

109TH CONGRESS
1ST SESSION

S. 1766

To provide disaster relief and incentives for economic recovery for Louisiana residents and businesses affected by Hurricane Katrina.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22, 2005

Mr. VITTER (for himself and Ms. LANDRIEU) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To provide disaster relief and incentives for economic recovery for Louisiana residents and businesses affected by Hurricane Katrina.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Louisiana Katrina Re-
5 construction Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents of this Act is as follows:

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1 **SEC. 3. TREATMENT OF AMOUNTS APPROPRIATED UNDER**

2 **THIS ACT.**

3 (a) EMERGENCY DESIGNATION.—Each amount pro-
4 vided in this Act is designated as an emergency require-
5 ment pursuant to section 402 of H. Con. Res. 95 (109th
6 Congress).

7 (b) SUPPLEMENT, NOT SUPPLANT, OTHER FUNDS
8 OR ASSISTANCE.—All amounts appropriated under this
9 Act shall supplement, and not supplant, amounts appro-
10 priated or made available for relief or assistance relating

1 to Hurricane Katrina with respect to the State of Lou-
 2 isiana under any other provision of law.

3 (c) NO REDUCTION FOR COST REIMBURSEMENT.—
 4 Except as otherwise provided in this Act, none of the
 5 funds appropriated under this Act may be reduced as a
 6 result of cost reimbursement authorized under any section
 7 of the Robert T. Stafford Disaster Relief and Emergency
 8 Assistance Act (42 U.S.C. 5121 et seq.).

9 (d) NO REQUIREMENT FOR STATE MATCH OR CON-
 10 TRIBUTION.—With respect to any funds appropriated
 11 under this Act to a program that would otherwise require
 12 a State matching payment or contribution (in cash or in
 13 kind), the requirement of such payment or contribution
 14 shall be waived.

15 **TITLE I—EMERGENCY SUPPLE-**
 16 **MENTAL APPROPRIATIONS**

17 The following sums are appropriated, out of any
 18 money in the Treasury not otherwise appropriated, for the
 19 fiscal year ending September 30, 2005, namely:

20 **Subtitle A—Department of**
 21 **Defense—Military**

22 **MILITARY PERSONNEL**

23 For an additional amount for “Military Personnel”,
 24 \$82,500,000 to fund the increase in the family separation
 25 allowance payable under section 427 of title 37, United

1 States Code: *Provided*, That the Secretary of Defense may
2 allocate amounts available to the accounts of the appro-
3 priate branches of the Armed Forces, as determined by
4 the Secretary.

5 OPERATION AND MAINTENANCE

6 OPERATION AND MAINTENANCE, ARMY

7 For an additional amount for “Operation and Main-
8 tenance, Army”, \$15,000,000 for emergency Hurricane
9 Katrina expenses in Louisiana, to remain available until
10 September 30, 2006: *Provided*, That the amount provided
11 herein is designated as an emergency requirement pursu-
12 ant to section 402 of H. Con. Res. 95 (109th Congress).

13 OPERATION AND MAINTENANCE, NAVY

14 For an additional amount for “Operation and Main-
15 tenance, Navy”, \$400,000,000 for emergency Hurricane
16 Katrina expenses in Louisiana, to remain available until
17 September 30, 2006: *Provided*, That of the amount pro-
18 vided under this heading, \$70,000,000 shall be available
19 for SPAWAR Systems Center New Orleans, not to exceed
20 \$50,000,000 of which shall be available to repair and rees-
21 tablish the capabilities, facilities, missions, functions, and
22 equipment of the center, including support, maintenance,
23 operation, and management support activities and enter-
24 prise information technology integration of existing legacy
25 and developing Navy Department of Defense manpower,

1 personnel, and training functions, and \$20,000,000 of
2 which shall be available for the evacuation, safe haven, and
3 temporary relocation of Federal contractor personnel and
4 related equipment and telecommuting expenses: *Provided*
5 *further*, That the Secretary of the Navy and the Secretary
6 of Defense shall co-locate the Naval Standard Integrated
7 Personnel System and Defense Integrated Management
8 Human Resources System program managers with the
9 Defense Integrated Management Human Resources Sys-
10 tem program office and development staff at the
11 SPAWAR Systems Center New Orleans, and shall estab-
12 lish the center as a central design activity for the develop-
13 ment, production, and maintenance of all manpower, per-
14 sonnel, training, and education programs of the Navy:
15 *Provided further*, That the amount provided herein is des-
16 igned as an emergency requirement pursuant to section
17 402 of H. Con. Res. 95 (109th Congress).

18 OPERATION AND MAINTENANCE, MARINE CORPS

19 For an additional amount for “Operation and Main-
20 tenance, Marine Corps”, \$10,000,000 for emergency Hur-
21 ricane Katrina expenses in Louisiana, to remain available
22 until September 30, 2006: *Provided*, That the amount pro-
23 vided herein is designated as an emergency requirement
24 pursuant to section 402 of H. Con. Res. 95 (109th Con-
25 gress).

1 OPERATION AND MAINTENANCE, DEFENSE-WIDE

2 For an additional amount for “Operation and Main-
3 tenance, Defense-Wide”, \$50,000,000 for emergency Hur-
4 ricane Katrina expenses in Louisiana, to remain available
5 until September 30, 2006: *Provided*, That the amount pro-
6 vided herein is designated as an emergency requirement
7 pursuant to section 402 of H. Con. Res. 95 (109th Con-
8 gress).

9 OPERATION AND MAINTENANCE, ARMY RESERVE

10 For an additional amount for “Operation and Main-
11 tenance, Army Reserve”, \$2,500,000 for emergency Hur-
12 ricane Katrina expenses in Louisiana, to remain available
13 until September 30, 2006: *Provided*, That the amount pro-
14 vided herein is designated as an emergency requirement
15 pursuant to section 402 of H. Con. Res. 95 (109th Con-
16 gress).

17 OPERATION AND MAINTENANCE, NAVY RESERVE

18 For an additional amount for “Operation and Main-
19 tenance, Navy Reserve”, \$75,000,000 for emergency Hur-
20 ricane Katrina expenses in Louisiana, to remain available
21 until September 30, 2006: *Provided*, That the amount pro-
22 vided herein is designated as an emergency requirement
23 pursuant to section 402 of H. Con. Res. 95 (109th Con-
24 gress).

1 OPERATION AND MAINTENANCE, AIR FORCE RESERVE

2 For an additional amount for “Operation and Main-
3 tenance, Air Force Reserve”, \$10,000,000 for emergency
4 Hurricane Katrina expenses in Louisiana, to remain avail-
5 able until September 30, 2006: *Provided*, That the amount
6 provided herein is designated as an emergency require-
7 ment pursuant to section 402 of H. Con. Res. 95 (109th
8 Congress).

9 OPERATION AND MAINTENANCE, ARMY NATIONAL
10 GUARD

11 For an additional amount for “Operation and Main-
12 tenance, Army National Guard”, \$100,000,000 for emer-
13 gency Hurricane Katrina expenses in Louisiana, to remain
14 available until September 30, 2006: *Provided*, That the
15 amount provided herein is designated as an emergency re-
16 quirement pursuant to section 402 of H. Con. Res. 95
17 (109th Congress).

18 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

19 For an additional amount for “Operation and Main-
20 tenance, Air National Guard”, \$100,000,000 for emer-
21 gency Hurricane Katrina expenses in Louisiana, to remain
22 available until September 30, 2006: *Provided*, That the
23 amount provided herein is designated as an emergency re-
24 quirement pursuant to section 402 of H. Con. Res. 95
25 (109th Congress).

1 amount provided under this heading, \$17,400,000 shall be
2 available for the Louisiana Air National Guard for the
3 procurement of Mobile Air Approach Control Systems for
4 Air National Guard units: *Provided further*, That the
5 amount provided herein is designated as an emergency re-
6 quirement pursuant to section 402 of H. Con. Res. 95
7 (109th Congress).

8 PROCUREMENT, DEFENSE-WIDE

9 For an additional amount for “Procurement, De-
10 fense-Wide”, \$250,000,000 for emergency Hurricane
11 Katrina expenses in Louisiana, to remain available until
12 September 30, 2007: *Provided*, That the amount provided
13 herein is designated as an emergency requirement pursu-
14 ant to section 402 of H. Con. Res. 95 (109th Congress).

15 NATIONAL GUARD AND RESERVE EQUIPMENT

16 For an additional amount for “National Guard and
17 Reserve Equipment”, \$125,000,000 for emergency Hurri-
18 cane Katrina expenses of the Louisiana National Guard
19 and Reserve, to remain available until September 30,
20 2007: *Provided*, That the amount provided herein is des-
21 ignated as an emergency requirement pursuant to section
22 402 of H. Con. Res. 95 (109th Congress).

1 REVOLVING AND MANAGEMENT FUNDS

2 DEFENSE WORKING CAPITAL FUNDS

3 For an additional amount for “Defense Working
4 Capital Funds”, \$4,000,000 for emergency Hurricane
5 Katrina expenses in Louisiana, to remain available until
6 expended: *Provided*, That the amount provided herein is
7 designated as an emergency requirement pursuant to sec-
8 tion 402 of H. Con. Res. 95 (109th Congress).

9 OTHER DEPARTMENT OF DEFENSE PROGRAMS

10 DEFENSE HEALTH PROGRAM

11 For an additional amount for “Defense Health Pro-
12 gram”, \$5,000,000 for emergency Hurricane Katrina ex-
13 penses in Louisiana, to remain available until expended:
14 *Provided*, That the amount provided herein is designated
15 as an emergency requirement pursuant to section 402 of
16 H. Con. Res. 95 (109th Congress).

17 GENERAL PROVISIONS

18 SEC. 101. AVAILABILITY OF CERTAIN FUNDS.—The
19 amounts appropriated by this subtitle under the heading
20 “OPERATION AND MAINTENANCE” shall be avail-
21 able for the construction of temporary or permanent pub-
22 lic works, installations, and military, unaccompanied, or
23 other family housing (and related facilities), including land
24 acquisition related thereto, needed for response to or re-
25 covery from the effects of Hurricane Katrina, including

1 the housing of servicemembers, their families, and other
2 individuals displaced by Hurricane Katrina.

3 SEC. 102. APPLICABILITY OF CERTAIN PROVI-
4 SIONS.—Members of the National Guard who have been
5 activated in support of Hurricane Katrina relief and re-
6 construction efforts shall, for the duration of their service
7 in support of such efforts, be treated as individuals eligible
8 for benefits under the following provisions of this Act:

9 (1) Subtitle B of title IV, related to education
10 assistance.

11 (2) Subtitle C of title IV, related to small busi-
12 ness recovery.

13 (3) Title VIII, related to tax relief.

14 SEC. 103 CREDIT TOWARD NATIONAL GUARD AND
15 RESERVE MOBILIZATION REQUIREMENT.—Members of
16 the National Guard and Reserves who are activated in
17 support of Hurricane Katrina relief and reconstruction ef-
18 forts shall receive credit for the duration of their service
19 in support of such efforts for the purposes of the mobiliza-
20 tion requirement under the 6-year deployment cycle policy
21 of the Army National Guard, the Air National Guard, and
22 the Army Reserve.

23 SEC. 104. TEMPORARY INCREASE IN FAMILY SEPA-
24 RATION ALLOWANCE FOR MEMBERS OF THE UNIFORMED
25 SERVICES.—

1 (a) TEMPORARY INCREASE.—

2 (1) INCREASE.—Section 427(a) of title 37,
3 United States Code, is amended by striking “\$100”
4 and inserting “\$350”.

5 (2) EFFECTIVE DATE.—The amendment made
6 by paragraph (1) shall take effect on August 29,
7 2005, and shall apply with respect to months begin-
8 ning on or after August 1, 2005.

9 (3) TERMINATION.—Effective September 30,
10 2007, section 427(a) of title 37, United States Code,
11 is amended by striking “\$350” and inserting
12 “\$250”.

13 (b) CONFORMING AMENDMENTS.—Effective as of the
14 date of the enactment of this Act, the following provisions
15 of law are repealed:

16 (1) Subsection (e) of section 427 of title 37,
17 United States Code.

18 (2) Paragraph (2) of section 623(b) of the Ron-
19 ald W. Reagan National Defense Authorization Act
20 for Fiscal Year 2005 (Public Law 108–375; 118
21 Stat. 1955).

22 SEC. 105. CONGRESSIONAL OVERSIGHT.—The Sec-
23 retary of Defense shall, not later than 90 days after the
24 date of the enactment of this Act and every 90 days there-
25 after, submit to the Committees on Appropriations of the

1 Senate and the House of Representatives reports detailing
2 the allocation and obligation of all funds provided under
3 this subtitle.

4 **Subtitle B—Military Construction**

5 MILITARY CONSTRUCTION, ARMY

6 For an additional amount for “Military Construction,
7 Army”, \$20,000,000 for emergency Hurricane Katrina ex-
8 penses in Louisiana, to remain available until September
9 30, 2010: *Provided*, That the amount provided herein is
10 designated as an emergency requirement pursuant to sec-
11 tion 402 of H. Con. Res. 95 (109th Congress).

12 MILITARY CONSTRUCTION, NAVY AND MARINE CORPS

13 For an additional amount for “Military Construction,
14 Navy and Marine Corps”, \$5,000,000 for emergency Hur-
15 ricane Katrina expenses in Louisiana, to remain available
16 until September 30, 2010: *Provided*, That the amount pro-
17 vided herein is designated as an emergency requirement
18 pursuant to section 402 of H. Con. Res. 95 (109th Con-
19 gress).

20 MILITARY CONSTRUCTION, AIR FORCE

21 For an additional amount for “Military Construction,
22 Air Force”, \$3,000,000 for emergency Hurricane Katrina
23 expenses in Louisiana, including the repair and recon-
24 struction of damaged Air Force Reserve facilities, to re-
25 main available until September 30, 2010: *Provided*, That

1 the amount provided herein is designated as an emergency
2 requirement pursuant to section 402 of H. Con. Res. 95
3 (109th Congress).

4 MILITARY CONSTRUCTION, DEFENSE-WIDE

5 For an additional amount for “Military Construction,
6 Defense-wide”, \$160,000,000 for emergency Hurricane
7 Katrina expenses in Louisiana, to remain available until
8 September 30, 2010: *Provided*, That the funding shall be
9 made available to the City of New Orleans to implement
10 the 2005 recommendations of the Defense Base Closure
11 and Realignment Commission related to the Federal city
12 development in Algiers, Louisiana: *Provided further*, That
13 the amount provided herein is designated as an emergency
14 requirement pursuant to section 402 of H. Con. Res. 95
15 (109th Congress).

16 MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

17 For an additional amount for “Military Construction,
18 Army National Guard”, \$125,000,000 for emergency
19 Hurricane Katrina expenses in Louisiana, to remain avail-
20 able until September 30, 2010: *Provided*, That the amount
21 provided herein is designated as an emergency require-
22 ment pursuant to section 402 of H. Con. Res. 95 (109th
23 Congress).

1 requirement pursuant to section 402 of H. Con. Res. 95
2 (109th Congress).

3 FAMILY HOUSING CONSTRUCTION, AIR FORCE

4 For an additional amount for “Family Housing Con-
5 struction, Air Force”, \$20,000,000 to repair damage to
6 Air Force, Air National Guard, and Air Reserve housing
7 and related facilities in Louisiana sustained as a result
8 of Hurricane Katrina, to remain available until September
9 30, 2010: *Provided*, That the amount provided herein is
10 designated as an emergency requirement pursuant to sec-
11 tion 402 of H. Con. Res. 95 (109th Congress).

12 FAMILY HOUSING CONSTRUCTION, DEFENSE-WIDE

13 For an additional amount for “Family Housing Con-
14 struction, Defense-wide”, \$20,000,000 for emergency
15 Hurricane Katrina expenses in Louisiana, to remain avail-
16 able until expended: *Provided*, That the amount provided
17 herein is designated as an emergency requirement pursu-
18 ant to section 402 of H. Con. Res. 95 (109th Congress).

19 GENERAL PROVISIONS

20 LAND CONVEYANCE, NAVAL SUPPORT ACTIVITY (EAST
21 BANK), NEW ORLEANS.

22 SEC. 101. (a) CONVEYANCE AUTHORIZED.—The Sec-
23 retary of the Navy shall convey to the City of New Orle-
24 ans, Louisiana, or the Port of New Orleans, Louisiana (in
25 this section referred to as the “City” and “Port Author-

1 ity”, respectively), all right, title, and interest of the
2 United States in and to a parcel of real property, including
3 any improvements and facilities thereon, consisting of all
4 acreage at the Naval Support Activity (east bank of the
5 Mississippi River), New Orleans, Louisiana, for the pur-
6 pose of facilitating the development and expansion of the
7 City or Port Authority.

8 (b) DESCRIPTION OF REAL PROPERTY.—The exact
9 acreage and legal description of the real property to be
10 conveyed under subsection (a) shall be determined by a
11 survey satisfactory to the Secretary. The Secretary shall
12 be responsible for the cost of the survey.

13 (c) ADDITIONAL TERMS AND CONDITIONS.—The
14 Secretary may require such additional terms and condi-
15 tions in connection with the conveyance under subsection
16 (a) as the Secretary considers appropriate to protect the
17 interests of the United States.

18 SEC. 102. CONGRESSIONAL OVERSIGHT.—The Sec-
19 retary of Defense shall, not later than 90 days after the
20 date of the enactment of this Act and every 90 days there-
21 after, submit to the Committees on Appropriations of the
22 Senate and the House of Representatives reports detailing
23 the allocation and obligation of all military construction
24 and family housing funds provided under this subtitle.

1 **Subtitle C—Department of**
2 **Veterans Affairs**

3 VETERANS HEALTH ADMINISTRATION

4 MEDICAL SERVICES

5 For an additional amount for “Medical Services”,
6 \$1,000,000,000 for increased medical services due to Hur-
7 ricane Katrina, to remain available until expended: *Pro-*
8 *vided*, That the Secretary of Veterans Affairs may transfer
9 the funds herein to subaccounts in the Veterans Health
10 Administration and Departmental Administration ac-
11 counts for costs incurred for evacuation, emergency re-
12 pairs, reconstructional repair efforts, medical services, ad-
13 ministrative services, and general operating costs: *Pro-*
14 *vided further*, That upon a determination that all or part
15 of the funds so transferred from this appropriation are
16 not necessary for the purposes provided herein, such
17 amounts may be transferred back to this appropriation:
18 *Provided further*, That the Secretary of Veterans Affairs
19 shall submit a report no later than 30 days after the end
20 of each fiscal quarter to the Congressional Veterans Com-
21 mittees summarizing the details of the transfer of funds.

1 DEPARTMENTAL ADMINISTRATION
2 CONSTRUCTION, MAJOR PROJECTS

3 For an additional amount for major construction
4 projects, \$500,000,000 for the reconstruction/repair of the
5 New Orleans Regional VA Hospital.**

6 GENERAL PROVISIONS

7 SEC. 106. Health Care and Services for Veterans Af-
8 fected by Hurricane Katrina.

9 (a) DEFINITIONS.—In this section:

10 (1) The term “close proximity”, means not
11 more than 30 miles from the residence of the vet-
12 eran.

13 (2) The term “priority 8 veteran affected by
14 Hurricane Katrina” means any veteran affected by
15 Hurricane Katrina who, as of August 29, 2005,
16 would have been treated as a veteran covered by
17 paragraph (8) of section 1705(a) of title 38, United
18 States Code, for purposes of enrollment in the sys-
19 tem of annual patient enrollment of the Department
20 of Veterans Affairs under such section.

21 (3) The term “specialized medical care” means
22 any medical care for a veteran that is not offered at
23 a Department of Veterans Affairs facility in close
24 proximity.

25 (4) The term “veteran affected by Hurricane
26 Katrina” means any veteran who, as of August 29,

1 2005, resided in the catchment region of the Depart-
2 ment of Veterans Affairs medical center in New Or-
3 leans, Louisiana.

4 (b) REQUIREMENT FOR HOSPITAL CARE AND MED-
5 ICAL SERVICES FOR PRIORITY 8 VETERANS AFFECTED BY
6 HURRICANE KATRINA.—

7 (1) REQUIREMENT.—The Secretary of Veterans
8 Affairs shall furnish hospital care and medical serv-
9 ices which the Secretary determines to be needed to
10 each priority 8 veteran affected by Hurricane
11 Katrina as if such veteran were a veteran described
12 by section 1710(a)(2) of title 38, United States
13 Code.

14 (2) ENHANCED ENROLLMENT PRIORITY.—For
15 purposes of furnishing hospital care and medical
16 services under paragraph (1), the Secretary shall
17 deem each priority 8 veteran affected by Hurricane
18 Katrina, upon the date of presentation of such vet-
19 eran to the Department of Veterans Affairs for such
20 care and services, to have enrolled in the system of
21 annual patient enrollment of the Department under
22 section 1705(a) of title 38, United States Code, on
23 the first day of the current year of such system in
24 which such date falls.

1 (c) PROHIBITION ON COLLECTION OF COPAYMENTS
2 FOR VETERANS AFFECTED BY HURRICANE KATRINA.—

3 In furnishing hospital care and medical services to any
4 veteran affected by Hurricane Katrina, the Secretary shall
5 not collect from or with respect to such veteran any pay-
6 ment for such care and services otherwise required under
7 any provision of law, including any copayment for medica-
8 tions otherwise required under section 1722A of title 38,
9 United States Code.

10 (d) SPECIALIZED MEDICAL CARE.—Notwithstanding
11 any other law, any veteran affected by Hurricane Katrina
12 may receive specialized medical care from a Department
13 of Veterans Affairs medical facility that is not in close
14 proximity to the residence of the veteran.

15 (e) SUNSET PROVISIONS.—

16 (1) ENHANCED ENROLLMENT AND COPAYMENT
17 WAIVER.—Subsections (b) and (c) shall be effective
18 during the 6-month period beginning on the date of
19 enactment of this Act.

20 (2) SPECIALIZED MEDICAL CARE.—Subsection
21 (d) shall be effective during the 1-year period begin-
22 ning on the date of enactment of this Act.

1 **Subtitle D—Department of**
2 **Commerce**

3 NATIONAL OCEANIC AND ATMOSPHERIC

4 ADMINISTRATION

5 FISHERIES DISASTER ASSISTANCE

6 In addition to amounts appropriated or otherwise
7 made available for such purpose, \$150,000,000, to remain
8 available until expended, for a direct, lump-sum grant to
9 the Louisiana Department of Wildlife and Fisheries for
10 direct grants to Louisiana harvesters and vessel owners
11 to provide replacement of the dockside values for all fish-
12 ery resources in fisheries impacted by Hurricane Katrina:
13 *Provided*, That the Secretary of Commerce shall make
14 such amount available to the Louisiana Department of
15 Wildlife and Fisheries not more than 30 days after the
16 date of enactment of this Act and may not expend more
17 than 2 percent of such amount for administration, tech-
18 nical assistance, and operation related to such grant.

19 MENHADEN FISHERIES RECOVERY

20 In addition to amounts appropriated or otherwise
21 made available for such purpose, \$14,000,000, to remain
22 available until expended, for a direct, lump-sum grant to
23 the Louisiana Department of Wildlife and Fisheries for
24 direct grants to Louisiana harvesters and vessel owners

1 to provide replacement for the dockside values for the
2 menhaden fisheries impacted by Hurricane Katrina.

3 LOUISIANA OYSTER RECOVERY

4 In addition to amounts appropriated or otherwise
5 made available for such purpose, \$90,000,000, to remain
6 available until expended, for a direct, lump-sum grant to
7 the Louisiana Oyster Task Force for the complete reha-
8 bilitation of public and private oyster reefs under the juris-
9 diction of Louisiana that were impacted by Hurricane
10 Katrina: *Provided*, That of such amount, \$250,000 shall
11 be made available for oyster hatcheries in Louisiana: *Pro-*
12 *vided further*, That of such amount \$8,000,000 shall be
13 made available for oyster lease resurveying and oyster
14 lease boundaries and for oyster lease equipment and facili-
15 ties.

16 FISHERIES INFRASTRUCTURE RECOVERY

17 In addition to amounts appropriated or otherwise
18 made available for such purpose, \$150,000,000, to remain
19 available until expended, to for the establishment of stra-
20 tegically located emergency fisheries infrastructure facili-
21 ties to provide the dockside infrastructure required for the
22 delivery of fish products to market in all fisheries impacted
23 by Hurricane Katrina.

24 LOUISIANA MARINE RESEARCH RECOVERY

25 In addition to amounts appropriated or otherwise
26 made available for such purpose, \$14,000,000, to remain

1 available until expended, for a direct, lump-sum grant to
2 the Louisiana Department of Wildlife and Fisheries for
3 the replacement of coastal and marine research facilities
4 impacted by Hurricane Katrina.

5 SEAFOOD MARKETING

6 In addition to amounts appropriated or otherwise
7 made available for such purpose, \$35,000,000, to remain
8 available until expended, for a direct, lump-sum grant to
9 the Louisiana Seafood Promotion and Marketing Board
10 to rebuild markets for seafood products in fisheries im-
11 pacted in Hurricane Katrina.

12 LOUISIANA LICENSE RENEWAL

13 In addition to amounts appropriated or otherwise
14 made available for such purpose, \$14,000,000, to remain
15 available until expended, for a direct, lump-sum grant to
16 the Louisiana Department of Wildlife and Fisheries to
17 provide license renewal fees for commercial or recreational
18 fishing license holders and to provide oyster lease rent or
19 renewal fees.

20 FISHERIES HABITAT

21 In addition to amounts appropriated or otherwise
22 made available for such purpose, \$5,000,000, to remain
23 available until expended, to restore and rehabilitate
24 marsh, nursery habitat for fish, shrimp, and crabs in Lou-
25 isiana.

1 SEVERE WEATHER FORECASTING AND WARNING

2 In addition to amount appropriated or otherwise
3 made available for such purpose, \$4,000,000, to remain
4 available until expended, for the National Weather Service
5 to ensure continued weather forecasting services in areas
6 that could be impacted by hurricanes and other severe
7 coastal weather events, including floods: *Provided*, That
8 such funds should be made available to the South Regional
9 Weather Center for hurricane forecasting and data deliv-
10 ery during an emergency.

11 LOUISIANA STATE UNIVERSITY HURRICANE CENTER

12 In addition to amount appropriated or otherwise
13 made available for such purpose, \$5,000,000, to remain
14 available until expended, to implement an emergency re-
15 sponse decision support system and expert guidance that
16 is capable of rapid deployment to support emergency re-
17 sponse and recovery activities, including scalable hurricane
18 response capabilities, in-place resources and readiness, in-
19 tegrated modeling and information delivery systems, pre-
20 defined inventories of domain experts and resources, and
21 an infrastructure that may be adopted in all regions of the
22 Eastern United States that are impacted hurricanes and
23 the Caribbean region. Such system shall be integrated
24 with Federal and State response planning and shall be de-
25 veloped in cooperation with universities in Louisiana.

1 (a) EMERGENCY MANAGEMENT PERFORMANCE
2 GRANTS.—

3 (1) IN GENERAL.—In addition to amounts
4 available as of the date of enactment of this Act for
5 the emergency management performance grant pro-
6 gram of the Department of Homeland Security, not-
7 withstanding any other provision of law, not later
8 than 30 days after the date of enactment of this
9 Act, out of any funds in the Treasury not otherwise
10 appropriated, the Secretary of the Treasury shall
11 transfer to the Secretary of Homeland Security, to
12 provide increased amounts to States under that pro-
13 gram for use in responding to a major disaster relat-
14 ing to Hurricane Katrina declared by the President
15 on August 29, 2005, in accordance with section 401
16 of the Robert T. Stafford Disaster Relief and Emer-
17 gency Assistance Act (42 U.S.C. 5170),
18 \$91,200,000, to remain available until expended:
19 *Provided*, That such amounts are used for construc-
20 tion of an Emergency Operations Center to provide
21 immediate command centers and communication
22 after a disaster or emergency event in each of the
23 following parishes, each of which shall receive
24 \$4,800,000 from such amounts: Jefferson, St. Tam-
25 many, Washington, Tangipahoa, Livingston, St.

1 Bernard, Plaquemine, Lafourche, Terrebonne, St.
2 Mary, St. Martin, Lafayette, Calcasieu, Cameron,
3 Vermillion. St. Charles, St. John, Iberia, and Ascen-
4 sion.

5 (2) RECEIPT AND ACCEPTANCE.—The Sec-
6 retary of Homeland Security shall be entitled to re-
7 ceive, shall accept, and shall use to carry out this
8 subsection the funds transferred under paragraph
9 (1), without further appropriation.

10 (b) URBAN SEARCH AND RESCUE AND NATURAL
11 DISASTER MEDICAL SYSTEMS.—

12 (1) IN GENERAL.—In addition to amounts
13 available as of the date of enactment of this Act for
14 urban search and rescue systems, and natural dis-
15 aster medical systems, of the Federal Emergency
16 Management Agency, notwithstanding any other
17 provision of law, not later than 30 days after the
18 date of enactment of this Act, out of any funds in
19 the Treasury not otherwise appropriated, the Sec-
20 retary of the Treasury shall transfer to the Sec-
21 retary of Homeland Security, to provide increased
22 amounts for those teams for use in responding to a
23 major disaster relating to Hurricane Katrina de-
24 clared by the President on August 29, 2005, in ac-
25 cordance with section 401 of the Robert T. Stafford

1 Disaster Relief and Emergency Assistance Act (42
2 U.S.C. 5170), \$2,500,000, to remain available until
3 expended. *Provided*, That up to \$1,000,000,000 may
4 be transferred to and merged with “Emergency Pre-
5 paredness and Response, Public Health Programs”
6 for the National Disaster Medical System to support
7 medical care as authorized by section 2811 of the
8 Public Health Service Act (42 U.S.C. 300hh–11):
9 *Provided further*, That \$15,000,000 shall be trans-
10 ferred to and merged with “Departmental Manage-
11 ment and Operations, Office of Inspector General”
12 for necessary expenses of the Office of Inspector
13 General for audits and investigations as authorized
14 by law for Hurricane Katrina response and recovery
15 activities: *Provided further*, That the amounts pro-
16 vided herein are designated as an emergency re-
17 quirement pursuant to section 402 of H. Con. Res.
18 95 (109th Congress).

19 (2) RECEIPT AND ACCEPTANCE.—The Sec-
20 retary of Homeland Security shall be entitled to re-
21 ceive, shall accept, and shall use to carry out this
22 subsection the funds transferred under paragraph
23 (1), without further appropriation.

1 SEC. 113. ASSISTANCE TO FIREFIGHTERS.—
2 \$250,000,000 for assistance to firefighters for hurricane
3 related expenses, available until expended.

4 SEC. 114. (a) COMMUNITY DISASTER LOANS.—Not-
5 withstanding any other provision of law, no limitation on
6 the amount or percentage of assistance that may be pro-
7 vided in the form of a community disaster loan under sec-
8 tion 417(b) of the Robert T. Stafford Disaster Relief and
9 Emergency Assistance Act (42 U.S.C. 5184(b)) shall
10 apply to any community disaster loan made under section
11 417 of that Act to assist any local government in which
12 a major disaster relating to Hurricane Katrina was de-
13 clared to exist by the President on August 29, 2005, in
14 accordance with section 401 of that Act (42 U.S.C. 5170).

15 (b) ALLOCATION.—Of funds appropriated for com-
16 munity disaster loans in fiscal year 2006 under section
17 417(b) of the Robert T. Stafford Disaster Relief and
18 Emergency Assistance Act (42 U.S.C. 5184(b)), not less
19 than—

20 (1) \$450,000,000 shall be used for loans to
21 local governments located in Orleans Parish, Lou-
22 isiana;

23 (2) \$250,000,000 shall be used for loans to
24 local governments located in Jefferson Parish, Lou-
25 isiana;

1 \$100,000,000 shall be made available for psychological
2 trauma response early intervention, prevention, and dis-
3 order treatment by culturally competent counselors and
4 mental health professionals for children who are 0 to 5
5 years of age: *Provided further*, That from such amount,
6 \$100,000,000 shall be made available to provide funds in
7 consultation with the Louisiana Department of Education
8 for the assessment, response, and treatment of the mental
9 health needs of school age children with services to be pro-
10 vided by culturally competent counselors and mental
11 health professionals: *Provided further*, That from such
12 amount, \$100,000,000 shall be made available to increase
13 funding for psychological trauma response early interven-
14 tion, prevention, and disorder treatment and suicide pre-
15 vention by culturally competent counselors and mental
16 health professionals: *Provided further*, That from such
17 amount, \$100,000,000 shall be made available to be kept
18 separate and apart from mental health funds allocated to
19 the Louisiana State agency for substance abuse for sub-
20 stance abuse assessment, early intervention, prevention,
21 and treatment.

22 CENTERS FOR DISEASE CONTROL AND PREVENTION
23 DISEASE CONTROL, RESEARCH, AND TRAINING

24 For an additional amount for the Centers for Disease
25 Control and Prevention, \$300,000,000, to remain avail-

1 able until September 30, 2006: *Provided*, That from such
 2 amount, \$50,000,000 shall be made available to the Envi-
 3 ronmental Health Lab/Bio Monitoring Fund for evacuees,
 4 rescue workers, and others: *Provided further*, That from
 5 such amount, \$50,000,000 shall be made available to the
 6 Environmental Health Tracking Network for ongoing pub-
 7 lic health tracking and registries as a result of Hurricane
 8 Katrina: *Provided further*, That from such amount,
 9 \$100,000,000 shall be made available for Public Health
 10 Improvement to rebuild the Louisiana public health infra-
 11 structure affected by Hurricane Katrina: *Provided further*,
 12 That \$100,000,000 shall be made available to carry out
 13 mosquito abatement activities under section 317S of the
 14 Public Health Service Act for States affected by Hurri-
 15 cane Katrina.

16 ADMINISTRATION FOR CHILDREN AND FAMILIES

17 LOW INCOME HOME ENERGY ASSISTANCE

18 For an additional amount for making payments
 19 under title XXVI of the Omnibus Budget Reconciliation
 20 Act of 1981 (42 U.S.C. 8621 et seq.), \$36,000,000, which
 21 shall be made available for payments to Louisiana, and
 22 which shall be made available for obligation in fiscal year
 23 2005 and remain available until expended.

24 SOCIAL SERVICES BLOCK GRANT

25 For an additional amount for making grants to the
 26 State of Louisiana pursuant to section 2002 of the Social

1 Security Act, \$13,000,000, which shall be made available
2 for obligation in fiscal year 2006.

3 CHILDREN AND FAMILIES SERVICES PROGRAMS

4 For an additional amount for making payments to
5 the State of Louisiana for carrying out the provisions of
6 subpart 1 of part B of title IV of the Social Security Act,
7 \$11,000,000. Such payments shall be used for the purpose
8 of providing family reunification and family support serv-
9 ices for children who reside or resided in the State of Lou-
10 isiana in an area in which a major disaster relating to
11 Hurricane Katrina was declared by the President under
12 section 401 of the Robert T. Stafford Disaster Relief and
13 Emergency Assistance Act (42 U.S.C. 5170), including
14 such children who are receiving foster care maintenance
15 payments under section 472 of the Social Security Act (42
16 U.S.C. 672), adoption assistance payments under section
17 473 of such Act (42 U.S.C. 673), or are determined by
18 the State to be otherwise in need of child welfare services.

19 For an additional amount for making payments to
20 the State of Louisiana to carry out the John H. Chafee
21 Foster Care Independence Program pursuant to section
22 477 of the Social Security Act, \$1,358,000, which shall
23 be made available for obligation in fiscal year 2006:

24 PROMOTING SAFE AND STABLE FAMILIES

25 For an additional amount for making payments to
26 the State of Louisiana for carrying out the provisions of

1 subpart 2 of part B of title IV of the Social Security Act,
2 \$26,000,000.

3 OFFICE OF THE SECRETARY
4 PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY
5 FUND

6 For emergency and other services, \$1,000,000,000 to
7 be made available by the Secretary of Health and Human
8 Services to provide funds to the Louisiana Department of
9 Health and Hospitals, to remain available until December
10 31, 2006: *Provided*, That such funds shall not have any
11 affect on any funding available from the Federal Emer-
12 gency Management Agency to Louisiana: *Provided further*,
13 That from such amount, \$500,000,000 shall be made
14 available to be used, in consultation with the Department
15 of Health and Human Services, for emergency grants and
16 reimbursements awarded by the Louisiana Department of
17 Health and Hospitals for health care suppliers and pro-
18 viders that incurred healthcare-related expenses or lost
19 revenues as a result of their response to the public health
20 emergency resulting from Hurricane Katrina, including
21 funding for additional medical personnel, hospital equip-
22 ment, community health centers, social services, disabled
23 or elderly care, and emergency rooms: *Provided further*,
24 That from such amount, \$500,000,000 shall be made
25 available to be used, in consultation with the Department

1 of Health and Human Services, for grants for the funding
 2 of activities for immediate emergency needs, including re-
 3 building, repairing, and restoration of healthcare infra-
 4 structures, including offices, clinics, community health
 5 centers, and hospitals, with a priority given to requests
 6 involving those hospitals that maintained operations
 7 through Hurricane Katrina and are still in operation as
 8 of the date of enactment of this Act and with special con-
 9 sideration given to requests relating to the immediate
 10 emergency needs of hospitals, physicians' offices, commu-
 11 nity health centers, and clinics, in that order.

12 CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT

13 For an additional amount for making payments to
 14 the State of Louisiana to carry out activities authorized
 15 under the Child Care and Development Block Grant Act
 16 of 1990 (42 U.S.C. 9858 et seq.) for individuals impacted
 17 by Hurricane Katrina, \$100,000,000, to remain available
 18 until expended.

19 **Subtitle G—Department of Housing**
 20 **and Urban Development**

21 PUBLIC AND INDIAN HOUSING

22 TENANT-BASED RENTAL ASSISTANCE

23 For an additional amount for “Tenant-Based Rental
 24 Assistance” for annual contributions contracts for tenant-
 25 based assistance under section 8 of the United States
 26 Housing Act of 1937 (42 U.S.C. 1437f) for use only for

1 assistance for families displaced as a result of Hurricane
 2 Katrina, \$3,500,000,000, to remain available until ex-
 3 pended: *Provided*, That notwithstanding any other provi-
 4 sion of law, the entire amount provided herein shall be
 5 available immediately and shall not be subject to appor-
 6 tionment for the purpose of chapter 15 of title 31, United
 7 States Code: *Provided further*, That the amount provided
 8 herein is designated as an emergency requirement pursu-
 9 ant to section 402 of H. Con. Res. 95 (109th Congress).

10 COMMUNITY PLANNING AND DEVELOPMENT

11 COMMUNITY DEVELOPMENT FUND

12 For an additional amount for “Community Develop-
 13 ment Fund” for activities authorized under title I of the
 14 Housing and Community Development Act of 1974, for
 15 use only for disaster relief, long-term recovery, and mitiga-
 16 tion in communities affected by Hurricane Katrina, except
 17 those activities reimbursable by the Federal Emergency
 18 Management Agency or available through the Small Busi-
 19 ness Administration, and for reimbursement for expendi-
 20 tures incurred from the regular Community Development
 21 Block Grant formula allocation used to achieve these same
 22 purposes, \$50,000,000,000, to remain available until ex-
 23 pended: *Provided*, That of the amount provided under this
 24 heading, the Secretary of Housing and Urban Develop-
 25 ment may use up to \$5,000,000,000 under the HOME

1 Investment Partnerships Program for assistance under
2 title II of the Cranston-Gonzalez National Affordable
3 Housing Act in areas affected by Hurricane Katrina: *Pro-*
4 *vided further*, That of the amount provided under this
5 heading, the Secretary of Housing and Urban Develop-
6 ment may use up to \$5,000,000,000 under the HOPE VI
7 program in areas affected by Hurricane Katrina: *Provided*
8 *further*, That the amount provided herein is designated as
9 an emergency requirement pursuant to section 402 of H.
10 Con. Res. 95 (109th Congress): *Provided further*, for ex-
11 penses to assist businesses in Louisiana during recovery
12 from and reconstruction of facilities damaged by Hurri-
13 cane Katrina, for “Louisiana Business Redevelopment
14 Fund”, \$10,000,000,000, to remain available until ex-
15 pended: *Provided*, That the State of Louisiana in conjunc-
16 tion with local authorities in the additional disaster par-
17 ishes, shall: (1) establish a Bayou State Redevelopment
18 Corporation (“the corporation”); (2) distribute the funds
19 provided for the “Louisiana Business Redevelopment
20 Fund” through the Bayou State Redevelopment Corpora-
21 tion; (3) within 90 days of the date of enactment of this
22 Act, issue the initial criteria and requirements necessary
23 to accept applications from individuals, nonprofits, and
24 small businesses for economic losses from the August 28,
25 2005, impact of Hurricane Katrina; and (4) begin proc-

1 essing such applications: *Provided further*, That the cor-
 2 poration shall expeditiously respond to any application
 3 from an individual, nonprofit, or small business for eco-
 4 nomic losses under this heading: *Provided further*, That
 5 of the total amount made available for the “Louisiana
 6 Business Redevelopment Fund”, no less than
 7 \$750,000,000 shall be made available for individuals, non-
 8 profits, or small businesses described, with a limit of
 9 \$750,000 per small business for economic losses: *Provided*
 10 *further*, That amounts made available in the previous pro-
 11 viso shall only be available for individuals, nonprofits, or
 12 small businesses located in communities within the State
 13 of Louisiana designated by the President as a major dis-
 14 aster under the Robert T. Stafford Disaster Relief and
 15 Emergency Assistance Act, in connection with Hurricane
 16 Katrina: *Provided further*, That, of the amount provided
 17 in this paragraph, \$1,000,000,000 shall be used for a pro-
 18 gram to aid the travel and tourism industry.

19 HOUSING PROGRAMS

20 MORTGAGE RELIEF

21 For mortgage relief for individuals affected by Hurri-
 22 cane Katrina, \$5,000,000,000, to remain available until
 23 March 30, 2007: *Provided*, That the Secretary of Housing
 24 and Urban Development shall consult with the Adminis-
 25 trator of the Small Business Administration prior to

1 issuing such funds to an individual: *Provided* further, That
2 the amount provided herein is designated as an emergency
3 requirement pursuant to section 402 of H. Con. Res. 95
4 (109th Congress).

5 **Subtitle H—Department of**
6 **Transportation**

7 TRANSPORTATION PROGRAMS

8 For an additional amount for necessary expenses to
9 carry out the projects and activities described in title V—

10 (1) \$7,000,000,000 shall be available to the
11 Louisiana Department of Transportation and Devel-
12 opment for construction, maintenance, and repair of
13 evacuation and energy supply routes in the State of
14 Louisiana;

15 (2) \$5,000,000,000 shall be available to the
16 Louisiana Department of Transportation and Devel-
17 opment for expansion of road and transit capacity;

18 (3) \$1,000,000,000 shall be available to the
19 Port of New Orleans, Louisiana, for restoration,
20 protection, and improvement of infrastructure;

21 (4) \$1,000,000,000 shall be available to the
22 Louisiana Department of Transportation and Devel-
23 opment to provide grants for restoration, protection,
24 and improvement of infrastructure to ports other
25 than the Port of New Orleans;

1 (5) \$71,800,000 shall be available to the Fed-
2 eral Aviation Administration for reimbursements to
3 the Louis Armstrong New Orleans International Air-
4 port;

5 (6) \$2,900,000,000 shall be available for the
6 emergency relief program of the Department of
7 Transportation under section 125 of title 23, United
8 States Code;

9 (7) \$20,000,000 shall be available for the estab-
10 lishment and implementation of comprehensive de-
11 velopment plans for development districts in the
12 State of Louisiana;

13 (8) \$36,000,000 shall be available to the Fed-
14 eral Railroad Administration for reimbursements to
15 the New Orleans Public Belt Railroad for antici-
16 pated revenue shortfalls due to Hurricane Katrina;

17 (9) \$190,000,000 shall be available to the New
18 Orleans Regional Transit Authority for revenues lost
19 as a consequence of Hurricane Katrina; and

20 (10) \$150,000,000 shall be available to the
21 Maritime Administration of the Department of
22 Transportation for the cost of guaranteed loans.

23 The amounts provided under this heading are des-
24 ignated as an emergency requirement pursuant to section

1 402 of the conference report to accompany H. Con. Res.
 2 95 (109th Congress).

3 **Subtitle I—Department of Energy**

4 ENERGY CONSERVATION

5 For an additional amount for necessary expenses in
 6 carrying out the weatherization program established under
 7 part A of title IV of the Energy Conservation and Produc-
 8 tion Act (42 U.S.C. 6861 et seq.), \$11,000,000, which
 9 shall be made available for such expenses in Louisiana,
 10 and shall remain available until expended.

11 **Subtitle J—Department of** 12 **Education**

13 TEACHER INCENTIVE FUND

14 For an additional amount for a teacher incentive
 15 fund, \$750,000,000 to remain available until expended:
 16 *Provided* That such funds shall be made available to the
 17 Louisiana Department of Education, to create a teacher
 18 incentive fund to provide assistance to all teachers who
 19 were employed on August 29, 2005, in Louisiana and af-
 20 fected by Hurricane Katrina, as directed by the Louisiana
 21 Department of Education, which funds shall remain avail-
 22 able to the Louisiana Department of Education until ex-
 23 pended: *Provided further*, That the amount of any such
 24 funds to be provided to a teacher shall be reduced by any
 25 amount the teacher receives under section 410(a) of the

1 Robert T. Stafford Disaster Relief and Emergency Assist-
 2 ance Act (42 U.S.C. 5177(a)), for temporary extended un-
 3 employment compensation under subtitle E of title III, for
 4 temporary employment, or under any other Federal pro-
 5 gram: *Provided further*, That such funds shall only be
 6 made available to a teacher if the teacher enters into a
 7 written agreement with the Louisiana Department of Edu-
 8 cation to return to employment at the teacher's home
 9 school in Louisiana once the return is determined appro-
 10 priate by the Louisiana Department of Education.

11 PROJECT SERV

12 For an additional amount for Project Serv under the
 13 Safe and Drug-Free Schools and Communities Act (20
 14 U.S.C. 7101 et seq.) for individuals impacted by Hurri-
 15 cane Katrina, \$5,000,000 to remain available until ex-
 16 pended for Hurricane Katrina affected Louisiana commu-
 17 nities.

18 GENERAL PROVISIONS

19 **SEC. 120. SUPPORT FOR ELEMENTARY AND SECONDARY** 20 **SCHOOLS WITH A LARGE INFLUX OF DIS-** 21 **PLACED STUDENTS.**

22 (a) PURPOSE.—It is the purpose of this section—

23 (1) to provide assistance to eligible local edu-
 24 cational agencies experiencing large increases in stu-
 25 dent enrollment due to Hurricane Katrina;

1 (2) to assist private and parochial schools experi-
2 encing large increases in student enrollment due to
3 Hurricane Katrina.

4 (3) to facilitate the enrollment of students im-
5 pacted by Hurricane Katrina into elementary schools
6 and secondary schools served by such agencies and
7 private and parochial schools; and

8 (4) to provide high quality instruction to such
9 students.

10 (b) GRANTS AUTHORIZED.—

11 (1) IN GENERAL.—The Secretary of Education
12 shall award grants to eligible local educational agen-
13 cies and eligible private schools.

14 (2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES
15 AND ELIGIBLE PRIVATE SCHOOLS.—

16 (A) CHILD COUNT.—Each State that has a
17 large influx of displaced students due to Hurri-
18 cane Katrina, as determined by the Secretary of
19 Education, shall set a child count date for local
20 educational agencies in the State that have a
21 large influx of such students, as determined by
22 the State, for the purpose of determining the
23 total number of such students in each such
24 agency.

1 (B) DEFINITION OF ELIGIBLE LOCAL EDU-
2 CATIONAL AGENCY.—In this section, the term
3 “eligible local educational agency” means a
4 local educational agency—

5 (i) that serves, as determined in ac-
6 cordance with the child count described in
7 subparagraph (A), not less than 30 dis-
8 placed students due to Hurricane Katrina;
9 or

10 (i) that serves an elementary school or
11 secondary school in which not less than 3
12 percent of the students enrolled at the
13 school are displaced students due to Hurri-
14 cane Katrina, as determined in accordance
15 with the child count described in subpara-
16 graph (A).

17 (C) DEFINITION OF ELIGIBLE PRIVATE
18 SCHOOL.—The term eligible private school
19 means a private or parochial elementary or sec-
20 ondary school that meets the requirements of
21 subparagraph (B)(i) and is a school described
22 in subparagraph (B)(ii).

23 (3) GRANT AMOUNT.—An eligible local edu-
24 cational agency or an eligible private school that re-
25 ceives a grant under this section shall receive a

1 grant amount that is equal to \$4,000 multiplied
2 by—

3 (A) in the case of an eligible local edu-
4 cational agency, the number of students who
5 enroll in elementary schools and secondary
6 schools served by such agency because the stu-
7 dents are displaced due to Hurricane Katrina;
8 and

9 (B) in the case of an eligible private
10 school, the number of students enrolled in the
11 private school who are displaced due to Hurri-
12 cane Katrina.

13 (c) APPLICATION.—Each eligible local educational
14 agency and eligible private school desiring a grant under
15 this section shall prepare and submit an application to the
16 Secretary of Education that contains—

17 (1) an assurance that the educational pro-
18 grams, services, and activities proposed under this
19 section will be administered by or under the super-
20 vision of the agency or the eligible private school, re-
21 spectively;

22 (2) an assurance that the agency or eligible pri-
23 vate school will coordinate the use of funds received
24 under this section with other funds received by the
25 agency or the eligible private school under the Ele-

1 elementary and Secondary Education Act of 1965 (20
2 U.S.C. 6301 et seq.) and with programs described
3 under such Act;

4 (3) an assurance that funds will be used—

5 (A)(i) in the case of funds received by an
6 eligible local educational agency, to improve in-
7 struction to students who enroll in elementary
8 schools and secondary schools served by such
9 agency because the students are displaced due
10 to Hurricane Katrina; or

11 (ii) in the case of funds received by an eli-
12 gible private school, to improve instruction to
13 students enrolled in the school who are dis-
14 placed due to Hurricane Katrina; and

15 (B) to facilitate such students' transition
16 into schools served by the agency or eligible pri-
17 vate school; and

18 (4) such other information and assurances as
19 the Secretary may reasonably require.

20 (d) USE OF FUNDS.—Each eligible local educational
21 agency or eligible private school that receives a grant
22 under this section shall use the grant funds to enhance
23 instructional opportunities for students who enroll in ele-
24 mentary schools and secondary schools served by such
25 agency or the eligible private school, respectively, because

1 the students are displaced due to Hurricane Katrina,
2 which may include—

3 (1) basic instructional services for such stu-
4 dents, including tutoring, mentoring, or academic
5 counseling;

6 (2) salaries of personnel, including teacher
7 aides, to provide instructional services to such stu-
8 dents;

9 (3) identification and acquisition of curricular
10 material, including the costs of providing additional
11 classroom supplies, overhead costs, costs of construc-
12 tion, acquisition or rental of space, costs of transpor-
13 tation, or such other costs as are directly attrib-
14 utable to such instructional services for such stu-
15 dents;

16 (4) health services (including mental health
17 services), meals, and clothing; and

18 (5) such other activities, related to the purpose
19 of this section, as the Secretary of Education may
20 authorize.

21 (e) APPROPRIATIONS.—

22 (1) IN GENERAL.—Out of any money in the
23 Treasury not otherwise appropriated, there are au-
24 thorized to be appropriated and there are appro-

1 priated to carry out this section such sums as may
2 be necessary.

3 (2) EMERGENCY DESIGNATION.—The amount
4 appropriated under this subsection is designated as
5 an emergency requirement pursuant to section 402
6 of H. Con. Res. 95 (109th Congress).

7 **SEC. 121. IMMEDIATE AID TO RESTART SCHOOL OPER-**
8 **ATIONS.**

9 (a) PURPOSE.—It is the purpose of this section—

10 (1) to provide immediate and direct assistance
11 to local educational agencies and private or parochial
12 schools in Louisiana that serve an area in which a
13 major disaster has been declared in accordance with
14 section 401 of the Robert T. Stafford Disaster Relief
15 and Emergency Assistance Act (42 U.S.C. 5170),
16 related to Hurricane Katrina;

17 (2) to assist school district administrators and
18 personnel of such agencies or schools who are work-
19 ing to restart operations in elementary schools and
20 secondary schools served by such agencies or schools;
21 and

22 (3) to facilitate the reopening of elementary
23 schools and secondary schools served by such agen-
24 cies or schools and the enrollment of students in

1 schools served by such agencies or schools as soon
2 as possible.

3 (b) PAYMENTS AUTHORIZED.—From amounts appro-
4 priated to carry out this section, the Secretary of Edu-
5 cation is authorized to make payments to the State De-
6 partments of Education in Louisiana for use in restarting
7 schools located in an area in which a major disaster has
8 been declared in accordance with section 401 of the Robert
9 T. Stafford Disaster Relief and Emergency Assistance Act
10 (42 U.S.C. 5170), related to Hurricane Katrina.

11 (c) SUPPLEMENT NOT SUPPLANT.—Funds made
12 available under this section shall be used to supplement,
13 not supplant, any funds made available through the Fed-
14 eral Emergency Management Agency or through a State.

15 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
16 authorized to be appropriated to carry out this section
17 \$600,000,000 for fiscal year 2006.

18 **SEC. 122. EDUCATION FOR INDIVIDUALS WITH DISABIL-**
19 **ITIES.**

20 (a) DATA FOR FUNDING CALCULATIONS.—In calcu-
21 lating funding under the Individuals with Disabilities Edu-
22 cation Act (20 U.S.C. 1400 et seq.) for the 2005–2006
23 school year and the 2006–2007 school year for a State
24 that meets the requirements of subsection (b), the Sec-
25 retary of Education shall use data from the 2004–2005

1 school year to determine the number of children in such
2 State for the purposes of—

3 (1) subsections (a) and (d)(3) of section 611 of
4 the Individuals with Disabilities Education Act (20
5 U.S.C. 1411 (a) and (d)(3));

6 (2) section 619 of the Individuals with Disabil-
7 ities Education Act (20 U.S.C. 1419), if such State
8 is eligible to receive an allocation under such section;
9 and

10 (3) section 643(e) of the Individuals with Dis-
11 abilities Act (20 U.S.C. 1443(c)).

12 (b) SENDING STATE.—A State referred to in sub-
13 section (a) is a State that—

14 (1) includes an area in which the President has
15 declared that a major disaster exists in accordance
16 with section 401 of the Robert T. Stafford Disaster
17 Relief and Emergency Assistance Act (42 U.S.C.
18 5170) related to Hurricane Katrina; and

19 (2) for the 2005–2006 school year or 2006–
20 2007 school year, has a net loss of students attend-
21 ing the schools located in the State, as compared the
22 2004–2005 school year.

1 **SEC. 123. EDUCATION FOR HOMELESS CHILDREN AND**
2 **YOUTHS.**

3 (a) IN GENERAL.—In addition to amounts otherwise
4 appropriated to carry out subtitle B of title VII of the
5 McKinney-Vento Homeless Assistance Act (42 U.S.C.
6 11431 et seq.), and out of any money in the Treasury not
7 otherwise appropriated, there are appropriated
8 \$20,000,000 for the 180-day period beginning on the date
9 of enactment of this section to carry out education for
10 homeless children and youths under such subtitle for
11 homeless children and youths affected by Hurricane
12 Katrina.

13 (b) EMERGENCY DESIGNATION.—The amount appro-
14 priated under this section is designated as an emergency
15 requirement pursuant to section 402 of H. Con. Res. 95
16 (109th Congress).

17 **SEC. 124. WAIVERS OF FEDERAL STUDENT AID.**

18 Section 484B(b)(2) of the Higher Education Act of
19 1965 (20 U.S.C. 1091b(b)(2)) is amended by adding at
20 the end the following new subparagraph:

21 “(D) WAIVERS OF FEDERAL STUDENT
22 AID.—The Secretary may issue one-time waiv-
23 ers of the amounts that students are required
24 to return under this section with respect to stu-
25 dent aid awarded under this title, if—

1 “(i) the students were residing in, em-
 2 ployed in, or attending an institution of
 3 higher education that is located in an
 4 area—

5 “(I) in which the President has
 6 declared that a major disaster exists,
 7 in accordance with section 401 of the
 8 Robert T. Stafford Disaster Relief
 9 and Emergency Assistance Act (42
 10 U.S.C. 5170); and

11 “(II) in which individual an pub-
 12 lic assistance is available pursuant to
 13 this Act; and

14 “(ii) the students’ attendance was in-
 15 terrupted because of the impact of the dis-
 16 aster on the student or the institution.”.

17 **SEC. 125. WAIVER AUTHORITY TO MODIFY AUTHORIZED**
 18 **USES OF TRIO, GEAR-UP, PART A OR B OF**
 19 **TITLE III AND OTHER GRANTS**

20 The Secretary is authorized to modify the required
 21 and allowable uses of funds under chapters 1 and 2 of
 22 subpart 2 of part A of title IV of the Higher Education
 23 Act of 1965 (20 U.S.C. 1070a et seq., 1070a–21 et seq.),
 24 under part A or B of title III (20 U.S.C. 1057 et seq.,
 25 1060 et seq.), and under any other competitive grant pro-

1 gram, at the request of an institution or other grantee
2 affected by Hurricane Katrina, with respect to affected in-
3 stitutions and other grantees located in an area which an
4 emergency or major disaster was declared under section
5 401 of the Robert T. Stafford Disaster Relief and Emer-
6 gency Assistance Act due to the effects of Hurricane
7 Katrina.

8 **SEC. 126. FUND FOR EARLY CHILDHOOD CARE AND EDU-**
9 **CATION.**

10 (a) PURPOSE.—It is the purpose of this section—

11 (1) to provide assistance to local communities
12 experiencing large influxes of preschool-aged chil-
13 dren displaced by Hurricane Katrina;

14 (2) to provide assistance to local communities
15 in Louisiana that are directly impacted by Hurri-
16 cane Katrina; and

17 (3) to facilitate placement of such children in
18 early childhood education programs.

19 (b) EARLY CHILDHOOD EDUCATION PROGRAMS.—In
20 this section, the term “early childhood education pro-
21 gram” means a Head Start program or a LA 1 Early
22 Head Start program carried out under the Head Start Act
23 (42 U.S.C. 9831 et seq.), a State licensed or regulated
24 child care program or school, or a State prekindergarten

1 program that serves children from birth through kinder-
2 garten.

3 (c) GRANTS AND SUBGRANTS AUTHORIZED.—

4 (1) GRANTS.—The Secretary of Health and
5 Human Services shall award grants to States dem-
6 onstrating large influxes of children and families dis-
7 placed due to Hurricane Katrina.

8 (2) SUBGRANTS.—

9 (A) IN GENERAL.—A State receiving a
10 grant under paragraph (1) shall award sub-
11 grants to affected local communities in the
12 State to facilitate placement of displaced chil-
13 dren in existing early childhood education pro-
14 grams.

15 (B) AFFECTED LOCAL COMMUNITIES.—In
16 this paragraph, the term “affected local com-
17 munity” means a local community—

18 (i) in a State described in subpara-
19 graph (A) in which—

20 (I) there are not less than 200
21 pre-school aged children who are dis-
22 placed due to Hurricane Katrina; or

23 (II) there is a significant percent-
24 age of the total number of children
25 participating in early childhood edu-

1 cation programs in the community
2 who are children who are in the com-
3 munity because the children are dis-
4 placed due to Hurricane Katrina, as
5 determined by the Secretary of Health
6 and Human Services; or

7 (ii) in a Louisiana parish affected by
8 Hurricane Katrina.

