention, or a summary dem-
7 onstrating the service provider has the expertise nec-
8 essary to deliver the proposed intervention.

9 “(14) A summary of the unmet need in the
10 area where the intervention will be delivered or
11 among the target population who will receive the
12 intervention.

13 “(15) The proposed payment terms, the meth-
14 odology used to calculate outcome payments, the
15 payment schedule, and performance thresholds.

16 “(16) The project budget.

17 “(17) The project timeline.

18 “(18) The criteria used to determine the eligi-
19 bility of an individual for the project, including how
20 selected populations will be identified, how they will
21 be referred to the project, and how they will be en-
22 rolled in the project.

23 “(19) The evaluation design.

24 “(20) The metrics that will be used in the eval-
25 uation to determine whether the outcomes have been

1 achieved as a result of the intervention and how the
2 metrics will be measured.

3 “(21) An explanation of how the metrics used
4 in the evaluation to determine whether the outcomes
5 achieved as a result of the intervention are inde-
6 pendent, objective indicators of impact and are not
7 subject to manipulation by the service provider,
8 intermediary, or investor.

9 “(22) A summary explaining the independence
10 of the evaluator from the other entities involved in
11 the project and the evaluator’s experience in con-
12 ducting rigorous evaluations of program effective-
13 ness including, where available, well-implemented
14 randomized controlled trials on the intervention or
15 similar interventions.

16 “(23) The capacity of the service provider to
17 deliver the intervention to the number of partici-
18 pants the State or local government proposes to
19 serve in the project.

20 “(24) A description of whether and how the
21 State or local government and service providers plan
22 to sustain the intervention, if it is timely and appro-
23 priate to do so, to ensure that successful interven-
24 tions continue to operate after the period of the so-
25 cial impact partnership.

1 “(d) PROJECT INTERMEDIARY INFORMATION RE-
2 QUIRED.—The application described in subsection (c) shall
3 also contain the following information about any inter-
4 mediary for the social impact partnership project (whether
5 an intermediary is a service provider or other entity):

6 “(1) Experience and capacity for providing or
7 facilitating the provision of the type of intervention
8 proposed.

9 “(2) The mission and goals.

10 “(3) Information on whether the intermediary
11 is already working with service providers that pro-
12 vide this intervention or an explanation of the capac-
13 ity of the intermediary to begin working with service
14 providers to provide the intervention.

15 “(4) Experience working in a collaborative envi-
16 ronment across government and nongovernmental
17 entities.

18 “(5) Previous experience collaborating with
19 public or private entities to implement evidence-
20 based programs.

21 “(6) Ability to raise or provide funding to cover
22 operating costs (if applicable to the project).

23 “(7) Capacity and infrastructure to track out-
24 comes and measure results, including—

1 “(A) capacity to track and analyze pro-
2 gram performance and assess program impact;
3 and

4 “(B) experience with performance-based
5 awards or performance-based contracting and
6 achieving project milestones and targets.

7 “(8) Role in delivering the intervention.

8 “(9) How the intermediary would monitor pro-
9 gram success, including a description of the interim
10 benchmarks and outcome measures.

11 “(e) FEASIBILITY STUDIES FUNDED THROUGH
12 OTHER SOURCES.—The notice described in subsection (a)
13 shall permit a State or local government to submit an ap-
14 plication for social impact partnership funding that con-
15 tains information from a feasibility study developed for
16 purposes other than applying for funding under this sub-
17 title.

18 “AWARDING SOCIAL IMPACT PARTNERSHIP AGREEMENTS
19 “SEC. 2053. (a) TIMELINE IN AWARDING AGREE-
20 MENT.—Not later than 6 months after receiving an appli-
21 cation in accordance with section 2052, the Secretary, in
22 consultation with the Federal Interagency Council on So-
23 cial Impact Partnerships, shall determine whether to enter
24 into an agreement for a social impact partnership project
25 with a State or local government.

1 “(b) CONSIDERATIONS IN AWARDING AGREEMENT.—

2 In determining whether to enter into an agreement for a
3 social impact partnership project (the application for
4 which was submitted under section 2052) the Secretary,
5 in consultation with the Federal Interagency Council on
6 Social Impact Partnerships and the head of any Federal
7 agency administering a similar intervention or serving a
8 population similar to that served by the project, shall con-
9 sider each of the following:

10 “(1) The recommendations made by the Com-
11 mission on Social Impact Partnerships.

12 “(2) The value to the Federal Government of
13 the outcomes expected to be achieved if the outcomes
14 specified in the agreement are achieved as a result
15 of the intervention.

16 “(3) The likelihood, based on evidence provided
17 in the application and other evidence, that the State
18 or local government in collaboration with the inter-
19 mediary and the service providers will achieve the
20 outcomes.

21 “(4) The savings to the Federal Government if
22 the outcomes specified in the agreement are achieved
23 as a result of the intervention.

1 “(5) The savings to the State and local govern-
2 ments if the outcomes specified in the agreement are
3 achieved as a result of the intervention.

4 “(6) The expected quality of the evaluation that
5 would be conducted with respect to the agreement.

6 “(7) The capacity and commitment of the State
7 or local government to sustain the intervention, if
8 appropriate and timely and if the intervention is suc-
9 cessful, beyond the period of the social impact part-
10 nership.

11 “(c) AGREEMENT AUTHORITY.—

12 “(1) AGREEMENT REQUIREMENTS.—In accord-
13 ance with this section, the Secretary, in consultation
14 with the Federal Interagency Council on Social Im-
15 pact Partnerships and the head of any Federal agen-
16 cy administering a similar intervention or serving a
17 population similar to that served by the project, may
18 enter into an agreement for a social impact partner-
19 ship project with a State or local government if the
20 Secretary, in consultation with the Federal Inter-
21 agency Council on Social Impact Partnerships, de-
22 termines that each of the following requirements are
23 met:

24 “(A) The State or local government agrees
25 to achieve one or more outcomes as a result of

1 the intervention, as specified in the agreement
2 and validated by independent evaluation, in
3 order to receive payment.

4 “(B) The Federal payment to the State or
5 local government for each specified outcome
6 achieved as a result of the intervention is less
7 than or equal to the value of the outcome to the
8 Federal Government over a period not to exceed
9 10 years, as determined by the Secretary, in
10 consultation with the State or local government.

11 “(C) The duration of the project does not
12 exceed 10 years.

13 “(D) The State or local government has
14 demonstrated, through the application sub-
15 mitted under section 2052, that, based on prior
16 rigorous experimental evaluations or rigorous
17 quasi-experimental studies, the intervention can
18 be expected to achieve each outcome specified in
19 the agreement.

