AN ACT

To authorize appropriations for fiscal year 2003 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.
AN ACT

To authorize appropriations for fiscal year 2003 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.
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the “Bob Stump National Defense Authorization Act for Fiscal Year 2003”.

(b) FINDINGS.—Congress makes the following findings:

(1) Representative Bob Stump of Arizona was elected to the House of Representatives in 1976 for service in the 95th Congress, after serving in the Arizona legislature for 18 years and serving as President of the Arizona State Senate from 1975 to 1976, and he has been reelected to each subsequent Congress.

(2) A World War II combat veteran, Representative Stump entered service in the United States Navy in 1943, just after his 16th birthday, and served aboard the USS LUNGA POINT and the USS TULAGI, which participated in the invasions of Luzon, Iwo Jima, and Okinawa.

(3) Representative Stump was elected to the Committee on Armed Services in 1978 and has served on nearly all of its subcommittees and panels during 25 years of distinguished service on the com-
mittee. He has served as chairman of the committee
during the 107th Congress and has championed
United States national security as the paramount
function of the Federal Government.

(4) Also serving on the Committee on Veterans’
Affairs of the House of Representatives, chairing
that committee from 1995 to 2000, and serving on
the Permanent Select Committee on Intelligence of
the House of Representatives, including service as
the ranking minority member in 1985 and 1986,
Representative Stump has dedicated his entire con-
gressional career to steadfastly supporting America’s
courageous men and women in uniform both on and
off the battlefield.

(5) Representative Stump’s tireless efforts on
behalf of those in the military and veterans have
been recognized with numerous awards for out-
standing service from active duty and reserve mili-
tary, veterans’ service, military retiree, and industry
organizations.

(6) During his tenure as chairman of the Com-
mittee on Armed Services of the House of Rep-
resentatives, Representative Stump has—
(A) overseen the largest sustained increase to defense spending since the Reagan administra-

(B) led efforts to improve the quality of military life, including passage of the largest military pay raise since 1982;

(C) supported military retirees, including efforts to reverse concurrent receipt law and to save the Armed Forces Retirement Homes;

(D) championed military readiness by defending military access to critical training facilities such Vieques, Puerto Rico, expanding the National Training Center at Ft. Irwin, California, and working to restore balance between environmental concerns and military readiness requirements;

(E) reinvigorated efforts to defend America against ballistic missiles by supporting an increase in fiscal year 2002 of nearly 50 percent above the fiscal year 2001 level for missile defense programs; and

(F) honored America’s war heroes by expanding Arlington National Cemetery, establish-

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assuring construction of the World War II Mem-
orial.

(7) In recognition of his long record of accom-
plishments in enhancing the national security of the
United States and his legislative victories on behalf
of active duty service members, reservists, guards-
men, and veterans, it is altogether fitting and proper
that this Act be named in honor of Representative
Bob Stump of Arizona, as provided in subsection
(a).

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF
CONTENTS.

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

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

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

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

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

Sec. 1. Short title; findings.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
DIVISION A—DEPARTMENT OF DEFENSE
AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 106. Chemical demilitarization program.
Sec. 107. Defense health programs.

Subtitle B—Navy Programs

Sec. 111. Shipbuilding initiative.
Sec. 112. Prohibition on acquisition of Champion-class, T–5 fuel tankers.

Subtitle C—Air Force Programs

Sec. 121. Multiyear procurement authority for C–130J aircraft program.
Sec. 122. Reallocation of certain funds for Air Force Reserve Command F–16 aircraft procurement.

Subtitle D—Other Programs

Sec. 141. Revisions to multiyear contracting authority.
Sec. 142. Transfer of technology items and equipment in support of homeland security.
Sec. 143. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 144. Report on unmanned aerial vehicle systems.
Sec. 145. Report on impact of Army Aviation Modernization Plan on the Army National Guard.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. RAH–66 Comanche aircraft program.
Sec. 212. Extension of requirement relating to management responsibility for naval mine countermeasures programs.
Sec. 213. Extension of authority to carry out pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense.
Sec. 214. Revised requirements for plan for Manufacturing Technology Program.
Sec. 215. Technology Transition Initiative.
Sec. 216. Defense Acquisition Challenge Program.
Subtitle C—Ballistic Missile Defense

Sec. 231. Limitation on obligation of funds for procurement of Patriot (PAC–3) missiles pending submission of required certification.

Sec. 232. Responsibility of Missile Defense Agency for research, development, test, and evaluation related to system improvements of programs transferred to military departments.

Sec. 233. Amendments to reflect change in name of Ballistic Missile Defense Organization to Missile Defense Agency.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.

Sec. 302. Working capital funds.

Sec. 303. Armed Forces Retirement Home.

Subtitle B—Environmental Provisions

Sec. 311. Incidental taking of migratory birds during military readiness activity.

Sec. 312. Military readiness and the conservation of protected species.

Sec. 313. Single point of contact for policy and budgeting issues regarding unexploded ordnance, discarded military munitions, and munitions constituents.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 321. Authority for each military department to provide base operating support to fisher houses.

Sec. 322. Use of commissary stores and MWR retail facilities by members of National Guard serving in national emergency.

Sec. 323. Uniform funding and management of morale, welfare, and recreation programs.

Subtitle D—Workplace and Depot Issues

Sec. 331. Notification requirements in connection with required studies for conversion of commercial or industrial type functions to contractor performance.

Sec. 332. Waiver authority regarding prohibition on contracts for performance of security-guard functions.

Sec. 333. Exclusion of certain expenditures from percentage limitation on contracting for performance of depot-level maintenance and repair workloads.

Sec. 334. Repeal of obsolete provision regarding depot-level maintenance and repair workloads that were performed at closed or realigned military installations.

Sec. 335. Clarification of required core logistics capabilities.

Subtitle E—Defense Dependents Education

Sec. 341. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 342. Availability of quarters allowance for unaccompanied defense department teacher required to reside on overseas military installation.

Sec. 343. Provision of summer school programs for students who attend defense dependents’ education system.

**Subtitle F—Information Technology**

Sec. 351. Authorized duration of base contract for Navy-Marine Corps Intranet.

Sec. 352. Annual submission of information on national security and information technology capital assets.

Sec. 353. Implementation of policy regarding certain commercial off-the-shelf information technology products.

Sec. 354. Installation and connection policy and procedures regarding Defense Switch Network.

**Subtitle G—Other Matters**

Sec. 361. Distribution of monthly reports on allocation of funds within operation and maintenance budget subactivities.

Sec. 362. Minimum deduction from pay of certain members of the Armed Forces to support Armed Forces Retirement Home.

Sec. 363. Condition on conversion of Defense Security Service to a working capital funded entity.

Sec. 364. Continuation of Arsenal support program initiative.

Sec. 365. Training range sustainment plan, Global Status of Resources and Training System, and training range inventory.

Sec. 366. Amendments to certain education and nutrition laws relating to acquisition and improvement of military housing.

**TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS**

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Sec. 401. End strengths for active forces.

Sec. 402. Revision in permanent end strength minimum levels.

Sec. 403. Authority for military department Secretaries to increase active-duty end strengths by up to 1 percent.

Sec. 404. General and flag officer management.

Sec. 405. Extension of certain authorities relating to management of numbers of general and flag officers in certain grades.

**Subtitle B—Reserve Forces**

Sec. 411. End strengths for Selected Reserve.

Sec. 412. End strengths for reserves on active duty in support of the Reserves.

Sec. 413. End strengths for military technicians (dual status).

Sec. 414. Fiscal year 2003 limitation on non-dual status technicians.

**Subtitle C—Authorization of Appropriations**

Sec. 421. Authorization of appropriations for military personnel.

**TITLE V—MILITARY PERSONNEL POLICY**

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Sec. 501. Increase in number of Deputy Commandants of the Marine Corps.
Sec. 502. Extension of good-of-the-service waiver authority for officers appointed to a Reserve Chief or Guard Director position.

Subtitle B—Reserve Component Management

Sec. 511. Reviews of National Guard strength accounting and management and other issues.
Sec. 512. Courts-martial for the National Guard when not in Federal service.
Sec. 513. Matching funds requirements under National Guard Youth Challenge Program.

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Sec. 521. Exemption from active status strength limitation for reserve component general and flag officers serving on active duty in certain joint duty assignments designated by the Chairman of the Joint Chiefs of Staff.
Sec. 522. Eligibility for consideration for promotion to grade of major general for certain reserve component brigadier generals who do not otherwise qualify for consideration for promotion under the one-year rule.
Sec. 523. Retention of promotion eligibility for reserve component general and flag officers transferred to an inactive status.
Sec. 524. Authority for limited extension of medical deferment of mandatory retirement or separation for reserve officers.

Subtitle D—Education and Training

Sec. 531. Authority for phased increase to 4,400 in authorized strengths for the service academies.
Sec. 532. Enhancement of reserve component delayed training program.
Sec. 533. Preparation for, participation in, and conduct of athletic competitions by the National Guard and members of the National Guard.

Subtitle E—Decorations and Awards

Sec. 541. Waiver of time limitations for award of certain decorations to certain persons.
Sec. 542. Option to convert award of Armed Forces Expeditionary Medal awarded for Operation Frequent Wind to Vietnam Service Medal.

Subtitle F—Administrative Matters

Sec. 551. Staffing and funding for Defense Prisoner of War/Missing Personnel Office.
Sec. 552. Three-year freeze on reductions of personnel of agencies responsible for review and correction of military records.
Sec. 553. Department of Defense support for persons participating in military funeral honors details.
Sec. 554. Authority for use of volunteers as proctors for administration of Armed Services Vocational Aptitude Battery test.
Sec. 555. Annual report on status of female members of the Armed Forces.

Subtitle G—Benefits

Sec. 561. Voluntary leave sharing program for members of the Armed Forces.
Sec. 562. Enhanced flexibility in medical loan repayment program.
Sec. 563. Expansion of overseas tour extension benefits.
Sec. 564. Vehicle storage in lieu of transportation when member is ordered to a nonforeign duty station outside continental United States.

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Sec. 571. Right of convicted accused to request sentencing by military judge.
Sec. 572. Report on desirability and feasibility of consolidating separate courses of basic instruction for judge advocates.

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Sec. 602. Expansion of basic allowance for housing low-cost or no-cost moves authority to members assigned to duty outside United States.

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Sec. 611. One-year extension of certain bonus and special pay authorities for reserve forces.
Sec. 612. One-year extension of certain bonus and special pay authorities for certain health care professionals.
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Sec. 617. Retention incentives for health care providers qualified in a critical military skill.

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Sec. 631. Extension of leave travel deferral period for members performing consecutive overseas tours of duty.

Subtitle D—Retired Pay and Survivors Benefits

Sec. 641. Phase-in of full concurrent receipt of military retired pay and veterans disability compensation for military retirees with disabilities rated at 60 percent or higher.
Sec. 642. Change in service requirements for eligibility for retired pay for nonregular service.
Sec. 643. Elimination of possible inversion in retired pay cost-of-living adjustment for initial COLA computation.
Sec. 644. Technical revisions to so-called "forgotten widows" annuity program.

Subtitle E—Reserve Component Montgomery GI Bill

Sec. 651. Extension of Montgomery GI Bill-Selected Reserve eligibility period.

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Sec. 702. Expansion of TRICARE Prime Remote for certain dependents.
Sec. 703. Enabling dependents of certain members who died while on active duty to enroll in the TRICARE dental program.
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Sec. 705. Certification of institutional and non-institutional providers under the TRICARE program.
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Sec. 712. Comptroller General report on provision of care under the TRICARE program.
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Sec. 721. Short title.
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Sec. 724. Health care resources sharing and coordination project.
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Sec. 726. Adoption by Department of Veterans Affairs of Department of Defense Pharmacy Data Transaction System.
Sec. 727. Joint pilot program for providing graduate medical education and training for physicians.
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Sec. 729. Reports.

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Sec. 802. Evaluation of training, knowledge, and resources regarding negotiation of intellectual property arrangements.
Sec. 803. Limitation period for task and delivery order contracts.
Sec. 804. One-year extension of program applying simplified procedures to certain commercial items; report.
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TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

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Sec. 2102. Family housing.
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Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
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TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
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Sec. 2812. Conveyance of surplus real property for natural resource conservation purposes.
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Sec. 2821. Land conveyances, lands in Alaska no longer required for National Guard purposes.
Sec. 2822. Land conveyance, Fort Campbell, Kentucky.
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Sec. 2831. Land conveyance, Marine Corps Air Station, Miramar, San Diego, California.
Sec. 2832. Boundary adjustments, Marine Corps Base, Quantico, and Prince William Forest Park, Virginia.

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Sec. 3120. Short title; definitions.
Sec. 3121. Reprogramming.
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Sec. 3143. Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia.
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Sec. 3151. Defense environmental management cleanup reform program.
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Sec. 3201. Authorization.

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Sec. 3301. Authorized uses of National Defense Stockpile funds.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

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Sec. 3502. Authority to convey vessel USS SPHINX (ARL–24).
Sec. 3503. Financial assistance to States for preparation of transferred obsolete ships for use as artificial reefs.
Sec. 3504. Independent analysis of title XI insurance guarantee applications.

1 SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term “congressional defense committees” means—
(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Army as follows:

(1) For aircraft, $2,300,327,000.

(2) For missiles, $1,693,896,000.

(3) For weapons and tracked combat vehicles, $2,372,958,000.

(4) For ammunition, $1,320,026,000.

(5) For other procurement, $6,119,447,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Navy as follows:

(1) For aircraft, $8,971,555,000.
(2) For weapons, including missiles and torpedoes, $1,916,617,000.

(3) For shipbuilding and conversion, $9,279,494,000.

(4) For other procurement, $4,527,763,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Marine Corps in the amount of $1,351,983,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement of ammunition for the Navy and the Marine Corps in the amount of $1,104,453,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Air Force as follows:

(1) For aircraft, $12,522,755,000.

(2) For missiles, $3,482,639,000.

(3) For ammunition, $1,176,864,000.

(4) For other procurement, $10,907,730,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2003 for Defense-wide procurement in the amount of $2,621,009,000.
SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Inspector General of the Department of Defense in the amount of $2,000,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 2003 the amount of $1,490,199,000 for—

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

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

SEC. 107. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $278,742,000.

SEC. 111. SHIPBUILDING INITIATIVE.

(a) USE OF SPECIFIED SHIPBUILDING AUTHORIZATION AMOUNT SUBJECT TO CONTRACTOR AGREEMENT.—

Of the amounts authorized to be appropriated by section 102(a)(3) for fiscal year 2003, $810,000,000 shall be
available for shipbuilding programs of the Navy either in accordance with subsection (b) or in accordance with subsection (c).

(b) DDG–51 Authorization if Agreement Reached.—If as of the date of the enactment of this Act the Secretary of the Navy has submitted to Congress a certification described in subsection (d), then the amount referred to in subsection (a) shall be available for procurement of one Arleigh Burke class (DDG-51) destroyer.

(c) Authorization if Agreement Not Reached.—If as of the date of the enactment of this Act the Secretary of the Navy has not submitted to Congress a certification described in subsection (d), then the amount referred to in subsection (a) shall be available as follows:

(1) $415,000,000 shall be available for advance procurement for Virginia class submarines.

(2) $210,000,000 shall be available for advance procurement for cruiser conversion.

(3) $185,000,000 shall be available for nuclear-powered submarine (SSN) engineered refueling overhaul.

(d) Certification.—A certification referred to in subsections (b) and (c) is a certification by the Secretary of the Navy that the prime contractor for the Virginia
class submarine program has entered into a binding agree-
ment with the United States to expend from its own funds
an amount not less than $385,000,000 for economic order
quantity procurement of nuclear and nonnuclear compo-
nents for Virginia class submarines beginning in fiscal
year 2003.

(e) Multiyear Procurement Authority.—(1) If
the terms of an agreement described in subsection (d) be-
tween the United States and the prime contractor for the
Virginia class submarine program include a requirement
for the Secretary of the Navy to seek to acquire Virginia
class submarines through a multiyear procurement con-
tract, the Secretary of the Navy may, in accordance with
section 2306b of title 10, United States Code, enter into
a multiyear contract for procurement of Virginia class
submarines, beginning with the fiscal year 2003 program
year.

(2)(A) In the case of a contract authorized by para-
graph (1), a certification under subsection (i)(1)(A) of sec-
tion 2306b of title 10, United States Code, with respect
to that contract may only be submitted if the certification
includes an additional certification that each of the condi-
tions specified in subsection (a) of that section has been
satisfied with respect to that contract.
(B) Upon transmission to Congress of a certification referred to in subparagraph (A) with respect to a contract authorized by paragraph (1), the contract may then be entered into only after a period of 30 days has elapsed after the date of the transmission of such certification.

SEC. 112. PROHIBITION ON ACQUISITION OF CHAMPION-CLASS, T-5 FUEL TANKERS.

(a) Prohibition.—Except as provided in subsection (b), a Champion-class fuel tanker, known as a T-5, which features a double hull and reinforcement against ice damage, may not be acquired for the Military Sealift Command or for other Navy purposes.

(b) Termination.—The prohibition in subsection (a) shall not apply if the acquisition of a T-5 tanker is specifically authorized in a defense authorization Act that—

(1) is enacted after the date of the enactment of this Act;

(2) specifically refers to subsection (a); and

(3) specifically states that the prohibition in such subsection does not apply.
Subtitle C—Air Force Programs

SEC. 121. MULTIYEAR PROCUREMENT AUTHORITY FOR C-130J AIRCRAFT PROGRAM.

(a) Multiyear Authority.—Beginning with the fiscal year 2003 program year, the Secretary of the Air Force may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract for procurement of C-130J aircraft.

(b) Limitation.—The Secretary of Defense may not enter into a contract authorized by subsection (a) until—

(1) the Secretary submits to the congressional defense committees a certification described in subsection (c); and

(2) a period of 30 days has expired after such certification is submitted.

(c) Required Certification as to Progress Toward Successful Operational Test and Evaluation.—A certification under subsection (b)(1) is a certification by the Secretary of Defense that the C-130J program is making satisfactory progress towards a successful operational test and evaluation.

(d) Required Certification With Respect to Multiyear Contracting Conditions.—(1) In the case of a contract authorized by subsection (a) of this section, a certification under subsection (i)(1)(A) of section 2306b...
of title 10, United States Code, with respect to that contract may only be submitted if the certification includes an additional certification that each of the conditions specified in subsection (a) of that section has been satisfied with respect to that contract.

(2) Upon transmission to Congress of a certification referred to in paragraph (1) with respect to a contract authorized by subsection (a), the contract may then be entered into only after a period of 30 days has elapsed after the date of the transmission of such certification.

SEC. 122. REALLOCATION OF CERTAIN FUNDS FOR AIR FORCE RESERVE COMMAND F–16 AIRCRAFT PROCUREMENT.

Of the funds authorized to be appropriated by section 103(1) that are available for procurement of F–16 aircraft for the Air Force Reserve Command, $14,400,000 shall be available for 36 Litening II modernization upgrade kits for the F–16 block 25 and block 30 aircraft (rather than for Litening AT pods for such aircraft).

Subtitle D—Other Programs

SEC. 141. REVISIONS TO MULTIYEAR CONTRACTING AUTHORITY.

(a) Use of Procurement and Advance Procurement Funds.—Section 2306b(i) of title 10, United
States Code, is amended by adding at the end the following new paragraph:

“(4)(A) Unless otherwise authorized by law, the Secretary of Defense may obligate funds for procurement of an end item under a multiyear contract for the purchase of property only for procurement of a complete and usable end item.

“(B) Unless otherwise authorized by law, the Secretary of Defense may obligate funds appropriated for any fiscal year for advance procurement under a multiyear contract for the purchase of property only for the procurement of those long-lead items necessary in order to meet a planned delivery schedule for complete major end items that are programmed under the contract to be acquired with funds appropriated for a subsequent fiscal year.”.

(b) EFFECTIVE DATE.—Paragraph (4) of section 2306b(i) of title 10, United States Code, as added by subsection (a), shall not apply with respect to any multiyear contract authorized by law before the date of the enactment of this Act.

SEC. 142. TRANSFER OF TECHNOLOGY ITEMS AND EQUIPMENT IN SUPPORT OF HOMELAND SECURITY.

(a) IN GENERAL.—Subchapter III of chapter 148 of title 10, United States Code, is amended by adding at the end the following new section:
§ 2520. Transfer of technology items and equipment in support of homeland security

“The Secretary of Defense shall enter into an agreement with an independent, nonprofit, technology-oriented entity that has demonstrated the ability to facilitate the transfer of defense technologies, developed by both the private and public sectors, to aid Federal, State, and local first responders. Under the agreement the entity shall develop and deploy technology items and equipment, through coordination between Government agencies and private sector, commercial developers and suppliers of technology, that will enhance public safety and shall—

“(1) work in coordination with the InterAgency Board for Equipment Standardization and Interoperability;

“(2) develop technology items and equipment that meet the standardization requirements established by the Board;

“(3) evaluate technology items and equipment that have been identified using the standards developed by the Board and other state-of-the-art technology items and equipment that may benefit first responders;

“(4) identify and coordinate among the public and private sectors research efforts applicable to national security and homeland security;
“(5) facilitate the timely transfer of technology items and equipment between public and private sources;

“(6) eliminate redundant research efforts with respect to technologies to be deployed to first responders;

“(7) expedite the advancement of high priority projects from research through implementation of initial manufacturing; and

“(8) establish an outreach program, in coordination with the Board, with first responders to facilitate awareness of available technology items and equipment to support crisis response.”.

(b) DEADLINE FOR AGREEMENT.—The Secretary of Defense shall enter into the agreement required by section 2520 of title 10, United States Code (as added by subsection (a)) not later than January 15, 2003.

(c) STRATEGIC PLAN.—The entity described in section 2520 of such title shall develop a strategic plan to carry out the goals described in such section, which shall include identification of—

(1) the initial technology items and equipment considered for development; and

(2) the program schedule timelines for such technology items and equipment.
(d) **REPORT REQUIRED.**—Not later than March 15, 2003, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on—

(1) the actions taken to carry out such section 2520;

(2) the relationship of the entity described in such section to the InterAgency Board for Equipment Standardization and Interoperability; and

(3) the strategic plan of such entity to meet the goals described in such section.

(e) **CLERICAL AMENDMENT.**—The table of sections at the beginning of subchapter III of chapter 148 of title 10, United States Code, is amended by adding at the end the following new item:

“2520. Transfer of technology items and equipment in support of homeland security.”.

**SEC. 143. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.**

(a) **PROGRAM MANAGEMENT.**—The Secretary of Defense shall ensure that the program for destruction of the United States stockpile of lethal chemical agents and munitions is managed as a major defense acquisition program (as defined in section 2430 of title 10, United States Code) in accordance with the essential elements of such programs as may be determined by the Secretary.
(b) Requirement for Under Secretary of Defense (Comptroller) Annual Certification.—Beginning with respect to the budget request for fiscal year 2004, the Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees on an annual basis a certification that the budget request for the chemical agents and munitions destruction program has been submitted in accordance with the requirements of applicable Federal laws.

SEC. 144. REPORT ON UNMANNED AERIAL VEHICLE SYSTEMS.

(a) Report.—Not later than January 1, 2003, the Secretary of Defense shall submit to Congress a report on unmanned aerial vehicle systems of the Department of Defense.

(b) Matters To Be Included Concerning Unmanned Aerial Vehicle Systems.—The Secretary shall include in the report under subsection (a) the following, shown for each system referred to in that subsection:

(1) A description of the infrastructure that the Department of Defense has (or is planning) for the system.

(2) A description of the operational requirements document (ORD) for the system.
(3) A description of the physical infrastructure of the Department for training and basing.

(4) A description of the manner in which the Department is interfacing with the industrial base.

(5) A description of the acquisition plan for the system.

(c) SUGGESTIONS FOR CHANGES IN LAW.—The Secretary shall also include in the report under subsection (a) such suggestions as the Secretary considers appropriate for changes in law that would facilitate the way the Department acquires unmanned aerial vehicle systems.

SEC. 145. REPORT ON IMPACT OF ARMY AVIATION MODERNIZATION PLAN ON THE ARMY NATIONAL GUARD.

(a) REPORT BY CHIEF OF THE NATIONAL GUARD BUREAU.—Not later than February 1, 2003, the Chief of the National Guard Bureau shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the requirements for Army National Guard aviation. The report shall include the following:

(1) An analysis of the impact of the Army Aviation Modernization Plan on the ability of the Army National Guard to conduct its aviation missions.
(2) The plan under that aviation modernization plan for the transfer of aircraft from the active component of the Army to the Army reserve components, including a timeline for those transfers.

(3) The progress, as of January 1, 2003, in carrying out the transfers under the plan referred to in paragraph (2).

(4) An evaluation of the suitability of existing Commercial Off The Shelf (COTS) light-twin engine helicopters for performance of Army National Guard aviation missions.

(b) Views of the Chief of Staff of the Army.—If, before the report under subsection (a) is submitted, the Chief of the National Guard Bureau receives from the Chief of Staff of the Army the views of the Chief of Staff on the matters to be covered in the report, the Chief of the Bureau shall include those views with the report as submitted under subsection (a).
TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $6,933,319,000.
(2) For the Navy, $13,274,540,000.
(3) For the Air Force, $18,803,184,000.
(4) For Defense-wide activities, $17,413,291,000, of which $222,054,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECHNOLOGY.

(a) Fiscal Year 2003.—Of the amounts authorized to be appropriated by section 201, $10,023,658,000 shall be available for the Defense Science and Technology Program, including basic research, applied research, and advanced technology development projects.

(b) Basic Research, Applied Research, and Advanced Technology Development Defined.—For
purposes of this section, the term “basic research, applied
research, and advanced technology development” means
work funded in program elements for defense research and
development under Department of Defense category 6.1,
6.2, or 6.3.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. RAH–66 COMANCHE AIRCRAFT PROGRAM.

(a) LIMITATION.—None of the funds authorized to
be appropriated for fiscal year 2003 for engineering and
manufacturing development for the RAH–66 Comanche
aircraft program may be obligated until the Secretary of
the Army submits to the congressional defense committees
a report, prepared in coordination with the Under Sec-
retary of Defense for Acquisition, Technology, and Logis-
tics, containing an accurate estimate of funds required to
complete engineering and manufacturing development for
that aircraft and the new time line and plan for bringing
that aircraft to initial operational capability, as called for
in the joint explanatory statement of the committee of con-
ference on the bill S. 1438 of the One Hundred Seventh
Congress (at page 535 of House Report 107–333, sub-
mitted December 12, 2001).
(b) LIMITATION ON TOTAL COST OF ENGINEERING
AND MANUFACTURING DEVELOPMENT.—The total
amount obligated or expended for engineering and manu-
facturing development under the RAH–66 Comanche air-
craft program may not exceed $6,000,000,000.

(c) ADJUSTMENT OF LIMITATION AMOUNTS.—(1)
Subject to paragraph (2), the Secretary of the Army shall
adjust the amount of the limitation set forth in subsection
(b) by the following amounts:

(A) The amounts of increases or decreases in
costs attributable to economic inflation after Sep-
tember 30, 2002.

(B) The amounts of increases or decreases in
costs attributable to compliance with changes in
Federal, State, or local laws enacted after Sep-
tember 30, 2002.

(2) Before making any adjustment under paragraph
(1) in an amount greater than $20,000,000, the Secretary
of the Army shall submit to the congressional defense com-
mittees notice in writing of the proposed increase.

(d) ANNUAL DOD INSPECTOR GENERAL REVIEW.—
(1) Not later than March 1 of each year, the Department
of Defense Inspector General shall review the RAH–66
Comanche aircraft program and submit to Congress a re-
port on the results of the review.
(2) The report submitted on the program each year shall include the following:

(A) The extent to which engineering and manufacturing development under the program is meeting the goals established for engineering and manufacturing development under the program, including the performance, cost, and schedule goals.

(B) The status of modifications expected to have a significant effect on cost, schedule, or performance of RAH–66 aircraft.

(C) The plan for engineering and manufacturing development (leading to production) under the program for the fiscal year that begins in the following year.

(D) A conclusion regarding whether the plan referred to in subparagraph (C) is consistent with the limitation in subsection (a).

(E) A conclusion regarding whether engineering and manufacturing development (leading to production) under the program is likely to be completed at a total cost not in excess of the amount specified in subsection (a).

(3) No report is required under this subsection after the RAH–66 aircraft has completed engineering and manufacturing development.
(c) LIMITATION ON OBLIGATION OF FUNDS.—Of the total amount authorized to be appropriated for the RAH–66 Comanche aircraft program for research, development, test, and evaluation for a fiscal year, not more than 90 percent of that amount may be obligated until the Department of Defense Inspector General submits to Congress the report required to be submitted in that fiscal year under subsection (d).

SEC. 212. EXTENSION OF REQUIREMENT RELATING TO MANAGEMENT RESPONSIBILITY FOR NAVAL MINE COUNTERMEASURES PROGRAMS.


SEC. 213. EXTENSION OF AUTHORITY TO CARRY OUT PILOT PROGRAM FOR REVITALIZING THE LABORATORIES AND TEST AND EVALUATION CENTERS OF THE DEPARTMENT OF DEFENSE.

Section 246 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law
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(1) in subsection (a)(1), by inserting before the period at the end the following: “, and to dem-
onstrate improved efficiency in the performance of the research, development, test, and evaluation func-
tions of the Department of Defense”;

(2) in subsection (a)(4), by striking “for a pe-
riod” and all that follows through the period at the end and inserting “until March 1, 2008.”;

(3) in subsection (b)(2), by striking “Promptly after” and all that follows through “The report shall contain” and inserting “Not later than December 31 of each year, the Secretary of Defense shall submit to the congressional defense committees a report on the activities of the pilot program during the pre-
ceding fiscal year. Each such report shall contain, for each laboratory or center in the pilot program,”;

and

(4) by adding at the end of subsection (b) the following new paragraph:

“(3) Not later than March 1, 2007, the Secretary of Defense shall submit to the committees referred to in paragraph (2) the Secretary’s recommendation as to
whether, and to what extent, the authority to carry out
the pilot program should be extended.”.

SEC. 214. REVISED REQUIREMENTS FOR PLAN FOR MANU-
FACTURING TECHNOLOGY PROGRAM.

(a) STREAMLINED CONTENTS OF PLAN.—Subsection
(e) of section 2521 of title 10, United States Code, is
amended by striking “prepare a five-year plan” in para-
graph (1) and all that follows through the end of subpara-
graph (B) of paragraph (2) and inserting the following:
“prepare and maintain a five-year plan for the program.
“(2) The plan shall establish the following:
“(A) The overall manufacturing technology ob-
jectives, milestones, priorities, and investment strat-
egy for the program.
“(B) The specific objectives of, and funding for
the program by, each military department and each
Defense Agency participating in the program.”.

(b) BIENNIAL REPORT.—Such subsection is further
amended in paragraph (3)—
(1) by striking “annually” and inserting “bien-
nially”; and
(2) by striking “for a fiscal year” and inserting
“for each even-numbered fiscal year”.

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SEC. 215. TECHNOLOGY TRANSITION INITIATIVE.

(a) Establishment and Conduct.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2359 the following new section:

“§2359a. Technology Transition Initiative

“(a) Initiative Required.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall carry out an initiative, to be known as the Technology Transition Initiative (hereinafter in this section referred to as the ‘Initiative’), to facilitate the rapid transition of new technologies from science and technology programs of the Department of Defense into acquisition programs of the Department for the production of such technologies.

“(b) Objectives.—The Initiative shall have the following objectives:

“(1) To accelerate the introduction of new technologies into appropriate acquisition programs.

“(2) To successfully demonstrate new technologies in relevant environments.

“(3) To ensure that new technologies are sufficiently mature for production.

“(c) Management of Initiative.—(1) The Initiative shall be managed by a senior official in the Office of the Secretary of Defense designated by the Secretary (hereinafter in this section referred to as the ‘Manager’).
In managing the Initiative, the Manager shall report directly to the Under Secretary of Defense for Acquisition, Technology, and Logistics.

“(2) The Secretary shall establish a board of directors (hereinafter in this section referred to as the ‘Board’), composed of the acquisition executive of each military department, the members of the Joint Requirements Oversight Council, and the commander of the Joint Forces Command. The Board shall assist the Manager in managing the Initiative.

“(3) The Secretary shall establish, under the auspices of the Under Secretary of Defense for Acquisition, Technology, and Logistics, a panel of highly qualified scientists and engineers. The panel shall advise the Under Secretary on matters relating to the Initiative.

“(d) DUTIES OF MANAGER.—The Manager shall have following duties:

“(1) To identify, in consultation with the Board, promising technologies that have been demonstrated in science and technology programs of the Department.

“(2) To identify potential sponsors in the Department to undertake the transition of such technologies into production.
“(3) To work with the science and technology community and the acquisition community to de-
velop memoranda of agreement, joint funding agree-
ments, and other cooperative arrangements to pro-
vide for the transition of such technologies into pro-
duction.

“(4) Provide funding support for projects se-
lected under subsection (e).

“(e) JOINTLY FUNDED PROJECTS.—(1) The acquisi-
tion executive of each military department shall identify technology projects of that military department to re-
ommend for funding support under the Initiative and shall submit to the Manager a list of such recommended projects, ranked in order of priority. Such executive shall identify such projects, and establish priorities among such projects, using a competitive process, on the basis of the greatest potential benefits in areas of interest identified by the Secretary of that military department.

“(2) The Manager, in consultation with the Board, shall select projects for funding support from among the projects on the lists submitted under paragraph (1). From the funds made available to the Manager for the Initiative, the Manager shall provide funds for each selected project in an amount determined by mutual agreement between the Manager and the acquisition executive of the military
department concerned, but not less than 50 percent of the
total cost of the project.

“(3) The acquisition executive of the military depart-
ment concerned shall manage each project selected under
paragraph (2) that is undertaken by the military depart-
ment. Memoranda of agreement, joint funding agree-
ments, and other cooperative arrangements between the
science and technology community and the acquisition
community shall be used in carrying out the project if the
acquisition executive determines that it is appropriate to
do so to achieve the objectives of the project.

“(f) REQUIREMENT FOR PROGRAM ELEMENT.—In
the budget justification materials submitted to Congress
in support of the Department of Defense budget for any
fiscal year (as submitted with the budget of the President
under section 1105(a) of title 31), the amount requested
for activities of the Initiative shall be set forth in a sepa-
rate program element within amounts requested for re-
search, development, test, and evaluation for Defense-wide
activities.

“(g) DEFINITION OF ACQUISITION EXECUTIVE.—In
this section, the term ‘acquisition executive’, with respect
to a military department, means the official designated as
the senior procurement executive for that military depart-
ment under section 16(3) of the Office of Federal Procure-
ment Policy Act (41 U.S.C. 414(3)).’’.

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2359 the following new item:

‘‘2359a. Technology Transition Initiative.’’.

 SEC. 216. DEFENSE ACQUISITION CHALLENGE PROGRAM.

(a) In General.—(1) Chapter 139 of title 10, United States Code, is amended by inserting after section 2359a (as added by section 215) the following new section:

‘‘§ 2359b. Defense Acquisition Challenge Program

‘‘(a) Program Required.—The Secretary of De-
fense shall carry out a program to provide opportunities for the increased introduction of innovative and cost-sav-
ing technology in acquisition programs of the Department of Defense. The program, to be known as the Defense Ac-
quision Challenge Program (hereinafter in this section referred to as the ‘Challenge Program’), shall provide any person or activity within or outside the Department of De-
fense with the opportunity to propose alternatives, to be known as challenge proposals, at the component, sub-
system, or system level of an existing Department of De-
fense acquisition program that would result in improve-
ments in performance, affordability, manufacturability, or operational capability of that acquisition program.

“(b) PANEL.—(1) In carrying out the Challenge Program, the Secretary shall establish a panel of highly qualified scientists and engineers (hereinafter in this section referred to as the ‘Panel’) under the auspices of the Under Secretary of Defense for Acquisition, Technology, and Logistics. The duty of the Panel shall be to carry out evaluations of challenge proposals under subsection (c).

“(2) A member of the Panel may not participate in any evaluation of a challenge proposal under subsection (c) if at any time within the previous five years that member has, in any capacity, participated in or been affiliated with the acquisition program for which the challenge proposal is submitted.

“(c) EVALUATION BY PANEL.—(1) Under procedures prescribed by the Secretary, a person or activity within or outside the Department of Defense may submit challenge proposals to the Panel.

“(2) The Panel shall carry out an evaluation of each challenge proposal submitted under paragraph (1) to determine each of the following criteria:

“(A) Whether the challenge proposal has merit.

“(B) Whether the challenge proposal is likely to result in improvements in performance, affordability,
manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program.

“(C) Whether the challenge proposal could be implemented rapidly in the applicable acquisition program.

“(3) If the Panel determines that a challenge proposal satisfies each of the criteria specified in paragraph (2), the person or activity submitting that challenge proposal shall be provided an opportunity to submit such challenge proposal for a full review and evaluation under subsection (d).

“(d) Full Review and Evaluation.—(1) Under procedures prescribed by the Secretary, for each challenge proposal submitted for a full review and evaluation as provided in subsection (c)(3), the office carrying out the applicable acquisition program, and the prime system contractor carrying out such program, shall jointly conduct a full review and evaluation of the challenge proposal.

“(2) The full review and evaluation shall, independent of the determination of the Panel under subsection (e)(2), determine each of the matters specified in subparagraphs (A), (B), and (C) of such subsection.

“(e) Action Upon Favorable Full Review and Evaluation.—(1) Under procedures prescribed by the
Secretary, each challenge proposal determined under a full review and evaluation to satisfy each of the criteria specified in subsection (c)(2) shall be considered by the prime system contractor for incorporation into the applicable acquisition program as a new technology insertion at the component, subsystem, or system level.

“(2) The Secretary shall encourage the adoption of each challenge proposal referred to in paragraph (1) by providing suitable incentives to the office carrying out the applicable acquisition program and the prime system contractor carrying out such program.

“(f) ACCESS TO TECHNICAL RESOURCES.—The Secretary shall ensure that the Panel (in carrying out evaluations of challenge proposals under subsection (c)) and each office and prime system contractor (in conducting a full review and evaluation under subsection (d)) have the authority to call upon the technical resources of the laboratories, research, development, and engineering centers, test and evaluation activities, and other elements of the Department.

“(g) ELIMINATION OF CONFLICTS OF INTEREST.—In carrying out each evaluation under subsection (c) and full review under subsection (d), the Secretary shall ensure the elimination of conflicts of interest.
“(h) REPORT.—The Secretary shall submit to Congress, with the submission of the budget request for the Department of Defense for each fiscal year during which the Challenge Program is carried out, a report on the Challenge Program for that fiscal year. The report shall include the number and scope of challenge proposals submitted, evaluated, subjected to full review, and adopted.

“(i) SUNSET.—The authority to carry out this section shall terminate on September 30, 2007.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2359a (as added by section 215) the following new item:

“2359b. Defense Acquisition Challenge Program.”.

(b) INITIAL FUNDING.—(1) Of the funds authorized to be appropriated by section 201(4) for Defense-wide research, development, test, and evaluation for fiscal year 2003, $25,000,000 shall be available in program element 0603826D8Z for the Defense Acquisition Challenge Program required by section 2359b of title 10, United States Code, as added by subsection (a).

(2) The funds provided under paragraph (1) may be used only for review and evaluation of challenge proposals, and not for implementation of challenge proposals.
Subtitle C—Ballistic Missile Defense

SEC. 231. LIMITATION ON OBLIGATION OF FUNDS FOR PROCUREMENT OF PATRIOT (PAC–3) MISSILES PENDING SUBMISSION OF REQUIRED CERTIFICATION.

None of the funds appropriated for fiscal year 2003 for procurement of missiles for the Army may be obligated for the Patriot Advanced Capability (PAC–3) missile program until the Secretary of Defense has submitted to the congressional defense committees the following:

(1) The criteria for the transfer of responsibility for a missile defense program from the Director of the Missile Defense Agency to the Secretary of a military department, as required by section 224(b)(2) of title 10, United States Code.

(2) The notice and certification with respect to the transfer of responsibility for the Patriot Advanced Capability (PAC–3) missile program from the Director to the Secretary of the Army required by section 224(c) of such title.
SEC. 232. RESPONSIBILITY OF MISSILE DEFENSE AGENCY FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION RELATED TO SYSTEM IMPROVEMENTS OF PROGRAMS TRANSFERRED TO MILITARY DEPARTMENTS.

Section 224(e) of title 10, United States Code, is amended—

(1) by striking “before a” and inserting “for each”;

(2) by striking “is”; and

(3) by striking “roles and responsibilities” and all that follows through the period at the end and inserting “responsibility for research, development, test, and evaluation related to system improvements for that program remains with the Director.”.

SEC. 233. AMENDMENTS TO REFLECT CHANGE IN NAME OF BALLISTIC MISSILE DEFENSE ORGANIZATION TO MISSILE DEFENSE AGENCY.

(a) Title 10, United States Code.—Title 10, United States Code, is amended as follows:

(1) Sections 203, 223, and 224 are each amended by striking “Ballistic Missile Defense Organization” each place it appears and inserting “Missile Defense Agency”.

(2)(A) The heading of section 203 is amended to read as follows:
§ 203. Director of Missile Defense Agency.

(B) The item relating to such section in the table of sections at the beginning of subchapter II of chapter 8 is amended to read as follows:

“203. Director of Missile Defense Agency.”


(2) The heading for such section is amended to read as follows:

“SEC. 232. PROGRAM ELEMENTS FOR MISSILE DEFENSE AGENCY.”