9 (d) APPLICATIONS.—Each State that desires to re-
10 ceive a grant under this section shall prepare and submit
11 an application to the Secretary of Health and Human
12 Services that contains—

13 (1) a description of the collaborative planning
14 process between the State agency responsible for
15 pre-kindergarten, State child care administrator, and
16 Head Start Collaboration Director to facilitate the
17 placement of children who are displaced due to Hur-
18 ricane Katrina in early childhood education pro-
19 grams;

20 (2) assurances that funds received under this
21 section will be used for the purpose described in sub-
22 section (a);

23 (3) a plan to coordinate funds received under
24 this section with existing resources available to the

1 early childhood education programs for similar pur-
2 poses; and

3 (4) such other information and assurances as
4 the Secretary of Health and Human Services may
5 reasonably require.

6 (e) USE OF SUBGRANT FUNDS.—

7 (1) IN GENERAL.—Each affected local commu-
8 nity receiving a subgrant under this section shall use
9 the subgrant funds only for—

10 (A) costs associated with accommodating
11 the influx of displaced children, including acqui-
12 sition or rental of space;

13 (B) costs associated with providing services
14 to displaced children, including related services
15 such as nutrition and acquisition of related ma-
16 terials; and

17 (C) costs associated with hiring additional
18 personnel, including teacher aides or personnel
19 working with families of children.

20 (2) INCOME AND DOCUMENTATION WAIVER.—

21 The Secretary of Health and Human Services shall
22 waive requirements of income eligibility and docu-
23 mentation for children displaced by Hurricane
24 Katrina who participate in early childhood education
25 programs, such as Head Start programs and Early

1 Head Start, funded by subgrants awarded pursuant
2 to this section.

3 (f) APPROPRIATIONS.—

4 (1) IN GENERAL.—Out of any money in the
5 Treasury not otherwise appropriated, there are au-
6 thorized to be appropriated and there are appro-
7 priated to carry out this section \$600,000,000 for
8 fiscal year 2006, of which not more than .05 percent
9 may be used for administrative expenses.

10 (2) AVAILABILITY.—Funds appropriated under
11 this subsection shall remain available until expended
12 or until the date that is 2 years after the date of
13 enactment of this Act, whichever is earlier.

14 (3) EMERGENCY DESIGNATION.—The amount
15 appropriated under this subsection is designated as
16 an emergency requirement pursuant to section 402
17 of H. Con. Res. 95 (109th Congress).

18 **SEC. 127. IMPROVING EDUCATIONAL INFRASTRUCTURE.**

19 (a) PURPOSE.—It is the purpose of this section to
20 assist areas impacted by Hurricane Katrina to repair, ren-
21 ovate, alter, or construct facilities critical to the edu-
22 cational needs of students, by providing Federal funds to
23 assist local educational agencies, early childhood education
24 programs, and private or parochial kindergarden through
25 grade 12 programs, to meet costs associated with repair-

1 ing, renovating, altering, or constructing the facilities of
2 such entities.

3 (b) GRANTS AUTHORIZED.—The Secretary of Edu-
4 cation shall award a grant to the Louisiana Department
5 of Education to enable the Louisiana Department of Edu-
6 cation to award subgrants to local educational agencies,
7 early childhood education programs, and private or paro-
8 chial kindergarden through grade 12 programs that are
9 in an area, that is subject to a declaration by the Presi-
10 dent of a major disaster in accordance with section 401
11 of the Robert T. Stafford Disaster Relief and Emergency
12 Assistance Act (42 U.S.C. 5170) related to Hurricane
13 Katrina and in which individual and public assistance is
14 available pursuant to this Act, relative to the dem-
15 onstrated need for the repair, renovation, alteration, or
16 construction of the facilities of such entities based on the
17 condition of the facilities due to the impact of Hurricane
18 Katrina.

19 (c) USE OF FUNDS.—Each local educational agency,
20 early childhood education program, or private or parochial
21 kindergarden through grade 12 program receiving
22 subgrant funds under this section shall use such funds
23 only to facilitate the education of students through the re-
24 pair, renovation, alteration, or construction of a public ele-
25 mentary school or secondary school facility, an early child-

1 hood education facility, or a private or parochial
2 kindergarden through grade 12 program facility, used for
3 academic, vocational, or developmental instruction.

4 (d) APPROPRIATIONS.—

5 (1) IN GENERAL.—There are authorized to be
6 appropriated to carry out this section
7 \$2,000,000,000 for fiscal year 2006, of which not
8 more than .05 percent may be used for administra-
9 tion expenses.

10 (2) AVAILABILITY.—Funds appropriated under
11 subsection (a) shall remain available until expended.

12 **SEC. 128. POSTSECONDARY EDUCATION STABILIZATION**
13 **BOARD.**

14 (a) APPROPRIATIONS.—

15 (1) IN GENERAL.—Out of any money in the
16 Treasury not otherwise appropriated, there are ap-
17 propriated for the fiscal year ending September 30,
18 2005, \$5,000,000,000 to remain available until ex-
19 pended to the Postsecondary Education Stabilization
20 Board, established under this section, to establish an
21 Education Relief Fund for the compensation of post-
22 secondary educational institutions for direct and as-
23 sociated losses due to the impact of Hurricane
24 Katrina and for recovery initiatives.

1 (2) EMERGENCY DESIGNATION.—The amount
2 appropriated under paragraph (1) is designated as
3 an emergency requirement pursuant to section 402
4 of H. Con. Res. 95 (109th Congress).

5 (b) POSTSECONDARY EDUCATIONAL INSTITUTION.—
6 In this section, the term “postsecondary educational insti-
7 tution” means—

8 (1) a public postsecondary institution located in
9 Louisiana;

10 (2) a private nonprofit postsecondary institu-
11 tion, which is a member of the Louisiana Association
12 of Independent Colleges and Universities, located in
13 Louisiana; or

14 (3) a private for profit postsecondary institution
15 located in Louisiana determined by the Postsec-
16 ondary Education Stabilization Board to be eligible
17 for assistance under this section.

18 (c) POSTSECONDARY EDUCATION STABILIZATION
19 BOARD.—

20 (1) ESTABLISHMENT.—There is established a
21 Postsecondary Education Stabilization Board com-
22 posed of the Secretary of Education (or a designee
23 of the Secretary of Education), and the Secretary of
24 the Treasury (or a designee of the Secretary of the
25 Treasury).

1 (2) DUTIES.—The Postsecondary Education
2 Stabilization Board shall—

3 (A) establish an Education Relief Fund
4 that includes funds appropriated under this sec-
5 tion; and

6 (B) from such Education Relief Fund pro-
7 vide funds to postsecondary educational institu-
8 tions for direct or indirect losses incurred on or
9 after August 28, 2005, resulting from the im-
10 pact of Hurricane Katrina, and recovery initia-
11 tives of such institutions.

12 (d) USE OF ASSISTANCE.—Assistance received by a
13 postsecondary educational institution pursuant to this sec-
14 tion may be used for—

15 (1) direct and indirect construction costs and
16 clean-up costs resulting from Hurricane Katrina;

17 (2) faculty salaries and incentives for retaining
18 faculty;

19 (3) educational programs relevant to the recov-
20 ery effort;

21 (4) institutional initiatives designed for eco-
22 nomic and community revitalization and recovery;

23 (5) faculty recruitment costs;

24 (6) costs of lost tuition, revenue, and enroll-
25 ment; and

1 (7) debt relief.

2 (e) REQUIREMENTS FOR ASSISTANCE DUE TO
3 LOSSES.—A postsecondary educational institution that
4 desires to receive assistance under this section shall—

5 (1) submit a sworn financial statement and
6 other appropriate data, documentation, or other evi-
7 dence requested by the Postsecondary Education
8 Stabilization Board, to the Postsecondary Education
9 Stabilization Board that indicates that the institu-
10 tion incurred losses resulting from the impact of
11 Hurricane Katrina and the monetary amount of
12 such losses; and

13 (2) demonstrate that the institution attempted
14 to minimize the costs of any losses by pursuing col-
15 lateral source compensation from the Federal Emer-
16 gency Management Agency, the Small Business Ad-
17 ministration, and insurance prior to seeking assist-
18 ance under this section.

19 (f) AUDIT.—The Secretary of Education and the
20 Comptroller General of the United States may audit a
21 statement submitted under subsection (e) and may request
22 any information that the Secretary of Education and
23 Comptroller General determine necessary to conduct such
24 an audit.

1 (g) REDUCTION IN ASSISTANCE.—In calculating as-
2 sistance to a postsecondary educational institution under
3 this section, the Postsecondary Education Stabilization
4 Board shall calculate a figure that reduces from the mone-
5 tary amount of losses incurred by such institution, only
6 the amount of collateral source compensation the institu-
7 tion has received from insurance, the Federal Emergency
8 Management Agency, and the Small Business Administra-
9 tion.

10 (h) REGULATIONS.—Not later than 14 days after the
11 date of enactment of this section, the Office of Manage-
12 ment and Budget, in consultation with the Postsecondary
13 Education Stabilization Board, shall issue regulations set-
14 ting forth procedures for an application for assistance
15 under this section and minimum requirements for receiv-
16 ing assistance under this section, including the following:

17 (1) Online forms to be used in submitting re-
18 quests for assistance

19 (2) Information to be included in forms.

20 (3) Procedures to assist in filing and pursuing
21 assistance.

22 (i) TAX CONSEQUENCES.—

23 (1) NOT INCOME.—Any assistance received by a
24 postsecondary educational institution under this sec-

1 tion shall not be treated as income for the purposes
2 of the Internal Revenue Code of 1986.

3 (2) TAX EXEMPT.—Any Government bond
4 issued to finance the construction of a public or pri-
5 vate postsecondary educational institution shall be
6 considered an exempt facility bond for purposes of
7 the Internal Revenue Code of 1986 and shall not be
8 subject to section 146 of such Code.

9 (j) WAIVERS.—The Secretary of Education may
10 waive any requirements under title IV of the Higher Edu-
11 cation Act of 1965 (20 U.S.C. 1070 et seq.) that are ren-
12 dered infeasible or unreasonable due to the impact of Hur-
13 ricane Katrina, including due diligence requirements and
14 reporting deadlines, for an institution of higher education,
15 eligible lender, or other entity participating in a student
16 assistance program under such title that is located in, or
17 whose operations are directly affected by, an area in which
18 the President has declared that a major disaster exists in
19 accordance with section 401 of the Robert T. Stafford Dis-
20 aster Relief and Emergency Assistance Act (42 U.S.C.
21 5170), related to Hurricane Katrina.

22 **Subtitle K—Coast Guard**

23 For an amount for the United States Coast Guard,
24 \$10,000,000, to be used to contract with commercial fish-
25 ing vessel operators to remove debris from the marine en-

1 vironment caused by Hurricane Katrina: *Provided*, That
 2 the Commandant of the Coast Guard is authorized to use
 3 the emergency and simplified acquisition procedures estab-
 4 lished under the Homeland Security Act of 2002 to award
 5 such contracts on an expedited basis: *Provided further*,
 6 That not later than 6 months after the date of enactment
 7 of this Act, the Commandant shall submit to Congress a
 8 report on the debris removal efforts, including the type
 9 and amount of debris removed, the number of commercial
 10 fishing vessels employed, the funds disbursed to carry out
 11 this subtitle, and a comprehensive plan for further removal
 12 of any remaining marine debris.

13 **Subtitle L—Department of the**
 14 **Interior**

15 DEPARTMENT OF THE INTERIOR

16 For an additional amount for necessary expenses to
 17 carry out the projects and activities described in subtitle
 18 E of title VI—

19 (1) \$8,000,000 shall be available to provide a
 20 direct, lump-sum payment to the Louisiana Depart-
 21 ment of Wildlife and Fisheries by not later than 30
 22 days after the date of enactment of this Act for di-
 23 rect financial assistance to alligator farmers affected
 24 by Hurricane Katrina in Louisiana;

1 (2) \$27,000,000 shall be available to provide a
2 direct, lump-sum payment to the Louisiana Forestry
3 Association by not later than 30 days after the date
4 of enactment of this Act for lost timber sales reve-
5 nues from the Pearl River Wildlife Management
6 Area resulting from Hurricane Katrina in Louisiana;

7 (3) \$12,000,000 shall be available for a direct,
8 lump-sum payment to the Louisiana Department of
9 Wildlife and Fisheries by not later than 30 days
10 after the date of enactment of this Act for the res-
11 toration of wildlife management areas and other as-
12 sessments, research, management, and restoration
13 activities relating to wildlife and habitat manage-
14 ment; and

15 (4) such sums as are necessary shall be avail-
16 able by not later than 30 days after the date of en-
17 actment of this Act for assessment, research, and
18 mitigation activities of the Louisiana Department of
19 Wildlife and Fisheries.

20 The amounts provided under this heading are des-
21 ignated as an emergency requirement pursuant to section
22 402 of the conference report to accompany H. Con. Res.
23 95 (109th Congress).

1 **Subtitle M—Department of**
2 **Agriculture**

3 RURAL HOUSING SERVICE

4 RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

5 For additional gross obligations for the principal
6 amount of direct and guaranteed loans as authorized by
7 title V of the Housing Act of 1949, to be available from
8 funds in the rural housing insurance fund, as follows:
9 \$313,000,000 for loans to section 502 borrowers, as deter-
10 mined by the Secretary, of which \$60,000,000 shall be
11 available for direct loans, and of which \$210,000,000 shall
12 be available for unsubsidized guaranteed loans;
13 \$3,000,000 for section 504 housing repair loans of which
14 \$40,000,000 shall be available for section 515 rental hous-
15 ing and 100 percent rental assistance.

16 For the additional cost of direct loans, including the
17 cost of modifying loans as defined in section 502 of the
18 Congressional Budget Act of 1974, as follows: For section
19 502 loans, \$313,000,000, of which \$60,000,000, to re-
20 main available until expended, shall be for direct loans,
21 and of which \$210,000,000, to remain available until ex-
22 pended, shall be for unsubsidized guaranteed loans of
23 which \$3,000,000 shall be available for section 504 hous-
24 ing repair loans, to remain available until expended of
25 which \$40,000,000 shall be available for section 515 loans

1 and 100 percent rental assistance, \$40,000,000, to remain
2 available until expended.

3 *Provided*, That such loans shall only be available for
4 projects in communities in the State of Louisiana des-
5 ignated by the President as a major disaster area pursu-
6 ant to the Robert T. Stafford Disaster Relief and Emer-
7 gency Assistance Act in connection with Hurricane
8 Katrina: *Provided further*, That for the requirements of
9 clause (3) of section 501(c) of the Housing Act of 1949
10 (relating to inability to secure credit from other sources)
11 shall not apply to any direct loan under section 502 of
12 such Act: *Provided further*, That any limitations under
13 title V of the Housing Act of 1949 that are based on the
14 income of families shall not apply during fiscal years 2006
15 through 2008 for purposes of any guaranteed loan under
16 section 502 of such Act that refinances any existing direct
17 or guaranteed loan under such section and includes
18 amounts for repairs with respect to any community in the
19 State of Louisiana designated by the President as a major
20 disaster area pursuant to the Robert T. Stafford Disaster
21 Relief and Emergency Assistance Act or to families resid-
22 ing in such communities: *Provided further*, That under the
23 guaranteed loan program under section 502 of the Hous-
24 ing Act of 1949, the Secretary shall have authority to refi-
25 nance a loan previously financed or mortgaged, but not

1 already guaranteed by the Rural Housing Service, on a
 2 home with repairs within income limit restrictions estab-
 3 lished by each individual parish within the State of Lou-
 4 isiana: *Provided further*, That notwithstanding any provi-
 5 sion of section 504 of the Housing Act of 1949, the Sec-
 6 retary may make loans from amounts made available
 7 under this heading for housing in communities in the
 8 State of Louisiana designated by the President as a major
 9 disaster area pursuant to the Robert T. Stafford Disaster
 10 Relief and Emergency Assistance Act in connection with
 11 Hurricane Katrina to eligible low-income applicants, the
 12 maximum amount of such a loan shall be \$35,000, the
 13 maximum amount of a loan evidenced by a promissory
 14 note shall be \$15,000, and such loans may be made with-
 15 out obtaining an appraisal in advance and shall be repay-
 16 able within 30 years: *Provided further*, That the amounts
 17 provided under this heading are designated as an emer-
 18 gency requirement pursuant to section 402 of H. Con.
 19 Res. 95 (109th Congress).

20 RURAL HOUSING ASSISTANCE GRANTS

21 For an additional amount for Rural Housing Assist-
 22 ance Grants, \$4,000,000, to remain available until ex-
 23 pended, to be used for grants and contracts for housing
 24 repair under section 504 of the Housing Act of 1949 (42
 25 U.S.C. 1474): *Provided*, That such grants and contracts
 26 under this heading shall only be available for projects in

1 communities in the State of Louisiana designated by the
 2 President as a major disaster area pursuant to the Robert
 3 T. Stafford Disaster Relief and Emergency Assistance Act
 4 in connection with Hurricane Katrina: *Provided further*,
 5 That notwithstanding any provision of such section 504,
 6 the Secretary may make grants and contracts from
 7 amounts made available under this heading for housing
 8 in communities in the State of Louisiana designated by
 9 the President as a major disaster area pursuant to the
 10 Robert T. Stafford Disaster Relief and Emergency Assist-
 11 ance Act in connection with Hurricane Katrina to eligible
 12 low-income applicants and the maximum amount of such
 13 a grant shall be \$15,000: *Provided further*, That the
 14 amounts provided under this heading are designated as
 15 an emergency requirement pursuant to section 402 of H.
 16 Con. Res. 95 (109th Congress).

17 **Subtitle N—Department of Justice**

18 **GENERAL ADMINISTRATION**

19 **Salaries and Expenses**

20 **SEC. 131. DEFINITION.**

21 For the purpose of this subtitle, the term “unit of
 22 local government” means—

- 23 (1) a county, township, city, or political subdivi-
 24 sion of a county, township, or city that is a unit of

1 local government as determined by the Secretary of
2 Commerce for general statistical purposes; or

3 (2) a district attorney or a parish sheriff in the
4 State of Louisiana.

5 **SEC. 132. FUNDING.**

6 In addition to amounts otherwise provided for in this
7 Act, the following amounts are appropriated for fiscal year
8 2006 and designated as an emergency requirement pursu-
9 ant to section 402 of H. Con. Res. 95 (109th Congress):

10 (1) EMERGENCY LAW ENFORCEMENT ASSIST-
11 ANCE.—

12 (A) FUNDING.—For an additional amount
13 for hurricane-related expenses, \$650,000,000 to
14 remain available until expended: *Provided*, That
15 such sums as are necessary shall be derived
16 from programs in the Office of Justice Pro-
17 grams, Bureau of Justice Assistance authorized
18 by the Justice Assistance Act of 1984, title II,
19 chapter VI (Public Law 98–473; Stat. 1837,
20 sec. 609): *Provided further*, That of the
21 amounts made available under this heading,
22 \$650,000,000 shall be available only for the
23 Louisiana Commission on Law Enforcement.

24 (B) WAIVER.—Notwithstanding any limitations
25 on the amount of funds that may be distributed

1 from this program under section 609Y of the Justice
2 Assistance Act of 1984 (42 U.S.C. 10513(a)) such
3 limitations are waived for purposes of the funding
4 made available under this paragraph.

5 (2) ENHANCING LAW ENFORCEMENT.—For an
6 additional amount for “Enhancing State and Local
7 Law Enforcement” for expenses related to respond-
8 ing to Hurricane Katrina, \$200,000,000 to the
9 Community Oriented Policing Services program to
10 remain available until expended: *Provided*, That of
11 the amounts made available under this heading,
12 \$200,000,000 shall be available only to the hiring
13 section.

14 (3) ASSISTING CHILDREN IMPACTED BY HURRI-
15 CANE KATRINA.—For an additional amount of
16 \$10,000,000 to remain available until expended for
17 the Missing Children Program at the National Cen-
18 ter for Missing and Exploited Children to find,
19 unite, and transport children impacted by Hurricane
20 Katrina to their parents, legal guardian, or next of
21 kin.

22 **SEC. 133. ASSISTANCE TO COURTS.**

23 Section 462(f) title 28, United States Code, is
24 amended by adding at the end the following:

1 “(g) The Chief Judge of each United States District
2 Court is encouraged to cooperate with requests from State
3 and local authorities whose operations have been signifi-
4 cantly disrupted as a result of Hurricane Katrina to pro-
5 vide accommodations in Federal facilities for State and
6 local courts to conduct proceedings. The Administrator of
7 General Services is authorized and directed to provide the
8 accommodations requested by the Chief Judge.”.

9 **TITLE II—IMPROVEMENTS TO**
10 **DISASTER ASSISTANCE**

11 **SEC. 200. SENSE OF THE SENATE REGARDING THE AP-**
12 **POINTMENT OF FEDERAL CENTRAL COORDI-**
13 **NATING AGENT.**

14 It is the Sense of the Senate that—

15 (1) the President, in order to efficiently coordi-
16 nate and monitor the Federal relief and reconstruc-
17 tion efforts for the State of Louisiana, should ap-
18 point an individual to coordinate Federal efforts to
19 work with the State of Louisiana and local govern-
20 ments directly impacted by the Hurricane Katrina
21 as those respective entities plan for their rehabilita-
22 tion and reconstruction, oversee all Federal work re-
23 lating to such rehabilitation and reconstruction, and
24 oversee the obligation of all federally appropriated

1 funds for the purpose of Hurricane Katrina recovery,
2 rehabilitation and reconstruction; and

3 (2) the appointed individual should be invested
4 with authority to waive Federal regulatory processes
5 and legislative impediments to the reconstruction efforts,
6 and further, that the individual be the central
7 coordinating agent for the Federal actions pursuant
8 to Katrina recovery, rehabilitation, and reconstruction.
9 tion.

10 **Subtitle A—Immediate Disaster** 11 **Relief**

12 **SEC. 201. WAIVER OF COST-SHARING AND MAXIMUM AS-** 13 **SISTANCE REQUIREMENTS.**

14 With respect to the provision of assistance to individuals,
15 households, State and local public entities, and non-profit
16 entities in response to a major disaster relating to
17 Hurricane Katrina declared by the President on August
18 29, 2005, in accordance with section 401 of the Robert
19 T. Stafford Disaster Relief and Emergency Assistance Act
20 (42 U.S.C. 5170), for the 2-year period beginning on the
21 date of enactment of this Act—

22 (1) the Federal share under subsection
23 (g)(2)(A) of that section shall be 100 percent;

1 (2) the maximum limitations on assistance
2 under paragraphs (2) and (3) of subsection (e), and
3 subsection (h), of that section shall not apply;

4 (3) the Federal shares required under para-
5 graphs (1)(A) and (2)(A) of section 406(c) of the
6 Robert T. Stafford Disaster Relief and Emergency
7 Assistance Act (42 U.S.C. 5172(c)) shall be 100
8 percent; and

9 (4) subsections (b)(1) and (b)(2) of section 406
10 of that Act (42 U.S.C. 5172) shall not apply.

11 **SEC. 202. HAZARD MITIGATION GRANT PROGRAM.**

12 Section 404(a) of the Robert T. Stafford Disaster Re-
13 lief and Emergency Assistance Act (42 U.S.C. 5170c(a))
14 is amended in the third sentence by striking “7.5” and
15 inserting “15”.

16 **SEC. 203. STATE MANAGEMENT COSTS.**

17 Not later than 90 days after the date of enactment
18 of this Act, the Secretary of Homeland Security shall—

19 (1) develop and implement a process for the ap-
20 proval of requests for State management cost fund-
21 ing to ensure, to the maximum extent practicable,
22 that each such request is approved or disapproved
23 within the 30-day period after the date of receipt by
24 the Secretary of the request; and

1 (2) acting through the Director of the Federal
2 Emergency Management Agency, develop and pro-
3 vide to States clear and concise guidance to ensure,
4 to the maximum extent practicable, that the submis-
5 sion content and evaluation of those requests is con-
6 sistent.

7 **SEC. 204. DISASTER RELIEF EQUITY.**

8 Notwithstanding any other provision of law, the reli-
9 gious status of a private nonprofit facility located in an
10 area in which a major disaster relating to Hurricane
11 Katrina was declared by the President under section 401
12 of the Robert T. Stafford Disaster Relief and Emergency
13 Assistance Act (42 U.S.C. 5170), or of the owner or oper-
14 ator of such a facility, shall not preclude the facility from
15 being eligible to receive Federal assistance for use in re-
16 pairing, restoring, reconstructing, or replacing the facility
17 following damage or destruction of the facility as a result
18 of Hurricane Katrina.

19 **SEC. 205. PRESIDENTIALLY DECLARED DISASTER AREA**
20 **MAY INCLUDE THE OUTER CONTINENTAL**
21 **SHELF.**

22 (a) IN GENERAL.—Section 102(3) of the Robert T.
23 Stafford Disaster Relief and Emergency Assistance Act
24 (42 U.S.C. 5122(3)) is amended by inserting “, and in-
25 cludes the outer Continental Shelf (as defined in section

1 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C.
2 1331(a))” after “Islands”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 this section shall apply to—

5 (1) declarations made after August 28, 2005,
6 or

7 (2) modifications made after such date with re-
8 spect to declarations made after December 31, 2003.

9 **SEC. 206. EXPEDITED PAYMENTS OF FEDERAL ASSISTANCE**
10 **FOR DEBRIS REMOVAL AND EMERGENCY**
11 **PROTECTIVE MEASURES.**

12 (a) DEFINITIONS.—In this section:

13 (1) ELIGIBLE APPLICANT.—The term “eligible
14 applicant” means—

15 (A) a State government;

16 (B) a local government;.

17 (C) a private nonprofit organization or in-
18 stitution that owns or operates any private non-
19 profit educational, utility, emergency, medical,
20 or custodial care facility, including a facility for
21 the aged or disabled, or any other facility pro-
22 viding essential governmental services to the
23 general public, and such facilities on Indian res-
24 ervations; and

1 (D) an Indian tribe or authorized tribal or-
2 ganization, or an Alaska Native village or orga-
3 nization (other than an Alaska Native Corpora-
4 tion), the ownership of which is vested in a pri-
5 vate individual.

6 (2) ELIGIBLE CLAIM FOR ASSISTANCE.—The
7 term “eligible claim for assistance” means—

8 (A) a claim for the clearance, removal, or
9 disposal of debris (such as trees, sand, gravel,
10 building components, wreckage, vehicles, and
11 personal property), if the debris is the result of
12 an emergency or major disaster and the clear-
13 ance, removal, or disposal is necessary—

14 (i) to eliminate an immediate threat,
15 as determined by the Secretary of Home-
16 land Security, to human life, public health,
17 or safety;

18 (ii) to eliminate an immediate threat,
19 as determined by the Secretary, of signifi-
20 cant damage to public or private property;

21 (iii) to ensure the economic recovery
22 of the community affected by the emer-
23 gency or major disaster to the benefit of
24 the community and any other community,
25 as determined by the Secretary; or

1 (iv) to ensure the provision of tem-
2 porary public transportation service in the
3 community affected by the emergency or
4 major disaster pursuant to section 419 of
5 the Robert T. Stafford Disaster and Emer-
6 gency Assistance Act (42 U.S.C. 5186);

7 (B) an action taken by an applicant before,
8 during, or after an emergency or major disaster
9 that is necessary—

10 (i) to eliminate or reduce an imme-
11 diate threat, as determined by the Sec-
12 retary of Homeland Security, to human
13 life, public health, or safety; or

14 (ii) to eliminate or reduce an imme-
15 diate hazard, as determined by the Sec-
16 retary, that threatens significant damage
17 to public or private property; or

18 (C) any other claim that the Secretary of
19 Homeland Security determines to be appro-
20 priate.

21 (3) EMERGENCY.—The term “emergency” has
22 the meaning given the term in section 102 of the
23 Robert T. Stafford Disaster and Emergency Assist-
24 ance Act (42 U.S.C. 5122).

1 (4) MAJOR DISASTER.—The term “major dis-
 2 aster” has the meaning given the term in section
 3 102 of the Robert T. Stafford Disaster and Emer-
 4 gency Assistance Act (42 U.S.C. 5122).

5 (b) EXPEDITED PAYMENTS AUTHORIZED.—Notwith-
 6 standing the Robert T. Stafford Disaster Relief and
 7 Emergency Assistance Act (42 U.S.C. 5121 et seq.) (in-
 8 cluding any regulation promulgated pursuant to that Act),
 9 the Secretary of Homeland Security, acting through the
 10 Director of the Federal Emergency Management Agency,
 11 shall pay to an eligible applicant, in accordance with sub-
 12 section (c), 50 percent of the Federal share of assistance
 13 that the applicant is eligible to receive under section
 14 403(b), 407(d), or 503 of that Act (42 U.S.C. 5170b(b),
 15 5173(d), 5193).

16 (c) DATE OF PAYMENT.—A claim described in sub-
 17 section (b) shall be paid not later than 60 days after the
 18 date on which the applicant files an eligible claim for as-
 19 sistance.

20 **SEC. 207. REQUIREMENT TO ENSURE DEBRIS CLEARANCE,**
 21 **REMOVAL, AND DISPOSAL FROM EMERGENCY**
 22 **ACCESS ROADS.**

23 (a) DEFINITION OF EMERGENCY ACCESS ROAD.—In
 24 this section, the term “emergency access road” means a
 25 road that requires access by emergency personnel, includ-

1 ing firefighters, police, emergency medical personnel, or
 2 any other entity identified by the Secretary of Homeland
 3 Security that provides an emergency service after a dec-
 4 laration of an emergency or major disaster (as defined in
 5 section 102 of the Robert T. Stafford Disaster Relief and
 6 Emergency Assistance Act (42 U.S.C. 5122)).

7 (b) REQUIREMENT.—Any reimbursement authorized
 8 under section 407 of the Robert T. Stafford Disaster Re-
 9 lief and Emergency Assistance Act (42 U.S.C. 5173) for
 10 clearing and removing debris shall include reimbursement
 11 for clearing, removing, and disposing of debris from any
 12 emergency access road.

13 **SEC. 208. INCLUSION OF DEBRIS REMOVAL FROM PRIVATE**
 14 **LAND AS ELIGIBLE CLAIM FOR FEDERAL AS-**
 15 **SISTANCE.**

16 Section 408(c)(2)(A) of the Robert T. Stafford Dis-
 17 aster Relief and Emergency Assistance Act (42 U.S.C.
 18 5174(c)(2)(A)) is amended—

19 (1) in clause (i), by striking “and” at the end;

20 (2) in clause (ii), by striking the period at the
 21 end and inserting “; and”; and

22 (3) by inserting after clause (ii) the following:

23 “(iii) the removal, clearance, and dis-
 24 posal of debris from private property that

1 is the result of an emergency or major dis-
2 aster.”.

3 **SEC. 209. STAFFORD ACT WAIVER.**

4 (a) IN GENERAL.—Notwithstanding any other provi-
5 sion of law, the Secretary of Homeland Security, acting
6 through the Director of the Federal Emergency Manage-
7 ment Agency (referred to in this section as the “Sec-
8 retary”), shall directly reimburse, on an ongoing basis, all
9 costs associated with the restoration, reconstruction, reha-
10 bilitation, or installation of privately-owned utility infra-
11 structure damaged or destroyed by Hurricane Katrina, in-
12 cluding—

13 (1) electric transmission, distribution, genera-
14 tion, and related electric infrastructure facilities in
15 the State of Louisiana (including the city of New
16 Orleans); and

17 (2) natural gas distribution facilities in Lou-
18 isiana.

19 (b) DISTRIBUTION OF FUNDS.—

20 (1) DOCUMENTATION.—The Secretary shall
21 provide reimbursement under this section directly to
22 the affected, privately-owned utilities upon receipt of
23 reasonable documentation of costs and expenses in-
24 curred by the utilities.

1 (2) PRESUMPTION AND DISTRIBUTION.—In the
2 absence of a finding of good cause, the Secretary
3 shall—

4 (A) presume documentation received under
5 paragraph (1) not later than December 1,
6 2005, to be valid; and

7 (B) distribute funds in accordance with
8 this section not later than December 31, 2005.

9 (3) LATE RECEIPT OF DOCUMENTATION.—To
10 the extent that documentation is received by the
11 Secretary under paragraph (1) after December 1,
12 2005, in the absence of a finding of good cause, the
13 Secretary shall—

14 (A) presume the documentation to be valid;

15 and

16 (B) distribute funds in accordance with
17 this section not later than 60 days after the
18 date of receipt of the documentation.

19 (4) FINDING OF GOOD CAUSE.—

20 (A) IN GENERAL.—In carrying out this
21 subsection, the Secretary shall—

22 (i) have a 5-day period, beginning on
23 the date of receipt of documentation under
24 paragraph (2) or (3), to make a finding of
25 good cause to withhold funds under this

1 section with respect to the whole or partial
2 adequacy of the documentation; and

3 (ii) immediately provide notice of such
4 a finding to the privately-owned utility that
5 submitted the documentation.

6 (B) CONTENTS OF NOTICE; WITHHOLDING
7 OF FUNDS.—The Secretary—

8 (i) shall include in a notice provided
9 under subparagraph (A)(ii) a specific de-
10 scription of the supplemental documenta-
11 tion required to address the finding of
12 good cause with respect to the documenta-
13 tion originally submitted; and

14 (ii) shall not withhold distribution of
15 funds under this section with respect to
16 any portion of a submission of documenta-
17 tion under paragraph (2) or (3) that is not
18 subject to a finding of good cause by the
19 Secretary.

20 (C) PROVISION OF SUPPLEMENTAL DOCU-
21 MENTATION.—A privately-owned utility shall
22 have a 5-day period, beginning on the date of
23 receipt of notice of a finding of good cause
24 under subparagraph (A)(ii), to provide supple-
25 mental documentation.

1 (D) DISTRIBUTION AFTER RECEIPT.—The
2 Secretary shall have a 15-day period, beginning
3 on the date of receipt of appropriate supple-
4 mental documentation under subparagraph (C),
5 to distribute funds under this section.

6 (e) NO EFFECT ON OTHER ASSISTANCE.—No dis-
7 tribution of funds under this section shall reduce or other-
8 wise affect the amount of any other funds or assistance
9 provided to the State of Louisiana (including the city of
10 New Orleans) in connection with Hurricane Katrina under
11 any other provision of law.

12 **Subtitle B—Providing Information**
13 **and Assistance to Hurricane**
14 **Katrina Evacuees**

15 **SEC. 211. USE OF DISASTER RELIEF AND EMERGENCY AS-**
16 **SISTANCE FUNDS BY INDIVIDUALS AND**
17 **HOUSEHOLDS.**

18 (a) IN GENERAL.—Not later than 1 year after the
19 date of enactment of this Act, the Secretary of Homeland
20 Security shall establish a review system to ensure that
21 Federal assistance to individuals and households for dis-
22 aster relief and emergency assistance under section 408
23 of the Robert T. Stafford Disaster Relief and Emergency
24 Assistance Act (42 U.S.C. 5174) or any other provision

1 of law, is used by individuals and households only for pur-
2 poses authorized by that section or provision.

3 (b) SENSE OF THE SENATE ON PROHIBITION OF
4 USE.—It is the sense of the Senate that no Federal assist-
5 ance (including Federal funds) to individuals and house-
6 holds for disaster relief and emergency assistance under
7 section 408 of the Robert T. Stafford Disaster Relief and
8 Emergency Assistance Act (42 U.S.C. 5174) or any other
9 provision of law should be used for gambling purposes in
10 any gambling establishment or for purchase of non-
11 essential items, including tobacco products or alcoholic
12 beverages.

13 **Subtitle C—Emergency**
14 **Preparedness and Response**

15 **SEC. 221. CREATION OF REGIONAL AND FIELD OFFICE FA-**
16 **CILITIES FOR THE DEPARTMENT OF HOME-**
17 **LAND SECURITY.**

18 (a) IN GENERAL.—Not later than 365 days after the
19 date of enactment of this Act, the Secretary of Homeland
20 Security shall establish consolidated and co-located re-
21 gional offices for the Department of Homeland Security,
22 in accordance with section 706 of the Homeland Security
23 Act of 2002 (6 U.S.C. 346), that will—

24 (1) enable a rapid, robust, and coordinated
25 Federal response to threats and incidents;

1 (2) enhance all-hazards preparedness across the
2 United States with respect to terrorism, natural dis-
3 asters, and other emergencies;

4 (3) provide integrated capabilities among the
5 Department of Homeland Security, other Federal
6 agencies, and State and local governments;

7 (4) maximize cost savings and efficiencies
8 through the establishment of regional offices at cur-
9 rent Department of Homeland Security agency re-
10 gional structures with contiguous multi-State oper-
11 ations; and

12 (5) give priority consideration to the New Orle-
13 ans Federal City for the placement of a regional
14 headquarters.

15 (b) REPORT TO CONGRESS.—Not later than 120 days
16 after the date of enactment of this Act, the Secretary of
17 Homeland Security shall submit a report to Congress de-
18 tailing plans, locations, and cost estimates for the creation
19 of a nationwide network of regional offices, in accordance
20 with this section.

21 (c) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to carry out this section,
23 \$50,000,000, to remain available until expended.

1 **SEC. 222. APPROPRIATION FOR INTEROPERABLE COMMU-**
2 **NICATIONS.**

3 (a) IN GENERAL.—For an additional amount for
4 interoperable communications, \$600,000,000 to remain
5 available until expended, for discretionary and formula-
6 based grants for State and local programs administered
7 by the State Homeland Security Grant Program in the
8 Office of State and Local Government Coordination and
9 Preparedness, for technical assistance and guidance to de-
10 sign, install, and operate comprehensive and effective
11 interoperable communications systems: *Provided*, That of
12 the sums made available under this heading, communica-
13 tions systems: \$600,000,000 shall be available only to the
14 Louisiana Commission on law Enforcement for implemen-
15 tation of the Louisiana Totally Interoperable Environment
16 (LATIE) plan.

17 (b) GUIDANCE AND TECHNICAL ASSISTANCE.—The
18 Office for Interoperability and Compatibility of the De-
19 partment of Homeland Security shall provide guidance
20 and technical assistance to grant recipients to best utilize
21 grant funds under this section.

22 **SEC. 223. RESPONSIBILITIES OF THE UNDER SECRETARY**
23 **FOR EMERGENCY PREPAREDNESS AND RE-**
24 **SPONSE.**

25 Section 502 of the Homeland Security Act of 2002
26 (6 U.S.C. 312) is amended—

1 (1) in paragraph (6), by striking “and” after
2 the semicolon;

3 (2) in paragraph (7), by striking the period and
4 inserting a colon; and

5 (3) by adding at the end the following:

6 “(8) designing, developing, performing, and
7 evaluating disaster preparedness exercises at the Na-
8 tional, State, territorial, regional, local, and tribal
9 levels of government; and

10 “(9) ensuring that such exercises test the capa-
11 bility of the Nation to prevent, prepare for, respond
12 to, and recover from natural disasters.”.

13 **SEC. 224. GOVERNMENT ACCOUNTABILITY OFFICE REPORT**
14 **ON FEDERAL FUNDS FOR HURRICANE**
15 **KATRINA RECOVERY.**

16 (a) **IN GENERAL.**—Every calendar quarter, the Gov-
17 ernment Accountability Office shall submit a report to
18 Congress on the expenditure and obligation of funds made
19 from appropriations Acts for Hurricane Katrina recovery
20 activities. Each report shall include any fraud, abuse,
21 waste, or mismanagement of such funds.

22 (b) **FIRST REPORT.**—The first report under this sec-
23 tion shall be submitted for the first complete calendar
24 quarter occurring after the date of enactment of this Act.

1 **TITLE III—INDIVIDUAL CITIZENS**
2 **RELIEF AND RECOVERY**
3 **Subtitle A—Housing Relief**

4 **SEC. 301. HOUSING VOUCHERS.**

5 (a) **SHORT TITLE.**—This section may be cited as the
6 “Helping to House the Victims of Hurricane Katrina Act
7 of 2005”.

8 (b) **HURRICANE KATRINA EMERGENCY ASSISTANCE**
9 **VOUCHERS.**—Section 8(o) of the United States Housing
10 Act of 1937 (42 U.S.C. 1437f(o)) is amended by adding
11 at the end the following:

12 “(20) **HURRICANE KATRINA EMERGENCY AS-**
13 **SISTANCE VOUCHERS.**—

14 “(A) **IN GENERAL.**—During the 6-month
15 period beginning on the date of enactment of
16 the Helping to House the Victims of Hurricane
17 Katrina Act of 2005, the Secretary shall pro-
18 vide temporary rental assistance to any indi-
19 vidual or family, if—

20 “(i) the individual or family resides,
21 or resided on August 29, 2005, in any area
22 that is subject to a declaration by the
23 President of a major disaster or emergency
24 under the Robert T. Stafford Disaster Re-
25 lief and Emergency Assistance Act (42

1 U.S.C. 5121 et seq.) in connection with
2 Hurricane Katrina; and

3 “(ii) the residence of the individual or
4 family became uninhabitable or inaccessible
5 as result of that major disaster or emer-
6 gency.

7 “(B) REGULATIONS.—Not later than 30
8 days after the date of enactment of the Helping
9 to House the Victims of Hurricane Katrina Act
10 of 2005, the Secretary shall issue final rules to
11 establish the procedures applicable to the
12 issuance of assistance under subparagraph (A).

13 “(C) NOTICE.—The Secretary, in consulta-
14 tion with the Director of the Federal Emer-
15 gency Management Agency and such other
16 agencies as the Secretary determines appro-
17 priate, shall establish procedures for providing
18 notice of the availability of assistance under
19 this paragraph to individuals or families that
20 may be eligible for such assistance.

21 “(D) AUTHORITY TO CONTRACT WITH
22 PHA’S AND OTHERS.—The Secretary may con-
23 tract with any State or local government agency
24 or public housing agency, or in consultation
25 with any State or local government agency, with

1 any other entity, to ensure that assistance pay-
2 ments under this paragraph are provided in an
3 efficient and expeditious manner.

4 “(E) WAIVER OF ELIGIBILITY REQUIRE-
5 MENTS.—In providing assistance under this
6 paragraph, the Secretary shall waive the re-
7 quirements under—

8 “(i) paragraph (2), relating to tenant
9 contributions towards rent, except that any
10 such waiver shall expire on an individual’s
11 return to work;

12 “(ii) paragraph (4), relating to the eli-
13 gibility of individuals to receive assistance;

14 “(iii) subsection (k) and paragraph
15 (5) of this subsection, relating to
16 verification of income;

17 “(iv) paragraph (7)(A), relating to the
18 requirement that leases shall be for a term
19 of 1 year;

20 “(v) paragraph (8), relating to initial
21 inspection of housing units by a public
22 housing agency; and

23 “(vi) subsection (r)(1)(B), relating to
24 restrictions on portability.

1 “(F) USE OF FUNDS.—Notwithstanding
2 any other provision of law, funds available for
3 assistance under this paragraph—

4 “(i) shall be made available by the
5 Secretary to individuals to cover the cost
6 of—

7 “(I) rent;

8 “(II) security and utility depos-
9 its;

10 “(III) relocation expenses, includ-
11 ing expenses incurred in relocating
12 back to the major disaster area when
13 such relocation is permitted; and

14 “(IV) such additional expenses as
15 the Secretary determines necessary;
16 and

17 “(ii) shall be used by the Secretary—

18 “(I) for payments to public hous-
19 ing agencies, State or local govern-
20 ment agencies, or other voucher ad-
21 ministrators for vouchers used to as-
22 sist individuals or families affected by
23 the major disaster or emergency de-
24 scribed in this paragraph up to their
25 authorized level of vouchers, if any

1 such vouchers are not otherwise fund-
2 ed; and

3 “(II) to provide operating sub-
4 sidies to public housing agencies for
5 public housing units provided to indi-
6 viduals or families affected by the
7 major disaster or emergency described
8 in this paragraph, if such a subsidy
9 was not previously provided for those
10 units.

11 “(G) PAYMENT STANDARD.—For purposes
12 of this paragraph, the payment standard for
13 each size of dwelling unit in a market area may
14 not exceed 150 percent, or higher if the Sec-
15 retary approves of such increase, of the fair
16 market rental established under subsection (c)
17 for the same size dwelling unit in the same
18 market area, and shall be not less than 90 per-
19 cent of that fair market rental.

20 “(H) NONDISCRIMINATION.—In selecting
21 individuals or families for tenancy, a landlord
22 or owner may not exclude or penalize an indi-
23 vidual or family solely because any portion of
24 the rental payment of that individual or family
25 is provided under this paragraph.

1 “(I) TERMINATION OF ASSISTANCE.—As-
2 sistance provided under this paragraph shall
3 terminate 6 months after the date on which
4 such assistance was received.

5 “(21) ASSISTANCE FOR CURRENT VOUCHER RE-
6 CIPIENTS AFFECTED BY HURRICANE KATRINA.—

7 “(A) IN GENERAL.—The Secretary shall
8 waive any of the requirements described in
9 clauses (i) through (vi) of paragraph (20)(E)
10 for any individual or family receiving assistance
11 under this section on August 29, 2005, if—

12 “(i) the individual or family resides,
13 or resided on August 29, 2005, in any area
14 that is subject to a declaration by the
15 President of a major disaster or emergency
16 under the Robert T. Stafford Disaster Re-
17 lief and Emergency Assistance Act (42
18 U.S.C. 5121 et seq.) in connection with
19 Hurricane Katrina; and

20 “(ii) the residence of the individual or
21 family became uninhabitable or inaccessible
22 as result of that major disaster or emer-
23 gency.

24 “(B) ADDITIONAL USES OF FUNDS.—Not-
25 withstanding any other provision of law, the

1 Secretary shall provide, as the Secretary deter-
2 mines appropriate, supplemental assistance to
3 an individual or family receiving assistance
4 under this section on August 29, 2005, and
5 meeting the requirements described in subpara-
6 graph (A), to assist the individual or family
7 with the additional costs of relocating to new
8 housing, including to cover—

9 “(i) the additional cost of rent and
10 utilities;

11 “(ii) security and utility deposits;

12 “(iii) relocation expenses, including
13 expenses incurred in relocating back to the
14 major disaster area when such relocation is
15 permitted; and

16 “(iv) such additional expenses as the
17 Secretary determines necessary.

18 “(C) PAYMENT STANDARD.—For purposes
19 of this paragraph, the payment standard for
20 each size of dwelling unit in a market area may
21 not exceed 150 percent, or higher if the Sec-
22 retary approves of such increase, of the fair
23 market rental established under subsection (c)
24 for the same size dwelling unit in the same

1 market area, and shall be not less than 90 per-
2 cent of that fair market rental.

3 “(D) NONDISCRIMINATION.—A landlord or
4 owner may not exclude or penalize an individual
5 or family solely because that individual or fam-
6 ily is eligible for any waivers or benefits pro-
7 vided under this paragraph.

8 “(E) TERMINATION OF AUTHORITY.—The
9 authority of the Secretary to provide assistance
10 under this paragraph shall apply during the 6-
11 month period beginning on the date of enact-
12 ment of the Helping to House the Victims of
13 Hurricane Katrina Act of 2005.

14 “(22) AUTHORITY OF THE SECRETARY TO DI-
15 RECTLY ADMINISTER VOUCHERS WHEN PHA’S ARE
16 UNABLE TO DO SO.—If the Secretary determines
17 that a public housing agency is unable to implement
18 the provisions of this subsection due to the effects
19 of Hurricane Katrina, the Secretary may—

20 “(A) directly administer any voucher pro-
21 gram described in paragraphs (1) through (20);
22 and

23 “(B) perform the functions assigned to a
24 public housing agency by this subsection.”.

1 (c) REPORT ON INVENTORY OF AVAILABILITY OF
2 TEMPORARY HOUSING.—Not later than 10 days after the
3 date of enactment of this Act, the Secretary of Defense,
4 the Administrator of the General Services Administration,
5 the Secretary of Agriculture, and such other agency heads
6 as the Secretary of Housing and Urban Development de-
7 termines appropriate, shall compile and report to the Sec-
8 retary of Housing and Urban Development an inventory
9 of Federal civilian and defense facilities that can be
10 used—

11 (1) to provide emergency housing; or

12 (2) as locations for the construction or deploy-
13 ment of temporary housing units.

14 (d) APPROPRIATION OF FUNDING.—

15 (1) IN GENERAL.—There are authorized to be
16 appropriated and are appropriated \$3,500,000,000
17 to provide assistance under this section.

18 (2) EMERGENCY DESIGNATION.—The amount
19 appropriated under paragraph (1) is designated as
20 an emergency requirement pursuant to section 402
21 of H. Con. Res. 95 (109th Congress).

22 **SEC. 302. HOME PROGRAM.**

23 (a) WAIVER OF INCOME AND RENT REQUIREMENTS
24 UNDER HOME PROGRAM.—For purposes of eligibility for
25 occupancy, and the amount of rent paid for such occu-

1 pancy, in housing assisted under subtitles A through D
2 of title II of the Cranston-Gonzalez National Affordable
3 Housing Act (42 U.S.C. 12721 et seq.), in the case of
4 any family displaced as a result of Hurricane Katrina, for
5 the 6-month period that begins upon the initial occupancy
6 of such family in such housing—

7 (1) no provision of such title establishing a limi-
8 tation on the income of an eligible family shall
9 apply; and

10 (2) no provision of such title establishing or re-
11 quiring a rental payment by an eligible family resid-
12 ing in housing assisted under such subtitle shall
13 apply.

14 (b) **SUSPENSION OF MATCHING CONTRIBUTION RE-**
15 **QUIREMENT UNDER HOME PROGRAM.**—Notwithstanding
16 any provision of section 220 of the Cranston-Gonzalez Na-
17 tional Affordable Housing Act (42 U.S.C. 12750), the re-
18 quirement under subsection (a) of such section to make
19 contributions shall not apply with respect to the State of
20 Louisiana or any communities in such State impacted by
21 Hurricane Katrina for funds allocated in fiscal years 2005
22 and 2006.

23 **SEC. 303. FIRST TIME HOME BUYER EXPANSION.**

24 Notwithstanding any other provision of law, for pur-
25 poses of the second sentence of subparagraph (A) of sec-

1 tion 203(c)(2) of the National Housing Act (12 U.S.C.
2 1709(c)(2)(A), any family that is displaced as a result of
3 Hurricane Katrina shall be considered until December 31,
4 2007, to be a first-time homebuyer who has completed a
5 program of counseling with respect to the responsibilities
6 and financial management involved in homeownership that
7 is approved by the Secretary of Housing and Urban Devel-
8 opment.

9 **SEC. 304. HOME BUSINESS AND MORTGAGE PROTECTION**

10 **FUND.**

11 (a) ESTABLISHMENT.—There is established in the
12 Treasury of the United States the Home Business and
13 Mortgage Protection Fund (hereafter referred to in this
14 section as the “Fund”).

15 (b) GRANTS AUTHORIZED.—

16 (1) IN GENERAL.—The Secretary of Housing
17 and Urban Development is authorized to award
18 grants from the Fund only for the purposes de-
19 scribed in subsection (d).

20 (2) CAP ON GRANTS.—For each missed, past
21 due, or late mortgage payment for which an eligible
22 financial institution seeks a grant under this section,
23 the Secretary shall not award amounts out of the
24 Fund to such financial institution for such mortgage
25 payments in cumulative excess of an amount equal

1 to the sum of 6 times the value of such mortgage
2 payment.

3 (3) AVAILABILITY OF GRANTS.—The authority
4 of the Secretary to make grants under this section
5 shall terminate on the date that is 1 year after the
6 date of enactment of this Act.

7 (c) APPLICATION.—

8 (1) IN GENERAL.—An eligible financial institu-
9 tion seeking a grant under this section shall submit
10 an application to the Secretary of Housing and
11 Urban Development at such time, in such manner,
12 and containing such information as the Secretary
13 may require, including providing proper documenta-
14 tion to the Secretary that—

15 (A) such financial institution is the holder
16 of a mortgage;

17 (B) mortgage payments have not been re-
18 ceived by such financial institution from a
19 mortgagee;

20 (C) a mortgagee was unable to pay such
21 mortgage payments due to financial hardship;

22 (D) the property on which the mortgage is
23 held is located in an affected area;

24 (E) after August 26, 2005, the mortgagee
25 missed at least 2 consecutive mortgage pay-

1 ments, inclusive of all applicable grace periods;
2 and

3 (F) such financial institution has not initi-
4 ated any foreclosure proceeding against any
5 property held by a mortgagee for which the fi-
6 nancial institution is seeking a grant.

7 (2) FINANCIAL HARDSHIP DEFINED.—

8 (A) IN GENERAL.—Not later than 30 days
9 after the date of enactment of this Act, the Sec-
10 retary shall issue regulations setting forth the
11 definition of financial hardship under para-
12 graph (1)(C).

13 (B) REQUIRED CONTENT.—The definition
14 required under subparagraph (A) shall in-
15 clude—

16 (i) complete destruction of a mortga-
17 gee's—

18 (I) home;

19 (II) business; or

20 (III) place of business or employ-
21 ment site; and

22 (ii) the fact that such mortgagee is
23 now unemployed due to Hurricane
24 Katrina.

1 (d) USE OF FUNDS.—Amounts in the Fund may only
2 be used to provide grants to eligible financial institutions
3 to reimburse such financial institutions for missed, past
4 due, or late mortgage payments owed to such financial in-
5 stitutions on properties located in an affected area.

6 (e) FORECLOSURE.—

7 (1) IN GENERAL.—An eligible financial institu-
8 tion that does not seek a grant under this section,
9 and initiates a foreclosure proceeding against any
10 property held by a mortgagee in an affected area
11 may not foreclose on such property, if the mortgagee
12 can provide evidence of financial hardship as defined
13 under subsection (c)(2).

14 (2) REIMBURSEMENT FROM FUND.—If an eligi-
15 ble financial institution is unable to foreclose under
16 paragraph (1), such financial institution may seek a
17 grant under this section for reimbursement of the
18 missed, past due, or late mortgage payments leading
19 to foreclosure notwithstanding the requirement
20 under subsection (c)(1)(F).

21 (3) LIMITATION.—An eligible financial institu-
22 tion shall not be allowed to seek a grant for missed,
23 past due, or late mortgage payments under this sec-
24 tion for any foreclosure proceeding initiated prior to
25 August 26, 2005.

1 (f) CREDIT PROTECTION.—Any failure by a mort-
2 gagee to make a mortgage payment on any property lo-
3 cated in an affected area shall not be reported to any con-
4 sumer reporting agency, as such term is defined under sec-
5 tion 603 of the Fair Credit Reporting Act (15 U.S.C.
6 1681a).

7 (g) DEPOSITS.—

8 (1) IN GENERAL.—The Secretary of the Treas-
9 ury shall transfer up to \$5,000,000,000 from the
10 general fund of the Treasury to the Fund to permit
11 the implementation of this section.

12 (2) INVESTMENT.—To the extent that amounts
13 in the Fund at any time exceed the immediate needs
14 of the Fund, the excess shall be invested in short
15 term obligations of the United States.

16 (3) INTEREST.—To the extent that interest ac-
17 crues on any funds invested under paragraph (2),
18 that interest shall be made available for the pur-
19 poses of this section.

20 (h) REVERSION OF FUNDS TO THE TREASURY.—Any
21 amounts in the Fund that are unexpended and unobli-
22 gated after March 30, 2007, shall be covered into the gen-
23 eral fund of the Treasury as miscellaneous receipts and
24 the Fund shall be terminated.

1 (i) REGULATIONS.—Not later than 30 days after the
2 date of enactment of this Act, the Secretary of Housing
3 and Urban Development shall issue regulations necessary
4 to carry out the administration of this section and to en-
5 sure that the purposes of this section are accomplished.

6 (j) ELIGIBLE FINANCIAL INSTITUTION.—The term
7 “eligible financial institution” means any commercial
8 bank, community bank, mortgage bank, credit union, or
9 any other lender approved by the Secretary of Housing
10 and Urban Development as eligible for insurance under
11 section 2 of the National Housing Act (12 U.S.C. 1703).

12 **SEC. 305. COMMUNITY DEVELOPMENT BLOCK GRANT PRO-**
13 **GRAM.**

14 (a) INCREASE OF MAXIMUM PROJECT ASSISTANCE
15 AMOUNT UNDER CDBG PROGRAM.—Notwithstanding
16 any other provision of law, \$10,000,000 shall be available
17 for any project assisted or to be assisted with amounts
18 made available in fiscal year 2005, 2006, or 2007 under
19 the community development block grant program under
20 title I of the Housing and Community Development Act
21 of 1974 (42 U.S.C. 5301 et seq.) and where such project
22 is carried out within an affected area.

23 (b) REGULATORY FLEXIBILITY UNDER CDBG PRO-
24 GRAM.—In administering any amounts made available
25 under the community development block grant program

1 under title I of the Housing and Community Development
2 Act of 1974 for fiscal year 2005 or 2006 within declared
3 disaster areas—

4 (1) the Secretary may waive any provision of
5 any statute or regulation that the Secretary admin-
6 isters in connection with obligation by the Secretary
7 or any use by any recipient of such amounts; and

8 (2) the requirements of such title regarding use
9 of funds made available under such title for activi-
10 ties that benefit persons of low and moderate income
11 shall not apply.

12 **SEC. 306. RURAL HOUSING AND ECONOMIC DEVELOPMENT**
13 **PROGRAM.**

14 In carrying out the Rural Housing and Economic De-
15 velopment program of the Department of Housing and
16 Urban Development, the Secretary of Housing and Urban
17 Development shall waive, with respect to any assistance
18 provided during fiscal year 2005 or 2006 under such pro-
19 gram for any activities carried out within any affected
20 area—

21 (1) any limitation on the income of persons as-
22 sisted under such program; and

23 (2) any requirement on the part of a grantee to
24 provide matching amounts or to make contributions

1 to activities assisted with amounts provided under
2 such program.

3 **SEC. 307. DEFINITIONS.**

4 For purposes of the preceding six sections, the term
5 “affected area” means any area—

6 (1) for which the President has declared a
7 major disaster pursuant to title IV of the Robert T.
8 Stafford Disaster Relief and Emergency Assistance
9 Act as a result of Hurricane Katrina; or

10 (2) that is determined to be eligible for disaster
11 relief under other Federal law by reason of damage
12 related to Hurricane Katrina.

13 **Subtitle B—TANF Relief**

14 **SEC. 311. REIMBURSEMENT OF STATES FOR TANF BENE-**
15 **FITS PROVIDED TO ASSIST FAMILIES FROM**
16 **OTHER STATES AFFECTED BY HURRICANE**
17 **KATRINA.**

18 (a) IN GENERAL.—Section 3 of the TANF Emer-
19 gency Response and Recovery Act of 2005 is amended to
20 read as follows:

1 **“SEC. 3. REIMBURSEMENT OF STATES FOR TANF BENEFITS**
2 **PROVIDED TO ASSIST FAMILIES FROM**
3 **OTHER STATES AFFECTED BY HURRICANE**
4 **KATRINA.**

5 “(a) **ELIGIBILITY FOR PAYMENTS FROM THE CON-**
6 **TINGENCY FUND.—**

7 “(1) **PERIOD OF APPLICABILITY.—**Beginning
8 with August 29, 2005, and ending with September
9 30, 2006, a State described in paragraph (2) or (3)
10 shall be considered a needy State for purposes of
11 section 403(b) of the Social Security Act.

12 “(2) **DIRECT IMPACT STATE.—**A State de-
13 scribed in this paragraph is Louisiana.

14 “(3) **OTHER STATES.—**A State is described in
15 this paragraph if the State provides any benefit or
16 service that may be provided under the State pro-
17 gram funded under part A of title IV of the Social
18 Security Act to a family which—

19 “(A) has resided in a direct impact State;
20 and

21 “(B) has travelled (not necessarily directly)
22 to the State from such direct impact State as
23 a result of the hurricane.

