

Calendar No. 106

105TH CONGRESS
1ST Session

H. R. 1119

AN ACT

To authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

JULY 7, 1997

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AN ACT

To authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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 “National Defense Au-
 5 thorization Act for Fiscal Year 1998”.

6 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**
 7 **CONTENTS.**

8 (a) DIVISIONS.—This Act is organized into three divi-
 9 sions as follows:

10 (1) Division A—Department of Defense Au-
 11 thorizations.

12 (2) Division B—Military Construction Author-
 13 izations.

14 (3) Division C—Department of Energy Na-
 15 tional Security Authorizations and Other Authoriza-
 16 tions.

17 (b) TABLE OF CONTENTS.—The table of contents for
 18 this Act is as follows:

Sec. 1. Short title.

Sec. 2. Organization of Act into divisions; table of contents.

Sec. 3. Congressional defense committees defined.

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- Sec. 2811. Increase in ceiling for minor land acquisition projects.
- Sec. 2812. Administrative expenses for certain real property transactions.
- Sec. 2813. Disposition of proceeds from sale of Air Force Plant 78, Brigham City, Utah.

Subtitle C—Defense Base Closure and Realignment

- Sec. 2821. Consideration of military installations as sites for new Federal facilities.
- Sec. 2822. Prohibition against conveyance of property at military installations to State-owned shipping companies.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

- Sec. 2831. Land conveyance, James T. Coker Army Reserve Center, Durant, Oklahoma.
- Sec. 2832. Land conveyance, Fort A. P. Hill, Virginia.

- Sec. 2833. Expansion of land conveyance, Indiana Army Ammunition Plant, Charlestown, Indiana.
- Sec. 2834. Modification of land conveyance, Lompoc, California.
- Sec. 2835. Modification of land conveyance, Rocky Mountain Arsenal, Colorado.
- Sec. 2836. Correction of land conveyance authority, Army Reserve Center, Anderson, South Carolina.
- Sec. 2837. Land conveyance, Fort Bragg, North Carolina.
- Sec. 2838. Land conveyance, Gibson Army Reserve Center, Chicago, Illinois.
- Sec. 2839. Land conveyance, Fort Dix, New Jersey.

PART II—NAVY CONVEYANCES

- Sec. 2851. Correction of lease authority, Naval Air Station, Meridian, Mississippi.

PART III—AIR FORCE CONVEYANCES

- Sec. 2861. Land transfer, Eglin Air Force Base, Florida.
- Sec. 2862. Study of land exchange options, Shaw Air Force Base, South Carolina.
- Sec. 2863. Land conveyance, March Air Force Base, California.
- Sec. 2864. Land conveyance, Ellsworth Air Force Base, South Dakota.

Subtitle E—Other Matters

- Sec. 2881. Repeal of requirement to operate Naval Academy dairy farm.
- Sec. 2882. Long-term lease of property, Naples Italy.
- Sec. 2883. Designation of military family housing at Lackland Air Force Base, Texas, in honor of Frank Tejeda, a former Member of the House of Representatives.

TITLE XXIX—SIKES ACT IMPROVEMENT

- Sec. 2901. Short title.
- Sec. 2902. Definition of Sikes Act for purposes of amendments.
- Sec. 2903. Codification of short title of Act.
- Sec. 2904. Integrated natural resource management plans.
- Sec. 2905. Review for preparation of integrated natural resource management plans.
- Sec. 2906. Annual reviews and reports.
- Sec. 2907. Transfer of wildlife conservation fees from closed military installations.
- Sec. 2908. Federal enforcement.
- Sec. 2909. Natural resource management services.
- Sec. 2910. Definitions.
- Sec. 2911. Cooperative agreements.
- Sec. 2912. Repeal of superseded provision.
- Sec. 2913. Clerical amendments.
- Sec. 2914. Authorizations of appropriations.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

- Sec. 3101. Weapons activities.
- Sec. 3102. Environmental restoration and waste management.
- Sec. 3103. Other defense activities.
- Sec. 3104. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

- Sec. 3121. Reprogramming.
- Sec. 3122. Limits on general plant projects.
- Sec. 3123. Limits on construction projects.
- Sec. 3124. Fund transfer authority.
- Sec. 3125. Authority for conceptual and construction design.
- Sec. 3126. Authority for emergency planning, design, and construction activities.
- Sec. 3127. Funds available for all national security programs of the Department of Energy.
- Sec. 3128. Authority relating to transfers of defense environmental management funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

- Sec. 3131. Ballistic Missile Defense National Laboratory Program.

Subtitle D—Other Matters

- Sec. 3141. Plan for stewardship, management, and certification of warheads in the nuclear weapons stockpile.
- Sec. 3142. Repeal of obsolete reporting requirements.
- Sec. 3143. Study and funding relating to implementation of workforce restructuring plans.
- Sec. 3144. Extension of authority for appointment of certain scientific, engineering, and technical personnel.
- Sec. 3145. Report on proposed contract for Hanford Tank Waste Vitrification project.
- Sec. 3146. Limitation on conduct of subcritical nuclear weapons tests.
- Sec. 3147. Limitation on use of certain funds until future use plans are submitted.
- Sec. 3148. Plan for external oversight of national laboratories.
- Sec. 3149. University-based research center.
- Sec. 3150. Stockpile stewardship program.
- Sec. 3151. Reports on advanced supercomputer sales to certain foreign nations.
- Sec. 3152. Transfers of real and personal property at certain Department of Energy facilities.
- Sec. 3153. Requirement to delegate certain authorities to site manager of Hanford Reservation.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

- Sec. 3201. Authorization.
- Sec. 3202. Plan for transfer of facilities from jurisdiction of Defense Nuclear Facilities Safety Board to jurisdiction of Nuclear Regulatory Commission.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

- Sec. 3301. Authorized uses of stockpile funds.
- Sec. 3302. Disposal of beryllium copper master alloy in National Defense Stockpile.
- Sec. 3303. Disposal of titanium sponge in National Defense Stockpile.
- Sec. 3304. Conditions on transfer of stockpiled platinum reserves for Treasury use.
- Sec. 3305. Restrictions on disposal of certain manganese ferro.
- Sec. 3306. Required procedures for disposal of strategic and critical materials.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. Authorization of appropriations.
- Sec. 3402. Price requirement on sale of certain petroleum during fiscal year 1998.
- Sec. 3403. Termination of assignment of Navy officers to Office of Naval Petroleum and Oil Shale Reserves.
- Sec. 3404. Transfer of jurisdiction, Naval Oil Shale Reserves Numbered 1 and 3.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Expenditures From Revolving Fund

- Sec. 3501. Short title.
- Sec. 3502. Authorization of expenditures.
- Sec. 3503. Purchase of vehicles.
- Sec. 3504. Expenditures only in accordance with treaties.

Subtitle B—Facilitation of Panama Canal Transition

- Sec. 3511. Short title; references.
- Sec. 3512. Definitions relating to Canal transition.

PART I—TRANSITION MATTERS RELATING TO COMMISSION OFFICERS AND EMPLOYEES

- Sec. 3521. Authority for the Administrator of the Commission to accept appointment as the Administrator of the Panama Canal Authority.
- Sec. 3522. Post-Canal Transfer Personnel Authorities.
- Sec. 3523. Enhanced authority of Commission to establish compensation of Commission officers and employees.
- Sec. 3524. Travel, transportation, and subsistence expenses for Commission personnel no longer subject to Federal Travel Regulation.
- Sec. 3525. Enhanced recruitment and retention authorities.
- Sec. 3526. Transition separation incentive payments.
- Sec. 3527. Labor-management relations.
- Sec. 3528. Availability of Panama Canal Revolving Fund for severance pay for certain employees separated by Panama Canal Authority after Canal Transfer Date.

PART II—TRANSITION MATTERS RELATING TO OPERATION AND ADMINISTRATION OF CANAL

- Sec. 3541. Establishment of procurement system and board of contract appeals.
- Sec. 3542. Transactions with the Panama Canal Authority.
- Sec. 3543. Time limitations on filing of claims for damages.

- Sec. 3544. Tolls for small vessels.
- Sec. 3545. Date of actuarial evaluation of FECA liability.
- Sec. 3546. Notaries public.
- Sec. 3547. Commercial services.
- Sec. 3548. Transfer from President to Commission of certain regulatory functions relating to employment classification appeals.
- Sec. 3549. Enhanced printing authority.
- Sec. 3550. Technical and conforming amendments.

TITLE XXXVI—MARITIME ADMINISTRATION

- Sec. 3601. Authorization of appropriations for fiscal year 1998.
- Sec. 3602. Repeal of obsolete annual report requirement concerning relative cost of shipbuilding in the various coastal districts of the United States.
- Sec. 3603. Provisions relating to maritime security fleet program.
- Sec. 3604. Authority to utilize replacement vessels and capacity.
- Sec. 3605. Authority to convey national defense reserve fleet vessel.
- Sec. 3606. Determination of gross tonnage for purposes of tank vessel double hull requirements.

1 SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

2 For purposes of this Act, the term “congressional de-
3 fense committees” means—

- 4 (1) the Committee on Armed Services and the
5 Committee on Appropriations of the Senate; and
- 6 (2) the Committee on National Security and the
7 Committee on Appropriations of the House of Rep-
8 resentatives.

9 DIVISION A—DEPARTMENT OF 10 DEFENSE AUTHORIZATIONS

11 TITLE I—PROCUREMENT

12 Subtitle A—Authorization of 13 Appropriations

14 SEC. 101. ARMY.

15 Funds are hereby authorized to be appropriated for
16 fiscal year 1998 for procurement for the Army as follows:

1 (1) For aircraft, \$1,535,264,000.

2 (2) For missiles, \$1,176,516,000.

3 (3) For weapons and tracked combat vehicles,
4 \$1,519,527,000.

5 (4) For ammunition, \$1,093,802,000.

6 (5) For other procurement, \$2,640,277,000.

7 **SEC. 102. NAVY AND MARINE CORPS.**

8 (a) NAVY.—Funds are hereby authorized to be appro-
9 priated for fiscal year 1998 for procurement for the Navy
10 as follows:

11 (1) For aircraft, \$6,172,950,000.

12 (2) For weapons, including missiles and tor-
13 pedoes, \$1,214,687,000.

14 (3) For shipbuilding and conversion,
15 \$7,654,977,000.

16 (4) For other procurement, \$3,073,432,000.

17 (b) MARINE CORPS.—Funds are hereby authorized to
18 be appropriated for fiscal year 1998 for procurement for
19 the Marine Corps in the amount of \$442,807,000.

20 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
21 are hereby authorized to be appropriated for procurement
22 of ammunition for the Navy and the Marine Corps in the
23 amount of \$470,355,000.

1 **SEC. 103. AIR FORCE.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 1998 for procurement for the Air Force as fol-
4 lows:

5 (1) For aircraft, \$6,770,900,000.

6 (2) For missiles, \$2,389,183,000.

7 (3) For ammunition, \$436,984,000.

8 (4) For other procurement, \$6,574,096,000.

9 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

10 Funds are hereby authorized to be appropriated for
11 fiscal year 1998 for Defense-wide procurement in the
12 amount of \$1,836,989,000.

13 **SEC. 105. RESERVE COMPONENTS.**

14 Funds are hereby authorized to be appropriated for
15 fiscal year 1998 for procurement of aircraft, vehicles, com-
16 munications equipment, and other equipment for the re-
17 serve components of the Armed Forces as follows:

18 (1) For the Army National Guard,
19 \$102,700,000.

20 (2) For the Air National Guard, \$117,775,000.

21 (3) For the Army Reserve, \$90,400,000.

22 (4) For the Naval Reserve, \$118,000,000.

23 (5) For the Air Force Reserve, \$167,630,000.

24 (6) For the Marine Corps Reserve,
25 \$98,600,000.

26 (7) For the Coast Guard Reserve, \$5,250,000.

1 **SEC. 106. DEFENSE INSPECTOR GENERAL.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 1998 for procurement for the Inspector General
4 of the Department of Defense in the amount of
5 \$1,800,000.

6 **SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.**

7 There is hereby authorized to be appropriated for fis-
8 cal year 1998 the amount of \$610,700,000 for—

9 (1) the destruction of lethal chemical agents
10 and munitions in accordance with section 1412 of
11 the Department of Defense Authorization Act, 1986
12 (50 U.S.C. 1521); and

13 (2) the destruction of chemical warfare materiel
14 of the United States that is not covered by section
15 1412 of such Act.

16 **SEC. 108. DEFENSE HEALTH PROGRAMS.**

17 Funds are hereby authorized to be appropriated for
18 fiscal year 1998 for the Department of Defense for pro-
19 curement for carrying out health care programs, projects,
20 and activities of the Department of Defense in the total
21 amount of \$279,068,000.

22 **SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.**

23 Funds are hereby authorized to be appropriated for
24 fiscal year 1998 for the Department of Defense for carry-
25 ing out the Defense Export Loan Guarantee Program in
26 the total amount of \$1,231,000.

1 **Subtitle B—Other Matters**

2 **SEC. 121. LIMITATION ON OBLIGATION OF FUNDS FOR THE**
3 **SEAWOLF SUBMARINE PROGRAM.**

4 (a) LIMITATION.—The Secretary of the Navy may
5 not obligate more than 50 percent of the funds appro-
6 priated for fiscal year 1998 for Shipbuilding and Conver-
7 sion for the Navy that are specified as being available for
8 the Seawolf submarine program until the Secretary cer-
9 tifies to the congressional defense committees that the
10 Secretary will include in the future-years defense program
11 accompanying the fiscal year 1999 budget for the Depart-
12 ment of Defense not less than 50 percent of the amount
13 necessary to fully fund incorporation into each of the first
14 four vessels in the New Attack Submarine program the
15 technology insertion opportunities specified in subsection
16 (b).

17 (b) TECHNOLOGY INSERTION OPPORTUNITIES.—The
18 technology insertion opportunities referred to in sub-
19 section (a) are those technology insertion opportunities
20 available for the first four vessels in the New Attack Sub-
21 marine program that were presented by the Assistant Sec-
22 retary of the Navy (Research, Development, and Acquisi-
23 tion) in testimony before the Procurement Subcommittee
24 of the Committee on National Security of the House of
25 Representatives on March 18, 1997.

1 **SEC. 122. REPORT ON ANNUAL BUDGET SUBMISSION RE-**
2 **GARDING THE RESERVE COMPONENTS.**

3 (a) IN GENERAL.—Chapter 1013 of title 10, United
4 States Code, is amended by adding at the end the follow-
5 ing new section:

6 **“§ 10544. Budget information**

7 “(a) REPORT.—The Secretary of Defense shall sub-
8 mit to the congressional committees specified in subsection
9 (d), at the same time that the President submits the budg-
10 et for a fiscal year under section 1105(a) of title 31, Unit-
11 ed States Code, a report on amounts requested in that
12 budget for the reserve components.

13 “(b) CONTENT.—The report shall include the follow-
14 ing:

15 “(1) A description of the anticipated effect that
16 the amounts requested (if approved by Congress)
17 will have to enhance the capabilities of each of the
18 reserve components.

19 “(2) A listing, with respect to each such compo-
20 nent, of each of the following:

21 “(A) The amount requested for each major
22 weapon system for which funds are requested in
23 the budget for that component.

24 “(B) The amount requested for each item
25 of equipment (other than a major weapon sys-

1 tem) for which funds are requested in the budg-
2 et for that component.

3 “(c) INCLUSION OF INFORMATION IN NEXT
4 FYDP.—The Secretary of Defense shall specifically dis-
5 play in the each future-years defense program (or program
6 revision) submitted to Congress under section 221 of this
7 title the amounts programmed for procurement of equip-
8 ment for each of the reserve components.

9 “(d) CONGRESSIONAL COMMITTEES SPECIFIED.—
10 The congressional committees referred to in subsection (a)
11 are the following:

12 “(1) The Committee on Armed Services and the
13 Committee on Appropriations of the Senate.

14 “(2) The Committee on National Security and
15 the Committee on Appropriations of the House of
16 Representatives.

17 “(e) EXCLUSION OF COAST GUARD RESERVE.—In
18 this section, the term ‘reserve components’ does not in-
19 clude the Coast Guard Reserve.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of such chapter is amended by adding
22 at the end the following new item:

“10544. Budget information.”.

1 **TITLE II—RESEARCH, DEVELOP-**
2 **MENT, TEST, AND EVALUA-**
3 **TION**

4 **Subtitle A—Authorization of**
5 **Appropriations**

6 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

7 Funds are hereby authorized to be appropriated for
8 fiscal year 1998 for the use of the Department of Defense
9 for research, development, test, and evaluation as follows:

10 (1) For the Army, \$4,752,913,000.

11 (2) For the Navy, \$7,946,996,000.

12 (3) For the Air Force, \$14,659,736,000.

13 (4) For Defense-wide activities,
14 \$9,914,080,000, of which—

15 (A) \$279,683,000 is authorized for the ac-
16 tivities of the Director, Test and Evaluation;
17 and

18 (B) \$23,384,000 is authorized for the Di-
19 rector of Operational Test and Evaluation.

20 **SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.**

21 (a) FISCAL YEAR 1998.—Of the amounts authorized
22 to be appropriated by section 201, \$4,131,871,000 shall
23 be available for basic research and applied research
24 projects.

1 (b) BASIC RESEARCH AND APPLIED RESEARCH DE-
2 FINED.—For purposes of this section, the term “basic re-
3 search and applied research” means work funded in pro-
4 gram elements for defense research and development
5 under Department of Defense category 6.1 or 6.2.

6 **SEC. 203. DUAL-USE TECHNOLOGY PROGRAM.**

7 (a) FUNDING REQUIREMENT.—Of the amounts ap-
8 propriated pursuant to the authorizations in section 201
9 for the Department of Defense for science and technology
10 programs for each of fiscal years 1998 through 2001, at
11 least the following percentages of such amounts shall be
12 available in the applicable fiscal year only for dual-use
13 projects of the Department of Defense:

14 (1) For fiscal year 1998, 5 percent.

15 (2) For fiscal year 1999, 7 percent.

16 (3) For fiscal year 2000, 10 percent.

17 (4) For fiscal year 2001, 15 percent.

18 (b) SENIOR OFFICIAL FOR DUAL-USE PROGRAM.—
19 The person responsible for developing policy relating to,
20 and ensuring effective implementation of, the dual-use
21 technology program of the Department of Defense is the
22 senior official designated by the Secretary of Defense
23 under section 203(b) of the National Defense Authoriza-
24 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
25 Stat. 2451).

1 (c) LIMITATION ON OBLIGATIONS.—(1) Except as
2 provided in paragraph (2), funds made available pursuant
3 to subsection (a) may not be obligated until the senior offi-
4 cial referred to in subsection (b) approves the obligation.

5 (2) Paragraph (1) does not apply with respect to
6 funds made available pursuant to subsection (a) to the De-
7 fense Advanced Research Projects Agency.

8 (3) Funds made available pursuant to subsection (a)
9 may be used for a dual-use project only if the contract,
10 cooperative agreement, or other transaction by which the
11 project is carried out is entered into through the use of
12 competitive procedures.

13 (d) TRANSFER AUTHORITY.—In addition to the
14 transfer authority provided in section 1001, the Secretary
15 of Defense may transfer funds made available pursuant
16 to subsection (a) for a dual-use project from a military
17 department or defense agency to another military depart-
18 ment or defense agency to ensure efficient implementation
19 of the dual-use technology program. The Secretary may
20 delegate the authority provided in the preceding sentence
21 to the senior official referred to in subsection (b).

22 (e) FEDERAL COST SHARE.—(1) The share contrib-
23 uted by the Secretary of a military department or the head
24 of a defense agency for the cost of a dual-use project dur-
25 ing fiscal years 1998, 1999, 2000, and 2001 may not be

1 greater than 50 percent of the cost of the project for that
2 fiscal year.

3 (2) In calculating the share of the costs of a dual-
4 use program contributed by a military department or a
5 non-Government entity, the Secretaries of the military de-
6 partments may not consider in-kind contributions.

7 (f) DEFINITIONS.—In this section, the terms “dual-
8 use technology program”, “dual-use project”, and “science
9 and technology program” have the meanings provided by
10 section 203(h) of the National Defense Authorization Act
11 for Fiscal Year 1997 (Public Law 104–201; 110 Stat.
12 2452).

13 **Subtitle B—Program Require-** 14 **ments, Restrictions, and Limita-** 15 **tions**

16 **SEC. 211. MANUFACTURING TECHNOLOGY PROGRAM.**

17 Section 2525 of title 10, United States Code, is
18 amended by adding at the end the following new sub-
19 section:

20 “(e) FUNDING REQUIREMENT.—(1) Subject to para-
21 graph (2), the Secretary of Defense shall make available
22 each fiscal year for the Manufacturing Technology Pro-
23 gram the greater of the following amounts:

24 “(A) 0.25 percent of the amount available for
25 the fiscal year concerned for the demonstration and

1 validation, engineering and manufacturing develop-
2 ment, operational systems development, and procure-
3 ment programs of the military departments and De-
4 fense Agencies.

5 “(B) The amount authorized to be appropriated
6 by law for the fiscal year concerned for projects of
7 the military departments and Defense Agencies
8 under the Manufacturing Technology Program.

9 “(2) Paragraph (1) applies to fiscal years 1998,
10 1999, and 2000.

11 “(f) TRANSFER AUTHORITY.—The Secretary of De-
12 fense may transfer funds made available pursuant to sub-
13 section (e) from a military department or Defense Agency
14 to another military department or Defense Agency to en-
15 sure efficient implementation of the Manufacturing Tech-
16 nology Program. The Secretary may delegate the author-
17 ity provided in the preceding sentence to the Under Sec-
18 retary of Defense for Acquisition and Technology. Author-
19 ity to transfer funds under this subsection is in addition
20 to any other authority provided by law to transfer funds
21 (whether enacted before, on, or after the date of the enact-
22 ment of this section) and is not subject to any dollar limi-
23 tation or notification requirement contained in any other
24 such authority to transfer funds.

1 “(g) REPORT.—(1) At the same time the President
 2 submits to Congress the budget for fiscal year 1999 pur-
 3 suant to section 1105(a) of title 31, the Secretary of De-
 4 fense shall submit to Congress a report that—

5 “(A) specifies the plans of the Secretary for ex-
 6 penditures under the program during fiscal years
 7 1998, 1999, and 2000; and

8 “(B) assesses the effectiveness of the program.

9 “(2) The Secretary shall submit an updated version
 10 of such report at the same time the President submits the
 11 budget for each fiscal year after fiscal year 1999 during
 12 which the program is in effect shall include—

13 “(A) an assessment of whether the funding of
 14 the program, as provided pursuant to the funding
 15 requirement of subsection (e), is sufficient; and

16 “(B) any recommendations considered appro-
 17 priate by the Secretary for changes in, or an exten-
 18 sion of, the funding requirement of subsection (e).”.

19 **SEC. 212. REPORT ON STRATEGIC ENVIRONMENTAL RE-**
 20 **SEARCH AND DEVELOPMENT PROGRAM.**

21 (a) REPORT.—Not later than February 28, 1998, the
 22 Secretary of Defense shall submit to Congress a report
 23 containing, for each project or activity of the Strategic En-
 24 vironmental Research and Development Program—

1 (1) an explanation of why the project or activity
 2 is not duplicative of environmentally related re-
 3 search, development, and demonstration activities of
 4 other departments and agencies of the Federal Gov-
 5 ernment, of State and local governments, or of other
 6 organizations engaged in such activities; and

7 (2) an explanation of why the project or activity
 8 is uniquely related to and necessary for the mission
 9 of the Department of Defense.

10 (b) **LIMITATION ON USE OF FUNDS PENDING SUB-**
 11 **MISSION OF REPORT.**—Not more than 50 percent of the
 12 funds appropriated for the Strategic Environmental Re-
 13 search and Development Program pursuant to the author-
 14 ization of appropriations in section 201(4) may be ex-
 15 pended until the Secretary of Defense submits the report
 16 required under this section.

17 **SEC. 213. TACTICAL UNMANNED AERIAL VEHICLES.**

18 (a) **PROHIBITION ON FUNDING FOR OUTRIDER**
 19 **ACTD PROGRAM.**—No funds authorized to be appro-
 20 priated under section 201 may be obligated for the Out-
 21 rider Advanced Concept Technology Demonstration
 22 (ACTD) program.

23 (b) **FUNDING REQUIREMENTS.**—Of the funds author-
 24 ized to be appropriated for tactical unmanned aerial vehi-
 25 cles (TUAV) under section 201—

1 (1) \$10,000,000 shall be available to carry out
 2 a competition for an unmanned aerial vehicle capa-
 3 ble of vertical takeoff and landing; and

4 (2) \$11,500,000 shall be available to provide a
 5 Predator Unmanned Aerial Vehicle system equipped
 6 with synthetic aperture radar and associated equip-
 7 ment to facilitate the development of a common Tac-
 8 tical Control System for unmanned aerial vehicles.

9 **SEC. 214. REVISIONS TO MEMBERSHIP OF AND APPOINT-**
 10 **MENT AUTHORITY FOR NATIONAL OCEAN RE-**
 11 **SEARCH LEADERSHIP COUNCIL.**

12 (a) MEMBERSHIP REVISIONS.—Section 7902(b) of
 13 title 10, United States Code, is amended—

14 (1) by striking out paragraph (11); and

15 (2) in paragraph (17), by striking out “One
 16 member” and inserting in lieu thereof “Not more
 17 than four members”.

18 (b) APPOINTMENT AUTHORITY REVISIONS.—Section
 19 7902 of such title is amended—

20 (1) in paragraphs (14), (15), (16), and (17) of
 21 subsection (b), by striking out “chairman” each
 22 place it appears and inserting in lieu thereof “Presi-
 23 dent”; and

24 (2) by adding at the end the following new sub-
 25 section:

1 “(j) DELEGATION OF APPOINTMENT AUTHORITY.—
 2 The President may delegate the authority to make ap-
 3 pointments under subsection (b) to the head of a depart-
 4 ment, without authority to redelegate.”.

5 (c) CONFORMING AMENDMENTS.—(1) Section 7902
 6 of such title is further amended—

7 (A) in subsection (b), by redesignating para-
 8 graphs (12), (13), (14), (15), (16), and (17) as
 9 paragraphs (11), (12), (13), (14), (15), and (16), re-
 10 spectively; and

11 (B) in subsection (d), by striking out “(14),
 12 (15), (16), or (17)” and inserting in lieu thereof
 13 “(13), (14), (15), or (16)”.

14 (2) Section 282 of the National Defense Authoriza-
 15 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
 16 Stat. 2473) is amended by striking out subsection (c).

17 **SEC. 215. MAINTENANCE AND REPAIR OF REAL PROPERTY**
 18 **AT AIR FORCE INSTALLATIONS.**

19 (a) IN GENERAL.—Chapter 949 of title 10, United
 20 States Code, is amended by adding at the end the follow-
 21 ing new section:

22 **“§ 9782. Maintenance and repair of real property**

23 “(a) ALLOCATION OF FUNDS.—The Secretary of the
 24 Air Force shall allocate funds authorized to be appro-
 25 priated by a provision described in subsection (c) and a

1 provision described in subsection (d) for maintenance and
2 repair of real property at military installations of the De-
3 partment of the Air Force without regard to whether the
4 installation is supported with funds authorized by a provi-
5 sion described in subsection (c) or (d).

6 “(b) MIXING OF FUNDS PROHIBITED ON INDIVIDUAL
7 PROJECTS.—The Secretary of the Air Force may not com-
8 bine funds authorized to be appropriated by a provision
9 described in subsection (c) and funds authorized to be ap-
10 propriated by a provision described in subsection (d) for
11 an individual project for maintenance and repair of real
12 property at a military installation of the Department of
13 the Air Force.

14 “(c) RESEARCH, DEVELOPMENT, TEST, AND EVAL-
15 UATION FUNDS.—The provision described in this sub-
16 section is a provision of a national defense authorization
17 Act that authorizes funds to be appropriated for a fiscal
18 year to the Air Force for research, development, test, and
19 evaluation.

20 “(d) OPERATION AND MAINTENANCE FUNDS.—The
21 provision described in this subsection is a provision of a
22 national defense authorization Act that authorizes funds
23 to be appropriated for a fiscal year to the Air Force for
24 operation and maintenance.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end the following new item:

“9782. Maintenance and repair of real property.”.

4 **SEC. 216. EXPANSION OF ELIGIBILITY FOR DEFENSE EX-**
 5 **PERIMENTAL PROGRAM TO STIMULATE COM-**
 6 **PETITIVE RESEARCH.**

7 Section 257 of the National Defense Authorization
 8 Act for Fiscal Year 1995 (Public Law 103–337; U.S.C.
 9 2358 note) is amended by adding at the end of subsection
 10 (d) the following new paragraph:

11 “(3) In this section, the term ‘State’ means a
 12 State of the United States, the District of Columbia,
 13 the Commonwealth of Puerto Rico, Guam, the Vir-
 14 gin Islands, American Samoa, and the Common-
 15 wealth of the Northern Mariana Islands.”.

16 **SEC. 217. BIOASSAY TESTING OF VETERANS EXPOSED TO**
 17 **IONIZING RADIATION DURING MILITARY**
 18 **SERVICE.**

19 Of the amount provided in section 201(4),
 20 \$300,000 shall be available for the Nuclear Test Personnel
 21 Review Program conducted by the Defense Special Weap-
 22 ons Agency.

1 **SEC. 218. COMANCHE PROGRAM.**

2 The Congress supports the Army in its Comanche
3 program technology transfer and acquisition efforts,
4 which—

5 (1) offer potential RAH-66 Air Vehicle and
6 T800 engine cost, schedule, and technical risk reduc-
7 tion; and

8 (2) include cooperative efforts with other Gov-
9 ernment agencies such as the National Guard (UH-
10 1H engine technology insertion), the Defense Ad-
11 vanced Research Projects Agency, and other re-
12 search and development programs of the military de-
13 partments.

14 **SEC. 219. LAND ATTACK STANDARD MISSILE.**

15 Of the amount provided in section 201(2) for re-
16 search, development, test, and evaluation for the Navy—

17 (1) the amount available for program element
18 63795N for the Land Attack Technology program is
19 increased by \$10,000,000, to be available for flight
20 test demonstration and risk reduction activities for
21 the Land Attack Standard Missile;

22 (2) the amount available for program element
23 62317N (Air Systems and Weapons Advance Tech-
24 nology) is reduced by \$5,000,000; and

1 (3) the amount available for program element
2 63508N (Ship Hull Mechanical and Electrical Tech-
3 nology) is reduced by \$5,000,000.

4 **SEC. 220. REPORT ON OPERATIONAL FIELD ASSESSMENTS**
5 **PROGRAM.**

6 (a) FINDING.—Congress recognizes the potential
7 value that the Department of Defense Operational Field
8 Assessments program, which is managed by the Director
9 of Operational Test and Evaluation, provides to the com-
10 manders of the Unified Combatant Commands with re-
11 spect to assessment of the effectiveness of near-term oper-
12 ational concepts and critical operational issues in quick-
13 response operational tests and evaluations.

14 (b) REPORT.—Not later than March 30, 1998, the
15 Secretary of Defense shall submit to the congressional de-
16 fense committees a report on the Operational Field As-
17 sessments program.

18 (c) CONTENT OF REPORT.—The report shall contain
19 the following:

20 (1) A review of the Operational Field Assess-
21 ments program which describes the goals and objec-
22 tives of the program, assessments by the program
23 conducted as of the date of the submission of the re-
24 port, and the results of those assessments.

1 (2) A description of the current management
 2 and support structure of the program within the De-
 3 partment of Defense, including a description of how
 4 program responsibilities are assigned within the Of-
 5 fice of the Secretary of Defense and a description of
 6 the roles of the Joint Staff, the commanders of the
 7 Unified Combatant Commands, and the military de-
 8 partments.

9 (3) A description of future plans for the pro-
 10 gram and funding requirements for those plans.

11 (4) Recommendations regarding additional stat-
 12 utory authority that may be required for the pro-
 13 gram.

14 **Subtitle C—Ballistic Missile** 15 **Defense Programs**

16 **SEC. 231. BUDGETARY TREATMENT OF AMOUNTS RE-** 17 **QUESTED FOR PROCUREMENT FOR BALLIS-** 18 **TIC MISSILE DEFENSE PROGRAMS.**

19 (a) REQUIREMENT FOR INCLUSION IN BUDGET OF
 20 BMDO.—(1) Chapter 9 of title 10, United States Code,
 21 is amended by inserting after section 222 the following
 22 new section:

1 **“§ 224. Ballistic missile defense programs: amounts**
 2 **for procurement**

3 “(a) REQUIREMENT.—Any amount in the budget
 4 submitted to Congress under section 1105 of title 31 for
 5 any fiscal year for procurement for the National Missile
 6 Defense program or for any system that is part of the
 7 core theater missile defense program shall be set forth
 8 under the account of the Department of Defense for De-
 9 fense-wide procurement and, within that account, under
 10 the subaccount (or other budget activity level) for the Bal-
 11 listic Missile Defense Organization.

12 “(b) CORE THEATER BALLISTIC MISSILE DEFENSE
 13 PROGRAM.—For purposes of this section, the core theater
 14 missile defense program consists of the systems specified
 15 in section 234 of the Ballistic Missile Defense Act of 1995
 16 (10 U.S.C. 2431 note).”.

17 (b) CLERICAL AMENDMENT.—The table of sections
 18 at the beginning of such chapter is amended by inserting
 19 after the item relating to section 222 the following new
 20 item:

“224. Ballistic missile defense programs: amounts for procurement.”.

21 **SEC. 232. COOPERATIVE BALLISTIC MISSILE DEFENSE PRO-**
 22 **GRAM.**

23 (a) REQUIREMENT FOR NEW PROGRAM ELEMENT.—
 24 The Secretary of Defense shall establish a program ele-
 25 ment for the Ballistic Missile Defense Organization, to be

1 referred to as the “Cooperative Ballistic Missile Defense
 2 Program”, to support technical and analytical cooperative
 3 efforts between the United States and other nations that
 4 contribute to United States ballistic missile defense capa-
 5 bilities. All international cooperative ballistic missile de-
 6 fense programs of the Department of Defense shall be
 7 budgeted and administered through that program element.

8 (b) RELATIONSHIP TO OTHER PROGRAM ELE-
 9 MENTS.—The program element established pursuant to
 10 subsection (a) is in addition to the program elements for
 11 activities of the Ballistic Missile Defense Organization re-
 12 quired under section 251 of the National Defense Author-
 13 ization Act for Fiscal Year 1996 (Public Law 104–106;
 14 110 Stat. 233; 10 U.S.C. 221 note).

15 **SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MIS-**
 16 **SILE DEFENSE PROGRAMS.**

17 (a) CHANGE IN DEPLOYMENT DATES.—Section
 18 234(a) of the Ballistic Missile Defense Act of 1995 (sub-
 19 title C of title II of Public Law 104–106; 110 Stat. 229;
 20 10 U.S.C. 2431 note) is amended—

21 (1) in the matter preceding paragraph (1), by
 22 striking out “, to be carried out so as to achieve the
 23 specified capabilities”;

24 (2) in paragraph (1), by striking out “, with a
 25 first unit equipped (FUE) during fiscal year 1998”;

1 (3) in paragraph (2), by striking out “Navy
2 Lower Tier (Area) system” and all that follows
3 through “fiscal year 1999” and inserting in lieu
4 thereof “Navy Area Defense system”;

5 (4) in paragraph (3)—

6 (A) by striking out “with a” and inserting
7 in lieu thereof “to be carried out so as to
8 achieve a”; and

9 (B) by striking out “fiscal year 1998” and
10 “fiscal year 2000” and inserting in lieu thereof
11 “fiscal year 2000” and “fiscal year 2004”, re-
12 spectively; and

13 (5) in paragraph (4), by striking out “Navy
14 Upper Tier (Theater Wide) system, with” and in-
15 serting in lieu thereof “Navy Theater Wide system,
16 to be carried out so as to achieve”.

17 (b) CONFORMING AMENDMENTS FOR PROGRAM ELE-
18 MENT NAME CHANGES.—Section 251(a) of the National
19 Defense Authorization Act for Fiscal Year 1996 (Public
20 Law 104–106; 110 Stat. 233; 10 U.S.C. 221 note) is
21 amended—

22 (1) in paragraph (2), by striking out “Navy
23 Lower Tier (Area) system” and inserting in lieu
24 thereof “Navy Area Defense system”; and

1 (2) in paragraph (4), by striking out “Navy
2 Upper Tier (Theater Wide) system” and inserting in
3 lieu thereof “Navy Theater Wide system”.

4 **SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE**
5 **UNITED STATES BY WEAPONS OF MASS DE-**
6 **STRUCTION, BALLISTIC MISSILES, AND**
7 **CRUISE MISSILES.**

8 (a) ANNUAL REPORT.—The Secretary of Defense
9 shall submit to Congress by January 30 of each year a
10 report on the threats posed to the United States and allies
11 of the United States—

12 (1) by weapons of mass destruction, ballistic
13 missiles, and cruise missiles; and

14 (2) by the proliferation of weapons of mass de-
15 struction, ballistic missiles, and cruise missiles.

16 (b) CONSULTATION.—Each report submitted under
17 subsection (a) shall be prepared in consultation with the
18 Director of Central Intelligence.

19 (c) MATTERS TO BE INCLUDED.—Each report sub-
20 mitted under subsection (a) shall include the following:

21 (1) Identification of each foreign country and
22 non-State organization that possesses weapons of
23 mass destruction, ballistic missiles, or cruise mis-
24 siles, and a description of such weapons and missiles

1 with respect to each such foreign country and non-
2 State organization.

3 (2) A description of the means by which any
4 foreign country and non-State organization that has
5 achieved capability with respect to weapons of mass
6 destruction, ballistic missiles, or cruise missiles has
7 achieved that capability, including a description of
8 the international network of foreign countries and
9 private entities that provide assistance to foreign
10 countries and non-State organizations in achieving
11 that capability.

12 (3) An examination of the doctrines that guide
13 the use of weapons of mass destruction in each for-
14 eign country that possesses such weapons.

15 (4) An examination of the existence and imple-
16 mentation of the control mechanisms that exist with
17 respect to nuclear weapons in each foreign country
18 that possesses such weapons.

19 (5) Identification of each foreign country and
20 non-State organization that seeks to acquire or de-
21 velop (indigenously or with foreign assistance) weap-
22 ons of mass destruction, ballistic missiles, or cruise
23 missiles, and a description of such weapons and mis-
24 siles with respect to each such foreign country and
25 non-State organization.

1 (6) An assessment of various possible timelines
2 for the achievement by foreign countries and non-
3 State organizations of capability with respect to
4 weapons of mass destruction, ballistic missiles, and
5 cruise missiles, taking into account the probability of
6 whether the Russian Federation and the People's
7 Republic of China will comply with the Missile Tech-
8 nology Control Regime, the potential availability of
9 assistance from foreign technical specialists, and the
10 potential for independent sales by foreign private en-
11 tities without authorization from their national Gov-
12 ernments.

13 (7) For each foreign country or non-State orga-
14 nization that has not achieved the capability to tar-
15 get the United States or its territories with weapons
16 of mass destruction, ballistic missiles, or cruise mis-
17 siles as of the date of the enactment of this Act, an
18 estimate of how far in advance the United States is
19 likely to be warned before such foreign country or
20 non-State organization achieves that capability.

21 (8) For each foreign country or non-State orga-
22 nization that has not achieved the capability to tar-
23 get members of the United States Armed Forces de-
24 ployed abroad with weapons of mass destruction,
25 ballistic missiles, or cruise missiles as of the date of

1 the enactment of this Act, an estimate of how far in
 2 advance the United States is likely to be warned be-
 3 fore such foreign country or non-State organization
 4 achieves that capability.

5 (d) CLASSIFICATION.—Each report under subsection
 6 (a) shall be submitted in classified and unclassified form.

7 **SEC. 235. DIRECTOR OF BALLISTIC MISSILE DEFENSE OR-**
 8 **GANIZATION.**

9 (a) IN GENERAL.—Subchapter II of chapter 8 of title
 10 10, United States Code, is amended by adding at the end
 11 the following new section:

12 **“§ 203. Director of Ballistic Missile Defense Organiza-**
 13 **tion**

14 “(a) GRADE.—The position of Director of the Ballis-
 15 tic Missile Defense Organization—

16 “(1) may only be held by an officer of the
 17 armed forces on the active-duty list; and

18 “(2) shall be designated under section 601 of
 19 this title as a position of importance and responsibil-
 20 ity to carry the grade of general or admiral or lieu-
 21 tenant general or vice admiral.

22 “(b) LINE OF AUTHORITY TO SECRETARY OF DE-
 23 FENSE.—The Director of the Ballistic Missile Defense Or-
 24 ganization reports directly to the Secretary of Defense and
 25 (if so directed by the Secretary) the Deputy Secretary of

1 Defense, without intervening review or approval by any
 2 other officer of the Department of Defense, with respect
 3 to all matters pertaining to the management of ballistic
 4 missile defense programs for which the Director has re-
 5 sponsibility (including matters pertaining to the status of
 6 those programs and the budgets for those programs).”.

7 (b) CLERICAL AMENDMENT.—The table of sections
 8 at the beginning of such subchapter is amended by adding
 9 at the end the following new item:

“203. Director of Ballistic Missile Defense Organization.”.

10 **SEC. 236. TACTICAL HIGH ENERGY LASER PROGRAM.**

11 (a) TRANSFER OF PROGRAM.—The Secretary of De-
 12 fense shall transfer the Tactical High Energy Laser pro-
 13 gram from the Secretary of the Army to the Director of
 14 the Ballistic Missile Defense Organization, to be carried
 15 out under the Cooperative Ballistic Missile Defense Pro-
 16 gram established pursuant to section 232(a).

17 (b) AUTHORIZATION.—Of the amount authorized to
 18 be appropriated in section 201, \$38,200,000 is authorized
 19 for the Tactical High Energy Laser program.

**TITLE III—OPERATION AND
MAINTENANCE
Subtitle A—Authorization of
Appropriations**

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

- (1) For the Army, \$17,185,034,000.
- (2) For the Navy, \$21,372,699,000.
- (3) For the Marine Corps, \$2,381,245,000.
- (4) For the Air Force, \$18,745,985,000.
- (5) For Defense-wide activities,
\$10,030,057,000.
- (6) For the Army Reserve, \$1,202,891,000.
- (7) For the Naval Reserve, \$849,711,000.
- (8) For the Marine Corps Reserve,
\$110,366,000.
- (9) For the Air Force Reserve, \$1,629,120,000.
- (10) For the Army National Guard,
\$2,266,432,000.
- (11) For the Air National Guard,
\$2,985,969,000.

1 (12) For the Defense Inspector General,
2 \$136,580,000.

3 (13) For the United States Court of Appeals
4 for the Armed Forces, \$6,952,000.

5 (14) For Environmental Restoration, Army,
6 \$377,337,000.

7 (15) For Environmental Restoration, Navy,
8 \$277,500,000.

9 (16) For Environmental Restoration, Air Force,
10 \$378,900,000.

11 (17) For Environmental Restoration, Defense-
12 wide, \$27,900,000.

13 (18) For Environmental Restoration, Formerly
14 Used Defense Sites, \$202,300,000.

15 (19) For Overseas Humanitarian, Disaster, and
16 Civic Aid programs, \$50,000,000.

17 (20) For Drug Interdiction and Counter-drug
18 Activities, Defense-wide, \$661,671,000.

19 (21) For the Kaho'olawe Island Conveyance,
20 Remediation, and Environmental Restoration Trust
21 Fund, \$10,000,000.

22 (22) For Medical Programs, Defense,
23 \$9,975,382,000.

24 (23) For Cooperative Threat Reduction pro-
25 grams, \$284,700,000.

1 (24) For Overseas Contingency Operations
2 Transfer Fund, \$1,467,500,000.

3 **SEC. 302. WORKING CAPITAL FUNDS.**

4 Funds are hereby authorized to be appropriated for
5 fiscal year 1998 for the use of the Armed Forces and other
6 activities and agencies of the Department of Defense for
7 providing capital for working capital and revolving funds
8 in amounts as follows:

9 (1) For the Defense Working Capital Funds,
10 \$971,952,000.

11 (2) For the National Defense Sealift Fund,
12 \$1,181,626,000.

13 **SEC. 303. ARMED FORCES RETIREMENT HOME.**

14 There is hereby authorized to be appropriated for fis-
15 cal year 1998 from the Armed Forces Retirement Home
16 Trust Fund the sum of \$79,977,000 for the operation of
17 the Armed Forces Retirement Home, including the United
18 States Soldiers' and Airmen's Home and the Naval Home.

19 **SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCK-**
20 **PILE TRANSACTION FUND.**

21 (a) TRANSFER AUTHORITY.—To the extent provided
22 in appropriations Acts, not more than \$150,000,000 is au-
23 thorized to be transferred from the National Defense
24 Stockpile Transaction Fund to operation and maintenance
25 accounts for fiscal year 1998 in amounts as follows:

1 (1) For the Army, \$50,000,000.

2 (2) For the Navy, \$50,000,000.

3 (3) For the Air Force, \$50,000,000.

4 (b) TREATMENT OF TRANSFERS.—Amounts trans-
5 ferred under this section—

6 (1) shall be merged with, and be available for
7 the same purposes and the same period as, the
8 amounts in the accounts to which transferred; and

9 (2) may not be expended for an item that has
10 been denied authorization of appropriations by Con-
11 gress.

12 (c) RELATIONSHIP TO OTHER TRANSFER AUTHOR-
13 ITY.—The transfer authority provided in this section is in
14 addition to the transfer authority provided in section
15 1001.

16 **SEC. 305. REFURBISHMENT AND INSTALLATION OF AIR**
17 **SEARCH RADAR.**

18 Of the amount authorized to be appropriated pursu-
19 ant to section 301(2) for operation and maintenance for
20 the Navy, \$6,000,000 shall be available only for the refur-
21 bishment and installation of the AN/SPS-48E air search
22 radar for the Ship Self Defense System at the Integrated
23 Ship Defense Systems Engineering Center, Naval Surface
24 Warfare Center, Wallops Islands, Virginia.

1 **SEC. 306. REFURBISHMENT OF M1-A1 TANKS.**

2 Of the amount authorized to be appropriated pursu-
 3 ant to section 301(1) for operation and maintenance for
 4 the Army, \$35,000,000 shall be available only for refur-
 5 bishment of M1-A1 tanks at the Anniston Army Depot
 6 under the AIM-XXI program if the Secretary of Defense
 7 determines that the cost effectiveness of the pilot AIM-
 8 XXI program is validated through user trials conducted
 9 at the National Training Center, Fort Irwin, California.

10 **SEC. 307. PROCUREMENT AND ELECTRONIC COMMERCE**
 11 **TECHNICAL ASSISTANCE PROGRAM.**

12 (a) AUTHORIZATION.—Subject to subsection (c), of
 13 the amount authorized to be appropriated under section
 14 301(5), \$15,000,000 shall be available for carrying out the
 15 provisions of chapter 142 of title 10, United States Code.

16 (b) PROHIBITION.—Subject to subsection (c), the
 17 Secretary of Defense may not obligate or expend any
 18 funds available for research, development, test, and eval-
 19 uation to establish or operate a resource center or pro-
 20 gram to provide technical assistance relating to electronic
 21 commerce.

22 (c) LIMITATION.—Subsections (a) and (b) apply only
 23 in the event of the consolidation of the procurement tech-
 24 nical assistance program and the electronic commerce re-
 25 source program as a single technical assistance program

1 funded with amounts available for operation and mainte-
 2 nance.

3 **Subtitle B—Military Readiness** 4 **Issues**

5 **SEC. 311. EXPANSION OF SCOPE OF QUARTERLY READI-** 6 **NESS REPORTS.**

7 (a) EXPANDED REPORTS REQUIRED.—Section 482
 8 of title 10, United States Code, is amended to read as
 9 follows:

10 **“§ 482. Quarterly readiness reports**

11 “(a) QUARTERLY REPORTS REQUIRED.—Not later
 12 than 30 days after the end of each calendar-year quarter,
 13 the Secretary of Defense shall submit to the Committee
 14 on Armed Services of the Senate and the Committee on
 15 National Security of the House of Representatives a re-
 16 port on military readiness. The report for a quarter shall
 17 contain the information required by subsections (b) (d),
 18 and (e).

19 “(b) READINESS PROBLEMS AND REMEDIAL AC-
 20 TIONS.—Each report shall specifically describe—

21 “(1) readiness problems or deficiencies identi-
 22 fied using the assessments considered under sub-
 23 section (c);

24 “(2) planned remedial actions; and

1 “(3) the key indicators and other relevant infor-
2 mation related to the identified problem or defi-
3 ciency.

4 “(c) CONSIDERATION OF READINESS ASSESS-
5 MENTS.—The information required under subsection (b)
6 to be included in the report for a quarter shall be based
7 on readiness assessments that are provided during that
8 quarter—

9 “(1) to any council, committee, or other body of
10 the Department of Defense—

11 “(A) that has responsibility for readiness
12 oversight; and

13 “(B) whose membership includes at least
14 one civilian officer in the Office of the Secretary
15 of Defense at the level of Assistant Secretary of
16 Defense or higher;

17 “(2) by senior civilian and military officers of
18 the military departments and the commanders of the
19 unified and specified commands; and

20 “(3) as part of any regularly established proc-
21 ess of periodic readiness reviews for the Department
22 of Defense as a whole.

23 “(d) COMPREHENSIVE READINESS INDICATORS.—
24 Each report shall also include information regarding each
25 military department (and an evaluation of such informa-

1 tion) with respect to each of the following readiness indica-
 2 tors:

3 “(1) PERSONNEL STRENGTH.—

4 “(A) Individual personnel status.

5 “(B) Historical and projected personnel
 6 trends.

7 “(2) PERSONNEL TURBULENCE.—

8 “(A) Recruit quality.

9 “(B) Borrowed manpower.

10 “(C) Personnel stability.

11 “(3) OTHER PERSONNEL MATTERS.—

12 “(A) Personnel morale.

13 “(B) Medical and dental readiness.

14 “(C) Recruit shortfalls.

15 “(4) TRAINING.—

16 “(A) Training unit readiness and pro-
 17 ficiency.

18 “(B) Operations tempo.

19 “(C) Training funding.

20 “(D) Training commitments and deploy-
 21 ments.

22 “(5) LOGISTICS—EQUIPMENT FILL.—

23 “(A) Deployed equipment.

24 “(B) Equipment availability.

1 “(C) Equipment that is not mission capa-
2 ble.

3 “(D) Age of equipment.

4 “(E) Condition of nonpacing items.

5 “(6) LOGISTICS—EQUIPMENT MAINTENANCE.—

6 “(A) Maintenance backlog.

7 “(7) LOGISTICS—SUPPLY.—

8 “(A) Availability of ordnance and spares.

9 “(e) UNIT READINESS INDICATORS.—Each report
10 shall also include information regarding the readiness of
11 each unit of the armed forces at the battalion, squadron,
12 or an equivalent level (or a higher level) that received a
13 readiness rating of C-3 (or below) for any month of the
14 calendar-year quarter covered by the report. With respect
15 to each such unit, the report shall separately provide the
16 following information:

17 “(1) The unit designation and level of organiza-
18 tion.

19 “(2) The overall readiness rating for the unit
20 for the quarter and each month of the quarter.

21 “(3) The resource area or areas (personnel,
22 equipment and supplies on hand, equipment condi-
23 tion, or training) that adversely affected the unit’s
24 readiness rating for the quarter.

1 “(4) If the unit received a readiness rating
2 below C-1 in personnel for the quarter, the primary
3 reason for the lower rating, by reason code and defi-
4 nition.

5 “(5) If the unit received a readiness rating
6 below C-1 in equipment and supplies on hand for
7 the quarter, the primary reason for the lower rating,
8 by reason code and definition.

9 “(6) If the unit received a readiness rating
10 below C-1 in equipment condition for the quarter,
11 the primary reason for the lower rating, by reason
12 code and definition.

13 “(7) If the unit received a readiness rating
14 below C-1 in training for the quarter, the primary
15 reason for the lower rating, by reason code and defi-
16 nition.

17 “(f) CLASSIFICATION OF REPORTS.—A report under
18 this section shall be submitted in unclassified form. To
19 the extent the Secretary of Defense determines necessary,
20 the report may also be submitted in classified form.”.

21 (b) IMPLEMENTATION PLAN TO EXAMINE READI-
22 NESS INDICATORS.—Not later than January 15, 1998, the
23 Secretary of Defense shall submit to the congressional de-
24 fense committees a plan—

1 (1) specifying the manner in which the Sec-
2 retary will implement the additional reporting re-
3 quirement of subsection (d) of section 482 of title
4 10, United States Code, as added by this section;
5 and

6 (2) specifying the criteria proposed to be used
7 to evaluate the readiness indicators identified in
8 such subsection (d).

9 (c) LIMITATION PENDING RECEIPT OF IMPLEMENTA-
10 TION PLAN.—Of the amount available for fiscal year 1998
11 for operation and support activities of the Office of the
12 Secretary of Defense, 10 percent may not be obligated
13 until after the date on which the implementation plan re-
14 quired by subsection (b) is submitted.

15 (d) FIRST REPORT; TRANSITION.—The first report
16 required under section 482 of title 10, United States Code,
17 as amended by subsection (a), shall be submitted not later
18 than October 31, 1997. Until the report required for the
19 third quarter of 1998 is submitted, the Secretary of De-
20 fense may omit the information required by subsection (d)
21 of such section if the Secretary determines that it is im-
22 practicable to comply with such subsection with regard to
23 the preceding reports.

1 **SEC. 312. LIMITATION ON REALLOCATION OF FUNDS WITH-**
2 **IN OPERATION AND MAINTENANCE APPRO-**
3 **PRIATIONS.**

4 (a) **LIMITATION.**—Whenever the Secretary of De-
5 fense proposes to reallocate funds within an O&M budget
6 activity in a manner described in subsection (b), the re-
7 allocation may be made only—

8 (1) after the Secretary submits to the congres-
9 sional defense committees notice of the proposed re-
10 allocation; and

11 (2) if the procedures generally applicable to
12 transfers of funds between appropriations of the De-
13 partment of Defense have been followed with respect
14 to such reallocation.

15 (b) **COVERED REALLOCATIONS.**—Subsection (a) ap-
16 plies in the case of any reallocation of funds from a sub-
17 activity of an O&M budget activity to another subactivity
18 within the same O&M budget activity or to another O&M
19 budget activity within the same operation and mainte-
20 nance appropriation if the amount to be reallocated, when
21 added to any previous amounts reallocated from that sub-
22 activity for that fiscal year, is in excess of \$10,000,000.

23 (c) **O&M BUDGET ACTIVITY DEFINED.**—For pur-
24 poses of this section, the term “O&M budget activity”
25 means a budget activity within an operation and mainte-

1 nance appropriation of the Department of Defense for a
2 fiscal year.

3 (d) COVERED FISCAL YEARS.—This section applies
4 with respect to funds appropriated for fiscal years 1998,
5 1999, and 2000.

6 **SEC. 313. OPERATION OF PREPOSITIONED FLEET, NA-**
7 **TIONAL TRAINING CENTER, FORT IRWIN,**
8 **CALIFORNIA.**

9 Of the amount authorized to be appropriated pursu-
10 ant to section 301(1) for operation and maintenance for
11 the Army, \$60,200,000 shall be available only to pay costs
12 associated with the operation of the prepositioned fleet of
13 equipment during training rotations at the National
14 Training Center, Fort Irwin, California.

15 **SEC. 314. PROHIBITION OF IMPLEMENTATION OF TIERED**
16 **READINESS SYSTEM.**

17 (a) PROHIBITION.—The Secretary of a military de-
18 partment may not implement, or be required to imple-
19 ment, a readiness system for units of the Armed Forces
20 under the jurisdiction of that Secretary under which a
21 military unit would be categorized into one of several cat-
22 egories (or “tiers”) according to the likelihood that the
23 unit will be required to respond to a military conflict and
24 the time in which the unit will be required to respond,
25 if that system would have the effect of changing the meth-

1 ods used as of October 1, 1996, by the Armed Forces
2 under the jurisdiction of that Secretary for determining
3 the priorities for allocating to such military units funding,
4 personnel, equipment, equipment maintenance, and train-
5 ing resources, and the associated levels of readiness of
6 those units that result from those priorities.

7 (b) REPORT TO CONGRESS REQUESTING WAIVER.—
8 If the Secretary of Defense determines that implementa-
9 tion, for one or more of the Armed Forces, of a tiered
10 readiness system that is otherwise prohibited by sub-
11 section (a) would be in the national security interests of
12 the United States, the Secretary shall submit to the Com-
13 mittee on Armed Services of the Senate and the Commit-
14 tee on National Security of the House of Representatives
15 a report setting forth that determination of the Secretary,
16 together with the rationale for that determination, and a
17 request for the enactment of legislation to allow implemen-
18 tation of such a system.

19 **SEC. 315. REPORTS ON TRANSFERS FROM HIGH-PRIORITY**
20 **READINESS APPROPRIATIONS.**

21 (a) ANNUAL AND QUARTERLY REPORTS RE-
22 QUIRED.—Chapter 23 of title 10, United States Code, is
23 amended by adding at the end the following new section:

1 **“§ 483. Reports on transfers from high-priority readi-**
2 **ness appropriations**

3 “(a) ANNUAL REPORTS.—Not later than the date on
4 which the President submits the budget for a fiscal year
5 to Congress pursuant to section 1105 of title 31, the Sec-
6 retary of Defense shall submit to the Committee on Armed
7 Services and the Committee on Appropriations of the Sen-
8 ate and the Committee on National Security and the Com-
9 mittee on Appropriations of the House of Representatives
10 a report on transfers during the preceding fiscal year from
11 funds available for each covered budget activity.

12 “(b) QUARTERLY REPORTS.—Not later than 30 days
13 after the end of each quarter of a fiscal year, the Secretary
14 of Defense shall submit to the congressional committees
15 specified in subsection (a) a report on transfers, during
16 that fiscal year quarter, from funds available for each cov-
17 ered budget activity.

18 “(c) MATTERS TO BE INCLUDED.—In each report
19 under subsection (a) or (b), the Secretary of Defense shall
20 include for each covered budget activity the following:

21 “(1) A statement, for the period covered by the
22 report, of—

23 “(A) the total amount of transfers into
24 funds available for that activity;

25 “(B) the total amount of transfers from
26 funds available for that activity; and

1 “(C) the net amount of transfers into, or
2 out of, funds available for that activity.

3 “(2) A detailed explanation of the transfers
4 into, and out of, funds available for that activity
5 during the period covered by the report.

6 “(d) COVERED BUDGET ACTIVITY DEFINED.—In
7 this section, the term ‘covered budget activity’ means each
8 of the following:

9 “(1) The budget activity groups (known as
10 ‘subactivities’) within the Operating Forces budget
11 activity of the annual Operation and Maintenance,
12 Army, appropriation that are designated as follows:

13 “(A) All subactivities under the category of
14 Land Forces.

15 “(B) Land Forces Depot Maintenance.

16 “(C) Base Support.

17 “(D) Maintenance of Real Property.

18 “(2) The Air Operations budget activity groups
19 (known as ‘subactivities’) within the Operating
20 Forces budget activity of the annual Operation and
21 Maintenance, Navy, appropriation that are des-
22 ignated as follows:

23 “(A) Mission and Other Flight Operations.

24 “(B) Fleet Air Training.

25 “(C) Aircraft Depot Maintenance.

1 “(D) Base Support.

2 “(E) Maintenance of Real Property.

3 “(3) The Ship Operations budget activity
4 groups (known as ‘subactivities’) within the Operat-
5 ing Forces budget activity of the annual Operation
6 and Maintenance, Navy, appropriation that are des-
7 ignated as follows:

8 “(A) Mission and Other Ship Operations.

9 “(B) Ship Operational Support and Train-
10 ing.

11 “(C) Ship Depot Maintenance.

12 “(D) Base Support.

13 “(E) Maintenance of Real Property.

14 “(4) The Expeditionary Forces budget activity
15 groups (known as ‘subactivities’) within the Operat-
16 ing Forces budget activity of the annual Operation
17 and Maintenance, Marine Corps, appropriation that
18 are designated as follows:

19 “(A) Operational Forces.

20 “(B) Depot Maintenance.

21 “(C) Base Support.

22 “(D) Maintenance of Real Property.

23 “(5) The Air Operations and Combat Related
24 Operations budget activity groups (known as ‘sub-
25 activities’) within the Operating Forces budget activ-

1 ity of the annual Operation and Maintenance, Air
2 Force, appropriation that are designated as follows:

3 “(A) Primary Combat Forces.

4 “(B) Primary Combat Weapons.

5 “(C) Air Operations Training.

6 “(D) Depot Maintenance.

7 “(E) Base Support.

8 “(F) Maintenance of Real Property.

9 “(6) The Mobility Operations budget activity
10 group (known as a ‘subactivity’) within the Mobiliza-
11 tion budget activity of the annual Operation and
12 Maintenance, Air Force, appropriation that is des-
13 ignated as Airlift Operations.

14 “(e) TERMINATION.—The requirements specified in
15 subsections (a) and (b) shall terminate upon the submis-
16 sion of the annual report under subsection (a) covering
17 fiscal year 2000.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
19 at the beginning of such chapter is amended by adding
20 at the end the following new item:

“483. Reports on transfers from high-priority readiness appropriations.”.

21 **SEC. 316. REPORT ON CHAIRMAN, JOINT CHIEFS OF STAFF**
22 **EXERCISE PROGRAM AND PARTNERSHIP FOR**
23 **PEACE PROGRAM.**

24 (a) REPORT.—Not later than February 16, 1998, the
25 Secretary of Defense shall submit to the Committee on

1 Armed Services of the Senate and the Committee on Na-
2 tional Security of the House of Representatives a report
3 on the military exercises conducted by the Department of
4 Defense during fiscal years 1995, 1996, and 1997 and the
5 military exercises planned to be conducted during fiscal
6 years 1998, 1999, and 2000, under the training exercises
7 program known as the “CJCS Exercise Program” and
8 under the training exercises program known as the Part-
9 nership for Peace program.

10 (b) INFORMATION ON EXERCISES CONDUCTED OR TO
11 BE CONDUCTED.—The report under subsection (a) shall
12 include the following information for each such exercise,
13 which shall be set forth by fiscal year and shown within
14 fiscal year by the sponsoring command:

15 (1) Name of the exercise.

16 (2) Type, description, duration, and objectives
17 of the exercise

18 (3) Command sponsoring the exercise.

19 (4) Participating units, including the number of
20 personnel participating in each unit.

21 (5) For each participating unit, the percentage
22 of the tasks on that unit’s specification of tasks
23 knows as a Mission Essential Task List (or com-
24 parable specification, in the case of any of the
25 Armed Forces that do not maintain a Mission Es-

1 sential Task List designation) scheduled to be per-
2 formed as part of the exercise.

3 (6) The cost of the exercise to the Chairman of
4 the Joint Chiefs of Staff and the cost to each of the
5 Armed Forces participating in the exercise, with a
6 description of the categories of activities for which
7 those costs are incurred in each such case.

8 (7) The priority of the exercise in relation to all
9 other exercises planned by the sponsoring command
10 to be conducted during that fiscal year.

11 (8) In the case of an exercise conducted under
12 the Partnership for Peace program, the country with
13 which each the exercise was conducted.

14 (c) ASSESSMENT.—The report shall include—

15 (1) an assessment of the ability of each of the
16 Armed Forces to meet requirements of the CJCS
17 Exercise Program and the Partnership for Peace
18 program with available assets;

19 (2) an assessment of the training value of each
20 exercise covered in the report to each unit partici-
21 pating in the exercise, including for each such unit
22 an assessment of the value of the percentage under
23 subsection (b)(5) as an indicator of the training
24 value of the exercise for that unit; and

1 (3) options to minimize the negative effects on
 2 operational and personnel tempo resulting from the
 3 CJCS Exercise Program and the Partnership for
 4 Peace program.

5 (d) FUNDING LIMITATION PENDING RECEIPT OF RE-
 6 PORT.—Of the funds available for fiscal year 1998 for the
 7 conduct of the CJSC Exercise Program, not more than
 8 50 percent may be expended before the report under sub-
 9 section (a) is submitted.

10 **SEC. 317. QUARTERLY REPORTS ON EXECUTION OF OPER-**
 11 **ATION AND MAINTENANCE APPROPRIATIONS.**

12 (a) REPORT REQUIRED.—Chapter 23 of title 10,
 13 United States Code, is amended by inserting after section
 14 483, as added by section 315, the following new section:

15 **“§ 484. Quarterly reports on execution of operation**
 16 **and maintenance appropriations**

17 “(a) REPORT REQUIRED.—Not later than 60 days
 18 after the end of each quarter of a fiscal year, the Secretary
 19 of Defense shall submit to the Committee on Armed Serv-
 20 ices and the Committee on Appropriations of the Senate
 21 and the Committee on National Security and the Commit-
 22 tee on Appropriations of the House of Representatives a
 23 report containing budget execution data for each budget
 24 activity group (known as a ‘subactivity’) within the annual
 25 operation and maintenance appropriations for the period

1 covered by the report. A report shall cover all preceding
 2 quarters of the fiscal year involved.

3 “(b) MANNER OF PRESENTING DATA.—The budget
 4 execution data required under subsection (a) shall be dis-
 5 played for the fiscal year involved in the same manner
 6 used in the operation and maintenance tables contained
 7 in the budget justification document entitled ‘O–1 Exhibit’
 8 submitted to Congress in support of the budget of the De-
 9 partment of Defense, as included in the budget of the
 10 President submitted under section 1105 of title 31.

11 “(c) REQUIRED INFORMATION.—The following infor-
 12 mation shall be provided for each budget activity group:

13 “(1) Amounts authorized to be appropriated.

14 “(2) Amounts appropriated.

15 “(3) Direct obligations.

16 “(4) Total obligational authority.

17 “(5) Amounts related to unbudgeted contin-
 18 gency operations.

19 “(6) Direct obligations related to unbudgeted
 20 contingency operations.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
 22 at the beginning of such chapter is amended by inserting
 23 after the item relating to section 483, as added by section
 24 315, the following new item:

“484. Quarterly reports on execution of operation and maintenance appropria-
 tions.”.

1 **Subtitle C—Civilian Personnel**

2 **SEC. 321. PAY PRACTICES WHEN OVERSEAS TEACHERS** 3 **TRANSFER TO GENERAL SCHEDULE POSI-** 4 **TIONS.**

5 Section 5334(d) of title 5, United States Code, is
6 amended by striking out “is deemed increased by 20 per-
7 cent” and inserting in lieu thereof “shall be increased by
8 such amount as may be authorized, if any, under regula-
9 tions issued by the Secretary of Defense, but not to exceed
10 20 percent,”.

11 **SEC. 322. USE OF APPROVED FIRE-SAFE ACCOMMODATIONS** 12 **BY GOVERNMENT EMPLOYEES ON OFFICIAL** 13 **BUSINESS.**

14 (a) PERCENTAGE USE REQUIREMENT.—Section
15 5707a of title 5, United States Code, is amended—

16 (1) by redesignating subsections (a) through (d)
17 as subsections (b) through (e), respectively; and

18 (2) by inserting after the section heading the
19 following new subsection:

20 “(a)(1) For the purpose of making payments under
21 this chapter for lodging expenses incurred in a State, each
22 agency shall ensure that not less than 90 percent of the
23 commercial-lodging room nights for employees of that
24 agency for a fiscal year are booked in approved places of
25 public accommodation.

1 “(2) Each agency shall establish explicit procedures
2 to satisfy the percentage requirement of paragraph (1).”.

3 (b) DEFINITIONS.—Such section is further amended
4 by adding at the end the following new subsection:

5 “(f) For purposes of this section:

6 “(1) The term ‘agency’ does not include the
7 government of the District of Columbia.

8 “(2) The term ‘approved places of public ac-
9 commodation’ means hotels, motels, and other places
10 of public accommodation that are listed by the Fed-
11 eral Emergency Management Agency as meeting the
12 requirements of the fire prevention and control
13 guidelines described in section 29 of the Federal
14 Fire Prevention and Control Act of 1974 (15 U.S.C.
15 2225).

16 “(3) The term ‘State’ means any State, the
17 District of Columbia, the Commonwealth of Puerto
18 Rico, the Commonwealth of the Northern Mariana
19 Islands, the Trust Territory of the Pacific Islands,
20 the Virgin Islands, Guam, American Samoa, or any
21 other territory or possession of the United States.”.

22 (c) CONFORMING AMENDMENTS.—Such section is
23 further amended—

24 (1) in subsection (b), as redesignated by sub-
25 section (a)(1)—

1 (A) by striking out “places of public ac-
2 commodation that meet the requirements of the
3 fire prevention and control guidelines described
4 in section 29 of the Federal Fire Prevention
5 and Control Act of 1974” and inserting in lieu
6 thereof “approved places of public accommoda-
7 tion”; and

8 (B) by striking out “as defined in section
9 4 of the Federal Fire Prevention and Control
10 Act of 1974”;

11 (2) in subsection (c), as redesignated by sub-
12 section (a)(1), by striking out “does not meet the re-
13 quirements of the fire prevention and control guide-
14 lines described in section 29 of the Federal Fire Pre-
15 vention and Control Act of 1974” and inserting in
16 lieu thereof “is not an approved place of public ac-
17 commodation”; and

18 (3) in subsection (e), as redesignated by sub-
19 section (a)(1)—

20 (A) by striking out “encourage” and in-
21 serting in lieu thereof “facilitate the ability of”;
22 and

23 (B) by striking out “places of public ac-
24 commodation that meet the requirements of the
25 fire prevention and control guidelines described

1 in section 29 of the Federal Fire Prevention
2 and Control Act of 1974” and inserting in lieu
3 thereof “approved places of public accommoda-
4 tion”.

5 (d) REPORT ON IMPLEMENTATION.—Not later than
6 March 31, 1998, the Administrator of General Services,
7 after consultation with the agencies covered by section
8 5707a of title 5, United States Code, shall submit to Con-
9 gress a report describing the procedures established by
10 each agency to satisfy the percentage requirement imposed
11 by subsection (a) of such section, as amended by this sec-
12 tion.

13 **SEC. 323. VETERANS’ PREFERENCE STATUS FOR CERTAIN**
14 **VETERANS WHO SERVED ON ACTIVE DUTY**
15 **DURING THE PERSIAN GULF WAR.**

16 (a) DEFINITION OF VETERAN FOR PURPOSES OF
17 PREFERENCE ELIGIBLE STATUS.—Section 2108 of title
18 5, United States Code, is amended—

19 (1) in paragraph (1)—

20 (A) by striking “or” at the end of subpara-
21 graph (A);

22 (B) by inserting “or” at the end of sub-
23 paragraph (B); and

24 (C) by inserting after subparagraph (B)
25 the following new subparagraph:

1 “(C) served on active duty as defined by
 2 section 101(21) of title 38 in the armed forces
 3 during the period beginning on August 2, 1990,
 4 and ending on January 2, 1992;” and
 5 (2) in paragraph (3)(B), by inserting “or (C)”
 6 after “paragraph (1)(B)”.

7 (b) ADDITIONAL POINTS.—Section 3309(2) of such
 8 title is amended by striking “2108(3)(A)” and inserting
 9 “2108(3)(A)–(B)”.

10 (c) TECHNICAL AMENDMENTS.—Section 2108(1)(B)
 11 of such title is further amended—

12 (1) by striking “the date of enactment of the
 13 Veterans’ Education and Employment Assistance
 14 Act of 1976,” and inserting “October 15, 1976;”
 15 and

16 (2) by striking “511(d) of title 10” and insert-
 17 ing “12103(d) of title 10”.

18 **Subtitle D—Depot-Level Activities**

19 **SEC. 331. EXTENSION OF AUTHORITY FOR AVIATION DE-** 20 **POTS AND NAVAL SHIPYARDS TO ENGAGE IN** 21 **DEFENSE-RELATED PRODUCTION AND SERV-** 22 **ICES.**

23 Section 1425(e) of the National Defense Authoriza-
 24 tion Act for Fiscal Year 1991 (Public Law 101–510; 104
 25 Stat. 1684) is amended by striking out “September 30,

1 1997” and inserting in lieu thereof “September 30,
2 1999”.

3 **SEC. 332. EXCLUSION OF CERTAIN LARGE MAINTENANCE**
4 **AND REPAIR PROJECTS FROM PERCENTAGE**
5 **LIMITATION ON CONTRACTING FOR DEPOT-**
6 **LEVEL MAINTENANCE.**

7 Section 2466 of title 10, United States Code, is
8 amended by inserting after subsection (a) the following
9 new subsection:

10 “(b) TREATMENT OF CERTAIN LARGE PROJECTS.—
11 If a maintenance or repair project concerning an aircraft
12 carrier or submarine that is contracted for performance
13 by non-Federal Government personnel and that accounts
14 for five percent or more of the funds made available in
15 a fiscal year to a military department or a Defense Agency
16 for depot-level maintenance and repair workload, the
17 project and the funds necessary for the project shall not
18 be considered when applying the percentage limitation
19 specified in subsection (a) to that military department or
20 Defense Agency.”.

21 **SEC. 333. RESTRICTIONS ON CONTRACTS FOR PERFORM-**
22 **ANCE OF DEPOT-LEVEL MAINTENANCE AND**
23 **REPAIR AT CERTAIN FACILITIES.**

24 (a) DEPOT-LEVEL MAINTENANCE AND REPAIR DE-
25 FINED.—(1) Chapter 146 of title 10, United States Code,

1 is amended by inserting before section 2461 the following
2 new section:

3 **“§ 2460. Definition of depot-level maintenance and re-**
4 **pair**

5 “(a) IN GENERAL.—In this chapter, the term ‘depot-
6 level maintenance and repair’ means material maintenance
7 or repair requiring the overhaul, upgrading, or rebuilding
8 of parts, assemblies, or subassemblies, and the testing and
9 reclamation of equipment as necessary, regardless of the
10 source of funds for the maintenance or repair. The term
11 includes all aspects of software maintenance and such por-
12 tions of interim contractor support, contractor logistics
13 support, or any similar contractor support for the per-
14 formance of services that are described in the preceding
15 sentence.

16 “(b) EXCEPTION.—The term does not include the
17 procurement of a major weapon system modification or
18 upgrade, except where the changes to the system are pri-
19 marily for safety reasons, to correct a deficiency, or to im-
20 prove program performance.”.

21 (2) The table of sections at the beginning of such
22 chapter is amended by inserting before the item relating
23 to section 2461 the following new item:

“2460. Definition of depot-level maintenance and repair.”.

24 (b) RESTRICTION ON CERTAIN CONTRACTS.—Section
25 2469 of title 10, United States Code, is amended—

1 (1) in subsections (a) and (b), by striking out
2 “or repair” and inserting in lieu thereof “and re-
3 pair”; and

4 (2) by adding at the end the following new sub-
5 section:

6 “(d) RESTRICTION ON CONTRACTS AT CERTAIN FA-
7 CILITIES.—

8 “(1) RESTRICTION.—The Secretary of Defense
9 may not enter into any contract for the performance
10 of depot-level maintenance and repair of weapon sys-
11 tems or other military equipment of the Department
12 of Defense, or for the performance of management
13 functions related to depot-level maintenance and re-
14 pair of such systems or equipment, at any military
15 installation where a depot-level maintenance and re-
16 pair facility was approved in 1995 for closure under
17 the Defense Base Closure and Realignment Act of
18 1990 (part A of title XXIX of Public Law 101–510;
19 10 U.S.C. 2687 note). In the preceding sentence, the
20 term ‘military installation’ includes a former military
21 installation closed under the Act that was a military
22 installation when it was approved for closure under
23 the Act.

24 “(2) EXCEPTION.—Paragraph (1) shall not
25 apply with respect to an installation or former in-

1 stallation described in such paragraph if the Sec-
2 retary of Defense certifies to Congress, not later
3 than 45 days before entering into a contract for
4 depot-level maintenance and repair at the installa-
5 tion or former installation, that—

6 “(A) not less than 80 percent of the capac-
7 ity at each of the depot-level maintenance and
8 repair activities of the military department con-
9 cerned is being utilized on an ongoing basis to
10 perform industrial operations in support of the
11 depot-level maintenance and repair of weapon
12 systems and other military equipment of the
13 Department of Defense;

14 “(B) the Secretary has determined, on the
15 basis of a detailed analysis (which the Secretary
16 shall submit to Congress with the certification),
17 that the total amount of the costs of the pro-
18 posed contract to the Government, both recur-
19 ring and nonrecurring and including any costs
20 associated with planning for and executing the
21 proposed contract, would be less than the costs
22 that would otherwise be incurred if the depot-
23 level maintenance and repair to be performed
24 under the contract were performed using equip-

1 ment and facilities of the Department of De-
2 fense;

3 “(C) all of the information upon which the
4 Secretary determined that the total costs to the
5 Government would be less under the contract is
6 available for examination; and

7 “(D) none of the depot-level maintenance
8 and repair to be performed under the contract
9 was considered, before July 1, 1995, to be a
10 core logistics capability of the military depart-
11 ment concerned pursuant to section 2464 of
12 this title.

13 “(3) CAPACITY OF DEPOT-LEVEL ACTIVITIES.—
14 For purposes of paragraph (2)(A), the capacity of
15 depot-level maintenance and repair activities shall be
16 considered to be the same as the maximum potential
17 capacity identified by the Defense Base Closure and
18 Realignment Commission for purposes of the selec-
19 tion in 1995 of military installations for closure or
20 realignment under the Defense Base Closure and
21 Realignment Act of 1990, without regard, after
22 1995, to any limitation on the maximum number of
23 Federal employees (expressed as full time equivalent
24 employees or otherwise), Federal employment levels,

1 or the actual availability of equipment to support
2 depot-level maintenance and repair.

3 “(4) GAO REVIEW.—At the same time that the
4 Secretary submits the certification and analysis to
5 Congress under paragraph (2), the Secretary shall
6 submit a copy of the certification and analysis to the
7 Comptroller General. The Comptroller General shall
8 review the analysis and the information referred to
9 in subparagraph (C) of paragraph (2) and, not later
10 than 30 days after Congress receives the certifi-
11 cation, submit to Congress a report containing a
12 statement regarding whether the Comptroller Gen-
13 eral concurs with the determination of the Secretary
14 included in the certification pursuant to subpara-
15 graph (B) of that paragraph.

16 “(5) APPLICATION.—This subsection shall
17 apply with respect to any contract described in para-
18 graph (1) that is entered into, or proposed to be en-
19 tered into, after January 1, 1997.”.

20 **SEC. 334. CORE LOGISTICS FUNCTIONS OF DEPARTMENT**
21 **OF DEFENSE.**

22 Section 2464(a) of title 10, United States Code, is
23 amended—

24 (1) in paragraph (1), by striking out “a logis-
25 tics capability (including personnel, equipment, and

1 facilities)” and inserting in lieu thereof “a core lo-
2 gistics capability that is Government-owned and
3 Government-operated (including Government person-
4 nel and Government-owned and Government-oper-
5 ated equipment and facilities)”;

6 (2) in paragraph (2), by striking out “the logis-
7 tics” and inserting in lieu thereof “the core logis-
8 tics”; and

9 (3) by adding at the end the following new
10 paragraphs:

11 “(3) Those core logistics activities identified under
12 paragraphs (1) and (2) shall include the capability, facili-
13 ties, and equipment to maintain and repair all types of
14 weapon systems and other military equipment that are
15 identified by the Secretary, in consultation with the Joint
16 Chiefs of Staff, as necessary to enable the armed forces
17 to fulfill the national military strategy, including the capa-
18 bility and capacity to maintain and repair any new mis-
19 sion-essential weapon system or materiel within four years
20 after the system or materiel achieves initial operational ca-
21 pability.

22 “(4) The Secretary of Defense shall require the per-
23 formance of core logistics activities identified under para-
24 graphs (1), (2), and (3) at Government-owned, Govern-
25 ment-operated facilities of the Department of Defense (in-

cluding Government-owned, Government-operated facilities of a military department) and shall assign such facilities sufficient workload to ensure cost efficiency and technical proficiency in peacetime while preserving the surge capacity and reconstitution capabilities necessary to meet the military contingencies provided for in the national military strategy.”.

SEC. 335. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE.

(a) DESIGNATION AND PURPOSE.—(1) Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships

“(a) DESIGNATION.—(1) The Secretary of Defense shall designate each depot-level activity of the military departments and the Defense Agencies (other than facilities approved for closure or major realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note)) as a Center of Industrial and Technical Excellence in the recognized core competencies of the activity.

“(2) The Secretary shall establish a policy to encourage the Secretary of each military department and the

1 head of each Defense Agency to reengineer industrial
2 processes and adopt best-business practices at their depot-
3 level activities in connection with their core competency
4 requirements, so as to serve as recognized leaders in their
5 core competencies throughout the Department of Defense
6 and in the national technology and industrial base (as de-
7 fined in section 2500(1) of this title).

8 “(b) PUBLIC-PRIVATE PARTNERSHIPS.—The Sec-
9 retary of Defense shall enable Centers of Industrial and
10 Technical Excellence to form public-private partnerships
11 for the performance of depot-level maintenance and repair
12 and shall encourage the use of such partnerships to maxi-
13 mize the utilization of the capacity at such Centers.

14 “(c) ADDITIONAL WORK.—The policy required under
15 subsection (a) shall include measures to enable a private
16 sector entity that enters into a partnership arrangement
17 under subsection (b) or leases excess equipment and facili-
18 ties at a Center of Industrial and Technical Excellence
19 pursuant to section 2471 of this title to perform additional
20 work at the Center, subject to the limitations outlined in
21 subsection (b) of such section, outside of the types of work
22 normally assigned to the Center.”.

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

“2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships.”.

1 (b) REPORTING REQUIREMENT.—Not later than
 2 March 1, 1998, the Secretary of Defense shall submit to
 3 Congress a report on the policies established by the Sec-
 4 retary pursuant to section 2474 of title 10, United States
 5 Code, to implement the requirements of such section. The
 6 report shall include—

7 (1) the details of any public-private partner-
 8 ships entered into as of that date under subsection
 9 (b) of such section;

10 (2) the details of any leases entered into as of
 11 that date under section 2471 of such title with au-
 12 thorized entities for dual-use (military and non-
 13 military) purposes; and

14 (3) the effect that the partnerships and leases
 15 had on capacity utilization, depot rate structures,
 16 and readiness.

17 **SEC. 336. PERSONNEL REDUCTIONS, ARMY DEPOTS PAR-**
 18 **TICIPATING IN ARMY WORKLOAD AND PER-**
 19 **FORMANCE SYSTEM.**

20 The Secretary of the Army may not carry out a re-
 21 duction in force of civilian employees at the five Army de-
 22 pots participating in the demonstration and testing of the
 23 Army Workload and Performance System until after the

1 date on which the Secretary submits to Congress a report
 2 certifying that—

3 (1) the Army Workload and Performance Sys-
 4 tem is fully operational; and

5 (2) the manpower audits being performed by
 6 the Comptroller General, the Army Audit Agency,
 7 and the Inspector General of the Army as of the
 8 date of the enactment of this Act have been com-
 9 pleted.

10 **Subtitle E—Environmental** 11 **Provisions**

12 **SEC. 341. REVISION OF MEMBERSHIP TERMS FOR STRATE-** 13 **GIC ENVIRONMENTAL RESEARCH AND DE-** 14 **VELOPMENT PROGRAM SCIENTIFIC ADVI-** 15 **SORY BOARD.**

16 Section 2904(b) of title 10, United States Code, is
 17 amended in paragraph (4) by striking out “three” and in-
 18 serting in lieu thereof “not less than two and not more
 19 than four”.

20 **SEC. 342. AMENDMENTS TO AUTHORITY TO ENTER INTO** 21 **AGREEMENTS WITH OTHER AGENCIES IN** 22 **SUPPORT OF ENVIRONMENTAL TECHNOLOGY** 23 **CERTIFICATION.**

24 (a) **AUTHORITY TO ENTER INTO AGREEMENTS WITH**
 25 **INDIAN TRIBES.**—Section 327 of the National Defense

1 Authorization Act for Fiscal Year 1997 (Public Law 104—
2 201; 110 Stat. 2483) is amended—

3 (1) in subsection (a), by inserting “, or with an
4 Indian tribe,” after “with an agency of a State or
5 local government”;

6 (2) by redesignating subsection (e) as sub-
7 section (f); and

8 (3) by inserting after subsection (d) the follow-
9 ing new subsection:

10 “(e) DEFINITION.—In this section, the term ‘Indian
11 tribe’ has the meaning given that term by section 101(36)
12 of the Comprehensive Environmental Response, Com-
13 pensation, and Liability Act of 1980 (42 U.S.C.
14 9601(36)).”.

15 (b) ELIMINATION OF CERTAIN LIMITATION ON AU-
16 THORITY.—Subsection (b)(1) of such section is amended
17 by striking out “in carrying out its environmental restora-
18 tion activities”.

19 **SEC. 343. AUTHORIZATION TO PAY NEGOTIATED SETTLE-**
20 **MENT FOR ENVIRONMENTAL CLEANUP AT**
21 **FORMER DEPARTMENT OF DEFENSE SITES IN**
22 **CANADA.**

23 (a) AUTHORIZATION.—To the extent provided in ap-
24 propriations Acts, the Secretary of Defense may pay an
25 amount to the Government of Canada of not more than

1 \$100,000,000 (in fiscal year 1996 constant dollars), for
2 purposes of implementing the October 1996 negotiated
3 settlement between the United States and Canada relating
4 to environmental cleanup at various sites in Canada that
5 were formerly used by the Department of Defense.

6 (b) METHOD OF PAYMENT.—The amount authorized
7 by subsection (a) shall be paid in 10 annual payments,
8 with the first payment made in fiscal year 1998.

9 (c) FISCAL YEAR 1998 PAYMENT.—The payment
10 under this section for fiscal year 1998 shall be made from
11 amounts appropriated pursuant to section 301(5).

12 **SEC. 344. MODIFICATIONS OF AUTHORITY TO STORE AND**
13 **DISPOSE OF NONDEFENSE TOXIC AND HAZ-**
14 **ARDOUS MATERIALS.**

15 (a) AUTHORITY TO STORE MATERIALS OWNED BY
16 MEMBERS OF THE ARMED FORCES.—Section 2692(a) of
17 title 10, United States Code, is amended—

18 (1) by inserting “either” before “by the Depart-
19 ment”; and

20 (2) by inserting before the period at the end the
21 following: “or by a member of the armed forces (or
22 a dependent of the member) assigned to or provided
23 military housing on the installation”.

1 (b) ADDITIONAL EXCEPTION TO LIMITATION ON
2 STORAGE AND DISPOSAL.—Section 2692(b) of such title
3 is amended—

4 (1) by redesignating paragraphs (1) through
5 (9) as paragraphs (2) through (10), respectively;
6 and

7 (2) by inserting before paragraph (2) (as so re-
8 designated) the following new paragraph (1):

9 “(1) the storage, treatment, or disposal of ma-
10 terials that will be or have been used in connection
11 with an activity of the Department of Defense or in
12 connection with a service to be performed on an in-
13 stallation of the Department for the benefit of the
14 Department;”.

15 (c) MODIFICATION TO EXCEPTION RELATING TO
16 STORAGE OR DISPOSAL OF EXPLOSIVES TO ASSIST LAW
17 ENFORCEMENT AGENCIES.—Section 2692(b) of such title
18 is amended in paragraph (3) (as redesignated by sub-
19 section (b))—

20 (1) by striking out “Federal law enforcement”
21 and inserting in lieu thereof “Federal, State, or local
22 law enforcement”; and

23 (2) by striking out “Federal agency” and in-
24 serting in lieu thereof “Federal, State, or local agen-
25 cy”.

1 (d) MODIFICATION TO EXCEPTION RELATING TO
2 STORAGE OF MATERIAL IN CONNECTION WITH USE OF
3 A DEFENSE FACILITY.—Section 2692(b) of such title is
4 amended in paragraph (9) (as redesignated by subsection
5 (b))—

6 (1) by striking out “by a private person in con-
7 nection with the authorized and compatible use by
8 that person of an industrial-type” and inserting in
9 lieu thereof “in connection with the authorized use
10 of a”; and

11 (2) by striking out “; and” at the end and in-
12 serting in lieu thereof the following: “including the
13 use of such a facility for testing materiel and train-
14 ing personnel;”.

15 (e) MODIFICATION TO EXCEPTION RELATING TO
16 TREATMENT AND DISPOSAL OF MATERIAL IN CONNEC-
17 TION WITH USE OF A DEFENSE FACILITY.—Section
18 2692(b) of such title is amended in paragraph (10) (as
19 redesignated by subsection (b))—

20 (1) by striking out “by a private person in con-
21 nection with the authorized and compatible commer-
22 cial use by that person of an industrial-type” and in-
23 serting in lieu thereof “in connection with the au-
24 thorized use of a”;

1 (2) by striking out “with that person” and in-
2 serting in lieu thereof “or agreement with the pro-
3 spective user”;

4 (3) by striking out “for that person’s” in sub-
5 paragraph (B) and inserting in lieu thereof “for the
6 prospective user’s”; and

7 (4) by striking out the period at the end and
8 inserting in lieu thereof “; and”.

9 (f) **ADDITIONAL EXCEPTION RELATING TO SPACE**
10 **LAUNCH FACILITIES.**—Section 2692(b) of such title is
11 further amended by adding at the end the following new
12 paragraph:

13 “(11) the storage of any material that is not
14 owned by the Department of Defense if the Sec-
15 retary of the military department concerned deter-
16 mines that the material is required or generated in
17 connection with the use of a space launch facility lo-
18 cated on an installation of the Department of De-
19 fense or on other land controlled by the United
20 States.”.

21 (g) **TECHNICAL AMENDMENTS.**—(1) Section
22 2692(a)(1) of such title is amended by striking out “stor-
23 age” and inserting in lieu thereof “storage, treatment,”.

24 (2) The heading for section 2692 of such title is
25 amended to read as follows:

1 **“§ 2692. Storage, treatment, and disposal of non-**
 2 **defense toxic and hazardous materials”.**

3 (3) The item relating to section 2692 in the table of
 4 sections at the beginning of chapter 159 of such title is
 5 amended to read as follows:

“2692. Storage, treatment, and disposal of nondefense toxic and hazardous materials.”.

6 **SEC. 345. REVISION OF REPORT REQUIREMENT FOR NAVY**
 7 **PROGRAM TO MONITOR ECOLOGICAL EF-**
 8 **FECTS OF ORGANOTIN.**

9 Section 333(e) of the National Defense Authorization
 10 Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat.
 11 2486) is amended—

12 (1) by striking out “June 1” and inserting in
 13 lieu thereof “October 30”;

14 (2) by striking out paragraphs (1) and (2);

15 (3) by redesignating paragraphs (3) and (4) as
 16 paragraphs (1) and (2), respectively; and

17 (4) by adding at the end the following new
 18 paragraph:

19 “(3) A description of the present and future
 20 use, if any, of antifouling paints containing
 21 organotin on naval vessels.”.

1 **SEC. 346. PARTNERSHIPS FOR INVESTMENT IN INNOVATIVE**
2 **ENVIRONMENTAL TECHNOLOGIES.**

3 (a) **AUTHORITY.**—Subject to subsection (b), the Sec-
4 retary of Defense may enter into a partnership with one
5 or more private sector entities to demonstrate and validate
6 innovative environmental technologies.

7 (b) **LIMITATIONS.**—The Secretary of Defense may
8 enter into a partnership with respect to an environmental
9 technology under subsection (a)—

10 (1) subject to such terms and conditions as the
11 Secretary considers appropriate and in the national
12 interest; and

13 (2) only if the Secretary determines that the
14 technology has clear potential to be of significant
15 value to the Department of Defense in carrying out
16 its environmental activities.

17 (c) **FUNDING.**—Under a partnership entered into
18 under subsection (a), the Secretary may provide funds to
19 the partner or partners from appropriations available to
20 the Department of Defense for environmental activities,
21 for a period of up to five years.

22 (d) **REPORT.**—In the annual report required under
23 section 2706(a) of title 10, United States Code, the Sec-
24 retary of Defense shall include the following information
25 with respect to partnerships entered into under this sec-
26 tion:

1 (1) The number of such partnerships.

2 (2) A description of the nature of the tech-
3 nology involved in each such partnership.

4 (3) A list of all partners in such partnerships.

5 (e) COORDINATION.—The Secretary of Defense shall
6 ensure that the Department of Defense coordinates with
7 the Administrator of the Environmental Protection Agen-
8 cy in any verification sponsored by the Department of
9 technologies demonstrated and validated by a partnership
10 entered into under this section.

11 (f) TERMINATION OF AUTHORITY.—The authority to
12 enter into agreements under subsection (a) shall terminate
13 three years after the date of the enactment of this Act.

14 **SEC. 347. PILOT PROGRAM TO TEST AN ALTERNATIVE**
15 **TECHNOLOGY FOR ELIMINATING SOLID AND**
16 **LIQUID WASTE EMISSIONS DURING SHIP OP-**
17 **ERATIONS.**

18 (a) DETERMINATION BY SECRETARY OF THE
19 NAVY.—(1) The Secretary of the Navy shall make a deter-
20 mination whether the alternative technology described in
21 paragraph (2) has the clear potential for significant bene-
22 fit to the Navy.

23 (2) The technology referred to in paragraph (1) is
24 an alternative technology designed to thermally treat on
25 shipboard all kinds of liquid and solid wastes generated

1 on an operating ship by means of a plasma arc melter
2 system that is compact, stationary, and uses a high alu-
3 mina refractory hearth.

4 (b) PILOT PROGRAM.—If the determination made
5 under subsection (a)(1) is in the affirmative, the Secretary
6 shall establish a pilot program to test the alternative tech-
7 nology. In conducting the test, the Secretary shall seek
8 to demonstrate whether the technology is valid, cost-effec-
9 tive, and in compliance with environmental laws and regu-
10 lations.

11 (c) FUNDING.—From funds appropriated pursuant to
12 the authorization in section 301(2), the Secretary of the
13 Navy may use not more than \$4,000,000 to carry out the
14 pilot program.

15 (d) REPORT.—(1) If the determination made under
16 subsection (a)(1) is in the affirmative, upon completion
17 of the test conducted under the pilot program the Sec-
18 retary shall submit to the Committee on Armed Services
19 of the Senate and the Committee on National Security of
20 the House of Representatives a report setting forth in de-
21 tail the results of the test. The report shall include rec-
22 ommendations on whether the alternative technology mer-
23 its implementation on naval vessels and such other rec-
24 ommendations as the Secretary considers appropriate.

(2) If the determination made under subsection (a)(1) is in the negative, the Secretary shall submit to the committees referred to in paragraph (1) a report containing the analysis and data used by the Secretary in making the determination and such other recommendations as the Secretary considers appropriate.

Subtitle F—Commissaries and Non-appropriated Fund Instrumentalities

SEC. 361. REORGANIZATION OF LAWS REGARDING COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) DESCRIPTION OF CHAPTER.—(1) The heading of chapter 147 of title 10, United States Code, is amended to read as follows:

“CHAPTER 147—COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES”.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of such title are amended by striking out the item relating to chapter 147 and inserting in lieu thereof the following new item:

“147. Commissaries and Exchanges and Other Morale, Welfare, and Recreation Activities 2481”.

1 (b) TRANSFER AND REDESIGNATION OF UNRELATED
 2 PROVISIONS.—(1) Section 2481 of title 10, United States
 3 Code, is transferred to chapter 159 of such title, inserted
 4 after section 2685, and redesignated as section 2686.

5 (2) Sections 2483 and 2490 of such title are trans-
 6 ferred to the end of subchapter III of chapter 169 of such
 7 title and redesignated as sections 2867 and 2868, respec-
 8 tively.

9 (3) Section 2491 of such title is redesignated as sec-
 10 tion 2500.

11 (c) CLERICAL AMENDMENTS.—(1) The table of sec-
 12 tions at the beginning of chapter 147 of title 10, United
 13 States Code, is amended by striking out the items relating
 14 to sections 2481, 2483, and 2490.

15 (2) The table of sections at the beginning of chapter
 16 159 of such title is amended by inserting after the item
 17 relating to section 2685 the following new item:

“2686. Utilities and services: sale; expansion and extension of systems and fa-
 cilities.”.

18 (3) The table of sections at the beginning of sub-
 19 chapter III of chapter 169 of such title is amended by
 20 adding at the end the following new items:

“2867. Sale of electricity from alternate energy and cogeneration production fa-
 cilities.

“2868. Utility services: furnishing for certain buildings.”.

21 (4) The table of sections at the beginning of sub-
 22 chapter I of chapter 148 of such title is amended by strik-

1 ing out the item relating to section 2491 and inserting
 2 in lieu thereof the following new item:

“2500. Definitions.”.

3 (d) CONFORMING AMENDMENTS.—(1) Section
 4 2534(d) of title 10, United States Code, is amended by
 5 striking out “section 2491(1)” both places it appears and
 6 inserting in lieu thereof “section 2500(1)”.

7 (2) Section 2865(b)(2) of such title is amended by
 8 striking out “section 2483(b)(2)” and inserting in lieu
 9 thereof “section 2867(b)(2)”.

10 **SEC. 362. MERCHANDISE AND PRICING REQUIREMENTS**
 11 **FOR COMMISSARY STORES.**

12 (a) AUTHORIZED COMMISSARY MERCHANDISE CAT-
 13 EGORIES.—Subsection (b) of section 2486 of title 10,
 14 United States Code, is amended—

15 (1) by striking out the matter preceding para-
 16 graph (1) and inserting in lieu thereof the following:
 17 “(b) AUTHORIZED COMMISSARY MERCHANDISE
 18 CATEGORIES.—Merchandise sold in, at, or by com-
 19 missary stores may include items only in the follow-
 20 ing categories.”; and

21 (2) by striking out paragraph (11) and insert-
 22 ing in lieu thereof the following new paragraph:

23 “(11) Subject to the congressional notification
 24 requirements of subsection (f), such other merchan-

1 dise categories as the Secretary of Defense may pre-
2 scribe.”.