(2) Such section is further amended in subsection (e) by striking “BMDO” and inserting “MDA”.

(3) The section heading for such section is amended to read as follows:
SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL NUCLEAR SECURITY ADMINISTRATION AND MISSILE DEFENSE AGENCY.


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 2003 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, $24,159,733,000.

(2) For the Navy, $29,428,876,000.

(3) For the Marine Corps, $3,588,512,000.

(4) For the Air Force, $27,299,404,000.

(5) For Defense-wide activities, $14,370,037,000.

(6) For the Army Reserve, $1,918,110,000.

(7) For the Naval Reserve, $1,233,759,000.

(8) For the Marine Corps Reserve, $185,532,000.

(9) For the Air Force Reserve, $2,194,719,000.

(10) For the Army National Guard, $4,300,767,000.

(11) For the Air National Guard, $4,077,845,000.

(12) For the Defense Inspector General, $155,165,000.

(13) For the United States Court of Appeals for the Armed Forces, $9,614,000.

(14) For Environmental Restoration, Army, $395,900,000.

(15) For Environmental Restoration, Navy, $256,948,000.
(16) For Environmental Restoration, Air Force, $389,773,000.
(17) For Environmental Restoration, Defense-wide, $23,498,000.
(18) For Environmental Restoration, Formerly Used Defense Sites, $212,102,000.
(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $58,400,000.
(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $848,907,000.
(21) For the Kaho‘olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $25,000,000.
(22) For Defense Health Program, $14,242,541,000.
(23) For Cooperative Threat Reduction programs, $416,700,000.
(24) For Support for International Sporting Competitions, Defense, $19,000,000.

SEC. 302. WORKING CAPITAL FUNDS.
Funds are hereby authorized to be appropriated for fiscal year 2003 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:
(1) For the Defense Working Capital Funds, $1,504,956,000.

(2) For the National Defense Sealift Fund, $934,129,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2003 from the Armed Forces Retirement Home Trust Fund the sum of $69,921,000 for the operation of the Armed Forces Retirement Home.

Subtitle B—Environmental Provisions

SEC. 311. INCIDENTAL TAKING OF MIGRATORY BIRDS DURING MILITARY READINESS ACTIVITY.

Section 3 of the Migratory Bird Treaty Act (16 U.S.C. 704) is amended by adding at the end the following new subsection:

“(c)(1) Section 2 shall not apply to the incidental taking of a migratory bird by a member of the Armed Forces during a military readiness activity authorized by the Secretary of Defense or the Secretary of the military department concerned.

“(2)(A) In this subsection, the term ‘military readiness activity’ includes—

“(i) all training and operations of the Armed Forces that relate to combat; and
“(ii) the adequate and realistic testing of military equipment, vehicles, weapons, and sensors for proper operation and suitability for combat use.

“(B) The term does not include—

“(i) the routine operation of installation operating support functions, such as administrative offices, military exchanges, commissaries, water treatment facilities, storage facilities, schools, housing, motor pools, laundries, morale, welfare, and recreation activities, shops, and mess halls;

“(ii) the operation of industrial activities; or

“(iii) the construction or demolition of facilities used for a purpose described in clause (i) or (ii).”.

SEC. 312. MILITARY READINESS AND THE CONSERVATION

OF PROTECTED SPECIES.

(a) LIMITATION ON DESIGNATION OF CRITICAL


(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by inserting “(A)” after “(3)” ; and

(3) by adding at the end the following:

“(B)(i) The Secretary may not designate as critical habitat any lands or other geographical areas owned or controlled by the Department of Defense, or designated
for its use, that are subject to an integrated natural re-
sources management plan prepared under section 101 of
the Sikes Act (16 U.S.C. 670a), if the Secretary deter-
dines that such plan addresses special management con-
siderations or protection (as those terms are used in sec-
tion 3(5)(A)(i)).

“(ii) Nothing in this subparagraph affects the re-
quirement to consult under section 7(a)(2) with respect
to an agency action (as that term is defined in that sec-
tion).

“(iii) Nothing in this subparagraph affects the obliga-
tion of the Department of Defense to comply with section
9 of the Endangered Species Act of 1973, including the
prohibition preventing extinction and taking of endan-
gered species and threatened species.”.

(b) CONSIDERATION OF EFFECTS OF DESIGNATION
OF CRITICAL HABITAT.—Section 4(b)(2) of the Endan-
gered Species Act of 1973 (16 U.S.C. 1533(b)(2)) is
amended by inserting “the impact on national security,”
after “the economic impact,”.”
SEC. 313. SINGLE POINT OF CONTACT FOR POLICY AND
BUDGETING ISSUES REGARDING
UNEXPLODED ORDNANCE, DISCARDED MILITARY MUNITIONS, AND MUNITIONS CONSTITUENTS.

Section 2701 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(k) UXO PROGRAM MANAGER.—(1) The Secretary of Defense shall establish a program manager who shall serve as the single point of contact in the Department of Defense for policy and budgeting issues involving the characterization, remediation, and management of explosive and related risks with respect to unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (as such terms are defined in section 2710 of this title) that pose a threat to human health or safety.

“(2) The Secretary of Defense may delegate this authority to the Secretary of a military department, who may delegate the authority to the Under Secretary of that military department. The authority may not be further delegated.

“(3) The program manager may establish an independent advisory and review panel that may include representatives of the National Academy of Sciences, nongovernmental organizations with expertise regarding
unexploded ordnance, discarded military munitions, or munitions constituents, the Environmental Protection Agency, States (as defined in section 2710 of this title), and tribal governments. If established, the panel would report annually to Congress on progress made by the Department of Defense to address unexploded ordnance, discarded military munitions, or munitions constituents at defense sites and make such recommendations as the panel considered appropriate.”.

Subtitle C—Commissaries and Non-appropriated Fund Instrumentalities

SEC. 321. AUTHORITY FOR EACH MILITARY DEPARTMENT TO PROVIDE BASE OPERATING SUPPORT TO FISHER HOUSES.

Section 2493(f) of title 10, United States Code, is amended to read as follows:

“(f) Base Operating Support.—The Secretary of a military department may provide base operating support for Fisher Houses associated with health care facilities of that military department.”.
SEC. 322. USE OF COMMISSARY STORES AND MWR RETAIL FACILITIES BY MEMBERS OF NATIONAL GUARD SERVING IN NATIONAL EMERGENCY.

(a) ADDITIONAL BASIS FOR AUTHORIZED USE.—

Section 1063a of title 10, United States Code, is amended—

(1) in subsection (a), by inserting “or national emergency” after “federally declared disaster”; and

(2) in subsection (c), by adding at the end the following new paragraph:

“(3) NATIONAL EMERGENCY.—The term ‘national emergency’ means a national emergency declared by the President or Congress.”.

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

“§1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency”.

(2) The table of sections at the beginning of chapter 54 of such title is amended by striking the item relating to section 1063a and inserting the following new item:

“1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency.”.
SEC. 323. UNIFORM FUNDING AND MANAGEMENT OF MORALE, WELFARE, AND RECREATION PROGRAMS.

(a) IN GENERAL.—Chapter 147 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2494. Uniform funding and management of morale, welfare, and recreation programs

“(a) AUTHORITY FOR UNIFORM FUNDING AND MANAGEMENT.—Under regulations prescribed by the Secretary of Defense, funds appropriated to the Department of Defense and available for morale, welfare, and recreation programs may be treated as nonappropriated funds and expended in accordance with laws applicable to the expenditures of nonappropriated funds. When made available for morale, welfare, and recreation programs under such regulations, appropriated funds shall be considered to be nonappropriated funds for all purposes and shall remain available until expended.

“(b) CONDITIONS ON AVAILABILITY.—Funds appropriated to the Department of Defense may be made available to support a morale, welfare, or recreation program only if the program is authorized to receive appropriated fund support and only in the amounts the program is authorized to receive.
“(c) Conversion of Employment Positions.—(1) The Secretary of Defense may identify positions of employees in morale, welfare, and recreation programs within the Department of Defense who are paid with appropriated funds whose status may be converted from the status of an employee paid with appropriated funds to the status of an employee of a nonappropriated fund instrumentality.

“(2) The status of an employee in a position identified by the Secretary under paragraph (1) may, with the consent of the employee, be converted to the status of an employee of a nonappropriated fund instrumentality. An employee who does not consent to the conversion may not be removed from the position because of the failure to provide such consent.

“(3) The conversion of an employee from the status of an employee paid by appropriated funds to the status of an employee of a nonappropriated fund instrumentality shall be without a break in service for the concerned employee. The conversion shall not entitle an employee to severance pay, back pay or separation pay under subchapter IX of chapter 55 of title 5, or be considered an involuntary separation or other adverse personnel action entitling an employee to any right or benefit under such title or any other provision of law or regulation.
“(4) In this subsection, the term ‘an employee of a nonappropriated fund instrumentality’ means an employee described in section 2105(c) of title 5.”.

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

“2494. Uniform funding and management of morale, welfare, and recreation programs.”.

Subtitle D—Workplace and Depot Issues

SEC. 331. NOTIFICATION REQUIREMENTS IN CONNECTION WITH REQUIRED STUDIES FOR CONVERSION OF COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE.

Subsection (c) of section 2461 of title 10, United States Code, is amended to read as follows:

“(c) Submission of Analysis Results.—(1) Upon the completion of an analysis of a commercial or industrial type function described in subsection (a) for possible change to performance by the private sector, the Secretary of Defense shall submit to Congress a report containing the results of the analysis, including the results of the examinations required by subsection (b)(3).

“(2) The report shall also contain the following:
“(A) The date when the analysis of the function was commenced.

“(B) The Secretary’s certification that the Government calculation of the cost of performance of the function by Department of Defense civilian employees is based on an estimate of the most cost effective manner for performance of the function by Department of Defense civilian employees.

“(C) The number of Department of Defense civilian employees who were performing the function when the analysis was commenced and the number of such employees whose employment was or will be terminated or otherwise affected by changing to performance of the function by the private sector or by implementation of the most efficient organization of the function.

“(D) The Secretary’s certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision regarding changing to performance of the function by the private sector or retaining performance in the most efficient organization of the function, did not include any predetermined personnel constraint or limitation in terms of man years, end strength, full-
time equivalent positions, or maximum number of employees.

“(E) A statement of the potential economic effect of implementing the decision regarding changing to performance of the function by the private sector or retaining performance in the most efficient organization of the function on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).

“(F) A schedule for completing the change to performance of the function by the private sector or implementing the most efficient organization of the function.

“(G) In the case of a commercial or industrial type function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant, a description of the effect that the manner of performance of the function, and administration of the resulting contract if any, will have on the overhead costs of the center or ammunition plant, as the case may be.

“(H) The Secretary’s certification that the entire analysis is available for examination.
“(A) If a decision is made to change the commercial or industrial type function that was the subject of the analysis to performance by the private sector, the change of the function to contractor performance may not begin until after the submission of the report required by paragraph (1).

“(B) Notwithstanding subparagraph (A), in the case of a commercial or industrial type function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant, the change of the function to contractor performance may not begin until at least 60 days after the submission of the report.”.

SEC. 332. WAIVER AUTHORITY REGARDING PROHIBITION ON CONTRACTS FOR PERFORMANCE OF SECURITY-GUARD FUNCTIONS.

Section 2465 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(c) The Secretary of Defense or the Secretary of a military department may waive the prohibition under subsection (a) regarding contracting for the performance of security-guard functions at a military installation or facility under the jurisdiction of the Secretary if such functions—

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“(1) are or will be performed by members of
the armed forces in the absence of a waiver; or
“(2) were not performed at the installation or
facility before September 11, 2001.”.

SEC. 333. EXCLUSION OF CERTAIN EXPENDITURES FROM
PERCENTAGE LIMITATION ON CONTRACTING
FOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR WORKLOADS.

Section 2474(f)(2) of title 10, United States Code,
is amended by striking “for fiscal years 2002 through
2005”.

SEC. 334. REPEAL OF OBSOLETE PROVISION REGARDING
DEPOT-LEVEL MAINTENANCE AND REPAIR
WORKLOADS THAT WERE PERFORMED AT
CLOSED OR REALIGNED MILITARY INSTALLA-
TIONS.

(a) REPEAL.—Section 2469a of title 10, United
States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections
at the beginning of chapter 146 of such title is amended
by striking the item relating to section 2469a.

SEC. 335. CLARIFICATION OF REQUIRED CORE LOGISTICS
CAPABILITIES.

Section 2464(a)(3) of title 10, United States Code,
is amended by striking “those capabilities that are nec-
essary to maintain and repair the weapon systems” and
inserting “those logistics capabilities (including acquisi-
tion logistics, supply management, system engineering,
maintenance, and modification management) that are nec-
essary to sustain the weapon systems”.

Subtitle E—Defense Dependents
Education

SEC. 341. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES
THAT BENEFIT DEPENDENTS OF MEMBERS
OF THE ARMED FORCES AND DEPARTMENT
OF DEFENSE CIVILIAN EMPLOYEES.

(a) Continuation of Department of Defense
Program for Fiscal Year 2003.—Of the amount au-
thorized to be appropriated pursuant to section 301(5) for
operation and maintenance for Defense-wide activities,
$35,000,000 shall be available only for the purpose of pro-
viding educational agencies assistance to local educational
agencies.

(b) Notification.—Not later than June 30, 2003,
the Secretary of Defense shall notify each local edu-
cational agency that is eligible for educational agencies as-
sistance for fiscal year 2003 of—

(1) that agency’s eligibility for the assistance;
(2) the amount of the assistance for which that
agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of
Defense shall disburse funds made available under sub-
section (a) not later than 30 days after the date on which
notification to the eligible local educational agencies is
provided pursuant to subsection (b).

(d) DEFINITIONS.—In this section:

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

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

SEC. 342. AVAILABILITY OF QUARTERS ALLOWANCE FOR
UNACCOMPANIED DEFENSE DEPARTMENT
TEACHER REQUIRED TO RESIDE ON OVER-
SEAS MILITARY INSTALLATION.

(a) AUTHORITY TO PROVIDE ALLOWANCE.—Sub-
section (b) of section 7 of the Defense Department Over-
seas Teachers Pay and Personnel Practices Act (20
U.S.C. 905) is amended by adding at the end the following
new sentence: “If the teacher is unaccompanied by dependents and is required to reside on a United States military installation in an overseas area, the teacher may receive a quarters allowance to reside in excess family housing at the installation notwithstanding the availability single room housing at the installation.”.

(b) **TECHNICAL CORRECTION TO REFLECT CODIFICATION.**—Such section is further amended by striking “the Act of June 26, 1930 (5 U.S.C. 118a)” both places it appears and inserting “section 5912 of title 5, United States Code”.

**SEC. 343. PROVISION OF SUMMER SCHOOL PROGRAMS FOR STUDENTS WHO ATTEND DEFENSE DEPENDENTS’ EDUCATION SYSTEM.**

Section 1402(d) of the Defense Dependents’ Education Act of 1978 (20 U.S.C. 921(d)) is amended by striking paragraph (2) and inserting the following new paragraph (2):

“(2) Individuals eligible to receive a free public education under subsection (a) may enroll without charge in a summer school program offered under this subsection. Students who are required under section 1404 to pay tuition to enroll in a school of the defense dependents’ education system shall also be charged a fee, at a rate estab-
lished by the Secretary, to attend a course offered as part of the summer school program.”.

Subtitle F—Information Technology

SEC. 351. AUTHORIZED DURATION OF BASE CONTRACT FOR NAVY-MARINE CORPS INTRANET.


(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection (i):

“(i) DURATION OF BASE NAVY-MARINE CORPS INTRANET CONTRACT.—Notwithstanding section 2306c of title 10, United States Code, the base contract of the Navy-Marine Corps Intranet contract may have a term in excess of five years, but not more than seven years.”.

SEC. 352. ANNUAL SUBMISSION OF INFORMATION ON NATIONAL SECURITY AND INFORMATION TECHNOLOGY CAPITAL ASSETS.

(a) REQUIREMENT TO SUBMIT INFORMATION.—Not later than the date that the President submits the budget.
of the United States Government to Congress each year,
the Secretary of Defense shall submit to Congress a de-
scription of, and relevant budget information on, each in-
formation technology and national security capital asset
of the Department of Defense that—

(1) has an estimated life cycle cost (as com-
    puted in fiscal year 2003 constant dollars), in excess
    of $120,000,000; and

(2) has a cost for the fiscal year in which the
description is submitted (as computed in fiscal year
2003 constant dollars) in excess of $30,000,000.

(b) INFORMATION TO BE INCLUDED.—The descrip-
tion submitted under subsection (a) shall include, with re-
spect to each such capital asset and national security
system—

(1) the name and identifying acronym;

(2) the date of initiation;

(3) a summary of performance measurements
    and metrics;

(4) the total amount of funds, by appropriation
    account, appropriated and obligated for prior fiscal
    years, with a specific breakout of such information
    for the two preceding fiscal years;

(5) the funds, by appropriation account, re-
    quested for that fiscal year;
(6) each prime contractor and the work to be performed;

(7) a description of program management and management oversight;

(8) the original baseline cost and most current baseline information; and


(c) ADDITIONAL INFORMATION TO BE INCLUDED FOR CERTAIN SYSTEMS.—(1) For each information technology and national security system of the Department of Defense that has a cost for the fiscal year in excess of $2,000,000, the Secretary shall identify that system by name, function, and total funds requested for the system.

(2) For each information technology and national security system of the Department of Defense that has a cost for the fiscal year in excess of $10,000,000, the Secretary shall identify that system by name, function, and total funds requested (by appropriation account) for that fiscal year, the funds appropriated for the preceding fiscal year, and the funds estimated to be requested for the next fiscal year.
(d) **DEFINITIONS.**—In this section:

(1) The term “information technology” has the meaning given that term in section 5002 of the Clinger–Cohen Act of 1996 (40 U.S.C. 1401(3)).

(2) The term “capital asset” has the meaning given that term in Office of Management and Budget Circular A–11.

(3) The term “national security system” has the meaning given that term in section 5142 of the Clinger–Cohen Act of 1996 (40 U.S.C. 1452).

**SEC. 353. IMPLEMENTATION OF POLICY REGARDING CERTAIN COMMERCIAL OFF-THE-SHELF INFORMATION TECHNOLOGY PRODUCTS.**

The Secretary of Defense shall ensure that—

(1) the Department of Defense implements the policy established by the Committee on National Security Systems (formerly the National Security Telecommunications and Information Systems Security Committee) that limits the acquisition by the Federal Government of all commercial off-the-shelf information assurance and information assurance-enabled information technology products to those products that have been evaluated and validated in accordance with appropriate criteria, schemes, or programs; and
(2) implementation of such policy includes uniform enforcement procedures.

SEC. 354. INSTALLATION AND CONNECTION POLICY AND PROCEDURES REGARDING DEFENSE SWITCH NETWORK.

(a) Establishment of Policy and Procedures.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall establish clear and uniform policy and procedures, applicable to the military departments and Defense Agencies, regarding the installation and connection of telecom switches to the Defense Switch Network.

(b) Elements of Policy and Procedures.—The policy and procedures shall address at a minimum the following:

(1) Clear interoperability and compatibility requirements for certifying, installing, and connecting telecom switches to the Defense Switch Network.

(2) Current, complete, and enforceable testing, validation, and certification procedures needed to ensure the interoperability and compatibility requirements are satisfied.

(e) Exceptions.—(1) The Secretary of Defense may specify certain circumstances in which—
(A) the requirements for testing, validation, and certification of telecom switches may be waived; or

(B) interim authority for the installation and connection of telecom switches to the Defense Switch Network may be granted.

(2) Only the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence, after consultation with the Chairman of the Joint Chiefs of Staff, may approve a waiver or grant of interim authority under paragraph (1).

(d) INVENTORY OF DEFENSE SWITCH NETWORK.—The Secretary of Defense shall prepare and maintain an inventory of all telecom switches that, as of the date on which the Secretary issues the policy and procedures—

(1) are installed or connected to the Defense Switch Network; but

(2) have not been tested, validated, and certified by the Defense Information Systems Agency (Joint Interoperability Test Center).

(e) TELECOM SWITCH DEFINED.—In this section, the term “telecom switch” means hardware or software designed to send and receive voice, data, and video signals across a network.
Subtitle G—Other Matters

SEC. 361. DISTRIBUTION OF MONTHLY REPORTS ON ALLOCATION OF FUNDS WITHIN OPERATION AND MAINTENANCE BUDGET SUBACTIVITIES.

(a) Designation of Recipients.—Subsection (a) of section 228 of title 10, United States Code, is amended by striking “to Congress” and inserting “to the congressional defense committees”.

(b) Congressional Defense Committees Defined.—Subsection (e) of such section is amended—

(1) by striking “(e) O&M BUDGET ACTIVITY

DEFINED.—For purposes of this section, the” and inserting the following:

“(e) DEFINITIONS.—In this section:

“(1) The”; and

(2) by adding at the end the following:

“(2) The term ‘congressional defense committees’ means the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Represent-atives.”.
SEC. 362. MINIMUM DEDUCTION FROM PAY OF CERTAIN MEMBERS OF THE ARMED FORCES TO SUPPORT ARMED FORCES RETIREMENT HOME.

Section 1007(i) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking “an amount (determined under paragraph (3)) not to exceed $1.00.” and inserting “an amount equal to $1.00 and such additional amount as may be determined under paragraph (3).”; and

(2) in paragraph (3)—

(A) by striking “the amount” in the first sentence and inserting “the additional amount”; and

(B) by striking “The amount” in the second sentence and inserting “The additional amount”.

SEC. 363. CONDITION ON CONVERSION OF DEFENSE SECURITY SERVICE TO A WORKING CAPITAL FUNDED ENTITY.

The Secretary of Defense may not convert the Defense Security Service to a working capital funded entity of the Department of Defense unless the Secretary submits, in advance, to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a certification that the De-
The Defense Security Service has the financial systems in place to fully support operation of the Defense Security Service as a working capital funded entity under section 2208 of title 10, United States Code.

SEC. 364. CONTINUATION OF ARSENAL SUPPORT PROGRAM INITIATIVE.

(a) EXTENSION THROUGH FISCAL YEAR 2004.—


(b) REPORTING REQUIREMENTS.—Subsection (g) of such section is amended—

(1) in paragraph (1), by striking “2002” and inserting “2004”; and

(2) in paragraph (2), by striking the first sentence and inserting the following new sentence: “Not later than July 1, 2003, the Secretary of the Army shall submit to the congressional defense committees a report on the results of the demonstration program since its implementation, including the Secretary’s views regarding the benefits of the program for Army manufacturing arsenals and the Department of the Army and the success of the program...
in achieving the purposes specified in subsection (b).”

SEC. 365. TRAINING RANGE SUSTAINMENT PLAN, GLOBAL STATUS OF RESOURCES AND TRAINING SYSTEM, AND TRAINING RANGE INVENTORY.

(a) PLAN REQUIRED.—(1) The Secretary of Defense shall develop a comprehensive plan for using existing authorities available to the Secretary of Defense and the Secretaries of the military departments to address problems created by limitations on the use of military lands, marine areas, and airspace reserved, withdrawn, or designated for training and testing activities by, for, or on behalf of the Armed Forces.

(2) The plan shall include the following:

(A) Goals and milestones for tracking planned actions and measuring progress.

(B) Projected funding requirements for implementing planned actions.

(C) Designation of an office in the Office of the Secretary of Defense and each of the military departments that will have lead responsibility for overseeing implementation of the plan.

(3) The Secretary of Defense shall submit the plan to Congress at the same time as the President submits the budget for fiscal year 2004 and shall submit an annual
report to Congress describing the progress made in imple-
menting the plan and any additional encroachment prob-
lems.

(b) Readiness Reporting Improvement.—Not later than June 30, 2003, the Secretary of Defense, using existing measures within the authority of the Secretary, shall submit to Congress a report on the plans of the De-
partment of Defense to improve the Global Status of Re-
sources and Training System—

(1) to better reflect the increasing challenges units of the Armed Forces must overcome to achieve training requirements; and

(2) to quantify the extent to which encroach-
ment and other individual factors are making mili-
tary lands, marine areas, and airspace less available to support unit accomplishment of training plans and readiness goals.

(e) Training Range Inventory.—The Secretary of Defense shall develop and maintain a training range data bank for each of the Armed Forces—

(1) to identify all available operational training ranges;

(2) to identify all training capacities and capa-
bilities available at each training range;
(3) to identify all current encroachment threats or other potential limitations on training that are, or are likely to, adversely affect training and readiness; and

(4) to provide a point of contact for each training range.

(d) GAO EVALUATION.—(1) With respect to each report submitted under this section, the Comptroller General shall submit to Congress, within 60 days after receiving the report, an evaluation of the report.

(e) ARMED FORCES DEFINED.—In this section, the term “Armed Forces” means the Army, Navy, Air Force, and Marine Corps.

SEC. 366. AMENDMENTS TO CERTAIN EDUCATION AND NUTRITION LAWS RELATING TO ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) ELIGIBILITY FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF MILITARY HOUSING.—Section 8003(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(2)) is amended by adding at the end the following:

“(H) ELIGIBILITY FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF MILITARY HOUSING.—
“(i) Eligibility.—For any fiscal year beginning with fiscal year 2003, a heavily impacted local educational agency that received a basic support payment under subparagraph (A) for the prior fiscal year, but is ineligible for such payment for the current fiscal year under subparagraph (B) or (C), as the case may be, by reason of the conversion of military housing units to private housing described in clause (iii), shall be deemed to meet the eligibility requirements under subparagraph (B) or (C), as the case may be, for the period during which the housing units are undergoing such conversion.

“(ii) Amount of Payment.—The amount of a payment to a heavily impacted local educational agency for a fiscal year by reason of the application of clause (i), and calculated in accordance with subparagraph (D) or (E) (as the case may be), shall be based on the number of children in average daily attendance in the schools of such agency for the fiscal year.
“(iii) Conversion of military housing units to private housing described.—For purposes of clause (i), ‘conversion of military housing units to private housing’ means the conversion of military housing units to private housing units pursuant to subchapter IV of chapter 169 of title 10, United States Code, or pursuant to any other related provision of law.”.

(b) Exclusion of Certain Military Basic Allowances for Housing for Determination of Eligibility for Free and Reduced Price Meals.—Section 9(b)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)(3)) is amended by adding at the end the following: “For the one-year period beginning on the date of the enactment of this sentence, the amount of a basic allowance provided under section 403 of title 37, United States Code, on behalf of an individual who is a member of the uniformed services for housing that is acquired or constructed under the authority of subchapter IV of chapter 169 of title 10, United States Code, or any other related provision of law, shall not be considered to be income for purposes of determining the eligi-
bility of a child of the individual for free or reduced price
lunches under this Act.”.

TITLE IV—MILITARY
PERSONNEL AUTHORIZATIONS
Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.
The Armed Forces are authorized strengths for active
duty personnel as of September 30, 2003, as follows:

(1) The Army, 484,800.
(2) The Navy, 379,457.
(3) The Marine Corps, 175,000.

SEC. 402. REVISION IN PERMANENT END STRENGTH MIN-
IMUM LEVELS.

(a) Revised End Strength Floors.—Section
691(b) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking “480,000” and inserting “484,800”; 
(2) in paragraph (2), by striking “376,000” and inserting “379,457”; 
(3) in paragraph (3), by striking “172,600” and inserting “175,000”; and 
(4) in paragraph (4), by striking “358,800” and inserting “360,795”.

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(b) **Effective Date.**—The amendments made by subsection (a) shall take effect on October 1, 2002, or the date of the enactment of this Act, whichever is later.

SEC. 403. AUTHORITY FOR MILITARY DEPARTMENT SECRETARIES TO INCREASE ACTIVE-DUTY END STRENGTHS BY UP TO 1 PERCENT.

(a) **Service Secretary Authority.**—Section 115 of title 10, United States Code, is amended by inserting after subsection (e) the following new subsection:

“(f) Upon determination by the Secretary of a military department that such action would enhance manning and readiness in essential units or in critical specialties or ratings, the Secretary may increase the end strength authorized pursuant to subsection (a)(1)(A) for a fiscal year for the armed force under the jurisdiction of that Secretary or, in the case of the Secretary of the Navy, for any of the armed forces under the jurisdiction of that Secretary. Any such increase for a fiscal year—

“(1) shall be by a number equal to not more than 1 percent of such authorized end strength; and

“(2) shall be counted as part of the increase for that armed force for that fiscal year authorized under subsection (e)(1).”.

(b) **Effective Date.**—Subsection (f) of section 115 of title 10, United States Code, as added by subsection
(a), shall take effect on October 1, 2002, or the date of the enactment of this Act, whichever is later.

SEC. 404. GENERAL AND FLAG OFFICER MANAGEMENT.

(a) Exclusion of Senior Military Assistant to the Secretary of Defense from Limitation on Active Duty Officers in Grades Above Major General and Rear Admiral.—Effective on the date specified in subsection (e), section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(8) An officer while serving in a position designated by the Secretary of Defense as Senior Military Assistant to the Secretary of Defense, if serving in the grade of lieutenant general or vice admiral, is in addition to the number that otherwise would be permitted for that officer’s armed force for that grade under paragraph (1) or (2). Only one officer may be designated as Senior Military Assistant to the Secretary of Defense for purposes of this paragraph.”.

(b) Increase in Number of Lieutenant Generals Authorized for the Marine Corps.—Effective on the date specified in subsection (e), paragraph (2)(B) of such section is amended by striking “16.2 percent” and inserting “17.5 percent”.

•HR 4546 EH
(c) Grade of Chief of Veterinary Corps of the Army.—(1) Effective on the date specified in subsection (e), chapter 307 of such title is amended by adding at the end the following new section:

§ 3084. Chief of Veterinary Corps: grade

``The Chief of the Veterinary Corps of the Army serves in the grade of brigadier general. An officer appointed to that position who holds a lower grade shall be appointed in the grade of brigadier general.”.

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

“3084. Chief of Veterinary Corps: grade.”.

(d) Review of Active Duty and Reserve General and Flag Officer Authorizations.—(1) The Secretary of Defense shall submit to Congress a report containing any recommendations of the Secretary (together with the rationale of the Secretary for the recommendations) concerning the following:

(A) Revision of the limitations on general and flag officer grade authorizations and distribution in grade prescribed by sections 525, 526, and 12004 of title 10, United States Code.

(B) Statutory designation of the positions and grades of any additional general and flag officers in the commands specified in chapter 1006 of title 10,
United States Code, and the reserve component offices specified in sections 3038, 5143, 5144, and 8038 of such title.

(2) The provisions of subsection (b) through (e) of section 1213 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2694) shall apply to the report under paragraph (1) in the same manner as they applied to the report required by subsection (a) of that section.

(c) Effective Date.—The amendments made by subsections (a), (b), and (e) shall take effect on the date of the receipt by Congress of the report required by subsection (d).

SEC. 405. EXTENSION OF CERTAIN AUTHORITIES RELATING TO MANAGEMENT OF NUMBERS OF GENERAL AND FLAG OFFICERS IN CERTAIN GRADES.

(a) Senior Joint Officer Positions.—Section 604(c) of title 10, United States Code, is amended by striking “September 30, 2003” and inserting “December 31, 2004”.

(b) Distribution of Officers on Active Duty in General and Flag Officer Grades.—Section 525(b)(5)(C) of such title is amended by striking “September 30, 2003” and inserting “December 31, 2004”.

•HR 4546 EH
(c) Authorized Strength for General and Flag Officers on Active Duty.—Section 526(b)(3) of such title is amended by striking “October 1, 2002” and inserting “December 31, 2004”.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) In General.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2003, as follows:

(1) The Army National Guard of the United States, 350,000.
(2) The Army Reserve, 205,000.
(3) The Naval Reserve, 87,800.
(4) The Marine Corps Reserve, 39,558.
(5) The Air National Guard of the United States, 106,600.
(6) The Air Force Reserve, 75,600.
(7) The Coast Guard Reserve, 9,000.

(b) Adjustments.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and
(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2003, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,562.

(2) The Army Reserve, 14,070.

(3) The Naval Reserve, 14,572.
SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS (DUAL STATUS).

The minimum number of military technicians (dual status) as of the last day of fiscal year 2003 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army National Guard of the United States, 24,102.
(2) For the Army Reserve, 6,599.
(3) For the Air National Guard of the United States, 22,495.
(4) For the Air Force Reserve, 9,911.

SEC. 414. FISCAL YEAR 2003 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

(a) ARMED FORCES.—The number of non-dual status technicians employed by the reserve components of the Army as of September 30, 2003, may not exceed the following:

(1) For the Army Reserve, 995.
(2) For the Army National Guard of the United States, 1,600, to be counted within the limitation
specified in section 10217(c)(2) of title 10, United States Code.

(b) AIR FORCE.—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2003, may not exceed the following:

(1) For the Air Force Reserve, 90.

(2) For the Air National Guard of the United States, 350, to be counted within the limitation specified in section 10217(c)(2) of title 10, United States Code.

(c) NON-DUAL STATUS TECHNICIANS DEFINED.—In this section, the term “non-dual status technician” has the meaning given that term in section 10217(a) of title 10, United States Code.

(d) TECHNICAL AMENDMENTS.—Effective October 1, 2002, section 10217(c)(2) of title 10, United States Code, is amended—

(1) in the first sentence, by striking “Effective October 1, 2002, the” and inserting “The”; and

(2) in the second sentence, by striking “after the preceding sentence takes effect”.

•HR 4546 EH
Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2003 a total of $93,725,028,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2003.

TITLE V—MILITARY PERSONNEL POLICY

SEC. 501. INCREASE IN NUMBER OF DEPUTY COMMANDANTS OF THE MARINE CORPS.

Section 5045 of title 10, United States Code, is amended by striking “five” and inserting “six”.

SEC. 502. EXTENSION OF GOOD-OF-THE-SERVICE WAIVER AUTHORITY FOR OFFICERS APPOINTED TO A RESERVE CHIEF OR GUARD DIRECTOR POSITION.

(a) Waiver of Requirement for Significant Joint Duty Experience.—Sections 3038(b)(4), 5143(b)(4), 5144(b)(4), 8038(b)(4), and 10506(a)(3)(D) of title 10, United States Code, are each amended by strik-
ing “October 1, 2003” and inserting “December 31, 2004”.

(b) **Report on Future Implementation of Requirement.**—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report setting forth the steps being taken (and proposed to be taken) by the Secretary, the Secretaries of the military departments, and the Chairman of the Joint Chiefs of Staff to ensure that no further extension of the waiver authority under the sections amended by subsection (a) is required and that after December 31, 2004, appointment of officers to serve in the positions covered by those sections shall be made from officers with the requisite joint duty experience.

**Subtitle B—Reserve Component Management**

**SEC. 511. Reviews of National Guard Strength Accounting and Management and Other Issues.**

(a) **Comptroller General Assessments.**—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a
report on management of the National Guard. The report shall include the following:

(1) The Comptroller General’s assessment of the effectiveness of the implementation of Department of Defense plans for improving management and accounting for personnel strengths in the National Guard, including an assessment of the process that the Department of Defense, the National Guard Bureau, the Army National Guard and State-level National Guard leadership, and leadership in the other reserve components have for identifying and addressing in a timely manner specific units in which nonparticipation rates are significantly in excess of the established norms.

(2) The Comptroller General’s assessment of the effectiveness of the process for Federal recognition of senior National Guard officers and recommendations for improvement to that process.

(3) The Comptroller General’s assessment of the process for, and the nature and extent of, the administrative or judicial corrective action taken by the Secretary of Defense, the Secretary of the Army, and the Secretary of the Air Force as a result of Inspector General investigations or other investigations.
in which allegations against senior National Guard
officers are substantiated in whole or in part.

(4) The Comptroller General’s determination of
the effectiveness of the Federal protections provided
for members or employees of the National Guard
who report allegations of waste, fraud, abuse, or
mismanagement and the nature and extent to which
corrective action is taken against those in the Na-
tional Guard who retaliate against such members or
employees.

(b) Secretary of Defense Report on Dif-
ferent Army and Air Force Procedures.—Not later
than six months after the date of the enactment of this
Act, the Secretary of Defense shall submit to Congress
a report on the differing Army and Air Force policies for
taking adverse administrative actions against National
Guard officers in a State status. The report shall include
the Secretary’s determination as to whether changes
should be made in those policies, especially through requir-
ing the Air Force to adopt the same policy as the Army
for such administrative actions.

SEC. 512. COURTS-MARTIAL FOR THE NATIONAL GUARD
WHEN NOT IN FEDERAL SERVICE.

(a) Manner of Prescribing Punishments.—Sec-
tion 326 of title 32, United States Code, is amended by
adding at the end the following new sentence: “Punishments shall be as provided by the laws of the respective States and Territories, Puerto Rico, and the District of Columbia.”.

(b) CONVENING AUTHORITY.—Section 327 of such title is amended to read as follows:

“§327. Courts-martial of National Guard not in Federal service: convening authority

“(a) In the National Guard not in Federal service, general, special, and summary courts-martial may be convened as provided by the laws of the States and Territories, Puerto Rico, and the District of Columbia.

“(b) In addition to convening authorities as provided under subsection (a), in the National Guard not in Federal service—

“(1) general courts-martial may be convened by the President;

“(2) special courts-martial may be convened—

“(A) by the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where troops are on duty;

or

“(B) by the commanding officer of a division, brigade, regiment, wing, group, detached
battalion, separate squadron, or other detached command; and

“(3) summary courts-martial may be convened—

“(A) by the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where troops are on duty; or

“(B) by the commanding officer of a division, brigade, regiment, wing, group, detached battalion, detached squadron, detached company, or other detachment.”.

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

“327. Courts-martial of National Guard not in Federal service: convening authority.”.

(c) REPEAL OF SUPERSEDED AND OBSOLETE PROVISIONS.—

(1) Sections 328, 329, 330, 331, 332, and 333 of title 32, United States Code, are repealed.

(2) The table of sections at the beginning of chapter 3 of such title is amended by striking the items relating to sections 328, 329, 330, 331, 332, and 333.
(d) Preparation of Model State Code of Military Justice and Model State Manual for Courts-Martial.—(1) The Secretary of Defense shall prepare, for consideration for enactment by the States, a model State code of military justice and a model State manual of courts-martial for use with respect to the National Guard not in Federal service. Both such models shall be consistent with the recommendations contained in the report, issued in 1998, by the panel known as the Department of Defense Panel to Study Military Justice in the National Guard not in Federal Service.

(2) The Secretary shall ensure that adequate support for the preparation of such model State code and model State manual (including the detailing of attorneys and other staff) is provided by the General Counsel of the Department of Defense, the Secretary of the Army, the Secretary of the Air Force, and the Chief of the National Guard Bureau.

(3) If the amounts available to the Chief of the National Guard Bureau are not adequate for the costs required to provide support under paragraph (2) (including costs for increased pay when members of the National Guard are ordered to active duty, cost of detailed attorneys and other staff, allowances, and travel expenses), the
1 Secretary shall, upon request of the Chief of the Bureau,
2 provide such additional amounts as are necessary.
3
4 (4) Not later than one year after the date of the en-
5 actment of this Act, the Secretary shall submit to the
6 Committee on Armed Services of the Senate and the Com-
7 mittee on Armed Services of the House of Representatives
8 a report on the implementation of this subsection. The re-
9 port shall include proposals in final form of both the model
10 State code and the model State manual required by para-
11 graph (1) and shall set forth the efforts being made to
12 present those proposals to the States for their consider-
13 ation for enactment.
14
15 (5) In this subsection, the term “State” includes the
16 District of Columbia, the Commonwealth of Puerto Rico,
17 the Virgin Islands, and Guam.
18
19 SEC. 513. MATCHING FUNDS REQUIREMENTS UNDER NA-
20 TIONAL GUARD YOUTH CHALLENGE PRO-
21 GRAM.
22
23 Effective October 1, 2002, subsection (d) of section
24 509 of title 32, United States Code, is amended to read
25 as follows:
26 “(d) MATCHING FUNDS REQUIRED.—The amount of
27 assistance provided under this section to a State program
28 of the National Guard Challenge Program for a fiscal year
may not exceed 75 percent of the costs of operating the State program during that fiscal year.”.

Subtitle C—Reserve Component
Officer Personnel Policy

SEC. 521. EXEMPTION FROM ACTIVE STATUS STRENGTH LIMITATION FOR RESERVE COMPONENT

GENERAL AND FLAG OFFICERS SERVING ON ACTIVE DUTY IN CERTAIN JOINT DUTY ASSIGNMENTS DESIGNATED BY THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

Section 12004 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(f)(1) A general or flag officer who is on active duty but who is not counted under section 526(a) of this title by reason of section 526(b)(2)(B) of this title shall also be excluded from being counted under subsection (a).

“(2) This subsection shall cease to be effective on the date specified in section 526(b)(3) of this title.”.
SEC. 522. ELIGIBILITY FOR CONSIDERATION FOR PROMOTION TO GRADE OF MAJOR GENERAL FOR CERTAIN RESERVE COMPONENT BRIGADIER GENERALS WHO DO NOT OTHERWISE QUALIFY FOR CONSIDERATION FOR PROMOTION UNDER THE ONE-YEAR RULE.