24 “(b) **MONTHLY PAYMENTS.—**

25 “(1) **IN GENERAL.—**Notwithstanding section
26 403(b)(3)(C)(i) of the Social Security Act, the total

1 amount paid during a month to a State described
2 in—

3 “(A) subsection (a)(2), shall not exceed $\frac{1}{4}$
4 of 20 percent of the State family assistance
5 grant; and

6 “(B) subsection (a)(3), shall not exceed the
7 lesser of—

8 “(i) total amount of benefits or serv-
9 ices provided under the State program
10 funded under part A of title IV of the So-
11 cial Security Act to families described in
12 subsection (a)(3); or

13 “(ii) $\frac{1}{4}$ of 20 percent of the State
14 family assistance grant.

15 “(c) NO STATE MATCH OR MAINTENANCE OF EF-
16 FORT REQUIRED.—Sections 403(b)(6) and 409(a)(10) of
17 the Social Security Act shall not apply with respect to a
18 payment made to a State by reason of this section.

19 “(d) INCREASE IN FUNDING TO THE EXTENT NEC-
20 ESSARY.—During the period described in subsection
21 (a)(1), section 403(b)(2) of the Social Security Act (42
22 U.S.C. 603(b)(2)) shall be applied without regard to the
23 limitation on the total amount specified in that section.”.

24 (b) RETROACTIVE EFFECTIVE DATE.—The amend-
25 ment made by subsection (a) shall take effect as if in-

1 cluded in the enactment of the TANF Emergency Re-
 2 sponse and Recovery Act of 2005.

3 **SEC. 312. INCREASE IN AMOUNT OF ADDITIONAL TANF**
 4 **FUNDS AVAILABLE FOR HURRICANE-DAM-**
 5 **AGED STATES.**

6 (a) IN GENERAL.—Section 4 of the TANF Emer-
 7 gency Response and Recovery Act of 2005 is amended—

8 (1) in subsection (a)(2), by striking “20 per-
 9 cent” and inserting “40 percent”; and

10 (2) in subsection (b), in the matter preceding
 11 paragraph (1), by inserting “(at any time during or
 12 after the period described in section 3(a)(1))” after
 13 “may not be imposed”.

14 (b) RETROACTIVE EFFECTIVE DATE.—The amend-
 15 ments made by subsection (a) shall take effect as if in-
 16 cluded in the enactment of the TANF Emergency Re-
 17 sponse and Recovery Act of 2005.

18 **SEC. 313. WORK REQUIREMENTS AND TIME LIMITS UNDER**
 19 **TANF PROGRAM NOT TRIGGERED BY RE-**
 20 **CEIPT OF TEMPORARY TANF BENEFITS BY**
 21 **FAMILIES AFFECTED BY HURRICANE**
 22 **KATRINA.**

23 Benefits provided on a short-term, nonrecurring basis
 24 under a State program funded under part A of title IV
 25 of the Social Security Act, during the period that begins

1 with the date of the enactment of this Act and ends with
 2 the end of fiscal year 2006, to meet a subsistence need
 3 of a family resulting from Hurricane Katrina shall not be
 4 considered assistance for purposes of sections 407 and
 5 408(a)(7) of the Social Security Act.

6 **SEC. 314. EMERGENCY DESIGNATION.**

7 Each amount provided in this title is designated as
 8 an emergency requirement pursuant to section 402 of H.
 9 Con. Res. 95 (109th Congress).

10 **Subtitle C—Medicaid, Medicare,**
 11 **and Other Health Disaster Relief**

12 **SEC. 321. DEFINITIONS.**

13 In this subtitle:

14 (1) DIRECT IMPACT PARISH.—

15 (A) IN GENERAL.—The term “direct im-
 16 pact parish” means a parish in the State of
 17 Louisiana for which a major disaster has been
 18 declared in accordance with section 401 of the
 19 Robert T. Stafford Disaster Relief and Emer-
 20 gency Assistance Act (42 U.S.C. 5170) as a re-
 21 sult of Hurricane Katrina and which the Presi-
 22 dent has determined, before September 14,
 23 2005, warrants individual and public assistance
 24 from the Federal Government under such Act.

1 (B) EXCLUSION.—Such term does not in-
2 clude a parish in the State of Louisiana which
3 the President has determined warrants only
4 public assistance from the Federal Government
5 under such Act as a result of Hurricane
6 Katrina.

7 (C) AUTHORITY TO RELY ON WEBSITE
8 POSTED DESIGNATIONS.—The Secretary of
9 Health and Human Services shall post on the
10 Internet website for the Centers for Medicare &
11 Medicaid Services a list of parishes and coun-
12 ties identified as direct impact parishes in ac-
13 cordance with this paragraph. Any such parish
14 that is posted on such website as a direct im-
15 pact parish shall be treated for purposes of sub-
16 paragraph (A) as described in such subpara-
17 graph.

18 (2) DRM COVERAGE PERIOD.—

19 (A) IN GENERAL.—The term “DRM cov-
20 erage period” means the period beginning on
21 August 28, 2005, and, subject to subparagraph
22 (B), ending on the date that is 5 months after
23 the date of enactment of this Act.

24 (B) PRESIDENTIAL AUTHORITY TO EX-
25 TEND DRM COVERAGE PERIOD.—

1 (i) IN GENERAL.—The President may
2 extend the DRM coverage period for an
3 additional 5 months. Any reference to the
4 term “DRM coverage period” in this title
5 shall include any extension under this
6 clause.

7 (ii) NOTICE TO CONGRESS AND
8 STATES.—The President shall notify the
9 Majority and Minority Leaders of the Sen-
10 ate, the Speaker of the House of Rep-
11 resentatives, the Minority Leader of the
12 House of Representatives, the Chairs and
13 Ranking Members of the Committee on Fi-
14 nance of the Senate and the Committees
15 on Energy and Commerce and Ways and
16 Means of the House of Representatives,
17 and the States at least 30 days prior to—

18 (I) extending the DRM coverage
19 period; or

20 (II) if the President determines
21 not to extend such period, the ending
22 date described in subparagraph (A).

23 (3) KATRINA SURVIVOR.—

1 (A) IN GENERAL.—The term “Katrina
2 Survivor” means an individual who is described
3 in subparagraph (B) or (C).

4 (B) RESIDENTS AND EVACUEES OF DIRECT
5 IMPACT PARISHES.—An individual who, on any
6 day during the week preceding August 28,
7 2005, had a primary residence in a direct im-
8 pact parish.

9 (C) INDIVIDUALS WHO LOST EMPLOY-
10 MENT.—An individual whose—

11 (i) worksite, on any day during the
12 week preceding August 28, 2005, was lo-
13 cated in a direct impact parish; and

14 (ii) employment with an employer
15 which conducted an active trade or busi-
16 ness on August 28, 2005, in a direct im-
17 pact parish and with respect to whom such
18 trade or business is inoperable on any day
19 after August 28, 2005, and before January
20 1, 2006, as a result of damage sustained
21 in connection with Hurricane Katrina, is
22 terminated.

23 (D) TREATMENT OF CURRENT MEDICAID
24 BENEFICIARIES.—Nothing in this title shall be
25 construed as preventing an individual who is

1 otherwise entitled to medical assistance under
2 title XIX of the Social Security Act from being
3 treated as a Katrina Survivor under this title.

4 (E) TREATMENT OF HOMELESS PER-
5 SONS.—For purposes of this title, in the case of
6 an individual who was homeless on any day
7 during the week described in subparagraph (B),
8 the individual’s “residence” shall be deemed to
9 be the place of residence as otherwise deter-
10 mined for such an individual under title XIX of
11 the Social Security Act.

12 (4) POVERTY LINE.—The term “poverty line”
13 has the meaning given that term in section
14 2110(c)(5) of the Social Security Act (42 U.S.C.
15 1397jj(c)(5)).

16 (5) SECRETARY.—The term “Secretary” means
17 the Secretary of Health and Human Services.

18 (6) STATE.—The term “State” has the mean-
19 ing given that term for purposes of title XIX of the
20 Social Security Act (42 U.S.C 1396 et seq.).

21 **SEC. 322. DISASTER RELIEF MEDICAID.**

22 (a) AUTHORITY TO PROVIDE DISASTER RELIEF
23 MEDICAID.—Notwithstanding any provision of title XIX
24 of the Social Security Act, a State shall, as a condition
25 of participation in the Medicaid program established

1 under title XIX of the Social Security Act (42 U.S.C.
 2 1396 et seq.), provide medical assistance to DRM-eligible
 3 Katrina Survivors (as defined in subsection (b)) under a
 4 State medicaid plan established under such title during
 5 the DRM coverage period in accordance with the following
 6 provisions of this section and without submitting an
 7 amendment to the State Medicaid plan. Such assistance
 8 shall be referred to as “DRM assistance”.

9 (b) DRM-ELIGIBLE KATRINA SURVIVOR DE-
 10 FINED.—

11 (1) IN GENERAL.—In this section, the term
 12 “DRM-eligible Katrina Survivor” means a Katrina
 13 Survivor whose family income does not exceed the
 14 higher of—

15 (A) 100 percent (200 percent, in the case
 16 of such a Survivor who is a pregnant woman,
 17 child, or a recipient of disability benefits under
 18 section 223 of the Social Security Act) of the
 19 poverty line; or

20 (B) the income eligibility standard which
 21 would apply to the Survivor under the State
 22 Medicaid plan.

23 (2) NO RESOURCES, RESIDENCY, OR CATEGOR-
 24 ICAL ELIGIBILITY REQUIREMENTS.—Eligibility
 25 under paragraph (1) shall be determined without ap-

1 plication of any resources test, State residency, or
2 categorical eligibility requirements.

3 (3) INCOME DETERMINATION.—

4 (A) LEAST RESTRICTIVE INCOME METH-
5 ODOLOGIES.—The State shall use the least re-
6 strictive methodologies applied under the State
7 medicaid plan under section 1902(r)(2) of the
8 Social Security Act (42 U.S.C. 1396a(r)(2)) in
9 determining income eligibility for Katrina Sur-
10 vivors under paragraph (1).

11 (B) DISREGARD OF UI COMPENSATION
12 AND DISASTER RELIEF ASSISTANCE.—In deter-
13 mining such income eligibility, the State shall
14 disregard—

15 (i) any amount received under a law
16 of the United States or of a State which
17 is in the nature of unemployment com-
18 pensation by a Katrina Survivor during the
19 DRM coverage period, including unemploy-
20 ment assistance provided under section
21 410 of the Robert T. Stafford Disaster Re-
22 lief and Emergency Assistance Act (42
23 U.S.C. 5177); and

24 (ii) any assistance provided (in cash
25 or in kind) to a Katrina Survivor from any

1 public or private entity as a result of Hur-
2 ricane Katrina.

3 (4) DEFINITION OF CHILD.—For purposes of
4 paragraph (1), a DRM-eligible Katrina Survivor
5 shall be determined to be a “child” in accordance
6 with the definition of “child” under the State Med-
7 icaid plan.

8 (c) ELIGIBILITY DETERMINATION; NO CONTINU-
9 ATION OF DRM ASSISTANCE.—

10 (1) STREAMLINED ELIGIBILITY PROCESS.—The
11 State shall use the following streamlined procedures
12 in processing applications and determining eligibility
13 for DRM assistance for DRM-eligible Katrina Sur-
14 vivors:

15 (A) A common 1-page application form de-
16 veloped by the Secretary of Health and Human
17 Services in consultation with the National Asso-
18 ciation of State Medicaid Directors. Such form
19 shall—

20 (i) require an applicant to provide an
21 expected address for the duration of the
22 DRM coverage period and to agree to up-
23 date that information if it changes during
24 such period;

1 (ii) include notice regarding the pen-
2 alties for making a fraudulent application
3 under subsection (h);

4 (iii) require the applicant to assign to
5 the State any rights of the applicant (or
6 any other person who is a DRM-eligible
7 Katrina Survivor and on whose behalf the
8 applicant has the legal authority to execute
9 an assignment of such rights) under any
10 group health plan or other third-party cov-
11 erage for health care; and

12 (iv) require the applicant to list any
13 health insurance coverage which the appli-
14 cant was enrolled in immediately prior to
15 submitting such application.

16 (B) Self-attestation by the applicant that
17 the applicant—

18 (i) is a DRM-eligible Katrina Sur-
19 vivor; and

20 (ii) if applicable, requires home and
21 community-based services provided under
22 such DRM assistance in accordance with
23 subsection (d)(3).

24 (C) No requirement for documentation evi-
25 dencing the basis on which the applicant quali-

1 fies to be a DRM-eligible Katrina Survivor or,
2 if applicable, requires home and community-
3 based services.

4 (D) Issuance of a DRM assistance eligi-
5 bility card to an applicant who completes such
6 application, including the self-attestation re-
7 quired under subparagraph (B). Such card shall
8 be valid as long as the DRM coverage period is
9 in effect and shall be accompanied by notice of
10 the termination date for the DRM coverage pe-
11 riod and, if applicable, notice that such termi-
12 nation date may be extended. If the President
13 extends the DRM coverage period, the State
14 shall notify DRM-eligible Katrina Survivors en-
15 rolled in DRM assistance of the new termi-
16 nation date for the DRM coverage period.

17 (E) If an applicant completes the applica-
18 tion and presents it to a provider or facility
19 participating in the State medicaid plan that is
20 qualified to make presumptive eligibility deter-
21 minations under such plan (which at a min-
22 imum shall consist of facilities identified in sec-
23 tion 1902(a)(55) of the Social Security Act (42
24 U.S.C. 1396a(a)(55)) and it appears to the pro-
25 vider that the applicant is a DRM-eligible

1 Katrina Survivor based on the information in
2 the application, the applicant will be deemed to
3 be a DRM-eligible Katrina Survivor eligible for
4 DRM assistance in accordance with this section,
5 subject to subsection (g).

6 (F) Continuous eligibility, without the need
7 for any redetermination of eligibility, for the
8 duration of the DRM coverage period.

9 (2) NO CONTINUATION OF DRM ASSISTANCE.—

10 (A) IN GENERAL.—Except as provided in
11 subparagraphs (B) and (C), no DRM assistance
12 shall be provided after the end of the DRM cov-
13 erage period.

14 (B) PRESUMPTIVE ELIGIBILITY.—In the
15 case of any DRM-eligible Katrina Survivor who
16 is receiving DRM assistance from a State in ac-
17 cordance with this section and who, as of the
18 end of the DRM coverage period, has an appli-
19 cation pending for medical assistance under the
20 State medicaid plan for periods beginning after
21 the end of such period, the State shall provide
22 such Survivor with a period of presumptive eli-
23 gibility for medical assistance under the State
24 Medicaid plan (not to exceed 60 days) until a

1 determination with respect to the Survivor's ap-
2 plication has been made.

3 (C) PREGNANT WOMEN.—In the case of a
4 DRM-eligible Katrina Survivor who is receiving
5 DRM assistance from a State in accordance
6 with this section and whose pregnancy ended
7 during the 60-day period prior to the end of the
8 DRM coverage period, or who is pregnant as of
9 the end of such period, such Survivor shall con-
10 tinue to be eligible for DRM assistance after
11 the end of the DRM coverage period, including
12 (but not limited to) for all pregnancy-related
13 and postpartum medical assistance available
14 under the State Medicaid plan, through the end
15 of the month in which the 60-day period (begin-
16 ning on the last day of her pregnancy) ends.

17 (3) TREATMENT OF KATRINA SURVIVORS PRO-
18 VIDED ASSISTANCE PRIOR TO DATE OF ENACT-
19 MENT.—Any Katrina Survivor who is provided med-
20 ical assistance under a State Medicaid plan in ac-
21 cordance with guidance from the Secretary during
22 the period that begins on August 28, 2005, and ends
23 on the date of enactment of this Act shall be treated
24 as a DRM-eligible Katrina Survivor, without the

1 need to file an additional application, for purposes of
2 eligibility for DRM assistance under this section.

3 (d) SCOPE OF COVERAGE.—

4 (1) CATEGORICALLY NEEDED BENEFITS.—The
5 State shall treat a DRM-eligible Katrina Survivor as
6 an individual eligible for medical assistance under
7 the State plan under title XIX of the Social Security
8 Act on the basis of section 1902(a)(10)(A)(i) of the
9 Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)),
10 with coverage for such assistance retroactive to
11 items and services furnished on or after August 28,
12 2005 (or in the case of applications for DRM assist-
13 ance submitted after January 1 2006, the first day
14 of the 5th month preceding the date on which such
15 application is submitted).

16 (2) EXTENDED MENTAL HEALTH AND CARE CO-
17 ORDINATION BENEFITS.—The State may provide,
18 without regard to any restrictions on amount, dura-
19 tion, and scope, comparability, or restrictions other-
20 wise applicable under the State medicaid plan (other
21 than restrictions applicable under such plan with re-
22 spect to services provided in an institution for men-
23 tal diseases), to DRM-eligible Katrina Survivors ex-
24 tended mental health and care coordination benefits
25 which may include the following:

1 (A) Screening, assessment, and diagnostic
2 services (including specialized assessments for
3 individuals with cognitive impairments).

4 (B) Coverage for a full range of mental
5 health medications at the dosages and fre-
6 quencies prescribed by health professionals for
7 depression, post-traumatic stress disorder, and
8 other mental disorders.

9 (C) Treatment of alcohol and substance
10 abuse determined to result from circumstances
11 related to Hurricane Katrina.

12 (D) Psychotherapy, rehabilitation and
13 other treatments administered by psychiatrists,
14 psychologists, or social workers for conditions
15 exacerbated by, or resulting from, Hurricane
16 Katrina.

17 (E) In-patient mental health care.

18 (F) Family counseling for families where a
19 member of the immediate family is a Katrina
20 Survivor or first responder to Hurricane
21 Katrina or includes an individual who has died
22 as a result of Hurricane Katrina.

23 (G) In connection with the provision of
24 health and long-term care services, arranging
25 for, (and when necessary, enrollment in waiver

1 programs or other specialized programs), and
2 coordination related to, primary and specialty
3 medical care, which may include personal care
4 services, durable medical equipment and sup-
5 plies, assistive technology, and transportation.

6 (3) HOME AND COMMUNITY-BASED SERV-
7 ICES.—

8 (A) IN GENERAL.—In the case of a State
9 with a waiver to provide home and community-
10 based services granted under section 1115 of
11 the Social Security Act or under subsection (c)
12 or (d) of section 1915 of such Act, the State
13 may provide such services to DRM-eligible
14 Katrina Survivors who self-attest in accordance
15 with subsection (c)(1)(B)(ii) that they require
16 immediate home and community-based services
17 that are available under such waiver without re-
18 gard to whether the Survivors would require the
19 level of care provided in a hospital, nursing fa-
20 cility, or intermediate care facility for the men-
21 tally retarded, including to DRM-eligible
22 Katrina Survivors who are individuals described
23 in subparagraph (B).

1 (B) INDIVIDUALS DESCRIBED.—Individ-
2 uals described in this subparagraph are individ-
3 uals who—

4 (i) on any day during the week pre-
5 ceding August 28, 2005—

6 (I) had been receiving home and
7 community-based services under a
8 waiver described in subparagraph (A)
9 in a direct impact parish;

10 (II) had been receiving support
11 services from a primary family care-
12 giver who, as a result of Hurricane
13 Katrina, is no longer available to pro-
14 vide services; or

15 (III) had been receiving personal
16 care, home health, or rehabilitative
17 services under the State medicaid plan
18 or under a waiver granted under sec-
19 tion 1915 or 1115 of the Social Secu-
20 rity Act; or

21 (ii) are disabled (as determined under
22 the State medicaid plan).

23 (C) WAIVER OF RESTRICTIONS.—The Sec-
24 retary shall waive with respect to the provision

1 of home and community-based services under
2 this paragraph any limitations on—

3 (i) the number of individuals who
4 shall receive home or community-based
5 services under a waiver described in sub-
6 paragraph (A);

7 (ii) budget neutrality requirements ap-
8 plicable to such waiver; and

9 (iii) targeted populations eligible for
10 services under such waiver.

11 The Secretary may waive other restrictions ap-
12 plicable under such a waiver, that would pre-
13 vent a State from providing home and commu-
14 nity-based services in accordance with this
15 paragraph.

16 (4) CHILDREN BORN TO PREGNANT WOMEN.—

17 In the case of a child born to a DRM-eligible
18 Katrina Survivor who is provided DRM assistance
19 during the DRM coverage period, such child shall be
20 treated as having been born to a pregnant woman el-
21 igible for medical assistance under the State med-
22 icaid plan and shall be eligible for medical assistance
23 under such plan in accordance with section
24 1902(e)(4) of the Social Security Act (42 U.S.C.
25 1396a(e)(4)). The Federal medical assistance per-

1 centage applicable to the State medicaid plan shall
 2 apply to medical assistance provided to a child under
 3 such plan in accordance with the preceding sentence.

4 (e) TERMINATION OF COVERAGE; ASSISTANCE WITH
 5 APPLYING FOR REGULAR MEDICAID COVERAGE.—

6 (1) NOTICE OF EXPECTED TERMINATION OF
 7 DRM COVERAGE PERIOD.—A State shall provide
 8 DRM-eligible Katrina Survivors who are receiving
 9 DRM assistance from the State in accordance with
 10 this section, as of the beginning of the 4th month
 11 (and, if applicable, 9th month) of the DRM coverage
 12 period with—

13 (A) notice of the expected termination date
 14 for DRM assistance for such period;

15 (B) information regarding eligibility for
 16 medical assistance under the State's eligibility
 17 rules otherwise applicable under the State med-
 18 icaid plan; and

19 (C) an application for such assistance and
 20 information regarding where to obtain assist-
 21 ance with completing such application in ac-
 22 cordance with paragraph (2).

23 (2) APPLICATION ASSISTANCE.—A State shall
 24 provide DRM-eligible Katrina Survivors who are re-
 25 ceiving DRM assistance from the State in accord-

1 ance with this section with assistance in applying for
2 medical assistance under the State medicaid plan for
3 periods beginning after the end of the DRM cov-
4 erage period, at State Medicaid offices and at loca-
5 tions easily accessible to such Survivors.

6 (3) STATE REPORTS.—A State providing DRM
7 assistance in accordance with this section shall sub-
8 mit to the Secretary the following reports:

9 (A) TERMINATION AND TRANSITION AS-
10 SISTANCE TO REGULAR MEDICAID COVERAGE
11 FOR DRM-ELIGIBLE KATRINA SURVIVORS ELIGI-
12 BLE FOR SUCH ASSISTANCE.—A report detail-
13 ing how the State intends to satisfy the require-
14 ments of paragraphs (1) and (2).

15 (B) ENROLLMENT.—Reports regarding—

16 (i) the number of Katrina Survivors
17 who are determined to be DRM-eligible
18 Katrina Survivors; and

19 (ii) the number of DRM-eligible
20 Katrina Survivors who are determined to
21 be eligible for, and enrolled in, the State
22 medicaid plan.

23 (4) SECRETARIAL OVERSIGHT.—The Secretary
24 of Health and Human Services shall ensure that a
25 State is complying with the requirements of para-

1 graphs (1) and (2) and that applications for medical
2 assistance under the State medicaid plan from
3 DRM-eligible Katrina Survivors for periods begin-
4 ning after the end of the DRM coverage period are
5 processed in a timely and appropriate manner.

6 (5) NO PRIVATE RIGHT OF ACTION AGAINST A
7 STATE FOR FAILURE TO PROVIDE NOTICE.—No pri-
8 vate right of action shall be brought against a State
9 for failure to provide the notices required under
10 paragraph (1) or subsection (c)(1) so long as the
11 State makes a good faith effort to provide such no-
12 tices.

13 (f) 100 PERCENT FEDERAL MATCHING PAY-
14 MENTS.—

15 (1) IN GENERAL.—Notwithstanding section
16 1905(b) of the Social Security Act (42 U.S.C.
17 1396d(b), the Federal medical assistance percentage
18 or the Federal matching rate otherwise applied
19 under section 1903(a) of such Act (42 U.S.C.
20 1396b(a)) shall be 100 percent for—

21 (A) providing DRM assistance to DRM-eli-
22 gible Katrina Survivors during the DRM cov-
23 erage period in accordance with this section;

24 (B) costs directly attributable to adminis-
25 trative activities related to the provision of such

1 DRM assistance, including costs attributable to
2 obtaining recoveries under subsection (h);

3 (C) costs directly attributable to providing
4 application assistance in accordance with sub-
5 section (e)(2); and

6 (D) DRM assistance provided in accord-
7 ance with subparagraph (B) or (C) of sub-
8 section (c)(2) after the end of the DRM cov-
9 erage period.

10 (2) DISREGARD OF PAYMENTS.—Payments pro-
11 vided to a State in accordance with this subsection
12 shall be disregarded for purposes of applying sub-
13 sections (f) and (g) of section 1108 of the Social Se-
14 curity Act (42 U.S.C. 1308).

15 (g) VERIFICATION OF STATUS AS A KATRINA SUR-
16 VIVOR.—

17 (1) IN GENERAL.—The State shall make a good
18 faith effort to verify the status of an individual who
19 is enrolled in the State Medicaid plan as a DRM-eli-
20 gible Katrina Survivor under the provisions of this
21 section. Such effort shall not delay the determina-
22 tion of the eligibility of the Survivor for DRM assist-
23 ance under this section.

24 (2) EVIDENCE OF VERIFICATION.—A State may
25 satisfy the verification requirement under subpara-

1 graph (A) with respect to an individual by showing
2 that the State providing DRM assistance obtained
3 information from the Social Security Administration,
4 the Internal Revenue Service, or the State Medicaid
5 Agency for the State from which individual is from
6 (if the individual was not a resident of such State
7 on any day during the week preceding August 28,
8 2005).

9 (h) PENALTY FOR FRAUDULENT APPLICATIONS.—

10 (1) INDIVIDUAL LIABLE FOR COSTS.—If a
11 State, as the result of verification activities con-
12 ducted under subsection (g) or otherwise, determines
13 after a fair hearing that an individual has knowingly
14 made a false self-attestation described in subsection
15 (c)(1)(B), the State may, subject to paragraph (2),
16 seek recovery from the individual for the full amount
17 of the cost of DRM assistance provided to the indi-
18 vidual under this section.

19 (2) EXCEPTION.—The Secretary shall exempt a
20 State from seeking recovery under paragraph (1) if
21 the Secretary determines that it would not be cost-
22 effective for the State to do so.

23 (3) REIMBURSEMENT TO THE FEDERAL GOV-
24 ERNMENT.—Any amounts recovered by a State in

1 accordance with this subsection shall be returned to
2 the Federal government.

3 (i) EXEMPTION FROM ERROR RATE PENALTIES.—All
4 payments attributable to providing DRM assistance in ac-
5 cordance with this section shall be disregarded for pur-
6 poses of section 1903(u) of the Social Security Act (42
7 U.S.C. 1396b(u)).

8 (j) PROVIDER PAYMENT RATES.—In the case of any
9 DRM assistance provided in accordance with this section
10 to a DRM-eligible Katrina Survivor that is covered under
11 the State medicaid plan (as applied without regard to this
12 section) the State shall pay a provider of such assistance
13 the same payment rate as the State would otherwise pay
14 for the assistance if the assistance were provided under
15 the State medicaid plan (or, if no such payment rate ap-
16 plies under the State medicaid plan, the usual and cus-
17 tomary prevailing rate for the item or service for the com-
18 munity in which it is provided).

19 (k) APPLICATION TO INDIVIDUALS ELIGIBLE FOR
20 MEDICAL ASSISTANCE.—Nothing in this section shall be
21 construed as affecting any rights accorded to an individual
22 who is a recipient of medical assistance under a State
23 medicaid plan who is determined to be a DRM-eligible
24 Katrina Survivor but the provision of DRM assistance to

1 such individual shall be limited to the provision of such
2 assistance in accordance with this section.

3 **SEC. 323. TARGETED MEDICAID RELIEF FOR DIRECT IM-**
4 **PACT PARISHES.**

5 (a) 100 PERCENT FEDERAL MATCHING PAYMENTS
6 FOR MEDICAL ASSISTANCE PROVIDED IN DIRECT IMPACT
7 PARISH.—

8 (1) IN GENERAL.—Notwithstanding section
9 1905(b) of the Social Security Act (42 U.S.C.
10 1396d(b)), for items and services furnished during
11 the period that begins on August 28, 2005, and ends
12 on December 31, 2006, the Federal medical assist-
13 ance percentage for providing medical assistance
14 under a State medicaid plan under title XIX of the
15 Social Security Act to any individual, including a
16 Katrina Survivor, residing in a parish of the State
17 of Louisiana described in subsection (c) shall be 100
18 percent.

19 (2) APPLICATION TO ENHANCED FMAP.—The
20 100 percent Federal medical assistance percentage
21 applicable under subsection (a) shall also apply for
22 purposes of determining the enhanced FMAP (as de-
23 fined in section 2105(b) of the Social Security Act
24 (42 U.S.C. 1397ee(b)) for child health assistance
25 provided under a State child health plan under title

1 XXI of such Act in such a parish or county during
2 the period described in such subsection.

3 (b) MORATORIUM ON REDETERMINATIONS.—During
4 the DRM coverage period, the State of Louisiana shall not
5 be required to conduct eligibility redeterminations under
6 the State’s medicaid plan.

7 (c) PARISH OR COUNTY DESCRIBED.—For purposes
8 of subsection (a), a parish or county described in this sub-
9 section is a parish or county for which a major disaster
10 has been declared in accordance with section 401 of the
11 Robert T. Stafford Disaster Relief and Emergency Assist-
12 ance Act (42 U.S.C. 5170) as a result of Hurricane
13 Katrina and which the President has determined, as of
14 September 14, 2005, warrant individual or public assist-
15 ance from the Federal Government under such Act.

16 **SEC. 324. AUTHORITY TO WAIVE REQUIREMENTS DURING**
17 **NATIONAL EMERGENCIES WITH RESPECT TO**
18 **EVACUEES FROM AN EMERGENCY AREA.**

19 (a) IN GENERAL.—Section 1135(g)(1) of the Social
20 Security Act (42 U.S.C. 1320b–5(g)(1)) is amended by
21 adding at the end the following:

22 “Any geographical area in which the Secretary de-
23 termines there are a significant number of evacuees
24 from an area that is considered to be an emergency
25 area under the preceding sentence shall be consid-

1 ered to be an ‘emergency area’ for purposes of this
2 section.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) shall take effect as if enacted on August
5 28, 2005.

6 **SEC. 325. EMERGENCY ASSISTANCE FOR STATES WITH RE-**
7 **SPECT TO THE FEDERAL MEDICAL ASSIST-**
8 **ANCE PERCENTAGE FOR FISCAL YEAR 2006.**

9 If the Federal medical assistance percentage (as de-
10 fined in section 1905(b) of the Social Security Act (42
11 U.S.C. 1396d(b))) determined for a State for fiscal year
12 2006 is less than the Federal medical assistance percent-
13 age determined for the State for fiscal year 2005, the Fed-
14 eral medical assistance percentage for the State for fiscal
15 year 2005 shall apply to the State for fiscal year 2006
16 for purposes of titles XIX and XXI of the Social Security
17 Act (42 U.S.C. 1396 et seq., 1397aa et seq.).

18 **SEC. 326. EMERGENCY ASSISTANCE TO MEDICARE BENE-**
19 **FICIARIES.**

20 (a) **EXCLUSION OF DRM COVERAGE PERIOD IN**
21 **COMPUTING MEDICARE PART B LATE ENROLLMENT PE-**
22 **RIOD.**—In applying the first sentence of section 1839(b)
23 of the Social Security Act (42 U.S.C. 1395r(b)) in the case
24 of an individual who, on any day during the week pre-
25 ceding August 28, 2005, had a residence in a direct im-

1 pact parish, there shall not be taken into account any
 2 month any part of which is within the DRM coverage pe-
 3 riod.

4 (b) WRITTEN PLAN ON TRANSITION OF CERTAIN
 5 FULL-BENEFIT DUAL ELIGIBLE INDIVIDUALS TO PRE-
 6 SCRIPTIION DRUG COVERAGE UNDER MEDICARE PART
 7 D.—Not later than October 7, 2005, the Secretary of
 8 Health and Human Services shall submit to Congress a
 9 written plan on how the Secretary will provide for the
 10 transition of coverage of prescription drugs for full-benefit
 11 dual eligible individuals (as defined in section 1935(c)(6)
 12 of the Social Security Act (42 U.S.C. 1396u–5(c)(6)) who,
 13 on any day during the week preceding August 28, 2005,
 14 had a residence in a direct impact parish, from the med-
 15 icaid program under title XIX of such Act to the medicare
 16 program under part D of title XVIII of such Act.

17 **SEC. 327. 80 PERCENT FEDERAL MATCHING PAYMENTS**
 18 **UNDER MEDICAID FOR UNCOMPENSATED**
 19 **CARE PROVIDED TO SURVIVORS OF HURRI-**
 20 **CANE KATRINA.**

21 (a) IN GENERAL.—Notwithstanding section 1903(a)
 22 or 1905(b) of the Social Security Act (42 U.S.C.
 23 1396a(a), 1396d(b)), during the DRM coverage period
 24 that begins on April 30, 2006—

1 (1) expenditures described in subsection (b)
2 shall be treated as medical assistance provided under
3 the State Medicaid plan of the State of Louisiana;
4 and

5 (2) the Federal medical assistance percentage
6 for such expenditures, and for any administrative
7 costs that are attributable to such expenditures,
8 shall be 80 percent.

9 (b) EXPENDITURES DESCRIBED.—For purposes of
10 subsection (a), the expenditures in this subsection are the
11 following:

12 (1) Expenditures of the State of Louisiana for
13 reimbursing a hospital located in the State of Lou-
14 isiana for any uncompensated care provided to sur-
15 vivors of Hurricane Katrina.

16 (2) Expenditures of the State of Louisiana for
17 reimbursing a physician whose practice is located in
18 the State of Louisiana for any uncompensated costs
19 incurred as a result of providing items or services to
20 survivors of Hurricane Katrina.

21 (3) Expenditures of the State of Louisiana for
22 reimbursing a Federally-qualified health center or
23 rural health clinic located in the State of Louisiana
24 for any uncompensated costs incurred as a result of

1 providing items or services to survivors of Hurricane
2 Katrina.

3 (c) CRITERIA FOR DISBURSING OF PAYMENTS.—The
4 head of the Louisiana Department of Health and Hos-
5 pitals shall establish criteria for making the reimburse-
6 ments described in subsection (b).

7 **SEC. 328. DISASTER RELIEF FUND FOR PAYMENTS FOR PRI-**
8 **VATE HEALTH INSURANCE COVERAGE.**

9 (a) ESTABLISHMENT.—There is established in the
10 Treasury of the United States the Disaster Relief Fund
11 (in this section referred to as the “Fund”) which—

12 (1) shall be administered by the Secretary of
13 Health and Human Services (in this section referred
14 to as the “Secretary”); and

15 (2) shall consist of amounts made available
16 under subsection (e).

17 (b) USE OF AMOUNTS IN FUND.—Amounts in the
18 Fund shall be used by the Secretary to make payments
19 to State insurance commissioners for the purpose of mak-
20 ing payments to health insurance issuers—

21 (1) on behalf of individuals who had coverage
22 as of August 29, 2005 for such individual’s share of
23 their health insurance premium; and

24 (2) on behalf of qualified employers for the em-
25 ployer share of their employee’s health insurance

1 premiums, but only with respect to the days on
2 which the employer meets the definition under sub-
3 section (c).

4 (c) QUALIFIED EMPLOYER DEFINED.—For purposes
5 of subsection (b)(2), the term “qualified employer” means
6 any employer—

7 (1) which conducted an active trade or business
8 on August 28, 2005, in a Hurricane Katrina dis-
9 aster area; and

10 (2) with respect to whom the trade or business
11 described in paragraph (1)—

12 (A) is inoperable on any day during the
13 disaster relief period as a result of damage sus-
14 tained in connection with Hurricane Katrina; or

15 (B) is not paying salary or benefits to em-
16 ployees on any day during the disaster relief pe-
17 riod as a result of damage sustained in connec-
18 tion with Hurricane Katrina.

19 (d) APPROPRIATION.—Out of any money in the
20 Treasury not otherwise appropriated, there is appro-
21 priated to the Fund, \$400,000,000 for fiscal year 2005,
22 to remain available until expended.

1 **SEC. 329. ELIGIBILITY OF KATRINA SURVIVORS FOR RE-**
2 **FUNDABLE CREDIT FOR HEALTH INSURANCE**
3 **COSTS AND ASSISTANCE WITH HEALTH IN-**
4 **SURANCE COVERAGE UNDER NATIONAL**
5 **EMERGENCY GRANTS.**

6 Notwithstanding sections 35, 7527, and 6050T of the
7 Internal Revenue Code of 1986, and section 173(f) of the
8 Workforce Investment Act of 1998 (29 U.S.C. 2918(f)),
9 during the disaster relief period, for purposes of applying
10 such sections—

11 (1) a Katrina Survivor (as defined in section
12 323(a)(1)) shall be deemed to be an eligible indi-
13 vidual; and

14 (2) section 35(a) of such Code shall be applied
15 with respect to a Katrina Survivor by substituting
16 “100 percent” for “65 percent”.

17 **SEC. 330A. NATIONAL HEALTH SERVICE CORPS.**

18 (a) DESIGNATION AS HEALTH PROFESSIONAL
19 SHORTAGE AREA.—Notwithstanding section 332(a)(1) of
20 the Public Health Service Act (42 U.S.C. 254e(a)(1)), an
21 area in which the President has declared that a major dis-
22 aster exists, in accordance with section 401 of the Robert
23 T. Stafford Disaster Relief and Emergency Assistance Act
24 (42 U.S.C. 5170) related to Hurricane Katrina, shall be
25 designated as a health professional shortage area as de-
26 scribed in such section 332.

1 (b) SCHOLARSHIP PROGRAMS.—Notwithstanding sec-
2 tion 338A(d)(2) of the Public Health Service Act (42
3 U.S.C. 254l(d)(2)), in providing contracts under the
4 Scholarship Program under subpart III of part D of title
5 III of the Public Health Service Act (42 U.S.C. 254l et
6 seq.), the Secretary of Health and Human Services shall
7 give first priority to any application from an individual
8 who agrees to serve in a health professional shortage area
9 affected by Hurricane Katrina, as described in subsection
10 (a).

11 (c) LOAN REPAYMENT PROGRAMS.—The Secretary
12 of Health and Human Services shall operate a loan repay-
13 ment program to encourage eligible health care profes-
14 sionals to move to and continue to serve in a health profes-
15 sional shortage area affected by Hurricane Katrina, as de-
16 scribed in subsection (a), in the same manner and subject
17 to the same requirements and restrictions as the Loan Re-
18 payment Program operated by the Secretary under sub-
19 part III of part D of title III of the Public Health Service
20 Act (42 U.S.C. 254l et seq.), except that the total amount
21 that the Secretary may pay for loan repayment on behalf
22 of an individual participating in the loan repayment pro-
23 gram under this subsection shall be not more than
24 \$50,000 for 2 years of obligated service by the individual.

1 **SEC. 300A. COMMUNITY HEALTH CENTER GRANTS.**

2 (a) PRIORITY.—In awarding grants under section
3 330 of the Public Health Service Act (42 U.S.C. 254b),
4 the Secretary of Health and Human Services shall give
5 priority to applicants applying on behalf of a community
6 health center located in an area in which the President
7 has declared that a major disaster exists, in accordance
8 with section 401 of the Robert T. Stafford Disaster Relief
9 and Emergency Assistance Act (42 U.S.C. 5170) related
10 to Hurricane Katrina.

11 (b) WAIVER.—In awarding and administering grants
12 under section 330 of the Public Health Service Act (42
13 U.S.C. 254b) relating to community health centers located
14 in Louisiana, the Secretary of Health and Human Services
15 shall waive any requirement or eligibility criteria that the
16 Secretary determines appropriate, including any require-
17 ment that a community health center must be operated
18 as a free-standing clinic.

19 (c) DEEMED ELIGIBILITY.—In the case of any health
20 provider located in a parish of the State of Louisiana for
21 which the President has declared that a major disaster
22 exists, in accordance with section 401 of the Robert T.
23 Stafford Disaster Relief and Emergency Assistance Act
24 (42 U.S.C. 5170) related to Hurricane Katrina and which
25 has applied for a grant under section 330 of the Public
26 Health Service Act (42 U.S.C. 254b) during the 1-year

1 period preceding the date of enactment of this Act and
 2 which is still pending as of such date, such provider shall
 3 be presumptively eligible for a federally qualified health
 4 center look alike designation until such time as a deter-
 5 mination on such application is made.

6 **SEC. 330B. TELEMEDICINE.**

7 Notwithstanding any other provision of law, the Sec-
 8 retary may waive licensing and certification requirements
 9 relating to telemedicine for health professionals providing
 10 diagnosis and treatment services to assist in treating vic-
 11 tims of a public health emergency as declared by the Sec-
 12 retary under section 319 of the Public Health Service Act
 13 (42 U.S.C. 247d). Such a waiver may include provisions
 14 permitting payments to health professionals who provide
 15 such services.

16 **SEC. 330C. PENALTIES FOR FRAUDULENT USE OF LICEN-
 17 SURE.**

18 Chapter 47 of title 18, United States Code, is amend-
 19 ed by adding at the end the following:

20 **“§ 1039. Fraudulent use of medical credentials**

21 “Whoever knowingly or willingly—

22 “(1) falsifies a medical license or certification;

23 “(2) make any materially false, fictitious, or
 24 fraudulent statement or representation with respect
 25 to a medical license or certification;

1 “(3) makes or uses any false writing or docu-
 2 ment relating to a medical license or certification
 3 knowing the same to contain any materially false,
 4 fictitious, or fraudulent statement or entry; or

5 “(4) provides medical treatment or services to
 6 an individual while intentionally misrepresenting
 7 that such person is appropriately licensed or cer-
 8 tified to provide such services;

9 shall be fined under this title, imprisoned not more than
 10 5 years, or both.”.

11 **SEC. 330D. WAIVER OF CERTAIN MEDICARE QUALITY RE-**
 12 **PORTING REQUIREMENTS FOR HOSPITALS.**

13 (a) IN GENERAL.—During the disaster relief period,
 14 section 1886(b)(3)(B)(vii) of the Social Security Act (42
 15 U.S.C. 1395ww(b)(3)(B)(vii)) shall not apply to a hospital
 16 that is located in any parish affected by Hurricane
 17 Katrina (as defined in subsection (b)).

18 (b) DIRECT IMPACT PARISH DEFINED.—

19 (1) IN GENERAL.—In this section, the term “di-
 20 rect impact parish” means a parish in the State of
 21 Louisiana for which a major disaster has been de-
 22 clared in accordance with section 401 of the Robert
 23 T. Stafford Disaster Relief and Emergency Assist-
 24 ance Act (42 U.S.C. 5170) as a result of Hurricane
 25 Katrina and which the President has determined,

1 before September 14, 2005, warrants individual and
2 public assistance from the Federal Government
3 under such Act.

4 (2) EXCLUSION.—Such term does not include a
5 parish in the State of Louisiana which the President
6 has determined warrants only public assistance from
7 the Federal Government under such Act as a result
8 of Hurricane Katrina.

9 (3) AUTHORITY TO RELY ON WEBSITE POSTED
10 DESIGNATIONS.—The Secretary of Health and
11 Human Services shall post on the Internet website
12 for the Centers for Medicare & Medicaid Services a
13 list of parishes identified as direct impact parishes
14 in accordance with this paragraph. Any such parish
15 that is posted on such website as a direct impact
16 parish shall be treated for purposes of paragraph (1)
17 as described in such paragraph.

18 **SEC. 330E. MORATORIUM ON REDETERMINATIONS.**

19 During the disaster relief period, the State of Lou-
20 isiana shall not be required to conduct eligibility redeter-
21 minations under the State's medicaid plan under title XIX
22 of the Social Security Act (42 U.S.C. 1396 et seq.).

1 **SEC. 330F. ACCOMMODATION OF SPECIAL NEEDS OF**
2 **KATRINA SURVIVORS UNDER MEDICARE PRO-**
3 **GRAM.**

4 (a) EXCLUSION OF DISASTER RELIEF PERIOD IN
5 COMPUTING PART B LATE ENROLLMENT PENALTY.—In
6 applying the first sentence of section 1839(b) of the Social
7 Security Act (42 U.S.C. 1395r(b)) in the case of a Katrina
8 Survivor, there shall not be taken into account any month
9 any part of which is within the disaster relief period or
10 within the 2-month period following the end of such dis-
11 aster relief period.

12 (b) PART D.—

13 (1) EXTENSION OF INITIAL ENROLLMENT PE-
14 RIOD.—In the case of a Katrina Survivor, the initial
15 enrollment period under section 1860D–1(b)(2) of
16 the Social Security Act (42 U.S.C. 1395w–
17 101(b)(2)) shall in no case end before May 15,
18 2007.

19 (2) FLEXIBILITY IN DOCUMENTATION FOR
20 LOW-INCOME SUBSIDIES.—For purposes of carrying
21 out section 1860D–14 of the Social Security Act (42
22 U.S.C. 1395w–114), with respect to Katrina Sur-
23 vivors, the Secretary of Health and Human Services
24 shall establish documentation rules for Katrina Sur-
25 vivors which take into account the loss and unavail-
26 ability of documents due to Hurricane Katrina.

1 **SEC. 330G. MEDICARE PROVIDERS AND SUPPLIERS.**

2 Notwithstanding any provision of titles XI or XVIII
3 of the Social Security Act, the Secretary of Health and
4 Human Services shall establish procedures to ensure that
5 whenever a provider of services (as defined in subsection
6 (u) of section 1861 of such Act (42 U.S.C. 1395x)) or
7 a supplier (as defined in subsection (d) of such section)
8 under the Medicare program under title XVIII of such Act
9 temporarily ceases offering items or services or relocates
10 to another community as a result of a natural disaster
11 or act of terrorism, such temporary cessation of business
12 or relocation shall not result in a termination of the pro-
13 vider of service's provider agreement or the supplier's
14 Medicare participation, or have any adverse impact on any
15 terms or provisions of the provider's Medicare certifi-
16 cation, supplier's Medicare participation, or a hospital's
17 Inpatient Prospective Payment System exclusion status or
18 classification; but only if the provider or supplier satisfies
19 all conditions for Medicare certification and participation
20 upon relocating or resuming to provide items or services
21 under the Medicare program.

22 **Subtitle D—Bankruptcy Relief**

23 **SEC. 331. DEFINITIONS; WHO MAY BE A DEBTOR.**

24 (a) CURRENT MONTHLY INCOME.—Section
25 101(10A)(B) of title 11, United States Code, is amend-
26 ed—

1 (1) by striking “and payments” and inserting
2 “payments”; and

3 (2) by inserting before the period at the end the
4 following: “, and payments to victims of a natural
5 disaster by a governmental unit or by a qualified re-
6 ligious or charitable entity or organization, as de-
7 fined in section 548(d)(4), which were made solely
8 on account of their status as victims of such natural
9 disaster”.

10 (b) NATURAL DISASTER; NATURAL DISASTER
11 ZONE.—Section 101 of title 11, United States Code, is
12 amended—

13 (1) by redesignating paragraphs (40A) and
14 (40B) as paragraphs (40C) and (40D), respectively;
15 and

16 (2) by inserting after paragraph (40) the fol-
17 lowing:

18 “(40A) The term ‘natural disaster’ means a
19 major disaster, as defined in section 102 of the Rob-
20 ert T. Stafford Disaster Relief and Emergency As-
21 sistance Act.

22 “(40B) The term ‘natural disaster zone’ means
23 the geographical area included in the determination
24 of a natural disaster.”.

1 (c) VICTIM OF NATURAL DISASTER.—Section 101 of
2 title 11, United States Code, is amended by adding at the
3 end the following:

4 “(56) The term ‘victim of a natural disaster’
5 means an individual whose financial condition is ma-
6 terially adversely affected due to—

7 “(A) damage sustained to the principal
8 residence of that person, where such residence
9 is located in a natural disaster zone, as a result
10 of a natural disaster;

11 “(B) an inability to remain at the principal
12 residence of that person, where such residence
13 is located in a natural disaster zone, as a result
14 of a natural disaster; or

15 “(C) an inability to work at the principal
16 place of employment of that person, where such
17 place of employment is located in a natural dis-
18 aster zone, as a result of a natural disaster.”.

19 (d) WHO MAY BE A DEBTOR.—Section 109(h)(4) of
20 title 11, United States Code, is amended by inserting
21 “natural disaster,” after “disability,”.

22 **SEC. 332. AMENDMENTS TO CHAPTER 5.**

23 Section 521 of title 11, United States Code, is
24 amended by adding at the end the following:

1 “(k) The court, after notice and a hearing upon mo-
2 tion of the debtor, may extend any time period specified
3 in this section as may be necessary, if the court finds
4 that—

5 “(1) the debtor is a victim of a natural disaster;
6 and

7 “(2) the status of the debtor as a victim of a
8 natural disaster necessitates such extension of
9 time.”.

10 **SEC. 333. AMENDMENTS TO CHAPTER 7.**

11 (a) REASONABLE NECESSARY EXPENSES.—Section
12 707(b)(2)(A)(ii) of title 11, United States Code, is amend-
13 ed by adding at the end the following:

14 “(VI) In addition, the monthly expenses of the debtor
15 may include the actual reasonably necessary expenses in-
16 curred as a result of being a victim of a natural disaster
17 if the debtor provides documentation of such expenses,
18 and a detailed explanation of why such expenses are rea-
19 sonable and necessary, and why such expenses are not ac-
20 counted for by the national standards, local standards,
21 and other necessary expenses referred to in subclause
22 (I).”.

23 (b) NATURAL DISASTER.—Section 707(b)(2)(B)(i) of
24 title 11, United States Code, is amended by inserting “or

1 a natural disaster” after “such as a serious medical condi-
2 tion or a call or order to active duty in the Armed Forces”.

3 **SEC. 334. AMENDMENTS TO CHAPTER 11.**

4 (a) **CONVERSION OF CASE.**—Section 1112(b) of title
5 11, United States Code, is amended—

6 (1) in paragraph (2)(B)(i), by inserting “, in-
7 cluding a natural disaster” before the semicolon; and

8 (2) in paragraph (3), by inserting “(including a
9 natural disaster)” after “circumstances”.

10 (b) **WHO MAY FILE A PLAN.**—Section 1121(e)(3) of
11 title 11, United States Code, is amended—

12 (1) in subparagraph (A), by inserting “(i)”
13 after “(A)”;

14 (2) in subparagraph (C), by striking the period
15 at the end and inserting “; or”;

16 (3) by redesignating subparagraphs (B) and
17 (C) as clauses (ii) and (iii), respectively; and

18 (4) by adding at the end the following:

19 “(B) the debtor, after providing notice to
20 parties in interest (including the United States
21 trustee) demonstrates that the debtor is unable
22 to meet the deadline because of a natural dis-
23 aster and a new deadline is imposed at the time
24 the extension is granted and the order extend-

1 ing the time is signed before the expiration of
2 the existing deadline.”.

3 (c) **EXTENSION OF TIME FOR SMALL BUSINESSES.**—

4 Chapter 11 of title 11, United States Code, is amended—

5 (1) in the table of sections, by adding at the
6 end the following:

“§1117 Extension of time for small businesses”; and

7 (2) in subchapter I, by adding at the end the
8 following:

9 **“§ 1117. Extension of time for small businesses**

10 “In a small business case, the court after notice and
11 a hearing may extend any deadline specified in this chap-
12 ter if the court finds that such extension is—

13 “(1) necessary to protect the best interests of
14 creditors and the estate; and

15 “(2) warranted by a natural disaster.”.

16 **SEC. 335. AMENDMENTS TO CHAPTER 13.**

17 (a) **CONVERSION OR DISMISSAL.**—Section 1307(e) of
18 title 11, United States Code, is amended by adding at the
19 end the following:

20 “The court, after notice and a hearing on motion of the
21 debtor, may extend any time period specified in this sub-
22 section as may be necessary, if—

23 “(1) the debtor is a victim of a natural disaster;

1 “(2) the status of the debtor as a victim of a
2 natural disaster necessitates such extension of time;
3 and

4 “(3) the debtor files an affidavit stating that
5 such tax return was destroyed or lost as a result of
6 such natural disaster, and that the debtor has re-
7 quested a copy of such tax return from the taxing
8 authority.”.

9 (b) FILING OF PREPETITION TAX RETURNS.—Sec-
10 tion 1308 of title 11, United States Code, is amended by
11 adding at the end the following:

12 “(d) The court, after notice and a hearing on motion
13 of the debtor, may extend any time period specified in this
14 subsection as may be necessary, if—

15 “(1) the debtor is a victim of a natural disaster;

16 “(2) the status of the debtor as a victim of a
17 natural disaster necessitates such extension of time;
18 and

19 “(3) the debtor files an affidavit stating that
20 such tax return was destroyed or lost as a result of
21 such natural disaster and that the debtor has re-
22 quested a copy of such tax return from the taxing
23 authority.”.

1 **SEC. 336. EFFECTIVE DATE; APPLICATION OF AMEND-**
2 **MENTS.**

3 (a) **EFFECTIVE DATE.**—This subtitle and the amend-
4 ments made by this subtitle shall take effect on October
5 18, 2005.

6 (b) **APPLICATION OF AMENDMENTS.**—The amend-
7 ments made by this subtitle shall apply only with respect
8 to cases commenced under title 11 of the United States
9 Code after October 17, 2005.

10 **Subtitle E—Unemployment**
11 **Compensation**

12 **SEC. 341. FEDERAL-STATE AGREEMENTS.**

13 (a) **IN GENERAL.**—Any State which desires to do so
14 may enter into and participate in an agreement under this
15 title with the Secretary of Labor (in this title referred to
16 as the “Secretary”). Any State which is a party to an
17 agreement under this title may, upon providing 30 days’
18 written notice to the Secretary, terminate such agreement.

19 (b) **PROVISIONS OF AGREEMENT.**—Any agreement
20 under subsection (a) shall provide that the State agency
21 of the State will make payments of temporary extended
22 unemployment compensation to individuals who—

23 (1) exhaust all rights to regular compensation
24 under the State law or under Federal law after Au-
25 gust 27, 2005;

1 (2) have no rights to regular compensation or
2 extended compensation with respect to a week under
3 such law or any other State unemployment com-
4 pensation law or to compensation under any other
5 Federal law; and

6 (3) are not receiving compensation with respect
7 to such week under the unemployment compensation
8 law of Canada.

9 (c) EXHAUSTION OF BENEFITS.—For purposes of
10 subsection (b)(1), an individual shall be deemed to have
11 exhausted such individual's rights to regular compensation
12 under a State law when—

13 (1) no payments of regular compensation can
14 be made under such law because such individual has
15 received all regular compensation available to such
16 individual based on employment or wages during
17 such individual's base period; or

18 (2) such individual's rights to such compensa-
19 tion have been terminated by reason of the expira-
20 tion of the benefit year with respect to which such
21 rights existed.

22 (d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes
23 of any agreement under this title—

24 (1) the amount of temporary extended unem-
25 ployment compensation which shall be payable to

1 any individual for any week of total unemployment
2 shall be equal to the amount of the regular com-
3 pensation (including dependents' allowances) payable
4 to such individual during such individual's benefit
5 year under the State law for a week of total unem-
6 ployment;

7 (2) the terms and conditions of the State law
8 which apply to claims for regular compensation and
9 to the payment thereof shall apply to claims for tem-
10 porary extended unemployment compensation and
11 the payment thereof, except—

12 (A) that an individual shall not be eligible
13 for temporary extended unemployment com-
14 pensation under this title unless, in the base pe-
15 riod with respect to which the individual ex-
16 hausted all rights to regular compensation
17 under the State law, the individual had 20
18 weeks of full-time insured employment or the
19 equivalent in insured wages, as determined
20 under the provisions of the State law imple-
21 menting section 202(a)(5) of the Federal-State
22 Extended Unemployment Compensation Act of
23 1970 (26 U.S.C. 3304 note); and

24 (B) where otherwise inconsistent with the
25 provisions of this title or with the regulations or

1 operating instructions of the Secretary promul-
2 gated to carry out this title; and

3 (3) the maximum amount of temporary ex-
4 tended unemployment compensation payable to any
5 individual for whom a temporary extended unem-
6 ployment compensation account is established under
7 section 342 shall not exceed the amount established
8 in such account for such individual.

9 (e) ELECTION BY STATES.—Notwithstanding any
10 other provision of Federal law (and if State law permits),
11 the Governor of a State that is in an extended benefit pe-
12 riod may provide for the payment of temporary extended
13 unemployment compensation in lieu of extended com-
14 pensation to individuals who otherwise meet the require-
15 ments of this section. Such an election shall not require
16 a State to trigger off an extended benefit period.

17 **SEC. 342. TEMPORARY EXTENDED UNEMPLOYMENT COM-**
18 **PENSATION ACCOUNT.**

19 (a) IN GENERAL.—Any agreement under this title
20 shall provide that the State will establish, for each eligible
21 individual who files an application for temporary extended
22 unemployment compensation, a temporary extended un-
23 employment compensation account with respect to such in-
24 dividual's benefit year.

25 (b) AMOUNT IN ACCOUNT.—

1 (1) IN GENERAL.—The amount established in
 2 an account under subsection (a) shall be equal to the
 3 lesser of—

4 (A) 100 percent of the total amount of
 5 regular compensation (including dependents' al-
 6 lowances) payable to the individual during the
 7 individual's benefit year under such law; or

8 (B) 13 times the individual's average week-
 9 ly benefit amount for the benefit year.

10 (2) WEEKLY BENEFIT AMOUNT.—For purposes
 11 of this subsection, an individual's weekly benefit
 12 amount for any week is the amount of regular com-
 13 pensation (including dependents' allowances) under
 14 the State law payable to such individual for such
 15 week for total unemployment.

16 **SEC. 343. PAYMENTS TO STATES HAVING AGREEMENTS FOR**
 17 **THE PAYMENT OF TEMPORARY EXTENDED**
 18 **UNEMPLOYMENT COMPENSATION.**

19 (a) GENERAL RULE.—There shall be paid to each
 20 State that has entered into an agreement under this title
 21 an amount equal to 100 percent of the temporary extended
 22 unemployment compensation paid to individuals by the
 23 State pursuant to such agreement.

24 (b) TREATMENT OF REIMBURSABLE COMPENSA-
 25 TION.—No payment shall be made to any State under this

1 section in respect of any compensation to the extent the
2 State is entitled to reimbursement in respect of such com-
3 pensation under the provisions of any Federal law other
4 than this title or chapter 85 of title 5, United States Code.
5 A State shall not be entitled to any reimbursement under
6 such chapter 85 in respect of any compensation to the ex-
7 tent the State is entitled to reimbursement under this title
8 in respect of such compensation.

9 (c) DETERMINATION OF AMOUNT.—Sums payable to
10 any State by reason of such State having an agreement
11 under this title shall be payable, either in advance or by
12 way of reimbursement (as may be determined by the Sec-
13 retary), in such amounts as the Secretary estimates the
14 State will be entitled to receive under this title for each
15 calendar month, reduced or increased, as the case may be,
16 by any amount by which the Secretary finds that the Sec-
17 retary's estimates for any prior calendar month were
18 greater or less than the amounts which should have been
19 paid to the State. Such estimates may be made on the
20 basis of such statistical, sampling, or other method as may
21 be agreed upon by the Secretary and the State agency of
22 the State involved.

23 **SEC. 344. FINANCING PROVISIONS.**

24 (a) IN GENERAL.—Funds in the extended unemploy-
25 ment compensation account (as established by section

1 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of
2 the Unemployment Trust Fund (as established by section
3 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for
4 the making of payments to States having agreements en-
5 tered into under this title.

6 (b) CERTIFICATION.—The Secretary shall from time
7 to time certify to the Secretary of the Treasury for pay-
8 ment to each State the sums payable to such State under
9 this title. The Secretary of the Treasury, prior to audit
10 or settlement by the Government Accountability Office,
11 shall make payments to the State in accordance with such
12 certification, by transfers from the extended unemploy-
13 ment compensation account (as so established) to the ac-
14 count of such State in the Unemployment Trust Fund (as
15 so established).