20 “(E) The State, local government, inter-
21 mediary, or service provider has experience rais-
22 ing private or philanthropic capital to fund so-
23 cial service investments (if applicable to the
24 project).

1 “(F) The State or local government has
2 shown that each service provider has experience
3 delivering the intervention, a similar interven-
4 tion, or has otherwise demonstrated the exper-
5 tise necessary to deliver the intervention.

6 “(2) PAYMENT.—The Secretary shall pay the
7 State or local government only if the independent
8 evaluator described in section 2055 determines that
9 the social impact partnership project has met the re-
10 quirements specified in the agreement and achieved
11 an outcome as a result of the intervention, as speci-
12 fied in the agreement and validated by independent
13 evaluation.

14 “(d) NOTICE OF AGREEMENT AWARD.—Not later
15 than 30 days after entering into an agreement under this
16 section the Secretary shall publish a notice in the Federal
17 Register that includes, with regard to the agreement, the
18 following:

19 “(1) The outcome goals of the social impact
20 partnership project.

21 “(2) A description of each intervention in the
22 project.

23 “(3) The target population that will be served
24 by the project.

1 “(4) The expected social benefits to participants
2 who receive the intervention and others who may be
3 impacted.

4 “(5) The detailed roles, responsibilities, and
5 purposes of each Federal, State, or local government
6 entity, intermediary, service provider, independent
7 evaluator, investor, or other stakeholder.

8 “(6) The payment terms, the methodology used
9 to calculate outcome payments, the payment sched-
10 ule, and performance thresholds.

11 “(7) The project budget.

12 “(8) The project timeline.

13 “(9) The project eligibility criteria.

14 “(10) The evaluation design.

15 “(11) The metrics that will be used in the eval-
16 uation to determine whether the outcomes have been
17 achieved as a result of each intervention and how
18 these metrics will be measured.

19 “(12) The estimate of the savings to the Fed-
20 eral, State, and local government, on a program-by-
21 program basis and in the aggregate, if the agree-
22 ment is entered into and implemented and the out-
23 comes are achieved as a result of each intervention.

24 “(e) AUTHORITY TO TRANSFER ADMINISTRATION OF
25 AGREEMENT.—The Secretary may transfer to the head of

1 another Federal agency the authority to administer (in-
2 cluding making payments under) an agreement entered
3 into under subsection (c), and any funds necessary to do
4 so.

5 “(f) REQUIREMENT ON FUNDING USED TO BENEFIT
6 CHILDREN.—Not less than 50 percent of all Federal pay-
7 ments made to carry out agreements under this section
8 shall be used for initiatives that directly benefit children.

9 “FEASIBILITY STUDY FUNDING

10 “SEC. 2054. (a) REQUESTS FOR FUNDING FOR FEA-
11 SIBILITY STUDIES.—The Secretary shall reserve a portion
12 of the amount made available to carry out this subtitle
13 to assist States or local governments in developing feasi-
14 bility studies to apply for social impact partnership fund-
15 ing under section 2052. To be eligible to receive funding
16 to assist with completing a feasibility study, a State or
17 local government shall submit an application for feasibility
18 study funding addressing the following:

19 “(1) A description of the outcome goals of the
20 social impact partnership project.

21 “(2) A description of the intervention, including
22 anticipated program design, target population, an
23 estimate regarding the number of individuals to be
24 served, and setting for the intervention.

25 “(3) Evidence to support the likelihood that the
26 intervention will produce the desired outcomes.

1 “(4) A description of the potential metrics to be
2 used.

3 “(5) The expected social benefits to participants
4 who receive the intervention and others who may be
5 impacted.

6 “(6) Estimated costs to conduct the project.

7 “(7) Estimates of Federal, State, and local gov-
8 ernment savings and other savings if the project is
9 implemented and the outcomes are achieved as a re-
10 sult of each intervention.

11 “(8) An estimated timeline for implementation
12 and completion of the project, which shall not exceed
13 10 years.

14 “(9) With respect to a project for which the
15 State or local government selects an intermediary to
16 operate the project, any partnerships needed to suc-
17 cessfully execute the project and the ability of the
18 intermediary to foster the partnerships.

19 “(10) The expected resources needed to com-
20 plete the feasibility study for the State or local gov-
21 ernment to apply for social impact partnership fund-
22 ing under section 2052.

23 “(b) FEDERAL SELECTION OF APPLICATIONS FOR
24 FEASIBILITY STUDY.—Not later than 6 months after re-
25 ceiving an application for feasibility study funding under

1 subsection (a), the Secretary, in consultation with the
2 Federal Interagency Council on Social Impact Partner-
3 ships and the head of any Federal agency administering
4 a similar intervention or serving a population similar to
5 that served by the project, shall select State or local gov-
6 ernment feasibility study proposals for funding based on
7 the following:

8 “(1) The recommendations made by the Com-
9 mission on Social Impact Partnerships.

10 “(2) The likelihood that the proposal will
11 achieve the desired outcomes.

12 “(3) The value of the outcomes expected to be
13 achieved as a result of each intervention.

14 “(4) The potential savings to the Federal Gov-
15 ernment if the social impact partnership project is
16 successful.

17 “(5) The potential savings to the State and
18 local governments if the project is successful.

19 “(c) PUBLIC DISCLOSURE.—Not later than 30 days
20 after selecting a State or local government for feasibility
21 study funding under this section, the Secretary shall cause
22 to be published on the website of the Federal Interagency
23 Council on Social Impact Partnerships information ex-
24 plaining why a State or local government was granted fea-
25 sibility study funding.

1 “(d) FUNDING RESTRICTION.—

2 “(1) FEASIBILITY STUDY RESTRICTION.—The
3 Secretary may not provide feasibility study funding
4 under this section for more than 50 percent of the
5 estimated total cost of the feasibility study reported
6 in the State or local government application sub-
7 mitted under subsection (a).

8 “(2) AGGREGATE RESTRICTION.—Of the total
9 amount made available to carry out this subtitle, the
10 Secretary may not use more than \$10,000,000 to
11 provide feasibility study funding to States or local
12 governments under this section.

13 “(3) NO GUARANTEE OF FUNDING.—The Sec-
14 retary shall have the option to award no funding
15 under this section.

16 “(e) SUBMISSION OF FEASIBILITY STUDY RE-
17 QUIRED.—Not later than 9 months after the receipt of
18 feasibility study funding under this section, a State or
19 local government receiving the funding shall complete the
20 feasibility study and submit the study to the Federal
21 Interagency Council on Social Impact Partnerships.