Section 14301(g) of title 10, United States Code, is amended to read as follows:

“(g) BRIGADIER GENERALS.—(1) An officer who is a reserve component brigadier general of the Army or the Air Force who is not eligible for consideration for promotion under subsection (a) because the officer is not on the reserve active status list (as required by paragraph (1) of that subsection for such eligibility) is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

“(A) as of the date of the convening of the promotion board, the officer has been in an inactive status for less than one year; and

“(B) immediately before the date of the officer’s most recent transfer to an inactive status, the officer had continuously served on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list) for at least one year.
“(2) An officer who is a reserve component brigadier general of the Army or the Air Force who is on the reserve active status list but who is not eligible for consideration for promotion under subsection (a) because the officer’s service does not meet the one-year-of-continuous-service requirement under paragraph (2) of that subsection is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

“(A) the officer was transferred from an inactive status to the reserve active status list during the one-year period preceding the date of the convening of the promotion board;

“(B) immediately before the date of the officer’s most recent transfer to an active status, the officer had been in an inactive status for less than one year; and

“(C) immediately before the date of the officer’s most recent transfer to an inactive status, the officer had continuously served for at least one year on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list).”.
SEC. 523. RETENTION OF PROMOTION ELIGIBILITY FOR RESERVE COMPONENT GENERAL AND FLAG OFFICERS TRANSFERRED TO AN INACTIVE STATUS.

Section 14317 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(f) Effect of Transfer of Officers in Pay Grade O–7 to Inactive Status.—Notwithstanding subsection (a), if a reserve officer on the active-status list in the grade of brigadier general or rear admiral (lower half) is transferred to an inactive status after having been recommended for promotion to the grade of major general or rear admiral under this chapter, or after having been found qualified for Federal recognition in the grade of major general under title 32, but before being promoted, the officer shall retain promotion eligibility and, if otherwise qualified, may be promoted to the higher grade after returning to an active status.”.

SEC. 524. AUTHORITY FOR LIMITED EXTENSION OF MEDICAL DEFERMENT OF MANDATORY RETIREMENT OR SEPARATION FOR RESERVE OFFICERS.

(a) Deferment of Retirement or Separation for Medical Reasons.—Chapter 1407 of title 10,
United States Code, is amended by adding at the end the following new section:

“§14519. Deferment of retirement or separation for medical reasons

“(a) If the Secretary of the military department concerned determines that the evaluation of the physical condition of a Reserve officer and determination of the officer’s entitlement to retirement or separation for physical disability require hospitalization or medical observation and that such hospitalization or medical observation cannot be completed with confidence in a manner consistent with the officer’s well-being before the date on which the officer would otherwise be required to be separated, retired, or transferred to the Retired Reserve under this title, the Secretary may defer the separation, retirement, or transfer of the officer under this title.

“(b) A deferral under subsection (a) of separation, retirement, or transfer to the Retired Reserve may not extend for more than 30 days after completion of the evaluation requiring hospitalization or medical observation.”.

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“14519. Deferment of retirement or separation for medical reasons.”.
Subtitle D—Education and Training

SEC. 531. AUTHORITY FOR PHASED INCREASE TO 4,400 IN AUTHORIZED STRENGTHS FOR THE SERVICE ACADEMIES.

(a) MILITARY ACADEMY.—Section 4342 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following: “or such higher number as may be prescribed by the Secretary of the Army under subsection (j)”; and

(2) by adding at the end the following new subsection:

“(j)(1) Beginning with the 2003–2004 academic year, the Secretary of the Army may prescribe annual increases in the cadet strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 cadets or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the cadet strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

“(2) Any increase in the cadet strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget
of the President is submitted to Congress under section 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the cadet strength limit and the new cadet strength limit, as so increased, and the amount of the increase in Senior Army Reserve Officers’ Training Corps enrollment under each of sections 2104 and 2107 of this title.

“(3) The amount of an increase under paragraph (1) in the cadet strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of cadets enrolled in the Army Senior Reserve Officers’ Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

“(4) In this subsection, the term ‘cadet strength limit’ means the authorized maximum strength of the Corps of Cadets of the Academy.”.

(b) NAVAL ACADEMY.—Section 6954 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following:
“or such higher number as may be prescribed by the Secretary of the Navy under subsection (h)”;
and

(2) by adding at the end the following new subsection:

“(h)(1) Beginning with the 2003–2004 academic year, the Secretary of the Navy may prescribe annual increases in the midshipmen strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 midshipmen or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the midshipmen strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

“(2) Any increase in the midshipmen strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under section 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the midshipmen strength limit and the new midshipmen strength limit, as so increased,
and the amount of the increase in Senior Navy Reserve Officers’ Training Corps enrollment under each of sections 2104 and 2107 of this title.

“(3) The amount of an increase under paragraph (1) in the midshipmen strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of midshipmen enrolled in the Navy Senior Reserve Officers’ Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

“(4) In this subsection, the term ‘midshipmen strength limit’ means the authorized maximum strength of the Brigade of Midshipmen.”

(e) AIR FORCE ACADEMY.—Section 9342 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following: “or such higher number as may be prescribed by the Secretary of the Air Force under subsection (j)”; and

(2) by adding at the end the following new subsection:

“(j)(1) Beginning with the 2003–2004 academic year, the Secretary of the Air Force may prescribe annual increases in the cadet strength limit in effect under sub-
section (a). For any academic year, any such increase shall be by no more than 100 cadets or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the cadet strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

“(2) Any increase in the cadet strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under sections 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the cadet strength limit and the new cadet strength limit, as so increased, and the amount of the increase in Senior Air Force Reserve Officers’ Training Corps enrollment under each of sections 2104 and 2107 of this title.

“(3) The amount of an increase under paragraph (1) in the cadet strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of cadets enrolled in the Air Force Senior Reserve Officers’ Training Corps program
under chapter 103 of this title who have entered into an
agreement under section 2104 or 2107 of this title.
“(4) In this subsection, the term ‘cadet strength
limit’ means the authorized maximum strength of Air
Force Cadets of the Academy.”.
(d) TARGET FOR INCREASES IN NUMBER OF ROTC
SCHOLARSHIP PARTICIPANTS.—Section 2107 of such title
is amended by adding at the end the following new sub-
section:
“(i) The Secretary of each military department shall
seek to achieve an increase in the number of agreements
entered into under this section so as to achieve an in-
crease, by the 2006–2007 academic year, of not less than
400 in the number of cadets or midshipmen, as the case
may be, enrolled under this section, compared to such
number enrolled for the 2002–2003 academic year. In the
case of the Secretary of the Navy, the Secretary shall seek
to ensure that not less than one-third of such increase in
agreements under this section are with students enrolled
(or seeking to enroll) in programs of study leading to a
baccalaureate degree in nuclear engineering or another ap-
propriate technical, scientific, or engineering field of
study.”.
(e) Repeal of Limit on Number of ROTC Scholarships.—Section 2107 of such title is further amended by striking the first sentence of subsection (h)(1).

(f) Repeal of Obsolete Language.—Section 4342(i) of such title is amended by striking “(beginning with the 2001–2002 academic year)”.

SEC. 532. ENHANCEMENT OF RESERVE COMPONENT DELAYED TRAINING PROGRAM.

(a) Increase in Time Following Enlistment for Commencement of Initial Period of Active Duty for Training.—Section 12103(d) of title 10, United States Code, is amended by striking “270 days” in the last sentence and inserting “one year”.

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to enlistments under section 12103(d) of title 10, United States Code, after the end of the 90–day period beginning on the date of the enactment of this Act.

(c) Transition.—In the case of a person who enlisted under section 12103(d) of title 10, United States Code, before the date of the enactment of this Act and who as of such date has not commenced the required initial period of active duty for training under that section, the amendment made by subsection (a) may be applied
to that person, but only with the agreement of that person and the Secretary concerned.

SEC. 533. PREPARATION FOR, PARTICIPATION IN, AND CONDUCT OF ATHLETIC COMPETITIONS BY THE NATIONAL GUARD AND MEMBERS OF THE NATIONAL GUARD.

(a) ATHLETIC AND SMALL ARMS COMPETITIONS.—Section 504 of title 32, United States Code, is amended by adding at the end the following new subsection:

“(c) CONDUCT OF AND PARTICIPATION IN CERTAIN COMPETITIONS.—(1) Under regulations prescribed by the Secretary of Defense, members and units of the National Guard may conduct and compete in a qualifying athletic competition or a small arms competition so long as—

“(A) the conduct of, or participation in, the competition does not adversely affect the quality of training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit;

“(B) National Guard personnel will enhance their military skills as a result of conducting or participating in the competition; and

“(C) the conduct of or participation in the competition will not result in a significant increase in National Guard costs.
“(2) Facilities and equipment of the National Guard, including military property and vehicles described in section 508(c) of this title, may be used in connection with the conduct of or participation in a qualifying athletic competition or a small arms competition under paragraph (1).”.

(b) OTHER MATTERS.—Such section is further amended by adding after subsection (c), as added by subsection (a) of this section, the following new subsections:

“(d) AVAILABILITY OF FUNDS.—(1) Subject to paragraph (2) and such limitations as may be enacted in appropriations Acts and such regulations as the Secretary of Defense may prescribe, amounts appropriated for the National Guard may be used to cover—

“(A) the costs of conducting or participating in a qualifying athletic competition or a small arms competition under subsection (c); and

“(B) the expenses of members of the National Guard under subsection (a)(3), including expenses of attendance and participation fees, travel, per diem, clothing, equipment, and related expenses.

“(2) Not more than $2,500,000 may be obligated or expended in any fiscal year under subsection (c).

“(e) QUALIFYING ATHLETIC COMPETITION DEFINED.—In this section, the term ‘qualifying athletic com-
petition’ means a competition in athletic events that require skills relevant to military duties or involve aspects of physical fitness that are evaluated by the armed forces in determining whether a member of the National Guard is fit for military duty.”.

(c) Stylistic Amendments.—Such section is further amended—

(1) in subsection (a), by inserting “AUTHORIZED ACTIVITIES.—” after “(a)”; and

(2) in subsection (b), by inserting “AUTHORIZED LOCATIONS.—” after “(b)”.

(d) Conforming and Clerical Amendments.—

(1) Subsection (a) of such section is amended—

(A) in paragraph (1), by inserting “and” after the semicolon;

(B) in paragraph (2), by striking “; or” and inserting a period; and

(C) by striking paragraph (3).

(2) The heading of such section is amended to read as follows:

“§ 504. National Guard schools; small arms competitions; athletic competitions”.

(3) The item relating to section 504 in the table of sections at the beginning of chapter 5 of title 10, United States Code, is amended to read as follows:

“504. National Guard schools; small arms competitions; athletic competitions.”.

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Subtitle E—Decorations and Awards

SEC. 541. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the military department concerned (or a designated official acting on behalf of the Secretary of the military department concerned) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on December 28, 2001, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States
Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 542. OPTION TO CONVERT AWARD OF ARMED FORCES EXPEDITIONARY MEDAL AWARDED FOR OPERATION FREQUENT WIND TO VIETNAM SERVICE MEDAL.

(a) IN GENERAL.—The Secretary of the military department concerned shall, upon the application of an individual who is an eligible Vietnam evacuation veteran, award that individual the Vietnam Service Medal, notwithstanding any otherwise applicable requirements for the award of that medal. Any such award shall be made in lieu of the Armed Forces Expeditionary Medal awarded the individual for participation in Operation Frequent Wind.

(b) ELIGIBLE VIETNAM EVACUATION VETERAN.— For purposes of this section, the term “eligible Vietnam evacuation veteran” means a member or former member of the Armed Forces who was awarded the Armed Forces Expeditionary Medal for participation in military operations designated as Operation Frequent Wind arising from the evacuation of Vietnam on April 29 and 30, 1975.
Subtitle F—Administrative Matters

SEC. 551. STAFFING AND FUNDING FOR DEFENSE PRISONER OF WAR/MISSING PERSONNEL OFFICE.

(a) Requirement for Staffing and Funding at Levels Required for Performance of Full Range of Missions.—Subsection (a) of section 1501 of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(5)(A) The Secretary of Defense shall ensure that the office is provided sufficient military and civilian personnel levels, and sufficient funding, to enable the office to fully perform its complete range of missions. The Secretary shall ensure that Department of Defense programming, planning, and budgeting procedures are structured so as to ensure compliance with the preceding sentence for each fiscal year.

“(B) For any fiscal year, the number of military and civilian personnel assigned or detailed to the office may not be less than the number requested in the President’s budget for fiscal year 2003, unless a level below such number is expressly required by law.

“(C) For any fiscal year, the level of funding allocated to the office within the Department of Defense may not be below the level requested for such purposes in the
President’s budget for fiscal year 2003, unless such a level of funding is expressly required by law.”.

(b) NAME OF OFFICE.—Such subsection is further amended by inserting after the first sentence of paragraph (1) the following new sentence: “Such office shall be known as the Defense Prisoner of War/Missing Personnel Office.”.

SEC. 552. THREE-YEAR FREEZE ON REDUCTIONS OF PERSONNEL OF AGENCIES RESPONSIBLE FOR REVIEW AND CORRECTION OF MILITARY RECORDS.

(a) IN GENERAL.—Chapter 79 of title 10, United States Code, is amended by adding at the end the following new section:

“§1559. Personnel limitation

“(a) LIMITATION.—During fiscal years 2003, 2004, and 2005, the Secretary of a military department may not carry out any reduction in the number of military and civilian personnel assigned to duty with the service review agency for that military department below the baseline number for that agency until—

“(1) the Secretary submits to Congress a report that—

“(A) describes the reduction proposed to be made;
“(B) provides the Secretary’s rationale for
that reduction; and
“(C) specifies the number of such per-
sonnel that would be assigned to duty with that
agency after the reduction; and
“(2) a period of 90 days has elapsed after the
date on which the report is submitted.
“(b) BASELINE NUMBER.—The baseline number for
a service review agency under this section is—
“(1) for purposes of the first report with re-
spect to a service review agency under this section,
the number of military and civilian personnel as-
signed to duty with that agency as of January 1,
2002; and
“(2) for purposes of any subsequent report with
respect to a service review agency under this section,
the number of such personnel specified in the most
recent report with respect to that agency under this
section.
“(c) SERVICE REVIEW AGENCY DEFINED.—In this
section, the term ‘service review agency’ means—
“(1) with respect to the Department of the
Army, the Army Review Boards Agency;
“(2) with respect to the Department of the Navy, the Board for Correction of Naval Records; and

“(3) with respect to the Department of the Air Force, the Air Force Review Boards Agency.”.

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

“1559. Personnel limitation.”.

SEC. 553. DEPARTMENT OF DEFENSE SUPPORT FOR PERSONS PARTICIPATING IN MILITARY FUNERAL HONORS DETAILS.

Section 1491(d) of title 10, United States Code, is amended—

(1) by striking “To provide a” after “SUP-
PORT.—” and inserting “(1) To support a”;

(2) by redesignating paragraph (1) as subpara-
graph (A) and amending such subparagraph, as so redesignated, to read as follows:

“(A) For a person who participates in a funeral honors detail (other than a person who is a member of the armed forces not in a retired status or an em-
ployee of the United States), either transportation (or reimbursement for transportation) and expenses or the daily stipend prescribed under paragraph (2).”;

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(3) by redesignating paragraph (2) as subparagraph (B) and in that subparagraph—

(A) by striking “Materiel, equipment, and training for” and inserting “For”; and

(B) by inserting before the period at the end “and for members of the armed forces in a retired status, materiel, equipment, and training”;

(4) by redesignating paragraph (3) as subparagraph (C) and in that subparagraph—

(A) by striking “Articles of clothing for” and inserting “For”; and

(B) by inserting “, articles of clothing” after “subsection (b)(2)”; and

(5) by adding at the end the following new paragraphs:

“(2) The Secretary of Defense shall prescribe annually a flat rate daily stipend for purposes of paragraph (1)(A). Such stipend shall be set at a rate so as to encompass typical costs for transportation and other miscellaneous expenses for persons participating in funeral honors details who are members of the armed forces in a retired status and other persons are not members of the armed forces or employees of the United States.
“(3) A stipend paid under this subsection to a member of the armed forces in a retired status is in addition to any compensation to which the member is entitled under section 435(a)(2) of title 37 and any other compensation to which the member may be entitled.”.

SEC. 554. AUTHORITY FOR USE OF VOLUNTEERS AS PROCTORS FOR ADMINISTRATION OF ARMED SERVICES VOCATIONAL APTITUDE BATTERY TEST.

Section 1588(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(6) Voluntary services as a proctor for administration to secondary school students of the test known as the ‘Armed Services Vocational Aptitude Battery’.”.

SEC. 555. ANNUAL REPORT ON STATUS OF FEMALE MEMBERS OF THE ARMED FORCES.

(a) In general.—Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

“§488. Status of female members of the armed forces: annual report

“(a) Annual Report.—The Secretary of Defense shall submit to Congress an annual report on the status
of female members of the armed forces. Information in
the report shall be shown for the Department of Defense
as a whole and separately for each of the Army, Navy,
Air Force, and Marine Corps.

“(b) Matters To Be Included.—Each report
under subsection (a) shall include, at a minimum, the fol-
lowing information with respect to female members:

“(1) Access to health care.
“(2) Positions open.
“(3) Assignment policies.
“(4) Joint spouse assignments.
“(5) Deployment availability rates.
“(6) Promotion and retention rates.
“(7) Assignments in nontraditional fields.
“(8) Assignments to command positions.
“(9) Selection for service schools.
“(10) Sexual harassment.”.

(b) Clerical Amendment.—The table of sections
at the beginning of such chapter is amended by adding
at the end the following new item:

“488. Status of female members of the armed forces: annual report.”.
Subtitle G—Benefits

SEC. 561. VOLUNTARY LEAVE SHARING PROGRAM FOR MEMBERS OF THE ARMED FORCES.

(a) In General.—(1) Chapter 40 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 709. Voluntary transfers of leave

“(a) Program.—The Secretary concerned shall, by regulation, establish a program under which leave accrued by a member of an armed force may be transferred to another member of the same armed force who requires additional leave because of a qualifying emergency. Any such transfer of leave may be made only upon the voluntary written application of the member whose leave is to be transferred.

“(b) Approval of Commanding Officer Required.—Any transfer of leave under a program under this section may only be made with the approval of the commanding officer of the leave donor and the leave recipient.

“(c) Qualifying Emergency.—In this section, the term ‘qualifying emergency’, with respect to a member of the armed forces, means a circumstance that—

“(1) is likely to require the prolonged absence of the member from duty; and
“(2) is due to—

“(A) a medical condition of a member of
the immediate family of the member; or

“(B) any other hardship that the Secretary
concerned determines appropriate for purposes
of this section.

“(d) MILITARY DEPARTMENT REGULATIONS.—Reg-
ulations prescribed under this section by the Secretaries
of the military department shall be as uniform as prac-
ticable and shall be subject to approval by the Secretary
of Defense.”.

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

“709. Voluntary transfers of leave.”.

(b) DEADLINE FOR IMPLEMENTING REGULATIONS.—
Regulations to implement section 709 of title 10, United
States Code, as added by subsection (a), shall be pre-
scribed not later than six months after the date of the
enactment of this Act.

SEC. 562. ENHANCED FLEXIBILITY IN MEDICAL LOAN RE-
PAYMENT PROGRAM.

(a) ELIGIBLE PERSONS.—Subsection (d) of section
2173 of title 10, United States Code, is amended by strik-
ing “Participants” and all that follows through “and stu-
dents” and inserting “Students”.

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(b) Loan Repayment Amounts.—Subsection (e)(2) of such section is amended by striking the last sentence.

SEC. 563. EXPANSION OF OVERSEAS TOUR EXTENSION BENEFITS.

Section 705(b)(2) of title 10, United States Code, is amended—

(1) by striking “recuperative” and inserting “recuperation”; and

(2) by inserting before the period at the end the following: “, or to an alternate location at a cost not to exceed the cost of transportation to the nearest port in the 48 contiguous States, and return”.

SEC. 564. VEHICLE STORAGE IN LIEU OF TRANSPORTATION WHEN MEMBER IS ORDERED TO A NONFOREIGN DUTY STATION OUTSIDE CONTINENTAL UNITED STATES.

(a) Storage Costs Authorized.—Subsection (b) of section 2634 of title 10, United States Code, is amended by striking paragraphs (1) and (2) and inserting the following:

“(b)(1) When a member receives a vehicle storage qualifying order, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned. In the case of a vehicle storage qual-
fying order that is to make a change of permanent station, such storage is in lieu of transportation authorized by sub-
section (a).

“(2) In this subsection, the term ‘vehicle storage qualifying order’ means any of the following:

“(A) An order to make a change of permanent station to a foreign country in a case in which the laws, regulations, or other restrictions imposed by the foreign country or by the United States either—

“(i) preclude entry of a motor vehicle described in subsection (a) into that country; or

“(ii) would require extensive modification of the vehicle as a condition to entry.

“(B) An order to make a change of permanent station to a nonforeign area outside the continental United States in a case in which the laws, regulations, or other restrictions imposed by that area or by the United States either—

“(i) preclude entry of a motor vehicle described in subsection (a) into that area; or

“(ii) would require extensive modification of the vehicle as a condition to entry.

“(C) An order under which a member is transferred or assigned in connection with a contingency operation to duty at a location other than the per-
manent station of the member for a period of more
than 30 consecutive days but which is not considered
a change of permanent station.”.

(b) NONFOREIGN AREA OUTSIDE THE CONTINENTAL
UNITED STATES DEFINED.—Subsection (h) of such sec-
tion is amended by adding at the end the following new
paragraph:

“(3) The term ‘nonforeign area outside the con-
tinental United States’ means any of the following:
the States of Alaska and Hawaii, the Common-
wealths of Puerto Rico and the Northern Mariana
Islands, and any possession of the United States.”.

(c) EFFECTIVE DATE.—The amendments made by
this section apply to orders to make a change of perma-
nent station to a nonforeign area outside the continental
United States (as such term is defined in subsection (h)(3)
of section 2634 of title 10, United States Code, as added
by subsection (b)) that are issued on or after the date of
the enactment of this Act.

Subtitle H—Military Justice
Matters

SEC. 571. RIGHT OF CONVICTED ACCUSED TO REQUEST
SENTENCING BY MILITARY JUDGE.

(a) SENTENCING BY JUDGE.—(1) Chapter 47 of title
10, United States Code (the Uniform Code of Military
Justice), is amended by inserting after section 852 (article 52) the following new section:

"§ 852a. Art. 52a. Right of accused to request sentencing by military judge rather than by members

(a) In the case of an accused convicted of an offense by a court-martial composed of a military judge and members, the sentence shall be tried before and adjudged by the military judge rather than the members if, after the findings are announced and before evidence in the sentencing proceeding is introduced, the accused, knowing the identity of the military judge and after consultation with defense counsel, requests orally on the record or in writing that the sentence be tried before and adjudged by the military judge rather than the members.

(b) This section shall not apply with respect to an offense for which the death penalty may be adjudged unless the case has been previously referred to trial as a non-capital case.”.

(2) The table of sections at the beginning of subchapter VII of such chapter is amended by inserting after the item relating to section 852 (article 52) the following new item:

"852a. 52a. Right of accused to request sentencing by military judge rather than by members.”.
(b) Effective Date.—Section 852a of title 10, United States Code (article 52a of the Uniform Code of Military Justice), as added by subsection (a), shall apply with respect to offenses committed on or after January 1, 2003.

SEC. 572. REPORT ON DESIRABILITY AND FEASIBILITY OF CONSOLIDATING SEPARATE COURSES OF BASIC INSTRUCTION FOR JUDGE ADVOCATES.

Not later than February 1, 2003, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the desirability and feasibility of consolidating the separate Army, Navy, and Air Force courses of basic instruction for judge advocates into a single course to be conducted at a single location. The report shall include—

(1) an assessment of the advantages and disadvantages of such a consolidation;

(2) a recommendation as to whether such a consolidation is desirable and feasible; and

(3) any proposal for legislative action that the Secretary considers appropriate for carrying out such a consolidation.
TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS
Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2003.

(a) Waiver of Section 1009 Adjustment.—The adjustment to become effective during fiscal year 2003 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) Increase in Basic Pay.—Effective on January 1, 2003, the rates of monthly basic pay for members of the uniformed services within each pay grade are as follows:
COMMISSIONED OFFICERS

Years of service computed under section 205 of title 37, United States Code

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<td>4,736.10</td>
<td>4,736.10</td>
<td>4,736.10</td>
<td>4,736.10</td>
<td>4,736.10</td>
</tr>
<tr>
<td>O–2 3</td>
<td>3,481.20</td>
<td>3,481.20</td>
<td>3,481.20</td>
<td>3,481.20</td>
<td>3,481.20</td>
</tr>
<tr>
<td>O–1 3</td>
<td>2,746.80</td>
<td>2,746.80</td>
<td>2,746.80</td>
<td>2,746.80</td>
<td>2,746.80</td>
</tr>
</tbody>
</table>

1 Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O–7 through O–10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

2 Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is $14,155.50, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

3 This table does not apply to commissioned officers in pay grade O–1, O–2, or O–3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.
COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>O–3E</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$3,883.50</td>
<td>$4,069.50</td>
</tr>
<tr>
<td>O–2E</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>3,410.70</td>
<td>3,481.20</td>
</tr>
<tr>
<td>O–1E</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>2,746.80</td>
<td>2,933.70</td>
</tr>
<tr>
<td>Over 8</td>
<td>Over 10</td>
<td>Over 12</td>
<td>Over 14</td>
<td>Over 16</td>
<td></td>
</tr>
<tr>
<td>O–3E</td>
<td>$4,273.50</td>
<td>$4,405.80</td>
<td>$4,623.30</td>
<td>$4,806.30</td>
<td>$4,911.00</td>
</tr>
<tr>
<td>O–2E</td>
<td>3,591.90</td>
<td>3,778.80</td>
<td>3,923.40</td>
<td>4,031.10</td>
<td>4,031.10</td>
</tr>
<tr>
<td>O–1E</td>
<td>3,042.00</td>
<td>3,152.70</td>
<td>3,261.60</td>
<td>3,410.70</td>
<td>3,410.70</td>
</tr>
<tr>
<td>Over 18</td>
<td>Over 20</td>
<td>Over 22</td>
<td>Over 24</td>
<td>Over 26</td>
<td></td>
</tr>
<tr>
<td>O–3E</td>
<td>$5,054.40</td>
<td>$5,054.40</td>
<td>$5,054.40</td>
<td>$5,054.40</td>
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<tr>
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<td>4,031.10</td>
<td>4,031.10</td>
<td>4,031.10</td>
<td>4,031.10</td>
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<tr>
<td>O–1E</td>
<td>3,410.70</td>
<td>3,410.70</td>
<td>3,410.70</td>
<td>3,410.70</td>
<td>3,410.70</td>
</tr>
</tbody>
</table>

WARRANT OFFICERS

Years of service computed under section 205 of title 37, United States Code

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>W–5 ..</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
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<td>W–4 ..</td>
<td>3,008.10</td>
<td>3,236.10</td>
<td>3,329.10</td>
<td>3,420.60</td>
<td>3,578.10</td>
</tr>
<tr>
<td>W–3 ..</td>
<td>2,747.10</td>
<td>2,862.00</td>
<td>2,979.30</td>
<td>3,017.70</td>
<td>3,141.00</td>
</tr>
<tr>
<td>W–2 ..</td>
<td>2,416.50</td>
<td>2,554.50</td>
<td>2,675.10</td>
<td>2,763.00</td>
<td>2,838.30</td>
</tr>
<tr>
<td>W–1 ..</td>
<td>2,133.90</td>
<td>2,308.50</td>
<td>2,425.50</td>
<td>2,501.10</td>
<td>2,662.50</td>
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<tr>
<td>Over 8</td>
<td>Over 10</td>
<td>Over 12</td>
<td>Over 14</td>
<td>Over 16</td>
<td></td>
</tr>
<tr>
<td>W–5 ..</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>W–4 ..</td>
<td>3,733.50</td>
<td>3,891.00</td>
<td>4,044.60</td>
<td>4,203.60</td>
<td>4,356.00</td>
</tr>
<tr>
<td>W–3 ..</td>
<td>3,281.70</td>
<td>3,467.40</td>
<td>3,580.50</td>
<td>3,771.90</td>
<td>3,915.60</td>
</tr>
<tr>
<td>W–2 ..</td>
<td>2,993.10</td>
<td>3,148.50</td>
<td>3,264.00</td>
<td>3,376.50</td>
<td>3,453.90</td>
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<tr>
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<td>2,888.40</td>
<td>3,006.90</td>
<td>3,085.20</td>
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<tr>
<td>Over 18</td>
<td>Over 20</td>
<td>Over 22</td>
<td>Over 24</td>
<td>Over 26</td>
<td></td>
</tr>
<tr>
<td>W–5 ..</td>
<td>$0.00</td>
<td>$5,169.30</td>
<td>$5,346.60</td>
<td>$5,524.50</td>
<td>$5,703.30</td>
</tr>
<tr>
<td>W–4 ..</td>
<td>4,512.00</td>
<td>4,664.40</td>
<td>4,822.50</td>
<td>4,978.20</td>
<td>5,137.50</td>
</tr>
<tr>
<td>W–3 ..</td>
<td>4,058.40</td>
<td>4,201.50</td>
<td>4,266.30</td>
<td>4,407.00</td>
<td>4,548.00</td>
</tr>
<tr>
<td>W–2 ..</td>
<td>3,579.90</td>
<td>3,705.90</td>
<td>3,831.00</td>
<td>3,957.30</td>
<td>3,957.30</td>
</tr>
<tr>
<td>W–1 ..</td>
<td>3,320.70</td>
<td>3,409.50</td>
<td>3,409.50</td>
<td>3,409.50</td>
<td>3,409.50</td>
</tr>
</tbody>
</table>

1 Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.
### ENLISTED MEMBERS

Years of service computed under section 205 of title 37, United States Code

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>E–9^2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>E–8</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>E–7</td>
<td>2,068.50</td>
<td>2,257.80</td>
<td>2,343.90</td>
<td>2,428.20</td>
<td>2,516.40</td>
</tr>
<tr>
<td>E–6</td>
<td>1,770.60</td>
<td>1,947.60</td>
<td>2,033.70</td>
<td>2,117.10</td>
<td>2,204.10</td>
</tr>
<tr>
<td>E–5</td>
<td>1,625.40</td>
<td>1,733.70</td>
<td>1,817.40</td>
<td>1,903.50</td>
<td>2,037.00</td>
</tr>
<tr>
<td>E–4</td>
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<tr>
<td>E–3</td>
<td>1,356.90</td>
<td>1,442.10</td>
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<td>1,528.80</td>
<td>1,528.80</td>
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<tr>
<td>E–2</td>
<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
</tr>
<tr>
<td>E–1</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
</tr>
</tbody>
</table>

Over 8 | Over 10 | Over 12 | Over 14 | Over 16
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>E–9^2</td>
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<td>$3,564.30</td>
<td>$3,645.00</td>
<td>$3,747.00</td>
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<td>E–8</td>
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<td>3,141.30</td>
<td>3,237.60</td>
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<tr>
<td>E–7</td>
<td>2,667.90</td>
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<td>2,838.30</td>
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<td>E–6</td>
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<td>2,562.30</td>
<td>2,636.70</td>
</tr>
<tr>
<td>E–5</td>
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<td>2,236.80</td>
<td>2,283.30</td>
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</tr>
<tr>
<td>E–4</td>
<td>1,824.00</td>
<td>1,824.00</td>
<td>1,824.00</td>
<td>1,824.00</td>
</tr>
<tr>
<td>E–3</td>
<td>1,528.80</td>
<td>1,528.80</td>
<td>1,528.80</td>
<td>1,528.80</td>
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<tr>
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<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
</tr>
<tr>
<td>E–1</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
</tr>
</tbody>
</table>

Over 18 | Over 20 | Over 22 | Over 24 | Over 26
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>E–9^2</td>
<td>$3,987.30</td>
<td>$4,180.80</td>
<td>$4,344.30</td>
<td>$4,506.30</td>
</tr>
<tr>
<td>E–8</td>
<td>3,530.10</td>
<td>3,625.50</td>
<td>3,787.50</td>
<td>3,877.50</td>
</tr>
<tr>
<td>E–7</td>
<td>3,138.60</td>
<td>3,182.70</td>
<td>3,331.50</td>
<td>3,427.80</td>
</tr>
<tr>
<td>E–6</td>
<td>2,709.60</td>
<td>2,709.60</td>
<td>2,709.60</td>
<td>2,709.60</td>
</tr>
<tr>
<td>E–5</td>
<td>2,383.30</td>
<td>2,383.30</td>
<td>2,383.30</td>
<td>2,383.30</td>
</tr>
<tr>
<td>E–4</td>
<td>1,824.00</td>
<td>1,824.00</td>
<td>1,824.00</td>
<td>1,824.00</td>
</tr>
<tr>
<td>E–3</td>
<td>1,528.80</td>
<td>1,528.80</td>
<td>1,528.80</td>
<td>1,528.80</td>
</tr>
<tr>
<td>E–2</td>
<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
<td>1,290.00</td>
</tr>
<tr>
<td>E–1</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
<td>1,150.80</td>
</tr>
</tbody>
</table>

1 Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.
2 Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is $5,732.70, regardless of cumulative years of service computed under section 205 of title 37, United States Code.
3 In the case of members in pay grade E–1 who have served less than 4 months on active duty, the rate of basic pay is $1,064.70.

### SEC. 602. EXPANSION OF BASIC ALLOWANCE FOR HOUSING

#### LOW-COST OR NO-COST MOVES AUTHORITY

#### TO MEMBERS ASSIGNED TO DUTY OUTSIDE

#### UNITED STATES.

Section 403(c) of title 37, United States Code, is amended by adding at the end the following new paragraph:

•HR 4546 EH
“(4) In the case of a member who is assigned to duty outside of the United States, the location or the circumstances of which make it necessary that the member be reassigned under the conditions of low-cost or no-cost permanent change of station or permanent change of assignment, the member may be treated as if the member were not reassigned if the Secretary concerned determines that it would be inequitable to base the member’s entitlement to, and amount of, a basic allowance for housing on the cost of housing in the area to which the member is reassigned.”

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) Selected Reserve Reenlistment Bonus.—Section 308b(f) of title 37, United States Code, is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(b) Selected Reserve Enlistment Bonus.—Section 308e(e) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(c) Special Pay for Enlisted Members Assigned to Certain High Priority Units.—Section
SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR CERTAIN HEALTH CARE PROFESSIONALS.

(a) Nurse Officer Candidate Accession Program.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(b) Repayment of Education Loans for Certain Health Professionals Who Serve in the Selected Reserve.—Section 16302(d) of such title is amended by striking “January 1, 2003” and inserting “January 1, 2004”.

308d(c) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(d) Selected Reserve Affiliation Bonus.—Section 308e(e) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(e) Ready Reserve Enlistment and Reenlistment Bonus.—Section 308h(g) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(f) Prior Service Enlistment Bonus.—Section 308i(f) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.
(c) Accession Bonus for Registered Nurses.—
Section 302d(a)(1) of title 37, United States Code, is
amended by striking “December 31, 2002” and inserting
“December 31, 2003”.

(d) Incentive Special Pay for Nurse Anesthesiologists.—Section 302e(a)(1) of such title is amended
by striking “December 31, 2002” and inserting “December 31, 2003”.

(e) Special Pay for Selected Reserve Health Professionals in Critically Short Wartime Specialties.—Section 302g(f) of such title is amended by
striking “December 31, 2002” and inserting “December 31, 2003”.

(f) Accession Bonus for Dental Officers.—
Section 302h(a)(1) of such title is amended by striking
“December 31, 2002” and inserting “December 31, 2003”.

SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS.

(a) Special Pay for Nuclear-Qualified Officers Extending Period of Active Service.—Section 312(e) of title 37, United States Code, is amended by
striking “December 31, 2002” and inserting “December 31, 2003”.
(b) **NUCLEAR CAREER ACCESSION BONUS.**—Section 312b(c) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(c) **NUCLEAR CAREER ANNUAL INCENTIVE BONUS.**—Section 312c(d) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND SPECIAL PAY AUTHORITIES.

(a) **AVIATION OFFICER RETENTION BONUS.**—Section 301b(a) of title 37, United States Code, is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(b) **REENLISTMENT BONUS FOR ACTIVE MEMBERS.**—Section 308(g) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(c) **ENLISTMENT BONUS FOR ACTIVE MEMBERS.**—Section 309(e) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

(d) **RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.**—Section 323(i) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.
(e) Accession Bonus for New Officers in Critical Skills.—Section 324(g) of such title is amended by striking “December 31, 2002” and inserting “December 31, 2003”.

SEC. 615. MINIMUM LEVELS OF HARDSHIP DUTY PAY FOR DUTY ON THE GROUND IN ANTARCTICA OR ON ARCTIC ICEPACK.

Section 305 of title 37, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a), the following new subsection:

“(b) Duty in Certain Locations.—(1) In the case of duty at a location described in paragraph (2) at any time during a month, the member of a uniformed service performing that duty is entitled to special pay under this section at a monthly rate of not less than $240, but not to exceed the monthly rate specified in subsection (a). For each day of that duty during the month, the member shall receive an amount equal to $2/30 of the monthly rate prescribed under this subsection.

“(2) Paragraph (1) applies with respect to duty performed on the ground in Antarctica or on the Arctic ice-pack.”.
SEC. 616. INCREASE IN MAXIMUM RATES FOR PRIOR SERVICE ENLISTMENT BONUS.

Section 308i(b)(1) of title 37, United States Code, is amended—

(1) in subparagraph (A), by striking “$5,000” and inserting “$8,000”; 

(2) in subparagraph (B), by striking “$2,500” and inserting “$4,000”; and 

(3) in subparagraph (C), by striking “$2,000” and inserting “$3,500”.

SEC. 617. RETENTION INCENTIVES FOR HEALTH CARE PROVIDERS QUALIFIED IN A CRITICAL MILITARY SKILL.

(a) Exception to Limitation on Maximum Bonus Amount.—Subsection (d) of section 323 of title 37, United States Code, is amended—

(1) by inserting “(1)” before “A member”; and 

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

“(2) The limitation in paragraph (1) on the total bonus payments that a member may receive under this section does not apply with respect to an officer who is assigned duties as a health care provider.”.

(b) Exception to Years of Service Limitation.—Subsection (e) of such section is amended—
(1) by redesignating paragraphs (1) and (2) as
subparagraphs (A) and (B), respectively;

(2) by inserting “(1)” before “A retention”;

and

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

“(2) The limitations in paragraph (1) do not apply
with respect to an officer who is assigned duties as a
health care provider during the period of active duty for
which the bonus is being offered.”.

Subtitle C—Travel and
Transportation Allowances

SEC. 631. EXTENSION OF LEAVE TRAVEL DEFERRAL PE-
RIOD FOR MEMBERS PERFORMING CONSECUTIVE OVERSEAS TOURS OF DUTY.

(a) AUTHORIZED DEFERRAL PERIOD.—Section 411b
of title 37, United States Code is amended by inserting
after subsection (a) the following new subsection:

“(b) AUTHORITY TO DEFER TRAVEL; LIMITA-
TIONS.—(1) Under the regulations referred to subsection
(a), a member may defer the travel for which the member
is paid travel and transportation allowances under this
section until anytime before the completion of the consecu-
tive tour at the same duty station or the completion of
the tour of duty at the new duty station under the order
involved, as the case may be.

“(2) If a member is unable to undertake the travel
before expiration of the deferral period under paragraph
(1) because of duty in connection with a contingency oper-
ation, the member may defer the travel until not more
than one year after the date on which the member’s duty
in connection with the contingency operation ends.”.

(b) CONFORMING AND CLERICAL AMENDMENTS.—

Such section is further amended—

(1) in subsection (a)—

(A) by striking “(a)(1)” and inserting “(a)
ALLOWANCES AUTHORIZED.—”; and

(B) by striking paragraph (2); and

(2) by striking “(b) The allowances” and insert-
ing “(c) LIMITATION ON ALLOWANCE RATE.—”.

(c) APPLICATION OF AMENDMENT.—Subsection (b)
of section 411b of title 37, United States Code, as added
by subsection (a), shall apply with respect to members of
the uniformed services in a deferred leave travel status
under such section as of the date of the enactment of this
Act or after that date.
Subtitle D—Retired Pay and Survivors Benefits

SEC. 641. PHASE-IN OF FULL CONCURRENT RECEIPT OF MILITARY RETIRED PAY AND VETERANS DISABILITY COMPENSATION FOR MILITARY RETIREES WITH DISABILITIES RATED AT 60 PERCENT OR HIGHER.

(a) CONCURRENT RECEIPT.—Section 1414 of title 10, United States Code, is amended to read as follows:

"§ 1414. Members eligible for retired pay who have service-connected disabilities rated at 60 percent or higher: concurrent payment of retired pay and veterans’ disability compensation

“(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Subject to subsection (b), a member or former member of the uniformed services who is entitled for any month to retired pay and who is also entitled for that month to veterans’ disability compensation for a qualifying service-connected disability (hereinafter in this section referred to as a ‘qualified retiree’) is entitled to be paid both for that month without regard to sections 5304 and 5305 of title 38. For fiscal years 2003 through 2006, payment of retired pay to such a member or former member is subject to subsection (c).
“(b) Special Rules for Chapter 61 Disability Retirees.—

“(1) Career retirees.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member’s retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the member’s retired pay under chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member’s service in the uniformed services if the member had not been retired under chapter 61 of this title.

“(2) Disability retirees with less than 20 years of service.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service otherwise creditable under section 1405 of this title at the time of the member’s retirement.

“(c) Phase-in of Full Concurrent Receipt.—For fiscal years 2003 through 2006, retired pay payable to a qualified retiree shall be determined as follows:
“(1) Fiscal Year 2003.—For a month during fiscal year 2003, the amount of retired pay payable to a qualified retiree is the amount (if any) of retired pay in excess of the current baseline offset plus the following:

“(A) For a month for which the retiree receives veterans’ disability compensation for a qualifying service-connected disability rated as total, $750.