16 (c) ASSISTANCE TO STATES.—There are appro-
17 priated out of the employment security administration ac-
18 count (as established by section 901(a) of the Social Secu-
19 rity Act (42 U.S.C. 1101(a)) of the Unemployment Trust
20 Fund, without fiscal year limitation, such funds as may
21 be necessary for purposes of assisting States (as provided
22 in title III of the Social Security Act (42 U.S.C. 501 et
23 seq.)) in meeting the costs of administration of agree-
24 ments under this title.

1 (d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—

2 There are appropriated from the general fund of the
3 Treasury, without fiscal year limitation, to the extended
4 unemployment compensation account (as so established)
5 of the Unemployment Trust Fund (as so established) such
6 sums as the Secretary estimates to be necessary to make
7 the payments under this section in respect of—

8 (1) compensation payable under chapter 85 of
9 title 5, United States Code; and

10 (2) compensation payable on the basis of serv-
11 ices to which section 3309(a)(1) of the Internal Rev-
12 enue Code of 1986 applies.

13 Amounts appropriated pursuant to the preceding sentence
14 shall not be required to be repaid.

15 **SEC. 345. FRAUD AND OVERPAYMENTS.**

16 (a) IN GENERAL.—If an individual knowingly has
17 made, or caused to be made by another, a false statement
18 or representation of a material fact, or knowingly has
19 failed, or caused another to fail, to disclose a material fact,
20 and as a result of such false statement or representation
21 or of such nondisclosure such individual has received an
22 amount of temporary extended unemployment compensa-
23 tion under this title to which he was not entitled, such
24 individual—

1 (1) shall be ineligible for further temporary ex-
2 tended unemployment compensation under this title
3 in accordance with the provisions of the applicable
4 State unemployment compensation law relating to
5 fraud in connection with a claim for unemployment
6 compensation; and

7 (2) shall be subject to prosecution under section
8 1001 of title 18, United States Code.

9 (b) REPAYMENT.—In the case of individuals who
10 have received amounts of temporary extended unemploy-
11 ment compensation under this title to which they were not
12 entitled, the State shall require such individuals to repay
13 the amounts of such temporary extended unemployment
14 compensation to the State agency, except that the State
15 agency may waive such repayment if it determines that—

16 (1) the payment of such temporary extended
17 unemployment compensation was without fault on
18 the part of any such individual; and

19 (2) such repayment would be contrary to equity
20 and good conscience.

21 (c) RECOVERY BY STATE AGENCY.—

22 (1) IN GENERAL.—The State agency may re-
23 cover the amount to be repaid, or any part thereof,
24 by deductions from any temporary extended unem-
25 ployment compensation payable to such individual

1 under this title or from any unemployment com-
2 pensation payable to such individual under any Fed-
3 eral unemployment compensation law administered
4 by the State agency or under any other Federal law
5 administered by the State agency which provides for
6 the payment of any assistance or allowance with re-
7 spect to any week of unemployment, during the 3-
8 year period after the date such individuals received
9 the payment of the temporary extended unemploy-
10 ment compensation to which they were not entitled,
11 except that no single deduction may exceed 50 per-
12 cent of the weekly benefit amount from which such
13 deduction is made.

14 (2) OPPORTUNITY FOR HEARING.—No repay-
15 ment shall be required, and no deduction shall be
16 made, until a determination has been made, notice
17 thereof and an opportunity for a fair hearing has
18 been given to the individual, and the determination
19 has become final.

20 (d) REVIEW.—Any determination by a State agency
21 under this section shall be subject to review in the same
22 manner and to the same extent as determinations under
23 the State unemployment compensation law, and only in
24 that manner and to that extent.

1 **SEC. 346. DEFINITIONS.**

2 (a) IN GENERAL.—In this title, the terms “com-
 3 pensation”, “regular compensation”, “extended compensa-
 4 tion”, “additional compensation”, “benefit year”, “base
 5 period”, “State”, “State agency”, “State law”, and
 6 “week” have the respective meanings given such terms
 7 under section 205 of the Federal-State Extended Unem-
 8 ployment Compensation Act of 1970 (26 U.S.C. 3304
 9 note).

10 (b) STATE.—In this title, the term State means Lou-
 11 isiana.

12 **SEC. 347. APPLICABILITY.**

13 An agreement entered into under this title shall apply
 14 to weeks of unemployment—

15 (1) beginning after August 27, 2005; and

16 (2) ending before August 27, 2006.

17 **Subtitle F—Special Reed Act**
 18 **Transfer**

19 **SEC. 351. SPECIAL REED ACT TRANSFER.**

20 (a) SPECIAL TRANSFER.—Section 903 of the Social
 21 Security Act (42 U.S.C. 1103) is amended by adding at
 22 the end the following:

23 “Special Transfer

24 “(e)(1) The Secretary of the Treasury may transfer
 25 (as of the date determined under paragraph (4)) from the
 26 Federal unemployment account to the account of the State

1 in the Unemployment Trust Fund an amount that the
2 Secretary of the Treasury, in consultation with the Sec-
3 retary of Labor, determines is appropriate to ensure that
4 the State account is not insolvent. In no case may the
5 amount transferred to the State account under the pre-
6 ceding sentence exceed \$500,000.

7 “(2)(A) Except as provided in paragraph (3), the
8 amount transferred to the State account pursuant to this
9 subsection may be used only in the payment of cash bene-
10 fits—

11 “(i) to individuals with respect to their unem-
12 ployment; and

13 “(ii) which are allowable under subparagraph
14 (B) or (C).

15 “(B)(i) At the option of the State, cash benefits
16 under this paragraph may include amounts which shall be
17 payable as—

18 “(I) regular compensation; or

19 “(II) additional compensation, upon the exhaus-
20 tion of any temporary extended unemployment com-
21 pensation (if the State has entered into an agree-
22 ment under part I of subtitle E of title III of the
23 Hurricane Katrina Disaster Relief and Economic
24 Recovery Act of 2005), for individuals eligible for

1 regular compensation under the unemployment com-
2 pensation law of the State.

3 “(ii) Any additional compensation under clause (i)
4 may not be taken into account for purposes of any deter-
5 mination relating to the amount of any extended com-
6 pensation for which an individual might be eligible.

7 “(C)(i) At the option of the State, cash benefits
8 under this paragraph may include amounts which shall be
9 payable to 1 or more categories of individuals not other-
10 wise eligible for regular compensation under the unem-
11 ployment compensation law of the State, including those
12 described in clause (iii).

13 “(ii) The benefits paid under this subparagraph to
14 any individual may not, for any period of unemployment,
15 exceed the maximum amount of regular compensation au-
16 thorized under the unemployment compensation law of the
17 State for that same period, plus any additional compensa-
18 tion (described in subparagraph (B)(i)) which could have
19 been paid with respect to that amount.

20 “(iii) The categories of individuals described in this
21 clause include the following:

22 “(I) Individuals who are seeking, or available
23 for, only part-time (and not full-time) work.

24 “(II) Individuals who would be eligible for reg-
25 ular compensation under the unemployment com-

1 pensation law of such State under an alternative
2 base period.

3 “(D) Amounts transferred to a State account under
4 this subsection may be used in the payment of cash bene-
5 fits to individuals only for weeks of unemployment begin-
6 ning after the date of enactment of this subsection.

7 “(3) Amounts transferred to a State account under
8 this subsection may be used for the administration of its
9 unemployment compensation law and public employment
10 offices (including in connection with benefits described in
11 paragraph (2) and any recipients thereof), subject to the
12 same conditions as set forth in subsection (c)(2) (exclud-
13 ing subparagraph (B) thereof, and deeming the reference
14 to ‘subsections (a) and (b)’ in subparagraph (D) thereof
15 to include this subsection).

16 “(4) Transfers under this subsection shall be made
17 within 90 days after the date of enactment of this para-
18 graph.

19 “(5) STATE.—In this subsection, the term ‘State’
20 means Louisiana.”.

21 (b) LIMITATIONS ON TRANSFERS.—Subsection (b) of
22 section 903(b) of the Social Security Act (42 U.S.C. 1103)
23 shall apply to transfers under subsection (e) of such sec-
24 tion (as added by subsection (a)). For purposes of the pre-

1 ceding sentence, such subsection (b) shall be deemed to
2 be amended as follows:

3 (1) By substituting “the transfer date described
4 in subsection (e)(4)” for “October 1 of any fiscal
5 year”.

6 (2) By substituting “remain in the Federal un-
7 employment account” for “be transferred to the
8 Federal unemployment account as of the beginning
9 of such October 1”.

10 (3) By substituting “fiscal year 2006 (after the
11 transfer date described in subsection (e)(4))” for
12 “the fiscal year beginning on such October 1”.

13 (4) By substituting “under subsection (e)” for
14 “as of October 1 of such fiscal year”.

15 (5) By substituting “(as of the close of fiscal
16 year 2006)” for “(as of the close of such fiscal
17 year)”.

18 (c) TECHNICAL AMENDMENTS.—(1) Sections
19 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue
20 Code of 1986 are amended by striking “or 903(d)(4)” and
21 inserting “, 903(d)(4), or 903(e)(3)”.

22 (2) Section 303(a)(5) of the Social Security Act (42
23 U.S.C. 503(a)(5)) is amended in the second proviso by
24 striking “or 903(d)(4)” and inserting “, 903(d)(4), or
25 903(e)(3)”.

1 (d) REGULATIONS.—The Secretary of Labor may
 2 prescribe any operating instructions or regulations nec-
 3 essary to carry out this section and the amendments made
 4 by this section.

5 **TITLE IV—PUBLIC RELIEF,**
 6 **SMALL BUSINESS, AND AGRICULTURE RECOVERY**

8 **Subtitle A—Education Assistance**

9 **SEC. 401. FEDERAL WORK STUDY.**

10 (a) WAIVER OF 7 PERCENT REQUIREMENT.—In ad-
 11 ministering the Federal work-study program under part
 12 C of title IV of the Higher Education Act of 1965 (42
 13 U.S.C. 2751 et seq.), the Secretary of Education shall
 14 waive the requirement of section 443(b)(2)(B) of such Act
 15 (42 U.S.C. 2753) for fiscal year 2005 for an institution
 16 of higher education described in subsection (b), including
 17 waiving any penalty or reduction in funds associated with
 18 such section for such institution for academic years 2005–
 19 2006 and 2006–2007.

20 (b) INSTITUTION OF HIGHER EDUCATION.—An insti-
 21 tution of higher education described in this subsection is
 22 an institution of higher education, as defined in sections
 23 101 and 102 of the Higher Education Act of 1965 (20
 24 U.S.C. 1001, 1002), that—

1 (1) is located in an area in which an emergency
2 or major disaster was declared under section 401 of
3 the Robert T. Stafford Disaster Relief and Emer-
4 gency Assistance Act (42 U.S.C. 5170) due to the
5 effects of Hurricane Katrina;

6 (2) entered into an agreement with the Sec-
7 retary under part C of title IV of such Act (42
8 U.S.C. 2751 et seq.) for fiscal year 2005; and

9 (3) failed to expend the required 7 percent of
10 funds under section 443(b)(2)(B) of such Act (42
11 U.S.C. 2753(b)(2)(B)) by August 29, 2005.

12 **SEC. 402. ELIGIBILITY OF HOSPITALS FOR ASSISTANCE.**

13 Title III of the Robert T. Stafford Disaster Relief
14 and Emergency Assistance Act (42 U.S.C. 5141 et seq.)
15 is amended by adding at the end the following:

16 **“SEC. 326. ELIGIBILITY OF HOSPITALS FOR ASSISTANCE.**

17 Notwithstanding any other provision of law, for any
18 major disaster declared under section 401 on or after Au-
19 gust 1, 2005, the eligibility of a hospital to receive assist-
20 ance under this Act shall be determined without regard
21 to whether the hospital is a private nonprofit facility.”.

22 **SEC. 403. ASSISTANCE FOR STUDENTS AFFECTED BY HUR-**
23 **RICANE KATRINA.**

24 (a) DEFERMENT OF LOANS UNDER TITLE IV.—An
25 affected student who was enrolled in an institution of

1 higher education on August 29, 2005, and whose attend-
2 ance at such institution was interrupted because of the
3 impact of Hurricane Katrina on the student or on the in-
4 stitution, shall be placed in deferment status with respect
5 to loans made, insured, or guaranteed under title IV of
6 the Higher Education Act of 1965 (20 U.S.C. 1070 et
7 seq.) for such student for the period beginning on August
8 29, 2005, and ending on the date such student enrolls in
9 an institution of higher education on not less than a half-
10 time basis or the date that is 180 days after August 29,
11 2005, whichever date is earlier.

12 (b) RECALCULATION OF THE EXPECTED FAMILY
13 CONTRIBUTION.—Notwithstanding part F of title IV of
14 the Higher Education Act of 1965 (20 U.S.C. 1087kk et
15 seq.), for the 2005–2006 and 2006–2007 award years, the
16 Secretary of Education shall calculate the amount of need
17 of an affected student for financial assistance under title
18 IV of such Act as if such student had an expected family
19 contribution equal to zero.

20 (c) AFFECTED STUDENT.—In this section, the term
21 “affected student” means a student who was residing in,
22 employed in, or attending an institution of higher edu-
23 cation that is located in, an area in which the President
24 has declared that a major disaster exists, in accordance
25 with section 401 of the Robert T. Stafford Disaster Relief

1 and Emergency Assistance Act (42 U.S.C. 5170) due to
2 the effects of Hurricane Katrina.

3 **Subtitle B—Small Business**
4 **Recovery**

5 **SEC. 411. DISASTER LOANS.**

6 Section 7(b) of the Small Business Act (15 U.S.C.
7 636(b)) is amended by inserting immediately after para-
8 graph (3) the following:

9 “(4) DISASTER LOANS AFTER HURRICANE
10 KATRINA.—

11 “(A) ADDITIONAL LOAN AUTHORITY.—

12 “(i) LOANS TO SMALL BUSINESSES.—

13 In addition to any other loan authorized by
14 this subsection, the Administrator may
15 make such loans under this subsection (ei-
16 ther directly or in cooperation with banks
17 or other lending institutions through agree-
18 ments to participate on an immediate or
19 deferred basis) as the Administrator deter-
20 mines appropriate to a small business con-
21 cern or small agricultural cooperative that
22 demonstrates a direct adverse economic
23 impact caused by Hurricane Katrina,
24 based on such criteria as the Adminis-

1 trator may set by rule, regulation, or
2 order.

3 “(ii) LOANS TO NONPROFITS.—In ad-
4 dition to any other loan authorized by this
5 subsection, the Administrator may make
6 such loans under this subsection (either di-
7 rectly or in cooperation with banks or
8 other lending institutions through agree-
9 ments to participate on an immediate or
10 deferred basis) as the Administrator deter-
11 mines appropriate to a non-profit organiza-
12 tion for purposes of repairing damage
13 caused by Hurricane Katrina or per-
14 forming other hurricane relief services in a
15 damaged area.

16 “(B) INCREASED LOAN CAPS.—

17 “(i) AGGREGATE LOAN AMOUNTS.—
18 Except as provided in clause (ii), the ag-
19 gregate loan amount outstanding and com-
20 mitted to a qualified borrower under this
21 paragraph may not exceed \$10,000,000.

22 “(ii) WAIVER AUTHORITY.—The Ad-
23 ministrator may, at the discretion of the
24 Administrator, waive the aggregate loan
25 amount established under clause (i).

1 “(C) DEFERMENT OF DISASTER LOAN PAY-
2 MENTS.—

3 “(i) IN GENERAL.—Notwithstanding
4 any other provision of law, payments of
5 principal and interest on a loan to a quali-
6 fied borrower made under this subsection
7 before, on, or after the date of enactment
8 of this paragraph shall be deferred, and no
9 interest shall accrue with respect to such
10 loan, during the time period described in
11 clause (ii).

12 “(ii) TIME PERIOD.—The time period
13 for purposes of clause (i) shall be 1 year
14 from the later of the date of enactment of
15 this paragraph or the date of issuance of
16 a loan described in clause (i), but may be
17 extended to 2 years from such date, at the
18 discretion of the Administrator.

19 “(iii) RESUMPTION OF PAYMENTS.—
20 At the end of the time period described in
21 clause (ii), the payment of periodic install-
22 ments of principal and interest shall be re-
23 quired with respect to such loan, in the
24 same manner and subject to the same
25 terms and conditions as would otherwise be

1 applicable to any other loan made under
2 this subsection.

3 “(D) DEFINITIONS.—In this paragraph,
4 the following definitions shall apply:

5 “(i) DAMAGED AREA.—The term
6 ‘damaged area’ means an area which the
7 President has designated as a disaster area
8 as a result of Hurricane Katrina of August
9 2005.

10 “(ii) QUALIFIED BORROWER.—The
11 term ‘qualified borrower’ means a small
12 business concern or non-profit organiza-
13 tion—

14 “(I) located in a damaged area;
15 or

16 “(II) located in a State contig-
17 uous to a damaged area that is using,
18 or intends to use, a loan made under
19 this subsection for purposes of re-
20 building or conducting operations in a
21 damaged area.”.

22 **SEC. 412. DEVELOPMENT COMPANY DEBENTURES.**

23 Section 503 of the Small Business Investment Act
24 of 1958 (15 U.S.C. 697) is amended by adding at the end
25 the following:

1 “(j) DEBENTURES AFTER HURRICANE KATRINA.—

2 “(1) AUTHORITY.—

3 “(A) IN GENERAL.—In addition to any
4 other guarantee authorized by this section, the
5 Administrator may guarantee the timely pay-
6 ment of all principal and interest as scheduled
7 on any debenture issued to a qualified borrower
8 for purposes of rebuilding or resuming oper-
9 ations in a damaged area, as the Administrator
10 determines appropriate.

11 “(B) TERMS.—The Administrator shall es-
12 tablish a fee for a guarantee issued under sub-
13 paragraph (A) that is lower than that for other
14 guarantees under this section.

15 “(2) EXISTING GUARANTEES.—

16 “(A) IN GENERAL.—Notwithstanding any
17 other provision of law, the Administrator may
18 temporarily defer payments of principal and in-
19 terest on a guarantee made to a qualified bor-
20 rower under this section before the date of en-
21 actment of this subsection to a small business
22 concern in a damaged area, in any case in
23 which the payments are owed to the Adminis-
24 tration.

1 “(B) PAYMENTS TO OTHER PARTIES.—
2 Notwithstanding any other provision of law, the
3 Administrator may temporarily make payments
4 of principal and interest on a loan made under
5 this section before the date of enactment of this
6 subsection to a qualified borrower, in any case
7 in which the payments are owed to a person
8 other than the Administration.

9 “(C) TERMINATION OF AUTHORITY.—The
10 authority to defer, or make, payments under
11 this paragraph shall terminate 1 year after the
12 date of enactment of this subsection.

13 “(3) DEFINITIONS.—In this subsection, the fol-
14 lowing definitions shall apply:

15 “(A) DAMAGED AREA.—The term ‘dam-
16 aged area’ means an area which the President
17 has designated as a disaster area as a result of
18 Hurricane Katrina of August 2005.

19 “(B) QUALIFIED BORROWER.—The term
20 ‘qualified borrower’ means a small business con-
21 cern—

22 “(i) located in a damaged area; or

23 “(ii) that demonstrates a direct ad-
24 verse economic impact caused by Hurri-
25 cane Katrina, based on such criteria as the

1 Administrator may set by rule, regulation,
2 or order.”.

3 **SEC. 413. SMALL BUSINESS EMERGENCY RELIEF.**

4 (a) DEFINITIONS.—As used in this subtitle—

5 (1) the term “small business concern” has the
6 same meaning as in section 3 of the Small Business
7 Act; and

8 (2) the terms “Administration” and “Adminis-
9 trator” mean the Small Business Administration
10 and the Administrator thereof, respectively.

11 (b) BUSINESS LOAN PROGRAMS.—Section
12 20(e)(1)(B) of the Small Business Act (15 U.S.C. 631
13 note) is amended—

14 (1) by striking “\$25,050,000,000” and insert-
15 ing “\$30,550,000,000”;

16 (2) in clause (i), by striking “\$17,000,000,000”
17 and inserting “\$20,000,000,000”; and

18 (3) in clause (ii), by striking “\$7,500,000,000”
19 and inserting “\$10,000,000,000”.

20 (c) APPROPRIATION.—

21 (1) IN GENERAL.—There is authorized to be
22 appropriated, and there is appropriated, to the De-
23 partment of Commerce \$150,000,000 to provide,
24 through the Louisiana Department of Economic De-
25 velopment, bridge grants and loans to small business

1 concerns located in the area which the President has
2 designated as a disaster area as a result of Hurri-
3 cane Katrina, to assist in covering costs of such con-
4 cerns until they are able to obtain loans through Ad-
5 ministration assistance programs or other sources.

6 (2) TERMS.—For a loan made with funds ap-
7 propriated under paragraph (1)—

8 (A) such a loan shall initially be a
9 noncollateralized, low-interest loan;

10 (B) the first payment on such a loan shall
11 be deferred for at least 1 year after the date on
12 which the loan is made;

13 (C) the balance remaining on such a loan
14 5 years after the date on which the loan is
15 made shall be forgiven entirely by the Louisiana
16 Department of Economic Development if the
17 borrower has continued to operate in the area
18 which the President has designated as a dis-
19 aster area as a result of Hurricane Katrina
20 during that 5-year period; and

21 (D) such a loan may be forgiven by the
22 Louisiana Department of Economic Develop-
23 ment, under such terms as it may set, if the
24 borrower cannot repay such loan.

1 (d) DISASTER LOAN ADDITIONAL AMOUNTS.—In ad-
2 dition to any other amounts otherwise appropriated for
3 such purpose, there is authorized to be appropriated, and
4 there is appropriated, to the Administration \$86,000,000,
5 to make loans under section 7(b) of the Small Business
6 Act.

7 (e) OTHER DISASTER LOANS FOLLOWING HURRI-
8 CANE KATRINA.—

9 (1) IN GENERAL.—Paragraph (4) of section
10 7(b) of the Small Business Act (15 U.S.C. 636(b)),
11 as added by this subtitle, is amended by adding at
12 the end the following:

13 “(E) REFINANCING DISASTER LOANS
14 AFTER HURRICANE KATRINA.—

15 “(i) IN GENERAL.—Any loan made
16 under this subsection that was outstanding
17 as to principal or interest on August 24,
18 2005, may be refinanced by a small busi-
19 ness concern that is located in an area des-
20 ignated by the President as a disaster area
21 as a result of Hurricane Katrina of 2005
22 (in this paragraph referred to as the ‘dis-
23 aster area’), and the refinanced amount
24 shall be considered to be part of the new
25 loan for purposes of this subparagraph.

1 “(ii) NO EFFECT ON ELIGIBILITY.—A
2 refinancing under clause (i) by a small
3 business concern shall be in addition to
4 any other loan eligibility for that small
5 business concern under this Act.

6 “(F) REFINANCING BUSINESS DEBT.—

7 “(i) IN GENERAL.—Any business debt
8 of a small business concern that was out-
9 standing as to principal or interest on Au-
10 gust 24, 2005, may be refinanced by the
11 small business concern if it is, or was on
12 that date, located in the disaster area.
13 With respect to a refinancing under this
14 clause, payments of principal shall be de-
15 ferred, and interest may accrue, during the
16 1-year period following the date of refi-
17 nancing, and the refinanced amount shall
18 be considered to be part of a new loan for
19 purposes of this subparagraph.

20 “(ii) RESUMPTION OF PAYMENTS.—At
21 the end of the 1-year period described in
22 clause (i), the payment of periodic install-
23 ments of principal and interest shall be re-
24 quired with respect to such loan, in the
25 same manner and subject to the same

1 terms and conditions as would otherwise be
2 applicable to any other loan made under
3 this subsection.

4 “(G) TERMS.—A loan under subparagraph
5 (E) or (F) shall be made at the same interest
6 rate as economic injury loans under paragraph
7 (2).

8 “(H) EXTENDED APPLICATION PERIOD.—
9 Notwithstanding any other provision of law, the
10 Administrator shall accept applications for as-
11 sistance under paragraphs (1) and (4) until 1
12 year after the date on which the President des-
13 igned the area as a disaster area as a result
14 of Hurricane Katrina.

15 “(I) NO SALE.—No loan under this sub-
16 section made as a result of Hurricane Katrina
17 may be sold.”.

18 (2) CLERICAL AMENDMENTS.—Section 7(b) of
19 the Small Business Act (15 U.S.C. 636(b)) is
20 amended in the undesignated matter at the end—

21 (A) by striking “, (2), and (4)” and insert-
22 ing “and (2)”; and

23 (B) by striking “, (2), or (4)” and insert-
24 ing “(2)”.

1 **SEC. 414. ENTREPRENEURIAL DEVELOPMENT.**

2 In addition to any other amounts authorized for any
3 fiscal year, there is authorized to be appropriated, and
4 there is appropriated, to the Administration, to remain
5 available until expended—

6 (1) \$21,000,000, to be used for activities of
7 small business development centers pursuant to sec-
8 tion 21 of the Small Business Act, \$15,000,000 of
9 which shall be non-matching funds and used to aid
10 and assist small business concerns affected by Hur-
11 ricane Katrina;

12 (2) \$2,000,000, to be used for the SCORE pro-
13 gram authorized by section 8(b)(1) of the Small
14 Business Act, for the activities described in section
15 8(b)(1)(B)(ii) of that Act, \$1,000,000 of which shall
16 be used to aid and assist small business concerns af-
17 fected by Hurricane Katrina;

18 (3) \$4,500,000, to be used for activities of
19 women's business centers authorized by section
20 29(b) of the Small Business Act and for recipients
21 of a grant under section 29(l) of that Act,
22 \$2,500,000 of which shall be non-matching funds
23 used to aid and assist small business concerns af-
24 fected by Hurricane Katrina, which may also be
25 made available to a women's business center whose
26 5-year project ended in fiscal year 2004;

1 (4) \$1,250,000, to be used for activities of the
2 office of veteran’s business development pursuant to
3 section 32 of the Small Business Act, \$750,000 of
4 which shall be used to aid and assist small business
5 concerns affected by Hurricane Katrina; and

6 (5) \$5,000,000, to be used for activities of the
7 microloan program authorized by clauses (ii) and
8 (iii) of section 7(m)(1)(G) of the Small Business Act
9 to aid and assist small business concerns adversely
10 affected by Hurricane Katrina.

11 **SEC. 415. SMALL BUSINESS DEVELOPMENT CENTERS.**

12 Section 21(a)(4) of the Small Business Act (15
13 U.S.C. 648(a)(4)) is amended by adding at the end the
14 following:

15 “(D) FISCAL YEARS 2005 AND 2006.—For
16 fiscal years 2005 and 2006, the Administrator
17 has the authority to waive the maximum
18 amount of \$100,000 for grants under subpara-
19 graph (C)(viii) for small business development
20 centers assisting small business concerns ad-
21 versely affected by Hurricane Katrina.”.

22 **SEC. 416. HUBZONES.**

23 Section 3(p)(1) of the Small Business Act (15 U.S.C.
24 632(p)(1)) is amended—

25 (1) in subparagraph (D), by striking “or”;

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

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

4 “(F) the Hurricane Katrina disaster area,
5 as designated by the Administrator.”.

6 **SEC. 417. OUTREACH PROGRAMS.**

7 (a) **IN GENERAL.**—Not later than 90 days after the
8 date of enactment of this Act, the Administrator shall es-
9 tablish a contracting outreach and technical assistance
10 program for small business concerns which have had a pri-
11 mary place of business in, or other significant presence
12 in the Hurricane Katrina disaster area at any time fol-
13 lowing the 60 days prior to the designation of such area
14 by the Administrator.

15 (b) **ADMINISTRATOR ACTION.**—The Administrator
16 may fulfill the requirement of subsection (a) by acting
17 through—

18 (1) the Administration;

19 (2) the Federal agency small business officials
20 designated under section 15(k)(1) of the Small Busi-
21 ness Act (15 U.S.C. 644(k)(1)); or

22 (3) any Federal, State, or local government en-
23 tity, higher education institution, or private non-
24 profit organization that the Administrator may deem
25 appropriate, upon conclusion of a memorandum of

1 understanding or assistance agreement, as appro-
2 priate, with the Administrator.

3 **SEC. 418. SMALL BUSINESS BONDING THRESHOLD.**

4 Notwithstanding any other provision of law, for all
5 procurements related to Hurricane Katrina, the Adminis-
6 trator may, upon such terms and conditions as it may pre-
7 scribe, guarantee and enter into commitments to guar-
8 antee any surety against loss resulting from a breach of
9 the terms of a bid bond, payment bond, performance bond,
10 or bonds ancillary thereto, by a principal on any total work
11 order or contract amount at the time of bond execution
12 that does not exceed \$10,000,000.

13 **SEC. 419. SUPPLEMENTAL EMERGENCY LOANS.**

14 (a) IN GENERAL.—Section 7(a) of the Small Busi-
15 ness Act (15 U.S.C. 636(a)) is amended by adding at the
16 end the following:

17 “(32) SUPPLEMENTAL EMERGENCY LOANS
18 AFTER HURRICANE KATRINA.—

19 “(A) LOAN AUTHORITY.—In addition to
20 any other loan authorized by this subsection,
21 the Administrator shall make such loans under
22 this subsection (either directly or in cooperation
23 with banks or other lending institutions through
24 agreements to participate on an immediate or
25 deferred basis) as the Administrator determines

1 appropriate to a small business concern ad-
2 versely affected by Hurricane Katrina, subject
3 to subparagraph (B).

4 “(B) OVERSIGHT PROTECTIONS.—In mak-
5 ing any loan under subparagraph (A)—

6 “(i) the borrower shall be made aware
7 that such loans are for those adversely af-
8 fected by Hurricane Katrina; and

9 “(ii) if such loans are made in co-
10 operation with a bank or other lending in-
11 stitution—

12 “(I) lenders shall document for
13 the Administrator how the borrower
14 was adversely affected by Hurricane
15 Katrina, whether directly, or indi-
16 rectly; and

17 “(II) not later than 6 months
18 after the date of enactment of this
19 paragraph, and every 6 months there-
20 after until the date that is 18 months
21 after the date of enactment of this
22 paragraph, the Comptroller General
23 shall make a report regarding such
24 loans to the Committee on Small
25 Business and Entrepreneurship of the

1 Senate and the Committee on Small
2 Business of the House of Representa-
3 tives, including verification that such
4 loans are being used for purposes au-
5 thORIZED by this paragraph.

6 “(C) FEES.—

7 “(i) IN GENERAL.—Notwithstanding
8 any other provision of law, the Adminis-
9 trator shall, in lieu of the fee established
10 under paragraph (23)(A), collect an annual
11 fee of 0.25 percent of the outstanding bal-
12 ance of deferred participation loans made
13 under this subsection to qualified bor-
14 rowers for a period of 1 year after the date
15 of enactment of this paragraph.

16 “(ii) GUARANTEE FEES.—Notwith-
17 standing any other provision of law, the
18 guarantee fee under paragraph (18)(A) for
19 a period of 1 year after the date of enact-
20 ment of this subparagraph shall be as fol-
21 lows:

22 “(I) A guarantee fee equal to 1
23 percent of the deferred participation
24 share of a total loan amount that is
25 not more than \$150,000.

1 “(II) A guarantee fee equal to
2 2.5 percent of the deferred participa-
3 tion share of a total loan amount that
4 is more than \$150,000, but not more
5 than \$700,000.

6 “(III) A guarantee fee equal to
7 3.5 percent of the deferred participa-
8 tion share of a total loan amount that
9 is more than \$700,000.”.

10 (b) APPROPRIATION.—There is authorized to be ap-
11 propriated, and there is appropriated, \$75,000,000 to
12 carry out section 7(a)(32) of the Small Business Act, as
13 amended by subsection (a).

14 **SEC. 420. SMALL BUSINESS PARTICIPATION.**

15 In order to facilitate the maximum practicable par-
16 ticipation of small business concerns in activities related
17 to relief and recovery from Hurricane Katrina, the Admin-
18 istrator and the head of any Federal agency making pro-
19 curements related to the aftermath of Hurricane Katrina,
20 shall set a goal, to be met within a reasonable time, of
21 awarding to small business concerns not less than 30 per-
22 cent of amounts expended for prime contracts and not less
23 than 40 percent of amounts expended for subcontracts on
24 procurements by such agency related to the aftermath of
25 Hurricane Katrina.

1 **SEC. 421. ENERGY EMERGENCY RELIEF.**

2 (a) SMALL BUSINESS AND FARM ENERGY EMER-
3 GENCY DISASTER LOAN PROGRAM.—

4 (1) SMALL BUSINESS DISASTER LOAN AUTHOR-
5 ITY.—Section 7(b) of the Small Business Act (15
6 U.S.C. 636(b)) is amended by inserting immediately
7 after paragraph (4), as added by this subtitle, the
8 following:

9 “(5)(A) For purposes of this paragraph—

10 “(i) the term ‘base price index’ means the
11 moving average of the closing unit price on the
12 New York Mercantile Exchange for heating oil,
13 natural gas, gasoline, or propane for the 10
14 days, in each of the most recent 2 preceding
15 years, which correspond to the trading days de-
16 scribed in clause (ii);

17 “(ii) the term ‘current price index’ means
18 the moving average of the closing unit price on
19 the New York Mercantile Exchange, for the 10
20 most recent trading days, for contracts to pur-
21 chase heating oil, natural gas, gasoline, or pro-
22 pane during the subsequent calendar month,
23 commonly known as the ‘front month’;

24 “(iii) the term ‘significant increase’
25 means—

1 “(I) with respect to the price of heat-
2 ing oil, natural gas, gasoline, or propane,
3 any time the current price index exceeds
4 the base price index by not less than 40
5 percent; and

6 “(II) with respect to the price of ker-
7 osene, any increase which the Adminis-
8 trator, in consultation with the Secretary
9 of Energy, determines to be significant;
10 and

11 “(iv) a small business concern engaged in
12 the heating oil business is eligible for a loan, if
13 the small business concern sells not more than
14 10,000,000 gallons of heating oil per year.

15 “(B) The Administration may make such loans,
16 either directly or in cooperation with banks or other
17 lending institutions through agreements to partici-
18 pate on an immediate or deferred basis, to assist a
19 small business concern that has suffered or that is
20 likely to suffer substantial economic injury on or
21 after January 1, 2005, as the result of a significant
22 increase in the price of heating oil, natural gas, gas-
23 oline, propane, or kerosene occurring on or after
24 January 1, 2005.

1 “(C) Any loan or guarantee extended pursuant
2 to this paragraph shall be made at the same interest
3 rate as economic injury loans under paragraph (2).

4 “(D) No loan may be made under this para-
5 graph, either directly or in cooperation with banks
6 or other lending institutions through agreements to
7 participate on an immediate or deferred basis, if the
8 total amount outstanding and committed to the bor-
9 rower under this subsection would exceed
10 \$1,500,000, unless such borrower constitutes a
11 major source of employment in its surrounding area,
12 as determined by the Administrator, in which case
13 the Administrator, in its discretion, may waive the
14 \$1,500,000 limitation.

15 “(E) For purposes of assistance under this
16 paragraph—

17 “(i) a declaration of a disaster area based
18 on conditions specified in this paragraph shall
19 be required, and shall be made by the President
20 or the Administrator; or

21 “(ii) if no declaration has been made pur-
22 suant to clause (i), the Governor of a State in
23 which a significant increase in the price of heat-
24 ing oil, natural gas, gasoline, propane, or ker-
25 osene has occurred may certify to the Adminis-

1 tration that small business concerns have suf-
2 fered economic injury as a result of such in-
3 crease and are in need of financial assistance
4 which is not otherwise available on reasonable
5 terms in that State, and upon receipt of such
6 certification, the Administration may make such
7 loans as would have been available under this
8 paragraph if a disaster declaration had been
9 issued.

10 “(F) Notwithstanding any other provision of
11 law, loans made under this paragraph may be used
12 by a small business concern described in subpara-
13 graph (B) to convert from the use of heating oil,
14 natural gas, gasoline, propane, or kerosene to a re-
15 newable or alternative energy source, including agri-
16 culture and urban waste, geothermal energy, cogen-
17 eration, solar energy, wind energy, or fuel cells.”.

18 (2) CONFORMING AMENDMENTS.—Section 3(k)
19 of the Small Business Act (15 U.S.C. 632(k)) is
20 amended—

21 (A) by inserting “, significant increase in
22 the price of heating oil, natural gas, gasoline,
23 propane, or kerosene” after “civil disorders”;
24 and

1 (B) by inserting “other” before “eco-
2 nomic”.

3 (3) REPORT.—Not later than 12 months after
4 the date on which the Administrator issues guide-
5 lines under subsection (c)(1), and annually there-
6 after, the Administrator shall submit to the Com-
7 mittee on Small Business and Entrepreneurship of
8 the Senate and the Committee on Small Business of
9 the House of Representatives, a report on the effec-
10 tiveness of the assistance made available under sec-
11 tion 7(b)(5) of the Small Business Act, as added by
12 this subsection, including—

13 (A) the number of small business concerns
14 that applied for a loan under that section
15 7(b)(5) and the number of those that received
16 such loans;

17 (B) the dollar value of those loans;

18 (C) the States in which the small business
19 concerns that received such loans are located;

20 (D) the type of energy that caused the sig-
21 nificant increase in the cost for the partici-
22 pating small business concerns; and

23 (E) recommendations for ways to improve
24 the assistance provided under that section
25 7(b)(5), if any.

1 (4) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply during the 4-year pe-
3 riod beginning on the earlier of the date on which
4 guidelines are published by the Administrator under
5 subsection (c)(1), or 30 days after the date of enact-
6 ment of this Act, with respect to assistance under
7 section 7(b)(5) of the Small Business Act, as added
8 by this subsection.

9 (b) FARM ENERGY EMERGENCY RELIEF.—

10 (1) IN GENERAL.—Section 321(a) of the Con-
11 solidated Farm and Rural Development Act (7
12 U.S.C. 1961(a)) is amended—

13 (A) in the first sentence—

14 (i) by striking “operations have” and
15 inserting “operations (i) have”; and

16 (ii) by inserting before “: *Provided*,”
17 the following: “, or (ii)(I) are owned or op-
18 erated by such an applicant that is also a
19 small business concern (as defined in sec-
20 tion 3 of the Small Business Act (15
21 U.S.C. 632)), and (II) have suffered or are
22 likely to suffer substantial economic injury
23 on or after January 1, 2005, as the result
24 of a significant increase in energy costs or
25 input costs from energy sources occurring

1 on or after January 1, 2005, in connection
2 with an energy emergency declared by the
3 President or the Secretary”;

4 (B) in the third sentence, by inserting be-
5 fore the period at the end the following: “or by
6 an energy emergency declared by the President
7 or the Secretary”; and

8 (C) in the fourth sentence—

9 (i) by inserting “or energy emer-
10 gency” after “natural disaster” each place
11 that term appears; and

12 (ii) by inserting “or declaration” after
13 “emergency designation”.

14 (2) FUNDING.—Funds available on the date of
15 enactment of this Act for emergency loans under
16 subtitle C of the Consolidated Farm and Rural De-
17 velopment Act (7 U.S.C. 1961 et seq.) shall be avail-
18 able to carry out the amendments made by para-
19 graph (1) to meet the needs resulting from natural
20 disasters.

21 (3) REPORT.—Not later than 12 months after
22 the date on which the Secretary of Agriculture
23 issues guidelines under subsection (c)(1), and annu-
24 ally thereafter, the Secretary shall submit to the
25 Committee on Small Business and Entrepreneurship

1 and the Committee on Agriculture, Nutrition, and
2 Forestry of the Senate and to the Committee on
3 Small Business and the Committee on Agriculture of
4 the House of Representatives, a report that—

5 (A) describes the effectiveness of the as-
6 sistance made available under section 321(a) of
7 the Consolidated Farm and Rural Development
8 Act (7 U.S.C. 1961(a)), as amended by this
9 subsection; and

10 (B) contains recommendations for ways to
11 improve the assistance provided under such sec-
12 tion 321(a).

13 (4) EFFECTIVE DATE.—The amendments made
14 by this subsection shall apply during the 4-year pe-
15 riod beginning on the earlier of the date on which
16 guidelines are published by the Secretary of Agri-
17 culture under subsection (c)(1), or 30 days after the
18 date of enactment of this Act, with respect to assist-
19 ance under section 321(a) of the Consolidated Farm
20 and Rural Development Act (7 U.S.C. 1961(a)), as
21 amended by this subsection.

22 (c) GUIDELINES AND RULEMAKING.—

23 (1) GUIDELINES.—Not later than 30 days after
24 the date of enactment of this Act, the Administrator
25 and the Secretary of Agriculture shall each issue

1 guidelines to carry out subsections (a) and (b), re-
2 spectively, and the amendments made thereby, which
3 guidelines shall become effective on the date of their
4 issuance.

5 (2) RULEMAKING.—Not later than 30 days
6 after the date of enactment of this Act, the Adminis-
7 trator, after consultation with the Secretary of En-
8 ergy, shall promulgate regulations specifying the
9 method for determining a significant increase in the
10 price of kerosene under section 7(b)(5)(A)(iii)(II) of
11 the Small Business Act, as added by this section.

12 **SEC. 422. BUDGETARY TREATMENT OF LOANS AND**
13 **FINANCINGS.**

14 (a) IN GENERAL.—Assistance made available under
15 any loan made or approved by the Administration under
16 this subtitle, subsections (a) or (b) of section 7 of the
17 Small Business Act (15 U.S.C. 636(a)), as amended by
18 this subtitle, except for subsection 7(a)(23)(C), or
19 financings made under title V of the Small Business In-
20 vestment Act of 1958 (15 U.S.C. 695 et seq.), as amended
21 by this subtitle, on and after the date of enactment of this
22 Act, shall be treated as separate programs of the Adminis-
23 tration for purposes of the Federal Credit Reform Act of
24 1990 only.

1 (b) USE OF FUNDS.—Assistance under this subtitle
 2 and the amendments made by this subtitle shall be avail-
 3 able only to the extent that funds are made available
 4 under appropriations Acts, which funds shall be utilized
 5 to offset the cost (as such term is defined in section 502
 6 of the Federal Credit Reform Act of 1990) of such assist-
 7 ance.

8 **SEC. 423. EMERGENCY SPENDING.**

9 Appropriations under this subtitle are designated as
 10 emergency spending, as provided under section 402 of H.
 11 Con. Res. 95 (109th Congress).

12 **Subtitle C—Agriculture**

13 **SEC. 431. SHORT TITLE.**

14 This subtitle may be cited as the “Louisiana Hurri-
 15 cane Katrina Agricultural Disaster Relief Act of 2005”.

16 **SEC. 432. APPLICATION TO LOUISIANA PARISHES DES-**
 17 **IGNATED AS DISASTER AREAS DUE TO HUR-**
 18 **RICANE KATRINA OR RELATED CONDITIONS.**

19 In this subtitle, the term “disaster parish” means a
 20 parish in the State of Louisiana, all or a portion of which
 21 is included in the geographic area covered by a natural
 22 disaster declaration—

23 (1) made by the Secretary of Agriculture under
 24 section 321(a) of the Consolidated Farm and Rural

1 Development Act (7 U.S.C. 1961(a)) due to Hurri-
2 cane Katrina or related conditions; or

3 (2) made by the President under the Robert T.
4 Stafford Disaster Relief and Emergency Assistance
5 Act (42 U.S.C. 5121 et seq.) due to Hurricane
6 Katrina or related conditions.

7 **SEC. 433. CROP DISASTER ASSISTANCE.**

8 (a) EMERGENCY FINANCIAL ASSISTANCE.—Notwith-
9 standing section 508(b)(7) of the Federal Crop Insurance
10 Act (7 U.S.C. 1508(b)(7)), the Secretary of Agriculture
11 shall use \$25,000,000 of the funds of the Commodity
12 Credit Corporation to make emergency financial assist-
13 ance authorized under this section available to producers
14 on a farm in a disaster parish (other than producers of
15 sugar cane) that have incurred qualifying crop or quality
16 losses for the 2005 crop of an insurable commodity or non-
17 insurable commodity due to Hurricane Katrina or a re-
18 lated condition. In the case strawberries, assistance under
19 this section shall be available for the 2005 and 2006 crops
20 for damages to such crops due to Hurricane Katrina or
21 a related condition.

22 (b) ADMINISTRATION.—The Secretary of Agriculture
23 shall make assistance available under this section in the
24 same manner as provided under section 815 of the Agri-
25 culture, Rural Development, Food and Drug Administra-

1 tion, and Related Agencies Appropriations Act, 2001
2 (Public Law 106–387; 114 Stat. 1549A–55), including
3 using the same loss thresholds for the quantity and quality
4 losses as were used in administering that section.

5 (c) INELIGIBILITY FOR ASSISTANCE.—Except as pro-
6 vided in subsection (d), the producers on a farm shall not
7 be eligible for assistance under this section with respect
8 to losses to an insurable commodity or noninsurable com-
9 modity if the producers on the farm—

10 (1) in the case of an insurable commodity, did
11 not obtain a policy or plan of insurance for the in-
12 surable commodity under the Federal Crop Insur-
13 ance Act (7 U.S.C. 1501 et seq.) for the crop incur-
14 ring the losses;

15 (2) in the case of a noninsurable commodity,
16 did not file the required paperwork, and pay the ad-
17 ministrative fee by the applicable State filing dead-
18 line, for the noninsurable commodity under section
19 196 of the Federal Agriculture Improvement and
20 Reform Act of 1996 (7 U.S.C. 7333) for the crop
21 incurring the losses;

22 (3) had adjusted gross incomes, as defined by
23 section 1001D of the Food Security Act of 1985, of
24 greater than \$2,500,000 in 2004; or

1 (4) were not in compliance with highly erodible
2 land conservation and wetland conservation provi-
3 sions.

4 (d) CONTRACT WAIVER.—The Secretary of Agri-
5 culture may waive subsection (c) with respect to the pro-
6 ducers on a farm if the producers enter into a contract
7 with the Secretary under which the producers agree—

8 (1) in the case of all insurable commodities pro-
9 duced on the farm for each of the next two crop
10 years—

11 (A) to obtain additional coverage for those
12 commodities under the Federal Crop Insurance
13 Act (7 U.S.C. 1501 et seq.); and

14 (B) in the event of violation of the con-
15 tract, to repay to the Secretary any payment re-
16 ceived under this section; and

17 (2) in the case of all noninsurable commodities
18 produced on the farm for each of the next two crop
19 or calendar years, as applicable—

20 (A) to file the required paperwork, and pay
21 the administrative fee by the applicable State
22 filing deadline, for those commodities under sec-
23 tion 196 of the Federal Agriculture Improve-
24 ment and Reform Act of 1996 (7 U.S.C. 7333);
25 and

1 (B) in the event of violation of the con-
2 tract, to repay to the Secretary any payment re-
3 ceived under this section.

4 (e) PAYMENT LIMITATIONS.—

5 (1) LIMIT ON AMOUNT OF ASSISTANCE.—As-
6 sistance provided under this section to a producer
7 for losses to a crop, together with the amounts speci-
8 fied in paragraph (2) applicable to the same crop,
9 may not exceed 95 percent of what the value of the
10 crop would have been in the absence of the losses,
11 as estimated by the Secretary of Agriculture.

12 (2) OTHER PAYMENTS.—In applying the limita-
13 tion in paragraph (1), the Secretary shall include the
14 following:

15 (A) Any crop insurance payment made
16 under the Federal Crop Insurance Act (7
17 U.S.C. 1501 et seq.) or payment under section
18 196 of the Federal Agricultural Improvement
19 and Reform Act of 1996 (7 U.S.C. 7333) that
20 the producer receives for losses to the same
21 crop.

22 (B) The value of the crop that was not lost
23 (if any), as estimated by the Secretary.

24 (f) DEFINITIONS.—In this section:

1 (1) **ADDITIONAL COVERAGE.**—The term “addi-
2 tional coverage” has the meaning given the term in
3 section 502(b)(1) of the Federal Crop Insurance Act
4 (7 U.S.C. 1502(b)(1)).

5 (2) **INSURABLE COMMODITY.**—The term “insur-
6 able commodity” means an agricultural commodity
7 (excluding livestock) for which the producers on a
8 farm are eligible to obtain a policy or plan of insur-
9 ance under the Federal Crop Insurance Act (7
10 U.S.C. 1501 et seq.).

11 (3) **NONINSURABLE COMMODITY.**—The term
12 “noninsurable commodity” means an eligible crop
13 for which the producers on a farm are eligible to ob-
14 tain assistance under section 196 of the Federal Ag-
15 riculture Improvement and Reform Act of 1996 (7
16 U.S.C. 7333).

17 **SEC. 434. SUGARCANE DISASTER ASSISTANCE.**

18 (a) **COMPENSATION FOR LOSSES.**—The Secretary of
19 Agriculture shall make available to a first processor of
20 sugarcane that operates in a disaster parish or obtains
21 sugarcane from a disaster parish and that is eligible to
22 obtain a loan under section 156(a) of the Federal Agri-
23 culture Improvement and Reform Act of 1996 (7 U.S.C.
24 7272(a)) assistance, in the form of payments or commod-
25 ities in the inventory of the Commodity Credit Corporation

1 derived from carrying out that section, to partially com-
2 pensate producers and first processors for crop and other
3 losses due to Hurricane Katrina.

4 (b) ADMINISTRATION.—Assistance under subsection
5 (a) shall be—

6 (1) shared by an affected first processor with
7 affected producers that provide commodities to the
8 processor in a manner that reflects contracts entered
9 into between the processor and the producers; and

10 (2) made available under such terms and condi-
11 tions as the Secretary of Agriculture determines are
12 necessary to carry out subsection (a).

13 (c) AMOUNT OF ASSISTANCE.—To carry out sub-
14 section (a), the Secretary of Agriculture shall—

15 (1) use 336,697 tons of commodities in the in-
16 ventory of the commodity Credit Corporation under
17 section 156(a) of the Federal Agriculture Improve-
18 ment and Reform Act of 1996 (7 U.S.C. 7272 (a));

19 (2) make payments in an aggregate amount
20 equal to the market value of the quantity of com-
21 modities specified in paragraph (1); or

22 (3) take any combination of actions described in
23 paragraphs (1) and (2) using commodities or pay-
24 ments with a total value equal to the market value

1 of the quantity of commodities specified in para-
2 graph (1).

3 (d) LIMITATION.—Out of any funds in the Treasury
4 that are not otherwise appropriated, there is appropriated
5 to carry out this section, \$125,000,000 for fiscal year
6 2005, to remain available until expended.

7 (e) SUGARCANE RESEARCH FACILITY.—The Sec-
8 retary of Agriculture shall use \$25,490,073 of the funds
9 of the Commodity Credit Corporation to complete the Sug-
10 arcane Research Laboratory of the Agricultural Research
11 Service at Houma, Louisiana.

12 (f) BUILDINGS AND FACILITIES.—The Secretary of
13 Agriculture shall use \$120,000,000 of funds of the Com-
14 modity Credit Corporation for the clean up, renovation,
15 repair, and replacement of laboratory facilities and equip-
16 ment at the Southern Regional Research Center of the Ag-
17 ricultural Research Service at New Orleans, Louisiana.

18 **SEC. 435. COMPENSATION FOR INFRASTRUCTURE LOSSES.**

19 (a) INFRASTRUCTURE LOSSES.—Out of any funds in
20 the Treasury not otherwise appropriated, there is appro-
21 priated to the Secretary of Agriculture, \$40,000,000 to
22 compensate agricultural producers on a farm operating in
23 a disaster parish for costs incurred to repair or replace
24 barns and other structures, equipment, and fencing that—

1 Credit Corporation to make payments for dairy cattle
2 losses of dairy producers in disaster parishes due to Hurri-
3 cane Katrina or related conditions. To the maximum ex-
4 tent practicable, the Secretary shall make assistance avail-
5 able under this subsection in the same manner as provided
6 under section 806 of the Agriculture, Rural Development,
7 Food and Drug Administration, and Related Agencies Ap-
8 propriations Act, 2001 (Public Law 106–387; 114 Stat.
9 1549A–51). A disaster parish so declared by the President
10 as a result of Hurricane Katrina in accordance with sec-
11 tion 401 of the Robert T. Stafford Disaster Relief and
12 Emergency Assistance Act (42 U.S.C. 5170) that does not
13 qualify for assistance under this section shall be eligible
14 for assistance in the same manner as provided in section
15 203 of the Agricultural Assistance Act of 2003 (16 U.S.C.
16 3801 note).

17 (b) INDEMNITY PROGRAM FOR OTHER LIVESTOCK
18 LOSSES.—The Secretary of Agriculture shall use
19 \$11,000,000 of the funds of the Commodity Credit Cor-
20 poration to carry out a livestock indemnity program to
21 make payments to producers on farms in disaster parishes
22 that have incurred livestock losses, not covered by sub-
23 section (a), due to Hurricane Katrina or related condi-
24 tions. To the maximum extent practicable, the Secretary
25 shall use the criteria established under the program re-

1 ferred to under the heading “**LIVESTOCK INDEMNITY**
2 **PROGRAM**” in chapter 1 of title I of the 1999 Emergency
3 Supplemental Appropriations Act (Public Law 106–31;
4 113 Stat. 59), except that the Secretary shall use a pay-
5 ment rate of \$1,000 per head of cattle and shall not im-
6 pose any limitation on the maximum amount of payments
7 that a producer may receive under this subsection.

8 (c) **DAIRY PRODUCTION LOSSES.**—The Secretary of
9 Agriculture shall use \$5,000,000 of funds of the Com-
10 modity Credit Corporation to compensate dairy producers
11 operating in disaster parishes for dairy production losses
12 and dairy spoilage losses incurred in the aftermath of
13 Hurricane Katrina.

14 (d) **LIVESTOCK COMPENSATION PROGRAM.**—The
15 Secretary of Agriculture shall use \$5,000,000 of the funds
16 of the Commodity Credit Corporation to carry out a live-
17 stock compensation program to make payments for live-
18 stock-related losses, not covered by subsection (b), in dis-
19 aster parishes due to Hurricane Katrina or related condi-
20 tions. To the maximum extent practicable, the Secretary
21 shall use the criteria established under the program re-
22 ferred to in section 203(a) of the Agricultural Assistance
23 Act of 2003 (title II of division N of the Consolidated Ap-
24 propriations Resolution, 2003; Public Law 108–7; 117
25 Stat. 539), except that the Secretary shall not impose any

1 limitation on the maximum amount of payments that a
2 producer may receive under this subsection.

3 (e) **EMERGENCY ANIMAL HEALTH AND FORAGE**
4 **COSTS.**—The Secretary of Agriculture shall use
5 \$4,375,000 of funds of the Commodity Credit Corporation
6 to compensate dairy producers operating in disaster par-
7 ishes for emergency dairy cattle health costs and increased
8 forage costs due to a 30- to 90-day delay in planning in
9 the aftermath of Hurricane Katrina.

10 **SEC. 437. EMERGENCY CITRUS DISASTER, NURSERY CROP**
11 **AND CHRISTMAS TREE DISASTER, AND**
12 **STRAWBERRY, HORTICULTURAL CROPS,**
13 **FALL FRUITS AND VEGETABLES DISASTER**
14 **PROGRAMS.**

15 (a) **PROGRAMS REQUIRED.**—The Secretary of Agri-
16 culture shall transfer to the fund established by section
17 32 of the Act of August 24, 1935 (7 U.S.C. 612c),
18 \$34,000,000 of funds of the Commodity Credit Corpora-
19 tion to carry out a Citrus Disaster Program, Nursery Crop
20 and Christmas Tree Disaster Program, and Strawberry,
21 Horticultural Crops, Fall Fruits and Vegetables Program
22 in disaster parishes due to Hurricane Katrina or related
23 conditions.

24 (b) **ADMINISTRATION.**—

1 (1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, the disaster programs re-
3 quired by subsection (a) shall be carried out by the
4 Secretary of Agriculture in the same manner as the
5 special disaster relief programs carried out for pro-
6 ducers who suffered from crop damage and tree
7 losses, and who had to perform related cleanup, in
8 certain areas of Florida due to Hurricanes Charley,
9 Frances and Jeanne during August and September
10 2004. Because of the complete destruction of the
11 business records of many producers, the Secretary
12 shall use the best available information in deter-
13 mining eligibility, determining losses, and calculating
14 payment amounts under the programs.

15 (2) SPECIAL ACREAGE COMPENSATION AMOUNT
16 FOR CITRUS LOSSES.—Because of the complete loss
17 of the Louisiana citrus crop due to Hurricane
18 Katrina, the Secretary shall use only Tier 1 of the
19 Florida Citrus Disaster Program in administering
20 the Citrus Disaster Program required by subsection
21 (a), and the per acre compensation for crop loss and
22 associated tree damage in eligible groves of citrus
23 shall be \$9,023 rather than \$1,500.

24 (3) SPECIAL LOSS THRESHOLD AND PAYMENT
25 RATE FOR HORTICULTURAL CROPS.—In the case of

1 the Strawberry, Horticultural Crops, Fall Fruits and
2 Vegetables Program required by subsection (a), the
3 Secretary shall cover losses greater than 35 percent,
4 rather than 50 percent, and use a single payment
5 rate of \$2,500 per acre for planted fruits and vege-
6 tables.

7 (4) SPECIAL PAYMENT RATE FOR SEVERE
8 NURSERY CROP LOSSES.—In the case of nursery
9 crop losses of greater than 25 percent under the
10 Nursery Crop and Christmas Tree Disaster Program
11 required by subsection (a), the Secretary shall pay
12 75 percent of the actual dollar amount loss, rather
13 than 25 percent.

14 (5) PAYMENT LIMITATIONS.—The Secretary
15 shall not impose any limitation on the maximum
16 amount of payments that a producer may receive
17 under a program required by subsection (a).

18 (c) RELATION TO OTHER ASSISTANCE.—Persons
19 that receive payments from section 32 of the Act of Au-
20 gust 24, 1935, pursuant to a disaster program required
21 by subsection (a) are not eligible for payments for quali-
22 fying crop or quality losses under the general crop disaster
23 assistance authority of section 443.

1 **SEC. 438. CONSERVATION PROGRAMS.**

2 (a) TEMPORARY SODBUSTER AND SWAMPBUSTER
3 WAIVER.—Subtitles B and C of title XII of the Food Se-
4 curity Act of 1985 (16 U.S.C. 3811 et seq.) shall not apply
5 in a disaster parish during the two-year period beginning
6 on the date of enactment of this Act.

7 (b) DEBRIS REMOVAL.—The Secretary of Agriculture
8 may use the Natural Resources Conservation Service to
9 conduct debris-removal activities on non-Federal forest
10 land, with the permission of the owner of the land, in a
11 disaster parish to reduce the risk of future catastrophic
12 wildfires that would adversely affect watersheds and rural
13 communities.

14 (c) ADDITIONAL EMERGENCY WATERSHED PROTEC-
15 TION PROGRAM FUNDS.—The Secretary of Agriculture
16 shall use an additional \$190,000,000 of the funds of the
17 Commodity Credit Corporation for the Emergency Water-
18 shed Protection Program to provide additional funds for
19 the repair of damages to waterways and watersheds in dis-
20 aster parishes resulting from Hurricane Katrina.

21 (d) ADDITIONAL EMERGENCY CONSERVATION PRO-
22 GRAM FUNDS.—The Secretary of Agriculture shall use an
23 additional \$40,000,000 of the funds of the Commodity
24 Credit Corporation to provide assistance under the Emer-
25 gency Conservation Program under title IV of the Agricul-
26 tural Credit Act of 1978 (16 U.S.C. 2201 et seq.) in par-

1 ishes in the State of Louisiana declared to be disaster
2 areas by the President due to Hurricane Katrina and re-
3 lated conditions.

