

PUBLIC LAW 99-272—APR. 7, 1986

CONSOLIDATED OMNIBUS BUDGET RECON-  
CILIATION ACT OF 1985

(Misc. COBRA PROVISIONS AFFECTING IHS)

provided through a facility of the uniformed services shall operate to prevent collection by the United States under subsection (a).

“(c) Under regulations prescribed under subsection (f), records of the facility of the uniformed services that provided inpatient hospital care to a beneficiary of an insurance, medical service, or health plan of a third-party payer shall be made available for inspection and review by representatives of the payer from which collection by the United States is sought.

“(d) Notwithstanding subsections (a) and (b), collection may not be made under this section in the case of a plan administered under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq.).

42 USC 1396.

“(e)(1) The United States may institute and prosecute legal proceedings against a third-party payer to enforce a right of the United States under this section.

“(2) The administering Secretary may compromise, settle, or waive a claim of the United States under this section.

Regulations.

“(f) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations for the administration of this section. Such regulations shall provide for computation of the reasonable cost of inpatient hospital care. Computation of such reasonable cost may be based on—

“(1) per diem rates; or

“(2) such other method as may be appropriate.

“(g) In this section, ‘third-party payer’ means an entity that provides an insurance, medical service, or health plan by contract or agreement.”

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

“1095. Collection from third-party payers of reasonable inpatient hospital care costs incurred on behalf of retirees and dependents.”

10 USC 1095 note.

(b) EFFECTIVE DATE.—Section 1095 of title 10, United States Code, as added by subsection (a), shall apply with respect to inpatient hospital care provided after September 30, 1986, but only with respect to an insurance, medical service, or health plan agreement entered into, amended, or renewed on or after the date of the enactment of this Act.

**SEC. 2002. EXTENSION OF DEADLINE FOR REPORT ON USE BY CHAMPUS SYSTEM OF MEDICARE PROSPECTIVE PAYMENT PROGRAM.**

Section 634(c) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2544), is amended by striking out “February 28, 1985” and inserting in lieu thereof “June 30, 1986”.

**TITLE III—HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS**

Housing and Community Development Reconciliation Amendments of 1985. 42 USC 5301 note.

**SEC. 3001. SHORT TITLE AND TABLE OF SECTIONS.**

(a) SHORT TITLE.—This title may be cited as the “Housing and Community Development Reconciliation Amendments of 1985”.

(b) TABLE OF SECTIONS.—

Sec. 3001. Short title and table of sections.

Sec. 3002. Purchase of CDBG guaranteed obligations by the Federal Financing Bank.

Sec. 3003. Public housing operating subsidies.

- Sec. 3004. Public and Indian housing financing reforms.  
 Sec. 3005. Rural housing authorizations.  
 Sec. 3006. Management of insured and guaranteed rural housing loans.  
 Sec. 3007. Extension of Federal Housing Administration mortgage insurance programs.  
 Sec. 3008. Extension of rehabilitation loan authority.  
 Sec. 3009. Extension of rural housing authorities.  
 Sec. 3010. Extension of flood and crime insurance programs.  
 Sec. 3011. Miscellaneous extensions.

**SEC. 3002. PURCHASE OF CDBG GUARANTEED OBLIGATIONS BY THE FEDERAL FINANCING BANK.**

42 USC 5308. (a) **PROHIBITION.**—Section 108 of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following:

“(1) Notes or other obligations guaranteed under this section may not be purchased by the Federal Financing Bank.”

42 USC 5308 note. (b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect on July 1, 1986.

42 USC 5308 note. (c) **ADMINISTRATIVE ACTIONS.**—The Secretary of Housing and Urban Development shall take such administrative actions as are necessary to provide by the effective date of subsection (a) private sector financing of loans guaranteed under section 108 of the Housing and Community Development Act of 1974.

**SEC. 3003. PUBLIC HOUSING OPERATING SUBSIDIES.**

42 USC 1437g. Section 9(c) of such Act is amended by striking out “and by” after “1983,” and by inserting after “1984” the following: “, and not to exceed \$1,279,000,000 on or after October 1, 1985”.

**SEC. 3004. PUBLIC AND INDIAN HOUSING FINANCING REFORMS.**

42 USC 1437b. Section 4 of the United States Housing Act of 1937 is amended by adding at the end thereof the following new subsection:

“(c)(1) At such times as the Secretary may determine, and in accordance with such accounting and other procedures as the Secretary may prescribe, each loan made by the Secretary under subsection (a) that has any principal amount outstanding or any interest amount outstanding or accrued shall be forgiven; and the terms and conditions of any contract, or any amendment to a contract, for such loan with respect to any promise to repay such principal and interest shall be canceled. Such cancellation shall not affect any other terms and conditions of such contract, which shall remain in effect as if the cancellation had not occurred. This paragraph shall not apply to any loan the repayment of which was not to be made using annual contributions, or to any loan all or part of the proceeds of which are due a public housing agency from contractors or others.

“(2)(A) On the date of the enactment of the Housing and Community Development Reconciliation Amendments of 1985, each note or other obligation issued by the Secretary to the Secretary of the Treasury pursuant to subsection (b), together with any promise to repay the principal and unpaid interest that has accrued on each note or obligation, shall be forgiven; and any other term or condition specified by each such obligation shall be canceled.

“(B) On September 30, 1986, and on any subsequent September 30, each such note or other obligation issued by the Secretary to the Secretary of the Treasury pursuant to subsection (b) during the fiscal year ending on such date, together with any promise to repay the principal and unpaid interest that has accrued on each note or

obligation, shall be forgiven; and any other term or condition specified by each such obligation shall be canceled.

“(3) Any amount of budget authority (and contract authority) that becomes available during any fiscal year as a result of the forgiveness of any loan, note, or obligation under this subsection shall be rescinded.”

#### SEC. 3005. RURAL HOUSING AUTHORIZATIONS.

Subsection (a)(1) of section 513 of the Housing Act of 1949 is amended to read as follows: 42 USC 1483.

“(a)(1) The Secretary may insure and guarantee loans under this title during fiscal year 1986 in an aggregate amount not to exceed \$2,146,600,000, of which—

- “(A) \$1,209,600,000 shall be for loans under section 502; 42 USC 1472.
- “(B) \$17,000,000 shall be for loans under section 504; 42 USC 1474.
- “(C) \$19,000,000 shall be for loans under section 514; 42 USC 1484.
- “(D) \$900,000,000 shall be for loans under section 515; and 42 USC 1485.
- “(E) \$1,000,000 shall be for loans under section 524.” 42 USC 1490a.