“(B) For a month for which the retiree receives veterans’ disability compensation for a qualifying service-connected disability rated as 90 percent, $500.

“(C) For a month for which the retiree receives veterans’ disability compensation for a qualifying service-connected disability rated as 80 percent, $250.

“(D) For a month for which the retiree receives veterans’ disability compensation for a qualifying service-connected disability rated as 70 percent, $250.

“(E) For a month for which the retiree receives veterans’ disability compensation for a qualifying service-connected disability rated as 60 percent, $125.
“(2) FISCAL YEAR 2004.—For a month during fiscal year 2004, the amount of retired pay payable to a qualified retiree is the sum of—

“(A) the amount specified in paragraph (1) for that qualified retiree; and

“(B) 23 percent of the difference between
(i) the current baseline offset, and (ii) the amount specified in paragraph (1) for that member’s disability.

“(3) FISCAL YEAR 2005.—For a month during fiscal year 2005, the amount of retired pay payable to a qualified retiree is the sum of—

“(A) the amount determined under paragraph (2) for that qualified retiree; and

“(B) 30 percent of the difference between
(i) the current baseline offset, and (ii) the amount determined under paragraph (2) for that qualified retiree.

“(4) FISCAL YEAR 2006.—For a month during fiscal year 2006, the amount of retired pay payable to a qualified retiree is the sum of—

“(A) the amount determined under paragraph (3) for that qualified retiree; and

“(B) 64 percent of the difference between
(i) the current baseline offset, and (ii) the
amount determined under paragraph (3) for that qualified retiree.

“(d) DEFINITIONS.—In this section:

“(1) RETIRED PAY.—The term ‘retired pay’ includes retainer pay, emergency officers’ retirement pay, and naval pension.

“(2) VETERANS’ DISABILITY COMPENSATION.—The term ‘veterans’ disability compensation’ has the meaning given the term ‘compensation’ in section 101(13) of title 38.

“(3) SERVICE-CONNECTED.—The term ‘service-connected’ has the meaning given that term in section 101(16) of title 38.

“(4) QUALIFYING SERVICE-CONNECTED DISABILITY.—The term ‘qualifying service-connected disability’ means a service-connected disability or combination of service-connected disabilities that is rated as not less than 60 percent disabling by the Secretary of Veterans Affairs.

“(5) DISABILITY RATED AS TOTAL.—The term ‘disability rated as total’ means—

“(A) a disability, or combination of disabilities, that is rated as total under the standard schedule of rating disabilities in use by the Department of Veterans Affairs; or
“(B) a disability, or combination of disabilities, for which the scheduled rating is less than total but for which a rating of total is assigned by reason of inability of the disabled person concerned to secure or follow a substantially gainful occupation as a result of service-connected disabilities.

“(6) CURRENT BASELINE OFFSET.—

“(A) IN GENERAL.—The term ‘current baseline offset’ for any qualified retiree means the amount for any month that is the lesser of—

“(i) the amount of the applicable monthly retired pay of the qualified retiree for that month; and

“(ii) the amount of monthly veterans’ disability compensation to which the qualified retiree is entitled for that month.

“(B) APPLICABLE RETIRED PAY.—In subparagraph (A), the term ‘applicable retired pay’ for a qualified retiree means the amount of monthly retired pay to which the qualified retiree is entitled, determined without regard to this section or sections 5304 and 5305 of title 38), except that in the case of such a retiree
who was retired under chapter 61 of this title, such amount is the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member’s service in the uniformed services if the member had not been retired under chapter 61 of this title.”.

(b) REPEAL OF SPECIAL COMPENSATION AUTHORITY.—Section 1413 of title 10, United States Code, is repealed.

(c) PAYMENT OF INCREASED RETIRED PAY COSTS DUE TO CONCURRENT RECEIPT.—(1) Section 1465(b) of such title is amended by adding at the end the following new paragraph:

“(3) At the same time that the Secretary of Defense makes the determination required by paragraph (1) for any fiscal year, the Secretary shall determine the amount of the Treasury contribution to be made to the Fund for the next fiscal year under section 1466(b)(2)(D) of this title. That amount shall be determined in the same manner as the determination under paragraph (1) of the total amount of Department of Defense contributions to be made to the Fund during that fiscal year under section 1466(a) of this title, except that for purposes of this paragraph the Secretary, in making the calculations required
by subparagraphs (A) and (B) of that paragraph, shall use the single level percentages determined under subsection (c)(4), rather than those determined under subsection (c)(1).”.

(2) Section 1465(e) of such title is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting before the semicolon at the end the following: “, to be determined without regard to section 1414 of this title”;

(ii) in subparagraph (B), by inserting before the period at the end the following: “, to be determined without regard to section 1414 of this title”; and

(iii) in the sentence following subparagraph (B), by striking “subsection (b)” and inserting “subsection (b)(1)”;

(B) by redesignating paragraph (4) as paragraph (5); and

(C) by inserting after paragraph (3) the following new paragraph (4):

“(4) Whenever the Secretary carries out an actuarial valuation under paragraph (1), the Secretary shall include as part of such valuation the following:
“(A) A determination of a single level percentage determined in the same manner as applies under subparagraph (A) of paragraph (1), but based only upon the provisions of section 1414 of this title.

“(B) A determination of a single level percentage determined in the same manner as applies under subparagraph (B) of paragraph (1), but based only upon the provisions of section 1414 of this title.

Such single level percentages shall be used for the purposes of subsection (b)(3).”.

(3) Section 1466(b) of such title is amended—

(A) in paragraph (1), by striking “sections 1465(a) and 1465(c)” and inserting “sections 1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)”;

and

(B) by adding at the end of paragraph (2) the following new subparagraph:

“(D) The amount for that year determined by the Secretary of Defense under section 1465(b)(3) of this title for the cost to the Fund arising from increased amounts payable from the Fund by reason of section 1414 of this title.”.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 71 of such title is amended—
(1) by striking the item relating to section 1413; and

(2) by striking the item relating to section 1414

and inserting the following:

“1414. Members eligible for retired pay who have service-connected disabilities rated at 60 percent or higher: concurrent payment of retired pay and veterans' disability compensation.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to retired pay payable for months after September 2002.

SEC. 642. CHANGE IN SERVICE REQUIREMENTS FOR ELIGIBILITY FOR RETIRED PAY FOR NON-REGULAR SERVICE.

(a) REDUCTION IN REQUIREMENT FOR YEARS OF RESERVE COMPONENT SERVICE BEFORE RETIRED PAY ELIGIBILITY.—Section 12731(a)(3) of title 10, United States Code, is amended by striking “eight years” and inserting “six years”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2002.

SEC. 643. ELIMINATION OF POSSIBLE INVERSION IN RETIRED PAY COST-OF-LIVING ADJUSTMENT FOR INITIAL COLA COMPUTATION.

(a) ELIMINATION OF POSSIBLE COLA INVERSION.—Section 1401a of title 10, United States Code, is amended—
(1) in subsections (c)(1), (d), and (e), by inserting “but subject to subsection (f)(2)” after “Notwithstanding subsection (b)”;

(2) in subsection (c)(2), by inserting “(subject to subsection (f)(2) as applied to other members whose retired pay is computed on the current rates of basic pay in the most recent adjustment under this section)” after “shall be increased”; and

(3) in subsection (f)—

(A) by designating the text after the subsection heading as paragraph (1), indenting that text two ems, and inserting “(1) PREVENTION OF RETIRED PAY INVERSIONS.—” before “Notwithstanding”; and

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

“(2) PREVENTION OF COLA INVERSIONS.—The percentage of the first adjustment under this section in the retired pay of any person, as determined under subsection (c)(1), (c)(2), (d), or (e), may not exceed the percentage increase in retired pay determined under subsection (b)(2) that is effective on the same date as the effective date of such first adjustment.”.
(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (d), by inserting “or on or after August 1, 1986, if the member or former member did not elect to receive a bonus under section 322 of title 37” after “August 1, 1986,”; and

(2) in subsection (e), by inserting “and elected to receive a bonus under section 322 of title 37” after “August 1, 1986,”.

SEC. 644. TECHNICAL REVISIONS TO SO-CALLED “FORGOTTEN WIDOWS” ANNUITY PROGRAM.

(a) CLARIFICATION OF ELIGIBILITY.—Subsection (a)(1) of section 644 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 1448 note) is amended—

(1) in subparagraph (A), by inserting after “(A)” the following: “became entitled to retired or retainer pay before September 21, 1972,”; and

(2) in subparagraph (B), by striking “was a member of a reserve component of the Armed Forces” and inserting “died”.

(b) CLARIFICATION OF INTERACTION WITH OTHER BENEFITS.—(1) Subsection (a)(2) of such section is amended by striking “and who” and all that follows through “note)”.

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(2) Subsection (b)(2) of such section is amended to read as follows:

“(2) The amount of an annuity to which a surviving spouse is entitled under this section for any period shall be reduced (but not below zero) by any amount paid to that surviving spouse for the same period under any of the following provisions of law:

“(A) Section 1311(a) of title 38, United States Code (relating to dependency and indemnity compensation payable by the Secretary of Veterans Affairs).

“(B) Chapter 73 of title 10, United States Code.

“(C) Section 4 of Public Law 92–425 (10 U.S.C. 1448 note).”.

(e) Clarification of Definition of Surviving Spouse.—Subsection (d)(2) of such section is amended by striking “the terms” and all that follows through “and (8)” and inserting “such term in paragraph (9)”.

(d) Clarification of Effective Date of Benefits.—Subsection (e) of such section is amended—

(1) in paragraph (1), by striking “the month in which this Act is enacted” and inserting “November 1997”;
(2) in paragraph (2), by striking “the first month that begins after the month in which this Act is enacted” and inserting “December 1997”; and

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

“(3) In the case of a person entitled to an annuity under this section who applies for the annuity after the date of the enactment of this paragraph, such annuity shall be paid only for months beginning after the date on which such application is submitted.”.

(e) Specification in Law of Current Benefit Amount.—Subsection (b) of such section is amended—

(1) in paragraph (1), by striking “$165” and inserting “$185.58”; and

(2) in paragraph (3)—

(A) by striking “the date of the enactment of this Act” and inserting “May 1, 2002,”; and

(B) by striking the last sentence.

Subtitle E—Reserve Component Montgomery GI Bill

SEC. 651. EXTENSION OF MONTGOMERY GI BILL-SELECTED RESERVE ELIGIBILITY PERIOD.

Section 16133(a) of title 10, United States Code, is amended by striking “10-year” and inserting “14-year”.
Subtitle F—Other Matters

SEC. 661. ADDITION OF DEFINITION OF CONTINENTAL UNITED STATES IN TITLE 37.

(a) DEFINITION.—Section 101(1) of title 37, United States Code, is amended by adding at the end the following new sentence: “The term ‘continental United States’ means the 48 contiguous States and the District of Columbia.”.

(b) CONFORMING AMENDMENTS.—Title 37, United States Code, is amended as follows:

(1) Section 314(a)(3) is amended by striking “the 48 contiguous States and the District of Columbia” and inserting “the continental United States”.

(2) Section 403b(i) is amended by striking paragraph (6).

(3) Section 409 is amended by striking subsection (e).

(4) Section 411b(a) is amended by striking “the 48 contiguous States and the District of Columbia” both places it appears and inserting “the continental United States”.

(5) Section 411d is amended by striking subsection (d).
(6) Section 430 is amended by striking subsection (f) and inserting the following new subsection (f):

“(f) DEFINITIONS.—In this section:

“(1) The term ‘formal education’ means the following:

“(A) A secondary education.

“(B) An undergraduate college education.

“(C) A graduate education pursued on a full-time basis at an institution of higher education.

“(D) Vocational education pursued on a full-time basis at a postsecondary vocational institution.

“(2) The term ‘institution of higher education’ has the meaning given that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

“(3) The term ‘postsecondary vocational institution’ has the meaning given that term in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).”.

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TITLE VII—HEALTH CARE

MATTERS

Subtitle A—Health Care Program

Improvements

SEC. 701. ELIMINATION OF REQUIREMENT FOR TRICARE PREAUTHORIZATION OF INPATIENT MENTAL HEALTH CARE FOR MEDICARE-ELIGIBLE BENEFICIARIES.

(a) Elimination of Requirement.—Section 1079(i) of title 10, United States Code, is amended in paragraph (3) by inserting “or in the case of a person eligible for health care benefits under section 1086(d)(2) of this title for whom payment for such services is made under subsection 1086(d)(3) of this title” after “an emergency”.

(b) Effective Date.—The amendment made by subsection (a) shall take effect October 1, 2004.

SEC. 702. EXPANSION OF TRICARE PRIME REMOTE FOR CERTAIN DEPENDENTS.

(a) Expansion of Eligibility.—Section 1079(p) of title 10, United States Code, is amended in paragraph (1)—

(1) by inserting “(A)” after “(1)”;

(2) by striking “referred to in subsection (a) of a member of the uniformed services referred to in
1074(c)(3) of this title who are residing with the member” and inserting “described in subparagraph (B)”;

(3) by adding at the end the following new subparagraph:

“(B) A dependent referred to in subparagraph (A) is—

“(i) a dependent referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title, who is residing with the member; or

“(ii) a dependent referred to in subsection (a) of a member of the uniformed services with a permanent duty assignment for which the dependent is not authorized to accompany the member and one of the following circumstances exists:

“(I) The dependent continues to reside at the location of the former duty assignment of the member (or residence in the case of a member of a reserve component ordered to active duty for a period of more than 30 days), and that location is more than 50 miles, or approximately one hour of driving time, from the nearest military medical treatment facility that can adequately provide needed health care.
“(II) There is no reasonable expectation
the member will return to the location of the
former duty assignment, and the dependent
moves to a location that is more than 50 miles,
or approximately one hour of driving time, from
the nearest military medical treatment facility
that can adequately provide needed health
care.”.

(b) Effective Date.—The amendments made by
subsection (a) shall take effect October 1, 2002.

SEC. 703. ENABLING DEPENDENTS OF CERTAIN MEMBERS
WHO DIED WHILE ON ACTIVE DUTY TO EN-
ROLL IN THE TRICARE DENTAL PROGRAM.

Section 1076a(k)(2) of title 10, United States Code,
is amended by inserting “(or, if not enrolled, if the mem-
er discontinued participation under subsection (f))” after
“subsection (a)”.

SEC. 704. IMPROVEMENTS REGARDING THE DEPARTMENT
OF DEFENSE MEDICARE-ELIGIBLE RETIREE
HEALTH CARE FUND.

(a) Source of Funds for Monthly Accrual
Payments into the Fund.—Section 1116(c) of title 10,
United States Code, is amended to read as follows:
“(c) Amounts paid into the Fund under subsection
(a) shall be paid from funds available for the pay of mem-

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bers of the participating uniformed services under the jur-
risdiction of the respective administering Secretaries.”.

(b) **MANDATORY PARTICIPATION OF OTHER UNI-
FORMED SERVICES.**—Section 1111(e) of such title is
amended—

(1) in the first sentence, by striking “may enter
into an agreement with any other administering Sec-
retary” and inserting “shall enter into an agreement
with each other administering Secretary”; and

(2) in the second sentence, by striking “Any”
and inserting “Each”.

SEC. 705. CERTIFICATION OF INSTITUTIONAL AND NON-IN-
STITUTIONAL PROVIDERS UNDER THE
TRICARE PROGRAM.

(a) **IN GENERAL.**—Section 1079 of title 10, United
States Code, is amended by adding at the end the fol-
lowing new subsection:

“(q) For purposes of designating institutional and
non-institutional health care providers authorized to pro-
vide care under this section, the Secretary of Defense shall
prescribe regulations (in consultation with the other ad-
ministering Secretaries) that will, to the extent practicable
and subject to the limitations of subsection (a), so des-
ignate any provider authorized to provide care under title
XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 2003.

SEC. 706. TECHNICAL CORRECTION REGARDING TRANSITIONAL HEALTH CARE.

Effective as of December 28, 2001, section 1145(a)(1) of title 10, United States Code, is amended by inserting ``(and the dependents of the member)'' after ``separated from active duty as described in paragraph (2)''. The amendment made by the preceding sentence shall be deemed to have been enacted as part of section 736 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

Subtitle B—Reports

SEC. 711. COMPTROLLER GENERAL REPORT ON TRICARE CLAIMS PROCESSING.

Not later than March 31, 2003, the Comptroller General shall submit to Congress an evaluation of the continuing impediments to a cost effective and provider- and beneficiary-friendly system for claims processing under the TRICARE program. The evaluation shall include a discussion of the following:
(1) The extent of progress implementing im-
provements in claims processing, particularly regard-
ing the application of best industry practices.

(2) The extent of progress in simplifying claims
processing procedures, including the elimination of,
or reduction in, the complexity of the Health Care
Service Record requirements.

(3) The suitability of a medicare-compatible
claims processing system with the data requirements
necessary to administer the TRICARE program and
related information systems.

(4) The extent to which the claims processing
system for the TRICARE program impedes provider
participation and beneficiary access.

(5) Recommendations for improving the claims
processing system that will reduce processing and
administration costs, create greater competition, and
improve fraud-prevention activities.

SEC. 712. COMPTROLLER GENERAL REPORT ON PROVISION
OF CARE UNDER THE TRICARE PROGRAM.

Not later than March 31, 2003, the Comptroller Gen-
eral shall submit to Congress an evaluation of the nature
of, reasons for, extent of, and trends regarding network
provider instability under the TRICARE program, and the
effectiveness of efforts by the Department of Defense and
managed care support contractors to measure and mitigate such instability. The evaluation shall include a discussion of the following:

(1) The adequacy of measurement tools of TRICARE network instability and their use by the Department of Defense and managed care support contractors to assess network adequacy and stability.

(2) Recommendations for improvements needed in measurement tools or their application.

(3) The relationship of reimbursement rates and administration requirements (including preauthorization requirements) to TRICARE network instability.

(4) The extent of problems under the TRICARE program and likely future trends with and without intervention using existing authority.

(5) Use of existing authority by the Department of Defense and TRICARE managed care support contractors to apply higher reimbursement rates in specific geographic areas.

(6) Recommendations for specific fiscally prudent measures that could mitigate negative trends or improve provider and network stability.
SEC. 713. REPEAL OF REPORT REQUIREMENT.

Notwithstanding subsection (f)(2) of section 712 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A–179), the amendment made by subsection (e) of such section shall not take effect and the paragraph amended by such subsection is repealed.

Subtitle C—Department of Defense-

Department of Veterans Affairs

Health Resources Sharing

SEC. 721. SHORT TITLE.

This subtitle may be cited as the “Department of Defense-Department of Veterans Affairs Health Resources Sharing and Performance Improvement Act of 2002”.


(a) FINDINGS.—Congress makes the following findings:

(1) Federal health care resources are scarce and thus should be effectively and efficiently used.

(2) In 1982, Congress, in Public Law 97–174, authorized the sharing of health resources between Department of Defense medical treatment facilities...
and Department of Veterans Affairs health care facilities in order to allow more effective and efficient use of those health resources.

(3) Health care beneficiaries of the Departments of Defense and Veterans Affairs, whether active servicemembers, veterans, retirees, or family members of active or retired servicemembers, should have full access to the health care and services that Congress has authorized for them.

(4) The Secretary of Defense and the Secretary of Veterans Affairs, and the appropriate officials of each of the Departments of Defense and Veterans Affairs with responsibilities related to health care, have not taken full advantage of the opportunities provided by law to make their respective health resources available to health care beneficiaries of the other Department in order to provide improved health care for the whole number of beneficiaries.

(5) After the many years of support and encouragement from Congress, the Departments have made little progress in health resource sharing and the intended results of the sharing authority have not been achieved.

(b) SENSE OF CONGRESS.—Congress urges the Secretary of Defense and the Secretary of Veterans Affairs—
(1) to commit their respective Departments to significantly improve mutually beneficial sharing and coordination of health care resources and services during peace and war;

(2) to build organizational cultures supportive of improved sharing and coordination of health care resources and services; and

(3) to establish and achieve measurable goals to facilitate increased sharing and coordination of health care resources and services.

(c) PURPOSE.—It is the purpose of this Act—

(1) to authorize a program to advance mutually beneficial sharing and coordination of health care resources between the two Departments consistent with the longstanding intent of Congress; and

(2) to establish a basis for improved strategic planning by the Department of Defense and Department of Veterans Affairs health systems to ensure that scarce health care resources are used more effectively and efficiently in order to enhance access to high quality health care for their respective beneficiaries.
SEC. 723. REVISED COORDINATION AND SHARING GUIDELINES.

(a) In General.—(1) Section 8111 of title 38, United States Code, is amended to read as follows:

"§ 8111. Sharing of Department of Veterans Affairs and Department of Defense health care resources

"(a) REQUIRED COORDINATION AND SHARING OF HEALTH CARE RESOURCES.—The Secretary of Veterans Affairs and the Secretary of Defense shall enter into agreements and contracts for the mutually beneficial coordination, use, or exchange of use of the health care resources of the Department of Veterans Affairs and the Department of Defense with the goal of improving the access to, and quality and cost effectiveness of, the health care provided by the Veterans Health Administration and the Military Health System to the beneficiaries of both Departments.

"(b) JOINT REQUIREMENTS FOR SECRETARIES OF VETERANS AFFAIRS AND DEFENSE.—To facilitate the mutually beneficial coordination, use, or exchange of use of the health care resources of the two Departments, the two Secretaries shall carry out the following functions:

"(1) Develop and publish a joint strategic vision statement and a joint strategic plan to shape, focus, and prioritize the coordination and sharing efforts..."
among appropriate elements of the two Departments
and incorporate the goals and requirements of the
joint sharing plan into the strategic and perform-
ance plan of each Department under the Govern-
ment Performance and Results Act.

“(2) Jointly fund the interagency committee
provided for under subsection (c).

“(3) Continue to facilitate and improve sharing
between individual Department of Veterans Affairs
and Department of Defense health care facilities,
but giving priority of effort to initiatives (A) that
improve sharing and coordination of health resources
at the intraregional and nationwide levels, and (B)
that improve the ability of both Departments to pro-
vide coordinated health care.

“(4) Establish a joint incentive program under
subsection (d).

“(c) DOD–VA Health Executive Committee.—
(1) There is established an interagency committee to be
known as the Department of Veterans Affairs-Department
of Defense Health Executive Committee (hereinafter in
this section referred to as the ‘Committee’). The Com-
mittee is composed of—

“(A) the Deputy Secretary of the Department
of Veterans Affairs and such other officers and em-
ployees of the Department of Veterans Affairs as the Secretary of Veterans Affairs may designate; and

“(B) the Under Secretary of Defense for Personnel and Readiness and such other officers and employees of the Department of Defense as the Secretary of Defense may designate.

“(2)(A) During odd-numbered fiscal years, the Deputy Secretary of Veterans Affairs shall chair the Committee. During even-numbered fiscal years, the Under Secretary of Defense shall chair the Committee.

“(B) The Deputy Secretary and the Under Secretary shall determine the size and structure of the Committee, as well as the administrative and procedural guidelines for the operation of the Committee. The two Departments shall share equally the Committee’s cost of personnel and administrative support and services. Support for such purposes shall be provided at a level sufficient for the efficient operation of the Committee, including a permanent staff and, as required, other temporary working groups of appropriate departmental staff and outside experts.

“(3) The Committee shall recommend to the Secretaries strategic direction for the joint coordination and sharing efforts between and within the two Departments under this section and shall oversee implementation of those efforts.
“(4) The Committee shall submit to the two Secretaries and to Congress an annual report containing such recommendations as the Committee considers appropriate. The two Secretaries shall implement the Committee’s recommendations unless, with respect to any such recommendation, either Secretary formally determines that the recommendation should not be implemented or should be implemented in a modified form. Upon making such a determination, the Secretary making the determination shall submit to Congress notice of the Secretary’s determination and the Secretary’s rationale for the determination.

“(5) In order to enable the Committee to make recommendations in its annual report under paragraph (4), the Committee shall do the following:

“(A) Review existing policies, procedures, and practices relating to the coordination and sharing of health care resources between the two Departments.

“(B) Identify changes in policies, procedures, and practices that, in the judgment of the Committee, would promote mutually beneficial coordination, use, or exchange of use of the health care resources of the two Departments, with the goal of improving the access to, and quality and cost effectiveness of, the health care provided by the Veterans
Health Administration and the Military Health System to the beneficiaries of both Departments.

“(C) Identify and assess further opportunities for the coordination and sharing of health care resources between the Departments that, in the judgment of the Committee, would not adversely affect the range of services, the quality of care, or the established priorities for care provided by either Department.

“(D) Review the plans of both Departments for the acquisition of additional health care resources, especially new facilities and major equipment and technology, in order to assess the potential effect of such plans on further opportunities for the coordination and sharing of health care resources.

“(E) Review the implementation of activities designed to promote the coordination and sharing of health care resources between the Departments. To assist in this effort, the Committee chairman, under procedures jointly developed by the Secretaries of both Departments, may task the Inspectors General of either or both Departments.

“(d) JOINT INCENTIVES PROGRAM.—(1) Pursuant to subsection (b)(4), the two Secretaries shall carry out a program to identify, provide incentives to, implement,
fund, and evaluate creative coordination and sharing init-
atives at the facility, intraregional and nationwide levels.
The program shall be administered by the Committee es-
tablished in subsection (c), under procedures jointly pre-
scribed by the two Secretaries.

“(2) To facilitate the incentive program, there is es-
established in the Treasury, effective on October 1, 2003,
a DOD–VA Health Care Sharing Incentive Fund. Each
Secretary shall annually contribute to the fund a minimum
of $15,000,000 from the funds appropriated to that Sec-
retary’s Department. Such funds shall remain available
until expended.

“(3)(A) The implementation and effectiveness of the
program under this subsection shall be reviewed annually
by the joint Department of Defense-Department of Vet-
erans Affairs Inspector General review team established
in section 724(i) of the Department of Defense-Depart-
ment of Veterans Affairs Health Resources Sharing and
Performance Improvement Act of 2002. On completion of
the annual review, the review team shall submit a report
to the two Secretaries on the results of the review. Such
report shall be submitted through the Committee to the
Secretaries not later than December 31 of each calendar
year. The Secretaries shall forward each report, without
change, to the Committees on Armed Services and Vet-
erans’ Affairs of the Senate and House of Representatives
not later than February 28 of the following year.

“(B) Each such report shall describe activities carried
out under the program under this subsection during the
preceding fiscal year. Each report shall include at least
the following:

“(i) An analysis of the initiatives funded by the
Committee, and the funds so expended by such ini-
tiatives, from the Health Care Sharing Incentive
Fund, including the purposes and effects of those
initiatives on improving access to care by bene-
ficiaries, improvements in the quality of care re-
ceived by those beneficiaries, and efficiencies gained
in delivering services to those beneficiaries.

“(ii) Other matters of interest, including rec-
ommendations from the review team to make legisla-
tive improvements to the program.

“(4) The program under this subsection shall termi-
nate on September 30, 2007.

“(e) GUIDELINES AND POLICIES FOR IMPLEMENTA-
TION OF COORDINATION AND SHARING RECOMMENDA-
TIONS, CONTRACTS, AND AGREEMENTS.—(1) To imple-
ment the recommendations made by the Committee under
subsection (c)(2), as well as to carry out other health care
contracts and agreements for coordination and sharing
initiatives as they consider appropriate, the two Secretaries shall jointly issue guidelines and policy directives. Such guidelines and policies shall provide for coordination and sharing that—

“(A) is consistent with the health care responsibilities of the Department of Veterans Affairs under this title and with the health care responsibilities of the Department of Defense under chapter 55 of title 10;

“(B) will not adversely affect the range of services, the quality of care, or the established priorities for care provided by either Department; and

“(C) will not reduce capacities in certain specialized programs of the Department of Veterans Affairs that the Secretary is required to maintain in accordance with section 1706(b) of this title.

“(2) To facilitate the sharing and coordination of health care services between the two Departments, the two Secretaries shall jointly develop and implement guidelines for a standardized, uniform payment and reimbursement schedule for those services. Such schedule shall be implemented no later than the beginning of fiscal year 2004 and shall be revised periodically as necessary.

“(3)(A) The guidelines established under paragraph (1) shall authorize the heads of individual Department of
Defense and Department of Veterans Affairs medical facilities and service regions to enter into health care resources coordination and sharing agreements.

“(B) Under any such agreement, an individual who is a primary beneficiary of one Department may be provided health care, as provided in the agreement, at a facility or in the service region of the other Department that is a party to the sharing agreement.

“(C) Each such agreement shall identify the health care resources to be shared.

“(D) Each such agreement shall provide, and shall specify procedures designed to ensure, that the availability of direct health care to individuals who are not primary beneficiaries of the providing Department is (i) on a referral basis from the facility or service region of the other Department, and (ii) does not (as determined by the head of the providing facility or region) adversely affect the range of services, the quality of care, or the established priorities for care provided to the primary beneficiaries of the providing Department.

“(E) Each such agreement shall provide that a providing Department or service region shall be reimbursed for the cost of the health care resources provided under the agreement and that the rate of such reimbursement shall be as determined in accordance with paragraph (2).
“(F) Each proposal for an agreement under this paragraph shall be effective (i) on the 46th day after the receipt of such proposal by the Committee, unless earlier disapproved, or (ii) if earlier approved by the Committee, on the date of such approval.

“(G) Any funds received through such a uniform payment and reimbursement schedule shall be credited to funds that have been allotted to the facility of either Department that provided the care or services, or is due the funds from, any such agreement.

“(f) ANNUAL JOINT REPORT.—(1) At the time the President’s budget is transmitted to Congress in any year pursuant to section 1105 of title 31, the two Secretaries shall submit to Congress a joint report on health care coordination and sharing activities under this section during the fiscal year that ended during the previous calendar year.

“(2) Each report under this section shall include the following:

“(A) The guidelines prescribed under subsection (e) of this section (and any revision of such guidelines).

“(B) The assessment of further opportunities identified under subparagraph (C) of subsection
(c)(5) for the sharing of health-care resources between the two Departments.

“(C) Any recommendation made under subsection (c)(4) of this section during such fiscal year.

“(D) A review of the sharing agreements entered into under subsection (e) of this section and a summary of activities under such agreements during such fiscal year and a description of the results of such agreements in improving access to, and the quality and cost effectiveness of, the health care provided by the Veterans Health Administration and the Military Health System to the beneficiaries of both Departments.

“(E) A summary of other planning and activities involving either Department in connection with promoting the coordination and sharing of Federal health-care resources during the preceding fiscal year.

“(F) Such recommendations for legislation as the two Secretaries consider appropriate to facilitate the sharing of health-care resources between the two Departments.

“(3) In addition to the matters specified in paragraph (2), the two Secretaries shall include in the annual report under this subsection an overall status report of the
progress of health resources sharing between the two De-
partments as a consequence of the Department of De-
fense-Department of Veterans Affairs Health Resources
Sharing and Performance Improvement Act of 2002 and
of other sharing initiatives taken during the period covered
by the report. Such status report shall indicate the status
of such sharing and shall include appropriate data as well
as analyses of that data. The annual report shall include
the following:

“(A) Enumerations and explanations of major
policy decisions reached by the two Secretaries dur-
ing the period covered by the report period with re-
spect to sharing between the two Departments.

“(B) A description of any purposes of Depart-
ment of Defense-Department of Veterans Affairs
Health Resources Sharing and Performance Im-
provement Act of 2002 that presented barriers that
could not be overcome by the two Secretaries and
their status at the time of the report.

“(C) A description of progress made in new
ventures or particular areas of sharing and coordina-
tion that would be of policy interest to Congress con-
sistent with the intent of such Act.

“(D) A description of enhancements of access
to care of beneficiaries of both Departments that
came about as a result of new sharing approaches brought about by such Act.

“(E) A description of proposals for which funds are provided through the joint incentives program under subsection (d), together with a description of their results or status at the time of the report, including access improvements, savings, and quality-of-care enhancements they brought about, and a description of any additional use of funds made available under subsection (d).

“(g) DEFINITIONS.—For the purposes of this section:

“(1) The term ‘beneficiary’ means a person who is a primary beneficiary of the Department of Veterans Affairs or of the Department of Defense.

“(2) The term ‘direct health care’ means health care provided to a beneficiary in a medical facility operated by the Department or the Department of Defense.

“(3) The term ‘head of a medical facility’ (A) with respect to a medical facility of the Department, means the director of the facility, and (B) with respect to a medical facility of the Department of Defense, means the medical or dental officer in charge or the contract surgeon in charge.
“(4) The term ‘health-care resource’ includes hospital care, medical services, and rehabilitative services, as those terms are defined in paragraphs (5), (6), and (8), respectively, of section 1701 of this title, services under sections 1782 and 1783 of this title, any other health-care service, and any health-care support or administrative resource.

“(5) The term ‘primary beneficiary’ (A) with respect to the Department means a person who is eligible under this title (other than under section 1782, 1783, or 1784 or subsection (d) of this section) or any other provision of law for care or services in Department medical facilities, and (B) with respect to the Department of Defense, means a member or former member of the Armed Forces who is eligible for care under section 1074 of title 10.

“(6) The term ‘providing Department’ means the Department of Veterans Affairs, in the case of care or services furnished by a facility of the Department of Veterans Affairs, and the Department of Defense, in the case of care or services furnished by a facility of the Department of Defense.

“(7) The term ‘service region’ means a geographic service area of the Veterans Health Administration, in the case of the Department of Veterans Affairs, and a geographic service area of the Department of Defense, in the case of care or services furnished by a facility of the Department of Defense.
Affairs, and a service region, in the case of the Department of Defense.”.

(2) The item relating to that section in the table of sections at the beginning of chapter 81 of title 38, United States Code, is amended to read as follows:

“8111. Sharing of Department of Veterans Affairs and Department of Defense health care resources.”.

(b) Conforming Amendment.—Section 1104 of title 10, United States Code, is amended by striking “may” and inserting “shall”.

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2003.

SEC. 724. HEALTH CARE RESOURCES SHARING AND COORDINATION PROJECT.

(a) Establishment.—(1) The Secretary of Veterans Affairs and the Secretary of Defense shall conduct a health care resources sharing project to serve as a test for evaluating the feasibility, and the advantages and disadvantages, of measures and programs designed to improve the sharing and coordination of health care and health care resources between the Department of Veterans Affairs and the Department of Defense. The project shall be carried out, as a minimum, at the sites identified under subsection (b).

(2) Reimbursement between the two Departments with respect to the project under this section shall be made
in accordance with the provisions of section 8111(e)(2) of title 38, United States Code, as amended by section 723(a).

(b) SITE IDENTIFICATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretaries shall jointly identify no less than five sites for the conduct of the project under this section.

(2) For purposes of this section, a site at which the resource sharing project shall be carried out is an area in the United States in which—

(A) one or more military treatment facilities and one or more VA health care facilities are situated in relative proximity to each other, including facilities engaged in joint ventures as of the date of the enactment of this Act; and

(B) for which an agreement to coordinate care and programs for patients at those facilities could be implemented not later than October 1, 2004.

(c) CONDUCT OF PROJECT.—(1) At sites at which the project is conducted, the Secretaries shall provide a test of a coordinated management system for the military treatment facilities and VA health care facilities participating in the project. Such a coordinated management system for a site shall include at least one of the elements specified in paragraph (2), and each of the elements speci-
fied in that paragraph must be included in the coordinated
management system for at least two of the participating
sites.

(2) Elements of a coordinated management system
referred to in paragraph (1) are the following:

(A) A budget and financial management system
for those facilities that—

(i) provides managers with information
about the costs of providing health care by both
Departments at the site;

(ii) allows managers to assess the advan-
tages and disadvantages (in terms of relative
costs, benefits, and opportunities) of using re-
sources of either Department to provide or en-
hance health care to beneficiaries of either De-
partment.

(B) A coordinated staffing and assignment sys-

tem for the personnel (including contract personnel)
employed at or assigned to those facilities, including
clinical practitioners of either Department.

(C) Medical information and information tech-

tology systems for those facilities that—

(i) are compatible with the purposes of the
project;
(ii) communicate with medical information
and information technology systems of cor-
responding elements of those facilities; and

(iii) incorporate minimum standards of in-
formation quality that are at least equivalent to
those adopted for the Departments at large in
their separate health care systems.

(d) PHARMACY BENEFIT.—(1) One of the elements
that shall be tested in at least two sites in accordance with
subsection (c) is a pharmacy benefit under which bene-
cficiaries of either Department shall have access, as part
of the project, to pharmaceutical services of the other De-
partment participating in the project.

(2) The two Secretaries shall enter into a memo-
randum of agreement to govern the establishment and
provision not later than October 1, 2004, of pharma-
ceutical services authorized by this section. In the case of
beneficiaries of the Department of Defense, the authority
under the preceding sentence for such access to pharma-
ceutical services at a VA health care facility includes au-
thority for medications to be dispensed based upon a pre-
scription written by a licensed health care practitioner
who, as determined by the Secretary of Defense, is a cer-
tified practitioner.
(c) Authority To Waive Certain Administrative Policies.—(1)(A) In order to carry out subsections (c) and (d), the Secretary of Defense may, in the Secretary’s discretion, waive any administrative policy of the Department of Defense otherwise applicable to those subsections (including policies applicable to pharmaceutical benefits) that specifically conflicts with the purposes of the project, in instances in which the Secretary determines that the waiver is necessary for the purposes of the project.

(B) In order to carry out subsections (c) and (d), the Secretary of Veterans Affairs may, in the Secretary’s discretion, waive any administrative policy of the Department of Veterans Affairs otherwise applicable to those subsections (including policies applicable to pharmaceutical benefits) that specifically conflicts with the purposes of the project, in instances in which the Secretary determines that the waiver is necessary for the purposes of the project.

(C) The two Secretaries shall establish procedures for resolving disputes that may arise from the effects of policy changes that are not covered by other agreement or existing procedures.

(2) No waiver under paragraph (1) may alter any labor-management agreement in effect as of the date of
the enactment of this Act or adopted by either Department during the period of the project.

(f) Use by DOD of Certain Title 38 Personnel Authorities.—(1) In order to carry out subsections (c) and (d), the Secretary of Defense may apply to civilian personnel of the Department of Defense assigned to or employed at a military treatment facility participating in the project any of the provisions of subchapters I, III, and IV of chapter 74 of title 38, United States Code, determined appropriate by the Secretary.

(2) For such purposes, any reference in such chapter—

(A) to the “Secretary” or the “Under Secretary for Health” shall be treated as referring to the Secretary of Defense; and

(B) to the “Veterans Health Administration” shall be treated as referring to the Department of Defense.

(g) Funding.—From amounts available for health care for a fiscal year, each Secretary shall make available to carry out the project not less than—

(1) $5,000,000 for fiscal year 2003;

(2) $10,000,000 for fiscal year 2004; and

(3) $15,000,000 for each succeeding year during which the project is in effect.
(h) DEFINITIONS.—For purposes of this section:

(1) The term “military treatment facility” means a medical facility under the jurisdiction of the Secretary of a military department.

(2) The term “VA health care facility” means a facility under the jurisdiction of the Veterans Health Administration of the Department of Veterans Affairs.

(i) PERFORMANCE REQUIREMENTS.—(1) The two Secretaries shall provide for a joint review team to conduct an annual on-site review at each of the project locations selected by the Secretaries under this section. The review team shall be comprised of employees of the Offices of the Inspectors General of the two Departments. Leadership of the joint review team shall rotate each fiscal year between an employee of the Office of the Inspector General of the Department of Veterans Affairs, during even-numbered fiscal years, and an employee of the Office of Inspector General of the Department of Defense, during odd-numbered fiscal years.

(2) On completion of their annual joint review under paragraph (1), the review team shall submit a report to the two Secretaries on the results of the review. The Secretaries shall forward the report, without change, to the
Committees on Armed Services and Veterans’ Affairs of
the Senate and House of Representatives.

(3) Each such report shall include the following:

(A) The strategic mission coordination between
shared activities.

(B) The accuracy and validity of performance
data used to evaluate sharing performance and
changes in standards of care or services at the
shared facilities.

(C) A statement that all appropriated funds
designated for sharing activities are being used for
direct support of sharing initiatives.

(D) Recommendations concerning continuance
of the project at each site for the succeeding 12-
month period.

(4) Whenever there is a recommendation under para-
graph (3)(D) to discontinue a resource sharing project
under this section, the two Secretaries shall act upon that
recommendation as soon as practicable.

(5) In the initial report under this subsection, the
joint review team shall validate the baseline information
used for comparative analysis.

(j) TERMINATION.—(1) The project, and the author-
ity provided by this section, shall terminate on September
(2) The Secretaries may terminate the performance of the project at any site when the performance of the project at that site fails to meet performance expectations of the Secretaries, based on recommendations from the review team under subsection (i) or on other information available to the Secretaries to warrant such action.

SEC. 725. REPORT ON IMPROVED COORDINATION AND SHARING OF HEALTH CARE AND HEALTH CARE RESOURCES FOLLOWING DOMESTIC ACTS OF TERRORISM OR DOMESTIC USE OF WEAPONS OF MASS DESTRUCTION.

(a) JOINT REVIEW.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly review the adequacy of current processes and existing statutory authorities and policy governing the capability of the Department of Defense and the Department of Veterans Affairs to provide health care to members of the Armed Forces following domestic acts of terrorism or domestic use of weapons of mass destruction, both before and after any declaration of national emergency. Such review shall include a determination of the adequacy of current authorities in providing for the coordination and sharing of health care resources between the two Departments in such cases, particularly before the declaration of a national emergency.
(b) REPORT TO CONGRESS.—A report on the review under subsection (a), including any recommended legislative changes, shall be submitted to Congress as part of the fiscal year 2004 budget submission.