22 “(f) DELEGATION OF AUTHORITY.—The Secretary
23 may transfer to the head of another Federal agency the
24 authorities provided in this section and any funds nec-
25 essary to exercise the authorities.

1 “EVALUATIONS

2 “SEC. 2055. (a) AUTHORITY TO ENTER INTO
3 AGREEMENTS.—For each State or local government
4 awarded a social impact partnership project approved by
5 the Secretary under this subtitle, the head of the relevant
6 agency, as recommended by the Federal Interagency
7 Council on Social Impact Partnerships and determined by
8 the Secretary, shall enter into an agreement with the State
9 or local government to pay for all or part of the inde-
10 pendent evaluation to determine whether the State or local
11 government project has achieved a specific outcome as a
12 result of the intervention in order for the State or local
13 government to receive outcome payments under this sub-
14 title.

15 “(b) EVALUATOR QUALIFICATIONS.—The head of the
16 relevant agency may not enter into an agreement with a
17 State or local government unless the head determines that
18 the evaluator is independent of the other parties to the
19 agreement and has demonstrated substantial experience in
20 conducting rigorous evaluations of program effectiveness
21 including, where available and appropriate, well-imple-
22 mented randomized controlled trials on the intervention or
23 similar interventions.

24 “(c) METHODOLOGIES TO BE USED.—The evaluation
25 used to determine whether a State or local government

1 will receive outcome payments under this subtitle shall use
2 experimental designs using random assignment or other
3 reliable, evidence-based research methodologies, as cer-
4 tified by the Federal Interagency Council on Social Impact
5 Partnerships, that allow for the strongest possible causal
6 inferences when random assignment is not feasible.

7 “(d) PROGRESS REPORT.—

8 “(1) SUBMISSION OF REPORT.—The inde-
9 pendent evaluator shall—

10 “(A) not later than 2 years after a project
11 has been approved by the Secretary and bian-
12 nually thereafter until the project is concluded,
13 submit to the head of the relevant agency and
14 the Federal Interagency Council on Social Im-
15 pact Partnerships a written report summarizing
16 the progress that has been made in achieving
17 each outcome specified in the agreement; and

18 “(B) before the scheduled time of the first
19 outcome payment and before the scheduled time
20 of each subsequent payment, submit to the
21 head of the relevant agency and the Federal
22 Interagency Council on Social Impact Partner-
23 ships a written report that includes the results
24 of the evaluation conducted to determine wheth-
25 er an outcome payment should be made along

1 with information on the unique factors that
2 contributed to achieving or failing to achieve
3 the outcome, the challenges faced in attempting
4 to achieve the outcome, and information on the
5 improved future delivery of this or similar inter-
6 ventions.

7 “(2) SUBMISSION TO THE SECRETARY AND
8 CONGRESS.—Not later than 30 days after receipt of
9 the written report pursuant to paragraph (1)(B), the
10 Federal Interagency Council on Social Impact Part-
11 nerships shall submit the report to the Secretary
12 and each committee of jurisdiction in the House of
13 Representatives and the Senate.

14 “(e) FINAL REPORT.—

15 “(1) SUBMISSION OF REPORT.—Within 6
16 months after the social impact partnership project is
17 completed, the independent evaluator shall—

18 “(A) evaluate the effects of the activities
19 undertaken pursuant to the agreement with re-
20 gard to each outcome specified in the agree-
21 ment; and

22 “(B) submit to the head of the relevant
23 agency and the Federal Interagency Council on
24 Social Impact Partnerships a written report
25 that includes the results of the evaluation and

1 the conclusion of the evaluator as to whether
2 the State or local government has fulfilled each
3 obligation of the agreement, along with infor-
4 mation on the unique factors that contributed
5 to the success or failure of the project, the chal-
6 lenges faced in attempting to achieve the out-
7 come, and information on the improved future
8 delivery of this or similar interventions.

9 “(2) SUBMISSION TO THE SECRETARY AND
10 CONGRESS.—Not later than 30 days after receipt of
11 the written report pursuant to paragraph (1)(B), the
12 Federal Interagency Council on Social Impact Part-
13 nerships shall submit the report to the Secretary
14 and each committee of jurisdiction in the House of
15 Representatives and the Senate.

16 “(f) LIMITATION ON COST OF EVALUATIONS.—Of
17 the amount made available under this subtitle for social
18 impact partnership projects, the Secretary may not obli-
19 gate more than 15 percent to evaluate the implementation
20 and outcomes of the projects.

21 “(g) DELEGATION OF AUTHORITY.—The Secretary
22 may transfer to the head of another Federal agency the
23 authorities provided in this section and any funds nec-
24 essary to exercise the authorities.

1 “FEDERAL INTERAGENCY COUNCIL ON SOCIAL IMPACT
2 PARTNERSHIPS

3 “SEC. 2056. (a) ESTABLISHMENT.—There is estab-
4 lished the Federal Interagency Council on Social Impact
5 Partnerships (in this section referred to as the ‘Council’)
6 to—

7 “(1) coordinate with the Secretary on the ef-
8 forts of social impact partnership projects funded
9 under this subtitle;

10 “(2) advise and assist the Secretary in the de-
11 velopment and implementation of the projects;

12 “(3) advise the Secretary on specific pro-
13 grammatic and policy matter related to the projects;

14 “(4) provide subject-matter expertise to the
15 Secretary with regard to the projects;

16 “(5) certify to the Secretary that each State or
17 local government that has entered into an agreement
18 with the Secretary for a social impact partnership
19 project under this subtitle and each evaluator se-
20 lected by the head of the relevant agency under sec-
21 tion 2055 has access to Federal administrative data
22 to assist the State or local government and the eval-
23 uator in evaluating the performance and outcomes of
24 the project;

1 “(6) address issues that will influence the fu-
2 ture of social impact partnership projects in the
3 United States;

4 “(7) provide guidance to the executive branch
5 on the future of social impact partnership projects
6 in the United States;

7 “(8) prior to approval by the Secretary, certify
8 that each State and local government application for
9 a social impact partnership contains rigorous, inde-
10 pendent data and reliable, evidence-based research
11 methodologies to support the conclusion that the
12 project will yield savings to the State or local gov-
13 ernment or the Federal Government if the project
14 outcomes are achieved;

15 “(9) certify to the Secretary, in the case of each
16 approved social impact partnership that is expected
17 to yield savings to the Federal Government, that the
18 project will yield a projected savings to the Federal
19 Government if the project outcomes are achieved,
20 and coordinate with the relevant Federal agency to
21 produce an after-action accounting once the project
22 is complete to determine the actual Federal savings
23 realized, and the extent to which actual savings
24 aligned with projected savings; and

1 “(10) provide periodic reports to the Secretary
2 and make available reports periodically to Congress
3 and the public on the implementation of this sub-
4 title.