#### SEC. 3006. MANAGEMENT OF INSURED AND GUARANTEED RURAL HOUSING LOANS.

(a) SALE OF INSURED AND GUARANTEED LOANS TO PUBLIC.—Section 517(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: “Any loan made and sold by the Secretary under this section after the date of the enactment of the Housing and Community Development Reconciliation Amendments of 1985 (and any loan made by other lenders under this title that is insured or guaranteed in accordance with this section, is purchased by the Secretary, and is sold by the Secretary under this section after such date) shall be sold to the public and may not be sold to the Federal Financing Bank, unless such sale to the Federal Financing Bank is required to service transactions under this title between the Secretary and the Federal Financing Bank occurring on or before such date.” 42 USC 1487.

(b) INTEREST SUBSIDY ON INSURED AND GUARANTEED LOANS OFFERED FOR SALE TO PUBLIC.—Section 517(d) of the Housing Act of 1949 is amended—

- (1) by inserting “(1)” after the subsection designation; and
- (2) by adding at the end thereof the following new paragraph:

“(2) Each loan made by the Secretary or other lenders under this title that is insured or guaranteed in accordance with this subsection shall, when offered for sale to the public, be accompanied by an agreement by the Secretary to pay to the holder of such loan (through an agreement to purchase such loan or through such other means as the Secretary determines to be appropriate) the difference between the rate of interest paid by the borrower of such loan and the market rate of interest (as determined by the Secretary) on obligations having comparable periods to maturity on the date of such sale.”

(c) PROTECTION OF BORROWERS UNDER LOANS SOLD TO PUBLIC.—Section 517(d) of the Housing Act of 1949, as amended by subsection (b) of this section, is amended by adding at the end thereof the following new paragraph:

“(3) Each loan made by the Secretary or other lenders under this title that is insured or guaranteed in accordance with this subsection shall, when offered for sale to the public, be accompanied by

agreements for the benefit of the borrower under the loan that provide that—

“(A) the purchaser or any assignee of the loan shall not diminish any substantive or procedural right of the borrower arising under this title;

“(B) upon any substantial default of the borrower, but prior to foreclosure, the loan shall be assigned to the Secretary for the purpose of avoiding foreclosure; and

“(C) following any assignment under subparagraph (B) and before commencing any action to foreclose or otherwise dispossess the borrower, the Secretary shall afford the borrower all substantive and procedural rights arising under this title, including consideration for interest subsidy, moratorium, reamortization, refinancing, and appeal of any adverse decision to an impartial officer.

“(4) From the proceeds of loan sales under paragraph (2), the Secretary shall set aside as a reserve against future losses not less than 5 percent of the outstanding face amount of the loans held by the public at any time.”

42 USC 1487.

(d) USE OF RURAL HOUSING INSURANCE FUND.—Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking out “and” at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof “; and”; and

(3) by adding at the end thereof the following new paragraph:

“(6) to make payments and take other actions in accordance with agreements entered into under paragraphs (2) and (3) of subsection (d).”

(e) ELIGIBILITY FOR GUARANTEED LOANS.—Section 517 of the Housing Act of 1949 is amended by striking out subsection (n).

(f) REGULATIONS.—Section 517(o) of the Housing Act of 1949 is amended—

(1) by inserting “(1)” after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

“(2) Not later than the expiration of the 90-day period following the date of the enactment of the Housing and Community Development Reconciliation Amendments of 1985, the Secretary shall issue regulations to facilitate the marketability in the secondary mortgage market of loans insured or guaranteed under this section. Such regulations shall ensure that such loans are competitive with other loans and mortgages insured or guaranteed by the Federal Government.”

Regulations.  
Marketing.

#### SEC. 3007. EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS.

12 USC 1703.

(a) TITLE I INSURANCE.—Section 2(a) of the National Housing Act is amended by striking out “prior to December 16, 1985” in the first sentence and inserting in lieu thereof “not later than March 17, 1986”.

12 USC 1715h.

(b) GENERAL INSURANCE.—Section 217 of the National Housing Act is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”.

12 USC 1715l.

(c) LOW AND MODERATE INCOME HOUSING INSURANCE.—Section 221(f) of the National Housing Act is amended by striking out “December 15, 1985” in the fifth sentence and inserting in lieu thereof “March 17, 1986”.

(d) SECTION 235 HOMEOWNERSHIP.—

- (1) ASSISTANCE PAYMENTS AUTHORITY.—Section 235(h)(1) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1715z.
- (2) INSURANCE AUTHORITY.—Section 235(m) of the National Housing Act is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”.
- (3) HOUSING STIMULUS AUTHORITY.—Section 235(q)(1) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”.
- (e) Co-INSURANCE.—
- (1) GENERAL AUTHORITY.—Section 244(d) of the National Housing Act is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”. 12 USC 1715z-9.
- (2) RENTAL REHABILITATION AND DEVELOPMENT PROJECTS.—Section 244(h) of the National Housing Act is amended by striking out “on or after December 16, 1985” in the last sentence and inserting in lieu thereof “after March 17, 1986”.
- (f) GRADUATED PAYMENT AND INDEXED MORTGAGE INSURANCE.—Section 245(a) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1715z-10.
- (g) REINSURANCE CONTRACTS.—Section 249(a) of the National Housing Act is amended by striking out “December 15, 1985” in the second sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1715z-14.
- (h) ARMED SERVICES HOUSING INSURANCE.—
- (1) CIVILIAN EMPLOYEES OF ARMED FORCES.—Section 809(f) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1748h-1.
- (2) DEFENSE HOUSING FOR IMPACTED AREAS.—Section 810(k) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1748h-2.
- (i) LAND DEVELOPMENT INSURANCE.—Section 1002(a) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1749bb.
- (j) GROUP PRACTICE FACILITIES INSURANCE.—Section 1101(a) of the National Housing Act is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 12 USC 1749aaa.
- SEC. 3008. EXTENSION OF REHABILITATION LOAN AUTHORITY.
- Section 312(h) of the Housing Act of 1964 is amended—
- (1) by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”; and
- (2) by striking out “prior to December 16, 1985” and inserting in lieu thereof “on or before such date”. 42 USC 1452b.
- SEC. 3009. EXTENSION OF RURAL HOUSING AUTHORITIES.
- (a) RENTAL HOUSING LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”. 42 USC 1485.
- (b) RURAL AREA CLASSIFICATION.—Section 520 of the Housing Act of 1949 is amended by striking out “December 15, 1985” in the last sentence and inserting in lieu thereof “March 17, 1986”. 42 USC 1490.