4 **SEC. 439. TREE ASSISTANCE PROGRAM.**

5 (a) INCLUSION OF TIMBER AND CHRISTMAS TREE
6 CROPS.—In administering the tree assistance program es-
7 tablished under sections 10201 through 10204 of the
8 Farm Security and Rural Investment Act of 2002 (7
9 U.S.C. 8201 et seq.), the Secretary of Agriculture shall
10 provide \$25,000,000 to forest land owners who produce
11 periodic crops of timber or Christmas trees for commercial
12 purposes and who have suffered tree losses in disaster par-
13 ishes due to Hurricane Katrina or related conditions

14 (b) COST-SHARING WAIVERS.—

15 (1) TREE ASSISTANCE PROGRAM.—The cost-
16 sharing requirements of section 10203(1) of the
17 Farm Security and Rural Investment Act of 2002 (7
18 U.S.C. 8203(1)) shall not apply to the operation of
19 the tree assistance program in disaster parishes in
20 response to Hurricane Katrina or related conditions.

21 (2) COOPERATIVE FORESTRY ASSISTANCE
22 ACT.—The cost-sharing requirements of the Cooper-
23 ative Forestry Assistance Act of 1978 (16 U.S.C.
24 2101) shall not apply in disaster parishes during the

1 two-year period beginning on the date of enactment
2 of this Act.

3 (c) RELATION TO OTHER ASSISTANCE.—Persons
4 that receive payments from section 32 of the Act of Au-
5 gust 24, 1935 (7 U.S.C. 612c), pursuant to the Citrus
6 Disaster Program required by section 447 are not eligible
7 for payments under the tree assistance program.

8 (d) ADDITIONAL STATE AND PRIVATE FORESTRY
9 PROGRAM FUNDS.—The Secretary of Agriculture shall
10 use an additional \$28,300,000 of the funds of the Com-
11 modity Credit Corporation to support State and Private
12 Forestry programs of the Department of Agriculture to
13 provide additional funds for the restoration and rehabilita-
14 tion of forest lands destroyed or damaged by Hurricane
15 Katrina in disaster parishes.

16 **SEC. 440. ADDITIONAL FUNDS FOR COOPERATIVE STATE**
17 **RESEARCH, EDUCATION, AND EXTENSION**
18 **SERVICE.**

19 The Secretary of Agriculture shall use an additional
20 \$34,193,591 of the funds of the Commodity Credit Cor-
21 poration to support the research and education activities
22 of the Cooperative State Research, Education, and Exten-
23 sion Service in disaster parishes. Of such amount,
24 \$9,060,000 shall be made available to the Louisiana Agri-
25 cultural Experiment Station, \$10,133,591 shall be made

1 available to the Louisiana Cooperative Extension Service,
2 and \$15,000,000 shall be made available to the Louisiana
3 State University Agricultural Center to carry out the Hur-
4 ricane Forestry Damage Research Initiative.

5 **SEC. 441. DELTA REGIONAL AUTHORITY EXPANSION.**

6 (a) DEFINITION OF REGION.—For purposes of sub-
7 title F of the Consolidated Farm and Rural Development
8 Act (7 U.S.C. 2009aa et seq.), any area affected by a dec-
9 laration of a major disaster in accordance with section 401
10 of the Robert T. Stafford Disaster Relief and Emergency
11 Assistance Act (42 U.S.C. 5170) in response to Hurricane
12 Katrina shall be considered to be a region (as defined in
13 section 382A of that subtitle).

14 (b) ECONOMIC AND COMMUNITY DEVELOPMENT
15 GRANTS.—For purposes of section 382C of the Consoli-
16 dated Farm and Rural Development Act (7 U.S.C.
17 2009aa–2), the Delta Regional Authority may approve a
18 grant to a State or a public or nonprofit entity to provide
19 economic redevelopment assistance in response to damage
20 from Hurricane Katrina or a related condition, or any
21 other nationally significant incident, as determined by the
22 President.

23 (c) FUNDING LIMITATION.—Funding limitations
24 under section 382D(b) of the Consolidated Farm and
25 Rural Development Act (7 U.S.C. 2009aa–3(b)) shall not

1 apply to any reconstruction effort relating to a major dis-
2 aster declared in accordance with section 401 of the Rob-
3 ert T. Stafford Disaster Relief and Emergency Assistance
4 Act (42 U.S.C. 5170) in response to Hurricane Katrina
5 for the 3-year period beginning on the date on which the
6 major disaster is declared.

7 (d) APPROPRIATION.—

8 (1) IN GENERAL.—Out of any funds of the
9 Treasury not otherwise appropriated, there is appro-
10 priated to the Secretary of Agriculture, \$27,000,000
11 for fiscal year 2005 to provide economic and commu-
12 nity development grants in accordance with section
13 382C of the Consolidated Farm and Rural Develop-
14 ment Act (7 U.S.C. 2009aa–2) for projects in com-
15 munities affected by Hurricane Katrina or a related
16 condition.

17 (2) AVAILABILITY.—Amounts made available
18 under paragraph (1) shall remain available until ex-
19 pended.

20 **SEC. 442. WATER AND WASTE DISPOSAL LOAN AND GRANT**
21 **PROGRAMS.**

22 In the case of water or waste disposal grants or direct
23 or guaranteed loans under paragraph (1), (2), or (24) of
24 section 306(a) of the Consolidated Farm and Rural Devel-
25 opment Act (7 U.S.C. 1926(a)) made in an area des-

1 ignated a major disaster area by the President under the
2 Robert T. Stafford Disaster Relief and Emergency Assist-
3 ance Act (42 U.S.C. 5121 et seq.), section 343(a)(13)(B)
4 of that Act and section 149(b) of the Internal Code of
5 1986 shall not apply.

6 **SEC. 443. COMMUNITY FACILITIES LOAN AND GRANT PRO-**
7 **GRAMS.**

8 (a) IN GENERAL.—In the case of community facility
9 direct and guaranteed loans under section 306(a)(1) of the
10 Consolidated Farm and Rural Development Act (7 U.S.C.
11 1926(a)(1)) and community facility grants under para-
12 graph (19), (20), or (21) of section 306(a) of that Act
13 made in an area designated a major disaster area by the
14 President under the Robert T. Stafford Disaster Relief
15 and Emergency Assistance Act (42 U.S.C. 5121 et seq.),
16 sections 306(a)(21)(A)(iv) and 343(a)(13)(C) of that Act
17 and section 149(b) of the Internal Code of 1986 shall not
18 apply.

19 (b) RESTRUCTURING.—A borrower receiving a guar-
20 anteed loan or grant described in subsection (a) as of the
21 date of enactment of this Act may restructure the loan
22 at new rates and terms regardless of the status of the
23 loan.

24 (c) REDUCTION OF GUARANTEE FEE.—Notwith-
25 standing any provision of the Consolidated Farm and

1 Rural Development Act (7 U.S.C. 1921 et seq.) (including
2 associated regulations), the Secretary of Agriculture may
3 waive all or part of any fee associated with a guaranteed
4 loan described in subsection (a).

5 **SEC. 444. RURAL COMMUNITY ADVANCEMENT FUNDS.**

6 (a) IN GENERAL.—Subject to subsection (b), in addi-
7 tion to any other amounts made available by law, the Sec-
8 retary of Agriculture shall use—

9 (1) \$120,000,000 to make water and waste dis-
10 posal direct loans under section 306(a)(1) of the
11 Consolidated Farm and Rural Development Act (7
12 U.S.C. 1926(a)(1));

13 (2) \$60,000,000 to make water and waste dis-
14 posal grants under section 306(a)(2) of that Act (7
15 U.S.C. 1926(a)(2));

16 (3) \$10,000,000 to make water and waste dis-
17 posal guaranteed loans under section 306(a)(24) of
18 that Act (7 U.S.C. 1926(a)(24));

19 (4) \$20,000,000 to make emergency community
20 water assistance grants under section 306A of that
21 Act (7 U.S.C. 1926a);

22 (5) \$120,000,000 to make community facilities
23 direct loans under section 306(a)(1) of that Act (7
24 U.S.C. 1926(a)(1));

1 (6) \$60,000,000 to make community facilities
2 grants under paragraph (19), (20), or (21) of sec-
3 tion 306(a) of that Act (7 U.S.C. 1926(a)); and

4 (7) \$20,000,000 to make community facilities
5 guaranteed loans under section 306(a)(1) of that
6 Act (7 U.S.C. 1926(a)).

7 (b) REQUIREMENT.—Loans and grants funded under
8 this section shall be available for projects in communities
9 in the State of Louisiana in areas that have been des-
10 ignated as major disaster areas by the President under
11 the Robert T. Stafford Disaster Relief and Emergency As-
12 sistance Act (42 U.S.C. 5121 et seq.).

13 (c) EMERGENCY DESIGNATION.—The amounts made
14 available by the transfer of funds in or pursuant to this
15 section are designated as an emergency requirement pur-
16 suant to section 402 of H. Con. Res. 95 (109th Congress).

17 **SEC. 445. REGULATIONS.**

18 (a) IN GENERAL.—The Secretary of Agriculture may
19 promulgate such regulations as are necessary to imple-
20 ment this subtitle and the amendments made by this sub-
21 title.

22 (b) PROCEDURE.—The promulgation of the regula-
23 tions and administration of this subtitle and the amend-
24 ments made by this subtitle shall be made without regard
25 to—

1 (1) the notice and comment provisions of sec-
2 tion 553 of title 5, United States Code;

3 (2) the Statement of Policy of the Secretary of
4 Agriculture effective July 24, 1971 (36 Fed. Reg.
5 13804), relating to notices of proposed rulemaking
6 and public participation in rulemaking; and

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

10 (c) CONGRESSIONAL REVIEW OF AGENCY RULE-
11 MAKING.—In carrying out this section, the Secretary of
12 Agriculture shall use the authority provided under section
13 808 of title 5, United States Code.

14 **Subtitle D—Privately Owned**
15 **Utility Restoration**

16 **SEC. 461. SHORT TITLE.**

17 This subtitle may be cited as the “Privately Owned
18 Utility System Restoration Act of 2005”.

19 **SEC. 462. DEFINITIONS.**

20 In this subtitle:

21 (1) **DIRECT LOSS.**—The term “direct loss”
22 means an amount equal to the sum of—

23 (A) the total undepreciated costs of any
24 plant and property of a privately owned utility

1 that is no longer used or useful as a result of
2 Hurricane Katrina; and

3 (B) the total restoration costs of a pri-
4 vately owned utility.

5 (2) ELECTRIC UTILITY COMPANY.—The term
6 “electric utility company” has the meaning given the
7 term in section 1262 of the Public Utility Holding
8 Company Act of 2005 (Public Law 109–58).

9 (3) GAS UTILITY COMPANY.—The term “gas
10 utility company” has the meaning given the term in
11 section 1262 of the Public Utility Holding Company
12 Act of 2005 (Public Law 109–58).

13 (4) INCREMENTAL LOSS.—The term “incree-
14 mental loss” means the amount, calculated on a
15 monthly basis, that is equal to the difference be-
16 tween—

17 (A) an amount equal to the difference be-
18 tween—

19 (i) the most recent total revenue re-
20 quirement of the privately owned utility, as
21 established by the regulatory authority
22 with jurisdiction over the retail rates of the
23 privately owned utility; and

24 (ii) the sum of—

1 (I) direct fuel and purchased en-
2 ergy costs; and

3 (II) the costs associated with the
4 recovery of the undepreciated cost of
5 all plants of the privately owned util-
6 ity that are no longer used or useful
7 as a result of Hurricane Katrina; and

8 (B) the total amount of revenues recovered
9 from customers of the privately owned utility
10 during the applicable period, excluding the por-
11 tion of the customer revenues that is attrib-
12 utable to the recovery of direct fuel and pur-
13 chased energy costs.

14 (5) PRIVATELY OWNED UTILITY.—The term
15 “privately owned utility” means an electric utility
16 company or a gas utility company.

17 (6) RESTORATION COST.—The term “restora-
18 tion cost” means the amount equal to the difference
19 between—

20 (A) any costs incurred by a privately
21 owned utility as a result of Hurricane Katrina
22 that are eligible to be recorded by a privately
23 owned utility under the sections of the Federal
24 Energy Regulatory Commission Uniform Sys-
25 tem of Accounts in which storm damage and

1 restoration costs are recorded, including the ac-
 2 counts numbered 107, 108, 118, 119, 174.1,
 3 and 228.1, as determined by the rules and reg-
 4 ulations of the regulatory authority having ju-
 5 risdiction over the retail rates of the privately
 6 owned utility; and

7 (B) any insurance proceeds received by the
 8 privately owned utility that relate to direct
 9 losses and restoration costs of the privately
 10 owned utility.

11 (7) SECRETARY.—The term “Secretary” means
 12 the Secretary of Energy.

13 **SEC. 463. PRIVATELY OWNED UTILITY DISASTER RELIEF.**

14 (a) IN GENERAL.—Notwithstanding any other provi-
 15 sion of law and subject to section 454, the President shall,
 16 in accordance with subsection (b), compensate privately
 17 owned utilities in the State of Louisiana (including the
 18 city of New Orleans) for losses incurred as a result of
 19 Hurricane Katrina.

20 (b) COMPENSATION FOR DIRECT AND INCREMENTAL
 21 LOSSES.—

22 (1) IN GENERAL.—The President shall com-
 23 pensate privately owned utilities for—

24 (A) direct losses to the transmission, dis-
 25 tribution, and generation facilities and infra-

1 structure of electric utility companies and direct
2 losses to the facilities and infrastructure of gas
3 utility companies incurred, beginning on August
4 29, 2005, by privately owned utilities as a re-
5 sult of Hurricane Katrina; and

6 (B) the incremental losses incurred during
7 the period beginning August 29, 2005, and end-
8 ing December 31, 2007, by the privately owned
9 utilities as a result of Hurricane Katrina.

10 (2) LIMITATIONS.—

11 (A) MAXIMUM AMOUNT.—The total amount
12 of compensation that may be provided to any 1
13 privately owned utility under paragraph (1)
14 shall be \$2,500,000,000.

15 (B) LOAD REQUIREMENTS.—

16 (i) IN GENERAL.—A privately owned
17 utility shall not be entitled to monthly pay-
18 ments under paragraph (1)(A) unless the
19 load of the privately owned utility for the
20 applicable month is not more than 80 per-
21 cent of the load of the privately owned util-
22 ity in the corresponding month during the
23 period beginning August 2004 and ending
24 July 2005.

1 (ii) LOAD MEASUREMENT.—For pur-
2 poses of clause (i)—

3 (I) in the case of an electric util-
4 ity company, the load shall be meas-
5 ured in kilowatt hours; and

6 (II) in the case of a gas utility
7 company, the load shall be measured
8 in thousands of cubic feet of gas.

9 (c) EMERGENCY DESIGNATION.—Any amount appro-
10 priated pursuant to this section is designated as an emer-
11 gency requirement pursuant to section 402 of H. Con.
12 Res. 95 (109th Congress).

13 **SEC. 464. REQUIREMENTS FOR COMPENSATION; REGULA-**
14 **TIONS.**

15 (a) DOCUMENTATION.—

16 (1) IN GENERAL.—Subject to subsection (b),
17 the amount of compensation payable to a privately
18 owned utility under section 453(b) may not exceed
19 the amount of losses described in subparagraphs (A)
20 and (B) of paragraph (1) of that subsection that the
21 President determines, based on sworn financial
22 statements or other appropriate data provided by the
23 privately owned utility, were incurred by the pri-
24 vately owned utility.

1 (2) AUDIT.—The Secretary and the Comptroller
2 General of the United States may—

3 (A) audit any statements of a privately
4 owned utility that receives compensation under
5 this subtitle; and

6 (B) for purposes of an audit under sub-
7 paragraph (A), request any information that
8 the Secretary and the Comptroller General de-
9 termine to be necessary.

10 (b) PAYMENTS.—

11 (1) IN GENERAL.—Subject to paragraph (2),
12 the President may provide compensation to privately
13 owned utilities under section 453(b) in 1 or more
14 payments up to the maximum amount specified in
15 453(b)(2)(A).

16 (2) SCHEDULE.—Payments under paragraph
17 (1) shall only be made during the period beginning
18 on the date that is not later than 60 days after the
19 date of enactment of this Act and ending March on
20 31, 2008.

21 (c) REGULATIONS.—Not later than 15 days after the
22 date of enactment of this Act, the Secretary, in consulta-
23 tion with the Attorney General, shall promulgate regula-
24 tions to carry out this subtitle, including regulations with
25 respect to—

1 (1) the forms to be used by privately owned
2 utilities for submitting claims under this subtitle, in-
3 cluding the information to be included in the forms;

4 (2) the procedures for considering claims sub-
5 mitted under this subtitle; and

6 (3) any other matters determined by the Sec-
7 retary to be appropriate.

8 **SEC. 465. NATIONAL ENERGY INFRASTRUCTURE ZONES.**

9 (a) **PRIORITY AREAS.**—If there is an incident or event
10 that, as determined by the Secretary of Energy (referred
11 to in this section as the “Secretary”), compromises the
12 reliable and affordable supply of electricity to retail, indus-
13 trial, and business customers, the Secretary shall give pri-
14 ority to protecting and, as appropriate, restoring the en-
15 ergy infrastructure system compromised.

16 (b) **DESIGNATION OF NATIONAL ENERGY INFRA-**
17 **STRUCTURE ZONES.**—

18 (1) **IN GENERAL.**—If there is an incident (in-
19 cluding a natural disaster) that, as determined by
20 the Secretary, threatens the reliability of the energy
21 infrastructure system, including the production, re-
22 fining, transmission, and distribution of oil, gas, and
23 electricity, the Secretary shall designate the threat-
24 ened energy infrastructure system as a National En-
25 ergy Infrastructure Zone.

1 (2) REPORT.—Not later than 90 days after the
2 date of the threatening incident, the Secretary shall
3 submit to Congress a report with respect to any Na-
4 tional Energy Infrastructure Zone designated under
5 paragraph (1) that describes—

6 (A) any actions that are necessary to pro-
7 tect, improve, revitalize, rebuild, or otherwise
8 strengthen the affected energy infrastructure
9 systems;

10 (B) any actions, methods, rules, regula-
11 tions, and processes that are necessary to im-
12 prove, strengthen, and rebuild the affected en-
13 ergy infrastructure systems in the National En-
14 ergy Infrastructure Zone; and

15 (C) any actions that are necessary to en-
16 sure that any National Energy Infrastructure
17 Zones are improved, strengthened, or rebuilt in
18 a manner that ensures—

19 (i) to the maximum extent practicable,
20 energy infrastructure system reliability;

21 (ii) lowest possible costs for energy in-
22 frastructure system consumers;

23 (iii) that national security is improved
24 and strengthened; and

1 (iv) that the energy infrastructure
2 system is able to be expanded in the fu-
3 ture.

4 **SEC. 466. PROVISIONS RELATING TO DEPOSITORY INSTITU-**
5 **TIONS AND CREDIT UNIONS.**

6 (a) GOVERNMENT CHECK CASHING.—

7 (1) IN GENERAL.—Notwithstanding any provi-
8 sion of subchapter II of chapter 33 of title 31,
9 United States Code, or any other provision of law,
10 the Secretary of the Treasury shall indemnify any
11 insured depository institution or insured credit union
12 for any loss suffered by the institution through cash-
13 ing a check or other draft on public money in the
14 Treasury, due to the fact that the check is fraudu-
15 lent or the identification of the bearer presenting
16 such check or draft to the depository institution or
17 credit union is fraudulent, if the depository institu-
18 tion or credit union—

19 (A) has made prudent efforts to identify
20 the bearer or presenter; and

21 (B) has reason to believe the check or
22 draft is presented for payment by an individual
23 who resides in, or who prior to an evacuation
24 of such individual due to Hurricane Katrina re-

1 sided or was present in, an area described in
2 subsection (b)(2).

3 (2) COORDINATION WITH OTHER LAW.—Sec-
4 tions 3331 and 3343 of title 31, United States Code,
5 shall continue to apply with respect to any check
6 and any appropriate payee of such check, notwith-
7 standing the fact that the Secretary of the Treasury
8 has already made a payment with respect to such
9 check to an insured depository institution or an in-
10 sured credit union under paragraph (1).

11 (b) LOAN PAYMENT DEFERRALS AND “FRESH
12 START” PROGRAMS.—

13 (1) IN GENERAL.—No provision of Federal or
14 State law, and no regulation, order, guideline, or
15 other provision prescribed under any authority con-
16 ferred by any provision of Federal or State law, shall
17 be construed as prohibiting any lender with respect
18 to any loan described in paragraph (2) from refi-
19 nancing such loan, including the deferred principal
20 and interest, on terms at least as favorable to the
21 borrower as the terms of the original loan.

22 (2) TYPES OF LOANS.—A loan described in this
23 paragraph is any consumer loan, commercial loan, or
24 mortgage loan—

1 (A) that is made to a borrower who resides
2 in or has a place of business within, or is se-
3 cured by real or personal property located with-
4 in, an area in which the President, pursuant to
5 section 401 of the Robert T. Stafford Disaster
6 Relief and Emergency Assistance Act, has de-
7 termined, on or after August 26, 2005, that a
8 major disaster exists, or within an area deter-
9 mined to be eligible for disaster relief under
10 other Federal law by reason of damage related
11 to Hurricane Katrina; and

12 (B) on which any payment of principal or
13 interest has been deferred due to the disaster
14 caused by Hurricane Katrina.

15 (c) WAIVER OF FEDERAL RESERVE BOARD FEES
16 FOR CERTAIN SERVICES.—Notwithstanding section 11A
17 of the Federal Reserve Act (12 U.S.C. 248a) or any other
18 provision of Federal law, the Board of Governors of the
19 Federal Reserve System shall waive any fee or other
20 charge imposed on any insured depository institution or
21 insured credit union with respect to any currency and coin
22 services or wire transfer services during the effective pe-
23 riod of this section.

1 (d) EFFECTIVE PERIOD.—The provisions of this sec-
2 tion shall not apply after the end of the 2-year period be-
3 ginning on the date of enactment of this Act.

4 **TITLE V—REBUILDING OF**
5 **INFRASTRUCTURE**
6 **Subtitle A—Actions by Federal**
7 **Agencies**

8 **SEC. 501. PELICAN COMMISSION.**

9 (a) ESTABLISHMENT.—

10 (1) ESTABLISHMENT.—There is established a
11 commission to be known as the “Protecting Essen-
12 tial Louisiana Infrastructure, Citizens, and Nature
13 Commission” (referred to in this Act as the “Pelican
14 Commission”).

15 (b) PURPOSES.—The purpose of the Pelican Commis-
16 sion is to provide for the design and implementation of
17 a program that—

18 (1) protects citizens, natural resources, essen-
19 tial infrastructure, and property from hurricanes,
20 flooding, and erosion;

21 (2) integrates and comprehensively addresses
22 hurricane protection, flood control, coastal restora-
23 tion, storm surge protection, and navigation
24 projects; and

1 (3) functions efficiently, timely, and reliably to
2 maximize results, eliminate waste, reduce cost, and
3 engender confidence.

4 (c) MEMBERSHIP.—

5 (1) COMPOSITION.—The Pelican Commission
6 shall be composed of 9 members, of whom—

7 (A) 1 member shall be appointed by the
8 President and shall serve as Chairperson;

9 (B) 1 member shall be the Chief of Engi-
10 neers;

11 (C) 1 member shall be the Under Sec-
12 retary for Oceans and Atmosphere;

13 (D) 1 member shall be a member of the
14 Mississippi River Commission who is—

15 (i) a civil life appointee; and

16 (ii) unless none of the 3 civil life ap-
17 pointees on the Mississippi River Commis-
18 sion are residents of the State of Lou-
19 isiana, a resident of the State of Lou-
20 isiana;

21 (E) 1 member shall be the Governor of the
22 State of Louisiana;

23 (F) 4 members shall be residents of that
24 State and appointed by the President, of
25 whom—

1 (i) 1 member shall have expertise in
2 commerce;

3 (ii) 1 member shall have expertise in
4 the environment;

5 (iii) 1 member shall have expertise in
6 flood control; and

7 (iv) 1 member shall have expertise in
8 maritime matters.

9 (2) DATE OF APPOINTMENTS.—The appoint-
10 ment of a member of the Pelican Commission shall
11 be made not later than December 1, 2005.

12 (3) TERM; VACANCIES.—

13 (A) TERM.—

14 (i) IN GENERAL.—A member who
15 serves on the Pelican Commission because
16 of holding Office of Chief of Engineers,
17 Under Secretary of Oceans and Atmos-
18 phere, Mississippi River Commission, or
19 Governor of the State of Louisiana shall
20 serve on the commission so long as he
21 holds office.

22 (ii) PRESIDENTIAL APPOINTEES.—A
23 member appointed by the President to the
24 Pelican Commission shall serve for a term
25 of 4 years and may be reappointed.

1 (B) VACANCIES.—A vacancy on the Peli-
2 can Commission—

3 (i) shall not affect the powers of the
4 Pelican Commission; and

5 (ii) shall be filled not later than 30
6 days after the date on which the vacancy
7 occurred in the same manner as the origi-
8 nal appointment was made.

9 (4) INITIAL MEETING.—Not later than 30 days
10 after the date on which all members of the Pelican
11 Commission have been appointed, the Pelican Com-
12 mission shall hold the initial meeting of the Pelican
13 Commission.

14 (5) MEETINGS.—The Pelican Commission—
15 (A) shall meet at the call of the Chair-
16 person not less frequently than every 180 days;
17 and

18 (B) may conduct business by telephone or
19 other electronic means.

20 (6) NOTIFICATION OF MEETINGS.—Not later
21 than 14 days before calling a meeting, the Chair-
22 person shall—

23 (A) notify each member of the Pelican
24 Commission of the time, date, and location of
25 that meeting; and

1 (B) provide each member of the Pelican
2 Commission with a written agenda for the
3 meeting, including any proposals for discussion
4 and consideration, and any appropriate back-
5 ground materials.

6 (7) QUORUM.—A majority of the members of
7 the Pelican Commission shall constitute a quorum,
8 but a lesser number of members may hold hearings.

9 (d) DUTIES.—

10 (1) WORK PLAN.—The Pelican Commission
11 shall enter into a contract with the Corps of Engi-
12 neers to develop, not later than 180 days after the
13 date of enactment of this Act, and revise annually
14 thereafter, a work plan for the design and implemen-
15 tation of an integrated and comprehensive program
16 to simultaneously—

17 (A) protect the Louisiana coastal area
18 from future flooding and devastation caused by
19 hurricanes;

20 (B) restore and reconstruct critical wet-
21 lands; and

22 (C) provide for navigational interests.

23 (2) PRIORITY PROJECTS.—The work plan
24 shall—

1 (A) give priority consideration to projects
2 located in an area in which a major disaster
3 was declared by the President on August 29,
4 2005, in accordance with section 401 of the
5 Robert T. Stafford Disaster Relief and Emer-
6 gency Assistance Act (42 U.S.C. 5170); and

7 (B) include, at a minimum, consideration
8 of—

9 (i) certain hurricane protection
10 projects appropriate enhancements, includ-
11 ing—

12 (I) the project for Lake Pont-
13 chartrain and Vicinity, Louisiana, as
14 generally described in the post Au-
15 thorization Change Notification Re-
16 port, Lake Pontchartrain, Louisiana,
17 and Vicinity, Hurricane Protection
18 Project, dated August 8, 1984;

19 (II) the Barrier Plan, Louisiana,
20 project, as generally described in the
21 Report of the Chief of Engineers for
22 Lake Pontchartrain and Vicinity,
23 Louisiana, dated March 4, 1964, as
24 published in House Document 231,
25 89th Congress, First Session;

1 (III) the project for Morganza to
2 the Gulf, Louisiana, as generally de-
3 scribed in the Report of the Chief of
4 Engineers on Morganza, Louisiana, to
5 the Gulf of Mexico, Mississippi River
6 and Tributaries, dated August 23,
7 2002, and in the Report of the Chief
8 of Engineers on Morganza, Louisiana,
9 to the Gulf of Mexico, Mississippi
10 River and Tributaries—Supplemental
11 Report, dated July 22, 2003;

12 (IV) the project for West Bank
13 and Vicinity, Louisiana, authorized by
14 section 401(b) of Water Resources
15 Development Act of 1986 (100 Stat.
16 4111), sections 101(a)(17) and
17 101(b)(11) of the Water Resources
18 Development Act of 1996 (110 Stat.
19 3665), and section 328 of the Water
20 Resources Development Act of 1999
21 (113 Stat. 304);

22 (V) the project for New Orleans
23 to Venice, Louisiana, authorized by
24 section 203 of the Flood Control Act
25 of 1962 (76 Stat. 1180), and ex-

1 panded to include the LeReussittee to
2 St. Jude, Louisiana, levees;

3 (VI) the project for Larose to
4 Golden Meadow, Louisiana, author-
5 ized by section 204 of the Flood Con-
6 trol Act of 1965 (79 Stat. 1077), as
7 modified by section 325 of the Water
8 Resources Development Act of 1999
9 (113 Stat. 304);

10 (VII) the project for Grand Isle,
11 Louisiana, authorized by section 204
12 of the Flood Control Act of 1965 (79
13 Stat. 1077) and section 301(b)(6) of
14 the Water Resources Development Act
15 of 1996 (110 Stat. 3710); and

16 (VIII) the project for Lake Pont-
17 chartrain North Shore Protection, au-
18 thorized by section 601 of Water Re-
19 sources Development Act of 1986
20 (100 Stat. 4137);

21 (ii) the Louisiana Coastal Area eco-
22 system restoration and storm surge protec-
23 tion project, as generally described in the
24 draft Louisiana Coastwide Ecosystem Res-

1 toration Report, dated October 2003, in-
2 cluding any appropriate enhancements;

3 (iii) certain flood control projects, in-
4 cluding any appropriate enhancements, in-
5 cluding—

6 (I) the project for Southeast
7 Louisiana, Louisiana, authorized by
8 section 108 of the Energy and Water
9 Development Appropriations Act of
10 1996, and section 533 of the Water
11 Resources Development Act of 1996
12 (110 Stat. 3775) as amended;

13 (II) the project for St. Bernard
14 Parish, Louisiana, as generally de-
15 scribed in the New Orleans District
16 Report for St. Bernard Parish Flood
17 Control, Louisiana, dated October
18 2000;

19 (III) the project for St. Charles
20 Parish, Louisiana, as generally de-
21 scribed in the New Orleans District
22 Report for St. Charles Parish Flood
23 Control, Louisiana, dated November
24 2002;

1 (IV) the project for St. John the
2 Baptist Parish, Louisiana, as gen-
3 erally described in the New Orleans
4 District Report for St. John the Bap-
5 tist, Louisiana, dated February 2003;

6 (V) the project for Plaquemines
7 Parish, Louisiana, as generally de-
8 scribed in the New Orleans District
9 Report for Plaquemines Parish, Lou-
10 isiana, dated October 2001; and

11 (VI) the project for Lake Pont-
12 chartrain West Shore Protection, Lou-
13 isiana, as generally described in the
14 New Orleans District Report dated
15 July 1997; and

16 (iv) certain navigation projects, in-
17 cluding any appropriate enhancements, in-
18 cluding—

19 (I) the project for Atchafalaya
20 River and Bayous Chene, Boeuf and
21 Black, Louisiana, as generally de-
22 scribed in a House Resolution dated
23 September 27, 2000;

24 (II) the project for Calcasieu
25 River and Pass Ship Channel En-

1 largement, Louisiana, as generally de-
2 scribed in the Act of December 22,
3 1944 (commonly known as the “Flood
4 Control Act of 1944”) (58 Stat. 887,
5 chapter 665), the Act of March 2,
6 1945 (59 Stat. 18, chapter 19), and
7 House Resolutions dated June 23,
8 1964, October 5, 1966, October 3,
9 1968, and December 2, 1970;

10 (III) the project for Inner Har-
11 bor Navigation Canal Lock, Lou-
12 isiana, as generally described in the
13 River and Harbor Act of 1956 (Public
14 Law 84–455), Water Resources De-
15 velopment Act of 1986 (Public Law
16 99–662), and Water Resources Devel-
17 opment Act of 1996 (Public Law
18 104–303);

19 (IV) the project for Lafourche
20 (Port Fourchon); and

21 (V) the project for Port of Iberia,
22 Louisiana, as generally described in
23 section 431 of Water Resources De-
24 velopment Act 2000 (114 Stat 2639).

25 (3) REVIEW OF WORK PLAN.—

1 (A) IN GENERAL.—Upon receiving a work
2 plan under this section, the Pelican Commission
3 shall publish the work plan in the Federal Reg-
4 ister, with notice and an opportunity for public
5 comment.

6 (B) DURATION OF REVIEW AND COMMENT
7 PERIOD.—The period for public review and
8 comment shall be the 30-day period beginning
9 on the date of publication of a notice described
10 in subparagraph (A).

11 (4) DISPOSITION OF WORK PLAN.—Not later
12 than 30 days after the end of the period specified in
13 paragraph (3)(B), the Pelican Commission shall—

14 (A) approve, disapprove, or partially ap-
15 prove the work plan that is the subject of the
16 review; and

17 (B) issue a notice of the approval, dis-
18 approval, or partial approval that—

19 (i) specifies the reasons for dis-
20 approving any portion of the work plan;

21 (ii) if applicable, includes rec-
22 ommendations for revisions to the work
23 plan to make the plan subject to approval;
24 and

1 (iii) directs and provides funding to
2 the Corps of Engineers to implement the
3 plan, to the maximum extent practicable.

4 (5) DISAPPROVAL OR PARTIAL APPROVAL OF
5 WORK PLAN.—If the Pelican Commission dis-
6 approves or partially approves a work plan, the
7 Commission shall submit the work plan to the Corps
8 of Engineers for review and revision.

9 (6) IMPLEMENTATION.—Notwithstanding any
10 other provision of law, the Pelican Commission may
11 implement the work plan.

12 (7) OTHER REVIEW, ANALYSIS, AND REC-
13 OMMENDATION.—The Pelican Commission may re-
14 view, analyze, and make recommendations on such
15 other related matters as the Pelican Commission de-
16 termines to be appropriate.

17 (8) TREATMENT OF WORK PLAN PROJECTS.—
18 Notwithstanding any other provision of law, a
19 project implemented by the Pelican Commission in
20 accordance with the work plan shall be deemed to
21 comply with all applicable requirements of the Na-
22 tional Environmental Policy Act of 1969 (42 U.S.C.
23 4321 et seq.) and the Federal Water Pollution Con-
24 trol Act (33 U.S.C. 1251 et seq.).

1 (9) FEDERAL SHARE.—Notwithstanding any
2 other provision of law, the Federal share of the cost
3 of any project carried out in accordance with the
4 work plan shall be 100 percent.

5 (e) POWERS.—

6 (1) HEARINGS.—

7 (A) IN GENERAL.—The Pelican Commis-
8 sion may hold such hearings, meet and act at
9 such times and places, take such testimony, and
10 receive such evidence as the Pelican Commis-
11 sion considers advisable to carry out this Act.

12 (B) PUBLIC MEETINGS AND RELEASE OF
13 REPORTS.—The Pelican Commission shall—

14 (i) hold public hearings and meetings
15 to the extent appropriate; and

16 (ii) release to the public versions of
17 any reports prepared by the Pelican Com-
18 mission.

19 (C) PUBLIC HEARINGS.—Any public hear-
20 ing of the Pelican Commission shall be con-
21 ducted in a manner consistent with the protec-
22 tion of information provided to or developed for
23 or by the Commission as required by any appli-
24 cable statute, regulation, or Executive order.

1 (2) CONTRACTING.—The Pelican Commission
2 may, to such extent and in such amounts as are
3 available for the purpose, enter into contracts to en-
4 able the Pelican Commission to carry out the duties
5 of the Pelican Commission.

6 (3) INFORMATION FROM FEDERAL AGENCIES.—

7 (A) IN GENERAL.—The Pelican Commis-
8 sion may secure directly from a Federal agency
9 such information (including technical assist-
10 ance) as the Pelican Commission considers nec-
11 essary to carry out this Act, if the information
12 may be disclosed under section 552 of title 5,
13 United States Code.

14 (B) PROVISION OF INFORMATION.—On re-
15 quest of the Chairperson of the Pelican Com-
16 mission, the head of the agency shall provide
17 the information (or technical assistance) to the
18 Pelican Commission.

19 (4) POSTAL SERVICES.—The Pelican Commis-
20 sion—

21 (A) may use the United States mails in the
22 same manner and under the same conditions as
23 other agencies of the Federal Government; and

24 (B) for the purposes of the frank, be con-
25 sidered to be a commission of Congress as de-

1 scribed in section 3215 of title 39, United
2 States Code.

3 (5) ADMINISTRATIVE SUPPORT SERVICES.—

4 Upon the request of the Pelican Commission, the
5 Administrator of General Services shall provide to
6 the Pelican Commission, on a reimbursable basis,
7 such administrative support services as the Pelican
8 Commission may request.

9 (6) PRINTING.—For purposes of costs relating
10 to printing and binding, including the cost of per-
11 sonnel detailed from the Government Printing Of-
12 fice, the Commission shall be considered to be a
13 committee of Congress.

14 (7) GIFTS.—The Pelican Commission may ac-
15 cept, use, and dispose of gifts or donations of serv-
16 ices or property.

17 (f) PELICAN COMMISSION PERSONNEL MATTERS.—

18 (1) COMPENSATION OF MEMBERS.—A member
19 of the Pelican Commission shall receive no addi-
20 tional pay, allowances, or benefits by reason of the
21 service of the member on the Pelican Commission.

22 (2) TRAVEL EXPENSES.—A member of the Peli-
23 can Commission shall be allowed travel expenses, in-
24 cluding per diem in lieu of subsistence, at rates au-
25 thorized in accordance with sections 5702 and 5703

1 of title 5, United States Code, while away from the
2 home or regular place of business of the member in
3 the performance of the duties of the Pelican Com-
4 mission.

5 (3) STAFF.—

6 (A) EXECUTIVE DIRECTOR.—The Chair-
7 person of the Pelican Commission may, without
8 regard to the civil service laws (including regu-
9 lations), appoint and terminate an executive di-
10 rector to enable the Pelican Commission to
11 carry out the duties of the Pelican Commission.

12 (B) ADDITIONAL STAFF.—With the ap-
13 proval of the Pelican Commission, the executive
14 director may appoint such additional personnel
15 as the executive director considered to be appro-
16 priate to assist the Pelican Commission in car-
17 rying out the duties of the Pelican Commission.

18 (C) COMPENSATION.—

19 (i) IN GENERAL.—Except as provided
20 in subparagraph (B), the Chairperson of
21 the Pelican Commission may fix the com-
22 pensation of the executive director and
23 other personnel without regard to the pro-
24 visions of chapter 51 and subchapter III of
25 chapter 53 of title 5, United States Code,

1 relating to classification of positions and
2 General Schedule pay rates.

3 (ii) MAXIMUM RATE OF PAY.—The
4 rate of pay for the executive director and
5 other personnel shall not exceed the rate
6 payable for level V of the Executive Sched-
7 ule under section 5316 of title 5, United
8 States Code.

9 (4) DETAIL OF FEDERAL GOVERNMENT EM-
10 PLOYEES.—

11 (A) IN GENERAL.—Upon a request by the
12 Chairperson of the Commission, an employee of
13 the Federal Government may be detailed to the
14 Pelican Commission without reimbursement.

15 (B) CIVIL SERVICE STATUS.—The detail of
16 the employee shall be without interruption or
17 loss of civil service status or privilege.

18 (5) PROCUREMENT OF TEMPORARY AND INTER-
19 MITTENT SERVICES.—The Chairperson of the Com-
20 mission may procure temporary and intermittent
21 services in accordance with section 3109(b) of title
22 5, United States Code, at rates for individuals that
23 do not exceed the daily equivalent of the annual rate
24 of basic pay prescribed for level V of the Executive
25 Schedule under section 5316 of that title.

1 (6) LOCATION OF FACILITIES.—

2 (A) IN GENERAL.—The offices of the Peli-
3 can Commission shall be co-located in Wash-
4 ington, District of Columbia, and New Orleans,
5 Louisiana.

6 (B) OFFICE SPACE.—The Administrator of
7 General Services shall locate suitable office
8 space and provide all necessary equipment and
9 incidentals required for proper operation of the
10 Pelican Commission in each of the locations
11 specified in subparagraph (A).

12 (g) NONAPPLICABILITY OF FACCA.—The Federal Ad-
13 visory Committee Act (5 U.S.C. App.) shall not apply to
14 the Pelican Commission.

15 (h) FUNDING.—

16 (1) IN GENERAL.—Notwithstanding any other
17 provision of law, not later than 30 days after the
18 date of enactment of this Act, out of any funds in
19 the Treasury not otherwise appropriated, the Sec-
20 retary of the Treasury shall transfer to the Chair-
21 person of the Pelican Commission to carry out this
22 section \$40,000,000,000, to remain available until
23 expended.

24 (2) RECEIPT AND ACCEPTANCE.—The Chair-
25 person of the Pelican Commission shall be entitled

1 to receive, shall accept, and shall use to carry out
2 this section the funds transferred under paragraph
3 (1), without further appropriation.

4 **SEC. 502. PRESIDENTIAL EMERGENCY PERMITTING PROC-**
5 **ESS.**

6 (a) EMERGENCY PERMITS.—

7 (1) IN GENERAL.—Notwithstanding any other
8 provision of law, for the 2-year period beginning on
9 the date of enactment of this Act, the President may
10 issue an emergency permit for any project carried
11 out in response to, or as part of a reconstruction ef-
12 fort relating to, Hurricane Katrina or a related con-
13 dition, as the President determines to be in the best
14 interests of the United States.

15 (2) APPLICATION.—

16 (A) IN GENERAL.—To receive a permit
17 under paragraph (1), the head of the lead agen-
18 cy of a project described in that paragraph shall
19 submit to the President an application, in such
20 a manner and containing such information as
21 the President may require.

22 (B) ELIGIBLE APPLICANTS.—Any State or
23 local government, or any private entity carrying
24 out a project described in paragraph (1), may
25 submit an application under subparagraph (A).

1 (C) DETERMINATION.—

2 (i) IN GENERAL.—The President shall
3 approve or disapprove an application under
4 subparagraph (A) by not later than 30
5 days after the date on which the applica-
6 tion is received.

7 (ii) FAILURE TO MAKE DETERMINA-
8 TION.—If the President fails to approve or
9 disapprove an application by the deadline
10 under clause (i), the application shall be
11 considered to be approved.

12 (3) EFFECT OF PERMIT.—A project that re-
13 ceives a permit under this section shall be considered
14 to be in compliance with any applicable Federal law
15 (including regulations).

16 (4) NOTICE.—On receipt of a permit under this
17 subsection, the head of the lead agency of a project
18 shall provide a notice to the head of any Federal
19 agency that administers a law or regulation applica-
20 ble to the project.

21 (b) RESPONSIBILITY OF FEDERAL AGENCIES.—The
22 head of each Federal agency shall establish, maintain, and
23 periodically publish in the Federal Register, a record of
24 any notice received under subsection (a)(4), including a
25 description of the basis on which the permit was issued.

1 **SEC. 503. FEDERAL CONTRACTING REQUIREMENT FOR RE-**
2 **CONSTRUCTION.**

3 (a) **CONTRACTS FOR PROPERTY OR SERVICES.—**

4 (1) **PREFERENCE FOR LOUISIANA CONTRAC-**
5 **TORS.—**Notwithstanding any other provision of law
6 and subject to paragraph (2), in entering into a con-
7 tract to procure property or services pursuant to the
8 August 29, 2005, Presidential declaration of a major
9 disaster for the State of Louisiana (FEMA-1603-
10 DR) or in connection with assistance granted to
11 Louisiana pursuant to the Robert T. Stafford Dis-
12 aster Relief and Emergency Assistance Act (42
13 U.S.C. 5122), the head of an executive agency shall
14 afford a preference in the source selection process to
15 each offeror that—

16 (A) is domiciled and properly licensed in
17 Louisiana; and

18 (B) employs a majority of its workforce
19 within Louisiana.

20 (2) **LIMITATIONS.—**The head of an executive
21 agency may not, in connection with a contract de-
22 scribed in paragraph (1)—

23 (A) pay more than the prevailing market
24 price for any property or service; or

1 (B) obtain terms and conditions that are
2 less favorable than prevailing market terms and
3 conditions.

4 (b) SPECIAL WORKFORCE REQUIREMENT FOR SERV-
5 ICE CONTRACTS.—

6 (1) IN GENERAL.—Notwithstanding any other
7 provision of law and except as provided in paragraph
8 (2), in entering into a contract to procure services
9 pursuant to the August 29, 2005, Presidential dec-
10 laration of a major disaster for the State of Lou-
11 isiana (FEMA-1603-DR), the head of an executive
12 agency shall require in the source selection process
13 that each offeror employs Louisiana workers as not
14 less than 30 percent of the workforce that will per-
15 form such services.

16 (2) WAIVER.—The head of an executive agency
17 may waive the requirement under paragraph (1) in
18 the case of an offeror that demonstrates to the satis-
19 faction of such head that—

20 (A) an insufficient number of appropriately
21 skilled Louisiana workers are available to per-
22 form the contract; and

23 (B) the offeror has made reasonable efforts
24 to hire Louisiana workers.

25 (c) DEFINITIONS.—In this Act:

1 (1) EXECUTIVE AGENCY.—The term “executive
2 agency” has the meaning given such term in section
3 4 of the Office of Federal Procurement Policy Act
4 (41 U.S.C. 403).

5 (2) LOUISIANA WORKERS.—The term “Lou-
6 isiana workers” means workers who were residing in
7 Louisiana as of August 28, 2005.

8 **SEC. 504. CONTINUATION OF WORKER PAYMENTS AND**
9 **OTHER ALLOWABLE COSTS UNDER FEDERAL**
10 **CONTRACTS.**

11 (a) TREATMENT OF WORKER COSTS.—Notwith-
12 standing any other provision of law, all costs, direct and
13 indirect, on Federal contracts and subcontracts that are
14 associated with employees displaced by Hurricane
15 Katrina, including wages, salaries, and temporary housing
16 costs, shall be considered allowable and compensable costs,
17 and the pricing of such contracts and subcontracts shall
18 be equitably adjusted accordingly, whether or not, due to
19 Hurricane Katrina, such employees are able to work on
20 such contracts or subcontracts.

21 (b) TREATMENT OF OTHER HURRICANE KATRINA-
22 RELATED COSTS.—Notwithstanding any other provision
23 of law, all additional costs, direct and indirect, on Federal
24 contracts and subcontracts that are associated with
25 delays, loss of efficiency, and disruption caused by Hurri-

1 cane Katrina shall be considered allowable and compen-
2 sable costs, and the pricing of such contracts and sub-
3 contracts shall be equitably adjusted accordingly.

4 (c) REQUIRED OFFSETS FOR INSURANCE PAY-
5 MENTS.—Contractors shall reimburse any costs covered
6 under this section for which they receive insurance pay-
7 ments.

8 **SEC. 505. RESTORATION OF TELECOMMUNICATIONS INFRA-**
9 **STRUCTURE.**

10 (a) DEFINITIONS.—Section 102 of the Robert T.
11 Stafford Disaster Relief and Emergency Assistance Act
12 (42 U.S.C. 5122) is amended by adding at the end the
13 following:

14 “(10) TELECOMMUNICATIONS CARRIER.—The
15 term ‘telecommunications carrier’ has the same
16 meaning given such term in section 3 of the Commu-
17 nications Act of 1934 (47 U.S.C. 153) including
18 commercial mobile radio service providers.”.

19 (b) ELIGIBILITY OF FEDERAL RESOURCES.—Section
20 403(a) of the Robert T. Stafford Disaster Relief and
21 Emergency Assistance Act (42 U.S.C. 5170b) is amended
22 by adding at the end the following:

23 “(5) MAINTENANCE AND RESTORATION OF
24 COMMUNICATIONS.—Utilizing Federal equipment,
25 supplies, facilities, personnel, and other resources,

1 other than the extension of credit, to assist tele-
2 communications carriers in the maintenance and res-
3 toration of communications during an emergency or
4 disaster.”.

5 **Subtitle B—Economic Development**

6 **SEC. 521. RECOVERY ASSISTANCE FOR FEDERAL AND** 7 **STATE AGENCIES, BUSINESSES, INSTITU-** 8 **TIONS OF HIGHER EDUCATION, AND PUBLIC-** 9 **PRIVATE PARTNERSHIPS.**

10 (a) ESTABLISHMENT OF PROGRAM.—As soon as
11 practicable after the date of enactment of this Act, the
12 Secretary of Commerce (referred to in this section as the
13 “Secretary”) shall establish a program under which the
14 Secretary shall provide grants to eligible entities to carry
15 out activities relating to transition, recovery, and reloca-
16 tion for Federal and State agencies, businesses, institu-
17 tions of higher education, and public-private partnerships
18 in the State of Louisiana that have been affected by Hur-
19 ricane Katrina or a related condition.

20 (b) ELIGIBLE ENTITIES.—

21 (1) IN GENERAL.—In carrying out the program
22 under subsection (a), the Secretary shall—

23 (A) establish a list of qualifications for an
24 eligible entity under the program; and

1 (B) solicit applications from eligible enti-
2 ties, as the Secretary determines to be appro-
3 priate.

4 (2) APPLICATIONS.—An eligible entity seeking
5 a grant under this section shall submit an applica-
6 tion to the Secretary at such time, in such manner,
7 and containing such information as the Secretary
8 may reasonably require.

9 (c) FEDERAL SHARE.—Notwithstanding any require-
10 ment under the Public Works and Economic Development
11 Act of 1965 (42 U.S.C. 3121 et seq.), the Federal share
12 of the cost of an activity under this section shall be 100
13 percent.

14 (d) APPROPRIATIONS.—There are authorized to be
15 appropriated for fiscal year 2006, and are appropriated
16 to the Secretary of Commerce, \$1,000,000,000 to carry
17 out the program under this section. Amounts appropriated
18 under this subsection shall remain available until ex-
19 pended.

20 **SEC. 522. MANUFACTURING EXTENSION PARTNERSHIP**
21 **PROGRAM.**

22 (a) WAIVER OF MATCHING REQUIREMENTS.—

23 (1) IN GENERAL.—Notwithstanding section
24 25(c) of the National Institute of Standards and
25 Technology Act (15 U.S.C. 278k), any Regional

1 Center for the Transfer of Manufacturing Tech-
2 nology that is located in an area subject to a dec-
3 laration by the President of a major disaster as a re-
4 sult of Hurricane Katrina, shall be exempt from the
5 matching requirement under such subsection.

6 (2) EFFECTIVE DATE.—This subsection shall be
7 effective during the 2-year period beginning on the
8 date of enactment of this Act.

9 (b) APPROPRIATION.—There are authorized to be ap-
10 propriated for fiscal year 2006, and are appropriated for
11 such fiscal year, \$30,000,000 for the Hollings Manufac-
12 turing Extension Partnership of the National Institute of
13 Standards and Technology, to be used to restore the man-
14 ufacturing and supply base in Louisiana that was ad-
15 versely affected by Hurricane Katrina. Amounts appro-
16 priated under this subsection shall remain available until
17 expended.

18 **SEC. 523. PUBLIC TELECOMMUNICATIONS FACILITIES.**

19 (a) EMERGENCY GRANTS FOR CONSTRUCTION OF
20 PUBLIC TELECOMMUNICATIONS FACILITIES.—Section
21 392 of the Communications Act of 1934 is amended by
22 adding at the end the following:

23 “(j) EMERGENCY GRANTS FOR FACILITIES DAM-
24 AGED OR DESTROYED BY HURRICANE KATRINA.—

1 “(1) IN GENERAL.—There are authorized to be
2 appropriated for fiscal year 2006, and are appro-
3 priated for such fiscal year, \$250,000,000 for addi-
4 tional projects for the construction, reconstruction,
5 or reparation of public telecommunications facilities
6 damaged or destroyed in areas affected by Hurri-
7 cane Katrina.

8 “(2) DEFINITION.—For purposes of this sub-
9 section, the term ‘areas affected by Hurricane
10 Katrina’ means any area which the President has
11 declared a major disaster under section 102 of the
12 Robert T. Stafford Disaster Relief and Emergency
13 Assistance Act (42 U.S.C. 5122) in connection with
14 Hurricane Katrina.”.

15 (b) SUSPENSION OF REQUIREMENTS UNDER THE
16 PUBLIC TELECOMMUNICATIONS FACILITIES AND CON-
17 STRUCTION PROGRAM.—Section 392 of the Communica-
18 tions Act of 1934 (47 U.S.C., 392), as amended by sub-
19 section (a), is further amended by adding at the end the
20 following:

21 “(k) SUSPENSION OF REQUIREMENTS.—For any
22 grant awarded under this section to a grantee in an area
23 which the President has declared a major disaster under
24 section 102 of the Robert T. Stafford Disaster Relief and
25 Emergency Assistance Act (42 U.S.C. 5122) in connection

1 with Hurricane Katrina, the Secretary may suspend all
2 statutory requirements under this subtitle for purposes of
3 assistance under this section.”.

4 **SEC. 524. GRANTS FOR TECHNOLOGY AND ECONOMIC DE-**
5 **VELOPMENT IN AREAS AFFECTED BY HURRI-**
6 **CANE KATRINA.**

7 Subpart E of part IV of title III of the Communica-
8 tions Act of 1934 is amended by adding at the end the
9 following:

10 **“SEC. 399C. GRANTS FOR TECHNOLOGY AND ECONOMIC DE-**
11 **VELOPMENT IN AREAS AFFECTED BY HURRI-**
12 **CANE KATRINA.**

13 “(a) **PURPOSE.**—The purpose of this section is to
14 provide assistance to parishes within the State of Lou-
15 isiana affected by Hurricane Katrina in order to facilitate
16 the economic recovery of—

17 “(1) low and moderate income residents; and

18 “(2) small business concerns.

19 “(b) **GRANT AUTHORIZED.**—The Secretary may
20 award grants under this section to parishes in the State
21 of Louisiana whose applications for such grants are ap-
22 proved by the Secretary under this section.

23 “(c) **USE OF FUNDS.**—Grants under this section may
24 be used for activities to carry out the purposes described
25 in this section, including—

1 “(1) the acquisition of more efficient first-re-
2 sponder mobile communications, including
3 deployable cellular towers to be used in cases of
4 emergency;

5 “(2) the reconstruction and redeployment of
6 equipment necessary to reinstate internet, wireless,
7 broadband, and e-government services, with special
8 priority in reinstating such services to be given to
9 small business concerns, as defined in section 3 of
10 the Small Business Act (15 U.S.C. 632);

11 “(3) the construction of such public tele-
12 communications facilities as may be necessary to
13 provide low cost broadband communication
14 connectivity for low and middle income families, as
15 such terms are defined in section 3 of the United
16 States Housing Act of 1937 (42 U.S.C. 1437a); and

17 “(4) the construction of a broadband dual-pur-
18 pose municipal wireless communication network to
19 be used for—

20 “(A) city-wide operations within the city of
21 New Orleans, Louisiana; and

22 “(B) public Internet access in 100-block
23 area of downtown New Orleans using wireless-
24 fidelity (commonly known as ‘Wi-Fi’) tech-
25 nology.

1 “(d) APPLICATION AND SELECTION.—A parish seek-
2 ing a grant under this section shall submit an application
3 to the Secretary at such time, in such manner, and con-
4 taining such information as the Secretary may reasonably
5 require.

6 “(e) REPORTING REQUIREMENTS.—The Secretary
7 shall require grant recipients under this section to report
8 the uses of all amounts expended for each of the eligible
9 activities described in subsection (c).

10 “(f) APPROPRIATION.—There are authorized to be
11 appropriated for fiscal year 2006, and are appropriated
12 for such fiscal year, \$19,000,000 to carry out this sec-
13 tion.”.

14 **SEC. 525. RELIEF FOR CRAWFISH INDUSTRY.**

15 (a) FINDINGS.—Congress makes the following find-
16 ings:

17 (1) Since September 15, 1997, there has been
18 an antidumping duty order requiring payment of
19 antidumping duties on imports of freshwater craw-
20 fish tail meat from the People’s Republic of China.

21 (2) The United States Bureau of Customs and
22 Border Protection is required to collect all customs
23 duties, including antidumping duties, lawfully im-
24 posed on imports of merchandise entering the
25 United States. Nevertheless, less than \$30,000,000

1 in antidumping duties on imports of freshwater
2 crawfish tail meat from the People's Republic of
3 China has been collected since 1997, while more
4 than \$285,000,000 in antidumping duties are owed
5 but uncollected.

6 (3) During each of the fiscal years 2002, 2003,
7 and 2004, non-collection of lawful antidumping du-
8 ties has deprived the affected domestic producers of
9 freshwater crawfish tail meat in Louisiana of ap-
10 proximately \$46,187,768 to which they would other-
11 wise have been entitled under the Continued Dump-
12 ing and Subsidy Offset Act of 2000 (section 754 of
13 the Tariff Act of 1930).

14 (4) Freshwater crawfish tail meat is produced
15 in the United States only in Louisiana and the do-
16 mestic product is sold almost exclusively to pur-
17 chasers within Louisiana.

18 (5) The United States International Trade
19 Commission has found that over 97 percent of the
20 domestic industry's sales since 2000 have been to
21 purchasers within Louisiana, such as food stores,
22 restaurants, and seafood markets. Since 1999, more
23 than half of the domestic industry's sales has been
24 to local food stores in Louisiana. New Orleans, the

1 State's largest city has accounted for a large portion
2 of the domestic industry's sales.

3 (6) Hurricane Katrina has damaged or destroyed tra-
4 ditional markets in southern Louisiana on which the do-
5 mestic industry relies, creating an urgent need among
6 such producers for immediate restitution of amounts re-
7 quired to be collected by the Bureau of Customs and Bor-
8 der Protection and distributed to affected domestic pro-
9 ducers of freshwater crawfish tail meat.

10 (7) Under existing law, payments to affected
11 domestic producers under the Continued Dumping
12 and Subsidy Offset Act of 2000 are limited to the
13 amount of such producers' qualifying expenditures,
14 and all antidumping duties collected beyond that
15 amount are paid into the Treasury to meet the gen-
16 eral expenses of the Federal Government. Because
17 the total amount of unpaid antidumping duties on
18 freshwater crawfish tail meat exceeds the domestic
19 industry's qualifying expenditures by more than
20 \$200,000,000, full collection of all duties owed will
21 provide a net benefit to United States taxpayers.

22 (8) All relief provided to the domestic crawfish
23 industry should be fully repaid to the Treasury
24 under existing law upon collection of the unpaid
25 antidumping duties. Accordingly, the relief provided

1 by this section does not increase the burden on
2 United States taxpayers. The provisions of this sec-
3 tion ensure that the Bureau of Customs and Border
4 Protection complies in a timely fashion with its pre-
5 existing legal obligations.

6 (9) Payments owed to domestic crawfish proc-
7 essors have been further delayed because of a recent
8 policy change by the Department of Commerce
9 which delays the issuance of liquidation instructions
10 for certain imports of freshwater crawfish tail meat.
11 Reversal of this unwarranted policy change is re-
12 quired in order to provide prompt relief to the do-
13 mestic crawfish industry.

14 (b)EMERGENCY RESTITUTION OF AMOUNTS OWED
15 TO AFFECTED DOMESTIC PRODUCERS OF FRESHWATER
16 CRAWFISH TAIL MEAT.—

17 (1) IN GENERAL.—The Secretary of the Treas-
18 ury shall distribute, within 30 days after receiving a
19 request therefor, a pro rata portion of the
20 \$46,187,768, to each person that was determined by
21 the Bureau of Customs and Border Protection under
22 the Continued Dumping and Subsidy Offset Act of
23 2000 to be an affected domestic producer of fresh-
24 water crawfish tail meat during fiscal year 2004.