SEC. 726. ADOPTION BY DEPARTMENT OF VETERANS AFFAIRS OF DEPARTMENT OF DEFENSE PHARMACY DATA TRANSACTION SYSTEM.

(a) ADOPTION OF PDTS SYSTEM.—The Secretary of Veterans Affairs shall adopt for use by the Department of Veterans Affairs health care system the system of the Department of Defense known as the “Pharmacy Data Transaction System”. Such system shall be fully operational for the Department of Veterans Affairs not later than October 1, 2004.

(b) IMPLEMENTATION FUNDING.—The Secretary of Defense shall transfer to the Secretary of Veterans Affairs, or shall otherwise bear the cost of, an amount sufficient to cover three-fourths of the cost to the Department of Veterans Affairs for initial computer programming activities and relevant staff training expenses related to implementation of subsection (a). Such amount shall be determined in such manner as agreed to by the two Secretaries.

(c) REIMBURSEMENT PROCEDURES.—Any reimbursement by the Department of Veterans Affairs to the
Department of Defense for the use by the Department of Veterans Affairs of the transaction system under subsection (a) shall be determined in accordance with section 8111(e)(2) of title 38, United States Code, as amended by section 723.

SEC. 727. JOINT PILOT PROGRAM FOR PROVIDING GRADUATE MEDICAL EDUCATION AND TRAINING FOR PHYSICIANS.

(a) IN GENERAL.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly carry out a pilot program under which graduate medical education and training is provided to military physicians and physician employees of the Department of Defense and the Department of Veterans Affairs through one or more programs carried out in military medical treatment facilities of the Department of Defense and medical centers of the Department of Veterans Affairs. The pilot program shall begin not later than January 1, 2003.

(b) COST-SHARING AGREEMENT.—The Secretaries shall enter into an agreement for carrying out the pilot program. The agreement shall establish means for each Secretary to assist in paying the costs, with respect to individuals under the jurisdiction of that Secretary, incurred by the other Secretary in providing medical education and training under the pilot program.
(c) Use of Existing Authorities.—To carry out the pilot program, the Secretary of Defense and the Secretary of Veterans Affairs may use authorities provided to them under this Act, section 8111 of title 38, United States Code, and other laws relating to the furnishing or support of medical education and the cooperative use of facilities.

(d) Termination of Program.—The pilot program under this section shall terminate on July 31, 2008.


SEC. 728. Repeal of Certain Limits on Department of Veterans Affairs Resources.

(a) Repeal of VA Bed Limits.—Section 8110(a)(1) of title 38, United States Code, is amended—

(1) in the first sentence, by striking “at not more than 125,000 and not less than 100,000”;

(2) in the third sentence, by striking “shall operate and maintain a total of not less than 90,000 hospital beds and nursing home beds and”; and

(3) in the fourth sentence, by striking “to enable the Department to operate and maintain a total
of not less than 90,000 hospital and nursing home beds in accordance with this paragraph and”.

(b) **Effective Date.**—The amendments made by subsection (a) shall take effect on October 1, 2003.

**SEC. 729. REPORTS.**

(a) **Interim Report.**—Not later than February 1, 2004, the Secretary of Defense and Secretary of Veterans Affairs shall submit to the Committees on Veterans’ Affairs and the Committees on Armed Services of the Senate and House of Representatives a joint report on their conduct of each of the programs under this Act through the end of the preceding fiscal year. The Secretaries shall include in the report a description of the measures taken, or planned to be taken, to implement the health resources sharing project under section 724 and the other provisions of this Act and any cost savings anticipated, or cost sharing achieved, at facilities participating in the project. The report shall also include information on improvements in access to care, quality, and timeliness, as well as impediments encountered and legislative recommendations to ameliorate such impediments.

(b) **Annual Report on Use of Waiver Authority.**—Not later than one year after the date of the enactment of this Act, and annually thereafter through completion of the project under section 724, the two Secretaries
shall submit to the committees of Congress specified in subsection (a) a joint report on the use of the waiver authority provided by section 724(e)(1). The report shall include a statement of the numbers and types of requests for waivers under that section of administrative policies that have been made during the period covered by the report and, for each such request, an explanation of the content of each request, the intended purpose or result of the requested waiver, and the disposition of each request. The report also shall include descriptions of any new administrative policies that enhance the success of the project.

(c) PHARMACY BENEFITS REPORT.—Not later than one year after pharmaceutical services are first provided pursuant to section 724(d)(1), the two Secretaries shall submit to the committees of Congress specified in subsection (a) a joint report on access by beneficiaries of each department to pharmaceutical services of the other department. The report shall describe the advantages and disadvantages to the beneficiaries and the Departments of providing such access and any other matters related to such pharmaceutical services that the Secretaries consider pertinent, together with any legislative recommendations for expanding or canceling such services.

(d) ANNUAL REPORT ON PILOT PROGRAM FOR GRADUATE MEDICAL EDUCATION.—Not later than Janu-
ary 31, 2004, and January 31 of each year thereafter through 2009, the two Secretaries shall submit to Congress a joint report on the pilot program under section 727. The report for any year shall cover activities under the program during the preceding year and shall include each Secretary’s assessment of the efficacy of providing education and training under that program.

**TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS**

**SEC. 801. PLAN FOR ACQUISITION MANAGEMENT PROFESSIONAL EXCHANGE PILOT PROGRAM.**

(a) Plan Required.—(1) The Secretary of Defense shall develop a plan for a pilot program under which—

(A) an individual in the field of acquisition management employed by the Department of Defense may be temporarily assigned to work in a private sector organization; and

(B) an individual in such field employed by a private sector organization may be temporarily assigned to work in the Department of Defense.

(2) In developing the plan under paragraph (1), the Secretary shall address the following:
(A) The benefits of undertaking such a program.

(B) The appropriate length of assignments under the program.

(C) Whether an individual assigned under the program should be compensated by the organization to which the individual is assigned, or the organization from which the individual is assigned.

(D) The ethics guidelines that should be applied to the program and, if necessary, waivers of ethics laws that would be needed in order to make the program effective and attractive to both Government and private sector employees.

(E) An assessment of how compensation of individuals suffering employment-related injuries under the program should be addressed.

(b) Submission to Congress.—Not later than February 1, 2003, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives the plan required under subsection (a).

SEC. 802. EVALUATION OF TRAINING, KNOWLEDGE, AND RESOURCES REGARDING NEGOTIATION OF INTELLECTUAL PROPERTY ARRANGEMENTS.

(a) Availability of Training, Knowledge, and Resources.—The Secretary of Defense shall evaluate the
training, knowledge, and resources needed by the Department of Defense in order to effectively negotiate intellectual property rights using the principles of the Defense Federal Acquisition Regulation Supplement and determine whether the Department of Defense currently has in place the training, knowledge, and resources available to meet those Departmental needs.

(b) REPORT.—Not later than February 1, 2003, the Secretary of Defense shall submit to Congress a report describing—

(1) the results of the evaluation performed under subsection (a);

(2) to the extent the Department does not have adequate training, knowledge, and resources available, actions to be taken to improve training and knowledge and to make resources available to meet the Department’s needs; and

(3) the number of Department of Defense legal personnel trained in negotiating intellectual property arrangements.

SEC. 803. LIMITATION PERIOD FOR TASK AND DELIVERY ORDER CONTRACTS.

Chapter 137 of title 10, United States Code, is amended—

(1) in section 2304a—
(A) in subsection (e)—

(i) by inserting “(1)” before “A task”;

and

(ii) by adding at the end the following new paragraphs:

“(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (e) of section 2304 of this title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

“(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).”; and

(B) by striking subsection (f) and inserting the following:

“(f) LIMITATION ON CONTRACT PERIOD.—The base period of a task order contract or delivery order contract entered into under this section may not exceed five years unless a longer period is specifically authorized in a law that is applicable to such contract. The contract may be extended for an additional 5 years (for a total contract period of not more than 10 years) through modifications, options, or otherwise.”; and

(2) in section 2304b—
(A) by striking subsection (a) and inserting the following:

“(a) IN GENERAL.—A task order contract (as defined in section 2304d of this title) for procurement of advisory and assistance services shall be subject to the requirements of this section, sections 2304a and 2304c of this title, and other applicable provisions of law.”;

(B) by striking subsections (b), (f), and (g) and redesignating subsections (c), (d), (e), (h), and (i) as subsections (b) through (f);

(C) by amending subsection (c) (as redesignated by subparagraph (B)) to read as follows:

“(c) REQUIRED CONTENT OF CONTRACT.—A task order contract described in subsection (a) shall contain the same information that is required by section 2304a(b) to be included in the solicitation of offers for that contract.”;

and

(D) in subsection (d) (as redesignated by subparagraph (B))—

(i) in paragraph (1), by striking “under this section” and inserting “described in subsection (a)”; and

(ii) in paragraph (2), by striking “under this section”.

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SEC. 804. ONE-YEAR EXTENSION OF PROGRAM APPLYING SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS; REPORT.


(b) Report Required.—Not later than January 15, 2003, the Secretary of Defense shall submit to Congress a report on whether the authority to issue solicitations for purchases of commercial items in excess of the simplified acquisition threshold pursuant to the special simplified procedures authorized by section 2304(g)(1) of title 10, United States Code, section 303(g)(1) of the Federal Property and Administrative Services Act of 1949, and section 31(a) of the Office of Federal Procurement Policy Act, should be made permanent.

SEC. 805. AUTHORITY TO MAKE INFLATION ADJUSTMENTS TO SIMPLIFIED ACQUISITION THRESHOLD.

Section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) is amended by inserting “, except that such amount may be adjusted by the Administrator every five years to the amount equal to $100,000 in constant fiscal year 2002 dollars (rounded to the nearest $10,000)” before the period at the end.
SEC. 806. IMPROVEMENT OF PERSONNEL MANAGEMENT POLICIES AND PROCEDURES APPLICABLE TO THE CIVILIAN ACQUISITION WORKFORCE.

(a) PLAN REQUIRED.—The Secretary of Defense shall develop a plan for improving the personnel management policies and procedures applicable to the Department of Defense civilian acquisition workforce based on the results of the demonstration project described in section 4308 of the Clinger–Cohen Act of 1996 (division D of Public Law 104–106; 10 U.S.C. 1701 note).

(b) SUBMISSION TO CONGRESS.—Not later than February 15, 2003, the Secretary shall submit to Congress the plan required under subsection (a) and a report including any recommendations for legislative action necessary to implement the plan.

SEC. 807. MODIFICATION OF SCOPE OF BALL AND ROLLER BEARINGS COVERED FOR PURPOSES OF PROCUREMENT LIMITATION.

Section 2534(a)(5) of title 10, United States Code is amended—

(1) by striking “‘225.71’” and inserting “‘225.70’”;

(2) by striking “October 23, 1992” and inserting “April 27, 2002”; and

(3) by adding at the end the following: “In this section the term ‘ball bearings and roller bearings’
includes unconventional or hybrid ball and roller bearings and cam follower bearings, ball screws, and other derivatives of ball and roller bearings.”

SEC. 808. RAPID ACQUISITION AND DEPLOYMENT PROCEDURES.

(a) Requirement To Establish Procedures.—

Chapter 141 of title 10, United States Code, is amended by inserting after section 2396 the following new section:

“§ 2397. Rapid acquisition and deployment procedures

“(a) Establishment.—The Secretary of Defense shall establish tailored rapid acquisition and deployment procedures for items urgently needed to react to an enemy threat or to respond to significant and urgent safety situations.

“(b) Procedures.—The procedures established under subsection (a) shall include the following:

“(1) A process for streamlined communications between the Chairman of the Joint Chiefs of Staff, the acquisition community, and the testing community.

“(2) A process for expedited technical, programmatic, and financial decisions.

“(3) An expedited procurement and contracting process.
“(c) Specific Steps To Be Included.—The procedures established under subsection (a) shall provide for the following:

“(1) The commander of a unified combatant command may notify the Chairman of the Joint Chiefs of Staff of the need for an item described in subsection (a) that is currently under development.

“(2) The Chairman may request the Secretary of Defense to use rapid acquisition and deployment procedures with respect to the item.

“(3) The Secretary of Defense shall decide whether to use such procedures with respect to the item and shall notify the Secretary of the appropriate military department of the decision.

“(4) If the Secretary of Defense decides to use such procedures with respect to the item, the Secretary of the military department shall prepare a funding strategy for the rapid acquisition of the item and shall conduct a demonstration of the performance of the item.

“(5) The Director of Operational Test and Evaluation shall immediately evaluate the existing capability of the item (but under such evaluation shall not assess the capability of the item as regards
to the function the item was originally intended to perform).

“(6) The Chairman of the Joint Chiefs of Staff shall review the evaluation of the Director of Operational Test and Evaluation and report to the Secretary of Defense regarding whether the capabilities of the tested item are able to meet the urgent need for the item.

“(7) The Secretary of Defense shall evaluate the information regarding funding and rapid acquisition prepared pursuant to paragraph (4) and approve or disapprove of the acquisition of the item using the procedures established pursuant to subsection (a).

“(d) LIMITATION.—The quantity of items of a system procured using the procedures established under this section may not exceed the number established for low-rate initial production for the system, and any such items shall be counted for purposes of the number of items of the system that may be procured through low-rate initial production.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2396 the following new item:

“2397. Rapid acquisition and deployment procedures.”.
SEC. 809. QUICK-REACTION SPECIAL PROJECTS ACQUISITION TEAM.

(a) Establishment.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2402 the following new section:

"§ 2403. Quick-reaction special projects acquisition team

"The Secretary of Defense shall establish a quick-reaction special projects acquisition team, the purpose of which shall be to advise the Secretary on actions that can be taken to expedite the procurement of urgently needed systems. The team shall address problems with the intention of creating expeditious solutions relating to—

(1) industrial-base issues such as the limited availability of suppliers;

(2) compliance with acquisition regulations and lengthy procedures;

(3) compliance with environmental requirements;

(4) compliance with requirements regarding small-business concerns; and

(5) compliance with requirements regarding the purchase of products made in the United States."

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by inserting
after the item relating to section 2402 the following new item:

‘‘2403. Quick-reaction special projects acquisition team.’’.

SEC. 810. REPORT ON DEVELOPMENT OF ANTI-CYBERTERRORISM TECHNOLOGY.

Not later than February 1, 2003, the Secretary of Defense shall submit to Congress a report on—

(1) efforts by the Department of Defense to enter into contracts with private entities to develop anticyberterrorism technology; and

(2) whether such efforts should be increased.

SEC. 811. CONTRACTING WITH FEDERAL PRISON INDUSTRIES.

(a) ASSURING BEST VALUE FOR NATIONAL DEFENSE AND HOMELAND SECURITY.—(1) The Department of Defense or one of the military departments may acquire a product or service from Federal Prison Industries, Inc. only if such acquisition is made through a procurement contract awarded and administered in accordance with chapter 137 of title 10, United States Code, the Federal Acquisition Regulation, and the Department of Defense supplements to such regulation. If a contract is to be awarded to Federal Prison Industries, Inc. by the Department of Defense through other than competitive procedures, authority for such award shall be based upon statu-
tory authority other than chapter 307 of title 18, United States Code.

(2) The Secretary of Defense shall assure that—

(A) no purchase of a product or a service is made by the Department of Defense from Federal Prison Industries, Inc. unless the contracting officer determines that—

(i) the product or service can be timely furnished and will meet the performance needs of the activity that requires the product or service; and

(ii) the price to be paid does not exceed a fair market price determined by competition or a fair and reasonable price determined by price analysis or cost analysis; and

(B) Federal Prison Industries, Inc. performs its contractual obligations to the same extent as any other contractor for the Department of Defense.

(b) PERFORMANCE AS A SUBCONTRACTOR.—(1) The use of Federal Prison Industries, Inc. as a subcontractor or supplier shall be a wholly voluntary business decision by a Department of Defense prime contractor or subcon-tractor, subject to any prior approval of subcontractors or suppliers by the contracting officer which may be imposed by regulation or by the contract.
(2) A defense contractor (or subcontractor at any tier) using Federal Prison Industries, Inc. as a subcontractor or supplier in furnishing a commercial product pursuant to a contract shall implement appropriate management procedures to prevent introducing an inmate-produced product or inmate-furnished services into the commercial market.

(3) Except as authorized under the Federal Acquisition Regulation, the use of Federal Prison Industries, Inc. as a subcontractor or supplier of products or provider of services shall not be imposed upon prospective or actual defense prime contractors or subcontractors at any tier by means of—

(A) a contract solicitation provision requiring a contractor to offer to make use of Federal Prison Industries, Inc. its products or services;

(B) specifications requiring the contractor to use specific products or services (or classes of products or services) offered by Federal Prison Industries, Inc. in the performance of the contract;

(C) any contract modification directing the use of Federal Prison Industries, Inc. its products or services; or

(D) any other means.
(c) Protection of Classified and Sensitive Information.—The Secretary of Defense shall assure that Federal Prison Industries, Inc. is not permitted to provide services as a contractor or subcontractor at any tier, if an inmate worker has access to—

(1) data that is classified or will become classified after being merged with other data;

(2) geographic data regarding the location of surface and subsurface infrastructure providing communications, water and electrical power distribution, pipelines for the distribution of natural gas, bulk petroleum products and other commodities, and other utilities; or

(3) personal or financial information about individual private citizens, including information relating to such person’s real property, however described, without giving prior notice to such persons or class of persons to the greatest extent practicable.

(d) Regulatory Implementation.—

(1) Proposed regulations.—Proposed revisions to the Department of Defense Supplement to the Federal Acquisition Regulation to implement this section shall be published not later than 90 days after the date of enactment of this Act and provide not less than 60 days for public comment.
(2) Final regulations.—Final regulations shall be published not later than 180 days after the date of the enactment of this Act and shall be effective on the date that is 30 days after the date of publication.

SEC. 812. RENEWAL OF CERTAIN PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENTS AT FUNDING LEVELS AT LEAST SUFFICIENT TO SUPPORT EXISTING PROGRAMS.

Section 2413 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(d) With respect to any eligible entity that has successfully performed under a cooperative agreement entered into under subsection (a), the Secretary shall strive, to the greatest extent practicable and subject to appropriations, to renew such agreement with such entity at a level of funding which is at least equal to the level of funding under the cooperative agreement being renewed.”.
TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. CHANGE IN TITLE OF SECRETARY OF THE NAVY TO SECRETARY OF THE NAVY AND MARINE CORPS.

(a) CHANGE IN TITLE.—The position of the Secretary of the Navy is hereby redesignated as the Secretary of the Navy and Marine Corps.

(b) REFERENCES.—Any reference to the Secretary of the Navy in any law, regulation, document, record, or other paper of the United States shall be considered to be a reference to the Secretary of the Navy and Marine Corps.

SEC. 902. REPORT ON IMPLEMENTATION OF UNITED STATES NORTHERN COMMAND.

Not later than September 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report providing an implementation plan for the United States Northern Command. The report shall address the following:

(1) The required budget for standing-up and maintaining that command.
(2) The location of the headquarters of that command and alternatives considered for that location, together with the criteria used in selection of that location.

(3) The required manning levels for the command, the effect that command will have on current Department of Defense personnel resources, and the other commands from which personnel will be transferred to provide personnel for that command.

(4) The chain of command within that command to the component command level and a review of permanently assigned or tasked organizations and units.


(6) The relationship of that command with the National Guard Bureau, individual State National Guard Headquarters, and civil first responders to ensure continuity of operational plans.

(7) The legal implications of military forces in their Federal capacity operating on United States territory.
(8) The status of Department of Defense consultations—
(A) with Canada regarding Canada’s role in, and any expansion of mission for, the North American Air Defense Command; and
(B) with Mexico regarding Mexico’s role in the United States Northern Command.

(9) The status of Department of Defense consultations with NATO member nations on efforts to transfer the Supreme Allied Command for the Atlantic from dual assignment with the position of commander of the United States Joint Forces Command.

(10) The revised mission, budget, and personnel resources required for the United States Joint Forces Command.

SEC. 903. NATIONAL DEFENSE MISSION OF COAST GUARD TO BE INCLUDED IN FUTURE QUADRENNIAL DEFENSE REVIEWS.

Section 118(d) of title 10, United States Code, is amended—
(1) by redesignating paragraph (14) as paragraph (15); and
(2) by inserting after paragraph (13) the following new paragraph:
“(14) The national defense mission of the Coast Guard.”.

SEC. 904. CHANGE IN YEAR FOR SUBMISSION OF QUADREN- 
NIAL DEFENSE REVIEW.

Section 118(a) of title 10, United States Code, is amended by striking “during a year” and inserting “during the second year”.

SEC. 905. REPORT ON EFFECT OF OPERATIONS OTHER 
THAN WAR ON COMBAT READINESS OF THE 
ARMED FORCES.

(a) Report Required.—Not later than February 28, 2004, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the effect on the combat readiness of the Armed Forces of operations other than war in which the Armed Forces are participating as of the date of the enactment of this Act (hereinafter in this section referred to as “current operations other than war”). Such report shall address any such effect on combat readiness for the Armed Forces as a whole and separately for the active components and the reserve components.

(b) Operations Other Than War.—For purposes of this section, the term “operations other than war” in- 
cludes the followng:
(1) Humanitarian operations.

(2) Counter-drug operations.

(3) Peace operations.

(4) Nation assistance.

(c) MATTERS TO BE ADDRESSED.—The report shall, at a minimum, address the following (shown both for the Armed Forces as a whole and separately for the active components and the reserve components):

(1) With respect to each current operation other than war, the number of members of the Armed Forces who are—

(A) directly participating in the operation;

(B) supporting the operation;

(C) preparing to participate or support an upcoming rotation to the operation; or

(D) recovering and retraining following participation in the operation.

(2) The cost to the Department of Defense in time, funds, resources, personnel, and equipment to prepare for, conduct, and recover and retrain from each such operation.

(3) The effect of participating in such operations on performance, retention, and readiness of individual members of the Armed Forces.
(4) The effect of such operations on the readiness of forces and units participating, preparing to participate, and returning from participation in such operations.

(5) The effect that such operations have on forces and units that do not, have not, and will not participate in them.

(6) The contribution to United States national security and to regional stability of participation by the United States in such operations, to be assessed after receiving the views of the commanders of the regional unified combatant commands.

(d) CLASSIFICATION OF REPORT.—The report may be provided in classified or unclassified form as necessary.

SEC. 906. CONFORMING AMENDMENT TO REFLECT DISESTABLISHMENT OF DEPARTMENT OF DEFENSE CONSEQUENCE MANAGEMENT PROGRAM INTEGRATION OFFICE.

Section 12310(c)(3) of title 10, United States Code, is amended by striking “only—” and all that follows through “(B) while assigned” and inserting “only while assigned”.

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SEC. 907. AUTHORITY TO ACCEPT GIFTS FOR NATIONAL DEFENSE UNIVERSITY.

(a) IN GENERAL.—Section 2605 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting “(1)” after “administration of”; and

(B) by inserting before the period at the end of the first sentence “, or (2) the National Defense University”;

(2) in subsection (b)—

(A) by inserting “(1)” after “(b)”;

(B) by striking “subsection (a)” and inserting “subsection (a)(1)”;

(C) by designating the last sentence as paragraph (3) and in that sentence by inserting “or for the benefit or use of the National Defense University, as the case may be,” after “schools,”; and

(D) by inserting before paragraph (3), as designated by subparagraph (C), the following:

“(2) There is established in the Treasury a fund to be known as the ‘National Defense University Gift Fund’. Gifts of money, and the proceeds of the sale of property, received under subsection (a)(2) shall be deposited in the Fund.”;

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(3) in subsection (d)(1)(A), by inserting “and the National Defense University Gift Fund” before the semicolon; and

(4) by adding at the end the following new subsection:

“(h) In this section, the term ‘National Defense University’ includes any school or other component of the National Defense University.”.

(b) Clerical Amendment.—(1) The heading of such section is amended to read as follows:

“§ 2605. Acceptance of gifts for defense dependents’ schools and National Defense University”.

(2) The item relating to such section in the table of sections at the beginning of chapter 151 of such title is amended to read as follows:

“2605. Acceptance of gifts for defense dependents’ schools and National Defense University.”.

TITLE X—GENERAL PROVISIONS
Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) Authority To Transfer Authorizations.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2003 between any such authorizations for that
fiscal year (or any subdivisions thereof). Amounts of au-

thorizations so transferred shall be merged with and be
available for the same purposes as the authorization to
which transferred.

(2) The total amount of authorizations that the Sec-
retary may transfer under the authority of this section
may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this
section to transfer authorizations—

(1) may only be used to provide authority for
items that have a higher priority than the items
from which authority is transferred; and

(2) may not be used to provide authority for an
item that has been denied authorization by Con-
gress.

(e) EFFECT ON AUTHORIZATION AMOUNTS.—A
transfer made from one account to another under the au-

thority of this section shall be deemed to increase the

amount authorized for the account to which the amount
is transferred by an amount equal to the amount trans-
ferred.

(d) NOTICE TO CONGRESS.—The Secretary shall
promptly notify Congress of each transfer made under
subsection (a).
SEC. 1002. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2002.

(a) DOD AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2002 in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased (by a supplemental appropriation) or decreased (by a rescission), or both, or are increased by a transfer of funds, pursuant to the following:


(2) Any Act enacted after May 1, 2002, making supplemental appropriations for fiscal year 2002 for the military functions of the Department of Defense.

(b) NNSA AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Energy for fiscal year 2002 in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased (by a supplemental appropriation) or decreased (by a rescission), or both, or are increased by a transfer of funds, pursuant to the following:

(2) Any Act enacted after May 1, 2002, making supplemental appropriations for fiscal year 2002 for the atomic energy defense activities of the Department of Energy.

(c) LIMITATION ON TRANSFERS PENDING SUBMISSION OF REPORT.—Any amount provided for the Department of Defense for fiscal year 2002 through a so-called ‘transfer account’, including the Defense Emergency Response Fund or any other similar account, may be transferred to another account for obligation only after the Secretary of Defense submits to the congressional defense committees a report stating, for each such transfer, the amount of the transfer, the appropriation account to which the transfer is to be made, and the specific purpose for which the transferred funds will be used.

(d) EMERGENCY DESIGNATION REQUIREMENT.—(1) In the case of a pending contingent emergency supplemental appropriation for the military functions of the Department of Defense or the atomic energy defense activities of the Department of Energy, an adjustment may be made under subsection (a) or (b) in the amount of an authorization of appropriations by reason of that supple-
mental appropriation only if, and to the extent that, the
President transmits to Congress an official budget request
for that appropriation that designates the entire amount
requested as an emergency requirement.

(2) For purposes of this subsection, the term “contingent
emergency supplemental appropriation” means a
supplemental appropriation that—

(A) is designated by Congress as an emergency
requirement pursuant to section 251(b)(2)(A) of the
Balanced Budget and Emergency Deficit Control
Act of 1985; and

(B) by law is available only to the extent that
the President transmits to the Congress an official
budget request for that appropriation that includes
designation of the entire amount of the request as
an emergency requirement.

SEC. 1003. UNIFORM STANDARDS THROUGHOUT DEPART-
MENT OF DEFENSE FOR EXPOSURE OF PER-
SONNEL TO PECUNIARY LIABILITY FOR LOSS
OF GOVERNMENT PROPERTY.

(a) EXTENSION OF ARMY AND AIR FORCE REPORT-
OF-SURVEY PROCEDURES TO NAVY AND MARINE CORPS
AND ALL DOD CIVILIAN EMPLOYEES.—(1) Chapter 165
of title 10, United States Code, is amended by adding at
the end the following new section:
§ 2787. Reports of survey

(a) REGULATIONS.—Under such regulations as the Secretary of Defense may prescribe, any officer of the Army, Navy, Air Force, or Marine Corps or any civilian employee of the Department of Defense designated by the Secretary may act upon reports of surveys and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of, or damage to, property of the United States under the control of the Department of Defense.

(b) FINALITY OF ACTION.—Action taken under subsection (a) is final, except that action holding a person pecuniarily liable for loss, spoilage, destruction, or damage is not final until approved by the Secretary.’’.

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

“2787. Reports of survey.”.

(b) EXTENSION TO MEMBERS OF THE NAVY AND MARINE CORPS OF PAY DEDUCTION AUTHORITY PERTAINING TO DAMAGE OR REPAIR OF ARMS AND EQUIPMENT.—Section 1007(e) of title 37, United States Code, is amended by striking “Army or the Air Force” and inserting “Army, Navy, Air Force, or Marine Corps”. 

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(c) Repeal of Superceded Provisions.—(1) Sections 4835 and 9835 of title 10, United States Code, are repealed.

(2)(A) The table of sections at the beginning of chapter 453 of such title is amended by striking the item relating to section 4835.

(B) The table of sections at the beginning of chapter 953 of such title is amended by striking the item relating to section 9835.

SEC. 1004. ACCOUNTABLE OFFICIALS IN THE DEPARTMENT OF DEFENSE.

(a) Accountable Officials Within the Department of Defense.—Chapter 165 of title 10, United States Code, is amended by inserting after section 2773 the following new section:

“§ 2773a. Departmental accountable officials

“(a) Designation.—(1) The Secretary of Defense may designate as a ‘departmental accountable official’ any civilian employee of the Department of Defense or member of the armed forces under the Secretary’s jurisdiction who is described in paragraph (2). Any such designation shall be in writing.

“(2) An employee or member of the armed forces described in this paragraph is an employee or member who is responsible in the performance of the employee’s or
member’s duties for providing to a certifying official of
the Department of Defense information, data, or services
that are directly relied upon by the certifying official in
the certification of vouchers for payment.

“(b) PECUNIARY LIABILITY.—(1) The Secretary of
Defense may impose pecuniary liability on a departmental
accountable official to the extent that an illegal, improper,
or incorrect payment results from the information, data,
or services that that official provides to a certifying official
and upon which the certifying official directly relies in cer-
tifying the voucher supporting that payment.

“(2) The pecuniary liability of a departmental ac-
countable official under this subsection for such an illegal,
improper, or incorrect payment is joint and several with
that of any other officials who are pecuniarily liable for
such payment.

“(c) RELIEF FROM LIABILITY.—The Secretary of
Defense shall relieve a departmental accountable official
from liability under subsection (b) if the Secretary deter-
mines that the illegal, improper, or incorrect payment was
not the result of fault or negligence by that official.”.

(b) CLERICAL AMENDMENT.—The table of sections
at the beginning of such chapter is amended by inserting
after the item relating to section 2773 the following new
item:

“2773a. Departmental accountable officials.”.
SEC. 1005. IMPROVEMENTS IN PURCHASE CARD MANAGEMENT.

(a) In general.—Section 2784 of title 10, United States Code, is amended to read as follows:

“§ 2784. Management of purchase cards

“(a) MANAGEMENT OF PURCHASE CARDS.—The Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall prescribe regulations governing the use and control of all purchase cards and convenience checks that are issued to Department of Defense personnel for official use. Those regulations shall be consistent with regulations that apply Government-wide regarding use of purchase cards by Government personnel for official purposes.

“(b) REQUIRED SAFEGUARDS AND INTERNAL CONTROLS.—Regulations under subsection (a) shall include safeguards and internal controls to ensure the following:

“(1) That there is a record in the Department of Defense of each holder of a purchase card issued by the Department of Defense for official use, annotated with the limitations on amounts that are applicable to the use of each such card by that purchase card holder.

“(2) That the holder of a purchase card and each official with authority to authorize expenditures charged to the purchase card are responsible for—
“(A) reconciling the charges appearing on each statement of account for that purchase card with receipts and other supporting documentation; and

“(B) forwarding that statement after being so reconciled to the designated disbursing office in a timely manner.

“(3) That any disputed purchase card charge, and any discrepancy between a receipt and other supporting documentation and the purchase card statement of account, is resolved in the manner prescribed in the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

“(4) That payments on purchase card accounts are made promptly within prescribed deadlines to avoid interest penalties.

“(5) That rebates and refunds based on prompt payment on purchase card accounts are properly recorded.

“(6) That records of each purchase card transaction (including records on associated contracts, reports, accounts, and invoices) are retained in accordance with standard Government policies on the disposition of records.
“(7) That an annual review is performed of the use of purchase cards issued by the Department of Defense to determine whether each purchase card holder has a need for the purchase card.

“(8) That the Inspectors General of the Department of Defense and the military services perform periodic audits with respect to the use of purchase cards issued by the Department of Defense to ensure that such use is in compliance with regulations.

“(9) That appropriate annual training is provided to each purchase card holder and each official with responsibility for overseeing the use of purchase cards issued by the Department of Defense.

“(c) Penalties for Violations.—The Secretary shall provide in the regulations prescribed under subsection (a)—

“(1) that procedures are implemented providing for appropriate punishment of employees of the Department of Defense for violations of such regulations and for negligence, misuse, abuse, or fraud with respect to a purchase card, including dismissal in appropriate cases; and

“(2) that a violation of such regulations by a person subject to chapter 47 of this title (the Uni-
form Code of Military Justice) is punishable as a violation of section 892 of this title (article 92 of the Uniform Code of Military Justice).”.

(b) CLERICAL AMENDMENT.—The item relating to section 2784 in the table of sections at the beginning of chapter 165 of such title is amended to read as follows: “2784. Management of purchase cards.”.

SEC. 1006. AUTHORITY TO TRANSFER FUNDS WITHIN A MAJOR ACQUISITION PROGRAM FROM PROCUREMENT TO RDT&E.

(a) PROGRAM FLEXIBILITY.—(1) Chapter 131 of title 10, United States Code, is amended by inserting after section 2214 the following new section:

“§ 2214a. Transfer of funds: transfers from procurement accounts to research and development accounts for major acquisition programs

“(a) TRANSFER AUTHORITY WITHIN MAJOR PROGRAMS.—Subject to subsection (b), the Secretary of Defense may transfer amounts provided in an appropriation Act for procurement for a covered acquisition program to amounts provided in the same appropriation Act for research, development, test, and evaluation for that program.

“(b) CONGRESSIONAL NOTICE-AND-WAIT.—A transfer may be made under this section only after—
“(1) the Secretary submits to the congressional defense committees notice in writing of the Secretary’s intent to make such transfer, together with the Secretary’s justification for the transfer; and

“(2) a period of 30 days has elapsed following the date of such notification.

“(c) LIMITATIONS.—From amounts appropriated for the Department of Defense for any fiscal year for procurement—

“(1) the total amount transferred under this section may not exceed $250,000,000; and

“(2) the total amount so transferred for any acquisition program may not exceed $20,000,000.

“(d) COVERED ACQUISITION PROGRAMS.—In this section, the term ‘covered acquisition program’ means an acquisition program of the Department of Defense that is—

“(A) a major defense acquisition program for purposes of chapter 144 of this title; or

“(B) any other acquisition program of the Department of Defense—

“(i) that is designated by the Secretary of Defense as a covered acquisition program for purposes of this section; or
“(ii) that is estimated by the Secretary of Defense to require an eventual total expenditure for research, development, test, and evaluation of more than $140,000,000 (based on fiscal year 2000 constant dollars) or an eventual total expenditure for procurement of more than $660,000,000 (based on fiscal year 2000 constant dollars.)

“(e) TRANSFER BACK OF UNUSED TRANSFERRED FUNDS.—If funds transferred under this section are not used for the purposes for which transferred, such funds shall be transferred back to the account from which transferred and shall be available for their original purpose.

“(f) ADDITIONAL AUTHORITY.—The transfer authority provided in this section is in addition to any other transfer authority available to the Secretary of Defense.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2214 the following new item:

“2214a. Transfer of funds: transfers from procurement accounts to research and development accounts for major acquisition programs.”.

(b) EFFECTIVE DATE.—Section 2214a of title 10, United States Code, as added by subsection (a), shall not apply with respect to funds appropriated before the date of the enactment of this Act.
SEC. 1007. DEVELOPMENT AND PROCUREMENT OF FINANCIAL AND NONFINANCIAL MANAGEMENT SYSTEMS.

(a) REPORT.—Not later than March 1, 2003, the Secretary of Defense shall submit to the congressional defense committees a report on the modernization of the Department of Defense’s financial management systems and operations. The report shall include the following:

(1) The goals and objectives of the Financial Management Modernization Program.

(2) The acquisition strategy for that Program, including milestones, performance metrics, and financial and nonfinancial resource needs.

(3) A listing of all operational and developmental financial and nonfinancial management systems in use by the Department, the related costs to operate and maintain those systems during fiscal year 2002, and the estimated cost to operate and maintain those systems during fiscal year 2003.

(4) An estimate of the completion date of a transition plan that will identify which of the Department’s operational and developmental financial management systems will not be part of the objective financial and nonfinancial management system and that provides the schedule for phase out of those legacy systems.
(b) LIMITATIONS.—(1) A contract described in subsection (e) may be entered into using funds made available to the Department of Defense for fiscal year 2003 only with the approval in advance in writing of the Under Secretary of Defense (Comptroller).

(2) Not more than 75 percent of the funds authorized to be appropriated in section 201(4) for research, development, test, and evaluation for the Department of Defense Financial Modernization Program (Program Element 65016D8Z) may be obligated until the report required by subsection (a) is received by the congressional defense committees.

(c) COVERED CONTRACTS.—Subsection (b)(1) applies to a contract for the procurement of any of the following:

(1) An enterprise architecture system.

(2) A finance or accounting system.

(3) A nonfinancial business and feeder system.

(4) An upgrade to any system specified in paragraphs (1) through (3).

(d) DEFINITIONS.—As used in this section:

(1) FINANCIAL MANAGEMENT SYSTEM AND OPERATIONS.—The term “financial management system and operations” means financial, financial related, and non-financial business operations and sys-
tems used for acquisition programs, transportation, travel, property, inventory, supply, medical, budget formulation, financial reporting, and accounting. Such term includes the automated and manual processes, procedures, controls, data, hardware, software, and support personnel dedicated to the operations and maintenance of system functions.

(2) **Feeder systems.**—The term “feeder systems” means financial portions of mixed systems.

(3) **Developmental systems and projects.**—The term “developmental systems and projects” means any system that has not reached Milestone C, as defined in the Department of Defense 5000–series regulations.

**Subtitle B—Reports**

**SEC. 1011. AFTER-ACTION REPORTS ON THE CONDUCT OF MILITARY OPERATIONS CONDUCTED AS PART OF OPERATION ENDURING FREEDOM.**

(a) **Report Required.**—(1) The Secretary of Defense shall submit to the congressional committees specified in subsection (c) two reports on the conduct of military operations conducted as part of Operation Enduring Freedom. The first report (which shall be an interim report) shall be submitted not later than June 15, 2003. The second report shall be submitted not later than 180
days after the date (as determined by the Secretary of De-
fense) of the cessation of hostilities undertaken as part
of Operation Enduring Freedom.

(2) Each report shall be prepared in consultation with
the Chairman of the Joint Chiefs of Staff, the commander-
in-chief of the United States Central Command, and the
Director of Central Intelligence.

(3) Each report shall be submitted in both a classified
form and an unclassified form.

(b) MATTERS TO BE INCLUDED.—Each report shall
contain a discussion of accomplishments and shortcomings
of the overall military operation. The report shall specifi-
cally include the following:

(1) A discussion of the command, control, co-
ordination, and support relationship between United
States Special Operations Forces and Central Intel-
ligence Agency elements participating in Operation
Enduring Freedom and any lessons learned from the
joint conduct of operations by those forces and ele-
ments.

(2) Recommendations to improve operational
readiness and effectiveness.

(e) CONGRESSIONAL COMMITTEES.—The committees
referred to in subsection (a)(1) are the following:
(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 1012. REPORT ON BIOLOGICAL WEAPONS DEFENSE AND COUNTER-PROLIFERATION.

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report—

(1) describing programs and initiatives to halt, counter, and defend against the development, production, and proliferation of biological weapons agents, technology, and expertise to terrorist organizations and other States; and

(2) including a detailed list of the limitations and impediments to the biological weapons defense, nonproliferation, and counterproliferation efforts of the Department of Defense, and recommendations to remove such impediments and to make such efforts more effective.

(b) CLASSIFICATION.—The report may be submitted in unclassified or classified form as necessary.
SEC. 1013. REQUIREMENT THAT DEPARTMENT OF DEFENSE REPORTS TO CONGRESS BE ACCOMPANIED BY ELECTRONIC VERSION.

Section 480(a) of title 10, United States Code, is amended by striking “shall, upon request” and all that follows through “(or each)” and inserting “shall provide to Congress (or”.

SEC. 1014. STRATEGIC FORCE STRUCTURE PLAN FOR NUCLEAR WEAPONS AND DELIVERY SYSTEMS.

(a) PLAN REQUIRED.—The Secretary of Defense and the Secretary of Energy shall jointly prepare a plan for the United States strategic force structure for nuclear weapons and nuclear weapons delivery systems for the period of fiscal years from 2002 through 2012. The plan shall—

(1) delineate a baseline strategic force structure for such weapons and systems over such period consistent with the Nuclear Posture Review dated January 2002;

(2) define sufficient force structure, force modernization and life extension plans, infrastructure, and other elements of the defense program of the United States associated with such weapons and systems that would be required to execute successfully the full range of missions called for in the national defense strategy delineated in the Quadrennial De-
defense Review dated September 30, 2001, under section 118 of title 10, United States Code; and

(3) identify the budget plan that would be required to provide sufficient resources to execute successfully the full range of missions using such force structure called for in that national defense strategy.