5 “(b) COMPOSITION OF COUNCIL.—The Council shall
6 have 11 members, as follows:

7 “(1) CHAIR.—The Chair of the Council shall be
8 the Director of the Office of Management and Budg-
9 et.

10 “(2) OTHER MEMBERS.—The head of each of
11 the following entities shall designate one officer or
12 employee 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
6 be 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
11 and the Federal Interagency Council on Social Im-
12 pact Partnerships regarding the funding of social
13 impact partnership agreements and feasibility stud-
14 ies; and

15 “(3) provide other assistance and information
16 as requested by the Secretary or the Federal Inter-
17 agency Council on Social Impact Partnerships.

18 “(c) COMPOSITION.—The Commission shall be com-
19 posed of nine members, of whom—

20 “(1) one shall be appointed by the President,
21 who will serve as the Chair of the Commission;

22 “(2) one shall be appointed by the Majority
23 Leader of the Senate;

24 “(3) one shall be appointed by the Minority
25 Leader of the Senate;

1 “(4) one shall be appointed by the Speaker of
2 the 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
8 member 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
13 member of the Committee on Ways and Means of
14 the 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 ex-
20 perience 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 so-
23 cial impact partnership projects to determine wheth-
24 er the proposed metrics and evaluation methodolo-

gies are appropriately rigorous and reliant upon independent data and evidence-based research.

“(e) TIMING OF APPOINTMENTS.—The appointments of the members of the Commission shall be made not later than 120 days after the date of the enactment of this subtitle, or, in the event of a vacancy, not later than 90 days after the date the vacancy arises. If a member of Congress fails to appoint a member by that date, the President may select a member of the President’s choice on behalf of the member of Congress. Notwithstanding the preceding sentence, if not all appointments have been made to the Commission as of that date, the Commission may operate with no fewer than five members until all appointments have been made.

“(f) TERM OF APPOINTMENTS.—

“(1) IN GENERAL.—The members appointed under subsection (c) shall serve as follows:

“(A) Three members shall serve for 2 years.

“(B) Three members shall serve for 3 years.

“(C) Three members (one of which shall be Chair of the Commission appointed by the President) shall serve for 4 years.

1 “(2) ASSIGNMENT OF TERMS.—The Commis-
2 sion shall designate the term length that each mem-
3 ber appointed under subsection (c) shall serve by
4 unanimous agreement. In the event that unanimous
5 agreement cannot be reached, term lengths shall be
6 assigned to the members by a random process.

7 “(g) VACANCIES.—Subject to subsection (e), in the
8 event of a vacancy in the Commission, whether due to the
9 resignation of a member, the expiration of a member’s
10 term, or any other reason, the vacancy shall be filled in
11 the manner in which the original appointment was made
12 and shall not affect the powers of the Commission.

13 “(h) APPOINTMENT POWER.—Members of the Com-
14 mission appointed under subsection (c) shall not be sub-
15 ject to confirmation by the Senate.

16 “LIMITATION ON USE OF FUNDS

17 “SEC. 2058. Of the amounts made available to carry
18 out this subtitle, the Secretary may not use more than
19 \$2,000,000 in any fiscal year to support the review, ap-
20 proval, and oversight of social impact partnership projects,
21 including activities conducted by—

22 “(1) the Federal Interagency Council on Social
23 Impact Partnerships; and

24 “(2) any other agency consulted by the Sec-
25 retary before approving a social impact partnership
26 project or a feasibility study under section 2054.

1 “NO FEDERAL FUNDING FOR CREDIT ENHANCEMENTS

2 “SEC. 2059. No amount made available to carry out
3 this subtitle may be used to provide any insurance, guar-
4 antee, or other credit enhancement to a State or local gov-
5 ernment under which a Federal payment would be made
6 to a State or local government as the result of a State
7 or local government failing to achieve an outcome specified
8 in an agreement.

9 “AVAILABILITY OF FUNDS

10 “SEC. 2060. Amounts made available to carry out
11 this subtitle shall remain available until 10 years after the
12 date of the enactment of this subtitle.

13 “WEBSITE

14 “SEC. 2061. The Federal Interagency Council on So-
15 cial Impact Partnerships shall establish and maintain a
16 public website that shall display the following:

17 “(1) A copy of, or method of accessing, each
18 notice published regarding a social impact partner-
19 ship project pursuant to this subtitle.

20 “(2) A copy of each feasibility study funded
21 under this subtitle.

22 “(3) For each State or local government that
23 has entered into an agreement with the Secretary
24 for a social impact partnership project, the website
25 shall contain the following information:

26 “(A) The outcome goals of the project.

1 “(B) A description of each intervention in
2 the project.

3 “(C) The target population that will be
4 served by the project.

5 “(D) The expected social benefits to par-
6 ticipants who receive the intervention and oth-
7 ers who may be impacted.

8 “(E) The detailed roles, responsibilities,
9 and purposes of each Federal, State, or local
10 government entity, intermediary, service pro-
11 vider, independent evaluator, investor, or other
12 stakeholder.

13 “(F) The payment terms, methodology
14 used to calculate outcome payments, the pay-
15 ment schedule, and performance thresholds.

16 “(G) The project budget.

17 “(H) The project timeline.

18 “(I) The project eligibility criteria.

19 “(J) The evaluation design.

20 “(K) The metrics used to determine wheth-
21 er the proposed outcomes have been achieved
22 and how these metrics are measured.

23 “(4) A copy of the progress reports and the
24 final reports relating to each social impact partner-
25 ship project.

1 “(5) An estimate of the savings to the Federal,
2 State, and local government, on a program-by-pro-
3 gram basis and in the aggregate, resulting from the
4 successful completion of the social impact partner-
5 ship project.

6 “REGULATIONS

7 “SEC. 2062. The Secretary, in consultation with the
8 Federal Interagency Council on Social Impact Partner-
9 ships, may issue regulations as necessary to carry out this
10 subtitle.

11 “DEFINITIONS

12 “SEC. 2063. In this subtitle:

13 “(1) AGENCY.—The term ‘agency’ has the
14 meaning given that term in section 551 of title 5,
15 United States Code.

16 “(2) INTERVENTION.—The term ‘intervention’
17 means a specific service delivered to achieve an im-
18 pact through a social impact partnership project.

