

AMENDMENT TO H.R. 4310, AS REPORTED
OFFERED BY MS. LEE OF CALIFORNIA

At the end of subtitle A of title X, add the following
new section:

1 **SEC. 1004. REQUIREMENT FOR AUDIT READINESS AT THE**
2 **DEPARTMENT OF DEFENSE.**

3 (a) PROHIBITION ON USE OF FUNDS.—None of the
4 funds authorized to be appropriated or otherwise made
5 available by this or any other Act may be used for any
6 account of the Department of Defense (other than ac-
7 counts excluded by subsection (c)) in excess of the amount
8 determined under subsection (b), unless the financial
9 statements of the Department for fiscal year 2012 are
10 validated as ready for audit within 180 days after the date
11 of the enactment of this Act.

12 (b) AMOUNT.—

13 (1) IN GENERAL.—For purposes of subsection
14 (a), the amount determined under this subsection
15 is—

16 (A) the total amount authorized to be ap-
17 propriated by this Act; reduced by

18 (B) \$8,231,100,000.

1 (2) DETERMINATION.—The reduction required
2 by paragraph (1) shall be determined by the Sec-
3 retary of Defense and the Secretary of Energy, in
4 consultation with the Administrator for Nuclear Se-
5 curity, by making such reductions in the total
6 amount authorized to be appropriated under this Act
7 in such manner as the Secretary of Defense con-
8 siders appropriate to achieve an aggregate reduction
9 of \$8,231,100,000. In making such determination,
10 the Secretary of Defense shall not reduce the
11 amount of funds for the accounts listed in subsection
12 (c).

13 (c) ACCOUNTS EXCLUDED.—The following accounts
14 are excluded from the prohibition in subsection (a):

15 (1) Military personnel, reserve personnel, and
16 National Guard personnel accounts of the Depart-
17 ment of Defense.

18 (2) The Defense Health Program account.

19 (d) VALIDATION DEFINED.—In this section, the term
20 “validation”, with respect to the auditability of financial
21 statements, means a determination, following an examina-
22 tion, that the financial statements comply with generally
23 accepted accounting principles and applicable laws and
24 regulations and reflect reliable internal controls.

1 (e) WAIVER.—The President may waive subsection
2 (a) with respect to a component or program of the Depart-
3 ment if the President certifies that applying the subsection
4 to that component or program would harm national secu-
5 rity or members of the Armed Forces who are in combat.