(b) REPORT.—(1) The Secretary of Defense and the Secretary of Energy shall submit a report on the plan to the congressional defense committees. Except as provided in paragraph (2), the report shall be submitted not later than January 1, 2003.

(2) If before January 1, 2003, the President submits to Congress the President’s certification that it is in the national security interest of the United States that such report be submitted on a later date (to be specified by the President in the certification), such report shall be submitted not later than such later date.

(c) REPORT ON OPTIONS FOR ACHIEVING, PRIOR TO FISCAL YEAR 2012, PRESIDENT’S OBJECTIVE FOR OPERATIONALLY DEPLOYED NUCLEAR WARHEADS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Energy shall submit to Congress a report on options for achieving, prior to fiscal year 2012, a posture under which the United States maintains a number of operationally deployed nuclear warheads at a level of
from 1,700 to 2,200 such warheads, as outlined in the
Nuclear Posture Review. The report shall include the fol-
lowing:

(1) For each of fiscal years 2006, 2008, and 2010, an assessment of the options for achieving such posture as of such fiscal year.

(2) An assessment of the effects of achieving such posture prior to fiscal year 2012 on cost, the dismantlement workforce, and any other affected matter.

SEC. 1015. REPORT ON ESTABLISHMENT OF A JOINT NA-
TIONAL TRAINING COMPLEX AND JOINT OP-
POSING FORCES.

(a) Report Required.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Serv-
ces of the Senate and the Committee on Armed Services of the House of Representatives a report that outlines a plan to develop and implement a joint national training complex. Such a complex may include multiple joint training sites and mobile training ranges and appropriate joint opposing forces and shall be capable of supporting field exercises and experimentation at the operational level of war across a broad spectrum of adversary capabilities.
(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) An identification and description of the types of joint training and experimentation that would be conducted at such a joint national training complex, together with a description of how such training and experimentation would enhance accomplishment of the six critical operational goals for the Department of Defense specified at page 30 of the Quadrennial Defense Review Report of the Secretary of Defense issued on September 30, 2001.

(2) A discussion of how establishment of such a complex (including joint opposing forces) would promote innovation and transformation throughout the Department of Defense.

(3) A discussion of how results from training and experiments conducted at such a complex would be taken into consideration in the Department of Defense plans, programs, and budgeting process and by appropriate decision making bodies within the Department of Defense.

(4) A methodology, framework, and options for selecting sites for such a complex, including consideration of current training facilities that would ac-
commodate requirements among all the Armed Forces.

(5) Options for development as part of such a complex of a joint urban warfare training center that could also be used for homeland defense and consequence management training for Federal, State, and local training.

(6) Cost estimates and resource requirements to establish and maintain such a complex, including estimates of costs and resource requirements for the use of contract personnel for the performance of management, operational, and logistics activities for such a complex.

(7) An explanation of the relationship between and among such a complex and the Department of Defense Office of Transformation, the Joint Staff, the United States Joint Forces Command, the United States Northern Command, and each element of the major commands within the separate Armed Forces with responsibility for experimentation and training.

(8) A discussion of how implementation of a joint opposing force would be established, including the feasibility of using qualified contractors for the
function of establishing and maintaining joint opposing forces and the role of foreign forces.

(9) Submission of a time line to establish such a center and for such a center to achieve initial operational capability and full operational capability.

SEC. 1016. REPEAL OF VARIOUS REPORTS REQUIRED OF THE DEPARTMENT OF DEFENSE.

(a) PROVISIONS OF TITLE 10.—Title 10, United States Code, is amended as follows:

(1)(A) Section 230 is repealed.

(B) The table of sections at the beginning of chapter 9 is amended by striking the item relating to section 230.

(2) Section 526 is amended by striking subsection (c).

(3) Section 721(d) is amended—

(A) by striking paragraph (2); and

(B) by striking “(1)” before “If an officer”.

(4) Section 986 is amended by striking subsection (e).

(5) Section 1095(g) is amended—

(A) by striking paragraph (2); and

(B) by striking “(1)” after “(g)”.

•HR 4546 EH
(6) Section 1798 is amended by striking subsection (d).

(7) Section 1799 is amended by striking subsection (d).

(8) Section 2010 is amended by striking subsection (b).

(9) Section 2327(c)(1) is amended—

(A) in subparagraph (A), by striking “after the date on which such head of an agency submits to Congress a report on the contract” and inserting “if in the best interests of the Government”; and

(B) by striking subparagraph (B).

(10) Section 2350f is amended by striking subsection (c).

(11) Section 2350k is amended by striking subsection (d).

(12) Section 2492 is amended by striking subsection (c).

(13) Section 2493 is amended by striking subsection (g).

(14) Section 2563(c)(2) is amended by striking “and notifies Congress regarding the reasons for the waiver”.

•HR 4546 EH
(15) Section 2611 is amended by striking subsection (e).

(16) Sections 4357, 6975, and 9356 are each amended—

(A) by striking subsection (e); and

(B) in subsection (a), by striking “Subject to subsection (c), the Secretary” and inserting “The Secretary”.

(17) Section 4416 is amended by striking subsection (f).

(18) Section 5721(f) is amended—

(A) by striking paragraph (2); and

(B) by striking “(1)” after the subsection heading.

(19) Section 12302 is amended—

(A) in subsection (b), by striking the last sentence; and

(B) by striking subsection (d).

SEC. 1017. REPORT ON THE ROLE OF THE DEPARTMENT OF DEFENSE IN SUPPORTING HOMELAND SECURITY.

(a) REPORT REQUIRED.—Not later than December 31, 2002, the Secretary of Defense shall submit to the congressional defense committees a report on Department of Defense responsibilities, mission, and plans for military support of homeland security.

(b) CONTENT OF REPORT.—The report shall include, but not be limited to, a discussion of the following:

(1) Changes in organization regarding the roles, mission, and responsibilities carried out by the Department of Defense to support its homeland security mission and the reasons for those changes based upon the findings of the study and report required by section 1511 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1271).

(2) Changes in the roles, missions, and responsibilities of the Department of the Army, the Department of the Navy, and the Department of the Air Force with respect to homeland security and the reasons for such changes.

(3) Changes in the roles, missions, and responsibilities of unified commands with homeland security missions and the reasons for such changes.
(4) Changes in the roles, missions, and responsibilities of the United States Joint Forces Command and the United States Northern Command in expanded homeland security training and experimentation involving the Department of Defense and other Federal, State, and local entities, and the reasons for such changes.

(5) Changes in the roles, missions, and responsibilities of the Army National Guard and the Air National Guard in the homeland security mission of the Department of Defense, and the reasons for such changes.


(7) The plans and status of the Department of Defense homeland security biological defense program, including the plans and status of—

(A) the biological counter terrorism research program;

(B) the biological defense homeland security support program;
(C) pilot programs for establishing biological defense test beds on Department of Defense installations and in selected urban areas of the United States;

(D) programs for expanding the capacity of the Department of Defense to meet increased demand for vaccines against biological agents; and

(E) any plans to coordinate Department of Defense work in biological defense programs with other Federal, State, and local programs.

(8) Recommendations for legislative changes that may be required to execute the roles and missions set forth in Department of Defense homeland security plans.

SEC. 1018. REPORT ON EFFECTS OF NUCLEAR EARTH PENETRATOR WEAPONS AND OTHER WEAPONS.

(a) NAS STUDY.—The Secretary of Defense shall request the National Academy of Sciences to conduct a study and prepare a report on the anticipated short-term and long-term effects of the use of a nuclear earth penetrator weapon on the target area, including the effects on civilian populations in proximity to the target area and on United States military personnel performing operations and battle damage assessments in the target area, and the
anticipated short-term and long-term effects on the civil-
ian population in proximity to the target area if—

(1) a non-penetrating nuclear weapon is used to
destroy hard or deeply-buried targets; or

(2) a conventional high-explosive weapon is
used to destroy an adversary’s weapons of mass de-
struction storage or production facilities, and radio-
active, nuclear, biological, or chemical weapons ma-
terials, agents, or other contaminants are released or
spread into populated areas.

(b) REPORT.—Not later than 180 days after the date
of the enactment of this Act, the Secretary shall submit
to Congress the report under subsection (a), together with
any comments the Secretary may consider appropriate on
the report. The report shall be submitted in unclassified
form to the maximum extent possible, with a classified
annex if needed.

SEC. 1019. REPORT ON EFFECTS OF NUCLEAR-TIPPED
BALLISTIC MISSILE INTERCEPTORS AND NU-
CLEAR MISSILES NOT INTERCEPTED.

(a) NAS STUDY.—The Secretary of Defense shall re-
quest the National Academy of Sciences to conduct a
study and prepare a report on the anticipated short-term
and long-term effects of the use of a nuclear-tipped
ballistic missile interceptor, including the effects on civil-
ian populations and on United States military personnel
in proximity to the target area, and the immediate, short-
term, and long-term effects on the civilian population of
a major city of the United States, and the Nation as a
whole, if a ballistic missile carrying a nuclear weapon is
not intercepted and detonates directly above a major city
of the United States.

(b) REPORT.—Not later than 180 days after the date
of the enactment of this Act, the Secretary shall submit
to Congress the report under subsection (a), together with
any comments the Secretary may consider appropriate on
the report. The report shall be submitted in unclassified
form to the maximum extent possible, with a classified
annex if needed.

SEC. 1020. LIMITATION ON DURATION OF FUTURE DEPART-
MENT OF DEFENSE REPORTING REQUIRE-
MENTS.

(a) IN GENERAL.—Chapter 23 of title 10, United
States Code, is amended by inserting after section 480 the
following new section:

“§ 480a. Recurring reporting requirements: five-year
limitation

“(a) Five-Year Sunset.—Any recurring congres-
sional defense reporting requirement that is established by
a provision of law enacted on or after the date of the en-
actment of the Bob Stump National Defense Authoriza-
tion Act for Fiscal Year 2003 (including a provision of
law enacted as part of that Act) shall cease to be effective,
with respect to that requirement, at the end of the five-
year period beginning on the date on which such provision
is enacted, except as otherwise provided by law.

“(b) Rule of Construction.—A provision of law
enacted after the date of the enactment of this section may
not be considered to supersede the provisions of subsection
(a) unless that provision specifically refers to subsection
(a) and specifically states that it supersedes subsection
(a).

“(c) Recurring Congressional Defense Re-
porting Requirements.—In this section, the term ‘re-
curring defense congressional reporting requirement’
means a requirement by law for the submission of an an-
nual, semiannual, or other regular periodic report to Con-
gress, or one or more committees of Congress, that applies
only to the Department of Defense or to one or more offi-
cers of the Department of Defense.”.

(b) Clerical Amendment.—The table of sections
at the beginning of such chapter is amended by inserting
after the item relating to section 480 the following new
item:

“480a. Recurring reporting requirements: five-year limitation.”.
Subtitle C—Other Matters

SEC. 1021. SENSE OF CONGRESS ON MAINTENANCE OF A RELIABLE, FLEXIBLE, AND ROBUST STRATEGIC DETERRENT.

It is the sense of Congress that, consistent with the national defense strategy delineated in the Quadrennial Defense Review dated September 30, 2001 (as submitted under section 118 of title 10, United States Code), the Nuclear Posture Review dated January 2002, and the global strategic environment, the President should, to defend the Nation, deter aggressors and potential adversaries, assure friends and allies, defeat enemies, dissuade competitors, advance the foreign policy goals and vital interests of the United States, and generally ensure the national security of the United States, take the following actions:

(1) Maintain an operationally deployed strategic force of not less than 1,700 nuclear weapons for immediate and unexpected contingencies.

(2) Maintain a responsive force of non-deployed nuclear weapons for potential contingencies at readiness and numerical levels determined to be—

(A) essential to the execution of the Single Integrated Operational Plan; or
(B) necessary to maintain strategic flexi-bility and capability in accordance with the findings and conclusions of such Nuclear Post-ture Review.

(3) Develop advanced conventional weapons, and nuclear weapons, capable of destroying—

(A) hard and deeply buried targets; and

(B) enemy weapons of mass destruction and the development and production facilities of such enemy weapons.

(4) Develop a plan to achieve and maintain the capability to resume conducting underground tests of nuclear weapons within one year after a decision is made to resume conducting such tests, so as to have the means to maintain robust and adaptive strategic forces through a ready, responsive, and cap-a ble nuclear infrastructure, as prescribed in such Nuclear Posture Review.

(5) Develop a plan to revitalize the Nation’s nu-clear weapons industry and infrastructure so as to facilitate the development and production of safer, more reliable, and more effective nuclear weapons.
SEC. 1022. TIME FOR TRANSMITTAL OF ANNUAL DEFENSE AUTHORIZATION LEGISLATIVE PROPOSAL.

(a) In General.—Chapter 2 of title 10, United States Code, is amended by inserting after section 113 the following new section:

“§113a. Transmission of annual defense authorization request

“(a) Time for Transmittal.—The Secretary of Defense shall transmit to Congress the annual defense authorization request for a fiscal year during the first 30 days after the date on which the President transmits to Congress the budget for that fiscal year pursuant to section 1105 of title 31.

“(b) Defense Authorization Request Defined.—In this section, the term ‘defense authorization request’, with respect to a fiscal year, means a legislative proposal submitted to Congress for the enactment of the following:

“(1) Authorizations of appropriations for that fiscal year, as required by section 114 of this title.

“(2) Personnel strengths for that fiscal year, as required by section 115 of this title.

“(3) Any other matter that is proposed by the Secretary of Defense to be enacted as part of the annual defense authorization bill for that fiscal year.”.
(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 113 the following new item:

“113a. Transmission of annual defense authorization request.”.

SEC. 1023. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 153 is amended by inserting “(a) PLANNING; ADVICE; POLICY FORMULATION.—” at the beginning of the text.

(2) Section 663(e)(2) is amended by striking “Armed Forces Staff College” and inserting “Joint Forces Staff College”.

(3) Section 2399(a)(2) is amended—

(A) in the matter preceding subparagraph (A), by striking “means—” and inserting “means a conventional weapons system that—”; and

(B) in subparagraph (A), by striking “a conventional weapons system that”.

(4)(A) Section 2410h is transferred to the end of subchapter IV of chapter 87 and is redesignated as section 1747.

(B) The item relating to that section in the table of sections at the beginning of chapter 141 is
transferred to the end of the table of sections at the
beginning of subchapter IV of chapter 87 and is
amended to reflect the redesignation made by sub-
paragraph (A).

(5) Section 2677 is amended by striking sub-
section (e).

(6) Section 2680(e) is amended by striking
“the” after “the Committee on” the first place it ap-
pears.

(7) Section 2815(b) is amended by striking “for
fiscal year 2003 and each fiscal year thereafter” and
inserting “for any fiscal year”.

(8) Section 2828(b)(2) is amended by inserting
“time” after “from time to”.

(b) Title 37, United States Code.—Title 37,
United States Code, is amended as follows:

(1) Section 302j(a) is amended by striking
“subsection (c)” and inserting “subsection (d)”.

(2) Section 324(b) is amended by striking “(1)”
before “The Secretary”.

(c) Public Law 107–107.—Effective as of Decem-
ber 28, 2001, and as if included therein as enacted, the
(Public Law 107–107) is amended as follows:
(1) Section 602(a)(2) (115 Stat. 1132) is amended by striking “an” in the first quoted matter.

(2) Section 1410(a)(3)(C) (115 Stat. 1266) by inserting “both places it appears” before “and inserting”.

(3) Section 3007(d)(1)(C) (115 Stat. 1352) is amended by striking “2905(b)(7)(B)(iv)” and inserting “2905(b)(7)(C)(iv)”.

(d) PUBLIC LAW 106–398.—Effective as of October 30, 2000, and as if included therein as enacted, the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) is amended as follows:

(1) Section 577(b)(2) (114 Stat. 1654A–140) is amended by striking “Federal” in the quoted matter and inserting “Department of Defense”.

(2) Section 612(c)(4)(B) (114 Stat. 1654A–150) is amended by striking the comma at the end of the first quoted matter.

(e) PUBLIC LAW 106–65.—The National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) is amended as follows:

(1) Section 573(b) (10 U.S.C. 513 note) is amended by inserting a period at the end of paragraph (2).
(2) Section 1305(6) (22 U.S.C. 5952 note) is amended by striking the first period after “facility”.

(f) TITLE 14, UNITED STATES CODE.—Section 516(c) of title 14, United States Code, is amended by striking “his section” and inserting “this section”.

SEC. 1024. WAR RISK INSURANCE FOR VESSELS IN SUPPORT OF NATO-APPROVED OPERATIONS.

Section 1205 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1285) is amended by adding at the end the following:

“(c) INSURANCE OF VESSELS IN SUPPORT OF NATO-APPROVED OPERATIONS.—(1) Upon request made under subsection (b), the Secretary may provide insurance for a vessel, regardless of the country in which the vessel is registered and the citizenship of its owners, that is supporting a military operation approved by the North Atlantic Council, including a vessel that is not operating under contract with a department or agency of the United States.

“(2) If a vessel is insured under paragraph (1) in response to a request made pursuant to an international agreement providing for the sharing among nations of the risks involved in mutual or joint operations, the Secretary of Transportation, with the concurrence of the Secretary of State, may seek from another nation that is a party
to such agreement a commitment to indemnify the United States for any amounts paid by the United States for claims against such insurance.

“(3) Amounts received by the United States as indemnity from a nation pursuant to paragraph (2) shall be deposited into the insurance fund created under section 1208.

“(4) Any obligation of a department or agency of the United States to indemnify the Secretary or the insurance fund for any claim against insurance provided under this subsection is extinguished to the extent of any indemnification received from a nation pursuant to paragraph (2) with respect to the claim.”.

SEC. 1025. CONVEYANCE, NAVY DRYDOCK, PORTLAND, OREGON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may sell Navy Drydock No. YFD-69, located in Portland, Oregon, to Portland Shipyard, LLC, which is the current user of the drydock.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the purchaser agree to retain the drydock on Swan Island in Portland, Oregon, until at least September 30, 2007.

(c) CONSIDERATION.—As consideration for the conveyance of the drydock under subsection (a), the pur-
chaser shall pay to the Secretary an amount equal to the fair market value of the drydock at the time of the conveyance, as determined by the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 1026. ADDITIONAL WEAPONS OF MASS DESTRUCTION CIVIL SUPPORT TEAMS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should—

(1) establish 23 additional teams designated as Weapons of Mass Destruction Civil Support Teams (for a total of 55 such teams); and

(2) ensure that of such 55 teams there is at least one team established for each State and territory.

(b) STATE AND TERRITORY DEFINED.—In this section, the term “State and territory” means the several States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.
SEC. 1027. USE FOR LAW ENFORCEMENT PURPOSES OF DNA SAMPLES MAINTAINED BY DEPARTMENT OF DEFENSE FOR IDENTIFICATION OF HUMAN REMAINS.

(a) IN GENERAL.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1566. DNA samples maintained for identification of human remains: use for law enforcement purposes

“(a) COMPLIANCE WITH COURT ORDER.—(1) Subject to paragraph (2), if a valid order of a Federal court (or military judge) so requires, an element of the Department of Defense that maintains a repository of DNA samples for the purpose of identification of human remains shall make available, for the purpose specified in subsection (b), such DNA samples on such terms and conditions as such court (or military judge) directs.

“(2) A DNA sample with respect to an individual shall be provided under paragraph (1) in a manner that does not compromise the ability of the Department of Defense to maintain a sample with respect to that individual for the purpose of identification of human remains.

“(b) COVERED PURPOSE.—The purpose referred to in subsection (a) is the purpose of an investigation or pros-
execution of a felony, or any sexual offense, for which no
other source of DNA information is available.

“(c) DEFINITION.—In this section, the term ‘DNA
sample’ has the meaning given such term in section
1565(c) of this title.”.

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

“1566. DNA samples maintained for identification of human remains: use for
law enforcement purposes.”.

SEC. 1028. SENSE OF CONGRESS CONCERNING AIRCRAFT
CARRIER FORCE STRUCTURE.

(a) FINDINGS.—Congress makes the following find-
ings:

(1) The aircraft carrier has been an integral
component in Operation Enduring Freedom and in
the homeland defense mission beginning on Sep-
tember 11, 2001. The aircraft carriers that have
participated in Operation Enduring Freedom, as of
May 1, 2002, are the USS Enterprise (CVN–65),
the USS Carl Vinson (CVN–70), the USS Kitty
Hawk (CV–63), the USS Theodore Roosevelt (CVN–
71), the USS John C. Stennis (CVN–74), and the
USS John F. Kennedy (CV–67). The aircraft car-
rriers that have participated in the homeland defense
mission are the USS George Washington (CVN–73),
the USS John F. Kennedy (CV–67), and the USS
John C. Stennis (CVN–74).

(2) Since 1945, the United States has built 172
bases overseas, of which only 24 are currently in
use.

(3) The aircraft carrier provides an independent
base of operations should no land base be available
for aircraft.

(4) The aircraft carrier is an essential compo-
nent of the Navy.

(5) Both the F/A–18E/F aircraft program and
the Joint Strike Fighter aircraft program are pro-
ceeding on schedule for deployment on aircraft car-
rriers.

(6) As established by the Navy, the United
States requires the service of 15 aircraft carriers to
completely fulfill all the naval commitments assigned
to it without gapping carrier presence.

(7) The Navy requires, at a minimum, at least
12 carriers to accomplish its current missions.

(b) SENSE OF CONGRESS.—It is the sense of Con-
gress that the number of aircraft carriers of the Navy in
active service should not be less than 12.

(c) COMMENDATION OF CREWS.—Congress hereby
commends the crews of the aircraft carriers that have par-
tcipated in Operation Enduring Freedom and the homeland defense mission.

SEC. 1029. ENHANCED AUTHORITY TO OBTAIN FOREIGN LANGUAGE SERVICES DURING PERIODS OF EMERGENCY.

(a) National Foreign Language Skills Registry.—(1) The Secretary of Defense may establish and maintain a secure data registry to be known as the “National Foreign Language Skills Registry”. The data registry shall consist of the names of, and other pertinent information on, linguistically qualified United States citizens and permanent resident aliens who state that they are willing to provide linguistic services in times of emergency designated by the Secretary of Defense to assist the Department of Defense and other Departments and agencies of the United States with translation and interpretation in languages designated by the Secretary of Defense as critical languages.

(2) The name of a person may be included in the Registry only if the person expressly agrees for the person’s name to be included in the Registry. Any such agreement shall be made in such form and manner as may be specified by the Secretary.

(b) Authority To Accept Voluntary Translation and Interpretation Services.—Section
1588(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(6) Language translation and interpretation services.”.

SEC. 1030. SURFACE COMBATANT INDUSTRIAL BASE.

(a) Review.—The Secretary of Defense shall conduct a review of the effect of the contract award announced on April 29, 2002, for the lead design agent for the DD(X) ship program on the industrial base for ship combat system development, including the industrial base for each of the following: ship systems integration, radar, electronic warfare, launch systems, and other components.

(b) Report Required.—Not later than March 31, 2003, the Secretary shall submit to the congressional defense committees a report based on the review under subsection (a). The report shall provide the Secretary's assessment of the effect of that contract award on the ship combat system technology and industrial base and shall describe any actions that the Secretary proposes to ensure future competition across the array of technologies that encompass the combat systems of future surface ships, including the next generation cruiser (CG(X)), the littoral combat ship (LCS), and the joint command ship (JCC(X)).
SEC. 1031. ENHANCED COOPERATION BETWEEN UNITED STATES AND RUSSIAN FEDERATION TO PROMOTE MUTUAL SECURITY.

(a) Statement of Policy.—It is the policy of the United States to pursue greater cooperation, transparency, and confidence with the Russian Federation regarding nuclear weapons policy, force structure, safeguards, testing, and proliferation prevention, as well as nuclear weapons infrastructure, production, and dismantlement, so as to promote mutual security, stability, and trust.

(b) Sense of Congress Regarding Enhanced Cooperation With Russia.—It is the sense of Congress that the President of the United States should continue to engage the President of the Russian Federation to achieve the following objectives, consistent with United States national security, in the interest of promoting mutual trust, security, and stability:

(1) An agreement that would seek to prevent the illicit use, diversion, theft, or proliferation of tactical nuclear weapons, and their key components and materials, by—

(A) withdrawing deployed nonstrategic nuclear weapons;
(B) accounting for, consolidating, and se-
curing the Russian Federation’s nonstrategic
uclear weapons; and

(C) dismantling or destroying United
States and Russian nonstrategic nuclear weap-
ons in excess of each nation’s legitimate defense
needs.

(2) A reciprocal program of joint visits by nu-
clear weapons scientists and experts of the United
States and the Russian Federation to the United
States nuclear test site in Nevada, and the Russian
nuclear test site at Novya Zemlya.

(3) A reciprocal program of joint visits and con-
ferences at each nation’s nuclear weapons labora-
tories and nuclear weapons development and produc-
tion facilities to discuss how to improve the safety
and security of each nation’s nuclear stockpile, nu-
clear materials, and nuclear infrastructure.

(4) A reciprocal program of joint visits and con-
ferences to explore greater cooperation between the
United States and the Russian Federation with re-
gard to ballistic missile defenses against intentional,
unauthorized, and accidental launches of ballistic
missiles.
(5) A joint commission on nonproliferation, composed of senior nonproliferation and intelligence officials from the United States and the Russian Federation, to meet regularly in a closed forum to discuss ways to prevent rogue states and potential adversaries from acquiring—

(A) weapons of mass destruction and ballistic missiles;

(B) the dual-use goods, technologies, and expertise necessary to develop weapons of mass destruction and ballistic missiles; and

(C) advanced conventional weapons.

(6) A joint program to develop advanced methods for disposal of weapons-grade nuclear materials excess to defense needs, including safe, proliferation resistant, advanced nuclear fuel cycles that achieve more complete consumption of weapons materials, and other methods that minimize waste and hazards to health and the environment.

(7) A joint program to develop methods for safeguarding, treating, and disposing of spent reactor fuel and other nuclear waste so as to minimize the risk to public health, property, and the environment, as well as the possibility of diversion to illicit purposes.
(8) A joint program, built upon existing programs, to cooperatively develop advanced methods and techniques for establishing a state-of-the-art inventory control and monitoring system for nuclear weapons and material.

(c) REPORT.—No later than March 1, 2003, the President shall submit to Congress a report (in unclassified or classified form as necessary) on the status of the objectives under subsection (b). The report shall include the following:

(1) A description of the actions taken by the President to engage the Russian Federation to achieve those objectives.

(2) A description of the progress made to achieve those objectives.

(3) A description of the response of the Russian Federation to the actions referred to in paragraph (1).

(4) The President’s assessment of the Russian Federation’s commitment to a better, closer relationship with the United States based on the principles of increased cooperation and transparency.
SEC. 1032. TRANSFER OF FUNDS TO INCREASE AMOUNTS
FOR PAC–3 MISSILE PROCUREMENT AND
ISRAELI ARROW PROGRAM.

(a) INCREASE FOR PAC–3 PROCUREMENT.—The amount provided in section 101 for Missile Procurement, Army, is hereby increased by $65,000,000, to be available for an additional 24 PAC–3 missiles.

(b) INCREASE FOR ISRAELI ARROW PROGRAM.—The amount provided in section 201(4) for the Missile Defense Agency is hereby increased by $70,000,000, to be available within program element 0603881C, Terminal Defense Segment, only for the Israeli Arrow Ballistic Missile Defense System program.

(c) CORRESPONDING REDUCTION.—The amount provided in section 201(4) for research, development, test, and evaluation, Defense-wide, is hereby reduced by $135,000,000, to be derived from amounts available to the Missile Defense Agency.

SEC. 1033. ASSIGNMENT OF MEMBERS TO ASSIST IMMIGRATION AND NATURALIZATION SERVICE AND CUSTOMS SERVICE.

(a) ASSIGNMENT AUTHORITY OF SECRETARY OF DEFENSE.—Chapter 18 of title 10, United States Code, is amended by inserting after section 374 the following new section:
§ 374a. Assignment of members to assist border patrol and control

(a) Assignment Authorized.—Upon submission of a request consistent with subsection (b), the Secretary of Defense may assign members of the Army, Navy, Air Force, and Marine Corps to assist—

(1) the Immigration and Naturalization Service in preventing the entry of terrorists, drug traffickers, and illegal aliens into the United States; and

(2) the United States Customs Service in the inspection of cargo, vehicles, and aircraft at points of entry into the United States to prevent the entry of weapons of mass destruction, components of weapons of mass destruction, prohibited narcotics or drugs, or other terrorist or drug trafficking items.

(b) Request for Assignment.—The assignment of members under subsection (a) may occur only if—

(1) the assignment is at the request of the Attorney General, in the case of an assignment to the Immigration and Naturalization Service, or the Secretary of the Treasury, in the case of an assignment to the United States Customs Service; and

(2) the request of the Attorney General or the Secretary of the Treasury (as the case may be) is accompanied by a certification by the President that the assignment of members pursuant to the request
is necessary to respond to a threat to national secu-

rity posed by the entry into the United States of ter-

rorists or drug traffickers.

“(c) TRAINING PROGRAM REQUIRED.—The Attorney

General or the Secretary of the Treasury (as the case may

be), together with the Secretary of Defense, shall establish

a training program to ensure that members receive general

instruction regarding issues affecting law enforcement in

the border areas in which the members may perform du-
ties under an assignment under subsection (a). A member

may not be deployed at a border location pursuant to an

assignment under subsection (a) until the member has

successfully completed the training program.

“(d) CONDITIONS OF USE.—(1) Whenever a member

who is assigned under subsection (a) to assist the Immi-

gration and Naturalization Service or the United States

Customs Service is performing duties at a border location

pursuant to the assignment, a civilian law enforcement of-

cicer from the agency concerned shall accompany the

member.

“(2) Nothing in this section shall be construed to—

“(A) authorize a member assigned under sub-

section (a) to conduct a search, seizure, or other

similar law enforcement activity or to make an ar-

rest; and
“(B) supersede section 1385 of title 18 (popularly known as the ‘Posse Comitatus Act’).

“(e) Establishment of Ongoing Joint Task Forces.—(1) The Attorney General or the Secretary of the Treasury may establish ongoing joint task forces when accompanied by a certification by the President that the assignment of members pursuant to the request to establish a joint task force is necessary to respond to a threat to national security posed by the entry into the United States of terrorists or drug traffickers.

“(2) When established, any joint task force shall fully comply with the standards as set forth in this section.

“(f) Notification Requirements.—The Attorney General or the Secretary of the Treasury (as the case may be) shall notify the Governor of the State in which members are to be deployed pursuant to an assignment under subsection (a), and local governments in the deployment area, of the deployment of the members to assist the Immigration and Naturalization Service or the United States Customs Service (as the case may be) and the types of tasks to be performed by the members.

“(g) Reimbursement Requirement.—Section 377 of this title shall apply in the case of members assigned under subsection (a).
“(h) Termination of Authority.—No assignment may be made or continued under subsection (a) after September 30, 2005.”.

(b) Commencement of Training Program.—The training program required by subsection (b) of section 374a of title 10, United States Code, shall be established as soon as practicable after the date of the enactment of this Act.

c) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 374 the following new item:

“374a. Assignment of members to assist border patrol and control.”.

SEC. 1034. SENSE OF CONGRESS ON PROHIBITION OF USE OF FUNDS FOR INTERNATIONAL CRIMINAL COURT.

It is the sense of Congress that none of the funds appropriated pursuant to authorizations of appropriations in this Act should be used for any assistance to, or to cooperate with or to provide any support for, the International Criminal Court.
TITLE XI—CIVILIAN PERSONNEL MATTERS

SEC. 1101. ELIGIBILITY OF DEPARTMENT OF DEFENSE NONAPPROPRIATED FUND EMPLOYEES FOR LONG-TERM CARE INSURANCE.

(a) In General.—Section 9001(1) of title 5, United States Code, is amended—

(1) in subparagraph (B), by striking “and”;

(2) in subparagraph (C), by striking the comma at the end and inserting “; and”; and

(3) by inserting after subparagraph (C) the following new subparagraph:

“(D) an employee of a nonappropriated fund instrumentality of the Department of Defense described in section 2105(c),”.

(b) Discretionary Authority.—Section 9002 of such title is amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

(2) by inserting after subsection (a) the following new subsection (b):

“(b) DISCRETIONARY AUTHORITY REGARDING NONAPPROPRIATED FUND INSTRUMENTALITIES.—The Secretary of Defense may determine that a nonappropriated
fund instrumentality of the Department of Defense is covered under this chapter or is covered under an alternative long-term care insurance program.”.

SEC. 1102. EXTENSION OF DEPARTMENT OF DEFENSE AUTHORITY TO MAKE LUMP-SUM SEVERANCE PAYMENTS.

(a) In General.—Section 5595(i)(4) of title 5, United States Code, is amended by striking “2003” and inserting “2006”.

(b) Report.—Not later than one year after the date of the enactment of this Act, the President shall submit to Congress a report including recommendations whether the authority under section 5595(i) of title 5, United States Code, should be made permanent or expanded to be made Governmentwide.

SEC. 1103. COMMON OCCUPATIONAL AND HEALTH STANDARDS FOR DIFFERENTIAL PAYMENTS AS A CONSEQUENCE OF EXPOSURE TO ASBESTOS.

(a) Prevailing Rate Systems.—Section 5343(c)(4) of title 5, United States Code, is amended by inserting before the semicolon at the end the following: “, and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of
Labor under the Occupational Safety and Health Act of 1970”.

(b) General Schedule Pay Rates.—Section 5545(d) of such title is amended by inserting before the period at the end of the first sentence the following: “,
and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970”.

c) Applicability.—Subject to any vested constitutional property rights, any administrative or judicial determination after the date of enactment of this Act concerning backpay for a differential established under sections 5343(c)(4) or 5545(d) of such title shall be based on occupational safety and health standards described in the amendments made by subsections (a) and (b).

SEC. 1104. CONTINUATION OF FEDERAL EMPLOYEE HEALTH BENEFITS PROGRAM ELIGIBILITY.

Paragraph (4)(B) of section 8905a(d) of title 5, United States Code, is amended—

(1) in clause (i), by striking “2003” and inserting “2006”; and

(2) in clause (ii)—
(A) by striking “2004” and inserting “2007”; and
(B) by striking “2003” and inserting “2006”.

SEC. 1105. TRIENNIAL FULL-SCALE FEDERAL WAGE SYSTEM WAGE SURVEYS.

Section 5343(b) of title 5, United States Code, is amended—

(1) in the first sentence, by striking “2 years” and inserting “3 years”; and
(2) in the second sentence, by striking the period at the end and inserting “, based on criteria developed by the Office.”.

SEC. 1106. CERTIFICATION FOR DEPARTMENT OF DEFENSE PROFESSIONAL ACCOUNTING POSITIONS.

(a) IN GENERAL.—(1) Chapter 81 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 1599d. Professional accounting positions: authority to prescribe certification and credential standards
“(a) Authority To Prescribe Professional Certification Standards.—The Secretary of Defense may prescribe professional certification and credential standards for professional accounting positions within the
Department of Defense. Any such standard shall be prescribed as a Department of Defense regulation.

"(b) WAIVER AUTHORITY.—The Secretary may waive any standard prescribed under subsection (a) whenever the Secretary determines such a waiver to be appropriate.

"(c) APPLICABILITY.—A standard prescribed under subsection (a) shall not apply to any person employed by the Department of Defense before the standard is prescribed.

"(d) REPORT.—The Secretary of Defense shall submit to Congress a report on the Secretary’s plans to provide training to appropriate Department of Defense personnel to meet any new professional and credential standards prescribed under subsection (a). Such report shall be prepared in conjunction with the Director of the Office of Personnel Management. Such a report shall be submitted not later than one year after the effective date of any regulations, or any revision to regulations, prescribed pursuant to subsection (a).

"(e) DEFINITION.—In this section, the term ‘professional accounting position’ means a position or group of positions in the GS–510, GS–511, and GS–505 series that involves professional accounting work."
The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“1599d. Professional accounting positions: authority to establish certification and credential standards.”.

(b) EFFECTIVE DATE.—Standards established pursuant to section 1599d of title 10, United States Code, as added by subsection (a), may take effect no sooner than 120 days after the date of the enactment of this Act.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SEC. 1201. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2003.—The total amount of the assistance for fiscal year 2003 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed $15,000,000.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking “2002” and inserting “2003”.

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SEC. 1202. STRENGTHENING THE DEFENSE OF TAIWAN.

(a) Implementation of Training Plan.—Not later than 180 days after the date of enactment of this Act, the Secretary of Defense shall implement a comprehensive plan to conduct joint operational training for, and exchanges of senior officers between, the Armed Forces of the United States and the military forces of Taiwan. Such plan shall include implementation of a wide range of programs, activities, exercises, and arrangements focused on threat analysis, military doctrine, force planning, logistical support, intelligence collection and analysis, operational tactics, techniques, and procedures, civil-military relations, and other subjects designed to improve the defensive capabilities of Taiwan and to enhance interoperability between the military forces of Taiwan and the Armed Forces of the United States.

(b) Submission to Congress.—At least 30 days before commencing implementation of the plan described in subsection (a), the Secretary of Defense shall submit the plan to Congress, in classified and unclassified form as necessary.

SEC. 1203. ADMINISTRATIVE SERVICES AND SUPPORT FOR FOREIGN LIAISON OFFICERS.

(a) Authority.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:
“§2350m. Administrative services and support for foreign liaison officers

“(a) Authority To Provide Services and Support.—The Secretary of Defense may provide administrative services and support for foreign liaison officers performing duties while such officers temporarily are assigned to components or commands of the armed forces. Such administrative services and support may include base or installation operation support services, office space, utilities, copying services, fire and police protection, and computer support. The Secretary may provide such administrative services and support with or without reimbursement, as the Secretary considers appropriate.

“(b) Expiration of Authority.—The authority under this section shall expire on September 30, 2005.”.

(b) Clerical Amendment.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

“2350m. Administrative services and support for foreign liaison officers.”.

(e) Report.—Not later than March 1, 2005, the Secretary of Defense shall provide to the Committees on Armed Services of the Senate and the House of Representatives a report describing, as of the date of submission of the report—

(1) the number of foreign liaison officers for which support has been provided under section
2350m of title 10, United States Code (as added by subsection (a));

(2) the countries from which such foreign liaison officers are or were assigned;

(3) the type of support provided, the duration for which the support was provided, and the reasons the support was provided; and

(4) the costs to the Department of Defense and the United States of providing such support.

SEC. 1204. ADDITIONAL COUNTRIES COVERED BY LOAN GUARANTEE PROGRAM.

Section 2540 of title 10, United States Code, is amended—

(1) in subsection (b), by adding at the end the following new paragraph:

“(5) A country that, as determined by the Secretary of Defense in consultation with the Secretary of State, assists in combatting drug trafficking organizations or foreign terrorist organizations.”; and

(2) by adding at the end the following new subsection:

“(d) REPORT.—The Secretary of Defense and the Secretary of State, whenever the Secretaries consider such action to be warranted, shall jointly submit to the Committees on Armed Services and Foreign Relations of the

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Senate and the Committees on Armed Services and International Relations of the House of Representatives a report enumerating those countries to be added or removed under subsection (b).

SEC. 1205. LIMITATION ON FUNDING FOR JOINT DATA EXCHANGE CENTER IN MOSCOW.

(a) LIMITATION.—Not more than 50 percent of the funds made available to the Department of Defense for fiscal year 2003 for activities associated with the Joint Data Exchange Center in Moscow, Russia, may be obligated or expended for any such activity until—

(1) the United States and the Russian Federation enter into a cost-sharing agreement as described in subsection (d) of section 1231 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–329);

(2) the United States and the Russian Federation enter into an agreement or agreements exempting the United States and any United States person from Russian taxes, and from liability under Russian laws, with respect to activities associated with the Joint Data Exchange Center;

(3) the Secretary of Defense submits to the Committee on Armed Services of the Senate and the

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Committee on Armed Services of the House of Representa-
tives a copy of each agreement referred to in paragraphs (1) and (2); and

(4) a period of 30 days has expired after the date of the final submission under paragraph (3).

(b) JOINT DATA EXCHANGE CENTER.—For purposes of this section, the term “Joint Data Exchange Center” means the United States-Russian Federation joint center for the exchange of data to provide early warning of launches of ballistic missiles and for notification of such launches that is provided for in a joint United States-Russian Federation memorandum of agreement signed in Moscow in June 2000.

SEC. 1206. LIMITATION ON NUMBER OF MILITARY PERSONNEL IN COLOMBIA.

(a) LIMITATION.—None of the funds available to the Department of Defense may be used to support or maintain more than 500 members of the Armed Forces on duty in the Republic of Colombia at any time.

(b) EXCEPTIONS.—There shall be excluded from counting for the purposes of the limitation in subsection (a) the following:

(1) A member of the Armed Forces in the Republic of Colombia for the purpose of rescuing or retrieving United States military or civilian Govern-
ment personnel, except that the period for which such a member may be so excluded may not exceed 30 days unless expressly authorized by law.

(2) A member of the Armed Forces assigned to the United States Embassy in Colombia as an attaché, as a member of the security assistance office, or as a member of the Marine Corps security contingent.

(3) A member of the Armed Forces in Colombia to participate in relief efforts in responding to a natural disaster.

(4) Nonoperational transient military personnel.

(5) A member of the Armed Forces making a port call from a military vessel in Colombia.

(e) WAIVER.—The Secretary of Defense may waive the limitation in subsection (a) if he determines that such waiver is in the national security interest.