42 USC 1490c. (c) **MUTUAL AND SELF-HELP HOUSING GRANT AND LOAN AUTHORITY.**—Section 523(f) of the Housing Act of 1949 is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”.

**SEC. 3010. EXTENSION OF FLOOD AND CRIME INSURANCE PROGRAMS.**

(a) **FLOOD INSURANCE.**—

42 USC 4026. (1) **GENERAL AUTHORITY.**—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”.

42 USC 4056. (2) **EMERGENCY IMPLEMENTATION.**—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”.

42 USC 4101. (3) **ESTABLISHMENT OF FLOOD-RISK ZONES.**—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking out “December 15, 1985” and inserting in lieu thereof “March 17, 1986”.

12 USC 1749bbb. (b) **CRIME INSURANCE.**—Section 1201(b)(1) of the National Housing Act is amended by striking out “December 15, 1985” in the matter preceding subparagraph (A) and inserting in lieu thereof “March 17, 1986”.

**SEC. 3011. MISCELLANEOUS EXTENSIONS.**

(a) **COMMUNITY DEVELOPMENT BLOCK GRANT CLASSIFICATIONS.**—

42 USC 5302. (1) **METROPOLITAN CITY.**—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out “December 15, 1985” in the second sentence and inserting in lieu thereof “March 17, 1986”.

(2) **URBAN COUNTY.**—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended by striking out “December 15, 1985” in the second sentence and inserting in lieu thereof “March 17, 1986”.

42 USC 1701q note. (b) **SECTION 202 INTEREST RATE LIMITATION.**—Section 223(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking out “prior to December 16, 1985” and inserting in lieu thereof “not later than March 17, 1986”.

12 USC 2811. (c) **HOME MORTGAGE DISCLOSURE ACT OF 1975.**—Section 312 of the Home Mortgage Disclosure Act of 1975 is amended by striking out “December 16, 1985” and inserting in lieu thereof “March 17, 1986”.

## TITLE IV—TRANSPORTATION AND RELATED PROGRAMS

### Subtitle A—Railroads

Amtrak  
Reauthorization  
Act of 1985.  
45 USC 501 note.

**SEC. 4001. SHORT TITLE.**

This subtitle may be cited as the “Amtrak Reauthorization Act of 1985”.

**SEC. 4002. AUTHORIZATION OF APPROPRIATIONS.**

(a) **AUTHORIZATION.**—Section 601(b)(2) of the Rail Passenger Service Act (45 U.S.C. 601(b)(2)) is amended—

(1) in subparagraph (A) by striking out “and” after “403(b) of this Act;”;

**TITLE XV—CIVIL SERVICE, POSTAL  
SERVICE, AND GOVERNMENTAL AF-  
FAIRS GENERALLY**

**Subtitle A—Postal Service Programs**

**SEC. 15101. REVENUE FORGONE.**

39 USC 2401  
note.

Notwithstanding subsection (c) of section 2401 of title 39, United States Code, the amount authorized to be appropriated pursuant to such subsection for fiscal year 1986 shall be \$749,000,000.

**SEC. 15102. DELAY OF STEP 16 RATES; ELIMINATION OF PHASING SCHEDULE; TERMINATION OF REDUCTION IN RATES OF POSTAGE FOR CERTAIN MAILERS.**

(a) **DELAY OF STEP 16 RATES.**—The increase in rates of postage for non-profit and certain other mailers announced by the Board of Governors of the United States Postal Service in Resolution No. 85-7 (adopted September 6, 1985) shall not take effect before January 1, 1986.

(b) **ELIMINATION OF PHASING SCHEDULE.**—(1) Section 3626(a) of title 39, United States Code, is amended to read as follows:

39 USC 4358,  
4452, 4554.

“(a)(1) Except as provided in paragraph (2) of this subsection, rates of postage for a class of mail or kind of mailer under former section 4358, 4452(b), 4452(c), 4554(b), or 4554(c) of this title shall be established in accordance with applicable provisions of this chapter.

“(2) Rates of postage for a class of mail or kind of mailer referred to in paragraph (1) of this subsection shall be established in accordance with the requirement that the direct and indirect postal costs attributable to such class of mail or kind of mailer (excluding any other costs of the Postal Service) shall be borne by such class of mail or kind of mailer, as the case may be.”

Effective date.

39 USC 3626  
note.

(2) The amendment made by this subsection shall apply with respect to rates of postage taking effect after December 31, 1985.

(c) **TERMINATION OF REDUCTION IN RATES OF POSTAGE FOR CERTAIN MAILERS.**—Section 3626 of title 39, United States Code, is amended by adding at the end thereof the following:

“(f) In the administration of this chapter, the rates for mail under former section 4358(g) of this title shall be established without regard to either the provisions of such former section 4358(g) or the provisions of this section.”

**SEC. 15103. STUDY AND REPORT.**

(a) **PERIOD OF STUDY.**—The Postal Rate Commission shall study and, within 6 months after the date of the enactment of this Act, transmit to the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate a written report on the matters described in subsection (b).

(b) **PURPOSE OF STUDY.**—The purpose of the study under this section is—

(1) to develop recommendations for legislation which would reduce the amount of revenue forgone with respect to former sections 4355(a), 4355(b), 4358(d), 4452(b), 4452(c), 4554(b) and 4554(c) of title 39, United States Code, by changing the eligi-

bility requirements under which the reduced rates of postage under those sections would apply to mail which advertises or promotes the sale of, recommends the purchase of, or announces the availability of any article, product, service, insurance, or travel arrangements;

(2)(A) to identify the kinds of mailers which are the most frequent users of, or which otherwise significantly benefit from, rates for mail under subsections (a), (b), and (c) of former section 4358 of title 39, United States Code; and

(B) to examine the arguments for and against making the eligibility requirements for the rates referred to in subparagraph (A) more stringent, taking into consideration—

(i) the findings under subparagraph (A);

(ii) costs and benefits to the public; and

(iii) any other factor which may be appropriate; and

(3) to develop one or more alternatives for the method currently used by the United States Postal Service in computing revenue forgone (as determined with respect to the provisions of law referred to in section 2401(c) of title 39, United States Code) and to determine the advantages and disadvantages of each such alternative.