3 (b) ALTERATION OF UNIFORM SALES PRICE SUR-
4 CHARGE OR ADJUSTMENT.—Subsection (c) of such section
5 is amended—

6 (1) by inserting “UNIFORM SALES PRICE SUR-
7 CHARGE OR ADJUSTMENT.—” after “(c)”;

8 (2) by striking out “in commissary stores.” and
9 inserting in lieu thereof “in, at, or by commissary
10 stores.”; and

11 (3) by adding at the end the following new sen-
12 tence: “The uniform percentage in effect on the date
13 of the enactment of the National Defense Authoriza-
14 tion Act for Fiscal Year 1998 may not be changed
15 except by a law enacted after such date.”.

16 (c) ESTABLISHMENT OF SALES PRICE.—Subsection
17 (d) of such section is amended to read as follows:

18 “(d) SALES PRICE ESTABLISHMENT.—The Secretary
19 of Defense shall establish the sales price of each item of
20 merchandise sold in, at, or by commissary stores at the
21 level that will recoup the actual product cost of the item
22 (consistent with this section and sections 2484 and 2685
23 of this title).”.

1 (d) CONGRESSIONAL NOTIFICATION; SPECIAL
2 RULES.—Such section is further amended by adding at
3 the end the following new subsections:

4 “(f) CONGRESSIONAL NOTIFICATION.—(1) Any
5 change in the pricing policies for merchandise sold in, at,
6 or by commissary stores, and any addition of a merchan-
7 dise category under subsection (a)(11), shall not take ef-
8 fect until the Secretary of Defense submits written notice
9 of the proposed change or addition to Congress and a pe-
10 riod of 90 days of continuous session of Congress expires
11 following the date on which notice was received.

12 “(2) For purposes of this subsection, the continuity
13 of a session of Congress is broken only by an adjournment
14 of the Congress sine die, and the days on which either
15 House is not in session because of an adjournment or re-
16 cess of more than three days to a day certain are excluded
17 in a computation of such 90-day period.

18 “(g) SPECIAL RULE FOR CERTAIN MERCHANDISE.—
19 (1) Notwithstanding the general requirement that mer-
20 chandise sold in, at, or by commissary stores be com-
21 missary store inventory, the Secretary of Defense may au-
22 thorize the sale of items in the merchandise categories
23 specified in paragraph (2) as noncommissary store inven-
24 tory. Subsections (c) and (d) shall not apply to the pricing
25 of such items of merchandise.

1 “(2) The merchandise categories referred to in para-
2 graph (1) are as follows:

3 “(A) Magazines and other periodicals.

4 “(B) Tobacco products.”.

5 (e) CLERICAL AND CONFORMING AMENDMENTS.—

6 Such section is further amended—

7 (1) in subsection (a), by inserting “IN GEN-
8 ERAL.—” after “(a)”; and

9 (2) in subsection (e)—

10 (A) by inserting “SPECIAL RULE FOR
11 BRAND-NAME COMMERCIAL ITEMS.—” after
12 “(e)”; and

13 (B) by striking out “in commissary stores”
14 both places it appears and inserting in lieu
15 thereof “in, at, or by commissary stores”.

16 (f) EFFECT OF AMENDMENT.—(1) In the case of
17 merchandise categories authorized, before the date of the
18 enactment of this Act, for sale in, at, or by commissary
19 stores pursuant to regulations prescribed under subsection
20 (b)(11) of section 2486 of title 10, United States Code,
21 as in effect before such date, the Secretary of Defense may
22 continue to authorize the sale of such merchandise cat-
23 egories in, at, or by commissary stores after such date not-
24 withstanding the amendment made by subsection (a)(2).
25 However, the sale in commissary store of such merchan-

1 dise categories shall be subject to the other requirements
2 of such section 2486.

3 (2) Not later than 30 days after the date of the enact-
4 ment of this Act, the Secretary of Defense shall submit
5 to Congress a report specifying the commissary merchan-
6 dise categories covered by paragraph (1).

7 **SEC. 363. LIMITATION ON NONCOMPETITIVE PROCUREMENT**
8 **MENT OF BRAND-NAME COMMERCIAL ITEMS**
9 **FOR RESALE IN COMMISSARY STORES.**

10 Section 2486(e) of title 10, United States Code, as
11 amended by section 362(e)(2), is further amended by add-
12 ing at the end the following new sentence: “In determining
13 whether a brand name commercial item is regularly sold
14 outside of commissary stores, the Secretary shall consider
15 only sales of the item on a regional or national basis by
16 commercial grocery or other retail operations consisting
17 of multiple stores.”.

18 **SEC. 364. TRANSFER OF JURISDICTION OVER EXCHANGE,**
19 **COMMISSARY, AND MORALE, WELFARE, AND**
20 **RECREATION ACTIVITIES TO UNDER SEC-**
21 **RETARY OF DEFENSE (COMPTROLLER).**

22 (a) COMPTROLLER JURISDICTION.—Section 135(c)
23 of title 10, United States Code, is amended—

24 (1) by striking out “and” at the end of para-
25 graph (4);

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

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

5 “(6) in the areas of exchange, commissary, and
6 nonappropriated fund instrumentalities regarding
7 morale, welfare, and recreation activities.”.

8 (b) CONFORMING AMENDMENT.—Section 136(b) of
9 title 10, United States Code, is amended by striking out
10 “exchange, commissary, and nonappropriated fund activi-
11 ties,”.

12 **SEC. 365. PUBLIC AND PRIVATE PARTNERSHIPS TO BENE-**
13 **FIT MORALE, WELFARE, AND RECREATION**
14 **ACTIVITIES.**

15 (a) PARTNERSHIPS AUTHORIZED.—Chapter 147 of
16 title 10, United States Code, as amended by section 361,
17 is further amended by inserting before section 2482 the
18 following new section:

19 **“§ 2481. Morale, welfare, and recreation activities:**
20 **leases and other contracts to benefit**

21 “(a) LEASES AND OTHER CONTRACTS AUTHOR-
22 IZED.—The Secretary of Defense may authorize a non-
23 appropriated fund instrumentality to enter into leases, li-
24 censing agreements, concession agreements, and other
25 contracts with private persons and State or local govern-

1 ments involving real property (and related personal prop-
2 erty) under the control of the nonappropriated fund in-
3 strumentality in order to facilitate the provision of facili-
4 ties, goods, or services to authorized patrons of the non-
5 appropriated fund instrumentality.

6 “(b) CONDITIONS.—A nonappropriated fund instru-
7 mentality may enter into an authorized lease or other con-
8 tract under subsection (a) only if the nonappropriated
9 fund instrumentality determines, in consultation with the
10 Secretary of Defense, that—

11 “(1) the use of the property subject to the lease
12 or contract will provide appropriate space, or con-
13 tribute to the provision of goods and services, for a
14 morale, welfare, or recreation activity of the non-
15 appropriated fund instrumentality;

16 “(2) the lease or contract will not be inconsis-
17 tent with and will not adversely affect the mission of
18 the Department or the nonappropriated fund instru-
19 mentality; and

20 “(3) the lease or contract will enhance the use
21 of the property subject to the lease or contract.

22 “(c) ACCESS TO RESULTING FACILITIES, GOODS, OR
23 SERVICES.—The use of a lease or contract under sub-
24 section (a) to provide facilities, goods, or services shall not
25 be construed to permit the use of the resulting facilities,

1 goods, or services by persons who are not authorized pa-
2 trons of the nonappropriated fund instrumentality that is
3 a party to the lease or contract.

4 “(d) LEASE AND CONTRACT TERMS.—Subsection (b)
5 of section 2667 of this title shall apply to a lease or con-
6 tract under subsection (a), except that references to the
7 Secretary concerned shall be deemed to mean the non-
8 appropriated fund instrumentality that is a party to the
9 lease or contract.

10 “(e) MONEY RENTALS.—Money rentals received pur-
11 suant to a lease or contract under subsection (a) shall be
12 treated in the same manner as other receipts of the non-
13 appropriated fund instrumentality that is a party to the
14 lease or contract, except that use of the rentals shall be
15 restricted to the installation at which the property covered
16 by the lease or contract is located.

17 “(f) DEFINITION.—In this section, the term ‘non-
18 appropriated fund instrumentality’ means the Army and
19 Air Force Exchange Service, Navy Exchange Service Com-
20 mand, Marine Corps exchanges, or any other instrumen-
21 tality of the United States under the jurisdiction of the
22 armed forces which is conducted for the comfort, pleasure,
23 contentment, or physical or mental improvement of mem-
24 bers of the armed forces.”.

1 (b) CLERICAL AMENDMENTS.—The table of sections
 2 at the beginning of chapter 147 of such title, as amended
 3 by section 361, is further amended by inserting before the
 4 item relating to section 2482 the following new item:

“2481. Morale, welfare, and recreation activities: leases and other contracts to benefit.”.

5 **SEC. 366. TREATMENT OF CERTAIN AMOUNTS RECEIVED BY**
 6 **DEFENSE COMMISSARY AGENCY.**

7 Section 2482 of title 10, United States Code, is
 8 amended by adding at the end the following new sub-
 9 section:

10 “(c) TREATMENT OF CERTAIN RECEIPTS.—(1) The
 11 Defense Commissary Agency shall deposit amounts re-
 12 ceived from the sources specified in paragraph (2) into the
 13 same account in which the proceeds from the adjustment
 14 of, or surcharge on, commissary store prices authorized
 15 by subsection (a) of section 2685 of this title are depos-
 16 ited. In such amounts as provided in appropriations Acts,
 17 the amounts deposited under this paragraph shall be avail-
 18 able for the purposes described in subsection (b) of such
 19 section.

20 “(2) Paragraph (1) shall apply with respect to
 21 amounts received by the Defense Commissary Agency
 22 from—

23 “(A) the sale of items for recycling;

24 “(B) the disposal of excess property;

1 “(C) license fees, royalties, incentive allowances,
2 and management and other fees; and

3 “(D) a nonappropriated fund instrumentality of
4 the United States.”.

5 **SEC. 367. AUTHORIZED USE OF APPROPRIATED FUNDS FOR**
6 **RELOCATION OF NAVY EXCHANGE SERVICE**
7 **COMMAND.**

8 The Navy Exchange Service Command is not re-
9 quired to reimburse the United States for appropriated
10 funds allotted to the Navy Exchange Service Command
11 during fiscal years 1994, 1995, and 1996 to cover costs
12 incurred by the Navy Exchange Service Command to relo-
13 cate to Virginia Beach, Virginia, and to lease headquarters
14 space in Virginia Beach.

15 **Subtitle G—Other Matters**

16 **SEC. 371. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**
17 **THAT BENEFIT DEPENDENTS OF MEMBERS**
18 **OF THE ARMED FORCES AND DEPARTMENT**
19 **OF DEFENSE CIVILIAN EMPLOYEES.**

20 (a) CONTINUATION OF DEPARTMENT OF DEFENSE
21 PROGRAM FOR FISCAL YEAR 1998.—Of the amount au-
22 thorized to be appropriated pursuant to section 301(5) for
23 operation and maintenance for Defense-wide activities—

1 (1) \$30,000,000 shall be available for providing
2 educational agencies assistance (as defined in sub-
3 section (d)(1)) to local educational agencies; and

4 (2) \$5,000,000 shall be available for making
5 educational agencies payments (as defined in sub-
6 section (d)(2)) to local educational agencies.

7 (b) NOTIFICATION.—Not later than June 30, 1998,
8 the Secretary of Defense shall—

9 (1) notify each local educational agency that is
10 eligible for educational agencies assistance for fiscal
11 year 1998 of that agency's eligibility for such assist-
12 ance and the amount of such assistance for which
13 that agency is eligible; and

14 (2) notify each local educational agency that is
15 eligible for an educational agencies payment for fis-
16 cal year 1998 of that agency's eligibility for such
17 payment and the amount of the payment for which
18 that agency is eligible.

19 (c) DISBURSEMENT OF FUNDS.—The Secretary of
20 Defense shall disburse funds made available under para-
21 graphs (1) and (2) of subsection (a) not later than 30
22 days after the date on which notification to the eligible
23 local educational agencies is provided pursuant to sub-
24 section (b).

25 (d) DEFINITIONS.—In this section:

1 (1) The term “educational agencies assistance”
2 means assistance authorized under section 386(b) of
3 the National Defense Authorization Act for Fiscal
4 Year 1993 (Public Law 102–484; 20 U.S.C. 7703
5 note).

6 (2) The term “educational agencies payments”
7 means payments authorized under section 386(d) of
8 the National Defense Authorization Act for Fiscal
9 Year 1993 (Public Law 102–484; 20 U.S.C. 7703
10 note).

11 (3) The term “local educational agency” has
12 the meaning given that term in section 8013(9) of
13 the Elementary and Secondary Education Act of
14 1965 (20 U.S.C. 7713(9)).

15 (e) TECHNICAL CORRECTION RELATING TO ORIGI-
16 NAL ASSISTANCE AUTHORITY.—Section 386(c)(1) of the
17 National Defense Authorization Act for Fiscal Year 1993
18 (Public Law 102–484; 20 U.S.C. 7703 note) is amend-
19 ed—

20 (1) by striking out “section 8003(a)” and in-
21 serting in lieu thereof “section 8003(a)(1)”; and

22 (2) by striking out “(20 U.S.C. 7703(a))” and
23 inserting in lieu thereof “(20 U.S.C. 7703(a)(1))”.

1 **SEC. 372. CONTINUATION OF OPERATION MONGOOSE.**

2 Section 135 of title 10, United States Code, is
3 amended by adding at the end the following new sub-
4 section:

5 “(f) The Under Secretary of Defense (Comptroller)
6 shall be responsible for investigating evidence of fraud,
7 waste, and abuse uncovered as a result of the Department
8 of Defense program (known as Operation Mongoose) es-
9 tablished to identify and prevent fraud, waste, and abuse
10 within the Department of Defense, particularly fraud,
11 waste, and abuse regarding finance and accounting mat-
12 ters. The program shall continue through fiscal year
13 2003.”.

14 **SEC. 373. INCLUSION OF AIR FORCE DEPOT MAINTENANCE**
15 **AS OPERATION AND MAINTENANCE BUDGET**
16 **ACTIVITY GROUP.**

17 For fiscal year 1999 and each fiscal year thereafter,
18 Air Force depot-level maintenance of materiel shall be dis-
19 played as one or more budget activity groups (known as
20 “subactivities”) within the authorization request for Oper-
21 ation and Maintenance, Air Force, in the proposed budget
22 for that fiscal year submitted to Congress pursuant to sec-
23 tion 1105 of title 31, United States Code.

1 **SEC. 374. PROGRAMS TO COMMEMORATE 50TH ANNIVER-**
2 **SARY OF MARSHALL PLAN AND KOREAN CON-**
3 **FLICT.**

4 (a) COMMEMORATIVE PROGRAMS.—(1) The Sec-
5 retary of Defense may conduct a program to commemo-
6 rate the 50th anniversary of the Marshall Plan that pro-
7 vided for the reconstruction of the economies of Western
8 Europe following World War II.

9 (2) The Secretary may conduct a program to com-
10 memorate the 50th anniversary of the Korean conflict.

11 (3) In conducting such commemorative programs, the
12 Secretary may coordinate, support, and facilitate other
13 programs and activities of the Federal Government, State
14 and local governments, and other persons in commemora-
15 tion of the Marshall Plan or the Korean conflict.

16 (b) MARSHALL PLAN COMMEMORATIVE ACTIVI-
17 TIES.—The commemorative programs authorized by sub-
18 section (a)(1) may include activities and ceremonies—

19 (1) to honor George C. Marshall, who developed
20 the Marshall Plan, for a lifetime of service to the
21 United States as a commissioned officer of the Army
22 (including service during World War II as Chief of
23 Staff of the Army with the rank of General of the
24 Army) and as Secretary of Defense and Secretary of
25 State at the beginning of the Cold War; and

1 (2) to provide the people of the United States
2 with a clear understanding and appreciation of the
3 significance of Marshall Plan.

4 (c) KOREAN CONFLICT COMMEMORATIVE ACTIVITIES.—The commemorative programs authorized by sub-
5 section (a)(2) may include activities and ceremonies—

6 (1) to provide the people of the United States
7 with a clear understanding and appreciation of the
8 lessons and history of the Korean conflict;

9 (2) to thank and honor veterans of the Korean
10 conflict and their families;

11 (3) to pay tribute to the sacrifices and contribu-
12 tions made on the home front by the people of the
13 United States during the Korean conflict;

14 (4) to highlight advances in technology, science,
15 and medicine related to military research conducted
16 during the Korean conflict;

17 (5) to recognize the contributions and sacrifices
18 made by the allies of the United States in the Ko-
19 rean conflict; and

20 (6) to highlight the role of the Armed Forces of
21 the United States, then and now, in maintaining
22 world peace through strength.

23 (d) NAMES AND SYMBOLS.—The Secretary of De-
24 fense shall have the sole and exclusive right to use the
25

1 names “The Department of Defense 50th Anniversary of
2 the Marshall Plan”, “50th Anniversary of the Marshall
3 Plan”, and “The Korean Conflict Commemoration”, and
4 such seal, emblems, and badges incorporating such names
5 as the Secretary may lawfully adopt. Nothing in this sec-
6 tion may be construed to supersede rights that are estab-
7 lished or vested before the date of the enactment of this
8 Act.

9 (e) COMMEMORATIVE ACCOUNT.—(1) There is estab-
10 lished in the Treasury an account to be known as the “De-
11 partment of Defense 50th Anniversary of the Marshall
12 Plan and Korean Conflict Commemoration Account”,
13 which shall be administered by the Secretary of Defense
14 as a single account. There shall be deposited into the ac-
15 count all proceeds derived from the Secretary’s use of the
16 exclusive rights described in subsection (d). The Secretary
17 may use funds in the account only for the purpose of con-
18 ducting the commemorative programs authorized by sub-
19 section (a).

20 (2) Not later than 60 days after completion of all ac-
21 tivities and ceremonies conducted as part of the com-
22 memorative programs, the Secretary shall submit to Con-
23 gress a report containing an accounting of all the funds
24 deposited into and expended from the account or otherwise
25 expended under this section, and of any funds remaining

1 in the account. Unobligated funds remaining in the ac-
2 count on that date shall be held in the account until trans-
3 ferred by law.

4 (f) ACCEPTANCE OF VOLUNTARY SERVICES.—(1)
5 Notwithstanding section 1342 of title 31, United States
6 Code, the Secretary of Defense may accept from any per-
7 son voluntary services to be provided in furtherance of the
8 commemorative programs authorized by subsection (a).

9 (2) A person providing voluntary services under this
10 subsection shall be considered to be a Federal employee
11 for purposes of chapter 81 of title 5, United States Code,
12 relating to compensation for work-related injuries. The
13 person shall also be considered a special governmental em-
14 ployee for purposes of standards of conduct and sections
15 202, 203, 205, 207, 208, and 209 of title 18, United
16 states Code. A person who is not otherwise employed by
17 the Federal Government shall not be considered to be a
18 Federal employee for any other purpose by reason of the
19 provision of voluntary services under this subsection.

20 (3) The Secretary may provide for reimbursement of
21 incidental expenses incurred by a person providing vol-
22 untary services under this subsection. The Secretary shall
23 determine which expenses are eligible for reimbursement
24 under this paragraph.

1 **SEC. 375. PROHIBITION ON USE OF SPECIAL OPERATIONS**
2 **COMMAND BUDGET FOR BASE OPERATION**
3 **SUPPORT.**

4 Section 167(f) of title 10, United States Code, is
5 amended.—

6 (1) by redesignating paragraphs (1) and (2) as
7 subparagraphs (A) and (B), respectively;

8 (2) by inserting “(1)” before “In addition”; and

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

11 “(2) Funds provided for the special operations com-
12 mand as part of the budget for the special operations com-
13 mand under paragraph (1) may not be used to cover base
14 operation support expenses incurred at a military installa-
15 tion.”.

16 **SEC. 376. CONTINUATION AND EXPANSION OF DEMONSTRA-**
17 **TION PROGRAM TO IDENTIFY OVERPAY-**
18 **MENTS MADE TO VENDORS.**

19 (a) SCOPE OF PROGRAM.—Section 354 of the Na-
20 tional Defense Authorization Act for Fiscal Year 1996
21 (Public Law 104–106; 110 Stat. 268; 10 U.S.C. 2461
22 note) is amended—

23 (1) in subsection (a), by striking out the second
24 sentence; and

25 (2) in subsection (b)(1), by striking out “of the
26 Defense Logistics Agency that relate to (at least)

1 fiscal years 1993, 1994, and 1995” and inserting in
2 lieu thereof “relating to fiscal years after fiscal year
3 1993 of the working-capital funds and industrial,
4 commercial, and support type activities managed
5 through the Defense Business Operations Fund, ex-
6 cept the Defense Logistics Agency to the extent such
7 records have already been audited”.

8 (b) COLLECTION METHOD; CONTRACTOR PAY-
9 MENTS.—Such section is further amended by striking out
10 subsections (d) and (e) and inserting in lieu thereof the
11 following new subsections:

12 “(d) COLLECTION METHOD.—In the case of an over-
13 payment to a vendor identified under the demonstration
14 program, the Secretary shall require the use of the proce-
15 dures specified in section 32.611 of the Federal Acquisi-
16 tion Regulation, regarding a setoff against existing in-
17 voices for payment to the vendor, as the first method by
18 which the Department shall seek to recover the amount
19 of the overpayment (and any applicable interest and pen-
20 alties) from the vendor.

21 “(e) FEES FOR CONTRACTOR.—The Secretary shall
22 pay to the contractor under the contract entered into
23 under the demonstration program an amount not to ex-
24 ceed 25 percent of the total amount recovered by the De-
25 partment (through the collection of overpayments and the

1 use of setoffs) solely on the basis of information obtained
 2 as a result of the audits performed by the contractor under
 3 the program. When an overpayment is recovered through
 4 the use of a setoff, amounts for the required payment to
 5 the contractor shall be derived from funds available to the
 6 working-capital fund or industrial, commercial, or support
 7 type activity for which the overpayment is recovered.”.

8 **SEC. 377. APPLICABILITY OF FEDERAL PRINTING REQUIRE-**
 9 **MENTS TO DEFENSE AUTOMATED PRINTING**
 10 **SERVICE.**

11 (a) Subchapter I of chapter 8 of title 10, United
 12 States Code, is amended by adding at the end the follow-
 13 ing new section:

14 **“§ 195. Defense Automated Printing Service: applica-**
 15 **bility of Federal printing requirements**

16 “The Defense Automated Printing Service shall com-
 17 ply fully with the requirements of chapter 5 of title 44
 18 relating to the production and procurement of printing,
 19 binding, and blank-book work.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
 21 at the beginning of such subchapter is amended by adding
 22 at the end the following new item:

“195. Defense Automated Printing Service: applicability of Federal printing re-
 quirements.”.

1 **SEC. 378. BASE OPERATIONS SUPPORT FOR MILITARY IN-**
2 **STALLATIONS ON GUAM.**

3 (a) CONTRACTOR USE OF NONIMMIGRANT ALIENS.—
4 Each contract for base operations support to be performed
5 on Guam shall contain a condition that work under the
6 contract may not be performed by any alien who is issued
7 a visa or otherwise provided nonimmigrant status under
8 section 101(a)(15)(H)(ii) of the Immigration and Nation-
9 ality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

10 (b) APPLICATION OF SECTION.—This section shall
11 apply to contracts entered into, amended, or otherwise
12 modified on or after the date of the enactment of this Act.

13 **TITLE IV—PERSONNEL**
14 **AUTHORIZATIONS**
15 **Subtitle A—Active Forces**

16 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

17 The Armed Forces are authorized strengths for active
18 duty personnel as of September 30, 1998, as follows:

- 19 (1) The Army, 495,000.
20 (2) The Navy, 395,000.
21 (3) The Marine Corps, 174,000.
22 (4) The Air Force, 381,000.

1 **Subtitle B—Reserve Forces**

2 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

3 (a) IN GENERAL.—The Armed Forces are authorized
4 strengths for Selected Reserve personnel of the reserve
5 components as of September 30, 1998, as follows:

6 (1) The Army National Guard of the United
7 States, 366,516.

8 (2) The Army Reserve, 208,000.

9 (3) The Naval Reserve, 94,294.

10 (4) The Marine Corps Reserve, 42,000.

11 (5) The Air National Guard of the United
12 States, 107,377.

13 (6) The Air Force Reserve, 73,431.

14 (7) The Coast Guard Reserve, 8,000.

15 (b) WAIVER AUTHORITY.—The Secretary of Defense
16 may vary the end strength authorized by subsection (a)
17 by not more than 2 percent.

18 (c) ADJUSTMENTS.—The end strengths prescribed by
19 subsection (a) for the Selected Reserve of any reserve com-
20 ponent shall be proportionately reduced by—

21 (1) the total authorized strength of units orga-
22 nized to serve as units of the Selected Reserve of
23 such component which are on active duty (other
24 than for training) at the end of the fiscal year; and

1 (2) the total number of individual members not
2 in units organized to serve as units of the Selected
3 Reserve of such component who are on active duty
4 (other than for training or for unsatisfactory partici-
5 pation in training) without their consent at the end
6 of the fiscal year.

7 Whenever such units or such individual members are re-
8 leased from active duty during any fiscal year, the end
9 strength prescribed for such fiscal year for the Selected
10 Reserve of such reserve component shall be proportion-
11 ately increased by the total authorized strengths of such
12 units and by the total number of such individual members.

13 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
14 **DUTY IN SUPPORT OF THE RESERVES.**

15 Within the end strengths prescribed in section
16 411(a), the reserve components of the Armed Forces are
17 authorized, as of September 30, 1998, the following num-
18 ber of Reserves to be serving on full-time active duty or
19 full-time duty, in the case of members of the National
20 Guard, for the purpose of organizing, administering, re-
21 cruiting, instructing, or training the reserve components:

22 (1) The Army National Guard of the United
23 States, 22,310.

24 (2) The Army Reserve, 11,500.

25 (3) The Naval Reserve, 16,136.

1 (4) The Marine Corps Reserve, 2,559.

2 (5) The Air National Guard of the United
3 States, 10,616.

4 (6) The Air Force Reserve, 748.

5 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**
6 **(DUAL STATUS).**

7 (a) AUTHORIZATION FOR FISCAL YEAR 1998.—The
8 minimum number of military technicians (dual status) as
9 of the last day of fiscal year 1998 for the reserve compo-
10 nents of the Army and the Air Force (notwithstanding sec-
11 tion 129 of title 10, United States Code) shall be the fol-
12 lowing:

13 (1) For the Army Reserve, 5,503.

14 (2) For the Army National Guard of the United
15 States, 23,125.

16 (3) For the Air Force Reserve, 9,802.

17 (4) For the Air National Guard of the United
18 States, 22,853.

19 (b) REQUESTS FOR FUTURE FISCAL YEARS.—Sec-
20 tion 115(g) of title 10, United States Code, is amended
21 by adding at the end the following new sentence: “In each
22 budget submitted by the President to Congress under sec-
23 tion 1105 of title 31, the end strength requested for mili-
24 tary technicians (dual status) for each reserve component
25 of the Army and Air Force shall be specifically set forth.”.

1 **SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN**
 2 **GRADES AUTHORIZED TO SERVE ON ACTIVE**
 3 **DUTY IN SUPPORT OF THE RESERVES.**

4 (a) OFFICERS.—The table in section 12011(a) of title
 5 10, United States Code, is amended to read as follows:

“Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	673	140
Lieutenant Colonel or Commander	1,524	520	672	90
Colonel or Navy Captain	437	188	274	30”.

6 (b) SENIOR ENLISTED MEMBERS.—The table in sec-
 7 tion 12012(a) of such title is amended to read as follows:

“Grade	Army	Navy	Air Force	Marine Corps
E-9	627	202	371	20
E-8	2,585	429	900	94”.

8 **Subtitle C—Authorization of**
 9 **Appropriations**

10 **SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-**
 11 **TARY PERSONNEL.**

12 There is hereby authorized to be appropriated to the
 13 Department of Defense for military personnel for fiscal
 14 year 1998 a total of \$69,539,862,000. The authorization
 15 in the preceding sentence supersedes any other authoriza-
 16 tion of appropriations (definite or indefinite) for such pur-
 17 pose for fiscal year 1998.

1 **TITLE V—MILITARY PERSONNEL**
2 **POLICY**
3 **Subtitle A—Officer Personnel**
4 **Policy**

5 **SEC. 501. LIMITATION ON NUMBER OF GENERAL AND FLAG**
6 **OFFICERS WHO MAY SERVE IN POSITIONS**
7 **OUTSIDE THEIR OWN SERVICE.**

8 (a) IN GENERAL.—Chapter 41 of title 10, United
9 States Code, is amended by adding at the end the follow-
10 ing new section:

11 **“§ 721. General and flag officers: limitation on ap-**
12 **pointments, assignments, details, and du-**
13 **ties outside an officer’s own service**

14 “(a) LIMITATION.—An officer described in subsection
15 (b) may not be appointed, assigned, or detailed for a pe-
16 riod in excess of 90 days to a position external to that
17 officer’s armed force if, immediately following such ap-
18 pointment, assignment, or detail, the number of officers
19 described in subsection (b) serving in positions external
20 to such officers’ armed force for a period in excess of 90
21 days would be in excess of 24.5 percent of the total num-
22 ber of such officers.

23 “(b) COVERED OFFICERS.—The officers covered by
24 subsection (a), and to be counted for the purposes of the
25 limitation in that subsection, are the following:

1 “(1) Any general or flag officer counted for
2 purposes of section 526(a) of this title.

3 “(2) Any general or flag officer serving in a
4 joint duty assignment position designated by the
5 Chairman of the Joint Chiefs of Staff under section
6 526(b) of this title.

7 “(3) Any colonel or Navy captain counted for
8 purposes of section 777(d)(1) of this title.

9 “(c) EXTERNAL POSITIONS.—For purposes of this
10 section, the following positions shall be considered to be
11 external to an officer’s armed force:

12 “(1) Any position (including a position in joint
13 education) that is a joint duty assignment for pur-
14 poses of chapter 38 of this title.

15 “(2) Any position in the Office of the Secretary
16 of Defense, a Defense Agency, or a Department of
17 Defense Field Activity.

18 “(3) Any position in the Joint Chiefs of Staff,
19 the Joint Staff, or the headquarters of a combatant
20 command (as defined in chapter 6 of this title).

21 “(4) Any position in the National Guard Bu-
22 reau.

23 “(5) Any position outside the Department of
24 Defense, including any position in the headquarters
25 of the North Atlantic Treaty Organization or any

1 other international military command, any combined
 2 or multinational command, or military mission.

3 “(d) ASSIGNMENTS, ETC. FOR PERIODS IN EXCESS
 4 OF 90 DAYS.—For purposes of this section, the appoint-
 5 ment, assignment, or detail of an officer to a position shall
 6 be considered to be for a period in excess of 90 days unless
 7 the appointment, assignment, or detail specifies that it is
 8 made a period of 90 days or less.

9 “(e) WAIVER DURING PERIOD OF WAR OR NATIONAL
 10 EMERGENCY.—The President may suspend the operation
 11 of this section during any period of war or of national
 12 emergency declared by Congress or the President.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
 14 at the beginning of such chapter is amended by adding
 15 at the end the following new item:

“721. General and flag officers: limitation on appointments, assignments, de-
 tails, and duties outside an officer’s own service.”.

16 **SEC. 502. EXCLUSION OF CERTAIN RETIRED OFFICERS**
 17 **FROM LIMITATION ON PERIOD OF RECALL**
 18 **TO ACTIVE DUTY.**

19 Effective October 1, 1997, section 688(e) of title 10,
 20 United States Code, is amended—

- 21 (1) by inserting “(1)” before “A member”; and
 22 (2) adding at the end the following new para-
 23 graph:

1 “(2) Paragraph (1) shall not apply to the following
2 officers:

3 “(A) A chaplain who is assigned to duty as a
4 chaplain for the period of active duty to which or-
5 dered.

6 “(B) A health care professional (as character-
7 ized by the Secretary concerned) who is assigned to
8 duty as a health care professional for the period of
9 active duty to which ordered.

10 “(C) An officer assigned to duty with the Amer-
11 ican Battle Monuments Commission for the period
12 of active duty to which ordered.”.

13 **SEC. 503. CLARIFICATION OF OFFICERS ELIGIBLE FOR**
14 **CONSIDERATION BY SELECTION BOARDS.**

15 (a) OFFICERS ON THE ACTIVE-DUTY LIST.—Section
16 619(d) of title 10, United States Code, is amended—

17 (1) by striking out “grade—” in the matter
18 preceding paragraph (1) and inserting in lieu thereof
19 “grade any of the following officers:”;

20 (2) in paragraph (1)—

21 (A) by striking out “an officer” and insert-
22 ing in lieu thereof “An officer”; and

23 (B) by striking out “; or” at the end and
24 inserting in lieu thereof a period; and

1 (3) by redesignating paragraph (2) as para-
 2 graph (3) and in that paragraph striking out “an of-
 3 ficer” and inserting in lieu thereof “An officer”; and

4 (4) by inserting after paragraph (1) the follow-
 5 ing new paragraph (2):

6 “(2) An officer who is recommended for pro-
 7 motion to that grade in the report of an earlier se-
 8 lection board convened under that section, in the
 9 case of such a report that has not yet been approved
 10 by the President.”.

11 (b) OFFICERS ON THE RESERVE ACTIVE-STATUS
 12 LIST.—Section 14301(c) of such title is amended—

13 (1) by striking out “grade—” in the matter
 14 preceding paragraph (1) and inserting in lieu thereof
 15 “grade any of the following officers:”;

16 (2) by striking out “an officer” in each of para-
 17 graphs (1), (2), and (3) and inserting in lieu thereof
 18 “An officer”;

19 (3) by striking out the semicolon at the end of
 20 paragraph (1) and inserting in lieu thereof a period;

21 (4) by striking out “; or” at the end of para-
 22 graph (2) and inserting in lieu thereof a period;

23 (5) by redesignating paragraphs (2) and (3), as
 24 so amended, as paragraphs (3) and (4), respectively,
 25 and in each such paragraph striking out “the next

1 higher grade” and inserting in lieu thereof “that
2 grade”; and

3 (6) by inserting after paragraph (1) the follow-
4 ing new paragraph (2):

5 “(2) An officer who is recommended for pro-
6 motion to that grade in the report of an earlier se-
7 lection board convened under a provision referred to
8 in paragraph (1), in the case of such a report that
9 has not yet been approved by the President.”.

10 (c) CLARIFYING AMENDMENTS.—Paragraphs (3) and
11 (4) of section 14301(c) of such title, as redesignated and
12 amended by subsection (b), are each amended by inserting
13 before the period at the end the following: “, if that nomi-
14 nation is pending before the Senate”.

15 **SEC. 504. AUTHORITY TO DEFER MANDATORY RETIREMENT**
16 **FOR AGE OF OFFICERS SERVING AS CHAP-**
17 **LAINS.**

18 (a) AUTHORITY FOR DEFERRAL OF RETIREMENT
19 FOR CHAPLAINS PROVIDING DIRECT SUPPORT TO UNITS
20 OR INSTALLATIONS.—Subsection (c) of section 1251 of
21 title 10, United States Code, is amended—

22 (1) by redesignating paragraphs (2) and (3) as
23 paragraphs (3) and (4), respectively; and

24 (2) by inserting after paragraph (1) the follow-
25 ing new paragraph (2):

1 “(2) The Secretary concerned may defer the retire-
2 ment under subsection (a) of an officer who is appointed
3 or designated as a chaplain if during the period of the
4 deferment the officer will be performing duties consisting
5 primarily of providing direct support as a chaplain to units
6 or installations.”.

7 (b) AUTHORITY FOR DEFERRAL OF RETIREMENT
8 FOR CHIEF AND DEPUTY CHIEF OF CHAPLAINS.—Such
9 section is further amended by adding at the end the fol-
10 lowing new subsection:

11 “(d) The Secretary concerned may defer the retire-
12 ment under subsection (a) of an officer who is the Chief
13 of Chaplains or Deputy Chief of Chaplains of that officer’s
14 armed force. Such a deferment may not extend beyond the
15 first day of the month following the month in which the
16 officer becomes 68 years of age.”.

17 (c) QUALIFICATION FOR SERVICE AS NAVY CHIEF OF
18 CHAPLAINS OR DEPUTY CHIEF OF CHAPLAINS.—(1) Sec-
19 tion 5142(b) of such title is amended by striking out “,
20 who are not on the retired list,”.

21 (2) Section 5142a of such title is amended by striking
22 out “, who is not on the retired list,”.

1 **Subtitle B—Reserve Component**
2 **Matters**

3 **SEC. 511. INDIVIDUAL READY RESERVE ACTIVATION AU-**
4 **THORITY.**

5 (a) IRR MEMBERS SUBJECT TO ORDER TO ACTIVE
6 DUTY OTHER THAN DURING WAR OR NATIONAL EMER-
7 GENCY.—Section 10144 of title 10, United States Code,
8 is amended—

9 (1) by inserting “(a)” before “Within the Ready
10 Reserve”; and

11 (2) by adding at the end the following new sub-
12 section:

13 “(b)(1) Within the Individual Ready Reserve of each
14 reserve component there is a category of members, as des-
15 ignated by the Secretary concerned, who are subject to
16 being ordered to active duty involuntarily in accordance
17 with section 12304 of this title. A member may not be
18 placed in that mobilization category unless—

19 “(A) the member volunteers for that category;
20 and

21 “(B) the member is selected for that category
22 by the Secretary concerned, based upon the needs of
23 the service and the grade and military skills of that
24 member.

1 “(2) A member of the Individual Ready Reserve may
 2 not be carried in such mobilization category of members
 3 after the end of the 24-month period beginning on the date
 4 of the separation of the member from active service.

5 “(3) The Secretary shall designate the grades and
 6 military skills or specialties of members to be eligible for
 7 placement in such mobilization category.

8 “(4) A member in such mobilization category shall
 9 be eligible for benefits (other than pay and training) as
 10 are normally available to members of the Selected Reserve,
 11 as determined by the Secretary of Defense.”.

12 (b) CRITERIA FOR ORDERING TO ACTIVE DUTY.—
 13 Subsection (a) of section 12304 of title 10, United States
 14 Code, is amended by inserting after “of this title),” the
 15 following: “or any member in the Individual Ready Re-
 16 serve mobilization category and designated as essential
 17 under regulations prescribed by the Secretary concerned,”.

18 (c) MAXIMUM NUMBER.—Subsection (c) of such sec-
 19 tion is amended—

20 (1) by inserting “and the Individual Ready Re-
 21 serve” after “Selected Reserve”; and

22 (2) by inserting “, of whom not more than
 23 30,000 may be members of the Individual Ready Re-
 24 serve” before the period at the end.

1 (d) CONFORMING AMENDMENTS.—Such section is
2 further amended—

3 (1) in subsection (f), by inserting “or Individual
4 Ready Reserve” after “Selected Reserve”;

5 (2) in subsection (g), by inserting “, or member
6 of the Individual Ready Reserve,” after “to serve as
7 a unit”; and

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

10 “(i) For purposes of this section, the term ‘Individual
11 Ready Reserve mobilization category’ means, in the case
12 of any reserve component, the category of the Individual
13 Ready Reserve described in section 10144(b) of this
14 title.”.

15 (e) CLERICAL AMENDMENTS.—(1) The heading of
16 such section is amended to read as follows:

17 **“§ 12304. Selected Reserve and certain Individual**
18 **Ready Reserve members; order to active**
19 **duty other than during war or national**
20 **emergency”.**

21 (2) The item relating to section 12304 in the table
22 of sections at the beginning of chapter 1209 of such title
23 is amended to read as follows:

“12304. Selected Reserve and certain Individual Ready Reserve members; order
to active duty other than during war or national emergency.”.

1 **SEC. 512. TERMINATION OF MOBILIZATION INCOME INSUR-**
2 **ANCE PROGRAM.**

3 (a) IN GENERAL.—Chapter 1214 of title 10, United
4 States Code, is amended by adding at the end the follow-
5 ing new section:

6 **“§ 12533. Termination of program**

7 “(a) IN GENERAL.—The Secretary shall terminate
8 the insurance program in accordance with this section.

9 “(b) TERMINATION OF NEW ENROLLMENTS.—The
10 Secretary may not enroll a member of the Ready Reserve
11 for coverage under the insurance program after the date
12 of the enactment of this section.

13 “(c) TERMINATION OF COVERAGE.—(1) The enroll-
14 ment under the insurance program of insured members
15 other than insured members described in paragraph (2)
16 is terminated as of the date of the enactment of this sec-
17 tion. The enrollment of an insured member described in
18 paragraph (2) is terminated as of the date of the termi-
19 nation of the period of covered service of that member de-
20 scribed in that paragraph.

21 “(2) An insured member described in this paragraph
22 is an insured member who on the date of the enactment
23 of this section is serving on covered service for a period
24 of service, or has been issued an order directing the per-
25 formance of covered service, that satisfies or would satisfy
26 the entitlement-to-benefits provisions of this chapter.

1 “(d) TERMINATION OF PAYMENT OF BENEFITS.—

2 The Secretary may not make any benefit payment under
3 the insurance program after the date of the enactment of
4 this section other than to an insured member who on that
5 date (1) is serving on an order to covered service, (2) has
6 been issued an order directing performance of covered
7 service, or (3) has served on covered service before that
8 date for which benefits under the program have not been
9 paid to the member.

10 “(e) TERMINATION OF INSURANCE FUND.—The Sec-
11 retary shall close the Fund not later than 60 days after
12 the date on which the last benefit payment from the Fund
13 is made. Any amount remaining in the Fund when closed
14 shall be covered into the Treasury as miscellaneous re-
15 ceipts.”.

16 (b) CLERICAL AMENDMENT.—The table of sections
17 at the beginning of such chapter is amended by adding
18 at the end the following new item:

“12533. Termination of program.”.

1 **SEC. 513. CORRECTION OF INEQUITIES IN MEDICAL AND**
2 **DENTAL CARE AND DEATH AND DISABILITY**
3 **BENEFITS FOR RESERVE MEMBERS WHO**
4 **INCUR OR AGGRAVATE AN ILLNESS IN THE**
5 **LINE OF DUTY.**

6 (a) MEDICAL AND DENTAL CARE FOR DEPEND-
7 ENTS.—Section 1076(a)(2) of title 10, United States
8 Code, is amended—

9 (1) by striking out “or” at the end of subpara-
10 graph (A);

11 (2) by striking out the period at the end of sub-
12 paragraph (B) and inserting in lieu thereof “; or”;
13 and

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(C) who incurs or aggravates an injury or ill-
17 ness in the line of duty while serving on active duty
18 for a period of 30 days or less and whose orders are
19 subsequently modified to extend the period of active
20 duty to a period of more than 30 days.”.

21 (b) MEDICAL AND DENTAL CARE.—Section
22 1074a(a)(3) of such title is amended by inserting “while
23 remaining overnight immediately before the commence-
24 ment of inactive-duty training, or” after “in the line of
25 duty”.

1 (c) ELIGIBILITY FOR DISABILITY RETIREMENT.—
2 Section 1204(2)(C) of such title is amended by inserting
3 “while remaining overnight immediately before the com-
4 mencement of inactive-duty training, or” after “aggra-
5 vated”.

6 (d) ELIGIBILITY FOR DISABILITY SEPARATION.—
7 Section 1206 of such title is amended—

8 (1) by redesignating paragraphs (2), (3), and
9 (4) as paragraphs (3), (4), and (5) respectively; and
10 (2) by inserting after paragraph (1) the follow-
11 ing new paragraph:

12 “(2) the disability was incurred in the line of
13 duty as a result of—

14 “(A) performing active duty or inactive-
15 duty training;

16 “(B) traveling directly to or from the place
17 at which such duty is performed; or

18 “(C) an injury, illness, or disease incurred
19 or aggravated while remaining overnight imme-
20 diately before the commencement of inactive-
21 duty training, or while remaining overnight be-
22 tween successive periods of inactive-duty train-
23 ing, at or in the vicinity of the site of the inac-
24 tive-duty training, if the site is outside reason-

1 able commuting distance of the member’s resi-
2 dence;”.

3 (e) RECOVERY, CARE, AND DISPOSITION OF RE-
4 MAINS.—Section 1481(a)(2)(D) of such title is amended
5 by inserting “remaining overnight immediately before the
6 commencement of inactive-duty training, or” after “(D)”.

7 (f) ENTITLEMENT TO BASIC PAY.—Section 204 of
8 title 37, United States Code, is amended by inserting
9 “while remaining overnight immediately before the com-
10 mencement of inactive-duty training, or” in subsections
11 (g)(1)(D) and (h)(1)(D) after “in line of duty”.

12 (g) COMPENSATION FOR INACTIVE-DUTY TRAIN-
13 ING.—Section 206(a)(3)(C) of such title is amended by
14 inserting “while remaining overnight immediately before
15 the commencement of inactive-duty training, or” after “in
16 line of duty”.

17 **SEC. 514. TIME-IN-GRADE REQUIREMENTS FOR RESERVE**
18 **COMMISSIONED OFFICERS RETIRED DURING**
19 **FORCE DRAWDOWN PERIOD.**

20 (a) AUTHORITY COMPARABLE TO ACTIVE-DUTY LIST
21 OFFICERS.—Subsection (d)(3) of section 1370 of title 10,
22 United States Code, is amended by adding at the end the
23 following new subparagraph:

24 “(F) The Secretary of Defense may authorize the
25 Secretary of a military department to reduce the three-

1 year period specified in subparagraph (A) to a period of
 2 not less than two years in the case of retirements effective
 3 during the period beginning on the date of the enactment
 4 of this subparagraph and ending on September 30, 1999.
 5 The number of officers in an armed force in a grade for
 6 whom a reduction is made during any fiscal year in the
 7 period of service-in-grade otherwise required under this
 8 paragraph may not exceed the number equal to two per-
 9 cent of the authorized reserve active status strength for
 10 that fiscal year for officers of that armed force in that
 11 grade.”.

12 (b) TECHNICAL AMENDMENTS.—Such section is fur-
 13 ther amended—

14 (1) in subsection (a)(2)(A), by inserting “of”
 15 after “reduce such period to a period”; and

16 (2) in subsection (d)(1), by striking out “chap-
 17 ter 1225” and inserting in lieu thereof “chapter
 18 1223”.

19 **SEC. 515. AUTHORITY TO PERMIT NON-UNIT ASSIGNED OF-**
 20 **FICERS TO BE CONSIDERED BY VACANCY**
 21 **PROMOTION BOARD TO GENERAL OFFICER**
 22 **GRADES.**

23 (a) CONVENING OF SELECTION BOARDS.—Section
 24 14101(a)(2) of title 10, United States Code, is amended
 25 by striking out “(except in the case of a board convened

1 to consider officers as provided in section 14301(e) of this
2 title).”.

3 (b) ELIGIBILITY FOR CONSIDERATION OF CERTAIN
4 ARMY OFFICERS.—Section 14301 of such title is amend-
5 ed—

6 (1) by striking out subsection (e); and

7 (2) by redesignating subsections (f) and (g) as
8 subsections (e) and (f), respectively.

9 (c) GENERAL OFFICER PROMOTIONS.—Section
10 14308 of such title is amended—

11 (1) in subsection (e)(2), by inserting “a grade
12 below colonel in” after “(2) an officer in”; and

13 (2) in subsection (g)—

14 (A) by inserting “or the Air Force” in the
15 first sentence after “of the Army” the first
16 place it appears;

17 (B) by striking out “in that grade” in the
18 first sentence and all that follows through “Sec-
19 retary of the Army” and inserting in lieu there-
20 of “in the Army Reserve or the Air Force Re-
21 serve, as the case may be, in that grade”; and

22 (C) by striking out the second sentence.

23 (d) VACANCY PROMOTIONS.—Section 14315(b)(1) of
24 such title is amended by striking out “the duties” in clause
25 (A) and all that follows through “as a unit,” and inserting

1 in lieu thereof “duties of a general officer of the next high-
2 er reserve grade in the Army Reserve,”.

3 **SEC. 516. GRADE REQUIREMENT FOR OFFICERS ELIGIBLE**
4 **TO SERVE ON INVOLUNTARY SEPARATION**
5 **BOARDS.**

6 Section 14906(a)(2) of title 10, United States Code,
7 is amended by striking out “a grade above lieutenant colo-
8 nel or commander” and inserting in lieu thereof “the
9 grade of lieutenant colonel or commander or a higher
10 grade”.

11 **SEC. 517. LIMITATION ON USE OF AIR FORCE RESERVE AGR**
12 **PERSONNEL FOR AIR FORCE BASE SECURITY**
13 **FUNCTIONS.**

14 (a) LIMITATION.—The Secretary of the Air Force
15 may not use members of the Air Force Reserve who are
16 AGR personnel for the performance of force protection,
17 base security, or security police functions at an Air Force
18 facility in the United States until six months after the date
19 on which the Secretary submits to Congress a report on
20 such use of AGR personnel.

21 (b) MATTERS TO BE INCLUDED IN REPORT.—The
22 report under subsection (a) shall include the following:

23 (1) A statement of the planned scope, including
24 each planned location, of such use of AGR personnel

1 during the year in which the report is submitted and
2 each of the five subsequent years.

3 (2) A detailed rationale for, and evaluation of,
4 the cost effectiveness of the use of AGR personnel
5 to perform such functions at Air Force facilities in
6 the United States compared to the use of Depart-
7 ment of Defense civilian personnel or contractor per-
8 sonnel for the performance of these functions at
9 those facilities.

10 (3) A plan, including a cost estimate, for the re-
11 employment, conversion to AGR status, or retire-
12 ment of civilian employees and military technicians
13 who are displaced by the use of Air Force Reserve
14 AGR personnel to perform those functions.

15 (c) AGR PERSONNEL DEFINED.—For the purposes
16 of this section, the term “AGR personnel” means members
17 of the Air Force Reserve who are on active duty (other
18 than for training) in connection with organizing, admin-
19 istering, recruiting, instructing, or training the Air Force
20 Reserve.

1 **Subtitle C—Military Technicians**

2 **SEC. 521. AUTHORITY TO RETAIN ON THE RESERVE AC-**
3 **TIVE-STATUS LIST UNTIL AGE 60 MILITARY**
4 **TECHNICIANS IN THE GRADE OF BRIGADIER**
5 **GENERAL.**

6 (a) RETENTION.—Section 14702(a) of title 10, Unit-
7 ed States Code, is amended—

8 (1) by striking out “section 14506 or 14507”
9 and inserting in lieu thereof “section 14506, 14507,
10 or 14508”; and

11 (2) by striking out “or colonel” and inserting in
12 lieu thereof “colonel, or brigadier general”.

13 (b) TECHNICAL AMENDMENT.—Section 14508(c) of
14 such title is amended by striking out “not later than the
15 date on which the officer becomes 60 years of age” and
16 inserting in lieu thereof “not later than the last day of
17 the month in which the officer becomes 60 years of age”.

18 **SEC. 522. MILITARY TECHNICIANS (DUAL STATUS).**

19 (a) DEFINITION.—Subsection (a) of section 10216 of
20 title 10, United States Code, is amended to read as fol-
21 lows:

22 “(a) IN GENERAL.—(1) For purposes of this section
23 and any other provision of law, a military technician (dual
24 status) is a Federal civilian employee who—

1 “(A) is employed under section 3101 of title 5
2 or section 709 of title 32;

3 “(B) is required as a condition of that employ-
4 ment to maintain membership in the Selected Re-
5 serve; and

6 “(C) is assigned to a position as a technician in
7 the administration and training of the Selected Re-
8 serve or in the maintenance and repair of supplies
9 or equipment issued to the Selected Reserve or the
10 armed forces.

11 “(2) Military technicians (dual status) shall be au-
12 thorized and accounted for as a separate category of civil-
13 ian employees.”.

14 (b) UNIT MEMBERSHIP AND DUAL-STATUS RE-
15 QUIREMENT.—Subsection (d) of such section is amended
16 to read as follows:

17 “(d) UNIT MEMBERSHIP REQUIREMENT.—(1) Un-
18 less specifically exempted by law, each individual who is
19 hired as a military technician (dual status) after Decem-
20 ber 1, 1995, shall be required as a condition of that em-
21 ployment to maintain membership in—

22 “(A) the unit of the Selected Reserve by which
23 the individual is employed as a military technician;
24 or

1 “(B) a unit of the Selected Reserve that the in-
2 dividual is employed as a military technician to sup-
3 port.

4 “(2) Paragraph (1) does not apply to a military tech-
5 nician (dual status) who is employed by the Army Reserve
6 in an area other than Army Reserve troop program units.

7 “(e) DUAL-STATUS REQUIREMENT.—(1) Funds ap-
8 propriated for the Department of Defense may not (except
9 as provided in paragraph (2)) be used for compensation
10 as a military technician of any individual hired as a mili-
11 tary technician after February 10, 1996, who is no longer
12 a member of the Selected Reserve.

13 “(2) The Secretary concerned may pay compensation
14 described in paragraph (1) to an individual described in
15 that paragraph who is no longer a member of the Selected
16 Reserve for a period not to exceed six months following
17 the individual’s loss of membership in the Selected Reserve
18 if the Secretary determines such loss of membership was
19 not due to the failure of that individual to meet military
20 standards.”.

21 (c) NATIONAL GUARD DUAL-STATUS REQUIRE-
22 MENT.—Section 709(b) of title 32, United States Code,
23 is amended by striking out “Except as prescribed by the
24 Secretary concerned, a technician” and inserting in lieu
25 thereof “A technician”.

1 (d) PLAN FOR CLARIFICATION OF STATUTORY AU-
2 THORITY OF MILITARY TECHNICIANS.—(1) The Secretary
3 of Defense shall submit to Congress, as part of the budget
4 justification materials submitted in support of the budget
5 for the Department of Defense for fiscal year 1999, a leg-
6 islative proposal to provide statutory authority and clari-
7 fication under title 5, United States Code—

8 (A) for the hiring, management, promotion,
9 separation, and retirement of military technicians
10 who are employed in support of units of the Army
11 Reserve or Air Force Reserve; and

12 (B) for the transition to the competitive service
13 of an individual who is hired as military technician
14 in support of a unit of the Army Reserve or Air
15 Force Reserve and who (as determined by the Sec-
16 retary concerned) fails to maintain membership in
17 the Selected Reserve through no fault of the individ-
18 ual.

19 (2) The legislative proposal under paragraph (1) shall
20 be developed in consultation with the Director of the Of-
21 fice of Personnel Management.

22 (e) CONFORMING REPEAL.—Section 8106 of Public
23 Law 104–61 (109 Stat. 654; 10 U.S.C. 10101 note) is
24 repealed.

1 (f) CROSS-REFERENCE CORRECTIONS.—Section
 2 10216(c)(1) of title 10, United States Code, is amended
 3 by striking out “subsection (a)(1)” in subparagraphs (A),
 4 (B), (C), and (D) and inserting in lieu thereof “subsection
 5 (b)(1)”.

6 (g) CONFORMING AMENDMENTS TO SECTION
 7 10216.—Section 10216 of title 10, United States Code,
 8 is further amended as follows:

9 (1) The heading of subsection (b) is amended
 10 by inserting “(DUAL STATUS)” after “MILITARY
 11 TECHNICIANS”.

12 (2) Subsection (b)(1) is amended—

13 (A) by inserting “(dual status)” after “for
 14 military technicians”;

15 (B) by striking out “dual status military
 16 technicians” and inserting in lieu thereof “mili-
 17 tary technicians (dual status)”;

18 (C) by inserting “(dual status)” after
 19 “military technicians” in subparagraph (C).

20 (3) Subsection (b)(2) is amended by inserting
 21 “(dual status)” after “military technicians” both
 22 places it appears.

23 (4) Subsection (b)(3) is amended by inserting
 24 “(dual status)” after “Military technician”.

25 (5) Subsection (c) is amended—

1 (A) in the matter preceding paragraph
 2 (1)(A), by inserting “(dual status)” after “mili-
 3 tary technicians”;

4 (B) in paragraph (1), by striking out “dual
 5 status technicians” in subparagraphs (A), (B),
 6 (C), and (D) and inserting in lieu thereof “mili-
 7 tary technicians (dual status)”;

8 (C) in paragraph (2)(A), by inserting
 9 “(dual status)” after “military technician”; and

10 (D) in paragraph (2)(B), by striking out
 11 “delineate—” and all that follows through “or
 12 other reasons” in clause (ii) and inserting in
 13 lieu thereof “delineate the specific force struc-
 14 ture reductions”.

15 (h) CLERICAL AMENDMENTS.—(1) The heading of
 16 section 10216 of such title is amended to read as follows:
 17 **“§ 10216. Military technicians (dual status)”**.

18 (2) The item relating to such section in the table of
 19 sections at the beginning of chapter 1007 of such title is
 20 amended to read as follows:

“10216. Military technicians (dual status).”.

21 (i) OTHER CONFORMING AMENDMENTS.—(1) Section
 22 115(g) of such title is amended by inserting “(dual sta-
 23 tus)” in the first sentence after “military technicians” and
 24 in the second sentence after “military technician”.

25 (2) Section 115a(h) of such title is amended—

1 (A) by inserting “(displayed in the aggregate
 2 and separately for military technicians (dual status)
 3 and non-dual status military technicians)” in the
 4 matter preceding paragraph (1) after “of the follow-
 5 ing”; and

6 (B) by striking out paragraph (3).

7 **SEC. 523. NON-DUAL STATUS MILITARY TECHNICIANS.**

8 (a) IN GENERAL.—(1) Chapter 1007 of title 10,
 9 United States Code, is amended by adding at the end the
 10 following new section:

11 **“§ 10217. Non-dual status military technicians**

12 “(a) DEFINITION.—For the purposes of this section
 13 and any other provision of law, a non-dual status military
 14 technician is a civilian employee of the Department of De-
 15 fense who—

16 “(1) was hired as a military technician before
 17 the date of the enactment of the National Defense
 18 Authorization Act for Fiscal Year 1998 under any of
 19 the authorities specified in subsection (d); and

20 “(2) as of the date of the enactment of that Act
 21 is not a member of the Selected Reserve or after
 22 such date ceases to be a member of the Selected Re-
 23 serve.

24 “(b) FISCAL YEAR 1998 LIMITATION.—As of Sep-
 25 tember 30 1998, the number of civilian employees of a

1 military department who are non-dual status military
2 technicians may not exceed the following:

3 “(1) For the Army Reserve, 1,200.

4 “(2) For the Army National Guard of the Unit-
5 ed States, 2,260.

6 “(3) For the Air Force Reserve, 0.

7 “(4) For the Air National Guard of the United
8 States, 395.

9 “(c) REDUCTIONS FOR FUTURE YEARS.—For each
10 of the 10 fiscal years beginning with fiscal year 1999, the
11 Secretary of the military department concerned shall re-
12 duce the number of non-dual status military technicians
13 under the jurisdiction of that Secretary, as of the end of
14 that fiscal year, from the authorized number for the pre-
15 ceding fiscal year by not less—

16 “(1) 120, for the Army Reserve;

17 “(2) 226, for the Army National Guard of the
18 United States; and

19 “(3) 39, for the Air National Guard of the
20 United States.

21 “(d) EMPLOYMENT AUTHORITIES.—The authorities
22 referred to in subsection (a) are the following:

23 “(1) Section 10216 of this title.

24 “(2) Section 709 of title 32.

1 “(3) The requirements referred to in section
2 8401 of title 5.

3 “(4) Section 8016 of the Department of De-
4 fense Appropriations Act, 1996 (Public Law 104–
5 61; 109 Stat. 654), and any comparable provision
6 provided on an annual basis in the Department of
7 Defense Appropriations Acts for fiscal years 1984
8 through 1995.

9 “(5) Any memorandum of agreement between
10 the Department of Defense and the Office of Per-
11 sonnel Management providing for the hiring of mili-
12 tary technicians.”.

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

 “10217. Non-dual status military technicians.”.

16 (b) PLAN FOR NON-DUAL STATUS TECHNICIANS.—
17 Not later than March 31, 1998, the Secretary of Defense
18 shall submit to Congress a report setting forth rec-
19 ommendations of the Secretary (including proposals for
20 such legislative changes as may be necessary to implement
21 the recommendations of the Secretary) for eliminating
22 non-dual status military technician positions. In develop-
23 ing the plan, the Secretary shall consider (among other
24 alternatives) the feasibility and cost of each of the follow-
25 ing:

1 (1) Elimination or consolidation of functions
2 and positions.

3 (2) Contracting for performance by contractor
4 personnel of functions currently performed by per-
5 sonnel in those positions.

6 (3) Conversion of those technicians and posi-
7 tions, in the case of technicians of the Army Na-
8 tional Guard of the United States or the Air Na-
9 tional Guard of the United States, to State employ-
10 ment and positions or competitive service employ-
11 ment positions under title 5, United States Code.

12 (4) Conversion of those technicians or positions
13 to employment and positions in the competitive serv-
14 ice under title 5, United States Code, in the case of
15 technicians of the Army Reserve.

16 (5) Use of incentives to facilitate the reductions
17 required under subsection (c) of section 10217 of
18 title 10, United States Code, as added by subsection
19 (a).

20 **SEC. 524. REPORT ON FEASIBILITY AND DESIRABILITY OF**
21 **CONVERSION OF AGR PERSONNEL TO MILI-**
22 **TARY TECHNICIANS (DUAL-STATUS).**

23 (a) REPORT REQUIRED.—Not later than January 1,
24 1998, the Secretary of Defense shall submit to Congress
25 a report on the feasibility and desirability of conversion

1 of AGR personnel to military technicians (dual-status).

2 The report shall—

3 (1) identify advantages and disadvantages of
4 such a conversion;

5 (2) identify possible savings if such a conver-
6 sion were to be carried out; and

7 (3) set forth the recommendation of the Sec-
8 retary as to whether such a conversion should be
9 made.

10 (b) AGR PERSONNEL DEFINED.—For purposes of
11 subsection (a), the term “AGR personnel” means mem-
12 bers of the Army or Air Force reserve components who
13 are on active duty (other than for training) in connection
14 with organizing, administering, recruiting, instructing, or
15 training their respective reserve components.

16 **Subtitle D—Measures To Improve**
17 **Recruit Quality and Reduce Re-**
18 **cruit Attrition**

19 **SEC. 531. REFORM OF MILITARY RECRUITING SYSTEMS.**

20 (a) IN GENERAL.—The Secretary of Defense shall
21 carry out reforms in the recruiting systems of the Army,
22 Navy, Air Force, and Marine Corps in order to improve
23 the quality of new recruits and to reduce attrition among
24 recruits.

1 (b) SPECIFIC REFORMS.—As part of the reforms in
2 military recruiting systems to be undertaken under sub-
3 section (a), the Secretary shall take the following steps:

4 (1) Improve the system of separation codes
5 used for recruits who are separated during recruit
6 training by (A) revising and updating those codes to
7 allow more accurate and useful data collection about
8 those separations, and (B) prescribing regulations to
9 ensure that those codes are interpreted in a uniform
10 manner by the military services.

11 (2) Develop a reliable database for (A) analyz-
12 ing service-wide data on reasons for attrition of new
13 recruits, and (B) undertaking service-wide measures
14 to control and manage such attrition.

15 (3) Require that the Secretary of each military
16 department (A) adopt or strengthen incentives for
17 recruiters to thoroughly prescreen potential can-
18 didates for recruitment, and (B) link incentives for
19 recruiters, in part, to the ability of a recruiter to
20 screen out unqualified candidates before enlistment.

21 (4) Require that the Secretary of each military
22 department include as a measurement of recruiter
23 performance the percentage of persons enlisted by a
24 recruiter who complete initial combat training or
25 basic training.

1 (5) Assess trends in the number and use of
2 waivers over the 1991–1997 period that were issued
3 to permit applicants to enlist with medical or other
4 conditions that would otherwise be disqualifying.

5 (6) Require the Secretary of each military de-
6 partment to implement policies and procedures (A)
7 to ensure the prompt separation of recruits who are
8 unable to successfully complete basic training, and
9 (B) to remove those recruits from the training envi-
10 ronment while separation proceedings are pending.

11 (c) REPORT.—The Secretary shall submit to Con-
12 gress a report of the trends assessed under subsection
13 (b)(5). The information on those trends provided in the
14 report shall be shown by armed force and by category of
15 waiver. The report shall include recommendations of the
16 Secretary for changing, revising, or limiting the use of
17 waivers referred to in that subsection and shall be submit-
18 ted not later than March 31, 1998.

19 **SEC. 532. IMPROVEMENTS IN MEDICAL PRESCREENING OF**
20 **APPLICANTS FOR MILITARY SERVICE.**

21 (a) IN GENERAL.—The Secretary of Defense shall
22 improve the medical prescreening of applicants for en-
23 trance into the Army, Navy, Air Force, or Marine Corps.

24 (b) SPECIFIC STEPS.—As part of those improve-
25 ments, the Secretary shall take the following steps:

1 (1) Require that each applicant for service in
2 the Army, Navy, Air Force, or Marine Corps (A)
3 provide to the Secretary the name of the applicant's
4 medical insurer and the names of past medical pro-
5 viders, and (B) sign a release allowing the Secretary
6 to request and obtain medical records of the appli-
7 cant.

8 (2) Require that the forms and procedures for
9 medical prescreening of applicants that are used by
10 recruiters and by Military Entrance Processing
11 Commands be revised so as to ensure that medical
12 questions are specific, unambiguous, and tied di-
13 rectly to the types of medical separations most com-
14 mon for recruits during basic training and follow-on
15 training.

16 (3) Add medical screening tests to the examina-
17 tions of recruits carried out by Military Entrance
18 Processing Station, provide more thorough medical
19 examinations to selected groups of applicants, or
20 both, to the extent that the Secretary determines
21 that to do so could be cost effective in reducing at-
22 trition at basic training.

23 (4) Assign the responsibility for evaluating
24 medical conditions of a recruit that are missed dur-
25 ing accession processing to an agency or contractor

1 other than the Military Entrance Processing Com-
2 mand which carried out the accession processing of
3 that recruit (such command being the organization
4 responsible for accession medical exams).

5 (5) Require that the Secretary of each military
6 department test an applicant for entrance into the
7 Armed Forces for use of illegal drugs at the Military
8 Entrance Processing Station which carries out the
9 accession processing of that recruit (in addition to
10 any subsequent drug testing that may be required).

11 **SEC. 533. IMPROVEMENTS IN PHYSICAL FITNESS OF RE-**
12 **CRUITS.**

13 (a) IN GENERAL.—The Secretary of Defense shall
14 take steps to improve the physical fitness of recruits before
15 they enter basic training.

16 (b) SPECIFIC STEPS.—As part of those improve-
17 ments, the Secretary shall take the following steps:

18 (1) Direct the Secretary of each military de-
19 partment to implement programs under which new
20 recruits who are in the Delayed Entry Program are
21 encouraged to participate in physical fitness activi-
22 ties before reporting to basic training.

23 (2) Develop a range of incentives for new re-
24 cruits to participate in physical fitness programs, as
25 well as for those recruits who improve their level of

1 fitness while in the Delayed Entry Program, which
 2 may include the use of monetary or other incentives,
 3 access to Department of Defense military fitness fa-
 4 cilities, and access to military medical facilities in
 5 the case of a recruit who is injured while participat-
 6 ing in physical activities with recruiters or other
 7 military personnel.

8 (3) Evaluate whether partnerships between re-
 9 cruiters and reserve components, or other innovative
 10 arrangements, could provide a pool of qualified per-
 11 sonnel to assist in the conduct of physical training
 12 programs for new recruits in the Delayed Entry Pro-
 13 gram.

14 **Subtitle E—Military Education and** 15 **Training**

16 **SEC. 541. INDEPENDENT PANEL TO REVIEW MILITARY** 17 **BASIC TRAINING.**

18 (a) ESTABLISHMENT.—There is hereby established a
 19 panel to review the basic training programs of the Army,
 20 Navy, Air Force, and Marine Corps and to make rec-
 21 ommendations on improvements to those programs.

22 (b) COMPOSITION.—(1) The panel shall be composed
 23 of seven members, appointed as follows:

24 (A) Three members shall be appointed jointly
 25 by the chairman and ranking minority party member

1 of the Committee on National Security of the House
2 of Representatives.

3 (B) Three members shall be appointed jointly
4 by the chairman and ranking minority party member
5 of the Committee on Armed Services of the Senate.

6 (C) One member shall be appointed by the Sec-
7 retary of Defense.

8 (2) The members of the panel shall choose one of the
9 members to chair the panel.

10 (c) QUALIFICATIONS.—Members of the panel shall be
11 appointed from among private United States citizens with
12 knowledge and expertise in one or more of the following:

13 (1) Training of military personnel.

14 (2) Social and cultural matters affecting en-
15 trance into the Armed Forces and affecting military
16 service, military training, and military readiness,
17 such knowledge and expertise to have been gained
18 through recognized research, policy making and
19 practical experience, as demonstrated by retired mili-
20 tary personnel, representatives from educational or-
21 ganizations, and leaders from civilian industry and
22 other Government agencies.

23 (3) Factors that define appropriate military job
24 qualifications, including physical, mental, and edu-
25 cational factors.

1 (4) Combat or other theater of war operations.

2 (d) PANEL FUNCTIONS RELATING TO BASIC TRAIN-
3 ING PROGRAMS GENERALLY.—The panel shall review the
4 course objectives, structure, and length of the basic train-
5 ing programs of the Army, Navy, Air Force, and Marine
6 Corps. As part of that review, the panel shall (with respect
7 to each of those services) take the following measures:

8 (1) Determine the current end-state objectives
9 established for graduates of basic training, particu-
10 larly in regard to—

11 (A) physical conditioning;

12 (B) technical and physical skills pro-
13 ficiency;

14 (C) knowledge;

15 (D) military socialization, including the in-
16 culcation of service values and attitudes; and

17 (E) basic combat operational requirements.

18 (2) Assess whether those current end-state ob-
19 jectives, and basic training itself, should be modified
20 (in structure, length, focus, program of instruction,
21 training methods or otherwise) based, in part, on the
22 following:

23 (A) An assessment of the perspectives of
24 operational units on the quality and qualifica-
25 tions of the initial entry training graduates

1 being assigned to those units, considering in
2 particular whether the basic training system
3 produces graduates who arrive in operational
4 units with an appropriate level of skills, phys-
5 ical conditioning, and degree of military social-
6 ization to meet unit requirements and needs.

7 (B) An assessment of the demographics,
8 backgrounds, attitudes, experience, and physical
9 fitness of new recruits entering basic training,
10 considering in particular the question of wheth-
11 er, given the entry level demographics, edu-
12 cation, and background of new recruits, the
13 basic training systems and objectives are most
14 efficiently and effectively structured and con-
15 ducted to produce graduates who meet service
16 needs.

17 (C) An assessment of the perspectives of
18 personnel who conduct basic training with re-
19 gard to measures required to improve basic
20 training.

21 (e) PANEL FUNCTIONS RELATING TO GENDER-INTE-
22 GRATED AND GENDER-SEGREGATED BASIC TRAINING.—
23 The panel shall review the basic training policies of each
24 of the Army, Navy, Air Force, and Marine Corps with re-
25 gard to gender-integrated and gender-segregated basic

1 training. As part of that review, the panel shall (with re-
2 spect to each of those services) take the following meas-
3 ures:

4 (1) Determine the historical rationales for the
5 establishment and disestablishment of gender-inte-
6 grated or gender-segregated basic training.

7 (2) Examine the current rationales for the use
8 of gender-integrated or gender-segregated basic
9 training and, as part of such examination, evaluate
10 whether at the time any of the services made a deci-
11 sion to integrate, or to segregate, basic training by
12 gender, the Secretary of the military department
13 concerned had substantive reason to believe, or has
14 since developed data to support, any of the follow-
15 ing:

16 (A) That gender-integrated basic training,
17 or gender-segregated basic training, improves
18 the readiness or performance of operational
19 units

20 (B) That the entry level of new recruits
21 with regard to physical condition, attitudes, and
22 values is so different from that required and ex-
23 pected in the military services in general, and
24 in operational units in particular, that an in-
25 tense period of focused training is required, free

1 from the additional challenges of training males
2 and females together.

3 (C) That a significant percentage of
4 women entering basic training experienced sexual
5 abuse or assault before entering military
6 service and that gender-segregated basic training
7 (with same-sex drill instructors) provides
8 the best opportunity for such women to have
9 positive military female role models as mentors
10 and to enter gender-integrated operational
11 forces from a position of confidence, strength,
12 and knowledge.

13 (3) Assess whether the concept of “training as
14 you will fight” is a valid rationale for gender-integrated
15 basic training or whether the training requirements
16 and objectives for basic training are sufficiently
17 different from those of operational unit so
18 that such concept, when balanced against other factors
19 relating to basic training, might not be a sufficient
20 rationale for gender-integrated basic training.

21 (4) Assess the degree to which different standards
22 have been established, or if not established are
23 in fact being implemented, for males and females in
24 basic training for matters such as physical fitness,
25 physical performance (such as confidence and obsta-

1 cle courses), military skills (such as marksmanship
2 and hand-grenade qualifications), and nonphysical
3 tasks required of individuals and, to the degree that
4 differing standards exist or are in fact being imple-
5 mented, assess the effect of the use of those differ-
6 ing standards.

7 (5) Assess the degree to which performance
8 standards in basic training are based on military
9 readiness.

10 (6) Review Department of Defense and military
11 department efforts to objectively measure or evaluate
12 the effectiveness of gender-integrated basic training,
13 as compared to gender-segregated basic training,
14 particularly with regard to the adequacy and scope
15 of the efforts and with regard to the relevancy of
16 findings to operational unit requirements.

17 (7) Compare the pattern of attrition in gender-
18 integrated basic training units with the pattern of
19 attrition in gender-segregated basic training units
20 and assess the relevancy of the findings of such com-
21 parison.

22 (8) Compare the level of readiness and morale
23 of gender-integrated basic training units with the
24 level of readiness and morale of gender-segregated

1 units and assess the relevancy of the findings of
2 such comparison.

3 (f) RECOMMENDATIONS.—The panel shall prepare—

4 (1) an evaluation of gender-integrated and gen-
5 der-segregated basic training programs, based upon
6 the review under subsection (e); and

7 (2) recommendations for such changes to the
8 current system of basic training as the panel consid-
9 ers warranted.

10 (g) REPORTS.—(1) Not later than six months after
11 the members of the panel are appointed, the panel shall
12 submit an interim report on its findings and conclusions
13 to the Secretary of Defense.

14 (2) Not later than one year after establishment of
15 the panel, the panel shall submit a final report to the Sec-
16 retary of Defense. The final report shall include rec-
17 ommendations for legislative and administrative changes
18 to basic training programs to improve the readiness and
19 performance of initial entry training graduates and to re-
20 duce attrition, both during training and in the first term
21 of enlistment.

22 (h) SUBMISSION OF REPORTS TO CONGRESS.—Not
23 later than one month after receipt of the panel's interim
24 report and one month after receipt of the panel's final re-
25 port, the Secretary of Defense shall submit the report to

1 Congress together with the views of the Secretary regard-
2 ing the report and the matter covered in the report.

3 (i) PAY AND EXPENSES OF MEMBERS.—(1) Each
4 member of the panel who is not an employee of the Gov-
5 ernment shall be paid at a rate equal to the daily equiva-
6 lent of the annual rate of basic pay payable for level IV
7 of the Executive Schedule under section 5315 of title 5,
8 United States Code, for each day (including travel time)
9 during which the member is engaged in the performance
10 of the duties of the panel.

11 (2) The members of the panel shall be allowed travel
12 expenses, including per diem in lieu of subsistence, at
13 rates authorized for employees of agencies under sub-
14 chapter I of chapter 57 of title 5, United States Code,
15 while away from their homes or regular places of business
16 in the performance of services for the panel.

17 (j) ADMINISTRATIVE SUPPORT.—(1) Upon the re-
18 quest of the chairman of the panel, the Secretary of De-
19 fense may detail to the panel, on a nonreimbursable basis,
20 personnel of the Department of Defense to assist the panel
21 in carrying out its duties.

22 (2) The Secretary of Defense shall furnish to the
23 panel such administrative and support services as may be
24 requested by the chairman of the panel.

1 (k) FUNDING.—The Secretary of Defense shall, upon
2 the request of the panel, make available to the panel such
3 amounts as the panel may require to carry out its duties
4 under this title.

5 (l) TERMINATION OF THE PANEL.—The panel shall
6 terminate 60 days after the date on which it submits its
7 final report under subsection (g).

8 (m) SUBSEQUENT CONSIDERATION BY CONGRESS.—
9 After submission of the final report of the panel to Con-
10 gress, the Congress shall, based upon the results of the
11 study (and such other matters as Congress considers ap-
12 propriate), consider whether to require by law that the
13 Secretaries of the military departments conduct basic
14 training on a gender-segregated basis.

15 **SEC. 542. REFORM OF ARMY DRILL SERGEANT SELECTION**
16 **AND TRAINING PROCESS.**

17 (a) IN GENERAL.—The Secretary of the Army shall
18 reform the process for selection and training of drill ser-
19 geants for the Army.

20 (b) MEASURES TO BE TAKEN.—As part of such re-
21 form, the Secretary shall undertake the following meas-
22 ures (unless, in the case of any such measure, the Sec-
23 retary determines that that measure would not result in
24 improved effectiveness and efficiency in the drill sergeant
25 selection and training process):

1 (1) Review the overall process used by the De-
2 partment of the Army for selection of drill sergeants
3 to determine—

4 (A) if that process is providing drill ser-
5 geant candidates in sufficient quantity and
6 quality to meet the needs of the training sys-
7 tem; and

8 (B) whether duty as a drill sergeant is a
9 career-enhancing assignment (or is seen by po-
10 tential drill sergeant candidates as a career-en-
11 hancing assignment) and what steps could be
12 taken to ensure that such duty is in fact a ca-
13 reer-enhancing assignment.

14 (2) Incorporate into the selection process for all
15 drill sergeants the views and recommendations of the
16 officers and senior noncommissioned officers in the
17 chain of command of each candidate for selection
18 (particularly those of senior noncommissioned offi-
19 cers) regarding the candidate's suitability and quali-
20 fications to be a drill sergeant.

21 (3) Establish a requirement for psychological
22 screening for each drill sergeant candidate.

23 (4) Reform the psychological screening process
24 for drill sergeant candidates to improve the quality,
25 depth, and rigor of that screening process.

1 (5) Revise the evaluation system for drill ser-
2 geants in training to provide for a so-called “whole
3 person” assessment that gives insight into the quali-
4 fications and suitability of a drill sergeant candidate
5 beyond the candidate’s ability to accomplish required
6 performance tasks.

7 (6) Revise the Army military personnel records
8 system so that, under specified conditions and cir-
9 cumstances, a drill sergeant trainee who fails to
10 complete the training to be a drill sergeant and is
11 denied graduation will not have the fact of that fail-
12 ure recorded in those records. The conditions and
13 circumstances under which the authority provided in
14 the preceding sentence may be shall be prescribed by
15 the Secretary in regulations.

16 (7) Provide each drill sergeant in training with
17 the opportunity, before or during that training, to
18 work with new recruits in initial entry training and
19 to be evaluated on that opportunity.

20 (c) REPORT.—Not later than March 31, 1998, the
21 Secretary shall submit to the Committee on National Se-
22 curity of the House of Representatives and the Committee
23 on Armed Services of the Senate a report of the reforms
24 adopted pursuant to this section or, in the case of any
25 measure specified in any of paragraphs (1) through (7)

1 of subsection (b) that was not adopted, the rationale why
2 that measure was not adopted.

3 **SEC. 543. REQUIREMENT FOR CANDIDATES FOR ADMISSION**
4 **TO UNITED STATES NAVAL ACADEMY TO**
5 **TAKE OATH OF ALLEGIANCE.**

6 (a) REQUIREMENT.—Section 6958 of title 10, United
7 States Code, is amended by adding at the end the follow-
8 ing new subsection:

9 “(d) To be admitted to the Naval Academy, an ap-
10 pointee must take and subscribe to an oath prescribed by
11 the Secretary of the Navy. If a candidate for admission
12 refuses to take and subscribe to the prescribed oath, the
13 candidate’s appointment is terminated.”.

14 (b) EXCEPTION FOR MIDSHIPMEN FROM FOREIGN
15 COUNTRIES.—Section 6957 of such title is amended by
16 adding at the end the following new subsection:

17 “(d) A person receiving instruction under this section
18 is not subject to section 6958(d) of this title.”.

19 **SEC. 544. REIMBURSEMENT OF EXPENSES INCURRED FOR**
20 **INSTRUCTION AT SERVICE ACADEMIES OF**
21 **PERSONS FROM FOREIGN COUNTRIES.**

22 (a) UNITED STATES MILITARY ACADEMY.—Section
23 4344(b) of title 10, United States Code, is amended—

24 (1) in paragraph (2), by striking out the period
25 at the end and inserting in lieu thereof the following:

1 “, except that the reimbursement rates may not be
2 less than the cost to the United States of providing
3 such instruction, including pay, allowances, and
4 emoluments, to a cadet appointed from the United
5 States.”; and

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

8 “(3) The amount of reimbursement waived under
9 paragraph (2) may not exceed 25 percent of the per-per-
10 son reimbursement amount otherwise required to be paid
11 by a foreign country under such paragraph, except in the
12 case of not more than five persons receiving instruction
13 at the Academy under this section at any one time.”.

14 (b) NAVAL ACADEMY.—Section 6957(b) of such title
15 is amended—

16 (1) in paragraph (2), by striking out the period
17 at the end and inserting in lieu thereof the following:

18 “, except that the reimbursement rates may not be
19 less than the cost to the United States of providing
20 such instruction, including pay, allowances, and
21 emoluments, to a midshipman appointed from the
22 United States.”; and

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

1 “(3) The amount of reimbursement waived under
2 paragraph (2) may not exceed 25 percent of the per-per-
3 son reimbursement amount otherwise required to be paid
4 by a foreign country under such paragraph, except in the
5 case of not more than five persons receiving instruction
6 at the Naval Academy under this section at any one
7 time.”.

8 (c) AIR FORCE ACADEMY.—Section 9344(b) of such
9 title is amended—

10 (1) in paragraph (2), by striking out the period
11 at the end and inserting in lieu thereof the following:

12 “, except that the reimbursement rates may not be
13 less than the cost to the United States of providing
14 such instruction, including pay, allowances, and
15 emoluments, to a cadet appointed from the United
16 States.”; and

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

19 “(3) The amount of reimbursement waived under
20 paragraph (2) may not exceed 25 percent of the per-per-
21 son reimbursement amount otherwise required to be paid
22 by a foreign country under such paragraph, except in the
23 case of not more than five persons receiving instruction
24 at the Academy under this section at any one time.”.

1 **SEC. 545. UNITED STATES NAVAL POSTGRADUATE SCHOOL.**

2 (a) AUTHORITY TO ADMIT ENLISTED MEMBERS AS
3 STUDENTS.—Section 7045 of title 10, United States
4 Code, is amended—

5 (1) in subsection (a)—

6 (A) by inserting “(1)” after “(a)”; and

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

9 “(2) The Secretary may permit an enlisted member
10 of the armed forces who is assigned to the Naval Post-
11 graduate School or to a nearby command to receive in-
12 struction at the Naval Postgraduate School. Admission of
13 enlisted members for instruction under this paragraph
14 shall be on a space-available basis.”;

15 (2) in subsection (b)—

16 (A) by striking out “the students” and in-
17 serting in lieu thereof “officers”; and

18 (B) by adding at the end the following new
19 sentence: “In the case of an enlisted member
20 permitted to receive instruction at the Post-
21 graduate School, the Secretary of the Navy
22 shall charge that member only for such costs
23 and fees as the Secretary considers appropriate
24 (taking into consideration the admission of en-
25 listed members on a space-available basis).”;
26 and

1 (3) in subsection (c)—

2 (A) by striking out “officers” both places
3 it appears and inserting in lieu thereof “mem-
4 bers”; and

5 (B) by striking out “the same regulations”
6 and inserting in lieu thereof “regulations, as de-
7 termined appropriate by the Secretary of the
8 Navy,”.

9 (b) EXPANSION OF AUTHORITY TO ADMIT CIVILIANS
10 AS STUDENTS.—Section 7047 of such title is amended to
11 read as follows:

12 **“§ 7047. Civilian students at institutions of higher**
13 **education: admission**

14 “(a) ADMISSION ON TUITION-FREE, EXCHANGE
15 BASIS.—(1) The Secretary of the Navy may enter into an
16 agreement with an accredited institution of higher edu-
17 cation (or a consortium of such institutions) under which
18 students described in subsection (c) who are enrolled at
19 that institution (or an institution in such consortium) are
20 permitted to receive instruction at the Naval Postgraduate
21 School on a space-available, tuition-free basis in exchange
22 for which the institution of higher education (or each insti-
23 tution in the consortium) agrees to enroll, on a tuition-
24 free basis, officers of the armed forces or other persons

1 properly admitted for instruction at the Naval Post-
2 graduate School.

3 “(2) Exchange of students under paragraph (1) need
4 not be on a one-for-one basis.

5 “(3) An exchange under such an agreement shall be
6 on the basis of in-kind reimbursement, with the total value
7 of the instruction provided during a year by the Naval
8 Postgraduate School to civilian students from the institu-
9 tions that are parties to the agreement being at least as
10 great as the value of instruction provided by those institu-
11 tions to students from the Naval Postgraduate School.

12 “(4) In determining the value of the in-kind reim-
13 bursement for the instruction provided by the Naval Post-
14 graduate School, the Secretary shall use the same amount
15 charged by the Secretary for the provision of the same
16 instruction to a Federal employee who is not a Depart-
17 ment of Defense employee.

18 “(5) The authority of the Secretary to accept an offer
19 of in-kind reimbursement under this subsection may not
20 be delegated below the level of Assistant Secretary of the
21 Navy.

22 “(b) ADMISSION ON COST-REIMBURSABLE BASIS.—
23 (1) The Secretary of the Navy may permit a student de-
24 scribed in subsection (c) who is enrolled at an accredited
25 institution of higher education that is a party to an agree-

1 ment under subsection (a) to receive instruction at the
2 Naval Postgraduate School on a cost-reimbursable, space-
3 available basis.

4 “(2) The Secretary shall ensure that the value of any
5 reimbursement received under this subsection in the case
6 of any such student is not less than the amount charged
7 by the Secretary for the provision of the same instruction
8 to a Federal employee who is not a Department of Defense
9 employee.

10 “(c) ELIGIBLE STUDENTS.—A student enrolled at an
11 accredited institution of higher education that is party to
12 an agreement under subsection (a) may be admitted to
13 the Naval Postgraduate School under subsection (a) or (b)
14 if the student—

15 “(1) is a citizen of the United States or is law-
16 fully admitted for permanent residence in the United
17 States;

18 “(2) has a demonstrated ability, as determined
19 by the Secretary of the Navy, in a field of study des-
20 ignated by the Secretary as related to naval warfare,
21 armed conflict, or national security; and

22 “(3) meets the academic requirements for the
23 course or courses for which the student seeks admis-
24 sion to the Naval Postgraduate School.

1 “(d) STANDARDS OF CONDUCT.—Except as the Sec-
 2 retary of the Navy otherwise determines necessary, a per-
 3 son receiving instruction under this section is subject to
 4 the same regulations governing attendance, discipline, dis-
 5 missal, and standards of study as apply to students who
 6 are officers of the naval service.

7 “(e) RETENTION OF FUNDS RECEIVED.—Amounts
 8 received under subsection (b) to reimburse the Naval Post-
 9 graduate School for the costs of providing instruction to
 10 students permitted to attend the Naval Postgraduate
 11 School under this section shall be credited to the current
 12 appropriation supporting the operation and maintenance
 13 of the Naval Postgraduate School.”.

14 (c) CLERICAL AMENDMENTS.—(1) The heading of
 15 section 7045 of such title is amended to read as follows:
 16 **“§ 7045. Officers of the other armed forces; enlisted**
 17 **members: admission”.**

18 (2) The table of sections at the beginning of chapter
 19 605 of such title is amended—

20 (A) by striking out the item relating to section
 21 7045 and inserting in lieu thereof the following:

“7045. Officers of the other armed forces; enlisted members: admission.”;

22 and

23 (B) by striking out the item relating to section
 24 7047 and inserting in lieu thereof the following:

“7047. Civilian students at institutions of higher education: admission.”.

1 (d) AMENDMENT TO REFLECT REVISED CIVIL SERV-
2 ICE GRADE STRUCTURE.—Section 7043(b) of such title
3 is amended by striking out “grade GS–18 of the General
4 Schedule under section 5332 of title 5” and inserting in
5 lieu thereof “level IV of the Executive Schedule”.

6 **SEC. 546. AIR FORCE ACADEMY CADET FOREIGN EX-**
7 **CHANGE PROGRAM.**

8 (a) EXCHANGE PROGRAM AUTHORIZED.—Chapter
9 903 of title 10, United States Code, is amended by insert-
10 ing after section 9344 the following new section:

11 **“§ 9345. Exchange program with foreign military**
12 **academies**

13 “(a) EXCHANGE PROGRAM AUTHORIZED.—The Sec-
14 retary of the Air Force may permit a student enrolled at
15 a military academy of a foreign country to receive instruc-
16 tion at the Air Force Academy in exchange for an Air
17 Force cadet receiving instruction at that foreign military
18 academy pursuant to an exchange agreement entered into
19 between the Secretary and appropriate officials of the for-
20 eign country. Students receiving instruction at the Acad-
21 emy under the exchange program shall be in addition to
22 persons receiving instruction at the Academy under sec-
23 tion 9344 of this title.

24 “(b) LIMITATIONS ON NUMBER AND DURATION OF
25 EXCHANGES.—An exchange agreement under this section

1 between the Secretary and a foreign country shall provide
2 for the exchange of students on a one-for-one basis each
3 fiscal year. Not more than 10 Air Force cadets and a com-
4 parable number of students from all foreign military acad-
5 emies participating in the exchange program may be ex-
6 changed during any fiscal year. The duration of an ex-
7 change may not exceed the equivalent of one academic se-
8 mester at the Air Force Academy.

9 “(c) COSTS AND EXPENSES.—(1) A student from a
10 military academy of a foreign country is not entitled to
11 the pay, allowances, and emoluments of an Air Force
12 cadet by reason of attendance at the Air Force Academy
13 under the exchange program, and the Department of De-
14 fense may not incur any cost of international travel re-
15 quired for transportation of such a student to and from
16 the sponsoring foreign country.

17 “(2) The Secretary may provide a student from a for-
18 eign country under the exchange program, during the pe-
19 riod of the exchange, with subsistence, transportation
20 within the continental United States, clothing, health care,
21 and other services to the same extent that the foreign
22 country provides comparable support and services to the
23 exchanged Air Force cadet in that foreign country.

24 “(3) The Air Force Academy shall bear all costs of
25 the exchange program from funds appropriated for the

1 Academy. Expenditures in support of the exchange pro-
 2 gram may not exceed \$50,000 during any fiscal year.

3 “(d) APPLICATION OF OTHER LAWS.—Subsections
 4 (c) and (d) of section 9344 of this title shall apply with
 5 respect to a student enrolled at a military academy of a
 6 foreign country while attending the Air Force Academy
 7 under the exchange program.

8 “(e) REGULATIONS.—The Secretary shall prescribe
 9 regulations to implement this section. Such regulations
 10 may include qualification criteria and methods of selection
 11 for students of foreign military academies to participate
 12 in the exchange program.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
 14 at the beginning of such chapter is amended by inserting
 15 after the item relating to section 9344 the following new
 16 item:

“9345. Exchange program with foreign military academies.”.

17 (c) REPEAL OF OBSOLETE LIMITATION.—Section
 18 9353(a) of such title is amended by striking out “After
 19 the date of the accrediting of the Academy, the” and in-
 20 serting in lieu thereof “The”.

21 **SEC. 547. TRAINING IN HUMAN RELATIONS MATTERS FOR**
 22 **ARMY DRILL SERGEANT TRAINEES.**

23 (a) HUMAN RELATIONS TRAINING REQUIRED.—The
 24 Secretary of the Army shall include as part of the training

1 program for drill sergeants a course in human relations.
2 The course shall be a minimum of two days in duration.

3 (b) RESOURCES.—In developing a human relations
4 course under this section, the Secretary shall use the capa-
5 bilities and expertise of the Defense Equal Opportunity
6 Management Institute (DEOMI).

7 (c) EFFECTIVE DATE.—This section shall apply with
8 respect drill sergeant trainee classes that begin after the
9 end of the 90-day period beginning on the date of the
10 enactment of this Act.

11 **SEC. 548. STUDY OF FEASIBILITY OF GENDER-SEGREGATED**
12 **BASIC TRAINING.**

13 Not later than 180 days after the date of the enact-
14 ment of this Act, the Secretary of each military depart-
15 ment shall submit to Congress a report on gender-seg-
16 regated basic training. Each report shall give the views
17 of the Secretary—

18 (1) on the feasibility and implications of con-
19 ducting basic training (or equivalent training) at the
20 company level and below through separate units for
21 male and female recruits, including the costs and
22 other resource commitments required to implement
23 and conduct basic training in such a manner and the
24 implications for readiness and unit cohesion; and

1 (2) assuming that basic training were to be
2 conducted as described in paragraph (1), on the fea-
3 sibility and implications of requiring drill instructors
4 for basic training units to be of the same sex as the
5 recruits in those units.

6 **Subtitle F—Military Decorations**
7 **and Awards**

8 **SEC. 551. STUDY OF NEW DECORATIONS FOR INJURY OR**
9 **DEATH IN LINE OF DUTY.**

10 (a) DETERMINATION OF CRITERIA FOR NEW DECO-
11 RATION.—(1) The Secretary of Defense shall determine
12 the appropriate name, policy, award criteria, and design
13 for two possible new decorations.

14 (2) The first such decoration would, if implemented,
15 be awarded to members of the Armed Forces who, while
16 serving under competent authority in any capacity with
17 the Armed Forces, are killed or injured in the line of duty
18 as a result of noncombat circumstances occurring—

19 (A) as a result of an international terrorist at-
20 tack against the United States or a foreign nation
21 friendly to the United States;

22 (B) while engaged in, training for, or traveling
23 to or from a peacetime or contingency operation; or

1 (C) while engaged in, training for, or traveling
2 to or from service outside the territory of the United
3 States as part of a peacekeeping force.

4 (3) The second such decoration would, if imple-
5 mented, be awarded to civilian nationals of the United
6 States who, while serving under competent authority in
7 any capacity with the Armed Forces, are killed or injured
8 in the line of duty under circumstances which, if they were
9 members of the Armed Forces, would qualify them for
10 award of the Purple Heart or the medal described in para-
11 graph (2).

12 (b) LIMITATION ON IMPLEMENTATION.—Any such
13 decoration may only be implemented as provided by a law
14 enacted after the date of the enactment of this Act.

15 (c) RECOMMENDATION TO CONGRESS.—Not later
16 than July 31, 1998, the Secretary shall submit to Con-
17 gress a legislative proposal that would, if enacted, estab-
18 lish the new decorations developed pursuant to subsection
19 (a). The Secretary shall include with that proposal the
20 Secretary's recommendation concerning the need for, and
21 propriety of, each of the decorations.

22 (d) COORDINATION.—The Secretary shall carry out
23 this section in coordination with the Secretaries of the
24 military departments and the Secretary of Transportation
25 with regard to the Coast Guard.

1 **SEC. 552. PURPLE HEART TO BE AWARDED ONLY TO MEM-**
2 **BERS OF THE ARMED FORCES.**

3 (a) IN GENERAL.—(1) Chapter 57 of title 10, United
4 States Code, is amended by adding at the end the follow-
5 ing new section:

6 **“§ 1131. Purple Heart: limitation to members of the**
7 **armed forces**

8 “The decoration known as the Purple Heart (author-
9 ized to be awarded pursuant to Executive Order 11016)
10 may only be awarded to a person who is a member of the
11 armed forces at the time the person is killed or wounded
12 under circumstances otherwise qualifying that person for
13 award of the Purple Heart.”.

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

“1131. Purple Heart: limitation to members of the armed forces.”.

17 (b) EFFECTIVE DATE.—Section 1131 of title 10,
18 United States Code, as added by subsection (a), shall
19 apply with respect to persons who are killed or wounded
20 after the end of the 180-day period beginning on the date
21 of the enactment of this Act.

1 **SEC. 553. ELIGIBILITY FOR ARMED FORCES EXPEDITION-**
2 **ARY MEDAL FOR PARTICIPATION IN OPER-**
3 **ATION JOINT ENDEAVOR OR OPERATION**
4 **JOINT GUARD.**

5 (a) INCLUSION OF OPERATIONS.—For the purpose of
6 determining the eligibility of members and former mem-
7 bers of the Armed Forces for the Armed Forces Expedi-
8 tionary Medal, the Secretary of Defense shall designate
9 participation in Operation Joint Endeavor or Operation
10 Joint Guard in the Republic of Bosnia and Herzegovina,
11 and in such other areas in the region as the Secretary
12 considers appropriate, as service in an area that meets the
13 general requirements for the award of that medal.

14 (b) INDIVIDUAL DETERMINATION.—The Secretary of
15 the military department concerned shall determine wheth-
16 er individual members or former members of the Armed
17 Forces who participated in Operation Joint Endeavor or
18 Operation Joint Guard meet the individual service require-
19 ments for award of the Armed Forces Expeditionary
20 Medal as established in applicable regulations. A member
21 or former member shall be considered to have participated
22 in Operation Joint Endeavor or Operation Joint Guard
23 if the member—

24 (1) was deployed in the Republic of Bosnia and
25 Herzegovina, or in such other area in the region as

1 the Secretary of Defense considers appropriate, in
2 direct support of one or both of the operations;

3 (2) served on board a United States naval ves-
4 sel operating in the Adriatic Sea in direct support
5 of one or both of the operations; or

6 (3) operated in airspace above the Republic of
7 Bosnia and Herzegovina, or in such other area in
8 the region as the Secretary of Defense considers ap-
9 propriate, while the operations were in effect.