1 (2) AMOUNT PAYABLE.—The Secretary shall
2 distribute to each person making a request under
3 paragraph (1) an amount in the same proportion as
4 such person’s share of the total distribution of fresh-
5 water crawfish tail meat duties under the Continued
6 Dumping and Subsidy Offset Act of 2000 at the end
7 of fiscal year 2004, as stated in the Continued
8 Dumping and Subsidy Offset Act Annual Report for
9 fiscal Year 2004 (CDSOA FY2004 Annual Report).

10 (3) REQUEST FOR AMOUNT.—A person request-
11 ing an amount under this section shall be required
12 to provide only the person’s name, address, social se-
13 curity number or taxpayer identification number,
14 and a certification that—

15 (A) the person is the same person named
16 in the CDSOA FY2004 Annual Report and de-
17 termined by the Bureau of Customs and Border
18 Protection to have been an affected domestic
19 producer of freshwater crawfish tail meat dur-
20 ing fiscal year 2004; and

21 (B) the total amount of any funds received
22 by such person under this section shall be ex-
23 cluded from the amount claimed as qualifying
24 expenditures in any subsequent certification
25 submitted for the purpose of obtaining a pay-

1 ment under the Continued Dumping and Sub-
2 sidy Offset Act of 2000.

3 (c) INCENTIVE FOR IMPROVED ENFORCEMENT AND
4 COLLECTION OF THE ANTIDUMPING DUTY ORDER RE-
5 LATING TO IMPORTS OF FRESHWATER CRAWFISH TAIL
6 MEAT.—Not later than January 15 of each year, the Sec-
7 retary of the Treasury shall review the amount of duties
8 collected during the preceding fiscal year pursuant to the
9 antidumping duty order issued on September 15, 1997
10 against imports of freshwater crawfish tail meat from the
11 People’s Republic of China. If the Secretary determines
12 that the total amount of antidumping duties collected pur-
13 suant to that order is 5 percent or less of the total amount
14 of antidumping duties owed to the United States on liq-
15 uidations occurring during such preceding fiscal year on
16 entries of merchandise subject to such order—

17 (1) an amount equal to 15 percent of such du-
18 ties owed but uncollected during such preceding fis-
19 cal year under such order shall be transferred, on or
20 before the last day of the current fiscal year, into
21 the special account established under section 754(e)
22 of the Tariff Act of 1930 with respect to such order;
23 and

24 (2) the amount transferred into the special ac-
25 count shall be treated, for purposes of section 754

1 of the Tariff Act of 1930, as duties assessed during
2 the current fiscal year pursuant to such order and
3 shall be excluded from the calculation of whether the
4 total amount of duties collected pursuant to the
5 order is 5 percent or less of the total amount of
6 antidumping duties owed on liquidations occurring
7 during the preceding fiscal year.

8 (d) **TIMELY ISSUANCE OF LIQUIDATION INSTRUCTIONS BY COMMERCE.**—In any antidumping duty admin-
9 istrative review conducted under section 751 of the Tariff
10 Act of 1930, the Department of Commerce, or such other
11 officer of the United States acting as the administering
12 authority under section 771(1) of such Act, shall, within
13 30 days after receiving a request for review from an inter-
14 ested party (as defined in section 771(9) (C), (D), (E),
15 (F), or (G) of such Act) issue instructions to the Bureau
16 of Customs and Border Protection for the immediate liq-
17 uidation and assessment of duties with respect to entries
18 of the subject merchandise that were made during the pe-
19 riod covered by the review from any foreign entity without
20 regard to whether that entity was specifically named in
21 the request for the administrative review.

22 **SEC. 526. NOAA WEATHER RADIO.**

23 (a) **DEFINITIONS.**—In this section:
24

1 (1) ADMINISTRATOR.—The term “Adminis-
2 trator” means the Administrator of the National
3 Oceanic and Atmospheric Administration.

4 (2) ELIGIBLE INDIVIDUAL.—The term “eligible
5 individual” means a low-income individual who is a
6 resident of Louisiana.

7 (3) NOAA WEATHER RADIO.—The term
8 “NOAA Weather Radio” means the broadcasts of
9 continuous weather information by a nationwide net-
10 work of radio stations provided by the National Oce-
11 anic and Atmospheric Administration.

12 (4) NOAA WEATHER RADIO RECEIVER.—The
13 term “NOAA Weather Radio receiver” means a
14 radio receiver that is capable of receiving broadcasts
15 from NOAA Weather Radio.

16 (b) RECEIVER PROGRAM.—The Administrator shall
17 establish a program to provide a NOAA Weather Radio
18 receiver at no cost or at a reduced cost to any eligible
19 individual.

20 (c) NOAA WEATHER RADIO EXPANDED COV-
21 ERAGE.—The Administrator shall expand the area that is
22 able to receive radio broadcasts made by NOAA Weather
23 Radio.

1 **SEC. 527. EFFECTS OF HURRICANE KATRINA ON FISH AND**
2 **WILDLIFE.**

3 (a) REPORT ON FISHERIES.—Not later than 180
4 days after the date of enactment of this Act, the Adminis-
5 trator shall prepare a report on the impacts of the hurri-
6 cane that arrived in Louisiana on August 29, 2005, on—

7 (1) commercial and recreational fisheries in
8 such States;

9 (2) shrimp fishing vessels in such States; and

10 (3) the oyster industry in such States.

11 (b) REPORT ON HABITAT.—Not later than 180 days
12 after the date of enactment of this Act, the Administrator
13 and the Secretary of the Interior shall jointly prepare a
14 report on the impacts of the hurricane that hit Louisiana
15 on August 29, 2005, on fish and wildlife habitat, including
16 the habitat of migratory birds, shrimp, and oysters, in
17 such States.

18 (c) RESTORATION.—The Administrator and the Sec-
19 retary of the Interior shall carry out activities to restore
20 fish and wildlife habitat, including the habitat of migra-
21 tory birds, shrimp, and oysters, in Louisiana.

22 **SEC. 528. MINORITY BUSINESS DEVELOPMENT AGENCY.**

23 (a) APPROPRIATION.—There are authorized to be ap-
24 propriated, and are appropriated to the Secretary of Com-
25 merce, \$50,000,000, for minority business development
26 assistance to Hurricane Katrina victims for the recon-

1 struction of records, packaging for disaster loans, insur-
 2 ance claims, and overall consultation to reestablish busi-
 3 ness in Louisiana. Amounts appropriated under this sub-
 4 section shall remain available until expended.

5 (b) FEES.—In the provision of assistance with funds
 6 appropriated by this section, the Minority Business Devel-
 7 opment Agency of the Department of Commerce shall
 8 waive fees and not require cost-sharing.

9 **SEC. 529. SOUTHEAST LOUISIANA ENTREPRENEURSHIP DE-**
 10 **VELOPMENT NETWORK.**

11 (a) ESTABLISHMENT.—There is established an entre-
 12 preneurship redevelopment program to be administered by
 13 the Economic Development Administration of the Depart-
 14 ment of Commerce to rebuild and diversify New Orleans,
 15 Louisiana and the 10 surrounding parishes (in this sec-
 16 tion, referred to as the “region”). The program shall con-
 17 sist of—

- 18 (1) an entrepreneur facility;
- 19 (2) a seed capital fund; and
- 20 (3) a business accelerator program.

21 (b) PURPOSES OF PROGRAM.—The program estab-
 22 lished under subsection (a) shall be designed to—

- 23 (1) allow the region to create a program to re-
- 24 cruit a high-level entrepreneurship base segmented

1 by area of expertise to participate in the rebirth of
2 the region;

3 (2) encourage existing small businesses to re-
4 main in the region, recruit entrepreneurs and inves-
5 tors to the region, accelerate the growth of the en-
6 trepreneurial ventures, and lead business creation
7 marketing efforts;

8 (3) establish business partnerships with the na-
9 tional small business community and attract inves-
10 tors in small business ventures; and

11 (4) provide operation costs.

12 (c) ENTREPRENEUR FACILITY.—The entrepreneur
13 facility established pursuant to this section shall provide
14 a physical infrastructure for incubation community needs.

15 (c) SEED CAPITAL FUND.—The seed capital fund es-
16 tablished pursuant to this section shall be used to provide
17 capital to young companies and attract venture capital.

18 (d) BUSINESS ACCELERATOR PROGRAM.—

19 (1) IN GENERAL.—The business accelerator
20 program established pursuant to this section shall
21 provide a professional team to assist companies with
22 business development, training and education,
23 mentorship networks, consulting services, and re-
24 sources for raising capital.

1 (2) TRAINING.—Training provided under the
2 business accelerator program shall include assisting
3 less experienced entrepreneurs with business, man-
4 agement, and entrepreneurial development skills.

5 (3) OUTREACH.—The business accelerator pro-
6 gram shall also provide funds to attract companies
7 and entrepreneurs to the region and provide commu-
8 nity outreach and social network development oppor-
9 tunities.

10 (e) APPROPRIATION.—There are authorized to be ap-
11 propriated and are appropriated to the Economic Develop-
12 ment Administration \$200,000,000 for fiscal years 2006
13 through 2010 to carry out this section of which—

14 (1) \$78,000,000 shall be for the entrepreneur
15 facility;

16 (2) \$77,000,000 shall be for the seed capital
17 fund; and

18 (3) \$45,000,000 shall be for operations, includ-
19 ing business development, training and education,
20 consultants and marketing.

21 Funds appropriated pursuant to this section shall remain
22 available until expended.

23 **SEC. 530. EXPORT ASSISTANCE PROGRAM.**

24 (a) IN GENERAL.—Not later than 90 days after the
25 date of the enactment of this Act, the Secretary of Com-

1 merce shall develop and implement an export assistance
2 grant program for businesses located in Louisiana.

3 (b) SCOPE OF PROGRAM.—The export assistance
4 grant program established under this section shall be de-
5 signed to—

6 (1) provide companies located in Louisiana with
7 export-related training and development assistance;

8 (2) provide the companies with assistance in
9 seeking access to international markets for their
10 products, including travel and marketing assistance;

11 (3) focus on international market development;

12 (4) foster a special relationship between the
13 Foreign Commercial Service and the International
14 Trade Administration, companies located in Lou-
15 isiana and State officials in that State;

16 (5) provide for the creation of a special task
17 force of Foreign Commercial Officers (FCO's) within
18 the Foreign Commercial Service to arrange market
19 opportunities for companies based in Louisiana ;

20 (6) increase the development of the export-re-
21 lated industries in Louisiana;

22 (7) increase the number of firms shipping
23 United States-made products to foreign markets;

24 (8) attract new foreign capital for products
25 made in Louisiana; and

1 (9) assist in the economic recovery of Lou-
2 isiana.

3 (c) APPLICATION AND ELIGIBILITY FOR GRANT.—

4 (1) APPLICATIONS.—Applications for a grant
5 under this section shall be made to the Secretary of
6 Commerce at such time, in such manner, and con-
7 taining such information as the Secretary shall rea-
8 sonably require.

9 (2) ELIGIBILITY.—The Secretary shall award
10 grants under this section to companies in Louisiana,
11 giving priority to applications from companies lo-
12 cated in an area with respect to which the President
13 has declared a major disaster relating to Hurricane
14 Katrina that—

15 (A) were engaged in the active conduct of
16 a trade or business in such disaster area on Au-
17 gust 28, 2005;

18 (B) continue to engage in, or have re-
19 sumed, such trade or business in such area;

20 (C) employ more than 5 employees whose
21 principal place of employment is in such area;
22 and

23 (D) seek to develop export programs with
24 countries in South America, Central America,
25 or the Caribbean.

1 (3) REPORT.—The Secretary shall require each
2 company receiving a grant under this section to re-
3 port on how the grant was used and the amounts ex-
4 pended for each activity described in this section.

5 (d) APPROPRIATION.—There are authorized to be ap-
6 propriated and are appropriated to the Secretary of Com-
7 merce \$35,000,000 for each of the fiscal years 2006,
8 2007, 2008, 2009, and 2010 to carry out the export as-
9 sistance grant program established pursuant to this sec-
10 tion. Funds appropriated shall remain available until ex-
11 pended.

12 **Subtitle C—Transportation**

13 **SEC. 541. LOUISIANA DEPARTMENT OF TRANSPORTATION** 14 **AND DEVELOPMENT.**

15 (a) DEFINITIONS.—In this section:

16 (1) DEPARTMENT.—The term “Department”
17 means the Louisiana Department of Transportation
18 and Development.

19 (2) STATE.—The term “State” means the State
20 of Louisiana.

21 (b) EVACUATION AND ENERGY SUPPLY ROUTES.—

22 (1) ESTABLISHMENT.—As soon as practicable
23 after the date of enactment of this Act, the Depart-
24 ment shall establish a program under which the De-

1 partment shall construct, maintain, and repair evac-
2 uation and energy supply routes in the State.

3 (2) INCLUSIONS.—In carrying out the program
4 under paragraph (1), the Department shall con-
5 struct, maintain, and repair routes on—

6 (A) Interstate Route 49 from Lafayette,
7 Louisiana, to New Orleans, Louisiana;

8 (B) Louisiana Highway 1;

9 (C) the Houma-Terrebonne Interstate
10 Route 10 connector; and

11 (D) Louisiana Highway 25 through Wash-
12 ington Parish and St. Tammany Parish, Lou-
13 isiana.

14 (3) APPROPRIATION.—There are authorized to
15 be appropriated and are appropriated to carry out
16 this subsection \$7,000,000,000, to remain available
17 until expended.

18 (c) ROAD AND TRANSIT CAPACITY EXPANSION.—

19 (1) ESTABLISHMENT.—As soon as practicable
20 after the date of enactment of this Act, the Depart-
21 ment shall establish a program under which the De-
22 partment shall provide grants to local governments
23 in the State that experience significant population
24 growth, as determined by the Department, to expand
25 road and transit capacity in the community.

1 (2) APPROPRIATION.—There are authorized to
2 be appropriated and are appropriated to carry out
3 this subsection \$5,000,000,000, to remain available
4 until expended.

5 (d) PORT OF NEW ORLEANS RESTORATION, PROTEC-
6 TION, AND IMPROVEMENT.—

7 (1) IN GENERAL.—As soon as practicable after
8 the date of enactment of this Act, the Department
9 shall provide a grant to the operator of the Port of
10 New Orleans, Louisiana, to carry out activities to re-
11 store, protect, and improve the infrastructure of the
12 Port of New Orleans, including activities relating
13 to—

14 (A) jetties;

15 (B) bank stabilization;

16 (C) channel clearing;

17 (D) dredging and deepening; and

18 (E) strengthening and expanding the facil-
19 ity and related equipment.

20 (2) APPROPRIATION.—There is authorized to be
21 appropriated and are appropriated to carry out this
22 subsection \$1,000,000,000, to remain available until
23 expended.

24 (e) OTHER PORT INFRASTRUCTURE RESTORATION,
25 PROTECTION, AND IMPROVEMENT.—

1 (1) ESTABLISHMENT.—As soon as practicable
2 after the date of enactment of this Act, the Depart-
3 ment shall establish a program under which the De-
4 partment shall provide grants to operators of ports
5 in the State, other than the Port of New Orleans,
6 that are affected by Hurricane Katrina or a related
7 condition to restore, protect, and improve the infra-
8 structure of the ports, including by carrying out ac-
9 tivities relating to—

10 (A) jetties;

11 (B) bank stabilization;

12 (C) channel clearing;

13 (D) breakwaters;

14 (E) dredging and deepening; and

15 (F) strengthening and expanding the facil-
16 ity and related equipment.

17 (2) APPROPRIATION.—There is authorized to be
18 appropriated and are appropriated to carry out this
19 subsection \$1,000,000,000, to remain available until
20 expended.

21 (f) ADMINISTRATIVE PROVISIONS.—

22 (1) ADMINISTRATIVE EXPENSES.—None of the
23 funds made available under this section shall be used
24 for administrative expenses of an activity carried out
25 under this subtitle.

1 (2) FEDERAL SHARE.—Notwithstanding any
2 other provision of law, the Federal share of the cost
3 of an activity under this section shall be 100 per-
4 cent.

5 **SEC. 542. FEDERAL AVIATION ADMINISTRATION.**

6 There is authorized to be appropriated to the Federal
7 Aviation Administration \$71,800,000 for reimbursements
8 to the Louis Armstrong New Orleans International Air-
9 port for anticipated revenue shortfalls due to Hurricane
10 Katrina, which shall remain available to be expended
11 through September 30, 2007.

12 **SEC. 543. FEDERAL HIGHWAY ADMINISTRATION.**

13 (a) EMERGENCY RELIEF PROGRAM MODIFICA-
14 TIONS.—

15 (1) MAXIMUM AMOUNT.—Notwithstanding sec-
16 tion 125(c)(1) of title 23, United States Code, or
17 any other provision of law, the Secretary of Trans-
18 portation may obligate more than \$100,000,000 in
19 a State for a fiscal year under the emergency relief
20 program authorized by section 125 of such title, for
21 projects for the repair or reconstruction of highways,
22 roads, and trails in response to damage caused by
23 Hurricane Katrina.

24 (2) FEDERAL SHARE.—Notwithstanding section
25 120(e) of such title or any other provision of law,

1 during the 3-year period beginning on the date of
2 enactment of this Act, the Federal share of the cost
3 of each project described in paragraph (1) shall be
4 100 percent.

5 (3) APPROPRIATION.—In addition to amounts
6 otherwise available, there is appropriated, out of any
7 funds in the Treasury not otherwise appropriated,
8 for the emergency relief program authorized under
9 section 125 of such title, \$2,900,000,000, to remain
10 available until expended.

11 (4) TWIN-SPAN INTERSTATE 10 BRIDGE.—Not-
12 withstanding any other provision of law, of the
13 amounts made available for the Emergency Relief
14 Program under section 125 of title 23, United
15 States Code, such sums as may be necessary shall
16 be available for the replacement, to current stand-
17 ards, of the twin-span Interstate 10 bridge spanning
18 Lake Pontchartrain between New Orleans, Lou-
19 isiana, and Slidell, Louisiana: *Provided*, That the re-
20 placement structure shall be constructed to
21 accomodate the 20-year projected Average Daily
22 Traffic, but shall not be less than 6 lanes wide, plus
23 full shoulders, in accordance with the applicable de-
24 sign standards of the American Association of State
25 Highway and Transportation Officials: *Provided fur-*

1 *ther*, That the height of the structure shall be in-
2 creased if necessary to satisfy current hydraulic
3 standards and navigational needs.

4 (c) LOUISIANA DEVELOPMENT DISTRICTS.—

5 (1) DEFINITION OF AFFECTED DISTRICT.—In
6 this subsection, the term “affected district” means—

7 (A) the Regional Planning Commission;

8 (B) the Capital Region Planning Commis-
9 sion;

10 (C) the Acadiana Regional Development
11 District;

12 (D) the Imperial Calcasieu Regional Plan-
13 ning and Development District; and

14 (E) the South Central Planning and Devel-
15 opment District.

16 (2) COMPREHENSIVE DEVELOPMENT PLANS.—

17 As soon as practicable after the date of enactment
18 of this Act, the head of each affected district shall
19 establish and implement a comprehensive develop-
20 ment plan for the jurisdiction of the affected district
21 in response to Hurricane Katrina and related condi-
22 tions.

23 (3) APPROPRIATION.—There is authorized to be
24 appropriated and is appropriated to the affected dis-

1 tricts to carry out this subsection \$20,000,000, to
2 remain available until expended.

3 (d) **FUNDING DESIGNATION.**—The amounts made
4 available under this section are designated as an emer-
5 gency requirement pursuant to section 402 of H. Con.
6 Res. 95 (109th Congress).

7 **SEC. 544. FEDERAL RAILROAD ADMINISTRATION.**

8 There is authorized to be appropriated to the Federal
9 Railroad Administration \$36,000,000 for reimbursements
10 to the New Orleans Public Belt Railroad for anticipated
11 revenue shortfalls due to Hurricane Katrina, which shall
12 remain available through September 30, 2007.

13 **SEC. 545. FEDERAL TRANSIT ADMINISTRATION.**

14 There is authorized to be appropriated to the New
15 Orleans Regional Transit Authority for revenues lost as
16 a consequence of Hurricane Katrina, \$190,000,000, to re-
17 main available until September 30, 2007.

18 **SEC. 546. MARITIME ADMINISTRATION.**

19 (a) **APPROPRIATION OF FUNDS.**—There is authorized
20 to be appropriated, as authorized by the title XI of the
21 Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et
22 seq.), \$150,000,000, for the cost of guaranteed loans for
23 the construction, reconstruction, or reconditioning of ves-
24 sels at a facility in an area impacted by Hurricane
25 Katrina. Such costs, including the cost of modifying such

1 loans, shall be as defined in section 502 of the Congres-
2 sional Budget Act of 1974 (2 U.S.C. 661a).

3 (b) RISK FACTOR OF LOANS.—The risk factor of a
4 loan guaranteed by amounts appropriated in subsection
5 (a) shall be deemed to be 5 percent

6 (c) WAIVER OF REVIEW.—An application for a loan
7 guarantee under title XI of the Merchant Marine Act,
8 1936 shall not be subject to the review process of the De-
9 partment of Transportation Credit Council.

10 **SEC. 547. CAPITAL CONSTRUCTION FUND.**

11 The Secretary of Transportation shall expedite and
12 streamline the procedures for the withdrawal of funds
13 from the Capital Construction Fund (CCF) and expand
14 the qualified uses of such funds to include operating ex-
15 penses and repair of a vessel or purchase of a new vessel.

16 **Subtitle D—AmeriCorps Disaster**
17 **Relief Corps**

18 **SEC. 551. SHORT TITLE.**

19 This subtitle may be cited as the “AmeriCorps Dis-
20 aster Relief Corps Act of 2005”.

21 **SEC. 552. DEFINITIONS.**

22 In this subtitle:

23 (1) APPROVED NATIONAL SERVICE POSITION;
24 NATIONAL SERVICE LAWS.—The terms “approved
25 national service position” and “national service

1 laws” have the meanings given the terms in section
2 101 of the National and Community Service of 1990
3 (42 U.S.C. 12511).

4 (2) **EMERGENCY; MAJOR DISASTER.**—The terms
5 “emergency” and “major disaster” have the mean-
6 ings given such terms in paragraphs (1) and (2) of
7 section 102 of the Robert T. Stafford Disaster Relief
8 and Emergency Assistance Act (42 U.S.C. 5122(1)
9 and (2)).

10 **SEC. 553. AUTHORITY.**

11 The Corporation for National and Community Serv-
12 ice (referred to in this subtitle as the “Corporation”) shall
13 administer the activities authorized under this subtitle.

14 **SEC. 554. ESTABLISHMENT OF SPECIAL AMERICORPS DIS-**
15 **ASTER RELIEF CORPS.**

16 (a) **ESTABLISHMENT.**—There is established an
17 AmeriCorps Disaster Relief Corps to carry out, through
18 an AmeriCorps Disaster Relief Corps national service pro-
19 gram administered by the Corporation, full- or part-time
20 service projects that provide food, clothing, shelter, and
21 other humanitarian assistance for victims of major disas-
22 ters and emergencies, projects involving cleaning, repair,
23 and reconstruction of structures, facilities, and lands lo-
24 cated within a disaster area resulting from a major dis-

1 aster or emergency, and other projects arising from the
2 consequences of major disasters and emergencies.

3 (b) RECRUITMENT OF PARTICIPANTS AND ELIGI-
4 BILITY.—

5 (1) RECRUITMENT.—The Corporation shall en-
6 deavor to recruit up to 10,000 eligible participants
7 for the national service program established under
8 subsection (a) (in addition to participants eligible for
9 participation in a national service program under the
10 national service laws).

11 (2) ELIGIBILITY.—

12 (A) COMPARABLE PROGRAM.—In this
13 paragraph, the term “comparable program”
14 means—

15 (i) the program under subtitle C of
16 title I of National and Community Service
17 Act of 1990 (42 U.S.C. 12571 et seq.);

18 (ii) the program under subtitle E of
19 title I of the National and Community
20 Service Act of 1990 (42 U.S.C. 12611 et
21 seq.); and

22 (iii) the program under title I of the
23 Domestic Volunteer Service Act of 1973
24 (42 U.S.C. 4951 et seq.).

1 (B) ELIGIBILITY.—Eligibility to partici-
2 pate in the national service program established
3 under subsection (a) shall be on the same basis
4 as for participation in an approved national
5 service position in any comparable program.

6 (C) RELATIONSHIP TO BENEFITS.—An in-
7 dividual selected as a participant in the national
8 service program who is eligible for participation
9 in an approved national service position in a
10 comparable program shall be eligible for living
11 allowances, educational awards, and other sup-
12 port authorized for participants in approved na-
13 tional service positions in that comparable pro-
14 gram.

15 (c) PROJECTS.—Participants in the national service
16 program established under subsection (a) may serve on
17 projects that—

18 (1) help those affected by a major disaster or
19 emergency assess their needs;

20 (2) assist in the construction of temporary
21 housing for the displaced victims of a major disaster
22 or emergency;

23 (3) provide relocation services for victims of a
24 major disaster or emergency, including providing

1 food, water and clothing distribution and housing lo-
2 cation services;

3 (4) conduct outreach to local businesses, build-
4 ing owners, and others with applications for disaster
5 relief and for other assistance to be provided by
6 Federal or State government;

7 (5) provide employment services for victims,
8 such as identifying job training, job placement, and
9 other opportunities;

10 (6) conduct environmental surveys, monitoring
11 water quality and determining the environmental im-
12 pact on the affected region;

13 (7) provide teaching and administrative support
14 functions for school systems where displaced chil-
15 dren have enrolled;

16 (8) work with schools to identify and mentor
17 students coping with the impact of a major disaster
18 or emergency;

19 (9) work with public officials to prepare them
20 for future major disasters or emergencies; and

21 (10) otherwise assist with the rebuilding of the
22 affected region.

1 **SEC. 555. GRANTS TO STATES, CITIES, ORGANIZATIONS; CO-**
2 **OPERATION WITH FEDERAL AGENCIES.**

3 The Corporation may use funds authorized under this
4 subtitle, in supporting projects or activities consistent with
5 those specified in section 554(e), to—

6 (1) make grants to, or enter into agreements
7 with States, subdivisions of States, or other organi-
8 zations to support AmeriCorps projects under sec-
9 tion 121 of the National and Community Service Act
10 (42 U.S.C. 12571);

11 (2) support the National Civilian Community
12 Corps authorized under subtitle E of title I of the
13 National and Community Service Act (42 U.S.C.
14 12611 et seq.);

15 (3) support the VISTA program under title I of
16 the Domestic Volunteer Service Act (42 U.S.C. 4951
17 et seq.); and

18 (4) enter into a contract or cooperative or other
19 agreement with another Federal agency.

20 **SEC. 556. TRANSFER OF FUNDS TO THE NATIONAL SERVICE**
21 **TRUST.**

22 The Corporation shall transfer funds appropriated
23 under this subtitle to the National Service Trust estab-
24 lished in section 145 of the National and Community Serv-
25 ice Act (42 U.S.C. 12601) as required under the Strength-
26 en AmeriCorps Program Act (42 U.S.C. 12605) to provide

1 educational awards and related assistance authorized
2 under subtitle D of title I of the National and Community
3 Service Act (42 U.S.C. 12601 et seq.). Subsections (b)(1)
4 and (c)(2) of section 2 of the Strengthen AmeriCorps Pro-
5 gram Act (42 U.S.C. 12605) shall apply to positions ap-
6 proved under this subtitle and educational awards associ-
7 ated with such positions in the same manner as the such
8 subsections apply to positions approved as approved na-
9 tional service positions for programs carried out under
10 subtitle E of title I of the National and Community Serv-
11 ice Act of 1990 (42 U.S.C. 12611 et seq.) or title I of
12 the Domestic Volunteer Service Act of 1973 (42 U.S.C.
13 4951 et seq.), and national service educational awards as-
14 sociated with such positions.

15 **SEC. 557. AUTHORITY FOR THIRD-TERM BENEFITS AND**
16 **EDUCATIONAL AWARD.**

17 Notwithstanding any other provision of law, a partici-
18 pant serving in the national service program established
19 under section 554(a) may serve a third term of service
20 in an approved national service position and may receive
21 living allowances, educational awards, and other support
22 authorized for participants in approved national service
23 positions under the national service laws on the same basis
24 as an individual serving in a first or second term of service
25 in an approved national service position. For purposes of

1 this section, a participant serving in the national service
2 program established under section 554(a) shall be consid-
3 ered to be serving in an approved national service position.

4 **SEC. 558. ADMINISTRATIVE EXPENSES.**

5 The Corporation may use not more than 2 percent
6 of funds authorized under section 562 for the administra-
7 tion of this subtitle.

8 **SEC. 559. ACCEPTANCE OF DONATED SERVICES.**

9 Section 196(a)(2)(A) of the National and Community
10 Service Act (42 U.S.C. 12651g(a)(2)(A)) is amended by
11 striking “money or property” and inserting “money, serv-
12 ices, or property”.

13 **SEC. 560. GRANTS NOT SUBJECT TO ANNUAL APPROPRIA-**
14 **TIONS LIMITATIONS.**

15 Notwithstanding any other provision of law, funds
16 provided under this subtitle to administer, reimburse, or
17 support any national service program authorized under
18 the national service laws shall not be considered in apply-
19 ing any limitation on funding for such programs in annual
20 appropriations acts.

21 **SEC. 561. AUTHORITY TO SUPPORT PROGRAMS OPERATED**
22 **BY FEDERAL AGENCIES.**

23 Notwithstanding any other provision of law, the Cor-
24 poration may use funds authorized under this subtitle to
25 enter into a contract or cooperative agreement with an-

1 other Federal agency to support a national service pro-
 2 gram carried out by that agency consistent with section
 3 121(b) of the National and Community Service Act of
 4 1990 (42 U.S.C. 12571(b)).

5 **SEC. 562. APPROPRIATION.**

6 There is authorized to be appropriated and is appro-
 7 priated to the Corporation \$75,000,000 for each of fiscal
 8 years 2006 and 2007 to carry out this subtitle.

9 **TITLE VI—HURRICANE PROTEC-**
 10 **TION AND ENVIRONMENTAL**
 11 **RESTORATION**

12 **Subtitle A—Hurricane Protection**

13 **CHAPTER 1—DOMESTIC OFFSHORE**

14 **ENERGY REINVESTMENT ACT OF 2005**

15 **SEC. 601. SHORT TITLE.**

16 This chapter may be cited as the “Domestic Offshore
 17 Energy Reinvestment Act of 2005”.

18 **SEC. 602. OUTER CONTINENTAL SHELF.**

19 (a) DEFINITIONS.—In this section:

20 (1) COASTAL POLITICAL SUBDIVISION.—The
 21 term “coastal political subdivision” means a political
 22 subdivision of a coastal State any part of which po-
 23 litical subdivision is within the coastal zone (as de-
 24 fined in section 304 of the Coastal Zone Manage-
 25 ment Act of 1972 (16 U.S.C. 1453)) of the coastal

1 State as of the date of enactment of this section and
2 not more than 200 nautical miles from the geo-
3 graphic center of any leased tract.

4 (2) COASTAL STATE.—The term “coastal
5 State” has the meaning given the term in section
6 304(4) of the Coastal Zone Management Act (16
7 U.S.C. 1453(4)), except that it shall exclude any
8 such State among the contiguous 48 States, a ma-
9 jority of the coastline of which was subject to leasing
10 moratoria on January 1, 2005.

11 (3) LEASED TRACT.—The term “leased tract”
12 means a tract maintained under section 6 of the
13 Outer Continental Shelf Lands Act (43 U.S.C.
14 1335) or leased under section 8 of that Act (43
15 U.S.C. 1337).

16 (b) PAYMENTS TO ADJACENT COASTAL STATES.—

17 (1) IN GENERAL.—Notwithstanding any other
18 provision of law, the Secretary of the Treasury shall,
19 subject to subsection (c), make a payment in Decem-
20 ber of 2005 and each December thereafter in an
21 amount equivalent to 50 per cent of all the amounts
22 received by the United States from each leased tract
23 or portion of a leased tract lying seaward of the zone
24 defined and governed by section 8(g) of the Outer
25 Continental Shelf Lands Act (43 U.S.C. 1337(g))

1 (or lying within that zone but to which section 8(g)
2 does not apply), including fees, bonus bids, rents,
3 royalties (including payments from royalties taken
4 in-kind and sold), net profit share payments, and re-
5 lated interest from the immediately preceding fiscal
6 year to each adjacent coastal State.

7 (2) ADJACENT COASTAL STATE.—For purposes of
8 this subsection, a State shall be considered to be an adja-
9 cent coastal State if the nearest point on the coastline of
10 the State is within 200 nautical miles of a leased tract.

11 (3) MULTIPLE STATES.—In a case in which more
12 than 1 State is located within 200 nautical miles of any
13 portion of a leased tract, the amount allocated to each
14 State (within 200 nautical miles of the leased tract) shall
15 be based upon a formula that allocates revenues inversely
16 proportional to the distance between the nearest point on
17 the coastline of the State and the geographic center of
18 the leased tract.

19 (c) ALLOCATION OF FUNDS.—35 per cent of the allo-
20 cable share of each State receiving funds under subsection
21 (b) shall be allocated among and paid directly to the coast-
22 al political subdivisions in that State by the Secretary of
23 the Treasury based upon the following formula:

24 (1) 50 per cent shall be allocated based on a
25 formula that allocates the funds based on the rel-

1 ative distance of the coastal political subdivision for
2 any leased tract used to calculate the allocation to
3 that State.

4 (2) 25 per cent shall be allocated based on the
5 ratio that—

6 (A) the length, in miles, of the coastline of
7 each coastal political subdivision; bears to

8 (B) the length, in miles, of the coastline of
9 all coastal political subdivisions of the State.

10 (3) 25 percent shall be allocated based on the
11 proportion that—

12 (A) the coastal population of the coastal
13 political subdivision; bears to

14 (B) the coastal population of all coastal po-
15 litical subdivisions of the State.

16 (d) USE OF FUNDS.—A coastal State, and a coastal
17 political subdivision, shall use any amount paid under this
18 section (including any amounts deposited into a trust fund
19 administered by the State or coastal political subdivision
20 consistent with this subsection), only for 1 or more of the
21 following purposes:

22 (1) For the conservation, protection, or restora-
23 tion of coastal areas including wetlands.

1 (2) To mitigate damage to natural resources
2 and for the protection of fish and wildlife in the
3 coastal zone.

4 (3) To mitigate the impact of outer Continental
5 Shelf activity by providing onshore infrastructure or
6 public service.

7 (4) Hurricane protection.

8 (5) Storm damage mitigation and flood control.

9 (6) Marine and coastal subsidence.

10 (7) Coastal and riverine erosion.

11 (8) Coastal and wetlands conservation and
12 management.

13 (9) Protection of resources from natural disas-
14 ters.

15 (10) Research, development, testing, and eval-
16 uation of coastal restoration (including ecosystems)
17 techniques and technology.

18 (11) Securing critical outer Continental Shelf
19 energy infrastructure.

20 (e) USE FOR CERTAIN PAYMENTS.—Subject to sub-
21 section (d), a coastal State or coastal political subdivision
22 may use funds provided to that State or coastal political
23 subdivision under this section for any payment that is eli-
24 gible to be made with funds provided to States under sec-
25 tion 35 of the Mineral Leasing Act (30 U.S.C. 191).

1 **CHAPTER 2—OFFSHORE FAIRNESS ACT**
2 **OF 2005**

3 **SEC. 611. SHORT TITLE.**

4 This chapter may be cited as the “Offshore Fairness
5 Act of 2005”.

6 **SEC. 612. PURPOSES.**

7 The purposes of this chapter are—

8 (1) to provide equity to Louisiana with respect
9 to the seaward boundaries of the States in the Gulf
10 of Mexico by extending the seaward boundaries from
11 3 geographical miles to 3 marine leagues if the State
12 meets certain conditions not later than 5 years after
13 the date of enactment of this Act;

14 (2) to convey to Louisiana the interest of the
15 United States in the submerged land of the outer
16 Continental Shelf that is located in the extended sea-
17 ward boundaries of the States;

18 (3) to provide that any mineral leases, ease-
19 ments, rights-of-use, and rights-of-way issued by the
20 Secretary of the Interior with respect to the sub-
21 merged land to be conveyed shall remain in full force
22 and effect; and

23 (4) in conveying the submerged land, to ensure
24 that the rights of lessees, operators, and holders of

1 easements, rights-of-use, and rights-of-way on the
2 submerged land are protected.

3 **SEC. 613. SEAWARD BOUNDARY EXTENSION.**

4 (a) IN GENERAL.—Title II of the Submerged Lands
5 Act (43 U.S.C. 1311 et seq.) is amended—

6 (1) by redesignating section 11 as section 12;

7 and

8 (2) by inserting after section 10 the following:

9 **“SEC. 11. EXTENSION OF SEAWARD BOUNDARIES OF THE**
10 **STATE OF LOUISIANA.**

11 “(a) DEFINITIONS.—In this section:

12 “(1) EXISTING INTEREST.—The term ‘existing
13 interest’ means any lease, easement, right-of-use, or
14 right-of-way on, or for any natural resource or min-
15 erals underlying, the expanded submerged land that
16 is in existence on the date of the conveyance of the
17 expanded submerged land to the State under sub-
18 section (b)(1).

19 “(2) EXPANDED SEAWARD BOUNDARY.—The
20 term ‘expanded seaward boundary’ means the sea-
21 ward boundary of the State that is 3 marine leagues
22 seaward of the coast line of the State as of the day
23 before the date of enactment of this section.

24 “(3) EXPANDED SUBMERGED LAND.—The term
25 ‘expanded submerged land’ means the area of the

1 outer Continental Shelf that is located between 3
2 geographical miles and 3 marine leagues seaward of
3 the coast line of the State as of the day before the
4 date of enactment of this section.

5 “(4) INTEREST OWNER.—The term ‘interest
6 owner’ means any person that owns or holds an ex-
7 isting interest in the expanded submerged land or
8 portion of an existing interest in the expanded sub-
9 merged land.

10 “(5) SECRETARY.—The term ‘Secretary’ means
11 the Secretary of the Interior.

12 “(6) STATE.—The term ‘State’ means State of
13 Louisiana.

14 “(b) CONVEYANCE OF EXPANDED SUBMERGED
15 LAND.—

16 “(1) IN GENERAL.—If a State demonstrates to
17 the satisfaction of the Secretary that the conditions
18 described in paragraph (2) will be met, the Secretary
19 shall, subject to valid existing rights and subsection
20 (c), convey to the State the interest of the United
21 States in the expanded submerged land of the State.

22 “(2) CONDITIONS.—A conveyance under para-
23 graph (1) shall be subject to the condition that—

1 “(A) on conveyance of the interest of the
2 United States in the expanded submerged land
3 to the State under paragraph (1)—

4 “(i) the Governor of the State (or a
5 delegate of the Governor) shall exercise the
6 powers and duties of the Secretary under
7 the terms of any existing interest, subject
8 to the requirement that the State and the
9 officers of the State may not exercise the
10 powers to impose any burden or require-
11 ment on any interest owner that is more
12 onerous or strict than the burdens or re-
13 quirements imposed under applicable Fed-
14 eral law (including regulations) on owners
15 or holders of the same type of lease, ease-
16 ment, right-of-use, or right-of-way on the
17 outer Continental Shelf seaward of the ex-
18 panded submerged land; and

19 “(ii) the State shall not impose any
20 administrative or judicial penalty or sanc-
21 tion on any interest owner that is more se-
22 vere than the penalty or sanction under
23 Federal law (including regulations) appli-
24 cable to owners or holders of leases, ease-
25 ments, rights-of-use, or rights-of-way on

1 the outer Continental Shelf seaward of the
2 expanded submerged lands for the same
3 act, omission, or violation;

4 “(B) not later than 5 years after the date
5 of enactment of this section—

6 “(i) the State shall enact laws or pro-
7 mulgate regulations with respect to the en-
8 vironmental protection, safety, and oper-
9 ations of any platform pipeline in existence
10 on the date of conveyance to the State
11 under paragraph (1) that is affixed to or
12 above the expanded submerged land that
13 impose the same requirements as Federal
14 law (including regulations) applicable to a
15 platform pipeline on the outer Continental
16 Shelf seaward of the expanded submerged
17 land; and

18 “(ii) the State shall enact laws or pro-
19 mulgate regulations for determining the
20 value of oil, gas, or other mineral produc-
21 tion from existing interests for royalty pur-
22 poses that establish the same requirements
23 as the requirements under Federal law (in-
24 cluding regulations) applicable to Federal
25 leases for the same minerals on the outer

1 Continental Shelf seaward of the expanded
2 submerged land; and

3 “(C) the State laws and regulations en-
4 acted or promulgated under subparagraph (B)
5 shall provide that if Federal law (including reg-
6 ulations) applicable to leases, easements, rights-
7 of-use, or rights-of-way on the outer Conti-
8 nental Shelf seaward of the expanded sub-
9 merged land are modified after the date on
10 which the State laws and regulations are en-
11 acted or promulgated, the State laws and regu-
12 lations applicable to existing interests will be
13 modified to reflect the change in Federal laws
14 (including regulations).

15 “(c) EXCEPTIONS.—

16 “(1) MINERAL LEASE OR UNIT DIVIDED.—

17 “(A) IN GENERAL.—If any existing Fed-
18 eral oil and gas or other mineral lease or unit
19 would be divided by the expanded seaward
20 boundary of a State, the interest of the United
21 States in the leased minerals underlying the
22 portion of the lease or unit that lies within the
23 expanded submerged boundary shall not be con-
24 sidered to be conveyed to the State until the

1 date on which the lease or unit expires or is re-
2 linquished by the United States.

3 “(B) APPLICABILITY FOR OTHER PUR-
4 POSES.—Notwithstanding subparagraph (A),
5 the expanded seaward boundary of a State shall
6 be the seaward boundary of the State for all
7 other purposes, including the distribution of
8 revenues under section 8(g)(2) of the Outer
9 Continental Shelf Lands Act (43 U.S.C.
10 1337(g)(2)).

11 “(2) LAWS AND REGULATIONS NOT SUFFI-
12 CIENT.—If the Secretary determines that any law or
13 regulation enacted or promulgated by a State under
14 subparagraph (B) of subsection (b)(2) does not meet
15 the requirements of that subparagraph, the Sec-
16 retary shall not convey the expanded submerged land
17 to the State.

18 “(d) INTEREST ISSUED OR GRANTED BY THE
19 STATE.—This section does not apply to any interest in
20 the expanded submerged land that a State issues or grants
21 after the date of conveyance of the expanded submerged
22 land to the State under subsection (b)(1).

23 “(e) LIABILITY.—

24 “(1) IN GENERAL.—By accepting conveyance of
25 the expanded submerged land, the State agrees to

1 indemnify the United States for any liability to any
 2 interest owner for the taking of any property inter-
 3 est or breach of contract from—

4 “(A) the conveyance of the expanded sub-
 5 merged land to the State; or

6 “(B) the State’s administration of any ex-
 7 isting interest under subsection (b)(2)(A)(i).

8 “(2) DEDUCTION FROM OIL AND GAS LEASING
 9 REVENUES.—The Secretary may deduct from the
 10 amounts otherwise payable to the State under sec-
 11 tion 8(g)(2) of the Outer Continental Shelf Lands
 12 Act (43 U.S.C. 1337(g)(2)) the amount of any final
 13 nonappealable judgment for a taking or breach of
 14 contract described in paragraph (1).”.

15 (b) CONFORMING AMENDMENT.—Section 2(b) of the
 16 Submerged Lands Act (43 U.S.C. 1301(b)) is amended
 17 by striking “section 4 hereof” and inserting “ 4 or 11”.

18 **Subtitle B—Environmental Protec-**
 19 **tion and Wetlands Restoration**

20 **CHAPTER 1—LOUISIANA RESTORATION**

21 **STAMP**

22 **SEC. 621. SHORT TITLE.**

23 This chapter may be cited as the “Louisiana Restora-
 24 tion Stamp Act of 2005”.

1 **SEC. 622. RESTORATION PROGRAM.**

2 (a) ESTABLISHMENT OF FUND.—As soon as prac-
3 ticable after the date of enactment of this Act, the Sec-
4 retary of the Treasury shall establish a fund, to be known
5 as the “Louisiana Restoration Stamp Fund”, for use in
6 accordance with this section.

7 (b) LOUISIANA RESTORATION STAMP.—

8 (1) DESIGN AND PRODUCTION.—As soon as
9 practicable after the date of enactment of this Act,
10 the Postmaster General, in coordination with the
11 Secretary of the Interior (referred to in this section
12 as the “Secretary”) shall design and produce a
13 stamp, to be known as the “Louisiana Restoration
14 Stamp”.

15 (2) DISTRIBUTION.—The Postmaster General
16 shall offer for sale the Louisiana Restoration Stamp
17 at an appropriate price, as determined by the Post-
18 master General, at—

19 (A) each first-class post office and second-
20 class post office; and

21 (B) any other facility or location, as the
22 Postmaster General or the Secretary determines
23 to be appropriate.

24 (3) DEPOSIT OF PROCEEDS.—The Postmaster
25 General shall deposit the proceeds of any sale under

1 paragraph (2) into the Louisiana Restoration Stamp
2 Fund.

3 (c) USE OF FUNDS.—

4 (1) DISTRIBUTION.—Not later than October 1,
5 2006, and annually thereafter, the Secretary of the
6 Treasury shall distribute to the Secretary amounts
7 in the Louisiana Restoration Stamp Fund, for use
8 in accordance with paragraph (2).

9 (2) RESTORATION ACTIVITIES.—The Secretary
10 shall use amounts received under paragraph (1) to
11 carry out restoration activities in the State of Lou-
12 isiana in areas affected by Hurricane Katrina or a
13 related condition, including—

14 (A) the acquisition of wetland habitat; and

15 (B) coastal restoration activities.

16 **CHAPTER 2—LAKE PONTCHARTRAIN**

17 **BASIN RESTORATION**

18 **SEC. 631. REDESIGNATION AND EXTENSION OF PROGRAM**

19 **AUTHORIZATION.**

20 Title I of the Federal Water Pollution Control Act
21 is amended—

22 (1) in subsection (f) of the first section 121 (33
23 U.S.C. 1273(f)), by striking paragraph (1) and in-
24 serting the following:

1 “(1) IN GENERAL.—There are authorized to be
2 appropriated to carry out this section, to remain
3 available until expended—

4 “(A) \$20,000,000 for each of fiscal years
5 2001 through 2005; and

6 “(B) \$100,000,000 for each of fiscal years
7 2006 through 2015.”; and

8 (2) by redesignating the second section 121 (33
9 U.S.C. 1274) as section 122.

10 **CHAPTER 3—FUNDING**

11 **SEC. 641. ENVIRONMENTAL PROTECTION AGENCY.**

12 (a) IN GENERAL.—Notwithstanding any other provi-
13 sion of law, out of any funds in the Treasury not otherwise
14 appropriated, the Secretary of the Treasury shall transfer
15 to the Administrator of the Environmental Protection
16 Agency to repair damage caused by Hurricane Katrina or
17 a related condition in the State of Louisiana, to remain
18 available until expended—

19 (1) \$10,000,000 for science and technology, in-
20 cluding research and development activities, regard-
21 less of the eligibility of any activity for assistance
22 under the Robert T. Stafford Disaster Relief and
23 Emergency Assistance Act (42 U.S.C. 5121 et seq.);

24 (2) \$1,000,000,000 for environmental programs
25 and infrastructure assistance, including capitaliza-

1 tion grants for State revolving funds and perform-
2 ance partnership grants, regardless of the eligibility
3 of any activity for assistance under the Robert T.
4 Stafford Disaster Relief and Emergency Assistance
5 Act (42 U.S.C. 5121 et seq.);

6 (3) \$500,000,000 to make grants to State and
7 local governments for temporary emergency meas-
8 ures conducted in response to the release or threat-
9 ened release of a hazardous substance as a result of
10 Hurricane Katrina or a related condition;

11 (4) \$750,000,000 to make technical assistance
12 grants to carry out water, drinking water, and air
13 sampling, regardless of the eligibility of any activity
14 for assistance under the Robert T. Stafford Disaster
15 Relief and Emergency Assistance Act (42 U.S.C.
16 5121 et seq.);

17 (5) \$750,000,000 for activities relating to the
18 reoccupation of residences and commercial buildings,
19 including cleanup of mold and mildew; and

20 (6) \$35,000,000 for activities relating to emer-
21 gency situations under section 1442(b) of the Safe
22 Drinking Water Act (42 U.S.C. 300j-1(b)).

23 (b) RECEIPT AND ACCEPTANCE.—The Administrator
24 shall be entitled to receive, shall accept, and shall use to

1 carry out this section the funds transferred under sub-
2 section (a), without further appropriation.

3 **SEC. 642. LOUISIANA DEPARTMENT OF ENVIRONMENTAL**
4 **QUALITY.**

5 (a) IN GENERAL.—Notwithstanding any other provi-
6 sion of law, out of any funds in the Treasury not otherwise
7 appropriated, the Secretary of the Treasury shall transfer
8 to the Administrator of the Environmental Protection
9 Agency, to make a direct, lump-sum payment to the Direc-
10 tor of the Louisiana Department of Environmental Qual-
11 ity for activities in areas affected by Hurricane Katrina
12 or a related condition in the State of Louisiana, to remain
13 available until expended—

14 (1) \$1,000,000,000 for the removal of waste
15 from construction and demolition activities, vegeta-
16 tion, debris, vehicles, tires, and boats;

17 (2) \$2,000,000,000 for the removal of haz-
18 ardous wastes and assessment and disposal of haz-
19 ardous waste;

20 (3) \$3,000,000,000 for the restoration of waste-
21 water treatment infrastructure systems;

22 (4) \$1,000,000 for repair, reconstruction, and
23 improvement of drinking water systems; and

24 (5) \$100,000,000 for assessment and disposal
25 of underground storage tanks.

1 (b) RECEIPT AND ACCEPTANCE.—The Administrator
2 shall be entitled to receive, shall accept, and shall use to
3 carry out this section the funds transferred under sub-
4 section (a), without further appropriation.

5 **CHAPTER 4—ENVIRONMENTAL**
6 **REGULATIONS**

7 **SEC. 651. NOTICE TO CONGRESS OF PRESIDENTIAL WAIV-**
8 **ERS.**

9 (a) DEFINITION OF APPROPRIATE COMMITTEES OF
10 CONGRESS.—In this section, the term “appropriate com-
11 mittees of Congress” includes any committee of Congress
12 the jurisdiction of which is affected by a waiver or modi-
13 fication provided under section 502.

14 (b) INITIAL NOTICE.—Not later than 14 days after
15 the date of enactment of this Act, the President shall sub-
16 mit to the appropriate committees of Congress an initial
17 notice of any waiver or modification provided under sec-
18 tion 502 during the period beginning on August 26, 2005,
19 and ending on the date on which the notice is submitted,
20 including a justification of the waiver or modification.

21 (c) SUBSEQUENT NOTIFICATIONS.—Not later than
22 14 days after the date on which the President submits
23 the initial notice under subsection (b), and every 14 days
24 thereafter, the President shall submit to the appropriate
25 committees of Congress a notice of any waiver or modifica-

1 tion provided by the President under section 502 during
2 the preceding 14 days, including a justification of the
3 waiver or modification.

4 **SEC. 652. AUTHORITY TO FACILITATE RECONSTRUCTION.**

5 (a) IN GENERAL.—Notwithstanding any other provi-
6 sion of law, in any area in which a major disaster relating
7 to Hurricane Katrina was declared by the President on
8 August 27, 2005, in accordance with section 401 of the
9 Robert T. Stafford Disaster Relief and Emergency Assist-
10 ance Act (42 U.S.C. 5170)—

11 (1) no expiration of the authority of the Admin-
12 istrator of the Environmental Protection Agency to
13 conduct any response action or remediation in ac-
14 cordance with the Comprehensive Environmental Re-
15 sponse, Compensation, and Liability Act of 1980 (42
16 U.S.C. 9601 et seq.) shall apply; and

17 (2) section 502 shall apply to—

18 (A) the authority of the Administrator of
19 the Environmental Protection Agency and the
20 Secretary of Agriculture, and requirements,
21 under the Federal Water Pollution Control Act
22 (33 U.S.C. 1251 et seq.) and the Federal Insec-
23 ticide, Fungicide, and Rodenticide Act (7
24 U.S.C. 136 et seq.), respectively, as that au-
25 thority or those requirements relate to the ap-

1 plication of pesticides in such an area to control
2 the mosquito population and reduce the spread
3 of vector-borne illnesses; and

4 (B) the authority of the Secretary of Agri-
5 culture and the Secretary of the Interior under
6 laws administered by each of those Secretaries
7 relating to timber production in such an area
8 to—

9 (i) expedite the process of salvaging
10 timber in the area; and

11 (ii) ensure a secure timber supply for
12 the pulp and paper industry.

13 (b) STATEMENTS AND ANALYSES.—Notwithstanding
14 any other provision of law, no requirement for the comple-
15 tion of a statement or analysis under any law (including
16 a regulation) administered by the Council on Environ-
17 mental Quality shall apply to any project or activity relat-
18 ing to the recovery, reconstruction, or repair in any area
19 described in subsection (a) in response to a major disaster
20 described in that subsection.

21 (c) ZONING REGULATIONS AND PROPERTY
22 RIGHTS.—Notwithstanding any other provision of law, no
23 provision of Federal, State, or local law (including a zon-
24 ing regulation or other regulation) modified or applied
25 with respect to a major disaster described in subsection

1 (a) shall negate or otherwise affect the private property
 2 ownership rights of any individual or entity that, on or
 3 after August 29, 2005, owns property in an area described
 4 in subsection (a).

5 **CHAPTER 5—HISTORIC PRESERVATION**
 6 **FUND**

7 **SEC. 661. HISTORIC PRESERVATION FUND.**

8 (a) DEFINITIONS.—In this section:

9 (1) ELIGIBLE ENTITY.—The term “eligible enti-
 10 ty” means any entity in a State affected by the dec-
 11 laration of a major disaster in accordance with sec-
 12 tion 401 of the Robert T. Stafford Disaster Relief
 13 and Emergency Assistance Act (42 U.S.C. 5170).

14 (2) FUND.—The term “Fund” means the His-
 15 toric Preservation Fund.

16 (3) SECRETARY.—The term “Secretary” means
 17 the Secretary of the Interior.

18 (b) CONSERVATION PROJECT GRANTS.—

19 (1) GRANTS.—The Secretary shall provide
 20 grants from amounts in the Fund to eligible entities
 21 in areas affected by Hurricane Katrina or a related
 22 condition, as determined by the Secretary, to carry
 23 out conservation projects.

1 (2) USE OF FUNDS.—An eligible entity that re-
2 ceives a grant under this subsection shall use funds
3 for conservation projects relating to—

4 (A) nationally significant intellectual and
5 cultural artifacts, including collections, docu-
6 ments, sculpture, and works of art; and

7 (B) nationally significant historic struc-
8 tures and sites, including historic districts,
9 buildings, and objects.

10 (3) ADMINISTRATION.—

11 (A) IN GENERAL.—Grants provided under
12 this subsection shall be administered by the
13 Secretary, in collaboration with the Louisiana
14 State Historic Preservation Office and the Na-
15 tional Center of Preservation Technology and
16 Training at Natchitoches, Louisiana.

17 (B) FEDERAL SHARE.—The Federal share
18 of the cost of a project under this subsection
19 shall be not less than 75 percent.

20 (C) NON-FEDERAL SHARE.—The non-Fed-
21 eral share of the cost of a project under this
22 subsection—

23 (i) shall be not more than 25 percent;

24 and

1 (ii) may be provided in cash or in
2 kind.

3 (D) LIMITATIONS.—

4 (i) PERIOD OF AVAILABILITY.—A
5 grant under this subsection shall remain
6 available for not longer than 3 years after
7 the date on which the grant is provided.

8 (ii) OTHER LIMITATIONS.—The Sec-
9 retary may establish such other limitations
10 with respect to a grant under this sub-
11 section as the Secretary determines to be
12 appropriate.

13 (4) APPROPRIATIONS.—

14 (A) IN GENERAL.—Notwithstanding any
15 other provision of law, out of any funds in the
16 Treasury not otherwise appropriated, the Sec-
17 retary of the Treasury shall transfer to the Sec-
18 retary to carry out this subsection
19 \$150,000,000, to remain available until ex-
20 pended.

21 (B) RECEIPT AND ACCEPTANCE.—The
22 Secretary shall be entitled to receive, shall ac-
23 cept, and shall use to carry out this section the
24 funds transferred under subparagraph (A),
25 without further appropriation.

1 (c) PRESERVATION PROJECTS.—

2 (1) IN GENERAL.—The Secretary shall provide
3 grants from amounts in the Fund to eligible entities
4 in areas affected by Hurricane Katrina or a related
5 condition, as determined by the Secretary, to carry
6 out preservation projects.

7 (2) USE OF FUNDS.—An eligible entity that re-
8 ceives a grant under this subsection shall use funds
9 for preservation projects—

10 (A) relating to the mitigation, stabilization,
11 rehabilitation, and restoration of—

12 (i) national historic landmarks af-
13 fected by Hurricane Katrina or a related
14 condition, as determined by the Secretary;
15 and

16 (ii) other nationally significant cul-
17 tural properties affected by Hurricane
18 Katrina or a related condition, as deter-
19 mined by the Secretary; or

20 (B) to provide conservation treatment to
21 nationally significant collections.

22 (3) ADMINISTRATION.—

23 (A) IN GENERAL.—Grants provided under
24 this subsection shall be administered by the
25 Secretary, acting through the Director of the

1 National Center for Preservation Technology
2 and Training of the National Park Service, in
3 accordance with the Standards for the Treat-
4 ment of Historic Properties of the Department
5 of the Interior.

6 (B) FEDERAL SHARE.—The Federal share
7 of the cost of a project under this subsection
8 shall be 100 percent.

9 (4) APPROPRIATIONS.—

10 (A) IN GENERAL.—Notwithstanding any
11 other provision of law, out of any funds in the
12 Treasury not otherwise appropriated, the Sec-
13 retary of the Treasury shall transfer to the Sec-
14 retary to carry out this subsection \$30,000,000,
15 to remain available until expended.

16 (B) RECEIPT AND ACCEPTANCE.—The
17 Secretary shall be entitled to receive, shall ac-
18 cept, and shall use to carry out this section the
19 funds transferred under subparagraph (A),
20 without further appropriation.

21 (d) TECHNICAL ASSISTANCE AND TRAINING.—

22 (1) IN GENERAL.—The Secretary, acting
23 through the Director of the National Park Service,
24 shall establish a program to provide training and
25 technical assistance to entities in the States of Ala-

1 bama, Louisiana, and Mississippi to rehabilitate and
2 restore areas affected by Hurricane Katrina or re-
3 lated conditions, regardless of the eligibility of an
4 entity to receive a grant under this section.

5 (2) ADMINISTRATION.—

6 (A) IN GENERAL.—The program under
7 this subsection shall be administered by the
8 Secretary, acting through the Director of the
9 National Park Service, in coordination with the
10 Director of the National Center for Preserva-
11 tion Technology and Training of the National
12 Park Service.

13 (B) PROVISION OF INFORMATION.—The
14 Secretary shall provide any information pro-
15 vided to eligible entities under this subsection
16 to—

17 (i) the Technical Preservation Services
18 of the National Park Service;

19 (ii) State historic preservation offices;

20 (iii) certified local governments;

21 (iv) federally recognized Indian tribes;

22 and

23 (v) affected local preservation organi-
24 zations.