(c) In preparing its report under this section, the Postal Rate Commission shall invite and consider the views of interested parties.

(d) The United States Postal Service shall, upon request of the Postal Rate Commission, cooperate in the conduct of the study and the preparation of the report under this section.

**SEC. 15104. RESTRICTION RELATING TO ELIGIBILITY FOR IN-COUNTY SECOND-CLASS RATES OF POSTAGE.**

Section 3626 of title 39, United States Code, as amended by section 15102(c) of this Act, is further amended by adding at the end thereof the following:

“(g)(1) In the administration of this section, the rates for mail under subsections (a), (b), and (c) of former section 4358 of this title shall not apply to an issue of a publication if the number of copies of such issue distributed within the county of publication is less than the number equal to the sum of 50 percent of the total paid circulation of such issue plus one.

39 USC 4358.

“(2) Paragraph (1) of this subsection shall not apply to an issue of a publication if the total paid circulation of such issue is less than 10,000 copies.”.

**SEC. 15105. CURBING OF SUBSIDIES FOR ADVERTISING-ORIENTED “PLUS ISSUES” MAILED TO SUBSCRIBERS AT IN-COUNTY RATES.**

Section 3626 of title 39, United States Code, as amended by sections 15102(c) and 15104 of this Act, is further amended by adding at the end thereof the following:

“(h) In the administration of this section, the number of copies of a subscription publication mailed to nonsubscribers during a calendar year at rates under subsections (a), (b), and (c) of former section 4358 of this title may not exceed 10 percent of the number of copies of such publication mailed at such rates to subscribers.”.

## Subtitle B—Civil Service Programs

5 USC 5305 note. SEC. 15201. PAY ADJUSTMENTS.

(a) **LIMITATION ON PAY ADJUSTMENTS FOR STATUTORY PAY SYSTEMS.**—(1) The rates of pay under the General Schedule and the rates of pay under the other statutory pay systems referred to in section 5301(c) of title 5, United States Code, shall not be adjusted under section 5305 of such title during fiscal year 1986.

President of U.S.

(2)(A)(i) For fiscal years 1987 and 1988, the President shall provide for the adjustment of rates of pay under section 5305 of title 5, United States Code, as appropriate to reduce outlays, relating to pay of officers and employees of the Federal Government, by at least \$746,000,000 in fiscal year 1987 and \$1,264,000,000 in fiscal year 1988 (without regard to reductions in outlays which result by reason of subparagraph (B)(ii) of this paragraph, paragraph (1) of this subsection, subsection (b) of this section, and the application of section 1009 of title 37, United States Code), computed using the baseline used for the First Concurrent Resolution on the Budget for Fiscal Year 1986 (S. Con. Res. 32, 99th Congress), agreed to on August 1, 1985.

(ii) Clause (i) of this subparagraph shall not be construed to suspend the requirements of section 5305 of title 5, United States Code, with respect to fiscal years 1987 and 1988.

(B) Each adjustment in a pay rate or schedule which takes effect pursuant to subparagraph (A) of this paragraph—

(i) shall, to the maximum extent practicable, be of the same percentage; and

(ii) shall be effective with respect to pay periods beginning on or after January 1 of the fiscal year involved.

5 USC 5343 note.

(b) **LIMITATION ON PAY ADJUSTMENTS FOR PREVAILING RATE EMPLOYEES.**—(1) Notwithstanding any other provision of law, and except as otherwise provided in this subsection, in the case of a prevailing rate employee described in section 5342(a)(2) of title 5, United States Code, or an employee covered by section 5348 of such title, the total adjustment to any wage schedule or rate applicable to such employee which is to become effective (determined without regard to paragraph (2)) during—

(A) fiscal year 1986, shall (except to the extent permitted by section 616(a)(2) of H.R. 5798, incorporated by reference in section 101(j) of Public Law 98-473 (98 Stat. 1963)) be equal to zero;

(B) fiscal year 1987, shall not exceed an increase equal to the overall percentage of the adjustment (under section 5305 of title 5, United States Code) in the rates of pay under the General Schedule for such fiscal year; and

5 USC 5332.

(C) fiscal year 1988, shall not exceed an increase equal to the overall percentage of the adjustment (under section 5305 of title 5, United States Code) in the rates of pay under the General Schedule for such fiscal year.

Effective date.

(2) Notwithstanding any other provision of law, any increase permitted by paragraph (1) which is scheduled to take effect during fiscal year 1987 or 1988 (determined without regard to this paragraph) shall take effect as of the beginning of the first applicable pay period beginning at least 90 days after the date on which such increase is so scheduled to take effect.

(3) Notwithstanding the provisions of section 9(b) of Public Law 92-392 or section 704(b) of Public Law 95-454, the provisions of

5 USC 5343 note.

paragraphs (1) and (2) shall apply (in such manner as the Office of Personnel Management shall prescribe) to prevailing rate employees to whom such section 9(b) applies, except that the provisions of paragraph (1) shall not apply to any increase in a wage schedule or rate which is required by the terms of a contract entered into before October 1, 1985.

5 USC 5343 note.

(4) Nothing in this subsection or any provision of law governing the use of appropriated funds for the payment of employees covered by this subsection during the period covered by paragraph (1) (or any part of such period) shall be construed to permit or require the payment to any such employee at a rate in excess of the rate that would be payable were this subsection, or such provision of law governing the use of appropriated funds, not in effect.

(5) The Office may make exceptions from the limitations imposed by paragraph (1) if the Office determines that such exceptions are necessary to ensure the recruitment or retention of well-qualified employees.

**SEC. 15202. PROVISIONS RELATING TO FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.**

(a) AMOUNTS TO BE REFUNDED FROM CARRIERS' SPECIAL RESERVES.—(1) The Office of Personnel Management—

5 USC 8909 note.

(A) shall determine the minimum level of financial reserves necessary to be held by a carrier for each health benefits plan under chapter 89 of such title for the purpose of ensuring the stable and efficient operation of such plan; and

(B) shall require the carrier to refund to the Employees Health Benefits Fund (described in section 8909(a) of title 5, United States Code) any such reserves in excess of such minimum level in such amounts and at such times during fiscal years 1986 and 1987 as the Office determines appropriate.