19 “(3) SECRETARY.—The term ‘Secretary’ means
20 the Secretary of the Treasury.

21 “(4) SOCIAL IMPACT PARTNERSHIP PROJECT.—
22 The term ‘social impact partnership project’ means
23 a project that finances social services using a social
24 impact partnership model.

1 “(5) SOCIAL IMPACT PARTNERSHIP MODEL.—

2 The term ‘social impact partnership model’ means a
3 method of financing social services in which—

4 “(A) Federal funds are awarded to a State
5 or local government only if a State or local gov-
6 ernment achieves certain outcomes agreed on by
7 the State or local government and the Sec-
8 retary; and

9 “(B) the State or local government coordi-
10 nates with service providers, investors (if appli-
11 cable to the project), and (if necessary) an
12 intermediary to identify—

13 “(i) an intervention expected to
14 produce the outcome;

15 “(ii) a service provider to deliver the
16 intervention to the target population; and

17 “(iii) investors to fund the delivery of
18 the intervention.

19 “(6) STATE.—The term ‘State’ means each
20 State of the United States, the District of Columbia,
21 each commonwealth, territory or possession of the
22 United States, and each federally recognized Indian
23 tribe.

24 “FUNDING

25 “SEC. 2064. Out of any money in the Treasury of
26 the United States not otherwise appropriated, there is

1 hereby appropriated \$92,000,000 for fiscal year 2018 to
2 carry out this subtitle.”.

3 **Subtitle C—Modernizing Child**
4 **Support Enforcement Fees**

5 **SEC. 2691. MODERNIZING CHILD SUPPORT ENFORCEMENT**
6 **FEES.**

7 (a) IN GENERAL.— Section 454(6)(B)(ii) of the So-
8 cial Security Act (42 U.S.C. 654(6)(B)(ii)) is amended—
9 (1) by striking “\$25” and inserting “\$35”; and
10 (2) by striking “\$500” each place it appears
11 and inserting “\$550”.

12 (b) EFFECTIVE DATE.—

13 (1) IN GENERAL.—The amendment made by
14 subsection (a) shall take effect on the 1st day of the
15 1st fiscal year that begins on or after the date of the
16 enactment of this Act, and shall apply to payments
17 under part D of title IV of the Social Security Act
18 for calendar quarters beginning on or after such 1st
19 day.

20 (2) DELAY PERMITTED IF STATE LEGISLATION
21 REQUIRED.—If the Secretary of Health and Human
22 Services determines that State legislation (other
23 than legislation appropriating funds) is required in
24 order for a State plan developed pursuant to part D
25 of title IV of the Social Security Act to meet the re-

1 requirement imposed by the amendment made by sub-
2 section (a), the plan shall not be regarded as failing
3 to meet the requirement before the 1st day of the
4 1st calendar quarter beginning after the first regular
5 session of the State legislature that begins after the
6 date of the enactment of this Act. For purposes of
7 the preceding sentence, if the State has a 2-year leg-
8 islative session, each year of the session is deemed
9 to be a separate regular session of the State legisla-
10 ture.

11 **Subtitle D—Increasing Efficiency**
12 **of Prison Data Reporting**

13 **SEC. 2699. INCREASING EFFICIENCY OF PRISON DATA RE-**
14 **PORTING.**

15 (a) IN GENERAL.—Section 1611(e)(1)(I)(i)(II) of the
16 Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)(II)) is
17 amended by striking “30 days” each place it appears and
18 inserting “15 days”.

19 (b) EFFECTIVE DATE.—The amendments made by
20 subsection (a) shall apply with respect to any payment
21 made by the Commissioner of Social Security pursuant to
22 section 1611(e)(1)(I)(i)(II) of the Social Security Act (as
23 amended by such subsection) on or after the date that is
24 6 months 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, 2023, 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 (ii)(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
2 and subsequent fiscal years, (IV)’’.

3 (b) MEDPAC EVALUATION AND REPORT ON HOS-
4 PITAL TO HOSPICE TRANSFERS.—

5 (1) EVALUATION.—The Medicare Payment Ad-
6 visory Commission (in this subsection referred to as
7 the “Commission”) shall conduct an evaluation of
8 the effects of the amendments made by subsection
9 (a), including 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
14 inpatient hospital setting who are discharged to
15 a hospice program;

16 (C) spending under the Medicare program
17 under title XVIII of the Social Security Act;
18 and

19 (D) other areas determined appropriate by
20 the Commission.

21 (2) CONSIDERATION.—In conducting the eval-
22 uation under paragraph (1), the Commission shall
23 consider factors such as whether the timely access to
24 hospice care by patients admitted to a hospital has

1 been affected through changes to hospital policies or
2 behaviors made as a result of such amendments.

3 (3) PRELIMINARY RESULTS.—Not later than
4 March 15, 2020, the Commission shall provide Con-
5 gress with preliminary results on the evaluation
6 being conducted under paragraph (1).

7 (4) REPORT.—Not later than March 15, 2021,
8 the Commission shall submit to Congress a report
9 on the evaluation conducted under paragraph (1).

10 **SEC. 2702. HOME HEALTH MARKET BASKET REDUCTION.**

11 Section 1895(b)(3)(B) of the Social Security Act (42
12 U.S.C. 1395fff(b)(3)(B)) is amended—

13 (1) in clause (iii), in the last sentence, by in-
14 serting before the period at the end the following:
15 “and for 2019 shall be 1.4 percent”; and

16 (2) in clause (vi), by inserting “and 2019” after
17 “except 2018”.

18 **SEC. 2703. REDUCTION FOR NON-EMERGENCY ESRD AMBU-**
19 **LANCE TRANSPORTS.**

20 Section 1834(l)(15) of the Social Security Act (42.
21 U.S.C. 1395m(l)(15)) is amended by striking “on or after
22 October 1, 2013” and inserting “during the period begin-
23 ning on October 1, 2013, and ending on September 30,
24 2018, and by 23 percent for such services furnished on
25 or 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
9 and 2018” and inserting “2017, 2018, and 2019”;
10 and

11 (2) in subsection (c)(2)—

12 (A) in subparagraph (K)(iv), by striking
13 “2017 and 2018” and inserting “2017, 2018,
14 and 2019”; and

15 (B) in subparagraph (O), by striking
16 “2018” and inserting “2019”.