10 (c) OPERATIONS DEFINED.—For purposes of this
11 section:

12 (1) The term “Operation Joint Endeavor”
13 means operations of the United States Armed
14 Forces conducted in the Republic of Bosnia and
15 Herzegovina during the period beginning on Novem-
16 ber 20, 1995, and ending on December 20, 1996, to
17 assist in implementing the General Framework
18 Agreement and Associated Annexes, initialed on No-
19 vember 21, 1995, in Dayton, Ohio.

20 (2) The term “Operation Joint Guard” means
21 operations of the United States Armed Forces con-
22 ducted in the Republic of Bosnia and Herzegovina
23 as a successor to Operation Joint Endeavor during
24 the period beginning on December 20, 1996, and

1 ending on such date as the Secretary of Defense
2 may designate.

3 **SEC. 554. WAIVER OF TIME LIMITATIONS FOR AWARD OF**
4 **CERTAIN DECORATIONS TO SPECIFIED PER-**
5 **SONS.**

6 (a) WAIVER OF TIME LIMITATION.—Any limitation
7 established by law or policy for the time within which a
8 recommendation for the award of a military decoration or
9 award must be submitted shall not apply in the case of
10 awards of decorations described in subsections (b), (c),
11 and (d), the award of each such decoration having been
12 determined by the Secretary of the military department
13 concerned to be warranted in accordance with section
14 1130 of title 10, United States Code.

15 (b) SILVER STAR MEDAL.—Subsection (a) applies to
16 the award of the Silver Star Medal as follows:

17 (1) To Joseph M. Moll, Jr. of Milford, New
18 Jersey, for service during World War II.

19 (2) To Philip Yolinsky of Hollywood, Florida,
20 for service during the Korean Conflict.

21 (c) NAVY AND MARINE CORPS MEDAL.—Subsection
22 (a) applies to the award of the Navy and Marine Corps
23 Medal to Gary A. Gruenwald of Damascus, Maryland, for
24 service in Tunisia in October 1977.

1 (d) DISTINGUISHED FLYING CROSS.—Subsection (a)
2 applies to awards of the Distinguished Flying Cross for
3 service during World War II or Korea (including multiple
4 awards to the same individual) in the case of each individ-
5 ual concerning whom the Secretary of the Navy (or an
6 officer of the Navy acting on behalf of the Secretary) sub-
7 mitted to the Committee on National Security of the
8 House of Representatives and the Committee on Armed
9 Services of the Senate, before the date of the enactment
10 of this Act, a notice as provided in section 1130(b) of title
11 10, United States Code, that the award of the Distin-
12 guished Flying Cross to that individual is warranted and
13 that a waiver of time restrictions prescribed by law for
14 recommendation for such award is recommended.

15 **Subtitle G—Other Matters**

16 **SEC. 561. SUSPENSION OF TEMPORARY EARLY RETIRE-** 17 **MENT AUTHORITY.**

18 Notwithstanding subsection (i) of section 4403 of the
19 National Defense Authorization Act for Fiscal Year 1993
20 (Public Law 102–484; 10 U.S.C. 1293 note), the Sec-
21 retary of a military department may not use the authority
22 provided under such section to retire a member of the
23 Armed Forces during fiscal year 1998.

1 **SEC. 562. TREATMENT OF EDUCATIONAL ACCOMPLISH-**
2 **MENTS OF NATIONAL GUARD CHALLENGE**
3 **PROGRAM PARTICIPANTS.**

4 Section 509 of title 32, United States Code, as added
5 by section 1057, is amended by adding at the end of sub-
6 section (f) the following new paragraph:

7 “(3) In the case of a person who is selected for train-
8 ing in a State program conducted under the National
9 Guard Challenge Program and who obtains a general edu-
10 cation diploma in connection with such training, the gen-
11 eral education diploma shall be treated as equivalent to
12 a high school diploma for purposes of determining the eli-
13 gibility of the person for enlistment in the armed forces.”.

14 **SEC. 563. AUTHORITY FOR PERSONNEL TO PARTICIPATE IN**
15 **MANAGEMENT OF CERTAIN NON-FEDERAL**
16 **ENTITIES.**

17 (a) **MILITARY PERSONNEL.**—(1) Chapter 53 of title
18 10, United States Code, is amended by inserting after sec-
19 tion 1032 the following new section:

20 **“§ 1033. Participation in management of specified**
21 **non-Federal entities: authorized activi-**
22 **ties**

23 “(a) **AUTHORIZATION.**—The Secretary concerned
24 may authorize a member of the armed forces under the
25 Secretary’s jurisdiction, as part of that member’s official
26 duties, to serve without compensation as a director, offi-

1 cer, or trustee, or to otherwise participate, in the manage-
2 ment of an entity designated under subsection (b). Any
3 such authorization shall be made on a case-by-case basis,
4 for a particular member to participate in a specific capac-
5 ity with a specific designated entity. Such authorization
6 may be made only for the purpose of providing oversight
7 and advice to, and coordination with, the designated en-
8 tity, and participation of the member in the activities of
9 the designated entity may not extend to participation in
10 the day-to-day operations of the entity.

11 “(b) DESIGNATED ENTITIES.—(1) The Secretary of
12 Defense, and the Secretary of Transportation in the case
13 of the Coast Guard when it is not operating as a service
14 in the Navy, shall designate those entities for which au-
15 thorization under subsection (a) may be provided. The list
16 of entities so designated may not be revised more fre-
17 quently than semiannually. In making such designations,
18 the Secretary shall designate each military welfare society
19 and may designate any other entity described in para-
20 graph (3). No other entities may be designated.

21 “(2) In this section, the term ‘military welfare soci-
22 ety’ means the following:

23 “(A) Army Emergency Relief.

24 “(B) Air Force Aid Society, Inc.

25 “(C) Navy-Marine Corps Relief Society.

1 “(D) Coast Guard Mutual Assistance.

2 “(3) An entity described in this paragraph is an en-
3 tity that—

4 “(A) regulates and supports the athletic pro-
5 grams of the service academies (including athletic
6 conferences);

7 “(B) regulates international athletic competi-
8 tions;

9 “(C) accredits service academies and other
10 schools of the armed forces (including regional ac-
11 crediting agencies); or

12 “(D)(i) regulates the performance, standards,
13 and policies of military health care (including health
14 care associations and professional societies), and (ii)
15 has designated the position or capacity in that entity
16 in which a member of the armed forces may serve
17 if authorized under subsection (a).

18 “(c) PUBLICATION OF DESIGNATED ENTITIES AND
19 OF AUTHORIZED PERSONS.—A designation of an entity
20 under subsection (b), and an authorization under sub-
21 section (a) of a member of the armed forces to participate
22 in the management of such an entity, shall be published
23 in the Federal Register.

24 “(d) REGULATIONS.—The Secretary of Defense, and
25 the Secretary of Transportation in the case of the Coast

1 Guard when it is not operating as a service in the Navy,
 2 shall prescribe regulations to carry out this section.”.

3 (2) The table of sections at the beginning of such
 4 chapter is amended by inserting after the item relating
 5 to section 1032 the following new item:

“1033. Participation in management of specified non-Federal entities: author-
 ized activities.”.

6 (b) CIVILIAN PERSONNEL.—(1) Chapter 81 of such
 7 title is amended by inserting after section 1588 the follow-
 8 ing new section:

9 **“§ 1589. Participation in management of specified**
 10 **non-Federal entities: authorized activi-**
 11 **ties**

12 “(a) AUTHORIZATION.—(1) The Secretary concerned
 13 may authorize an employee described in paragraph (2),
 14 as part of that employee’s official duties, to serve without
 15 compensation as a director, officer, or trustee, or to other-
 16 wise participate, in the management of an entity des-
 17 ignated under subsection (b). Any such authorization shall
 18 be made on a case-by-case basis, for a particular employee
 19 to participate in a specific capacity with a specific des-
 20 ignated entity. Such authorization may be made only for
 21 the purpose of providing oversight and advice to, and co-
 22 ordination with, the designated entity, and participation
 23 of the employee in the activities of the designated entity

1 may not extend to participation in the day-to-day oper-
2 ations of the entity.

3 “(2) Paragraph (1) applies to any employee of the
4 Department of Defense or, in the case of the Coast Guard
5 when not operating as a service in the Navy, of the De-
6 partment of Transportation. For purposes of this section,
7 the term ‘employee’ includes a civilian officer.

8 “(b) DESIGNATED ENTITIES.—(1) The Secretary of
9 Defense, and the Secretary of Transportation in the case
10 of the Coast Guard when it is not operating as a service
11 in the Navy, shall designate those entities for which au-
12 thorization under subsection (a) may be provided. The list
13 of entities so designated may not be revised more fre-
14 quently than semiannually. In making such designations,
15 the Secretary shall designate each military welfare society
16 and may designate any other entity described in para-
17 graph (3). No other entities may be designated.

18 “(2) In this section, the term ‘military welfare soci-
19 ety’ means the following:

20 “(A) Army Emergency Relief.

21 “(B) Air Force Aid Society, Inc.

22 “(C) Navy-Marine Corps Relief Society.

23 “(D) Coast Guard Mutual Assistance.

24 “(3) An entity described in this paragraph is an en-
25 tity that—

1 “(A) regulates and supports the athletic pro-
2 grams of the service academies (including athletic
3 conferences);

4 “(B) regulates international athletic competi-
5 tions;

6 “(C) accredits service academies and other
7 schools of the armed forces (including regional ac-
8 crediting agencies); or

9 “(D)(i) regulates the performance, standards,
10 and policies of military health care (including health
11 care associations and professional societies), and (ii)
12 has designated the position or capacity in that entity
13 in which a Federal employee described in subsection
14 (a)(2) may serve if authorized under subsection (a).

15 “(c) PUBLICATION OF DESIGNATED ENTITIES AND
16 OF AUTHORIZED PERSONS.—A designation of an entity
17 under subsection (b), and an authorization under sub-
18 section (a) of an employee to participate in the manage-
19 ment of such an entity, shall be published in the Federal
20 Register.

21 “(d) CIVILIANS OUTSIDE THE MILITARY DEPART-
22 MENTS.—In this section, the term ‘Secretary concerned’
23 includes the Secretary of Defense with respect to employ-
24 ees of the Department of Defense who are not employees
25 of a military department.

1 “(e) REGULATIONS.—The Secretary of Defense, and
2 the Secretary of Transportation in the case of the Coast
3 Guard when it is not operating as a service in the Navy,
4 shall prescribe regulations to carry out this section.”.

5 (2) The table of sections at the beginning of such
6 chapter is amended by inserting after the item relating
7 to section 1588 the following new item:

“1589. Participation in management of specified non-Federal entities: authorized activities.”.

8 **SEC. 564. CREW REQUIREMENTS OF WC-130J AIRCRAFT.**

9 (a) STUDY.—The Secretary of the Air Force shall
10 conduct a study of the crew requirements for WC-130J
11 aircraft engaged in the aerial weather reconnaissance mis-
12 sion involving the eyewall penetration of tropical cyclones.
13 The study shall involve the operation of WC-130J aircraft
14 in weather reconnaissance missions configured to carry
15 five crewmembers, including a navigator. The study shall
16 include the participation of members of the Armed Forces
17 assigned to units currently engaged in weather reconnais-
18 sance operations.

19 (b) REPORT.—The Secretary shall submit to Con-
20 gress a report on the results of the study. The report shall
21 include the views of members of the Armed Forces as-
22 signed to units currently engaged in weather reconnais-
23 sance operations who participated in the study.

1 (c) LIMITATION ON REVISION TO PERSONNEL RE-
2 QUIREMENTS.—The Secretary of the Air Force may not
3 reduce the personnel requirement levels of units that, as
4 of the date of the enactment of this Act, are engaged in
5 weather reconnaissance operations involving the eyewall
6 penetration of tropical cyclones, including requirements
7 for navigators, below the requirements established for
8 those units as of October 1, 1997, until the end of the
9 six-month period beginning on the date on which the re-
10 port required under subsection (b) is submitted to Con-
11 gress.

12 **SEC. 565. COMPTROLLER GENERAL STUDY OF DEPART-**
13 **MENT OF DEFENSE CIVIL MILITARY PRO-**
14 **GRAMS.**

15 (a) STUDY REQUIRED.—The Comptroller General
16 shall conduct a study to evaluate the following:

17 (1) The nature, extent, and cost to the Depart-
18 ment of Defense of the support and services being
19 provided by units and members of the Armed Forces
20 to non-Department of Defense organizations and ac-
21 tivities under the authority of section 2012 of title
22 10, United States Code.

23 (2) The degree to which the Armed Forces are
24 in compliance with the requirements of such section
25 in the provision of such support and services, espe-

1 cially the requirements that the assistance meet spe-
 2 cific requirements relative to military training and
 3 that the assistance provided be incidental to military
 4 training.

5 (3) The degree to which the regulations and
 6 procedures for implementing such section, as re-
 7 quired by subsection (f) of such section, are consist-
 8 ent with the requirements of such section.

9 (4) The effectiveness of the Secretary of De-
 10 fense and the Secretaries of the military depart-
 11 ments in conducting oversight of the implementation
 12 of such section, and the provision of such support
 13 and services under such section, to ensure compli-
 14 ance with the requirements of such section.

15 (b) SUBMISSION OF REPORT.—Not later than March
 16 31, 1998, the Comptroller General shall submit to Con-
 17 gress a report containing the results of the study required
 18 by subsection (a).

19 **SEC. 566. TREATMENT OF PARTICIPATION OF MEMBERS IN**
 20 **DEPARTMENT OF DEFENSE CIVIL MILITARY**
 21 **PROGRAMS.**

22 Section 2012 of title 10, United States Code, is
 23 amended—

24 (1) by redesignating subsections (g) and (h) as
 25 subsections (h) and (i), respectively; and

1 (2) by inserting after subsection (f) the follow-
2 ing new subsection:

3 “(g) TREATMENT OF MEMBER’S PARTICIPATION IN
4 PROVISION OF SUPPORT OR SERVICES.—(1) The Sec-
5 retary of a military department may not require or request
6 a member of the armed forces to submit for consideration
7 by a selection board (including a promotion board, com-
8 mand selection board, or any other kind of selection
9 board) evidence of the member’s participation in the provi-
10 sion of support and services to non-Department of Defense
11 organizations and activities under this section or the mem-
12 ber’s involvement in, or support of, other community rela-
13 tions and public affairs activities of the armed forces. A
14 selection board may not evaluate a member on the basis
15 of the member’s participation or involvement in, or sup-
16 port of, such support, services, or activities.

17 “(2) Paragraph (1) shall not apply with respect to
18 the following members:

19 “(A) A member who is in a public affairs career
20 field.

21 “(B) A member who is not in a public affairs
22 career field, but who is serving, at the time the
23 member is considered by a selection board, in a pub-
24 lic affairs position specified in service authorization
25 documents or who served in such a position within

1 three years before being considered by a selection
2 board.”.

3 **SEC. 567. CONTINUATION OF SUPPORT TO SENIOR MILI-**
4 **TARY COLLEGES.**

5 (a) DEFINITION OF SENIOR MILITARY COLLEGES.—

6 For purposes of this section, the term “senior military col-
7 leges” means the following:

8 (1) Texas A&M University.

9 (2) Norwich University.

10 (3) The Virginia Military Institute.

11 (4) The Citadel.

12 (5) Virginia Polytechnic Institute and State
13 University.

14 (6) North Georgia College and State University.

15 (b) FINDINGS.—Congress finds the following:

16 (1) The senior military colleges consistently
17 have provided substantial numbers of highly quali-
18 fied, long-serving leaders to the Armed Forces.

19 (2) The quality of the military leaders produced
20 by the senior military colleges is, in part, the result
21 of the rigorous military environment imposed on stu-
22 dents attending the senior military colleges by the
23 colleges, as well as the result of the long-standing
24 close support relationship between the Corps of Ca-
25 dets at each college and the Reserve Officer Train-

1 ing Corps personnel at the colleges who serve as ef-
2 fective leadership role models and mentors.

3 (3) In recognition of the quality of the young
4 leaders produced by the senior military colleges, the
5 Department of Defense and the military services
6 have traditionally maintained special relationships
7 with the colleges, including the policy to grant active
8 duty service in the Army to graduates of the colleges
9 who desire such service and who are recommended
10 for such service by their ROTC professors of mili-
11 tary science.

12 (4) Each of the senior military colleges has
13 demonstrated an ability to adapt its systems and op-
14 erations to changing conditions in, and requirements
15 of, the Armed Forces without compromising the
16 quality of leaders produced and without interruption
17 of the close relationship between the colleges and the
18 Department of Defense.

19 (c) SENSE OF CONGRESS.—In light of the findings
20 in subsection (b), it is the sense of Congress that—

21 (1) the proposed initiative of the Secretary of
22 the Army to end the commitment to active duty
23 service for all graduates of senior military colleges
24 who desire such service and who are recommended
25 for such service by their ROTC professors of mili-

1 tary science is short-sighted and contrary to the
2 long-term interests of the Army;

3 (2) as they have in the past, the senior military
4 colleges can and will continue to accommodate to
5 changing military requirements to ensure that future
6 graduates entering military service continue to be of-
7 ficers of superb quality who are quickly assimilated
8 by the Armed Forces and fully prepared to make
9 significant contributions to the Armed Forces
10 through extended military careers; and

11 (3) decisions of the Secretary of Defense or the
12 Secretary of a military department that fundamen-
13 tally and unilaterally change the long-standing rela-
14 tionship of the Armed Forces with the senior mili-
15 tary colleges are not in the best interests of the De-
16 partment of Defense or the Armed Forces and are
17 patently unfair to students who made decisions to
18 enroll in the senior military colleges on the basis of
19 existing Department and Armed Forces policy.

20 (d) CONTINUATION OF SUPPORT FOR SENIOR MILI-
21 TARY COLLEGES.—Section 2111a of title 10, United
22 States Code, is amended—

23 (1) by redesignating subsection (d) as sub-
24 section (g); and

1 (2) by inserting after subsection (c) the follow-
2 ing new subsections:

3 “(d) ADDITIONAL SUPPORT.—(1) The Secretaries of
4 the military departments shall ensure that each unit of
5 the Senior Reserve Officers’ Training Corps at a senior
6 military college provides support to the Corps of Cadets
7 at the college over and above the level of support associ-
8 ated with the conduct of the formal Senior Reserve Offi-
9 cers’ Training Corps course of instruction.

10 “(2) This additional support shall include the follow-
11 ing:

12 “(A) Mentoring, teaching, coaching, counseling
13 and advising cadets and cadet leaders in the areas
14 of leadership, military, and academic performance.

15 “(B) Involvement in cadet leadership training,
16 development, and evaluation, as well as drill, cere-
17 monies, parades, and inspections.

18 “(3) This additional support may include the follow-
19 ing:

20 “(A) Advising cadet teams, clubs, and organiza-
21 tions.

22 “(B) Involvement in matters of discipline and
23 administration of the Corps of Cadets so long as
24 such involvement does not interfere with the conduct
25 of the formal Senior Reserve Officers’ Training

1 Corps course of instruction or the support required
2 by paragraph (2).

3 “(e) TERMINATION OR REDUCTION OF PROGRAM
4 PROHIBITED.—The Secretary of Defense and the Sec-
5 retaries of the military departments may not take or au-
6 thorize any action to terminate or reduce a unit of the
7 Senior Reserve Officers’ Training Corps at a senior mili-
8 tary college unless the termination or reduction is specifi-
9 cally requested by the college.

10 “(f) ASSIGNMENT TO ACTIVE DUTY.—(1) The Sec-
11 retary of the Army shall ensure that a graduate of a senior
12 military college who desires to serve as a commissioned
13 officer on active duty upon graduation from the college,
14 who is medically and physically qualified for active duty,
15 and who is recommended for such duty by the professor
16 of military science at the college, shall be assigned to ac-
17 tive duty. This paragraph shall apply to a member of the
18 program at a senior military college who graduates from
19 the college after March 31, 1997.

20 “(2) Nothing in this section shall be construed to pro-
21 hibit the Secretary of the Army from requiring a member
22 of the program who graduates from a senior military col-
23 lege to serve on active duty.”.

1 (e) TECHNICAL CORRECTIONS.—Subsection (g) of
 2 such section, as redesignated by subsection (d)(1), is
 3 amended—

4 (1) in paragraph (2), by striking out “College”
 5 and inserting in lieu thereof “University”; and

6 (2) in paragraph (6), by inserting before the pe-
 7 riod the following: “and State University”.

8 (f) CLERICAL AMENDMENTS.—(1) The heading of
 9 such section is amended to read as follows:

10 **“§ 2111a. Support for senior military colleges”.**

11 (2) The item relating to such section in the table of
 12 sections at the beginning of chapter 103 of title 10, United
 13 States Code, is amended to read as follows:

“2111a. Support for senior military colleges.”.

14 **SEC. 568. IMPROVEMENT OF MISSING PERSONS AUTHORI-**
 15 **TIES APPLICABLE TO DEPARTMENT OF DE-**
 16 **FENSE.**

17 (a) APPLICABILITY TO DEPARTMENT OF DEFENSE
 18 CIVILIAN EMPLOYEES AND CONTRACTOR EMPLOYEES.—

19 (1) Section 1501 of title 10, United States Code, is
 20 amended—

21 (A) by striking out subsection (c) and inserting
 22 in lieu thereof the following:

23 “(c) COVERED PERSONS.—Section 1502 of this title
 24 applies in the case of the following persons:

1 “(1) Any member of the armed forces on active
2 duty who becomes involuntarily absent as a result of
3 a hostile action, or under circumstances suggesting
4 that the involuntary absence is a result of a hostile
5 action, and whose status is undetermined or who is
6 unaccounted for.

7 “(2)(A) Any other person who is a citizen of
8 the United States and is described in subparagraph
9 (B) who serves with or accompanies the armed
10 forces in the field under orders and becomes involun-
11 tarily absent as a result of a hostile action, or under
12 circumstances suggesting that the involuntary ab-
13 sence is a result of a hostile action, and whose sta-
14 tus is undetermined or who is unaccounted for.

15 “(B) A person described in this subparagraph
16 is any of the following:

17 “(i) A civilian officer or employee of the
18 Department of Defense.

19 “(ii) An employee of a contractor of the
20 Department of Defense.

21 “(iii) An employee of a United States firm
22 licensed by the United States under section 38
23 of the Arms Export Control Act (22 U.S.C.
24 2778) to perform duties under contract with a
25 foreign government involving military training

1 of the military forces of that government in ac-
2 cordance with policies of the Department of De-
3 fense.”; and

4 (B) by adding at the end the following new sub-
5 section:

6 “(f) SECRETARY CONCERNED.—In this chapter, the
7 term ‘Secretary concerned’ includes—

8 “(1) in the case of a person covered by clause
9 (i) of subsection (c)(2)(B), the Secretary of the mili-
10 tary department or head of the element of the De-
11 partment of Defense employing the employee;

12 “(2) in the case of a person covered by clause
13 (ii) of subsection (c)(2)(B), the Secretary of the
14 military department or head of the element of the
15 Department of Defense contracting with the contrac-
16 tor; and

17 “(3) in the case of a person covered by clause
18 (iii) of subsection (c)(2)(B), the Secretary of De-
19 fense.”.

20 (2) Section 1503(c) of such title is amended—

21 (A) in paragraph (1), by striking out “one mili-
22 tary officer” and inserting in lieu thereof “one indi-
23 vidual described in paragraph (2)”;

24 (B) by redesignating paragraphs (2) and (3) as
25 paragraphs (3) and (4), respectively; and

1 (C) by inserting after paragraph (1) the follow-
2 ing new paragraph (2):

3 “(2) An individual referred to in paragraph (1) is the
4 following:

5 “(A) A military officer, in the case of an in-
6 quiry with respect to a member of the armed forces.

7 “(B) A civilian, in the case of an inquiry with
8 respect to a civilian employee of the Department of
9 Defense or of a contractor of the Department of De-
10 fense.”.

11 (3) Section 1504(d) of such title is amended—

12 (A) in paragraph (1), by striking out “who are”
13 and all that follows in that paragraph and inserting
14 in lieu thereof “as follows:

15 “(A) In the case of a board that will inquire
16 into the whereabouts and status of one or more
17 members of the armed forces (and no civilians de-
18 scribed in subparagraph (B)), the board shall be
19 composed of officers having the grade of major or
20 lieutenant commander or above.

21 “(B) In the case of a board that will inquire
22 into the whereabouts and status of one or more civil-
23 ian employees of the Department of Defense or con-
24 tractors of the Department of Defense (and no

1 members of the armed forces), the board shall be
2 composed of—

3 “(i) not less than three employees of the
4 Department of Defense whose rate of annual
5 pay is equal to or greater than the rate of an-
6 nual pay payable for grade GS–13 of the Gen-
7 eral Schedule under section 5332 of title 5; and

8 “(ii) such members of the armed forces as
9 the Secretary considers advisable.

10 “(C) In the case of a board that will inquire
11 into the whereabouts and status of both one or more
12 members of the armed forces and one or more civil-
13 ians described in subparagraph (B)—

14 “(i) the board shall include at least one of-
15 ficer described in subparagraph (A) and at least
16 one employee of the Department of Defense de-
17 scribed in subparagraph (B)(i); and

18 “(ii) the ratio of such officers to such em-
19 ployees on the board shall be roughly propor-
20 tional to the ratio of the number of members of
21 the armed forces who are subjects of the
22 board’s inquiry to the number of civilians who
23 are subjects of the board’s inquiry.”; and

1 (B) in paragraph (4), by striking out “section
2 1503(c)(3)” and inserting in lieu thereof “section
3 1503(c)(4)”.

4 (4) Paragraph (1) of section 1513 of such title is
5 amended to read as follows:

6 “(1) The term ‘missing person’ means—

7 “(A) a member of the armed forces on ac-
8 tive duty who is in a missing status; or

9 “(B) a civilian employee of the Depart-
10 ment of Defense or an employee of a contractor
11 of the Department of Defense who serves with
12 or accompanies the armed forces in the field
13 under orders and who is in a missing status.

14 Such term includes an unaccounted for person de-
15 scribed in section 1509(b) of this title, under the cir-
16 cumstances specified in the last sentence of section
17 1509(a) of this title.”.

18 (b) REPORT ON PRELIMINARY ASSESSMENT OF STA-
19 TUS.—(1) Section 1502 of such title is amended—

20 (A) in subsection (a)(2)—

21 (i) by striking out “10 days” and inserting
22 in lieu thereof “48 hours”; and

23 (ii) by striking out “Secretary concerned”
24 and inserting in lieu thereof “theater compo-

1 nent commander with jurisdiction over the
2 missing person”;

3 (B) in subsection (a), as amended by subpara-
4 graph (A)—

5 (i) by redesignating paragraphs (1) and
6 (2) as subparagraphs (A) and (B), respectively;

7 (ii) by inserting “(1)” after “COM-
8 MANDER.—”; and

9 (iii) by adding at the end the following new
10 paragraph:

11 “(2) However, if the commander determines that
12 operational conditions resulting from hostile action or
13 combat constitute an emergency that prevents timely re-
14 porting under paragraph (1)(B), the initial report should
15 be made as soon as possible, but in no case later than
16 ten days after the date on which the commander receives
17 such information under paragraph (1).”;

18 (C) by redesignating subsection (b) as sub-
19 section (c);

20 (D) by inserting after subsection (a), as amend-
21 ed by subparagraphs (A) and (B), the following new
22 subsection (b):

23 “(b) TRANSMISSION THROUGH THEATER COMPO-
24 NENT COMMANDER.—Upon reviewing a report under sub-
25 section (a) recommending that a person be placed in a

1 missing status, the theater component commander shall
2 ensure that all necessary actions are being taken, and all
3 appropriate assets are being used, to resolve the status
4 of the missing person. Not later than 14 days after receiv-
5 ing the report, the theater component commander shall
6 forward the report to the Secretary of Defense or the Sec-
7 retary concerned in accordance with procedures prescribed
8 under section 1501(b) of this title. The theater component
9 commander shall include with such report a certification
10 that all necessary actions are being taken, and all appro-
11 priate assets are being used, to resolve the status of the
12 missing person.”; and

13 (E) in subsection (c), as redesignated by sub-
14 paragraph (C), by adding at the end the following
15 new sentence: “The theater component commander
16 through whom the report with respect to the missing
17 person is transmitted under subsection (b) shall en-
18 sure that all pertinent information relating to the
19 whereabouts and status of the missing person that
20 results from the preliminary assessment or from ac-
21 tions taken to locate the person is properly safe-
22 guarded to avoid loss, damage, or modification.”.

23 (2) Section 1503(a) of such title is amended by strik-
24 ing out “section 1502(a)” and inserting in lieu thereof
25 “section 1502(b)”.

1 (3) Section 1504 of such title is amended by striking
2 out “section 1502(a)(2)” in subsections (a), (b), and
3 (e)(1) and inserting in lieu thereof “section 1502(a)”.

4 (4) Section 1513 of such title is amended by adding
5 at the end the following new paragraph:

6 “(8) The term ‘theater component commander’
7 means, with respect to any of the combatant com-
8 mands, an officer of any of the armed forces who
9 (A) is commander of all forces of that armed force
10 assigned to that combatant command, and (B) is di-
11 rectly subordinate to the commander of the combat-
12 ant command.”.

13 (c) FREQUENCY OF SUBSEQUENT REVIEWS.—Sub-
14 section (b) of section 1505 of such title is amended to read
15 as follows:

16 “(b) FREQUENCY OF SUBSEQUENT REVIEWS.—(1)
17 In the case of a missing person who was last known to
18 be alive or who was last suspected of being alive, the Sec-
19 retary shall appoint a board to conduct an inquiry with
20 respect to a person under this subsection—

21 “(A) on or about three years after the date of
22 the initial report of the disappearance of the person
23 under section 1502(a) of this title; and

24 “(B) not later than every three years there-
25 after.

1 “(2) In addition to appointment of boards under
2 paragraph (1), the Secretary shall appoint a board to con-
3 duct an inquiry with respect to a missing person under
4 this subsection upon receipt of information that could re-
5 sult in a change of status of the missing person. When
6 the Secretary appoints a board under this paragraph, the
7 time for subsequent appointments of a board under para-
8 graph (1)(B) shall be determined from the date of the re-
9 ceipt of such information.

10 “(3) The Secretary is not required to appoint a board
11 under paragraph (1) with respect to the disappearance of
12 any person—

13 “(A) more than 30 years after the initial report
14 of the disappearance of the missing person required
15 by section 1502(a) of this title; or

16 “(B) if, before the end of such 30-year period,
17 the missing person is accounted for.”.

18 (d) INFORMATION TO ACCOMPANY RECOMMENDA-
19 TION OF STATUS OF DEATH.—Section 1507(b) of such
20 title is amended adding at the end the following new para-
21 graphs:

22 “(3) A description of the location of the body,
23 if recovered.

24 “(4) If the body has been recovered and is not
25 identifiable through visual means, a certification by

1 a practitioner of an appropriate forensic science that
2 the body recovered is that of the missing person.”.

3 (e) MISSING PERSON’S COUNSEL.—(1) Sections
4 1503(f)(1) and 1504(f)(1) of such title are amended by
5 adding at the end the following: “The identity of counsel
6 appointed under this paragraph for a missing person shall
7 be made known to the missing person’s primary next of
8 kin and any other previously designated person of the per-
9 son.”.

10 (2) Section 1503(f)(4) of such title is amended by
11 adding at the end the following: “The primary next of kin
12 of a missing person and any other previously designated
13 person of the missing person shall have the right to submit
14 information to the missing person’s counsel relative to the
15 disappearance or status of the missing person.”.

16 (3) Section 1505(c)(1) is amended by adding at the
17 end the following: “The Secretary concerned shall appoint
18 counsel to represent any such missing person to whom
19 such information may be related. The appointment shall
20 be in the same manner, and subject to the same provi-
21 sions, as an appointment under section 1504(f)(1) of this
22 title.”.

23 (f) SCOPE OF PREENACTMENT REVIEW.—(1) Section
24 1509 of such title is amended by striking out in subsection
25 (a) and inserting in lieu thereof the following:

1 “(a) REVIEW OF STATUS.—(1) If new information is
2 found or received that may be related to one or more unac-
3 counted for persons described in subsection (b) (whether
4 or not such information specifically relates (or may specifi-
5 cally relate) to any particular such unaccounted for per-
6 son), that information shall be provided to the Secretary
7 of Defense. Upon receipt of such information, the Sec-
8 retary shall ensure that the information is treated under
9 paragraphs (2) and (3) of section 1505(c) of this title and
10 under section 1505(d) of this title in the same manner
11 as information received under paragraph (1) of section
12 1505(c) of this title. For purposes of the applicability of
13 other provisions of this chapter in such a case, each such
14 unaccounted for person to whom the new information may
15 be related shall be considered to be a missing person.

16 “(2) The Secretary concerned shall appoint counsel
17 to represent each such unaccounted for person to whom
18 the new information may be related. The appointment
19 shall be in the same manner, and subject to the same pro-
20 visions, as an appointment under section 1504(f)(1) of
21 this title.

22 “(3) For purposes of this subsection, new information
23 is information that—

24 “(A) is found or received after the date of the
25 enactment of the the National Defense Authoriza-

1 tion Act for Fiscal Year 1998 by a United States in-
2 telligence agency, by a Department of Defense agen-
3 cy, or by a person specified in section 1504(g) of
4 this title; or

5 “(B) is identified after the date of the enact-
6 ment of the National Defense Authorization Act for
7 Fiscal Year 1998 in records of the United States as
8 information that could be relevant to the case of one
9 or more unaccounted for persons described in sub-
10 section (b).”.

11 (2) Such section is further amended by adding at the
12 end the following new subsection:

13 “(d) ESTABLISHMENT OF PERSONNEL FILES FOR
14 KOREAN CONFLICT CASES.—The Secretary of Defense
15 shall ensure that a personnel file is established for each
16 unaccounted for person who is described in subsection
17 (b)(1). Each such file shall be handled in accordance with,
18 and subject to the provisions of, section 1506 of this title
19 in the same manner as applies to the file of a missing
20 person.”.

21 (g) WITHHOLDING OF CLASSIFIED INFORMATION.—
22 Section 1506(b) of such title is amended—

23 (1) by inserting “(1)” before “The Secretary”;

24 (2) by redesignating paragraphs (1) and (2) as
25 subparagraphs (A) and (B), respectively; and

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

2 “(2) If classified information withheld under this sub-
3 section refers to one or more unnamed missing persons,
4 the Secretary shall ensure that notice of that withheld in-
5 formation, and notice of the date of the most recent review
6 of the classification of that withheld information, is made
7 reasonably accessible to family members of missing per-
8 sons.”.

9 (h) WITHHOLDING OF PRIVILEGED INFORMATION.—
10 Section 1506(d) of such title is amended—

11 (1) in paragraph (2)—

12 (A) by striking out “non-derogatory” both
13 places it appears in the first sentence;

14 (B) by inserting “or about unnamed miss-
15 ing persons” in the first sentence after “the de-
16 briefing report”;

17 (C) by striking out “the missing person”
18 in the second sentence and inserting in lieu
19 thereof “each missing person named in the de-
20 briefing report”; and

21 (D) by adding at the end the following new
22 sentence: “Any information contained in the ex-
23 tract of the debriefing report that pertains to
24 unnamed missing persons shall be made reason-

1 ably accessible to family members of missing
 2 persons.”; and

3 (2) in paragraph (3)—

4 (A) by inserting “, or part of a debriefing
 5 report,” after “a debriefing report”; and

6 (B) by adding at the end the following new
 7 sentence: “Whenever the Secretary withholds a
 8 debriefing report, or part of a debriefing report,
 9 containing information on unnamed missing
 10 persons from accessibility to families of missing
 11 persons under this section, the Secretary shall
 12 ensure that notice that the withheld debriefing
 13 report exists is made reasonably accessible to
 14 family members of missing persons.”.

15 **SEC. 569. ESTABLISHMENT OF SENTENCE OF CONFINEMENT FOR LIFE WITHOUT ELIGIBILITY FOR**
 16 **PAROLE.**

18 (a) ESTABLISHMENT OF SENTENCE.—(1) Chapter
 19 47 of title 10, United States Code (the Uniform Code of
 20 Military Justice), is amended by inserting after section
 21 856 (article 56) the following new section (article):

22 **“§ 856a. Art. 56a. Sentence of confinement for life**
 23 **without eligibility for parole**

24 “(a) For any offense for which a sentence of confine-
 25 ment for life may be adjudged, a court-martial may ad-

1 judge a sentence of confinement for life without eligibility
2 for parole.

3 “(b) An accused who is sentenced to confinement for
4 life without eligibility for parole shall be confined for the
5 remainder of the accused’s life unless—

6 “(1) the sentence is set aside or otherwise
7 modified as a result of—

8 “(A) action taken by the convening author-
9 ity, the Secretary concerned, or another person
10 authorized to act under section 860 of this title
11 (article 60); or

12 “(B) any other action taken during post-
13 trial procedure and review under any other pro-
14 vision of subchapter IX;

15 “(2) the sentence is set aside or otherwise
16 modified as a result of action taken by a Court of
17 Criminal Appeals, the Court of Appeals for the
18 Armed Forces, or the Supreme Court; or

19 “(3) the accused is pardoned.”.

20 (2) The table of sections at the beginning of sub-
21 chapter VIII of such chapter is amended by inserting after
22 the item relating to section 856 (article 56) the following
23 new item:

“856a. 56a. Sentence of confinement for life without eligibility for parole.”.

24 (b) EFFECTIVE DATE.—Section 856a of title 10,
25 United States Code (article 56a of the Uniform Code of

1 Military Justice), as added by subsection (a), shall be ap-
2 plicable only with respect to an offense committed after
3 the date of the enactment of this Act.

4 **SEC. 570. LIMITATION ON APPEAL OF DENIAL OF PAROLE**
5 **FOR OFFENDERS SERVING LIFE SENTENCE.**

6 (a) EXCLUSIVE AUTHORITY TO GRANT PAROLE ON
7 APPEAL OF DENIAL.—Section 952 of title 10, United
8 States Code, is amended—

9 (1) by inserting “(a)” before “The Secretary”;
10 and

11 (2) by adding at the end the following new sub-
12 section:

13 “(b) In a case in which parole for an offender serving
14 a sentence of confinement for life is denied, only the Presi-
15 dent or the Secretary concerned may grant the offender
16 parole on appeal of that denial. The authority to grant
17 parole on appeal in such a case may not be delegated.”.

18 (b) EFFECTIVE DATE.—This section shall apply only
19 with respect to any decision to deny parole made after the
20 date of the enactment of this Act.

21 **SEC. 571. ESTABLISHMENT OF PUBLIC AFFAIRS BRANCH IN**
22 **THE ARMY.**

23 (a) NEW SPECIAL BRANCH.—Section 3064(a) of title
24 10, United States Code, is amended—

1 (1) by redesignating paragraphs (3) and (4) as
2 paragraphs (4) and (5); and

3 (2) by inserting after paragraph (2) the follow-
4 ing new paragraph:

5 “(3) the Public Affairs Corps;”.

6 (b) PUBLIC AFFAIRS CORPS.—(1) Chapter 307 of
7 title 10, United States Code, is amended by adding at the
8 end the following new section:

9 **“§ 3083. Public Affairs Corps**

10 “There is a Public Affairs Corps in the Army. The
11 Public Affairs Corps consists of—

12 “(1) the Chief of the Public Affairs Corps;

13 “(2) commissioned officers of the Regular Army
14 appointed therein; and

15 “(3) other members of the Army assigned
16 thereto by the Secretary of the Army.”.

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

 “3083. Public Affairs Corps.”.

20 (c) TRANSITION.—The Secretary of the Army shall
21 implement the amendments made by this section not later
22 than October 1, 1998.

1 **SEC. 572. REPORT ON MAKING UNITED STATES NATIONALS**
2 **ELIGIBLE FOR PARTICIPATION IN SENIOR**
3 **RESERVE OFFICERS' TRAINING CORPS.**

4 (a) REPORT.—Not later than 180 days after the date
5 of the enactment of this Act, the Secretary of Defense
6 shall submit to the Committee on National Security of the
7 House of Representatives and the Committee on Armed
8 Services of the Senate a report on the utility of permitting
9 United States nationals to participate in the Senior Re-
10 serve Officers' Training Corps program.

11 (b) REQUIRED INFORMATION.—The Secretary shall
12 include in the report the following information:

13 (1) A brief history of the prior admission of
14 United States nationals to the Senior Reserve Offi-
15 cers' Training Corps, including the success rate of
16 these cadets and midshipmen and how that rate
17 compared to the average success rate of cadets and
18 midshipmen during that same period.

19 (2) The advantages of permitting United States
20 nationals to participate in the Senior Reserve Offi-
21 cers' Training Corps program.

22 (3) The disadvantages of permitting United
23 States nationals to participate in the Senior Reserve
24 Officers' Training Corps program.

1 (4) The incremental cost of including United
2 States nationals in the Senior Reserve Officers'
3 Training Corps.

4 (5) Methods of minimizing the risk that United
5 States nationals admitted to the Senior Reserve Of-
6 ficers' Training Corps would be later disqualified be-
7 cause of ineligibility for United States citizenship.

8 (6) The recommendations of the Secretary on
9 whether United States nationals should be eligible to
10 participate in the Senior Reserve Officers' Training
11 Corps program, and if so, a legislative proposal
12 which would, if enacted, achieve that result.

13 **SEC. 573. COMMUNITY COLLEGE OF THE AIR FORCE.**

14 (a) LIMITED EXPANSION.—Paragraph (1) of sub-
15 section (a) of section 9315 of title 10, United States Code,
16 is amended to read as follows:

17 “(1) prescribe programs of higher education for
18 enlisted members described in subsection (d) de-
19 signed to improve the technical, managerial, and re-
20 lated skills of those members and to prepare them
21 for military jobs which require the use of those
22 skills; and ”.

23 (b) ELIGIBLE MEMBERS.—Such section is further
24 amended by adding at the end the following new sub-
25 section:

1 “(d) Subsection (a)(1) applies to the following mem-
2 bers:

3 “(1) Enlisted members of the Air Force.

4 “(2) Enlisted members of other armed forces
5 attending Air Force training schools whose jobs are
6 closely related to Air Force jobs.

7 “(3) Enlisted members of other armed forces
8 who are serving as instructors at Air Force training
9 schools.”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 subsections (a) and (b) shall apply with respect to enroll-
12 ments in the Community College of the Air Force after
13 March 31, 1996.

14 **TITLE VI—COMPENSATION AND**
15 **OTHER PERSONNEL BENEFITS**
16 **Subtitle A—Pay and Allowances**

17 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 1998.**

18 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—The
19 adjustment, to become effective during fiscal year 1998,
20 required by section 1009(b) of title 37, United States
21 Code (as amended by section 602), in the rate of monthly
22 basic pay authorized members of the uniformed services
23 by section 203(a) of such title shall not be made.

1 (b) INCREASE IN BASIC PAY.—Effective on January
 2 1, 1998, the rates of basic pay of members of the uni-
 3 formed services are increased by 2.8 percent.

4 **SEC. 602. ANNUAL ADJUSTMENT OF BASIC PAY AND PRO-**
 5 **TECTION OF MEMBER’S TOTAL COMPENSA-**
 6 **TION WHILE PERFORMING CERTAIN DUTY.**

7 (a) IN GENERAL.—Section 1009 of title 37, United
 8 States Code, is amended to read as follows:

9 **“§ 1009. Certain elements of compensation: adjust-**
 10 **ment; protection against change**

11 “(a) ELEMENTS OF COMPENSATION.—In this sec-
 12 tion, the term ‘elements of compensation’ means—

13 “(1) the monthly basic pay authorized members
 14 of the uniformed services by section 203(a) of this
 15 title;

16 “(2) the basic allowance for subsistence author-
 17 ized members of the uniformed services by section
 18 402 of this title; and

19 “(3) the basic allowance for housing authorized
 20 members of the uniformed services by section 403 of
 21 this title.

22 “(b) ANNUAL ADJUSTMENT OF BASIC PAY.—Effec-
 23 tive as of the first day of the first applicable pay period
 24 beginning on or after January 1 of each calendar year,
 25 the rates of basic pay of members of the uniformed serv-

1 ices shall be increased by the percentage (rounded to the
2 nearest one-tenth of one percent) equal to the percentage
3 by which the Employment Cost Index for the base quarter
4 of the year before the preceding calendar year exceeds the
5 Employment Cost Index for the base quarter of the second
6 year before the preceding calendar year (if at all).

7 “(c) ALLOCATION OF ADJUSTMENT.—(1) Subject to
8 paragraph (2), whenever the President determines such
9 action to be in the best interest of the Government, the
10 President may allocate the percentage increase in basic
11 pay among such pay grade and years-of-service categories
12 as the President considers appropriate.

13 “(2) In making any allocation under paragraph (1),
14 the amount of the increase in basic pay for any given pay
15 grade and years-of-service category after the allocation
16 under paragraph (1) may not be less than 75 percent of
17 the amount of the increase that otherwise would have been
18 effective with respect to such pay grade and years-of-serv-
19 ice category under subsection (b).

20 “(3) Whenever the President plans to use the author-
21 ity provided under paragraph (1) with respect to any an-
22 ticipated increase in the compensation of members of the
23 uniformed services, the President shall advise the Con-
24 gress, at the earliest practicable time before the effective
25 date of the increase, regarding the proposed allocation of

1 the increase among pay grade and years-of-service cat-
2 egories.

3 “(d) PROTECTION OF MEMBER’S TOTAL COMPENSA-
4 TION WHILE PERFORMING CERTAIN DUTY.—(1) The
5 total daily amount of the elements of compensation, de-
6 scribed in subsection (a), together with other pay and al-
7 lowances under this title, to be paid to a member of the
8 uniformed services who is temporarily assigned to duty
9 away from the member’s permanent duty station or to
10 duty under field conditions at the member’s permanent
11 duty station shall not be less, for any day during the as-
12 signment period, than the total amount, for the day imme-
13 diately preceding the date of the assignment, of the ele-
14 ments of compensation and other pay and allowances of
15 the member.

16 “(2) Paragraph (1) shall not apply with respect to
17 an element of compensation or other pay or allowance of
18 a member during an assignment described in such para-
19 graph to the extent that the element of compensation or
20 other pay or allowance is reduced or terminated due to
21 circumstances unrelated to the assignment.

22 “(e) OTHER DEFINITIONS.—In this section:

23 “(1) The term ‘Employment Cost Index’ means
24 the Employment Cost Index (wages and salaries,

1 private industry workers) published quarterly by the
 2 Bureau of Labor Statistics.

3 “(2) The term ‘base quarter’, for each year,
 4 means the three-month period ending on September
 5 30 of such year.”.

6 (b) CLERICAL AMENDMENT.—The item relating to
 7 such section in the table of sections at the beginning of
 8 chapter 19 of such title is amended to read as follows:

“1009. Certain elements of compensation: adjustment; protection against
 change.”.

9 **SEC. 603. USE OF FOOD COST INFORMATION TO DETER-**
 10 **MINE BASIC ALLOWANCE FOR SUBSISTENCE.**

11 (a) FOOD-COST BASED ALLOWANCE.—Section 402
 12 of title 37, United States Code, is amended to read as
 13 follows:

14 **“§ 402. Basic allowance for subsistence**

15 “(a) ENTITLEMENT; RATE; ADJUSTMENT.—(1) Ex-
 16 cept as otherwise provided by law, each member of a uni-
 17 formed service described in subsection (b) or (c) is entitled
 18 to a basic allowance for subsistence. The rate for the al-
 19 lowance shall be prescribed in regulations by the Secretary
 20 of Defense after consultation with the Secretaries con-
 21 cerned specified in subparagraphs (D), (E), and (F) of
 22 section 101(5) of this title. The allowance may be paid
 23 in advance for a period of not more than three months.

1 “(2) Whenever basic pay is increased pursuant to sec-
2 tion 1009 of this title or another law, the Secretary of
3 Defense shall adjust the basic allowance for subsistence
4 at the same rate as the most recent adjustment made to
5 the cost of the moderate food plan of the Department of
6 Agriculture (one of the four official food plans used by
7 the Department of Agriculture under the Food Stamp Act
8 of 1977) to reflect changes in the cost of the diet described
9 by the moderate food plan.

10 “(b) ENLISTED MEMBERS.—An enlisted member is
11 entitled to the basic allowance for subsistence on a daily
12 basis if the member is entitled to basic pay and one or
13 more of the following applies with respect to the member:

14 “(1) Rations in kind are not available.

15 “(2) Rations in kind are available, but the Sec-
16 retary of Defense authorizes the payment of the
17 basic allowance for subsistence.

18 “(3) Permission to mess separately is granted.

19 “(4) The member is assigned to duty under
20 emergency conditions where no messing facilities of
21 the United States are available.

22 “(5) The member is on an authorized leave of
23 absence, is confined in a hospital, or is performing
24 travel under orders away from the member’s des-
25 ignated post of duty (except when rations in kind

1 are available and the Secretary of Defense does not
2 authorize the payment of the basic allowance for
3 subsistence.).

4 “(c) OFFICERS.—An officer of a uniformed service
5 who is entitled to basic pay is entitled, at all times, to
6 the basic allowances for subsistence. An aviation cadet of
7 the Navy, Air Force, Marine Corps, or Coast Guard is
8 entitled to the same basic allowance for subsistence as is
9 provided for an officer of the Navy, Air Force, Marine
10 Corps, or Coast Guard, respectively.

11 “(d) SPECIAL RULE FOR CERTAIN MEMBERS AU-
12 THORIZED TO MESS SEPARATELY.—Under regulations
13 and in areas prescribed by the Secretary of Defense, and
14 the Secretary of Transportation with respect to the Coast
15 Guard when it is not operating as a service in the Navy,
16 an enlisted member who is granted permission to mess
17 separately, and whose duties require the member to buy
18 at least one meal from other than a messing facility of
19 the United States, is entitled to not more than the pro
20 rata allowance authorized for each such meal for an en-
21 listed member when rations in kind are not available.

22 “(e) PAYMENT FOR RATIONS IN KIND ACTUALLY
23 RECEIVED.—The Secretary of Defense may require a
24 member of the uniformed services to pay for rations in

1 kind actually received by the member while entitled to a
2 basic allowance for subsistence.

3 “(f) ADMINISTRATION.—(1) The Secretary of De-
4 fense may prescribe regulations for the administration of
5 this section.

6 “(2) For purposes of subsection (b)(5), a member
7 shall not be considered to be performing travel under or-
8 ders away from his designated post of duty if the mem-
9 ber—

10 “(A) is an enlisted member serving the mem-
11 ber’s first tour of active duty;

12 “(B) has not actually reported to a permanent
13 duty station pursuant to orders directing such as-
14 signment; and

15 “(C) is not actually traveling between stations
16 pursuant to orders directing a change of station.

17 “(g) PERCENTAGE LIMITATION ON ENLISTED MEM-
18 BERS RECEIVING ALLOWANCE.—(1) This subsection ap-
19 ples with respect to enlisted members of the Army, Navy,
20 Air Force, and Marine Corps who, when present at their
21 permanent duty station and at which adequate messing
22 facilities of the United States are available, reside without
23 dependents in Government quarters. The Secretary con-
24 cerned may not provide a basic allowance for subsistence

1 to more than 12 percent of such members under the juris-
2 diction of the Secretary concerned.

3 “(2) The Secretary concerned may exceed the per-
4 centage limitation specified in paragraph (1) if the Sec-
5 retary determines that compliance would increase costs to
6 the Government, would impose financial hardships on
7 members otherwise entitled to a basic allowance for sub-
8 sistence, or would reduce the quality of life for such mem-
9 bers.

10 “(3) This subsection shall not apply to a member de-
11 scribed in paragraph (1) when the member is not residing
12 at the member’s permanent duty station.

13 “(h) RATIONS IN KIND FOR CERTAIN RESERVES.—
14 (1) The Secretary concerned may provide rations in kind,
15 or a part thereof, to an enlisted member of a reserve com-
16 ponent or of the National Guard when the member’s in-
17 struction or duty periods, described in section 206(a) of
18 this title, total at least eight hours in a calendar day. The
19 Secretary concerned may provide the member with a com-
20 mutation when rations in kind are not available.

21 “(2) This subsection shall not apply with respect to
22 an enlisted member of a reserve component or of the Na-
23 tional Guard who is entitled to basic pay.

24 “(i) USE OF MESSING FACILITIES.—The Secretary
25 of Defense, in consultation with the Secretaries concerned,

1 shall establish policies regarding the use of messing facili-
 2 ties of the United States, including field messing facili-
 3 ties.”.

4 (b) CONFORMING AMENDMENTS.—(1) Section
 5 404(b)(2) of title 37, United States Code, is amended by
 6 striking out “under section 402(e) of this title” and insert-
 7 ing in lieu thereof “by the Secretary of Defense”.

8 (2) Section 1012 of title 37, United States Code, is
 9 amended by striking out “section 402(b)(3)” and inserting
 10 in lieu thereof “section 402(h)”.

11 (3) Section 6912 of title 10, United States Code, is
 12 amended by striking out “section 402(a) and (b)” and in-
 13 serting in lieu thereof “section 402(c)”.

14 **SEC. 604. CONSOLIDATION OF BASIC ALLOWANCE FOR**
 15 **QUARTERS, VARIABLE HOUSING ALLOWANCE,**
 16 **AND OVERSEAS HOUSING ALLOWANCES.**

17 (a) CONSOLIDATION OF ALLOWANCES.—Section 403
 18 of title 37, United States Code, is amended to read as
 19 follows:

20 **“§ 403. Basic allowance for housing**

21 **“(a) COMPONENTS OF BASIC ALLOWANCE FOR**
 22 **HOUSING.—**The basic allowance for housing consists of
 23 the following components:

24 **“(1) A basic allowance for quarters for mem-**
 25 **bers of the uniformed services stationed in the Unit-**

1 ed States and, under certain circumstances, mem-
2 bers on duty outside of the United States whose de-
3 pendents continue to reside in the United States.

4 “(2) A overseas station housing allowance for
5 members on duty outside of the United States to re-
6 flect housing costs incurred by the members.

7 “(3) A family separation housing allowance for
8 members with dependents when the movement of the
9 dependents to the members’ permanent station is
10 not authorized at the expense of the United States.

11 “(b) ELIGIBILITY FOR ALLOWANCE.—(1) Except as
12 otherwise provided by law, a member of a uniformed serv-
13 ice who is entitled to basic pay shall receive the component
14 or components of the basic allowance for housing to which
15 the member is entitled under this section at the monthly
16 rates prescribed in connection with the component under
17 this section or other provision of law. The amount of the
18 allowance for a member will vary according to the pay
19 grade in which the member is assigned or distributed for
20 basic pay purposes and the member’s dependency status.

21 “(2) The basic allowance for housing may be paid in
22 advance.

23 “(c) EFFECT OF ASSIGNMENT TO GOVERNMENT
24 QUARTERS.—(1) Except as otherwise provided by law, a
25 member of a uniformed service who is assigned to quarters

1 of the United States appropriate to the grade, rank, or
2 rating of the member and adequate for the member and
3 dependents, if with dependents, is not entitled to a basic
4 allowance for housing. In this section, the term ‘quarters
5 of the United States’ includes a housing facility under the
6 jurisdiction of a uniformed service.

7 “(2) A member without dependents who is in a pay
8 grade above pay grade E–6 and is assigned to quarters
9 of the United States may elect not to occupy those quar-
10 ters and instead receive the basic allowance for housing
11 to which the member is otherwise entitled.

12 “(3) A member without dependents who is in pay
13 grade E–6 and is assigned to quarters of the United
14 States that do not meet the minimum adequacy standards
15 established by the Secretary of Defense for members in
16 such pay grade may elect not to occupy those quarters
17 and instead to receive the basic allowance for housing to
18 which the member is otherwise entitled. The Secretary
19 concerned may deny the right to make an election under
20 this paragraph if the Secretary determines that the exer-
21 cise of such an election would adversely affect a training
22 mission, military discipline, or military readiness.

23 “(4) In the case of a member with dependents who
24 is assigned to quarters of the United States at a location
25 or under circumstances that, as determined by the Sec-

1 retary concerned, require the member's dependents to re-
2 side at different location, the member shall receive a basic
3 allowance for housing as if the member were assigned to
4 duty in the area in which the dependents reside and did
5 not reside in quarters of the United States.

6 “(d) EFFECT OF FIELD DUTY AND SEA DUTY.—(1)
7 The Secretary concerned may deny the basic allowance for
8 housing to a member of a uniformed service without de-
9 pendents when the member is assigned to field duty with
10 a unit conducting field operations.

11 “(2) A member of a uniformed service without de-
12 pendents who is in a pay grade below pay grade E-6 is
13 not entitled to a basic allowance for housing while on sea
14 duty. After taking into consideration the availability of
15 quarters for members serving in pay grade E-5, the Sec-
16 retary concerned may authorize the payment of a basic
17 allowance for housing to a member without dependents
18 who is serving in such pay grade and is assigned to sea
19 duty.

20 “(3) Notwithstanding section 421 of this title, two
21 members of the uniformed services in a pay grade below
22 pay grade E-6 who are married to each other, have no
23 other dependents, and are simultaneously assigned to sea
24 duty are jointly entitled to one basic allowance for housing
25 during the period of such simultaneous sea duty. The

1 amount of the allowance shall be based on the without de-
2 pendants rate for the pay grade of the senior member of
3 the couple. However, this paragraph shall not apply to a
4 couple if one or both of the members are entitled to a
5 basic allowance for housing under paragraph (2).

6 “(4) For purposes of this subsection, the Secretary
7 of Defense shall prescribe, by regulation, definitions of the
8 terms ‘field duty’ and ‘sea duty’.

9 “(e) BASIC ALLOWANCE FOR QUARTERS.—(1) The
10 Secretary of Defense shall determine the costs of adequate
11 housing in a military housing area for all members of the
12 uniformed services entitled to a basic allowance for quar-
13 ters in that area. The Secretary shall base the determina-
14 tion upon the costs of adequate housing for civilians with
15 comparable income levels in the same area.

16 “(2) The monthly amount of a basic allowance for
17 quarters for an area of the United States for a member
18 of a uniformed service is equal to difference between—

19 “(A) the monthly cost of housing in that area,
20 as determined by the Secretary of Defense, for mem-
21 bers of the uniformed services serving in the same
22 pay grade and with the same dependency status as
23 the member; and

24 “(B) 15 percent of the national average month-
25 ly cost of housing in the United States, as deter-

1 mined by the Secretary, for members of the uni-
2 formed services serving in the same pay grade and
3 with the same dependency status as the member.

4 “(3) The rates of basic allowance for quarters shall
5 be reduced as necessary to comply with this paragraph.
6 The total amount that may be paid for a fiscal year for
7 the basic allowance for quarters is the product of—

8 “(A) the total amount authorized to be paid for
9 such allowance for the preceding fiscal year (as ad-
10 justed under paragraph (5)); and

11 “(B) a fraction—

12 “(i) the numerator of which is the index of
13 the national average monthly cost of housing
14 for June of the preceding fiscal year; and

15 “(ii) the denominator of which is the index
16 of the national average monthly cost of housing
17 for June of the fiscal year before the preceding
18 fiscal year.

19 “(4) An adjustment in the rates of basic allowance
20 for quarters as a result of the Secretary’s redetermination
21 of housing costs in an area shall take effect on the same
22 date as the effective date of the next increase in basic pay
23 under section 1009 of this title or other provision of law.

24 “(5) In making a determination under paragraph (3)
25 for a fiscal year, the amount authorized to be paid for

1 the preceding fiscal year for the basic allowance for quar-
2 ters shall be adjusted to reflect changes during the year
3 for which the determination is made in the number, grade
4 distribution, geographic distribution, and dependency sta-
5 tus of members of the uniformed services entitled to the
6 allowance from the number of such members during the
7 preceding fiscal year.

8 “(6) So long as a member of a uniformed service re-
9 tains uninterrupted eligibility to receive a basic allowance
10 for quarters within an area of the United States, the
11 monthly amount of the allowance for the member may not
12 be reduced as a result of changes in housing costs in the
13 area, changes in the national average monthly cost of
14 housing, or the promotion of the member.

15 “(f) OVERSEAS STATION HOUSING ALLOWANCE.—
16 (1) The Secretary of Defense may prescribe an overseas
17 station housing allowance for a member of a uniformed
18 service who is on duty outside of the United States. The
19 Secretary shall base the station housing allowance on
20 housing costs in the overseas area in which the member
21 is assigned.

22 “(2) So long as a member of a uniformed service re-
23 tains uninterrupted eligibility to receive an overseas sta-
24 tion housing allowance in an overseas area and the actual
25 monthly cost of housing for the member is not reduced,

1 the monthly amount of the overseas station housing allow-
2 ance may not be reduced as a result of changes in housing
3 costs in the area or the promotion of the member. The
4 monthly amount of the allowance may be adjusted to re-
5 flect changes in currency rates.

6 “(g) FAMILY SEPARATION HOUSING ALLOWANCE.—

7 (1) A member of a uniformed service with dependents who
8 is on permanent duty at a location described in paragraph
9 (2) is entitled to a family separation housing allowance
10 under this subsection at a monthly rate equal to the rate
11 of basic allowance for quarters or overseas station housing
12 allowance established for that location for members with-
13 out dependents in the same grade.

14 “(2) A permanent duty location referred to in para-
15 graph (1) is a location—

16 “(A) to which the movement of the member’s
17 dependents is not authorized at the expense of the
18 United States under section 406 of this title, and
19 the member’s dependents do not reside at or near
20 the location; and

21 “(B) at which quarters of the United States are
22 not available for assignment to the member.

23 “(3) The allowance provided under this subsection is
24 in addition to any other allowance or per diem that the
25 member is otherwise entitled to under this title.

1 “(h) PARTIAL ALLOWANCE.—(1) The Secretary of
2 Defense may prescribe a partial basic allowance for hous-
3 ing for a member of a uniformed service without depend-
4 ents who is not entitled to the allowance pursuant to sub-
5 section (c) or (d).

6 “(2) In the case of a member of a uniformed service
7 who is assigned to quarters of the United States and pays
8 child support, the Secretary of Defense may authorize the
9 payment of a partial basic allowance for housing, at a rate
10 prescribed by the Secretary, on account of the member’s
11 payment of the child support. The allowance shall be at
12 a reduced rate to reflect the member’s assignment to quar-
13 ters of the United States. The amount of the partial allow-
14 ance shall not exceed the monthly rate of the member’s
15 child support. The payment of a partial allowance under
16 this paragraph to a member may be in addition to any
17 allowance paid to the member under paragraph (1).

18 “(i) SPECIAL RULES FOR CERTAIN MEMBERS.—
19 (1)(A) In the case of a member of a reserve component
20 of a uniformed service without dependents who is called
21 or ordered to active duty (other than for training) or a
22 retired member without dependents ordered to active duty
23 under section 688(a) of title 10, the member shall be con-
24 sidered to be assigned to duty at the location of the pri-
25 mary residence of the member at the time of the call or

1 order for purposes of determining the amount of the mem-
2 ber's basic allowance for housing.

3 “(B) If a member described in subparagraph (A) is
4 called or ordered to active duty for less than 30 days, the
5 Secretary of Defense shall prescribe the amount of the
6 basic allowance for housing to be paid to the member.

7 “(C) This paragraph shall not apply to a member de-
8 scribed in subparagraph (A) if the member is authorized
9 transportation of household goods under section 406 of
10 this title as part of the call or order to active duty or if
11 the primary residence of the member is not owned by the
12 member or the member is not responsible for rental pay-
13 ments.

14 “(2) A member of a uniformed service without de-
15 pendants who is in pay grade E-4 (four or more years'
16 service), or above, is entitled to a basic allowance for hous-
17 ing while the member is in a travel or leave status between
18 permanent duty stations, including time granted as delay
19 en route or proceed time, when the member is not assigned
20 to quarters of the United States. Notwithstanding sub-
21 section (e)(2), the rate of basic allowance for quarters for
22 such a member shall be equal to the national average
23 monthly cost of housing in the United States, as deter-
24 mined by the Secretary, for members of the uniformed

1 services serving in the same pay grade and with the same
2 dependency status as the member.

3 “(3) The eligibility of an aviation cadet of the Navy,
4 Air Force, Marine Corps, or Coast Guard for a basic al-
5 lowance for housing shall be determined as if the aviation
6 cadet were a member of the uniformed services in pay
7 grade E-4.

8 “(4) In the case of a member without dependents who
9 is assigned to duty inside the United States, the location
10 or the circumstances of which make it necessary that the
11 member be reassigned under the conditions of low cost or
12 no cost permanent change of station or permanent change
13 of assignment, the member may be treated as if the mem-
14 ber were not reassigned if the Secretary concerned deter-
15 mines that it would be inequitable to base the member’s
16 entitlement to, and amount of, a basic allowance for hous-
17 ing on the area to which the member is reassigned.

18 “(j) ADMINISTRATION.—(1) The Secretary concerned
19 may make such determinations as may be necessary to ad-
20 minister this section, including determinations of depend-
21 ency and relationship. When warranted by the cir-
22 cumstances, the Secretary concerned may reconsider and
23 change or modify any such determination. This authority
24 may be delegated by the Secretary concerned. Any deter-
25 mination made under this section with regard to a member

1 of the uniformed services is final and is not subject to re-
2 view by any accounting officer of the United States or a
3 court, unless there is fraud or gross negligence.

4 “(2) Parking facilities (including utility connections)
5 provided members of the uniformed services for house
6 trailers and mobile homes not owned by the Government
7 shall not be considered to be quarters for the purposes
8 of this section or any other provision of law. Any fees es-
9 tablished by the Government for the use of such a facility
10 shall be established in an amount sufficient to cover the
11 cost of maintenance, services, and utilities and to amortize
12 the cost of construction of the facility over the 25-year
13 period beginning with the completion of such construction.

14 “(k) TEMPORARY CONTINUATION OF ALLOWANCE.—
15 (1) The Secretary of Defense, or the Secretary of Trans-
16 portation in the case of the Coast Guard when not operat-
17 ing as a service in the Navy, may allow the dependents
18 of a member of the armed forces who dies while on active
19 duty and whose dependents are occupying family housing
20 provided by the Department of Defense, or by the Depart-
21 ment of Transportation in the case of the Coast Guard,
22 other than on a rental basis on the date of the member’s
23 death to continue to occupy such housing without charge
24 for a period of 180 days.

1 “(2) The Secretary concerned may pay an allowance
 2 for housing to the dependents of a member of the uni-
 3 formed services who dies while on active duty and whose
 4 dependents are not occupying a housing facility under the
 5 jurisdiction of a uniformed service on the date of the mem-
 6 ber’s death or are occupying such housing on a rental
 7 basis on such date, or whose dependents vacate such hous-
 8 ing sooner than 180 days after the date of the member’s
 9 death. The amount of the allowance shall be the same
 10 amount that would otherwise be payable to the deceased
 11 member under this section if the member had not died.
 12 The payment of an allowance under this paragraph shall
 13 terminate 180 days after the date of the member’s
 14 death.”.

15 (b) REPEAL OF SUPERSEDED AUTHORITIES.—(1)
 16 Section 403a of title 37, United States Code, is repealed.

17 (2) Section 405 of such title is amended—

18 (A) by striking out subsection (b); and

19 (B) by redesignating subsections (c) and (d) as
 20 subsections (b) and (c), respectively.

21 (3) Section 427 of such title is amended—

22 (A) by striking out subsection (a); and

23 (B) in subsection (b)—

24 (i) by striking out “(b) ADDITIONAL SEPA-
 25 RATION ALLOWANCE.—” and inserting in lieu

1 thereof “(a) AVAILABILITY OF SEPARATION AL-
2 LOWANCE.—”;

3 (ii) in paragraph (1), by striking out “in-
4 cluding subsection (a)” and inserting in lieu
5 thereof “including section 403(g) of this title”;

6 (iii) in paragraph (4)—

7 (I) by striking out “(4) A member”
8 and inserting in lieu thereof “(b) EFFECT
9 OF ELECTION TO SERVE UNACCOMPANIED
10 TOUR OF DUTY.—A member”;

11 (II) by striking out “paragraph (1)(A)
12 of this subsection” and inserting in lieu
13 thereof “subsection (a)(1)(A)”; and

14 (iv) in paragraph (5)—

15 (I) by striking out “(5) Section 421”
16 and inserting in lieu thereof “(c) EFFECT
17 OF DEPENDENT ENTITLED TO BASIC
18 PAY.—Section 421”; and

19 (II) by striking out “paragraph
20 (1)(D)” both places it appears and insert-
21 ing in lieu thereof “subsection (a)(1)(D)”.

22 (4) The table of sections at the beginning of chapter
23 7 of title 37, United States Code, is amended by striking
24 out the items relating to sections 403 and 403a and insert-
25 ing in lieu thereof the following new item:

“403. Basic allowance for housing.”.

1 (c) CONFORMING AMENDMENTS.—(1) Title 37, Unit-
2 ed States Code, is amended—

3 (A) in section 101(25), by striking out “basic
4 allowance for quarters (including any variable hous-
5 ing allowance or station housing allowance)” and in-
6 serting in lieu thereof “basic allowance for housing”;

7 (B) in section 406(c), by striking out “sections
8 404 and 405” and inserting in lieu thereof “sections
9 403(f), 404, and 405”;

10 (C) in section 420(c), by striking out “quar-
11 ters” and inserting in lieu thereof “housing”;

12 (D) in section 551(3)(D), by striking out “basic
13 allowance for quarters” and inserting in lieu thereof
14 “basic allowance for housing”; and

15 (E) in section 1014(a), by striking out “basic
16 allowance for quarters” and inserting in lieu thereof
17 “basic allowance for housing”.

18 (2) Title 10, United States Code, is amended—

19 (A) in section 708(c)(1), by striking out “basic
20 allowance for quarters or basic allowance for subsist-
21 ence” and inserting in lieu thereof “basic allowance
22 for housing under section 403 of title 37, basic al-
23 lowance for subsistence under section 402 of such
24 title,”;

25 (B) in section 2830(a)—

1 (i) in paragraph (1), by striking out “basic
2 allowance for quarters” and inserting in lieu
3 thereof “basic allowance for housing under sec-
4 tion 403 of title 37”; and

5 (ii) in paragraph (2), by striking out
6 “basic allowance for quarters” and inserting in
7 lieu thereof “basic allowance for housing”;

8 (C) in section 2882(b)—

9 (i) in paragraph (1), by striking out “sec-
10 tion 403(b)” and inserting in lieu thereof “sec-
11 tion 403”; and

12 (ii) in paragraph (2), by striking out
13 “basic allowance for quarters” and all that fol-
14 lows through the end of the paragraph and in-
15 serting in lieu thereof “basic allowance for
16 housing under section 403 of title 37.”;

17 (D) in section 7572(b)—

18 (i) in paragraph (1), by striking out “the
19 total of—” and all that follows through the end
20 of the paragraph and inserting in lieu thereof
21 “the basic allowance for housing payable under
22 section 403 of title 37 to a member of the same
23 pay grade without dependents for the period
24 during which the member is deprived of quar-
25 ters on board ship.”; and

1 (ii) in paragraph (2), by striking out
2 “basic allowance for quarters” and inserting in
3 lieu thereof “basic allowance for housing”; and
4 (E) in section 7573, by striking out “basic al-
5 lowance for quarters” and inserting in lieu thereof
6 “basic allowance for housing under section 403 of
7 title 37”.

8 (3) Section 5561(6)(D) of title 5, United States
9 Code, is amended by striking out “basic allowance for
10 quarters” and inserting in lieu thereof “basic allowance
11 for housing”.

12 (4) Section 107(b) of title 32, United States Code,
13 is amended by striking out “and quarters” and inserting
14 in lieu thereof “and housing”.

15 (5) Section 4(k)(10) of the Military Selective Service
16 Act (50 U.S.C. App. 454(k)(10)) is amended by striking
17 out “as such terms” and all that follows through “ex-
18 tended or amended” and inserting in lieu thereof “shall
19 be entitled to receive a dependency allowance equal to the
20 basic allowance for quarters provided for persons in pay
21 grade E-1 under section 403 of title 37, United States
22 Code,”.

23 (d) TRANSITION TO BASIC ALLOWANCE FOR HOUS-
24 ING.—The Secretary of Defense shall develop and imple-
25 ment a plan to incrementally manage the rate of growth

1 of the various components of the basic allowance for hous-
2 ing authorized by section 403 of title 37, United States
3 Code (as amended by subsection (a)), during a transition
4 period of not more than six years. During the transition
5 period, the Secretary may continue to use the authorities
6 provided under sections 403, 403a, 405(b), and 427(a) of
7 title 37, United States Code (as in effect on the day before
8 the date of the enactment of this Act), but subject to such
9 modifications as the Secretary considers necessary, to pro-
10 vide allowances for members of the uniformed services.

11 (e) AVAILABILITY OF FUNDS TO REDUCE OUT-OF-
12 POCKET HOUSING COSTS.—Of the amount authorized to
13 be appropriated pursuant to section 421 for military per-
14 sonnel, \$35,000,000 shall be available to the Secretary of
15 Defense to increase the rates of basic allowance for quar-
16 ters authorized members of the Armed Forces by section
17 403 of title 37, United States Code (as amended by sub-
18 section (a)), so as to further reduce out-of-pocket housing
19 costs incurred by members of the Armed Forces.

1 **Subtitle B—Bonuses and Special**
2 **and Incentive Pays**

3 **SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUSES**
4 **AND SPECIAL PAY AUTHORITIES FOR RE-**
5 **SERVE FORCES.**

6 (a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN
7 CRITICALLY SHORT WARTIME SPECIALTIES.—Section
8 302g(f) of title 37, United States Code, is amended by
9 striking out “September 30, 1998” and inserting in lieu
10 thereof “September 30, 1999”.

11 (b) SELECTED RESERVE REENLISTMENT BONUS.—
12 Section 308b(f) of title 37, United States Code, is amend-
13 ed by striking out “September 30, 1998” and inserting
14 in lieu thereof “September 30, 1999”.

15 (c) SELECTED RESERVE ENLISTMENT BONUS.—Sec-
16 tion 308c(e) of title 37, United States Code, is amended
17 by striking out “September 30, 1998” and inserting in
18 lieu thereof “September 30, 1999”.

19 (d) SPECIAL PAY FOR ENLISTED MEMBERS AS-
20 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section
21 308d(c) of title 37, United States Code, is amended by
22 striking out “September 30, 1998” and inserting in lieu
23 thereof “September 30, 1999”.

24 (e) SELECTED RESERVE AFFILIATION BONUS.—Sec-
25 tion 308e(e) of title 37, United States Code, is amended

1 by striking out “September 30, 1998” and inserting in
2 lieu thereof “September 30, 1999”.

3 (f) READY RESERVE ENLISTMENT AND REENLIST-
4 MENT BONUS.—Section 308h(g) of title 37, United States
5 Code, is amended by striking out “September 30, 1998”
6 and inserting in lieu thereof “September 30, 1999”.

7 (g) PRIOR SERVICE ENLISTMENT BONUS.—Section
8 308i(i) of title 37, United States Code, is amended by
9 striking out “September 30, 1998” and inserting in lieu
10 thereof “September 30, 1999”.

11 **SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUSES**
12 **AND SPECIAL PAY AUTHORITIES FOR NURSE**
13 **OFFICER CANDIDATES, REGISTERED NURSES,**
14 **AND NURSE ANESTHETISTS.**

15 (a) NURSE OFFICER CANDIDATE ACCESSION PRO-
16 GRAM.—Section 2130a(a)(1) of title 10, United States
17 Code, is amended by striking out “September 30, 1998”
18 and inserting in lieu thereof “September 30, 1999”.

19 (b) ACCESSION BONUS FOR REGISTERED NURSES.—
20 Section 302d(a)(1) of title 37, United States Code, is
21 amended by striking out “September 30, 1998” and in-
22 serting in lieu thereof “September 30, 1999”.

23 (c) INCENTIVE SPECIAL PAY FOR NURSE ANES-
24 THETISTS.—Section 302e(a)(1) of title 37, United States

1 Code, is amended by striking out “September 30, 1998”
2 and inserting in lieu thereof “September 30, 1999”.

3 **SEC. 613. ONE-YEAR EXTENSION OF AUTHORITIES RELAT-**
4 **ING TO PAYMENT OF OTHER BONUSES AND**
5 **SPECIAL PAYS.**

6 (a) AVIATION OFFICER RETENTION BONUS.—Sec-
7 tion 301b(a) of title 37, United States Code, is amended
8 by striking out “September 30, 1998,” and inserting in
9 lieu thereof “September 30, 1999,”.

10 (b) REENLISTMENT BONUS FOR ACTIVE MEM-
11 BERS.—Section 308(g) of title 37, United States Code, is
12 amended by striking out “September 30, 1998” and in-
13 serting in lieu thereof “September 30, 1999”.

14 (c) ENLISTMENT BONUSES FOR MEMBERS WITH
15 CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title
16 37, United States Code, are each amended by striking out
17 “September 30, 1998” and inserting in lieu thereof “Sep-
18 tember 30, 1999”.

19 (d) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFI-
20 CERS EXTENDING PERIOD OF ACTIVE DUTY.—Section
21 312(e) of title 37, United States Code, is amended by
22 striking out “September 30, 1998” and inserting in lieu
23 thereof “September 30, 1999”.

24 (e) NUCLEAR CAREER ACCESSION BONUS.—Section
25 312b(c) of title 37, United States Code, is amended by

1 striking out “September 30, 1998” and inserting in lieu
2 thereof “September 30, 1999”.

3 (f) NUCLEAR CAREER ANNUAL INCENTIVE
4 BONUS.—Section 312c(d) of title 37, United States Code,
5 is amended by striking out “October 1, 1998” and insert-
6 ing in lieu thereof “October 1, 1999”.

7 (g) REPAYMENT OF EDUCATION LOANS FOR CER-
8 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-
9 LECTED RESERVE.—Section 16302(d) of title 10, United
10 States Code, is amended by striking out “October 1,
11 1998” and inserting in lieu thereof “October 1, 1999”.

12 **SEC. 614. INCREASE IN MINIMUM MONTHLY RATE OF HAZ-**
13 **ARDOUS DUTY INCENTIVE PAY FOR CERTAIN**
14 **MEMBERS.**

15 (a) AERIAL FLIGHT CREWMEMBERS.—The table in
16 subsection (b) of section 301 of title 37, United States
17 Code, is amended—

18 (1) by striking out “110” each place it appears
19 and inserting in lieu thereof “150”; and

20 (2) by striking out “125” each place it appears
21 and inserting in lieu thereof “150”.

22 (b) AIR WEAPONS CONTROLLER AIRCREW.—The
23 table in subsection (c)(2)(A) of such section is amended—

24 (1) by striking out “100” in the first column of
25 amounts and inserting in lieu thereof “150”;

1 (2) by striking out “110” in the last column of
2 amounts and inserting in lieu thereof “150”; and

3 (3) by striking out “125” each place it appears
4 and inserting in lieu thereof “150”.

5 (c) OTHER MEMBERS.—Subsection (c)(1) of such
6 section is amended—

7 (1) by striking out “\$110” and inserting in lieu
8 thereof “\$150”; and

9 (2) by striking out “\$165” and inserting in lieu
10 thereof “\$225”.

11 **SEC. 615. AVAILABILITY OF MULTIYEAR RETENTION BONUS**
12 **FOR DENTAL OFFICERS.**

13 (a) AVAILABILITY OF RETENTION BONUS.—Chapter
14 5 of title 37, United States Code, is amended by inserting
15 after section 301d the following new section:

16 **“§ 301e. Multiyear retention bonus: dental officers of**
17 **the armed forces**

18 “(a) BONUS AUTHORIZED.—(1) A dental officer de-
19 scribed in subsection (b) who executes a written agreement
20 to remain on active duty for two, three, or four years after
21 completion of any other active-duty service commitment
22 may, upon acceptance of the written agreement by the
23 Secretary of the military department concerned, be paid
24 a retention bonus as provided in this section.

1 “(2) The amount of a retention bonus under para-
2 graph (1) may not exceed \$14,000 for each year covered
3 by a four-year agreement. The maximum yearly retention
4 bonus for two-year and three-year agreements shall be re-
5 duced to reflect the shorter service commitment.

6 “(b) OFFICERS AUTOMATICALLY ELIGIBLE.—Sub-
7 section (a) applies to an officer of the armed forces who—

8 “(1) is an officer of the Dental Corps of the
9 Army or the Navy or an officer of the Air Force des-
10 ignated as a dental officer;

11 “(2) has a dental specialty in oral and maxillo-
12 facial surgery;

13 “(3) is in a pay grade below pay grade 0–7;

14 “(4) has at least eight years of creditable serv-
15 ice (computed as described in section 302b(g) of this
16 title) or has completed any active-duty service com-
17 mitment incurred for dental education and training;
18 and

19 “(5) has completed initial residency training (or
20 will complete such training before September 30 of
21 the fiscal year in which the officer enters into an
22 agreement under subsection (a)).

23 “(c) EXTENSION OF BONUS TO OTHER DENTAL OF-
24 FICERS.—At the discretion of the Secretary of the military
25 department concerned, the Secretary may enter into a

1 written agreement described in subsection (a)(1) with a
2 dental officer who does not have the dental specialty speci-
3 fied in subsection (b)(2), and pay a retention bonus to
4 such an officer as provided in this section, if the officer
5 otherwise satisfies the eligibility requirements specified in
6 subsection (b). The Secretaries shall exercise the authority
7 provided in this section in a manner consistent with regu-
8 lations prescribed by the Secretary of Defense.

9 “(d) REFUNDS.—(1) Refunds shall be required, on
10 a pro rata basis, of sums paid under this section if the
11 officer who has received the payment fails to complete the
12 total period of active duty specified in the agreement, as
13 conditions and circumstances warrant.

14 “(2) An obligation to reimburse the United States
15 imposed under paragraph (1) is for all purposes a debt
16 owed to the United States.

17 “(3) A discharge in bankruptcy under title 11, United
18 States Code, that is entered less than five years after the
19 termination of an agreement under this section does not
20 discharge the member signing such agreement from a debt
21 arising under such agreement or under paragraph (1).
22 This paragraph applies to any case commenced under title
23 11 after the date of the enactment of the National Defense
24 Authorization Act for Fiscal Year 1998.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by inserting
 3 after the item relating to section 301d the following new
 4 item:

“301e. Multiyear retention bonus: dental officers of the armed forces.”.

5 **SEC. 616. INCREASE IN VARIABLE AND ADDITIONAL SPE-**
 6 **CIAL PAYS FOR CERTAIN DENTAL OFFICERS.**

7 (a) VARIABLE SPECIAL PAY FOR JUNIOR OFFI-
 8 CERS.—Paragraph (2) of section 302b(a) of title 37, Unit-
 9 ed States Code, is amended by striking out subparagraphs
 10 (C) through (F) and inserting in lieu thereof the following
 11 new subparagraphs:

12 “(C) \$7,000 per year, if the officer has at least
 13 six but less than eight years of creditable service.

14 “(D) \$12,000 per year, if the officer has at
 15 least eight but less than 12 years of creditable serv-
 16 ice.

17 “(E) \$10,000 per year, if the officer has at
 18 least 12 but less than 14 years of creditable service.

19 “(F) \$9,000 per year, if the officer has at least
 20 14 but less than 18 years of creditable service.

21 “(G) \$8,000 per year, if the officer has 18 or
 22 more years of creditable service.”.

23 (b) VARIABLE SPECIAL PAY FOR SENIOR OFFI-
 24 CERS.—Paragraph (3) of such section is amended by

1 striking out “\$1,000” and inserting in lieu thereof
2 “\$7,000”.

3 (c) ADDITIONAL SPECIAL PAY.—Paragraph (4) of
4 such section is amended by striking out subparagraphs
5 (B) through (D) and inserting in lieu thereof the following
6 new subparagraphs:

7 “(B) \$6,000 per year, if the officer has at least
8 three but less than 10 years of creditable service.

9 “(C) \$15,000 per year, if the officer has 10 or
10 more years of creditable service.”.

11 **SEC. 617. SPECIAL PAY FOR DUTY AT DESIGNATED HARD-**
12 **SHIP DUTY LOCATIONS.**

13 (a) SPECIAL PAY AUTHORIZED.—Section 305 of title
14 37, United States Code, is amended by striking out sub-
15 section (a) and inserting in lieu thereof the following new
16 subsection:

17 “(a) SPECIAL PAY AUTHORIZED.—A member of a
18 uniformed service who is entitled to basic pay may be paid
19 special pay under this section at a monthly rate not to
20 exceed \$300 while the member is on duty at a location
21 in the United States or outside the United States des-
22 ignated by the Secretary of Defense as a hardship duty
23 location.”.

24 (b) CROSS REFERENCES AND REGULATIONS.—Such
25 section is further amended—

1 (1) in subsection (b)—

2 (A) by inserting “EXCEPTION FOR CER-
3 TAIN MEMBERS SERVING IN CERTAIN LOCA-
4 TIONS.—” after “(b)”; and

5 (B) by striking out “as foreign duty pay”
6 and inserting in lieu thereof “as hardship duty
7 location pay”;

8 (2) in subsection (c)—

9 (A) by inserting “EXCEPTION FOR MEM-
10 BERS RECEIVING CAREER SEA PAY.—” after
11 “(c)”; and

12 (B) by striking out “special pay under this
13 section” and inserting in lieu thereof “hardship
14 duty location pay under subsection (a)”; and

15 (3) by adding at the end the following new sub-
16 section:

17 “(d) REGULATIONS.—The Secretary of Defense shall
18 prescribe regulations for the provision of hardship duty
19 location pay under subsection (a), including the actual
20 monthly rates at which the special pay will be available.”.

21 (c) CLERICAL AMENDMENTS.—(1) the heading of
22 such section is amended to read as follows:

23 **“§ 305. Special pay: hardship duty location pay”.**

24 (2) The table of sections at the beginning of chapter
25 5 of title 37, United States Code, is amended by striking

1 out the item relating to section 305 and inserting in lieu
2 thereof the following new item:

“305. Special pay: hardship duty location pay.”.

3 (d) CONFORMING AMENDMENT.—Section 907(d) of
4 such title is amended by striking out “duty at certain
5 places” and inserting in lieu thereof “duty at a hardship
6 duty location”.

7 (e) TRANSITION.—Until such time as the Secretary
8 of Defense prescribes regulations regarding the provision
9 of hardship duty location pay under section 305 of title
10 37, United States Code, as amended by this section, the
11 Secretary may continue to use the authority provided by
12 such section 305, as in effect on the day before the date
13 of the enactment of this Act, to provide special pay to en-
14 listed members of the uniformed services on duty at cer-
15 tain places.

16 **SEC. 618. SELECTED RESERVE REENLISTMENT BONUS.**

17 (a) ELIGIBLE MEMBERS.—Subsection (a)(1) of sec-
18 tion 308b of title 37, United States Code, is amended by
19 striking out “ten years” and inserting in lieu thereof “14
20 years”.

21 (b) BONUS AMOUNTS; PAYMENT.—Subsection (b) of
22 such section is amended to read as follows:

23 “(b)(1) The amount of a bonus under this section
24 may not exceed—

1 “(A) \$2,500, in the case of a member who reen-
2 lists or extends an enlistment for a period of three
3 years; and

4 “(B) \$5,000, in the case of a member who reen-
5 lists or extends an enlistment for a period of six
6 years.

7 “(2) The bonus shall be paid according to a payment
8 schedule determined by the Secretary concerned, except
9 that the initial payment to a member may not exceed one-
10 half the total bonus amount for the member.”.

11 (c) NUMBER OF INDIVIDUAL BONUSES.—Subsection
12 (c) of such section is amended to read as follows:

13 “(c) A member may not be paid more than one six-
14 year bonus or two three-year bonuses under this section.”.

15 (d) EFFECT OF FAILURE TO SERVE SATISFAC-
16 TORILY.—Subsection (d) of such section is amended to
17 read as follows:

18 “(d) A member who receives a bonus under this sec-
19 tion and who fails, during the period for which the bonus
20 was paid, to serve satisfactorily in the element of the Se-
21 lected Reserve of the Ready Reserve with respect to which
22 the bonus was paid shall refund to the United States an
23 amount that bears the same relation to the amount of the
24 bonus paid to the member as the period that the member

1 failed to serve satisfactorily bears to the total period for
2 which the bonus was paid.”.

3 **SEC. 619. SELECTED RESERVE ENLISTMENT BONUS FOR**
4 **FORMER ENLISTED MEMBERS.**

5 (a) **ELIGIBLE PERSONS.**—Subsection (a)(2) of sec-
6 tion 308i of title 37, United States Code, is amended by
7 striking out subparagraph (A) and inserting in lieu thereof
8 the following new subparagraph:

9 “(A) has completed a military obligation but
10 has less than 14 years of total military service;”;

11 (b) **BONUS AMOUNTS; PAYMENT.**—Subsection (b) of
12 such section is amended to read as follows:

13 “(b)(1) The amount of a bonus under this section
14 may not exceed—

15 “(A) \$2,500, in the case of a person who enlists
16 for a period of three years; and

17 “(B) \$5,000, in the case of a person who enlists
18 for a period of six years.

19 “(2) The bonus shall be paid according to a payment
20 schedule determined by the Secretary concerned, except
21 that the initial payment to a person may not exceed one-
22 half the total bonus amount for the person.”.

23 (c) **LIMITATIONS.**—Subsection (c) of such section is
24 amended to read as follows:

1 “(c)(1) A person may not be paid more than one six-
 2 year bonus or two three-year bonuses under this section.

3 “(2) A person may not be paid a bonus under this
 4 section unless the specialty associated with the position
 5 the person is projected to occupy as a member of the Se-
 6 lected Reserve is a specialty in which—

7 “(A) the person successfully served while a
 8 member on active duty; and

9 “(B) the person attained a level of qualification
 10 while a member commensurate with the grade and
 11 years of service of the member.”.

12 **SEC. 620. SPECIAL PAY OR BONUSES FOR ENLISTED MEM-**
 13 **BERS EXTENDING TOURS OF DUTY OVER-**
 14 **SEAS.**

15 (a) INCLUSION OF BONUS INCENTIVE.—(1) Section
 16 314 of title 37, United States Code, is amended to read
 17 as follows:

18 **“§ 314. Special pay or bonus: qualified enlisted mem-**
 19 **bers extending duty at designated loca-**
 20 **tions overseas**

21 “(a) COVERED MEMBERS.—This section applies with
 22 respect to an enlisted member of an armed force who—

23 “(1) is entitled to basic pay;

24 “(2) has a specialty that is designated by the
 25 Secretary concerned for the purposes of this section;

1 “(3) has completed a tour of duty (as defined
2 in accordance with regulations prescribed by the
3 Secretary concerned) at a location outside the 48
4 contiguous States and the District of Columbia that
5 is designated by the Secretary concerned for the
6 purposes of this section; and

7 “(4) at the end of that tour of duty executes an
8 agreement to extend that tour for a period of not
9 less than one year.

10 “(b) SPECIAL PAY OR BONUS AUTHORIZED.—Under
11 regulations prescribed by the Secretary concerned, an en-
12 listed member described in subsection (a) is entitled, upon
13 acceptance by the Secretary concerned of the agreement
14 providing for extension of the member’s tour of duty, to
15 either—

16 “(1) special pay for duty performed during the
17 period of the extension at a rate of not more than
18 \$80 per month, as prescribed by the Secretary con-
19 cerned; or

20 “(2) a bonus of up to \$2,000 per year, as pre-
21 scribed by the Secretary concerned, for specialty re-
22 quirements at designated locations.

23 “(c) SELECTION AND PAYMENT OF SPECIAL PAY OR
24 BONUS.—Not later than the date on which the Secretary
25 concerned accepts an agreement described in subsection

1 (a)(4) providing for the extension of a member's tour of
2 duty, the Secretary concerned shall notify the member re-
3 garding whether the member will receive special pay or
4 a bonus under this section. The payment rate for the spe-
5 cial pay or bonus shall be fixed at the time of the agree-
6 ment and may not be changed during the period of the
7 extended tour of duty. The Secretary concerned may pay
8 a bonus under this section either in a lump sum or install-
9 ments.

10 “(d) REPAYMENT OF BONUS.—(1) If a member who
11 receives all or part of a bonus under this section fails to
12 complete the total period of extension specified in the
13 agreement described in subsection (a)(4), the Secretary
14 concerned may require the member to repay the United
15 States, on a pro rata basis and to the extent that the Sec-
16 retary determines conditions and circumstances warrant,
17 amounts paid to the member under this section.

18 “(2) An obligation to repay the United States im-
19 posed under paragraph (1) is for all purposes a debt owed
20 to the United States.

21 “(3) A discharge in bankruptcy under title 11 that
22 is entered less than five years after the termination of the
23 agreement does not discharge the member signing the
24 agreement from a debt arising under the agreement or

1 under paragraph (1). This paragraph applies to any case
 2 commenced under title 11 on or after October 1, 1997.

3 “(e) EFFECT OF REST AND RECUPERATIVE AB-
 4 SENCE.—A member who elects to receive one of the bene-
 5 fits specified in section 705(b) of title 10 as part of the
 6 extension of a tour of duty is not entitled to the special
 7 pay or bonus authorized by this section for the period of
 8 the extension of duty for which the benefit under such sec-
 9 tion is provided.”.

10 (2) The item relating to section 314 in the table of
 11 sections at the beginning of chapter 5 of such title is
 12 amended to read as follows:

“314. Special pay or bonus: qualified enlisted members extending duty at des-
 ignated locations overseas.”.

13 (b) APPLICATION OF AMENDMENT.—Section 314 of
 14 title 37, United States Code, as amended by subsection
 15 (a), shall apply with respect to an agreement to extend
 16 a tour of duty as provided in such section executed on
 17 or after October 1, 1997.

18 **SEC. 621. INCREASE IN AMOUNT OF FAMILY SEPARATION**
 19 **ALLOWANCE.**

20 Section 427 of title 37, United States Code (as
 21 amended by section 604(b)(3)), is further amended in sub-
 22 section (a)(1) by striking out “\$75” and inserting in lieu
 23 thereof “\$100”.

1 **SEC. 622. CHANGE IN REQUIREMENTS FOR READY RE-**
2 **SERVE MUSTER DUTY ALLOWANCE.**

3 Section 433(c) of title 37, United States Code, is
4 amended—

5 (1) in the first sentence, by striking out “and
6 shall be” and all that follows through “is per-
7 formed”; and

8 (2) by inserting after the first sentence the fol-
9 lowing new sentence: “The allowance may be paid to
10 the member on or before the date on which the mus-
11 ter duty is performed, but shall be paid not later
12 than 30 days after the date on which the muster
13 duty is performed.”.

14 **SEC. 623. EXPANSION OF RESERVE AFFILIATION BONUS TO**
15 **INCLUDE COAST GUARD RESERVE.**

16 Section 308e of title 37, United States Code, is
17 amended—

18 (1) in subsection (a), by striking out “Under
19 regulations prescribed by the Secretary of Defense,
20 the Secretary of a military department” and insert-
21 ing in lieu thereof “The Secretary concerned”;

22 (2) in subsection (b)(3), by striking out “des-
23 ignated by the Secretary of Defense for the purposes
24 of this section” and inserting in lieu thereof “des-
25 ignated for purposes of this section in the regula-
26 tions prescribed under subsection (f)”;

1 (3) in subsection (c)(3), by striking out “regu-
 2 lations prescribed by the Secretary of Defense” and
 3 inserting in lieu thereof “the regulations prescribed
 4 under subsection (f)”;

5 (4) by adding at the end the following new sub-
 6 section:

7 “(f) This section shall be administered under regula-
 8 tions prescribed by the Secretary of Defense for the armed
 9 forces under the jurisdiction of the Secretary of Defense
 10 and by the Secretary of Transportation for the Coast
 11 Guard when the Coast Guard is not operating as a service
 12 in the Navy.”.

13 **Subtitle C—Travel and** 14 **Transportation Allowances**

15 **SEC. 631. TRAVEL AND TRANSPORTATION ALLOWANCES** 16 **FOR DEPENDENTS OF MEMBER SENTENCED** 17 **BY COURT-MARTIAL.**

18 Section 406(h)(2)(C) of title 37, United States Code,
 19 is amended by striking out the comma at the end of clause
 20 (iii) and all that follows through “title 10.” and inserting
 21 in lieu thereof a period.

22 **SEC. 632. DISLOCATION ALLOWANCE.**

23 Section 407 of title 37, United States Code, is
 24 amended to read as follows:

1 **“§ 407. Travel and transportation allowances: disloca-**
2 **tion allowance**

3 “(a) BASIC ELIGIBILITY.—(1) Under regulations pre-
4 scribed by the Secretary concerned, a member of a uni-
5 formed service described in paragraph (2) is entitled to
6 a dislocation allowance at the rate set forth in the tables
7 in subsection (c) for the member’s pay grade and depend-
8 ency status.

9 “(2) A member of the uniformed services referred to
10 in paragraph (1) is any of the following:

11 “(A) A member who makes a change of perma-
12 nent station and the member’s dependents actually
13 make an authorized move in connection with the
14 change, including a move by the dependents—

15 “(i) to join the member at the member’s
16 duty station after an unaccompanied tour of
17 duty when the member’s next tour of duty is an
18 accompanied tour at the same station; and

19 “(ii) to a location designated by the mem-
20 ber after an accompanied tour of duty when the
21 member’s next tour of duty is an unaccom-
22 panied tour at the same duty station.

23 “(B) A member whose dependents actually
24 move pursuant to section 405a(a), 406(e), 406(h),
25 or 554 of this title.

1 “(C) A member whose dependents actually
2 move from their place of residence under cir-
3 cumstances described in section 406a of this title.

4 “(D) A member who is without dependents
5 and—

6 “(i) actually moves to a new permanent
7 station where the member is not assigned to
8 quarters of the United States; or

9 “(ii) actually moves from a place of resi-
10 dence under circumstances described in section
11 406a of this title.