(2) In carrying out its responsibilities under this subsection, the Office shall ensure that the aggregate amount to be refunded to the Employees Health Benefits Fund under this subsection—

(A) during fiscal year 1986 shall be not less than \$800,000,000;

and

(B) during fiscal year 1987 shall be not less than \$300,000,000.

(3) No amount in the Employees Health Benefits Fund may be transferred to the general fund of the Treasury of the United States as a result of a refund made under this subsection.

(4)(A) Subject to subparagraphs (B) and (C), any amounts refunded to the Employees Health Benefits Fund under this subsection may be used solely for the purpose of paying the Government contribution under chapter 89 of title 5, United States Code, for health benefits for annuitants, as defined by section 8901(3) of title 5, United States Code, (including the Government contribution for former employees of the United States Postal Service) enrolled in health benefits plans under such chapter.

5 USC 8901 et seq.

(B) This paragraph applies to a refund to the extent that such refund represents amounts attributable to Government contributions which were made under section 8906(b) of title 5, United States Code, (including contributions made by the United States Postal Service) as determined under regulations which the Office of Personnel Management shall prescribe.

(C) Any part of the amount in the Employees Health Benefits Fund as a result of a refund made under this subsection may be transferred—

District of Columbia.

(i) to the government of the District of Columbia, except that the amount of any such part so transferred shall not exceed the amount attributable to the contributions made by the government of the District of Columbia to subscription charges under this chapter (as determined by the Office of Personnel Management); and

(ii) to the United States Postal Service, except that the amount of any such part so transferred shall not exceed the amount attributable to the contributions made by the United States Postal Service to subscription charges under this chapter (as determined by the Office).

(5) The provisions of this subsection shall apply notwithstanding any provision of the Federal Employees Benefits Improvement Act of 1985.

(b) GOVERNMENT CONTRIBUTIONS FOR RETIRED FORMER EMPLOYEES OF THE UNITED STATES POSTAL SERVICE.—Section 8906(g) of title 5, United States Code, is amended—

(1) by striking out “(g) The” and inserting in lieu thereof “(g)(1) Except as provided in paragraph (2), the”; and

(2) by adding at the end thereof the following:  
“(2) The Government contributions authorized by this section for health benefits for an individual who first becomes an annuitant by reason of retirement from employment with the United States Postal Service on or after October 1, 1986, shall be paid by the United States Postal Service.”

SEC. 15203. COMPUTATION OF HOURLY RATES OF PAY.

(a) METHOD OF COMPUTATION.—Section 5504(b) of title 5, United States Code, is amended—

(1) by striking out the first sentence;

(2) in the second sentence, by striking out “When” and inserting in lieu thereof “When, in the case of an employee,”;

(3) in paragraph (1), by striking out “2,080” and inserting in lieu thereof “2,087”; and

(4) in the last sentence, by striking out “title.” and inserting in lieu thereof “title other than an employee or individual excluded by section 5541(2)(xvi) of this title.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to pay periods commencing on or after March 1, 1986.

SEC. 15204. COMPUTATION OF RETIREMENT ANNUITY FOR PART-TIME EMPLOYMENT.

(a) IN GENERAL.—(1) Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

“(o)(1) In computing an annuity under this subchapter for an employee whose service includes service that was performed on a part-time basis—

“(A) the average pay of the employee, to the extent that it includes pay for service performed in any position on a part-time basis, shall be determined by using the annual rate of basic pay that would be payable for full-time service in the position; and

“(B) the benefit so computed shall then be multiplied by a fraction equal to the ratio which the employee’s actual service, as determined by prorating an employee’s total service to reflect the service that was performed on a part-time basis, bears to the

5 USC 5541.

5 USC 5504 note.

total service that would be creditable for the employee if all of the service had been performed on a full-time basis.

"(2) For the purpose of this subsection, employment on a part-time basis shall not be considered to include employment on a temporary or intermittent basis."

(2) Section 8341 of such title is amended—

(A) by striking out "and (n)" in subsection (b)(1) and inserting in lieu thereof "(n), and (o)"; and

(B) by striking out "and (n)" in subsection (d) and inserting in lieu thereof "(n), and (o)".

(b) Section 4109(b) of title 38, United States Code, is repealed.

(c) The amendments made by this section shall be effective with respect to service performed on or after the date of the enactment of this Act.

5 USC 8341.

5 USC 8339 note.

**SEC. 15205. EFFECT OF WAGE AREA SURVEY REGARDING CERTAIN FEDERAL EMPLOYEES IN TUCSON, ARIZONA.**

(a) **IN GENERAL.**—Notwithstanding any other provision of law limiting the amounts payable to prevailing wage rate employees during the fiscal year 1986, wage schedules or rates applicable to the Tucson, Arizona, wage area shall not be reduced as a result of a wage survey conducted during fiscal year 1985.

(b) **EFFECTIVE DATE.**—This section shall be effective as of October 1, 1985.

## Subtitle C—Federal Motor Vehicle Expenditure Control

**SEC. 15301. MONITORING SYSTEM.**

The head of each executive agency, including the Department of Defense, shall designate one office, officer, or employee of the agency to establish and operate a central monitoring system for, and provide oversight of, the motor vehicle operations of the agency, related activities, and related reporting requirements.

40 USC 901.

**SEC. 15302. DATA COLLECTION.**

(a) **COST IDENTIFICATION AND ANALYSIS.**—The head of each executive agency, including the Department of Defense, shall develop a system to identify, collect, and analyze data with respect to all costs, including obligations and outlays, incurred by the agency in the operation, maintenance, acquisition, and disposition of motor vehicles, including Government-owned vehicles, leased vehicles, and privately owned vehicles used for official purposes.

40 USC 902.

(b) **REQUIREMENTS FOR DATA SYSTEMS.**—The Administrator, in cooperation with the Comptroller General and the Director, shall promulgate requirements governing the establishment and operation by executive agencies of the systems required by subsection (a), including requirements with respect to data concerning the costs and uses of motor vehicles and with respect to the uniform collection and submission of such data. Requirements promulgated under this section shall be in conformance with accounting principles and standards issued by the Comptroller General. Each executive agency, including the Department of Defense, shall comply with such requirements.