17 **SEC. 2705. DELAY IN AUTHORITY TO TERMINATE CON-**
18 **TRACTS FOR MEDICARE ADVANTAGE PLANS**
19 **FAILING TO ACHIEVE MINIMUM QUALITY**
20 **RATINGS.**

21 Section 1857(h)(3) of the Social Security Act (42
22 U.S.C. 1395w-27(h)(3)) is amended by striking “2018”
23 and inserting “2027”.

24 **SEC. 2706. MEDICARE IMPROVEMENT FUND.**

25 Section 1898(b)(1) of the Social Security Act (42
26 U.S.C. 1395iii(b)(1)) is amended by striking “during and

1 after fiscal year 2021” and all that follows through the
2 period at the end and inserting “during and after fiscal
3 year 2021, \$0.”.

4 **SEC. 2707. PAYMENT FOR OUTPATIENT PHYSICAL THERAPY**
5 **SERVICES AND OUTPATIENT OCCUPATIONAL**
6 **THERAPY SERVICES FURNISHED BY A THER-**
7 **APY ASSISTANT.**

8 Section 1834 of the Social Security Act (42 U.S.C.
9 1395m), as amended by sections 2204 and 2414, is fur-
10 ther amended by adding at the end the following new sub-
11 section:

12 “(x) PAYMENT FOR OUTPATIENT PHYSICAL THER-
13 APY SERVICES AND OUTPATIENT OCCUPATIONAL THER-
14 APY SERVICES FURNISHED BY A THERAPY ASSISTANT.—

15 “(1) IN GENERAL.—In the case of an out-
16 patient physical therapy service or outpatient occu-
17 pational therapy service furnished on or after Janu-
18 ary 1, 2022, for which payment is made under sec-
19 tion 1848 or subsection (k), that is furnished in
20 whole or in part by a therapy assistant (as defined
21 by the Secretary), the amount of payment for such
22 service shall be an amount equal to 85 percent of
23 the amount of payment otherwise applicable for the
24 service under this part. Nothing in the preceding

1 sentence shall be construed to change applicable re-
2 quirements with respect to such services.

3 “(2) USE OF MODIFIER.—

4 “(A) ESTABLISHMENT.—Not later than
5 January 1, 2019, the Secretary shall establish
6 a modifier to indicate (in a form and manner
7 specified by the Secretary), in the case of an
8 outpatient physical therapy service or out-
9 patient occupational therapy service furnished
10 in whole or in part by a therapy assistant (as
11 so defined), that the service was furnished by a
12 therapy assistant.

13 “(B) REQUIRED USE.—Each request for
14 payment, or bill submitted, for an outpatient
15 physical therapy service or outpatient occupa-
16 tional therapy service furnished in whole or in
17 part by a therapy assistant (as so defined) on
18 or after January 1, 2020, shall include the
19 modifier established under subparagraph (A)
20 for each such service.

21 “(3) IMPLEMENTATION.—The Secretary shall
22 implement this subsection through notice and com-
23 ment rulemaking.”.

1 **SEC. 2708. CHANGES TO LONG-TERM CARE HOSPITAL PAY-**
2 **MENTS.**

3 (a) EXTENSION.—Section 1886(m)(6)(B)(i) of the
4 Social Security Act (42 U.S.C. 1395ww(m)(6)(B)(i)) is
5 amended—

6 (1) in subclause (I), by striking “fiscal year
7 2016 or fiscal year 2017” and inserting “fiscal years
8 2016 through 2019”; and

9 (2) in subclause (II), by striking “2018” and
10 inserting “2020”.

11 (b) TEMPORARY ADJUSTMENT TO SITE NEUTRAL
12 PAYMENT RATES.—Section 1886(m)(6)(B) of the Social
13 Security Act (42 U.S.C. 1395ww(m)(6)(B)) is amended—

14 (1) in clause (ii), in the matter preceding sub-
15 clause (I), by striking “In this paragraph” and in-
16 serting “Subject to clause (iv), in this paragraph”;
17 and

18 (2) by adding at the end the following new
19 clause:

20 “(iv) ADJUSTMENT.—For each of fis-
21 cal years 2018 through 2026, the amount
22 that would otherwise apply under clause
23 (ii)(I) for the year (determined without re-
24 gard to this clause) shall be reduced by 4.6
25 percent.”.

1 **SEC. 2709. NON-BUDGET NEUTRAL TRANSITIONAL PASS-**
2 **THROUGH PAYMENT CHANGE FOR CERTAIN**
3 **PRODUCTS.**

4 (a) IN GENERAL.—Subsection 1833(t)(6)(A)(iv) of
5 the Social Security Act (42 U.S.C. 1395l(t)(6)(A)(iv)) is
6 amended by inserting “(except, beginning as of April 1,
7 2018, a biosimilar biological product (as defined under
8 section 1847A(c)(6)(H)))” after “biological”.

9 (b) APPLICATION.—The amendment made by sub-
10 section (a) shall apply with respect to biosimilar biological
11 products beginning on April 1, 2018, regardless of wheth-
12 er such products were receiving pass-through status for
13 an additional payment under section 1833(t)(6) of the So-
14 cial Security Act (42 U.S.C. 1395l(t)(6)) before such date.
15 In the case of a product that was receiving such an addi-
16 tional payment pursuant to clause (iv) of subparagraph
17 (A) of such section as of the day before such date and
18 after application of the amendment under subsection (a)
19 is not eligible for such an additional payment as of such
20 date, such product may not be eligible for such an addi-
21 tional payment pursuant to any other clause of such sub-
22 paragraph (A).

23 **SEC. 2710. THIRD PARTY LIABILITY IN MEDICAID AND CHIP.**

24 (a) MODIFICATION OF THIRD PARTY LIABILITY
25 RULES RELATED TO SPECIAL TREATMENT OF CERTAIN
26 TYPES OF CARE AND PAYMENTS.—

1 (1) IN GENERAL.—Section 1902(a)(25)(E) of
2 the Social Security Act (42 U.S.C. 1396a(a)(25)(E))
3 is amended, in the matter preceding clause (i), by
4 striking “prenatal or”.

5 (2) EFFECTIVE DATE.—The amendment made
6 by paragraph (1) shall take effect on the date of en-
7 actment of this Act.

8 (b) DELAY IN EFFECTIVE DATE AND REPEAL OF
9 CERTAIN BIPARTISAN BUDGET ACT OF 2013 AMEND-
10 MENTS.—

11 (1) REPEAL.—Effective as of September 30,
12 2017, subsection (b) of section 202 of the Bipartisan
13 Budget Act of 2013 (Public Law 113–67; 127 Stat.
14 1177; 42 U.S.C. 1396a note) (including any amend-
15 ments made by such subsection) is repealed and the
16 provisions amended by such subsection shall be ap-
17 plied and administered as if such amendments had
18 never been enacted.