12 “(E) A member who is ordered to move in con-
13 nection with the closure or realignment of a military
14 installation and, as a result, the member’s depend-
15 ents actually move or, in the case of a member with-
16 out dependents, the member actually moves.

17 “(3) If a dislocation allowance is paid under this sub-
18 section to a member described in subparagraph (C) or
19 (D)(ii), the member is not entitled to another dislocation
20 allowance as a member described in subparagraph (A) or
21 (E) in connection with the same move.

22 “(b) SECOND ALLOWANCE AUTHORIZED UNDER
23 CERTAIN CIRCUMSTANCES.—(1) Under regulations pre-
24 scribed by the Secretary concerned, whenever a member
25 is entitled to a dislocation allowance as a member de-

scribed in subparagraph (C) or (D)(ii) of subsection (a)(2), the member is also entitled to a second dislocation allowance at the rate set forth in the tables in subsection (c) for the member's pay grade and dependency status if, subsequent to the member or the member's dependents actually moving from their place of residence under circumstances described in section 406a of this title, the member or member's dependents complete that move to a new location and then actually move from that new location to another location also under circumstances described in section 406a of this title.

“(2) If a second dislocation allowance is paid under this subsection, the member is not entitled to a dislocation allowance as a member described in subparagraph (A) or (E) of subsection (a)(2) in connection with those moves.

“(c) DISLOCATION ALLOWANCE RATES.—(1) A dislocation allowance under this section shall be paid at the following monthly rates, based on a member's pay grade and dependency status:

“COMMISSIONED OFFICERS

Paygrade	Without dependents	With dependents
O-10	\$2,061.75	\$2,538.00
O-9	2,061.75	2,538.00
O-8	2,061.75	2,538.00
O-7	2,061.75	2,538.00
O-6	1,891.50	2,285.25
O-5	1,821.75	2,202.75
O-4	1,688.25	1,941.75
O-3	1,353.00	1,606.50
O-2	1,073.25	1,371.75

“COMMISSIONED OFFICERS—Continued

Paygrade	Without dependents	With dependents
O-1	903.75	1,226.25

“COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE
DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT
OFFICER

Paygrade	Without dependents	With dependents
O-3E	\$1,461.00	\$1,726.50
O-2E	1,242.00	1,557.75
O-1E	1,068.00	1,439.25

“WARRANT OFFICER

Paygrade	Without dependents	With dependents
W-5	\$1,715.25	\$1,874.25
W-4	1,523.25	1,718.25
W-3	1,280.00	1,574.25
W-2	1,137.00	1,448.25
W-1	951.75	1,252.50

“ENLISTED MEMBER

Paygrade	Without dependents	With dependents
E-9	\$1,251.00	\$1,649.25
E-8	1,148.25	1,520.25
E-7	981.00	1,411.50
E-6	888.00	1,304.25
E-5	819.00	1,173.00
E-4	712.50	1,020.00
E-3	699.00	949.50
E-2	567.75	903.75
E-1	506.25	903.75

1 “(2) For each calendar year after 1997, the Secretary
2 of Defense shall adjust the rates in the tables in para-
3 graph (1) by the percentage equal to the rate of change
4 of the national average monthly cost of housing, as deter-
5 mined by the Secretary under section 403 of this title for
6 that calendar year.

1 “(d) FISCAL YEAR LIMITATION; EXCEPTIONS.—(1)

2 A member is not entitled to more than one dislocation al-
3 lowance during a fiscal year unless—

4 “(A) the Secretary concerned finds that the ex-
5 igencies of the service require the member to make
6 more than one change of permanent station during
7 the fiscal year;

8 “(B) the member is ordered to a service school
9 as a change of permanent station;

10 “(C) the member’s dependents are covered by
11 section 405a(a), 406(e), 406(h), or 554 of this title;
12 or

13 “(D) subparagraph (C) or (D)(ii) of subsection
14 (a)(2) or subsection (b) apply with respect to the
15 member or the member’s dependents.

16 “(2) This subsection does not apply in time of na-
17 tional emergency or in time of war.

18 “(e) FIRST OR LAST DUTY.—A member is not enti-
19 tled to payment of a dislocation allowance when ordered
20 from the member’s home to the member’s first duty sta-
21 tion or from the member’s last duty station to the mem-
22 ber’s home.

23 “(f) RULE OF CONSTRUCTION.—For purposes of this
24 section, a member whose dependents may not make an au-

1 thORIZED move in connection with a change of permanent
2 station is considered a member without dependents.

3 “(g) ADVANCE PAYMENT.—A dislocation allowance
4 payable under this section may be paid in advance.”.

5 **Subtitle D—Retired Pay, Survivor**
6 **Benefits, and Related Matters**

7 **SEC. 641. TIME IN WHICH CERTAIN CHANGES IN BENE-**
8 **FICIARY UNDER SURVIVOR BENEFIT PLAN**
9 **MAY BE MADE.**

10 (a) EXTENSION OF TIME FOR CHANGE.—Section
11 1450(f)(1)(C) of title 10, United States Code, is amended
12 by inserting before the period at the end the following:
13 “, except that such a change of election to change a bene-
14 ficiary under the Plan from a former spouse to a spouse
15 may be made at any time after the person providing the
16 annuity remarries (rather than only within one year after
17 the date on which that person marries)”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 subsection (a) shall apply with respect to marriages occur-
20 ring before, on, or after the date of the enactment of this
21 Act.

1 **Subtitle E—Other Matters**

2 **SEC. 651. DEFINITION OF SEA DUTY FOR PURPOSES OF CA-**
3 **REER SEA PAY.**

4 Section 305a(d) of title 37, United States Code, is
5 amended—

6 (1) in paragraph (1)(A), by striking out “, ship-
7 based staff, or ship-based aviation unit”;

8 (2) in paragraph (1)(B), by striking out “or
9 ship-based staff”;

10 (3) by redesignating paragraphs (2) and (3) as
11 paragraphs (3) and (4), respectively; and

12 (4) by inserting after paragraph (1) the follow-
13 ing new paragraph:

14 “(2) The Secretary concerned may designate duty
15 performed by a member while serving on a ship the pri-
16 mary mission of which is accomplished either while under
17 way or in port as ‘sea duty’ for purposes of this section,
18 even though the duty is performed while the member is
19 permanently or temporarily assigned to a ship-based staff
20 or other unit not covered by paragraph (1).”.

21 **SEC. 652. LOAN REPAYMENT PROGRAM FOR COMMIS-**
22 **SIONED OFFICERS IN CERTAIN HEALTH PRO-**
23 **FESIONS.**

24 (a) Chapter 109 of title 10, United States Code, is
25 amended by adding at the end the following new section:

1 **“§ 2173. Education loan repayment program: commis-**
2 **sioned officers in specified health profes-**
3 **sions**

4 “(a) **AUTHORITY TO REPAY EDUCATION LOANS.—**
5 For the purpose of maintaining adequate numbers of com-
6 missioned officers of the armed forces on active duty who
7 are qualified in the various health professions, the Sec-
8 retary of a military department may repay, in the case
9 of a person described in subsection (b), a loan that was
10 used by the person to finance education regarding a health
11 profession and was obtained from a governmental entity,
12 private financial institution, school, or other authorized
13 entity.

14 “(b) **ELIGIBLE PERSONS.—**To be eligible to obtain
15 a loan repayment under this section, a person must—

16 “(1) satisfy one of the academic requirements
17 specified in subsection (c);

18 “(2) be fully qualified for, or hold, an appoint-
19 ment as a commissioned officer in one of the health
20 professions; and

21 “(3) sign a written agreement to serve on active
22 duty, or, if on active duty, to remain on active duty
23 for a period in addition to any other incurred active
24 duty obligation.

25 “(c) **ACADEMIC REQUIREMENTS.—**One of the follow-
26 ing academic requirements must be satisfied for purposes

1 of determining the eligibility of a person for a loan repay-
2 ment under this section:

3 “(1) The person must be fully qualified in a
4 health profession that the Secretary of the military
5 department concerned has determined to be nec-
6 essary to meet identified skill shortages.

7 “(2) The person must be enrolled as a full-time
8 student in the final year of a course of study at an
9 accredited educational institution leading to a degree
10 in a health profession other than medicine or osteo-
11 pathic medicine.

12 “(3) The person must be enrolled in the final
13 year of an approved graduate program leading to
14 specialty qualification in medicine, dentistry, osteo-
15 pathic medicine, or other health profession.

16 “(d) CERTAIN PERSON INELIGIBLE.—Participants of
17 the Armed Forces Health Professions Scholarship and Fi-
18 nancial Assistance program under subchapter I of chapter
19 105 of this title and students of the Uniformed Services
20 University of the Health Sciences established under sec-
21 tion 2112 of this title are not eligible for the repayment
22 of an education loan under this section.

23 “(e) LOAN REPAYMENTS.—(1) Subject to the limits
24 established by paragraph (2), a loan repayment under this
25 section may consist of payment of the principal, interest,

1 and related expenses of a loan obtained by a person de-
2 scribed in subsection (b) for—

3 “(A) all educational expenses, comparable to all
4 educational expenses recognized under section
5 2127(a) of this title for participants in the Armed
6 Forces Health Professions Scholarship and Finan-
7 cial Assistance program; and

8 “(B) reasonable living expenses, not to exceed
9 expenses comparable to the stipend paid under sec-
10 tion 2121(d) of this title for participants in the
11 Armed Forces Health Professions Scholarship and
12 Financial Assistance program.

13 “(2) For each year of obligated service that a person
14 agrees to serve in an agreement described in subsection
15 (b)(3), the Secretary of the military department concerned
16 may pay not more than \$22,000 on behalf of the person.
17 This maximum amount shall be increased annually by the
18 Secretary of Defense effective October 1 of each year by
19 a percentage equal to the percent increase in the average
20 annual cost of educational expenses and stipend costs of
21 a single scholarship under the Armed Forces Health Pro-
22 fessions Scholarship and Financial Assistance program.
23 The total amount that may be repaid on behalf of any
24 person may not exceed an amount determined on the basis
25 of a four-year active duty service obligation.

1 “(f) ACTIVE DUTY SERVICE OBLIGATION.—(1) A
2 person entering into an agreement described in subsection
3 (b)(3) incurs an active duty service obligation. The length
4 of this obligation shall be determined under regulations
5 prescribed by the Secretary of Defense, but those regula-
6 tions may not provide for a period of obligation of less
7 than one year for each maximum annual amount, or por-
8 tion thereof, paid on behalf of the person for qualified
9 loans.

10 “(2) For persons on active duty before entering into
11 the agreement, the active duty service obligation shall be
12 served consecutively to any other incurred obligation.

13 “(g) EFFECT OF FAILURE TO COMPLETE OBLIGA-
14 TION.—A commissioned officer who is relieved of the offi-
15 cer’s active duty obligation under this section before the
16 completion of that obligation may be given, with or with-
17 out the consent of the officer, any alternative obligation
18 comparable to any of the alternative obligations authorized
19 by section 2123(e) of this title for participants in the
20 Armed Forces Health Professions Scholarship and Finan-
21 cial Assistance program.

22 “(h) REGULATIONS.—The Secretary of Defense shall
23 prescribe regulations to carry out this section, including
24 standards for qualified loans and authorized payees and

1 other terms and conditions for the making of loan repay-
 2 ments.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
 4 at the beginning of such chapter is amended by adding
 5 at the end the following new item:

“2173. Education loan repayment program: commissioned officers in specified
 health professions.”.

6 **SEC. 653. CONFORMANCE OF NOAA COMMISSIONED OFFI-**
 7 **CERS SEPARATION PAY TO SEPARATION PAY**
 8 **FOR MEMBERS OF OTHER UNIFORMED SERV-**
 9 **ICES.**

10 (a) ELIMINATION OF LIMITATIONS ON AMOUNT OF
 11 SEPARATION PAY.—Section 9 of the Coast and Geodetic
 12 Survey Commissioned Officers’ Act of 1948 (33 U.S.C.
 13 853h) is amended—

14 (1) in subsection (b)(1), by striking “, or
 15 \$30,000, whichever is less”;

16 (2) in subsection (b)(2), by striking “, but in no
 17 event more than \$15,000”; and

18 (3) in subsection (d), by striking “(1)”, and by
 19 striking paragraph (2).

20 (b) WAIVER OF RECOUPMENT OF AMOUNTS WITH-
 21 HELD FOR TAX PURPOSES FROM CERTAIN SEPARATION
 22 PAY.—Section 9(e)(2) of the Coast and Geodetic Survey
 23 Commissioned Officers’ Act of 1948 (33 U.S.C. 853h) is
 24 amended in the first sentence by inserting before the pe-

1 riod at the end the following: “, less the amount of Federal
 2 income tax withheld from such pay (such withholding
 3 being at the flat withholding rate for Federal income tax
 4 withholding, as in effect pursuant to regulations pre-
 5 scribed under chapter 24 of the Internal Revenue Code
 6 of 1986)”.

7 (c) EFFECTIVE DATE AND APPLICATION.—The
 8 amendments made by this section shall take effect on Oc-
 9 tober 1, 1996, and shall apply to payments of separation
 10 pay that are made after September 30, 1997.

11 **SEC. 654. REIMBURSEMENT OF PUBLIC HEALTH SERVICE**
 12 **OFFICERS FOR ADOPTION EXPENSES.**

13 Section 221(a) of the Public Health Service Act (42
 14 U.S.C. 213a(a)) is amended by adding at the end the fol-
 15 lowing new paragraph:

16 “(16) Section 1052, Reimbursement for adop-
 17 tion expenses.”.

18 **SEC. 655. PAYMENT OF BACK QUARTERS AND SUBSISTENCE**
 19 **ALLOWANCES TO WORLD WAR II VETERANS**
 20 **WHO SERVED AS GUERRILLA FIGHTERS IN**
 21 **THE PHILIPPINES.**

22 (a) IN GENERAL.—The Secretary of the military de-
 23 partment concerned shall pay, upon request, to an individ-
 24 ual described in subsection (b) the amount determined
 25 with respect to that individual under subsection (c).

1 (b) COVERED INDIVIDUALS.—A payment under sub-
2 section (a) shall be made to any individual who as a mem-
3 ber of the Armed Forces during World War II—

4 (1) was captured within the territory of the
5 Philippines by Japanese forces;

6 (2) escaped from captivity; and

7 (3) served as a guerrilla fighter in the Phil-
8ippines during the period from January 1942
9 through February 1945.

10 (c) AMOUNT TO BE PAID.—The amount of a pay-
11ment under subsection (a) shall be the amount of quarters
12 and subsistence allowance which accrued to an individual
13 described in subsection (b) during the period specified in
14 paragraph (3) of subsection (b) and which was not paid
15 to that individual. For the purposes of this subsection, the
16 Secretary of War shall be deemed to have determined that
17 conditions in the Philippines during the specified period
18 justified payment under applicable regulations of quarters
19 and subsistence allowances at the maximum special rate
20 for duty where emergency conditions existed. The Sec-
21retary shall apply interest compounded at the three-month
22 Treasury bill rate.

23 (d) PAYMENT TO SURVIVORS.—In the case of any in-
24dividual described in subsection (b) who is deceased, pay-
25ment under this section with respect to that individual

1 shall be made to that individual's nearest surviving rel-
 2 ative, as determined by the Secretary concerned.

3 **SEC. 656. SPACE AVAILABLE TRAVEL FOR MEMBERS OF SE-**
 4 **LECTED RESERVE.**

5 (a) IN GENERAL.—Chapter 157 of title 10, United
 6 States Code, is amended by adding at the end the follow-
 7 ing new section:

8 **“§ 2646. Space available travel: members of Selected**
 9 **Reserve**

10 “(a) AVAILABILITY.—The Secretary of Defense shall
 11 prescribe regulations to allow members of the Selected Re-
 12 serve in good standing (as determined by the Secretary
 13 concerned), and dependents of such members, to receive
 14 transportation on aircraft of the Department of Defense
 15 on a space available basis under the same terms and con-
 16 ditions as apply to members of the armed forces on active
 17 duty and dependents of such members.

18 “(b) CONDITION ON DEPENDENT TRANSPOR-
 19 TATION.—A dependent of a member of the Selected Re-
 20 serve may be provided transportation under this section
 21 only when the dependent is actually accompanying the
 22 member on the travel.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
 24 at the beginning of such chapter is amended by adding
 25 at the end the following new item:

“2646. Space available travel: members of Selected Reserve.”.

1 **SEC. 657. STUDY ON MILITARY PERSONNEL AT, NEAR, OR**
2 **BELOW THE POVERTY LINE.**

3 (a) REQUIREMENT.—The Secretary of Defense shall
4 conduct a study of members of the Armed Forces and
5 their dependents who subsist at, near, or below the poverty
6 line.

7 (b) MATTERS TO BE INCLUDED.—The study shall
8 include the following:

9 (1) An analysis of potential solutions for miti-
10 gating or eliminating income levels for members of
11 the Armed Forces that result in certain members
12 and their dependents subsisting at, near, or below
13 the poverty line, including potential solutions involv-
14 ing changes in the systems and rates of—

15 (A) basic allowance for subsistence for
16 members of the Armed Forces under section
17 402 of title 37, United States Code;

18 (B) basic allowance for quarters for mem-
19 bers of the Armed Forces under section 403 of
20 such title; and

21 (C) variable housing allowance for mem-
22 bers of the Armed Forces under section 403a of
23 such title.

24 (2) An analysis of the effect of the amendments
25 made by sections 603 and 604 of this Act regarding
26 the calculation of the basic allowance for subsistence

1 and the consolidation of the basic allowance for
2 quarters and variable housing allowance on mitigat-
3 ing or eliminating income levels for members of the
4 Armed Forces that result in certain members and
5 their dependents subsisting at, near, or below the
6 poverty line (as defined in section 673(2) of the Om-
7 nibus Budget Reconciliation Act of 1981, including
8 any revision required by that section).

9 (3) Identification of the populations of members
10 of the Armed Forces and their dependents most like-
11 ly to need income support under Federal programs
12 (and the number of individuals in each population),
13 including—

14 (A) the populations living in areas of the
15 United States where housing costs are notably
16 high; and

17 (B) the populations living outside the Unit-
18 ed States.

19 (4) The desirability of increasing rates of basic
20 pay during a defined number of years by varying
21 percentages depending on pay grade, so as to pro-
22 vide for greater increases for members in lower pay
23 grades than for higher pay grades.

24 (c) SUBMISSION TO CONGRESS.—Not later than 180
25 days after the date of the enactment of this Act, the Sec-

1 retary shall submit to Congress the findings of the study
2 conducted under subsection (a).

3 **SEC. 658. IMPLEMENTATION OF DEPARTMENT OF DEFENSE**
4 **SUPPLEMENTAL FOOD PROGRAM FOR MILI-**
5 **TARY PERSONNEL OUTSIDE THE UNITED**
6 **STATES.**

7 (a) FUNDING.—Section 1060a(b) of title 10, United
8 States Code, is amended by adding at the end the follow-
9 ing new sentence: “Pending receipt of such funds from
10 the Secretary of Agriculture for any fiscal year, the Sec-
11 retary of Defense may use funds appropriated to the De-
12 partment of Defense for that fiscal year for operations and
13 maintenance to carry out, and to avoid delay in implemen-
14 tation of, the program referred to in subsection (a) during
15 any fiscal year.”.

16 (b) SUBMISSION OF PLAN TO CONGRESS.—Not later
17 than 90 days after the date of the enactment of this Act,
18 the Secretary of Defense shall submit to Congress a plan
19 for implementing the special supplemental food program
20 under section 1060a of title 10, United States Code, as
21 amended by subsection (a).

1 **TITLE VII—HEALTH CARE**
2 **PROVISIONS**
3 **Subtitle A—Health Care Services**

4 **SEC. 701. EXPANSION OF RETIREE DENTAL INSURANCE**
5 **PLAN TO INCLUDE SURVIVING SPOUSE AND**
6 **CHILD DEPENDENTS OF CERTAIN DECEASED**
7 **MEMBERS.**

8 Section 1076c(b)(4) of title 10, United States Code,
9 is amended—

10 (1) in subparagraph (A)—

11 (A) by striking out “dies” and inserting in
12 lieu thereof “died”; and

13 (B) by striking out “or” at the end of the
14 subparagraph;

15 (2) by striking out the period at the end of sub-
16 paragraph (B) and inserting in lieu thereof “; or”;
17 and

18 (3) by adding at the end the following new sub-
19 paragraph:

20 “(C) who died while on active duty for a
21 period of more than 30 days and whose eligible
22 dependents are not eligible, or no longer eligi-
23 ble, for dental benefits under section 1076a of
24 this title pursuant to subsection (i)(2) of such
25 section.”.

1 **SEC. 702. PROVISION OF PROSTHETIC DEVICES TO COV-**
2 **ERED BENEFICIARIES.**

3 (a) INCLUSION AMONG AUTHORIZED CARE.—Sub-
4 section (a) of section 1077 of title 10, United States Code,
5 is amended by adding at the end the following new para-
6 graph:

7 “(15) Prosthetic devices, as determined by the
8 Secretary of Defense to be necessary because of sig-
9 nificant conditions resulting from trauma, congenital
10 anomalies, or disease.”.

11 (b) CONFORMING AMENDMENT.—Subsection (b) of
12 such section is amended by striking out paragraph (2) and
13 inserting in lieu thereof the following new paragraph:

14 “(2) Hearing aids, orthopedic footwear, and
15 spectacles, except that, outside of the United States
16 and at stations inside the United States where ade-
17 quate civilian facilities are unavailable, such items
18 may be sold to dependents at cost to the United
19 States.”.

20 **Subtitle B—TRICARE Program**

21 **SEC. 711. ADDITION OF DEFINITION OF TRICARE PROGRAM**
22 **TO TITLE 10.**

23 Section 1072 of title 10, United States Code, is
24 amended by adding at the end the following new para-
25 graph:

1 “(7) The term ‘TRICARE program’ means the
2 managed health care program that is established by
3 the Department of Defense under the authority of
4 this chapter, principally section 1097 of this title,
5 and includes the competitive selection of contractors
6 to financially underwrite the delivery of health care
7 services under the Civilian Health and Medical Pro-
8 gram of the Uniformed Services.”.

9 **SEC. 712. PLAN FOR EXPANSION OF MANAGED CARE OP-**
10 **TION OF TRICARE PROGRAM.**

11 (a) **EXPANSION PLAN REQUIRED.**—The Secretary of
12 Defense shall prepare a plan for the expansion of the man-
13 aged care option of the TRICARE program, known as
14 TRICARE Prime, into areas of the United States located
15 outside of the catchment areas of medical treatment facili-
16 ties of the uniformed services, but in which the managed
17 care option is a cost-effective alternative because of—

18 (1) the significant number of covered bene-
19 ficiaries under chapter 55 of title 10, United States
20 Code, including retired members of the Armed
21 Forces and their dependents, who reside in the
22 areas; and

23 (2) the presence in the areas of sufficient non-
24 military health care provider networks.

1 (b) ALTERNATIVES.—As an alternative to expansion
2 of the managed care option of the TRICARE program to
3 areas of the United States in which there is few or no
4 nonmilitary health care provider networks, the Secretary
5 shall include in the plan required under subsection (a) an
6 evaluation of the feasibility and cost-effectiveness of pro-
7 viding a member of the Armed Forces on active duty who
8 is stationed in such an area, or whose dependents reside
9 in such an area, with one or both of the following:

10 (1) A monetary stipend to assist the member in
11 obtaining health care services for the member or the
12 member's dependents.

13 (2) A reduction in the cost-sharing require-
14 ments applicable to the TRICARE program options
15 otherwise available to the member to match the re-
16 duced cost-sharing responsibilities of the managed
17 care option of the TRICARE program.

18 (c) SUBMISSION OF PLAN.—Not later than March 1,
19 1998, the Secretary shall submit to Congress the plan re-
20 quired under subsection (a).

1 **Subtitle C—Uniformed Services**
2 **Treatment Facilities**

3 **SEC. 721. IMPLEMENTATION OF DESIGNATED PROVIDER**
4 **AGREEMENTS FOR UNIFORMED SERVICES**
5 **TREATMENT FACILITIES.**

6 (a) COMMENCEMENT OF HEALTH CARE SERVICES
7 UNDER AGREEMENT.—Subsection (c) of section 722 of
8 the National Defense Authorization Act for Fiscal Year
9 1997 (Public Law 104–201, 10 U.S.C. 1073 note) is
10 amended—

11 (1) by redesignating paragraphs (1) and (2) as
12 subparagraphs (A) and (B);

13 (2) by inserting “(1)” before “Unless”; and

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

16 “(2) The Secretary may modify the effective date es-
17 tablished under paragraph (1) for an agreement to permit
18 a transition period of not more than six months between
19 the date on which the agreement is executed by the parties
20 and the date on which the designated provider commences
21 the delivery of health care services under the agreement.”.

22 (b) TEMPORARY CONTINUATION OF EXISTING PAR-
23 TICIPATION AGREEMENTS.—Subsection (d) of such sec-
24 tion is amended by inserting before the period at the end

1 the following: “, including any transitional period provided
2 by the Secretary under paragraph (2) of such subsection”.

3 **SEC. 722. LIMITATION ON TOTAL PAYMENTS.**

4 Section 726(b) of the National Defense Authorization
5 Act for Fiscal Year 1997 (Public Law 104–201, 10 U.S.C.
6 1073 note) is amended by adding at the end the following
7 new sentence: “In establishing the ceiling rate for enroll-
8 ees with the designated providers who are also eligible for
9 the Civilian Health and Medical Program of the Uni-
10 formed Services, the Secretary of Defense shall take into
11 account the health status of the enrollees.”.

12 **SEC. 723. CONTINUED ACQUISITION OF REDUCED-COST**
13 **DRUGS.**

14 Section 722 of the National Defense Authorization
15 Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C.
16 1073 note) is amended by adding at the end the following
17 new subsection:

18 “(g) CONTINUED ACQUISITION OF REDUCED-COST
19 DRUGS.—A designated provider shall be treated as part
20 of the Department of Defense for purposes of section 8126
21 of title 38, United States Code, in connection with the pro-
22 vision by the designated provider of health care services
23 to covered beneficiaries pursuant to the participation
24 agreement of the designated provider under section 718(c)
25 of the National Defense Authorization Act for Fiscal Year

1 1991 (Public Law 101–510; 42 U.S.C. 248c note) or pur-
2 suant to the agreement entered into under subsection
3 (b).”.

4 **Subtitle D—Other Changes to Ex-**
5 **isting Laws Regarding Health**
6 **Care Management**

7 **SEC. 731. WAIVER OR REDUCTION OF COPAYMENTS UNDER**
8 **OVERSEAS DENTAL PROGRAM.**

9 Section 1076a(h) of title 10, United States Code, is
10 amended—

11 (1) in the first sentence, by striking out “Sec-
12 retary” and inserting in lieu thereof “Secretary of
13 Defense”; and

14 (2) by adding at the end the following new sen-
15 tence: “In the case of such an overseas dental plan,
16 the Secretary may waive or reduce the copayments
17 otherwise required by subsection (e) to the extent
18 the Secretary determines appropriate for the effec-
19 tive and efficient operation of the plan.”.

20 **SEC. 732. PREMIUM COLLECTION REQUIREMENTS FOR**
21 **MEDICAL AND DENTAL INSURANCE PRO-**
22 **GRAMS.**

23 (a) **SELECTED RESERVE DENTAL INSURANCE.—**
24 Paragraph (3) of section 1076b(b) of title 10, United
25 States Code, is amended to read as follows:

1 “(3) The Secretary of Defense shall establish proce-
2 dures for the collection of the member’s share of the pre-
3 mium for coverage by the dental insurance plan. Not later
4 than October 1, 1998, the Secretary shall permit a mem-
5 ber to pay the member’s share of the premium through
6 a deduction and withholding from basic pay payable to the
7 member for inactive duty training or basic pay payable
8 to the member for active duty.”.

9 (b) RETIREE DENTAL INSURANCE PLAN.—Para-
10 graph (2) of section 1076c(c) of such title is amended to
11 read as follows:

12 “(2) In the regulations prescribed under subsection
13 (h), the Secretary of Defense shall establish procedures
14 for the payment by enrolled members and by other en-
15 rolled covered beneficiaries of premiums charged for cov-
16 erage by the dental insurance plan. Not later than October
17 1, 1998, the Secretary shall permit a member enrolled in
18 the plan and entitled to retired pay to pay the member’s
19 share of the premium through a deduction and withhold-
20 ing from the retired pay of the member.”.

21 (c) IMPLEMENTATION PLAN.—Not later than March
22 1, 1998, the Secretary of Defense shall submit to Congress
23 a plan to permit, not later than October 1, 1998—

24 (1) an enrollee in the Selected Reserve dental
25 insurance plan authorized under section 1076b of

1 title 10, United States Code, to pay the enrollee's
2 share of the premium for such insurance through a
3 deduction and withholding from basic pay payable to
4 the enrollee;

5 (2) a retired member of the uniformed services
6 enrolled in the dental insurance plan authorized
7 under section 1076c of such title to pay the enroll-
8 ee's share of the premium for such insurance
9 through a deduction and withholding from retired
10 pay payable to the enrollee; and

11 (3) a retired member of the uniformed services
12 enrolled in the managed care option of the
13 TRICARE program known as TRICARE Prime to
14 pay the enrollee's share of the premium for such op-
15 tion through a deduction and withholding from re-
16 tired pay payable to the enrollee.

17 **SEC. 733. CONSISTENCY BETWEEN CHAMPUS AND MEDI-**
18 **CARE IN PAYMENT RATES FOR SERVICES.**

19 (a) CONFORMITY BETWEEN RATES.—Section
20 1079(h) of title 10, United States Code, is amended by
21 striking out paragraphs (1), (2), and (3) and inserting in
22 lieu thereof the following new paragraph:

23 “(1) Except as provided in paragraphs (2) and (3),
24 payment for a charge for services by an individual health
25 care professional (or other noninstitutional health care

1 provider) for which a claim is submitted under a plan con-
2 tracted for under subsection (a) shall be equal to an
3 amount determined to be appropriate, to the extent prac-
4 ticable, in accordance with the same reimbursement rules
5 as apply to payments for similar services under title XVIII
6 of the Social Security Act (42 U.S.C. 1395 et seq.). The
7 Secretary of Defense shall determine the appropriate pay-
8 ment amount under this paragraph in consultation with
9 the other administering Secretaries.”.

10 (b) REDUCED RATES AUTHORIZED.—Paragraph (5)
11 of such section is amended by adding at the end the follow-
12 ing new sentence: “With the consent of the health care
13 provider, the Secretary is also authorized to reduce the
14 authorized payment for certain health care services below
15 the amount otherwise required by the payment limitations
16 under paragraph (1).”.

17 (c) CONFORMING AMENDMENTS.—Such section is
18 further amended—

19 (1) in paragraph (5), by striking out “para-
20 graph (4), the Secretary” and inserting in lieu there-
21 of “paragraph (2), the Secretary of Defense”; and

22 (2) by redesignating paragraphs (4), (5), and
23 (6) as paragraphs (2), (3), and (4), respectively.

1 **SEC. 734. USE OF PERSONAL SERVICES CONTRACTS FOR**
2 **PROVISION OF HEALTH CARE SERVICES AND**
3 **LEGAL PROTECTION FOR PROVIDERS.**

4 (a) USE OF CONTRACTS OUTSIDE MEDICAL TREAT-
5 MENT FACILITIES.—Section 1091(a) of title 10, United
6 States Code, is amended—

7 (1) by inserting “(1)” before “The Secretary of
8 Defense”; and

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

11 “(2) The Secretary of Defense may also enter into
12 personal services contracts to carry out other health care
13 responsibilities of the Secretary, such as the provision of
14 medical screening examinations at Military Entrance
15 Processing Stations, at locations outside medical treat-
16 ment facilities, as determined necessary pursuant to regu-
17 lations issued by the Secretary.”.

18 (b) DEFENSE OF SUITS.—Section 1089 of such title
19 is amended—

20 (1) in subsection (a), by adding at the end the
21 following new sentence: “This subsection shall also
22 apply if the physician, dentist, nurse, pharmacist, or
23 paramedical or other supporting personnel (or the
24 estate of such person) involved is serving under a
25 personal services contract entered into by the Sec-

1 retary of Defense under section 1091 of this title.”;

2 and

3 (2) in subsection (f)—

4 (A) by inserting “(1)” after “(f)”; and

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

7 “(2) With respect to the Secretary of Defense and
8 the Armed Forces Retirement Home Board, the authority
9 provided by paragraph (1) also includes the authority to
10 provide for reasonable attorney’s fees for persons de-
11 scribed in subsection (a), as determined necessary pursu-
12 ant to regulations issued by the head of the agency con-
13 cerned.”.

14 **SEC. 735. PORTABILITY OF STATE LICENSES FOR DEPART-**
15 **MENT OF DEFENSE HEALTH CARE PROFES-**
16 **SIONALS.**

17 Section 1094 of title 10, United States Code, is
18 amended—

19 (1) by redesignating subsection (d) as sub-
20 section (e); and

21 (2) by inserting after subsection (c) the follow-
22 ing new subsection:

23 “(d)(1) Notwithstanding any law regarding the licen-
24 sure of health care providers, a health-care professional
25 described in paragraph (2) may practice the health profes-

1 sion or professions of the health-care professional in any
 2 State, the District of Columbia, or a Commonwealth, terri-
 3 tory, or possession of the United States, regardless of
 4 whether the practice occurs in a health care facility of the
 5 Department of Defense, a civilian facility affiliated with
 6 the Department of Defense, or any other location author-
 7 ized by the Secretary of Defense .

8 “(2) A health-care professional referred to in para-
 9 graph (1) is a member of the armed forces who—

10 “(A) has a current license to practice medicine,
 11 osteopathic medicine, dentistry, or another health
 12 profession; and

13 “(B) is performing authorized duties for the
 14 Department of Defense.”.

15 **SEC. 736. STANDARD FORM AND REQUIREMENTS REGARD-**
 16 **ING CLAIMS FOR PAYMENT FOR SERVICES.**

17 (a) CLARIFICATION OF EXISTING REQUIREMENTS.—

18 Section 1106 of title 10, United States Code, is amended
 19 to read as follows:

20 **“§ 1106. Submittal of claims: standard form; time lim-**
 21 **its**

22 “(a) STANDARD FORM.—The Secretary of Defense,
 23 after consultation with the other administering Secretar-
 24 ies, shall prescribe by regulation a standard form for the

1 submission of claims for the payment of health care serv-
 2 ices provided under this chapter.

3 “(b) TIME FOR SUBMISSION.—A claim for payment
 4 for services shall be submitted as provided in such regula-
 5 tions not later than one year after the services are pro-
 6 vided.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
 8 at the beginning of chapter 55 of title 10, United States
 9 Code, is amended by striking out the item relating to sec-
 10 tion 1106 and inserting in lieu thereof the following new
 11 item:

“1106. Submittal of claims: standard form; time limits.”.

12 **SEC. 737. MEDICAL PERSONNEL CONSCIENCE CLAUSE.**

13 (a) SECRETARY OF DEFENSE POLICY.—The Sec-
 14 retary of Defense shall establish a uniform policy for the
 15 Army, Navy, and Air Force establishing the circumstances
 16 under which covered members (as defined in subsection
 17 (d)) of the Army, Navy, and Air Force may refuse, based
 18 on conscience, to perform an abortion (or participate in
 19 the performance of an abortion) or provide a covered fam-
 20 ily planning service (or participate in the provision of such
 21 a service).

22 (b) CONSCIENCE CLAUSE.—(1) The policy estab-
 23 lished under subsection (a) shall provide that a member
 24 of the Army, Navy, or Air Force who is a covered member
 25 may not be required to perform an abortion (or participate

1 in the performance of an abortion), or to provide a covered
 2 family planning service (or participate in the provision of
 3 such a service), if the member believes that to do so would
 4 be wrong on moral, ethical or religious grounds.

5 (2) Paragraph (1) does not apply in a case in which
 6 refusal to perform an abortion (or participate in the per-
 7 formance of an abortion) or provide a covered family plan-
 8 ning service would pose a life-threatening risk to the pa-
 9 tient.

10 (c) COVERED FAMILY PLANNING SERVICES.—For
 11 the purposes of this section, a covered family planning
 12 service is any of the following:

13 (1) Contraceptive services, not limited to the
 14 prescription or provision of a pharmaceutical prepa-
 15 ration, device, or chemical method.

16 (2) Surgical sterilization.

17 (d) COVERED MEMBER.—In this section, the term
 18 “covered member” means a member of the Army, Navy,
 19 or Air Force who—

20 (1) in the case of the Army, is a member of the
 21 Medical Corps, Dental Corps, Nurse Corps, Medical
 22 Service Corps, Veterinary Corps, or Army Medical
 23 Specialist Corps or is an enlisted member directly
 24 engaged in or directly supporting medically related
 25 activities;

1 (2) in the case of the Navy, is a member of the
 2 Medical Corps, Dental Corps, Nurse Corps, or Medi-
 3 cal Service Corps or is an enlisted member directly
 4 engaged in or directly supporting medically related
 5 activities; and

6 (3) in the case of the Air Force, is designated
 7 as a medical officer, dental officer, Air Force nurse,
 8 medical service officer, or biomedical science officer
 9 or is an enlisted member directly engaged in or di-
 10 rectly supporting medically related activities.

11 (e) EFFECTIVE DATE.—The policy established pursu-
 12 ant to subsection (a) shall apply with respect to any re-
 13 fusal on or after the date of the enactment of this Act
 14 to perform an abortion (or participate in the performance
 15 of an abortion) or to provide a covered family planning
 16 service.

17 **Subtitle E—Other Matters**

18 **SEC. 741. CONTINUED ADMISSION OF CIVILIANS AS STU-** 19 **DENTS IN PHYSICIAN ASSISTANT TRAINING** 20 **PROGRAM OF ARMY MEDICAL DEPARTMENT.**

21 (a) CIVILIAN ATTENDANCE.—(1) Chapter 407 of title
 22 10, United States Code, is amended by adding at the end
 23 the following new section:

1 **“§ 4416. Academy of Health Sciences: admission of ci-**
2 **vilians in physician assistant training**
3 **program**

4 “(a) RECIPROCAL AGREEMENTS WITH COLLEGES.—
5 The Secretary of the Army may enter into an agreement
6 with an accredited institution of higher education under
7 which students of the institution may attend the physician
8 assistant training program conducted by the Army Medi-
9 cal Department at the Academy of Health Sciences at
10 Fort Sam Houston, Texas, during the didactic portion of
11 the program. In exchange for the admission of such stu-
12 dents, the institution of higher education shall agree to
13 provide such academic services as the Secretary and the
14 institution consider to be appropriate to support the physi-
15 cian assistant training program at the Academy. The Sec-
16 retary shall ensure that the Army Medical Department
17 does not incur any additional costs as a result of the
18 agreement than the Department would incur to obtain
19 such academic services in the absence of the agreement.

20 “(b) SELECTION OF STUDENTS.—The attendance of
21 civilian students at the Academy pursuant to an agree-
22 ment under subsection (a) may not result in a decrease
23 in the number of members of the armed forces enrolled
24 in the physician assistant training program. In consulta-
25 tion with the institution of higher education that is a party
26 to the agreement, the Secretary shall establish qualifica-

1 tions and methods of selection for students to receive in-
2 struction at the Academy. The qualifications established
3 shall be comparable to those generally required for admis-
4 sion to the physician assistant training program at the
5 Academy.

6 “(c) RULES OF ATTENDANCE.—Except as the Sec-
7 retary determines necessary, a civilian student who re-
8 ceives instruction at the Academy pursuant to an agree-
9 ment entered into under subsection (a) shall be subject
10 to the same regulations governing attendance, discipline,
11 discharge, and dismissal as apply to other persons attend-
12 ing the Academy.

13 “(d) REPORT.—For each year in which an agreement
14 under subsection (a) is in effect, the Secretary shall sub-
15 mit to Congress a report specifying the number of civilian
16 students who received instruction at the Academy under
17 the agreement during the period covered by the report and
18 accessing the benefits to the United States of the agree-
19 ment.

20 “(e) ACADEMY DEFINED.—In this section, the term
21 ‘Academy’ means the Academy of Health Sciences of the
22 Army Medical Department at Fort Sam Houston,
23 Texas.”.

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

“4416. Academy of Health Sciences: admission of civilians in physician assistant
training program.”.

4 (b) EFFECT ON EXISTING DEMONSTRATION PRO-
5 GRAM.—An agreement entered into under the demonstra-
6 tion program for the admission of civilians as physician
7 assistant students at the Academy of Health Sciences,
8 Fort Sam Houston, Texas, established pursuant to section
9 732 of the National Defense Authorization Act for Fiscal
10 Year 1995 (Public Law 103–337; 108 Stat. 2810) shall
11 be treated as an agreement entered into under section
12 4416 of title 10, United States Code (as added by sub-
13 section (a)). The agreement may be extended in such man-
14 ner and for such period as the parties to the agreement
15 consider appropriate consistent with such section 4416.

16 **SEC. 742. EMERGENCY HEALTH CARE IN CONNECTION**
17 **WITH OVERSEAS ACTIVITIES OF ON-SITE IN-**
18 **SPECTION AGENCY OF DEPARTMENT OF DE-**
19 **FENSE.**

20 (a) PAYMENT OF EXPENSES FOR EMERGENCY
21 HEALTH CARE.—Chapter 152 of title 10, United States
22 Code, is amended by inserting after section 2549 the fol-
23 lowing new section:

1 **“§ 2549a. Emergency health care: overseas activities**
2 **of On-Site Inspection Agency**

3 “(a) **AUTHORITY TO PAY EXPENSES.**—From funds
4 appropriated for the necessary expenses of the On-Site In-
5 spection Agency of the Department of Defense, the Sec-
6 retary of Defense may pay or reimburse an employee of
7 the Agency, a member of the uniformed services or a civil-
8 ian employee assigned or detailed to the Agency, or an
9 employee of a contractor operating under a contract with
10 the Agency, for emergency health care services obtained
11 by the employee, member, or contractor employee while
12 permanently or temporarily on duty in a state of the
13 former Soviet Union or the former Warsaw Pact.

14 “(b) **INITIAL DEPOSITS.**—The expenses for emer-
15 gency health care that may be paid or reimbursed under
16 subsection (a) include initial deposits for emergency care
17 and inpatient care.”.

18 (b) **CLERICAL AMENDMENT.**—The table of sections
19 at the beginning of such chapter is amended by inserting
20 after the item relating to section 2549 the following new
21 item:

“2549a. Emergency health care: overseas activities of On-Site Inspection Agency.”.

1 **SEC. 743. COMPTROLLER GENERAL STUDY OF ADEQUACY**
2 **AND EFFECT OF MAXIMUM ALLOWABLE**
3 **CHARGES FOR PHYSICIANS UNDER**
4 **CHAMPUS.**

5 (a) STUDY REQUIRED.—The Comptroller General
6 shall conduct a study regarding the adequacy of the maxi-
7 mum allowable charges for physicians established under
8 the Civilian Health and Medical Program of the Uni-
9 formed Services (CHAMPUS) and the effect of such
10 charges on the participation of physicians in CHAMPUS.
11 The study shall include an evaluation of the following:

12 (1) The methodology used by the Secretary of
13 Defense to establish maximum allowable charges for
14 physicians under CHAMPUS, and whether such
15 methodology conforms to the requirements of section
16 1079(h) of title 10, United States Code.

17 (2) The differences between the established
18 charges under CHAMPUS and reimbursement rates
19 for similar services under title XVIII of the Social
20 Security Act and other health care programs.

21 (3) The basis for physician complaints that the
22 CHAMPUS established charges are too low.

23 (4) The difficulty of CHAMPUS in ensuring
24 physician compliance with the CHAMPUS estab-
25 lished charges in the absence of legal mechanisms to

1 enforce compliance, and the effect of noncompliance
2 on patient out-of-pocket expenses.

3 (5) The effect of the established charges under
4 CHAMPUS on the participation of physicians in
5 CHAMPUS, and the extent and success of Depart-
6 ment of Defense efforts to increase physician partici-
7 pation in areas with low participation rates.

8 (b) SUBMISSION OF REPORT.—Not later than March
9 1, 1998, the Comptroller General shall submit to Congress
10 a report containing the results of the study required by
11 subsection (a).

12 **SEC. 744. COMPTROLLER GENERAL STUDY OF DEPART-**
13 **MENT OF DEFENSE PHARMACY PROGRAMS.**

14 Not later than March 31, 1998, the Comptroller Gen-
15 eral shall submit to Congress a study evaluating the phar-
16 macy programs of the Department of Defense. The study
17 shall include an examination of the following:

18 (1) The merits and feasibility of establishing a
19 uniform formulary for military treatment facility
20 pharmacies and civilian contractor pharmacy benefit
21 administrators.

22 (2) The extent of, and cost impacts from, mili-
23 tary treatment facility pharmacies denying covered
24 beneficiaries under chapter 55 of title 10, United

1 States Code, pharmacy care access and shifting such
2 beneficiaries to other sources of pharmacy care.

3 (3) The merits and feasibility of implementing
4 other pharmacy benefit management best practices
5 at military treatment facility and civilian contractor
6 pharmacies.

7 (4) The cost impacts of TRICARE program
8 contractors being unable to procure pharmaceuticals
9 at discounted prices pursuant to section 8126 of title
10 38, United States Code, and potential ways to in-
11 crease the discounts available to TRICARE program
12 contractors, with appropriate controls.

13 **SEC. 745. COMPTROLLER GENERAL STUDY OF NAVY GRAD-**
14 **UATE MEDICAL EDUCATION PROGRAM.**

15 (a) STUDY REQUIRED.—The Comptroller General
16 shall conduct a study to evaluate the validity of the rec-
17 ommendations made by the Medical Education Policy
18 Council of the Bureau of Medicine and Surgery of the
19 Navy regarding restructuring the graduate medical edu-
20 cation program of the Department of the Navy. The study
21 shall specifically address the Council's recommendations
22 relating to residency training conducted at Naval Medical
23 Center, Portsmouth, Virginia, and National Naval Medical
24 Center, Bethesda, Maryland.

1 (b) SUBMISSION OF REPORT.—Not later than March
2 1, 1998, the Comptroller General shall submit to Congress
3 and the Secretary of the Navy a report containing the re-
4 sults of the study required by subsection (a).

5 (c) MORATORIUM ON RESTRUCTURING.—Until the
6 report required by subsection (b) is submitted to Congress,
7 the Secretary of the Navy may not make any change in
8 the types of residency programs conducted under the Navy
9 graduate medical education program or the locations at
10 which such residency programs are conducted or otherwise
11 restructure the Navy graduate medical education pro-
12 gram.

13 **SEC. 746. STUDY OF EXPANSION OF PHARMACEUTICALS BY**
14 **MAIL PROGRAM TO INCLUDE ADDITIONAL**
15 **MEDICARE-ELIGIBLE COVERED BENE-**
16 **FICIARIES.**

17 Not later than six months after the date of the enact-
18 ment of this Act, the Secretary of Defense shall submit
19 to Congress a report regarding the feasibility and advis-
20 ability of expanding the category of persons eligible to par-
21 ticipate in the demonstration project for the purchase of
22 prescription pharmaceuticals by mail, as required by sec-
23 tion 702(a) of the National Defense Authorization Act for
24 Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1079
25 note), to include persons referred to in section 1086(c) of

1 title 10, United States Code, who are covered by sub-
2 section (d)(1) of such section and reside in the United
3 States outside of the catchment area of a medical treat-
4 ment facility of the uniformed services.

5 **SEC. 747. COMPTROLLER GENERAL STUDY OF REQUIRE-**
6 **MENT FOR MILITARY MEDICAL FACILITIES IN**
7 **NATIONAL CAPITAL REGION.**

8 (a) STUDY REQUIRED.—The Comptroller General
9 shall conduct a study to evaluate the requirement for
10 Army, Navy, and Air Force medical facilities in the Na-
11 tional Capital Region (as defined in section 2674(f)(2) of
12 title 10, United States Code). The study shall—

13 (1) specifically address requirements with re-
14 spect to geography, facilities, integrated residencies,
15 and medical environments; and

16 (2) provide specific recommendations with re-
17 spect to how medical and health care provided by
18 these facilities may be better coordinated to more ef-
19 ficiently serve, throughout the National Capital Re-
20 gion, members of the Armed Forces on active duty
21 and covered beneficiaries under chapter 55 of title
22 10, United States Code.

23 (b) SUBMISSION OF REPORT.—Not later than six
24 months after the date of the enactment of this Act, the
25 Comptroller General shall submit to Congress and the Sec-

1 retary of Defense a report containing the results of the
2 study required by subsection (a).

3 **Subtitle F—Persian Gulf Illness**

4 **SEC. 751. DEFINITIONS.**

5 For purposes of this subtitle:

6 (1) The term “Gulf War illness” means any one
7 of the complex of illnesses and symptoms that might
8 have been contracted by members of the Armed
9 Forces as a result of service in the Southwest Asia
10 theater of operations during the Persian Gulf War.

11 (2) The term “Persian Gulf War” has the
12 meaning given that term in section 101 of title 38,
13 United States Code.

14 (3) The term “Persian Gulf veteran” means an
15 individual who served on active duty in the Armed
16 Forces in the Southwest Asia theater of operations
17 during the Persian Gulf War.

18 (4) The term “contingency operation” has the
19 meaning given that term in section 101(a) of title
20 10, United States Code, and includes a humani-
21 tarian operation, peacekeeping operation, or similar
22 operation.

1 **SEC. 752. PLAN FOR HEALTH CARE SERVICES FOR PERSIAN**
2 **GULF VETERANS.**

3 (a) **PLAN REQUIRED.**—The Secretary of Defense and
4 the Secretary of Veterans Affairs, acting jointly, shall pre-
5 pare a plan to provide appropriate health care to Persian
6 Gulf veterans (and their dependents) who suffer from a
7 Gulf War illness.

8 (b) **CONTENTS OF PLAN.**—In preparing the plan, the
9 Secretaries shall—

10 (1) use the presumptions of service connection
11 and illness specified in paragraphs (1) and (2) of
12 section 721(d) of the National Defense Authoriza-
13 tion Act for Fiscal Year 1995 (Public Law 103–337;
14 10 U.S.C. 1074 note) to determine the Persian Gulf
15 veterans (and the dependents of Persian Gulf veter-
16 ans) who should be covered by the plan;

17 (2) consider the need and methods available to
18 provide health care services to Persian Gulf veterans
19 who are no longer on active duty in the Armed
20 Forces, such as Persian Gulf veterans who are mem-
21 bers of the reserve components and Persian Gulf
22 veterans who have been separated from the Armed
23 Forces; and

24 (3) estimate the costs to the Government to
25 provide full or partial health care services under the

1 plan to covered Persian Gulf veterans (and their cov-
2 ered dependents).

3 (c) FOLLOW-UP TREATMENT.—The plan required by
4 subsection (a) shall specifically address the measures to
5 be used to monitor the quality, appropriateness, and effec-
6 tiveness of, and patient satisfaction with, health care serv-
7 ices provided to Persian Gulf veterans after their initial
8 medical examination as part of registration in the Persian
9 Gulf War Veterans Health Registry or the Comprehensive
10 Clinical Evaluation Program.

11 (d) SUBMISSION OF PLAN.—Not later than March 1,
12 1998, the Secretaries shall submit to Congress the plan
13 required by subsection (a).

14 **SEC. 753. COMPTROLLER GENERAL STUDY OF REVISED**
15 **DISABILITY CRITERIA FOR PHYSICAL EVAL-**
16 **UATION BOARDS.**

17 Not later than March 1, 1998, the Comptroller Gen-
18 eral shall submit to Congress a study evaluating the revi-
19 sions made by the Secretary of Defense to the criteria
20 used by Physical Evaluation Boards to set disability rat-
21 ings for members of the Armed Forces who are no longer
22 medically qualified for continuation on active duty so as
23 to ensure accurate disability ratings related to a diagnosis
24 of a Persian Gulf illness. Such revisions were required by
25 section 721(e) of the National Defense Authorization Act

1 for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C.
2 1074 note).

3 **SEC. 754. IMPROVED MEDICAL TRACKING SYSTEM FOR**
4 **MEMBERS DEPLOYED OVERSEAS IN CONTIN-**
5 **GENCY OR COMBAT OPERATIONS.**

6 (a) SYSTEM REQUIRED.—Chapter 55 of title 10,
7 United States Code, is amended by inserting after section
8 1074d the following new section:

9 **“§ 1074e: Medical tracking system for members de-**
10 **ployed overseas**

11 “(a) SYSTEM REQUIRED.—The Secretary of Defense
12 shall establish a system to assess the medical condition
13 of members of the armed forces (including members of the
14 reserve components) who are deployed outside the United
15 States or its territories or possessions as part of a contin-
16 gency operation (including a humanitarian operation,
17 peacekeeping operation, or similar operation) or combat
18 operation.

19 “(b) ELEMENTS OF SYSTEM.—The system shall in-
20 clude the use of predeployment medical examinations and
21 postdeployment medical examinations (including an as-
22 sessment of mental health and the drawing of blood sam-
23 ples) to accurately record the medical condition of mem-
24 bers before their deployment and any changes in their
25 medical condition during the course of their deployment.

1 The postdeployment examination shall be conducted when
2 the member is redeployed or otherwise leaves an area in
3 which the system is in operation (or as soon as possible
4 thereafter).

5 “(c) RECORDKEEPING.—The results of all medical
6 examinations conducted under the system, records of all
7 health care services (including immunizations) received by
8 members described in subsection (a) in anticipation of
9 their deployment or during the course of their deployment,
10 and records of events occurring in the deployment area
11 that may affect the health of such members shall be re-
12 tained and maintained in a centralized location to improve
13 future access to the records.

14 “(d) QUALITY ASSURANCE.—The Secretary of De-
15 fense shall establish a quality assurance program to evalu-
16 ate the success of the system in ensuring that members
17 described in subsection (a) receive predeployment medical
18 examinations and postdeployment medical examinations
19 and that the recordkeeping requirements are met.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of such chapter is amended by inserting
22 after the item relating to section 1074d the following new
23 item:

“1074e: Medical tracking system for members deployed overseas.”.

1 **SEC. 755. REPORT ON PLANS TO TRACK LOCATION OF MEM-**
2 **BERS IN A THEATER OF OPERATIONS.**

3 Not later than March 1, 1998, the Secretary of De-
4 fense shall submit to Congress a report containing a plan
5 for collecting and maintaining information regarding the
6 daily location of units of the Armed Forces, and to the
7 extent practicable individual members of such units, serv-
8 ing in a theater of operations during a contingency oper-
9 ation or combat operation.

10 **SEC. 756. REPORT ON PLANS TO IMPROVE DETECTION AND**
11 **MONITORING OF CHEMICAL, BIOLOGICAL,**
12 **AND SIMILAR HAZARDS IN A THEATER OF OP-**
13 **ERATIONS.**

14 Not later than March 1, 1998, the Secretary of De-
15 fense shall submit to Congress a report containing a plan
16 regarding the deployment, in a theater of operations dur-
17 ing a contingency operation or combat operation, of a spe-
18 cialized unit of the Armed Forces with the capability and
19 expertise to detect and monitor the presence of chemical,
20 biological, and similar hazards to which members of the
21 Armed Forces may be exposed.

22 **SEC. 757. NOTICE OF USE OF INVESTIGATIONAL NEW**
23 **DRUGS.**

24 (a) NOTICE REQUIREMENTS.—Chapter 55 of title 10,
25 United States Code, is amended by adding at the end the
26 following new section:

1 **“§ 1107. Notice of use of investigational new drugs**

2 “(a) NOTICE REQUIRED.—(1) Whenever the Sec-
3 retary of Defense requests or requires a member of the
4 armed forces to receive an investigational new drug, the
5 Secretary shall provide the member with notice containing
6 the information specified in subsection (d).

7 “(2) The Secretary shall also ensure that medical
8 providers who administer an investigational new drug or
9 who are likely to treat members who receive an investiga-
10 tional new drug receive the information required to be pro-
11 vided under paragraphs (3) and (4) of subsection (d).

12 “(b) TIME FOR NOTICE.—The notice required to be
13 provided to a member under subsection (a)(1) shall be pro-
14 vided before the investigational new drug is first adminis-
15 tered to the member, if practicable, but in no case later
16 than 30 days after the investigational new drug is first
17 administered to the member.

18 “(c) FORM OF NOTICE.—The notice required under
19 subsection (a)(1) shall be provided in writing unless the
20 Secretary of Defense determines that the use of written
21 notice is impractical because of the number of members
22 receiving the investigational new drug, time constraints,
23 or similar reasons. If the Secretary provides notice under
24 subsection (a)(1) in a form other than in writing, the Sec-
25 retary shall submit to Congress a report describing the

1 notification method used and the reasons for the use of
2 the alternative method.

3 “(d) CONTENT OF NOTICE.—The notice required
4 under subsection (a)(1) shall include the following:

5 “(1) Clear notice that drug being administered
6 is an investigational new drug.

7 “(2) The reasons why the investigational new
8 drug is being administered.

9 “(3) Information regarding the possible side ef-
10 fects of the investigational new drug, including any
11 known side effects possible as a result of the inter-
12 action of the investigational new drug with other
13 drugs or treatments being administered to the mem-
14 bers receiving the investigational new drug.

15 “(4) Such other information that, as a condi-
16 tion of authorizing the use of the investigational new
17 drug, the Secretary of Health and Human Services
18 may require to be disclosed.

19 “(e) RECORDS OF USE.—The Secretary of Defense
20 shall ensure that the medical records of members accu-
21 rately document the receipt by members of any investiga-
22 tional new drug and the notice required by subsection (d).

23 “(f) DEFINITION.—In this section, the term ‘inves-
24 tigational new drug’ means a drug covered by section

1 505(i) of the Federal Food, Drug, and Cosmetic Act (21
2 U.S.C. 355(i)).”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of such chapter is amended by adding
5 at the end the following new item:

“1107. Notice of use of investigational new drugs.”.

6 **SEC. 758. REPORT ON EFFECTIVENESS OF RESEARCH EF-**
7 **FORTS REGARDING GULF WAR ILLNESSES.**

8 Not later than March 1, 1998, the Secretary of De-
9 fense shall submit to Congress a report evaluating the ef-
10 fectiveness of medical research initiatives regarding Gulf
11 War illnesses. The report shall address the following:

12 (1) The type and effectiveness of previous re-
13 search efforts, including the activities undertaken
14 pursuant to section 743 of the National Defense Au-
15 thorization Act for Fiscal Year 1997 (Public Law
16 104–201; 10 U.S.C. 1074 note), section 722 of the
17 National Defense Authorization Act for Fiscal Year
18 1995 (Public Law 103–337; 10 U.S.C. 1074 note),
19 and sections 270 and 271 of the National Defense
20 Authorization Act for Fiscal Year 1994 (Public Law
21 103–160; 110 Stat. 1613).

22 (2) Recommendations regarding additional re-
23 search regarding Gulf War illnesses, including re-
24 search regarding the nature and causes of Gulf War

1 illnesses and appropriate treatments for such ill-
2 nesses.

3 (3) The adequacy of Federal funding and the
4 need for additional funding for medical research ini-
5 tiatives regarding Gulf War illnesses.

6 **SEC. 759. PERSIAN GULF ILLNESS CLINICAL TRIALS PRO-**
7 **GRAM.**

8 (a) FINDINGS.—Congress finds the following:

9 (1) There are many ongoing studies that inves-
10 tigate risk factors which may be associated with the
11 health problems experienced by Persian Gulf veter-
12 ans; however, there have been no studies which ex-
13 amine health outcomes and the effectiveness of the
14 treatment received by such veterans.

15 (2) The medical literature and testimony pre-
16 sented in hearings on Gulf War illnesses indicate
17 there are therapies, such as cognitive behavioral
18 therapy, which have been effective in treating pa-
19 tients with symptoms similar to those seen in many
20 Persian Gulf veterans.

21 (b) ESTABLISHMENT OF PROGRAM.—The Secretary
22 of Defense and the Secretary of Veterans Affairs, acting
23 jointly, shall establish a program of cooperative clinical
24 trials at multiple sites to assess the effectiveness of proto-
25 cols for treating Persian Gulf veterans who suffer from

1 ill-defined or undiagnosed conditions. Such protocols shall
2 include a multidisciplinary treatment model, of which cog-
3 nitive behavioral therapy is a component.

4 (c) FUNDING.—Of the funds authorized to be appro-
5 priated in section 201(1) for research, development, test,
6 and evaluation for the Army, the sum of \$4,500,000 shall
7 be available for program element 62787A (medical tech-
8 nology) in the budget of the Department of Defense for
9 fiscal year 1998 to carry out the clinical trials program
10 established pursuant to subsection (b).

11 **SEC. 760. SENSE OF THE CONGRESS CONCERNING GULF**
12 **WAR ILLNESS.**

13 (a) FINDINGS.—Congress makes the following find-
14 ings:

15 (1) Americans served in the Persian Gulf Con-
16 flict of 1991 in defense of vital national security in-
17 terests of the United States.

18 (2) It was known to United States intelligence
19 and military commanders that biological and chemi-
20 cal agents were in theater throughout the conflict.

21 (3) An undetermined amount of these agents
22 were released into theater.

23 (4) A large number of United States military
24 veterans and allied veterans who served in the

1 Southwest Asia theater of operations have been
 2 stricken with a variety of severe illnesses.

3 (5) Previous efforts to discern the causes of
 4 those illnesses have been inadequate, and those ill-
 5 nesses are affecting the health of both veterans and
 6 their families.

7 (b) SENSE OF CONGRESS.—It is the sense of Con-
 8 gress that all promising technology and treatments relat-
 9 ing to Gulf War illnesses should be fully explored and test-
 10 ed to facilitate treatment for members of the Armed
 11 Forces and veterans who served the United States in the
 12 Persian Gulf conflict and are stricken with unexplainable
 13 illness.

14 **TITLE VIII—ACQUISITION POL-**
 15 **ICY, ACQUISITION MANAGE-**
 16 **MENT, AND RELATED MAT-**
 17 **TERS**

18 **Subtitle A—Acquisition Policy**

19 **SEC. 801. CASE-BY-CASE WAIVERS OF DOMESTIC SOURCE**
 20 **LIMITATIONS.**

21 (a) REQUIREMENT FOR CASE-BY-CASE WAIVERS.—
 22 Section 2534(d) of title 10, United States Code, is amend-
 23 ed in the matter appearing before paragraph (1) by strik-
 24 ing out “waive the limitation in subsection (a) with respect
 25 to the procurement of an item listed in that subsection

1 if the Secretary determines” and inserting in lieu thereof
 2 the following: “waive, on a case-by-case basis, the limita-
 3 tion in subsection (a) in the case of a specific procurement
 4 of an item listed in that subsection if the Secretary deter-
 5 mines, for that specific procurement,”.

6 (b) EFFECTIVE DATE.—The amendment made by
 7 subsection (a) shall apply with respect to contracts entered
 8 into after the expiration of the 30-day period beginning
 9 on the date of the enactment of this Act.

10 **SEC. 802. EXPANSION OF AUTHORITY TO ENTER INTO CON-**
 11 **TRACTS CROSSING FISCAL YEARS TO ALL**
 12 **SEVERABLE SERVICES CONTRACTS NOT EX-**
 13 **CEEDING A YEAR.**

14 (a) EXPANDED AUTHORITY.—Section 2410a of title
 15 10, United States Code, is amended to read as follows:

16 **“§ 2410a. Severable services contracts for periods**
 17 **crossing fiscal years**

18 “(a) AUTHORITY.—The Secretary of Defense or the
 19 Secretary of a military department may enter into a con-
 20 tract for procurement of severable services for a period
 21 that begins in one fiscal year and ends in the next fiscal
 22 year if (without regard to any option to extend the period
 23 of the contract) the contract period does not exceed one
 24 year.

1 “(b) OBLIGATION OF FUNDS.—Funds made available
 2 for a fiscal year may be obligated for the total amount
 3 of a contract entered into under the authority of sub-
 4 section (a).”.

5 (b) CLERICAL AMENDMENT.—The item relating to
 6 that section in the table of sections at the beginning of
 7 chapter 141 of such title is amended to read as follows:

“2410a. Severable services contracts for periods crossing fiscal years.”.

8 **SEC. 803. CLARIFICATION OF VESTING OF TITLE UNDER**
 9 **CONTRACTS.**

10 Section 2307 of title 10, United States Code, is
 11 amended by adding at the end the following new sub-
 12 section:

13 “(i) VESTING OF TITLE.—If a contract made by the
 14 head of an agency provides for title to property to vest
 15 in the United States, such title shall vest in accordance
 16 with the terms of the contract, regardless of any security
 17 interest in the property asserted by the contractor.”.

18 **SEC. 804. EXCLUSION OF DISASTER RELIEF, HUMANI-**
 19 **TARIAN, AND PEACEKEEPING OPERATIONS**
 20 **FROM RESTRICTIONS ON USE OF**
 21 **UNDEFINITIZED CONTRACT ACTIONS.**

22 Section 2326 of title 10, United States Code, is
 23 amended—

24 (1) in subsection (b)—

25 (A) by striking out paragraph (4); and

1 (B) by redesignating paragraph (5) as
2 paragraph (4); and
3 (2) in subsection (g)(1), by adding at the end
4 the following new subparagraphs:

5 “(E) Purchases in support of contingency
6 operations.

7 “(F) Purchases in support of humanitarian
8 or peacekeeping operations, as defined in
9 2302(7)(B) of this title.

10 “(G) Purchases in support of emergency
11 work and other disaster relief operations per-
12 formed pursuant to the Robert T. Stafford Dis-
13 aster Relief and Emergency Assistance Act (42
14 U.S.C. 5121 et seq.).”.

15 **SEC. 805. LIMITATION AND REPORT ON PAYMENT OF RE-**
16 **STRUCTURING COSTS UNDER DEFENSE CON-**
17 **TRACTS.**

18 (a) IN GENERAL.—(1) Chapter 137 of title 10, Unit-
19 ed States Code, is amended by inserting after section 2324
20 the following new section:

21 **“§ 2325. Restructuring costs**

22 “(a) LIMITATION ON PAYMENT OF RESTRUCTURING
23 COSTS.—(1) The Secretary of Defense may not pay, under
24 section 2324 of this title, a defense contractor for restruc-
25 turing costs associated with a business combination of the

1 contractor unless the Secretary determines in writing ei-
2 ther—

3 “(A) that the amount of savings for the De-
4 partment of Defense associated with the restructur-
5 ing, based on audited cost data, will be at least twice
6 the amount of the costs allowed; or

7 “(B) that the amount of savings for the De-
8 partment of Defense associated with the restructur-
9 ing, based on audited cost data, will exceed the
10 amount of the costs allowed and that the business
11 combination will result in the preservation of a criti-
12 cal capability that otherwise might be lost to the De-
13 partment.

14 “(2) The Secretary may not delegate the authority
15 to make a determination under paragraph (1) to an offi-
16 cial of the Department of Defense below the level of an
17 Assistant Secretary of Defense.

18 “(b) REPORT.—Not later than March 1 in each of
19 1998, 1999, 2000, 2001, and 2002, the Secretary of De-
20 fense shall submit to Congress a report containing the fol-
21 lowing:

22 “(1) For each defense contractor to which the
23 Secretary has paid, under section 2324 of this title,
24 restructuring costs associated with a business com-
25 bination, a summary of the following:

1 “(A) The amount of savings for the De-
2 partment of Defense associated with such busi-
3 ness combination that has been realized as of
4 the date of the report, based on audited cost
5 data.

6 “(B) An estimate, as of the date of the re-
7 port, of the amount of savings for the Depart-
8 ment of Defense associated with such business
9 combination that is expected to be achieved in
10 the future.

11 “(2) An identification of any business combina-
12 tion for which the Secretary has paid restructuring
13 costs under section 2324 of this title during the pre-
14 ceding calendar year and, for each such business
15 combination—

16 “(A) the supporting rationale for allowing
17 such costs;

18 “(B) factual information associated with
19 the determination made under subsection (a)
20 with respect to such costs; and

21 “(C) a discussion of whether the business
22 combination would have proceeded without the
23 payment of restructuring costs by the Sec-
24 retary.

1 “(3) An assessment of the degree of vertical in-
 2 tegration resulting from business combinations of
 3 defense contractors and a discussion of the measures
 4 taken by the Secretary of Defense to increase the
 5 ability of the Department of Defense to monitor ver-
 6 tical integration trends and address any resulting
 7 negative consequences.

8 “(c) DEFINITION.—In this section, the term ‘business
 9 combination’ includes a merger or acquisition.”.

10 (2) The table of sections at the beginning of such
 11 chapter is amended by inserting after the item relating
 12 to section 2324 the following new item:

 “2325. Restructuring costs.”.

13 (b) EFFECTIVE DATE.—Section 2325 of title 10,
 14 United States Code, as added by subsection (a), shall
 15 apply with respect to business combinations that occur
 16 after the date of the enactment of this Act.

17 (c) REPEAL OF SUPERSEDED PROVISION.—Sub-
 18 section (a) of section 818 of the National Defense Author-
 19 ization Act for Fiscal Year 1995 (10 U.S.C. 2324 note)
 20 is repealed.

21 **SEC. 806. AUTHORITY RELATING TO PURCHASE OF CER-**
 22 **TAIN VEHICLES.**

23 Section 2253(a)(2) of title 10, United States Code,
 24 is amended by striking out “\$12,000” and inserting in
 25 lieu thereof “\$30,000”.

1 **SEC. 807. MULTIYEAR PROCUREMENT CONTRACTS.**

2 (a) REQUIREMENT FOR AUTHORIZATION BY LAW IN
3 ACTS OTHER THAN APPROPRIATIONS ACTS.—(1) Sub-
4 section (i) of section 2306b of title 10, United States
5 Code, is amended by adding at the end the following new
6 paragraph:

7 “(3) In the case of the Department of Defense, a
8 multiyear contract may not be entered into for any fiscal
9 year under this section unless the contract is specifically
10 authorized by law in an Act other than an appropriations
11 Act.”.

12 (2) Paragraph (3) of section 2306b(i) of title 10,
13 United States Code, as added by paragraph (1), shall not
14 apply with respect to a contract authorized by law before
15 the date of the enactment of this Act.

16 (b) CODIFICATION OF ANNUAL RECURRING
17 MULTIYEAR PROCUREMENT REQUIREMENTS.—(1) Such
18 section is further amended by adding at the end the fol-
19 lowing new subsection:

20 “(1) VARIOUS ADDITIONAL REQUIREMENTS WITH
21 RESPECT TO MULTIYEAR DEFENSE CONTRACTS.—(1)(A)
22 The head of an agency may not initiate a contract de-
23 scribed in subparagraph (B) unless the congressional de-
24 fense committees are notified of the proposed contract at
25 least 30 days in advance of the award of the proposed
26 contract.

1 “(B) Subparagraph (A) applies to the following con-
2 tracts:

3 “(i) A multiyear contract—

4 “(I) that employs economic order quantity
5 procurement in excess of \$20,000,000 in any
6 one year of the contract; or

7 “(II) that includes an unfunded contingent
8 liability in excess of \$20,000,000.

9 “(ii) Any contract for advance procurement
10 leading to a multiyear contract that employs eco-
11 nomic order quantity procurement in excess of
12 \$20,000,000 in any one year.

13 “(2) The head of an agency may not initiate a
14 multiyear contract for which the economic order quantity
15 advance procurement is not funded at least to the limits
16 of the Government’s liability.

17 “(3) The head of an agency may not initiate a
18 multiyear procurement contract for any system (or compo-
19 nent thereof) if the value of the multiyear contract would
20 exceed \$500,000,000 unless authority for the contract is
21 specifically provided in an appropriations Act.

22 “(4) The head of an agency may not terminate a
23 multiyear procurement contract until 10 days after the
24 date on which notice of the proposed termination is pro-
25 vided to the congressional defense committees.

1 “(5) The execution of multiyear authority shall re-
2 quire the use of a present value analysis to determine low-
3 est cost compared to an annual procurement.

4 “(6) This subsection does not apply to the National
5 Aeronautics and Space Administration or to the Coast
6 Guard.

7 “(7) In this subsection, the term ‘congressional de-
8 fense committees’ means the following:

9 “(A) The Committee on Armed Services of the
10 Senate and the Subcommittee on Defense of the
11 Committee on Appropriations of the Senate.

12 “(B) The Committee on National Security of
13 the House of Representatives and the Subcommittee
14 on National Security of the Committee on Appro-
15 priations of the House of Representatives.”.

16 (2) The amendment made by paragraph (1) shall
17 take effect on October 1, 1998.

18 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

19 Such section is further amended as follows:

20 (1) Subsection (a) is amended—

21 (A) by striking out “finds—” in the matter
22 preceding paragraph (1) and inserting in lieu
23 thereof “finds each of the following:”;

1 (B) by capitalizing the initial letter of the
 2 first word in each of paragraphs (1) through
 3 (6);

4 (C) by striking out the semicolon at the
 5 end of paragraphs (1) through (4) and insert-
 6 ing in lieu thereof a period; and

7 (D) by striking out “; and” at the end of
 8 paragraph (5) and inserting in lieu thereof a
 9 period.

10 (2) Subsection (d)(1) is amended by striking
 11 out “paragraph (1)” and inserting in lieu thereof
 12 “subsection (a)”.

13 (3) Subsection (i)(1) is amended by striking
 14 “five-year” and inserting in lieu thereof “future-
 15 years”.

16 (4) Subsection (k) is amended by striking out
 17 “subsection” and inserting in lieu thereof “section”.

18 **SEC. 808. DOMESTIC SOURCE LIMITATION AMENDMENTS.**

19 (a) ADDITION OF SHIPBOARD WORK STATIONS.—
 20 Section 2534(a)(3)(B) of title 10, United States Code, is
 21 amended—

22 (1) by striking out “and” before “totally”; and

23 (2) by inserting before the period at the end the
 24 following: “, and shipboard work stations”.

1 (b) EXTENSION OF DOMESTIC SOURCE LIMITATION
 2 FOR VALVES AND MACHINE TOOLS.—Section
 3 2534(c)(2)(C) of such title is amended by striking out
 4 “October 1, 1996” and inserting in lieu thereof “October
 5 1, 2001”.

6 **SEC. 809. REPEAL OF EXPIRATION OF DOMESTIC SOURCE**
 7 **LIMITATION FOR CERTAIN NAVAL VESSEL**
 8 **PROPELLERS.**

9 Section 2534(c) of title 10, United States Code, is
 10 amended by striking out paragraph (4).

11 **SEC. 810. AUDIT OF PROCUREMENT OF GOODS BY MILI-**
 12 **TARY INSTALLATIONS IN THE UNITED**
 13 **STATES.**

14 (a) AUDIT REQUIREMENT.—Not later than Septem-
 15 ber 30, 1998, the Inspector General of the Department
 16 of Defense shall perform a random audit of the procure-
 17 ment of goods by military installations during fiscal years
 18 1996 and 1997 to determine the extent to which such in-
 19 stallations procured goods made in a country other than
 20 the United States during those fiscal years.

21 (b) DEFINITION.—For purposes of this section, the
 22 term “random audit of the procurement of goods by mili-
 23 tary installations”—

24 (1) means an audit of the procurement of goods
 25 (not including goods obtained from the Defense Lo-

1 gistics Agency) by not less than four and not more
 2 than twelve military installations in the United
 3 States;

4 (2) shall include an audit of the procurement of
 5 goods by a military installation of each of the Army,
 6 Navy, Air Force, and Marine Corps.

7 (c) REPORT.—Not later than October 31, 1998, the
 8 Inspector General of the Department of Defense shall sub-
 9 mit to Congress a report on the results of the audit per-
 10 formed under subsection (a).

11 **Subtitle B—Other Matters**

12 **SEC. 821. REPEAL OF CERTAIN ACQUISITION REQUIRE-** 13 **MENTS AND REPORTS**

14 (a) REPEAL OF REPORTING REQUIREMENT FOR
 15 NONMAJOR ACQUISITION PROGRAMS.—Section 2220(b) of
 16 title 10, United States Code, is amended by striking out
 17 “and nonmajor”.

18 (b) REPEAL OF ADDITIONAL DOCUMENTATION RE-
 19 QUIREMENT FOR COMPETITION EXCEPTION FOR INTER-
 20 NATIONAL AGREEMENTS.—Section 2304(f) of title 10,
 21 United States Code, is amended in paragraph (2)(E) by
 22 striking out “procedures and such document is approved
 23 by the competition advocate for the procuring activity.”
 24 and inserting in lieu thereof “procedures.”.

1 (c) ELIMINATION OF COMPLETION STATUS RE-
2 QUIREMENT IN CERTAIN SELECTED ACQUISITION RE-
3 PORTS.—Section 2432(h)(2) of title 10, United States
4 Code, is amended—

5 (1) by striking out subparagraph (D); and
6 (2) by redesignating subparagraphs (E) and
7 (F) as subparagraphs (D) and (E), respectively.

8 (d) REPEAL OF REQUIREMENT TO ESTABLISH PRO-
9 CUREMENT COMPETITION GOALS.—Section 913 of the
10 Department of Defense Authorization Act, 1986 (Public
11 Law 99–145; 99 Stat. 687; 10 U.S.C. 2302 note), is re-
12 pealed.

13 (e) REPEAL OF ANNUAL REPORT BY ADVOCATES
14 FOR COMPETITION.—Section 20(b) of the Office of Fed-
15 eral Procurement Policy Act (41 U.S.C. 418(b)) is amend-
16 ed—

17 (1) by striking out “and” at the end of para-
18 graph (3)(B);

19 (2) by striking out paragraph (4); and

20 (3) by redesignating paragraphs (5), (6), and
21 (7) as paragraphs (4), (5), and (6), respectively.

22 (f) REPEAL OF REVIEW AND REPORT RELATING TO
23 PROCUREMENT REGULATIONS.—Section 25 of the Office
24 of Federal Procurement Policy Act (41 U.S.C. 421) is
25 amended—

1 (1) by striking out paragraphs (4), (5), and (6)
2 of subsection (c); and

3 (2) by striking out subsection (g).

4 **SEC. 822. EXTENSION OF AUTHORITY FOR USE OF TEST**
5 **AND EVALUATION INSTALLATIONS BY COM-**
6 **MERCIAL ENTITIES.**

7 Section 2681(g) of title 10, United States Code, is
8 amended by striking out “September 30, 1998” and in-
9 serting in lieu thereof “September 30, 2000”.

10 **SEC. 823. REQUIREMENT TO DEVELOP AND MAINTAIN LIST**
11 **OF FIRMS NOT ELIGIBLE FOR DEFENSE CON-**
12 **TRACTS.**

13 (a) DEVELOPMENT AND MAINTENANCE OF LIST.—
14 Section 2327 of title 10, United States Code, is amend-
15 ed—

16 (1) by redesignating subsections (d) and (e) as
17 subsections (e) and (f), respectively; and

18 (2) by inserting after subsection (c) the follow-
19 ing new subsection:

20 “(d) LIST OF FIRMS SUBJECT TO SUBSECTION (b).—

21 (1) The Secretary of Defense shall develop and maintain
22 a list of all firms and subsidiaries of firms that have been
23 subject to the prohibition in subsection (b) since the date
24 occurring five years before the date of the enactment of
25 the National Defense Authorization Act for Fiscal Year

1 1998. The Secretary shall make the list available to the
2 public.

3 “(2) A firm or subsidiary included on the list main-
4 tained under paragraph (1) may request the Secretary of
5 Defense to remove such firm or subsidiary from the list
6 if its foreign ownership circumstances have significantly
7 changed. Upon receipt of such request, the Secretary shall
8 determine if paragraphs (1) and (2) of subsection (b) still
9 apply to the firm or subsidiary. If the Secretary deter-
10 mines such paragraphs no longer apply, the Secretary
11 shall remove the firm or subsidiary from the list.

12 “(3) The head of an agency shall provide a copy of
13 the list maintained under paragraph (1) to each firm or
14 subsidiary of a firm that submits a bid or proposal in re-
15 sponse to a solicitation issued by the Department of De-
16 fense.

17 “(4) The head of an agency shall prohibit each firm
18 or subsidiary of a firm awarded a contract by the agency
19 from using in the performance of the contract any equip-
20 ment, parts, or services that are provided by a firm or
21 subsidiary included on the list maintained under para-
22 graph (1).”.

23 (b) REMOVAL FROM LIST.—Section 2327(c)(1)(A) of
24 such title is amended by inserting after “United States,”
25 the following: “the Secretary shall remove the firm or sub-

1 subsidiary from the list maintained under subsection (d)(1)
2 and”.

3 **SEC. 824. ALLOWABILITY OF COSTS OF EMPLOYEE STOCK**
4 **OWNERSHIP PLANS.**

5 (a) PROHIBITION.—Under section 2324 of title 10,
6 United States Code, the Secretary of Defense may not de-
7 termine the allowability of costs of employee stock owner-
8 ship plans under contracts with the Department of De-
9 fense in accordance with the rule described in subsection
10 (b).

11 (b) RULE.—The rule referred to in subsection (a) is
12 the rule that was—

13 (1) proposed by the Civilian Agency Acquisition
14 Council and the Defense Acquisition Regulations
15 Council on November 7, 1995, and referred to as
16 FAR Case 92–024, Employee Stock Ownership
17 Plans (60 Federal Register 56216); and

18 (2) withdrawn by such Councils on April 3,
19 1996 (61 Federal Register 14944).

20 **SEC. 825. EXPANSION OF PERSONNEL ELIGIBLE TO PAR-**
21 **TICIPATE IN DEMONSTRATION PROJECT RE-**
22 **LATING TO ACQUISITION WORKFORCE.**

23 (a) AMENDMENT TO PURPOSE OF PROJECT.—Sec-
24 tion 4308(a) of the National Defense Authorization Act
25 for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C.

1 1701 note) is amended by adding before the period at the
2 end the following: “and supporting personnel assigned to
3 work directly with the acquisition workforce”.

4 (b) AMENDMENT TO ELIGIBLE WORKFORCE.—Sec-
5 tion 4308(b)(3)(A) of such Act is amended by inserting
6 before the semicolon the following: “or involves a team of
7 personnel more than half of which consists of members
8 of the acquisition workforce and the remainder of which
9 consists of supporting personnel assigned to work directly
10 with the acquisition workforce”.

11 (c) COMMENCEMENT OF PROJECT.—Section
12 4308(b)(3)(C) of such Act, as redesignated by subsection
13 (b)(2), is amended by striking out “this Act” and inserting
14 in lieu thereof “the National Defense Authorization Act
15 for Fiscal Year 1998”.

16 (d) LIMITATION ON NUMBER OF PARTICIPANTS.—
17 Section 4308 of such Act is amended by adding at the
18 end the following:

19 “(d) LIMITATION ON NUMBER OF PARTICIPANTS.—
20 The total number of persons who may participate in the
21 demonstration project under this section may not exceed
22 the number that is equal to the total number of persons
23 who are members of the acquisition workforce.”.

1 **SEC. 826. TIME FOR SUBMISSION OF ANNUAL REPORT RE-**
2 **LATING TO BUY AMERICAN ACT.**

3 Section 827 of the National Defense Authorization
4 Act for Fiscal Year 1997 (Public Law 104–201; 41 U.S.C.
5 10b–3) is amended by striking out “120 days” and insert-
6 ing in lieu thereof “60 days”.

7 **TITLE IX—DEPARTMENT OF DE-**
8 **FENSE ORGANIZATION AND**
9 **MANAGEMENT**

10 **SEC. 901. LIMITATION ON OPERATION AND SUPPORT**
11 **FUNDS FOR THE OFFICE OF THE SECRETARY**
12 **OF DEFENSE.**

13 (a) REDUCTION IN FUNDS.—The amount of funds
14 appropriated pursuant to section 301 that are available
15 for operation and support activities of the Office of the
16 Secretary of Defense may not exceed the amount equal
17 to 80 percent of the amount of funds requested for such
18 purpose in the budget submitted by the President to Con-
19 gress under section 1105 of title 31, United States Code,
20 for fiscal year 1998.

21 (b) LIMITATION PENDING RECEIPT OF PREVIOUSLY
22 REQUIRED REPORTS.—Of the amount available for fiscal
23 year 1998 for operation and support activities of the Of-
24 fice of the Secretary of Defense (as limited pursuant to
25 subsection (a)), not more than 90 percent may be obli-

1 gated until each of the following reports has been submit-
2 ted to the congressional defense committees:

3 (1) The report required by section 901(c) of the
4 National Defense Authorization Act for Fiscal Year
5 1996 (Public Law 104–106; 110 Stat. 401).

6 (2) The report required by section 904(b) of the
7 National Defense Authorization Act for Fiscal Year
8 1997 (Public Law 104–201; 110 Stat. 2619).

9 **SEC. 902. COMPONENTS OF NATIONAL DEFENSE UNIVER-**
10 **SITY.**

11 (a) EMPLOYMENT AND COMPENSATION OF CIVILIAN
12 FACULTY.—Section 1595(d)(2) of title 10, United States
13 Code, is amended by striking out “Institute for National
14 Strategic Study,” and inserting in lieu thereof “Institute
15 for National Strategic Studies, the Information Resources
16 Management College,”.

17 (b) PREPARATION OF BUDGET REQUESTS.—Section
18 2162(d)(2) of such title is amended by inserting after “the
19 Armed Forces Staff College,” the following: “the Institute
20 for National Strategic Studies, the Information Resources
21 Management College,”.

22 **SEC. 903. AUTHORIZATION FOR THE MARINE CORPS UNI-**
23 **VERSITY TO EMPLOY CIVILIAN PROFESSORS.**

24 (a) IN GENERAL.—Subsections (a) and (c) of 7478
25 of title 10, United States Code, are amended by striking

1 “or at the Marine Corps Command and Staff College” and
 2 inserting in lieu thereof “or at a school of the Marine
 3 Corps University”.

4 (b) CLERICAL AMENDMENTS.—(1) The heading of
 5 such section is amended to read as follows:

6 **“§ 7478. Naval War College and Marine Corps Univer-**
 7 **sity: civilian faculty members”.**

8 (2) The item relating to such section in the table of
 9 sections at the beginning of chapter 643 of such title is
 10 amended to read as follows:

“7478. Naval War College and Marine Corps University: civilian faculty mem-
 bers.”.

11 **SEC. 904. CENTER FOR THE STUDY OF CHINESE MILITARY**
 12 **AFFAIRS.**

13 (a) FINDINGS.—The Congress finds the following:

14 (1) The strategic relationship between the Unit-
 15 ed States and the People’s Republic of China will be
 16 very important for future peace and security, not
 17 only in the Asia-Pacific region but around the world.

18 (2) The United States does not view China as
 19 an enemy, nor consider that the coming century nec-
 20 essarily will see a new great power competition be-
 21 tween the two nations.

22 (3) The end of the Cold War has eliminated
 23 what had been the one fundamental common strate-

1 geic interest of the United States and China, that of
2 containing the Soviet Union.

3 (4) The rapid economic rise and stated geo-
4 political ambitions of China will pose challenges that
5 will require careful management in order to preserve
6 peace and protect the national security interests of
7 the United States.

8 (5) The ability of the Department of Defense,
9 and the United States Government more generally,
10 to develop sound security and military strategies is
11 hampered by a limited understanding of Chinese
12 strategic goals and military capabilities. The low pri-
13 ority accorded the study of Chinese strategic and
14 military affairs within the Government and within
15 the academic community has contributed to this lim-
16 ited understanding.

17 (6) There is a need for a United States national
18 institute for research and assessment of political,
19 strategic, and military affairs in the People's Repub-
20 lic of China. Such an institute should be capable of
21 providing analysis for the purpose of shaping United
22 States military strategy and policy with regard to
23 China and should be readily accessible to senior
24 leaders within the Department of Defense, but
25 should maintain academic and intellectual independ-

1 ence so that that analysis is not first shaped by pol-
2 icy.

3 (b) ESTABLISHMENT OF CENTER FOR THE STUDY
4 OF CHINESE MILITARY AFFAIRS.—(1) Chapter 108 of
5 title 10, United States Code, is amended by adding at the
6 end the following new section:

7 **“§ 2165. National Defense University: Center for the**
8 **Study of Chinese Military Affairs**

9 “(a) ESTABLISHMENT.—(1) The Secretary of De-
10 fense shall establish a Center for the Study of Chinese
11 Military Affairs (hereinafter in this section referred to as
12 the ‘Center’) as part of the National Defense University.
13 The Center shall be organized as an independent institute
14 under the University.

15 “(2) The Director of the Center shall be a distin-
16 guished scholar of proven academic, management, and
17 leadership credentials with a superior record of achieve-
18 ment and publication regarding Chinese political, strate-
19 gic, and military affairs. The Director shall be appointed
20 by the Secretary of Defense in consultation with the chair-
21 man and ranking minority party member of the Commit-
22 tee on National Security of the House of Representatives
23 and the chairman and ranking minority party member of
24 the Committee on Armed Services of the Senate.

1 “(b) MISSION.—The mission of the Center is to study
2 the national goals and strategic posture of the People’s
3 Republic of China and the ability of that nation to develop,
4 field, and deploy an effective military instrument in sup-
5 port of its national strategic objectives.

6 “(c) AREAS OF STUDY.—The Center shall conduct
7 research relating to the People’s Republic of China as fol-
8 lows:

9 “(1) To assess the potential of that nation to
10 act as a global great power, the Center shall conduct
11 research that considers the policies and capabilities
12 of that nation in a regional and world-wide context,
13 including Central Asia, Southwest Asia, Europe, and
14 Latin America, as well as the Asia-Pacific region.

15 “(2) To provide a fuller assessment of the areas
16 of study referred to in paragraph (1), the Center
17 shall conduct research on—

18 “(A) economic trends relative to strategic
19 goals and military capabilities;

20 “(B) strengths and weaknesses in the sci-
21 entific and technological sector; and

22 “(C) relevant demographic and human re-
23 source factors on progress in the military
24 sphere.

1 “(3) The Center shall conduct research on the
2 armed forces of the People’s Republic of China, tak-
3 ing into account the character of those armed forces
4 and their role in Chinese society and economy, the
5 degree of their technological sophistication, and their
6 organizational and doctrinal concepts. That research
7 shall include inquiry into the following matters:

8 “(A) Concepts concerning national inter-
9 ests, objectives, and strategic culture.

10 “(B) Grand strategy, military strategy,
11 military operations, and tactics.

12 “(C) Doctrinal concepts at each of the four
13 levels specified in subparagraph (B).

14 “(D) The impact of doctrine on China’s
15 force structure choices.

16 “(E) The interaction of doctrine and force
17 structure at each level to create an integrated
18 system of military capabilities through procure-
19 ment, officer education, training, and practice
20 and other similar factors.

21 “(d) FACULTY OF THE CENTER.—(1) The core fac-
22 ulty of the Center should comprise mature scholars capa-
23 ble of providing diverse perspectives on Chinese political,
24 strategic, and military thought. Center scholars shall dem-
25 onstrate the following competencies and capabilities:

1 “(A) Analysis of national strategy, military
2 strategy, and doctrine.

3 “(B) Analysis of force structure and military
4 capabilities.

5 “(C) Analysis of—

6 “(i) issues relating to weapons of mass de-
7 struction, military intelligence, defense econom-
8 ics, trade, and international economics; and

9 “(ii) the relationship between those issues
10 and grand strategy, science and technology, the
11 sociology of human resources and demography,
12 and political science.

13 “(2) A substantial number of Center scholars shall
14 be competent in the Chinese language. The Center shall
15 include a core of junior scholars capable of providing lin-
16 guistics and translation support to the Center.

17 “(e) ACTIVITIES OF THE CENTER.—The activities of
18 the Center shall include other elements appropriate to its
19 mission, including the following:

20 “(1) The Center should include an active con-
21 ference program with an international reach.

22 “(2) The Center should conduct an inter-
23 national competition for a Visiting Fellowship in
24 Chinese Military Affairs and Chinese Security Is-
25 sues. The term of the fellowship should be for one

1 year, renewable for a second. The visitor should con-
2 tract to produce a major publication in the visitor's
3 area of expertise.

4 “(3) The Center shall provide funds to support
5 at least one trip per analyst per year to China and
6 the region and to support visits of Chinese military
7 leaders to the Center.

8 “(4) The Center shall support well defined, dis-
9 tinguished, signature publications.

10 “(5) Center scholars shall have appropriate ac-
11 cess to intelligence community assessments of Chi-
12 nese military affairs.

13 “(f) STUDIES AND REPORTS.—The Director may
14 contract for studies and reports from the private sector
15 to supplement the work of the Center.”.

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

“2165. National Defense University: Center for the Study of Chinese Military
Affairs.”.

19 (c) IMPLEMENTATION REPORT.—Not later than Jan-
20 uary 1, 1998, the Secretary of Defense shall submit to
21 Congress a report stating the timetable and organizational
22 plan for establishing the Center for the Study of Chinese
23 Military Affairs under section 2165 of title 10, United
24 States Code, as added by subsection (b).

1 (d) STARTUP OF CENTER.—The Secretary shall es-
2 tablish the Center for the Study of Chinese Military Af-
3 fairs under section 2165 of title 10, United States Code,
4 as added by subsection (b), not later than March 1, 1998,
5 and shall appoint the first Director of the Center not later
6 than June 1, 1998.

7 (e) FIRST YEAR FUNDING.—Of the amount available
8 to the Secretary of Defense for fiscal year 1998 for De-
9 fense-wide operation and maintenance (other than funds
10 otherwise available for the activities of the National De-
11 fense University), the Secretary shall make \$5,000,000
12 available for the Center for the Study of Chinese Military
13 Affairs established under section 2165 of title 10, United
14 States Code, as added by subsection (b).

15 **SEC. 905. WHITE HOUSE COMMUNICATIONS AGENCY.**

16 Of the amount appropriated pursuant to section 301
17 for operation and maintenance for fiscal year 1998, not
18 more than \$55,000,000 may be made available for the
19 White House Communications Agency.

20 **SEC. 906. REVISION TO REQUIRED FREQUENCY FOR PROVI-**
21 **SION OF POLICY GUIDANCE FOR CONTIN-**
22 **GENCY PLANS.**

23 Section 113(g)(2) of title 10, United States Code, is
24 amended—

1 (1) in the first sentence, by striking out “annu-
2 ally”; and

3 (2) in the second sentence, by inserting “be
4 provided every two years or more frequently as need-
5 ed and shall” after “Such guidance shall”.

6 **SEC. 907. TERMINATION OF THE DEFENSE AIRBORNE RE-**
7 **CONNAISSANCE OFFICE.**

8 (a) **TERMINATION OF OFFICE.**—The organization
9 within the Department of Defense known as the Defense
10 Airborne Reconnaissance Office is terminated. No funds
11 available for the Department of Defense may be used for
12 the operation of that Office after the date specified in sub-
13 section (d).

14 (b) **TRANSFER OF FUNCTIONS.**—(1) Subject to para-
15 graphs (2) and (3), the Secretary of Defense shall transfer
16 to the Defense Intelligence Agency the functions that were
17 performed on the day before the date of the enactment
18 this Act by the Defense Airborne Reconnaissance Office
19 relating to its responsibilities for management oversight
20 and coordination of defense airborne reconnaissance capa-
21 bilities.

22 (2) The Secretary shall determine which functions
23 are appropriate for transfer under paragraph (1). In mak-
24 ing such determination, the Secretary shall ensure that
25 program management, development and acquisition, oper-

1 ations, and related responsibilities for individual programs
2 within the Defense Airborne Reconnaissance program re-
3 main within the military departments.

4 (3) Any functions transferred under this subsection
5 shall be subject to the authority, direction, and control of
6 the Secretary.

7 (c) REPORT.—(1) Not later than 90 days after the
8 date of the enactment of this Act, the Secretary of Defense
9 shall submit to the committees named in paragraph (2)
10 a report containing the Secretary's plan for terminating
11 and transferring the functions of the Defense Airborne
12 Reconnaissance Office.

13 (2) The committees referred to in paragraph (1)
14 are—

15 (A) the Committee on Armed Services and the
16 Select Committee on Intelligence of the Senate; and

17 (B) the Permanent Select Committee on Intel-
18 ligence and the Committee on National Security of
19 the House of Representatives.

20 (d) EFFECTIVE DATE.—Subsection (a) shall take ef-
21 fect at the end of the 120-day period beginning on the
22 date of the enactment of this Act.

1 **TITLE X—GENERAL PROVISIONS**

2 **Subtitle A—Financial Matters**

3 **SEC. 1001. TRANSFER AUTHORITY.**

4 (a) **AUTHORITY TO TRANSFER AUTHORIZATIONS.—**

5 (1) Upon determination by the Secretary of Defense that
6 such action is necessary in the national interest, the Sec-
7 retary may transfer amounts of authorizations made avail-
8 able to the Department of Defense in this division for fis-
9 cal year 1998 between any such authorizations for that
10 fiscal year (or any subdivisions thereof). Amounts of au-
11 thorizations so transferred shall be merged with and be
12 available for the same purposes as the authorization to
13 which transferred.

14 (2) The total amount of authorizations that the Sec-
15 retary of Defense may transfer under the authority of this
16 section may not exceed \$2,000,000,000.

17 (b) **LIMITATIONS.—**The authority provided by this
18 section to transfer authorizations—

19 (1) may only be used to provide authority for
20 items that have a higher priority than the items
21 from which authority is transferred; and

22 (2) may not be used to provide authority for an
23 item that has been denied authorization by Con-
24 gress.

1 (c) EFFECT ON AUTHORIZATION AMOUNTS.—A
2 transfer made from one account to another under the au-
3 thority of this section shall be deemed to increase the
4 amount authorized for the account to which the amount
5 is transferred by an amount equal to the amount trans-
6 ferred.

7 (d) NOTICE TO CONGRESS.—The Secretary shall
8 promptly notify Congress of each transfer made under
9 subsection (a).

10 **SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.**

11 (a) STATUS OF CLASSIFIED ANNEX.—The Classified
12 Annex prepared by the Committee on National Security
13 of the House of Representatives to accompany the bill
14 H.R. 1119 of the One Hundred Fifth Congress and trans-
15 mitted to the President is hereby incorporated into this
16 Act.