40 USC 903.

**SEC. 15303. AGENCY STATEMENTS WITH RESPECT TO MOTOR VEHICLE USE.**

(a) **CONTENTS OF STATEMENT.**—The head of each executive agency including the Department of Defense, shall include with the appropriation request of such agency submitted under section 1108 of title 31, United States Code, for fiscal year 1988 and each succeeding fiscal year, a statement—

(1) specifying—

(A) the total motor vehicle acquisition, maintenance, leasing, operation, and disposal costs, including obligations and outlays, incurred by such agency in the most recently completed fiscal year; and

(B) an estimate of such costs for the fiscal year in which such request is submitted and for the succeeding fiscal year; and

(2) justifying why the existing and any new motor vehicle acquisition, maintenance, leasing, operation, and disposal requirements of the agency cannot be met through the Interagency Fleet Management System operated by the Administrator, a qualified private fleet management firm, or any other method which is less costly to the Government.

(b) **COMPLIANCE WITH REQUIREMENTS.**—The head of each executive agency shall comply with the requirements promulgated under section 15302(b) in preparing each statement required under subsection (a).

**SEC. 15304. PRESIDENTIAL REPORT.**

President of U.S.  
40 USC 904.

(a) **SUMMARY AND ANALYSIS OF AGENCY STATEMENTS.**—The President shall include with the budget transmitted pursuant to section 1105 of title 31, United States Code, for fiscal year 1988 and each succeeding fiscal year, or in a separate written report to the Congress for each such fiscal year, a summary and analysis of the statements most recently submitted by the heads of executive agencies pursuant to section 15303(a). Each such summary and analysis shall include a review, for the fiscal year preceding the fiscal year in which the budget is submitted, the current fiscal year, and the fiscal year for which the budget is submitted, of the cost savings that have been achieved, that are estimated will be achieved, and that could be achieved, in the acquisition, maintenance, leasing, operation, and disposal of motor vehicles by executive agencies through—

(1) the use of a qualified private fleet management firm or another private contractor;

(2) increased reliance by executive agencies on the Interagency Fleet Management System operated by the Administrator; or

(3) other existing motor vehicle management systems.

(b) **APPLICABILITY TO FISCAL YEAR 1986.**—The summary and analysis submitted under subsection (a) during fiscal year 1987 is not required to include a review, under the second sentence of such subsection, of the cost savings achieved for fiscal year 1986.

40 USC 905.

**SEC. 15305. STUDY REQUIRED.**

(a) **STUDY OF COSTS, BENEFITS, AND FEASIBILITY.**—(1) The head of each executive agency, including the Department of Defense, shall conduct a comprehensive and detailed study of the costs, benefits and feasibility of—

(A) relying on the Interagency Management Fleet System operated by the Administrator;

(B) entering into a contract with a qualified fleet management firm or another private contractor; or

(C) using any other means less costly to the Government, to meet its motor vehicle operation, maintenance, leasing, acquisition, and disposal requirements.

(2) Each study conducted under paragraph (1) shall compare the costs, benefits, and feasibility of the alternatives described in subparagraphs (A), (B), and (C) of such paragraph to the costs and benefits of the agency's current motor vehicle operations and, in the case of the alternatives described in subparagraphs (B) and (C) of such paragraph, to the costs, benefits, and feasibility of the use of the Interagency Fleet Management System operated by the Administrator.

(b) SUBMISSION TO DIRECTOR AND COMPTROLLER GENERAL.—Within 6 months after the date of enactment of this Act, the head of each executive agency shall submit a report concerning the study required under subsection (a) to the Administrator.

Report.

#### SEC. 15306. INTERAGENCY CONSOLIDATION.

40 USC 906.

(a) IDENTIFICATION OF OPPORTUNITIES FOR CONSOLIDATION.—The Administrator shall review and identify interagency opportunities for the consolidation of motor vehicles, related equipment, and facilities, and of functions relating to the administration and management of such vehicles, equipment, and facilities, in order to reduce the size and cost of the Federal Government's motor vehicle fleet.

Motor vehicles.

(b) REPORT AND ACTION ON FINDINGS.—Within one year after the date of enactment of this Act, the Administrator shall—

(1) submit a report to the Congress specifying the findings and recommendations of the Administrator from the review conducted under subsection (a); and

(2) take such action as the Administrator considers appropriate based on such findings and recommendations and in accordance with section 211 of the Federal Property and Administrative Services Act.

40 USC 491.

40 USC 907.

#### SEC. 15307. REDUCTION OF STORAGE AND DISPOSAL COSTS.

The Administrator shall take such actions as may be necessary to reduce motor vehicle storage and disposal costs and to improve the rate of return on motor vehicle sales through a program of vehicle reconditioning prior to sale.

#### SEC. 15308. SAVINGS.

40 USC 908.

(a) ACTIONS BY PRESIDENT REQUIRED.—The President shall establish, for each executive agency, including the Department of Defense, goals to reduce outlays for the operation, maintenance, leasing, acquisition, and disposal of motor vehicles in order to reduce, by fiscal year 1988, the total amount of outlays by all executive agencies for such operation, maintenance, leasing, acquisition, and disposal to an amount which is \$150,000,000 less than the amount for such operation, maintenance, leasing, acquisition, and disposal requested by the President in the budget submitted under section 1105 of title 31, United States Code, for fiscal year 1986.

(b) MONITORING OF COMPLIANCE AND COMPLIANCE REPORT.—The Director shall monitor compliance by executive agencies with the

goals established by the President under subsection (a) and shall include, in each summary and analysis required under section 15304, a statement specifying the reductions in expenditures by executive agencies, including the Department of Defense, achieved under such goals.

40 USC 909.

**SEC. 15309. COMPLIANCE.**

Motor vehicles.

(a) **ADMINISTRATOR OF GENERAL SERVICES.**—The Administrator shall comply with and be subject to the provisions of this part with regard to all motor vehicles that are used within the General Services Administration for official purposes.

(b) **MANAGERS OF OTHER MOTOR POOLS.**—The provisions of this part with respect to motor vehicles from the Interagency Fleet Management System shall be complied with by the executive agencies to which such motor vehicles are assigned.

40 USC 910.

**SEC. 15310. APPLICABILITY.**

(a) **PRIORITY IN REDUCING HEADQUARTERS USE.**—The heads of executive agencies shall give first priority to meeting the goals established by the President under section 15308(a) by reducing the costs of administrative motor vehicles used at the headquarters and regional headquarters of executive agencies, rather than by reducing the costs of motor vehicles used by line agency personnel working in agency field operations or activities.

President of U.S.