19 (2) DELAY IN EFFECTIVE DATE.—Subsection
20 (c) of section 202 of the Bipartisan Budget Act of
21 2013 (Public Law 113–67; 127 Stat. 1177; 42
22 U.S.C. 1396a note) is amended to read as follows:
23 “(c) EFFECTIVE DATE.—The amendments made by
24 subsection (a) shall take effect on October 1, 2019.”.

1 (3) EFFECTIVE DATE; TREATMENT.—The re-
2 peal and amendment made by this subsection shall
3 take effect as if enacted on September 30, 2017, and
4 shall apply with respect to any open claims, includ-
5 ing claims pending, generated, or filed, after such
6 date. The amendments made by subsections (a) and
7 (b) of section 202 of the Bipartisan Budget Act of
8 2013 (Public Law 113–67; 127 Stat. 1177; 42
9 U.S.C. 1396a note) that took effect on October 1,
10 2017, are null and void and section 1902(a)(25) of
11 the Social Security Act (42 U.S.C. 1396a(a)(25))
12 shall be applied and administered as if such amend-
13 ments had not taken effect on such date.

14 (c) GAO STUDY AND REPORT.—Not later than 18
15 months after the date of enactment of this Act, the Comp-
16 troller General of the United States shall submit a report
17 to the Committee on Energy and Commerce of the House
18 of Representatives and the Committee on Finance of the
19 Senate on the impacts of the amendments made by sub-
20 sections (a)(1) and (b)(2), including—

21 (1) the impact, or potential effect, of such
22 amendments on access to prenatal and preventive
23 pediatric care (including early and periodic screen-
24 ing, diagnostic, and treatment services) covered

1 under State plans under such title (or waivers of
2 such plans);

3 (2) the impact, or potential effect, of such
4 amendments on access to services covered under
5 such plans or waivers for individuals on whose behalf
6 child support enforcement is being carried out by a
7 State agency under part D of title IV of such Act;
8 and

9 (3) the impact, or potential effect, on providers
10 of services under such plans or waivers of delays in
11 payment or related issues that result from such
12 amendments.

13 (d) APPLICATION TO CHIP.—

14 (1) IN GENERAL.—Section 2107(e)(1) of the
15 Social Security Act (42 U.S.C. 1397gg(e)(1)) is
16 amended—

17 (A) by redesignating subparagraphs (B)
18 through (R) as subparagraphs (C) through (S),
19 respectively; and

20 (B) by inserting after subparagraph (A)
21 the following new subparagraph:

22 “(B) Section 1902(a)(25) (relating to third
23 party liability).”.

1 (2) MANDATORY REPORTING.—Section
2 1902(a)(25)(I)(i) of the Social Security Act (42
3 U.S.C. 1396a(a)(25)(I)(i)) is amended—

4 (A) by striking “medical assistance under
5 the State plan” and inserting “medical assist-
6 ance under a State plan (or under a waiver of
7 the plan)”;

8 (B) by striking “(and, at State option,
9 child” and inserting “and child”; and

10 (C) by striking “title XXI)” and inserting
11 “title XXI”.

12 **SEC. 2711. TREATMENT OF LOTTERY WINNINGS AND OTHER**
13 **LUMP-SUM INCOME FOR PURPOSES OF IN-**
14 **COME ELIGIBILITY UNDER MEDICAID.**

15 (a) IN GENERAL.—Section 1902 of the Social Secu-
16 rity Act (42 U.S.C. 1396a) is amended—

17 (1) in subsection (a)(17), by striking “(e)(14),
18 (e)(14)” and inserting “(e)(14), (e)(15)”; and

19 (2) in subsection (e)(14), by adding at the end
20 the following new subparagraph:

21 “(K) TREATMENT OF CERTAIN LOTTERY
22 WINNINGS AND INCOME RECEIVED AS A LUMP
23 SUM.—

24 “(i) IN GENERAL.—In the case of an
25 individual who is the recipient of qualified

1 lottery winnings (pursuant to lotteries oc-
2 ccurring on or after January 1, 2018) or
3 qualified lump sum income (received on or
4 after such date) and whose eligibility for
5 medical assistance is determined based on
6 the application of modified adjusted gross
7 income under subparagraph (A), a State
8 shall, in determining such eligibility, in-
9 clude such winnings or income (as applica-
10 ble) as income received—

11 “(I) in the month in which such
12 winnings or income (as applicable) is
13 received if the amount of such
14 winnings or income is less than
15 \$80,000;

16 “(II) over a period of 2 months
17 if the amount of such winnings or in-
18 come (as applicable) is greater than or
19 equal to \$80,000 but less than
20 \$90,000;

21 “(III) over a period of 3 months
22 if the amount of such winnings or in-
23 come (as applicable) is greater than or
24 equal to \$90,000 but less than
25 \$100,000; and

1 “(IV) over a period of 3 months
2 plus 1 additional month for each in-
3 crement of \$10,000 of such winnings
4 or income (as applicable) received, not
5 to exceed a period of 120 months (for
6 winnings or income of \$1,260,000 or
7 more), if the amount of such winnings
8 or income is greater than or equal to
9 \$100,000.

10 “(ii) COUNTING IN EQUAL INSTALL-
11 MENTS.—For purposes of subclauses (II),
12 (III), and (IV) of clause (i), winnings or
13 income to which such subclause applies
14 shall be counted in equal monthly install-
15 ments over the period of months specified
16 under such subclause.

17 “(iii) HARDSHIP EXEMPTION.—An in-
18 dividual whose income, by application of
19 clause (i), exceeds the applicable eligibility
20 threshold established by the State, shall
21 continue to be eligible for medical assist-
22 ance to the extent that the State deter-
23 mines, under procedures established by the
24 State (in accordance with standards speci-
25 fied by the Secretary), that the denial of

1 eligibility of the individual would cause an
2 undue medical or financial hardship as de-
3 termined on the basis of criteria estab-
4 lished by the Secretary.