(d) NOTIFICATION.—The Secretary shall notify the congressional defense committees not later 15 days after the date of the exercise of the waiver authority under subsection (c).
TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) Specification of CTR Programs.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) Fiscal Year 2003 Cooperative Threat Reduction Funds Defined.—As used in this title, the term “fiscal year 2003 Cooperative Threat Reduction funds” means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) Availability of Funds.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) Funding for Specific Purposes.—Of the $416,700,000 authorized to be appropriated to the De-
partment of Defense for fiscal year 2003 in section 301(23) for Cooperative Threat Reduction programs, the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $70,500,000.

(2) For strategic nuclear arms elimination in Ukraine, $6,500,000.

(3) For nuclear weapons transportation security in Russia, $19,700,000.

(4) For nuclear weapons storage security in Russia, $39,900,000.

(5) For activities designated as Other Assessments/Administrative Support, $14,700,000.

(6) For defense and military contacts, $18,900,000.

(7) For weapons of mass destruction infrastructure elimination activities in Kazakhstan, $9,000,000.

(8) For weapons of mass destruction infrastructure elimination activities in Ukraine, $8,800,000.

(9) For chemical weapons destruction in Russia, $50,000,000.
(10) For biological weapons facility dismantlement in the States of the former Soviet Union, $11,500,000.

(11) For biological weapons facility security and safety in the States of the former Soviet Union, $34,800,000.

(12) For biological weapons collaborative research in the States of the former Soviet Union, $8,700,000.

(13) For personnel reliability programs in Russia, $100,000.

(14) For weapons of mass destruction proliferation prevention in the States of the former Soviet Union, $40,000,000.

(b) ADDITIONAL FUNDS AUTHORIZED FOR CERTAIN PURPOSES.—Of the funds authorized to be appropriated to the Department of Defense for fiscal year 2003 in section 301(23) for Cooperative Threat Reduction programs, $83,600,000 may be obligated for any of the purposes specified in paragraphs (1) through (4) and (9) of subsection (a) in addition to the amounts specifically authorized in such paragraphs.

(e) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2003 Cooperative Threat Reduction funds may be obligated or ex-
pend for a purpose other than a purpose listed in paragraphs (1) through (14) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2003 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(d) Limited Authority To Vary Individual Amounts.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2003 for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such purpose (including amounts authorized under subsection (b)).

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—
(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for the purposes stated any of paragraphs (5) through (13) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

SEC. 1303. PROHIBITION AGAINST USE OF FUNDS UNTIL SUBMISSION OF REPORTS.

No fiscal year 2003 Cooperative Threat Reduction funds may be obligated or expended until 30 days after the date of the submission of—

(1) the report required to be submitted in fiscal year 2002 under section 1308(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–341); and

SEC. 1304. REPORT ON USE OF REVENUE GENERATED BY ACTIVITIES CARRIED OUT UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Section 1308(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–341) is amended by inserting at the end the following new paragraph:

“(6) To the maximum extent practicable, a description of how revenue generated by activities carried out under Cooperative Threat Reduction programs in recipient States is being utilized, monitored, and accounted for.”.

SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SECOND WING OF FISSION MATERIAL STORAGE FACILITY.

No funds authorized to be appropriated for Cooperative Threat Reduction programs for any fiscal year may be used for the design, planning, or construction of a second wing for a storage facility for Russian fissile material.

SEC. 1306. SENSE OF CONGRESS AND REPORT REQUIREMENT REGARDING RUSSIAN PROLIFERATION TO IRAN.

(a) Sense of Congress.—It is the sense of Congress that—
(1) Russian proliferation to Iran constitutes a clear threat to the national security and vital interests of the United States and undermines the purpose and goals of Cooperative Threat Reduction programs;

(2) such proliferation consists primarily of nuclear and missile technology, goods, and know-how, and dual-use items that could contribute to the development of weapons of mass destruction and ballistic missiles;

(3) because of ongoing Russian assistance, the intelligence community estimates that Iran could attempt to launch an intercontinental ballistic missile by 2005, and could possess a nuclear weapon by 2010;

(4) Russian proliferation is providing Iran with the capability to strike United States military forces, interests, allies, and friends in the region with weapons-of-mass-destruction-tipped ballistic missiles;

(5) the issue of Russian proliferation to Iran has been raised by United States officials at the highest levels of the Russian Government;

(6) Iran has long been identified as a State sponsor of terrorism by the United States because of its support of foreign terrorist organizations, and
the combination of terrorist organizations and weapons of mass destruction constitutes a grave threat to the national security of the United States;

(7) Russian proliferation to Iran raises serious questions regarding the intentions of the Russian Government, and its commitment to nonproliferation and improved relations with the United States;

(8) Russian proliferation to Iran could undermine Congressional support for Cooperative Threat Reduction programs; and

(9) the President must safeguard United States national security and demonstrate United States resolve and commitment to stopping the proliferation of weapons of mass destruction and ballistic missiles through clear, firm, and coherent policies and strategies that employ the full range of diplomatic and economic tools at his disposal, both positive and negative, to halt the serious and continuing problem of Russian proliferation.

(b) REPORT.—Not later than March 15 of 2003 through 2009, the President shall submit to Congress a report (in unclassified and classified form as necessary) describing in detail Russian proliferation of weapons of mass destruction and ballistic missile goods, technology, and know-how, and of dual-use items that may contribute
to the development of weapons of mass destruction and ballistic missiles, to Iran and to other countries during the year preceding the year in which the report is submitted. The report shall include—

(1) a net assessment prepared by the Office of Net Assessment of the Department of Defense; and

(2) a detailed description of the following:

(A) The number, type, and quality of direct and dual-use weapons of mass destruction and ballistic missile goods, items, and technology being transferred.

(B) The form, location, and manner in which such transfers take place.

(C) The contribution that such transfers could make to the recipient States’ weapons of mass destruction and ballistic missile programs, and how soon such States will test, possess, and deploy weapons of mass destruction and ballistic missiles.

(D) The impact that such transfers have, or could have, on United States national security, on regional friends, allies, and interests, and on United States military forces deployed in the region to which such transfers are being made.
(E) The actions being taken by the United States to counter and defend against capabilities developed by the recipient States as a result of such transfers.

(F) The strategy, plan, or policy incorporating the full range of policy tools available that the President intends to employ to halt Russian proliferation, the rationale for employing such tools, and the timeline by which the President expects to see material progress in ending Russian proliferation of direct and dual-use weapons of mass destruction and missile goods, technologies, and know-how.

SEC. 1307. PROHIBITION AGAINST USE OF COOPERATIVE THREAT REDUCTION FUNDS OUTSIDE THE STATES OF THE FORMER SOVIET UNION.

No Cooperative Threat Reduction funds authorized or appropriated for any fiscal year may be used for threat reduction projects, programs, or activities in countries other than the States of the former Soviet Union.

SEC. 1308. LIMITED WAIVER OF RESTRICTION ON USE OF FUNDS.

(a) Waiver Authority.—(1) The restriction described in subsection (d)(5) of section 1203 of the National Defense Authorization Act for Fiscal Year 1994...
shall not apply with respect to United States assistance
to Russia if the President submits to Congress a written
certification that waiving the restriction is important to
the national security interests of the United States.

(2) The authority under paragraph (1) shall expire
on December 31, 2005.

(b) REPORT.—Not later than 30 days after the date
that the President applies the waiver authority under sub-
section (a), the President shall submit to Congress a re-
port (in classified and unclassified form as necessary)
describing—

(1) the arms control agreements with which
Russia is not committed to complying, the form or
forms of noncommittal, and detailed evidence of
such noncommittal;

(2) why use of the waiver of authority was im-
portant to protect national security interests; and

(3) a strategy, plan, or policy incorporating the
full range of policy tools available to the President
for promoting Russian commitment to, and compli-
ance with, all relevant arms control agreements.
SEC. 1309. LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF REPORT ON DEFENSE AND MILITARY CONTACTS ACTIVITIES.

Not more than 50 percent of fiscal year 2003 Cooperative Threat Reduction Funds may be obligated or expended for defense and military contacts activities until the Secretary of Defense submits to Congress a report describing in detail the operation and success of such activities carried out under Cooperative Threat Reduction programs during fiscal years 2001 and 2002. Such report shall include a description of—

(1) the amounts obligated or expended for such activities;

(2) the purposes, goals, and objectives for which such amounts were obligated and expended;

(3) a description of the activities carried out, including the forms of assistance provided, and the justification for each form of assistance provided;

(4) the success of each activity, including the goals and objectives achieved for each;

(5) a description of participation by private sector entities in the United States in carrying out such activities, and the participation of any other Federal department or agency in such activities; and

(6) any other information that the Secretary considers relevant to provide a complete description
of the operation and success of activities carried out under Cooperative Threat Reduction programs.

**TITLE XIV—UTAH TEST AND TRAINING RANGE**

**SEC. 1401. DEFINITION OF UTAH TEST AND TRAINING RANGE.**

In this title, the term “Utah Test and Training Range” means those portions of the military operating area of the Utah Test and Training Area located solely in the State of Utah. The term includes the Dugway Proving Ground.

**SEC. 1402. MILITARY OPERATIONS AND OVERFLIGHTS AT UTAH TEST AND TRAINING RANGE.**

(a) FINDINGS.—The Congress finds the following:

(1) The testing and development of military weapons systems and the training of military forces are critical to ensuring the national security of the United States.

(2) The Utah Test and Training Range is a unique and irreplaceable national asset at the core of the test and training mission of the Department of Defense.

(3) Areas designated as wilderness study areas are located near lands withdrawn for military use and are beneath special use airspace critical to the
support of military test and training missions at the
Utah Test and Training Range.

(4) Continued unrestricted access to the special
use airspace and lands that comprise the Utah Test
and Training Range is a national security priority
and is not incompatible with the protection and
proper management of the natural, environmental,
cultural, and other resources of such lands.

(b) OVERFLIGHTS.—(1) Nothing in this title, the
Wilderness Act (16 U.S.C. 1131 et seq.), or other land
management laws generally applicable to federally des-
ignated wilderness areas or wilderness study areas in the
Utah Test and Training Range shall restrict or preclude
low-level overflights, low-level military overflights and op-
erations of military aircraft, helicopters, unmanned aerial
vehicles, military overflights or military overflights and op-
erations that can be seen or heard within those areas.

(2) Paragraph (1) precludes any restriction regarding
altitude or airspeed, noise level, supersonic flight, route
of flight, time of flight, seasonal usage, or numbers of
flights of any military aircraft, helicopters, unmanned aer-
ial vehicles, missiles, aerospace vehicles, and other military
weapons systems over federally designated wilderness
areas or wilderness study areas in the Utah Test and
Training Range.
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(3) In this subsection, the term “low-level” includes any flight down to and including 10 feet above ground level.

(c) Special Use Airspace and Training Routes.—Nothing in this title, the Wilderness Act, or other land management laws generally applicable to federally designated wilderness areas or wilderness study areas in the Utah Test and Training Range shall restrict or preclude the designation of new units of special use airspace, the expansion of existing units of special use airspace, or the use or establishment of military training routes over federally designated wilderness areas or wilderness study areas in the Utah Test and Training Range.

(d) Communications and Tracking Systems.—Nothing in this title, the Wilderness Act, or other land management laws generally applicable to federally designated wilderness areas or wilderness study areas in the Utah Test and Training Range shall be construed to require the removal of existing communications, instrumentation, or electronic tracking systems from these areas, to prevent any required maintenance of such systems, or to prevent the installation of new communication, instrumentation, or other equipment necessary for effective testing and training to meet military requirements so long as the installation and maintenance of such systems do not re-
quire construction of any permanent roads in any federally
designated wilderness area or wilderness study area.

e) Emergency Access and Response.—(1) Nothing in this title, the Wilderness Act, or other land manage-
ment laws generally applicable to federally designated wil-
derness areas or wilderness study areas in the Utah Test
and Training Range shall restrict or preclude timely ac-

tess to any area necessary to respond to emergency situa-
tions. Immediate access, including access for emergency
and rescue vehicles and equipment, shall not be restricted
if human life or health may be in jeopardy.

(2) Not later than 120 days after the date of the en-
actment of this Act, the Secretary of the Air Force and
the Secretary of Interior shall enter into a memorandum
of understanding providing formal procedures for access
to the federally designated wilderness areas or wilderness
study areas that are located beneath airspace of the Utah
Test and Training Range, which may be necessary to re-
spond to emergency situations, to rescue downed aircrew
members, to investigate accident locations, to recover mili-
tary aircraft or other weapons systems, and to restore ac-
cident locations. Military operations in the Utah Test and
Training Range shall not be limited or restricted in any
way pending completion of the memorandum of under-
standing.
(f) Control or Restriction of Public Access.—(1) When required by national security or public safety, public access to federally designated wilderness areas or wilderness study areas in the Utah Test and Training Range that are located beneath airspace designated as special use airspace may be controlled, restricted, or prohibited entirely. Such controls, restrictions, or prohibitions shall remain in force for the minimum duration necessary. The Secretary of the Air Force shall provide advance notice of such controls, restrictions, or prohibitions to the Secretary of the Interior.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary of the Air Force and the Secretary of Interior shall enter into a memorandum of understanding prescribing procedures for implementing access controls, restrictions, or prohibitions. Military operations in the Utah Test and Training Range shall not be limited or restricted in any way pending completion of the memorandum of understanding.

SEC. 1403. DESIGNATION AND MANAGEMENT OF LANDS IN UTAH TEST AND TRAINING RANGE.

(a) Designation.—The following Federal lands that are in the Utah Test and Training Range are hereby designated as wilderness:
(1) Those lands that were managed pursuant to the nonimpairment standard set forth in section 603(c) of Public Law 94–579 (43 U.S.C. 1782(c)) on or before January 1, 1991.

(2) Those lands that were acquired by the United States through donation, exchange, or other method of acquisition and—

(A) are located entirely within the areas identified in paragraph (1); or

(B) are located within a logical extension of the boundaries of the areas identified in paragraph (1).


(2) The Secretary of the Interior shall not develop, maintain, or revise land use plans pursuant to section 202 of Public Law 94–579 (43 U.S.C. 1712) for Federal lands located in the Utah Test and Training Range without the prior concurrence of the Secretary of the Air Force and
the Commander-in-Chief of the military forces of the State of Utah.

(c) WITHDRAWAL.—Subject to valid existing rights, the Federal lands in the areas designated as wilderness by this title are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, from location, entry, and patent under the United States mining laws, and from disposition under all laws pertaining to mineral and geothermal leasing, and mineral materials, and all amendments to such laws.

(d) WATER.—Nothing in this title or any action taken pursuant to this title shall constitute an express or implied reservation of surface or groundwater by any person, including the United States. Nothing in this title affects any valid existing water rights in existence before the date of the enactment of this Act, including any water rights held by the United States. If the United States determines that additional water resources are needed for the purposes of this title, the United States shall acquire such rights in accordance with the water laws of the State of Utah.

(e) MAP AND DESCRIPTION.—(1) As soon as practicable after the date of the enactment of this title, the Secretary of Interior shall transmit a map and legal description of the areas designated as wilderness by this title.
to the Committee on Resources of the House of Represent-
atives and the Committee on Energy and Natural Re-
sources of the Senate.

(2) The map and legal description shall have the
same force and effect as if included in this title, except
that the Secretary of Interior may correct clerical and ty-
pographical errors in the map and legal description.

(3) The map and legal description shall be on file and
available for public inspection in the office of the Director
of the Bureau of Land Management and the office of the
State Director of the Bureau of Land Management in the
State of Utah.

(f) ADMINISTRATION.—(1) Subject to valid existing
rights and this title, the areas designated as wilderness
in this title shall be administered by the Secretary of Inte-
rion in accordance with the provisions of the Wilderness
Act, except that any reference in such provisions to the
effective date of the Wilderness Act (or any similar ref-
erence) shall be deemed to be a reference to the date of
the enactment of this Act.

(2) Any lands or interest in lands within the bound-
daries of an area designated as wilderness by this title that
is acquired by the United States after the date of the en-
actment of this Act shall be added to and administered
as part of the wilderness area within which the acquired lands or interest in lands are located.

(3) The Secretary of the Interior may offer to acquire lands and interest in lands located within the areas designated as wilderness by this title. Such lands may be acquired at fair market value under this subsection by purchase from willing sellers, by exchange for lands of approximately equal value, or by donation.

(4) In furtherance of the purposes and principles of the Wilderness Act, management activities to maintain or restore fish and wildlife populations and the habitats to support such populations may be carried out within the areas designated as wilderness by this title where consistent with relevant wilderness management plans, in accordance with appropriate policies and guidelines such as those set forth in appendix B of the Report of the Committee on Interior and Insular Affairs to accompany H.R. 2570 of the 101st Congress (H. Rept. 101–405).

(5) Within the areas designated as wilderness by this title, the grazing of livestock, where established before the date of the enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary of the Interior considers necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Con-
gress regarding grazing in such areas, as such intent is
expressed in the Wilderness Act, section 101(f) of Public

(6) Congress does not intend for the designation of
the wilderness in this title to lead to the creation of protec-
tive perimeters or buffer zones around any area designated
as wilderness by this title. The fact that nonwilderness ac-
tivities or uses can be seen or heard within the areas des-
ignated as wilderness by this title shall not, of itself, pre-
clude such activities or uses up to the boundary of that
wilderness.

(7) Until completion of a full revision of the Pony
Express Area Resource Management Plan, dated January
12, 1990, by the Salt Lake Field Office of the Bureau
of Land Management, the Secretary of Interior shall not
grant or issue any authorizations pursuant to section
501(a)(6) of Public Law 94–579 (43 U.S.C. 1761(a)(6))
upon Federal lands identified as inventory units UTU-
020-088, UTU-020-095, UTU-020-096, and UTU-020-
100, as generally depicted on the map entitled “Wildern-

SEC. 1404. DESIGNATION OF PILOT RANGE WILDERNESS.

Certain Federal lands in Box Elder County, Utah,
as generally depicted on the map entitled “Pilot Range
Wilderness”, and dated October 1, 2001, are hereby des-
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ignated as wilderness, and shall be known as the Pilot
Range Wilderness Area.

SEC. 1405. DESIGNATION OF CEDAR MOUNTAIN WILDER-
NESS.

Certain Federal lands in Tooele County, Utah, as
generally depicted on the map entitled “Cedar Mountain
Wilderness”, and dated May 1, 2002, are hereby des-
ignated as wilderness, and shall be known as the Cedar
Mountain Wilderness Area.

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 2003”.

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 fol-
lowing table:
### Army: Inside the United States

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>Anniston Army Depot</td>
<td>$1,900,000</td>
</tr>
<tr>
<td></td>
<td>Fort Rucker</td>
<td>$3,050,000</td>
</tr>
<tr>
<td></td>
<td>Redstone Arsenal</td>
<td>$1,950,000</td>
</tr>
<tr>
<td>Alaska</td>
<td>Fort Wainwright</td>
<td>$111,010,000</td>
</tr>
<tr>
<td>Arizona</td>
<td>Fort Huachuca</td>
<td>$10,400,000</td>
</tr>
<tr>
<td></td>
<td>Yuma Proving Ground</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Pine Bluff Arsenal</td>
<td>$18,937,000</td>
</tr>
<tr>
<td>California</td>
<td>Monterey Defense Language Institute</td>
<td>$1,500,000</td>
</tr>
<tr>
<td></td>
<td>Fort Carson</td>
<td>$5,350,000</td>
</tr>
<tr>
<td></td>
<td>Area Support Group, Bamberg</td>
<td>$9,950,000</td>
</tr>
<tr>
<td></td>
<td>Fort Polk</td>
<td>$51,950,000</td>
</tr>
<tr>
<td></td>
<td>Fort Drum</td>
<td>$5,500,000</td>
</tr>
<tr>
<td></td>
<td>Fort Huachuca</td>
<td>$106,300,000</td>
</tr>
<tr>
<td></td>
<td>Fort Benning</td>
<td>$74,250,000</td>
</tr>
<tr>
<td></td>
<td>Fort Stewart/Hunter Army Air Field</td>
<td>$22,500,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Schofield Barracks</td>
<td>$191,000,000</td>
</tr>
<tr>
<td>Kansas</td>
<td>Fort Leavenworth</td>
<td>$3,150,000</td>
</tr>
<tr>
<td></td>
<td>Fort Riley</td>
<td>$51,950,000</td>
</tr>
<tr>
<td>Kentucky</td>
<td>Blue Grass Army Depot</td>
<td>$5,500,000</td>
</tr>
<tr>
<td></td>
<td>Fort Campbell</td>
<td>$106,300,000</td>
</tr>
<tr>
<td>Louisiana</td>
<td>Fort Polk</td>
<td>$31,000,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Fort Detrick</td>
<td>$22,500,000</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>Natick Research Development and Engineering Center</td>
<td>$4,100,000</td>
</tr>
<tr>
<td>Missouri</td>
<td>Fort Leonard Wood</td>
<td>$15,500,000</td>
</tr>
<tr>
<td>New Jersey</td>
<td>Picatinny Arsenal</td>
<td>$7,500,000</td>
</tr>
<tr>
<td>New York</td>
<td>Fort Drum</td>
<td>$18,300,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Fort Bragg</td>
<td>$94,900,000</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>Letterkenny Army Depot</td>
<td>$1,530,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Fort Bliss</td>
<td>$10,200,000</td>
</tr>
<tr>
<td></td>
<td>Fort Hood</td>
<td>$85,000,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Fort Lee</td>
<td>$5,200,000</td>
</tr>
<tr>
<td>Washington</td>
<td>Fort Lewis</td>
<td>$53,800,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$976,247,000</td>
</tr>
</tbody>
</table>

### (b) Outside the United States

Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army 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:

### Army: Outside the United States

<table>
<thead>
<tr>
<th>Country</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>Supreme Headquarters, Allied Powers Europe</td>
<td>$13,600,000</td>
</tr>
<tr>
<td>Germany</td>
<td>Area Support Group, Bamberg</td>
<td>$17,200,000</td>
</tr>
<tr>
<td></td>
<td>Campbell Barracks</td>
<td>$8,300,000</td>
</tr>
<tr>
<td></td>
<td>Coleman Barracks</td>
<td>$1,350,000</td>
</tr>
</tbody>
</table>

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Army: Outside the United States—Continued

<table>
<thead>
<tr>
<th>Country</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>Darmstadt ................</td>
<td>$3,500,000</td>
</tr>
<tr>
<td></td>
<td>Grafenwoehr ..............</td>
<td>$69,866,000</td>
</tr>
<tr>
<td></td>
<td>Landstuhl ................</td>
<td>$2,400,000</td>
</tr>
<tr>
<td></td>
<td>Mannheim ..................</td>
<td>$42,000,000</td>
</tr>
<tr>
<td></td>
<td>Schweinfurt ..............</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Italy</td>
<td>Vicenza ....................</td>
<td>$34,700,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Camp Carroll .............</td>
<td>$20,000,000</td>
</tr>
<tr>
<td></td>
<td>Camp Castle ..............</td>
<td>$6,800,000</td>
</tr>
<tr>
<td></td>
<td>Camp Hovey ...............</td>
<td>$25,000,000</td>
</tr>
<tr>
<td></td>
<td>Camp Humphreys ..........</td>
<td>$36,000,000</td>
</tr>
<tr>
<td></td>
<td>Camp Henry ...............</td>
<td>$10,000,000</td>
</tr>
<tr>
<td></td>
<td>K16 Airfield .............</td>
<td>$40,000,000</td>
</tr>
<tr>
<td></td>
<td>Yongsan ...................</td>
<td>$12,600,000</td>
</tr>
<tr>
<td></td>
<td>Total ....................</td>
<td>$345,316,000</td>
</tr>
</tbody>
</table>

(c) UNSPECIFIED WORLDWIDE.—Using the amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

<table>
<thead>
<tr>
<th>Location</th>
<th>Installation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unspecified Worldwide</td>
<td>Unspecified Worldwide</td>
<td>$4,000,000</td>
</tr>
</tbody>
</table>

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:
Army: Family Housing

<table>
<thead>
<tr>
<th>State or Country</th>
<th>Installation or location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska</td>
<td>Fort Wainwright</td>
<td>38 Units</td>
<td>$17,752,000</td>
</tr>
<tr>
<td>Arizona</td>
<td>Yuma Proving Ground</td>
<td>33 Units</td>
<td>$6,100,000</td>
</tr>
<tr>
<td>Germany</td>
<td>Stuttgart</td>
<td>1 Unit</td>
<td>$990,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Yongsan</td>
<td>10 Units</td>
<td>$3,100,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td></td>
<td><strong>$27,942,000</strong></td>
</tr>
</tbody>
</table>

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(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 $15,653,000.

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 section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $234,831,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,935,609,000 as follows:
(1) For military construction projects inside the United States authorized by section 2101(a), $803,247,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $345,316,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2101(c), $4,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $21,550,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $158,796,000.

(6) For military family housing functions:

   (A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $278,426,000.

   (B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,122,274,000.

(7) For the construction of phase 3 of a barracks complex, Butner Road, at Fort Bragg, North

(8) For the construction of phase 2 of a barracks complex, D Street, at Fort Richardson, Alaska, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), $21,000,000.

(9) For the construction of phase 2 of a barracks complex, Nelson Boulevard, at Fort Carson, Colorado, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), as amended by section 2105 of this Act, $42,000,000.

(10) For the construction of phase 2 of a basic combat trainee complex at Fort Jackson, South Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat.
1280), as amended by section 2105 of this Act, $39,000,000.


(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a);

(2) $18,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Main Post, at Fort Benning, Georgia);

(3) $100,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Capron Avenue, at Schofield Barracks, Hawaii);
(4) $50,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Range Road, at Fort Campbell, Kentucky); and

(5) $5,000,000 (the balance of the amount authorized under section 2101(a) for a military construction project at Fort Bliss, Texas).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (11) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $13,676,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2002 PROJECTS.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1281) is amended—
(1) in the item relating to Fort Carson, Colorado, by striking “$66,000,000” in the amount column and inserting “$67,000,000”; and

(2) in the item relating to Fort Jackson, South Carolina, by striking “$65,650,000” in the amount column and inserting “$68,650,000”.

(b) CONFORMING AMENDMENTS.—Section 2104(b) of that Act (115 Stat. 1284) is amended—

(1) in paragraph (3), by striking “$41,000,000” and inserting “$42,000,000”; and

(2) in paragraph (4), by striking “$36,000,000” and inserting “$39,000,000”.

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:

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>Marine Corps Air Station, Yuma</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>California</td>
<td>Auxiliary Landing Field, San Diego (San Clemente Island)</td>
<td>$6,150,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Air-Ground Combat Center, Twentynine Palms</td>
<td>$40,870,000</td>
</tr>
</tbody>
</table>
### Navy: Inside the United States—Continued

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connecticut</td>
<td>Naval Submarine Base, New London</td>
<td>$7,880,000</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>Marine Corps Barracks</td>
<td>$3,700,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Naval Air Base, Jacksonville</td>
<td>$13,342,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, Pensacola</td>
<td>$990,000</td>
</tr>
<tr>
<td></td>
<td>Naval School Explosive Ordinance Detachment, Eglin</td>
<td>$6,350,000</td>
</tr>
<tr>
<td></td>
<td>Naval Station, Mayport</td>
<td>$1,900,000</td>
</tr>
<tr>
<td></td>
<td>Whiting Field</td>
<td>$1,780,000</td>
</tr>
<tr>
<td>Georgia</td>
<td>Naval Submarine Base, Kings Bay</td>
<td>$1,580,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Naval Shipyard, Pearl Harbor</td>
<td>$18,500,000</td>
</tr>
<tr>
<td>Illinois</td>
<td>Naval Station, Pearl Harbor</td>
<td>$14,690,000</td>
</tr>
<tr>
<td>Illinois</td>
<td>Naval Training Center, Great Lakes</td>
<td>$93,190,000</td>
</tr>
<tr>
<td>Indiana</td>
<td>Crane Naval Surface Weapons Station</td>
<td>$11,610,000</td>
</tr>
<tr>
<td>Maine</td>
<td>Naval Shipyard, Kittery-Portsmouth</td>
<td>$15,200,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Naval Air Facility, Andrews Air Force Base</td>
<td>$9,680,000</td>
</tr>
<tr>
<td></td>
<td>United States Naval Academy</td>
<td>$1,800,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, Meridian</td>
<td>$2,850,000</td>
</tr>
<tr>
<td></td>
<td>Naval Construction Battalion Center, Gulfport</td>
<td>$5,460,000</td>
</tr>
<tr>
<td></td>
<td>Naval Station, Pascagoula</td>
<td>$15,160,000</td>
</tr>
<tr>
<td>Nevada</td>
<td>Naval Air Station, Fallon</td>
<td>$4,010,000</td>
</tr>
<tr>
<td>New Jersey</td>
<td>Naval Weapons Center, Lakehurst</td>
<td>$5,200,000</td>
</tr>
<tr>
<td></td>
<td>Naval Weapons Station Earle, Colts</td>
<td>$6,870,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Marine Corps Air Station, Cherry Point</td>
<td>$10,470,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Air Station, New River</td>
<td>$6,920,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Base, Camp Lejeune</td>
<td>$9,570,000</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>Naval Station, Newport</td>
<td>$6,870,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Marine Corps Air Station, Beaufort</td>
<td>$13,700,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Recruit Depot, Parris Island</td>
<td>$10,490,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Naval Weapons Station, Charleston</td>
<td>$5,740,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, Corpus Christi</td>
<td>$7,150,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station Joint Reserve Base, Fort Worth</td>
<td>$8,850,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, Kingsville</td>
<td>$6,210,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Dam Neck Fleet Combat Training Center, Atlantic</td>
<td>$3,900,000</td>
</tr>
<tr>
<td></td>
<td>Little Creek Naval Amphibious Base</td>
<td>$9,770,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Combat Development Command, Quantico</td>
<td>$24,864,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station Oceana</td>
<td>$16,490,000</td>
</tr>
<tr>
<td></td>
<td>Naval Shipyard, Norfolk, Portsmouth</td>
<td>$19,660,000</td>
</tr>
<tr>
<td></td>
<td>Naval Station, Norfolk</td>
<td>$171,505,000</td>
</tr>
<tr>
<td></td>
<td>Naval Surface Warfare Center, Dahlgren</td>
<td>$15,830,000</td>
</tr>
<tr>
<td></td>
<td>Naval Weapons Station, Yorktown</td>
<td>$15,020,000</td>
</tr>
<tr>
<td>Washington</td>
<td>Naval Air Station, Whidbey Island</td>
<td>$17,580,000</td>
</tr>
<tr>
<td></td>
<td>Keyport Naval Undersea Warfare Command</td>
<td>$10,500,000</td>
</tr>
</tbody>
</table>
Navy: Inside the United States—Continued

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Naval Magazine, Indian Island</td>
<td>$4,030,000</td>
</tr>
<tr>
<td></td>
<td>Naval Station, Bremerton</td>
<td>$45,870,000</td>
</tr>
<tr>
<td></td>
<td>Naval Submarine Base, Bangor</td>
<td>$22,310,000</td>
</tr>
<tr>
<td></td>
<td>Puget Sound Naval Shipyard, Bremerton</td>
<td>$57,132,000</td>
</tr>
<tr>
<td></td>
<td>Strategic Weapons Facility, Bangor</td>
<td>$7,340,000</td>
</tr>
<tr>
<td>Various Locations</td>
<td>Host Nation Infrastructure</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$1,009,528,000</td>
</tr>
</tbody>
</table>

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

<table>
<thead>
<tr>
<th>Country</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>Naval Support Activity, Bahrain</td>
<td>$25,970,000</td>
</tr>
<tr>
<td>Diego Garcia</td>
<td>Diego Garcia, Naval Support Facility</td>
<td>$11,090,000</td>
</tr>
<tr>
<td>Greece</td>
<td>Naval Support Activity, Joint Headquarters Command, Larissa</td>
<td>$14,800,000</td>
</tr>
<tr>
<td>Guam</td>
<td>Commander, United States Naval Forces, Guam</td>
<td>$13,400,000</td>
</tr>
<tr>
<td>Iceland</td>
<td>Naval Air Station, Keflavik</td>
<td>$14,920,000</td>
</tr>
<tr>
<td>Italy</td>
<td>Naval Air Station, Sigonella</td>
<td>$55,660,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$135,840,000</td>
</tr>
</tbody>
</table>

SEC. 2202. FAMILY HOUSING.

(a) Construction and Acquisition.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:
### Navy: Family Housing

<table>
<thead>
<tr>
<th>State or Country</th>
<th>Installation or location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>Naval Air Station, Lemoore</td>
<td>178 Units</td>
<td>$40,981,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Air-Ground Combat Center, Twentynine Palms</td>
<td>76 Units</td>
<td>$19,425,000</td>
</tr>
<tr>
<td>Connecticut</td>
<td>Naval Submarine Base, New London</td>
<td>100 Units</td>
<td>$24,415,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Naval Station, Mayport</td>
<td>1 Unit</td>
<td>$329,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Marine Corps Base, Kaneohe Bay</td>
<td>65 Units</td>
<td>$24,797,000</td>
</tr>
<tr>
<td>Maine</td>
<td>Naval Air Station, Brunswick</td>
<td>26 Units</td>
<td>$5,800,000</td>
</tr>
<tr>
<td>Mississippi</td>
<td>Naval Air Station, Meridian</td>
<td>56 Units</td>
<td>$9,755,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Marine Corps Base, Camp LeJeune</td>
<td>317 Units</td>
<td>$43,650,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Marine Corps Base, Quantico</td>
<td>290 Units</td>
<td>$41,843,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Joint Maritime Facility, St. Mawgan</td>
<td>62 Units</td>
<td>$18,524,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>58 Units</strong></td>
<td><strong>$229,519,000</strong></td>
</tr>
</tbody>
</table>

(b) **Planning and Design.**—Using amounts appropriated pursuant to the authorization of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $11,281,000.

8 **Sec. 2203. 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 section 2204(a)(5)(A), the Secretary of the Navy may improve existing military
family housing units in an amount not to exceed $136,816,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,308,007,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $776,806,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $133,270,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $23,262,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $95,745,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $377,616,000.
(B) For support of military family housing
    (including functions described in section 2833
    of title 10, United States Code), $867,788,000.

(6) For replacement of a pier at Naval Station,
    Norfolk, Virginia, authorized in section 2201(a) of
    the Military Construction Authorization Act for Fis-
    cal Year 2002 (division B of Public Law 107–107;
    115 Stat. 1287), as amended by section 2205 of this
    Act, $33,520,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION
    PROJECTS.—Notwithstanding the cost variations author-
    ized by section 2853 of title 10, United States Code, and
    any other cost variation authorized by law, the total cost
    of all projects carried out under section 2201 of this Act
    may not exceed—

(1) the total amount authorized to be appro-
    priated under paragraphs (1) and (2) of subsection
    (a);

(2) $48,120,000 (the balance of the amount au-
    thorized under section 2201(a) for a bachelors en-
    listed quarters shipboard ashore, Naval Station,
    Norfolk, Virginia); and

(3) $2,570,000 (the balance of the amount au-
    thorized under section 2201(b) for a quality of life
    support facility, Naval Air Station Sigonella, Italy).
(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $1,340,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2002 PROJECT.

(a) MODIFICATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1286) is amended—

(1) in the item relating to Naval Station, Norfolk, Virginia, by striking “$139,270,000” in the amount column and inserting “$139,550,000”; and

(2) by striking the amount identified as the total in the amount column and inserting “$1,059,030,000”.

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(b) **Conforming Amendment.**—Section 2204(b)(2) of that Act (115 Stat. 1289) is amended by striking “$33,240,000” and inserting “$33,520,000”.