17 (b) CONSTRUCTION WITH OTHER PROVISIONS OF
18 ACT.—The amounts specified in the Classified Annex are
19 not in addition to amounts authorized to be appropriated
20 by other provisions of this Act.

21 (c) LIMITATION ON USE OF FUNDS.—Funds appro-
22 priated pursuant to an authorization contained in this Act
23 that are made available for a program, project, or activity
24 referred to in the Classified Annex may only be expended
25 for such program, project, or activity in accordance with

1 such terms, conditions, limitations, restrictions, and re-
2 quirements as are set out for that program, project, or
3 activity in the Classified Annex.

4 (d) DISTRIBUTION OF CLASSIFIED ANNEX.—The
5 President shall provide for appropriate distribution of the
6 Classified Annex, or of appropriate portions of the annex,
7 within the executive branch of the Government.

8 **SEC. 1003. AUTHORITY FOR OBLIGATION OF UNAUTHOR-**
9 **IZED FISCAL YEAR 1997 DEFENSE APPRO-**
10 **PRIATIONS.**

11 (a) AUTHORITY.—The amounts described in sub-
12 section (b) may be obligated and expended for programs,
13 projects, and activities of the Department of Defense in
14 accordance with fiscal year 1997 defense appropriations.

15 (b) COVERED AMOUNTS.—The amounts referred to
16 in subsection (a) are the amounts provided for programs,
17 projects, and activities of the Department of Defense in
18 fiscal year 1997 defense appropriations that are in excess
19 of the amounts provided for such programs, projects, and
20 activities in fiscal year 1997 defense authorizations.

21 (c) DEFINITIONS.—For the purposes of this section:

22 (1) FISCAL YEAR 1997 DEFENSE APPROPRIA-
23 TIONS.—The term “fiscal year 1997 defense appro-
24 priations” means amounts appropriated or otherwise
25 made available to the Department of Defense for fis-

1 cal year 1997 in the Department of Defense Appro-
2 priations Act, 1997 (as contained in section 101(b)
3 of Public Law 104–208).

4 (2) FISCAL YEAR 1997 DEFENSE AUTHORIZA-
5 TIONS.—The term “fiscal year 1997 defense author-
6 izations” means amounts authorized to be appro-
7 priated for the Department of Defense for fiscal
8 year 1997 in the National Defense Authorization
9 Act for Fiscal Year 1997 (Public Law 104–201).

10 **SEC. 1004. AUTHORIZATION OF SUPPLEMENTAL APPRO-**
11 **PRIATIONS FOR FISCAL YEAR 1997.**

12 Amounts authorized to be appropriated to the De-
13 partment of Defense for fiscal year 1997 in the National
14 Defense Authorization Act for Fiscal Year 1997 (Public
15 Law 104–201) are hereby adjusted, with respect to any
16 such authorized amount, by the amount by which appro-
17 priations pursuant to such authorization were increased
18 (by a supplemental appropriation) or decreased (by a re-
19 scission), or both, in the 1997 Emergency Supplemental
20 Appropriations Act for Recovery from Natural Disasters,
21 and for Overseas Peacekeeping Efforts, Including Those
22 in Bosnia.

1 **SEC. 1005. INCREASE IN FISCAL YEAR 1996 TRANSFER AU-**
2 **THORITY.**

3 Section 1001(a)(2) of the National Defense Author-
4 ization Act for Fiscal Year 1996 (Public Law 104–106;
5 100 Stat. 2630) is amended by striking out
6 “\$2,000,000,000” and inserting in lieu thereof
7 “\$3,100,000,000”.

8 **SEC. 1006. FISHER HOUSE TRUST FUNDS.**

9 Section 2221(c) of title 10, United States Code, is
10 amended by adding at the end the following new para-
11 graph:

12 “(5) There is hereby authorized to be appropriated
13 for any fiscal year from a trust fund specified in sub-
14 section (a) any amount referred to in paragraph (1), (2),
15 or (3) (as applicable to that trust fund), such amount to
16 be available only for the purposes stated in that para-
17 graph. With respect to any such amount, the preceding
18 sentence is the specific authorization by law required by
19 section 1321(b)(2) of title 31.”.

20 **SEC. 1007. FLEXIBILITY IN FINANCING CLOSURE OF CER-**
21 **TAIN OUTSTANDING CONTRACTS FOR WHICH**
22 **A SMALL FINAL PAYMENT IS DUE.**

23 (a) CLOSURE OF OUTSTANDING CONTRACTS.—The
24 Secretary of Defense may make the final payment on a
25 contract to which this section applies from the account es-
26 tablished pursuant to subsection (d).

1 (b) COVERED CONTRACTS.—This section applies to
2 any contract of the Department of Defense—

3 (1) that was entered into before December 5,
4 1990; and

5 (2) for which an unobligated balance of an ap-
6 propriation that had been initially applied to the
7 contract was canceled before December 5, 1990,
8 pursuant to section 1552 of title 31, United States
9 Code, as in effect before that date.

10 (c) AUTHORITY LIMITED TO SMALL FINAL PAY-
11 MENTS.—The Secretary may use the authority provided
12 by this section only for a contract for which the amount
13 of the final payment due is not greater than the micro-
14 purchase threshold (as defined in section 32 of the Office
15 of Federal Procurement Policy Act (41 U.S.C. 428)).

16 (d) ACCOUNT.—The Secretary may establish an ac-
17 count for the purposes of this section. The Secretary may
18 from time to time transfer into the account, from funds
19 available to the Department of Defense for procurement
20 or for research, development, test, and evaluation, such
21 amounts as the Secretary determines to be needed for the
22 purposes of the account, except that no such transfer may
23 be made that would result in the balance of the account
24 exceeding \$1,000,000. Amounts in the account may be
25 used only for the purposes of this section.

1 (e) CLOSURE OF ACCOUNT.—When the Secretary de-
 2 termines that all contracts to which this section applies
 3 have been closed and there is no further need for the ac-
 4 count established under subsection (d), the Secretary shall
 5 close the account. Any amounts remaining in the account
 6 shall be covered into the Treasury as miscellaneous re-
 7 ceipts.

8 **SEC. 1008. UNITED STATES MAN AND THE BIOSPHERE PRO-**
 9 **GRAM LIMITATION.**

10 No funds appropriated pursuant to this Act shall be
 11 used for the United States Man and Biosphere Program,
 12 or related projects.

13 **Subtitle B—Naval Vessels and**
 14 **Shipyards**

15 **SEC. 1021. RELATIONSHIP OF CERTAIN LAWS TO DISPOSAL**
 16 **OF VESSELS FOR EXPORT FROM THE NAVAL**
 17 **VESSEL REGISTER AND THE NATIONAL DE-**
 18 **FENSE RESERVE FLEET.**

19 (a) NAVAL VESSEL REGISTER.—(1) Section 7305 of
 20 title 10, United States Code, is amended by adding at the
 21 end the following:

22 “(e) RELATIONSHIP TO TOXIC SUBSTANCES CON-
 23 TROL ACT.—(1) Subject to paragraph (2), the sale of a
 24 vessel under this section for export, or any subsequent re-
 25 sale of a vessel sold under this section for export—

1 “(A) is not a disposal or a distribution in com-
2 merce under section 6 or 12(a) of the Toxic Sub-
3 stances Control Act (15 U.S.C. 2605 and 2611(a))
4 or an export of hazardous waste under section 3017
5 of the Solid Waste Disposal Act (42 U.S.C. 6938);
6 and

7 “(B) is not subject to section 12(b) of the Toxic
8 Substances Control Act (15 U.S.C. 2611(b)).

9 “(2)(A) Paragraph (1) applies to a vessel being sold
10 for export only if, before the sale of such vessel, any item
11 listed in subparagraph (B) containing polychlorinated
12 biphenyls is removed from the vessel.

13 “(B) Subparagraph (A) covers any transformer, large
14 high or low voltage capacitor, or hydraulic or heat transfer
15 fluid.”.

16 (2) Section 7306a of such title is amended—

17 (A) in the heading, by adding at the end the
18 following: “**or operational training**”;

19 (B) in subsection (a), by inserting “or oper-
20 ational training” after “purposes”; and

21 (C) by adding at the end the following:

22 “(c) RELATIONSHIP TO OTHER LAWS.—The sinking
23 of a vessel for an experimental purpose or for operational
24 training pursuant to subsection (a) is not—

1 “(1) a disposal or a distribution in commerce
2 under section 6 or 12(a) of the Toxic Substances
3 Control Act (15 U.S.C. 2605 and 2611(a)); or

4 “(2) the transport of material for the purpose
5 of dumping it into ocean waters, or the dumping of
6 material transported from a location outside the
7 United States, under section 101 of the Marine Pro-
8 tection, Research, and Sanctuaries Act of 1972 (33
9 U.S.C. 1411).”.

10 (b) NATIONAL DEFENSE RESERVE FLEET.—(1) Sec-
11 tion 510(i) of the Merchant Marine Act, 1936 (46 U.S.C.
12 App. 1160(i)) is amended—

13 (A) by inserting “(1)” after “(i)”; and

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

16 “(2)(A) Subject to subparagraph (B), the sale under
17 this subsection of a vessel from the National Defense Re-
18 serve Fleet for export, or any subsequent resale of a vessel
19 sold from the Fleet for export—

20 “(i) is not a disposal or a distribution in com-
21 merce under section 6 or 12(a) of the Toxic Sub-
22 stances Control Act (15 U.S.C. 2605 and 2611(a))
23 or an export of hazardous waste under section 3017
24 of the Solid Waste Disposal Act (42 U.S.C. 6938);
25 and

1 “(ii) is not subject to subsection (b) of section
 2 12 of the Toxic Substances Control Act (15 U.S.C.
 3 2611).

4 “(B)(i) Subparagraph (A) applies to a vessel being
 5 sold for export only if, before the sale of such vessel, any
 6 item listed in clause (ii) containing polychlorinated
 7 biphenyls is removed from the vessel.

8 “(ii) Clause (i) covers any transformer, large high or
 9 low voltage capacitor, or hydraulic or heat transfer fluid.”.

10 (2) Section 6 of the National Maritime Heritage Act
 11 of 1994 (Public Law 103–451; 108 Stat. 4776; 16 U.S.C.
 12 5405) is amended—

13 (A) in subsections (a)(1) and (b)(2)—

14 (i) by inserting “or 510(i)” after “508”;

15 and

16 (ii) by inserting “or 1160(i)” after
 17 “1158”; and

18 (B) in subsection (c)(1)(A), by striking out
 19 “1999” and inserting in lieu thereof “2001”.

20 **SEC. 1022. AUTHORITY TO ENTER INTO A LONG-TERM**
 21 **CHARTER FOR A VESSEL IN SUPPORT OF THE**
 22 **SURVEILLANCE TOWED-ARRAY SENSOR**
 23 **(SURTASS) PROGRAM.**

24 The Secretary of the Navy is authorized to enter into
 25 a contract in accordance with section 2401 of title 10,

1 United States Code, for the charter, for a period through
2 fiscal year 2003, of the vessel RV CORY CHOUEST
3 (United States official number 933435) in support of the
4 Surveillance Towed-Array Sensor (SURTASS) program.

5 **SEC. 1023. TRANSFER OF TWO SPECIFIED OBSOLETE TUG-**
6 **BOATS OF THE ARMY.**

7 (a) **AUTHORITY TO TRANSFER VESSELS.**—The Sec-
8 retary of the Army may transfer the two obsolete tugboats
9 of the Army described in subsection (b) to the Brownsville
10 Navigation District, Brownsville, Texas.

11 (b) **VESSELS COVERED.**—Subsection (a) applies to
12 the following two decommissioned tugboats of the Army,
13 each of which is listed as of the date of the enactment
14 of this Act as being surplus to the needs of the Army:
15 the Normandy (LT–1971) and the Salerno (LT–1953).

16 (c) **TRANSFERS TO BE AT NO COST TO UNITED**
17 **STATES.**—A transfer authorized by this section shall be
18 made at no cost to the United States.

19 (d) **TERMS AND CONDITIONS.**—The Secretary may
20 require such additional terms and conditions in connection
21 with the transfers authorized by this section as the Sec-
22 retary considers appropriate.

1 **SEC. 1024. NAMING OF A DDG-51 CLASS DESTROYER THE**
2 **U.S.S. THOMAS F. CONNOLLY.**

3 It is the sense of Congress that the Secretary of the
4 Navy should name a guided missile destroyer of the DDG-
5 51 class the U.S.S. Thomas F. Connolly, in honor of Vice
6 Admiral Thomas F. Connolly (1909–1996), of the State
7 of Minnesota, who during an active-duty naval career ex-
8 tending from 1933 to 1971 became a leading architect of
9 the modern United States Navy.

10 **SEC. 1025. CONGRESSIONAL REVIEW PERIOD WITH RE-**
11 **SPECT TO TRANSFER OF THE EX-U.S.S. MID-**
12 **WAY (CV-41).**

13 In applying section 7306 of title 10, United States
14 Code, with respect to the transfer of the decommissioned
15 aircraft carrier ex-U.S.S. MIDWAY (CV-41), subsection
16 (d)(1)(B) of that section shall be applied by substituting
17 “30 calendar days” for “60 days of continuous session of
18 Congress”.

19 **Subtitle C—Counter-Drug**
20 **Activities**

21 **SEC. 1031. PROHIBITION ON USE OF NATIONAL GUARD FOR**
22 **CIVIL-MILITARY ACTIVITIES UNDER STATE**
23 **DRUG INTERDICTION AND COUNTER-DRUG**
24 **ACTIVITIES PLAN.**

25 Section 112 of title 32, United States Code, is
26 amended—

1 (1) by redesignating subsections (g) and (h) as
 2 subsections (h) and (i), respectively; and

3 (2) by inserting after subsection (f) the follow-
 4 ing new subsection:

5 “(g) PROHIBITION ON CERTAIN CIVIL-MILITARY AC-
 6 TIVITIES.—Funds provided under this section may not be
 7 used to conduct activities, including community-outreach
 8 programs, designed to reduce the demand for illegal drugs
 9 among persons who are not members of the National
 10 Guard or their dependents.”.

11 **SEC. 1032. ASSIGNMENT OF DEPARTMENT OF DEFENSE**
 12 **PERSONNEL TO ASSIST IMMIGRATION AND**
 13 **NATURALIZATION SERVICE AND CUSTOMS**
 14 **SERVICE.**

15 (a) ASSIGNMENT AUTHORITY OF SECRETARY OF DE-
 16 FENSE.—Chapter 18 of title 10, United States Code, is
 17 amended by inserting after section 374 the following new
 18 section:

19 **“§ 374a. Assignment of personnel to assist border pa-**
 20 **trol and control**

21 “(a) ASSIGNMENT AUTHORIZED.—The Secretary of
 22 Defense may assign up to 10,000 Department of Defense
 23 personnel at any one time to assist—

1 “(1) the Immigration and Naturalization Serv-
2 ice in preventing the entry of terrorists, drug traf-
3 fickers, and illegal aliens into the United States; and

4 “(2) the United States Customs Service in the
5 inspection of cargo, vehicles, and aircraft at points
6 of entry into the United States.

7 “(b) REQUEST FOR ASSIGNMENT.—The assignment
8 of Department of Defense personnel under subsection (a)
9 may only occur—

10 “(1) at the request of the Attorney General, in
11 the case of an assignment to the Immigration and
12 Naturalization Service; and

13 “(2) at the request of the Secretary of the
14 Treasury, in the case of an assignment to the Unit-
15 ed States Customs Service.”.

16 “(c) REIMBURSEMENT REQUIREMENT.—Section 377
17 of this title shall apply in the case of Department of De-
18 fense personnel assigned under subsection (a).”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of such chapter is amended by inserting
21 after the item relating to section 374 the following new
22 item:

“374a. Assignment of personnel to assist border patrol and control.”.

1 **SEC. 1033. ANNUAL REPORT ON DEVELOPMENT AND DE-**
2 **PLOYMENT OF NARCOTICS DETECTION TECH-**
3 **NOLOGIES.**

4 (a) REPORT REQUIREMENT.—Not later than Decem-
5 ber 1st of each year, the Director of the Office of National
6 Drug Control Policy shall submit to Congress and the
7 President a report on the development and deployment of
8 narcotics detection technologies by Federal agencies. Each
9 such report shall be prepared in consultation with the Sec-
10 retary of Defense, the Secretary of State, the Secretary
11 of Transportation, and the Secretary of the Treasury.

12 (b) MATTERS TO BE INCLUDED.—Each report under
13 subsection (a) shall include—

14 (1) a description of each project implemented
15 by a Federal agency relating to the development or
16 deployment of narcotics detection technology;

17 (2) the agency responsible for each project de-
18 scribed in paragraph (1);

19 (3) the amount of funds obligated or expended
20 to carry out each project described in paragraph (1)
21 during the fiscal year in which the report is submit-
22 ted or during any fiscal year preceding the fiscal
23 year in which the report is submitted;

24 (4) the amount of funds estimated to be obli-
25 gated or expended for each project described in
26 paragraph (1) during any fiscal year after the fiscal

1 year in which the report is submitted to Congress;
2 and

3 (5) a detailed timeline for implementation of
4 each project described in paragraph (1).

5 **Subtitle D—Miscellaneous Report**
6 **Requirements and Repeals**

7 **SEC. 1041. REPEAL OF MISCELLANEOUS OBSOLETE RE-**
8 **PORTS REQUIRED BY PRIOR DEFENSE AU-**
9 **THORIZATION ACTS.**

10 (a) REPORT ON REMOVAL OF BASIC POINT DEFENSE
11 MISSILE SYSTEM FROM NAVAL AMPHIBIOUS VESSELS.—
12 Section 1437 of the Department of Defense Authorization
13 Act, 1986 (Public Law 99–145; 99 Stat. 757), is repealed.

14 (b) REPORT CONCERNING THE STRETCHOUT OF
15 MAJOR DEFENSE ACQUISITION PROGRAMS.—Section 117
16 of the National Defense Authorization Act, Fiscal Year
17 1989 (Public Law 100–456; 102 Stat. 1933), is repealed.

18 (c) REPORT CONCERNING THE B–2 AIRCRAFT PRO-
19 GRAM.—Section 115 of the National Defense Authoriza-
20 tion Act for Fiscal Years 1990 and 1991 (Public Law
21 101–189; 103 Stat. 1373) is repealed.

1 **SEC. 1042. REPEAL OF ANNUAL REPORT REQUIREMENT RE-**
2 **LATING TO TRAINING OF SPECIAL OPER-**
3 **ATIONS FORCES WITH FRIENDLY FOREIGN**
4 **FORCES.**

5 Section 2011 of title 10, United States Code, is
6 amended by striking out subsection (e).

7 **SEC. 1043. REPORT ON ANTI-TERRORISM ACTIVITIES.**

8 Not later than 180 days after the date of the enact-
9 ment of this Act, the Secretary of Defense shall submit
10 to Congress a report, in classified and unclassified form,
11 describing—

- 12 (1) the programs designed to carry out anti-ter-
13 rorism activities of the Department of Defense;
14 (2) any deficiencies in those programs; and
15 (3) any actions taken by the Secretary to im-
16 prove implementation of such programs.

17 **Subtitle E—Other Matters**

18 **SEC. 1051. AUTHORITY FOR SPECIAL AGENTS OF THE DE-**
19 **FENSE CRIMINAL INVESTIGATIVE SERVICE**
20 **TO EXECUTE WARRANTS AND MAKE AR-**
21 **RESTS.**

22 (a) **AUTHORITY.**—Chapter 81 of title 10, United
23 States Code, is amended by inserting after section 1585
24 the following new section:

1 **“§ 1585a. Special agents of the Defense Criminal In-**
2 **vestigative Service: authority to execute**
3 **warrants and make arrests**

4 “(a) **AUTHORITY.**—The Secretary of Defense may
5 authorize any DCIS special agent—

6 “(1) to execute and serve any warrant or other
7 process issued under the authority of the United
8 States; and

9 “(2) to make arrests without a warrant—

10 “(A) for any offense against the United
11 States committed in the presence of that agent;
12 and

13 “(B) for any felony cognizable under the
14 laws of the United States if the agent has prob-
15 able cause to believe that the person to be ar-
16 rested has committed or is committing the fel-
17 ony.

18 “(b) **ATTORNEY GENERAL GUIDELINES.**—Authority
19 of a DCIS special agent under subsection (a) may be exer-
20 cised only in accordance with guidelines approved by the
21 Attorney General.

22 “(c) **DCIS SPECIAL AGENT DEFINED.**—In this sec-
23 tion, the term ‘DCIS special agent’ means an employee
24 of the Department of Defense who is a special agent of
25 the Defense Criminal Investigative Service (or any succes-
26 sor to that service).”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by inserting
 3 after the item relating to section 1585 the following new
 4 item:

“1585a. Special agents of the Defense Criminal Investigative Service: authority to execute warrants and make arrests.”.

5 **SEC. 1052. STUDY OF INVESTIGATIVE PRACTICES OF MILI-**
 6 **TARY CRIMINAL INVESTIGATIVE ORGANIZA-**
 7 **TIONS RELATING TO SEX CRIMES.**

8 (a) INDEPENDENT STUDY REQUIRED.—(1) The Sec-
 9 retary of Defense shall provide for an independent study
 10 of the policies, procedures, and practices of the military
 11 criminal investigative organizations for the conduct of in-
 12 vestigations of complaints of sex crimes and other criminal
 13 sexual misconduct arising in the Armed Forces.

14 (2) The Secretary shall provide for the study to be
 15 conducted by the National Academy of Public Administra-
 16 tion. The amount of a contract for the study may not ex-
 17 ceed \$2,000,000.

18 (3) The Secretary shall require that all components
 19 of the Department of Defense cooperate fully with the or-
 20 ganization carrying out the study.

21 (b) MATTERS TO BE INCLUDED IN STUDY.—The
 22 Secretary shall require that the organization conducting
 23 the study under this section specifically consider each of
 24 the following matters:

1 (1) The need (if any) for greater organizational
2 independence and autonomy for the military criminal
3 investigative organizations than exists under current
4 chain-of-command structures within the military de-
5 partments.

6 (2) The authority of each of the military crimi-
7 nal investigative organizations to investigate allega-
8 tions of sex crimes and other criminal sexual mis-
9 conduct and the policies of those organizations for
10 carrying out such investigations.

11 (3) The training (including training in skills
12 and techniques related to the conduct of interviews)
13 provided by each of those organizations to agents or
14 prospective agents responsible for conducting or pro-
15 viding support to investigations of alleged sex crimes
16 and other criminal sexual misconduct, including—

17 (A) the extent to which that training is
18 comparable to the training provided by the Fed-
19 eral Bureau of Investigation and other civilian
20 law enforcement agencies; and

21 (B) the coordination of training and inves-
22 tigative policies related to alleged sex crimes
23 and other criminal sexual misconduct of each of
24 those organizations with the Federal Bureau of

1 Investigation and other civilian Federal law en-
2 forcement agencies.

3 (4) The procedures and relevant professional
4 standards of each military criminal investigative or-
5 ganization with regard to recruitment and hiring of
6 agents, including an evaluation of the extent to
7 which those procedures and standards provide for—

8 (A) sufficient screening of prospective
9 agents based on background investigations; and

10 (B) obtaining sufficient information about
11 the qualifications and relevant experience of
12 prospective agents.

13 (5) The advantages and disadvantages of estab-
14 lishing, within each of the military criminal inves-
15 tigative organizations or within the Defense Crimi-
16 nal Investigative Service only, of a special unit for
17 the investigation of alleged sex crimes and other
18 criminal sexual misconduct.

19 (6) The clarity of guidance for, and consistency
20 of investigative tactics used by, each of the military
21 criminal investigative organizations for the investiga-
22 tion of alleged sex crimes and other criminal sexual
23 misconduct, together with a comparison with the
24 guidance and tactics used by the Federal Bureau of

1 Investigation and other civilian law enforcement
2 agencies for such investigations.

3 (7) The number of allegations of agent mis-
4 conduct in the investigation of sex crimes and other
5 criminal sexual misconduct for each of those organi-
6 zations, together with a comparison with the number
7 of such allegations concerning agents of the Federal
8 Bureau of Investigation and other civilian law en-
9 forcement agencies for such investigations.

10 (8) The procedures of each of the military
11 criminal investigative organizations for administra-
12 tive identification (known as “titling”) of persons
13 suspected of committing sex crimes or other criminal
14 sexual misconduct, together with a comparison with
15 the comparable procedures of the Federal Bureau of
16 Investigation and other civilian Federal law enforce-
17 ment agencies for such investigations.

18 (9) The accuracy, timeliness, and completeness
19 of reporting of sex crimes and other criminal sexual
20 misconduct by each of the military criminal inves-
21 tigative organizations to the National Crime Infor-
22 mation Center maintained by the Department of
23 Justice.

24 (10) Any recommendation for legislation or ad-
25 ministrative action to revise the organizational or

1 operational arrangements of the military criminal in-
2 vestigative organizations or to alter recruitment,
3 training, or operational procedures, as they pertain
4 to the investigation of sex crimes and other criminal
5 sexual misconduct.

6 (c) REPORT.—(1) The Secretary of Defense shall re-
7 quire the organization conducting the study under this
8 section to submit to the Secretary a report on the study
9 not later than one year after the date of the enactment
10 of this Act. The organization shall include in the report
11 its findings and conclusions concerning each of the mat-
12 ters specified in subsection (b).

13 (2) The Secretary shall submit the report under para-
14 graph (1), together with the Secretary's comments on the
15 report, to Congress not later than 30 days after the date
16 on which the report is submitted to the Secretary under
17 paragraph (1).

18 (d) MILITARY CRIMINAL INVESTIGATIVE ORGANIZA-
19 TION DEFINED.—For the purposes of this section, the
20 term “military criminal investigative organization” means
21 any of the following:

22 (1) The Army Criminal Investigation Com-
23 mand.

24 (2) The Naval Criminal Investigative Service.

1 (3) The Air Force Office of Special Investiga-
2 tions.

3 (4) The Defense Criminal Investigative Service.

4 (e) CRIMINAL SEXUAL MISCONDUCT DEFINED.—For
5 the purposes of this section, the term “criminal sexual
6 misconduct” means conduct by a member of the Armed
7 Forces involving sexual abuse, sexual harassment, or other
8 sexual misconduct that constitutes an offense under the
9 Uniform Code of Military Justice.

10 **SEC. 1053. TECHNICAL AND CLERICAL AMENDMENTS.**

11 (a) TITLE 10, UNITED STATES CODE.—Title 10,
12 United States Code, is amended as follows:

13 (1) The tables of chapters at the beginning of
14 subtitle A, and at the beginning of part I of subtitle
15 A, are each amended by striking out “471” in the
16 item relating to chapter 23 and inserting in lieu
17 thereof “481”.

18 (2) The tables of chapters at the beginning of
19 subtitle A, and at the beginning of part IV of sub-
20 title A, are each amended by striking out “2540” in
21 the item relating to chapter 152 and inserting in
22 lieu thereof “2541”.

23 (3) Section 116(b)(2) is amended by striking
24 out “such subsection” and inserting in lieu thereof
25 “subsection (a)”.

1 (4) Section 129c(e) is amended by striking out
2 “section 115a(g)(2)” and inserting in lieu thereof
3 “section 115a(e)(2)”.

4 (5) Section 382(g) is amended by striking out
5 “the date of the enactment of the National Defense
6 Authorization Act for Fiscal Year 1997” and insert-
7 ing in lieu thereof “September 23, 1996”.

8 (6) The table of sections at the beginning of
9 subchapter I of chapter 21 is amended by striking
10 out the items relating to sections 424 and 425 and
11 inserting in lieu thereof the following:

“424. Disclosure of organizational and personnel information: exemption for De-
fense Intelligence Agency, National Reconnaissance Office, and
National Imagery and Mapping Agency.”.

12 (7) Section 445 is amended—

13 (A) by striking out “(1)” before “Except
14 with”;

15 (B) by redesignating subparagraphs (A),
16 (B), and (C) as paragraphs (1), (2), and (3),
17 respectively;

18 (C) by striking out “(2)” before “When-
19 ever it appears” and inserting in lieu thereof
20 “(b) INJUNCTIVE RELIEF.—”; and

21 (D) by striking out “paragraph (1)” and
22 inserting in lieu thereof “subsection (a)”.

23 (8) Section 858b is amended in the first sen-
24 tence by striking out “forfeiture” and all that fol-

1 lows through “due that member” and inserting in
2 lieu thereof “forfeiture of pay, or of pay and allow-
3 ances, due that member”.

4 (9) Section 943(c) is amended—

5 (A) in the third sentence, by striking out
6 “such positions” and inserting in lieu thereof
7 “positions referred to in the preceding sen-
8 tences”; and

9 (B) by capitalizing the initial letter of the
10 third word of the subsection heading.

11 (10) Section 954 is amended by striking out
12 “this” and inserting in lieu thereof “his”.

13 (11) Section 972(b) is amended by striking out
14 “the date of the enactment of the National Defense
15 Authorization Act for Fiscal Year 1996” in the mat-
16 ter preceding paragraph (1) and inserting in lieu
17 thereof “February 10, 1996”.

18 (12) Section 976(f) is amended by striking out
19 “shall,” and all that follows and inserting in lieu
20 thereof “shall be fined under title 18 or imprisoned
21 not more than 5 years, or both, except that, in the
22 case of an organization (as defined in section 18 of
23 such title), the fine shall not be less than \$25,000.”.

24 (13) Section 977 is amended—

1 (A) in subsection (c), by striking out “Be-
2 ginning on October 1, 1996, not more than”
3 and inserting in lieu thereof “Not more than”;
4 and

5 (B) in subsection (d)(2), by striking out
6 “before October 1, 1996,” and all that follows
7 through “so assigned” the second place it ap-
8 pears.

9 (14) Section 1129(c) is amended—

10 (A) by striking out “the date of the enact-
11 ment of this section,” and inserting in lieu
12 thereof “November 30, 1993,”; and

13 (B) by striking out “before the date of the
14 enactment of this section or” and inserting in
15 lieu thereof “before such date or”.

16 (15) Section 1151(b) is amended by striking
17 out “WITH” in the subsection heading and inserting
18 in lieu thereof “WITH”.

19 (16) Section 1152(g) is amended by inserting
20 “(1)” before “The Secretary may”.

21 (17) Section 1408(d) is amended—

22 (A) by striking out “To” in the subsection
23 heading and inserting in lieu thereof “TO”; and

24 (B) by redesignating the second paragraph
25 (6) as paragraph (7).

1 (18) Section 1599c(c)(1)(F) is amended by
 2 striking out “Sections 106(f)” and inserting in lieu
 3 thereof “Sections 106(e)”.

4 (19) Section 1763 is amended—

5 (A) by striking out “On and after October
 6 1, 1993, the Secretary of Defense” and insert-
 7 ing in lieu thereof “The Secretary of Defense”;
 8 and

9 (B) by striking out “secretaries” and in-
 10 serting in lieu thereof “Secretaries”.

11 (20) Section 2010(e) is repealed.

12 (21) Section 2208(k) is repealed.

13 (22)(A) Section 2306(h) is amended by insert-
 14 ing “for the purchase of property” after “Multiyear
 15 contracting authority”.

16 (B)(i) The heading of section 2306b is amended
 17 to read as follows:

18 **“§ 2306b. Multiyear contracts: acquisition of prop-**
 19 **erty”.**

20 (ii) The item relating to such section in the
 21 table of sections at the beginning of chapter 137 of
 22 such title is amended to read as follows:

“2306b. Multiyear contracts: acquisition of property.”.

23 (23) Section 2306b(k) is amended by striking
 24 out “this subsection” in the first sentence and in-
 25 serting in lieu thereof “this section”.

1 (24) Section 2315(a) is amended by striking
2 out “the Information Technology Management Re-
3 form Act of 1996” and inserting in lieu thereof “di-
4 vision E of the Clinger-Cohen Act of 1996 (40
5 U.S.C. 1401 et seq.)”.

6 (25) Section 2371a is amended by inserting
7 “Defense” before “Advanced Research Projects
8 Agency”.

9 (26) Section 2401a(a) is amended by striking
10 out “leasing of such vehicles” and inserting in lieu
11 thereof “such leasing”.

12 (27) Section 2466(e) is repealed.

13 (28) Section 2684(b) is amended by striking
14 out “, United States Code,”.

15 (29) Section 2885 is amended by striking out
16 “five years after the date of the enactment of the
17 National Defense Authorization Act for Fiscal Year
18 1996” and inserting in lieu thereof “on February
19 10, 2001”.

20 (30) Section 12733(3) is amended—

21 (A) by inserting a comma after “(B)”; and

22 (B) by striking out “the date of the enact-
23 ment of the National Defense Authorization Act
24 for Fiscal Year 1997” and inserting in lieu
25 thereof “September 23, 1996,”.

1 (b) TITLE 37, UNITED STATES CODE.—Section
2 205(d) of title 37, United States Code, is amended by
3 striking out the period after “August 1, 1979” and insert-
4 ing in lieu thereof a comma.

5 (c) PUBLIC LAW 104–201.—Effective as of Septem-
6 ber 23, 1996, and as if included therein as enacted, the
7 National Defense Authorization Act for Fiscal Year 1997
8 (Public Law 104–201) is amended as follows:

9 (1) Section 367 (110 Stat. 2496) is amended—

10 (A) in subsection (a), by striking out
11 “Subchapter II of chapter” and inserting in lieu
12 thereof “Chapter”; and

13 (B) in subsection (b), by striking out “sub-
14 chapter” and inserting in lieu thereof “chap-
15 ter”.

16 (2) Section 614(b)(2)(B) (110 Stat. 2544) is
17 amended by striking out “the period” and inserting
18 in lieu thereof “the semicolon”.

19 (3) Section 802(1) (110 Stat. 2604) is amended
20 by striking out “1995” in the first quoted matter
21 therein and inserting in lieu thereof “1996”.

22 (4) Section 829(c) (110 Stat. 2612) is amend-
23 ed—

1 (A) in paragraph (2), by striking out “Sec-
2 tion 2502(b)” and inserting in lieu thereof
3 “Section 2502(c)”; and

4 (B) by redesignating paragraph (3) as sub-
5 paragraph (C) of paragraph (2).

6 (d) OTHER ANNUAL DEFENSE AUTHORIZATION
7 ACTS.—

8 (1) of The National Defense Authorization Act
9 for Fiscal Year 1996 (Public Law 104–106) is
10 amended as follows:

11 (A) Section 533(b) (110 Stat. 315) is
12 amended by inserting before the period at the
13 end the following: “and the amendments made
14 by subsection (b), effective as of October 5,
15 1994”.

16 (B) Section 1501(d)(1) (110 Stat. 500) is
17 amended by striking out “337(b)” and “2717”
18 and inserting in lieu thereof “377(b)” and
19 “2737”, respectively.

20 (2) Section 845 of the National Defense Au-
21 thorization Act for Fiscal Year 1994 (Public Law
22 103–160; 10 U.S.C. 2371 note) is amended—

23 (A) in subsection (a), by inserting “De-
24 fense” before “Advanced”; and

1 (B) in the section heading, by inserting
2 “**DEFENSE**” after the third word.

3 (3) The National Defense Authorization Act for
4 Fiscal Year 1993 (Public Law 102–484) is amended
5 as follows:

6 (A) Section 812(c) (10 U.S.C. 1723 note)
7 is amended by inserting “and Technology” after
8 “for Acquisition”.

9 (B) Subsection (e) of section 4471 (10
10 U.S.C. 2501 note) is amended—

11 (i) by realigning that subsection so as
12 to be flush to the margin; and

13 (ii) by capitalizing the initial letter of
14 the third word of the subsection heading.

15 (4) Section 807(b)(2)(A) of the National De-
16 fense Authorization Act for Fiscal Years 1992 and
17 1993 (Public Law 102–190; 10 U.S.C. 2320 note)
18 is amended by inserting before the period the follow-
19 ing: “and Technology”.

20 (5) The National Defense Authorization Act for
21 Fiscal Year 1991 (Public Law 101–510) is amended
22 as follows:

23 (A) Section 1205 (10 U.S.C. 1746 note) is
24 amended by striking out “Under Secretary of
25 Defense for Acquisition” each place it appears

1 and inserting in lieu thereof “Under Secretary
2 of Defense for Acquisition and Technology”.

3 (B) Section 2921 (10 U.S.C. 2687 note) is
4 amended—

5 (i) in subsection (e)(3)(B), by striking
6 out “Subcommittees” and inserting in lieu
7 thereof “Subcommittee”; and

8 (ii) in subsection (f)(2), by striking
9 out “the Committees on Armed Services of
10 the Senate and House of Representatives”
11 and inserting in lieu thereof “the Commit-
12 tee on Armed Services of the Senate and
13 the Committee on National Security of the
14 House of Representatives”.

15 (6) Section 1121(c) of the National Defense
16 Authorization Act for Fiscal Years 1988 and 1989
17 (Public Law 100–180; 10 U.S.C. 113 note) is
18 amended by striking out “under this section—” and
19 all that follow through “fiscal year 1990” and in-
20 serting in lieu thereof “under this section may not
21 exceed 5,000 during any fiscal year”.

22 (d) TITLE 5, UNITED STATES CODE.—Title 5, Unit-
23 ed States Code, is amended as follows:

1 (1) Section 3329(b) is amended by striking out
2 “a position described in subsection (c)” the second
3 place it appears.

4 (2) Section 5315 is amended—

5 (A) in the item relating to the Chief Infor-
6 mation Officer of the Department of the Inte-
7 rior, by inserting “the” before “Interior”; and

8 (B) in the item relating to the Chief Infor-
9 mation Officer of the Department of the Treas-
10 ury, by inserting “the” before “Treasury”.

11 (3) Section 5316 is amended by striking out
12 “Atomic Energy” after “Assistant to the Secretary
13 of Defense for” and inserting in lieu thereof “Nu-
14 clear and Chemical and Biological Defense Pro-
15 grams”.

16 (e) ACQUISITION POLICY STATUTES.—

17 (1) Section 309 of the Federal Property and
18 Administrative Services Act of 1949 (41 U.S.C. 259)
19 is amended by striking out “and” at the end of sub-
20 section (b)(2).

21 (2) The Office of Federal Procurement Policy
22 Act is amended as follows:

23 (A) The item relating to section 27 in the
24 table of contents in section 1 is amended to
25 read as follows:

“Sec. 27. Restrictions on disclosing and obtaining contractor bid or proposal information or source selection information.”.

1 (B) Section 6(d) (41 U.S.C. 405(d)) is
2 amended—

3 (i) by striking out the period at the
4 end of paragraph (5)(J) and inserting in
5 lieu thereof a semicolon;

6 (ii) by moving paragraph (6) two ems
7 to the left; and

8 (iii) in paragraph (12), by striking out
9 “small business” and inserting in lieu
10 thereof “small businesses”.

11 (C) Section 35(b)(2) (41 U.S.C. 431(b)(2))
12 is amended by striking out “commercial” and
13 inserting in lieu thereof “commercially avail-
14 able”.

15 (3) Section 6 of the Contract Disputes Act of
16 1978 (41 U.S.C. 605) is amended in subsections (d)
17 and (e) by striking out “(as in effect on September
18 30, 1995)” each place it appears.

19 (4) Subsections (d)(1) and (e) of section 16 of
20 the Small Business Act (15 U.S.C. 645) are each
21 amended by striking out “concerns” and inserting in
22 lieu thereof “concern”.

23 (f) COORDINATION WITH OTHER AMENDMENTS.—
24 For purposes of applying amendments made by provisions

1 of this Act other than provisions of this section, this sec-
2 tion shall be treated as having been enacted immediately
3 before the other provisions of this Act.

4 **SEC. 1054. DISPLAY OF POW/MIA FLAG.**

5 (a) **REQUIRED DISPLAY.**—The POW/MIA flag shall
6 be displayed at the locations specified in subsection (c)
7 each year on POW/MIA flag display days. Such display
8 shall serve (1) as the symbol of the Nation’s concern and
9 commitment to achieving the fullest possible accounting
10 of Americans who, having been prisoners of war or missing
11 in action, still remain unaccounted for, and (2) as the
12 symbol of the Nation’s commitment to achieving the full-
13 est possible accounting for Americans who in the future
14 may become prisoners of war, missing in action, or other-
15 wise unaccounted for as a result of hostile action.

16 (b) **DAYS FOR FLAG DISPLAY.**—(1) For purposes of
17 this section, POW/MIA flag display days are the following:

18 (A) Armed Forces Day, the third Saturday in
19 May.

20 (B) Memorial Day, the last Monday in May.

21 (C) Flag Day, June 14.

22 (D) Independence Day, July 4.

23 (E) National POW/MIA Recognition Day.

24 (F) Veterans Day, November 11.

1 (2) In the case of display at United States Postal
2 Service post offices (required by subsection (c)(8)), POW/
3 MIA flag display days in any year include, in addition to
4 the days specified in paragraph (1), the last business day
5 before each such day that itself is not a business day.

6 (c) LOCATIONS FOR FLAG DISPLAY.—The locations
7 for the display of the POW/MIA flag under this section
8 are the following:

9 (1) The Capitol.

10 (2) The White House.

11 (3) The Korean War Veterans Memorial and
12 the Vietnam Veterans Memorial.

13 (4) Each national cemetery.

14 (5) The buildings containing the primary offices
15 of—

16 (A) the Secretary of State;

17 (B) the Secretary of Defense;

18 (C) the Secretary of Veterans Affairs; and

19 (D) the Director of the Selective Service
20 System.

21 (6) Each major military installation, as des-
22 ignated by the Secretary of Defense.

23 (7) Each Department of Veterans Affairs medi-
24 cal center.

1 (8) Each United States Postal Service post of-
2 fice.

3 (d) COORDINATION WITH OTHER DISPLAY REQUIRE-
4 MENT.—Display of the POW/MIA flag at the Capitol pur-
5 suant to paragraph (1) of subsection (c) is in addition to
6 the display of that flag in the Rotunda of the Capitol re-
7 quired by Senate Concurrent Resolution 5 of the 101st
8 Congress, agreed to on February 22, 1989 (103 Stat.
9 2533).

10 (e) REQUIREMENTS CONCERNING DISPLAY AT SPEC-
11 IFIED LOCATIONS.—(1) Display of the POW/MIA flag at
12 the buildings specified in paragraphs (1), (2), (5), and (7)
13 of subsection (c) shall be on, or on the grounds of, each
14 such building.

15 (2) Display of that flag pursuant to paragraph (5)
16 of subsection (c) at the buildings containing the primary
17 offices of the officials specified in that paragraph shall be
18 in an area visible to the public.

19 (3) Display of that flag at United States Postal Serv-
20 ice post offices pursuant to paragraph (8) of subsection
21 (c) shall be on the grounds or in the public lobby of each
22 such post office.

23 (f) POW/MIA FLAG DEFINED.—As used in this sec-
24 tion, the term “POW/MIA flag” means the National
25 League of Families POW/MIA flag recognized officially

1 and designated by section 2 of Public Law 101–355 (36
2 U.S.C. 189).

3 (g) REGULATIONS FOR IMPLEMENTATION.—Within
4 180 days after the date of the enactment of this Act, the
5 head of each department, agency, or other establishment
6 responsible for a location specified in subsection (c) (other
7 than the Capitol) shall prescribe such regulations as nec-
8 essary to carry out this section.

9 (h) PROCUREMENT AND DISTRIBUTION OF FLAGS.—
10 Within 30 days after the date of the enactment of this
11 Act, the Administrator of General Services shall procure
12 POW/MIA flags and distribute them as necessary to carry
13 out this section.

14 (i) REPEAL OF PRIOR LAW.—Section 1084 of Public
15 Law 102–190 (36 U.S.C. 189 note) is repealed.

16 (j) DAILY DISPLAY OF FLAG AT DEPARTMENT OF
17 VETERANS AFFAIRS MEDICAL CENTERS.—In addition to
18 the display required by subsection (a), the POW/MIA flag
19 shall be displayed on, or on the grounds of, each Depart-
20 ment of Veterans Affairs medical center on every day on
21 which the flag of the United States is displayed.

1 **SEC. 1055. CERTIFICATION REQUIRED BEFORE OBSERV-**
 2 **ANCE OF MORATORIUM ON USE BY ARMED**
 3 **FORCES OF ANTIPERSONNEL LANDMINES.**

4 Any moratorium imposed by law (whether enacted be-
 5 fore, on, or after the date of the enactment of this Act)
 6 on the use of antipersonnel landmines by the Armed
 7 Forces may be implemented only if (and after) the Sec-
 8 retary of Defense, after consultation with the Chairman
 9 of the Joint Chiefs of Staff, certifies to Congress that—

10 (1) the moratorium will not adversely affect the
 11 ability of United States forces to defend against at-
 12 tack on land by hostile forces; and

13 (2) the Armed Forces have systems that are ef-
 14 fective substitutes for antipersonnel landmines.

15 **SEC. 1056. PROTECTION OF SAFETY-RELATED INFORMA-**
 16 **TION VOLUNTARILY PROVIDED BY AIR CAR-**
 17 **RIERS.**

18 (a) **AUTHORITY TO PROTECT INFORMATION.**—Sec-
 19 tion 2640 of title 10, United States Code, is amended—

20 (1) by redesignating subsections (h) and (i) as
 21 subsections (i) and (j), respectively; and

22 (2) by inserting after subsection (g) the follow-
 23 ing new subsection:

24 “(h) **AUTHORITY TO PROTECT SAFETY-RELATED IN-**
 25 **FORMATION VOLUNTARILY PROVIDED BY AN AIR CAR-**
 26 **RIER.**—(1) In any case in which an air carrier voluntarily

1 provides safety-related information to the Secretary for
2 purposes of this section, the Secretary may (notwithstand-
3 ing any other provision of law) withhold the information
4 from public disclosure if the Secretary determines that—

5 “(A) disclosure of the information would inhibit
6 the air carrier from voluntarily providing safety-re-
7 lated information to the Secretary; and

8 “(B) the information would aid—

9 “(i) the Secretary in carrying out his re-
10 sponsibilities under this section; or

11 “(ii) the head of another agency in carry-
12 ing out the safety responsibilities of the agency.

13 “(2) If the Secretary provides to the head of another
14 agency safety-related information described in paragraph
15 (1) with respect to which the Secretary has made a deter-
16 mination described in that paragraph, the head of that
17 agency shall (notwithstanding any other provision of law)
18 withhold the information from public disclosure.”.

19 (b) APPLICABILITY.—Subsection (h) of section 2640
20 of title 10, United States Code, as added by subsection
21 (a), shall apply with respect to requests for information
22 made on or after the date of the enactment of this Act.

1 **SEC. 1057. NATIONAL GUARD CHALLENGE PROGRAM TO**
2 **CREATE OPPORTUNITIES FOR CIVILIAN**
3 **YOUTH.**

4 (a) PROGRAM AUTHORITY.—Chapter 5 of title 32,
5 United States Code, is amended by adding at the end the
6 following new section:

7 **“§ 509. National Guard Challenge Program of oppor-**
8 **tunities for civilian youth**

9 “(a) PROGRAM AUTHORITY AND PURPOSE.—The
10 Secretary of Defense, acting through the Chief of the Na-
11 tional Guard Bureau, may conduct a National Guard civil-
12 ian youth opportunities program (to be known as the ‘Na-
13 tional Guard Challenge Program’) to use the National
14 Guard to provide military-based training, including super-
15 vised work experience in community service and conserva-
16 tion projects, to civilian youth who cease to attend second-
17 ary school before graduating so as to improve the life skills
18 and employment potential of such youth.

19 “(b) CONDUCT OF THE PROGRAM.—The Secretary of
20 Defense shall provide for the conduct of the National
21 Guard Challenge Program in such States as the Secretary
22 considers to be appropriate, except that Federal expendi-
23 tures under the program may not exceed \$50,000,000 for
24 any fiscal year.

25 “(c) PROGRAM AGREEMENTS.—(1) To carry out the
26 National Guard Challenge Program in a State, the Sec-

1 retary of Defense shall enter into an agreement with the
2 Governor of the State or, in the case of the District of
3 Columbia, with the commanding general of the District
4 of Columbia National Guard, under which the Governor
5 or the commanding general will establish, organize, and
6 administer the National Guard Challenge Program in the
7 State.

8 “(2) The agreement may provide for the Secretary
9 to provide funds to the State for civilian personnel costs
10 attributable to the use of civilian employees of the Na-
11 tional Guard in the conduct of the National Guard Chal-
12 lenge Program.

13 “(d) MATCHING FUNDS REQUIRED.—The amount of
14 assistance provided under this section to a State program
15 of the National Guard Challenge Program may not ex-
16 ceed—

17 “(1) for fiscal year 1998, 75 percent of the
18 costs of operating the State program during that
19 year;

20 “(2) for fiscal year 1999, 70 percent of the
21 costs of operating the State program during that
22 year;

23 “(3) for fiscal year 2000, 65 percent of the
24 costs of operating the State program during that
25 year; and

1 “(4) for fiscal year 2001 and each subsequent
2 fiscal year, 60 percent of the costs of operating the
3 State program during that year.

4 “(e) PERSONS ELIGIBLE TO PARTICIPATE IN PRO-
5 GRAM.—A school dropout from secondary school shall be
6 eligible to participate in the National Guard Challenge
7 Program. The Secretary of Defense shall prescribe the
8 standards and procedures for selecting participants from
9 among school dropouts.

10 “(f) AUTHORIZED BENEFITS FOR PARTICIPANTS.—
11 (1) To the extent provided in an agreement entered into
12 in accordance with subsection (c) and subject to the ap-
13 proval of the Secretary of Defense, a person selected for
14 training in the National Guard Challenge Program may
15 receive the following benefits in connection with that train-
16 ing:

17 “(A) Allowances for travel expenses, personal
18 expenses, and other expenses.

19 “(B) Quarters.

20 “(C) Subsistence.

21 “(D) Transportation.

22 “(E) Equipment.

23 “(F) Clothing.

24 “(G) Recreational services and supplies.

25 “(H) Other services.

1 “(I) Subject to paragraph (2), a temporary sti-
2 pend upon the successful completion of the training,
3 as characterized in accordance with procedures pro-
4 vided in the agreement.

5 “(2) In the case of a person selected for training in
6 the National Guard Challenge Program who afterwards
7 becomes a member of the Civilian Community Corps under
8 subtitle E of title I of the National and Community Serv-
9 ice Act of 1990 (42 U.S.C. 12611 et seq.), the person may
10 not receive a temporary stipend under paragraph (1)(I)
11 while the person is a member of that Corps. The person
12 may receive the temporary stipend after completing service
13 in the Corps unless the person elects to receive benefits
14 provided under subsection (f) or (g) of section 158 of such
15 Act (42 U.S.C. 12618).

16 “(g) PROGRAM PERSONNEL.—(1) Personnel of the
17 National Guard of a State in which the National Guard
18 Challenge Program is conducted may serve on full-time
19 National Guard duty for the purpose of providing com-
20 mand, administrative, training, or supporting services for
21 the program. For the performance of those services, any
22 such personnel may be ordered to duty under section
23 502(f) of this title for not longer than the period of the
24 program.

1 “(2) A Governor participating in the National Guard
2 Challenge Program and the commanding general of the
3 District of Columbia National Guard (if the District of
4 Columbia National Guard is participating in the program)
5 may procure by contract the temporary full time services
6 of such civilian personnel as may be necessary to augment
7 National Guard personnel in carrying out the National
8 Guard Challenge Program in that State.

9 “(3) Civilian employees of the National Guard per-
10 forming services for the National Guard Challenge Pro-
11 gram and contractor personnel performing such services
12 may be required, when appropriate to achieve the purposes
13 of the program, to be members of the National Guard and
14 to wear the military uniform.

15 “(h) EQUIPMENT AND FACILITIES.—(1) Equipment
16 and facilities of the National Guard, including military
17 property of the United States issued to the National
18 Guard, may be used in carrying out the National Guard
19 Challenge Program.

20 “(2) Activities under the National Guard Challenge
21 Program shall be considered noncombat activities of the
22 National Guard for purposes of section 710 of this title.

23 “(i) STATUS OF PARTICIPANTS.—(1) A person receiv-
24 ing training under the National Guard Challenge Program

1 shall be considered an employee of the United States for
2 the purposes of the following provisions of law:

3 “(A) Subchapter I of chapter 81 of title 5 (re-
4 lating to compensation of Federal employees for
5 work injuries).

6 “(B) Section 1346(b) and chapter 171 of title
7 28 and any other provision of law relating to the li-
8 ability of the United States for tortious conduct of
9 employees of the United States.

10 “(2) In the application of the provisions of law re-
11 ferred to in paragraph (1)(A) to a person referred to in
12 paragraph (1)—

13 “(A) the person shall not be considered to be in
14 the performance of duty while the person is not at
15 the assigned location of training or other activity or
16 duty authorized in accordance with a program agree-
17 ment referred to in subsection (c), except when the
18 person is traveling to or from that location or is on
19 pass from that training or other activity or duty;

20 “(B) the person’s monthly rate of pay shall be
21 deemed to be the minimum rate of pay provided for
22 grade GS–2 of the General Schedule under section
23 5332 of title 5; and

24 “(C) the entitlement of a person to receive com-
25 pensation for a disability shall begin on the day fol-

1 lowing the date on which the person’s participation
2 in the National Guard Challenge Program is termi-
3 nated.

4 “(3) A person referred to in paragraph (1) may not
5 be considered an employee of the United States for any
6 purpose other than a purpose set forth in that paragraph.

7 “(j) SUPPLEMENTAL RESOURCES.—(1) To carry out
8 the National Guard Challenge Program in a State, the
9 Governor of the State or, in the case of the District of
10 Columbia, the commanding general of the District of Co-
11 lumbia National Guard may supplement funds made avail-
12 able under the program out of other resources (including
13 gifts) available to the Governor or the commanding gen-
14 eral. The Governor or the commanding general may ac-
15 cept, use, and dispose of gifts or donations of money, other
16 property, or services for the National Guard Challenge
17 Program.

18 “(k) REPORT.—Within 90 days after the end of each
19 fiscal year, the Secretary of Defense shall submit to Con-
20 gress a report on the design, conduct, and effectiveness
21 of the National Guard Challenge Program during the pre-
22 ceding fiscal year. In preparing the report, the Secretary
23 shall coordinate with the Governor of each State in which
24 the National Guard Challenge Program is carried out and,
25 if the program is carried out in the District of Columbia,

1 with the commanding general of the District of Columbia
 2 National Guard.

3 “(l) DEFINITIONS.—In this section:

4 “(1) The term ‘State’ includes the Common-
 5 wealth of Puerto Rico, the territories, and the Dis-
 6 trict of Columbia.

7 “(2) The term ‘school dropout’ means an indi-
 8 vidual who is no longer attending any school and
 9 who has not received a secondary school diploma or
 10 a certificate from a program of equivalency for such
 11 a diploma.”.

12 (b) CLERICAL AMENDMENT.—The table of sections
 13 at the beginning of such chapter is amended by adding
 14 at the end the following new item:

“509. National Guard Challenge Program of opportunities for civilian youth.”.

15 **SEC. 1058. LEASE OF NON-EXCESS PERSONAL PROPERTY**
 16 **OF THE MILITARY DEPARTMENTS.**

17 (a) RECEIPT OF FAIR MARKET VALUE.—Subsection
 18 (b)(4) of section 2667 of title 10, United States Code, is
 19 amended by striking out “, in the case of the lease of real
 20 property,”.

21 (b) COMPETITIVE SELECTION.—Such section is fur-
 22 ther amended—

23 (1) by redesignating subsection (g) as sub-
 24 section (h); and

1 (2) by inserting after subsection (f) the follow-
2 ing new subsection:

3 “(g)(1) If a proposed lease under subsection (a) in-
4 volves only personal property, the lease term exceeds one
5 year, and the fair market value of the lease interest ex-
6 ceeds \$100,000, as determined by the Secretary con-
7 cerned, the Secretary shall use competitive procedures to
8 select the lessee.

9 “(2) Not later than 45 days before entering into a
10 lease referred to in paragraph (1), the Secretary concerned
11 shall submit to Congress written notice describing the
12 terms of the proposed lease and the competitive proce-
13 dures used to select the lessee.”.

14 **SEC. 1059. COMMENDATION OF MEMBERS OF THE ARMED**
15 **FORCES AND GOVERNMENT CIVILIAN PER-**
16 **SONNEL WHO SERVED DURING THE COLD**
17 **WAR.**

18 (a) FINDINGS.—The Congress finds the following:

19 (1) During the period of the Cold War, from
20 the end of World War II until the collapse of the So-
21 viet Union in 1991, the United States and the Soviet
22 Union engaged in a global military rivalry.

23 (2) This rivalry, potentially the most dangerous
24 military confrontation in the history of mankind, has

1 come to a close without a direct superpower military
2 conflict.

3 (3) Military and civilian personnel of the De-
4 partment of Defense, personnel in the intelligence
5 community, members of the foreign service, and
6 other officers and employees of the United States
7 faithfully performed their duties during the Cold
8 War.

9 (4) Many such personnel performed their duties
10 while isolated from family and friends and served
11 overseas under frequently arduous conditions in
12 order to protect the United States and achieve a
13 lasting peace.

14 (5) The discipline and dedication of those per-
15 sonnel were fundamental to the prevention of a su-
16 perpower military conflict.

17 (b) CONGRESSIONAL COMMENDATION.—The Con-
18 gress hereby commends, and expresses its gratitude and
19 appreciation for, the service and sacrifices of the members
20 of the Armed Forces and civilian personnel of the Govern-
21 ment who contributed to the historic victory in the Cold
22 War.

1 **SEC. 1060. PROHIBITION OF PERFORMANCE OF MILITARY**
2 **HONORS UPON DEATH OF PERSONS CON-**
3 **VICTED OF CAPITAL CRIMES.**

4 (a) **MILITARY FUNERALS.**—The Secretary of Defense
5 and the Secretary of Transportation, with respect to the
6 Coast Guard when it is not operating as a service in the
7 Navy, may not provide military honors at the funeral of
8 a person who has been convicted of a crime under State
9 or Federal law for which death is a possible punishment
10 and for which the person was sentenced to death or life
11 imprisonment without parole.

12 (b) **APPLICABILITY OF SECTION.**—This section ap-
13 plies without regard to any other provision of law relating
14 to funeral or burial benefits.

15 **SEC. 1061. STUDY OF UNITED STATES CAPACITOR AND RE-**
16 **SISTOR INDUSTRIES.**

17 The Secretary of Defense shall conduct a study to
18 assess the capacitor and resistor industries in the United
19 States in order to determine—

20 (1) the importance of such industries to the na-
21 tional defense and the defense mobilization base; and

22 (2) whether such industries are in danger of
23 being critically weakened because of the removal of
24 tariffs on imports under the Information Technology
25 Agreement.

1 **SEC. 1062. SENSE OF THE CONGRESS ON DEPLOYMENT OF**
2 **UNITED STATES ARMED FORCES ABROAD**
3 **FOR ENVIRONMENTAL PRESERVATION AC-**
4 **TIVITIES.**

5 (a) SENSE OF CONGRESS.—It is the sense of Con-
6 gress that United States Armed Forces should not be de-
7 ployed outside the United States to provide assistance to
8 another nation in connection with environmental preserva-
9 tion activities in that nation.

10 (b) SCOPE OF SECTION.—For purposes of this sec-
11 tion, environmental preservation activities do not include
12 activities undertaken for humanitarian purposes, disaster
13 relief activities, peacekeeping activities, or operational
14 training activities.

15 **SEC. 1063. STUDY OF TRANSFER OF MODULAR AIRBORNE**
16 **FIRE FIGHTING SYSTEM.**

17 Not later than six months after the date of the enact-
18 ment of this Act, the Secretary of Defense, in consultation
19 with the Secretary of Agriculture, shall submit to Con-
20 gress a report evaluating the feasibility of transferring ju-
21 risdiction over units of the Modular Airborne Fire Fight-
22 ing System from the Department of Agriculture to the De-
23 partment of Defense.

1 **SEC. 1064. OVERSIGHT OF COUNTER-TERRORISM AND ANTI-**
2 **TERRORISM PROGRAMS AND ACTIVITIES OF**
3 **THE UNITED STATES.**

4 (a) IN GENERAL.—Not later than 120 days after the
5 date of the enactment of this Act, the Director of the Of-
6 fice of Management and Budget shall—

7 (1) establish a Government-wide reporting sys-
8 tem with respect to the budget and expenditure of
9 funds by executive departments and agencies for the
10 purpose of carrying out counter-terrorism and anti-
11 terrorism programs and activities; and

12 (2) collect information on—

13 (A) the budget and expenditure of funds
14 by executive departments and agencies during
15 fiscal years 1995 through 1997 for purposes of
16 carrying out counter-terrorism and anti-terror-
17 ism programs and activities; and

18 (B) the specific programs and activities for
19 which such funds were expended.

20 (b) REPORT REQUIREMENT.—Not later than March
21 1st of each year, the Director of the Office of Management
22 and Budget shall submit to the President and to Congress
23 a report, in classified and unclassified form, describing,
24 for each executive department and agency and for the ex-
25 ecutive branch as whole—

1 (1) the amounts proposed to be expended di-
2 rectly for counter-terrorism and anti-terrorism pro-
3 grams and activities for the fiscal year beginning in
4 the calendar year in which the report is submitted;

5 (2) the amounts proposed to be expended di-
6 rectly for counter-terrorism and anti-terrorism pro-
7 grams and activities for the fiscal year in which the
8 report is submitted and the amounts that have al-
9 ready been expended for such programs and activi-
10 ties for that fiscal year;

11 (3) the amounts proposed to be expended di-
12 rectly and the amounts actually expended directly
13 for counter-terrorism and anti-terrorism programs
14 and activities for the three fiscal years preceding the
15 fiscal year in which the report is submitted; and

16 (4) the specific counter-terrorism and anti-ter-
17 rorism programs and activities being implemented,
18 any priorities with respect to such programs and ac-
19 tivities, and whether there has been any duplication
20 of efforts in implementing such programs and activi-
21 ties.

22 **SEC. 1065. ARMAMENT RETOOLING AND MANUFACTURING**
23 **SUPPORT INITIATIVE.**

24 (a) EXPANSION OF PURPOSES OF INITIATIVE.—Sec-
25 tion 193(b) of the Armament Retooling and Manufactur-

1 ing Support Act of 1992 (subtitle H of title I of Public
2 Law 102–484; 10 U.S.C. 2501 note) is amended by add-
3 ing at the end the following new paragraph:

4 “(10) To allow for the use of ammunition man-
5 ufacturing facilities by other entities for the purpose
6 of modernization, development, and restoration of
7 the facilities.”.

8 (b) AUTHORITY TO ENTER INTO AGREEMENTS.—
9 Section 194(a) of such Act is amended—

10 (1) by striking out “and” at the end of para-
11 graph (1);

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

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

17 “(3) to enter into agreements (which may in-
18 clude contracts, leases, or other arrangements for a
19 period of not more than 99 years) with other entities
20 with respect to the ammunition manufacturing facil-
21 ity, or a part of such facility.”.

22 (c) REPORTING REQUIREMENT.—Not later than Jan-
23 uary 1, 1998, the Secretary of the Army shall submit to
24 Congress a report on progress with respect to the imple-
25 mentation of the amendments made to the Armament Re-

1 tooling and Manufacturing Support Act of 1992 by this
2 section.

3 **TITLE** **XI—COOPERATIVE**
4 **THREAT REDUCTION WITH**
5 **STATES OF FORMER SOVIET**
6 **UNION**

7 **SEC. 1101. SPECIFICATION OF COOPERATIVE THREAT RE-**
8 **DUCTION PROGRAMS.**

9 (a) IN GENERAL.—For purposes of section 301 and
10 other provisions of this Act, Cooperative Threat Reduction
11 programs are the programs specified in subsection (b) of
12 section 406 of title 10, United States Code, as added by
13 section 1110.

14 (b) FISCAL YEAR 1998 COOPERATIVE THREAT RE-
15 Duction FUNDS DEFINED.—As used in this title, the
16 term “fiscal year 1998 Cooperative Threat Reduction
17 funds” means the funds appropriated pursuant to the au-
18 thorization of appropriations in section 301 for Coopera-
19 tive Threat Reduction programs.

20 **SEC. 1102. FISCAL YEAR 1998 FUNDING ALLOCATIONS.**

21 (a) IN GENERAL.—Of the fiscal year 1998 Coopera-
22 tive Threat Reduction funds, not more than the following
23 amounts may be obligated for the purposes specified:

24 (1) For strategic offensive arms elimination in
25 Russia, \$77,900,000.

1 (2) For strategic nuclear arms elimination in
2 Ukraine, \$76,700,000.

3 (3) For fissile material containers in Russia,
4 \$7,000,000.

5 (4) For planning and design of a chemical
6 weapons destruction facility in Russia, \$14,400,000.

7 (5) For planning, design, and construction of a
8 storage facility for Russian fissile material,
9 \$57,700,000.

10 (6) For weapons storage security in Russia,
11 \$23,500,000.

12 (7) For activities designated as Defense and
13 Military-to-Military Contacts in Russia, Ukraine,
14 and Kazakhstan, \$7,000,000.

15 (8) For military-to-military programs of the
16 United States that focus on countering the threat of
17 proliferation of weapons of mass destruction and
18 that include the security forces of the independent
19 states of the former Soviet Union other than Russia,
20 Ukraine, Belarus, and Kazakstan, \$2,000,000.

21 (9) For activities designated as Other Assess-
22 ments/Administrative Support \$18,500,000.

23 (b) LIMITED AUTHORITY TO VARY INDIVIDUAL
24 AMOUNTS.—(1) If the Secretary of Defense determines
25 that it is necessary to do so in the national interest, the

1 Secretary may, subject to paragraph (2), obligate amounts
2 for the purposes stated in any of the paragraphs of sub-
3 section (a) in excess of the amount specified for those pur-
4 poses in that paragraph, but not in excess of 115 percent
5 of that amount. However, the total amount obligated for
6 the purposes stated in the paragraphs in subsection (a)
7 may not by reason of the use of the authority provided
8 in the preceding sentence exceed the sum of the amounts
9 specified in those paragraphs.

10 (2) An obligation for the purposes stated in any of
11 the paragraphs in subsection (a) in excess of the amount
12 specified in that paragraph may be made using the author-
13 ity provided in paragraph (1) only after—

14 (A) the Secretary submits to Congress notifica-
15 tion of the intent to do so together with a complete
16 discussion of the justification for doing so; and

17 (B) 15 days have elapsed following the date of
18 the notification.

19 **SEC. 1103. PROHIBITION ON USE OF FUNDS FOR SPECIFIED**
20 **PURPOSES.**

21 (a) IN GENERAL.—No fiscal year 1998 Cooperative
22 Threat Reduction funds, and no funds appropriated for
23 Cooperative Threat Reduction programs for any prior fis-
24 cal year and remaining available for obligation, may be
25 obligated or expended for any of the following purposes:

1 (1) Conducting with Russia any peacekeeping
2 exercise or other peacekeeping-related activity.

3 (2) Provision of housing.

4 (3) Provision of assistance to promote environ-
5 mental restoration.

6 (4) Provision of assistance to promote job re-
7 training.

8 (b) LIMITATION WITH RESPECT TO DEFENSE CON-
9 VERSION ASSISTANCE.—None of the funds appropriated
10 pursuant to this Act or any other Act may be obligated
11 or expended for the provision of assistance to Russia or
12 any other state of the former Soviet Union to promote de-
13 fense conversion.

14 **SEC. 1104. PROHIBITION ON USE OF FUNDS UNTIL SPECI-**
15 **FIED REPORTS ARE SUBMITTED.**

16 No fiscal year 1998 Cooperative Threat Reduction
17 funds may be obligated or expended until 15 days after
18 the date that is the latest of the following:

19 (1) The date on which the President submits to
20 Congress the determinations required under sub-
21 section (c) of section 211 of Public Law 102–228
22 (22 U.S.C. 2551 note) with respect to any certifi-
23 cation transmitted to Congress under subsection (b)
24 of that section during the period beginning on Sep-

1 tember 23, 1996, and ending on the date of the en-
2 actment of this Act.

3 (2) The date on which the Secretary of Defense
4 submits to Congress the annual report required to
5 be submitted not later than January 31, 1998,
6 under section 1206(a) of the National Defense Au-
7 thorization Act for Fiscal Year 1996 (Public Law
8 104–106; 110 Stat. 471; 22 U.S.C. 5955 note).

9 (3) The date on which the Secretary of Defense
10 submits to Congress the report for fiscal year 1997
11 required under section 1205(c) of the National De-
12 fense Authorization Act for Fiscal Year 1995 (Pub-
13 lic Law 103–337; 108 Stat. 2883; 22 U.S.C. 5952
14 note).

15 **SEC. 1105. LIMITATION ON USE OF FUNDS UNTIL SUBMIS-**
16 **SION OF CERTIFICATION.**

17 (a) LIMITATION ON USE OF FUNDS UNTIL SUBMIS-
18 SION OF CERTIFICATION.—No fiscal year 1998 Coopera-
19 tive Threat Reduction funds may be obligated or expended
20 for strategic offensive arms elimination projects in Russia
21 related to the START II Treaty (as defined in section
22 1302(d) of the National Defense Authorization Act for
23 Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2701))
24 until 30 days after the date on which the President sub-
25 mits to Congress a certification in writing that—

1 (1) implementation of the projects would bene-
2 fit the national security interest of the United
3 States; and

4 (2) Russia has agreed to share the cost for the
5 projects.

6 (b) REPORT.—Not later than 15 days after the date
7 that the President submits to Congress the certification
8 under subsection (a), the Secretary of Defense shall sub-
9 mit to the congressional defense committees a report de-
10 scribing the arrangement between the United States and
11 Russia with respect to the sharing of costs for strategic
12 offensive arms elimination projects in Russia related to
13 the START II Treaty.

14 **SEC. 1106. USE OF FUNDS FOR CHEMICAL WEAPONS DE-**
15 **STRUCTION FACILITY.**

16 (a) LIMITATION ON USE OF FUNDS UNTIL SUBMIS-
17 SION OF NOTIFICATIONS TO CONGRESS.—No fiscal year
18 1998 Cooperative Threat Reduction funds may be obli-
19 gated or expended for planning and design of a chemical
20 weapons destruction facility until 15 days after the date
21 that is the later of the following:

22 (1) The date on which the Secretary of Defense
23 submits to Congress notification of an agreement be-
24 tween the United States and Russia with respect to

1 such chemical weapons destruction facility that in-
2 cludes—

3 (A) an agreement providing for a limita-
4 tion on the financial contribution by the United
5 States for the facility;

6 (B) an agreement that the United States
7 will not pay the costs for infrastructure deter-
8 mined by Russia to be necessary to support the
9 facility; and

10 (C) an agreement on the site of the facil-
11 ity.

12 (2) The date on which the Secretary of Defense
13 submits to Congress notification that the Govern-
14 ment of Russia has formally approved a plan—

15 (A) that allows for the destruction of
16 chemical weapons in Russia; and

17 (B) that commits Russia to pay a portion
18 of the cost for the facility.

19 (b) PROHIBITION ON USE OF FUNDS FOR FACILITY
20 CONSTRUCTION.—No fiscal year 1998 Cooperative Threat
21 Reduction funds authorized to be obligated in section
22 1102(a)(4) for planning and design of a chemical weapons
23 destruction facility in Russia may be used for construction
24 of such facility.

1 **SEC. 1107. LIMITATION ON USE OF FUNDS FOR STORAGE**
2 **FACILITY FOR RUSSIAN FISSILE MATERIAL.**

3 (a) LIMITATION ON USE OF FISCAL YEAR 1998
4 FUNDS.—No fiscal year 1998 Cooperative Threat Reduc-
5 tion funds may be obligated or expended for planning, de-
6 sign, or construction of a storage facility for Russian
7 fissile material until 15 days after the date that is the
8 later of the following:

9 (1) The date on which the Secretary of Defense
10 submits to Congress notification of an agreement be-
11 tween the United States and Russia that the total
12 share of the cost to the United States for such facil-
13 ity will not exceed \$275,000,000.

14 (2) The date on which the Secretary submits to
15 Congress notification of an agreement between the
16 United States and Russia incorporating the principle
17 of transparency with respect to the use of the facil-
18 ity.

19 (b) LIMITATION ON USE OF FUNDS FOR FISCAL
20 YEARS BEFORE FISCAL YEAR 1998.—None of the funds
21 appropriated for Cooperative Threat Reduction programs
22 for a fiscal year before fiscal year 1998 and remaining
23 available for obligation on the date of the enactment of
24 this Act may be obligated or expended for planning, de-
25 sign, or construction of a storage facility for Russian
26 fissile material until—

1 (1) the Secretary of Defense submits to the
2 congressional defense committees a report on the
3 costs and schedule for the planning, design, and con-
4 struction of the facility and transparency issues re-
5 lating to the facility; and

6 (2) 15 days have elapsed following the date of
7 the notification.

8 **SEC. 1108. LIMITATION ON USE OF FUNDS FOR WEAPONS**
9 **STORAGE SECURITY.**

10 No fiscal year 1998 Cooperative Threat Reduction
11 funds may be obligated or expended for weapons storage
12 security in Russia until—

13 (1) the Secretary of Defense submits to the
14 congressional defense committees notification of an
15 agreement between the United States and Russia on
16 audits and examinations with respect to weapons
17 storage security; and

18 (2) 15 days have elapsed following the date of
19 the notification.

20 **SEC. 1109. REPORT TO CONGRESS ON ISSUES REGARDING**
21 **PAYMENT OF TAXES OR DUTIES ON ASSIST-**
22 **ANCE PROVIDED TO RUSSIA UNDER COOPER-**
23 **ATIVE THREAT REDUCTION PROGRAMS.**

24 Not later than September 30, 1997, the Secretary of
25 Defense shall submit to Congress a report on—

1 (1) any disputes between the United States and
2 Russia with respect to payment by the United States
3 of taxes or duties on assistance provided to Russia
4 under a Cooperative Threat Reduction program, in-
5 cluding a description of the nature of each dispute,
6 the amount of payment disputed, whether the dis-
7 pute was resolved, and if the dispute was resolved,
8 the means by which the dispute was resolved;

9 (2) the actions taken by the Secretary to pre-
10 vent disputes between the United States and Russia
11 with respect to payment by the United States of
12 taxes or duties on assistance provided to Russia
13 under a Cooperative Threat Reduction program;

14 (3) any agreements between the United States
15 and Russia with respect to payment by the United
16 States of taxes or duties on assistance provided to
17 Russia under a Cooperative Threat Reduction pro-
18 gram; and

19 (4) any proposals of the Secretary on actions
20 that should be taken to prevent disputes between the
21 United States and Russia with respect to payment
22 by the United States of taxes or duties on assistance
23 provided to Russia under a Cooperative Threat Re-
24 duction program.

1 **SEC. 1110. LIMITATION ON OBLIGATION OF FUNDS FOR A**
2 **SPECIFIED PERIOD.**

3 (a) IN GENERAL.—(1) Chapter 20 of title 10, United
4 States Code, is amended by adding at the end the follow-
5 ing new section:

6 **“§ 406. Use of Cooperative Threat Reduction program**
7 **funds: limitation**

8 “(a) IN GENERAL.—In carrying out Cooperative
9 Threat Reduction programs during any fiscal year, the
10 Secretary of Defense may use funds appropriated for
11 those programs only to the extent that those funds were
12 appropriated for that fiscal year or for either of the two
13 preceding fiscal years.

14 “(b) DEFINITION OF COOPERATIVE THREAT REDUC-
15 TION PROGRAMS.—In this section, the term ‘Cooperative
16 Threat Reduction programs’ means the following pro-
17 grams with respect to states of the former Soviet Union:

18 “(1) Programs to facilitate the elimination, and
19 the safe and secure transportation and storage, of
20 nuclear, chemical, and other weapons and their de-
21 livery vehicles.

22 “(2) Programs to facilitate the safe and secure
23 storage of fissile materials derived from the elimi-
24 nation of nuclear weapons.

1 “(3) Programs to prevent the proliferation of
2 weapons, components, and weapons-related tech-
3 nology and expertise.

4 “(4) Programs to expand military-to-military
5 and defense contacts.”.

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

 “406. Use of Cooperative Threat Reduction program funds: limitation.”.

9 (b) EFFECTIVE DATE.—Section 406 of title 10, Unit-
10 ed States Code, as added by subsection (a), shall apply
11 with respect to fiscal years beginning with fiscal year
12 1998.

13 **SEC. 1111. AVAILABILITY OF FUNDS.**

14 Funds appropriated pursuant to the authorization of
15 appropriations in section 301 for Cooperative Threat Re-
16 duction programs shall be available for obligation for three
17 fiscal years.

18 **TITLE XII—MATTERS RELATING**
19 **TO OTHER NATIONS**

20 **Subtitle A—General Matters**

21 **SEC. 1201. REPORTS TO CONGRESS RELATING TO UNITED**
22 **STATES FORCES IN BOSNIA.**

23 (a) SECRETARY OF DEFENSE REPORTS ON NON-
24 MILITARY TASKS CARRIED OUT BY UNITED STATES
25 FORCES.—The Secretary of Defense shall submit to the

1 congressional defense committees two reports identifying
2 each activity being carried out, as of the date of the report,
3 by covered United States forces in Bosnia that is an activ-
4 ity that (as determined by the Secretary) is expected to
5 be performed by an international or local civilian organiza-
6 tion once the multinational peacekeeping mission in
7 Bosnia is concluded.

8 (b) COVERED UNITED STATES FORCES.—For pur-
9 poses of this section, covered United States forces in
10 Bosnia are United States ground forces in the Republic
11 of Bosnia and Herzegovina that are assigned to the multi-
12 national peacekeeping force known as the Stabilization
13 Force (SFOR) or to any other multinational peacekeeping
14 force that is a successor to the Stabilization Force.

15 (c) MATTERS TO BE INCLUDED.—The Secretary
16 shall include in each report under subsection (a), for each
17 activity identified under that subsection, the following:

18 (1) The number of United States military per-
19 sonnel involved.

20 (2) Whether forces assigned to the SFOR (or
21 successor multinational force) from other nations
22 also participated in that activity.

23 (3) The justification for using military forces
24 rather than civilian organizations to perform that
25 activity.

1 (d) SUBMISSION OF REPORTS.—The first report
 2 under subsection (a) shall be submitted not later than De-
 3 cember 1, 1997. The second such report shall be submit-
 4 ted not later than March 31, 1998.

5 **SEC. 1202. ONE-YEAR EXTENSION OF**
 6 **COUNTERPROLIFERATION AUTHORITIES.**

7 Section 1505 of the Weapons of Mass Destruction
 8 Control Act of 1992 (title XV of Public Law 102–484;
 9 22 U.S.C. 5859a) is amended—

10 (1) in subsection (d)(3), by striking out “or”
 11 after “fiscal year 1996,” and by inserting “, or
 12 \$15,000,000 for fiscal year 1998” before the period
 13 at the end; and

14 (2) in subsection (f), by striking out “1997”
 15 and inserting in lieu thereof “1998”.

16 **SEC. 1203. REPORT ON FUTURE MILITARY CAPABILITIES**
 17 **AND STRATEGY OF THE PEOPLE’S REPUBLIC**
 18 **OF CHINA.**

19 (a) REPORT.—The Secretary of Defense shall pre-
 20 pare a report, in both classified and unclassified form, on
 21 the future pattern of military modernization of the Peo-
 22 ple’s Republic of China. The report shall address the prob-
 23 able course of military-technological development in the
 24 People’s Liberation Army and the development of Chinese
 25 grand strategy, security strategy, and military strategy,

1 and of military organizations and operational concepts,
2 through 2015.

3 (b) MATTERS TO BE INCLUDED.—The report shall
4 include analyses and forecasts of the following:

5 (1) The goals of Chinese grand strategy, secu-
6 rity strategy, and military strategy.

7 (2) Trends in Chinese political grand strategy
8 meant to establish the People’s Republic of China as
9 the leading political power in the Asia-Pacific region
10 and as a political and military presence in other re-
11 gions of the world, including Central Asia, South-
12 west Asia, Europe, and Latin America.

13 (3) Developments in Chinese military doctrine,
14 focusing on (but not limited to) efforts to exploit the
15 emerging Revolution in Military Affairs or to con-
16 duct preemptive strikes.

17 (4) Efforts by the People’s Republic of China to
18 enhance its capabilities in the area nuclear weapons
19 development.

20 (5) Efforts by the People’s Republic of China to
21 develop long-range air-to-air or air defense missiles
22 designed to target special support aircraft such as
23 Airborne Warning and Control System (AWACS)
24 aircraft, Joint Surveillance and Target Attack Radar
25 System (JSTARS) aircraft, or other command and

1 control, intelligence, airborne early warning, or elec-
2 tronic warfare aircraft.

3 (6) Efforts by the People's Republic of China to
4 develop a capability to conduct "information war-
5 fare" at the strategic, operational, and tactical levels
6 of war.

7 (7) Development by the People's Republic of
8 China of capabilities in the area of electronic war-
9 fare.

10 (8) Efforts by the People's Republic of China to
11 develop a capability to establish control of space or
12 to deny access and use of military and commercial
13 space systems in times of crisis or war, including
14 programs to place weapons in space or to develop
15 earth-based weapons capable of attacking space-
16 based systems.

17 (9) Trends that would lead the People's Repub-
18 lic of China toward the development of advanced in-
19 telligence, surveillance, and reconnaissance capabili-
20 ties, including gaining access to commercial or third-
21 party systems with military significance.

22 (10) Efforts by the People's Republic of China
23 to develop highly accurate and stealthy ballistic and
24 cruise missiles, including sea-launched cruise mis-
25 siles, particularly in numbers sufficient to conduct

1 attacks capable of overwhelming projected defense
2 capabilities in the Asia-Pacific region.

3 (11) Development by the People's Republic of
4 China of command and control networks, particu-
5 larly those capable of battle management of long-
6 range precision strikes.

7 (12) Efforts by the People's Republic of China
8 in the area of telecommunications, including com-
9 mon channel signaling and synchronous digital hier-
10 archy technologies.

11 (13) Development by People's Republic of
12 China of advanced aerospace technologies with mili-
13 tary applications (including gas turbine "hot sec-
14 tion" technologies).

15 (14) Programs of the People's Republic of
16 China involving unmanned aerial vehicles, particu-
17 larly those with extended ranges or loitering times or
18 potential strike capabilities.

19 (15) Exploitation by the People's Republic of
20 China for military purposes of the Global Position-
21 ing System or other similar systems (including com-
22 mercial land surveillance satellites), with such analy-
23 sis and forecasts focusing particularly on those signs
24 indicative of an attempt to increase accuracy of

1 weapons or situational awareness of operating
2 forces.

3 (16) Development by the People's Republic of
4 China of capabilities for denial of sea control, includ-
5 ing such systems as advanced sea mines, improved
6 submarine capabilities, or land-based sea-denial sys-
7 tems.

8 (17) Efforts by the People's Republic of China
9 to develop its anti-submarine warfare capabilities.

10 (18) Continued development by the People's Re-
11 public of China of follow-on forces, particularly
12 forces capable of rapid air or amphibious assault.

13 (19) Efforts by the People's Republic of China
14 to enhance its capabilities in such additional areas of
15 strategic concern as the Secretary identifies.

16 (c) ANALYSIS OF IMPLICATIONS OF SALES OF PROD-
17 UCTS AND TECHNOLOGIES TO ENTITIES IN CHINA.—The
18 report under subsection (a) shall include, with respect to
19 each area for analyses and forecasts specified in sub-
20 section (b)—

21 (1) an assessment of the implications of sales of
22 United States and foreign products and technologies
23 to entities in the People's Republic of China; and

24 (2) the potential threat of developments in that
25 area to United States strategic interests.

1 (d) SUBMISSION OF REPORT.—The report shall be
2 submitted to Congress not later than March 15, 1998.

3 **SEC. 1204. TEMPORARY USE OF GENERAL PURPOSE VEHI-**
4 **CLES AND NONLETHAL MILITARY EQUIP-**
5 **MENT UNDER ACQUISITION AND CROSS**
6 **SERVICING AGREEMENTS.**

7 Section 2350(1) of title 10, United States Code, is
8 amended by striking out “other items” in the second sen-
9 tence and all that follows through “United States Muni-
10 tions List” and inserting in lieu thereof “other nonlethal
11 items of military equipment which are not designated as
12 significant military equipment on the United States Muni-
13 tions List promulgated”.

14 **SEC. 1205. DEFENSE BURDENSARING.**

15 (a) EFFORTS TO INCREASE ALLIED
16 BURDENSARING.—The President shall seek to have each
17 nation that has cooperative military relations with the
18 United States (including security agreements, basing ar-
19 rangements, or mutual participation in multinational mili-
20 tary organizations or operations) take one or more of the
21 following actions:

22 (1) For any nation in which United States mili-
23 tary personnel are assigned to permanent duty
24 ashore, increase its financial contributions to the
25 payment of the nonpersonnel costs incurred by the

1 United States Government for stationing United
2 States military personnel in that nation, with a goal
3 of achieving by September 30, 2000, 75 percent of
4 such costs. An increase in financial contributions by
5 any nation under this paragraph may include the
6 elimination of taxes, fees, or other charges levied on
7 United States military personnel, equipment, or fa-
8 cilities stationed in that nation.

9 (2) Increase its annual budgetary outlays for
10 national defense as a percentage of its gross domes-
11 tic product by 10 percent or at least to a level com-
12 mensurate that of the United States by September
13 30, 1998.

14 (3) Increase its annual budgetary outlays for
15 foreign assistance (to promote democratization, eco-
16 nomic stabilization, transparency arrangements, de-
17 fense economic conversion, respect for the rule of
18 law, and internationally recognized human rights) by
19 10 percent or at least to a level commensurate to
20 that of the United States by September 30, 1998.

21 (4) Increase the amount of military assets (in-
22 cluding personnel, equipment, logistics, support and
23 other resources) that it contributes, or would be pre-
24 pared to contribute, to multinational military activi-
25 ties worldwide.

1 (b) AUTHORITIES TO ENCOURAGE ACTIONS BY
2 UNITED STATES ALLIES.—In seeking the actions de-
3 scribed in subsection (a) with respect to any nation, or
4 in response to a failure by any nation to undertake one
5 or more of such actions, the President may take any of
6 the following measures to the extent otherwise authorized
7 by law:

8 (1) Reduce the end strength level of members
9 of the Armed Forces assigned to permanent duty
10 ashore in that nation.

11 (2) Impose on that nation fees or other charges
12 similar to those that such nation imposes on United
13 States forces stationed in that nation.

14 (3) Reduce (through rescission, impoundment,
15 or other appropriate procedures as authorized by
16 law) the amount the United States contributes to
17 the NATO Civil Budget, Military Budget, or Secu-
18 rity Investment Program.

19 (4) Suspend, modify, or terminate any bilateral
20 security agreement the United States has with that
21 nation, consistent with the terms of such agreement.

22 (5) Reduce (through rescission, impoundment
23 or other appropriate procedures as authorized by
24 law) any United States bilateral assistance appro-
25 priated for that nation.

1 (6) Take any other action the President deter-
2 mines to be appropriate as authorized by law.

3 (c) REPORT ON PROGRESS IN INCREASING ALLIED
4 BURDENSARING.—Not later than March 1, 1998, the
5 Secretary of Defense shall submit to Congress a report
6 on—

7 (1) steps taken by other nations to complete the
8 actions described in subsection (a);

9 (2) all measures taken by the President, includ-
10 ing those authorized in subsection (b), to achieve the
11 actions described in subsection (a);

12 (3) the difference between the amount allocated
13 by other nations for each of the actions described in
14 subsection (a) during the period beginning on March
15 1, 1996, and ending on February 28, 1997, and dur-
16 ing the period beginning on March 1, 1997, and
17 ending on February 28, 1998; and

18 (4) the budgetary savings to the United States
19 that are expected to accrue as a result of the steps
20 described under paragraph (1).

21 (d) REPORT ON NATIONAL SECURITY BASES FOR
22 FORWARD DEPLOYMENT AND BURDENSARING RELA-
23 TIONSHIPS.—(1) In order to ensure the best allocation of
24 budgetary resources, the President shall undertake a re-
25 view of the status of elements of the United States Armed

1 Forces that are permanently stationed outside the United
2 States. The review shall include an assessment of the fol-
3 lowing:

4 (A) The alliance requirements that are to be
5 found in agreements between the United States and
6 other countries.

7 (B) The national security interests that support
8 permanently stationing elements of the United
9 States Armed Forces outside the United States.

10 (C) The stationing costs associated with the
11 forward deployment of elements of the United States
12 Armed Forces.

13 (D) The alternatives available to forward de-
14 ployment (such as material prepositioning, enhanced
15 airlift and sealift, or joint training operations) to
16 meet such alliance requirements or national security
17 interests, with such alternatives identified and de-
18 scribed in detail.

19 (E) The costs and force structure configura-
20 tions associated with such alternatives to forward
21 deployment.

22 (F) The financial contributions that allies of
23 the United States make to common defense efforts
24 (to promote democratization, economic stabilization,
25 transparency arrangements, defense economic con-

1 version, respect for the rule of law, and internation-
2 ally recognized human rights).

3 (G) The contributions that allies of the United
4 States make to meeting the stationing costs associ-
5 ated with the forward deployment of elements of the
6 United States Armed Forces.

7 (H) The annual expenditures of the United
8 States and its allies on national defense, and the rel-
9 ative percentages of each nation's gross domestic
10 product constituted by those expenditures.

11 (2) The President shall submit to Congress a report
12 on the review under paragraph (1). The report shall be
13 submitted not later than March 1, 1998, in classified and
14 unclassified form.

15 **SEC. 1206. PRESIDENTIAL CERTIFICATIONS CONCERNING**
16 **DETARGETING OF RUSSIAN INTERCONTI-**
17 **NENTAL BALLISTIC MISSILES.**

18 (a) **REQUIRED CERTIFICATIONS.**—Not later than
19 January 1, 1998, the President shall submit to Congress
20 a report containing a certification by the President of each
21 of the following:

22 (1) Whether it is possible for the United States
23 to verify by technical means that a Russian ICBM
24 is or is not targeted at a site in the United States.

(b) **RUSSIAN ICBMS DEFINED.**—For purposes of subsection (a), the term “Russian ICBM” means an intercontinental ballistic missile of the Russian Federation.

(a) The amount spent by the United States as its share of the total cost to North Atlantic Treaty Organization member nations of the admission of new member nations to the North American Treaty Organization may not exceed 10 percent of the cost of expansion or a total of \$2,000,000,000, whichever is less, for fiscal years 1998 through 2010.

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1 pended for the costs of such expansion until that percent-
2 age is reduced to below 10 percent.

3 **SEC. 1208. SENSE OF THE CONGRESS RELATING TO LEVEL**
4 **OF UNITED STATES MILITARY PERSONNEL IN**
5 **THE ASIA AND PACIFIC REGION.**

6 (a) FINDINGS.—The Congress finds the following:

7 (1) The stability of the Asia-Pacific region is a
8 matter of vital national interest affecting the well-
9 being of all Americans.

10 (2) The nations of the Pacific Rim collectively
11 represent the United States largest trading partner
12 and are expected to account for almost one-third of
13 the world's economic activity by the start of the next
14 century.

15 (3) The increased reliance by the United States
16 on trade and Middle East oil sources has reinforced
17 United States security interests in the Southeast
18 Asia shipping lanes through the South China Sea
19 and the key straits of Malacca, Sunda, Lombok, and
20 Makassar.

21 (4) The South China Sea is a vital conduit for
22 United States Navy ships passing from the Pacific
23 to the Indian Ocean and the Persian Gulf.

1 (5) Maintaining freedom of navigation in the
2 South China Sea is a fundamental interest of the
3 United States.

4 (6) The threats of proliferation of weapons of
5 mass destruction, the emerging nationalism amidst
6 long-standing ethnic and national rivalries, and the
7 unresolved territorial disputes combine to create a
8 political landscape of potential instability and con-
9 flict in this region that would jeopardize the inter-
10 ests of the United States and the safety of United
11 States nationals.

12 (7) A critical component of the East Asia strat-
13 egy of the United States is maintaining forward de-
14 ployed forces in Asia to ensure broad regional stabil-
15 ity, to help to deter aggression, to lessen the pres-
16 sure for arms races, and to contribute to the politi-
17 cal and economic advances of the region from which
18 the United States benefits.

19 (8) The forward presence of the United States
20 in Northeast Asia enables the United States to re-
21 spond to regional contingencies, to protect sea lines
22 of communication, to sustain influence, and to sup-
23 port operations as distant as operations in the Per-
24 sian Gulf.

1 (9) The military forces of the United States
2 serve to prevent the political or economic control of
3 the Asia-Pacific region by a rival, hostile power or
4 coalition of such powers, thus preventing any such
5 group from obtaining control over the vast resources,
6 enormous wealth, and advanced technology of the re-
7 gion.

8 (10) Allies of the United States in the region
9 can base their defense planning on a reliable Amer-
10 ican security commitment, a reduction of which
11 could stimulate an arms buildup in the region.

12 (11) The Joint Announcement of the United
13 States-Japan Security Consultative Committee of
14 December 1996, acknowledged that “the forward
15 presence of U.S. forces continues to be an essential
16 element for pursuing our common security objec-
17 tives”.

18 (12) The administration has committed itself
19 on numerous occasions to maintain approximately
20 100,000 troops in the region, most recently by the
21 President in Australia, the Secretary of Defense in
22 the Quadrennial Defense Review, and the Secretary
23 of State in the Republic of Korea.

24 (13) The United States and Japan signed the
25 United States-Japan Security Declaration in April

1 1996, in which the United States reaffirmed its com-
2 mitment to maintain this level of 100,000 United
3 States military personnel in the region.

4 (14) The United States military presence is rec-
5 ognized by the nations of the region as serving sta-
6 bility and signaling United States engagement.

7 (15) The nations of East Asia and the Pacific
8 consider the commitment of the forces of the United
9 States to be so vital to their future that they scruti-
10 nize actions of the United States for any sign of
11 weakened commitment to the security of the region.

12 (16) The reduction of forward-based military
13 forces could negatively affect the ability of the Unit-
14 ed States to contribute to the maintenance of peace
15 and stability of the Asia and Pacific region.

16 (17) Recognizing that while the United States
17 must consider the overall capabilities of its forces in
18 its decisions to deploy troops, nevertheless any re-
19 duction in the number of forward-based troops may
20 reduce the perception of American capability and
21 commitment in the region that cannot be completely
22 offset by modernization of the remaining forces.

23 (18) During time of crisis, redeployment of
24 forces previously removed from the area might itself
25 be deemed an act of provocation that could be used

1 as a pretext by a hostile power for armed aggression
2 within the region, and the existence of that possibil-
3 ity might hinder such a deployment.

4 (19) Proposals to reduce the forward presence
5 of the United States in Asia or drastically subordi-
6 nate security interests to United States domestic
7 budgetary concerns can erode the perception of the
8 commitment of the United States to its alliances and
9 interests in the region.

10 (b) SENSE OF THE CONGRESS.—It is the sense of
11 the Congress that the United States should maintain ap-
12 proximately 100,000 United States military personnel in
13 the Asia and Pacific region until such time as there is
14 a peaceful and permanent resolution to the major security
15 and political conflicts in the region.

16 **SEC. 1209. SENSE OF THE CONGRESS ON NEED FOR RUS-**
17 **SIAN OPENNESS ON THE YAMANTAU MOUN-**
18 **TAIN PROJECT.**

19 (a) FINDINGS.—Congress finds as follows:

20 (1) The United States and Russia have been
21 working in the post-Cold War era to establish a new
22 strategic relationship based on cooperation and
23 openness between the two nations.

24 (2) This effort to establish a new strategic rela-
25 tionship has resulted in the conclusion or agreement

1 in principle on a number of far-reaching agreements,
2 including START I, II, and III, a revision in the
3 Conventional Forces in Europe Treaty, and a series
4 of other agreements (such as the Comprehensive
5 Test Ban Treaty and the Chemical Weapons Con-
6 vention), designed to further reduce bilateral threats
7 and limit the proliferation of weapons of mass de-
8 struction.

9 (3) These far-reaching agreements were based
10 on the understanding between the United States and
11 Russia that there would be a good faith effort on
12 both sides to comply with the letter and spirit of the
13 agreements, that both sides would end their Cold
14 War competition, and that neither side would seek
15 to gain or maintain unilateral strategic advantage
16 over the other.

17 (4) Reports indicate that Russia has been pur-
18 suing construction of a massive underground facility
19 of unknown purpose at Yamantau Mountain and the
20 city of Mezhgorye (formerly the settlements of
21 Beloretsk-15 and Beloretsk-16) that is designed to
22 survive a nuclear war and appears to exceed reason-
23 able defense requirements.

24 (5) The Yamantau Mountain project does not
25 appear to be consistent with the lowering of strate-

1 gie threats, openness, and cooperation that is the
2 basis of the post-Cold War strategic partnership be-
3 tween the United States and Russia.

4 (6) Russia appears to have engaged in a cam-
5 paign to deliberately conceal and mislead the United
6 States about the purpose of the Yamantau Mountain
7 project, as shown by the following:

8 (A) General and Bashkortostan, People's
9 Deputy Leonid Akimovich Tsirkunov, com-
10 mandant of Beloretsk-15 and Beloretsk-16,
11 stated in 1991 and 1992 that the purpose of
12 the construction there was to build a mining
13 and ore-processing complex, but later claimed
14 that it was an underground warehouse for food
15 and clothing.

16 (B) M.Z. Shakiorov, a former communist
17 official in the region, alleged in 1992 that the
18 Yamantau Mountain facility was to become a
19 shelter for the Russian national leadership in
20 case of nuclear war.

21 (C) Sources of the Segodnya newspaper in
22 1996 claimed that the Yamantau Mountain
23 project was associated with the so-called "Dead
24 Hand" nuclear retaliatory command and con-
25 trol system for strategic missiles.

