

**AMENDMENT TO H.R. 1540, AS REPORTED
OFFERED BY MS. SCHAKOWSKY OF ILLINOIS**

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

1 **SEC. 1068. FREEZE IN BUDGET OF DEPARTMENT OF DE-**
2 **FENSE UNTIL UNQUALIFIED AUDIT OPINIONS**
3 **ACHIEVED.**

4 (a) FREEZE.—

5 (1) IN GENERAL.—Unless and until the require-
6 ment specified in paragraph (2) is met for the entire
7 Department of Defense, except as provided in sub-
8 section (b), the aggregate amount of funds appro-
9 priated or otherwise made available for military
10 functions administered by the Department of De-
11 fense (other than the functions excluded by sub-
12 section (c)) for a fiscal year may not exceed—

13 (A) in the case of fiscal year 2012, the ag-
14 gregate amount of funds appropriated or other-
15 wise made available for military functions ad-
16 ministered by the Department of Defense (other
17 than the functions excluded by subsection (b))
18 for fiscal year 2011; and

1 (B) in each fiscal year after fiscal year
2 2012, the aggregate amount of funds appro-
3 priated or otherwise made available for such
4 functions for the previous fiscal year.

5 (2) REQUIREMENT FOR UNQUALIFIED AUDIT
6 OPINION.—The requirement of this paragraph is
7 that the Department of Defense (including every
8 major Pentagon component and every major defense
9 acquisition program of the Department) is certified
10 by the Inspector General of the Department of De-
11 fense or an independent public accountant as achiev-
12 ing an unqualified audit opinion.

13 (b) WAIVER.—The President may waive subsection
14 (a) with respect to a component or program of the Depart-
15 ment if the President certifies that applying the subsection
16 to that component or program would harm national secu-
17 rity or members of the Armed Forces who are in combat.

18 (c) EXCLUSION OF OVERSEAS CONTINGENCY OPER-
19 ATIONS AND MILITARY PERSONNEL PAY AND BENE-
20 FITS.—In determining the aggregate amount of funds ap-
21 propriated or otherwise made available for military func-
22 tions administered by the Department of Defense for fiscal
23 year 2012 or any subsequent fiscal year for purposes of
24 subsection (a), there shall be excluded all amounts appro-
25 priated or otherwise made available—

1 (1) in any supplemental appropriations Act; or
2 (2) in any general appropriations Acts for—
3 (A) overseas contingency operations;
4 (B) military personnel, reserve personnel,
5 and National Guard personnel accounts of the
6 Department of Defense, generally title I of the
7 annual Department of Defense appropriations
8 Act; and
9 (C) wounded warrior programs of the De-
10 partment of Defense.