(b) **REGULATIONS, STANDARDS, AND DEFINITIONS.**—The President shall require the Administrator, in cooperation with the Director, to promulgate appropriate regulations, standards, and definitions to assure that executive agencies meet the goals established under section 15308(a) in the manner prescribed by subsection (a).

40 USC 911.

**SEC. 15311. COOPERATION.**

The Director and the Administrator shall closely cooperate in the implementation of the provisions of this part.

40 USC 912.

**SEC. 15312. REPORTS.**

The Comptroller General shall evaluate the extent to which the Director, the Administrator, and executive agencies have complied with this part. By January 31, 1988, the Comptroller General shall submit a report to the Congress describing the results of such evaluation.

40 USC 913.

**SEC. 15313. DEFINITIONS.**

For purposes of this title—

(1) the term "executive agency" means an Executive agency (as such term is defined in section 105 of title 5, United States Code), which operates at least three hundred motor vehicles, except that such term does not include the Tennessee Valley Authority;

(2) the term "Director" means the Director of the Office of Management and Budget;

(3) the term "Administrator" means the Administrator of General Services;

(4) the term "Comptroller General" means the Comptroller General of the United States; and

(5) the term "motor vehicle" means any vehicle self-propelled or drawn by mechanical power, except that such term does not include any vehicle designed or used for military field training, combat, or tactical purposes, or any other special purpose ve-

hicle exempted from the requirements of this part by the Administrator.

## TITLE XVI—HIGHER EDUCATION PROGRAMS

Student  
Financial  
Assistance  
Amendments of  
1985.  
20 USC 1001  
note.

### SEC. 16001. SHORT TITLE; REFERENCE.

(a) **SHORT TITLE.**—This title may be cited as the “Student Financial Assistance Amendments of 1985”.

(b) **REFERENCE.**—References in this title to “the Act” are to the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

### Subtitle A—Savings in Student Loan Program Operations

#### SEC. 16011. RECOVERY OF OUTSTANDING ADVANCES TO GUARANTY AGENCIES.

Section 422 of the Act is amended by adding at the end thereof the following new subsection:

“(d)(1) Notwithstanding any other provision of this section, advances made by the Secretary under this section shall be repaid in accordance with this paragraph and shall be deposited in the fund established by section 431. The Secretary shall, in accordance with the requirements of paragraph (2), recover (and so deposit) an amount equal to \$75,000,000 during fiscal year 1988.

“(2) In determining the amount of advances which shall be repaid by a State or nonprofit private institution or organization under paragraph (1), the Secretary—

“(A) shall consider the solvency and maturity, as determined by the Comptroller General, of the reserve and insurance funds of the State or nonprofit private institution or organization assisted by such advances;

“(B) shall not seek repayment of such advances from any State described in subsection (c)(5)(B) during any year of its eligibility under such subsection; and

“(C) shall not seek repayment of such advances from any State if such repayment encumbers the reserve fund requirement mandated by the statutes of such State.”.

#### SEC. 16012. DISBURSEMENT OF STUDENT LOANS TO INSTITUTIONS REQUIRED.

(a) **FISL LOANS REQUIREMENT.**—Section 427(a)(2) of the Act is amended—

(1) by striking out clause (ii) of subparagraph (B) and by redesignating clauses (iii) and (iv) of subparagraph (B) as clauses (ii) and (iii), respectively;

(2) by striking out “or the fifteen-year period” in the matter following clause (viii) of subparagraph (C); and

(3) by amending subparagraph (I) to read as follows:

“(I) the funds borrowed by a student are disbursed to the institution by check or other means that is payable to and requires the endorsement or other certification by such student, except nothing in this subparagraph shall be interpreted to allow the Secretary to require checks to be made

20 USC 1072.

State and local governments.

20 USC 1081.

20 USC 1077.

(c) **RETROACTIVE PROVISIONS; LOANS.**—(1) The amendment made by section 16015 shall apply to any fiscal year beginning after September 30, 1984.

(2) The amendments made by sections 16021 through 16026, 16029, and 16032(b) shall apply to all loans, including loans made before the enactment of this Act, and shall take effect 90 days after the enactment of this Act.

(d) **PROSPECTIVE PROVISION; ALL ASSISTANCE.**—The amendment made by section 16032(a) shall apply to grants, loans, or work assistance to cover the cost of attendance for any period of enrollment beginning on or after January 1, 1986.

(e) **RETROACTIVE PROVISION; GRANTS.**—The amendment made by section 16033 shall apply to all grants, including grants awarded before the enactment of this Act, and shall take effect 90 days after the enactment of this Act.

(f) **RETROACTIVE PROVISIONS; ALL ASSISTANCE.**—The amendment made by section 16034 shall apply to all grants, loans, or work assistance, including such assistance awarded before the enactment of this Act, and shall take effect 90 days after the enactment of this Act.

## TITLE XVII—GRADUATE MEDICAL EDUCATION COUNCIL AND TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

### SEC. 17001. COUNCIL ON GRADUATE MEDICAL EDUCATION.

Title VII of the Public Health Service Act is amended by adding at the end thereof the following new part:

#### “PART H—GRADUATE MEDICAL EDUCATION

#### “COUNCIL ON GRADUATE MEDICAL EDUCATION

“SEC. 799. (a) There is established the Council on Graduate Medical Education (hereafter in this section referred to as the ‘Council’). The Council shall—

42 USC 295i.

“(1) prior to July 1, 1988, and every three years thereafter, provide advice and make recommendations to the Secretary and to the Committees on Labor and Human Resources, and Finance of the Senate and the Committees on Energy and Commerce and Ways and Means of the House of Representatives, with respect to—

“(A) the supply and distribution of physicians in the United States;

“(B) current and future shortages or excesses of physicians in medical and surgical specialties and subspecialties;

“(C) issues relating to foreign medical school graduates;

“(D) appropriate Federal policies with respect to the matters specified in subparagraphs (A), (B), and (C), including policies concerning changes in the financing of undergraduate and graduate medical education programs and changes in the types of medical education training in graduate medical education programs;