25 (3) APPROPRIATIONS.—

1 (A) IN GENERAL.—Notwithstanding any
2 other provision of law, out of any funds in the
3 Treasury not otherwise appropriated, the Sec-
4 retary of the Treasury shall transfer to the Sec-
5 retary to carry out this subsection \$8,000,000,
6 to remain available until expended, of which—

7 (i) not less than \$2,000,000 shall be
8 made available to the Technical Preserva-
9 tion Services of the National Park Service;

10 (ii) not less than \$2,000,000 shall be
11 made available to the National Park Serv-
12 ice Federal Preservation Institute;

13 (iii) not less than \$1,000,000 shall be
14 made available to the National Cemetery
15 Preservation Initiative; and

16 (iv) not less than \$3,000,000 shall be
17 made available to the National Center for
18 Preservation Technology and Training of
19 the National Park Service.

20 (B) RECEIPT AND ACCEPTANCE.—The
21 Secretary shall be entitled to receive, shall ac-
22 cept, and shall use to carry out this section the
23 funds transferred under subparagraph (A),
24 without further appropriation.

1 (e) NATIONAL TRUST FOR HISTORIC PRESERVA-
2 TION.—

3 (1) IN GENERAL.—The Secretary shall provide
4 grants to eligible entities from amounts in the Na-
5 tional Trust for Historic Preservation (referred to in
6 this subsection as the “Trust”) to carry out preser-
7 vation planning and technical assistance activities in
8 areas affected by Hurricane Katrina or a related
9 condition

10 (2) PRIORITY.—In providing grants under this
11 subsection, the Secretary shall give priority to eligi-
12 ble entities located in towns with a population of less
13 than 50,000.

14 (3) USE OF FUNDS.—An eligible entity shall
15 use a grant received under this subsection to provide
16 preservation services to communities in the region of
17 the eligible entity.

18 (4) APPROPRIATIONS.—

19 (A) IN GENERAL.—Notwithstanding any
20 other provision of law, out of any funds in the
21 Treasury not otherwise appropriated, the Sec-
22 retary of the Treasury shall transfer to the Sec-
23 retary to carry out this subsection \$20,000,000,
24 to remain available until expended.

1 (B) RECEIPT AND ACCEPTANCE.—The
2 Secretary shall be entitled to receive, shall ac-
3 cept, and shall use to carry out this section the
4 funds transferred under subparagraph (A),
5 without further appropriation.

6 (C) DIVISION OF AMOUNTS.—Amounts ap-
7 propriated under subparagraph (A) may be di-
8 vided between the Preservation Services Fund,
9 the National Preservation Loan Fund, and the
10 National Main Street Center of the Trust to
11 provide consulting services to communities, as
12 the Director of the Trust determines to be ap-
13 propriate.

14 (f) ADMINISTRATION.—

15 (1) IN GENERAL.—A project funded under this
16 section shall be exempt from any requirement under
17 Federal law relating to—

18 (A) full-time employment; or

19 (B) limitations on travel expenses.

20 (2) ADMINISTRATIVE COSTS.—An entity that
21 receives a grant under this section shall use not
22 more than 5 percent of the amount provided to pay
23 administrative costs.

24 (3) EXPEDITED CONTRACTS.—The Secretary
25 shall expedite the execution of any contract relating

1 to a project under this section, to the maximum ex-
 2 tent practicable.

3 **CHAPTER 6—MITIGATION MEASURES**

4 **SEC. 671. MITIGATION MEASURES.**

5 (a) APPROPRIATIONS.—Notwithstanding section 404
 6 of the Robert T. Stafford Disaster Relief and Emergency
 7 Assistance Act (42 U.S.C. 5170c), or any other provision
 8 of law, the President shall make available to the Governor
 9 of the State of Louisiana an amount equal to 15 percent
 10 of the total amount of grants made to the State of Lou-
 11 isiana through the Federal Emergency Management Agen-
 12 cy in response to Hurricane Katrina.

13 (b) USE OF FUNDS.—The Governor of the State of
 14 Louisiana shall use amounts made available under sub-
 15 section (a) for activities relating to flood prevention.

16 **TITLE VII—JOB CREATION AND** 17 **REPOPULATION INCENTIVES**

18 **SEC. 700. AMENDMENT OF 1986 CODE.**

19 Except as otherwise expressly provided, whenever in
 20 this title an amendment or repeal is expressed in terms
 21 of an amendment to, or repeal of, a section or other provi-
 22 sion, the reference shall be considered to be made to a
 23 section or other provision of the Internal Revenue Code
 24 of 1986.

1 **Subtitle A—Emergency Tax Relief**
2 **Measures**

3 **SEC. 700A. HURRICANE KATRINA DISASTER AREA.**

4 For purposes of this subtitle, the term “Hurricane
5 Katrina disaster area” means an area—

6 (1) with respect to which a major disaster has
7 been declared by the President before September 14,
8 2005, under section 401 of the Robert T. Stafford
9 Disaster Relief and Emergency Assistance Act in
10 connection with Hurricane Katrina, and

11 (2) which—

12 (A) except as provided in subparagraph
13 (B), is determined by the President before such
14 date to warrant assistance from the Federal
15 Government under such Act, and

16 (B) in the case of sections 706 and 707,
17 is determined by the President before such date
18 to warrant individual assistance, or individual
19 and public assistance, from the Federal Govern-
20 ment under such Act.

1 **CHAPTER I—PENALTY FREE USE OF RE-**
2 **TIREMENT FUNDS BY NATURAL DIS-**
3 **ASTER VICTIMS**

4 **SEC. 701. PENALTY FREE WITHDRAWALS FROM RETIRE-**
5 **MENT PLANS FOR VICTIMS OF FEDERALLY**
6 **DECLARED NATURAL DISASTERS.**

7 (a) IN GENERAL.—Paragraph (2) of section 72(t)
8 (relating to 10-percent additional tax on early distribu-
9 tions from qualified retirement plans) is amended by add-
10 ing at the end the following new subparagraph:

11 “(G) DISTRIBUTIONS FROM RETIREMENT
12 PLANS TO VICTIMS OF FEDERALLY DECLARED
13 NATURAL DISASTERS.—

14 “(i) DISTRIBUTION ALLOWED.—Any
15 qualified disaster-relief distribution.

16 “(ii) AMOUNT DISTRIBUTED MAY BE
17 REPAID.—

18 “(I) IN GENERAL.—Any indi-
19 vidual who receives a qualified dis-
20 aster-relief distribution may, at any
21 time during the 3-year period begin-
22 ning on the day after the date on
23 which such distribution was made,
24 make one or more contributions in an
25 aggregate amount not to exceed the

1 amount of such distribution to an eli-
2 gible retirement plan (as defined in
3 section 402(c)(8)(B)) of which such
4 individual is a beneficiary and to
5 which a rollover contribution of such
6 distribution could be made under sec-
7 tion 402(c), 403(a)(4), 403(b)(8),
8 408(d)(3), or 457(e)(16), as the case
9 may be.

10 “(II) TREATMENT OF REPAY-
11 MENTS FOR DISTRIBUTIONS FROM EL-
12 IGIBLE RETIREMENT PLANS OTHER
13 THAN IRAS.—For purposes of this
14 title, if a contribution is made pursu-
15 ant to subclause (I) with respect to a
16 qualified disaster-relief distribution
17 from an eligible retirement plan (as so
18 defined) other than an individual re-
19 tirement plan, then the taxpayer shall,
20 to the extent of the amount of the
21 contribution, be treated as having re-
22 ceived the qualified disaster-relief dis-
23 tribution in an eligible rollover dis-
24 tribution (as defined in section
25 402(c)(4)) and as having transferred

1 the amount to the eligible retirement
2 plan in a direct trustee to trustee
3 transfer within 60 days of the dis-
4 tribution.

5 “(III) TREATMENT OF REPAY-
6 MENTS FOR DISTRIBUTIONS FROM
7 IRAS.—For purposes of this title, if a
8 contribution is made pursuant to sub-
9 clause (I) with respect to a qualified
10 disaster-relief distribution from an in-
11 dividual retirement plan, then, to the
12 extent of the amount of the contribu-
13 tion, the qualified disaster-relief dis-
14 tribution shall be treated as a dis-
15 tribution described in section
16 408(d)(3) and as having been trans-
17 ferred to the eligible retirement plan
18 in a direct trustee to trustee transfer
19 within 60 days of the distribution.

20 “(IV) APPLICATION TO GOVERN-
21 MENTAL SECTION 457 PLANS.—In de-
22 termining whether any distribution is
23 a qualified disaster-relief distribution
24 for purposes of this clause, an eligible
25 deferred compensation plan (as de-

1 fined in section 457(b)) maintained by
2 an employer described in section
3 457(e)(1)(A) shall be treated as a
4 qualified retirement plan.

5 “(iii) QUALIFIED DISASTER-RELIEF
6 DISTRIBUTION.—Except as provided in
7 clause (iv), for purposes of this subpara-
8 graph, the term ‘qualified disaster-relief
9 distribution’ means any distribution—

10 “(I) to an individual who has
11 sustained a loss as a result of a major
12 disaster declared under section 401 of
13 the Robert T. Stafford Disaster Relief
14 and Emergency Assistance Act and
15 who has a principal place of abode im-
16 mediately before the declaration in a
17 qualified disaster area, and

18 “(II) which is made during the 1-
19 year period beginning on the date
20 such declaration is made.

21 “(iv) DOLLAR LIMITATION.—

22 “(I) IN GENERAL.—The term
23 ‘qualified disaster-relief distribution’
24 shall not include any distributions for
25 any taxable year to the extent the ag-

1 aggregate amount of such distributions
2 exceeds \$100,000, reduced by the ag-
3 gregate amounts treated as qualified
4 disaster-relief distributions with re-
5 spect to such individual for all prior
6 taxable years.

7 “(II) TREATMENT OF PLAN DIS-
8 TRIBUTIONS.—If a distribution to an
9 individual with respect to any such
10 major disaster would (without regard
11 to subclause (I)) be a qualified dis-
12 aster-relief distribution, a plan shall
13 not be treated as violating any re-
14 quirement of this title merely because
15 it treats such distribution as a quali-
16 fied disaster-relief distribution, unless
17 the aggregate amount of such dis-
18 tributions from all plans maintained
19 by the employer (and any member of
20 any controlled group which includes
21 the employer) to such individual ex-
22 ceeds \$100,000.

23 “(v) QUALIFIED DISASTER AREA.—

24 For purposes of this subparagraph, the

1 term ‘qualified disaster area’ means an
2 area—

3 “(I) with respect to which a
4 major disaster has been declared by
5 the President before September 14,
6 2005, under section 401 of the Robert
7 T. Stafford Disaster Relief and Emer-
8 gency Assistance Act in connection
9 with Hurricane Katrina, and

10 “(II) which is determined by the
11 President before such date to warrant
12 assistance from the Federal Govern-
13 ment under such Act.”.

14 (b) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE
15 TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—
16 Paragraph (4) of section 402(c) (relating to eligible roll-
17 over distribution) is amended by striking “and” at the end
18 of subparagraph (B), by striking the period at the end
19 of subparagraph (C) and inserting “, and”, and by insert-
20 ing at the end the following new subparagraph:

21 “(D) any qualified disaster-relief distribu-
22 tion (within the meaning of section
23 72(t)(2)(G)).”.

24 (c) CONFORMING AMENDMENTS.—

1 (1) Section 401(k)(2)(B)(i) is amended by
2 striking “or” at the end of subclause (III), by strik-
3 ing “and” at the end of subclause (IV) and inserting
4 “or”, and by inserting after subclause (IV) the fol-
5 lowing new subclause:

6 “(V) the date on which a period
7 referred to in section
8 72(t)(2)(G)(iii)(II) begins (but only to
9 the extent provided in section
10 72(t)(2)(G)), and”.

11 (2) Section 403(b)(7)(A)(ii) is amended by in-
12 serting “sustains a loss as a result of a major dis-
13 aster declared under section 401 of the Robert T.
14 Stafford Disaster Relief and Emergency Assistance
15 Act by reason of Hurricane Katrina (but only to the
16 extent provided in section 72(t)(2)(G)),” before
17 “or”.

18 (3) Section 403(b)(11) is amended by striking
19 “or” at the end of subparagraph (A), by striking the
20 period at the end of subparagraph (B) and inserting
21 “, or”, and by inserting after subparagraph (B) the
22 following new subparagraph:

23 “(C) for distributions to which section
24 72(t)(2)(G) applies.”.

1 (4) Section 457(d)(1)(A) is amended by strik-
 2 ing “or” at the end of clause (ii), by adding “or”
 3 at the end of clause (iii), and by adding at the end
 4 the following new clause:

5 “(iv) in the case of an eligible de-
 6 ferred compensation plan established and
 7 maintained by an employer described in
 8 subsection (e)(1)(A), when the participant
 9 sustains a loss as a result of a major dis-
 10 aster declared under section 401 of the
 11 Robert T. Stafford Disaster Relief and
 12 Emergency Assistance Act by reason of
 13 Hurricane Katrina (but only to the extent
 14 provided in section 72(t)(2)(G)),”.

15 (d) EFFECTIVE DATE.—The amendments made by
 16 this section shall apply to distributions received after Au-
 17 gust 28, 2005.

18 **SEC. 702. INCOME AVERAGING FOR DISASTER-RELIEF DIS-**
 19 **TRIBUTIONS RELATED TO HURRICANE**
 20 **KATRINA.**

21 (a) IN GENERAL.—In the case of any qualified dis-
 22 aster-relief distribution (within the meaning of section
 23 72(t)(2)(G) of the Internal Revenue Code of 1986) from
 24 a qualified retirement plan (as defined in section 4974(c)
 25 of such Code) to a qualified individual, unless the taxpayer

1 elects not to have this section apply for any taxable year,
2 any amount required to be included in gross income for
3 such taxable year shall be so included ratably over the 3-
4 taxable year period beginning with such taxable year.

5 (b) SPECIAL RULES.—

6 (1) APPLICATION TO GOVERNMENTAL SECTION
7 457 PLANS.—In determining whether any distribu-
8 tion is a qualified disaster-relief distribution (as so
9 defined) for purposes of this section, an eligible de-
10 ferred compensation plan (as defined in section
11 457(b) of such Code) maintained by an employer de-
12 scribed in section 457(e)(1)(A) of such Code shall be
13 treated as a qualified retirement plan (as so defined)

14 (2) CERTAIN RULES TO APPLY.—Rules similar
15 to the rules of subparagraph (E) of section
16 408A(d)(3) of such Code shall apply for purposes of
17 this section.

18 (c) QUALIFIED INDIVIDUAL.—For purposes of this
19 section, the term “qualified individual” means an indi-
20 vidual who has sustained a loss as a result of the major
21 disaster declared under section 401 of the Robert T. Staf-
22 ford Disaster Relief and Emergency Assistance Act (42
23 U.S.C. 5170) in connection with Hurricane Katrina and
24 who has a principal place of abode immediately before the
25 declaration in a Hurricane Katrina disaster area.

1 **SEC. 703. RECONTRIBUTIONS OF WITHDRAWALS FOR HOME**
2 **PURCHASES CANCELLED DUE TO HURRI-**
3 **CANE KATRINA.**

4 (a) RECONTRIBUTIONS.—

5 (1) IN GENERAL.—Any individual who received
6 a qualified distribution may, at any time during the
7 6-month period beginning on the day after the dis-
8 aster declaration date, make one or more contribu-
9 tions in an aggregate amount not to exceed the
10 amount of such qualified distribution to an eligible
11 retirement plan (as defined in section 402(c)(8)(B)
12 of the Internal Revenue Code of 1986) of which such
13 individual is a beneficiary and to which a rollover
14 contribution of such distribution could be made
15 under section 402(c), 403(a)(4), 403(b)(8), or
16 408(d)(3) of such Code, as the case may be.

17 (2) TREATMENT OF REPAYMENTS.—

18 (A) TREATMENT OF REPAYMENTS FOR
19 DISTRIBUTIONS FROM ELIGIBLE RETIREMENT
20 PLANS OTHER THAN IRAS.—For purposes of
21 the Internal Revenue Code of 1986, if a con-
22 tribution is made pursuant to paragraph (1)
23 with respect to a qualified distribution from an
24 eligible retirement plan (as so defined) other
25 than an individual retirement plan (as defined
26 in section 7701(a)(37) of such Code), then the

1 taxpayer shall, to the extent of the amount of
2 the contribution, be treated as having received
3 the qualified distribution in an eligible rollover
4 distribution (as defined in section 402(c)(4) of
5 such Code) and as having transferred the
6 amount to the eligible retirement plan in a di-
7 rect trustee to trustee transfer within 60 days
8 of the distribution.

9 (B) TREATMENT OF REPAYMENTS FOR
10 DISTRIBUTIONS FROM IRAS.—For purposes of
11 the Internal Revenue Code of 1986, if a con-
12 tribution is made pursuant to paragraph (1)
13 with respect to a qualified distribution from an
14 individual retirement plan (as so defined), then,
15 to the extent of the amount of the contribution,
16 the qualified distribution shall be treated as a
17 distribution described in section 408(d)(3) of
18 such Code and as having been transferred to
19 the eligible retirement plan (as so defined) in a
20 direct trustee to trustee transfer within 60 days
21 of the distribution.

22 (b) DEFINITIONS.—For purposes of this section—

23 (1) QUALIFIED DISTRIBUTION.—The term
24 “qualified distribution” means any distribution—

1 (A) described in section
2 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(ii) (but only
3 to the extent such distribution relates to finan-
4 cial hardship), 403(b)(11)(B), or 72(t)(2)(F) of
5 the Internal Revenue Code of 1986,

6 (B) received after February 28, 2005, and
7 before August 29, 2005, and

8 (C) which was to be used to purchase or
9 construct a principal residence in a Hurricane
10 Katrina disaster area, but which was not so
11 purchased or constructed.

12 (2) DISASTER DECLARATION DATE.—The term
13 “disaster declaration date” means the date on which
14 the President designated the area as a Hurricane
15 Katrina disaster area.

16 **SEC. 704. LOANS FROM QUALIFIED PLANS TO VICTIMS OF**
17 **HURRICANE KATRINA.**

18 (a) INCREASE IN LIMIT ON LOANS NOT TREATED AS
19 DISTRIBUTIONS.—In the case of any loan from a qualified
20 employer plan (as defined under section 72(p)(4) of the
21 Internal Revenue Code of 1986) to a qualified individual
22 (as defined in section 102(e)) made after the date of en-
23 actment of this Act and before the date which is 1 year
24 after the disaster declaration date (as defined in section
25 103(b)(2))—

1 (1) clause (i) of section 72(p)(2)(A) of such
2 Code shall be applied by substituting “\$100,000”
3 for “\$50,000”, and

4 (2) clause (ii) of such section shall be applied
5 by substituting “the present value of the nonforfeit-
6 able accrued benefit of the employee under the plan”
7 for “one-half of the present value of the nonforfeit-
8 able accrued benefit of the employee under the
9 plan”.

10 (b) DELAY OF REPAYMENT.—In the case of a quali-
11 fied individual (as defined in section 102(c)) with an out-
12 standing loan on or after August 26, 2005, from a quali-
13 fied employer plan (as defined in section 72(p)(4) of the
14 Internal Revenue Code of 1986)—

15 (1) if the due date pursuant to subparagraph
16 (B) or (C) of section 72(p)(2) of such Code for any
17 repayment with respect to such loan occurs during
18 the period beginning after August 29, 2005, and
19 ending before August 30, 2006, such due date shall
20 be delayed for 1 year,

21 (2) any subsequent repayments with respect to
22 any such loan shall be appropriately adjusted to re-
23 flect the delay in the due date under paragraph (1)
24 and any interest accruing during such delay, and

1 (3) in determining the 5-year period and the
2 term of a loan under subparagraph (B) or (C) of
3 section 72(p)(2) of such Code, such period shall be
4 disregarded.

5 **SEC. 705. PROVISIONS RELATING TO PLAN AMENDMENTS.**

6 (a) IN GENERAL.—If this section applies to any plan
7 or contract amendment such plan or contract shall be
8 treated as being operated in accordance with the terms
9 of the plan during the period described in subsection
10 (b)(2)(A).

11 (b) AMENDMENTS TO WHICH SECTION APPLIES.—

12 (1) IN GENERAL.—This section shall apply to
13 any amendment to any plan or annuity contract
14 which is made—

15 (A) pursuant to any amendment made by
16 this title, or pursuant to any regulation issued
17 by the Secretary of the Treasury or the Sec-
18 retary of Labor under this title, and

19 (B) on or before the last day of the first
20 plan year beginning on or after January 1,
21 2007, or such later date as the Secretary of the
22 Treasury may prescribe.

23 In the case of a governmental plan (as defined in
24 section 414(d) of the Internal Revenue Code of
25 1986), subparagraph (B) shall be applied by sub-

1 stituting the date which is 2 years after the date
2 otherwise applied under subparagraph (B).

3 (2) CONDITIONS.—This section shall not apply
4 to any amendment unless—

5 (A) during the period—

6 (i) beginning on the date the legisla-
7 tive or regulatory amendment described in
8 paragraph (1)(A) takes effect (or in the
9 case of a plan or contract amendment not
10 required by such legislative or regulatory
11 amendment, the effective date specified by
12 the plan), and

13 (ii) ending on the date described in
14 paragraph (1)(B) (or, if earlier, the date
15 the plan or contract amendment is adopt-
16 ed),

17 the plan or contract is operated as if such plan
18 or contract amendment were in effect; and

19 (B) such plan or contract amendment ap-
20 plies retroactively for such period.

1 **CHAPTER II—EMPLOYMENT RELIEF**

2 **SEC. 706. WORK OPPORTUNITY TAX CREDIT FOR HURRI-**
3 **CANE KATRINA EMPLOYEES.**

4 (a) **IN GENERAL.**—For purposes of section 51 of the
5 Internal Revenue Code of 1986, a Hurricane Katrina em-
6 ployee shall be treated as a member of a targeted group.

7 (b) **HURRICANE KATRINA EMPLOYEE.**—For pur-
8 poses of this section, the term “Hurricane Katrina em-
9 ployee” means any individual who, on August 28, 2005,
10 had a principal place of abode in a Hurricane Katrina dis-
11 aster area.

12 (c) **SPECIAL RULES FOR DETERMINING CREDIT.**—
13 For purposes of applying subpart F of part IV of sub-
14 chapter A of chapter 1 of such Code to wages paid or in-
15 curred to any Hurricane Katrina employee—

16 (1) section 51(c)(4) of such Code shall not
17 apply, and

18 (2) except in the case of an employee of the em-
19 ployer (within the meaning of section 51 of such
20 Code) on August 28, 2005, or an employee initially
21 hired after such date, section 51(i)(2) of such Code
22 shall not apply.

23 (d) **APPLICATION OF SECTION.**—This section shall
24 apply only to wages (within the meaning on section 51(c)
25 of such Code) paid or incurred to any individual who—

1 (1) is being hired for a position the principal
2 place of employment of which is located in a Hurri-
3 cane Katrina disaster area, and

4 (2) who begins work for the employer during
5 the 2-year period beginning on August 29, 2005.

6 **SEC. 707. EMPLOYEE RETENTION CREDIT FOR EMPLOYERS**

7 **AFFECTED BY HURRICANE KATRINA.**

8 (a) **IN GENERAL.**—In the case of an eligible em-
9 ployer, there shall be allowed as a credit against the tax
10 imposed by chapter 1 of the Internal Revenue Code of
11 1986 for the taxable year an amount equal to 40 percent
12 of the qualified wages with respect to each eligible em-
13 ployee of such employer for such taxable year. For pur-
14 poses of the preceding sentence, the amount of qualified
15 wages which may be taken into account with respect to
16 any individual shall not exceed \$6,000.

17 (b) **DEFINITIONS.**—For purposes of this section—

18 (1) **ELIGIBLE EMPLOYER.**—The term “eligible
19 employer” means any employer—

20 (A) which conducted an active trade or
21 business on August 28, 2005, in a Hurricane
22 Katrina disaster area, and

23 (B) with respect to whom the trade or
24 business described in subparagraph (A) is inop-
25 erable on any day after August 28, 2005, and

1 before January 1, 2006, as a result of damage
2 sustained in connection with Hurricane
3 Katrina.

4 (2) ELIGIBLE EMPLOYEE.—The term “eligible
5 employee” means with respect to an eligible em-
6 ployer—

7 (A) an employee whose principal place of
8 employment on August 28, 2005, with such eli-
9 gible employer was in a Hurricane Katrina dis-
10 aster area, or

11 (B) a Ready Reserve-National Guard em-
12 ployee of such eligible employer who is per-
13 forming qualified active duty and whose prin-
14 cipal place of employment immediately before
15 the date on which such employee began per-
16 forming such qualified active duty was in a
17 Hurricane Katrina disaster area.

18 (3) QUALIFIED WAGES.—The term “qualified
19 wages” means wages (as defined in section 51(c)(1)
20 of the Internal Revenue Code of 1986, but without
21 regard to section 3306(b)(2)(B) of such Code) paid
22 or incurred by an eligible employer with respect to
23 an eligible employee on any day after August 28,
24 2005, and before January 1, 2006, which occurs
25 during the period—

1 (A) beginning on the date on which the
2 trade or business described in paragraph (1)
3 first became inoperable at the principal place of
4 employment of the employee immediately before
5 Hurricane Katrina, and

6 (B) ending on the date on which such
7 trade or business has resumed significant oper-
8 ations at such principal place of employment.

9 Such term shall include wages paid without regard
10 to whether the employee performs no services, per-
11 forms services at a different place of employment
12 than such principal place of employment, or per-
13 forms services at such principal place of employment
14 before significant operations have resumed.

15 (4) **READY RESERVE-NATIONAL GUARD EM-**
16 **PLOYEE.**—The term “Ready Reserve-National
17 Guard employee” means an employee who is a mem-
18 ber of the Ready Reserve of a reserve component of
19 an Armed Force of the United States as described
20 in section 10142 and 10101 of title 10, United
21 States Code and who is performing qualified active
22 duty.

23 (5) **QUALIFIED ACTIVE DUTY.**—The term
24 “qualified active duty” means—

1 (A) active duty, other than the training
2 duty specified in section 10147 of title 10,
3 United States Code (relating to training re-
4 quirements for Ready Reserve), or section
5 502(a) of title 32, United States Code (relating
6 to required drills and field exercises for the Na-
7 tional Guard), in connection with which an em-
8 ployee is entitled to reemployment rights and
9 other benefits or to a leave of absence from em-
10 ployment under chapter 43 of title 38, United
11 States Code, and

12 (B) hospitalization incident to such duty.

13 (c) CERTAIN RULES TO APPLY.—For purposes of
14 this section, rules similar to the rules of sections 51(i)(1),
15 52, and 280C(a) of the Internal Revenue Code of 1986
16 of the shall apply.

17 (d) CREDIT TO BE PART OF GENERAL BUSINESS
18 CREDIT.—The credit allowed under this section shall be
19 added to the current year business credit under section
20 38(b) of the Internal Revenue Code of 1986 and shall be
21 treated as a credit allowed under subpart D of part IV
22 of subchapter A of chapter 1 of such Code.

1 **CHAPTER III—CHARITABLE GIVING**
2 **INCENTIVES**

3 **SEC. 711. TEMPORARY SUSPENSION OF LIMITATIONS ON**
4 **CHARITABLE CONTRIBUTIONS.**

5 (a) **IN GENERAL.**—Except as otherwise provided in
6 subsection (b), section 170(b) of the Internal Revenue
7 Code of 1986 shall not apply to qualified contributions and
8 such contributions shall not be taken into account for pur-
9 poses of subsections (b) and (d) of section 170 of the In-
10 ternal Revenue Code of 1986.

11 (b) **TREATMENT OF EXCESS CONTRIBUTIONS.**—For
12 purposes of section 170 of such Code—

13 (1) **INDIVIDUALS.**—In the case of an indi-
14 vidual—

15 (A) **LIMITATION.**—Any qualified contribu-
16 tion shall be allowed only to the extent that the
17 aggregate of such contributions does not exceed
18 the excess of the taxpayer's contribution base
19 (as defined in paragraph (1) of section 170(b)
20 of such Code) over the amount of all other
21 charitable contributions allowed under such
22 paragraph.

23 (B) **CARRYOVER.**—If the aggregate
24 amount of qualified contributions made in the
25 contribution year (within the meaning of section

1 170(d)(1) of such Code) exceeds the limitation
2 of subparagraph (A), such excess shall be added
3 to the excess described in the portion of sub-
4 paragraph (A) of such section which precedes
5 clause (i) thereof for purposes of applying such
6 section.

7 (2) CORPORATIONS.—In the case of a corpora-
8 tion—

9 (A) LIMITATION.—Any qualified contribu-
10 tion shall be allowed only to the extent that the
11 aggregate of such contributions does not exceed
12 the excess of the taxpayer's taxable income (as
13 determined under paragraph (2) of section
14 170(b) of such Code) over the amount of all
15 other charitable contributions allowed under
16 such paragraph.

17 (B) CARRYOVER.—Rules similar to the
18 rules of paragraph (1)(B) shall apply for pur-
19 poses of this paragraph.

20 (c) EXCEPTION TO OVERALL LIMITATION ON
21 ITEMIZED DEDUCTIONS.—So much of any deduction al-
22 lowed under section 170 of such Code as does not exceed
23 the qualified contributions made during the taxable year
24 shall not be treated as an itemized deduction for purposes
25 of section 68 of such Code.

1 (d) QUALIFIED CONTRIBUTIONS.—For purposes of
2 this section, the term “qualified contribution” means any
3 charitable contribution (as defined in section 170(c) of
4 such Code)—

5 (1) made during the period beginning on Au-
6 gust 28, 2005, and ending on December 31, 2005,
7 in cash to an organization described in section
8 170(b)(1)(A) of such Code (other than an organiza-
9 tion described in section 509(a)(3) of such Code),
10 and

11 (2) with respect to which the taxpayer has
12 elected the application of this section.

13 In the case of a partnership or S corporation, the election
14 under paragraph (2) shall be made separately by each
15 partner or shareholder. In the case of a corporation, a con-
16 tribution shall be treated as a qualified contribution only
17 if the contribution is for relief efforts related to Hurricane
18 Katrina.

19 **SEC. 712. CHARITABLE DEDUCTION FOR CONTRIBUTIONS**
20 **OF FOOD INVENTORIES.**

21 (a) IN GENERAL.—Subsection (e) of section 170 (re-
22 lating to certain contributions of ordinary income and cap-
23 ital gain property) is amended by adding at the end the
24 following new paragraph:

1 “(7) APPLICATION OF PARAGRAPH (3) TO CER-
2 TAIN CONTRIBUTIONS OF FOOD INVENTORY.—For
3 purposes of this section—

4 “(A) EXTENSION TO INDIVIDUALS.—In the
5 case of a charitable contribution of apparently
6 wholesome food—

7 “(i) paragraph (3)(A) shall be applied
8 without regard to whether the contribution
9 is made by a C corporation, and

10 “(ii) in the case of a taxpayer other
11 than a C corporation, the aggregate
12 amount of such contributions for any tax-
13 able year which may be taken into account
14 under this section shall not exceed 10 per-
15 cent of the taxpayer’s net income for such
16 taxable year from all trades or businesses
17 from which such contributions were made
18 for such taxable year, computed without
19 regard to this section.

20 “(B) LIMITATION ON REDUCTION.—In the
21 case of a charitable contribution of apparently
22 wholesome food, notwithstanding paragraph
23 (3)(B), the amount of the reduction determined
24 under paragraph (1)(A) shall not exceed the
25 amount by which the fair market value of such

1 property exceeds twice the basis of such prop-
2 erty.

3 “(C) DETERMINATION OF BASIS.—If a
4 taxpayer—

5 “(i) does not account for inventories
6 under section 471, and

7 “(ii) is not required to capitalize indi-
8 rect costs under section 263A,

9 the taxpayer may elect, solely for purposes of
10 paragraph (3)(B), to treat the basis of any ap-
11 parently wholesome food as being equal to 25
12 percent of the fair market value of such food.

13 “(D) DETERMINATION OF FAIR MARKET
14 VALUE.—In the case of a charitable contribu-
15 tion of apparently wholesome food which is a
16 qualified contribution (within the meaning of
17 paragraph (3), as modified by subparagraph
18 (A) of this paragraph) and which, solely by rea-
19 son of internal standards of the taxpayer or
20 lack of market, cannot or will not be sold, the
21 fair market value of such contribution shall be
22 determined—

23 “(i) without regard to such internal
24 standards or such lack of market and

1 as subparagraph (D) and by inserting after subparagraph
2 (B) the following new subparagraph:

3 “(C) SPECIAL RULE FOR CONTRIBUTIONS
4 OF BOOK INVENTORY FOR EDUCATIONAL PUR-
5 POSES.—

6 “(i) CONTRIBUTIONS OF BOOK INVEN-
7 TORY.—In determining whether a qualified
8 book contribution is a qualified contribu-
9 tion, subparagraph (A) shall be applied
10 without regard to whether—

11 “(I) the donee is an organization
12 described in the matter preceding
13 clause (i) of subparagraph (A), and

14 “(II) the property is to be used
15 by the donee solely for the care of the
16 ill, the needy, or infants.

17 “(ii) AMOUNT OF REDUCTION.—Not-
18 withstanding subparagraph (B), the
19 amount of the reduction determined under
20 paragraph (1)(A) shall not exceed the
21 amount by which the fair market value of
22 the contributed property (as determined by
23 the taxpayer using a bona fide published
24 market price for such book) exceeds twice
25 the basis of such property.

1 “(iii) QUALIFIED BOOK CONTRIBU-
2 TION.—For purposes of this paragraph,
3 the term ‘qualified book contribution’
4 means a charitable contribution of books,
5 but only if the requirements of clauses (iv)
6 and (v) are met.

7 “(iv) IDENTITY OF DONEE.—The re-
8 quirement of this clause is met if the con-
9 tribution is to an organization—

10 “(I) described in subclause (I) or
11 (III) of paragraph (6)(B)(i), or

12 “(II) described in section
13 501(c)(3) and exempt from tax under
14 section 501(a) (other than a private
15 foundation, as defined in section
16 509(a), which is not an operating
17 foundation, as defined in section
18 4942(j)(3)), which is organized pri-
19 marily to make books available to the
20 general public at no cost or to operate
21 a literacy program.

22 “(v) CERTIFICATION BY DONEE.—The
23 requirement of this clause is met if, in ad-
24 dition to the certifications required by sub-
25 paragraph (A) (as modified by this sub-

1 paragraph), the donee certifies in writing
2 that—

3 “(I) the books are suitable, in
4 terms of currency, content, and quan-
5 tity, for use in the donee’s educational
6 programs, and

7 “(II) the donee will use the books
8 in its educational programs.

9 “(vi) BONA FIDE PUBLISHED MARKET
10 PRICE.—For purposes of this subpara-
11 graph, the term ‘bona fide published mar-
12 ket price’ means, with respect to any book,
13 a price—

14 “(I) determined using the same
15 printing and edition,

16 “(II) determined in the usual
17 market in which such a book has been
18 customarily sold by the taxpayer, and

19 “(III) for which the taxpayer can
20 demonstrate to the satisfaction of the
21 Secretary that the taxpayer custom-
22 arily sold such books in arm’s length
23 transactions within 7 years preceding
24 the contribution of such a book.

1 “(vii) APPLICATION.—This subpara-
2 graph shall apply to contributions made
3 after August 28, 2005, and before January
4 1, 2006.”.

5 (b) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to contributions made after August
7 28, 2005.

8 **SEC. 714. ADDITIONAL EXEMPTION FOR HOUSING HURRI-**
9 **CANE KATRINA DISPLACED INDIVIDUALS.**

10 (a) IN GENERAL.—In the case of taxable years of a
11 natural person beginning in 2005 and 2006, for purposes
12 of the Internal Revenue Code of 1986, taxable income
13 shall be reduced by \$500 for each Hurricane Katrina dis-
14 placed individual of the taxpayer for the taxable year.

15 (b) LIMITATIONS.—

16 (1) DOLLAR LIMITATION.—The reduction under
17 subsection (a) shall not exceed \$2,000, reduced by
18 the amount of the reduction under this section for
19 all previous taxable years.

20 (2) INDIVIDUALS TAKEN INTO ACCOUNT ONLY
21 ONCE.—An individual shall not be taken into ac-
22 count under subsection (a) if such individual was
23 taken into account under such subsection by the tax-
24 payer in any prior taxable year.

1 (c) HURRICANE KATRINA DISPLACED INDIVIDUAL.—

2 For purposes of this subsection, the term “Hurricane
3 Katrina displaced individual” means, with respect to any
4 taxpayer for any taxable year, a natural person who—

5 (1) was (as of August 28, 2005) a resident of
6 any Hurricane Katrina disaster area,

7 (2) is displaced from the person’s residence lo-
8 cated in the area described in paragraph (1), and

9 (3) is provided housing free of charge by the
10 taxpayer in the principal residence of the taxpayer
11 for a period of 60 consecutive days which ends in
12 such taxable year.

13 Such term shall not include the spouse or any dependent
14 of the taxpayer.

15 **SEC. 715. INCREASE IN STANDARD MILEAGE RATE FOR**
16 **CHARITABLE USE OF PASSENGER AUTO-**
17 **MOBILE.**

18 Notwithstanding section 170(i) of the Internal Rev-
19 enue Code of 1986, for purposes of computing the deduc-
20 tion under section 170 of such Code for use of a vehicle
21 described in subsection (f)(12)(E)(i) for provision of relief
22 related to Hurricane Katrina during the period beginning
23 on August 29, 2005, and ending before January 1, 2007,
24 the standard mileage rate shall be 70 percent of the stand-
25 ard mileage rate in effect under section 162(a) of such

1 Code at the time of such use. Any increase under this sec-
 2 tion shall be rounded to the next highest cent.

3 **SEC. 716. MILEAGE REIMBURSEMENTS TO CHARITABLE**
 4 **VOLUNTEERS EXCLUDED FROM GROSS IN-**
 5 **COME.**

6 (a) IN GENERAL.—Part III of subchapter B of chap-
 7 ter 1 is amended by inserting after section 139A the fol-
 8 lowing new section:

9 **“SEC. 139B. MILEAGE REIMBURSEMENTS TO CHARITABLE**
 10 **VOLUNTEERS.**

11 “(a) IN GENERAL.—Gross income of an individual
 12 does not include amounts received, from an organization
 13 described in section 170(c), as reimbursement of operating
 14 expenses with respect to use of a passenger automobile
 15 for the benefit of such organization. The preceding sen-
 16 tence shall apply only to the extent that the expenses
 17 which are reimbursed would be deductible under this chap-
 18 ter if section 274(d) were applied—

19 “(1) by using the standard business mileage
 20 rate established under such section, and

21 “(2) as if the individual were an employee of an
 22 organization not described in section 170(c).

23 “(b) APPLICATION TO VOLUNTEER SERVICES
 24 ONLY.—Subsection (a) shall not apply with respect to any

1 expenses relating to the performance of services for com-
2 pensation.

3 “(c) NO DOUBLE BENEFIT.—A taxpayer may not
4 claim a deduction or credit under any other provision of
5 this title with respect to the expenses under subsection (a).

6 “(d) EXEMPTION FROM REPORTING REQUIRE-
7 MENTS.—Section 6041 shall not apply with respect to re-
8 imbursements excluded from income under subsection (a).

9 “(e) TERMINATION.—This section shall not apply to
10 use of a passenger automobile after December 31, 2006.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 for part III of subchapter B of chapter 1 is amended by
13 inserting after the item relating to section 139A the fol-
14 lowing new item:

“Sec. 139B Mileage reimbursements to charitable volunteers”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to the use of a passenger auto-
17 mobile after the date of the enactment of this Act, in tax-
18 able years ending after such date.

19 **CHAPTER IV—ADDITIONAL TAX RELIEF**
20 **PROVISIONS**

21 **SEC. 721. EXCLUSIONS OF CERTAIN CANCELLATIONS OF IN-**
22 **DEBTEDNESS FOR VICTIMS OF HURRICANE**
23 **KATRINA.**

24 (a) IN GENERAL.—For purposes of the Internal Rev-
25 enue Code of 1986, gross income shall not include any

1 amount which (but for this section) would be includible
2 in gross income by reason of the discharge (in whole or
3 in part) of indebtedness of a natural person by an applica-
4 ble entity (as defined in section 6050P(c)(1)) if the dis-
5 charge is by reason of the damage sustained by the tax-
6 payer in connection with Hurricane Katrina.

7 (b) EXCEPTION.—Subsection (a) shall not apply to
8 any indebtedness incurred in connection with a trade or
9 business.

10 (c) DENIAL OF DOUBLE BENEFIT.—The amount ex-
11 cluded from gross income under subsection (a) shall be
12 applied to reduce the tax attributes of the taxpayer as pro-
13 vided in section 108(b) of such Code.

14 (d) EFFECTIVE DATE.—This section shall apply to
15 discharges made on or after August 29, 2005, and before
16 January 1, 2007.

17 **SEC. 722. SUSPENSION OF CERTAIN LIMITATIONS ON PER-**
18 **SONAL CASUALTY LOSSES.**

19 Paragraphs (1) and (2)(A) of section 165(h) of the
20 Internal Revenue Code of 1986 shall not apply to losses
21 described in section 165(c)(3) of such Code which are at-
22 tributable to Hurricane Katrina. In the case of any other
23 losses, section 165(h)(2)(A) of such Code shall be applied
24 without regard to the losses referred to in the preceding
25 sentence.

1 **SEC. 723. REQUIRED EXERCISE OF AUTHORITY UNDER SEC-**
2 **TION 7508A FOR TAX RELIEF FOR VICTIMS OF**
3 **HURRICANE KATRINA.**

4 (a) AUTHORITY INCLUDES SUSPENSION OF PAY-
5 MENT OF EMPLOYMENT AND EXCISE TAXES.—Subpara-
6 graphs (A) and (B) of section 7508(a)(1) are amended
7 to read as follows:

8 “(A) Filing any return of income, estate,
9 gift, employment, or excise tax;

10 “(B) Payment of any income, estate, gift,
11 employment, or excise tax or any installment
12 thereof or of any other liability to the United
13 States in respect thereof;”.

14 (b) APPLICATION TO VICTIMS OF HURRICANE
15 KATRINA.—In the case of any taxpayer determined by the
16 Secretary of the Treasury to be affected by the Presi-
17 dentially declared disaster relating to Hurricane Katrina,
18 any relief provided by the Secretary of the Treasury under
19 section 7508A of the Internal Revenue Code of 1986 shall
20 be for a period ending not earlier than February 28, 2006,
21 and shall be treated as applying to the filing of returns
22 relating to, and the payment of, employment and excise
23 taxes.

24 (c) EFFECTIVE DATE.—The amendment made by
25 subsection (a) shall apply for any period for performing
26 an act which has not expired before August 29, 2005.

1 **SEC. 724. SPECIAL MORTGAGE FINANCING RULES FOR**
2 **RESIDENCES LOCATED IN HURRICANE**
3 **KATRINA DISASTER AREA.**

4 In the case of a residence located in a Hurricane
5 Katrina disaster area which replaces a residence destroyed
6 by Hurricane Katrina or which is being repaired for dam-
7 age caused by Hurricane Katrina, section 143 of the In-
8 ternal Revenue Code of 1986 shall be applied with the fol-
9 lowing modifications to financing provided with respect to
10 such residence within 3 years after the date of the disaster
11 declaration:

12 (1) Subsections (d) of such section 143 shall be
13 applied as if such residence were a targeted area
14 residence.

15 (2) The limitation under subsection (k)(4) of
16 such section 143 shall be increased (but not above
17 \$150,000) to the extent the qualified home-improve-
18 ment loan is for the repair of damage caused by
19 Hurricane Katrina.

20 This section shall apply only with respect to bonds issued
21 after August 28, 2005, and before August 29, 2008.

1 **SEC. 825. EXTENSION OF REPLACEMENT PERIOD FOR NON-**
2 **RECOGNITION OF GAIN FOR PROPERTY**
3 **LOCATED IN HURRICANE KATRINA DISASTER**
4 **AREA.**

5 Notwithstanding subsections (g) and (h) of section
6 1033 of the Internal Revenue Code of 1986, clause (i) of
7 section 1033(a)(2)(B) of such Code shall be applied by
8 substituting “5 years” for “2 years” with respect to prop-
9 erty which is compulsorily or involuntarily converted as
10 a result of Hurricane Katrina in a Hurricane Katrina dis-
11 aster area, but only if substantially all of the use of the
12 replacement property is in such area.

13 **SEC. 726. SPECIAL RULE FOR DETERMINING EARNED IN-**
14 **COME.**

15 (a) IN GENERAL.—In the case of a qualified indi-
16 vidual, if the earned income of the taxpayer for the taxable
17 year of such taxpayer which includes August 28, 2005,
18 is less than the earned income which is attributable to the
19 taxpayer for the preceding taxable year, the credits al-
20 lowed under sections 24(d) and 32 of the Internal Revenue
21 Code of 1986 may, at the election of the taxpayer, be de-
22 termined by substituting—

23 (1) such earned income for the preceding tax-
24 able year, for

25 (2) such earned income for the taxable year
26 which includes August 28, 2005.

1 (b) QUALIFIED INDIVIDUAL.—For purposes of this
2 section, the term “qualified individual” means any indi-
3 vidual whose principal place of abode was (as of August
4 28, 2005) in any Hurricane Katrina disaster area.

5 (c) EARNED INCOME.—For purposes of this section,
6 the term “earned income” has the meaning given such
7 term under section 32(c) of such Code.

8 (d) SPECIAL RULES.—

9 (1) APPLICATION TO JOINT RETURNS.—For
10 purpose of subsection (a), in the case of a joint re-
11 turn for a taxable year which includes August 28,
12 2005,

13 (A) such subsection shall apply if either
14 spouse is a qualified individual,

15 (B) the earned income which is attrib-
16 utable to the taxpayer for the preceding taxable
17 year shall be the sum of the earned income
18 which is attributable to each spouse for such
19 preceding taxable year, and

20 (C) the substitution described in such sub-
21 section shall apply only with respect to earned
22 income which is attributable to a spouse who is
23 a qualified individual.

24 (2) UNIFORM APPLICATION OF ELECTION.—
25 Any election made under subsection (a) shall apply

1 with respect to both section 24(d) and section 32 of
2 such Code.

3 (3) ERRORS TREATED AS MATHEMATICAL
4 ERROR.—For purposes of section 6213 of such
5 Code, an incorrect use on a return of earned income
6 pursuant to subsection (a) shall be treated as a
7 mathematical or clerical error.

8 (4) NO EFFECT ON DETERMINATION OF GROSS
9 INCOME.—For purposes of the Internal Revenue
10 Code of 1986, gross income shall be determined
11 without regard to any substitution under subsection
12 (a).

13 **SEC. 727. SECRETARIAL AUTHORITY TO MAKE ADJUST-**
14 **MENTS REGARDING TAXPAYER AND DEPEND-**
15 **ENCY STATUS.**

16 With respect to taxable years beginning in 2005 or
17 2006, the Secretary of the Treasury or the Secretary's del-
18 egate may make such adjustments in the application of
19 the internal revenue laws as may be necessary to ensure
20 that taxpayers do not lose any deduction or credit or expe-
21 rience a change of filing status by reason of temporary
22 relocations after Hurricane Katrina or by reason of the
23 receipt of hurricane relief. Any adjustments made under
24 the preceding sentence shall ensure that an individual is

1 not taken into account by more than one taxpayer with
 2 respect to the same tax benefit.

3 **CHAPTER V—EMERGENCY REQUIREMENT**

4 **SEC. 731. EMERGENCY REQUIREMENT.**

5 Any provision of this Act causing an effect on re-
 6 cepts, budget authority, or outlays is designated as an
 7 emergency requirement pursuant to section 402 of H.
 8 Con. Res. 95 (109th Congress).

9 **Subtitle II—Additional Tax**
 10 **Incentives**

11 **SEC. 741. TAX BENEFITS FOR THE MAJOR DISASTER AREA**

12 **DAMAGED IN HURRICANE KATRINA.**

13 (a) IN GENERAL.—Chapter 1 is amended by adding
 14 at the end the following new subchapter:

15 **“Subchapter Z—Hurricane Katrina Disaster**
 16 **Zone Benefits**

“Sec. 1400M. Tax benefits for Hurricane Katrina Disaster Zone.

17 **“SEC. 1400M. TAX BENEFITS FOR HURRICANE KATRINA DIS-**

18 **ASTER ZONE.**

19 **“(a) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY**
 20 **ACQUIRED AFTER AUGUST 28, 2005.—**

21 **“(1) ADDITIONAL ALLOWANCE.—**In the case of
 22 any qualified Hurricane Katrina Disaster Zone prop-
 23 erty—

1 “(A) the depreciation deduction provided
2 by section 167(a) for the taxable year in which
3 such property is placed in service shall include
4 an allowance equal to 50 percent of the ad-
5 justed basis of such property, and

6 “(B) the adjusted basis of the qualified
7 Hurricane Katrina Disaster Zone property shall
8 be reduced by the amount of such deduction be-
9 fore computing the amount otherwise allowable
10 as a depreciation deduction under this chapter
11 for such taxable year and any subsequent tax-
12 able year.

13 “(2) QUALIFIED HURRICANE KATRINA DIS-
14 ASTER ZONE PROPERTY.—For purposes of this sub-
15 section—

16 “(A) IN GENERAL.—The term ‘qualified
17 Hurricane Katrina Disaster Zone property’
18 means property—

19 “(i)(I) which is described in section
20 168(k)(2)(A)(i), or

21 “(II) which is nonresidential real
22 property, or residential rental property,
23 which is described in subparagraph (B),

24 “(ii) substantially all of the use of
25 which is in the Hurricane Katrina Disaster

1 Zone and is in the active conduct of a
2 trade or business by the taxpayer in such
3 Zone,

4 “(iii) the original use of which in the
5 Hurricane Katrina Disaster Zone com-
6 mences with the taxpayer after August 29,
7 2005,

8 “(iv) which is acquired by the tax-
9 payer by purchase (as defined in section
10 179(d)) after August 28, 2005, but only if
11 no written binding contract for the acquisi-
12 tion was in effect before August 29, 2005,
13 and

14 “(v) which is placed in service by the
15 taxpayer on or before the termination date.

16 The term ‘termination date’ means December
17 31, 2012 (December 31, 2015, in the case of
18 nonresidential real property and residential
19 rental property).

20 “(B) ELIGIBLE REAL PROPERTY.—Non-
21 residential real property or residential rental
22 property is described in this subparagraph only
23 to the extent it rehabilitates real property dam-
24 aged, or replaces real property destroyed or
25 condemned, as a result of Hurricane Katrina.

1 For purposes of the preceding sentence, prop-
2 erty shall be treated as replacing real property
3 destroyed or condemned if, as part of an inte-
4 grated plan, such property replaces real prop-
5 erty which is included in a continuous area
6 which includes real property destroyed or con-
7 demned.

8 “(C) EXCEPTIONS.—

9 “(i) ALTERNATIVE DEPRECIATION
10 PROPERTY.—The term ‘qualified Hurri-
11 cane Katrina Disaster Zone property’ shall
12 not include any property described in sec-
13 tion 168(k)(2)(D)(i).

14 “(ii) QUALIFIED HURRICANE KATRINA
15 DISASTER ZONE LEASEHOLD IMPROVE-
16 MENT PROPERTY.—Such term shall not in-
17 clude any qualified Hurricane Katrina Dis-
18 aster Zone leasehold improvement prop-
19 erty.

20 “(iii) ELECTION OUT.—For purposes
21 of this subsection, rules similar to the rules
22 of section 168(k)(2)(D)(iii) shall apply.

23 “(D) SPECIAL RULES.—For purposes of
24 this subsection, rules similar to the rules of sec-
25 tion 168(k)(2)(E) shall apply, except that

1 clause (i) thereof shall be applied without re-
2 gard to ‘and January 1, 2005’ and clause (iv)
3 thereof shall be applied by substituting ‘quali-
4 fied Hurricane Katrina Disaster Zone property’
5 for ‘qualified property’.

6 “(E) ALLOWANCE AGAINST ALTERNATIVE
7 MINIMUM TAX.—For purposes of this sub-
8 section, rules similar to the rules of section
9 168(k)(2)(G) shall apply.

10 “(b) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION
11 OF CERTAIN LEASEHOLD IMPROVEMENTS.—

12 “(1) IN GENERAL.—For purposes of section
13 168, the term ‘5-year property’ includes any quali-
14 fied Hurricane Katrina Disaster Zone leasehold im-
15 provement property.

16 “(2) QUALIFIED HURRICANE KATRINA DIS-
17 ASTER ZONE LEASEHOLD IMPROVEMENT PROP-
18 ERTY.—For purposes of this section, the term
19 ‘qualified Hurricane Katrina Disaster Zone leasehold
20 improvement property’ means qualified leasehold im-
21 provement property (as defined in section 168(k)(3))
22 if—

23 “(A) such building is located in the Hurri-
24 cane Katrina Disaster Zone,

1 “(B) such improvement is placed in service
2 after August 28, 2005, and before January 1,
3 2007, and

4 “(C) no written binding contract for such
5 improvement was in effect before August 28,
6 2005.

7 “(3) REQUIREMENT TO USE STRAIGHT LINE
8 METHOD.—The applicable depreciation method
9 under section 168 shall be the straight line method
10 in the case of qualified Hurricane Katrina Disaster
11 Zone leasehold improvement property.

12 “(4) 9-YEAR RECOVERY PERIOD UNDER ALTER-
13 NATIVE SYSTEM.—For purposes of section 168(g),
14 the class life of qualified Hurricane Katrina Disaster
15 Zone leasehold improvement property shall be 9
16 years.

17 “(c) TAX-EXEMPT BOND FINANCING.—

18 “(1) IN GENERAL.—For purposes of this title,
19 any qualified Hurricane Katrina Disaster Bond shall
20 be treated as an exempt facility bond.

21 “(2) QUALIFIED HURRICANE KATRINA DIS-
22 ASTER BOND.—For purposes of this subsection, the
23 term ‘qualified Hurricane Katrina Disaster Bond’
24 means any bond issued as part of an issue if—

1 “(A) 95 percent or more of the net pro-
2 ceeds (as defined in section 150(a)(3)) of such
3 issue are to be used for qualified project costs,

4 “(B) such bond is issued by a State or po-
5 litical subdivision in which a part of the Hurri-
6 cane Katrina Disaster Zone is located,

7 “(C) the Governor designates such bond
8 for purposes of this section, and

9 “(D) such bond is issued after the date of
10 the enactment of this section and before Janu-
11 ary 1, 2011.

12 “(3) LIMITATIONS ON AMOUNT OF BONDS.—

13 “(A) AGGREGATE AMOUNT DESIGNATED.—

14 The maximum aggregate face amount of bonds
15 which may be designated under this subsection
16 shall not exceed \$45,000,000.

17 “(B) MOVABLE PROPERTY.—No bonds
18 shall be issued which are to be used for movable
19 fixtures and equipment.

20 “(4) QUALIFIED PROJECT COSTS.—For pur-
21 poses of this subsection, the term ‘qualified project
22 costs’ means the cost of acquisition, construction, re-
23 construction, and renovation of—

24 “(A) nonresidential real property (includ-
25 ing nonprofit and commercial business, rec-

1 reational, transportation, health care, and edu-
2 cation facilities), residential real property, and
3 residential rental property (including fixed ten-
4 ant improvements associated with such prop-
5 erty) located in the Hurricane Katrina Disaster
6 Zone, including related infrastructure, and

7 “(B) public utility property (as defined in
8 section 168(i)(10)) located in the Hurricane
9 Katrina Disaster Zone.

10 “(5) SPECIAL RULES.—In applying this title to
11 any qualified Hurricane Katrina Disaster Bond, the
12 following modifications shall apply:

13 “(A) Sections 146 (relating to volume
14 cap), 147(f) (relating to public approval), and
15 149(b) (relating to Federal guarantees) shall
16 not apply.

17 “(B) Sections 142(d) and 150(b)(2) (relat-
18 ing to tenant targeting rules for residential
19 rental property shall not apply,

20 “(C) Section 147(d) (relating to acquisi-
21 tion of existing property not permitted) shall be
22 applied by substituting ‘50 percent’ for ‘15 per-
23 cent’ each place it appears.

24 “(D) Section 148(f)(4)(C) (relating to ex-
25 ception from rebate for certain proceeds to be

1 used to finance construction expenditures) shall
2 apply to the available construction proceeds of
3 bonds issued under this section.

4 “(E) Repayments of principal on financing
5 provided by the issue—

6 “(i) may not be used to provide fi-
7 nancing, and

8 “(ii) must be used not later than the
9 close of the 1st semiannual period begin-
10 ning after the date of the repayment to re-
11 deem bonds which are part of such issue.

12 The requirement of clause (ii) shall be treated
13 as met with respect to amounts received within
14 10 years after the date of issuance of the issue
15 (or, in the case of a refunding bond, the date
16 of issuance of the original bond) if such
17 amounts are used by the close of such 10 years
18 to redeem bonds which are part of such issue.

19 “(F) Section 57(a)(5) shall not apply.

20 “(6) SEPARATE ISSUE TREATMENT OF POR-
21 TIONS OF AN ISSUE.—This subsection shall not
22 apply to the portion of an issue which (if issued as
23 a separate issue) would be treated as a qualified
24 bond or as a bond that is not a private activity bond

1 (determined without regard to paragraph (1)), if the
2 issuer elects to so treat such portion.

3 “(7) INTEREST TREATED AS BANK ELIGIBLE.—
4 Any interest with respect to any qualified Hurricane
5 Katrina Disaster Bond shall not be treated as tax-
6 exempt interest for purposes of section 265(b).

7 “(d) ADVANCE REFUNDINGS OF CERTAIN TAX-EX-
8 EMPT BONDS.—

9 “(1) IN GENERAL.—With respect to a bond de-
10 scribed in paragraph (2) issued as part of an issue
11 90 percent (95 percent in the case of a bond de-
12 scribed in paragraph (2)(B)) or more of the net pro-
13 ceeds (as defined in section 150(a)(3)) of which were
14 used to finance facilities located within the Hurri-
15 cane Katrina Disaster Zone (or property which is
16 functionally related and subordinate to facilities lo-
17 cated in such Zone), one additional advanced refund-
18 ing after the date of the enactment of this section
19 and before January 1, 2011, shall be allowed under
20 the applicable rules of section 149(d) if—

21 “(A) the Governor designates the advance
22 refunding bond for purposes of this subsection,
23 and

24 “(B) the requirements of paragraph (4)
25 are met.

1 “(2) BONDS DESCRIBED.—A bond is described
2 in this paragraph if such bond was outstanding on
3 August 28, 2005, and is—

4 “(A) a State or local bond (as defined in
5 section 103(c)(1)) which is a general obligation
6 a State or political subdivision in the Hurricane
7 Katrina Disaster Zone, or

8 “(B) a qualified 501(c)(3) bond (as de-
9 fined in section 145(a)) issued by or on behalf
10 of a State or political subdivision in the Hurri-
11 cane Katrina Disaster Zone.

12 “(3) ADDITIONAL REQUIREMENTS.—The re-
13 quirements of this paragraph are met with respect
14 to any advance refunding of a bond described in
15 paragraph (2) if—

16 “(A) no advance refundings of such bond
17 would be allowed under any provision of law
18 after August 28, 2005,

19 “(B) the advance refunding bond is the
20 only other outstanding bond with respect to the
21 refunded bond, and

22 “(C) the requirements of section 148 are
23 met with respect to all bonds issued under this
24 subsection.

1 “(e) STATE AND LOCAL BONDS.—For purposes of
2 this title, any State or local bond issued by a State or
3 political subdivision in which a part of the Hurricane
4 Katrina Disaster Zone is located—

5 “(1) for disaster cleanup purposes, may be
6 issued without regard to any working capital financ-
7 ing restrictions under section 148 or Federal guar-
8 antee limitations under section 149(b), and

9 “(2) for student loans, may be issued without
10 regard to any volume cap limitations under section
11 146 or any special allowance payments in computing
12 yield on such loans under section 148.