1 (D) Then Commander-in-Chief of the Stra-
2 tegic Rocket Forces General Igor Sergeyev de-
3 nied that the facility was associated with nu-
4 clear forces.

5 (E) R. Zhukov, a Deputy in the State As-
6 sembly, in 1996 claimed that the Yamantau
7 Mountain facility belonged to “atomic sci-
8 entists” and posed a serious environmental haz-
9 ard.

10 (F) Russia’s 1997 federal budget lists the
11 project as a closed territory containing installa-
12 tions of the Ministry of Defense, while First
13 Deputy Defense Minister Andrey Kokoshin re-
14 cently stated that the Ministry of Defense has
15 nothing to do with the project.

16 (7) Continued cooperation and progress on
17 forging a new strategic relationship between the
18 United States and Russia requires that both nations
19 make transparent to one another major projects un-
20 derway or plans under consideration that could alter
21 the strategic balance sought in arms control agree-
22 ments or otherwise be construed by the other side as
23 an important new potential threat.

24 (8) The United States has allowed senior Rus-
25 sian military and government officials to have access

1 to key strategic facilities of the United States by
2 providing tours of the North American Air Defense
3 (NORAD) command at Cheyenne Mountain and the
4 United States Strategic Command (STRACOM)
5 headquarters in Omaha, Nebraska, among other
6 sites, and by providing extensive briefings on the op-
7 erations of those facilities.

8 (b) SENSE OF CONGRESS.—In light of the findings
9 in subsection (a), it is the sense of Congress that—

10 (1) the Russian government should provide to
11 the United States a written explanation on the prin-
12 cipal and secondary purposes of the Yamantau
13 Mountain project, specifically identifying the in-
14 tended end user and explaining the heavy investment
15 in that project;

16 (2) the Russian government should allow a
17 United States delegation, including officials of the
18 executive branch, Members of Congress, and United
19 States experts on underground facilities, to have ac-
20 cess to the Yamantau Mountain project to inspect
21 the facility and all rail-served buildings in the south-
22 ern and northern settlements located near
23 Yamantau; and

24 (3) the Russian government should direct senior
25 officials responsible for the Yamantau Mountain

1 project to explain to such a United States delegation
2 the purpose and operational concept of all completed
3 and planned underground facilities at Yamantau
4 Mountain in sufficient detail (including through the
5 use of drawings and diagrams) to support a high-
6 confidence judgment by the United States delegation
7 that the design is consistent with the official expla-
8 nations.

9 **SEC. 1210. UNITED STATES ARMED FORCES IN BOSNIA.**

10 (a) LIMITATION.—Funds appropriated or otherwise
11 made available for the Department of Defense may not
12 be obligated for the deployment of any ground elements
13 of the United States Armed Forces in the Republic of
14 Bosnia and Herzegovina after—

15 (1) June 30, 1998; or

16 (2) such later date as may be specifically pre-
17 scribed by law after the date of the enactment of
18 this Act, based upon a request from the President
19 or otherwise as the Congress may determine.

20 (b) EXCEPTIONS.—The limitation in subsection (a)
21 shall not apply to the extent necessary to support (1) a
22 limited number of United States military personnel suffi-
23 cient only to protect United States diplomatic facilities in
24 existence on the date of the enactment of this Act, and
25 (2) noncombat military personnel sufficient only to advise

1 the commanders North Atlantic Treaty Organization
2 peacekeeping operations in the Republic of Bosnia and
3 Herzegovina.

4 (c) CONSTRUCTION OF SECTION.—Nothing in this
5 section shall be deemed to restrict the authority of the
6 President under the Constitution to protect the lives of
7 United States citizens.

8 **SEC. 1211. LIMITATION ON SUPPORT FOR LAW ENFORCE-**
9 **MENT ACTIVITIES IN BOSNIA.**

10 None of the funds appropriated or otherwise made
11 available to the Department of Defense may be obligated
12 or expended after the date of the enactment of this Act
13 for the conduct of, or direct support for, law enforcement
14 activities in the Republic of Bosnia and Herzegovina, ex-
15 cept for the training of law enforcement personnel or to
16 prevent imminent loss of life.

17 **SEC. 1212. PRESIDENTIAL REPORT ON POLITICAL AND**
18 **MILITARY CONDITIONS IN BOSNIA.**

19 (a) REPORT.—Not later than December 15, 1997,
20 the President shall submit to Congress a report on the
21 political and military conditions in the Republic of Bosnia
22 and Herzegovina (hereafter in this section referred to as
23 Bosnia-Herzegovina). Of the funds available to the Sec-
24 retary of Defense for fiscal year 1998 for the operation
25 of United States ground forces in Bosnia-Herzegovina

1 during that fiscal year, no more than 60 percent may be
2 expended before the report is submitted.

3 (b) MATTERS TO BE INCLUDED.—The report under
4 subsection (a) shall include a discussion of the following:

5 (1) An identification of the specific steps taken
6 by the United States Government to transfer the
7 United States portion of the peacekeeping mission in
8 the Republic of Bosnia and Herzegovina to Euro-
9 pean allied nations or organizations.

10 (2) A detailed discussion of the proposed role
11 and involvement of the United States in supporting
12 peacekeeping activities in the Republic of Bosnia
13 and Herzegovina following the withdrawal of United
14 States ground forces from the Republic of Bosnia
15 and Herzegovina pursuant to section 1205.

16 (3) A detailed explanation and timetable for
17 carrying out the President's commitment to with-
18 draw all United States ground forces from Bosnia-
19 Herzegovina by the end of June 1998, including the
20 planned date of commencement and completion of
21 the withdrawal.

22 (4) The date on which the transition from the
23 multinational force known as the Stabilization Force
24 to the planned multinational successor force to be
25 known as the Deterrence Force will occur and how

1 the decision as to that date will impact the estimates
2 of costs associated with the operation of United
3 States ground forces in Bosnia-Herzegovina during
4 fiscal year 1998 as contained in the President's
5 budget for fiscal year 1998.

6 (5) The military and political considerations
7 that will affect the decision to carry out such a tran-
8 sition.

9 (6) Any plan to maintain or expand other
10 Bosnia-related operations (such as the operation
11 designated as Operation Deliberate Guard) if ten-
12 sions in Bosnia-Herzegovina remain sufficient to
13 delay the transition from the Stabilization Force to
14 the Deterrence Force and the estimated cost associ-
15 ated with each such operation.

16 (7) Whether allied nations participating in the
17 Bosnia mission have similar plans to increase and
18 maintain troop strength or maintain ground forces
19 in Bosnia-Herzegovina and, if so, the identity of
20 each such country and a description of that coun-
21 try's plans.

22 (c) STABILIZATION FORCE DEFINED.—As used in
23 this section, the term “Stabilization Force” (referred to
24 as “SFOR”) means the follow-on force to the Implementa-
25 tion Force (known as “IFOR”) in the Republic of Bosnia

1 and Herzegovina and other countries in the region, au-
2 thorized under United Nations Security Council Resolu-
3 tion 1008 (December 12, 1996).

4 **Subtitle B—Matters Relating To**
5 **Prevention of Technology Diver-**
6 **sion**

7 **SEC. 1231. FINDINGS.**

8 Congress finds as follows:

9 (1) There have been numerous reports of Unit-
10 ed States-origin supercomputers being obtained by
11 countries of proliferation concern for use in weapon
12 development programs.

13 (2) China is considered by the United States
14 Government to be a country of proliferation concern.

15 (3) According to United States officials, China
16 has acquired at least 47 United States-origin super-
17 computers.

18 (4) Recent reports indicate that China has pur-
19 chased hundreds of supercomputers for use in its
20 weapons programs and that the United States is un-
21 sure of the location of those supercomputers or the
22 purposes for which they are being used.

23 (5) China has refused to allow the United
24 States to conduct post-shipment verifications of
25 dual-use items exported from the United States to

1 ensure that those items are not diverted to military
2 use.

3 (6) China has in the past diverted dual-use
4 items intended for civilian use to military purposes.

5 **SEC. 1232. EXPORT APPROVALS FOR SUPERCOMPUTERS.**

6 (a) PRIOR APPROVAL OF EXPORTS AND REEX-
7 PORTS.—The President shall require that no digital com-
8 puter with a composite theoretical performance of more
9 than 2,000 millions of theoretical operations per second
10 (MTOPS) may be exported or reexported to a country
11 specified in subsection (b) without the prior written ap-
12 proval of the Secretary of Commerce, the Secretary of De-
13 fense, the Secretary of Energy, the Secretary of State, and
14 the Director of the Arms Control and Disarmament Agen-
15 cy.

16 (b) COVERED COUNTRIES.—For purposes of sub-
17 section (a), the countries specified in this subsection are
18 the countries listed as “computer tier 3” eligible countries
19 in section 740.7(d) of title 15 of the Code of Federal Reg-
20 ulations, as in effect on June 10, 1997.

21 (c) TIME LIMIT.—The Secretary of Commerce, the
22 Secretary of Defense, the Secretary of Energy, the Sec-
23 retary of State, and the Director of the Arms Control and
24 Disarmament Agency shall provide a written response to
25 an application for export approval under subsection (a)

1 within 10 days after the application is received. If any
2 such Secretary or the Director declines to approve the ex-
3 port of a computer, the computer may be exported or reex-
4 ported only pursuant to a license issued by the Secretary
5 of Commerce under the Export Administration Regula-
6 tions of the Department of Commerce, and without regard
7 to the licensing exceptions otherwise authorized under sec-
8 tion 740.7 of title 15 of the Code of Federal Regulations,
9 as in effect on June 10, 1997.

10 **SEC. 1233. REPORT ON EXPORTS OF SUPERCOMPUTERS.**

11 (a) REPORT.—Not later than 30 days after the date
12 of the enactment of this Act, the President shall provide
13 to the congressional committees specified in subsection (d)
14 a report identifying all exports of digital computers with
15 a composite theoretical performance of over 2,000 millions
16 of theoretical operations per second (MTOPS) to all coun-
17 tries since January 25, 1996. For each export, the report
18 shall identify—

19 (1) whether an export license was applied for
20 and whether one was granted;

21 (2) the date of the transfer of the computer;

22 (3) the United States manufacturer and ex-
23 porter of the computer;

24 (4) the MTOPS level of the computer; and

25 (5) the recipient country and end user.

1 (b) ADDITIONAL INFORMATION ON EXPORTS TO
2 CERTAIN COUNTRIES.—In the case of exports to countries
3 specified in subsection (c), the report under subsection (a)
4 shall identify the intended end use for the exported com-
5 puter and the assessment by the executive branch of
6 whether the end user is a military end user or an end user
7 involved in activities relating to nuclear, chemical, or bio-
8 logical weapons or missile technology. Information pro-
9 vided under this subsection may be submitted in classified
10 form if necessary.

11 (c) COVERED COUNTRIES.—For purposes of sub-
12 section (b), the countries specified in this subsection are—

13 (1) the countries listed as “computer tier 3” eli-
14 gible countries in section 740.7(d) of title 15 of the
15 Code of Federal Regulations, as in effect on June
16 10, 1997; and

17 (2) the countries listed in section 740.7(e) of
18 title 15 of the Code of Federal Regulations, as in ef-
19 fect on June 10, 1997.

20 (d) CONGRESSIONAL COMMITTEES.—For purposes of
21 subsection (a), the congressional committees specified in
22 this subsection are the following:

23 (1) The Committee on Banking, Housing, and
24 Urban Affairs and the Committee on Armed Serv-
25 ices of the Senate.

1 (2) The Committee on International Relations
2 and the Committee on National Security of the
3 House of Representatives.

4 **SEC. 1234. POST-SHIPMENT VERIFICATION OF EXPORT OF**
5 **SUPERCOMPUTERS.**

6 (a) REQUIRED POST-SHIPMENT VERIFICATION.—
7 The Secretary of Commerce shall conduct post-shipment
8 verification of each supercomputer that is exported from
9 the United States, on or after the date of the enactment
10 of this Act, to a country specified in subsection (c).

11 (b) COVERED SUPERCOMPUTERS.—Subsection (a)
12 applies with respect to a digital computer with a composite
13 theoretical performance in excess of 2,000 millions of theo-
14 retical operations per second (MTOPS).

15 (c) COVERED COUNTRIES.—For purposes of sub-
16 section (a), the countries specified in this subsection are
17 the countries listed as “computer tier 3” eligible countries
18 in section 740.7 of title 15 of the Code of Federal Regula-
19 tions, as in effect on June 10, 1997.

20 (d) ANNUAL REPORT.—The Secretary of Commerce
21 shall submit to the congressional committees specified in
22 subsection (f) an annual report on the results of post-ship-
23 ment verifications conducted under this section during the
24 preceding year. Each such report shall include a list of
25 all such items exported from the United States to such

1 countries during the previous year and, with respect to
2 each such export, the following:

3 (1) The destination country.

4 (2) The date of export.

5 (3) The intended end use and intended end
6 user.

7 (4) The results of the post-shipment verifica-
8 tion.

9 (e) EXPLANATION WHEN VERIFICATION NOT CON-
10 DUCTED.—If a post-shipment verification has not been
11 conducted in accordance with subsection (a) with respect
12 to any such export during the period covered by a report,
13 the Secretary shall include in the report for that period
14 a detailed explanation of the reasons why such a post-ship-
15 ment verification was not conducted.

16 (f) CONGRESSIONAL COMMITTEES.—For purposes of
17 subsection (a), the congressional committees specified in
18 this subsection are the following:

19 (1) The Committee on National Security and
20 the Committee on International Relations of the
21 House of Representatives.

22 (2) The Committee on Armed Services and the
23 Committee on Banking, Housing, and Urban Affairs
24 of the Senate.

TITLE XIII—DEFENSE PERSONNEL REFORMS

SEC. 1301. REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.

(a) IN GENERAL.—(1) Chapter 3 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 130a. Management headquarters and headquarters support activities personnel: limitation

“(a) LIMITATION.—Effective October 1, 2001, the number of management headquarters and headquarters support activities personnel in the Department of Defense may not exceed the 75 percent of the baseline number.

“(b) PHASED REDUCTION.—The number of management headquarters and headquarters support activities personnel in the Department of Defense—

“(1) as of October 1, 1998, may not exceed 90 percent of the baseline number;

“(2) as of October 1, 1999, may not exceed 85 percent of the baseline number; and

“(3) as of October 1, 2000, may not exceed 80 percent of the baseline number.

“(c) BASELINE NUMBER.—In this section, the term ‘baseline number’ means the number of management

1 headquarters and headquarters support activities person-
2 nel in the Department of Defense as of October 1, 1997.

3 “(d) MANAGEMENT HEADQUARTERS AND HEAD-
4 QUARTERS SUPPORT ACTIVITIES PERSONNEL DE-
5 FINED.—In this section:

6 “(1) The term ‘management headquarters and
7 headquarters support activities personnel’ means
8 military and civilian personnel of the Department of
9 Defense who are assigned to, or employed in, func-
10 tions in management headquarters activities or in
11 management headquarters support activities.

12 “(2) The terms ‘management headquarters ac-
13 tivities’ and ‘management headquarters support ac-
14 tivities’ have the meanings given those terms in De-
15 partment of Defense Directive 5100.73, entitled ‘De-
16 partment of Defense Management Headquarters and
17 Headquarters Support Activities’, as in effect on No-
18 vember 12, 1996.

19 “(e) LIMITATION ON REASSIGNMENT OF FUNC-
20 TIONS.—In carrying out reductions in the number of per-
21 sonnel assigned to, or employed in, management head-
22 quarters and headquarters support activities in order to
23 comply with this section, the Secretary of Defense and the
24 Secretaries of the military departments may not reassign

1 functions in order to evade the requirements of this sec-
2 tion.

3 “(f) FLEXIBILITY.—If the Secretary of Defense de-
4 termines, and certifies to Congress, that the limitation in
5 subsection (b) with respect to any fiscal year would ad-
6 versely affect United States national security, the Sec-
7 retary may waive the limitation under that subsection with
8 respect to that fiscal year. If the Secretary of Defense de-
9 termines, and certifies to Congress, that the limitation in
10 subsection (a) during fiscal year 2001 would adversely af-
11 fect United States national security, the Secretary may
12 waive the limitation under that subsection with respect to
13 that fiscal year. The authority under this subsection may
14 be used only once, with respect to a single fiscal year.”.

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

“130a. Management headquarters and headquarters support activities personnel:
limitation.”.

18 (b) IMPLEMENTATION REPORT.—Not later than Jan-
19 uary 15, 1998, the Secretary of Defense shall submit to
20 Congress a report—

21 (1) containing a plan to achieve the personnel
22 reductions required by section 130a of title 10, Unit-
23 ed States Code, as added by subsection (a); and

1 (2) including the recommendations of the Sec-
2 retary regarding—

3 (A) the revision, replacement, or aug-
4 mentation of Department of Defense Directive
5 5100.73, entitled “Department of Defense
6 Management Headquarters and Headquarters
7 Support Activities”, as in effect on November
8 12, 1996; and

9 (B) the revision of the definitions of the
10 terms “management headquarters activities”
11 and “management headquarters support activi-
12 ties” under that Directive so that those terms
13 apply uniformly throughout the Department of
14 Defense.

15 (c) CODIFICATION OF PRIOR PERMANENT LIMITA-
16 TION ON OSD PERSONNEL.—(1) Chapter 4 of title 10,
17 United States Code, is amended by adding at the end a
18 new section 143 consisting of—

19 (A) a heading as follows:

20 “§ 143. Office of the Secretary of Defense personnel:
21 **limitation**”;

22 and

23 (B) a text consisting of the text of subsections
24 (a) through (f) of section 903 of the National De-

1 fense Authorization Act for Fiscal Year 1997 (Pub-
2 lic Law 104–201; 110 Stat. 2617).

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

“143. Office of the Secretary of Defense personnel: limitation.”.

6 (3) Section 903 of the National Defense Authoriza-
7 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
8 Stat. 2617) is repealed.

9 **SEC. 1302. ADDITIONAL REDUCTION IN DEFENSE ACQUISI-**
10 **TION WORKFORCE.**

11 (a) IN GENERAL.—(1) Chapter 87 of title 10, United
12 States Code, is amended by adding at the end the follow-
13 ing new section:

14 **“§ 1765. Limitations on number of personnel**

15 “(a) LIMITATION.—Effective October 1, 2001, the
16 number of defense acquisition personnel may not exceed
17 the baseline number reduced by 124,000.

18 “(b) PHASED REDUCTION.—The number of the num-
19 ber of defense acquisition personnel—

20 “(1) as of October 1, 1998, may not exceed the
21 baseline number reduced by 40,000;

22 “(2) as of October 1, 1999, may not exceed the
23 baseline number reduced by 80,000; and

24 “(3) as of October 1, 2000, may not exceed the
25 baseline number reduced by 102,000.

1 “(c) BASELINE NUMBER.—For purposes of this sec-
2 tion, the baseline number is the total number of defense
3 acquisition personnel as of October 1, 1997.

4 “(d) DEFENSE ACQUISITION PERSONNEL DE-
5 FINED.—(1) In this section, the term ‘defense acquisition
6 personnel’ means military and civilian personnel (other
7 than civilian personnel described in paragraph (2)) who
8 are assigned to, or employed in, acquisition organizations
9 of the Department of Defense (as specified in Department
10 of Defense Instruction numbered 5000.58 dated January
11 14, 1992).

12 “(2) Such term does not include civilian employees
13 of the Department of Defense who are employed at a
14 maintenance depot.”.

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

“1765. Limitations on number of personnel.”.

18 (b) IMPLEMENTATION REPORT.—Not later than Jan-
19 uary 15, 1998, the Secretary of Defense shall submit to
20 Congress a report—

21 (1) containing a plan to achieve the personnel
22 reductions required by section 1765 of title 10,
23 United States Code, as added by subsection (a); and

1 (2) containing any recommendations (including
2 legislative proposals) that the Secretary considers
3 necessary to fully achieve such reductions.

4 (c) TECHNICAL REFERENCE CORRECTION.—Section
5 1721(c) of title 10, United States Code, is amended by
6 striking out “November 25, 1988” and inserting in lieu
7 thereof “November 12, 1996”.

8 **SEC. 1303. AVAILABILITY OF FUNDS FOR SEPARATION PAY**
9 **FOR DEFENSE ACQUISITION PERSONNEL.**

10 Of the amount authorized to be appropriated pursu-
11 ant to section 301(5) for operation and maintenance for
12 Defense-wide activities, \$100,000,000 shall be available
13 only for the payment of separation pay under section 5597
14 of title 5, United States Code, to civilian employees of the
15 Department of Defense who are defense acquisition per-
16 sonnel (as defined in section 1765(d) of title 10, United
17 States Code).

18 **SEC. 1304. PERSONNEL REDUCTIONS IN UNITED STATES**
19 **TRANSPORTATION COMMAND.**

20 (a) PURPOSE OF REDUCTION.—The purpose of the
21 reduction in the number of United States Transportation
22 Command personnel is to recognize and continue the ef-
23 fort of the Secretary of Defense to achieve the United
24 States Transportation Command reengineering reform

1 plan to eliminate administrative duplication and process
2 inefficiencies.

3 (b) REDUCTION IN UNITED STATES TRANSPOR-
4 TATION COMMAND PERSONNEL.—(1) Effective October 1,
5 1998, the number of United States Transportation Com-
6 mand personnel may not exceed the number equal to the
7 baseline number reduced by 1,000.

8 (2) For purposes of this section, the baseline number
9 is the total number of United States Transportation Com-
10 mand personnel as of September 30, 1997.

11 (c) UNITED STATES TRANSPORTATION COMMAND
12 PERSONNEL DEFINED.—For purposes of this section, the
13 term “United States Transportation Command personnel”
14 means military and civilian personnel who are assigned to,
15 or employed in, the United States Transportation Com-
16 mand Headquarters, Air Force Air Mobility Command,
17 Navy Military Sealift Command, Army Military Traffic
18 Management Command, and Defense Courier Service.

19 (d) SOURCE OF REDUCTIONS.—In reducing the num-
20 ber of United States Transportation Command personnel
21 as required by subsection (b), the Secretary of Defense
22 shall limit such reductions to the United States Transpor-
23 tation Command personnel who are in the following occu-
24 pational classifications established to group similar occu-
25 pations and work positions into a consistent structure:

1 (1) Enlisted members in the Functional Sup-
2 port and Administration classification (designated as
3 occupational code 5XX), as described in Department
4 of Defense Instruction 1312.1, dated August 9,
5 1995, regarding “Department of Defense Occupa-
6 tional Information Collection and Reporting”.

7 (2) Officers in the General Officers and Execu-
8 tives classification (designated as occupational code
9 1XX), Administrators (designated as occupational
10 code 7XX), and Supply, Procurement, and Allied Of-
11 ficers classification (designated as occupational code
12 8XX), as described in such instruction.

13 (3) Civilian personnel in the Program Manage-
14 ment classification (designated as occupational code
15 GS-0340), Accounting and Budget classification
16 (designated as occupational code GS-0500 and re-
17 lated codes), Business and Industry classification
18 (designated as occupational code GS-1100 and re-
19 lated codes), and Supply classification (designated as
20 occupational code GS-2000 and related codes), as
21 described in Office of Personnel Management docu-
22 ment El-12, dated November 1, 1995, entitled
23 “Federal Occupational Groups”.

1 (e) WAIVER AUTHORITY.—The Secretary of Defense
2 may waive or suspend operation of this section in the event
3 of a war or national emergency.

4 **TITLE XIV—DEFENSE BUSINESS**
5 **PRACTICES REFORMS**
6 **Subtitle A—Competitive**
7 **Procurement Requirements**

8 **SEC. 1401. COMPETITIVE PROCUREMENT OF FINANCE AND**
9 **ACCOUNTING SERVICES.**

10 (a) COMPETITIVE PROCUREMENT REQUIRED.—
11 Chapter 165 of title 10, United States Code, is amended
12 by adding at the end the following new section:

13 **“§ 2784. Competitive procurement of finance and ac-**
14 **counting services**

15 “(a) STUDY AND REPORT.—(1) Not later than De-
16 cember 1, 1997, the Secretary of Defense shall initiate a
17 study regarding the competitive procurement of finance
18 and accounting services for the Department of Defense,
19 including non-appropriated fund instrumentalities of the
20 Department of Defense. The study shall analyze the con-
21 duct of competitions among private-sector sources and the
22 Defense Finance and Accounting Service and other inter-
23 ested Federal agencies.

1 “(2) Not later than June 1, 1998, the Secretary of
2 Defense shall submit to Congress a report containing the
3 results of the study conducted under paragraph (1).

4 “(b) COMPETITIVE PROCUREMENT REQUIRED.—Be-
5 ginning not later than October 1, 1999, the Secretary of
6 Defense shall competitively procure finance and account-
7 ing services for the Department of Defense, including non-
8 appropriated fund instrumentalities of the Department of
9 Defense. The Secretary shall conduct competitions among
10 private-sector sources and the Defense Finance and Ac-
11 counting Service and other interested Federal agencies.
12 Such a competition shall not involve competition between
13 components of the Defense Finance and Accounting Serv-
14 ice.

15 “(c) IMPROVEMENT OF COMPETITIVE ABILITY.—Be-
16 fore conducting a competition under subsection (b) for the
17 procurement of finance and accounting services that are
18 being provided by a component of the Defense Finance
19 and Accounting Service, the Secretary of Defense shall
20 provide the component with an opportunity to establish
21 its most efficient organization.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 at the beginning of such chapter is amended by adding
24 at the end the following new item:

“2784. Competitive procurement of finance and accounting services.”.

1 **SEC. 1402. COMPETITIVE PROCUREMENT OF SERVICES TO**
2 **DISPOSE OF SURPLUS DEFENSE PROPERTY.**

3 (a) COMPETITIVE PROCUREMENT REQUIRED.—(1)
4 Chapter 153 of title 10, United States Code, is amended
5 by inserting after section 2572 the following new section:
6 **“§ 2573. Competitive procurement of services to dis-**
7 **pose of surplus property**

8 “(a) COMPETITIVE PROCUREMENT OF SERVICES.—
9 Beginning not later than October 1, 1998, the Secretary
10 of Defense shall competitively procure services for the De-
11 partment of Defense in connection with the disposal of
12 surplus property at each site at which the Defense Reutili-
13 zation and Marketing Service operates. The Secretary
14 shall conduct competitions among private-sector sources
15 and the Defense Reutilization and Marketing Service and
16 other interested Federal agencies for the performance of
17 all such services at a particular site.

18 “(b) IMPROVEMENT OF COMPETITIVE ABILITY.—Be-
19 fore conducting a competition under subsection (a) for the
20 procurement of services described in such subsection that
21 are being provided by a component of the Defense Reutili-
22 zation and Marketing Service, the Secretary of Defense
23 shall provide the component with an opportunity to estab-
24 lish its most efficient organization.

25 “(c) REPORTING REQUIREMENTS.—Not later than
26 90 days after the end of each fiscal year in which services

1 for the disposal of surplus property are competitively pro-
2 cured under subsection (a), the Secretary of Defense shall
3 submit to Congress a report specifying—

4 “(1) the type and volume of such services pro-
5 cured by the Department of Defense during that fis-
6 cal year from the Defense Reutilization and Market-
7 ing Service and from other sources;

8 “(2) the former sites of the Defense Reutiliza-
9 tion and Marketing Service operated during that fis-
10 cal year by contractors (other than the Defense Re-
11 utilization and Marketing Service); and

12 “(3) the total amount of any fees paid by such
13 contractors in connection with the performance of
14 such services during that fiscal year.

15 “(d) RULE OF CONSTRUCTION.—Nothing in this sec-
16 tion shall be construed to alter the requirements regarding
17 the identification or demilitarization of an item of excess
18 property or surplus property of the Department of De-
19 fense before the disposal of the item.

20 “(e) DEFINITIONS.—In this section:

21 “(1) The term ‘surplus property’ means any
22 personal excess property which is not required for
23 the needs and the discharge of the responsibilities of
24 all Federal agencies and the disposal of which is the
25 responsibility of the Department of Defense.

1 “(2) The term ‘excess property’ means any per-
 2 sonal property under the control of the Department
 3 of Defense which is not required for its needs and
 4 the discharge of its responsibilities, as determined by
 5 the Secretary of Defense.”.

6 (2) The table of sections at the beginning of such
 7 chapter is amended by inserting after the item relating
 8 to section 2572 the following new item:

 “2573. Competitive procurement of services to dispose of surplus property.”.

9 (b) IMPLEMENTATION REPORT.—Not later than
 10 March 1, 1998, the Secretary of Defense shall submit to
 11 Congress a report—

12 (1) containing a plan to implement the competi-
 13 tive procurement requirements of section 2573 of
 14 title 10, United States Code, as added by subsection
 15 (a); and

16 (2) identifying other functions of the Defense
 17 Reutilization and Marketing Service that the Sec-
 18 retary considers suitable for performance by private-
 19 sector sources.

20 **SEC. 1403. COMPETITIVE PROCUREMENT OF FUNCTIONS**
 21 **PERFORMED BY DEFENSE INFORMATION**
 22 **SYSTEMS AGENCY.**

23 (a) COMPETITIVE PROCUREMENT REQUIRED.—
 24 Chapter 146 of title 10, United States Code, is amended
 25 by adding at the end the following new section:

1 **“§ 2474. Competitive procurement of information**
2 **services**

3 “(a) STUDY AND REPORT.—(1) Not later than De-
4 cember 1, 1997, the Secretary of Defense shall initiate a
5 study regarding the competitive procurement of those
6 commercial and industrial type functions performed before
7 the date of the enactment of this Act by the Defense Infor-
8 mation Systems Agency, with particular regard to the
9 functions performed at the entities known as megacenters.
10 The study shall analyze the conduct of competitions
11 among private-sector sources and the Defense Information
12 Systems Agency and other interested Federal agencies.

13 “(2) Not later than June 1, 1998, the Secretary of
14 Defense shall submit to Congress a report containing the
15 results of the study conducted under paragraph (1).

16 “(b) COMPETITIVE PROCUREMENT REQUIRED.—Be-
17 ginning not later than October 1, 1999, the Secretary of
18 Defense shall competitively procure those commercial and
19 industrial type functions performed before that date by the
20 Defense Information Systems Agency. The Secretary shall
21 conduct competitions among private-sector sources and
22 the Defense Information Systems Agency and other inter-
23 ested Federal agencies.

24 “(c) IMPROVEMENT OF COMPETITIVE ABILITY.—Be-
25 fore conducting a competition under subsection (b) for the
26 procurement of information services that are being pro-

1 vided by a component of the Defense Information Systems
2 Agency, the Secretary of Defense shall provide the compo-
3 nent with an opportunity to establish its most efficient or-
4 ganization.

5 “(d) EXCEPTION FOR CLASSIFIED FUNCTIONS.—(1)
6 The requirement of subsection (b) shall not apply to the
7 procurement of services involving a classified function per-
8 formed by the Defense Information Systems Agency.

9 “(2) In this subsection, the term ‘classified function’
10 means any telecommunications or information services
11 that—

12 “(A) involve intelligence activities;

13 “(B) involve cryptologic activities related to na-
14 tional security;

15 “(C) involve command and control of military
16 forces;

17 “(D) involve equipment that is an integral part
18 of a weapon or weapons system; or

19 “(E) are critical to the direct fulfillment of mili-
20 tary or intelligence missions (other than routine ad-
21 ministrative and business applications, such as pay-
22 roll, finance, logistics, and personnel management
23 applications).”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end the following new item:

“2474. Competitive procurement of information services.”.

4 **SEC. 1404. COMPETITIVE PROCUREMENT OF PRINTING AND**
 5 **DUPLICATION SERVICES.**

6 (a) EXTENSION.—Subsection (a) of section 351 of
 7 the National Defense Authorization Act for Fiscal Year
 8 1996 (Public Law 104–106; 110 Stat. 266) is amended—

9 (1) by striking out “and 1997” and inserting in
 10 lieu thereof “through 1998”; and

11 (2) by striking out “Defense Printing Service”
 12 and inserting in lieu thereof “Defense Automation
 13 and Printing Service”.

14 (b) PROHIBITION ON SURCHARGE FOR SERVICES.—
 15 Such section is further amended by adding at the end the
 16 following new subsection:

17 “(d) PROHIBITION ON IMPOSITION OF SUR-
 18 CHARGE.—The Defense Automation and Printing Service
 19 may not impose a surcharge on any printing and dupli-
 20 cation service for the Department of Defense that is pro-
 21 cured from a source outside of the Department.”.

22 **SEC. 1405. COMPETITIVE PROCUREMENT OF CERTAIN OPH-**
 23 **THALMIC SERVICES.**

24 (a) COMPETITIVE PROCUREMENT REQUIRED.—Be-
 25 ginning not later than October 1, 1998, the Secretary of

1 Defense shall competitively procure from private-sector
 2 sources, or other sources outside of the Department of De-
 3 fense, all ophthalmic services related to the provision of
 4 single vision and multivision eyeware for members of the
 5 Armed Forces, retired members, and certain covered bene-
 6 ficiaries under chapter 55 of title 10, United States Code,
 7 who would otherwise receive such ophthalmic services
 8 through the Department of Defense.

9 (b) EXCEPTION.—Subsection (a) shall not apply to
 10 the extent that the Secretary of Defense determines that
 11 the use of sources within the Department of Defense to
 12 provide such ophthalmic services—

13 (1) is necessary to meet the readiness require-
 14 ments of the Armed Forces; or

15 (2) is more cost effective.

16 (c) COMPLETION OF EXISTING ORDERS.—Subsection
 17 (a) shall not apply to orders for ophthalmic services re-
 18 ceived on or before September 30, 1998.

19 **SEC. 1406. COMPETITIVE PROCUREMENT OF COMMERCIAL**
 20 **AND INDUSTRIAL TYPE FUNCTIONS BY DE-**
 21 **FENSE AGENCIES.**

22 (a) COMPETITION REQUIRED.—Section 2461 of title
 23 10, United States Code, is amended—

24 (1) by redesignating subsection (g) as sub-
 25 section (h); and

1 (2) by inserting after subsection (f) the follow-
2 ing new subsection:

3 “(g) COMPETITIVE PROCUREMENT BY DEFENSE
4 AGENCIES.—(1) Beginning not later than September 30,
5 1999 (unless an earlier effective date is otherwise required
6 for a specific Defense Agency), the Secretary of Defense
7 shall competitively procure those commercial and indus-
8 trial type functions performed before that date by a De-
9 fense Agency. The Secretary shall conduct competitions
10 among private-sector sources and the Defense Agency in-
11 volved and other interested Federal agencies.

12 “(2) Before conducting a competition under sub-
13 section (a) for the procurement of a commercial or indus-
14 trial type function that is being performed by a component
15 of a Defense Agency, the Secretary of Defense shall pro-
16 vide the component with an opportunity to establish its
17 most efficient organization.

18 “(3) In this subsection, the term ‘Defense Agency’
19 means a program activity specified in the table entitled
20 ‘Program and Financing’ for operation and maintenance,
21 Defense-wide activities, in the budget of the President
22 transmitted to Congress for fiscal year 1998 pursuant to
23 section 1105 of title 31 (and any successor of such activ-
24 ity).”.

1 (b) IMPLEMENTATION REPORT.—Not later than
 2 March 1, 1998, the Secretary of Defense shall submit to
 3 Congress a report containing a plan to implement the com-
 4 petitive procurement requirements of section 2461(g) of
 5 title 10, United States Code, as added by subsection (a).

6 **Subtitle B—Reform of Conversion**
 7 **Process**

8 **SEC. 1411. DEVELOPMENT OF STANDARD FORMS REGARD-**
 9 **ING PERFORMANCE WORK STATEMENT AND**
 10 **REQUEST FOR PROPOSAL FOR CONVERSION**
 11 **OF CERTAIN OPERATIONAL FUNCTIONS OF**
 12 **MILITARY INSTALLATIONS.**

13 (a) STANDARD FORMS REQUIRED.—Chapter 146 of
 14 title 10, United States Code, is amended by inserting after
 15 section 2474, as added by section 1403, the following new
 16 section:

17 **“§ 2475. Military installations: use of standard forms**
 18 **in conversion process**

19 “(a) STANDARDIZATION OF REQUIREMENTS.—(1)
 20 The Secretary of Defense shall develop standard forms (to
 21 be known as a ‘standard performance work statement’ and
 22 a ‘standard request for proposal’) to be used in the consid-
 23 eration for conversion to contractor performance of those
 24 commercial services and functions at military installations
 25 that have been converted to contractor performance at a

1 rate of 50 percent or more, as determined under sub-
2 section (c).

3 “(2) A separate standard form shall be developed for
4 each service and function covered by paragraph (1) and
5 the forms shall be used throughout the Department of De-
6 fense in lieu of the performance work statement and re-
7 quest for proposal otherwise required under the proce-
8 dures and requirements of Office of Management and
9 Budget Circular A-76 (or any successor administrative
10 regulation or policy).

11 “(3) The Secretary shall develop and implement the
12 standard forms not later than October 1, 1998.

13 “(b) INAPPLICABILITY OF ELEMENTS OF OMB CIR-
14 CULAR A-76.—On and after October 1, 1998, the proce-
15 dures and requirements of Office of Management and
16 Budget Circular A-76 regarding performance work state-
17 ments and requests for proposals shall not apply with re-
18 spect to the conversion to contractor performance at a
19 military installation of a service or function for which a
20 standard form is required under subsection (a).

21 “(c) DETERMINATION OF CONTRACTOR PERFORM-
22 ANCE PERCENTAGE.—In determining the percentage at
23 which a particular commercial service or function at mili-
24 tary installations has been converted to contractor per-
25 formance, the Secretary of Defense shall take into consid-

1 eration all military installations and use the final estimate
2 of the percentage of contractor performance of services
3 and functions contained in the most recent commercial
4 and industrial activity inventory database established
5 under Office of Management and Budget Circular A-76.

6 “(d) EXCLUSION OF MULTI-FUNCTION CONVER-
7 SION.—If a commercial service or function for which a
8 standard form is developed under subsection (a) is com-
9 bined with another service or function (for which such a
10 form is not required) for purposes of considering the serv-
11 ices and functions at the military installation for conver-
12 sion to contractor performance, a standard form developed
13 under subsection (a) may not be used in the conversion
14 process in lieu of the procedures and requirements of Of-
15 fice of Management and Budget Circular A-76 regarding
16 performance work statements and requests for proposals.

17 “(e) EFFECT ON OTHER LAWS.—Nothing in this sec-
18 tion shall be construed to supersede any other require-
19 ments or limitations, specifically contained in this chapter,
20 on the conversion to contractor performance of activities
21 performed by civilian employees of the Department of De-
22 fense.

23 “(f) MILITARY INSTALLATION DEFINED.—In this
24 section, the term ‘military installation’ means a base,
25 camp, post, station, yard, center, homeport facility for any

1 ship, or other activity under the jurisdiction of the Depart-
 2 ment of Defense, including any leased facility.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
 4 at the beginning of such chapter is amended by inserting
 5 after the item relating to section 2474, as added by section
 6 1403, the following new item:

“2475. Military installations: use of standard forms in conversion process.”.

7 **SEC. 1412. STUDY AND NOTIFICATION REQUIREMENTS FOR**
 8 **CONVERSION OF COMMERCIAL AND INDUS-**
 9 **TRIAL TYPE FUNCTIONS TO CONTRACTOR**
 10 **PERFORMANCE.**

11 (a) NOTIFICATION.—Section 2461 of title 10, United
 12 States Code, is amended by striking out subsections (a)
 13 and (b) and inserting in lieu thereof the following new sub-
 14 sections:

15 “(a) NOTIFICATION OF CONVERSION STUDY.—(1) In
 16 the case of a commercial or industrial type function of the
 17 Department of Defense that on October 1, 1980, was
 18 being performed by Department of Defense civilian em-
 19 ployees, the Secretary of Defense shall notify Congress of
 20 any decision to study the function for possible conversion
 21 to performance by a private contractor. The notification
 22 shall include information regarding the anticipated length
 23 and cost of the study.

1 “(2) A study of a commercial or industrial type func-
2 tion for possible conversion to contractor performance
3 shall include the following:

4 “(A) A comparison of the performance of the
5 function by Department of Defense civilian employ-
6 ees and by private contractor to determine whether
7 contractor performance will result in savings to the
8 Government over the life of the contract.

9 “(B) An examination of the potential economic
10 effect on employees who would be affected by the
11 conversion, and the potential economic effect on the
12 local community and the United States if more than
13 75 employees perform the function.

14 “(C) An examination of the effect of contract-
15 ing for performance of the function on the military
16 mission of the function.

17 “(b) NOTIFICATION OF CONVERSION DECISION.—If,
18 as a result of the completion of a study under subsection
19 (a) regarding the possible conversion of a function to per-
20 formance by a private contractor, a decision is made to
21 convert the function to contractor performance, the Sec-
22 retary of Defense shall notify Congress of the conversion
23 decision. The notification shall—

1 “(1) indicate that the study conducted regard-
2 ing conversion of the function to performance by a
3 private contractor has been completed;

4 “(2) certify that the comparison required by
5 subsection (a)(2)(A) as part of the study dem-
6 onstrates that the performance of the function by a
7 private contractor will result in savings to the Gov-
8 ernment over the life of the contract;

9 “(3) certify that the entire comparison is avail-
10 able for examination; and

11 “(4) contain a timetable for completing conver-
12 sion of the function to contractor performance.”.

13 (b) WAIVER FOR SMALL FUNCTIONS.—Subsection
14 (d) of such section is amended by striking out “45 or
15 fewer” and inserting in lieu thereof “20 or fewer”.

16 **SEC. 1413. COLLECTION AND RETENTION OF COST INFOR-**
17 **MATION DATA ON CONTRACTED OUT SERV-**
18 **ICES AND FUNCTIONS.**

19 (a) COLLECTION AND RETENTION REQUIRED.—Sec-
20 tion 2463 of title 10, United States Code, is amended—

21 (1) by redesignating subsections (a) and (b) as
22 subsections (b) and (c), respectively; and

23 (2) by inserting after the section heading the
24 following new subsection:

1 “(a) REQUIREMENTS IN CONNECTION WITH CON-
2 VERSION TO CONTRACTOR PERFORMANCE.—With respect
3 to each contract converting the performance of a service
4 or function of the Department of Defense to contractor
5 performance (and any extension of such a contract), the
6 Secretary of Defense shall collect, during the term of the
7 contract or extension, but not to exceed five years, cost
8 information data regarding performance of the service or
9 function by private contractor employees. The Secretary
10 shall provide for the permanent retention of information
11 collected under this subsection.”.

12 (b) CONFORMING AMENDMENTS.—Such section is
13 further amended—

14 (1) in subsection (b), as redesignated by sub-
15 section (a)(1)—

16 (A) by striking out the subsection heading
17 and inserting in lieu thereof “REQUIREMENTS
18 IN CONNECTION WITH RETURN TO EMPLOYEE
19 PERFORMANCE.—”; and

20 (B) by striking out “to which this section
21 applies” and inserting in lieu thereof “described
22 in subsection (c),”; and

23 (2) in subsection (c), as redesignated by sub-
24 section (a)(1)—

1 (A) by striking out the subsection heading
 2 and inserting in lieu thereof “COVERED FISCAL
 3 YEARS.—”; and

4 (B) by striking out “This section” and in-
 5 serting in lieu thereof “Subsection (b)”.

6 (c) CLERICAL AMENDMENTS.—(1) The heading of
 7 such section is amended to read as follows:

8 **“§ 2463. Collection and retention of cost information**
 9 **data on contracted out services and func-**
 10 **tions**

11 (2) The item relating to such section in the table of
 12 sections at the beginning of chapter 146 of title 10, United
 13 States Code, is amended to read as follows:

“2463. Collection and retention of cost information data on contracted out serv-
 ices and functions.”.

14 **Subtitle C—Other Reforms**

15 **SEC. 1421. REDUCTION IN OVERHEAD COSTS OF INVEN-** 16 **TORY CONTROL POINTS.**

17 (a) REDUCTION IN COSTS REQUIRED.—The Sec-
 18 retary of Defense shall take such actions as may be nec-
 19 essary to reduce the annual overhead costs of the supply
 20 management activities of the Defense Logistics Agency
 21 and the military departments (known as Inventory Control
 22 Points) so that the annual overhead costs are not more
 23 than eight percent of annual net sales at standard price
 24 by the Inventory Control Points.

1 (b) TIME TO ACHIEVE REDUCTION.—The Secretary
2 shall achieve the cost reductions required by subsection
3 (a) not later than September 30, 2000.

4 (c) IMPLEMENTATION PLAN.—Not later than March
5 1, 1998, the Secretary of Defense shall submit to Congress
6 a plan to achieve the reduction in overhead costs required
7 by subsection (a).

8 (d) DEFINITIONS.—For purposes of this section:

9 (1) The term “overhead costs” means the total
10 expenses of the Inventory Control Points, exclud-
11 ing—

12 (A) annual materiel costs; and

13 (B) military and civilian personnel related
14 costs, defined as personnel compensation and
15 benefits under the March 1996 Department of
16 Defense Financial Management Regulations,
17 Volume 2A, Chapter 1, Budget Account Title
18 File (Object Classification Name/Code), object
19 classifications 200, 211, 220, 221, 222, and
20 301.

21 (2) The term “net sales at standard price” has
22 the meaning given that term in the March 1996 De-
23 partment of Defense Financial Management Regula-
24 tions, Volume 2B, Chapter 9, and displayed in “Ex-

hibit Fund—14 Revenue and Expenses” for the supply management business areas.

SEC. 1422. CONSOLIDATION OF PROCUREMENT TECHNICAL ASSISTANCE AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE.

(a) CONSOLIDATION OF ASSISTANCE.—Chapter 142 of title 10, United States Code, is amended as follows:

(1) Sections 2412, 2414, 2417, and 2418 are each amended by inserting “and electronic commerce” after “procurement” each place it appears.

(2) Section 2413 is amended—

(A) in subsection (b), by striking out “procurement technical assistance” and inserting in lieu thereof “both procurement technical assistance and electronic commerce technical assistance”; and

(B) in subsection (c), by inserting “and electronic commerce” after “procurement”.

(b) REQUIREMENT TO USE COMPETITIVE PROCEDURES.—Section 2413 of such title is amended by adding at the end the following new subsection:

“(d) The Secretary shall use competitive procedures in entering into cooperative agreements under subsection (a).”.

1 (c) LIMITATION ON USE OF FUNDS.—Section 2417
2 of such title is amended—

3 (1) by striking out “The Director” and insert-
4 ing in lieu thereof the following: “(b) ADMINISTRA-
5 TIVE COSTS.—The Director”; and

6 (2) by inserting before subsection (b) (as des-
7 ignated by paragraph (1)) the following:

8 “(a) LIMITATION ON USE OF FUNDS.—In any fiscal
9 year the Secretary of Defense may use for the program
10 authorized by this chapter only funds specifically appro-
11 priated for the program for that fiscal year.”.

12 (d) CLERICAL AMENDMENTS.—(1) The heading for
13 chapter 142 of such title is amended to read as follows:

14 **“CHAPTER 142—PROCUREMENT AND**
15 **ELECTRONIC COMMERCE TECHNICAL**
16 **ASSISTANCE PROGRAM”.**

17 (2) The tables of chapters at the beginning of subtitle
18 A, and at the beginning of part IV of subtitle A, of such
19 title are each amended by striking out the item relating
20 to chapter 142 and inserting in lieu thereof the following:

“142. Procurement and Electronic Commerce Technical
Assistance Program 2411”.

21 (3) The heading for section 2417 of such title is
22 amended to read as follows:

1 **“§ 2417. Funding provisions”.**

2 (4) The table of sections at the beginning of chapter
3 142 of such title is amended by striking out the item relat-
4 ing to section 2417 and inserting in lieu thereof the follow-
5 ing:

“2417. Funding provisions.”.

6 **SEC. 1423. PERMANENT AUTHORITY REGARDING CONVEY-**
7 **ANCE OF UTILITY SYSTEMS.**

8 (a) IN GENERAL.—Chapter 159 of title 10, United
9 States Code, is amended by inserting after section 2687
10 the following new section:

11 **“§ 2688. Utility systems: permanent conveyance au-**
12 **thority.**

13 “(a) CONVEYANCE AUTHORITY.—The Secretary of a
14 military department may convey a utility system, or part
15 of a utility system, under the jurisdiction of the Secretary
16 to a municipal, private, regional, district, or cooperative
17 utility company or other entity. The conveyance may con-
18 sist of all right, title, and interest of the United States
19 in the utility system or such lesser estate as the Secretary
20 considers appropriate to serve the interests of the United
21 States.

22 “(b) UTILITY SYSTEM DEFINED.—In this section,
23 the term ‘utility system’ includes the following:

24 “(1) Electrical generation and supply systems.

25 “(2) Water supply and treatment systems.

1 “(3) Wastewater collection and treatment sys-
2 tems.

3 “(4) Steam or hot or chilled water generation
4 and supply systems.

5 “(5) Natural gas supply systems.

6 “(6) Sanitary landfills or lands to be used for
7 sanitary landfills.

8 “(7) Similar utility systems.

9 “(c) CONSIDERATION.—(1) The Secretary of a mili-
10 tary department may accept consideration received for a
11 conveyance under subsection (a) in the form of a cash pay-
12 ment or a reduction in utility rate charges for a period
13 of time sufficient to amortize the monetary value of the
14 utility system, including any real property interests, con-
15 veyed.

16 “(2) Cash payments received shall be credited to an
17 appropriation account designated as appropriate by the
18 Secretary of Defense. Amounts so credited shall be avail-
19 able for the same time period as the appropriation credited
20 and shall be used only for the purposes authorized for that
21 appropriation.

22 “(d) CONGRESSIONAL NOTIFICATION.—A conveyance
23 may not be made under subsection (a) until—

24 “(1) the Secretary of the military department
25 concerned submits to the appropriate committees of

1 Congress (as defined in section 2801(c)(4) of this
2 title) a report containing an economic analysis
3 (based upon accepted life-cycle costing procedures
4 approved by the Secretary of Defense) which dem-
5 onstrates that the full cost to the United States of
6 the proposed conveyance is cost-effective when com-
7 pared with alternative means of furnishing the same
8 utility systems; and

9 “(2) a period of 21 days has elapsed after the
10 date on which the report is received by the commit-
11 tees.

12 “(e) ADDITIONAL TERMS AND CONDITIONS.—The
13 Secretary of the military department concerned may re-
14 quire such additional terms and conditions in a conveyance
15 entered into under subsection (a) as the Secretary consid-
16 ers appropriate to protect the interests of the United
17 States.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
19 at the beginning of such chapter is amended by inserting
20 after the item relating to section 2687 the following new
21 item:

“2688. Utility systems: permanent conveyance authority.”.

1 **TITLE XV—MISCELLANEOUS AD-**
2 **DITIONAL DEFENSE RE-**
3 **FORMS**

4 **SEC. 1501. LONG-TERM CHARTER CONTRACTS FOR ACQUI-**
5 **SITION OF AUXILIARY VESSELS FOR THE DE-**
6 **PARTMENT OF DEFENSE.**

7 (a) PROGRAM AUTHORIZATION.—Chapter 631 of title
8 10, United States Code, is amended by adding at the end
9 the following new section:

10 **“§ 7233. Auxiliary vessels: authority for long-term**
11 **charter contracts**

12 “(a) AUTHORIZED CONTRACTS.—After September
13 30, 1998, the Secretary of the Navy, subject to subsection
14 (b), may enter into a contract for the long-term lease or
15 charter of a newly built surface vessel, under which the
16 contractor agrees to provide a crew for the vessel for the
17 term of the long-term lease or charter, for any of the fol-
18 lowing:

19 “(1) The combat logistics force of the Navy.

20 “(2) The strategic sealift program of the Navy.

21 “(3) Other auxiliary support vessels for the De-
22 partment of Defense.

23 “(b) CONTRACTS REQUIRED TO BE AUTHORIZED BY
24 LAW.—A contract may be entered into under this section
25 with respect to specific vessels only if the Secretary is spe-

1 cifically authorized by law to enter into such a contract
2 with respect to those vessels.

3 “(c) FUNDS FOR CONTRACT PAYMENTS.—The Sec-
4 retary may make payments for contracts entered into
5 under this section using funds available for obligation dur-
6 ing the fiscal year for which the payments are required
7 to be made. Any such contract shall provide that the Unit-
8 ed States will not be required to make a payment under
9 the contract (other than a termination payment, if re-
10 quired) before October 1, 2000.

11 “(d) BUDGETING PROVISIONS.—Any contract en-
12 tered into under this section shall be treated as a
13 multiyear service contract and as an operating lease for
14 purposes of any provision of law relating to the Federal
15 budget and Federal budget accounting procedures, includ-
16 ing part C of title II of the Balanced Budget and Emer-
17 gency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.),
18 and any regulation or directive (including any directive of
19 the Office of Management and Budget) prescribed with
20 respect to the Federal budget and Federal budget account-
21 ing procedures.

22 “(e) TERM OF CONTRACT.—In this section, the term
23 ‘long-term lease or charter’ means a lease, charter, service
24 contract, or conditional sale agreement with respect to a

1 vessel the term of which (including any option period) is
2 for a period of 20 years or more.

3 “(f) OPTION TO BUY.—A contract entered into under
4 the authority of this section may contain options for the
5 United States to purchase one or more of the vessels cov-
6 ered by the contract at any time during, or at the end
7 of, the contract period (including any option period) upon
8 payment of an amount not in excess of the unamortized
9 portion of the cost of the vessels plus amounts incurred
10 in connection with the termination of the financing ar-
11 rangements associated with the vessels.

12 “(g) DOMESTIC CONSTRUCTION.—The Secretary
13 shall require in any contract entered into under this sec-
14 tion that each vessel to which the contract applies—

15 “(1) shall have been constructed in a shipyard
16 within the United States; and

17 “(2) upon delivery, shall be documented under
18 the laws of the United States.

19 “(h) VESSEL CREWING.—The Secretary shall require
20 in any contract entered into under this section that the
21 crew of any vessel to which the contract applies be com-
22 prised of private sector commercial mariners.

23 “(i) CONTINGENT WAIVER OF OTHER PROVISIONS
24 OF LAW.—A contract authorized by this section may be
25 entered into without regard to section 2401 or 2401a of

1 this title if the Secretary of Defense makes the following
2 findings with respect to that contract:

3 “(1) The need for the vessels or services to be
4 provided under the contract is expected to remain
5 substantially unchanged during the contemplated
6 contract or option period.

7 “(2) There is a reasonable expectation that
8 throughout the contemplated contract or option pe-
9 riod the Secretary of the Navy (or, if the contract
10 is for services to be provided to, and funded by, an-
11 other military department, the Secretary of that
12 military department) will request funding for the
13 contract at the level required to avoid contract can-
14 cellation.

15 “(3) The use of such contract or the exercise of
16 such option is in the interest of the national defense.

17 “(j) SOURCE OF FUNDS FOR TERMINATION LIABIL-
18 ITY.—If a contract entered into under this section is ter-
19 minated, the costs of such termination may be paid
20 from—

21 “(1) amounts originally made available for per-
22 formance of the contract;

23 “(2) amounts currently available for operation
24 and maintenance of the type of vessels or services
25 concerned and not otherwise obligated; or

1 “(3) funds appropriated for those costs.”.

2 (b) CLERICAL AMENDMENT.—The table of sections
3 at the beginning of such chapter is amended by adding
4 at the end the following new item:

“7233. Auxiliary vessels: authority for long-term charter contracts.”.

5 **SEC. 1502. FIBER-OPTICS BASED TELECOMMUNICATIONS**
6 **LINKAGE OF MILITARY INSTALLATIONS.**

7 (a) INSTALLATION REQUIRED.—In at least one met-
8 ropolitan area of the United States containing multiple
9 military installations of one or more military department
10 or Defense Agency, the Secretary of Defense shall provide
11 for the installation of fiber-optics based telecommuni-
12 cations technology to link as many of the installations in
13 the area as practicable in a privately dedicated tele-
14 communications network. The Secretary shall use a com-
15 petitive process to provide for the installation of the tele-
16 communications network through one or more new con-
17 tracts.

18 (b) FEATURES OF NETWORK.—The telecommuni-
19 cations network shall provide direct access to local and
20 long distance telephone carriers, allow for transmission of
21 both classified and unclassified information, and take ad-
22 vantage of the various capabilities of fiber-optics based
23 telecommunications technology.

24 (c) TIME FOR INSTALLATION.—The telecommuni-
25 cations network or networks to be installed under this sec-

tion shall be installed and operational not later than September 30, 1999.

(d) REPORT ON IMPLEMENTATION.—Not later than March 1, 1998, the Secretary of Defense shall submit to the congressional defense committees a report on the implementation of subsections (a) and (b), including the metropolitan area or areas selected for the telecommunications network, the estimated cost of the network, and potential areas for the future use of such fiber-optics based telecommunications technology.

**SEC. 1503. REPEAL OF REQUIREMENT FOR CONTRACTOR
GUARANTEES ON MAJOR WEAPON SYSTEMS.**

(a) REPEAL.—Section 2403 of title 10, United States Code, is repealed.

(b) CLERICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2403.

(2) Section 803 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2604; 10 U.S.C. 2430 note) is amended—

- (A) in subsection (a), by striking out “2403,”;
- (B) by striking out subsection (c); and
- (C) by redesignating subsection (d) as subsection (c).

1 **SEC. 1504. REQUIREMENTS RELATING TO MICRO-PUR-**
2 **CHASES OF COMMERCIAL ITEMS.**

3 (a) IN GENERAL.—Section 2304 of title 10, United
4 States Code, is amended by adding at the end the follow-
5 ing new subsection:

6 “(1) MICRO-PURCHASES.—(1) A contracting officer
7 may not award a contract or issue a purchase order to
8 buy commercial items for an amount equal to or less than
9 the micro-purchase threshold unless a member of the Sen-
10 ior Executive Service or a general or flag officer makes
11 a written determination that—

12 “(A) the source or sources available for the
13 commercial item do not accept a preferred micro-
14 purchase method, and the contracting officer is seek-
15 ing a source that does accept such a method; or

16 “(B) the nature of the commercial item neces-
17 sitates a contract or purchase order so that terms
18 and conditions can be specified.

19 “(2) In this subsection:

20 “(A) The term ‘micro-purchase threshold’ has
21 the meaning provided in section 32 of the Office of
22 Federal Procurement Policy Act (41 U.S.C. 428).

23 “(B) The term ‘preferred micro-purchase meth-
24 od’ means the use of the Government-wide commer-
25 cial purchase card or any other method for carrying
26 out micro-purchases that the Secretary of Defense

1 prescribes in the regulations implementing this sub-
 2 section.

3 “(3) The Secretary of Defense shall prescribe regula-
 4 tions to implement this subsection. The regulations shall
 5 include such additional preferred methods of carrying out
 6 micro-purchases, and such exceptions to the requirement
 7 of paragraph (1), as the Secretary considers appro-
 8 priate.”.

9 (b) EFFECTIVE DATE.—Subsection (l) of section
 10 2304 of title 10, United States Code, as added by sub-
 11 section (a), shall apply with respect to micro-purchases
 12 made on or after October 1, 1997.

13 **SEC. 1505. AVAILABILITY OF SIMPLIFIED PROCEDURES TO**
 14 **COMMERCIAL ITEM PROCUREMENTS.**

15 (a) ARMED SERVICES ACQUISITIONS.—Section
 16 2304(g) of title 10, United States Code, is amended in
 17 paragraph (1)(B) by striking out “only”.

18 (b) CIVILIAN AGENCY ACQUISITIONS.—Section
 19 303(g) of the Federal Property and Administrative Serv-
 20 ices Act of 1949 (41 U.S.C. 253(g)) is amended in para-
 21 graph (1)(B) by striking out “only”.

22 **SEC. 1506. TERMINATION OF THE ARMED SERVICES PAT-**
 23 **ENT ADVISORY BOARD.**

24 (a) TERMINATION OF BOARD.—The organization
 25 within the Department of Defense known as the Armed

1 Services Patent Advisory Board is terminated. No funds
 2 available for the Department of Defense may be used for
 3 the operation of that Board after the date specified in sub-
 4 section (c).

5 (b) TRANSFER OF FUNCTIONS.—All functions per-
 6 formed on the day before the date of the enactment of
 7 this Act by the Armed Services Patent Advisory Board
 8 (including performance of the responsibilities of the De-
 9 partment of Defense for security review of patent applica-
 10 tions under chapter 17 of title 35, United States Code)
 11 shall be transferred to the Defense Technology Security
 12 Administration.

13 (c) EFFECTIVE DATE.—Subsection (a) shall take ef-
 14 fect at the end of the 120-day period beginning on the
 15 date of the enactment of this Act.

16 **SEC. 1507. COORDINATION OF DEPARTMENT OF DEFENSE**
 17 **CRIMINAL INVESTIGATIONS AND AUDITS.**

18 (a) BOARD ON CRIMINAL INVESTIGATIONS.—Chapter
 19 7 of title 10, United States Code, is amended by adding
 20 at the end the following new section:

21 **“§ 182. Board on Criminal Investigations**

22 “(a) ESTABLISHMENT.—(1) There is in the Depart-
 23 ment of Defense a Board on Criminal Investigations. The
 24 Board consists of the following officials:

1 “(A) The Assistant Secretary of Defense for
2 Command, Control, Communications, and Intel-
3 ligence.

4 “(B) The head of the Army Criminal Investiga-
5 tion Command.

6 “(C) The head of the Naval Criminal Investiga-
7 tive Service.

8 “(D) The head of the Air Force Office of Spe-
9 cial Investigations.

10 “(2) To ensure cooperation between the military de-
11 partment criminal investigative organizations and the De-
12 fense Criminal Investigative Service, the Inspector General
13 of the Department of Defense shall serve as a nonvoting
14 member of the Board.

15 “(b) FUNCTIONS OF BOARD.—The Board shall pro-
16 vide for coordination and cooperation between the military
17 department criminal investigative organizations so as to
18 avoid duplication of effort and maximize resources avail-
19 able to the military department criminal investigative or-
20 ganizations.

21 “(c) REGIONAL WORKING GROUPS.—The Board
22 shall establish working groups at the regional level to ad-
23 dress and resolve issues of jurisdictional responsibility that
24 may arise regarding criminal investigations involving a
25 military department criminal investigative organization. A

1 working group shall consist of managers or supervisors of
2 the military department criminal investigative organiza-
3 tions who have the authority to make binding decisions
4 regarding which organization will conduct a particular
5 criminal investigation or whether a criminal investigation
6 should be conducted jointly.

7 “(d) AUTHORITY OF ASSISTANT SECRETARY.—In the
8 event that a regional working group or the Board is unable
9 to resolve an issue of investigative responsibility, the As-
10 sistant Secretary of Defense for Command, Control, Com-
11 munications, and Intelligence shall have the responsibility
12 to make a final determination regarding the issue.

13 “(e) MILITARY DEPARTMENT CRIMINAL INVESTIGA-
14 TIVE ORGANIZATION DEFINED.—In this section, the term
15 ‘military department criminal investigative organization’
16 means any of the following:

17 “(1) The Army Criminal Investigation Com-
18 mand.

19 “(2) The Naval Criminal Investigative Service.

20 “(3) The Air Force Office of Special Investiga-
21 tions.”.

22 (b) BOARD ON AUDITS.—Such chapter is further
23 amended by inserting after section 182, as added by sub-
24 section (a), the following new section:

1 **“§ 183. Board on Audits**

2 “(a) ESTABLISHMENT.—(1) There is in the Depart-
3 ment of Defense a Board on Audits. The Board consists
4 of the following officials:

5 “(A) The Under Secretary of Defense (Comp-
6 troller).

7 “(B) The Auditor General of the Army.

8 “(C) The Auditor General of the Navy.

9 “(D) The Auditor General of the Air Force.

10 “(E) The director of the Defense Contract
11 Audit Agency.

12 “(2) To ensure cooperation between the defense au-
13 diting organizations and the Office of the Inspector Gen-
14 eral of the Department of Defense, the Inspector General
15 of the Department of Defense shall serve as a nonvoting
16 member of the Board.

17 “(b) FUNCTIONS OF BOARD.—The Board shall pro-
18 vide for coordination and cooperation between the defense
19 auditing organizations so as to avoid duplication of effort
20 and maximize resources available to the defense auditing
21 organizations.

22 “(c) REGIONAL WORKING GROUPS.—The Board
23 shall establish working groups at the regional level to ad-
24 dress and resolve issues of jurisdictional responsibility that
25 may arise regarding audits involving a defense auditing
26 organization. A working group shall consist of managers

1 or supervisors of the defense auditing organizations who
2 have the authority to make binding decisions regarding
3 which defense auditing organization will conduct a par-
4 ticular audit or whether an audit should be conducted
5 jointly.

6 “(d) AUTHORITY OF UNDER SECRETARY OF DE-
7 FENSE (COMPTROLLER).—In the event that a regional
8 working group or the Board is unable to resolve an issue
9 of jurisdictional responsibility, the Under Secretary of De-
10 fense (Comptroller) shall have the responsibility to make
11 a final determination regarding the issue.

12 “(e) DEFENSE AUDITING ORGANIZATION DE-
13 FINED.—In this section, the term ‘defense auditing orga-
14 nization’ means any of the following:

15 “(1) The Army Audit Agency.

16 “(2) The Naval Audit Service.

17 “(3) The Air Force Audit Agency.

18 “(4) The Defense Contract Audit Agency.”.

19 (c) WORKING GUIDANCE.—Not later than December
20 31, 1997, the Secretary of Defense shall prescribe such
21 policies as may be necessary for the operation of the Board
22 on Criminal Investigations and the Board on Audits estab-
23 lished pursuant to the amendments made by this section.

1 (d) CLERICAL AMENDMENTS.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end the following new items:

“182. Board on Criminal Investigations.

“183. Board on Audits.”.

4 **SEC. 1508. DEPARTMENT OF DEFENSE BOARDS, COMMIS-**
 5 **SIONS, AND ADVISORY COMMITTEES.**

6 (a) TERMINATION OF EXISTING ADVISORY COMMIT-
 7 TEES.—(1) Effective December 31, 1998, any advisory
 8 committee established in, or administered or funded (in
 9 whole or in part) by, the Department of Defense that (A)
 10 is in existence on the day before the date of the enactment
 11 of this Act, and (B) was not established by law, or ex-
 12 pressly continued by law, after January 1, 1995, is termi-
 13 nated.

14 (2) For purposes of this section, the term “advisory
 15 committee” means an entity that is subject to the provi-
 16 sions of the Federal Advisory Committee Act (5 U.S.C.
 17 App.).

18 (b) REPORT ON COMMITTEES FOR WHICH CONTINU-
 19 ATION IS REQUESTED.—Not later than March 1, 1998,
 20 the Secretary of Defense shall submit to Congress a report
 21 setting forth those advisory committees subject to sub-
 22 section (a) that the Secretary proposes to continue. The
 23 Secretary shall include in the report, for each such com-
 24 mittee, the justification for continuing the committee and

1 a statement of the costs of such continuation over the next
2 four fiscal years. The Secretary shall include in the report
3 a proposal for any legislation that may be required for
4 the continuations proposed in the report.

5 (c) POLICY FOR FUTURE DOD ADVISORY COMMIT-
6 TEES.—(1) Chapter 7 of title 10, United States Code, is
7 amended by inserting after section 183, as added by sec-
8 tion 1507(b), the following new section:

9 **“§ 184. Boards, commissions, and other advisory com-**
10 **mittees: limitations**

11 “(a) LIMITATION ON ESTABLISHMENT.—No advisory
12 committee may be established in, or administered or fund-
13 ed (in whole or in part) by, the Department of Defense
14 except as specifically provided by law after the date of the
15 enactment of this section.

16 “(b) TERMINATION OF ADVISORY COMMITTEES.—
17 Each advisory committee of the Department of Defense
18 (whether established by law, by the President, or by the
19 Secretary of Defense) shall terminate not later than the
20 expiration of the four-year period beginning on the date
21 of its establishment or on the date of the most recent con-
22 tinuation of the advisory committee by law.

23 “(c) EXCEPTION FOR TEMPORARY ADVISORY COM-
24 MITTEES.—Subsection (a) does not apply to an advisory
25 committee established for a period of one year or less for

1 the purpose (as set forth in the charter of the advisory
2 committee) of examining a matter that is critical to the
3 national security of the United States.

4 “(d) ANNUAL REPORT.—Not later than March 1 of
5 each year (beginning in 1999), the Secretary of Defense
6 shall submit to Congress a report on advisory committees
7 of the Department of Defense. In each such report, the
8 Secretary shall identify each advisory committee that the
9 Secretary proposes to support during the next fiscal year
10 and shall set forth the justification for each such commit-
11 tee and the projected costs for that committee for the next
12 fiscal year. In the case of any advisory committee that is
13 to terminate in the year following the year in which the
14 report is submitted pursuant to subsection (b) and that
15 the Secretary proposes be continued by law, the Secretary
16 shall include in the report a request for continuation of
17 the committee and a justification and cost estimate for
18 such continuation.

19 “(e) ADVISORY COMMITTEE DEFINED.—In this sec-
20 tion, the term ‘advisory committee’ means an entity that
21 is subject to the provisions of the Federal Advisory Com-
22 mittee Act (5 U.S.C. App.).”.

23 (2) The table of sections at the beginning of such
24 chapter is amended by inserting after the item relating

1 to section 183, as added by section 1507(d), the following
2 new item:

“184. Boards, commissions, and other advisory committees: limitations.”.

3 **SEC. 1509. ADVANCES FOR PAYMENT OF PUBLIC SERVICES.**

4 (a) IN GENERAL.—Subsection (a) of section 2396 of
5 title 10, United States Code, is amended—

6 (1) by striking out “and” at the end of para-
7 graph (2);

8 (2) by striking out the period at the end of
9 paragraph (3) and inserting in lieu thereof “; and”;
10 and

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

13 “(4) public service utilities.”.

14 (b) CLERICAL AMENDMENTS.—(1) The heading of
15 such section is amended to read as follows:

16 **“§ 2396. Advances for payments for compliance with**
17 **foreign laws, rent in foreign countries,**
18 **tuition, public utility services, and pay**
19 **and supplies of armed forces of friendly**
20 **foreign countries”.**

21 (2) The item relating to such section in the table of
22 sections at the beginning of chapter 141 of such title is
23 amended to read as follows:

“2396. Advances for payments for compliance with foreign laws, rent in foreign
countries, tuition, public utility services, and pay and supplies
of armed forces of friendly foreign countries.”.

1 **TITLE XVI—COMMISSION ON DE-**
2 **FENSE ORGANIZATION AND**
3 **STREAMLINING**

4 **SEC. 1601. ESTABLISHMENT OF COMMISSION.**

5 (a) ESTABLISHMENT.—There is hereby established a
6 commission to be known as the “Commission on Defense
7 Organization and Streamlining” (hereinafter in this title
8 referred to as the “Commission”).

9 (b) COMPOSITION.—The Commission shall be com-
10 posed of nine members, appointed as follows:

11 (1) Two members shall be appointed by the
12 chairman of the Committee on National Security of
13 the House of Representatives.

14 (2) Two members shall be appointed by the
15 ranking minority party member of the Committee on
16 National Security of the House of Representatives.

17 (3) Two members shall be appointed by the
18 chairman of the Committee on Armed Services of
19 the Senate.

20 (4) Two members shall be appointed by the
21 ranking minority party member of the Committee on
22 Armed Services of the Senate.

23 (5) One member, who shall serve as chairman
24 of the Commission, shall be appointed by at least

1 three of the Members of Congress referred to para-
2 graphs (1) through (4) acting jointly.

3 (c) QUALIFICATIONS.—Members of the Commission
4 shall be appointed from among private United States citi-
5 zens with knowledge and expertise in organization and
6 management matters.

7 (d) PERIOD OF APPOINTMENT; VACANCIES.—Mem-
8 bers shall be appointed for the life of the Commission. Any
9 vacancy in the Commission shall be filled in the same man-
10 ner as the original appointment.

11 (e) INITIAL ORGANIZATION REQUIREMENTS.—(1) All
12 appointments to the Commission shall be made not later
13 than 30 days after the date of the enactment of this Act.

14 (2) The Commission shall convene its first meeting
15 not later than 30 days after the date on which all members
16 of the Commission have been appointed.

17 (f) SECURITY CLEARANCES.—The Secretary of De-
18 fense shall expedite the processing of appropriate security
19 clearances for members of the Commission.

20 **SEC. 1602. DUTIES OF COMMISSION.**

21 (a) IN GENERAL.—(1) The Commission shall exam-
22 ine the missions, functions, and responsibilities of the Of-
23 fice of the Secretary of Defense, the management head-
24 quarters and headquarters support activities of the mili-
25 tary departments and Defense Agencies, and the various

1 acquisition organizations of the Department of Defense
2 (and the relationships among such Office, activities, and
3 organizations).

4 (2) On the basis of such examination, the Commis-
5 sion shall propose alternative organizational structures
6 and alternative allocations of authorities as it considers
7 appropriate.

8 (b) DUPLICATION AND REDUNDANCY.— In carrying
9 out its duties, the Commission shall identify areas of du-
10 plication and recommend options to streamline, reduce,
11 and eliminate redundancies.

12 (c) SPECIAL REQUIREMENTS REGARDING OFFICE OF
13 SECRETARY.—The examination of the missions, functions,
14 and responsibilities of the Office of the Secretary of De-
15 fense shall include the following:

16 (1) An assessment of the appropriate functions
17 of the Office and whether the Office of the Secretary
18 of Defense or some of its component parts should be
19 organized along mission lines.

20 (2) An assessment of the adequacy of the
21 present organizational structure to efficiently and ef-
22 fectively support the Secretary in carrying out re-
23 sponsibilities in a manner that ensures civilian au-
24 thority in the Department of Defense.

1 (3) An assessment of the extent of unnecessary
2 duplication of functions between the Office of the
3 Secretary of Defense and the Joint Staff.

4 (4) An assessment of the extent of unnecessary
5 duplication of functions between the Office of the
6 Secretary of Defense and the military departments.

7 (5) An assessment of the appropriate number of
8 Under Secretaries of Defense, Assistant Secretaries
9 of Defense, Deputy Under Secretaries of Defense,
10 and Deputy Assistant Secretaries of Defense.

11 (6) An assessment of any benefits or efficiencies
12 derived from decentralizing certain functions cur-
13 rently performed by the Office of the Secretary of
14 Defense.

15 (d) SPECIAL REQUIREMENTS REGARDING HEAD-
16 QUARTERS.—The examination of the missions, functions,
17 and responsibilities of the management headquarters and
18 headquarters support activities of the military depart-
19 ments and Defense Agencies shall include the following:

20 (1) An assessment on the adequacy of the
21 present headquarters organization structure to effi-
22 ciently and effectively support the mission of the
23 military departments and the Defense Agencies.

1 (2) An assessment of options to reduce the
2 number of personnel assigned to such headquarters
3 staffs and headquarters support activities.

4 (3) An assessment of the extent of unnecessary
5 duplication of functions between the Office of the
6 Secretary of Defense and headquarters staffs of the
7 military departments and the Defense Agencies.

8 (4) An assessment of the possible benefits that
9 could be derived from further functional consolida-
10 tion between the civilian secretariat of the military
11 departments and the staffs of the military service
12 chiefs.

13 (5) An assessment of the possible benefits that
14 could be derived from reducing the number of civil-
15 ian officers in the military departments who are ap-
16 pointed by and with the advice and consent of the
17 Senate.

18 (e) SPECIAL REQUIREMENTS REGARDING ACQUISI-
19 TION ORGANIZATIONS.—The examination of the missions,
20 functions, and responsibilities of the various acquisition
21 organizations of the Department of Defense shall include
22 the following:

23 (1) An assessment of benefits of consolidation
24 or selected elimination of Department of Defense ac-
25 quisition organizations.

1 (2) An assessment of the opportunities to
2 streamline the defense acquisition infrastructure
3 that were realized as a result of the enactment of
4 the Federal Acquisition Streamlining Act of 1994
5 (Public Law 103–355) and the Clinger-Cohen Act of
6 1996 (divisions D and E of Public Law 104–106) or
7 as result of other acquisition reform initiatives im-
8 plemented administratively during the period from
9 1993 through 1997.

10 (3) An assessment of such other defense acqui-
11 sition infrastructure streamlining or restructuring
12 options as the Commission considers appropriate.

13 (f) COOPERATION FROM GOVERNMENT OFFICIALS.—
14 In carrying out its duties, the Commission should receive
15 the full and timely cooperation of the Secretary of Defense
16 and any other United States Government official respon-
17 sible for providing the Commission with analyses, brief-
18 ings, and other information necessary for the fulfillment
19 of its responsibilities.

20 **SEC. 1603. REPORTS.**

21 The Commission shall submit to Congress an interim
22 report containing its preliminary findings and conclusions
23 not later than March 15, 1998, and a final report contain-
24 ing its findings and conclusions not later than July 15,
25 1998.

1 **SEC. 1604. POWERS.**

2 (a) HEARINGS.—The Commission or, at its direction,
3 any panel or member of the Commission, may, for the pur-
4 pose of carrying out the provisions of this title, hold hear-
5 ings, sit and act at times and places, take testimony, re-
6 ceive evidence, and administer oaths to the extent that the
7 Commission or any panel or member considers advisable.

8 (b) INFORMATION.—The Commission may secure di-
9 rectly from the Department of Defense and any other Fed-
10 eral department or agency information that the Commis-
11 sion considers necessary to enable the Commission to
12 carry out its responsibilities under this title.

13 **SEC. 1605. COMMISSION PROCEDURES.**

14 (a) MEETINGS.—The Commission shall meet at the
15 call of the Chairman.

16 (b) QUORUM.—(1) Five members of the Commission
17 shall constitute a quorum other than for the purpose of
18 holding hearings.

19 (2) The Commission shall act by resolution agreed
20 to by a majority of the members of the Commission.

21 (c) COMMISSION.—The Commission may establish
22 panels composed of less than full membership of the Com-
23 mission for the purpose of carrying out the Commission's
24 duties. The actions of each such panel shall be subject to
25 the review and control of the Commission. Any findings
26 and determinations made by such a panel shall not be con-

1 sidered the findings and determinations of the Commis-
2 sion unless approved by the Commission.

3 (d) **AUTHORITY OF INDIVIDUALS TO ACT FOR COM-**
4 **MISSION.**—Any member or agent of the Commission may,
5 if authorized by the Commission, take any action which
6 the Commission is authorized to take under this title.

7 **SEC. 1606. PERSONNEL MATTERS.**

8 (a) **PAY OF MEMBERS.**—Members of the Commission
9 shall serve without pay by reason of their work on the
10 Commission.

11 (b) **TRAVEL EXPENSES.**—The members of the Com-
12 mission shall be allowed travel expenses, including per
13 diem in lieu of subsistence, at rates authorized for employ-
14 ees of agencies under subchapter I of chapter 57 of title
15 5, United States Code, while away from their homes or
16 regular places of business in the performance of services
17 for the Commission.

18 (c) **STAFF.**—(1) The chairman of the Commission
19 may, without regard to the provisions of title 5, United
20 States Code, governing appointments in the competitive
21 service, appoint a staff director and such additional per-
22 sonnel as may be necessary to enable the Commission to
23 perform its duties. The appointment of a staff director
24 shall be subject to the approval of the Commission.

1 (2) The chairman of the Commission may fix the pay
2 of the staff director and other personnel without regard
3 to the provisions of chapter 51 and subchapter III of chap-
4 ter 53 of title 5, United States Code, relating to classifica-
5 tion of positions and General Schedule pay rates, except
6 that the rate of pay fixed under this paragraph for the
7 staff director may not exceed the rate payable for level
8 V of the Executive Schedule under section 5316 of such
9 title and the rate of pay for other personnel may not ex-
10 ceed the maximum rate payable for grade GS-15 of the
11 General Schedule.

12 (d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon
13 request of the chairman of the Commission, the head of
14 any Federal department or agency may detail, on a non-
15 reimbursable basis, any personnel of that department or
16 agency to the Commission to assist it in carrying out its
17 duties.

18 (e) PROCUREMENT OF TEMPORARY AND INTERMIT-
19 TENT SERVICES.—The chairman of the Commission may
20 procure temporary and intermittent services under section
21 3109(b) of title 5, United States Code, at rates for individ-
22 uals which do not exceed the daily equivalent of the annual
23 rate of basic pay payable for level V of the Executive
24 Schedule under section 5316 of such title.

1 **SEC. 1607. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.**

2 (a) POSTAL AND PRINTING SERVICES.—The Com-
3 mission may use the United States mails and obtain print-
4 ing and binding services in the same manner and under
5 the same conditions as other departments and agencies of
6 the Federal Government.

7 (b) MISCELLANEOUS ADMINISTRATIVE AND SUP-
8 PORT SERVICES.—The Secretary of Defense shall furnish
9 the Commission, on a reimbursable basis, any administra-
10 tive and support services requested by the Commission.

11 **SEC. 1608. FUNDING.**

12 Funds for activities of the Commission shall be pro-
13 vided from amounts appropriated for the Department of
14 Defense for operation and maintenance for Defense-wide
15 activities for fiscal year 1998. Upon receipt of a written
16 certification from the Chairman of the Commission speci-
17 fying the funds required for the activities of the Commis-
18 sion, the Secretary of Defense shall promptly disburse to
19 the Commission, from such amounts, the funds required
20 by the Commission as stated in such certification.

21 **SEC. 1609. TERMINATION OF THE COMMISSION.**

22 The Commission shall terminate 60 days after the
23 date of the submission of its final report under section
24 1603.

**DIVISION B—MILITARY CON-
STRUCTION AUTHORIZA-
TIONS**

SEC. 2001. SHORT TITLE.

This division may be cited as the “Military Construc-
tion Authorization Act for Fiscal Year 1998”.

TITLE XXI—ARMY

**SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND
ACQUISITION PROJECTS.**

(a) INSIDE THE UNITED STATES.—Using amounts
appropriated pursuant to the authorization of appropria-
tions in section 2104(a)(1), the Secretary of the Army
may acquire real property and carry out military construc-
tion projects for the installations and locations inside the
United States, and in the amounts, set forth in the follow-
ing table:

Army: Inside the United States

State	Installation or Location	Amount
Arizona	Fort Huachuca	\$20,000,000
California	Fort Irwin	\$11,150,000
	Naval Weapons Station, Concord	\$23,000,000
Colorado	Fort Carson	\$47,300,000
Georgia	Fort Gordon	\$22,000,000
	Hunter Army Air Field, Fort Stew- art	\$54,000,000
Hawaii	Schofield Barracks	\$44,000,000
Indiana	Crane Army Ammunition Activity ...	\$7,700,000
Kansas	Fort Leavenworth	\$63,000,000
	Fort Riley	\$25,800,000
Kentucky	Fort Campbell	\$43,700,000
	Fort Knox	\$7,200,000
Missouri	Fort Leonard Wood	\$3,200,000
New Jersey	Fort Monmouth	\$2,050,000
New Mexico	White Sands Missile Range	\$6,900,000
New York	Fort Drum	\$24,400,000
North Carolina	Fort Bragg	\$61,900,000
Oklahoma	Fort Sill	\$25,000,000
South Carolina	Fort Jackson	\$5,400,000

Army: Inside the United States—Continued

State	Installation or Location	Amount
Texas	Naval Weapons Station, Charleston	\$7,700,000
	Fort Bliss	\$7,700,000
	Fort Hood	\$27,200,000
Virginia	Fort Sam Houston	\$16,000,000
	Fort A.P. Hill	\$5,400,000
	Fort Myer	\$8,200,000
Washington	Fort Story	\$2,050,000
	Fort Lewis	\$33,000,000
CONUS Classified	Classified Location	\$6,500,000
Total		\$614,900,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2104(a)(2), the Secretary of the Army
4 may acquire real property and carry out military construc-
5 tion projects for the locations outside the United States,
6 and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or Location	Amount
Germany	Ansbach	\$22,000,000
	Heidelberg	\$8,800,000
	Mannheim	\$6,200,000
	Military Support Group, Kaiserslautern	\$6,000,000
Korea	Camp Casey	\$5,100,000
	Camp Castle	\$8,400,000
	Camp Humphreys	\$32,000,000
	Camp Red Cloud	\$23,600,000
	Camp Stanley	\$7,000,000
Overseas Classified	Overseas Classified	\$37,000,000
Total		\$156,100,000

7 SEC. 2102. FAMILY HOUSING.

8 (a) CONSTRUCTION AND ACQUISITION.—Using
9 amounts appropriated pursuant to authorization of appro-
10 priations in section 2104(a)(5)(A), the Secretary of the
11 Army may construct or acquire family housing units (in-

cluding land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation or Location	Purpose	Amount
Arizona	Fort Huachuca	55 Units	\$8,000,000
Hawaii	Schofield Barracks	132 Units	\$26,600,000
Maryland	Fort George Meade	56 Units	\$7,900,000
New Jersey	Picatinny Arsenal	35 Units	\$7,300,000
North Carolina	Fort Bragg	174 Units	\$20,150,000
Texas	Fort Bliss	91 Units	\$12,900,000
	Fort Hood	130 Units	\$18,800,000
		Total	\$103,950,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed \$9,550,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in sections 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed \$89,200,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September

1 30, 1997, for military construction, land acquisition, and
2 military family housing functions of the Department of the
3 Army in the total amount of \$2,055,364,000 as follows:

4 (1) For military construction projects inside the
5 United States authorized by section 2101(a),
6 \$425,850,000.

7 (2) For the military construction projects out-
8 side the United States authorized by section
9 2101(b), \$162,600,000.

10 (3) For unspecified minor military construction
11 projects authorized by section 2805 of title 10, Unit-
12 ed States Code, \$6,000,000.

13 (4) For architectural and engineering services
14 and construction design under section 2807 of title
15 10, United States Code, \$71,577,000.

16 (5) For military family housing functions:

17 (A) For construction and acquisition, plan-
18 ning and design and improvement of military
19 family housing and facilities, \$200,400,000.

20 (B) For support of military family housing
21 (including the functions described in section
22 2833 of title 10, United States Code),
23 \$1,148,937,000.

24 (6) For the construction of the National Range
25 Control Center, White Sands Missile Range, New

1 Mexico, authorized by section 2101(a) of the Mili-
2 tary Construction Authorization Act for Fiscal Year
3 1997 (division B of Public Law 104–201; 110 Stat.
4 2763), \$18,000,000.

5 (7) For the construction of the whole barracks
6 complex renewal, Fort Knox, Kentucky, authorized
7 by section 2101(a) of the Military Construction Au-
8 thorization Act for Fiscal Year 1997 (division B of
9 Public Law 104–201; 110 Stat. 2763), \$22,000,000.

10 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
11 PROJECTS.—Notwithstanding the cost variations author-
12 ized by section 2853 of title 10, United States Code, and
13 any other cost variation authorized by law, the total cost
14 of all projects carried out under section 2101 of this Act
15 may not exceed—

16 (1) the total amount authorized to be appro-
17 priated under paragraphs (1) and (2) of subsection
18 (a);

19 (2) \$14,400,000 (the balance of the amount au-
20 thorized under section 2101(a) for the construction
21 of the Force XXI Soldier Development School at
22 Fort Hood, Texas);

23 (3) \$24,000,000 (the balance of the amount au-
24 thorized under section 2101(a) for rail yard expan-
25 sion at Fort Carson, Colorado);

1 (4) \$43,000,000 (the balance of the amount au-
2 thorized under section 2101(a) for the construction
3 of a disciplinary barracks at Fort Leavenworth,
4 Kansas);

5 (5) \$36,500,000 (the balance of the amount au-
6 thorized under section 2101(a) for the construction
7 of a barracks at Hunter Army Airfield, Fort Stew-
8 art, Georgia);

9 (6) \$44,200,000 (the balance of the amount au-
10 thorized under section 2101(a) for the construction
11 of a barracks at Fort Bragg, North Carolina); and

12 (7) \$17,000,000 (the balance of the amount au-
13 thorized under section 2101(a) for the construction
14 of a barracks at Fort Sill, Oklahoma).

15 **SEC. 2105. CORRECTION IN AUTHORIZED USES OF FUNDS,**
16 **FORT IRWIN, CALIFORNIA.**

17 In the case of amounts appropriated pursuant to the
18 authorization of appropriations in section 2104(a)(1) of
19 the Military Construction Authorization Act for Fiscal
20 Year 1995 (division B of Public Law 103–337; 108 Stat.
21 3029) and section 2104(a)(1) of the Military Construction
22 Authorization Act for Fiscal Year 1996 (division B of
23 Public Law 104–106; 110 Stat. 524) for a military con-
24 struction project for Fort Irwin, California, involving the
25 construction of an air field for the National Training Cen-

ter at Barstow-Daggett, California, the Secretary of the Army may use such amounts for the construction of a heliport at the same location.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or Location	Amount
Arizona	Marine Corps Air Station, Yuma	\$12,250,000
	Navy Detachment, Camp Navajo	\$11,426,000
California	Marine Corps Air Station, Camp Pendleton	\$24,150,000
	Marine Corps Air Station, Miramar	\$8,700,000
	Marine Corps Air-Ground Combat Center, Twentynine Palms	\$3,810,000
	Marine Corps Base, Camp Pendleton	\$60,069,000
	Naval Air Facility, El Centro	\$11,000,000
	Naval Air Station, North Island	\$19,600,000
	Naval Amphibious Base, Coronado ..	\$10,100,000
	Naval Construction Battalion Center, Port Hueneme	\$3,200,000
Connecticut	Naval Submarine Base, New London	\$18,300,000
Florida	Naval Air Station, Jacksonville	\$3,480,000
	Naval Air Station, Whiting Field	\$1,300,000
	Naval Station, Mayport	\$17,940,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	\$19,000,000
	Naval Communications and Telecommunications Area Master Station Eastern Pacific, Honolulu	\$3,900,000
	Naval Station, Pearl Harbor	\$25,000,000
Illinois	Naval Training Center, Great Lakes	\$41,220,000
Indiana	Naval Surface Warfare Center, Crane	\$4,120,000

Navy: Inside the United States—Continued

State	Installation or Location	Amount
Maryland	Naval Electronics System Command, St. Ingoes	\$2,610,000
Mississippi	Naval Air Station, Meridian	\$7,050,000
North Carolina	Marine Corps Air Station, Cherry Point	\$8,800,000
	Marine Corps Air Station, New River	\$19,900,000
Rhode Island	Naval Undersea Warfare Center Di- vision, Newport	\$8,900,000
South Carolina	Marine Corps Air Station, Beaufort Marine Corps Reserve Detachment Parris Island	\$17,730,000
Texas	Naval Air Station, Corpus Christi ..	\$3,200,000
Virginia	AEGIS Training Center, Dahlgren ..	\$800,000
	Fleet Combat Training Center, Dam Neck	\$6,600,000
	Naval Air Station, Norfolk	\$7,000,000
	Naval Air Station, Oceana	\$18,240,000
	Naval Amphibious Base, Little Creek	\$34,000,000
	Naval Shipyard, Norfolk, Ports- mouth	\$8,685,000
	Naval Station, Norfolk	\$29,410,000
	Naval Surface Warfare Center, Dahlgren	\$18,850,000
	Naval Weapons Station, Yorktown ..	\$13,880,000
Washington	Naval Air Station, Whidbey Island ..	\$14,547,000
	Puget Sound Naval Shipyard, Brem- erton	\$1,100,000
		\$4,400,000
	Total	\$524,267,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the follow-
7 ing table:

Navy: Outside the United States

Country	Installation or Location	Amount
Bahrain	Administrative Support Unit, Bah- rain	\$30,100,000
Guam	Naval Communications and Tele- communications Area Master Sta- tion Western Pacific, Guam	\$4,050,000
Italy	Naval Air Station, Sigonella	\$21,440,000

Navy: Outside the United States—Continued

Country	Installation or Location	Amount
Puerto Rico United Kingdom	Naval Support Activity, Naples	\$8,200,000
	Naval Station, Roosevelt Roads	\$500,000
	Joint Maritime Communications Center, St. Mawgan	\$2,330,000
	Total	\$66,620,000

1 SEC. 2202. FAMILY HOUSING.

2 (a) CONSTRUCTION AND ACQUISITION.—Using
3 amounts appropriated pursuant to the authorization of ap-
4 propriations in section 2204(a)(5)(A), the Secretary of the
5 Navy may construct or acquire family housing units (in-
6 cluding land acquisition) at the installations, for the pur-
7 poses, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or Location	Purpose	Amount
California	Marine Corps Air Sta- tion, Miramar	166 Units	\$28,881,000
	Marine Corps Air- Ground Combat Cen- ter, Twentynine Palms	132 Units	\$23,891,000
	Marine Corps Base, Camp Pendleton	171 Units	\$22,518,000
	Naval Air Station, Lemoore	128 Units	\$23,226,000
	Naval Complex, San Diego	94 Units	\$13,500,000
	Hawaii	Naval Complex, Pearl Harbor	84 Units
Louisiana	Naval Complex, New Orleans	100 Units	\$11,930,000
Texas	Naval Complex, Kingsville and Cor- pus Christi	212 Units	\$22,250,000
Washington	Naval Complex, Bangor	118 Units	\$15,700,000
		Total	\$179,796,000

8 (b) PLANNING AND DESIGN.—Using amounts appro-
9 priated pursuant to the authorization of appropriation in
10 section 2204(a)(5)(A), the Secretary of the Navy may

1 carry out architectural and engineering services and con-
2 struction design activities with respect to the construction
3 or improvement of military family housing units in an
4 amount not to exceed \$15,100,000.

5 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
6 **UNITS.**

7 Subject to section 2825 of title 10, United States
8 Code, and using amounts appropriated pursuant to the
9 authorization of appropriations in section 2204(a)(5)(A),
10 the Secretary of the Navy may improve existing military
11 family housing units in an amount not to exceed
12 \$214,282,000.

13 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

14 (a) IN GENERAL.—Funds are hereby authorized to
15 be appropriated for fiscal years beginning after September
16 30, 1997, for military construction, land acquisition, and
17 military family housing functions of the Department of the
18 Navy in the total amount of \$2,053,025,000 as follows:

19 (1) For military construction projects inside the
20 United States authorized by section 2201(a),
21 \$524,267,000.

22 (2) For military construction projects outside
23 the United States authorized by section 2201(b),
24 \$66,120,000.

1 (3) For unspecified minor construction projects
2 authorized by section 2805 of title 10, United States
3 Code, \$9,960,000.

4 (4) For architectural and engineering services
5 and construction design under section 2807 of title
6 10, United States Code, \$46,659,000.

7 (5) For military family housing functions:

8 (A) For construction and acquisition, plan-
9 ning and design and improvement of military
10 family housing and facilities, \$409,178,000.

11 (B) For support of military housing (in-
12 cluding functions described in section 2833 of
13 title 10, United States Code), \$976,504,000.

14 (6) For construction of bachelor enlisted quar-
15 ters at Naval Hospital, Great Lakes, Illinois, author-
16 ized by section 2201(a) of the Military Construction
17 Authorization Act for Fiscal Year 1997 (division B
18 of Public Law 104–201; 110 Stat. 2766),
19 \$5,200,000.

20 (7) For construction of bachelor enlisted quar-
21 ters at Naval Station, Roosevelt Roads, Puerto Rico,
22 authorized by section 2201(a) of the Military Con-
23 struction Authorization Act for Fiscal Year 1997
24 (division B of Public Law 104–201; 110 Stat.
25 2767), \$14,600,000.

1 (8) For construction of a large anechoic cham-
2 ber facility at Patuxent River Naval Air Warfare
3 Center, Maryland, authorized by section 2201(a) of
4 the Military Construction Authorization Act for Fis-
5 cal Year 1993 (division B of Public Law 102-484;
6 106 Stat. 2590), \$9,000,000.

7 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
8 PROJECTS.—Notwithstanding the cost variations author-
9 ized by section 2853 of title 10, United States Code, and
10 any other cost variation authorized by law, the total cost
11 of all projects carried out under section 2201 of this Act
12 may not exceed the total amount authorized to be appro-
13 priated under paragraphs (1) and (2) of subsection (a).

14 (c) ADJUSTMENT.—The total amount authorized to
15 be appropriated pursuant to paragraphs (1) through (8)
16 of subsection (a) is the sum of the amounts authorized
17 to be appropriated in such paragraphs, reduced by
18 \$8,463,000, which represents the combination of project
19 savings resulting from favorable bids, reduced overhead
20 costs, and cancellations due to force structure changes.