- “(E) appropriate efforts to be carried out by hospitals, schools of medicine, schools of osteopathy, and accrediting bodies with respect to the matters specified in subparagraphs (A), (B), and (C), including efforts for changes in undergraduate and graduate medical education programs; and
- “(F) deficiencies in, and needs for improvements in, existing data bases concerning the supply and distribution of, and post-graduate training programs for, physicians in the United States and steps that should be taken to eliminate those deficiencies; and
- “(2) encourage entities providing graduate medical education to conduct activities to voluntarily achieve the recommendations of the Council under paragraph (1)(E).
- “(b) The Council shall be composed of—
- “(1) the Assistant Secretary for Health or the designee of the Assistant Secretary;
- “(2) the Administrator of the Health Care Financing Administration;
- “(3) the Chief Medical Director of the Veterans’ Administration;
- “(4) 6 members appointed by the Secretary to include representatives of practicing primary care physicians, national and specialty physician organizations, foreign medical graduates, and medical student and house staff associations;
- “(5) 4 members appointed by the Secretary to include representatives of schools of medicine and osteopathy and public and private teaching hospitals; and
- “(6) 4 members appointed by the Secretary to include representatives of health insurers, business, and labor.
- “(c)(1) Members of the Council appointed under paragraphs (4), (5), and (6) of subsection (b) shall be appointed for a term of 4 years, except that the term of office of the members first appointed shall expire, as designated by the Secretary at the time of appointment, 4 at the end of one year, 4 at the end of 2 years, 3 at the end of 3 years, and 3 at the end of 4 years.
- “(2) The Secretary shall appoint the first members to the Council under paragraphs (4), (5), and (6) of subsection (b) within 60 days after the date of enactment of this section.
- “(d) The Council shall elect one of its members as Chairman of the Council.
- “(e) Nine members of the Council shall constitute a quorum, but a lesser number may hold hearings.
- “(f) Any vacancy in the Council shall not affect its power to function.
- “(g) Each member of the Council who is not otherwise employed by the United States Government shall receive compensation at a rate equal to the daily rate prescribed for GS-18 under the General Schedule under section 5332 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties as a member of the Council. A member of the Council who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

“(h)(1) In order to carry out the provisions of this section, the Council is authorized to—

“(A) collect such information, hold such hearings, and sit and act at such times and places, either as a whole or by subcommittee, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Council or such subcommittee may consider available; and

“(B) request the cooperation and assistance of Federal departments, agencies, and instrumentalities, and such departments, agencies, and instrumentalities are authorized to provide such cooperation and assistance.

“(2) The Council shall coordinate activities carried out under this section with the activities of the National Advisory Council on Health Professions Education under section 702 and with the activities of the Secretary under section 708. The Secretary shall, in cooperation with the Council and pursuant to the recommendations of the Council, take such steps as are practicable to eliminate deficiencies in the data base established under section 708 and shall make available in its reports such comprehensive data sets as are developed pursuant to this section.

42 USC 292b.  
42 USC 292h.

“(i) In the reports required under subsection (a), the Council shall specify its activities during the period for which the report is made.

Reports.

“(j) The Council shall terminate on September 30, 1996.”

Termination.

SEC. 17002. SPECIAL PAY PROVISIONS.

(a) SERVICE IN THE INDIAN HEALTH SERVICE.—(1) Section 208(a)(2)(B) of the Public Health Service Act (42 U.S.C. 210(a)(2)(B)) is amended by inserting “(other than an officer serving in the Indian Health Service)” after “Corps”.

(2) The amendment made by paragraph (1) shall take effect as of October 7, 1985.

42 USC 210 note.

(b) EMPLOYEES AT THE GILLIS W. LONG HANSEN'S DISEASE CENTER.—Section 208(e) of the Public Health Service Act (42 U.S.C. 210(e)) is amended to read as follows:

“(e) Any civilian employee of the Service who is employed at the Gillis W. Long Hansen's Disease Center on the date of the enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985 shall be entitled to receive, in addition to any compensation to which the employee may otherwise be entitled and for so long as the employee remains employed at the Center, an amount equal to one-fourth of such compensation.”

Art. 32.

SEC. 17003. USE OF FISCAL AGENTS BY PUBLIC HEALTH SERVICE.

Title XXI of the Public Health Service Act is amended by adding at the end the following new section:

“USE OF FISCAL AGENTS

“Sec. 2116. (a) The Secretary may enter into contracts with fiscal agents—

Contracts.  
42 USC  
300aa-15.

“(1)(A) to determine the amounts payable to persons who, on behalf of the Indian Health Service, furnish health services to eligible Indians,

“(B) to determine the amounts payable to persons who, on behalf of the Public Health Service, furnish health services to individuals pursuant to section 319 or 322,

42 USC 247d,  
249.

“(2) to receive, disburse, and account for funds in making payments described in paragraph (1),

“(3) to make such audits of records as may be necessary to assure that these payments are proper, and

“(4) to perform such additional functions as may be necessary to carry out the functions described in paragraphs (1) through (3).

“(b)(1) Contracts under subsection (a) may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competition.

Prohibition.

“(2) No such contract shall be entered into with an entity unless the Secretary finds that the entity will perform its obligations under the contract efficiently and effectively and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

“(c) A contract under subsection (a) may provide for advances of funds to enable entities to make payments under the contract.

42 USC 1395u.

“(d) Subsections (d) and (e) of section 1842 of the Social Security Act shall apply to contracts with entities under subsection (a) in the same manner as they apply to contracts with carriers under that section.

25 USC 450 note.

“(e) In this section, the term ‘fiscal agent’ means a carrier described in section 1842(f)(1) of the Social Security Act and includes, with respect to contracts under subsection (a)(1)(A), an Indian tribe or tribal organization acting under contract with the Secretary under the Indian Self-Determination Act (Public Law 93-638).”

**SEC. 17004. TECHNICAL REVISIONS RELATING TO EMERGENCY MEDICAL SERVICES FOR CHILDREN.**

Section 1910 of the Public Health Service Act (42 U.S.C. 300w-9) is amended—

Grants.  
State and local  
government.

(1) by striking out “grant to not more than four States in any fiscal year” in the first sentence of subsection (a) and inserting in lieu thereof “not more than four grants in any fiscal year to States or accredited schools of medicine in States”;

(2) by adding at the end of subsection (a) the following new sentence: “Only one grant under this subsection may be made in a State (to a State or to a school of medicine in such State) in any fiscal year.”;

(3) by striking out “other States” in subsection (b) and inserting in lieu thereof “States in which grants under such subsection have not been made”;

(4) by redesignating subsection (c) as subsection (d); and

(5) by inserting after subsection (b) the following new subsection:

“(c) For purposes of this section—

42 USC 292a.

“(1) the term ‘school of medicine’ has the same meaning as in section 701(4); and

“(2) the term ‘accredited’ has the same meaning as in section 701(5).”