13 “(f) INCREASE IN EXPENSING UNDER SECTION
14 179.—

15 “(1) IN GENERAL.—For purposes of section
16 179—

17 “(A) the limitation under section 179(b)(1)
18 shall be increased by the lesser of—

19 “(i) \$100,000, or

20 “(ii) the cost of section 179 property
21 which is qualified Hurricane Katrina Dis-
22 aster Zone property placed in service dur-
23 ing the taxable year, and

24 “(B) the amount taken into account under
25 section 179(b)(2) with respect to any section

1 179 property which is qualified Hurricane
2 Katrina Disaster Zone property shall be 50 per-
3 cent of the cost thereof.

4 “(2) QUALIFIED HURRICANE KATRINA DIS-
5 ASTER ZONE PROPERTY.—For purposes of this sub-
6 section, the term ‘qualified Hurricane Katrina Dis-
7 aster Zone property’ has the meaning given such
8 term by subsection (b)(2), except that the termi-
9 nation date is December 31, 2007.

10 “(3) RECAPTURE.—Rules similar to the rules
11 under section 179(d)(10) shall apply with respect to
12 any qualified Hurricane Katrina Disaster Zone prop-
13 erty which ceases to be used in the Hurricane
14 Katrina Disaster Zone.

15 “(g) HURRICANE KATRINA DISASTER ZONE.—For
16 purposes of this section, the term ‘Hurricane Katrina Dis-
17 aster Zone’ means an area—

18 “(1) with respect to which a major disaster has
19 been declared by the President before September 14,
20 2005, under section 401 of the Robert T. Stafford
21 Disaster Relief and Emergency Assistance Act in
22 connection with Hurricane Katrina, and

23 “(2) which is determined by the President be-
24 fore such date to warrant individual assistance, or

1 individual and public assistance, from the Federal
2 Government under such Act.”.

3 (b) CLERICAL AMENDMENT.—The table of sub-
4 chapters for chapter 1 is amended by adding at the end
5 the following new item:

“SUBCHAPTER Z—HURRICANE KATRINA DISASTER ZONE BENEFITS.”.

6 (c) SATISFACTION OF COMMUNITY REINVESTMENT
7 ACT REQUIREMENTS.—A financial institution that pur-
8 chases any bond described in subsection (c) or (d) of sec-
9 tion 1400M of the Internal Revenue Code of 1986 shall
10 be considered, for purposes of an evaluation under section
11 804 of the Community Reinvestment Act of 1977 (12
12 U.S.C. 2903), to be meeting the credit needs of its entire
13 community, including low- and moderate-income neighbor-
14 hoods.

15 **SEC. 742. PREMIUMS FOR MORTGAGE INSURANCE.**

16 (a) IN GENERAL.—For purposes of section 163(h)(3)
17 of the Internal Revenue Code of 1986, premiums paid or
18 accrued for qualified mortgage insurance by a taxpayer
19 during the taxable year in connection with acquisition in-
20 debtedness with respect to a qualified residence of the tax-
21 payer located in a Hurricane Katrina Disaster Zone (as
22 defined in section 1400M(g) of such Code) shall be treated
23 as qualified residence interest.

1 (b) QUALIFIED MORTGAGE INSURANCE.—For pur-
2 poses of this section, the term “qualified mortgage insur-
3 ance” means—

4 (1) mortgage insurance provided by the Vet-
5 erans Administration, the Federal Housing Adminis-
6 tration, or the Rural Housing Administration, and

7 (2) private mortgage insurance (as defined by
8 section 2 of the Homeowners Protection Act of 1998
9 (12 U.S.C. 4901), as in effect on the date of the en-
10 actment of this section).

11 (c) SPECIAL RULES FOR PREPAID QUALIFIED MORT-
12 GAGE INSURANCE.—For purposes of subsection (a), any
13 amount paid by the taxpayer for qualified mortgage insur-
14 ance that is properly allocable to any mortgage the pay-
15 ment of which extends to periods that are after the close
16 of the taxable year in which such amount is paid shall
17 be chargeable to capital account and shall be treated as
18 paid in such periods to which so allocated. No deduction
19 shall be allowed for the unamortized balance of such ac-
20 count if such mortgage is satisfied before the end of its
21 term. The preceding sentences shall not apply to amounts
22 paid for qualified mortgage insurance provided by the Vet-
23 erans Administration or the Rural Housing Administra-
24 tion.

25 (d) INFORMATION RETURNS.—

1 (1) IN GENERAL.—The Secretary of the Treas-
2 ury may prescribe, by regulations, that any person
3 who, in the course of a trade or business, receives
4 from any individual premiums for mortgage insur-
5 ance with respect to a qualified residence of the tax-
6 payer located in a Hurricane Katrina Disaster Zone
7 (as so defined) aggregating \$600 or more for any
8 calendar year, shall make a return with respect to
9 each such individual. Such return shall be in such
10 form, shall be made at such time, and shall contain
11 such information as the Secretary of the Treasury
12 may prescribe.

13 (2) STATEMENT TO BE FURNISHED TO INDIVID-
14 UALS WITH RESPECT TO WHOM INFORMATION IS RE-
15 QUIRED.—Every person required to make a return
16 under paragraph (1) shall furnish to each individual
17 with respect to whom a return is made a written
18 statement showing such information as the Sec-
19 retary of the Treasury may prescribe. Such written
20 statement shall be furnished on or before January
21 31 of the year following the calendar year for which
22 the return under paragraph (1) was required to be
23 made.

24 (3) SPECIAL RULES.—For purposes of this sub-
25 section, rules similar to the rules of section

1 6050H(c) of the Internal Revenue Code of 1986
2 shall apply.

3 (d) EFFECTIVE DATE.—This section shall apply to
4 amounts paid or accrued after the date of the enactment
5 of this Act in taxable years ending after such date, and
6 before the date which is 3 years after such date.

7 **SEC. 743. SUSPENSION OF AIR TRANSPORTATION EXCISE**
8 **TAXES.**

9 No tax imposed under section 4261 or 4271 of the
10 Internal Revenue Code of 1986 shall apply with respect
11 to any segment of taxable transportation (as defined in
12 sections 4262 and 4272 of such Code) beginning or ending
13 in any airport located in a Hurricane Katrina Disaster
14 Zone (as defined in section 1400M(g) of such Code) dur-
15 ing the 3-year period beginning on August 28, 2005.

16 **SEC. 744. RELOCATION TAX CREDIT FOR VICTIMS OF HUR-**
17 **RICANE KATRINA.**

18 (a) IN GENERAL.—Subpart B of part IV of sub-
19 chapter A of chapter 1 is amended by adding at the end
20 the following new section:

21 **“SEC. 30D. RELOCATION EXPENSES FOR VICTIMS OF HUR-**
22 **RICANE KATRINA.**

23 “(a) IN GENERAL.—There shall be allowed as a cred-
24 it against the tax imposed by this chapter for the applica-

1 ble taxable year an amount equal to the qualified reloca-
2 tion expenses of the taxpayer.

3 “(b) QUALIFIED RELOCATION EXPENSES; APPLICA-
4 BLE TAXABLE YEAR.—For purposes of this section—

5 “(1) QUALIFIED RELOCATION EXPENSES.—

6 “(A) IN GENERAL.—The term ‘qualified
7 relocation expenses’ means the reasonable relo-
8 cation expenses incurred after August 26, 2005,
9 and before January 1, 2008, with respect to—

10 “(i) in the case of an individual who
11 had a principal place of abode in a Hurri-
12 cane Katrina disaster area on August 26,
13 2005—

14 “(I) the relocation such indi-
15 vidual to any area within the United
16 States, and

17 “(II) the relocation of such indi-
18 vidual after a relocation described in
19 subclause (I) to a location in the Hur-
20 ricane Katrina disaster area in which
21 the individual had a principal place of
22 abode on August 26, 2005, and

23 “(ii) in the case of a trade or business
24 which was located in a Hurricane Katrina
25 disaster area on August 26, 2005—

1 “(I) the relocation of such trade
2 or business to any area within the
3 United States, and

4 “(II) the relocation of such trade
5 or business after a relocation de-
6 scribed in subclause (I) to a location
7 in the Hurricane Katrina disaster
8 area in which the trade or business
9 was located on August 26, 2005.

10 “(B) RELOCATION EXPENSES.—The term
11 ‘relocation expenses’ means—

12 “(i) in the case of expenses incurred
13 with respect to an individual described in
14 subparagraph (A)(i), expenses described in
15 section 217(b)(1), and

16 “(ii) in the case of expenses incurred
17 with respect to a trade or business de-
18 scribed in subparagraph (A)(ii), expenses
19 (other than expenses for meals)—

20 “(I) of moving any inventory or
21 other item necessary for carrying on
22 such trade or business, and

23 “(II) of traveling from the
24 former location to the new location.

1 “(2) TAXABLE YEAR IN WHICH EXPENSES ARE
2 ALLOWED.—The term ‘applicable taxable year’
3 means—

4 “(A) in the case of relocation expenses de-
5 scribed in paragraph (1)(A)(i), the taxable year
6 of the individual in which the individual relo-
7 cates to a location in the Hurricane Katrina
8 disaster area in which the individual had a
9 principal place of abode on August 26, 2005.

10 “(B) in the case of relocation expenses de-
11 scribed in paragraph (1)(A)(ii), the taxable year
12 in which the trade or business of the taxpayer
13 is relocated to a location in the Hurricane
14 Katrina disaster area in which the trade or
15 business was located on August 26, 2005.

16 “(3) HURRICANE KATRINA DISASTER AREA.—
17 The term ‘Hurricane Katrina disaster area’ means
18 an area—

19 “(A) with respect to which a major dis-
20 aster has been declared by the President before
21 September 14, 2005, under section 401 of the
22 Robert T. Stafford Disaster Relief and Emer-
23 gency Assistance Act in connection with Hurri-
24 cane Katrina, and

1 “(B) which is determined by the President
2 before such date to warrant individual assist-
3 ance, or individual and public assistance, from
4 the Federal Government under such Act.

5 “(c) CARRYBACK AND CARRYFORWARD ALLOWED.—

6 “(1) IN GENERAL.—If the credit allowable
7 under subsection (a) for a taxable year exceeds the
8 amount of the limitation under subsection (d) for
9 such taxable year (in this subsection referred to as
10 the ‘unused credit year’), such excess shall be a
11 credit carryback to each of the 3 taxable years pre-
12 ceding the unused credit year and a credit
13 carryforward to each of the 20 taxable years fol-
14 lowing the unused credit year, except that no excess
15 may be carried to a taxable year beginning before
16 the date of the enactment of this section. The pre-
17 ceding sentence shall not apply to any credit
18 carryback if such credit carryback is attributable to
19 property for which a deduction for depreciation is
20 not allowable.

21 “(2) RULES.—Rules similar to the rules of sec-
22 tion 39 shall apply with respect to the credit
23 carryback and credit carryforward under paragraph
24 (1).

1 “(d) APPLICATION WITH OTHER CREDITS.—The
2 credit allowed under subsection (a) for any taxable year
3 shall not exceed the excess (if any) of—

4 “(1) the sum of the regular tax for the taxable
5 year and the tentative minimum tax for the taxable
6 year, over

7 “(2) the sum of the credits allowable under sub-
8 part A and sections 27, 29, and 30.”.

9 (b) DENIAL OF DOUBLE BENEFIT.—Section 280C is
10 amended by adding at the end the following new sub-
11 section:

12 “(e) HURRICANE KATRINA RELOCATION EX-
13 PENSES.—No deduction shall be allowed for the portion
14 of the expenses otherwise allowable as a deduction for the
15 taxable year which is equal to the amount of the credit
16 determined for the taxable year under section 45N(a).”.

17 (c) CONFORMING AMENDMENT.—The table of section
18 for subpart B of part IV of subchapter A of chapter 1
19 is amended by inserting after the item relating to section
20 30C the following new item:

 “Sec. 30D. Relocation expenses for victims of Hurricane Katrina.”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to expenses paid or incurred after
23 August 26, 2005.

1 **SEC. 745. 50-PERCENT INCOME TAX HOLIDAY.**

2 (a) IN GENERAL.—In the case of an individual, there
3 shall be excluded from gross income for each taxable year
4 beginning during the income tax holiday period an amount
5 equal to the lesser of—

6 (1) 50 percent of the sum of—

7 (A) the eligible wages for the taxable year,
8 plus

9 (B) the eligible net earnings from self-em-
10 ployment for the taxable year, or

11 (2) \$35,000 (\$70,000 in the case of a joint re-
12 turn).

13 (b) INCOME TAX HOLIDAY PERIOD.—For purposes
14 of this section—

15 (1) IN GENERAL.—Except as provided in para-
16 graph (2), the term “income tax holiday period ”
17 means the period beginning on August 28, 2005,
18 and ending on December 31, 2007.

19 (2) SPECIAL RULE FOR TAXABLE YEAR IN-
20 CLUDING AUGUST 28, 2005.—For purposes of sub-
21 section (a), any taxable year of the taxpayer which
22 includes August 28, 2005, shall be treated as a tax-
23 able year beginning during the income tax holiday
24 period, except that the eligible wages and eligible net
25 earnings from self-employment of the taxpayer for
26 such taxable year shall be equal to the amount of

1 such wages or earnings determined without regard
2 to this paragraph multiplied by a fraction—

3 (A) the numerator of which is the number
4 of days in the taxable year on and after August
5 28, 2005, and

6 (B) the denominator of which is the num-
7 ber of days in the taxable year.

8 (c) ELIGIBLE WAGES.—For purposes of this section,
9 the term “eligible wages” means wages (as defined in sec-
10 tion 3401(a)) received by the taxpayer during the taxable
11 year for services performed by the taxpayer in the Hurri-
12 cane Katrina Disaster Zone. For purposes of the pre-
13 ceding sentence, services shall be treated as performed in
14 such Zone if substantially all of such services are so per-
15 formed.

16 (d) ELIGIBLE NET EARNINGS FROM SELF-EMPLOY-
17 MENT.—For purposes of this section—

18 (1) IN GENERAL.—The term “eligible net earn-
19 ings from self-employment” means the net earnings
20 from self-employment of the taxpayer for the taxable
21 year determined under section 1402, except that—

22 (A) eligible wages shall not be taken into
23 account to the extent not excluded under sec-
24 tion 1402 (b)(1), and

1 (B) only self-employment income (and the
2 deductions attributable thereto) which are prop-
3 erly allocable to the active conduct of a trade or
4 business within the Hurricane Katrina Disaster
5 Zone shall be taken into account.

6 (2) RENTAL OF PROPERTY.—For purposes of
7 paragraph (1), the rental of real or personal prop-
8 erty shall be treated as the active conduct of a trade
9 or business if—

10 (A) in the case of real property, the prop-
11 erty is located in the Hurricane Katrina Dis-
12 aster Zone, and

13 (B) in the case of personal property, at
14 least 50 percent of the rental of the property is
15 by businesses located in, or is by residents of,
16 such Zone.

17 The exception under section 1402(a)(1) shall not
18 apply to self-employment income (and the deductions
19 attributable thereto) properly allocable to a trade or
20 business to which this paragraph applies.

21 (e) HURRICANE KATRINA DISASTER ZONE.—The
22 term “Hurricane Katrina Disaster Zone” has the meaning
23 given such term by section 1400M(g) of the Internal Rev-
24 enue Code of 1986.

1 **SEC. 746. HURRICANE KATRINA DISASTER ZONE RESTORA-**
2 **TION TAX CREDIT.**

3 (a) IN GENERAL.—Subpart D of part IV of sub-
4 chapter A of chapter 1 is amended by adding at the end
5 the following new section:

6 **“SEC. 45N. INVESTMENT IN HURRICANE KATRINA DIS-**
7 **ASTER ZONE PROPERTY.**

8 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
9 tion 38, the Hurricane Katrina Disaster Zone restoration
10 credit determined under this section shall equal the tax-
11 payer’s cost of Hurricane Katrina Disaster Zone property
12 placed in service during the taxable year, multiplied by
13 the applicable qualifying investment percentage set forth
14 in subsection (b).

15 “(b) APPLICABLE QUALIFYING INVESTMENT PER-
16 CENTAGE.—For purposes of subsection (a), the applicable
17 qualifying investment percentages are:

18 “(1) 20 percent with respect to property placed
19 in service within 12 months following the date on
20 which the area in which such property is placed in
21 service is declared a Hurricane Katrina Disaster
22 Zone.

23 “(2) 15 percent with respect to property placed
24 in service more than 12 months but within 24
25 months following such date.

1 “(3) 10 percent with respect to property placed
2 in service more than 24 months but within 36
3 months following such date.

4 “(c) DEFINITIONS AND SPECIAL RULES.—For pur-
5 poses of this section—

6 “(1) HURRICANE KATRINA DISASTER ZONE
7 PROPERTY.—The term ‘Hurricane Katrina Disaster
8 Zone property’ means property of a character sub-
9 ject to the allowance for depreciation provided in
10 section 167—

11 “(A) which is placed in service by the tax-
12 payer in a Hurricane Katrina Disaster Zone,
13 and

14 “(B) which replaces functionally similar
15 property owned by such taxpayer that was dam-
16 aged or destroyed as a result of the major dis-
17 aster declared by the President in connect with
18 Hurricane Katrina, regardless of whether the
19 replacement property utilizes improved or more
20 advanced technologies than the property being
21 replaced, and

22 “(C) the basis of which is not taken into
23 account for any other credit under this title.

1 “(2) HURRICANE KATRINA DISASTER ZONE.—
2 The term ‘Hurricane Katrina Disaster Zone’ has the
3 meaning given to such term by section 1400M(g).

4 “(3) NO REDUCTION IN BASIS.—The provisions
5 of section 50(c) shall not apply to reduce the basis
6 of Hurricane Katrina Disaster Zone property.”.

7 (b) ADDITIONAL CARRYBACK OF CREDIT AL-
8 LOWED.—Section 39(a) is amended by adding at the end
9 the following new paragraph:

10 “(4) 3-YEAR CARRYBACK FOR HURRICANE
11 KATRINA DISASTER ZONE RESTORATION CREDIT.—
12 Notwithstanding subsection (d), in the case of the
13 Hurricane Katrina Disaster Zone restoration credit
14 under section 45N—

15 “(A) this section shall be applied sepa-
16 rately from the business credit (other than the
17 Hurricane Katrina Disaster Zone restoration
18 credit), and

19 “(B) paragraph (1) shall be applied by
20 substituting ‘3 taxable years’ for ‘1 taxable
21 year’ in subparagraph (A) thereof.”.

22 (c) CREDIT ALLOWED AGAINST REGULAR AND MIN-
23 IMUM TAX.—Section 38(c)(4)(B) is amended by striking
24 the period at the end of clause (ii)(II) and inserting “,
25 and” and by adding at the end the following new clause:

1 “(iii) the credit determined under sec-
2 tion 45N.”.

3 (d) CONFORMING AMENDMENTS.—Subsection (b) of
4 section 38 is amended by striking “and” at the end of
5 paragraph (25), by striking the period at the end of para-
6 graph (26) and inserting “, and” by adding at the end
7 the following new paragraph:

8 “(27) the Hurricane Katrina Disaster Zone res-
9 toration credit determined under section 45N.”.

10 (e) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to amounts paid or incurred after
12 the date of the enactment of this Act with respect to prop-
13 erty placed in service after such date and before January
14 1, 2008.

15 **SEC. 747. 5-YEAR CARRYBACK OF NET OPERATING LOSSES**
16 **AND TEMPORARY SUSPENSION OF 90 PER-**
17 **CENT AMT LIMIT FOR BUSINESSES IN HURRI-**
18 **CANE KATRINA DISASTER ZONE.**

19 (a) IN GENERAL.—Section 172(b)(1)(H) is amended
20 by striking “during 2001 or 2002” and inserting “during
21 2005 or 2006 arising from the trade or business of any
22 taxpayer located in the Hurricane Katrina Disaster Zone
23 (as defined in section 1400M(g))”.

24 (b) TEMPORARY SUSPENSION.—Section
25 56(d)(1)(A)(ii)(I) is amended—

1 against the tax imposed by subtitle A of the Internal
2 Revenue Code of 1986 for any taxable year of the
3 taxpayer which includes August 28 of 2005, 2006,
4 or 2007, an amount equal to the lesser of—

5 (A) \$1,000 multiplied by the number of el-
6 igible employees of the employer, or

7 (B) \$100,000.

8 (2) TREATMENT OF CREDIT.—For purposes of
9 the Internal Revenue Code of 1986, except as other-
10 wise provided in this section, any credit allowed
11 under this section shall be treated in the same man-
12 ner as a credit allowed under subpart B of part IV
13 of subchapter A of chapter 1 of such Code.

14 (b) LIMITATION BASED ON AMOUNT OF TAX.—

15 (1) IN GENERAL.—The credit allowed by sub-
16 section (a) for any taxable year shall not exceed the
17 sum of—

18 (A) the regular tax for the taxable year re-
19 duced by the sum of the credits allowed under
20 subparts A and B of part IV of subchapter A
21 of chapter 1 of the Internal Revenue Code of
22 1986, plus

23 (B) the tax imposed by section 55(a) of
24 such Code for the taxable year.

1 (2) UNLIMITED CARRYFORWARD OF CREDIT.—

2 If the amount of the credit allowable under sub-
3 section (a) for any taxable year exceeds the limita-
4 tion under paragraph (1), such excess shall be treat-
5 ed as a carryover to all succeeding taxable years
6 and, subject to the limitation under paragraph (1),
7 shall be added to the credits allowed by subpart B
8 of part IV of subchapter A of chapter 1 of such
9 Code for any such succeeding taxable year.

10 (c) ELIGIBLE SMALL EMPLOYER AND EMPLOYEE

11 DEFINED.—For purposes of this section—

12 (1) ELIGIBLE SMALL EMPLOYER.—

13 (A) IN GENERAL.—The term “eligible
14 small employer” means an employer which—

15 (i) was engaged in the active conduct
16 of a trade or business in a Hurricane
17 Katrina disaster area on August 28, 2005,

18 (ii) employed an average of more than
19 1 but less than 300 employees on business
20 days during the 1-year period ending on
21 such date (or, if shorter, the period of its
22 existence) whose principal place of employ-
23 ment was in such an area,

24 (iii) meets the business interruption
25 test of subparagraph (B). and

1 (iv) has resumed in a Hurricane
2 Katrina disaster area substantially all of
3 the operations of the trade or business de-
4 scribed in paragraph (1) on or before De-
5 cember 31, 2006.

6 (B) BUSINESS INTERRUPTION TEST.—An
7 employer meets the requirements of this sub-
8 paragraph if—

9 (i) the employer is required to sus-
10 pend all or part of the active conduct of a
11 trade or business described in subpara-
12 graph (A)(i) by reason of Hurricane
13 Katrina, and

14 (ii) the gross receipts of such em-
15 ployer from the active conduct of the trade
16 or business for the taxable year are at
17 least 20 percent less than the gross re-
18 ceipts for the preceding taxable year (or if
19 the business was not in existence for all or
20 a portion of the preceding taxable year, at
21 least 20 percent less than the gross re-
22 ceipts which could have been reasonably
23 been expected to receive based on the gross
24 receipts of the trade or business during its
25 existence).

1 (2) ELIGIBLE EMPLOYEE.—The term “eligible
2 employee” means an employee of an employer—

3 (A) who is employed in the active conduct
4 of the trade or business described in paragraph
5 (1)(A)(i) on the date substantially all of the op-
6 erations of such trade or business were re-
7 sumed, and

8 (B) whose principal place of employment is
9 in a Hurricane Katrina disaster area.

10 For purposes of subsection (a)(1)(A), the number of
11 eligible employees with respect to any trade or busi-
12 ness shall not exceed the average number of employ-
13 ees described in paragraph (1)(A)(ii).

14 (d) DEFINITIONS AND SPECIAL RULES.—For pur-
15 poses of this section—

16 (1) HURRICANE KATRINA DISASTER AREA.—

17 The term “Hurricane Katrina disaster area” means
18 an area—

19 (A) with respect to which a major disaster
20 has been declared by the President before Sep-
21 tember 14, 2005, under section 401 of the Rob-
22 ert T. Stafford Disaster Relief and Emergency
23 Assistance Act in connection with Hurricane
24 Katrina, and

1 (B) which is determined by the President
2 before such date to warrant individual assist-
3 ance, or individual and public assistance, from
4 the Federal Government under such Act.

5 (2) AGGREGATION RULE.—All employers treat-
6 ed as a single employer under subsections (a) or (b)
7 of section 52 of the Internal Revenue Code of 1986
8 shall be treated as 1 employer.

9 (3) APPLICATION OF DOLLAR LIMIT.—The
10 \$100,000 limit under subsection (a) (1)(B) shall—

11 (A) in the case of employers aggregated
12 under paragraph (2), be allocated in such man-
13 ner as such employers provide,

14 (B) in the case of a partnership, S cor-
15 poration, trust, or other passthru entity, be ap-
16 plied at both the entity and the partner, share-
17 holder, beneficiary, or other beneficial owner
18 level, and

19 (C) in the case of a taxpayer operating
20 more than 1 trade or business, apply on an ag-
21 gregate base to all such trades or businesses.

22 (4) GROSS RECEIPTS.—Rules similar to the
23 rules of subparagraphs (B), (C), and (D) of section
24 448(c)(3) of such Code shall apply in determining
25 gross receipts for any period.

1 (e) TREATMENT OF PERSONS NOT ABLE TO USE
2 ENTIRE CREDIT.—

3 (1) IN GENERAL.—A taxpayer may transfer any
4 credit allowed under subsection (a) through an as-
5 signment to any other person . Such transfer may
6 be revoked only with the consent of the Secretary of
7 the Treasury.

8 (2) REGULATIONS.—The Secretary of the
9 Treasury shall prescribe such regulations as nec-
10 essary to ensure that any credit described in para-
11 graph (1) is claimed once and not reassigned by
12 such other person.

13 (3) SATISFACTION OF COMMUNITY REINVEST-
14 MENT ACT REQUIREMENTS.—A financial institution
15 that purchases any credit under paragraph (1) shall
16 be considered, for purposes of an evaluation under
17 section 804 of the Community Reinvestment Act of
18 1977 (12 U.S.C. 2903), to be meeting the credit
19 needs of its entire community, including low- and
20 moderate-income neighborhoods.

21 **SEC. 749. HOME PURCHASE BY VICTIMS OF HURRICANE**
22 **KATRINA.**

23 (a) IN GENERAL.—Subpart A of part IV of sub-
24 chapter A of chapter 1 (relating to nonrefundable personal

1 credits) is amended by inserting after section 25D the fol-
 2 lowing new section:

3 **“SEC. 25E. HOME PURCHASE BY INDIVIDUALS DISPLACED**
 4 **BY HURRICANE KATRINA.**

5 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
 6 gible homebuyer who purchases a principal residence in
 7 a Hurricane Katrina Disaster Zone, there shall be allowed
 8 as a credit against the tax imposed by this chapter for
 9 the taxable year an amount equal to so much of the pur-
 10 chase price of the residence as does not exceed \$50,000.

11 “(b) LIMITATION BASED ON MODIFIED ADJUSTED
 12 GROSS INCOME.—

13 “(1) IN GENERAL.—The amount allowable as a
 14 credit under subsection (a) (determined without re-
 15 gard to this subsection and subsection (d)) for the
 16 taxable year shall be reduced (but not below zero) by
 17 the amount which bears the same ratio to the credit
 18 so allowable as—

19 “(A) the excess (if any) of—

20 “(i) the taxpayer’s modified adjusted
 21 gross income for such taxable year, over

22 “(ii) \$70,000 (\$110,000 in the case of
 23 a joint return), bears to

24 “(B) \$20,000.

1 “(2) MODIFIED ADJUSTED GROSS INCOME.—
2 For purposes of paragraph (1), the term ‘modified
3 adjusted gross income’ means the adjusted gross in-
4 come of the taxpayer for the taxable year increased
5 by any amount excluded from gross income under
6 section 911, 931, or 933.

7 “(c) ELIGIBLE HOMEBUYER.—For purposes of this
8 section—

9 “(1) IN GENERAL.—The term ‘eligible home-
10 buyer’ means any individual if—

11 “(A) on August 29, 2005, the principal
12 place of abode of such individual (and if mar-
13 ried, such individual’s spouse) was located in a
14 Hurricane Katrina Disaster Zone, and such
15 principal place of abode was rendered uninhab-
16 itable by Hurricane Katrina, and

17 “(B) the principal residence for which the
18 credit is allowed under subsection (a) is located
19 in the same State as such principal place of
20 abode.

21 “(2) ONE-TIME ONLY.—If an individual is al-
22 lowed a credit under this section with respect to any
23 principal residence, such individual may not be al-
24 lowed a credit under this section with respect to any
25 other principal residence.

1 “(3) PRINCIPAL RESIDENCE.—The term ‘prin-
2 cipal residence’ has the same meaning as when used
3 in section 121.

4 “(d) APPLICATION WITH OTHER CREDITS.—The
5 credit allowed under subsection (a) for any taxable year
6 shall not exceed the excess (if any) of—

7 “(1) the sum of the regular tax for the taxable
8 year and the tentative minimum tax for the taxable
9 year, over

10 “(2) the sum of the credits allowable under this
11 subpart and sections 27, 29, and 30.

12 “(e) CARRYOVER OF CREDIT.—If the credit allowable
13 under subsection (a) exceeds the limitation imposed by
14 section 26(a) for such taxable year reduced by the sum
15 of the credits allowable under this subpart (other than this
16 section and sections 23, 24, 25B, and 1400C) such excess
17 shall be carried to the succeeding taxable year and added
18 to the credit allowable under subsection (a) for such tax-
19 able year.

20 “(f) OTHER DEFINITIONS AND SPECIAL RULES.—
21 For purposes of this section—

22 “(1) HURRICANE KATRINA DISASTER ZONE.—
23 The term ‘Hurricane Katrina Disaster Zone’ has the
24 meaning given to such term by section 1400M(g).

25 “(2) ALLOCATION OF DOLLAR LIMITATION.—

1 “(A) MARRIED INDIVIDUALS FILING SEPA-
2 RATELY.—In the case of a married individual
3 filing a separate return, subsection (a) shall be
4 applied by substituting ‘\$25,000’ for ‘\$50,000’.

5 “(B) OTHER TAXPAYERS.—If 2 or more
6 individuals who are not married purchase a
7 principal residence, the amount of the credit al-
8 lowed under subsection (a) shall be allocated
9 among such individuals in such manner as the
10 Secretary may prescribe, except that the total
11 amount of the credits allowed to all such indi-
12 viduals shall not exceed \$50,000.

13 “(3) PURCHASE.—

14 “(A) IN GENERAL.—The term ‘purchase’
15 means any acquisition, but only if—

16 “(i) the property is not acquired from
17 a person whose relationship to the person
18 acquiring it would result in the disallow-
19 ance of losses under section 267 or 707(b)
20 (but, in applying section 267(b) and (c) for
21 purposes of this section, paragraph (4) of
22 section 267(c) shall be treated as providing
23 that the family of an individual shall in-
24 clude only his spouse, ancestors, and lineal
25 descendants), and

1 “(ii) the basis of the property in the
2 hands of the person acquiring it is not de-
3 termined—

4 “(I) in whole or in part by ref-
5 erence to the adjusted basis of such
6 property in the hands of the person
7 from whom acquired, or

8 “(II) under section 1014(a) (re-
9 lating to property acquired from a de-
10 cedent).

11 “(B) CONSTRUCTION.—A residence which
12 is constructed by the taxpayer shall be treated
13 as purchased by the taxpayer on the date the
14 taxpayer first occupies such residence.

15 “(4) PURCHASE PRICE.—The term ‘purchase
16 price’ means the adjusted basis of the principal resi-
17 dence on the date such residence is purchased.

18 “(g) REPORTING.—If the Secretary requires informa-
19 tion reporting under section 6045 by a person described
20 in subsection (e)(2) thereof to verify the eligibility of tax-
21 payers for the credit allowable by this section, the excep-
22 tion provided by section 6045(e)(5) shall not apply.

23 “(h) BASIS ADJUSTMENT.—For purposes of this sub-
24 title, if a credit is allowed under this section with respect
25 to the purchase of any residence, the basis of such resi-

1 dence shall be reduced by the amount of the credit so al-
2 lowed.

3 “(i) TREATMENT OF PERSONS NOT ABLE TO USE
4 ENTIRE CREDIT.—

5 “(1) IN GENERAL.—A taxpayer may transfer
6 any credit allowed under subsection (a) through an
7 assignment to any other person . Such transfer may
8 be revoked only with the consent of the Secretary of
9 the Treasury.

10 “(2) REGULATIONS.—The Secretary of the
11 Treasury shall prescribe such regulations as nec-
12 essary to ensure that any credit described in para-
13 graph (1) is claimed once and not reassigned by
14 such other person.

15 “(3) SATISFACTION OF COMMUNITY REINVEST-
16 MENT ACT REQUIREMENTS.—A financial institution
17 that purchases any credit under paragraph (1) shall
18 be considered, for purposes of an evaluation under
19 section 804 of the Community Reinvestment Act of
20 1977 (12 U.S.C. 2903), to be meeting the credit
21 needs of its entire community, including low- and
22 moderate-income neighborhoods.

23 “(j) APPLICATION OF SECTION.—This section shall
24 apply to property purchased after August 28, 2005, and
25 before January 1, 2007.”.

1 (b) CONFORMING AMENDMENT.—Section 1016(a) of
2 such Code is amended by striking “and” at the end of
3 paragraph (36), by striking the period at the end of para-
4 graph (37) and inserting “, and”, and by adding at the
5 end the following new paragraph:

6 “(38) to the extent provided in section
7 25E(h).”.

8 (c) CLERICAL AMENDMENT.—The table of sections
9 for subpart A of part IV of subchapter A of chapter 1
10 of such Code is amended by inserting after the item relat-
11 ing to section 25D the following new item:

“Sec. 25E. Home purchase by individuals displaced by Hurricane
Katrina.”.

12 (d) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years ending after the
14 date of the enactment of this Act.

15 **SEC. 750. EXPEDITED REFUND CLAIMS.**

16 The Commissioner of Internal Revenue shall establish
17 a special office to expedite any refund claims resulting
18 from the provisions of, and amendments made by, this
19 Act.

1 **SEC. 751. APPLICATION OF NEW MARKET TAX CREDIT TO**
2 **INVESTMENTS IN COMMUNITY DEVELOP-**
3 **MENT ENTITIES SERVING AREAS AFFECTED**
4 **BY HURRICANE KATRINA.**

5 (a) IN GENERAL.—Subsection (e) of section 45D is
6 amended by adding at the end the following new para-
7 graph:

8 “(6) AREAS AFFECTED BY HURRICANE
9 KATRINA.—The term ‘low-income community’ shall
10 include any Hurricane Katrina Disaster Zone (as
11 defined in section 1400M(g)).”.

12 (b) INCREASE IN NATIONAL LIMITATION.—Para-
13 graph (1) of section 45D(f) is amended by striking sub-
14 paragraphs (C) and (D) and inserting after subparagraph
15 (B) the following new subparagraphs:

16 “(C) \$6,000,000,000 for 2005, of which
17 \$4,000,000,000 is allocated among qualified
18 community development entities to make quali-
19 fied low-income community investments within
20 a low-income community described in subsection
21 (e)(6), and

22 “(D) \$6,500,000,000 for 2006 and 2007,
23 of which \$3,000,000,000 for each year is allo-
24 cated among qualified community development
25 entities to make qualified low-income commu-

1 nity investments within a low-income commu-
2 nity described in subsection (e)(6).”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to investments made after August
5 29, 2005.

6 **SEC. 752. MODIFICATIONS TO LOW-INCOME HOUSING**
7 **CREDIT.**

8 (a) MODIFICATION OF CREDIT ALLOCATION.—In the
9 case of the State of Louisiana—

10 (1) section 42(h)(2)(C)(ii)(I) of the Internal
11 Revenue Code of 1986 (relating to State housing
12 credit ceiling) shall be applied by substituting
13 “\$3.70” for “\$1.75” for calendar years 2006 and
14 2007, and

15 (2) section 42(h)(2)(D)(i) of such Code (relat-
16 ing to unused housing credit carryovers allocated
17 among certain States) shall not apply to the State’s
18 unused housing credit carryover for calendar year
19 2006.

20 (b) MODIFICATION OF QUALIFIED LOW-INCOME
21 HOUSING PROJECT.—

22 (1) IN GENERAL.—In determining if any
23 project for residential rental property located in any
24 Hurricane Katrina disaster area (as defined in sec-
25 tion 700A) in the State of Louisiana and placed in

1 service after the date of the enactment of this Act
2 in any taxable year beginning in 2005, 2006, or
3 2007, is a qualified low-income housing property
4 under section 42(g)(1) of the Internal Revenue Code
5 of 1986, such section shall be applied by allowing
6 the taxpayer to elect to meet the requirements of
7 paragraph (2).

8 (2) 60-80 TEST.—A project described in para-
9 graph (1) meets the requirements of this paragraph
10 if 60 percent or more of the residential units in such
11 project are both rent-restricted and occupied by indi-
12 viduals whose income is 80 percent or less of area
13 median income.

14 (c) MODIFICATION OF HIGH COST AREA DETER-
15 MINATION.—In the case of any building located in any
16 Hurricane Katrina disaster area (as defined in section
17 700A) in the State of Louisiana and placed in service after
18 the date of the enactment of this Act in any taxable year
19 beginning in 2005, 2006, or 2007, section 42(d)(5)(C)
20 shall apply by substituting “not less than 130 percent nor
21 more than 200 percent (as determined under section
22 42(m)(2) by the housing credit agency)” for “130 per-
23 cent”.

24 (d) AUTHORIZATION OF REGULATIONS FOR LIHTC
25 PROPERTIES FINANCED WITH BONDS.—Section 142(d)

1 (relating to qualified residential rental project) is amended
2 by adding at the end the following new paragraph:

3 “(8) REGULATIONS.—The Secretary shall pre-
4 scribe such regulations as may be necessary or ap-
5 propriate to carry out the purposes of this sub-
6 section, including regulations—

7 “(A) dealing with—

8 “(i) projects which include more than
9 1 building or only a portion of a building,

10 “(ii) buildings which are placed in
11 service in portions,

12 “(B) providing for the application of this
13 subsection to short taxable years,

14 “(C) preventing the avoidance of the rules
15 of this subsection, and

16 “(D) providing the opportunity for housing
17 credit agencies to correct administrative errors
18 and omissions with respect to allocations and
19 record keeping within a reasonable period after
20 their discovery, taking into account the avail-
21 ability of regulations and other administrative
22 guidance from the Secretary.”.

1 **SEC. 753. ESTATE TAX RELIEF FOR HURRICANE KATRINA**
2 **VICTIMS.**

3 (a) IN GENERAL.—Subsection (b) of section 2201 is
4 amended by striking “and” at the end of paragraph (2),
5 by striking the period at the end of paragraph (3) and
6 inserting “, and”, and by adding at the end the following
7 new paragraph::

8 “(4) any specified Hurricane Katrina victim.”.

9 (b) SPECIFIED HURRICANE KATRINA VICTIM.—Sec-
10 tion 2201 is amended by adding at the end the following
11 new subsection:

12 “(e) SPECIFIED HURRICANE KATRINA VICTIM.—For
13 purposes of this section, the term ‘specified Hurricane
14 Katrina victim’ means any decedent who dies in a Hurri-
15 cane Katrina Disaster Zone (as defined in section
16 1400M(g)) as a result of wounds, injury, or illness, or the
17 inability to obtain treatment for an existing illness by rea-
18 son of Hurricane Katrina.”.

19 (c) CLERICAL AMENDMENTS.—

20 (1) The heading of section 2201 is amended by
21 striking “**AND DEATHS OF VICTIMS OF CERTAIN**
22 **TERRORIST ATTACKS**” and inserting “**DEATHS**
23 **OF VICTIMS OF CERTAIN TERRORIST ATTACKS,**
24 **AND DEATHS OF VICTIMS OF HURRICANE**
25 **KATRINA**”.

1 (2) The item relating to section 2201 in the
2 table of sections for subchapter C of chapter 11 is
3 amended by striking “and deaths of victims of cer-
4 tain terrorist attacks” and inserting “deaths of vic-
5 tims of certain terrorist attacks, and deaths of vic-
6 tims of Hurricane Katrina”.

7 (d) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to estates of decedents dying on
9 or after August 29, 2005.

10 **SEC. 754. ISSUANCE OF GULF OPPORTUNITY BONDS.**

11 Section 3105 of title 31, United States Code, is
12 amended by adding at the end the following new sub-
13 section:

14 “(f) The Secretary may designate one or more series
15 of bonds or certificates (or any portion thereof) under this
16 section as ‘Gulf Opportunity Bonds’ in response to the
17 devastation of Hurricane Katrina on August 28, 2005.”.

18 **TITLE VIII—LAW ENFORCEMENT**
19 **IMPROVEMENTS**

20 **SEC. 801. DEFINITION OF UNITS OF LOCAL GOVERNMENT.**

21 For the purposes of eligibility for grant programs ad-
22 ministered by the Department of Justice and Department
23 of Homeland Security in the State of Louisiana, parish
24 Sheriffs or District Attorneys are to be considered the unit
25 of local government.

1 **SEC. 802. SPECIAL INSPECTOR GENERAL FOR RELIEF AND**
2 **RECONSTRUCTION.**

3 (a) **SHORT TITLE.**—This section may be cited as the
4 “Special Inspector General for Relief and Reconstruction
5 Act of 2005”.

6 (b) **REDESIGNATION.**—(1) Section 3001 of the Emer-
7 gency Supplemental Appropriations Act for Defense and
8 for the Reconstruction of Iraq and Afghanistan, 2004
9 (Public Law 108–106; 117 Stat. 1234; 5 U.S.C. App. 3
10 section 8G note) is amended—

11 (A) in subsection (b), by striking “Office of the
12 Special Inspector General for Iraq Reconstruction”
13 and inserting “Office of the Special Inspector Gen-
14 eral for Relief and Reconstruction”; and

15 (B) in subsection (c)(1), by striking all after
16 “The head of the Office of the Special Inspector
17 General” and inserting “for Relief and Reconstruc-
18 tion is the Special Inspector General for Relief and
19 Reconstruction (in this section referred to as the ‘In-
20 spector General’). If a vacancy occurs after the serv-
21 ice of the individual as provided under subsection (b)
22 of the Special Inspector General for Relief and Re-
23 construction Act of 2005, the Inspector General
24 shall be appointed by the Director of the Office of
25 Management and Budget.”.

1 (2) in paragraph (3), by striking “the Secretary
2 of State and the Secretary of Defense” and inserting
3 “the Secretary of State, the Secretary of Homeland
4 Security, the Secretary of Defense, and the heads of
5 other Federal agencies, as appropriate,”.

6 (e) RESPONSIBILITIES OF ASSISTANT INSPECTOR
7 GENERAL FOR AUDITING.—Subsection (d) of such section
8 is amended to read as follows:

9 “(d) ASSISTANT INSPECTORS GENERAL.—(1) The
10 Inspector General shall, in accordance with applicable laws
11 and regulations governing the civil service—

12 “(A) appoint 1 or more Assistant Inspectors
13 General for Auditing who shall have the responsi-
14 bility for supervising the performance of auditing ac-
15 tivities relating to—

16 “(i) programs and operations supported by
17 the Iraq Relief and Reconstruction Fund; and

18 “(ii) programs and operations relating to
19 Hurricane Katrina recovery activities; and

20 “(B) appoint 1 or more Assistant Inspectors
21 General for Investigations who shall have the re-
22 sponsibility for supervising the performance of inves-
23 tigative activities relating to such programs and op-
24 erations.”.

1 (f) SUPERVISION.—Such section is further amend-
2 ed—

3 (1) in subsection (e)—

4 (A) in paragraph (1), by striking “the Sec-
5 retary of State and the Secretary of Defense”
6 and inserting “the Director of the Office of
7 Management and Budget, the Secretary of
8 State, and the Secretary of Defense”; and

9 (B) in paragraph (2)—

10 (i) by striking “Department of De-
11 fense, the Department of State, or the
12 United States Agency for International
13 Development” and inserting “Federal Gov-
14 ernment”; and

15 (ii) by inserting “and Hurricane
16 Katrina recovery activities” after “Iraq
17 Relief and Reconstruction Fund”;

18 (2) in subsection (f)—

19 (A) in paragraph (1)—

20 (i) by inserting “(A)” after “(1)”;

21 (ii) by redesignating subparagraphs
22 (A) through (E) as clauses (i) through (v),
23 respectively; and

24 (iii) by adding at the end the fol-
25 lowing:

1 “(B) It shall be the duty of the Inspector
2 General to conduct and coordinate audits and
3 investigations of the treatment, handling, and
4 expenditure of amounts appropriated or other-
5 wise made available for Hurricane Katrina re-
6 covery by the Federal Government, and of the
7 programs, operations, and contracts carried out
8 utilizing such funds, including—

9 “(i) the oversight and accounting of
10 the obligation and expenditure of such
11 funds;

12 “(ii) the monitoring and review of re-
13 construction activities funded by such
14 funds;

15 “(iii) the monitoring and review of
16 contracts funded by such funds;

17 “(iv) the monitoring and review of the
18 transfer of such funds and associated in-
19 formation between and among depart-
20 ments, agencies, and entities of the United
21 States, State and local governments, and
22 private and nongovernmental entities;

23 “(v) the maintenance of records on
24 the use of such funds to facilitate future

1 audits and investigations of the use of such
2 funds; and

3 “(vi) the monitoring of Federal grants
4 and benefit programs.”; and

5 (B) in paragraph (4)—

6 (i) by inserting “(A)” after “(4)”;

7 (ii) by striking all after “cooperation
8 of” and inserting “the inspectors general
9 and auditing entities of all other Federal
10 departments and agencies, and State and
11 local government entities.”; and

12 (iii) by adding at the end the fol-
13 lowing:

14 “(B)(i) The Inspector General shall en-
15 sure, to the greatest extent possible, that the
16 activities of the Inspector General do not dupli-
17 cate audits and investigations of inspectors gen-
18 eral and other auditors of Federal departments
19 and agencies, and State and local government
20 entities.

21 “(ii) The Inspector General shall notify the
22 inspector general of the relevant agency or de-
23 partment before initiating an audit or investiga-
24 tion relating to Hurricane Katrina activities.

1 “(iii) Nothing in this section shall be con-
2 strued to limit the statutory authority of inspec-
3 tors general to conduct audits or investigations
4 relating to Hurricane Katrina activities.”;

5 (3) in subsection (h)(4)(B), by striking “Sec-
6 retary of State or Secretary of Defense” and insert-
7 ing “Director of the Office of Management and
8 Budget and heads of relevant agencies”; and

9 (4) in subsection (h)(5)—

10 (A) by inserting “(A)” after “(5)”;

11 (B) by inserting “for activities relating to
12 Iraq” after “operation of such offices”; and

13 (C) by adding at the end the following:

14 “(B) The Secretary of Homeland Security
15 shall provide the Inspector General with appro-
16 priate and adequate office space, together with
17 such equipment, office supplies, and commu-
18 nications facilities and services as may be nec-
19 essary for the operations of such offices for ac-
20 tivities relating to Hurricane Katrina, and shall
21 provide necessary maintenance services for such
22 offices and equipment and facilities located
23 therein.”.

1 (g) REPORTS RELATING TO THE IRAQI RELIEF AND
2 RECONSTRUCTION.—Subsection (i) of such section is
3 amended by adding at the end the following:

4 “(7)(A) The Inspector General shall also submit
5 each report under this subsection to the Secretary of
6 State and the Secretary of Defense.

7 “(B)(i) Not later than 30 days after receipt of
8 a report under subparagraph (A), the Secretary of
9 State and the Secretary of Defense may submit to
10 the appropriate committees of Congress any com-
11 ments on the matters covered by the report as the
12 Secretary of State or the Secretary of Defense, as
13 the case may be, considers appropriate.

14 “(ii) A report under this subparagraph may in-
15 clude a classified annex if the Secretary of State or
16 the Secretary of Defense, as the case may be, con-
17 siders it necessary.”.

18 (h) REPORTS RELATING TO HURRICANE KATRINA
19 RELIEF AND RECONSTRUCTION.—Subsection (j) of such
20 section is amended to read as follows:

21 “(j) REPORTS RELATING TO HURRICANE KATRINA
22 RELIEF AND RECONSTRUCTION.—(1)(A) At the end of
23 each calendar quarter, beginning with the first full quarter
24 after the date of enactment of the Special Inspector Gen-
25 eral for Relief and Reconstruction Act of 2005, the Inspec-

1 tor General shall submit to the appropriate committees of
2 Congress a report summarizing for the period of that
3 quarter the activities of the Inspector General and of the
4 Hurricane Katrina recovery activities of the Federal Gov-
5 ernment. Each report shall include, for the period covered
6 by such report, a detailed statement of all obligations, ex-
7 penditures, and revenues associated with recovery activi-
8 ties for Hurricane Katrina, including the following:

9 “(i) Obligations and expenditures of appro-
10 priated funds.

11 “(ii) Accounting of the costs incurred to date
12 for Hurricane Katrina recovery, together with the
13 estimate of the Federal Government’s costs to com-
14 plete each project and each program.

15 “(iii) Operating expenses of any Federal de-
16 partments, agencies, or entities receiving appro-
17 priated funds for Hurricane Katrina recovery activi-
18 ties.

19 “(iv) In the case of any contract described in
20 paragraph (2)—

21 “(I) the amount of the contract or other
22 agreement;

23 “(II) a brief discussion of the scope of the
24 contract or other agreement;

1 “(III) a discussion of how the contracting
2 department or agency identified, and solicited
3 offers from, potential contractors to perform
4 the contract, together with a list of the poten-
5 tial contractors that were issued solicitations
6 for the offers; and

7 “(IV) the justification and approval docu-
8 ments on which was based the determination to
9 use procedures other than procedures that pro-
10 vide for full and open competition.

11 “(B) The first quarterly report required to be sub-
12 mitted under subparagraph (A) shall also summarize ac-
13 tivities for Hurricane Katrina recovery undertaken before
14 that quarter.

15 “(2) A contract described in this paragraph is any
16 major contract or other agreement that is entered into by
17 any department or agency of the United States Govern-
18 ment that involves the use of amounts appropriated or
19 otherwise made available for Hurricane Katrina recovery
20 with any public or private sector entity.

21 “(3) Not later than 45 days after the date of enact-
22 ment of the Special Inspector General for Relief and Re-
23 construction Act of 2005, the Inspector General shall sub-
24 mit to the appropriate committees of Congress an interim
25 report on the status of Hurricane Katrina recovery activi-

1 ties of the Federal Government. The interim report shall
2 include the following:

3 “(A) The operational activities of the Office of
4 the Special Inspector General for Relief and Recon-
5 struction.

6 “(B) The status of auditors and investigators
7 deployed to the Gulf of Mexico region of the United
8 States.

9 “(C) A strategic plan for oversight, including
10 audits of no bid contracts.

11 “(D) Vulnerabilities identified and immediate
12 actions to address such vulnerabilities.

13 “(E) Measures taken to coordinate interagency
14 oversight elements.

15 “(4) Not later than March 31, 2006, and semiannu-
16 ally thereafter, the Inspector General shall submit to the
17 appropriate committees of Congress a report meeting the
18 requirements of section 5 of the Inspector General Act of
19 1978 (5 U.S.C. App.).

20 “(5) The Inspector General shall publish each report
21 under this subsection on an accessible Federal Govern-
22 ment Internet Web site.

23 “(6) Nothing in this subsection shall be construed to
24 authorize the public disclosure of information that is—

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

3 “(B) specifically required by Executive order to
4 be protected from disclosure in the interest of na-
5 tional defense or national security or in the conduct
6 of foreign affairs; or

7 “(C) a part of an ongoing criminal investiga-
8 tion.

9 “(7)(A) The Inspector General shall also submit each
10 report under this subsection to the Director of the Office
11 of Management and Budget, Secretary of Defense, or
12 heads of other appropriate agencies.

13 “(B) Not later than 30 days after receipt of a
14 report under paragraph (1), the Director of the Of-
15 fice of Management and Budget and the heads of
16 other appropriate agencies may submit to the appro-
17 priate committees of Congress any comments on the
18 matters covered by the report as the Director of the
19 Office of Management and Budget and heads of rel-
20 evant agencies consider appropriate.

21 “(8) The Inspector General shall respond to any rea-
22 sonable summons to appear and testify before any duly
23 constituted committee of Congress.”.

24 (i) TRANSPARENCY.—Subsection (k) of such section
25 is amended—

1 (1) in paragraph (1), by striking “subsection
2 (i), the Secretary of State and the Secretary of De-
3 fense shall jointly” and inserting “subsection (i) or
4 (j), the Director of the Office of Management and
5 Budget and the heads of the relevant departments
6 shall”; and

7 (2) in paragraph (2), by striking “subsection
8 (j)(2) of comments on a report under subsection (i),
9 the Secretary of State and the Secretary of Defense
10 shall jointly” and inserting “subsection (i)(7)(B) or
11 (j)(7)(B) of comments on a report under subsection
12 (i) or (j), the Director of the Office of Management
13 and Budget and the heads of relevant departments
14 shall”.

15 (j) WAIVER.—Subsection (l) of such section is
16 amended—

17 (1) in paragraph (1), by inserting “or para-
18 graph (1) or (3) of subsection (j)” after “subsection
19 (i)”; and

20 (2) in paragraph (2), by inserting “or para-
21 graph (1) or (3) of subsection (j)” after “subsection
22 (i)”.

23 (k) APPROPRIATE COMMITTEES OF CONGRESS.—
24 Subsection (m) of such section is amended—

1 (1) in paragraph (1), by striking “and Foreign
2 Relations” and inserting “Foreign Relations, and
3 Homeland Security and Governmental Affairs”; and

4 (2) in paragraph (2), by striking “and Inter-
5 national Relations” and inserting “International Re-
6 lations, and Homeland Security”.

7 (1) FUNDING.—Subsection (n) of such section is
8 amended by adding at the end the following:

9 “(3) There are authorized to be appropriated to
10 the Office of the Special Inspector General for Relief
11 and Reconstruction to carry out the responsibilities
12 of the Special Inspector General relating to Hurri-
13 cane Katrina recovery \$80,000,000 for fiscal year
14 2006.”.

15 (m) TERMINATION.—Subsection (o) of such section
16 is amended to read as follows:

17 “(o) TERMINATION.—(1)(A) The responsibilities of
18 the Office of the Special Inspector General for Relief and
19 Reconstruction with respect to the Iraq Relief and Recon-
20 struction Fund shall terminate on the date that is 10
21 months after the date, as determined by the Secretary of
22 State and Secretary of Defense, on which 80 percent of
23 the amounts appropriated or otherwise made available to
24 the Iraq Relief and Reconstruction Fund by chapter 2 of
25 title II of this Act have been obligated.

1 “(B) The responsibilities of the Office of the Special
 2 Inspector General for Relief and Reconstruction with re-
 3 spect to Hurricane Katrina recovery activities shall termi-
 4 nate 2 years after the date of enactment of the Special
 5 Inspector General for Relief and Reconstruction Act of
 6 2005.

7 “(2) The Office of the Special Inspector General for
 8 Relief and Reconstruction shall terminate on the later date
 9 occurring under subparagraph (A) or (B) of paragraph
 10 (1).”.

11 **SEC. 803. GENERAL ACCOUNTABILITY OFFICE REPORT.**

12 The General Accountability Office shall track spend-
 13 ing of money appropriated in each Hurricane Katrina
 14 emergency supplemental appropriations and report to
 15 Congress quarterly on how that money is spent.

16 **SEC. 804. CREATING FEDERAL CRIME OF INTERFERING**
 17 **WITH FEDERAL DISASTER RELIEF EFFORTS.**

18 (a) IN GENERAL.—Chapter 65 of title 18, United
 19 States Code, is amended by adding the following new sec-
 20 tion:

21 **“§ 1370. Interference with Federal disaster relief ef-**
 22 **forts**

23 “(a) PROHIBITED CONDUCT.—Whoever, during a
 24 presidentially-declared major disaster or emergency—

1 “(1) forcibly assaults, resists, opposes, impedes,
2 intimidates, or interferes with any officer or em-
3 ployee of the United States or of any agency in any
4 branch of the United States Government (including
5 any member of the uniformed services) while such
6 officer or employee is engaged in or on account of
7 the performance of official duties relating to, or in
8 support of recovery from, the presidentially-declared
9 disaster or emergency, or any person assisting such
10 an officer or employee in the performance of such
11 duties or on account of that assistance; or

12 “(2) forcibly assaults, resists, opposes, impedes,
13 intimidates, or interferes with any person providing
14 services in support of disaster relief efforts and
15 working in coordination with a Federal coordinating
16 officer appointed pursuant to section 302, Public
17 Law 98–288 (42 U.S.C. 5143), shall, except as pro-
18 vided in subsection (b) of this section, be fined
19 under this title or imprisoned not more than two
20 years, or both.

21 “(b) ENHANCED PENALTY.—Whoever, in the com-
22 mission of and in relation to any act described in sub-
23 section (a) of this section, carries, possesses or uses a
24 deadly or dangerous weapon or inflicts serious bodily in-
25 jury, shall be fined under this title or imprisoned not more

1 than 15 years or both, or, if the death of any person re-
 2 sults, shall be punished by death or life imprisonment.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
 4 at the beginning of chapter 86 of title 18, United States
 5 Code, is amended by adding at the end the following new
 6 item:

“1370. Interference with Federal disaster relief efforts”.

7 **SEC. 805. PENALTIES FOR FRAUD.**

8 (a) IN GENERAL.—Whoever knowingly makes, or
 9 causes to be made by another, a false statement or rep-
 10 resentation of a material fact, or knowingly has failed, or
 11 caused another to fail, to disclose a material fact, and as
 12 a result of such false statement or representation or of
 13 such nondisclosure such individual has received an amount
 14 of assistance from the Federal Government under this Act
 15 to which he was not entitled, such individual—

16 (1) shall be ineligible for further assistance
 17 under this Act; and

18 (2) shall be subject to prosecution under section
 19 1370 of title 18, United States Code.

20 **SEC. 806. PROTECTING OF VOLUNTEERS.**

21 (a) QUALIFIED IMMUNITY FROM SUIT.—Any person
 22 or entity (including any Indian Tribe) that, in response
 23 to harm caused by Hurricane Katrina of 2005, voluntarily,
 24 in good faith, and without a preexisting duty or expecta-
 25 tion of compensation, renders aid (including medical treat-

1 ment and rescue assistance) to any individual, shall not
 2 be liable for any injury (including personal injury, prop-
 3 erty damage or loss, and death) arising out of or resulting
 4 from that aid that was not caused by—

5 (1) willful, wanton, reckless or criminal conduct
 6 of that person or entity; or

7 (2) conduct of that person or entity that con-
 8 stitutes a violation of a Federal or State civil rights
 9 law.

10 (b) PREEMPTION.—This section preempts the laws of
 11 a State to the extent such laws are inconsistent with this
 12 section, except that this section shall not preempt any
 13 State law that provides additional protection from liability
 14 relating to volunteers.

15 **SEC. 807. LEAVE TRANSFER PROGRAM IN DISASTERS AND**
 16 **EMERGENCIES.**

17 Section 6391 of title 5, United States Code, is
 18 amended—

19 (1) by redesignating subsection (f) as sub-
 20 section (g); and

21 (2) by inserting after subsection (e) the fol-
 22 lowing:

23 “(f) After consultation with the Administrative Office
 24 of the United States Courts, the Office of Personnel Man-
 25 agement shall provide for the participation of employees

- 1 in the judicial branch in any emergency leave transfer pro-
- 2 gram under this section.”.

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