1 **SEC. 2205. AUTHORIZATION OF MILITARY CONSTRUCTION**
 2 **PROJECT AT NAVAL AIR STATION,**
 3 **PASCAGOULA, MISSISSIPPI, FOR WHICH**
 4 **FUNDS HAVE BEEN APPROPRIATED.**

5 (a) AUTHORIZATION.—The table in section 2201(a)
 6 of the Military Construction Authorization Act for Fiscal
 7 Year 1997 (division B of Public Law 104–201; 110 Stat.
 8 2766) is amended—

9 (1) by striking out the amount identified as the
 10 total and inserting in lieu thereof “\$594,982,000”;
 11 and

12 (2) by inserting after the item relating to Sten-
 13 nis Space Center, Mississippi, the following new
 14 item:

	“Naval Air Station, Pascagoula	\$4,990,000”.
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15 (b) CONFORMING AMENDMENTS.—Section 2204(a)
 16 of such Act (110 Stat. 2769) is amended—

17 (1) in the matter preceding the paragraphs, by
 18 striking out “\$2,213,731,000” and inserting in lieu
 19 thereof “\$2,218,721,000”; and

20 (2) in paragraph (1), by striking out
 21 “\$579,312,000” and inserting in lieu thereof
 22 “\$584,302,000”.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or Location	Amount
Alabama	Maxwell Air Force Base	\$14,874,000
Alaska	Clear Air Station	\$67,069,000
	Eielson Air Force Base	\$7,764,000
	Indian Mountain	\$1,991,000
Arizona	Luke Air Force Base	\$10,000,000
Arkansas	Little Rock Air Force Base	\$3,400,000
California	Edwards Air Force Base	\$2,887,000
	Vandenberg Air Force Base	\$26,876,000
Colorado	Buckley Air National Guard Base ...	\$6,718,000
	Falcon Air Force Station	\$10,551,000
	Peterson Air Force Base	\$4,081,000
	United States Air Force Academy ...	\$15,229,000
Florida	Eglin Auxiliary Field 9	\$6,470,000
	MacDill Air Force Base	\$1,543,000
Georgia	Moody Air Force Base	\$9,100,000
	Robins Air Force Base	\$27,763,000
Idaho	Mountain Home Air Force Base	\$17,719,000
Kansas	McConnell Air Force Base	\$11,669,000
Louisiana	Barksdale Air Force Base	\$19,410,000
Mississippi	Keesler Air Force Base	\$30,855,000
Missouri	Whiteman Air Force Base	\$40,419,000
Nevada	Nellis Air Force Base	\$1,950,000
New Jersey	McGuire Air Force Base	\$18,754,000
North Carolina	Pope Air Force Base	\$20,656,000
North Dakota	Grand Forks Air Force Base	\$8,560,000
	Minot Air Force Base	\$5,200,000
Ohio	Wright-Patterson Air Force Base	\$19,350,000
Oklahoma	Tinker Air Force Base	\$9,655,000
	Vance Air Force Base	\$6,700,000
South Carolina	Shaw Air Force Base	\$6,072,000
South Dakota	Ellsworth Air Force Base	\$6,600,000
Tennessee	Arnold Air Force Base	\$20,650,000
Texas	Dyess Air Force Base	\$10,000,000
	Laughlin Air Force Base	4,800,000
	Randolph Air Force Base	\$2,488,000
Utah	Hill Air Force Base	\$6,470,000
Virginia	Langley Air Force Base	\$4,031,000

Air Force: Inside the United States—Continued

State	Installation or Location	Amount
Washington	Fairchild Air Force Base	\$7,366,000
	McChord Air Force Base	\$9,655,000
CONUS Classified	Classified Location	\$6,175,000
	Total	\$511,520,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or Location	Amount
Germany	Spangdahlem Air Base	\$18,500,000
Italy	Aviano Air Base	\$15,220,000
Korea	Kunsan Air Base	\$10,325,000
	Osan Air Base	\$11,100,000
Portugal	Lajes Field, Azores	\$4,800,000
United Kingdom	Royal Air Force, Lakenheath	\$11,400,000
Overseas Classified	Classified Location	\$31,100,000
	Total	\$102,445,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation or Location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	70 Units	\$9,800,000
California	Edwards Air Force Base	95 Units	\$16,800,000
	Travis Air Force Base	70 Units	\$9,714,000
	Vandenberg Air Force Base	108 Units	\$17,100,000
Delaware	Dover Air Force Base	Ancillary Facility	\$831,000
District of Columbia	Bolling Air Force Base	46 Units	\$5,100,000
Florida	MacDill Air Force Base	58 Units	\$10,000,000
	Tyndall Air Force Base	32 Units	\$4,200,000
Georgia	Robins Air Force Base	60 Units	\$6,800,000
Idaho	Mountain Home Air Force Base	60 Units	\$11,032,000
Kansas	McConnell Air Force Base	19 Units	\$2,951,000
	McConnell Air Force Base	Ancillary Facility	\$581,000
Mississippi	Columbus Air Force Base	50 Units	\$6,200,000
	Keesler Air Force Base	40 Units	\$5,000,000
Montana	Malmstrom Air Force Base	28 Units	\$4,842,000
New Mexico	Kirtland Air Force Base	180 Units	\$20,900,000
North Dakota	Grand Forks Air Force Base	42 Units	\$7,936,000
Texas	Dyess Air Force Base ..	70 Units	\$10,503,000
	Goodfellow Air Force Base	3 Units	\$500,000
	Lackland Air Force Base	50 Units	\$7,400,000
	Sheppard Air Force Base	40 Units	\$7,400,000
Wyoming	F. E. Warren Air Force Base	52 Units	\$6,853,000
		Total	\$172,443,000

1 (b) PLANNING AND DESIGN.—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2304(a)(5)(A), the Secretary of the Air Force may
4 carry out architectural and engineering services and con-
5 struction design activities with respect to the construction
6 or improvement of military family housing units in an
7 amount not to exceed \$11,971,000.

1 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 Subject to section 2835 of title 10, United States
4 Code, and using amounts appropriated pursuant to the
5 authorization of appropriations in section 2304(a)(5)(A),
6 the Secretary of the Air Force may improve existing mili-
7 tary family housing units in an amount not to exceed
8 \$156,995,000.

9 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
10 **FORCE.**

11 (a) IN GENERAL.—Funds are hereby authorized to
12 be appropriated for fiscal years beginning after September
13 30, 1997, for military construction, land acquisition, and
14 military family housing functions of the Department of the
15 Air Force in the total amount of \$1,810,090,000 as fol-
16 lows:

17 (1) For military construction projects inside the
18 United States authorized by section 2301(a),
19 \$505,435,000.

20 (2) For military construction projects outside
21 the United States authorized by section 2301(b),
22 \$102,445,000.

23 (3) For unspecified minor construction projects
24 authorized by section 2805 of title 10, United States
25 Code, \$8,545,000.

1 (4) For architectural and engineering services
2 and construction design under section 2807 of title
3 10, United States Code, \$45,880,000.

4 (5) For military housing functions:

5 (A) For construction and acquisition, plan-
6 ning and design and improvement of military
7 family housing and facilities, \$341,409,000.

8 (B) For support of military family housing
9 (including the functions described in section
10 2833 of title 10, United States Code),
11 \$830,234,000.

12 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
13 PROJECTS.—Notwithstanding the cost variations author-
14 ized by section 2853 of title 10, United States Code, and
15 any other cost variation authorized by law, the total cost
16 of all projects carried out under section 2301 of this Act
17 may not exceed—

18 (1) the total amount authorized to be appro-
19 priated under paragraphs (1) and (2) of subsection
20 (a); and

21 (2) \$11,000,000 (the balance of the amount au-
22 thorized under section 2301(a) for the construction
23 of a B–2 low observability restoration facility at
24 Whiteman Air Force Base, Missouri).

1 (c) ADJUSTMENT.—The total amount authorized to
2 be appropriated pursuant to paragraphs (1) through (5)
3 of subsection (a) is the sum of the amounts authorized
4 to be appropriated in such paragraphs, reduced by
5 \$23,858,000, which represents the combination of project
6 savings resulting from favorable bids, reduced overhead
7 costs, and cancellations due to force structure changes.

8 **SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION**
9 **PROJECT AT MCCONNELL AIR FORCE BASE,**
10 **KANSAS, FOR WHICH FUNDS HAVE BEEN AP-**
11 **PROPRIATED.**

12 (a) AUTHORIZATION.—The table in section 2301(a)
13 of the Military Construction Authorization Act for Fiscal
14 Year 1997 (division B of Public Law 104–201; 110 Stat.
15 2771) is amended in the item relating to McConnell Air
16 Force Base, Kansas, by striking out “\$19,130,000” in the
17 amount column and inserting in lieu thereof
18 “\$25,830,000”.

19 (b) CONFORMING AMENDMENTS.—Section 2304 of
20 such Act (110 Stat. 2774) is amended—

21 (1) in the matter preceding the paragraph, by
22 striking out “\$1,894,594,000” and inserting in lieu
23 thereof “\$1,901,294,000” and

(2) in paragraph (1), by striking out
“\$603,834,000” and inserting in lieu thereof
“\$610,534,000”.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or Location	Amount
Defense Commissary Agency	Fort Lee, Virginia	\$9,300,000
Defense Finance and Accounting Service	Columbus Center, Ohio	\$9,722,000
	Naval Air Station, Millington, Tennessee	\$6,906,000
	Naval Station, Norfolk, Virginia	\$12,800,000
	Naval Station, Pearl Harbor, Hawaii	\$10,000,000
Defense Intelligence Agency ..	Bolling Air Force Base, District of Columbia	\$7,000,000
	Redstone Arsenal, Alabama	\$32,700,000
Defense Logistics Agency	Defense Distribution Depot—DDNV, Virginia	\$16,656,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or Location	Amount
Defense Medical Facilities Office	Defense Distribution New Cumberland—DDSP, Pennsylvania	\$15,500,000
	Defense Fuel Support Point, Craney Island, Virginia	\$22,100,000
	Defense General Supply Center, Richmond (DLA), Virginia	\$5,200,000
	Elmendorf Air Force Base, Alaska ..	\$21,700,000
	Naval Air Station, Jacksonville, Florida	\$9,800,000
	Truax Field, Wisconsin	\$4,500,000
	Westover Air Reserve Base, Massachusetts	\$4,700,000
	CONUS Various, CONUS Various ..	\$11,275,000
	Fort Campbell, Kentucky	\$13,600,000
	Fort Detrick, Maryland	\$5,300,000
	Fort Lewis, Washington	\$5,000,000
	Hill Air Force Base, Utah	\$3,100,000
	Holloman Air Force Base, New Mexico	\$3,000,000
	Lackland Air Force Base, Texas	\$3,000,000
	Marine Corps Combat Dev Com, Quantico, Virginia	\$19,000,000
	McGuire Air Force Base, New Jersey	\$35,217,000
	Naval Air Station, Pensacola, Florida	\$2,750,000
	Naval Station, Everett, Washington ..	\$7,500,000
	Naval Station, San Diego, California ..	\$2,100,000
	Naval Submarine Base, New London, Connecticut	\$2,300,000
	Robins Air Force Base, Georgia	\$19,000,000
	Tinker Air Force Base, Oklahoma ...	\$6,500,000
	Wright-Patterson Air Force Base, Ohio	\$2,750,000
National Security Agency Special Operations Command	Fort Meade, Maryland	\$29,800,000
	Eglin Auxiliary Field 3, Florida	\$6,100,000
	Fort Benning, Georgia	\$12,314,000
	Fort Bragg, North Carolina	\$1,500,000
	Hurlburt Field, Florida	\$2,450,000
	Naval Amphibious Base, Coronado, California	\$7,400,000
Total		\$389,440,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2405(a)(2), the Secretary of Defense may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the

1 United States, and in the amounts, set forth in the follow-
 2 ing table:

Defense Agencies: Outside the United States

Agency	Installation or Location	Amount
Ballistic Missile Defense Or- ganization.	Pacific Missile Range, Kwajalein Atoll	\$4,565,000
Defense Logistics Agency	Defense Fuel Support Point, Guam Moron Air Base, Spain	\$16,000,000 \$14,400,000
Defense Medical Facilities Office	Andersen Air Force Base, Guam	\$3,700,000
	Total	\$38,665,000

3 **SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.**

4 Using amounts appropriated pursuant to the author-
 5 ization of appropriations in section 2405(a)(13)(A), the
 6 Secretary of Defense may carry out architectural and en-
 7 gineering services and construction design activities with
 8 respect to the construction or improvement of military
 9 family housing units in an amount not to exceed \$50,000.

10 **SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
 11 **UNITS.**

12 Subject to section 2825 of title 10, United States
 13 Code, and using amounts appropriated pursuant to the
 14 authorization of appropriation in section 2405(a)(12)(A),
 15 the Secretary of Defense may improve existing military
 16 family housing units in an amount not to exceed
 17 \$4,900,000.

18 **SEC. 2404. ENERGY CONSERVATION PROJECTS.**

19 Using amounts appropriated pursuant to the author-
 20 ization of appropriations in section 2405(a)(10), the Sec-

1 retary of Defense may carry out energy conservation
2 projects under section 2865 of title 10, United States
3 Code.

4 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DE-**
5 **FENSE AGENCIES.**

6 (a) IN GENERAL.—Funds are hereby authorized to
7 be appropriated for fiscal years beginning after September
8 30, 1997, for military construction, land acquisition, and
9 military family housing functions of the Department of
10 Defense (other than the military departments), in the total
11 amount of \$2,711,761,000 as follows:

12 (1) For military construction projects inside the
13 United States authorized by section 2401(a),
14 \$382,390,000

15 (2) For military construction projects outside
16 the United States authorized by section 2401(a),
17 \$34,965,000.

18 (3) For military construction projects at Annis-
19 ton Army Depot, Alabama, ammunition demilitariza-
20 tion facility, authorized by section 2101(a) of the
21 Military Construction Authorization Act for Fiscal
22 Year 1993 (division B of the Public Law 102–484;
23 106 Stat. 2587), which was originally authorized as
24 an Army construction project, but which became a
25 Defense Agencies construction project by reason of

1 the amendments made by section 142 of the Na-
2 tional Defense Authorization Act for Fiscal Year
3 1995 (Public Law 103–337; 108 Stat. 2689),
4 \$9,900,000.

5 (4) For military construction projects at Walter
6 Reed Army Institute of Research, Maryland, hospital
7 replacement, authorized by section 2401(a) of the
8 Military Construction Authorization Act for Fiscal
9 Year 1993 (division B of Public Law 102–484; 106
10 Stat. 2599), \$20,000,000.

11 (5) For military construction projects at
12 Umatilla Army Depot, Oregon, authorized by section
13 2401(a) of the Military Construction Authorization
14 Act for Fiscal Year 1995 (division B of the Public
15 Law 103–337; 108 Stat. 3040), as amended by sec-
16 tion 2407 of the Military Construction Authorization
17 Act for Fiscal Year 1996 (110 Stat. 539) and sec-
18 tion 2407(2) of this Act, \$57,427,000.

19 (6) For military construction projects at De-
20 fense Finance and Accounting Service, Columbus,
21 Ohio, authorized by section 2401(a) of the Military
22 Construction Authorization Act of Fiscal Year 1996
23 (division B of Public Law 104–106; 110 Stat. 535),
24 \$14,200,000.

1 (7) For contingency construction projects of the
2 Secretary of Defense under section 2804 of title 10,
3 United States Code, \$9,844,000.

4 (8) For unspecified minor construction projects
5 under section 2805 of title 10, United States Code,
6 \$25,257,000.

7 (9) For architectural and engineering services
8 and construction design under section 2807 of title
9 10, United States Code, \$34,350,000.

10 (10) For Energy Conservation projects author-
11 ized by section 2403, \$25,000,000.

12 (11) For base closure and realignment activities
13 as authorized by the Defense Base Closure and Re-
14 alignment Act of 1990 (part A of title XXIX of
15 Public Law 101–510; 10 U.S.C. 2687 note),
16 \$2,060,854,000.

17 (12) For military family housing functions:

18 (A) For improvement and planning of mili-
19 tary family housing and facilities, \$4,950,000.

20 (B) For support of military housing (in-
21 cluding functions described in section 2833 of
22 title 10, United States Code), \$32,724,000 of
23 which not more than \$27,673,000 may be obli-
24 gated or expended for the leasing of military
25 family housing units worldwide.

1 (b) LIMITATION OF TOTAL COST OF CONSTRUCTION
2 PROJECTS.—Notwithstanding the cost variation author-
3 ized by section 2853 of title 10, United States Code, and
4 any other cost variations authorized by law, the total cost
5 of all projects carried out under section 2401 of this Act
6 may not exceed the total amount authorized to be appro-
7 priated under paragraphs (1) and (2) of subsection (a).

8 **SEC. 2406. CORRECTION IN AUTHORIZED USES OF FUNDS,**
9 **MCCLELLAN AIR FORCE BASE, CALIFORNIA.**

10 In the case of amounts appropriated pursuant to the
11 authorization of appropriations in section 2405(a)(1) of
12 the Military Construction Authorization Act for Fiscal
13 Year 1995 (division B of Public Law 103–337; 108 Stat.
14 3041) for a military construction project involving the up-
15 grade of the hospital facility at McClellan Air Force Base,
16 California, the Secretary of Defense may use such
17 amounts for the following medical construction projects
18 authorized by section 2401 of this Act:

19 (1) The Aeromedical Clinic Addition at Ander-
20 sen Air Base, Guam, in the amount of \$3,700,000.

21 (2) The Occupational Health Clinic Facility at
22 Tinker Air Force Base, Oklahoma, in the amount of
23 \$6,500,000.

1 **SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT**
2 **FISCAL YEAR 1995 PROJECTS.**

3 The table in section 2401 of the Military Construc-
4 tion Authorization Act for Fiscal Year 1995 (division B
5 of Public Law 103–337; 108 Stat. 3040), as amended by
6 section 2407 of the Military Construction Authorization
7 Act for Fiscal Year 1996 (division B of Public Law 104–
8 106; 110 Stat. 539), under the agency heading relating
9 to Chemical Weapons and Munitions Destruction, is fur-
10 ther amended—

11 (1) in the item relating to Pine Bluff Arsenal,
12 Arkansas, by striking out “\$115,000,000” in the
13 amount column and inserting in lieu thereof
14 “\$134,000,000”; and

15 (2) in the item relating to Umatilla Army
16 Depot, Oregon, by striking out “\$186,000,000” in
17 the amount column and inserting in lieu thereof
18 “\$187,000,000”.

19 **TITLE XXV—NORTH ATLANTIC**
20 **TREATY ORGANIZATION SE-**
21 **CURITY INVESTMENT PRO-**
22 **GRAM**

23 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**
24 **ACQUISITION PROJECTS.**

25 The Secretary of Defense may make contributions for
26 the North Atlantic Treaty Organization Security Invest-

1 ment program as provided in section 2806 of title 10,
 2 United States Code, in an amount not to exceed the sum
 3 of the amount authorized to be appropriated for this pur-
 4 pose in section 2502 and the amount collected from the
 5 North Atlantic Treaty Organization as a result of con-
 6 struction previously financed by the United States.

7 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

8 Funds are hereby authorized to be appropriated for
 9 fiscal years beginning after September 30, 1997, for con-
 10 tributions by the Secretary of Defense under section 2806
 11 of title 10, United States Code, for the share of the United
 12 States of the cost of projects for the North Atlantic Treaty
 13 Organization Security Investment program authorized by
 14 section 2501, in the amount of \$166,300,000.

15 **TITLE XXVI—GUARD AND**
 16 **RESERVE FORCES FACILITIES**

17 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**
 18 **TION AND LAND ACQUISITION PROJECTS.**

19 (a) IN GENERAL.—There are authorized to be appro-
 20 priated for fiscal years beginning after September 30,
 21 1997, for the costs of acquisition, architectural and engi-
 22 neering services, and construction of facilities for the
 23 Guard and Reserve Forces, and for contributions therefor,
 24 under chapter 1803 of title 10, United States Code (in-

cluding the cost of acquisition of land for those facilities),
the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the
United States, \$45,098,000; and

(B) for the Army Reserve, \$69,831,000.

(2) For the Department of the Navy, for the
Naval and Marine Corps Reserve, \$40,561,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the
United States, \$137,275,000; and

(B) for the Air Force Reserve,
\$34,443,000.

(b) ADJUSTMENT.—The amount authorized to be ap-
propriated pursuant to subsection (a)(1)(B) is reduced by
\$7,900,000, which represents the combination of project
savings resulting from favorable bids, reduced overhead
costs, and cancellations due to force structure changes.

**SEC. 2602. AUTHORIZATION OF MILITARY CONSTRUCTION
PROJECTS FOR WHICH FUNDS HAVE BEEN
APPROPRIATED.**

(a) ARMY NATIONAL GUARD, HILO, HAWAII.—Para-
graph (1)(A) of section 2601 of the Military Construction
Authorization Act for Fiscal Year 1997 (division B of
Public Law 104–201; 110 Stat. 2780) is amended by

1 striking out “\$59,194,000” and inserting in lieu thereof
2 “\$65,094,000” to account for a project involving additions
3 and alterations to an Army aviation support facility in
4 Hilo, Hawaii.

5 (b) NAVAL AND MARINE CORPS RESERVE, NEW OR-
6 LEANS.—Paragraph (2) of such section is amended by
7 striking out “\$32,779,000” and inserting in lieu thereof
8 “\$37,579,000” to account for a project for the construc-
9 tion of bachelor enlisted quarters at Naval Air Station,
10 New Orleans, Louisiana.

11 **SEC. 2603. ARMY RESERVE CONSTRUCTION PROJECT, SALT**
12 **LAKE CITY, UTAH.**

13 With regard to the military construction project for
14 the Army Reserve concerning construction of a reserve
15 center and organizational maintenance shop in Salt Lake
16 City, Utah, to be carried out using funds appropriated
17 pursuant to the authorization of appropriations in section
18 2601(1)(B), the Secretary of the Army may enter into an
19 agreement with the State of Utah under which the State
20 agrees to provide financial or in-kind contributions toward
21 land acquisition, site preparation, environmental assess-
22 ment and remediation, relocation, and other costs in con-
23 nection with the project.

1 **TITLE XXVII—EXPIRATION AND**
2 **EXTENSION OF AUTHORIZA-**
3 **TIONS**

4 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
5 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
6 **LAW.**

7 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE
8 YEARS.—Except as provided in subsection (b), all author-
9 izations contained in titles XXI through XXVI for military
10 construction projects, land acquisition, family housing
11 projects and facilities, and contributions to the North At-
12 lantic Treaty Organization Security Investment program
13 (and authorizations of appropriations therefor) shall ex-
14 pire on the later of—

15 (1) October 1, 2000; or

16 (2) the date for the enactment of an Act au-
17 thorizing funds for military construction for fiscal
18 year 2001.

19 (b) EXCEPTION.—Subsection (a) shall not apply to
20 authorizations for military construction projects, land ac-
21 quisition, family housing projects and facilities, and con-
22 tributions to the North Atlantic Treaty Organization Se-
23 curity Investment program (and authorizations of appro-
24 priations therefor), for which appropriated funds have
25 been obligated before the later of—

1 (1) October 1, 2000; or

2 (2) the date of the enactment of an Act author-
 3 izing funds for fiscal year 2001 for military con-
 4 struction projects, land acquisition, family housing
 5 projects and facilities, or contributions to the North
 6 Atlantic Treaty Organization Security Investment
 7 program.

8 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 9 **FISCAL YEAR 1995 PROJECTS.**

10 (a) EXTENSION.—Notwithstanding section 2701 of
 11 the Military Construction Authorization Act for Fiscal
 12 Year 1995 (division B of Public Law 103–337, 108 Stat.
 13 3046), authorizations for the projects set forth in the ta-
 14 bles in subsection (b), as provided in section 2101, 2201,
 15 2202, 2301, 2302, 2401, or 2601 of that Act, shall remain
 16 in effect until October 1, 1998, or the date of the enact-
 17 ment of an Act authorizing funds for military construction
 18 for fiscal year 1999, whichever is later.

19 (b) TABLES.—The tables referred to in subsection (a)
 20 are as follows:

Army: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
California	Fort Irwin	National Train- ing Center Airfield Phase I	\$10,000,000

Navy: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
Maryland	Indian Head Naval Surface Warfare Center	Upgrade Power Plant	\$4,000,000
	Indian Head Naval Surface Warfare Center	Denitrification/Acid Mixing Facility	\$6,400,000
Virginia	Norfolk Marine Corps Security Force Battalion Atlantic	Bachelor Enlisted Quarters	\$6,480,000
Washington	Naval Station Puget Sound, Everett	New Construction (Housing Office) ...	\$780,000
CONUS Classified	Classified Location	Aircraft Fire/Rescue & Vehicle Maintenance Facility	\$2,200,000

Air Force: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
California	Beale Air Force Base ..	Consolidated Support Center	\$10,400,000
	Los Angeles Air Force Station	Family Housing (50 Units)	\$8,962,000
North Carolina	Pope Air Force Base ...	Combat Control Team Facility	\$2,400,000
	Pope Air Force Base ...	Fire Training Center	\$1,100,000

Defense Agencies: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Anniston Army Depot ..	Carbon Filtration System	\$5,000,000
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Facility	\$115,000,000
California	Defense Contract Management Office, El Segundo	Administrative Facility	\$5,100,000
Oregon	Umatilla Army Depot ..	Ammunition Demilitarization Facility	\$186,000,000

Army National Guard: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
California	Camp Roberts	Combat Pistol Range	\$952,000
	Camp Roberts	Modify Record Fire Range/Maintenance Shop Construction Project	\$3,910,000
Pennsylvania	Fort Indiantown Gap ..	Barracks Construction Project	\$6,200,000

Naval Reserve: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
Georgia	Naval Air Station Marietta	Training Center	\$2,650,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
2 **FISCAL YEAR 1994 PROJECTS.**

3 (a) EXTENSION.—Notwithstanding section 2701 of
4 the Military Construction Authorization Act for Fiscal
5 Year 1994 (division B of Public Law 103–160, 107 Stat.
6 1880), authorizations for the projects set forth in the table
7 in subsection (b), as provided in section 2201 of that Act
8 and extended by section 2702 of the Military Construction
9 Authorization Act for Fiscal Year 1997 (division B of
10 Public Law 104–201; 110 Stat. 2783), shall remain in ef-
11 fect until October 1, 1998, or the date of the enactment
12 of an Act authorizing funds for military construction for
13 fiscal year 1999, whichever is later.

14 (b) TABLE.—The table referred to in subsection (a)
15 is as follows:

Navy: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Facility	\$7,930,000
Connecticut	New London Naval Submarine Base	Hazardous Waste Facility	\$1,450,000

1 **SEC. 2704. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
2 **FISCAL YEAR 1993 PROJECTS.**

3 (a) EXTENSION.—Notwithstanding section 2701 of
4 the Military Construction Authorization Act for Fiscal
5 Year 1993 (division B of Public Law 102–484; 106 Stat.
6 2602), the authorizations for the projects set forth in the
7 tables in subsection (b), as provided in section 2101 or
8 2601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1996
9 (division B of Public Law 104–106; 110 Stat. 541) and
10 section 2703 of the Military Construction Authorization
11 Act for Fiscal Year 1997 (division B of Public Law 104–
12 201; 110 Stat. 2784), shall remain in effect until October
13 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999,
14 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999,
15 ing funds for military construction for fiscal year 1999,
16 whichever is later.

17 (b) TABLES.—The tables referred to in subsection (a)
18 are as follows:

Army: Extension of 1993 Project Authorization

State	Installation or location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility	\$15,000,000

Army National Guard: Extension of 1993 Project Authorization

State	Installation or Location	Project	Amount
Alabama	Union Springs	Armory	\$813,000

1 **SEC. 2705. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
2 **FISCAL YEAR 1992 PROJECTS.**

3 (a) EXTENSION.—Notwithstanding section 2701 of
4 the Military Construction Authorization Act for Fiscal
5 Year 1992 (division B of Public Law 102–190; 105 Stat.
6 1535), authorizations for the projects set forth in the table
7 in subsection (b), as provided in section 2101 of that Act
8 and extended by section 2702 of the Military Construction
9 Authorization Act for Fiscal Year 1995 (division B of
10 Public Law 103–337; 108 Stat. 3047), section 2703 of
11 the Military Construction Authorization Act for Fiscal
12 Year 1996 (division B of Public Law 104–106; 110 Stat.
13 543), and section 2704 of the Military Construction Au-
14 thorization Act for Fiscal Year 1997 (division B of Public
15 Law 104–201; 110 Stat. 2784), shall remain in effect
16 until October 1, 1998, or the date of the enactment of
17 an Act authorizing funds for military construction for fis-
18 cal year 1999, whichever is later.

19 (b) TABLE.—The table referred to in subsection (a)
20 is as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demili- tarization Support Facility	\$3,600,000

Army: Extension of 1992 Project Authorizations—Continued

State	Installation or location	Project	Amount
	Umatilla Army Depot	Ammunition Demilitarization Utilities	\$7,500,000

1 **SEC. 2706. EXTENSION OF AVAILABILITY OF FUNDS FOR**
2 **CONSTRUCTION OF OVER-THE-HORIZON**
3 **RADAR IN PUERTO RICO.**

4 Amounts appropriated under the heading “DRUG
5 INTERDICTION AND COUNTER-DRUG ACTIVITIES, DE-
6 FENSE” in the Department of Defense Appropriations
7 Act, 1995 (Public Law 103–335; 108 Stat. 2615), and
8 transferred to the “Military Construction, Navy” appro-
9 priation for construction of a Relocatable Over-the-Hori-
10 zon Radar at Naval Station Roosevelt Roads, Puerto Rico,
11 shall remain available for obligation until October 1, 1998,
12 or the date of the enactment of an Act authorizing funds
13 for military construction for fiscal year 1999, whichever
14 is later.

15 **SEC. 2707. EFFECTIVE DATE.**

16 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI
17 shall take effect on the later of—

18 (1) October 1, 1997; or

19 (2) the date of the enactment of this Act.

1 **TITLE XXVIII—GENERAL**
2 **PROVISIONS**
3 **Subtitle A—Military Construction**
4 **Program and Military Family**
5 **Housing Changes**

6 **SEC. 2801. USE OF MOBILITY ENHANCEMENT FUNDS FOR**
7 **UNSPECIFIED MINOR CONSTRUCTION.**

8 (a) CONGRESSIONAL NOTIFICATION.—Subsection
9 (b)(2) of section 2805 of title 10, United States Code, is
10 amended by adding at the end the following new sentence:
11 “‘This paragraph shall apply even though the project is
12 to be carried out using funds made available to enhance
13 the deployment and mobility of military forces and sup-
14 plies.’”.

15 (b) RESTRICTION ON USE OF OPERATION AND MAIN-
16 TENANCE FUNDS.—Subsection (c) of such section is
17 amended—

18 (1) in paragraph (1), by striking out “para-
19 graph (2)” and inserting in lieu thereof “paragraphs
20 (2) and (3)”;

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

23 “(3) The limitations specified in paragraph (1) shall
24 not apply if the unspecified minor military construction
25 project is to be carried out using funds made available

1 to enhance the deployment and mobility of military forces
2 and supplies.”.

3 (c) TECHNICAL AMENDMENTS.—Such section is fur-
4 ther amended—

5 (1) in subsection (a)(1)—

6 (A) by striking out “minor military con-
7 struction projects” in the first sentence and in-
8 serting in lieu thereof “unspecified minor mili-
9 tary construction projects”;

10 (B) by striking out “A minor” in the sec-
11 ond sentence and inserting in lieu thereof “An
12 unspecified minor”; and

13 (C) by striking out “a minor” in the last
14 sentence and inserting in lieu thereof “an un-
15 specified minor”;

16 (2) in subsection (b)(1), by striking out “A
17 minor” and inserting in lieu thereof “An unspecified
18 minor”;

19 (3) in subsection (b)(2), by striking out “a
20 minor” and inserting in lieu thereof “an unspecified
21 minor”; and

22 (4) in subsection (c), by striking out “unspec-
23 ified military” each place it appears and inserting in
24 lieu thereof “unspecified minor military”.

1 **SEC. 2802. LIMITATION ON USE OF OPERATION AND MAIN-**
2 **TENANCE FUNDS FOR FACILITY REPAIR**
3 **PROJECTS.**

4 Section 2811 of title 10, United States Code, is
5 amended by adding at the end the following new sub-
6 sections:

7 “(d) CONGRESSIONAL NOTIFICATION.—When a deci-
8 sion is made to carry out a repair project under this sec-
9 tion with an estimated cost in excess of \$10,000,000, the
10 Secretary concerned shall submit to the appropriate com-
11 mittees of Congress a report containing—

12 “(1) the justification for the repair project and
13 the current estimate of the cost of the project; and

14 “(2) the justification for carrying out the
15 project under this section.

16 “(e) REPAIR PROJECT DEFINED.—In this section,
17 the term ‘repair project’ means a project to restore a real
18 property facility, system, or component to such a condition
19 that it may effectively be used for its designated functional
20 purpose.”.

21 **SEC. 2803. LEASING OF MILITARY FAMILY HOUSING, UNIT-**
22 **ED STATES SOUTHERN COMMAND, MIAMI,**
23 **FLORIDA.**

24 (a) LEASES TO EXCEED MAXIMUM RENTAL.—Sec-
25 tion 2828(b) of title 10, United States Code, is amended—

1 (1) in paragraph (2), by striking out “para-
2 graph (3)” and inserting in lieu thereof “paragraphs
3 (3) and (4)”;

4 (2) by redesignating paragraph (4) as para-
5 graph (5); and

6 (3) by inserting after paragraph (3) the follow-
7 ing new paragraph:

8 “(4) The Secretary of the Army may lease not more
9 than eight housing units in the vicinity of Miami, Florida,
10 for key and essential personnel, as designated by the Sec-
11 retary, for the United States Southern Command for
12 which the expenditure for the rental of such units (includ-
13 ing the cost of utilities, maintenance, and operation, in-
14 cluding security enhancements) exceeds the expenditure
15 limitations in paragraphs (2) and (3). The total amount
16 for all leases under this paragraph may not exceed
17 \$280,000 per year, and no lease on any individual housing
18 unit may exceed \$60,000 per year.”.

19 (b) CONFORMING AMENDMENT.—Paragraph (5) of
20 such section, as redesignated by subsection (a)(2), is
21 amended by striking out “paragraphs (2) and (3)” and
22 inserting in lieu thereof “paragraphs (2), (3), and (4)”.

1 **SEC. 2804. USE OF FINANCIAL INCENTIVES PROVIDED AS**
2 **PART OF ENERGY SAVINGS AND WATER CON-**
3 **SERVATION ACTIVITIES.**

4 (a) **ENERGY SAVINGS.**—Section 2865 of title 10,
5 United States Code, is amended—

6 (1) in subsection (b)(1), by striking out “and fi-
7 nancial incentives described in subsection (d)(2)”;

8 (2) in subsection (d)(2), by adding at the end
9 the following new sentence: “Financial incentives re-
10 ceived under this paragraph or section 2866(a)(2) of
11 this title shall be credited to an appropriation ac-
12 count designated by the Secretary of Defense.”; and

13 (3) in subsection (f), by adding at the end the
14 following new sentence: “Each report shall also de-
15 scribe the types and amount of financial incentives
16 received under subsection (d)(2) and section
17 2866(a)(2) of this title during the period covered by
18 the report and the appropriation account or accounts
19 to which the incentives were credited.”.

20 (b) **WATER CONSERVATION.**—Section 2866(b) of
21 such title is amended—

22 (1) by striking out “SAVINGS.—” in the sub-
23 section heading and inserting in lieu thereof “SAV-
24 INGS AND FINANCIAL INCENTIVES.—(1)”;

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

1 “(2) Financial incentives received under this section
 2 shall be used as provided in section 2865(d)(2) of this
 3 title.”.

4 **SEC. 2805. CONGRESSIONAL NOTIFICATION REQUIRE-**
 5 **MENTS REGARDING USE OF DEPARTMENT OF**
 6 **DEFENSE HOUSING FUNDS FOR INVEST-**
 7 **MENTS IN NONGOVERNMENTAL ENTITIES.**

8 Section 2875 of title 10, United States Code, is
 9 amended by adding at the end the following new sub-
 10 section:

11 “(e) CONGRESSIONAL NOTIFICATION REQUIRED.—
 12 Amounts in the Department of Defense Family Housing
 13 Improvement Fund or the Department of Defense Military
 14 Unaccompanied Housing Improvement Fund may be used
 15 to make a cash investment under this section in a non-
 16 governmental entity only after the end of the 30-day pe-
 17 riod beginning on the date the Secretary of Defense sub-
 18 mits written notice of, and justification for, the investment
 19 to the appropriate committees of Congress.”.

20 **Subtitle B—Real Property And**
 21 **Facilities Administration**

22 **SEC. 2811. INCREASE IN CEILING FOR MINOR LAND ACQUI-**
 23 **SITION PROJECTS.**

24 (a) INCREASE.—Section 2672 of title 10, United
 25 States Code, is amended by striking out “\$200,000” both

1 places it appears in subsection (a) and inserting in lieu
2 thereof “\$500,000”.

3 (b) CLERICAL AMENDMENTS.—(1) The section head-
4 ing for such section is amended to read as follows:

5 **“§ 2672. Acquisition: interests in land when cost is**
6 **not more than \$500,000”.**

7 (2) The table of sections at the beginning of chapter
8 159 of such title is amended by striking out the item relat-
9 ing to section 2672 and inserting in lieu thereof the follow-
10 ing new item:

“2672. Acquisition: interests in land when cost is not more than \$500,000.”.

11 **SEC. 2812. ADMINISTRATIVE EXPENSES FOR CERTAIN REAL**
12 **PROPERTY TRANSACTIONS.**

13 (a) IN GENERAL.—Chapter 159 of title 10, United
14 States Code, is amended by adding at the end the follow-
15 ing new section:

16 **“§ 2695. Acceptance of funds to cover administrative**
17 **expenses relating to certain real property**
18 **transactions**

19 “(a) AUTHORITY TO ACCEPT.—In connection with a
20 real property transaction described in subsection (b) with
21 a non-Federal person or entity, the Secretary of a military
22 department may accept amounts provided by the person
23 or entity to cover administrative expenses incurred by the
24 Secretary in entering into the transaction.

1 “(b) COVERED TRANSACTIONS.—Subsection (a) ap-
2 plies to the following transactions:

3 “(1) The conveyance or exchange of real prop-
4 erty.

5 “(2) The grant of an easement over, in, or upon
6 real property of the United States.

7 “(3) The lease or license of real property of the
8 United States.

9 “(c) USE OF AMOUNTS COLLECTED.—Amounts col-
10 lected under subsection (a) for administrative expenses
11 shall be credited to the appropriation, fund, or account
12 from which the expenses were paid. Amounts so credited
13 shall be merged with funds in such appropriation, fund,
14 or account and shall be available for the same purposes
15 and subject to the same limitations as the funds with
16 which merged.”.

17 (b) CLERICAL AMENDMENT.—The table of sections
18 at the beginning of chapter 159 of such title is amended
19 by adding at the end the following:

“2695. Acceptance of funds to cover administrative expenses relating to certain
real property transactions.”.

20 **SEC. 2813. DISPOSITION OF PROCEEDS FROM SALE OF AIR**
21 **FORCE PLANT 78, BRIGHAM CITY, UTAH.**

22 Notwithstanding subparagraph (A) of section
23 204(h)(2) of the Federal Property and Administrative
24 Services Act of 1949 (40 U.S.C. 485(h)(2)), the entire

1 amount derived from the sale of Air Force Plant 78 in
2 Brigham City, Utah, and deposited in the special account
3 in the Treasury established pursuant to such section shall,
4 to the extent provided in appropriations Acts, be available
5 to the Secretary of the Air Force for facility maintenance,
6 repair, or environmental restoration at other industrial
7 plants of the Department of the Air Force.

8 **Subtitle C—Defense Base Closure**
9 **and Realignment**

10 **SEC. 2821. CONSIDERATION OF MILITARY INSTALLATIONS**
11 **AS SITES FOR NEW FEDERAL FACILITIES.**

12 (a) 1988 LAW.—Section 204(b)(5) of the Defense
13 Authorization Amendments and Base Closure and Re-
14 alignment Act (Public Law 100–526; 10 U.S.C. 2687
15 note) is amended—

16 (1) in subparagraph (A), by striking out “sub-
17 paragraph (B)” and inserting in lieu thereof “sub-
18 paragraphs (B) and (C)”; and

19 (2) by adding at the end the following new sub-
20 paragraph:

21 “(C)(i) Before acquiring non-Federal real property as
22 the location for a new or replacement Federal facility of
23 any type, the head of the Federal agency acquiring the
24 property shall consult with the Secretary regarding the
25 feasibility and cost advantages of using Federal property

1 or facilities at a military installation to be closed or re-
2 aligned under this title as the location for the new or re-
3 placement facility. In considering the availability and suit-
4 ability of a specific military installation, the Secretary and
5 the head of the Federal agency involved shall consult with
6 the redevelopment authority with respect to the installa-
7 tion and comply with the redevelopment plan for the in-
8 stallation.

9 “(ii) Not later than 30 days after acquiring non-Fed-
10 eral real property as the location for a new or replacement
11 Federal facility, the head of the Federal agency acquiring
12 the property shall submit to Congress a report containing
13 the results of the consultation under clause (i) and the
14 reasons why military installations referred to in such
15 clause that are located within the area to be served by
16 the new or replacement Federal facility or within a 200-
17 mile radius of the new or replacement facility, whichever
18 area is greater, were considered to be unsuitable or un-
19 available for the site of the new or replacement facility.”.

20 (b) 1990 LAW.—Section 2905(b)(5) of the Defense
21 Base Closure and Realignment Act of 1990 (Public Law
22 101–510; 10 U.S.C. 2687 note) is amended—

23 (1) in subparagraph (A), by striking out “sub-
24 paragraph (B)” and inserting in lieu thereof “sub-
25 paragraphs (B) and (C)”; and

1 (2) by adding at the end the following new sub-
2 paragraph:

3 “(C)(i) Before acquiring non-Federal real property as
4 the location for a new or replacement Federal facility of
5 any type, the head of the Federal agency acquiring the
6 property shall consult with the Secretary regarding the
7 feasibility and cost advantages of using Federal property
8 or facilities at a military installation to be closed or re-
9 aligned under this part as the location for the new or re-
10 placement facility. In considering the availability and suit-
11 ability of a specific military installation, the Secretary and
12 the head of the Federal agency involved shall consult with
13 the redevelopment authority with respect to the installa-
14 tion and comply with the redevelopment plan for the in-
15 stallation.

16 “(ii) Not later than 30 days after acquiring non-Fed-
17 eral real property as the location for a new or replacement
18 Federal facility, the head of the Federal agency acquiring
19 the property shall submit to Congress a report containing
20 the results of the consultation under clause (i) and the
21 reasons why military installations referred to in such
22 clause that are located within the area to be served by
23 the new or replacement Federal facility or within a 200-
24 mile radius of the new or replacement facility, whichever

1 area is greater, were considered to be unsuitable or un-
2 available for the site of the new or replacement facility.”.

3 **SEC. 2822. PROHIBITION AGAINST CONVEYANCE OF PROP-**
4 **ERTY AT MILITARY INSTALLATIONS TO**
5 **STATE-OWNED SHIPPING COMPANIES.**

6 (a) PROHIBITION AGAINST DIRECT CONVEYANCE.—

7 In disposing of real property in connection with the closure
8 of a military installation under the Defense Base Closure
9 and Realignment Act of 1990 (part A of title XXIX of
10 Public Law 101–510; 10 U.S.C. 2687 note), the Secretary
11 of Defense may not convey any portion of the property
12 (by sale, lease, or other method) to a State-owned shipping
13 company.

14 (b) PROHIBITION AGAINST INDIRECT CONVEY-
15 ANCE.—The Secretary of Defense shall impose as a condi-
16 tion on each conveyance of real property located at such
17 an installation the requirement that the property may not
18 be subsequently conveyed (by sale, lease, or other method)
19 to a State-owned shipping company.

20 (c) REVERSIONARY INTEREST.—If the Secretary de-
21 termines at any time that real property located at such
22 an installation and conveyed under the Defense Base Clo-
23 sure and Realignment Act of 1990 has been conveyed to
24 a State-owned shipping company in violation of subsection
25 (b) or is otherwise being used by a State-owned shipping

1 company in violation of such subsection, all right, title,
 2 and interest in and to the property shall revert to the
 3 United States, and the United States shall have immediate
 4 right of entry thereon.

5 (d) DEFINITION.—In this section, the term “State-
 6 owned shipping company” means a commercial shipping
 7 company owned or controlled by a foreign country.

8 **Subtitle D—Land Conveyances**

9 **Part I—Army Conveyances**

10 **SEC. 2831. LAND CONVEYANCE, JAMES T. COKER ARMY RE- 11 **SERVE CENTER, DURANT, OKLAHOMA.****

12 (a) CONVEYANCE AUTHORIZED.—The Secretary of
 13 the Army may convey, without consideration, to Big Five
 14 Community Services, Incorporated, a nonprofit organiza-
 15 tion operating in Durant, Oklahoma, all right, title, and
 16 interest of the United States in and to a parcel of real
 17 property located at 1500 North First Street in Durant,
 18 Oklahoma, and containing the James T. Coker Army Re-
 19 serve Center, if the Secretary determines that the Reserve
 20 Center is excess to the needs of the Armed Forces.

21 (b) DESCRIPTION OF PROPERTY.—The exact acreage
 22 and legal description of the real property to be conveyed
 23 under subsection (a) shall be determined by a survey satis-
 24 factory to the Secretary. The cost of the survey shall be
 25 borne by Big Five Community Services, Incorporated.

1 (c) CONDITION ON CONVEYANCE.—The conveyance
2 authorized under subsection (a) shall be subject to the
3 condition that Big Five Community Services, Incorporated,
4 retain the conveyed property for educational purposes.
5

6 (d) REVERSION.—If the Secretary determines at any
7 time that the real property conveyed under subsection (a)
8 is not being used for the purpose specified in subsection
9 (c), all right, title, and interest in and to such real property,
10 including any improvements thereon, shall revert to
11 the United States, and the United States shall have the
12 right of immediate entry thereon.

13 (e) ADDITIONAL TERMS AND CONDITIONS.—The
14 Secretary may require such additional terms and conditions
15 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. 2832. LAND CONVEYANCE, FORT A. P. HILL, VIRGINIA.**

19 (a) CONVEYANCE AUTHORIZED.—The Secretary of
20 the Army may convey to Caroline County, Virginia (in this
21 section referred to as the “County”), all right, title, and
22 interest of the United States in and to a parcel of unimproved
23 real property consisting of approximately 10 acres
24 located at Fort A. P. Hill, Virginia. The purpose of the

1 conveyance is to permit the County to establish a solid
2 waste transfer and recycling facility on the property.

3 (b) CONSIDERATION.—As consideration for the con-
4 veyance under subsection (a), the County shall permit the
5 Army, at no cost, to dispose of not less than 1,800 tons
6 of solid waste annually at the facility established on the
7 conveyed property. The obligation of the County to accept
8 solid waste under this subsection shall not commence until
9 after the solid waste transfer and recycling facility on the
10 conveyed property becomes operational, and the establish-
11 ment of a solid waste collection and transfer site on the
12 .36-acre parcel described in subsection (d)(2) shall not be
13 construed to impose the obligation.

14 (c) DISCLAIMER.—The United States shall not be re-
15 sponsible for the provision or cost of utilities or any other
16 improvements necessary to carry out the conveyance under
17 subsection (a) or to establish or operate the solid waste
18 transfer and recycling facility intended for the property.

19 (d) REVERSION.—(1) Except as provided in para-
20 graph (2), if the Secretary determines that a solid waste
21 transfer and recycling facility is not operational, before
22 December 31, 1999, on the real property conveyed under
23 subsection (a), all right, title, and interest in and to such
24 real property, including any improvements thereon, shall

1 revert to the United States, and the United States shall
2 have the right of immediate entry thereon.

3 (2) Paragraph (1) shall not apply with respect to a
4 parcel of approximately .36 acres of the approximately 10-
5 acre parcel to be conveyed under subsection (a), which is
6 included in the larger conveyance to permit the County
7 to establish a solid waste collection and transfer site for
8 residential waste.

9 (e) **ADDITIONAL TERMS AND CONDITIONS.**—The
10 Secretary may require such additional terms and condi-
11 tions in connection with the conveyance under subsection
12 (a) as the Secretary considers appropriate to protect the
13 interests of the United States.

14 **SEC. 2833. EXPANSION OF LAND CONVEYANCE, INDIANA**
15 **ARMY AMMUNITION PLANT, CHARLESTOWN,**
16 **INDIANA.**

17 (a) **ADDITIONAL CONVEYANCE.**—Subsection (a) of
18 section 2858 of the National Defense Authorization Act
19 for Fiscal Year 1996 (Public Law 104–106; 110 Stat.
20 571) is amended—

21 (1) by inserting “(1)” before “The Secretary of
22 the Army”; and

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

1 “(2) The Secretary may also convey to the State,
2 without consideration, an additional parcel of real prop-
3 erty at the Indiana Army Ammunition Plant consisting
4 of approximately 500 acres located along the Ohio River.”.

5 (b) CONFORMING AMENDMENTS.—Such section is
6 further amended by striking out “conveyance” both places
7 it appears in subsections (b) and (d) and inserting in lieu
8 thereof “conveyances”.

9 **SEC. 2834. MODIFICATION OF LAND CONVEYANCE,**
10 **LOMPOC, CALIFORNIA.**

11 (a) CHANGE IN AUTHORIZED USES OF LAND.—Sec-
12 tion 834(b)(1) of the Military Construction Authorization
13 Act, 1985 (Public Law 98–407; 98 Stat. 1526), is amend-
14 ed by striking out subparagraphs (A) and (B) and insert-
15 ing in lieu thereof the following new subparagraphs:

16 “(A) for educational and recreational purposes;
17 “(B) for open space; or”.

18 (b) CONFORMING DEED CHANGES.—With respect to
19 the land conveyance made pursuant to section 834 of the
20 Military Construction Authorization Act, 1985, the Sec-
21 retary of the Army shall execute and file in the appro-
22 priate office or offices an amended deed or other appro-
23 priate instrument effectuating the changes to the author-
24 ized uses of the conveyed property resulting from the
25 amendment made by subsection (a).

1 **SEC. 2835. MODIFICATION OF LAND CONVEYANCE, ROCKY**
2 **MOUNTAIN ARSENAL, COLORADO.**

3 Section 5(c) of Public Law 102–402 (106 Stat. 1966)
4 is amended by striking out “The transferred property
5 shall be sold in advertised sales” and inserting in lieu
6 thereof “The Administrator shall convey the transferred
7 property to Commerce City, Colorado, in a negotiated
8 sale,”.

9 **SEC. 2836. CORRECTION OF LAND CONVEYANCE AUTHOR-**
10 **ITY, ARMY RESERVE CENTER, ANDERSON,**
11 **SOUTH CAROLINA.**

12 (a) IDENTIFICATION OF RECIPIENT.—Subsection (a)
13 of section 2824 of the Military Construction Authorization
14 Act for Fiscal Year 1997 (division B of Public Law 104–
15 201; 110 Stat. 2793) is amended by striking out “County
16 of Anderson, South Carolina (in this section referred to
17 as the ‘County’)” and inserting in lieu thereof “Board of
18 Education, Anderson County, South Carolina (in this sec-
19 tion referred to as the ‘Board’)”.

20 (b) CONFORMING AMENDMENTS.—Subsections (b)
21 and (c) of such section are amended by striking out
22 “County” each place it appears and inserting in lieu there-
23 of “Board”.

1 **SEC. 2837. LAND CONVEYANCE, FORT BRAGG, NORTH CARO-**
2 **LINA.**

3 (a) CONVEYANCE AUTHORIZED.—The Secretary of
4 the Army may convey, without consideration, to the Town
5 of Spring Lake, North Carolina (in this section referred
6 to as the “Town”), all right, title, and interest of the Unit-
7 ed States in and to a parcel of unimproved real property
8 consisting of approximately 50 acres located at Fort
9 Bragg, North Carolina. The purpose of the conveyance is
10 to improve access by the Town to a waste treatment facil-
11 ity and to permit economic development.

12 (b) DESCRIPTION OF PROPERTY.—The exact acreage
13 and legal description of the real property to be conveyed
14 under subsection (a) shall be determined by a survey satis-
15 factory to the Secretary. The cost of the survey shall be
16 borne by the Town.

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

22 **SEC. 2838. LAND CONVEYANCE, GIBSON ARMY RESERVE**
23 **CENTER, CHICAGO, ILLINOIS.**

24 (a) CONVEYANCE AUTHORIZED.—The Secretary of
25 the Army may convey, without consideration, to the
26 Lawndale Business and Local Development Corporation

1 (in this section referred to as the “Corporation”), a non-
2 profit organization organized in the State of Illinois, all
3 right, title, and interest of the United States in and to
4 a parcel of real property, including improvements thereon,
5 that is located at 4454 West Cermak Road in Chicago,
6 Illinois, and contains the Gibson Army Reserve Center.

7 (b) DESCRIPTION OF PROPERTY.—The exact acreage
8 and legal description of the real property to be conveyed
9 under subsection (a) shall be determined by a survey satis-
10 factory to the Secretary. The cost of the survey shall be
11 borne by the Corporation.

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

17 **SEC. 2839. LAND CONVEYANCE, FORT DIX, NEW JERSEY.**

18 (a) CONVEYANCES AUTHORIZED.—(1) The Secretary
19 of the Army may convey, without consideration, to the
20 Borough of Wrightstown, New Jersey (in this section re-
21 ferred to as the “Borough”), all right, title, and interest
22 of the United States in and to a parcel of real property
23 (including improvements thereon) consisting of approxi-
24 mately 39.69 acres located at Fort Dix, New Jersey, for

1 the purpose of permitting the Borough to develop the par-
2 cel for economic purposes.

3 (2) The Secretary may convey, without consideration,
4 to the New Hanover Board of Education (in this section
5 referred to as the “Board”), all right, title, and interest
6 of the United States in and to an additional parcel of real
7 property (including improvements thereon) at Fort Dix
8 consisting of approximately five acres for the purpose of
9 permitting the Board to develop the parcel for educational
10 purposes.

11 (b) DESCRIPTION OF PROPERTY.—The exact acreage
12 and legal description of the real property to be conveyed
13 under subsection (a) shall be determined by surveys satis-
14 factory to the Secretary. The cost of the survey in connec-
15 tion with the conveyance under subsection (a)(1) shall be
16 borne by the Borough, and the cost of the survey in con-
17 nection with the conveyance under subsection (a)(2) shall
18 be borne by the Board.

19 (c) ADDITIONAL TERMS AND CONDITIONS.—The
20 Secretary may require such additional terms and condi-
21 tions in connection with the conveyances under subsection
22 (a) as the Secretary considers appropriate to protect the
23 interests of the United States.

Part II—Navy Conveyances

**SEC. 2851. CORRECTION OF LEASE AUTHORITY, NAVAL AIR
STATION, MERIDIAN, MISSISSIPPI.**

(a) CORRECTION OF LESSEE.—Subsection (a) of section 2837 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2798) is amended—

(1) by striking out “State of Mississippi (in this section referred to as the ‘State’)” and inserting in lieu thereof “County of Lauderdale, Mississippi (in this section referred to as the ‘County’)”; and

(2) by striking out “The State” and inserting in lieu thereof “The County”.

(b) CONFORMING AMENDMENTS.—Subsections (b) and (c) of such section are amended by striking out “State” each place it appears and inserting in lieu thereof “County”.

Part III—Air Force Conveyances

SEC. 2861. LAND TRANSFER, EGLIN AIR FORCE BASE, FLORIDA.

(a) TRANSFER.—Jurisdiction over the real property withdrawn by Executive Order 4525, dated October 1, 1826, which consists of approximately 440 acres of land at Cape San Blas, Gulf County, Florida, and any improvements thereon, is transferred from the administrative jurisdiction of the Secretary of Transportation to the admin-

1 istrative jurisdiction of the Secretary of the Air Force,
2 without reimbursement. Executive Order 4525 is revoked,
3 and the transferred real property shall be administered by
4 the Secretary of the Air Force pursuant to the Federal
5 Property and Administrative Services Act of 1949 (40
6 U.S.C. 471 et seq.) and such other laws as may be applica-
7 ble to Federal real property.

8 (b) USE OF PROPERTY.—The real property trans-
9 ferred under subsection (a) may be used in conjunction
10 with operations at Eglin Air Force Base, Florida.

11 (c) LEGAL DESCRIPTION.—The exact acreage and
12 legal description of the real property to be transferred
13 under this section shall be determined by a survey satis-
14 factory to the Secretary of the Air Force. The cost of the
15 survey shall be borne by the Secretary of the Air Force.

16 **SEC. 2862. STUDY OF LAND EXCHANGE OPTIONS, SHAW AIR**
17 **FORCE BASE, SOUTH CAROLINA.**

18 Section 2874 of the National Defense Authorization
19 Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.
20 583) is amended by adding at the end the following new
21 subsection:

22 “(g) STUDY OF EXCHANGE OPTIONS.—To facilitate
23 the use of a land exchange to acquire the real property
24 described in subsection (a), the Secretary of the Air Force
25 shall conduct a study to identify real property in the pos-

1 session of the Air Force (located in the State of South
2 Carolina or elsewhere) that satisfies the requirements of
3 subsection (b)(2), is acceptable to the party holding the
4 property to be acquired, and is otherwise suitable for ex-
5 change under this section. Not later than three months
6 after the date of the enactment of the National Defense
7 Authorization Act for Fiscal Year 1998, the Secretary
8 shall submit to Congress a report containing the results
9 of the study.”.

10 **SEC. 2863. LAND CONVEYANCE, MARCH AIR FORCE BASE,**
11 **CALIFORNIA.**

12 (a) CONVEYANCE AUTHORIZED.—The Secretary of
13 the Air Force may convey to Air Force Village West, In-
14 corporated (in this section referred to as the “Corpora-
15 tion”), of Riverside, California, all right, title, and interest
16 of the United States in and to a parcel of real property
17 located at March Air Force Base, California, and consist-
18 ing of approximately 75 acres, as more fully described in
19 subsection (c).

20 (2) If the Secretary does not make the conveyance
21 authorized by paragraph (1) to the Corporation on or be-
22 fore January 1, 2006, the Secretary shall convey the real
23 property instead to the March Joint Powers Authority, the
24 redevelopment authority established for March Air Force
25 Base.

1 (b) CONSIDERATION.—As consideration for the con-
2 veyance under subsection (a), the Corporation shall pay
3 to the United States an amount equal to the fair market
4 value of the real property, as determined by the Secretary.

5 (c) LAND DESCRIPTION.—The real property to be
6 conveyed under this section is contiguous to land conveyed
7 to the Corporation pursuant to section 835 of the Military
8 Construction Authorization Act, 1985 (Public Law 98–
9 407; 98 Stat. 1527), and lies within sections 27, 28, 33,
10 and 34 of Township 3 South, Range 4 West, San
11 Bernardino Base and Meridian, County of Riverside, Cali-
12 fornia. The exact acreage and legal description of the real
13 property shall be determined by a survey satisfactory to
14 the Secretary. The cost of the survey shall be borne by
15 the party receiving the property.

16 (d) TECHNICAL CORRECTIONS REGARDING PRE-
17 VIOUS CONVEYANCE.—Section 835 of the Military Con-
18 struction Authorization Act, 1985 (Public Law 98–407;
19 98 Stat. 1527), is amended—

20 (1) in subsection (b), by striking out “sub-
21 section (b)” and inserting in lieu thereof “subsection
22 (a)”; and

23 (2) in subsection (c), by striking out “Clark
24 Street,” and all that follows through the period and
25 inserting in lieu thereof “Village West Drive, on the

1 west by Allen Avenue, on the south by 8th Street,
2 and the north is an extension of 11th Street between
3 Allen Avenue and Clark Street.”.

4 **SEC. 2864. LAND CONVEYANCE, ELLSWORTH AIR FORCE**
5 **BASE, SOUTH DAKOTA.**

6 (a) CONVEYANCE REQUIRED.—The Secretary of the
7 Air Force may convey, without consideration, to the
8 Greater Box Elder Area Economic Development Corpora-
9 tion, Box Elder, South Dakota (in this section referred
10 to as the “Corporation”), all right, title, and interest of
11 the United States in and to the parcels of real property
12 located at Ellsworth Air Force Base, South Dakota, re-
13 ferred to in subsection (b).

14 (b) COVERED PROPERTY.—(1) Subject to paragraph
15 (2), the real property referred to in subsection (a) is the
16 following:

17 (A) A parcel of real property, together with any
18 improvements thereon, consisting of approximately
19 53.32 acres and comprising the Skyway Military
20 Family Housing Area.

21 (B) A parcel of real property, together with any
22 improvements thereon, consisting of approximately
23 137.56 acres and comprising the Renal Heights
24 Military Family Housing Area.

1 (C) A parcel of real property, together with any
2 improvements thereon, consisting of approximately
3 14.92 acres and comprising the East Nike Military
4 Family Housing Area.

5 (D) A parcel of real property, together with any
6 improvements thereon, consisting of approximately
7 14.69 acres and comprising the South Nike Military
8 Family Housing Area.

9 (E) A parcel of real property, together with any
10 improvements thereon, consisting of approximately
11 14.85 acres and comprising the West Nike Military
12 Family Housing Area.

13 (2) The real property referred to in subsection (a)
14 does not include the portion of real property referred to
15 in paragraph (1)(B) that the Secretary determines to be
16 required for the construction of an access road between
17 the main gate of Ellsworth Air Force Base and an inter-
18 change on Interstate Route 90 located in the vicinity of
19 mile marker 67 in South Dakota.

20 (c) CONDITIONS OF CONVEYANCE.—The conveyance
21 of the real property referred to in subsection (b) shall be
22 subject to the following conditions:

23 (1) That the Corporation, and any person or
24 entity to which the Corporation transfers the prop-
25 erty, comply in the use of the property with the ap-

1 plicable provisions of the Ellsworth Air Force Base
2 Air Installation Compatible Use Zone Study.

3 (2) That the Corporation convey a portion of
4 the real property referred to in paragraph (1)(A) of
5 that subsection, together with any improvements
6 thereon, consisting of approximately 20 acres to the
7 Douglas School District, South Dakota, for use for
8 education purposes.

9 (d) REVERSIONARY INTEREST.—If the Secretary de-
10 termines that any portion of the real property conveyed
11 under subsection (a) is not being utilized in accordance
12 with the applicable provision of subsection (c), all right,
13 title, and interest in and to that portion of the real prop-
14 erty shall revert to the United States, and the United
15 States shall have the right of immediate entry thereon.

16 (e) LEGAL DESCRIPTION.—The exact acreage and
17 legal description of the property conveyed under sub-
18 section (a) shall be determined by a survey satisfactory
19 to the Secretary. The cost of the survey shall be borne
20 by the Corporation.

21 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
22 retary may require such additional terms and conditions
23 in connection with the conveyance under subsection (a) as
24 the Secretary considers appropriate to protect the inter-
25 ests of the United States.

1 **Subtitle E—Other Matters**

2 **SEC. 2881. REPEAL OF REQUIREMENT TO OPERATE NAVAL**
3 **ACADEMY DAIRY FARM.**

4 (a) OPERATION.—(1) Chapter 603 of title 10, United
5 States Code, is amended by adding at the end the follow-
6 ing new section:

7 **“§ 6976. Operation of Naval Academy dairy farm**

8 “(a) DISCRETION REGARDING CONTINUED OPER-
9 ATION.—(1) Subject to paragraph (2), the Secretary of
10 the Navy may terminate or reduce the dairy or other oper-
11 ations conducted at the Naval Academy dairy farm located
12 in Gambrills, Maryland.

13 “(2) Notwithstanding the termination or reduction of
14 operations at the Naval Academy dairy farm under para-
15 graph (1), the real property containing the dairy farm
16 (consisting of approximately 875 acres)—

17 “(A) may not be declared to be excess real
18 property to the needs of the Navy or transferred or
19 otherwise disposed of by the Navy or any Federal
20 agency; and

21 “(B) shall be maintained in its rural and agri-
22 cultural nature.

23 “(b) LEASE AUTHORITY.—(1) Subject to paragraph
24 (2), to the extent that the termination or reduction of op-
25 erations at the Naval Academy dairy farm permit, the Sec-

1 retary of the Navy may lease the real property containing
2 the dairy farm, and any improvements and personal prop-
3 erty thereon, to such persons and under such terms as
4 the Secretary considers appropriate. In leasing any of the
5 property, the Secretary may give a preference to persons
6 who will continue dairy operations on the property.

7 “(2) Any lease of property at the Naval Academy
8 dairy farm shall be subject to a condition that the lessee
9 maintain the rural and agricultural nature of the leased
10 property.

11 “(c) EFFECT OF OTHER LAWS.—Nothing in section
12 6971 of this title shall be construed to require the Sec-
13 retary of the Navy or the Superintendent of the Naval
14 Academy to operate a dairy farm for the Naval Academy
15 in Gambrills, Maryland, or any other location.”.

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

“6976. Operation of Naval Academy dairy farm.”.

19 (b) CONFORMING REPEAL OF EXISTING REQUIRE-
20 MENTS.—Section 810 of the Military Construction Au-
21 thorization Act, 1968 (Public Law 90–110; 81 Stat. 309),
22 is repealed.

1 **SEC. 2882. LONG-TERM LEASE OF PROPERTY, NAPLES**
2 **ITALY.**

3 (a) **AUTHORITY.**—Subject to subsection (d), the Sec-
4 retary of the Navy may acquire by long-term lease struc-
5 tures and real property relating to a regional hospital com-
6 plex in Naples, Italy, that the Secretary determines to be
7 necessary for purposes of the Naples Improvement Initia-
8 tive.

9 (b) **LEASE TERM.**—Notwithstanding section 2675 of
10 title 10, United States Code, the lease authorized by sub-
11 section (a) shall be for a term of not more than 20 years.

12 (c) **EXPIRATION OF AUTHORITY.**—The authority of
13 the Secretary to enter into a lease under subsection (a)
14 shall expire on September 30, 2002.

15 (d) **AUTHORITY CONTINGENT ON APPROPRIATIONS**
16 **ACTS.**—The authority of the Secretary to enter into a
17 lease under subsection (a) is available only to the extent
18 or in the amount provided in advance in appropriations
19 Acts.

20 **SEC. 2883. DESIGNATION OF MILITARY FAMILY HOUSING**
21 **AT LACKLAND AIR FORCE BASE, TEXAS, IN**
22 **HONOR OF FRANK TEJEDA, A FORMER MEM-**
23 **BER OF THE HOUSE OF REPRESENTATIVES.**

24 The military family housing developments to be con-
25 structed at two locations on Government property at
26 Lackland Air Force Base, Texas, under the authority of

1 subchapter IV of chapter 169 of title 10, United States
 2 Code, shall be designated by the Secretary of the Air
 3 Force, at an appropriate time, as follows:

4 (1) The northern development shall be des-
 5 ignated as “Frank Tejeda Estates North”.

6 (2) The southern development shall be des-
 7 ignated as “Frank Tejeda Estates South”.

8 **TITLE XXIX—SIKES ACT** 9 **IMPROVEMENT**

10 **SEC. 2901. SHORT TITLE.**

11 This title may be cited as the “Sikes Act Improve-
 12 ment Amendments of 1997”.

13 **SEC. 2902. DEFINITION OF SIKES ACT FOR PURPOSES OF** 14 **AMENDMENTS.**

15 In this title, the term “Sikes Act” means the Act en-
 16 titled “An Act to promote effectual planning, development,
 17 maintenance, and coordination of wildlife, fish, and game
 18 conservation and rehabilitation in military reservations”,
 19 approved September 15, 1960 (16 U.S.C. 670a et seq.),
 20 commonly referred to as the “Sikes Act”.

21 **SEC. 2903. CODIFICATION OF SHORT TITLE OF ACT.**

22 The Sikes Act (16 U.S.C. 670a et seq.) is amended
 23 by inserting before title I the following new section:

24 **“SECTION 1. SHORT TITLE.**

25 “This Act may be cited as the ‘Sikes Act’.”.

1 **SEC. 2904. INTEGRATED NATURAL RESOURCE MANAGE-**
2 **MENT PLANS.**

3 (a) PLANS REQUIRED.—Subsection (a) of section
4 101 of the Sikes Act (16 U.S.C. 670a) is amended to read
5 as follows:

6 “(a) INTEGRATED NATURAL RESOURCES MANAGE-
7 MENT PLANS.—

8 “(1) PLANS REQUIRED.—The Secretary of De-
9 fense shall carry out a program to provide for the
10 conservation and rehabilitation of natural resources
11 on military installations. To facilitate the program,
12 the Secretary of each military department shall pre-
13 pare and implement an integrated natural resources
14 management plan for each military installation in
15 the United States under the jurisdiction of the Sec-
16 retary, unless the Secretary determines that the ab-
17 sence of significant natural resources on a particular
18 installation makes preparation of such a plan inap-
19 propriate.

20 “(2) COOPERATIVE PREPARATION.—The Sec-
21 retary of a military department shall prepare the in-
22 tegrated natural resources management plans for
23 which the Secretary is responsible in cooperation
24 with the Secretary of the Interior, acting through
25 the Director of the Fish and Wildlife Service, and
26 the head of the appropriate State fish and wildlife

1 agency or agencies for the State in which the mili-
2 tary installation involved is located. The resulting
3 plan for a military installation consistent with para-
4 graph (4) shall reflect the mutual agreement of the
5 parties concerning conservation, protection, and
6 management of fish and wildlife resources.

7 “(3) PURPOSE OF PLANS.—Consistent with the
8 use of military installations to ensure the prepared-
9 ness of the Armed Forces, the Secretaries of the
10 military departments shall carry out the program re-
11 quired by this subsection to provide for—

12 “(A) the conservation and rehabilitation of
13 natural resources on military installations;

14 “(B) the sustained multipurpose use of
15 these resources, to include hunting, fishing,
16 trapping, and nonconsumptive uses; and

17 “(C) subject to safety requirements and
18 military security, public access to military in-
19 stallations to facilitate these uses.

20 “(4) RULE OF CONSTRUCTION.—Nothing in
21 this Act shall be construed as modifying or repealing
22 the provisions of any Federal law governing the con-
23 servation or protection of fish and wildlife resources,
24 nor as enlarging or diminishing the responsibility
25 and authority of the States for the protection and

1 management of fish and resident wildlife. Except as
2 elsewhere specifically provided in this section and
3 section 102, nothing in this Act shall be construed
4 as authorizing the Secretary of a military depart-
5 ment to require a Federal license or permit to hunt,
6 fish, or trap on a military installation.

7 (b) CONFORMING AMENDMENTS.—Title I of the
8 Sikes Act is amended—

9 (1) in section 101(b)(4) (16 U.S.C.
10 670a(b)(4)), by striking out “cooperative plan” each
11 place it appears and inserting in lieu thereof “inte-
12 grated natural resource management plan”;

13 (2) in section 101(c) (16 U.S.C. 670a(c)), in
14 the matter preceding paragraph (1) by striking out
15 “a cooperative plan” and inserting in lieu thereof
16 “an integrated natural resource management plan”;

17 (3) in section 101(d) (16 U.S.C. 670a(d)), in
18 the matter preceding paragraph (1) by striking out
19 “cooperative plans” and inserting in lieu thereof “in-
20 tegrated natural resource management plans”;

21 (4) in section 101(e) (16 U.S.C. 670a(e)), by
22 striking out “Cooperative plans” and inserting in
23 lieu thereof “Integrated natural resource manage-
24 ment plans”;

1 (5) in section 102 (16 U.S.C. 670b), by striking
2 out “a cooperative plan” and inserting in lieu there-
3 of “an integrated natural resource management
4 plan”;

5 (6) in section 103 (16 U.S.C. 670c), by striking
6 out “a cooperative plan” and inserting in lieu there-
7 of “an integrated natural resource management
8 plan”;

9 (7) in section 106(a) (16 U.S.C. 670f(a)), by
10 striking out “cooperative plans” and inserting in lieu
11 thereof “integrated natural resource management
12 plans”; and

13 (8) in section 106(c) (16 U.S.C. 670f(c)), by
14 striking out “cooperative plans” and inserting in lieu
15 thereof “integrated natural resource management
16 plans”.

17 (c) CONTENTS OF PLANS.—Section 101(b) of the
18 Sikes Act (16 U.S.C. 670a(b)) is amended—

19 (1) by striking out “Each cooperative plan” and
20 all that follows through paragraph (1) and inserting
21 in lieu thereof the following:

22 “(b) REQUIRED ELEMENTS OF PLANS.—Consistent
23 with the use of military installations to ensure the pre-
24 paredness of the Armed Forces, each integrated natural

1 resources management plan prepared under subsection
2 (a)—

3 “(1) shall, where appropriate and applicable,
4 provide for—

5 “(A) fish and wildlife management, land
6 management, forest management, and fish and
7 wildlife-oriented recreation;

8 “(B) fish and wildlife habitat enhancement
9 or modifications;

10 “(C) wetland protection, enhancement, and
11 restoration, where necessary for support of fish
12 or wildlife;

13 “(D) integration of, and consistency
14 among, the various activities conducted under
15 the plan;

16 “(E) establishment of specific natural re-
17 source management objectives and time frames
18 for proposed action;

19 “(F) sustained use by the public of natural
20 resources to the extent such use is not incon-
21 sistent with the needs of fish and wildlife re-
22 sources management;

23 “(G) public access to the military installa-
24 tion that is necessary or appropriate for the use
25 described in subparagraph (F), subject to re-

1 quirements necessary to ensure safety and mili-
2 tary security;

3 “(H) enforcement of natural resource laws
4 and regulations;

5 “(I) no net loss in the capability of mili-
6 tary installation lands to support the military
7 mission of the installation; and

8 “(J) such other activities as the Secretary
9 of the military department considers appro-
10 priate;”

11 (2) by striking out paragraph (3);

12 (3) by redesignating paragraph (4) as para-
13 graph (3); and

14 (4) in paragraph (3)(A) (as so redesignated), by
15 striking out “collect the fees therefor,” and inserting
16 in lieu thereof “collect, spend, administer, and ac-
17 count for fees therefor,”.

18 **SEC. 2905. REVIEW FOR PREPARATION OF INTEGRATED**

19 **NATURAL RESOURCE MANAGEMENT PLANS.**

20 (a) REVIEW OF MILITARY INSTALLATIONS.—

21 (1) REVIEW.—The Secretary of each military
22 department shall, by not later than nine months
23 after the date of the enactment of this Act—

24 (A) review each military installation in the
25 United States that is under the jurisdiction of

1 that Secretary to determine the military instal-
2 lations for which the preparation of an inte-
3 grated natural resource management plan
4 under section 101 of the Sikes Act, as amended
5 by this title, is appropriate; and

6 (B) submit to the Secretary of Defense a
7 report on those determinations.

8 (2) REPORT TO CONGRESS.—The Secretary of
9 Defense shall, by not later than 12 months after the
10 date of the enactment of this Act, submit to the
11 Congress a report on the reviews conducted under
12 paragraph (1). The report shall include—

13 (A) a list of those military installations re-
14 viewed under paragraph (1) for which the Sec-
15 retary of the military department concerned de-
16 termines the preparation of an integrated natu-
17 ral resource management plan is not appro-
18 priate; and

19 (B) for each of the military installations
20 listed under subparagraph (A), an explanation
21 of the reasons such a plan is not appropriate.

22 (b) DEADLINE FOR INTEGRATED NATURAL RE-
23 SOURCE MANAGEMENT PLANS.—Not later than two years
24 after the date of the submission of the report required
25 under subsection (a)(2), the Secretary of each military de-

1 partment shall, for each military installation for which the
2 Secretary has not determined under subsection (a)(2)(A)
3 that preparation of an integrated natural resource man-
4 agement plan is not appropriate—

5 (1) prepare and begin implementing such a plan
6 in accordance with section 101(a) of the Sikes Act,
7 as amended by section 2904; or

8 (2) in the case of a military installation for
9 which there is in effect a cooperative plan under sec-
10 tion 101(a) of the Sikes Act on the day before the
11 date of the enactment of this Act, complete negotia-
12 tions with the Secretary of the Interior and the
13 heads of the appropriate State agencies regarding
14 changes to that plan that are necessary for the plan
15 to constitute an integrated natural resource plan
16 that complies with that section, as amended by sec-
17 tion 2904.

18 (c) PUBLIC COMMENT.—The Secretary of each mili-
19 tary department shall provide an opportunity for the sub-
20 mission of public comments on—

21 (1) integrated natural resource management
22 plans proposed pursuant to subsection (b)(1); and

23 (2) changes to cooperative plans proposed pur-
24 suant to subsection (b)(2).

1 **SEC. 2906. ANNUAL REVIEWS AND REPORTS.**

2 Section 101 of the Sikes Act (16 U.S.C. 670a) is
3 amended by adding at the end the following new sub-
4 section:

5 “(f) REVIEWS AND REPORTS.—

6 “(1) SECRETARY OF DEFENSE.—The Secretary
7 of Defense shall, by not later than March 1 of each
8 year, review the extent to which integrated natural
9 resource management plans were prepared or in ef-
10 fect and implemented in accordance with this Act in
11 the preceding year, and submit a report on the find-
12 ings of that review to the committees. Each report
13 shall include—

14 “(A) the number of integrated natural re-
15 source management plans in effect in the year
16 covered by the report, including the date on
17 which each plan was issued in final form or
18 most recently revised;

19 “(B) the amount of moneys expended on
20 conservation activities conducted pursuant to
21 those plans in the year covered by the report;
22 and

23 “(C) an assessment of the extent to which
24 the plans comply with the requirements of this
25 Act.

1 “(2) SECRETARY OF THE INTERIOR.—The Sec-
2 retary of the Interior, by not later than March 1 of
3 each year and in consultation with State agencies re-
4 sponsible for conservation or management of fish or
5 wildlife, shall submit a report to the committees on
6 the amount of moneys expended by the Department
7 of the Interior and those State agencies in the year
8 covered by the report on conservation activities con-
9 ducted pursuant to integrated natural resource man-
10 agement plans.

11 “(3) COMMITTEES DEFINED.—For purposes of
12 this subsection, the term ‘committees’ means the
13 Committee on Resources and the Committee on Na-
14 tional Security of the House of Representatives and
15 the Committee on Armed Services and the Commit-
16 tee on Environment and Public Works of the Sen-
17 ate.”.

18 **SEC. 2907. TRANSFER OF WILDLIFE CONSERVATION FEES**
19 **FROM CLOSED MILITARY INSTALLATIONS.**

20 Subsection (b)(3)(B) of section 101(b) of the Sikes
21 Act (16 U.S.C. 670a(b)), as redesignated and amended
22 by section 2904, is further amended by inserting before
23 the period at the end the following: “, unless that military
24 installation is subsequently closed, in which case the fees

1 may be transferred to another military installation to be
2 used for the same purposes”.

3 **SEC. 2908. FEDERAL ENFORCEMENT.**

4 Title I of the Sikes Act (16 U.S.C. 670a et seq.) is
5 amended—

6 (1) by redesignating section 106, as amended
7 by section 2904(b), as section 109; and

8 (2) by inserting after section 105 the following
9 new section:

10 **“SEC. 106. FEDERAL ENFORCEMENT OF OTHER LAWS.**

11 “All Federal laws relating to the conservation of nat-
12 ural resources on Federal lands may be enforced by the
13 Secretary of Defense with respect to violations of those
14 laws that occur on military installations within the United
15 States.”.

16 **SEC. 2909. NATURAL RESOURCE MANAGEMENT SERVICES.**

17 Title I of the Sikes Act (16 U.S.C. 670a et seq.) is
18 amended by inserting after section 106 (as added by sec-
19 tion 2908) the following new section:

20 **“SEC. 107. NATURAL RESOURCE MANAGEMENT SERVICES.**

21 “The Secretary of each military department shall en-
22 sure, within available resources, that sufficient numbers
23 of professionally trained natural resource management
24 personnel and natural resource law enforcement personnel
25 are available and assigned responsibility to perform tasks

1 necessary to comply with this Act, including the prepara-
2 tion and implementation of integrated natural resource
3 management plans.”.

4 **SEC. 2910. DEFINITIONS.**

5 Title I of the Sikes Act (16 U.S.C. 670a et seq.) is
6 amended by inserting after section 107 (as added by sec-
7 tion 2909) the following new section:

8 **“SEC. 108. DEFINITIONS.**

9 “In this title:

10 “(1) **MILITARY INSTALLATION.**—(A) The term
11 ‘military installation’ means any land or interest in
12 land owned by the United States and administered
13 by the Secretary of Defense or the Secretary of a
14 military department (except civil works lands). The
15 term includes all public lands withdrawn from all
16 forms of appropriation under public land laws and
17 reserved for use by the Secretary of Defense or the
18 Secretary of a military department.

19 “(B) The term does not include any lands oth-
20 erwise covered by subparagraph (A) that are subject
21 to an approved recommendation for closure under
22 the Defense Base Closure and Realignment Act of
23 1990 (part A of title XXIX of Public Law 101–510;
24 10 U.S.C. 2687 note).

1 “(2) STATE FISH AND WILDLIFE AGENCY.—The
2 term ‘State fish and wildlife agency’ means an agen-
3 cy or agencies of State government that is respon-
4 sible under State law for managing fish or wildlife
5 resources.

6 “(3) UNITED STATES.—The term ‘United
7 States’ means the States, the District of Columbia,
8 and the territories and possessions of the United
9 States.”.

10 **SEC. 2911. COOPERATIVE AGREEMENTS.**

11 Section 103a of the Sikes Act (16 U.S.C. 670c–1)
12 is amended—

13 (1) in subsection (a) by striking out “Secretary
14 of Defense” and inserting “Secretary of a military
15 department”;

16 (b) by striking out subsection (b) and inserting in lieu
17 thereof the following new subsection:

18 “(b) Funds appropriated to the Department of De-
19 fense for a fiscal year may be obligated to cover the cost
20 of goods and services provided either under a cooperative
21 agreement entered into under subsection (a) or through
22 an agency agreement under section 1535 of title 31, Unit-
23 ed States Code, during any 18-month period beginning in
24 that fiscal year, without regard to whether the agreement
25 crosses fiscal years.”.

1 **SEC. 2912. REPEAL OF SUPERSEDED PROVISION.**

2 Section 2 of the Act of October 27, 1986 (Public Law
3 99–561; 16 U.S.C. 670a–1), is repealed.

4 **SEC. 2913. CLERICAL AMENDMENTS.**

5 Title I of the Sikes Act, as amended by this title,
6 is amended—

7 (1) in the heading for the title by striking out
8 “MILITARY RESERVATIONS” and inserting in
9 lieu thereof “MILITARY INSTALLATIONS”;

10 (2) in section 101(b)(3) (16 U.S.C.
11 670a(b)(3)), as redesignated and amended by sec-
12 tion 2904—

13 (A) in subparagraph (A), by striking out
14 “the reservation” and inserting in lieu thereof
15 “the installation”; and

16 (B) in subparagraph (B), by striking out
17 “the military reservation” and inserting in lieu
18 thereof “the military installation”;

19 (4) in section 101(c) (16 U.S.C. 670a(c))—

20 (A) in paragraph (1), by striking out “a
21 military reservation” and inserting in lieu
22 thereof “a military installation”; and

23 (B) in paragraph (2), by striking out “the
24 reservation” and inserting in lieu thereof “the
25 installation”;

1 (5) in section 102 (16 U.S.C. 670b), by striking
2 out “military reservations” and inserting in lieu
3 thereof “military installations”; and

4 (6) in section 103 (16 U.S.C. 670c)—

5 (A) by striking out “military reservations”
6 and inserting in lieu thereof “military installa-
7 tions”; and

8 (B) by striking out “such reservations”
9 and inserting in lieu thereof “such installa-
10 tions”.

11 **SEC. 2914. AUTHORIZATIONS OF APPROPRIATIONS.**

12 (a) PROGRAMS ON MILITARY INSTALLATIONS.—Sub-
13 sections (b) and (c) of section 109 of the Sikes Act (as
14 redesignated by section 1408) are each amended by strik-
15 ing out “1983” and all that follows through “1993,” and
16 inserting in lieu thereof “1983 through 2000,”.

17 (b) PROGRAMS ON PUBLIC LANDS.—Section 209 of
18 the Sikes Act (16 U.S.C. 670o) is amended—

19 (1) in subsection (a), by striking out “the sum
20 of \$10,000,000” and all that follows through “to en-
21 able the Secretary of the Interior” and inserting in
22 lieu thereof “\$4,000,000 for each of fiscal years
23 1998 through 2003, to enable the Secretary of the
24 Interior”; and

1 (2) in subsection (b), by striking out “the sum
 2 of \$12,000,000” and all that follows through “to en-
 3 able the Secretary of Agriculture” and inserting in
 4 lieu thereof “\$5,000,000 for each of fiscal years
 5 1998 through 2003, to enable the Secretary of Agri-
 6 culture”.

7 **DIVISION C—DEPARTMENT OF**
 8 **ENERGY NATIONAL SECURITY**
 9 **AUTHORIZATIONS AND**
 10 **OTHER AUTHORIZATIONS**
 11 **TITLE XXXI—DEPARTMENT OF**
 12 **ENERGY NATIONAL SECURITY**
 13 **PROGRAMS**
 14 **Subtitle A—National Security**
 15 **Programs Authorizations**

16 **SEC. 3101. WEAPONS ACTIVITIES.**

17 (a) STOCKPILE STEWARDSHIP.—Funds are hereby
 18 authorized to be appropriated to the Department of En-
 19 ergy for fiscal year 1998 for stockpile stewardship in car-
 20 rying out weapons activities necessary for national secu-
 21 rity programs in the amount of \$1,733,400,000, to be allo-
 22 cated as follows:

23 (1) For core stockpile stewardship,
 24 \$1,257,100,000, to be allocated as follows:

1 (A) For operation and maintenance,
2 \$1,158,290,000.

3 (B) For plant projects (including mainte-
4 nance, restoration, planning, construction, ac-
5 quisition, modification of facilities, and the con-
6 tinuation of projects authorized in prior years,
7 and land acquisition related thereto),
8 \$98,810,000, to be allocated as follows:

9 Project 97–D–102, dual-axis radio-
10 graphic hydrotest facility, Los Alamos Na-
11 tional Laboratory, Los Alamos, New Mex-
12 ico, \$46,300,000.

13 Project 96–D–102, stockpile steward-
14 ship facilities revitalization, Phase VI, var-
15 ious locations, \$19,810,000.

16 Project 96–D–103, ATLAS, Los Ala-
17 mos National Laboratory, Los Alamos,
18 New Mexico, \$13,400,000.

19 Project 96–D–105, contained firing
20 facility addition, Lawrence Livermore Na-
21 tional Laboratory, Livermore, California,
22 \$19,300,000.

23 (2) For inertial fusion, \$414,800,000, to be al-
24 located as follows:

1 (A) For operation and maintenance,
2 \$217,000,000.

3 (B) For the following plant project (includ-
4 ing maintenance, restoration, planning, con-
5 struction, acquisition, and modification of facili-
6 ties, and land acquisition related thereto),
7 \$197,800,000, to be allocated as follows:

8 Project 96–D–111, national ignition
9 facility, location to be determined,
10 \$197,800,000.

11 (3) For technology transfer and education,
12 \$61,500,000, to be allocated as follows:

13 (A) For technology transfer, \$52,500,000.

14 (B) For education, \$9,000,000.

15 (b) STOCKPILE MANAGEMENT.—Funds are hereby
16 authorized to be appropriated to the Department of En-
17 ergy for fiscal year 1998 for stockpile management in car-
18 rying out weapons activities necessary for national secu-
19 rity programs in the amount of \$2,024,150,000, to be allo-
20 cated as follows:

21 (1) For operation and maintenance,
22 \$1,868,265,000.

23 (2) For plant projects (including maintenance,
24 restoration, planning, construction, acquisition,
25 modification of facilities, and the continuation of

1 projects authorized in prior years, and land acquisi-
2 tion related thereto), \$155,885,000, to be allocated
3 as follows:

4 Project 98–D–123, stockpile management
5 restructuring initiative, tritium factory mod-
6 ernization and consolidation, Savannah River
7 Site, Aiken, South Carolina, \$11,000,000.

8 Project 98–D–124, stockpile management
9 restructuring initiative, Y–12 Plant consolida-
10 tion, Oak Ridge, Tennessee, \$6,450,000.

11 Project 98–D–125, tritium extraction facil-
12 ity, Savannah River Site, Aiken, South Caro-
13 lina, \$9,650,000.

14 Project 98–D–126, accelerator production
15 of tritium, various locations, \$67,865,000.

16 Project 97–D–122, nuclear materials stor-
17 age facility renovation, Los Alamos National
18 Laboratory, Los Alamos, New Mexico,
19 \$9,200,000.

20 Project 97–D–124, steam plant wastewater
21 treatment facility upgrade, Y–12 Plant, Oak
22 Ridge, Tennessee, \$1,900,000.

23 Project 96–D–122, sewage treatment qual-
24 ity upgrade (STQU), Pantex Plant, Amarillo,
25 Texas, \$6,900,000.

1 Project 96–D–123, retrofit heating, ven-
2 tilation, and air conditioning and chillers for
3 ozone protection, Y–12 Plant, Oak Ridge, Ten-
4 nessee, \$2,700,000.

5 Project 95–D–122, sanitary sewer up-
6 grade, Y–12 Plant, Oak Ridge, Tennessee,
7 \$12,600,000.

8 Project 94–D–124, hydrogen fluoride sup-
9 ply system, Y–12 Plant, Oak Ridge, Tennessee,
10 \$1,400,000.

11 Project 94–D–125, upgrade life safety,
12 Kansas City Plant, Kansas City, Missouri,
13 \$2,000,000.

14 Project 93–D–122, life safety upgrades,
15 Y–12 Plant, Oak Ridge, Tennessee,
16 \$2,100,000.

17 Project 92–D–126, replace emergency noti-
18 fication system, various locations, \$3,200,000.

19 Project 88–D–122, facilities capability as-
20 surance program, various locations,
21 \$18,920,000.

22 (c) PROGRAM DIRECTION.—Funds are hereby au-
23 thorized to be appropriated to the Department of Energy
24 for fiscal year 1998 for program direction in carrying out

1 weapons activities necessary for national security pro-
2 grams in the amount of \$208,500,000.

3 **SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE**
4 **MANAGEMENT.**

5 (a) ENVIRONMENTAL RESTORATION.—Funds are
6 hereby authorized to be appropriated to the Department
7 of Energy for fiscal year 1998 for environmental restora-
8 tion in carrying out environmental restoration and waste
9 management activities necessary for national security pro-
10 grams in the amount of \$1,000,973,000, of which
11 \$388,000,000 shall be allocated to the uranium enrich-
12 ment decontamination and decommissioning fund.

13 (b) CLOSURE PROJECTS.—Funds are hereby author-
14 ized to be appropriated to the Department of Energy for
15 fiscal year 1998 for closure projects carried out in accord-
16 ance with section 3143 of the National Defense Authoriza-
17 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
18 Stat. 2836; 42 U.S.C. 7274n) in the amount of
19 \$905,800,000.

20 (c) WASTE MANAGEMENT.—Funds are hereby au-
21 thorized to be appropriated to the Department of Energy
22 for fiscal year 1998 for waste management in carrying out
23 environmental restoration and waste management activi-
24 ties necessary for national security programs in the
25 amount of \$1,536,344,000, to be allocated as follows:

1 (1) For operation and maintenance,
2 \$1,455,576,000.

3 (2) For plant projects (including maintenance,
4 restoration, planning, construction, acquisition,
5 modification of facilities, and the continuation of
6 projects authorized in prior years, and land acquisi-
7 tion related thereto), \$80,768,000, to be allocated as
8 follows:

9 Project 98–D–401, H-tank farm storm
10 water systems upgrade, Savannah River Site,
11 Aiken, South Carolina, \$1,000,000.

12 Project 97–D–402, tank farm restoration
13 and safe operations, Richland, Washington,
14 \$13,961,000.

15 Project 96–D–408, waste management up-
16 grades, various locations, \$8,200,000.

17 Project 95–D–402, install permanent elec-
18 trical service, Waste Isolation Pilot Plant,
19 Carlsbad, New Mexico, \$176,000.

20 Project 95–D–405, industrial landfill V
21 and construction/demolition landfill VII, Y–12
22 Plant, Oak Ridge, Tennessee, \$3,800,000.

23 Project 95–D–407, 219–S secondary con-
24 tainment upgrade, Richland, Washington,
25 \$2,500,000.

1 Project 94–D–404, Melton Valley storage
2 tank capacity increase, Oak Ridge National
3 Laboratory, Oak Ridge, Tennessee, \$1,219,000.

4 Project 94–D–407, initial tank retrieval
5 systems, Richland, Washington, \$15,100,000.

6 Project 93–D–187, high-level waste re-
7 moval from filled waste tanks, Savannah River
8 Site, Aiken, South Carolina, \$17,520,000.

9 Project 92–D–172, hazardous waste treat-
10 ment and processing facility, Pantex Plant,
11 Amarillo, Texas, \$5,000,000.

12 Project 89–D–174, replacement high-level
13 waste evaporator, Savannah River Site, Aiken,
14 South Carolina, \$1,042,000.

15 Project 86–D–103, decontamination and
16 waste treatment facility, Lawrence Livermore
17 National Laboratory, Livermore, California,
18 \$11,250,000.

19 (d) TECHNOLOGY DEVELOPMENT.—Funds are here-
20 by authorized to be appropriated to the Department of
21 Energy for fiscal year 1998 for technology development
22 in carrying out environmental restoration and waste man-
23 agement activities necessary for national security pro-
24 grams in the amount of \$182,881,000.

1 (e) NUCLEAR MATERIALS AND FACILITIES STA-
2 BILIZATION.—Funds are hereby authorized to be appro-
3 priated to the Department of Energy for fiscal year 1998
4 for nuclear materials and facilities stabilization in carrying
5 out environmental restoration and waste management ac-
6 tivities necessary for national security programs in the
7 amount of \$1,244,021,000, to be allocated as follows:

8 (1) For operation and maintenance,
9 \$1,159,114,000.

10 (2) For plant projects (including maintenance,
11 restoration, planning, construction, acquisition,
12 modification of facilities, and the continuation of
13 projects authorized in prior years, and land acquisi-
14 tion related thereto), \$84,907,000, to be allocated as
15 follows:

16 Project 98–D–453, plutonium stabilization
17 and handling system for plutonium finishing
18 plant, Richland, Washington, \$8,136,000.

19 Project 98–D–700, road rehabilitation,
20 Idaho National Engineering Laboratory, Idaho,
21 \$500,000.

22 Project 97–D–450, Actinide packaging and
23 storage facility, Savannah River Site, Aiken,
24 South Carolina, \$18,000,000.

1 Project 97–D–451, B-Plant safety class
2 ventilation upgrades, Richland, Washington,
3 \$2,000,000.

4 Project 97–D–470, environmental monitor-
5 ing laboratory, Savannah River Site, Aiken,
6 South Carolina, \$5,600,000.

7 Project 97–D–473, health physics site sup-
8 port facility, Savannah River Site, Aiken, South
9 Carolina, \$4,200,000.

10 Project 96–D–406, spent nuclear fuels
11 canister storage and stabilization facility, Rich-
12 land, Washington, \$16,744,000.

13 Project 96–D–461, electrical distribution
14 upgrade, Idaho National Engineering Labora-
15 tory, Idaho, \$2,927,000.

16 Project 96–D–464, electrical and utility
17 systems upgrade, Idaho Chemical Processing
18 Plant, Idaho National Engineering Laboratory,
19 Idaho, \$14,985,000.

20 Project 96–D–471, chlorofluorocarbon
21 heating, ventilation, and air conditioning and
22 chiller retrofit, Savannah River Site, Aiken,
23 South Carolina, \$8,500,000.

1 Project 95–D–155, upgrade site road in-
2 frastructure, Savannah River Site, South Caro-
3 lina, \$2,713,000.

4 Project 95–D–456, security facilities con-
5 solidation, Idaho Chemical Processing Plant,
6 Idaho National Engineering Laboratory, Idaho,
7 \$602,000.

8 (f) PROGRAM DIRECTION.—Funds are hereby au-
9 thorized to be appropriated to the Department of Energy
10 for fiscal year 1998 for program direction in carrying out
11 environmental restoration and waste management activi-
12 ties necessary for national security programs in the
13 amount of \$288,251,000.

14 (g) POLICY AND MANAGEMENT.—Funds are hereby
15 authorized to be appropriated to the Department of En-
16 ergy for fiscal year 1998 for policy and management in
17 carrying out environmental restoration and waste manage-
18 ment activities necessary for national security programs
19 in the amount of \$20,000,000.

20 (h) ENVIRONMENTAL SCIENCE PROGRAM.—Funds
21 are hereby authorized to be appropriated to the Depart-
22 ment of Energy for fiscal year 1998 for the environmental
23 science program in carrying out environmental restoration
24 and waste management activities necessary for national
25 security programs in the amount of \$55,000,000.

1 (i) HANFORD TANK WASTE VITRIFICATION.—Funds
2 are hereby authorized to be appropriated to the Depart-
3 ment of Energy for fiscal year 1998 for the Hanford Tank
4 Waste Vittrification project, subject to the provisions of
5 section 3145, in the amount of \$70,000,000.

6 (j) ADJUSTMENT.—The total amount authorized to
7 be appropriated pursuant to this section is the sum of the
8 amounts authorized to be appropriated in subsections (a)
9 through (h) reduced by the sum of \$20,000,000, to be de-
10 rived from non-safety-related contractor training expenses.

11 **SEC. 3103. OTHER DEFENSE ACTIVITIES.**

12 Funds are hereby authorized to be appropriated to
13 the Department of Energy for fiscal year 1998 for other
14 defense activities in carrying out programs necessary for
15 national security in the amount of \$1,512,551,000, to be
16 allocated as follows:

17 (1) For verification and control technology,
18 \$428,600,000, to be allocated as follows:

19 (A) For nonproliferation and verification
20 research and development, \$190,000,000.

21 (B) For arms control, \$205,000,000.

22 (C) For intelligence, \$33,600,000.

23 (2) For nuclear safeguards and security,
24 \$47,200,000.

25 (3) For security investigations, \$25,000,000.

1 (4) For emergency management, \$17,000,000.

2 (5) For program direction, \$68,900,000.

3 (6) For worker and community transition as-
4 sistence, \$22,000,000, to be allocated as follows:

5 (A) For worker and community transition,
6 \$20,000,000.

7 (B) For program direction, \$2,000,000.

8 (7) For fissile materials control and disposition,
9 \$103,451,000, to be allocated as follows:

10 (A) For operation and maintenance,
11 \$99,451,000.

12 (B) For program direction, \$4,000,000.

13 (8) For environment, safety, and health, de-
14 fense, \$73,000,000, to be allocated as follows:

15 (A) For the Office of Environment, Safety,
16 and Health (Defense), \$63,000,000.

17 (B) For program direction, \$10,000,000.

18 (9) For the Office of Hearings and Appeals,
19 \$1,900,000.

20 (10) For nuclear energy, \$47,000,000, to be al-
21 located as follows:

22 (A) For nuclear technology research and
23 development (electrometallurgical),
24 \$12,000,000.

1 (B) For international nuclear safety (So-
2 viet-designed reactors), \$25,000,000.

3 (C) For Russian plutonium reactor core
4 conversion, \$10,000,000.

5 (11) For naval reactors development,
6 \$678,500,000, to be allocated as follows:

7 (A) For operation and maintenance,
8 \$648,920,000.