5 “(iv) NOTIFICATIONS AND ASSIST-
6 ANCE REQUIRED IN CASE OF LOSS OF ELI-
7 GIBILITY.—A State shall, with respect to
8 an individual who loses eligibility for med-
9 ical assistance under the State plan (or a
10 waiver of such plan) by reason of clause
11 (i)—

12 “(I) before the date on which the
13 individual loses such eligibility, inform
14 the individual—

15 “(aa) of the individual’s op-
16 portunity to enroll in a qualified
17 health plan offered through an
18 Exchange established under title
19 I of the Patient Protection and
20 Affordable Care Act during the
21 special enrollment period speci-
22 fied in section 9801(f)(3) of the
23 Internal Revenue Code of 1986
24 (relating to loss of Medicaid or
25 CHIP coverage); and

1 “(bb) of the date on which
2 the individual would no longer be
3 considered ineligible by reason of
4 clause (i) to receive medical as-
5 sistance under the State plan or
6 under any waiver of such plan
7 and be eligible to reapply to re-
8 ceive such medical assistance;
9 and

10 “(II) provide technical assistance
11 to the individual seeking to enroll in
12 such a qualified health plan.

13 “(v) QUALIFIED LOTTERY WINNINGS
14 DEFINED.—In this subparagraph, the term
15 ‘qualified lottery winnings’ means winnings
16 from a sweepstakes, lottery, or pool de-
17 scribed in paragraph (3) of section 4402 of
18 the Internal Revenue Code of 1986 or a
19 lottery operated by a multistate or multi-
20 jurisdictional lottery association, including
21 amounts awarded as a lump sum payment.

22 “(vi) QUALIFIED LUMP SUM INCOME
23 DEFINED.—In this subparagraph, the term
24 ‘qualified lump sum income’ means income
25 that is received as a lump sum from mone-

1 tary winnings from gambling (as defined
2 by the Secretary and including gambling
3 activities described in section 1955(b)(4) of
4 title 18, United States Code).”.

5 (b) RULES OF CONSTRUCTION.—

6 (1) INTERCEPTION OF LOTTERY WINNINGS AL-
7 LOWED.—Nothing in the amendment made by sub-
8 section (a)(2) shall be construed as preventing a
9 State from intercepting the State lottery winnings
10 awarded to an individual in the State to recover
11 amounts paid by the State under the State Medicaid
12 plan under title XIX of the Social Security Act (42
13 U.S.C. 1396 et seq.) for medical assistance fur-
14 nished to the individual.

15 (2) APPLICABILITY LIMITED TO ELIGIBILITY OF
16 RECIPIENT OF LOTTERY WINNINGS OR LUMP SUM
17 INCOME.—Nothing in the amendment made by sub-
18 section (a)(2) shall be construed, with respect to a
19 determination of household income for purposes of a
20 determination of eligibility for medical assistance
21 under the State plan under title XIX of the Social
22 Security Act (42 U.S.C. 1396 et seq.) (or a waiver
23 of such plan) made by applying modified adjusted
24 gross income under subparagraph (A) of section
25 1902(e)(14) of such Act (42 U.S.C. 1396a(e)(14)),

1 as limiting the eligibility for such medical assistance
2 of any individual that is a member of the household
3 other than the individual who received qualified lot-
4 tery winnings or qualified lump-sum income (as de-
5 fined in subparagraph (K) of such section
6 1902(e)(14), as added by subsection (a)(2) of this
7 section).

8 **SEC. 2712. MODIFYING REDUCTIONS IN MEDICAID DSH AL-**
9 **LOTMENTS.**

10 Section 1923(f)(7)(A) of the Social Security Act (42
11 U.S.C. 1396r-4(f)(7)(A)) is amended—

12 (1) in clause (i), in the matter preceding sub-
13 clause (I), by striking “2018” and inserting “2020”;
14 and

15 (2) in clause (ii), by striking subclauses (I)
16 through (VIII) and inserting the following:

17 “(I) \$4,000,000,000 for fiscal
18 year 2020; and

19 “(II) \$8,000,000,000 for each of
20 fiscal years 2021 through 2025.”.

21 **SEC. 2713. MEDICAID IMPROVEMENT FUND RESCISSION.**

22 Section 1941(b) of the Social Security Act (42 U.S.C
23 1396w-1(b)) is amended—

24 (1) in paragraph (1), by striking “\$5,000,000”
25 and inserting “\$0”; and

1 (2) in paragraph (3)(A) (as added by section
2 3006(2)(B) of the Helping Ensure Access for Little
3 Ones, Toddlers, and Hopeful Youth by Keeping In-
4 surance Delivery Stable Act (Public Law 115–120)),
5 by striking “\$980,000,000” and inserting “\$0”.

6 **SEC. 2714. SUNSETTING EXCLUSION OF BIOSIMILARS FROM**
7 **MEDICARE PART D COVERAGE GAP DIS-**
8 **COUNT PROGRAM.**

9 Section 1860D–14A(g)(2)(A) of the Social Security
10 Act (42 U.S.C. 1395w–114a(g)(2)(A)) is amended by in-
11 serting “, with respect to a plan year before 2019,” after
12 “other than”.

13 **SEC. 2715. PREVENTION AND PUBLIC HEALTH FUND.**

14 Section 4002(b) of the Patient Protection and Af-
15 fordable Care Act (42 U.S.C. 300u–11(b)) is amended by
16 striking paragraphs (1) through (9) and inserting the fol-
17 lowing new paragraphs:

18 “(1) for each of fiscal years 2018 and 2019,
19 \$900,000,000;

20 “(2) for each of fiscal years 2020 and 2021,
21 \$1,000,000,000; and

22 “(3) for each of fiscal years 2022 through
23 2027, \$1,100,000,000.”.

1 **DIVISION G—BUDGETARY**
2 **EFFECTS**

3 **SEC. 3001. BUDGETARY EFFECTS.**

4 (a) IN GENERAL.—The budgetary effects of division
5 D and each succeeding division shall not be entered on
6 either PAYGO scorecard maintained pursuant to section
7 4(d) of the Statutory Pay-As-You-Go Act of 2010.

8 (b) SENATE PAYGO SCORECARDS.—The budgetary
9 effects of division D and each succeeding division shall not
10 be entered on any PAYGO scorecard maintained for pur-
11 poses of section 4106 of H. Con. Res. 71 (115th Con-
12 gress).

13 (c) CLASSIFICATION OF BUDGETARY EFFECTS.—
14 Notwithstanding Rule 3 of the Budget Scorekeeping
15 Guidelines set forth in the joint explanatory statement of
16 the committee of conference accompanying Conference Re-
17 port 105–217 and section 250(c)(8) of the Balanced
18 Budget and Emergency Deficit Control Act of 1985, the
19 budgetary effects of division D and each succeeding divi-
20 sion shall not be estimated—

21 (1) for purposes of section 251 of such Act; and

22 (2) for purposes of paragraph (4)(C) of section

23 3 of the Statutory Pay-As-You-Go Act of 2010 as

24 being included in an appropriation Act.