9 (B) For program direction, \$20,080,000.

10 (C) For plant projects (including mainte-
11 nance, restoration, planning, construction, ac-
12 quisition, modification of facilities, and the con-
13 tinuation of projects authorized in prior years,
14 and land acquisition related thereto),
15 \$9,500,000, to be allocated as follows:

16 Project 98–D–200, site laboratory/fa-
17 cility upgrade, various locations,
18 \$1,200,000.

19 Project 97–D–201, advanced test re-
20 actor secondary coolant refurbishment,
21 Idaho National Engineering Laboratory,
22 Idaho, \$4,100,000.

23 Project 95–D–200, laboratory systems
24 and hot cell upgrades, various locations,
25 \$1,100,000.

1 Project 90–N–102, expended core fa-
2 cility dry cell project, Naval Reactors Fa-
3 cility, Idaho, \$3,100,000.

4 **SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.**

5 Funds are hereby authorized to be appropriated to
6 the Department of Energy for fiscal year 1998 for pay-
7 ment to the Nuclear Waste Fund established in section
8 302(c) of the Nuclear Waste Policy Act of 1982 (42
9 U.S.C. 10222(c)) in the amount of \$190,000,000.

10 **Subtitle B—Recurring General**
11 **Provisions**

12 **SEC. 3121. REPROGRAMMING.**

13 (a) IN GENERAL.—Until the Secretary of Energy
14 submits to the congressional defense committees the re-
15 port referred to in subsection (b) and a period of 30 days
16 has elapsed after the date on which such committees re-
17 ceive the report, the Secretary may not use amounts ap-
18 propriated pursuant to this title for any program—

19 (1) in amounts that exceed, in a fiscal year—

20 (A) 110 percent of the amount authorized
21 for that program by this title; or

22 (B) \$1,000,000 more than the amount au-
23 thorized for that program by this title; or

24 (2) which has not been presented to, or re-
25 quested of, Congress.

1 (b) REPORT.—(1) The report referred to in sub-
2 section (a) is a report containing a full and complete state-
3 ment of the action proposed to be taken and the facts and
4 circumstances relied upon in support of such proposed ac-
5 tion.

6 (2) In the computation of the 30-day period under
7 subsection (a), there shall be excluded any day on which
8 either House of Congress is not in session because of an
9 adjournment of more than 3 days to a day certain.

10 (c) LIMITATIONS.—(1) In no event may the total
11 amount of funds obligated pursuant to this title exceed
12 the total amount authorized to be appropriated by this
13 title.

14 (2) Funds appropriated pursuant to this title may not
15 be used for an item for which Congress has specifically
16 denied funds.

17 **SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.**

18 (a) IN GENERAL.—The Secretary of Energy may
19 carry out any construction project under the general plant
20 projects authorized by this title if the total estimated cost
21 of the construction project does not exceed \$2,000,000.

22 (b) REPORT TO CONGRESS.—If, at any time during
23 the construction of any general plant project authorized
24 by this title, the estimated cost of the project is revised
25 because of unforeseen cost variations and the revised cost

1 of the project exceeds \$2,000,000, the Secretary shall im-
2 mediately furnish a complete report to the congressional
3 defense committees explaining the reasons for the cost
4 variation.

5 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

6 (a) IN GENERAL.—(1) Except as provided in para-
7 graph (2), construction on a construction project may not
8 be started or additional obligations incurred in connection
9 with the project above the total estimated cost, whenever
10 the current estimated cost of the construction project,
11 which is authorized by section 3101, 3102, or 3103, or
12 which is in support of national security programs of the
13 Department of Energy and was authorized by any pre-
14 vious Act, exceeds by more than 25 percent the higher
15 of—

16 (A) the amount authorized for the project; or

17 (B) the amount of the total estimated cost for
18 the project as shown in the most recent budget jus-
19 tification data submitted to Congress.

20 (2) An action described in paragraph (1) may be
21 taken if—

22 (A) the Secretary of Energy has submitted to
23 the congressional defense committees a report on the
24 actions and the circumstances making such action
25 necessary; and

1 (B) a period of 30 days has elapsed after the
2 date on which the report is received by the commit-
3 tees.

4 (3) In the computation of the 30-day period under
5 paragraph (2), there shall be excluded any day on which
6 either House of Congress is not in session because of an
7 adjournment of more than 3 days to a day certain.

8 (b) EXCEPTION.—Subsection (a) shall not apply to
9 any construction project which has a current estimated
10 cost of less than \$5,000,000.

11 **SEC. 3124. FUND TRANSFER AUTHORITY.**

12 (a) TRANSFER TO OTHER FEDERAL AGENCIES.—
13 The Secretary of Energy may transfer funds authorized
14 to be appropriated to the Department of Energy pursuant
15 to this title to other Federal agencies for the performance
16 of work for which the funds were authorized. Funds so
17 transferred may be merged with and be available for the
18 same purposes and for the same period as the authoriza-
19 tions of the Federal agency to which the amounts are
20 transferred.

21 (b) TRANSFER WITHIN DEPARTMENT OF ENERGY;
22 LIMITATIONS.—(1) Subject to paragraph (2), the Sec-
23 retary of Energy may transfer funds authorized to be ap-
24 propriated to the Department of Energy pursuant to this
25 title between any such authorizations. Amounts of author-

1 izations so transferred may be merged with and be avail-
2 able for the same purposes and for the same period as
3 the authorization to which the amounts are transferred.

4 (2) Not more than five percent of any such authoriza-
5 tion may be transferred between authorizations under
6 paragraph (1). No such authorization may be increased
7 or decreased by more than five percent by a transfer under
8 such paragraph.

9 (3) The authority provided by this section to transfer
10 authorizations—

11 (A) may only be used to provide funds for items
12 relating to weapons activities necessary for national
13 security programs that have a higher priority than
14 the items from which the funds are transferred; and

15 (B) may not be used to provide authority for an
16 item that has been denied funds by Congress.

17 (c) NOTICE TO CONGRESS.—The Secretary of Energy
18 shall promptly notify the Committee on Armed Services
19 of the Senate and the Committee on National Security of
20 the House of Representatives of any transfer of funds to
21 or from authorizations under this title.

22 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**
23 **TION DESIGN.**

24 (a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1)
25 Subject to paragraph (2) and except as provided in para-

1 graph (3), before submitting to Congress a request for
2 funds for a construction project that is in support of a
3 national security program of the Department of Energy,
4 the Secretary of Energy shall complete a conceptual de-
5 sign for that project. The Secretary shall submit to Con-
6 gress a report on each conceptual design completed under
7 this paragraph.

8 (2) If the estimated cost of completing a conceptual
9 design for a construction project exceeds \$3,000,000, the
10 Secretary shall submit to Congress a request for funds for
11 the conceptual design before submitting a request for
12 funds for the construction project.

13 (3) The requirement in paragraph (1) does not apply
14 to a request for funds—

15 (A) for a construction project the total esti-
16 mated cost of which is less than \$2,000,000; or

17 (B) for emergency planning, design, and con-
18 struction activities under section 3126.

19 (b) **AUTHORITY FOR CONSTRUCTION DESIGN.**—(1)
20 Within the amounts authorized by this title, the Secretary
21 of Energy may carry out construction design (including
22 architectural and engineering services) in connection with
23 any proposed construction project if the total estimated
24 cost for such design does not exceed \$600,000.

1 (2) If the total estimated cost for construction design
2 in connection with any construction project exceeds
3 \$600,000, funds for such design must be specifically au-
4 thorized by law.

5 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**
6 **SIGN, AND CONSTRUCTION ACTIVITIES.**

7 (a) **AUTHORITY.**—The Secretary of Energy may use
8 any funds available to the Department of Energy pursuant
9 to an authorization in this title, including those funds au-
10 thorized to be appropriated for advance planning and con-
11 struction design under sections 3101, 3102, and 3103, to
12 perform planning, design, and construction activities for
13 any Department of Energy national security program con-
14 struction project that, as determined by the Secretary,
15 must proceed expeditiously in order to protect public
16 health and safety, to meet the needs of national defense,
17 or to protect property.

18 (b) **LIMITATION.**—The Secretary may not exercise
19 the authority under subsection (a) in the case of any con-
20 struction project until the Secretary has submitted to the
21 congressional defense committees a report on the activities
22 that the Secretary intends to carry out under this section
23 and the circumstances making such activities necessary.

24 (c) **SPECIFIC AUTHORITY.**—The requirement of sec-
25 tion 3125(b)(2) does not apply to emergency planning, de-

1 sign, and construction activities conducted under this sec-
2 tion.

3 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**
4 **RITY PROGRAMS OF THE DEPARTMENT OF**
5 **ENERGY.**

6 Subject to the provisions of appropriations Acts and
7 section 3121, amounts appropriated pursuant to this title
8 for management and support activities and for general
9 plant projects are available for use, when necessary, in
10 connection with all national security programs of the De-
11 partment of Energy.

12 **SEC. 3128. AUTHORITY RELATING TO TRANSFERS OF DE-**
13 **FENSE ENVIRONMENTAL MANAGEMENT**
14 **FUNDS.**

15 (a) TRANSFER AUTHORITY FOR DEFENSE ENVIRON-
16 MENTAL MANAGEMENT FUNDS.—The Secretary of En-
17 ergy shall provide the manager of each field office of the
18 Department of Energy with the authority to transfer de-
19 fense environmental management funds from a program
20 or project under the jurisdiction of the office to another
21 such program or project. Any such transfer may be made
22 only once in a fiscal year to or from a program or project,
23 and the amount transferred to or from a program or
24 project may not exceed \$5,000,000 in a fiscal year.

1 (b) DETERMINATION.—A transfer may not be carried
2 out by a manager of a field office pursuant to the author-
3 ity provided under subsection (a) unless the manager de-
4 termines that such transfer is necessary to address a risk
5 to health, safety, or the environment or to assure the most
6 efficient use of defense environmental management funds
7 at that field office.

8 (c) EXEMPTION FROM REPROGRAMMING REQUIRE-
9 MENTS.—The requirements of section 3121 shall not
10 apply to transfers of funds pursuant to subsection (a).

11 (d) NOTIFICATION.—The Secretary of Energy, acting
12 through the Assistant Secretary of Energy for Environ-
13 mental Management, shall notify Congress of any transfer
14 of funds pursuant to subsection (a) not later than 30 days
15 after such a transfer occurs.

16 (e) LIMITATION.—Funds transferred pursuant to
17 subsection (a) may not be used for an item for which Con-
18 gress has specifically denied funds or for a new program
19 or project that has not been authorized by Congress.

20 (f) DEFINITIONS.—In this section:

21 (1) The term “program or project” means, with
22 respect to a field office of the Department of En-
23 ergy, any of the following:

24 (A) A project listed in subsection (b) or (e)
25 of section 3102 being carried out by the office.

1 (B) A program referred to in subsection
2 (a), (b), (c), (e), or (g) of section 3102 being
3 carried out by the office.

4 (C) A project or program not described in
5 subparagraph (A) or (B) that is for environ-
6 mental restoration or waste management activi-
7 ties necessary for national security programs of
8 the Department of Energy, that is being carried
9 out by the office, and for which defense envi-
10 ronmental management funds have been au-
11 thorized and appropriated before the date of the
12 enactment of this Act.

13 (2) The term “defense environmental manage-
14 ment funds” means funds appropriated to the De-
15 partment of Energy pursuant to an authorization for
16 carrying out environmental restoration and waste
17 management activities necessary for national secu-
18 rity programs.

19 (g) DURATION OF AUTHORITY.—The authority pro-
20 vided under subsection (a) to a manager of a field office
21 shall be in effect for the period beginning on October 1,
22 1997, and ending on September 30, 1998.

1 **Subtitle C—Program Authoriza-**
2 **tions, Restrictions, and Limita-**
3 **tions**

4 **SEC. 3131. BALLISTIC MISSILE DEFENSE NATIONAL LAB-**
5 **ORATORY PROGRAM.**

6 (a) PROGRAM.—The Secretary of Energy shall estab-
7 lish a program for purposes of making available to the
8 Secretary of Defense the expertise of the national labora-
9 tories for the ballistic missile defense programs of the De-
10 partment of Defense.

11 (b) TASK FORCE.—The Secretary of Energy shall
12 conduct the program through a task force consisting of
13 the directors of the Los Alamos National Laboratory, the
14 Sandia National Laboratories, and the Lawrence Liver-
15 more National Laboratory. The chairmanship of the task
16 force shall rotate each year among the directors of the lab-
17 oratories. The director of the Lawrence Livermore Na-
18 tional Laboratory shall serve as the first chairman.

19 (c) ACTIVITIES.—Under the program, the national
20 laboratories shall carry out those activities necessary to
21 respond to requests for assistance from the Secretary of
22 Defense with respect to the ballistic missile defense pro-
23 grams of the Department of Defense. Such activities may
24 include the identification of technical modifications and
25 test techniques, the analysis of physics problems, the con-

1 solidation of range and test activities, and the analysis and
2 simulation of theater missile defense deployment problems.

3 (d) FUNDING.—Of the amounts authorized to be ap-
4 propriated by section 3101(a)(1), \$50,000,000 shall be
5 available only for the program authorized by this section.

6 **Subtitle D—Other Matters**

7 **SEC. 3141. PLAN FOR STEWARDSHIP, MANAGEMENT, AND** 8 **CERTIFICATION OF WARHEADS IN THE NU-** 9 **CLEAR WEAPONS STOCKPILE.**

10 (a) PLAN REQUIREMENT.—The Secretary of Energy
11 shall develop and annually update a plan for maintaining
12 the nuclear weapons stockpile. The plan shall cover, at a
13 minimum, stockpile stewardship, stockpile management,
14 and program direction and shall be consistent with the
15 programmatic and technical requirements of the most re-
16 cent annual Nuclear Weapons Stockpile Memorandum.

17 (b) PLAN ELEMENTS.—The plan and each update of
18 the plan shall set forth the following:

19 (1) The number of warheads (including active
20 and inactive warheads) for each type of warhead in
21 the nuclear weapons stockpile.

22 (2) The current age of each warhead type, and
23 any plans for stockpile lifetime extensions and modi-
24 fications or replacement of each warhead type.

1 (3) The process by which the Secretary of En-
2 ergy is assessing the lifetime, and requirements for
3 lifetime extension or replacement, of the nuclear and
4 nonnuclear components of the warheads (including
5 active and inactive warheads) in the nuclear weapons
6 stockpile.

7 (4) The process used in recertifying the safety,
8 security, and reliability of each warhead type in the
9 nuclear weapons stockpile.

10 (5) Any concerns which would affect the ability
11 of the Secretary of Energy to recertify the safety,
12 security, or reliability of warheads in the nuclear
13 weapons stockpile (including active and inactive war-
14 heads).

15 (c) ANNUAL SUBMISSION OF PLAN TO CONGRESS.—
16 The Secretary of Energy shall submit to Congress the plan
17 developed under subsection (a) not later than March 15,
18 1998, and shall submit an updated version of the plan not
19 later than March 15 of each year thereafter. The plan
20 shall be submitted in both classified and unclassified form.

21 (d) REPEAL OF SUPERSEDED REQUIREMENTS.—The
22 following provisions of law are repealed:

23 (1) Subsection (d) of section 3138 of the Na-
24 tional Defense Authorization Act for Fiscal Year

1 1994 (Public Law 103–160; 107 Stat. 1947; 42
2 U.S.C. 2121 note).

3 (2) Section 3153 of the National Defense Au-
4 thorization Act for Fiscal Year 1996 (Public Law
5 104–106; 110 Stat. 624; 42 U.S.C. 2121 note).

6 (3) Section 3159 of the National Defense Au-
7 thorization Act for Fiscal Year 1996 (Public Law
8 104–106; 110 Stat. 626; 42 U.S.C. 7271b note).

9 (4) Section 3156 of the National Defense Au-
10 thorization Act for Fiscal Year 1997 (Public Law
11 104–201; 110 Stat. 2841; 42 U.S.C. 7271c).

12 **SEC. 3142. REPEAL OF OBSOLETE REPORTING REQUIRE-**
13 **MENTS.**

14 The following provisions of law are repealed:

15 (1) Subsection (e) of section 1436 of the Na-
16 tional Defense Authorization Act, Fiscal Year 1989
17 (Public Law 100–456; 102 Stat. 2075; 42 U.S.C.
18 2121 note).

19 (2) Section 3143 of the National Defense Au-
20 thorization Act for Fiscal Years 1990 and 1991
21 (Public Law 101–189; 103 Stat. 1681; 42 U.S.C.
22 7271a).

23 (3) Section 3134 of the National Defense Au-
24 thorization Act for Fiscal Year 1993 (Public Law
25 102–484; 106 Stat. 2639).

1 **SEC. 3143. STUDY AND FUNDING RELATING TO IMPLEMEN-**
2 **TATION OF WORKFORCE RESTRUCTURING**
3 **PLANS.**

4 (a) **STUDY REQUIREMENT.**—The Secretary of En-
5 ergy shall conduct a study on the effects of workforce re-
6 structuring plans for defense nuclear facilities developed
7 pursuant to section 3161 of the National Defense Author-
8 ization Act for Fiscal Year 1993 (42 U.S.C. 7274h).

9 (b) **MATTERS COVERED BY STUDY.**— The study shall
10 cover the four-year period preceding the date of the enact-
11 ment of this Act and shall include the following:

12 (1) An analysis of the number of jobs created
13 under workforce restructuring plans developed pur-
14 suant to section 3161 of the National Defense Au-
15 thorization Act for Fiscal Year 1993 (42 U.S.C.
16 7274h).

17 (2) An analysis of other benefits provided pur-
18 suant to such plans and through community reuse
19 organizations.

20 (3) A description of the funds expended, and
21 the funds obligated but not expended, pursuant to
22 such plans as of the date of the report.

23 (4) A description of the criteria used since Oc-
24 tober 23, 1992, in providing assistance pursuant to
25 such plans.

1 (5) A comparison of the benefits provided pur-
2 suant to such plans—

3 (A) to employees whose employment at fa-
4 cilities covered by such plans is terminated; and

5 (B) to employees whose employment at fa-
6 cilities where more than 50 percent of the reve-
7 nues are derived from contracts with the De-
8 partment of Defense is terminated.

9 (c) CONDUCT OF STUDY.—(1) The study shall be
10 conducted through a contract with a private auditing firm
11 with which the Department of Energy has no other audit-
12 ing contracts.

13 (2)(A) The Secretary of Energy may not enter into
14 the contract for the conduct of the study until—

15 (i) the Secretary submits a notification of the
16 proposed contract award to the congressional de-
17 fense committees; and

18 (ii) a period of 30 days of continuous session of
19 Congress has expired following the date on which
20 the notification is submitted.

21 (B) For purposes of subparagraph (A)(ii), the con-
22 tinuity of a session of Congress is broken only by an ad-
23 journment of the Congress sine die, and the days on which
24 either House is not in session because of an adjournment

1 of more than three days to a day certain are excluded in
2 the computation of such 30-day period.

3 (3) The Secretary of Energy shall ensure that the
4 firm conducting the study is provided access to all docu-
5 ments in the possession of the Department of Energy that
6 are relevant to the study, including documents in the pos-
7 session of the Inspector General of the Department of En-
8 ergy.

9 (d) REPORT ON STUDY.—The Secretary of Energy
10 shall submit a report to Congress on the results of the
11 study not later than January 30, 1998.

12 (e) FUNDING.—In addition to amounts available pur-
13 suant to the authorization of appropriations in section
14 3103(6), the Secretary of Energy may use an amount not
15 exceeding \$44,000,000 for implementation of the
16 workforce restructuring plans for contractor employees, to
17 be derived from excess unobligated and available funds.

18 (f) REVISIONS TO DEFENSE NUCLEAR FACILITIES
19 WORKFORCE RESTRUCTURING PLAN REQUIREMENTS.—

20 (1) REVISION OF PERIOD FOR NOTIFICATION
21 OF CHANGES IN WORKFORCE.—Section
22 3161(c)(1)(B) of the National Defense Authoriza-
23 tion Act for Fiscal Year 1993 (42 U.S.C.
24 7274h(c)(1)(B)) is amended by striking out “120”
25 and inserting in lieu thereof “90”.

1 (2) REPEAL OF REQUIREMENT FOR SUBMIS-
2 SION TO CONGRESS.—Subsection (f) of section 3161
3 of such Act is repealed.

4 (3) PROHIBITION ON USE OF FUNDS FOR
5 LOCAL IMPACT ASSISTANCE.—None of the funds au-
6 thorized to be appropriated to the Department of
7 Energy pursuant to section 3103(6) may be used for
8 local impact assistance from the Department of En-
9 ergy under section 3161(c)(6) of such Act (42
10 U.S.C. 7274h(c)(6)) until—

11 (A) with respect to assistance referred to
12 in section 3161(c)(6)(A) of such Act, the Sec-
13 retary of Energy coordinates with and obtains
14 approval of the Secretary of Labor; and

15 (B) with respect to assistance referred to
16 in section 3161(c)(6)(C) of such Act, the Sec-
17 retary of Energy coordinates with and obtains
18 approval of the Secretary of Commerce.

19 (4) SEMIANNUAL REPORT TO CONGRESS OF
20 LOCAL IMPACT ASSISTANCE.—Every six months the
21 Secretary of Energy shall submit to Congress a re-
22 port setting forth a description of, and the value of,
23 all local impact assistance provided under section
24 3161(c)(6) of such Act.

1 (g) EFFECT ON USEC PRIVATIZATION ACT.—Noth-
 2 ing in this section shall be construed as diminishing the
 3 obligations of the Secretary of Energy under section
 4 3110(a)(5) of the USEC Privatization Act (Public Law
 5 104–134; 110 Stat. 1321–341; 42 U.S.C. 2297h–8(a)(5)).

6 (h) DEFINITIONS.—In this section:

7 (1) The term “defense nuclear facility” has the
 8 meaning provided the term “Department of Energy
 9 defense nuclear facility” in section 3163 of the Na-
 10 tional Defense Authorization Act for Fiscal Year
 11 1993 (Public Law 102–484; 42 U.S.C. 7274j).

12 (2) The term “contractor employee” means an
 13 employee of a contractor or subcontractor of the De-
 14 partment of Energy at a defense nuclear facility.

15 **SEC. 3144. EXTENSION OF AUTHORITY FOR APPOINTMENT**
 16 **OF CERTAIN SCIENTIFIC, ENGINEERING, AND**
 17 **TECHNICAL PERSONNEL.**

18 Section 3161 of the National Defense Authorization
 19 Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat.
 20 3095; 42 U.S.C. 7231 note) is amended—

21 (1) by striking out subsection (c); and
 22 (2) in subsection (d)(1), by striking out “1997”
 23 and inserting in lieu thereof “1999”.

1 **SEC. 3145. REPORT ON PROPOSED CONTRACT FOR HAN-**
2 **FORD TANK WASTE VITRIFICATION PROJECT.**

3 (a) PRIOR NOTICE TO CONGRESSIONAL DEFENSE
4 COMMITTEES BEFORE ENTERING INTO CONTRACT.—(1)

5 The Secretary of Energy may not enter into a contract
6 for the Hanford Tank Waste Vitrification project until—

7 (A) the Secretary submits a report on the pro-
8 posed contract to the congressional defense commit-
9 tees; and

10 (B) a period of 30 days of continuous session
11 of Congress has expired following the date on which
12 the report is submitted.

13 (2) For purposes of paragraph (1)(B), the continuity
14 of a session of Congress is broken only by an adjournment
15 of the Congress sine die, and the days on which either
16 House is not in session because of an adjournment of more
17 than three days to a day certain are excluded in the com-
18 putation of such 30-day period.

19 (b) REPORT.—A report under subsection (a)(1) shall
20 include the following:

21 (A) A description of the activities to be carried
22 out under the contract.

23 (B) A description of the funds expended, and
24 the funds obligated but not expended, as of the date
25 of the report on remediation of Hanford tank waste
26 since 1989.

1 (C) A description of the contractual and finan-
2 cial aspects of the contract, including any provisions
3 relating to the risk of nonperformance and risk as-
4 sumption by the United States and the contractor or
5 contractors.

6 (D) An analysis of the cost to the United States
7 of the proposed contract, including a detailed analy-
8 sis of the annual budget authority and outlay re-
9 quirements for the life of the project.

10 (E) If the proposed contract contemplates con-
11 struction of two projects, an analysis of the basis for
12 the selection of the two projects, and a detailed anal-
13 ysis of the costs to the United States of two projects
14 compared to the costs to the United States of one
15 project.

16 (F) If the proposed contract provides for fi-
17 nancing of the project (or projects) by an entity or
18 entities other than the United States, a detailed
19 analysis of the costs of such financing compared to
20 the costs of financing the project (or projects) by the
21 United States.

22 **SEC. 3146. LIMITATION ON CONDUCT OF SUBCRITICAL NU-**
23 **CLEAR WEAPONS TESTS.**

24 The Secretary of Energy may not conduct any sub-
25 critical nuclear weapons tests using funds available to the

1 Secretary for fiscal year 1998 until 30 days after the Sec-
2 retary submits to the Committee on Armed Services of the
3 Senate and the Committee on National Security of the
4 House of Representatives a detailed report on the manner
5 in which funds available to the Secretary for fiscal years
6 1996 and 1997 to conduct such tests were used.

7 **SEC. 3147. LIMITATION ON USE OF CERTAIN FUNDS UNTIL**
8 **FUTURE USE PLANS ARE SUBMITTED.**

9 (a) LIMITATION.—The Secretary of Energy may not
10 use more than 80 percent of the funds available to the
11 Secretary pursuant to the authorization of appropriations
12 in section 3102(f) (relating to policy and management)
13 until the Secretary submits the plans described in sub-
14 section (b).

15 (b) PLANS.—The plans referred to in subsection (a)
16 are the draft future use plan and the final future use plan
17 required under section 3153(f) of the National Defense
18 Authorization Act for Fiscal Year 1997 (Public Law 104–
19 201; 110 Stat. 2840; 42 U.S.C. 7274k).

20 **SEC. 3148. PLAN FOR EXTERNAL OVERSIGHT OF NATIONAL**
21 **LABORATORIES.**

22 (a) PLAN REQUIREMENT.—The Secretary of Energy,
23 acting through the Assistant Secretary for Defense Pro-
24 grams, shall develop a plan for the external oversight of
25 the national laboratories.

1 (b) PLAN ELEMENTS.—The plan shall—

2 (1) provide for the establishment of an external
3 oversight committee comprised of representatives of
4 industry and academia for the purpose of making
5 recommendations to the Secretary of Energy and the
6 congressional defense committees on the productivity
7 of the laboratories and on the excellence, relevance,
8 and appropriateness of the research conducted by
9 the laboratories; and

10 (2) provide for the establishment of a competi-
11 tive peer review process for funding basic research at
12 the laboratories.

13 (c) SUBMISSION TO CONGRESS.—The Secretary of
14 Energy shall submit the plan to the congressional defense
15 committees not later than 120 days after the date of the
16 enactment of this Act.

17 (d) NATIONAL LABORATORIES COVERED.—For pur-
18 poses of this section, the national laboratories are—

19 (1) the Lawrence Livermore National Labora-
20 tory, Livermore, California;

21 (2) the Los Alamos National Laboratory, Los
22 Alamos, New Mexico;

23 (3) the Sandia National Laboratories, Albu-
24 querque, New Mexico; and

25 (4) the Nevada Test Site.

1 **SEC. 3149. UNIVERSITY-BASED RESEARCH CENTER.**

2 (a) FINDINGS.—The Congress finds the following:

3 (1) The maintenance of scientific and engineer-
4 ing competence in the United States is vital to long-
5 term national security and the defense and national
6 security missions of the Department of Energy.

7 (2) Engaging the universities and colleges of
8 the Nation in research on long-range problems of
9 vital national security interest will be critical to solv-
10 ing the technology challenges faced within the de-
11 fense and national programs of the Department of
12 Energy in the next century.

13 (3) Enhancing collaboration among the national
14 laboratories, universities and colleges, and industry
15 will contribute significantly to the performance of
16 these Department of Energy missions.

17 (b) CENTER.—The Secretary of Energy shall estab-
18 lish a university-based research center at a location that
19 can develop the most effective collaboration among na-
20 tional laboratories, universities and colleges, and industry
21 in support of scientific and engineering advancement in
22 key Department of Energy defense program areas.

23 (c) FUNDING.—Of the funds authorized to be appro-
24 priated to the Department of Energy in fiscal year 1998,
25 the Secretary shall make \$5,000,000 available for the es-
26 tablishment and operation of the Center.

1 **SEC. 3150. STOCKPILE STEWARDSHIP PROGRAM.**

2 (a) FINDINGS.—Congress finds the following:

3 (1) Eliminating the threat posed by nuclear
4 weapons to the United States is an important na-
5 tional security goal.

6 (2) As long as nuclear threats remain, the nu-
7 clear deterrent of the United States must be effec-
8 tive and reliable.

9 (3) A safe, secure, effective, and reliable United
10 States nuclear stockpile is central to the current nu-
11 clear deterrence strategy of the United States.

12 (4) The Secretary of Energy has undertaken a
13 stockpile stewardship and management program to
14 ensure the safety, security, effectiveness, and reli-
15 ability of the nuclear weapons stockpile of the Unit-
16 ed States, consistent with all United States treaty
17 requirements and the requirements of the nuclear
18 deterrence strategy of the United States.

19 (5) It is the policy of the current administration
20 that new nuclear weapon designs are not required to
21 effectively implement the nuclear deterrence strategy
22 of the United States.

23 (b) POLICY.—It is the policy of the United States
24 that—

25 (1) activities of the stockpile stewardship pro-
26 gram shall be directed toward ensuring that the

1 United States possesses a safe, secure, effective, and
2 reliable nuclear stockpile, consistent with the na-
3 tional security requirements of the United States;
4 and

5 (2) stockpile stewardship activities of the Unit-
6 ed States shall be conducted in conformity with the
7 terms of the Treaty on the Non-Proliferation of Nu-
8 clear Weapons (TIAS 6839) and the Comprehensive
9 Test Ban Treaty signed by the President on Sep-
10 tember 24, 1996, when and if that treaty enters into
11 force.

12 **SEC. 3151. REPORTS ON ADVANCED SUPERCOMPUTER**
13 **SALES TO CERTAIN FOREIGN NATIONS.**

14 (a) REPORTS.—The Secretary of Energy shall re-
15 quire that any company that is a participant in the Accel-
16 erated Strategic Computing Initiative (ASCI) program of
17 the Department of Energy report to the Secretary and to
18 the Secretary of Defense each sale by that company to
19 a country designated as a Tier III country of a computer
20 capable of operating at a speed in excess of 2,000 millions
21 theoretical operations per second (MTOPS). The report
22 shall include a description of the following with respect
23 to each such sale:

24 (1) The anticipated end-use of the computer
25 sold.

1 (2) The software included with the computer.

2 (3) Any arrangement under the terms of the
3 sale regarding—

4 (A) upgrading the computer;

5 (B) servicing of the computer; or

6 (C) the furnishing of spare parts for the
7 computer.

8 (b) COVERED COUNTRIES.—For purposes of this sec-
9 tion, the countries designated as Tier III countries are the
10 countries listed as “computer tier 3” eligible countries in
11 part 740.7 of title 15 of the Code of Federal Regulations,
12 as in effect on June 10, 1997 (or any successor list).

13 (c) QUARTERLY SUBMISSION OF REPORTS.—The
14 Secretary of Energy shall require that reports under sub-
15 section (a) be submitted quarterly.

16 (d) ANNUAL REPORT.—The Secretary of Energy
17 shall submit to Congress an annual report containing all
18 information received under subsection (a) during the pre-
19 ceding year. The first annual report shall be submitted
20 not later than July 1, 1998.

21 **SEC. 3152. TRANSFERS OF REAL AND PERSONAL PROPERTY**
22 **AT CERTAIN DEPARTMENT OF ENERGY FA-**
23 **CILITIES.**

24 (a) TRANSFER GUIDELINES.—(1) The Secretary of
25 Energy shall issue guidelines for the transfer by sale or

1 lease of real and personal property at Department of En-
2 ergy defense nuclear facilities in consultation with the
3 community reuse organizations associated with the facili-
4 ties and the local governments within whose jurisdiction
5 the facilities are located. The Secretary shall issue the
6 guidelines not later than 90 days after the date of the
7 enactment of this Act.

8 (2)(A) The Secretary of Energy may not transfer real
9 or personal property under the guidelines issued under
10 paragraph (1) until—

11 (i) the Secretary submits a notification of the
12 proposed transfer to the congressional defense com-
13 mittees; and

14 (ii) a period of 30 days of continuous session of
15 Congress has expired following the date on which
16 the notification is submitted.

17 (B) For purposes of subparagraph (A)(ii), the con-
18 tinuity of a session of Congress is broken only by an ad-
19 journment of the Congress sine die, and the days on which
20 either House is not in session because of an adjournment
21 of more than three days to a day certain are excluded in
22 the computation of such 30-day period.

23 (b) INDEMNIFICATION.—(1) In the sale or lease of
24 real or personal property pursuant to the guidelines issued
25 under subsection (a), the Secretary of Energy may indem-

1 nify a transferee against an action for injury to person
2 or property resulting from the release or threatened re-
3 lease of a hazardous substance or pollutant or contami-
4 nant as a result of Department of Energy activities. Be-
5 fore such a sale or lease, the Secretary shall notify the
6 transferee that the Secretary has authority to provide in-
7 demnification to the transferee under this subsection. The
8 Secretary shall include in an agreement for such a sale
9 or lease a provision addressing indemnification for such
10 an action.

11 (2) Nothing in this section shall be construed as af-
12 fecting or modifying in any way section 120(h) of the
13 Comprehensive Environmental Response, Compensation,
14 and Liability Act of 1980 (42 U.S.C. 9620(h)).

15 (c) DEFINITIONS.—In this section:

16 (1) The term “Department of Energy defense
17 nuclear facility” has the meaning provided by sec-
18 tion 318 of the Atomic Energy Act of 1954 (42
19 U.S.C. 2286g).

20 (2) The term “transferee” means a person to
21 which real property is transferred pursuant to the
22 guidelines issued under subsection (a).

23 (3) The terms “hazardous substance”, “re-
24 lease”, and “pollutant or contaminant” have the
25 meanings provided by section 101 of the Comprehen-

1 sive Environmental Response, Compensation, and
2 Liability Act of 1980 (42 U.S.C. 9601).

3 **SEC. 3153. REQUIREMENT TO DELEGATE CERTAIN AU-**
4 **THORITIES TO SITE MANAGER OF HANFORD**
5 **RESERVATION.**

6 Section 3173(b) of the National Defense Authoriza-
7 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
8 Stat. 2848; 42 U.S.C. 7274k) is amended—

9 (1) in paragraph (1), by striking out “In addi-
10 tion” and inserting in lieu thereof “Except as pro-
11 vided in paragraph (5), in addition”; and

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

14 “(5) In the case of the Hanford Reservation, Rich-
15 land, Washington, the Secretary shall delegate to the Site
16 Manager the authority described in paragraph (1). The
17 Secretary may withdraw the delegated authority if the
18 Secretary—

19 “(A) determines that the Site Manager of the
20 Hanford Reservation has misused or misapplied that
21 authority; and

22 “(B) the Secretary submits to Congress a noti-
23 fication of the Secretary’s intent to withdraw the au-
24 thority.”.

1 **TITLE XXXII—DEFENSE NU-**
2 **CLEAR FACILITIES SAFETY**
3 **BOARD**

4 **SEC. 3201. AUTHORIZATION.**

5 There are authorized to be appropriated for fiscal
6 year 1998, \$17,500,000 for the operation of the Defense
7 Nuclear Facilities Safety Board under chapter 21 of the
8 Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

9 **SEC. 3202. PLAN FOR TRANSFER OF FACILITIES FROM JU-**
10 **RISDICTION OF DEFENSE NUCLEAR FACILI-**
11 **TIES SAFETY BOARD TO JURISDICTION OF**
12 **NUCLEAR REGULATORY COMMISSION.**

13 (a) PLAN REQUIREMENT.—(1) The Defense Nuclear
14 Facilities Safety Board (in this section referred to as the
15 “Board”) shall develop, in consultation with the Secretary
16 of Energy and the Nuclear Regulatory Commission, a plan
17 for—

18 (A) increasing the authority of the Nuclear
19 Regulatory Commission to include the regulation of
20 Department of Energy defense nuclear facilities; and

21 (B) decreasing or eliminating the functions of
22 the Board with respect to such facilities under chap-
23 ter 21 of the Atomic Energy Act of 1954 (42 U.S.C.
24 2286 et seq.).

1 (2) The plan shall be submitted to Congress not later
2 than six months after the date of the enactment of this
3 Act.

4 (b) PLAN ELEMENTS.—The plan shall include the
5 following:

6 (1) A list of facilities as described in subsection
7 (c).

8 (2) A schedule for the orderly transfer of such
9 facilities from the jurisdiction of the Board to the
10 jurisdiction of the Nuclear Regulatory Commission.

11 (3) Recommendations on the order in which the
12 facilities should be transferred, including such rec-
13 ommendations as the Board considers appropriate
14 with respect to the suitability of the various facilities
15 for transfer and the appropriateness for the various
16 facilities of the schedule for conducting the transfer.

17 (4) Such other provisions as the Board consid-
18 ers necessary to carry out an orderly transfer under
19 paragraph (2).

20 (c) LIST OF FACILITIES.—The plan shall contain a
21 list of all Department of Energy defense nuclear facilities,
22 grouped according to the following criteria:

23 (1) Facilities that are similar to facilities regu-
24 lated by the Nuclear Regulatory Commission on the
25 date of the enactment of this Act.

1 (2) Facilities that are in compliance with De-
 2 partment of Energy nuclear safety requirements and
 3 Board recommendations in existence on the date of
 4 the enactment of this Act.

5 (3) Facilities the regulation of which would in-
 6 volve the Nuclear Regulatory Commission in unique
 7 national security interests, including the classified
 8 design and configuration of a nuclear weapon or ex-
 9 plosive device.

10 (d) FACILITY DEFINED.—In this section, the term
 11 “Department of Energy defense nuclear facility” has the
 12 meaning provided by section 318 of the Atomic Energy
 13 Act of 1954 (42 U.S.C. 2286g), except that the term in-
 14 cludes such a facility that is under construction or is
 15 planned by the Secretary of Energy to be constructed.

16 (e) REPEAL OF PROHIBITION ON USE OF FUNDS.—
 17 Section 210 of the Department of Energy National Secu-
 18 rity and Military Applications of Nuclear Energy Author-
 19 ization Act of 1981 (42 U.S.C. 7272) is repealed.

20 **TITLE XXXIII—NATIONAL** 21 **DEFENSE STOCKPILE**

22 **SEC. 3301. AUTHORIZED USES OF STOCKPILE FUNDS.**

23 (a) OBLIGATION OF STOCKPILE FUNDS.—During fis-
 24 cal year 1998, the National Defense Stockpile Manager
 25 may obligate up to \$73,000,000 of the funds in the Na-

1 tional Defense Stockpile Transaction Fund for the author-
2 ized uses of such funds under section 9(b)(2) of the Stra-
3 tegic and Critical Materials Stock Piling Act (50 U.S.C.
4 98h(b)(2)).

5 (b) ADDITIONAL OBLIGATIONS.—The National De-
6 fense Stockpile Manager may obligate amounts in excess
7 of the amount specified in subsection (a) if the National
8 Defense Stockpile Manager notifies Congress that extraor-
9 dinary or emergency conditions necessitate the additional
10 obligations. The National Defense Stockpile Manager may
11 make the additional obligations described in the notifica-
12 tion after the end of the 45-day period beginning on the
13 date Congress receives the notification.

14 (c) LIMITATIONS.—The authorities provided by this
15 section shall be subject to such limitations as may be pro-
16 vided in appropriations Acts.

17 **SEC. 3302. DISPOSAL OF BERYLLIUM COPPER MASTER**
18 **ALLOY IN NATIONAL DEFENSE STOCKPILE.**

19 (a) DISPOSAL AUTHORIZATION.—Pursuant to section
20 5(b) of the Strategic and Critical Materials Stock Piling
21 Act (50 U.S.C. 98d(b)), the National Defense Stockpile
22 Manager may dispose of all beryllium copper master alloy
23 from the National Defense Stockpile provided for in sec-
24 tion 4 of such Act (50 U.S.C. 98c) as part of continued
25 efforts to modernize the Stockpile.

1 (b) PRECONDITION FOR DISPOSAL.—Before begin-
2 ning the disposal of beryllium copper master alloy under
3 subsection (a), the National Defense Stockpile Manager
4 shall certify to Congress that the disposal of beryllium cop-
5 per master alloy will not adversely affect the capability of
6 the National Defense Stockpile to supply the strategic and
7 critical material needs of the United States.

8 (c) CONSULTATION WITH MARKET IMPACT COMMIT-
9 TEE.—In disposing of beryllium copper master alloy under
10 subsection (a), the National Defense Stockpile Manager
11 shall consult with the Market Impact Committee estab-
12 lished under section 10(c) of the Strategic and Critical
13 Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure
14 that the disposal of beryllium copper master alloy does not
15 disrupt the domestic beryllium industry.

16 (d) EXTENDED SALES CONTRACTS.—The National
17 Defense Stockpile Manager shall provide for the use of
18 long-term sales contracts for the disposal of beryllium cop-
19 per master alloy under subsection (a) so that the domestic
20 beryllium industry can re-absorb this material into the
21 market in a gradual and nondisruptive manner. However,
22 no such contract shall provide for the disposal of beryllium
23 copper master alloy over a period longer than eight years,
24 beginning on the date of the commencement of the first
25 contract under this section.

1 (e) RELATIONSHIP TO OTHER DISPOSAL AUTHOR-
2 ITY.—The disposal authority provided in subsection (a) is
3 new disposal authority and is in addition to, and shall not
4 affect, any other disposal authority provided by law re-
5 garding beryllium copper master alloy.

6 (f) BERYLLIUM COPPER MASTER ALLOY DE-
7 FINED.—For purposes of this section, the term “beryllium
8 copper master alloy” means an alloy of nominally four per-
9 cent beryllium in copper.

10 **SEC. 3303. DISPOSAL OF TITANIUM SPONGE IN NATIONAL**
11 **DEFENSE STOCKPILE.**

12 (a) DISPOSAL REQUIRED.—Subject to subsection (b),
13 the National Defense Stockpile Manager shall dispose of
14 34,800 short tons of titanium sponge contained in the Na-
15 tional Defense Stockpile provided for in section 4 of the
16 Strategic and Critical Materials Stock Piling Act (50
17 U.S.C. 98c) and excess to stockpile requirements.

18 (b) CONSULTATION WITH MARKET IMPACT COMMIT-
19 TEE.—In disposing of titanium sponge under subsection
20 (a), the National Defense Stockpile Manager shall consult
21 with the Market Impact Committee established under sec-
22 tion 10(c) of the Strategic and Critical Materials Stock
23 Piling Act (50 U.S.C. 98h–1(c)) to ensure that the dis-
24 posal of titanium sponge does not disrupt the domestic
25 titanium industry.

1 (c) RELATIONSHIP TO OTHER DISPOSAL AUTHOR-
2 ITY.—The disposal authority provided in subsection (a) is
3 new disposal authority and is in addition to, and shall not
4 affect, any other disposal authority provided by law re-
5 garding titanium sponge.

6 **SEC. 3304. CONDITIONS ON TRANSFER OF STOCKPILED**
7 **PLATINUM RESERVES FOR TREASURY USE.**

8 (a) IMPOSITION OF CONDITIONS.—Any transfer of
9 platinum contained in the National Defense Stockpile pro-
10 vided for in section 4 of the Strategic and Critical Mate-
11 rials Stock Piling Act (50 U.S.C. 98c) to the Secretary
12 of the Treasury for use to mint and issue bullion and proof
13 platinum coins or for any other purpose shall be subject
14 to the conditions contained in this section.

15 (b) YEARLY LIMITATION.—The quantity of platinum
16 transferred from the stockpile to the Secretary of the
17 Treasury may not exceed 200,000 troy ounces during any
18 fiscal year, of which not more than 81,600 troy ounces
19 per year may be platinum of the highest quality specifica-
20 tion.

21 (c) REPLACEMENT UPON NOTICE.—The Secretary of
22 the Treasury shall replace platinum received from the
23 stockpile within one year after receiving notice from the
24 Secretary of Defense specifying the quantity and quality

1 of transferred platinum to be replaced and the need for
2 replacement.

3 (d) COSTS.—Any transfer of platinum from the
4 stockpile to the Secretary of the Treasury shall be made
5 without the expenditure of any funds available to the De-
6 partment of Defense. The Secretary of the Treasury shall
7 be responsible for all costs incurred in connection with the
8 transfer, subsequent to the transfer, or in connection with
9 the replacement of the transferred platinum, such as
10 transportation, storage, testing, refining, or casting costs.

11 **SEC. 3305. RESTRICTIONS ON DISPOSAL OF CERTAIN MAN-**
12 **GANESE FERRO.**

13 (a) REQUIREMENT FOR REMELTING BY DOMESTIC
14 FERROALLOY PRODUCERS.—High carbon manganese
15 ferro in the National Defense Stockpile that does not meet
16 the National Defense Stockpile classification of Grade
17 One, Specification 30(a), as revised May 22, 1992, may
18 be sold only for remelting by a domestic ferroalloy pro-
19 ducer unless the President determines that a domestic
20 ferroalloy producer is not available to acquire the material.
21 After the date of the enactment of this Act, the President
22 may not reclassify high carbon manganese ferro stored in
23 the National Defense Stockpile as of that date.

24 (b) DOMESTIC FERROALLOY PRODUCER DEFINED.—
25 For purposes of this section, the term “domestic ferroalloy

1 producer” means a company or other business entity that,
2 as determined by the President—

3 (1) is engaged in operations to upgrade man-
4 ganese ores of metallurgical grade or manganese
5 ferro; and

6 (2) conducts a significant level of its research,
7 development, engineering, and upgrading operations
8 in the United States.

9 (c) CONSULTATION WITH MARKET IMPACT COMMIT-
10 TEE.—In disposing of high carbon manganese ferro in the
11 National Defense Stockpile, the National Defense Stock-
12 pile Manager shall consult with the Market Impact Com-
13 mittee established under section 10(c) of the Strategic and
14 Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c))
15 to ensure that the disposal of high carbon manganese ferro
16 does not disrupt the domestic manganese ferro industry.

17 (d) CONFORMING REPEAL.—Section 3304 of the Na-
18 tional Defense Authorization Act for Fiscal Year 1996
19 (Public Law 104–106; 110 Stat. 629) is repealed.

20 **SEC. 3306. REQUIRED PROCEDURES FOR DISPOSAL OF**
21 **STRATEGIC AND CRITICAL MATERIALS.**

22 Section 6(b) of the Strategic and Critical Materials
23 Stock Piling Act (50 U.S.C. 98e(b)) is amended in the
24 first sentence by striking out “materials from the stockpile
25 shall be made by formal advertising or competitive nego-

1 tiation procedures.” and inserting in lieu thereof “strate-
2 gic and critical materials from the stockpile shall be made
3 in accordance with the next sentence.”.

4 **TITLE XXXIV—NAVAL** 5 **PETROLEUM RESERVES**

6 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

7 There is hereby authorized to be appropriated to the
8 Secretary of Energy \$117,000,000 for fiscal year 1998 for
9 the purpose of carrying out activities under chapter 641
10 of title 10, United States Code, relating to the naval petro-
11 leum reserves (as defined in section 7420(2) of such title).
12 Funds appropriated pursuant to such authorization shall
13 remain available until expended.

14 **SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PE-** 15 **TROLEUM DURING FISCAL YEAR 1998.**

16 Notwithstanding section 7430(b)(2) of title 10, Unit-
17 ed States Code, during fiscal year 1998, any sale of any
18 part of the United States share of petroleum produced
19 from Naval Petroleum Reserves Numbered 1, 2, and 3
20 shall be made at a price not less than 90 percent of the
21 current sales price, as estimated by the Secretary of En-
22 ergy, of comparable petroleum in the same area.

1 **SEC. 3403. TERMINATION OF ASSIGNMENT OF NAVY OFFI-**
2 **CERS TO OFFICE OF NAVAL PETROLEUM AND**
3 **OIL SHALE RESERVES.**

4 (a) TERMINATION OF ASSIGNMENT REQUIRE-
5 MENT.—Section 2 of Public Law 96–137 (42 U.S.C.
6 7156a) is repealed.

7 (b) EFFECT ON EXISTING ASSIGNMENTS.—In the
8 case of an officer of the Navy assigned, as of the date
9 of the enactment of this Act, to a management position
10 within the Office of Naval Petroleum and Oil Shale Re-
11 serves, the Secretary of the Navy may continue such as-
12 signment notwithstanding the repeal of section 2 of Public
13 Law 96–137 (42 U.S.C. 7156a), except that such assign-
14 ment may not extend beyond the date of the sale of Naval
15 Petroleum Reserve Numbered 1 (Elk Hills) pursuant to
16 subtitle B of title XXXIV of the National Defense Author-
17 ization Act for Fiscal Year 1996 (Public Law 104–106;
18 10 U.S.C. 7420 note).

19 **SEC. 3404. TRANSFER OF JURISDICTION, NAVAL OIL SHALE**
20 **RESERVES NUMBERED 1 AND 3.**

21 (a) TRANSFER REQUIRED.—Chapter 641 of title 10,
22 United States Code, is amended by adding at the end the
23 following new section:

1 **“§ 7439. Certain oil shale reserves: transfer of juris-**
2 **diction and petroleum exploration, devel-**
3 **opment, and production**

4 “(a) TRANSFER REQUIRED.—(1) Upon the enact-
5 ment of this section, the Secretary of Energy shall trans-
6 fer to the Secretary of the Interior administrative jurisdic-
7 tion over all public domain lands included within Oil Shale
8 Reserve Numbered 1 and those public domain lands in-
9 cluded within the undeveloped tracts of Oil Shale Reserve
10 Numbered 3.

11 “(2) Not later than one year after the date of the
12 enactment of this section, the Secretary of Energy shall
13 transfer to the Secretary of the Interior administrative ju-
14 risdiction over those public domain lands included within
15 the developed tract of Oil Shale Reserve Numbered 3,
16 which consists of approximately 6,000 acres and 24 natu-
17 ral gas wells, together with pipelines and associated facili-
18 ties.

19 “(3) Notwithstanding the transfer of jurisdiction, the
20 Secretary of Energy shall continue to be responsible for
21 all environmental restoration, waste management, and en-
22 vironmental compliance activities that are required under
23 Federal and State laws with respect to conditions existing
24 on the lands at the time of the transfer.

25 “(4) Upon the transfer to the Secretary of the Inte-
26 rior of jurisdiction over public domain lands under this

1 subsection, the other provisions of this chapter shall cease
2 to apply with respect to the transferred lands.

3 “(b) AUTHORITY TO LEASE.—(1) Beginning on the
4 date of the enactment of this section, or as soon thereafter
5 as practicable, the Secretary of the Interior shall enter
6 into leases with one or more private entities for the pur-
7 pose of exploration for, and development and production
8 of, petroleum (other than in the form of oil shale) located
9 on or in public domain lands in Oil Shale Reserves Num-
10 bered 1 and 3 (including the developed tract of Oil Shale
11 Reserve Numbered 3). Any such lease shall be made in
12 accordance with the requirements of the Mineral Leasing
13 Act (30 U.S.C. 181 et seq.) regarding the lease of oil and
14 gas lands and shall be subject to valid existing rights.

15 “(2) Notwithstanding the delayed transfer of the de-
16 veloped tract of Oil Shale Reserve Numbered 3 under sub-
17 section (a)(2), the Secretary of the Interior shall enter into
18 a lease under paragraph (1) with respect to the developed
19 tract before the end of the one-year period beginning on
20 the date of the enactment of this section.

21 “(c) MANAGEMENT.—The Secretary of the Interior,
22 acting through the Director of the Bureau of Land Man-
23 agement, shall manage the lands transferred under sub-
24 section (a) in accordance with the Federal Land Policy

1 and Management Act of 1976 (43 U.S.C. 1701 et seq.)
2 and other laws applicable to the public lands.

3 “(d) TRANSFER OF EXISTING EQUIPMENT.—The
4 lease of lands by the Secretary of the Interior under this
5 section may include the transfer, at fair market value, of
6 any well, gathering line, or related equipment owned by
7 the United States on the lands transferred under sub-
8 section (a) and suitable for use in the exploration, develop-
9 ment, or production of petroleum on the lands.

10 “(e) COST MINIMIZATION.—The cost of any environ-
11 mental assessment required pursuant to the National En-
12 vironmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)
13 in connection with a proposed lease under this section
14 shall be paid out of unobligated amounts available for ad-
15 ministrative expenses of the Bureau of Land Management.

16 “(f) DISTRIBUTION OF RECEIPTS.—Notwithstanding
17 any other provision of law, all moneys received from a
18 lease under this section (including sales, bonuses, royalties
19 (including interest charges collected under the Federal Oil
20 and Gas Royalty Management Act of 1982 (30 U.S.C.
21 1701 et seq.)), and rentals) shall be paid and distributed
22 under section 35 of the Mineral Leasing Act (30 U.S.C.
23 191) in the same manner as moneys derived from other
24 oil and gas leases involving public domain lands other than
25 naval petroleum reserves.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end the following new item:

“7439. Certain oil shale reserves: transfer of jurisdiction and petroleum exploration, development, and production.”.

4 **TITLE XXXV—PANAMA CANAL**
 5 **COMMISSION**
 6 **Subtitle A—Authorization of Ex-**
 7 **penditures From Revolving**
 8 **Fund**

9 **SEC. 3501. SHORT TITLE.**

10 This subtitle may be cited as the “Panama Canal
 11 Commission Authorization Act for Fiscal Year 1998”.

12 **SEC. 3502. AUTHORIZATION OF EXPENDITURES.**

13 (a) IN GENERAL.—Subject to subsection (b), the
 14 Panama Canal Commission is authorized to use amounts
 15 in the Panama Canal Revolving Fund to make such ex-
 16 penditures within the limits of funds and borrowing au-
 17 thority available to it in accordance with law, and to make
 18 such contracts and commitments, as may be necessary
 19 under the Panama Canal Act of 1979 (22 U.S.C. 3601
 20 et seq.) for the operation, maintenance, improvement, and
 21 administration of the Panama Canal for fiscal year 1998.

22 (b) LIMITATIONS.—For fiscal year 1998, the Panama
 23 Canal Commission may expend from funds in the Panama

1 Canal Revolving Fund not more than \$85,000 for official
2 reception and representation expenses, of which—

3 (1) not more than \$23,000 may be used for of-
4 ficial reception and representation expenses of the
5 Supervisory Board of the Commission;

6 (2) not more than \$12,000 may be used for of-
7 ficial reception and representation expenses of the
8 Secretary of the Commission; and

9 (3) not more than \$50,000 may be used for of-
10 ficial reception and representation expenses of the
11 Administrator of the Commission.

12 **SEC. 3503. PURCHASE OF VEHICLES.**

13 Notwithstanding any other provision of law, the
14 funds available to the Commission shall be available for
15 the purchase and transportation to the Republic of Pan-
16 ama of passenger motor vehicles built in the United
17 States, the purchase price of which shall not exceed
18 \$22,000 per vehicle.

19 **SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH**
20 **TREATIES.**

21 Expenditures authorized under this subtitle may be
22 made only in accordance with the Panama Canal Treaties
23 of 1977 and any law of the United States implementing
24 those treaties.

1 **Subtitle B—Facilitation of Panama**
2 **Canal Transition**

3 **SEC. 3511. SHORT TITLE; REFERENCES.**

4 (a) SHORT TITLE.—This subtitle may be cited as the
5 “Panama Canal Transition Facilitation Act of 1997”.

6 (b) REFERENCES.—Except as otherwise expressly
7 provided, whenever in this subtitle an amendment or re-
8 peal is expressed in terms of an amendment to, or repeal
9 of, a section or other provision, the reference shall be con-
10 sidered to be made to a section or other provision of the
11 Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

12 **SEC. 3512. DEFINITIONS RELATING TO CANAL TRANSITION.**

13 Section 3 (22 U.S.C. 3602) is amended by adding
14 at the end the following new subsection:

15 “(d) For purposes of this Act:

16 “(1) The term ‘Canal Transfer Date’ means
17 December 31, 1999, such date being the date speci-
18 fied in the Panama Canal Treaty of 1977 for the
19 transfer of the Panama Canal from the United
20 States of America to the Republic of Panama.

21 “(2) The term ‘Panama Canal Authority’
22 means the entity created by the Republic of Panama
23 to succeed the Panama Canal Commission as of the
24 Canal Transfer Date.”.

1 **PART I—TRANSITION MATTERS RELATING TO**
2 **COMMISSION OFFICERS AND EMPLOYEES**
3 **SEC. 3521. AUTHORITY FOR THE ADMINISTRATOR OF THE**
4 **COMMISSION TO ACCEPT APPOINTMENT AS**
5 **THE ADMINISTRATOR OF THE PANAMA**
6 **CANAL AUTHORITY.**

7 (a) **AUTHORITY FOR DUAL ROLE.**—Section 1103 (22
8 U.S.C. 3613) is amended by adding at the end the follow-
9 ing new subsection:

10 “(c) The Congress consents, for purposes of the 8th
11 clause of article I, section 9 of the Constitution of the
12 United States, to the acceptance by the individual serving
13 as Administrator of the Commission of appointment by
14 the Republic of Panama to the position of Administrator
15 of the Panama Canal Authority. Such consent is effective
16 only if that individual, while serving in both such posi-
17 tions, serves as Administrator of the Panama Canal Au-
18 thority without compensation, except for payments by the
19 Republic of Panama of travel and entertainment expenses,
20 including per diem payments.”.

21 (b) **WAIVER OF CERTAIN CONFLICT-OF-INTEREST**
22 **STATUTES.**—Such section is further amended by adding
23 at the end the following new subsections:

24 “(d) The Administrator, with respect to participation
25 in any matter as Administrator of the Panama Canal
26 Commission (whether such participation is before, on, or

1 after the date of the enactment of the Panama Canal
2 Transition Facilitation Act of 1997), shall not be subject
3 to section 208 of title 18, United States Code, insofar as
4 the matter relates to prospective employment as Adminis-
5 trator of the Panama Canal Authority.

6 “(e) If the Republic of Panama appoints as the Ad-
7 ministrator of the Panama Canal Authority the individual
8 serving as the Administrator of the Commission and if
9 that individual accepts the appointment—

10 “(1) the Foreign Agents Registration Act of
11 1938, as amended (22 U.S.C. 611 et seq.), shall not
12 apply to that individual with respect to service as
13 the Administrator of the Panama Canal Authority;

14 “(2) that individual, with respect to participa-
15 tion in any matter as the Administrator of the Pan-
16 ama Canal Commission, is not subject to section 208
17 of title 18, United States Code, insofar as the mat-
18 ter relates to service as, or performance of the duties
19 of, the Administrator of the Panama Canal Author-
20 ity; and

21 “(3) that individual, with respect to official acts
22 performed as the Administrator of the Panama
23 Canal Authority, is not subject to the following:

24 “(A) Sections 203 and 205 of title 18,
25 United States Code.

1 “(B) Effective upon termination of the in-
2 dividual’s appointment as Administrator of the
3 Panama Canal Commission at noon on the
4 Canal Transfer Date, section 207 of title 18,
5 United States Code.

6 “(C) Sections 501(a) and 502(a)(4) of the
7 Ethics in Government Act of 1978 (5 U.S.C.
8 App.), with respect to compensation received
9 for, and service in, the position of Adminis-
10 trator of the Panama Canal Authority.”.

11 **SEC. 3522. POST-CANAL TRANSFER PERSONNEL AUTHORI-**
12 **TIES.**

13 (a) WAIVER OF CERTAIN POST-EMPLOYMENT RE-
14 STRICTIONS FOR COMMISSION PERSONNEL BECOMING
15 EMPLOYEES OF THE PANAMA CANAL AUTHORITY.—Sec-
16 tion 1112 (22 U.S.C. 3622) is amended by adding at the
17 end the following new subsection:

18 “(e) Effective as of the Canal Transfer Date, section
19 207 of title 18, United States Code, shall not apply to
20 an individual who is an officer or employee of the Panama
21 Canal Authority, but only with respect to official acts of
22 that individual as an officer or employee of the Authority
23 and only in the case of an individual who was an officer
24 or employee of the Commission and whose employment

1 with the Commission was terminated at noon on the Canal
2 Transfer Date.”.

3 (b) CONSENT OF CONGRESS FOR ACCEPTANCE BY
4 RESERVE AND RETIRED MEMBERS OF THE ARMED
5 FORCES OF EMPLOYMENT BY PANAMA CANAL AUTHOR-
6 ITY.—Such section is further amended by adding after
7 subsection (e), as added by subsection (a), the following
8 new subsection:

9 “(f)(1) The Congress consents to the following per-
10 sons accepting civil employment (and compensation for
11 that employment) with the Panama Canal Authority for
12 which the consent of the Congress is required by the last
13 paragraph of section 9 of article I of the Constitution of
14 the United States, relating to acceptance of emoluments,
15 offices, or titles from a foreign government:

16 “(A) Retired members of the uniformed serv-
17 ices.

18 “(B) Members of a reserve component of the
19 armed forces.

20 “(C) Members of the Commissioned Reserve
21 Corps of the Public Health Service.

22 “(2) The consent of the Congress under paragraph
23 (1) is effective without regard to subsection (b) of section
24 908 of title 37, United States Code (relating to approval

1 required for employment of Reserve and retired members
2 by foreign governments).”.

3 **SEC. 3523. ENHANCED AUTHORITY OF COMMISSION TO ES-**
4 **TABLISH COMPENSATION OF COMMISSION**
5 **OFFICERS AND EMPLOYEES.**

6 (a) REPEAL OF LIMITATIONS ON COMMISSION AU-
7 THORITY.—The following provisions are repealed:

8 (1) Section 1215 (22 U.S.C. 3655), relating to
9 basic pay.

10 (2) Section 1219 (22 U.S.C. 3659), relating to
11 salary protection upon conversion of pay rate.

12 (3) Section 1225 (22 U.S.C. 3665), relating to
13 minimum level of pay and minimum annual in-
14 creases.

15 (b) SAVINGS PROVISION.—Section 1202 (22 U.S.C.
16 3642) is amended by adding at the end the following new
17 subsection:

18 “(c) In the case of an individual who is an officer
19 or employee of the Commission on the day before the date
20 of the enactment of the Panama Canal Transition Facili-
21 tation Act of 1997 and who has not had a break in service
22 with the Commission since that date, the rate of basic pay
23 for that officer or employee on or after that date may not
24 be less than the rate in effect for that officer or employee
25 on the day before that date of enactment except—

1 “(1) as provided in a collective bargaining
2 agreement;

3 “(2) as a result of an adverse action against the
4 officer or employee; or

5 “(3) pursuant to a voluntary demotion.”.

6 (c) CROSS-REFERENCE AMENDMENTS.—(1) Section
7 1216 (22 U.S.C. 3656) is amended by striking out “1215”
8 and inserting in lieu thereof “1202”.

9 (2) Section 1218 (22 U.S.C. 3658) is amended by
10 striking out “1215” and “1217” and inserting in lieu
11 thereof “1202” and “1217(a)”, respectively.

12 **SEC. 3524. TRAVEL, TRANSPORTATION, AND SUBSISTENCE**
13 **EXPENSES FOR COMMISSION PERSONNEL NO**
14 **LONGER SUBJECT TO FEDERAL TRAVEL REG-**
15 **ULATION.**

16 (a) REPEAL OF APPLICABILITY OF TITLE 5 PROVI-
17 SIONS.—(1) Section 1210 (22 U.S.C. 3650) is amended
18 by striking out subsections (a), (b), and (c).

19 (2) Section 1224 (22 U.S.C. 3664) is amended—

20 (A) by striking out paragraph (10); and

21 (B) by redesignating paragraphs (11) through
22 (20) as paragraphs (10) through (19), respectively.

23 (b) CONFORMING AMENDMENTS.—(1) Section 1210
24 is further amended—

1 (A) by redesignating subsection (d)(1) as sub-
 2 section (a) and in that subsection striking out
 3 “paragraph (2)” and inserting in lieu thereof “sub-
 4 section (b)”;

5 (B) by redesignating subsection (d)(2) as sub-
 6 section (b) and in that subsection—

7 (i) striking out “Notwithstanding para-
 8 graph (1), an” and inserting in lieu thereof
 9 “An”; and

10 (ii) striking out “referred to in paragraph
 11 (1)” and inserting in lieu thereof “who is a citi-
 12 zen of the Republic of Panama”.

13 (2) The heading of such section is amended to read
 14 as follows:

15 “AIR TRANSPORTATION”.

16 (c) EFFECTIVE DATE.—The amendments made by
 17 this section shall take effect on January 1, 1999.

18 **SEC. 3525. ENHANCED RECRUITMENT AND RETENTION AU-**
 19 **THORITIES.**

20 (a) RECRUITMENT, RELOCATION, AND RETENTION
 21 BONUSES.—Section 1217 (22 U.S.C. 3657) is amended—

22 (1) by redesignating subsection (c) as sub-
 23 section (e);

24 (2) in subsection (e) (as so redesignated), by
 25 striking out “for the same or similar work per-

1 formed in the United States by individuals employed
2 by the Government of the United States” and insert-
3 ing in lieu thereof “of the individual to whom the
4 compensation is paid”; and

5 (3) by inserting after subsection (b) the follow-
6 ing new subsections:

7 “(c)(1) The Commission may pay a recruitment
8 bonus to an individual who is newly appointed to a posi-
9 tion with the Commission, or a relocation bonus to an em-
10 ployee of the Commission who must relocate to accept a
11 position, if the Commission determines that the Commis-
12 sion would be likely, in the absence of such a bonus, to
13 have difficulty in filling the position.

14 “(2) A recruitment or relocation bonus may be paid
15 to an employee under this subsection only if the employee
16 enters into an agreement with the Commission to complete
17 a period of employment with the Commission established
18 by the Commission. If the employee voluntarily fails to
19 complete such period of employment or is separated from
20 service in such employment as a result of an adverse ac-
21 tion before the completion of such period, the employee
22 shall repay the entire amount of the bonus.

23 “(3) A relocation bonus under this subsection may
24 be paid as a lump sum. A recruitment bonus under this
25 subsection shall be paid on a pro rata basis over the period

1 of employment covered by the agreement under paragraph
2 (2). A bonus under this subsection may not be considered
3 to be part of the basic pay of an employee.

4 “(d)(1) The Commission may pay a retention bonus
5 to an employee of the Commission if the Commission de-
6 termines that—

7 “(A) the employee has unusually high or unique
8 qualifications and those qualifications make it essen-
9 tial for the Commission to retain the employee for
10 a period specified by the Commission ending not
11 later than the Canal Transfer Date, or the Commis-
12 sion otherwise has a special need for the services of
13 the employee making it essential for the Commission
14 to retain the employee for a period specified by the
15 Commission ending not later than the Canal Trans-
16 fer Date; and

17 “(B) the employee would be likely to leave em-
18 ployment with the Commission before the end of
19 that period if the retention bonus is not paid.

20 “(2) A retention bonus under this subsection—

21 “(A) shall be in a fixed amount;

22 “(B) shall be paid on a pro rata basis (over the
23 period specified by the Commission as essential for
24 the retention of the employee), with such payments

1 to be made at the same time and in the same man-
2 ner as basic pay; and

3 “(C) may not be considered to be part of the
4 basic pay of an employee.

5 “(3) A decision by the Commission to exercise or to
6 not exercise the authority to pay a bonus under this sub-
7 section shall not be subject to review under any statutory
8 procedure or any agency or negotiated grievance procedure
9 except under any of the laws referred to in section 2302(d)
10 of title 5, United States Code.”.

11 (b) EDUCATIONAL SERVICES.—Section 1321(e)(2)
12 (22 U.S.C. 3731(e)(2)) is amended by striking out “and
13 persons” and inserting in lieu thereof “, to other Commis-
14 sion employees when determined by the Commission to be
15 necessary for their recruitment or retention, and to other
16 persons”.

17 **SEC. 3526. TRANSITION SEPARATION INCENTIVE PAY-**
18 **MENTS.**

19 Chapter 2 of title I (22 U.S.C. 3641 et seq.) is
20 amended by adding at the end of subchapter III the fol-
21 lowing new section:

22 “TRANSITION SEPARATION INCENTIVE PAYMENTS

23 “SEC. 1233. (a) In applying to the Commission and
24 employees of the Commission the provisions of section 663
25 of the Treasury, Postal Service, and General Government

1 Appropriations Act, 1997 (as contained in section 101(f)
2 of division A of Public Law 104–208; 110 Stat. 3009–
3 383), relating to voluntary separation incentives for em-
4 ployees of certain Federal agencies (in this section re-
5 ferred to as ‘section 663’)—

6 “(1) the term ‘employee’ shall mean an em-
7 ployee of the Commission who has served in the Re-
8 public of Panama in a position with the Commission
9 for a continuous period of at least three years imme-
10 diately before the employee’s separation under an
11 appointment without time limitation and who is cov-
12 ered under the Civil Service Retirement System or
13 the Federal Employees’ Retirement System under
14 subchapter III of chapter 83 or chapter 84, respec-
15 tively, of title 5, United States Code, other than—

16 “(A) an employee described in any of sub-
17 paragraphs (A) through (F) of subsection
18 (a)(2) of section 663; or

19 “(B) an employee of the Commission who,
20 during the 24-month period preceding the date
21 of separation, has received a recruitment or re-
22 location bonus under section 1217(c) of this Act
23 or who, within the 12-month period preceding
24 the date of separation, received a retention
25 bonus under section 1217(d) of this Act;

1 “(2) the strategic plan under subsection (b) of
2 section 663 shall include (in lieu of the matter speci-
3 fied in subsection (b)(2) of that section)—

4 “(A) the positions to be affected, identified
5 by occupational category and grade level;

6 “(B) the number and amounts of separa-
7 tion incentive payments to be offered; and

8 “(C) a description of how such incentive
9 payments will facilitate the successful transfer
10 of the Panama Canal to the Republic of Pan-
11 ama;

12 “(3) a separation incentive payment under sec-
13 tion 663 may be paid to a Commission employee
14 only to the extent necessary to facilitate the success-
15 ful transfer of the Panama Canal by the United
16 States of America to the Republic of Panama as re-
17 quired by the Panama Canal Treaty of 1977;

18 “(4) such a payment—

19 “(A) may be in an amount determined by
20 the Commission not to exceed \$25,000; and

21 “(B) may be made (notwithstanding the
22 limitation specified in subsection (c)(2)(D) of
23 section 663) in the case of an eligible employee
24 who voluntarily separates (whether by retire-
25 ment or resignation) during the 90-day period

1 beginning on the date of the enactment of this
2 section or during the period beginning on Octo-
3 ber 1, 1998, and ending on December 31, 1998;
4 “(5) in the case of not more than 15 employees
5 who (as determined by the Commission) are unwill-
6 ing to work for the Panama Canal Authority after
7 the Canal Transfer Date and who occupy critical po-
8 sitions for which (as determined by the Commission)
9 at least two years of experience is necessary to en-
10 sure that seasoned managers are in place on and
11 after the Canal Transfer Date, such a payment (not-
12 withstanding paragraph (4))—

13 “(A) may be in an amount determined by
14 the Commission not to exceed 50 percent of the
15 basic pay of the employee; and

16 “(B) may be made (notwithstanding the
17 limitation specified in subsection (c)(2)(D) of
18 section 663) in the case of such an employee
19 who voluntarily separates (whether by retire-
20 ment or resignation) during the 90-day period
21 beginning on the date of the enactment of this
22 section; and

23 “(6) the provisions of subsection (f) of section
24 663 shall not apply.

1 “(b) A decision by the Commission to exercise or to
2 not exercise the authority to pay a transition separation
3 incentive under this section shall not be subject to review
4 under any statutory procedure or any agency or negotiated
5 grievance procedure except under any of the laws referred
6 to in section 2302(d) of title 5, United States Code.”.

7 **SEC. 3527. LABOR-MANAGEMENT RELATIONS.**

8 Section 1271 (22 U.S.C. 3701) is amended by adding
9 at the end the following new subsection:

10 “(c)(1) This subsection applies to any matter that be-
11 comes the subject of collective bargaining between the
12 Commission and the exclusive representative for any bar-
13 gaining unit of employees of the Commission during the
14 period beginning on the date of the enactment of this sub-
15 section and ending on the Canal Transfer Date.

16 “(2)(A) The resolution of impasses resulting from
17 collective bargaining between the Commission and any
18 such exclusive representative during that period shall be
19 conducted in accordance with such procedures as may be
20 mutually agreed upon between the Commission and the
21 exclusive representative (without regard to any otherwise
22 applicable provisions of chapter 71 of title 5, United
23 States Code). Such mutually agreed upon procedures shall
24 become effective upon transmittal by the Chairman of the
25 Commission to the Congress of notice of the agreement

1 to use those procedures and a description of those proce-
2 dures.

3 “(B) The Federal Services Impasses Panel shall not
4 have jurisdiction to resolve any impasse between the Com-
5 mission and any such exclusive representative in negotia-
6 tions over a procedure for resolving impasses.

7 “(3) If the Commission and such an exclusive rep-
8 resentative do not reach an agreement concerning a proce-
9 dure for resolving impasses with respect to a bargaining
10 unit and transmit notice of the agreement under para-
11 graph (2) on or before July 1, 1998, the following shall
12 be the procedure by which collective bargaining impasses
13 between the Commission and the exclusive representative
14 for that bargaining unit shall be resolved:

15 “(A) If bargaining efforts do not result in an
16 agreement, the parties shall request the Federal Me-
17 diation and Conciliation Service to assist in achiev-
18 ing an agreement.

19 “(B) If an agreement is not reached within 45
20 days after the date on which either party requests
21 the assistance of the Federal Mediation and Concil-
22 iation Service in writing (or within such shorter pe-
23 riod as may be mutually agreed upon by the par-
24 ties), the parties shall be considered to be at an im-
25 passe and shall request the Federal Services Im-

1 passes Panel of the Federal Labor Relations Author-
2 ity to decide the impasse.

3 “(C) If the Federal Services Impasses Panel
4 fails to issue a decision within 90 days after the date
5 on which its services are requested (or within such
6 shorter period as may be mutually agreed upon by
7 the parties), the efforts of the Panel shall be termi-
8 nated.

9 “(D) In such a case, the Chairman of the Panel
10 (or another member in the absence of the Chairman)
11 shall immediately determine the matter by a drawing
12 (conducted in such manner as the Chairman (or, in
13 the absence of the Chairman, such other member)
14 determines appropriate) between the last offer of the
15 Commission and the last offer of the exclusive rep-
16 resentative, with the offer chosen through such
17 drawing becoming the binding resolution of the mat-
18 ter.

19 “(4) In the case of a notice of agreement described
20 in paragraph (2)(A) that is transmitted to the Congress
21 as described in the second sentence of that paragraph
22 after July 1, 1998, the impasse resolution procedures cov-
23 ered by that notice shall apply to any impasse between
24 the Commission and the other party to the agreement

1 that is unresolved on the date on which that notice is
2 transmitted to the Congress.”.

3 **SEC. 3528. AVAILABILITY OF PANAMA CANAL REVOLVING**
4 **FUND FOR SEVERANCE PAY FOR CERTAIN**
5 **EMPLOYEES SEPARATED BY PANAMA CANAL**
6 **AUTHORITY AFTER CANAL TRANSFER DATE.**

7 (a) AVAILABILITY OF REVOLVING FUND.—Section
8 1302(a) (22 U.S.C. 3712(a)) is amended by adding at the
9 end the following new paragraph:

10 “(10) Payment to the Panama Canal Authority,
11 not later than the Canal Transfer Date, of such
12 amount as is computed by the Commission to be the
13 future amount of severance pay to be paid by the
14 Panama Canal Authority to employees whose em-
15 ployment with the Authority is terminated, to the
16 extent that such severance pay is attributable to pe-
17 riods of service performed with the Commission be-
18 fore the Canal Transfer Date (and assuming for
19 purposes of such computation that the Panama
20 Canal Authority, in paying severance pay to termi-
21 nated employees, will provide for crediting of periods
22 of service with the Commission).”.

23 (b) STYLISTIC AMENDMENTS.—Such section is fur-
24 ther amended—

1 (1) by striking out “for—” in the matter pre-
 2 ceding paragraph (1) and inserting in lieu thereof
 3 “for the following purposes:”;

4 (2) by capitalizing the initial letter of the first
 5 word in each of paragraphs (1) through (9);

6 (3) by striking out the semicolon at the end of
 7 each of paragraphs (1) through (7) and inserting in
 8 lieu thereof a period; and

9 (4) by striking out “; and” at the end of para-
 10 graph (8) and inserting in lieu thereof a period.

11 **PART II—TRANSITION MATTERS RELATING TO**

12 **OPERATION AND ADMINISTRATION OF CANAL**

13 **SEC. 3541. ESTABLISHMENT OF PROCUREMENT SYSTEM**

14 **AND BOARD OF CONTRACT APPEALS.**

15 Title III of the Panama Canal Act of 1979 (22
 16 U.S.C. 3601 et seq.) is amended by inserting after the
 17 title heading the following new chapter:

18 “CHAPTER 1—PROCUREMENT

19 “PROCUREMENT SYSTEM

20 “SEC. 3101. (a) PANAMA CANAL ACQUISITION REGU-
 21 LATION.—(1) The Commission shall establish by regula-
 22 tion a comprehensive procurement system. The regulation
 23 shall be known as the ‘Panama Canal Acquisition Regula-
 24 tion’ (in this section referred to as the ‘Regulation’) and

1 shall provide for the procurement of goods and services
2 by the Commission in a manner that—

3 “(A) applies the fundamental operating prin-
4 ciples and procedures in the Federal Acquisition
5 Regulation;

6 “(B) uses efficient commercial standards of
7 practice; and

8 “(C) is suitable for adoption and uninterrupted
9 use by the Republic of Panama after the Canal
10 Transfer Date.

11 “(2) The Regulation shall contain provisions regard-
12 ing the establishment of the Panama Canal Board of Con-
13 tract Appeals described in section 3102.

14 “(b) SUPPLEMENT TO REGULATION.—The Commis-
15 sion shall develop a Supplement to the Regulation (in this
16 section referred to as the ‘Supplement’) that identifies
17 both the provisions of Federal law applicable to procure-
18 ment of goods and services by the Commission and the
19 provisions of Federal law waived by the Commission under
20 subsection (c).

21 “(c) WAIVER AUTHORITY.—(1) Subject to paragraph
22 (2), the Commission shall determine which provisions of
23 Federal law should not apply to procurement by the Com-
24 mission and may waive those laws for purposes of the Reg-
25 ulation and Supplement.

1 “(2) For purposes of paragraph (1), the Commission
2 may not waive—

3 “(A) section 27 of the Office of Federal Pro-
4 curement Policy Act (41 U.S.C. 423);

5 “(B) the Contract Disputes Act of 1978 (41
6 U.S.C. 601 et seq.), other than section 10(a) of such
7 Act (41 U.S.C. 609(a)); or

8 “(C) civil rights, environmental, or labor laws.

9 “(d) CONSULTATION WITH ADMINISTRATOR FOR
10 FEDERAL PROCUREMENT POLICY.—In establishing the
11 Regulation and developing the Supplement, the Commis-
12 sion shall consult with the Administrator for Federal Pro-
13 curement Policy.

14 “(e) EFFECTIVE DATE.—The Regulation and the
15 Supplement shall take effect on the date of publication
16 in the Federal Register, or January 1, 1999, whichever
17 is earlier.

18 “PANAMA CANAL BOARD OF CONTRACT APPEALS

19 “SEC. 3102. (a) ESTABLISHMENT.—(1) The Sec-
20 retary of Defense, in consultation with the Commission,
21 shall establish a board of contract appeals, to be known
22 as the Panama Canal Board of Contract Appeals, in ac-
23 cordance with section 8 of the Contract Disputes Act of
24 1978 (41 U.S.C. 607). Except as otherwise provided by
25 this section, the Panama Canal Board of Contract Appeals
26 (in this section referred to as the ‘Board’) shall be subject

1 to the Contract Disputes Act of 1978 (41 U.S.C. 601 et
2 seq.) in the same manner as any other agency board of
3 contract appeals established under that Act.

4 “(2) The Board shall consist of three members. At
5 least one member of the Board shall be licensed to practice
6 law in the Republic of Panama. Individuals appointed to
7 the Board shall take an oath of office, the form of which
8 shall be prescribed by the Secretary of Defense.

9 “(b) EXCLUSIVE JURISDICTION TO DECIDE AP-
10 PEALS.—Notwithstanding section 10(a)(1) of the Contract
11 Disputes Act of 1978 (41 U.S.C. 609(a)(1)) or any other
12 provision of law, the Board shall have exclusive jurisdic-
13 tion to decide an appeal from a decision of a contracting
14 officer under section 8(d) of such Act (41 U.S.C. 607(d)).

15 “(c) EXCLUSIVE JURISDICTION TO DECIDE PRO-
16 TESTS.—The Board shall decide protests submitted to it
17 under this subsection by interested parties in accordance
18 with subchapter V of title 31, United States Code. Not-
19 withstanding section 3556 of that title, section 1491(b)
20 of title 28, United States Code, and any other provision
21 of law, the Board shall have exclusive jurisdiction to decide
22 such protests. For purposes of this subsection—

23 “(1) except as provided in paragraph (2), each
24 reference to the Comptroller General in sections

1 3551 through 3555 of title 31, United States Code,
2 is deemed to be a reference to the Board;

3 “(2) the reference to the Comptroller General
4 in section 3553(d)(3)(C)(ii) of such title is deemed
5 to be a reference to both the Board and the Comp-
6 troller General;

7 “(3) the report required by paragraph (1) of
8 section 3554(e) of such title shall be submitted to
9 the Comptroller General as well as the committees
10 listed in such paragraph;

11 “(4) the report required by paragraph (2) of
12 such section shall be submitted to the Comptroller
13 General as well as Congress; and

14 “(5) section 3556 of such title shall not apply
15 to the Board, but nothing in this subsection shall af-
16 fect the right of an interested party to file a protest
17 with the appropriate contracting officer.

18 “(d) PROCEDURES.—The Board shall prescribe such
19 procedures as may be necessary for the expeditious deci-
20 sion of appeals and protests under subsections (b) and (c).

21 “(e) COMMENCEMENT.—The Board shall begin to
22 function as soon as it has been established and has pre-
23 scribed procedures under subsection (d), but not later
24 than January 1, 1999.

1 “(f) TRANSITION.—The Board shall have jurisdiction
 2 under subsection (b) and (c) over any appeals and protests
 3 filed on or after the date on which the Board begins to
 4 function. Any appeals and protests filed before such date
 5 shall remain before the forum in which they were filed.

6 “(g) OTHER FUNCTIONS.—The Board may perform
 7 functions similar to those described in this section for such
 8 other matters or activities of the Commission as the Com-
 9 mission may determine and in accordance with regulations
 10 prescribed by the Commission.”.

11 **SEC. 3542. TRANSACTIONS WITH THE PANAMA CANAL AU-**
 12 **THORITY.**

13 Section 1342 (22 U.S.C. 3752) is amended—

14 (1) by designating the text of the section as
 15 subsection (a); and

16 (2) by adding at the end the following new sub-
 17 sections:

18 “(b) The Commission may provide office space,
 19 equipment, supplies, personnel, and other in-kind services
 20 to the Panama Canal Authority on a nonreimbursable
 21 basis.

22 “(c) Any executive department or agency of the Unit-
 23 ed States may, on a reimbursable basis, provide to the
 24 Panama Canal Authority materials, supplies, equipment,
 25 work, or services requested by the Panama Canal Author-

1 ity, at such rates as may be agreed upon by that depart-
2 ment or agency and the Panama Canal Authority.”.

3 **SEC. 3543. TIME LIMITATIONS ON FILING OF CLAIMS FOR**
4 **DAMAGES.**

5 (a) FILING OF ADMINISTRATIVE CLAIMS WITH COM-
6 MISSION.—Sections 1411(a) (22 U.S.C. 3771(a)) and
7 1412 (22 U.S.C. 3772) are each amended in the last sen-
8 tence by striking out “within 2 years after” and all that
9 follows through “of 1985,” and inserting in lieu thereof
10 “within one year after the date of the injury or the date
11 of the enactment of the Panama Canal Transition Facili-
12 tation Act of 1997,”.

13 (b) FILING OF JUDICIAL ACTIONS.—The penultimate
14 sentence of section 1416 (22 U.S.C. 3776) is amended—

15 (1) by striking out “one year” the first place it
16 appears and inserting in lieu thereof “180 days”;
17 and

18 (2) by striking out “claim, or” and all that fol-
19 lows through “of 1985,” and inserting in lieu there-
20 of “claim or the date of the enactment of the Pan-
21 ama Canal Transition Facilitation Act of 1997,”.

22 **SEC. 3544. TOLLS FOR SMALL VESSELS.**

23 Section 1602(a) (22 U.S.C. 3792(a)) is amended—

1 (1) in the first sentence, by striking out “supply
2 ships, and yachts” and inserting in lieu thereof “and
3 supply ships”; and

4 (2) by adding at the end the following new sen-
5 tence: “Tolls for small vessels (including yachts), as
6 defined by the Commission, may be set at rates de-
7 termined by the Commission without regard to the
8 preceding provisions of this subsection.”.

9 **SEC. 3545. DATE OF ACTUARIAL EVALUATION OF FECA LI-**
10 **ABILITY.**

11 Section 5(a) of the Panama Canal Commission Com-
12 pensation Fund Act of 1988 (22 U.S.C. 3715c(a)) is
13 amended by striking out “Upon the termination of the
14 Panama Canal Commission” and inserting in lieu thereof
15 “By March 31, 1998”.

16 **SEC. 3546. APPOINTMENT OF NOTARIES PUBLIC.**

17 Section 1102a (22 U.S.C. 3612a) is amended—

18 (1) by redesignating subsection (g) as sub-
19 section (h); and

20 (2) by inserting after subsection (f) the follow-
21 ing new subsection:

22 “(g)(1) The Commission may appoint any United
23 States citizen to have the general powers of a notary pub-
24 lic to perform, on behalf of Commission employees and
25 their dependents outside the United States, any notarial

1 act that a notary public is required or authorized to per-
2 form within the United States. Unless an earlier expira-
3 tion is provided by the terms of the appointment, any such
4 appointment shall expire three months after the Canal
5 Transfer Date.

6 “(2) Every notarial act performed by a person acting
7 as a notary under paragraph (1) shall be as valid, and
8 of like force and effect within the United States, as if exe-
9 cuted by or before a duly authorized and competent notary
10 public in the United States.

11 “(3) The signature of any person acting as a notary
12 under paragraph (1), when it appears with the title of that
13 person’s office, is prima facie evidence that the signature
14 is genuine, that the person holds the designated title, and
15 that the person is authorized to perform a notarial act.”.

16 **SEC. 3547. COMMERCIAL SERVICES.**

17 Section 1102b (22 U.S.C. 3612b) is amended by add-
18 ing at the end the following new subsection:

19 “(e) The Commission may conduct and promote com-
20 mercial activities related to the management, operation,
21 or maintenance of the Panama Canal. Any such commer-
22 cial activity shall be carried out consistent with the Pan-
23 ama Canal Treaty of 1977 and related agreements.”.

1 **SEC. 3548. TRANSFER FROM PRESIDENT TO COMMISSION**
 2 **OF CERTAIN REGULATORY FUNCTIONS RE-**
 3 **LATING TO EMPLOYMENT CLASSIFICATION**
 4 **APPEALS.**

5 Sections 1221(a) and 1222(a) (22 U.S.C. 3661(a),
 6 3662(a)) are amended by striking out “President” and in-
 7 serting in lieu thereof “Commission”.

8 **SEC. 3549. ENHANCED PRINTING AUTHORITY.**

9 Section 1306(a) (22 U.S.C. 3714b(a)) is amended by
 10 striking out “Section 501” and inserting in lieu thereof
 11 “Sections 501 through 517 and 1101 through 1123”.

12 **SEC. 3550. TECHNICAL AND CONFORMING AMENDMENTS.**

13 (a) CLERICAL AMENDMENTS.—The table of contents
 14 in section 1 is amended—

15 (1) by striking out the item relating to section
 16 1210 and inserting in lieu thereof the following:

“Sec. 1210. Air transportation.”;

17 (2) by striking out the items relating to sections
 18 1215, 1219, and 1225;

19 (3) by inserting after the item relating to sec-
 20 tion 1232 the following new item:

“Sec. 1233. Transition separation incentive payments.”;

21 and

22 (4) by inserting after the item relating to the
 23 heading of title III the following:

“CHAPTER 1—PROCUREMENT

“Sec. 3101. Procurement system.

“Sec. 3102. Panama Canal Board of Contract Appeals.”.

1 (b) AMENDMENT TO REFLECT PRIOR CHANGE IN
2 COMPENSATION OF ADMINISTRATOR.—Section 5315 of
3 title 5, United States Code, is amended by striking out
4 the following:

5 “Administrator of the Panama Canal Commis-
6 sion.”.

7 (c) AMENDMENTS TO REFLECT CHANGE IN TRAVEL
8 AND TRANSPORTATION EXPENSES AUTHORITY.—(1) Sec-
9 tion 5724(a)(3) of title 5, United States Code, is amended
10 by striking out “, the Commonwealth of Puerto Rico,” and
11 all that follows through “Panama Canal Act of 1979” and
12 inserting in lieu thereof “or the Commonwealth of Puerto
13 Rico”.

14 (2) Section 5724a(j) of such title is amended—

15 (A) by inserting “and” after “Northern Mari-
16 ana Islands,”; and

17 (B) by striking out “United States, and” and
18 all that follows through the period at the end and
19 inserting in lieu thereof “United States.”.

20 (3) The amendments made by this subsection shall
21 take effect on January 1, 1999.

22 (d) MISCELLANEOUS TECHNICAL AMENDMENTS.—

23 (1) Section 3(b) (22 U.S.C. 3602(b)) is amend-
24 ed by striking out “the Canal Zone Code” and all

1 that follows through “other laws” the second place
2 it appears and inserting in lieu thereof “laws of the
3 United States and regulations issued pursuant to
4 such laws”.

5 (2)(A) The following provisions are each
6 amended by striking out “the effective date of this
7 Act” and inserting in lieu thereof “October 1,
8 1979”: sections 3(b), 3(c), 1112(b), and 1321(c)(1).

9 (B) Section 1321(c)(2) is amended by striking
10 out “such effective date” and inserting in lieu there-
11 of “October 1, 1979”.

12 (C) Section 1231(c)(3)(A) (22 U.S.C.
13 3671(c)(3)(A)) is amended by striking out “the day
14 before the effective date of this Act” and inserting
15 in lieu thereof “September 30, 1979”.

16 (3) Section 1102a(h), as redesignated by sec-
17 tion 3546(1), is amended by striking out “section
18 1102B” and inserting in lieu thereof “section
19 1102b”.

20 (4) Section 1110(b)(2) (22 U.S.C. 3620(b)(2))
21 is amended by striking out “section 16 of the Act
22 of August 1, 1956 (22 U.S.C. 2680a),” and insert-
23 ing in lieu thereof “section 207 of the Foreign Serv-
24 ice Act of 1980 (22 U.S.C. 3927)”.

1 (5) Section 1212(b)(3) (22 U.S.C. 3652(b)(3))
 2 is amended by striking out “as last in effect before
 3 the effective date of section 3530 of the Panama
 4 Canal Act Amendments of 1996” and inserting in
 5 lieu thereof “as in effect on September 22, 1996”.

6 (6) Section 1243(c)(2) (22 U.S.C. 3681(c)(2))
 7 is amended by striking out “retroactivity” and in-
 8 serting in lieu thereof “retroactively”.

9 (7) Section 1341(f) (22 U.S.C. 3751(f)) is
 10 amended by striking out “sections 1302(c)” and in-
 11 serting in lieu thereof “sections 1302(b)”.

12 **TITLE XXXVI—MARITIME** 13 **ADMINISTRATION**

14 **SEC. 3601. AUTHORIZATION OF APPROPRIATIONS FOR FIS-** 15 **CAL YEAR 1998.**

16 Funds are hereby authorized to be appropriated for
 17 fiscal year 1998, to be available without fiscal year limita-
 18 tion if so provided in appropriations Act, for the use of
 19 the Department of Transportation for the Maritime Ad-
 20 ministration as follows:

21 (1) For expenses necessary for operations and
 22 training activities, \$70,000,000.

23 (2) For expenses under the loan guarantee pro-
 24 gram authorized by title XI of the Merchant Marine

1 Act, 1936 (46 U.S.C. App. 1271 et seq.),
2 \$39,000,000 of which—

3 (A) \$35,000,000 is for the cost (as defined
4 in section 502(5) of the Federal Credit Reform
5 Act of 1990 (2 U.S.C. 661a(5))) of loan guar-
6 antees under the program; and

7 (B) \$4,000,000 is for administrative ex-
8 penses related to loan guarantee commitments
9 under the program.

10 **SEC. 3602. REPEAL OF OBSOLETE ANNUAL REPORT RE-**
11 **QUIREMENT CONCERNING RELATIVE COST**
12 **OF SHIPBUILDING IN THE VARIOUS COASTAL**
13 **DISTRICTS OF THE UNITED STATES.**

14 (a) REPEAL.—Section 213 of the Merchant Marine
15 Act, 1936 (46 U.S.C. App. 1123), is amended by striking
16 out paragraph (c).

17 (b) CONFORMING AMENDMENTS.—Such section is
18 further amended—

19 (1) by striking out “on—” in the matter pre-
20 ceding paragraph (a) and inserting in lieu thereof
21 “on the following:”;

22 (2) by redesignating paragraphs (a) and (b) as
23 paragraphs (1) and (2), respectively;

1 (3) by striking out the semicolon at the end of
2 each of those paragraphs and inserting in lieu there-
3 of a period; and

4 (4) by realigning those paragraphs so as to be
5 indented 2 ems from the left margin.

6 **SEC. 3603. PROVISIONS RELATING TO MARITIME SECURITY**
7 **FLEET PROGRAM.**

8 (a) **AUTHORITY OF CONTRACTORS TO OPERATE**
9 **SELF-PROPELLED TANK VESSELS IN NONCONTIGUOUS**
10 **DOMESTIC TRADES.**—Section 656(b) of the Merchant Ma-
11 rine Act, 1936 (46 U.S.C. App. 1187e(b)) is amended by
12 inserting “(1)” after “(b)”, and by adding at the end the
13 following new paragraph:

14 “(2) Subsection (a) shall not apply to operation by
15 a contractor of a self-propelled tank vessel in a noncontig-
16 uous domestic trade, or to ownership by a contractor of
17 an interest in a self-propelled tank vessel that operates
18 in a noncontiguous domestic trade.”.

19 (b) **RELIEF FROM DELAY IN CERTAIN OPERATIONS**
20 **FOLLOWING DOCUMENTATION.**—Section 652(c) of the
21 Merchant Marine Act, 1936 (46 U.S.C. 1187a(c)) is
22 amended by adding at the end the following: “The third
23 sentence of section 901(b)(1) shall not apply to a vessel
24 included in an operating agreement under this subtitle.”.

1 **SEC. 3604. AUTHORITY TO UTILIZE REPLACEMENT VESSELS**
2 **AND CAPACITY.**

3 Section 653(d)(1) of the Merchant Marine Act, 1936
4 (46 U.S.C. App. 1187c(d)(1)) is amended to read as fol-
5 lows:

6 “(1) a contractor or other person that commits
7 to make available a vessel or vessel capacity under
8 the Emergency Preparedness Program or another
9 primary sealift readiness program approved by the
10 Secretary of Defense may, during the activation of
11 that vessel or capacity under that program, operate
12 or employ in foreign commerce a foreign-flag vessel
13 or foreign-flag vessel capacity as a temporary re-
14 placement for the activated vessel or capacity; and”.

15 **SEC. 3605. AUTHORITY TO CONVEY NATIONAL DEFENSE RE-**
16 **SERVE FLEET VESSEL.**

17 (a) **AUTHORITY TO CONVEY.**—The Secretary of
18 Transportation may convey all right, title, and interest of
19 the United States Government in and to the vessel GOLD-
20 EN BEAR (United States official number 239932) to the
21 Artship Foundation, located in Oakland, California (in
22 this section referred to as the “recipient”), for use as a
23 multi-cultural center for the arts.

24 (b) **TERMS OF CONVEYANCE.**—

1 (1) DELIVERY OF VESSEL.—In carrying out
 2 subsection (a), the Secretary shall deliver the ves-
 3 sel—

4 (A) at the place where the vessel is located
 5 on the date of conveyance;

6 (B) in its condition on that date; and

7 (C) at no cost to the United States Gov-
 8 ernment.

9 (2) ADDITIONAL TERMS.—The Secretary may
 10 require such additional terms in connection with the
 11 conveyance authorized by this section as the Sec-
 12 retary considers appropriate.

13 (c) OTHER UNNEEDED EQUIPMENT.—The Secretary
 14 may convey to the recipient of the vessel conveyed under
 15 this section any unneeded equipment from other vessels
 16 in the National Defense Reserve Fleet, for use to restore
 17 the vessel conveyed under this section to museum quality.

18 **SEC. 3606. DETERMINATION OF GROSS TONNAGE FOR PUR-**
 19 **POSES OF TANK VESSEL DOUBLE HULL RE-**
 20 **QUIREMENTS.**

21 Section 3703a of title 46, United States Code, is
 22 amended by adding at the end the following:

23 “(e) For purposes of this section, the gross tonnage
 24 of a vessel for which a tonnage certificate was issued or
 25 accepted by the Secretary under this title before July 1,

- 1 1997, shall be the gross tonnage of the vessel stated on
- 2 the most recent such certificate.”.

Passed the House of Representatives June 25, 1997.

Attest:

ROBIN H. CARLE,
Clerk.