**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:

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>Maxwell Air Force Base</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Alaska</td>
<td>Clear Air Station</td>
<td>$14,400,000</td>
</tr>
<tr>
<td>Arizona</td>
<td>Davis-Monthan Air Force Base</td>
<td>$19,270,000</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Little Rock Air Force Base</td>
<td>$25,600,000</td>
</tr>
<tr>
<td>California</td>
<td>Beale Air Force Base</td>
<td>$11,740,000</td>
</tr>
<tr>
<td></td>
<td>Travis Air Force Base</td>
<td>$9,600,000</td>
</tr>
<tr>
<td></td>
<td>Vandenberg Air Force Base</td>
<td>$10,500,000</td>
</tr>
<tr>
<td>Colorado</td>
<td>Buckley Air National Guard Base</td>
<td>$17,700,000</td>
</tr>
<tr>
<td></td>
<td>Peterson Air Force Base</td>
<td>$2,000,000</td>
</tr>
<tr>
<td></td>
<td>Schriever Air Force Base</td>
<td>$5,700,000</td>
</tr>
<tr>
<td></td>
<td>United States Air Force Academy</td>
<td>$9,400,000</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>Bolling Air Force Base</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Elgin Air Force Base</td>
<td>$4,250,000</td>
</tr>
<tr>
<td></td>
<td>Hurlburt Field</td>
<td>$15,000,000</td>
</tr>
<tr>
<td></td>
<td>McChord Air Force Base</td>
<td>$21,000,000</td>
</tr>
<tr>
<td></td>
<td>Tydall Air Force Base</td>
<td>$8,100,000</td>
</tr>
<tr>
<td>Georgia</td>
<td>Robins Air Force Base</td>
<td>$5,400,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Hickam Air Force Base</td>
<td>$1,350,000</td>
</tr>
<tr>
<td>Kansas</td>
<td>McConnell Air Force Base</td>
<td>$7,500,000</td>
</tr>
<tr>
<td>Louisiana</td>
<td>Barksdale Air Force Base</td>
<td>$10,900,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Andrews Air Force Base</td>
<td>$9,600,000</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>Hanscom Air Force Base</td>
<td>$7,700,000</td>
</tr>
<tr>
<td>Mississippi</td>
<td>Keesler Air Force Base</td>
<td>$22,000,000</td>
</tr>
<tr>
<td>Nevada</td>
<td>Nellis Air Force Base</td>
<td>$37,350,000</td>
</tr>
<tr>
<td>New Jersey</td>
<td>McGuire Air Force Base</td>
<td>$24,631,000</td>
</tr>
<tr>
<td>New Mexico</td>
<td>Cannon Air Force Base</td>
<td>$4,650,000</td>
</tr>
<tr>
<td></td>
<td>Holloman Air Force Base</td>
<td>$4,650,000</td>
</tr>
</tbody>
</table>

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Air Force: Inside the United States—Continued

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>Kirtland Air Force Base</td>
<td>$21,900,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>Pope Air Force Base</td>
<td>$9,700,000</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>Wright-Patterson Air Force Base</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Shaw Air Force Base</td>
<td>$6,800,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Lackland Air Force Base</td>
<td>$37,300,000</td>
</tr>
<tr>
<td>Utah</td>
<td>Hill Air Force Base</td>
<td>$14,500,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Langley Air Force Base</td>
<td>$71,940,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$580,731,000</td>
</tr>
</tbody>
</table>

(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

<table>
<thead>
<tr>
<th>Country</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diego Garcia</td>
<td>Diego Garcia</td>
<td>$17,100,000</td>
</tr>
<tr>
<td>Germany</td>
<td>Ramstein Air Force Base</td>
<td>$71,783,000</td>
</tr>
<tr>
<td>Guam</td>
<td>Andersen Air Force Base</td>
<td>$31,000,000</td>
</tr>
<tr>
<td>Italy</td>
<td>Aviano Air Force Base</td>
<td>$6,600,000</td>
</tr>
<tr>
<td>Japan</td>
<td>Kadena Air Force Base</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Osan Air Base</td>
<td>$15,100,000</td>
</tr>
<tr>
<td>Spain</td>
<td>Naval Station, Rota</td>
<td>$31,818,000</td>
</tr>
<tr>
<td>Turkey</td>
<td>Incirlik Air Force Base</td>
<td>$1,550,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Royal Air Force, Fairford</td>
<td>$19,000,000</td>
</tr>
<tr>
<td>Wake Island</td>
<td>Wake Island</td>
<td>$24,900,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$238,251,000</td>
</tr>
</tbody>
</table>

(e) Unspecified Worldwide.—Using the amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(3), the Secretary of the Air Force may acquire real property and carry out military construc-
tion projects for the installation and location, and in the amount, set forth in the following table:

**Air Force: Unspecified Worldwide**

<table>
<thead>
<tr>
<th>Location</th>
<th>Installation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unspecified Worldwide</td>
<td>Classified Location</td>
<td>$32,562,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$32,562,000</td>
</tr>
</tbody>
</table>

**SEC. 2302. FAMILY HOUSING.**

(a) **Construction and Acquisition.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

**Air Force: Family Housing**

<table>
<thead>
<tr>
<th>State or Country</th>
<th>Installation or location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>Luke Air Force Base</td>
<td>140 Units</td>
<td>$18,954,000</td>
</tr>
<tr>
<td>California</td>
<td>Travis Air Force Base</td>
<td>110 Units</td>
<td>$24,320,000</td>
</tr>
<tr>
<td>Colorado</td>
<td>Peterson Air Force Base</td>
<td>2 Units</td>
<td>$959,000</td>
</tr>
<tr>
<td></td>
<td>United States Air Force Academy</td>
<td>71 Units</td>
<td>$12,424,000</td>
</tr>
<tr>
<td>Delaware</td>
<td>Dover Air Force Base</td>
<td>112 Units</td>
<td>$19,615,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Eglin Air Force Base</td>
<td>Housing Office</td>
<td>$597,000</td>
</tr>
<tr>
<td></td>
<td>Eglin Air Force Base</td>
<td>134 Units</td>
<td>$15,906,000</td>
</tr>
<tr>
<td></td>
<td>MacDill Air Force Base</td>
<td>96 Units</td>
<td>$18,086,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Hickam Air Force Base</td>
<td>96 Units</td>
<td>$29,050,000</td>
</tr>
<tr>
<td>Idaho</td>
<td>Mountain Home Air Force Base</td>
<td>95 Units</td>
<td>$24,392,000</td>
</tr>
<tr>
<td>Kansas</td>
<td>McConnell Air Force Base</td>
<td>Housing Maintenance Facility</td>
<td>$1,514,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Andrews Air Force Base</td>
<td>53 Units</td>
<td>$9,838,000</td>
</tr>
<tr>
<td></td>
<td>Andrews Air Force Base</td>
<td>52 Units</td>
<td>$8,807,000</td>
</tr>
<tr>
<td>Mississippi</td>
<td>Columbus Air Force Base</td>
<td>Housing Office</td>
<td>$412,000</td>
</tr>
<tr>
<td></td>
<td>Keesler Air Force Base</td>
<td>117 Units</td>
<td>$16,505,000</td>
</tr>
<tr>
<td>Missouri</td>
<td>Whiteman Air Force Base</td>
<td>97 Units</td>
<td>$17,107,000</td>
</tr>
</tbody>
</table>
### Air Force: Family Housing—Continued

<table>
<thead>
<tr>
<th>State or Country</th>
<th>Installation or location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montana</td>
<td>Malmstrom Air Force Base</td>
<td>18 Units</td>
<td>$4,717,000</td>
</tr>
<tr>
<td>New Mexico</td>
<td>Holloman Air Force Base</td>
<td>101 Units</td>
<td>$20,161,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Pope Air Force Base</td>
<td>Housing Maintenance Facility</td>
<td>$991,000</td>
</tr>
<tr>
<td></td>
<td>Seymour Johnson Air Force Base</td>
<td>126 Units</td>
<td>$18,615,000</td>
</tr>
<tr>
<td>North Dakota</td>
<td>Grand Forks Air Force Base</td>
<td>150 Units</td>
<td>$30,140,000</td>
</tr>
<tr>
<td></td>
<td>Minot Air Force Base</td>
<td>112 Units</td>
<td>$21,428,000</td>
</tr>
<tr>
<td></td>
<td>Minot Air Force Base</td>
<td>102 Units</td>
<td>$20,315,000</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>Vance Air Force Base</td>
<td>59 Units</td>
<td>$11,423,000</td>
</tr>
<tr>
<td>South Dakota</td>
<td>Ellsworth Air Force Base</td>
<td>Housing Maintenance Facility</td>
<td>$447,000</td>
</tr>
<tr>
<td></td>
<td>Ellsworth Air Force Base</td>
<td>22 Units</td>
<td>$4,794,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Dyess Air Force Base</td>
<td>85 Units</td>
<td>$14,824,000</td>
</tr>
<tr>
<td></td>
<td>Randolph Air Force Base</td>
<td>Housing Maintenance Facility</td>
<td>$447,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Langley Air Force Base</td>
<td>112 Units</td>
<td>$14,311,000</td>
</tr>
<tr>
<td>Germany</td>
<td>Ramstein Air Force Base</td>
<td>Housing Office</td>
<td>$1,193,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Osan Air Base</td>
<td>19 Units</td>
<td>$8,534,000</td>
</tr>
<tr>
<td></td>
<td>Osan Air Base</td>
<td>113 Units</td>
<td>$35,705,000</td>
</tr>
<tr>
<td></td>
<td>Osan Air Base</td>
<td>Housing Supply and Maintenance Facility</td>
<td>$834,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Royal Air Force, Lakenheath</td>
<td>Housing Office</td>
<td>$2,203,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$429,568,000</td>
</tr>
</tbody>
</table>

(b) **PLANNING AND DESIGN.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $34,188,000.
SEC. 2303. 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 section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $217,286,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,495,094,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $580,731,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $238,251,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $32,562,000.
(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,500,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $76,958,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $681,042,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $874,050,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1), (2) and (3) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by
$10,281,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

**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 2404(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:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missile Defense Agency</td>
<td>Kanai, Hawaii</td>
<td>$23,400,000</td>
</tr>
<tr>
<td>Defense Intelligence Agency</td>
<td>Bolling Air Force Base, District of Columbia</td>
<td>$121,958,000</td>
</tr>
<tr>
<td>Defense Logistics Agency</td>
<td>Columbus, Ohio</td>
<td>$5,502,000</td>
</tr>
<tr>
<td></td>
<td>Defense Supply Center, Richmond, Virginia</td>
<td>$5,500,000</td>
</tr>
<tr>
<td>Defense Threat Reduction</td>
<td>Naval Air Station, New Orleans, Louisiana</td>
<td>$9,500,000</td>
</tr>
<tr>
<td>Agency</td>
<td>Travis Air Force Base, California</td>
<td>$16,000,000</td>
</tr>
<tr>
<td>Department of Defense</td>
<td>Fort Belvoir, Virginia</td>
<td>$76,388,000</td>
</tr>
<tr>
<td>Dependents Schools</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fort Bragg, North Carolina</td>
<td></td>
<td>$2,036,000</td>
</tr>
<tr>
<td>Fort Jackson, South Carolina</td>
<td></td>
<td>$2,506,000</td>
</tr>
<tr>
<td>Marine Corps Base, Camp Lejeune, North Carolina</td>
<td></td>
<td>$12,138,000</td>
</tr>
</tbody>
</table>
Defense Agencies: Inside the United States—Continued

<table>
<thead>
<tr>
<th>Agency</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Chiefs of Staff ..................</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Security Agency ..............</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Operations Command</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRICARE Management Activity ..........</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marine Corps Base, Quantico, Virginia</td>
<td></td>
<td>$1,418,000</td>
</tr>
<tr>
<td>United States Military Academy, West Point, New York</td>
<td>$4,347,000</td>
<td></td>
</tr>
<tr>
<td>Fort Meade, Maryland ...................</td>
<td></td>
<td>$4,484,000</td>
</tr>
<tr>
<td>Peterson Air Force Base, Colorado .....</td>
<td></td>
<td>$18,400,000</td>
</tr>
<tr>
<td>Fort Bragg, North Carolina ............</td>
<td></td>
<td>$30,800,000</td>
</tr>
<tr>
<td>Hurlburt Field, Florida ...............</td>
<td></td>
<td>$11,100,000</td>
</tr>
<tr>
<td>Naval Amphibious Base, Little Creek, Virginia</td>
<td>$14,300,000</td>
<td></td>
</tr>
<tr>
<td>Elmendorf Air Force Base, Alaska .....</td>
<td></td>
<td>$10,400,000</td>
</tr>
<tr>
<td>Hickam Air Force Base, Hawaii .......</td>
<td></td>
<td>$2,700,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$372,396,000</td>
</tr>
</tbody>
</table>

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(2), the Secretary of Defense 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:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense Logistics Agency ..............</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Naval Forces Marianas Islands, Guam</td>
<td></td>
<td>$17,586,000</td>
</tr>
<tr>
<td>Naval Station, Rota, Spain ...........</td>
<td></td>
<td>$23,400,000</td>
</tr>
<tr>
<td>Royal Air Force, Fairford, United Kingdom</td>
<td></td>
<td>$17,000,000</td>
</tr>
<tr>
<td>Yokota Air Base, Japan ..............</td>
<td></td>
<td>$23,000,000</td>
</tr>
<tr>
<td>Kaiserslautern, Germany .............</td>
<td></td>
<td>$957,000</td>
</tr>
<tr>
<td>Lajes Field, Azores, Portugal .......</td>
<td></td>
<td>$1,192,000</td>
</tr>
<tr>
<td>Seoul, Korea ................................</td>
<td></td>
<td>$31,683,000</td>
</tr>
<tr>
<td>Supreme Headquarters, Allied Pow- ers Europe, Belgium</td>
<td>$1,573,000</td>
<td></td>
</tr>
<tr>
<td>Spangdahlem Air Base, Germany ......</td>
<td></td>
<td>$997,000</td>
</tr>
<tr>
<td>Vicenza, Italy .......................</td>
<td></td>
<td>$2,117,000</td>
</tr>
<tr>
<td>Naval Support Activity, Naples, Italy</td>
<td></td>
<td>$41,449,000</td>
</tr>
<tr>
<td>Spangdahlem Air Base, Germany ......</td>
<td></td>
<td>$39,629,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$206,583,000</td>
</tr>
</tbody>
</table>
SEC. 2402. 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 section 2404(a)(8)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $5,530,000.

SEC. 2403. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(4), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $49,531,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments) in the total amount of $1,417,779,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $335,796,000.
(2) For military construction projects outside the United States authorized by section 2401(b), $206,583,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,293,000.

(4) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $45,432,000.

(6) For energy conservation projects authorized by section 2403 of this Act, $49,531,000.


(8) For military family housing functions:

   (A) For improvement of military family housing and facilities, $5,480,000.

   (B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $42,432,000.
(C) For credit to the Department of Defense Housing Improvement Fund established by section 2883(a) of title 10, United States Code, as amended by section 2801 of this Act, $2,000,000.

(9) For payment of a claim against the Hospital Replacement project at Elmendorf Air Force Base, Alaska, $10,400,000.


(11) For the construction of phase 5 of an ammunition demilitarization facility at Newport Army Depot, Indiana, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), as amended by section 2406 of this Act, $61,494,000.


(14) For the construction of phase 3 of an ammunition demilitarization support facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 835), $8,300,000.
(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $26,200,000 (the balance of the amount authorized under section 2401(a) for the construction of the Defense Threat Reduction Center, Fort Belvoir, Virginia).

(e) Adjustment.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (14) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $42,833,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.
SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECT.


(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Blue Grass Army Depot, Kentucky, by striking "$254,030,000" in the amount column and inserting "$290,325,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$748,245,000".

(b) Conforming Amendment.—Section 2405(b)(3) of that Act (113 Stat. 839), as so amended, is further amended by striking "$231,230,000" and inserting "$267,525,000".

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECT.

(2) by striking the amount identified as the total in the amount column and inserting “$829,919,000”.

(b) CONFORMING AMENDMENT.—Section 2404(b)(2) of that Act (112 Stat. 2196) is amended by striking “$162,050,000” and inserting “$264,353,000”.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1997 PROJECT.


(1) under the agency heading relating to Chemical Demilitarization Program, in the item relating
to Pueblo Chemical Activity, Colorado, by striking “$203,500,000” in the amount column and inserting “$261,000,000”; and

(2) by striking the amount identified as the total in the amount column and inserting “$607,454,000”.

(b) CONFORMING AMENDMENT.—Section 2406(b)(2) of that Act (110 Stat. 2779), as so amended, is further amended by striking “$203,500,000” and inserting “$261,000,000”.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.
SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $168,200,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) IN GENERAL.—There are authorized to be appropriated for fiscal years beginning after September 30, 2002, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including 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, $170,793,000; and

(B) for the Army Reserve, $86,789,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $66,971,000.
(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $119,266,000; and

(B) for the Air Force Reserve, $68,576,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) Expiration of Authorizations After Three Years.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2005; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2006.

(b) Exception.—Subsection (a) shall not apply to authorizations for military construction projects, land ac-
quisition, family housing projects, and facilities, and con-
tributions to the North Atlantic Treaty Organization Se-
curity Investment program (and authorizations of appro-
priations therefor) for which appropriated funds have been
obligated before the later of—

(1) October 1, 2005; or

(2) the date of the enactment of an Act author-
ized funds for fiscal year 2005 for military construc-
tion projects, land acquisition, family housing
projects and facilities, and contributions to the
North Atlantic Treaty Organization Security Invest-
ment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN
FISCAL YEAR 2000 PROJECTS.

(a) Extension of Certain Projects.—Notwith-
standing section 2701 of the Military Construction Au-
 thorization Act for Fiscal Year 2000 (division B of Public
Law 106–65; 113 Stat. 841), authorizations set forth in
the tables in subsection (b), as provided in section 2302
or 2601 of that Act, shall remain in effect until October
1, 2003, or the date of the enactment of an Act author-
izing funds for military construction for fiscal year 2004,
whichever is later.

(b) Tables.—The tables referred to in subsection (a)
are as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oklahoma</td>
<td>Tinker Air Force Base</td>
<td>Replace Family Housing (41 Units) ...............</td>
<td>$6,000,000</td>
</tr>
</tbody>
</table>

Army National Guard: Extension of 2000 Project Authorization

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia</td>
<td>Fort Pickett</td>
<td>Multi-Purpose Range Complex–Heavy ................</td>
<td>$13,500,000</td>
</tr>
</tbody>
</table>

(e) Extension of Additional Project.—Notwithstanding any other provision of law, the authorization set forth in the table in subsection (d), as provided in section 8160 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1274), shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(d) Table for Extension of Additional Project.—The table referred to in subsection (e) is as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pennsylvania</td>
<td>Connellsville</td>
<td>Readiness Center</td>
<td>$1,700,000</td>
</tr>
</tbody>
</table>

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) Extension.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal
Year 1999 (division B of Public Law 105–261; 112 Stat. 2199), authorizations set forth in the table in subsection (b), as provided in section 2302 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1301), shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>Dover Air Force Base</td>
<td>Replace Family Housing (55 Units)</td>
<td>$8,988,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Patrick Air Force Base</td>
<td>Replace Family Housing (46 Units)</td>
<td>$9,692,000</td>
</tr>
<tr>
<td>New Mexico</td>
<td>Kirtland Air Force Base</td>
<td>Replace Family Housing (37 Units)</td>
<td>$6,400,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>Wright-Patterson Air Force Base</td>
<td>Replace Family Housing (40 Units)</td>
<td>$5,600,000</td>
</tr>
</tbody>
</table>

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this Act shall take effect on the later of—

(1) October 1, 2002; or

(2) the date of the enactment of this Act.
TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. CHANGES TO ALTERNATIVE AUTHORITY FOR ACQUISSITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) Authorized Utilities and Services.—Section 2872a(b) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

“(11) Firefighting and fire protection services.

“(12) Police protection services.”.

(b) Leasing of Housing.—Subsection (a) of section 2874 of such title is amended to read as follows:

“(a) Lease Authorized.—(1) The Secretary concerned may enter into contracts for the lease of housing units that the Secretary determines are suitable for use as military family housing or military unaccompanied housing.

“(2) The Secretary concerned shall utilize housing units leased under paragraph (1) as military family housing or military unaccompanied housing, as appropriate.”.

(c) Repeal of Interim Lease Authority.—Section 2879 of such title is repealed.
(d) **SPACE LIMITATIONS BY PAY GRADE.**—Section 2880(b)(2) of such title is amended by striking “unless the unit is located on a military installation”.

(e) **DEPARTMENT OF DEFENSE HOUSING FUND.**—

(1) Section 2883 of such title is amended by striking subsections (a), (b), and (c) inserting the following new subsections (a) and (b):

“(a) **ESTABLISHMENT.**—There is hereby established on the books of the Treasury an account to be known as the Department of Defense Housing Improvement Fund (in this section referred to as the ‘Fund’).

“(b) **CREDITS TO FUND.**—There shall be credited to the Fund the following:

“(1) Amounts authorized for and appropriated to the Fund.

“(2) Subject to subsection (e), any amounts that the Secretary of Defense transfers, in such amounts as are provided for in appropriation Acts, to the Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military family housing or military unaccompanied housing.

“(3) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this
subchapter with respect to military family housing
or military unaccompanied housing.

“(4) Income derived from any activities under
this subchapter with respect to military family hous-
ing or military unaccompanied housing, income and
gains realized from investments under section 2875
of this title, and any return of capital invested as
part of such investments.

“(5) Any amounts that the Secretary of the
Navy transfers to the Fund pursuant to section
2814(i)(3) of this title, subject to the restrictions on
the use of the transferred amounts specified in that
section.”.

(2) Such section is further amended—

(A) by redesignating subsections (d) through
(g) as (e) through (f), respectively;

(B) in subsection (c), as so redesignated—

(i) in the subsection heading, by striking
“FUNDS” and inserting “FUND”;

(ii) in paragraph (1)—

(I) by striking “subsection (e)” and
inserting “subsection (d)”; and

(II) by striking “Department of De-
fense Family Housing Improvement Fund”
and inserting “Fund”;
(iii) by striking paragraph (2); and

(iv) by redesignating paragraph (3) as paragraph (2);

(C) in subsection (d), as so redesignated, by striking “required to be used to satisfy the obligation”;

(D) in subsection (e), as so redesignated, by striking “a Fund under paragraph (1)(B) or (2)(B) of subsection (c)” and inserting “the Fund under subsection (b)(2)”;

(E) in subsection (f), as so redesignated—

(i) in paragraph (1), by striking “$850,000,000” and inserting “$1,700,000,000”; and

(ii) in paragraph (2), by striking “$150,000,000” and inserting “$300,000,000”.

(f) Transfer of Unobligated Amounts.—(1) The Secretary of Defense shall transfer to the Department of Defense Housing Improvement Fund established under section 2883(a) of title 10, United States Code (as amended by subsection (e)), any amounts in the Department of Defense Family Housing Improvement Fund and the Department of Defense Military Unaccompanied Housing Improvement that remain available for obligation as of the date of the enactment of this Act.
(2) Amounts transferred to the Department of Defense Housing Improvement Fund under paragraph (1) shall be merged with amounts in that Fund, and shall be available for the same purposes, and subject to the same conditions and limitations, as other amounts in that Fund.

(g) CONFORMING AMENDMENTS.—(1) Paragraph (3)
of section 2814(i) of such title is amended—

(A) by striking subparagraph (A) and inserting the following new subparagraph (A):

“(A) The Secretary may transfer funds from the Ford Island Improvement Account to the Department of Defense Housing Improvement Fund established by section 2883(a) of this title.”; and

(B) in subparagraph (B), by striking “a fund” and inserting “the Fund”.

(2) Section 2871(6) of such title is amended by striking “Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund” and inserting “Department of Defense Housing Improvement Fund”.

(3) Section 2875(e) of such title is amended by striking “Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund” and inserting “Department of Defense Housing Improvement Fund”.

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(h) **CLERICAL AMENDMENTS.**—(1) The section heading for section 2874 of such title is amended to read as follows:

"§2874. Leasing of housing".

(2) The section heading for section 2883 of such title is amended to read as follows:

"§2883. Department of Defense Housing Improvement Fund".

(3) The table of sections at the beginning subchapter IV of chapter 169 of such title is amended—

(A) by striking the item relating to section 2874 and inserting the following new item:

"2874. Leasing of housing.

(B) by striking the item relating to section 2879; and

(C) by striking the item relating to section 2883 and inserting the following new item:

"2883. Department of Defense Housing Improvement Fund."

**SEC. 2802. MODIFICATION OF AUTHORITY TO CARRY OUT CONSTRUCTION PROJECTS AS PART OF ENVIRONMENTAL RESPONSE ACTION.**

(a) **AUTHORITY TO CARRY OUT UNAUTHORIZED PROJECTS.**—Subsection (a) of section 2810 of title 10, United States Code, is amended to read as follows:

"(a) Authority to carry out unauthorized construction projects."
may carry out a military construction project not otherwise authorized by law if the Secretary determines that the project is necessary to carry out a response under chapter 160 of this title or the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).”.

(b) CONGRESSIONAL NOTIFICATION.—Subsection (b) of such section is amended by striking “(1)” and the first sentence and inserting “CONGRESSIONAL NOTIFICATION.—(1) When a decision is made to carry out a military construction project under this section that exceeds the amount specified in section 2805(b)(1) of this title, the Secretary concerned shall submit a report in writing to the appropriate committees of Congress on that decision.”.

(e) DEFINITION.—Subsection (e) of such section is amended—

(1) by inserting “RESPONSE DEFINED.—” after “(c)”; and

(2) by striking “action”.

SEC. 2803. LEASING OF MILITARY FAMILY HOUSING IN KOREA.

Paragraph (3) of section 2828(e) of title 10, United States Code, is amended to read as follows:
“(3) In addition to the 450 units of family housing referred to in paragraph (1) for which the maximum lease amount is $25,000 per unit per year, the Secretary of the Army may lease in Korea—

“(A) not more than 1,175 units of family housing subject to that maximum lease amount; and

“(B) not more than 2,400 units of family housing subject to a maximum lease amount of $35,000 per unit per year.”.

SEC. 2804. PILOT HOUSING PRIVATIZATION AUTHORITY FOR ACQUISITION OR CONSTRUCTION OF MILITARY UNACCOMPANIED HOUSING.

(a) IN GENERAL.—(1) Subchapter IV of chapter 169 of title 10, United States Code, is amended by inserting after section 2881 the following new section:

“§2881a. Pilot projects for acquisition or construction of military unaccompanied housing

“(a) PILOT PROJECTS AUTHORIZED.—The Secretary of the Navy may carry out not more than 3 pilot projects under the authority of this section or another provision of this subchapter to use the private sector for the acquisition or construction of military unaccompanied housing in the United States, including any territory or possession of the United States.
“(b) ASSIGNMENT OF MEMBERS AND BASIC ALLOWANCE FOR HOUSING.—(1) The Secretary of the Navy may assign members of the armed forces to housing units acquired or constructed under the pilot projects, and such housing units shall be considered as quarters of the United States or a housing facility under the jurisdiction of a uniformed service for purposes of section 403 of title 37.

“(2) Notwithstanding section 403(n)(2) of title 37, the Secretary of Defense may set specific higher rates of partial basic allowance for housing for a member of the armed forces who is assigned to a housing unit acquired or constructed under the pilot projects. Any increase in the rate of partial basic allowance for housing to accommodate the pilot programs shall be in addition to any partial basic allowance for housing that the member may otherwise be eligible to receive under section 403(n) of title 37. A member may not sustain a reduction in partial basic allowance for housing as a result of assignment to a housing unit acquired or constructed under the pilot projects.

“(c) FUNDING.—(1) The Department of Defense Housing Improvement Fund shall be used to carry out activities under the pilot projects.

“(2) Subject to 90 days prior notification to the appropriate committees of Congress, such additional amounts as the Secretary of Defense considers necessary
may be transferred to the Department of Defense Housing Improvement Fund from amounts appropriated for construction of military unaccompanied housing projects in military construction accounts. The amounts so transferred shall be merged with and to be available for the same purposes and for the same period of time as amounts appropriated directly to the Fund.

“(d) REPORTS.—(1) The Secretary of the Navy shall transmit to the appropriate committees of Congress a report describing—

“(A) each contract for the acquisition of military unaccompanied housing that the Secretary proposes to solicit under the pilot projects;

“(B) each conveyance or lease proposed under section 2878 of this title in furtherance of the pilot projects; and

“(C) the proposed partial basic allowance for housing rates for each contract as they vary by grade of the member and how they compare to basic allowance for housing rates for other contracts written under the authority of the pilot programs.

“(2) The report shall describe the proposed contract, conveyance, or lease and the intended method of participation of the United States in the contract, conveyance, or lease and provide a justification of such method of participa-
pation. The report shall be submitted not later than 90
days before the date on which the Secretary issues the
contract solicitation or offers the conveyance or lease.

“(e) EXPIRATION.—Notwithstanding section 2885 of
this title, the authority of the Secretary of the Navy to
enter into a contract under the pilot programs shall expire
September 30, 2007.”.

(2) The table of sections at the beginning of such sub-
chapter is amended by inserting after the item relating
to section 2881 the following new item:

“2881a. Pilot projects for acquisition or construction of military unaccompanied
housing.”.

(b) CONFORMING AMENDMENT.—Section 2871(7) of
title 10, United States Code, is amended by inserting be-
fore the period at the end the following: “and transient
housing intended to be occupied by members of the armed
forces on temporary duty”.

Subtitle B—Real Property and
Facilities Administration

SEC. 2811. AGREEMENTS WITH PRIVATE ENTITIES TO LIMIT
ENCROACHMENTS AND OTHER CONSTRAINTS
ON MILITARY TRAINING, TESTING, AND OPE-
RATIONS.

(a) IN GENERAL.—Chapter 159 of title 10, United
States Code, is amended by inserting after section 2684
the following new section:
§ 2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations

(a) AGREEMENTS AUTHORIZED.—The Secretary of a military department may enter into an agreement with a private entity described in subsection (b) to address the use or development of real property in the vicinity of a military installation for purposes of—

(1) limiting any development or use of the property that would otherwise be incompatible with the mission of the installation; or

(2) preserving habitat on the property in a manner that is compatible with both—

(A) current or anticipated environmental restrictions that would or might otherwise restrict, impede, or otherwise interfere, whether directly or indirectly, with current or anticipated military training, testing, or operations on the installation; and

(B) current or anticipated military training, testing, or operations on the installation.

(b) COVERED PRIVATE ENTITIES.—A private entity referred to in subsection (a) is any private entity that has as its stated principal organizational purpose or goal the conservation, restoration, or preservation of land and nat-
ural resources, or a similar purpose or goal, as determined
by the Secretary concerned.

“(c) Inapplicability of Certain Contract Re-
quirements.—Chapter 63 of title 31 shall not apply to
any agreement entered into under this section.

“(d) Acquisition and Acceptance of Property
and Interests.—(1) An agreement with a private entity
under this section—

“(A) may provide for the private entity to ac-
quire all right, title, and interest in and to any real
property, or any lesser interest in the property, as
may be appropriate for purposes of this section; and

“(B) shall provide for the private entity to
transfer to the United States, upon the request of
the United States, any property or interest so ac-
quired.

“(2) Property or interests may not be acquired pursu-
ant to an agreement under this section unless the owner
of the property or interests, as the case may be, consents
to the acquisition.

“(3) An agreement under this section providing for
the acquisition of property or interests under paragraph
(1)(A) shall provide for the sharing by the United States
and the private entity concerned of the costs of the acqui-
sition of the property or interests.
“(4) The Secretary concerned shall identify any property or interests to be acquired pursuant to an agreement under this section. The property or interests shall be limited to the minimum property or interests necessary to ensure that the property concerned is developed and used in a manner appropriate for purposes of this section.

“(5) Notwithstanding any other provision of law, the Secretary concerned may accept on behalf of the United States any property or interest to be transferred to the United States under paragraph (1)(B).

“(6) The Secretary concerned may, for purposes of the acceptance of property or interests under this subsection, accept an appraisal or title documents prepared or adopted by a non-Federal entity as satisfying the applicable requirements of section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4651) or section 355 of the Revised Statutes (40 U.S.C. 255) if the Secretary finds that the appraisal or title documents substantially comply with the requirements.

“(e) ACQUISITION OF WATER RIGHTS.—The authority of the Secretary of a military department to enter into an agreement under subsection (a) for the acquisition of real property (or an interest therein) includes the authority to support the purchase of water rights from any avail-
able source when necessary to support or protect the mis-

"(f) ADDITIONAL TERMS AND CONDITIONS.—The
Secretary concerned may require such additional terms
and conditions in an agreement under this section as the
Secretary considers appropriate to protect the interests of
the United States.

"(g) FUNDING.—(1) Except as provided in para-
graph (2), funds authorized to be appropriated for oper-
ation and maintenance of the Army, Navy, Marine Corps,
Air Force, or Defense-wide activities, including funds au-
thorized to be appropriated for the Legacy Resources
Management Program, may be used to enter into agree-
ments under this section.

"(2) In the case of a military installation operated
primarily with funds authorized to be appropriated for re-
search, development, test, and evaluation, funds author-
ized to be appropriated for the Army, Navy, Marine Corps,
Air Force, or Defense-wide activities for research, develop-
ment, test, and evaluation may be used to enter into agree-
ments under this section with respect to the installation.”.

(b) CLERICAL AMENDMENT.—The table of sections
at the beginning of such chapter is amended by inserting
after the item relating to section 2684 the following new
item:
SEC. 2812. CONVEYANCE OF SURPLUS REAL PROPERTY FOR NATURAL RESOURCE CONSERVATION PURPOSES.

(a) Conveyance Authority.—(1) Chapter 159 of title 10, United States Code, is amended by inserting after section 2694 the following new section:

"§2694a. Conveyance of surplus real property for natural resource conservation"

“(a) Authority to Convey.—The Secretary of a military department may convey to an eligible recipient described in subsection (b) any surplus real property that—

“(1) is under the administrative control of the Secretary;

“(2) is suitable and desirable for conservation purposes;

“(3) has been made available for public benefit transfer for a sufficient period of time to potential claimants; and

“(4) is not subject to a pending request for transfer to another Federal agency or for conveyance to any other qualified recipient for public benefit transfer under the real property disposal processes and authorities established pursuant to the Federal
Property and Administrative Services Act of 1949
(40 U.S.C. 471, et seq.).

“(b) Eligible Recipients.—The conveyance of surplus real property under subsection (a) may be made to any of the following:

“(A) A State or political subdivision of a State.

“(B) A nonprofit organization that exists for the primary purpose of conservation of natural resources on real property.

“(c) Revisionary Interest and Other Deed Requirements.—(1) The deed of conveyance of any surplus real property conveyed under subsection (a) disposed of under this subsection shall require the property to be used and maintained for the conservation of natural resources in perpetuity. If the Secretary of the military department that made the conveyance determines at any time that the property is not being used or maintained for such purpose, then, at the option of the Secretary, all or any portion of the property shall revert to the United States.

“(2) The deed of conveyance may permit the recipient of the property—

“(A) to convey the property to another eligible entity described in subsection (b), subject to the approval of the Secretary of the military department
that made the conveyance and subject to the same
covenants and terms and conditions as provided in
the deed from the United States; and

“(B) to conduct incidental revenue-producing
activities on the property that are compatible with
the use of the property for conservation purposes.

“(3) The deed of conveyance may contain such addi-
tional terms, reservations, restrictions, and conditions as
the Secretary of the military department considers appro-
priate to protect the interests of the United States.

“(d) RELEASE OF COVENANTS.—The Secretary of
the military department that conveys real property under
subsection (a), with the concurrence of the Secretary of
Interior, may grant a release from a covenant included
in the deed of conveyance of the property under subsection
(c) on the condition that the recipient of the property pay
the fair market value, as determined by the Secretary of
the military department, of the property at the time of
the release of the covenant. The Secretary of the military
department may reduce the amount required to be paid
under this subsection to account for the value of the nat-
ural resource conservation benefit that has accrued to the
United States during the period the covenant was in ef-
fect, if the benefit was not taken into account in deter-
mining the original consideration for the conveyance.
“(e) LIMITATIONS.—A conveyance under subsection (a) shall not be used in settlement of any litigation, dispute, or claim against the United States, or as a condition of allowing any defense activity under any Federal, State, or local permitting or review process. The Secretary of a military department may make a conveyance under subsection (a), with the restrictions specified in subsection (c), to establish a mitigation bank, but only if the establishment of the mitigation bank does not occur in order to satisfy any condition for permitting military activity under a Federal, State, or local permitting or review process.

“(f) CONSIDERATION.—In fixing the consideration for the conveyance of real property under subsection (a) or in determining the amount of any reduction of the amount to be paid for the release of a covenant under subsection (d), the Secretary of the military department concerned shall take into consideration any benefit that has accrued or may accrue to the United States from the use of such property for the conservation of natural resources.

“(g) RELATION TO OTHER CONVEYANCE AUTHORITIES.—(1) The Secretary of a military department may not make a conveyance under this section of any real property to be disposed of under a base closure law in a man-
ner that is inconsistent with the requirements and conditions of the base closure law.

“(2) In the case of real property on Guam, the Secretary of a military department may not make a conveyance under this section unless the Government of Guam has been first afforded the opportunity to acquire the real property as authorized by section 1 of Public Law 106–504 (114 Stat. 2309).

“(h) DEFINITIONS.—In this section:

“(1) The term ‘State’ includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and the territories and possessions of the United States.

“(2) The term ‘base closure law’ means the following:

“(A) Section 2687 of this title.


“(D) Any other similar authority for the closure or realignment of military installations that is enacted after the date of the enactment
of the National Defense Authorization Act for Fiscal Year 2003.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2694 the following new item:

"2694a. Conveyance of surplus real property for natural resource conservation."

(b) Acceptance of Funds to Cover Administrative Expenses.—Section 2695(b) of such title is amended by adding at the end the following new paragraph:

“(5) The conveyance of real property under section 2694a of this title.”.

(c) Agreements With Nonprofit Natural Resource Conservation Organizations.—Section 2701(d) of such title is amended—

(1) in paragraph (1), by striking “with any State or local government agency, or with any Indian tribe,” and inserting “any State or local government agency, any Indian tribe, or any nonprofit conservation organization”; and

(2) by striking paragraph (3) and inserting the following new paragraph:

“(3) DEFINITIONS.—In this subsection:

“(A) The term ‘Indian tribe’ has the meaning given such term in section 101(36) of Comprehensive Environmental Response, Com-
pensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).

“(B) The term ‘nonprofit conservation organization’ means any non-governmental non-profit organization whose primary purpose is conservation of open space or natural resources.”.

SEC. 2813. NATIONAL EMERGENCY EXEMPTION FROM SCREENING AND OTHER REQUIREMENTS OF MCKINNEY-VENTO HOMELESS ASSISTANCE ACT FOR PROPERTY USED IN SUPPORT OF RESPONSE ACTIVITIES.

Section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection (i):

“(i) APPLICABILITY TO CERTAIN PROPERTY DURING EMERGENCIES.—The screening requirements and other provisions of this section shall not apply to any property that is excess property or surplus property or that is described as unutilized or underutilized property if the property is subject to a request for conveyance or use for the purpose of directly supporting activities in response to—
“(1) a war or national emergency declared in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.); or
“(2) an emergency or major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).”.

SEC. 2814. DEMONSTRATION PROGRAM ON REDUCTION IN LONG-TERM FACILITY MAINTENANCE COSTS.

(a) PROGRAM AUTHORIZED.—The Secretary of Defense may conduct a demonstration program to assess the feasibility and desirability of including facility maintenance requirements in construction contracts for military construction projects for the purpose of determining whether such requirements facilitate reductions in the long-term facility maintenance costs of the military departments.

(b) CONTRACTS.—Not more than 12 contracts may contain requirements referred to in subsection (a) for the purpose of the demonstration program under this section. The demonstration program may only cover contracts entered into on or after the date of the enactment of this Act.

(c) EFFECTIVE PERIOD OF REQUIREMENTS.—The effective period of a requirement referred to in subsection
(a) that is included in a contract for the purpose of the
demonstration program under this program may not ex-
ceed five years.

(d) **Reporting Requirements.**—Not later than
January 31, 2005, the Secretary of Defense shall submit
to Congress a report on the demonstration program au-
thorized by this section and the related Department of the
Army demonstration program authorized by section 2814
of the Military Construction Authorization Act for Fiscal
1310; 10 U.S.C. 2809 note), including the following:

(1) A description of all contracts entered into
under the demonstration programs.

(2) An evaluation of the demonstration pro-
grams and a description of the experience of the
Secretary of Defense and the Secretary of the Army
respect to such contracts.

(3) Any recommendations, including rec-
ommendations for the termination, continuation, or
expansion of the demonstration programs, that the
Secretary of Defense or the Secretary of the Army
considers appropriate.

(e) **Expiration.**—The authority under subsection
(a) to include requirements referred to in that subsection
in contracts under the demonstration program under this section shall expire on September 30, 2006.

(f) FUNDING.—Amounts authorized to be appropriated for a fiscal year for military construction shall be available for the demonstration program under this section in such fiscal year.

(g) CONFORMING AMENDMENT.—Section 2814 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1310; 10 U.S.C. 2809 note) is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

SEC. 2815. EXPANDED AUTHORITY TO TRANSFER PROPERTY AT MILITARY INSTALLATIONS TO BE CLOSED TO PERSONS WHO CONSTRUCT OR PROVIDE MILITARY FAMILY HOUSING.

(a) 1988 Law.—Section 204(e)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by striking the last sentence.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2821. LAND CONVEYANCES, LANDS IN ALASKA NO LONGER REQUIRED FOR NATIONAL GUARD PURPOSES.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to an eligible entity described subsection (b) all right, title, and interest of the United States in and to any parcel of real property, including any improvements thereon, in the State of Alaska described in subsection (c) if the Secretary determines the conveyance would be in the public interest.

(b) ELIGIBLE RECIPIENTS.—The following entities shall be eligible to receive real property under subsection (a):

(1) The State of Alaska.

(2) A governmental entity in the State of Alaska.

(3) A Native Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).

(4) The Metlakatla Indian Community.

(c) COVERED PROPERTY.—Subsection (a) applies to real property located in the State of Alaska that—
(1) is under the jurisdiction of the Department of the Army and, before December 2, 1980, was under such jurisdiction for the use of the Alaska National Guard;

(2) is located in a unit of the National Wildlife Refuge System designated in the Alaska National Interest Lands Conservation Act (Public Law 96–487; 16 U.S.C. 668dd note);

(3) is excess to the needs of the Alaska National Guard and the Department of Defense; and

(4) the Secretary determines that—

(A) the anticipated cost to the United States of retaining the property exceeds the value of such property; or

(B) the condition of the property makes it unsuitable for retention by the United States.

(d) CONSIDERATION.—The conveyance of real property under this section shall, at the election of the Secretary, be for no consideration or for consideration in an amount determined by the Secretary to be appropriate under the circumstances.

(e) USE OF CONSIDERATION.—If consideration is received for the conveyance of real property under subsection (a), the Secretary may use the amounts received,
in such amounts as are provided in appropriations Acts, to pay for—

(1) the cost of a survey described in subsection (f) with respect to the property;

(2) the cost of carrying out any environmental assessment, study, or analysis, and any remediation, that may be required under Federal law, or is considered appropriate by the Secretary, in connection with the property or the conveyance of the property; and

(3) any other costs incurred by the Secretary in conveying the property.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of any real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance of real property under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2822. LAND CONVEYANCE, FORT CAMPBELL, KENTUCKY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City
of Hopkinsville, Kentucky, all right, title, and interest of
the United States in and to a parcel of real property at
Fort Campbell, Kentucky, consisting of approximately 50
acres and containing an abandoned railroad spur for the
purpose of permitting the City to use the property for
storm water management, recreation, transportation, and
other public purposes.

(b) DESCRIPTION OF PROPERTY.—The acreage of
the real property to be conveyed under subsection (a) has
been determined by the Secretary through a legal descrip-
tion outlining such acreage. No further survey of the prop-
erty before transfer is necessary.

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

SEC. 2823. LAND CONVEYANCE, ARMY RESERVE TRAINING
CENTER, BUFFALO, MINNESOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of
the Army may convey, without consideration, to the Buff-
falo Independent School District 877 of Buffalo, Min-
nesota (in this section referred to as the “School Dis-
trict”), all right, title, and interest of the United States
in and to a parcel of real property, including improve-
ments thereon, that is located at 800 8th Street, N.E.,
in Buffalo, Minnesota, and contains a former Army Re-
serve Training Center, which is being used by the School
District as the site of the Phoenix Learning Center.

(b) DESCRIPTION OF PROPERTY.—The exact acreage
and legal description of the real property to be conveyed
under subsection (a) shall be determined by a survey satis-
factory to the Secretary. The cost of the survey shall be
borne by the School District.

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

SEC. 2824. LAND CONVEYANCE, FORT BLISS, TEXAS

(a) CONVEYANCE AUTHORIZED.—The Secretary of
the Army may convey, without consideration, to the Coun-
ty of El Paso, Texas (in this section referred to as the
“County”), all right, title, and interest of the United
States in and to a parcel of real property, including im-
provements thereon, consisting of approximately 44 acres
at Fort Bliss, Texas, for the purpose of facilitating the
construction by the State of Texas of a nursing home for
veterans of the Armed Forces.
(b) Reversionary Interest.—If, at the end of the five-year period beginning on the date the Secretary makes the conveyance under subsection (a), the Secretary determines that a nursing home for veterans is not in operation on the conveyed real property, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(c) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(d) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. Land Conveyance, Fort Hood, Texas.

(a) Conveyance Authorized.—The Secretary of the Army may convey, without consideration, to the Veterans Land Board of the State of Texas (in this section
referred to as the “Board”), all right, title, and interest
of the United States in and to a parcel of real property,
including any improvements thereon, consisting of ap-
proximately 174 acres at Fort Hood, Texas, for the pur-
pose of permitting the Board to establish a State-run cem-
etery for veterans.

(b) DESCRIPTION OF PROPERTY.—The exact acreage
and legal description of the real property to be conveyed
under subsection (a) shall be determined by a survey satis-
factory to the Secretary. The cost of the survey shall be
borne by the Board.

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

SEC. 2826. LAND CONVEYANCE, FORT MONMOUTH, NEW
JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of
the Army may convey by sale all right, title, and interest
of the United States in and to a parcel of land, consisting
of approximately 63.95 acres of military family housing
known as Howard Commons, that comprises a portion of
Fort Monmouth, New Jersey.
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(b) COMPETITIVE BID REQUIREMENT.—The Secretary shall use competitive procedures for the sale authorized by subsection (a).

(c) CONSIDERATION.—As consideration for the conveyance authorized under subsection (a), the recipient of the land shall pay an amount that is no less than fair market value, as determined by the Secretary. Such recipient may, as in-kind consideration, build replacement military family housing or rehabilitate existing military family housing at Fort Monmouth, New Jersey, as agreed upon by the Secretary. Any proceeds received by the Secretary not used to construct or rehabilitate such military family housing shall be deposited in the special account in the Treasury established pursuant to section 204(h) of the Federal property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).

(d) DESCRIPTION OF PARCEL.—The exact acreage and legal description of the parcel to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the parcel.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection
(a) as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2831. LAND CONVEYANCE, MARINE CORPS AIR STATION, MIRAMAR, SAN DIEGO, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the ENPEX Corporation, Incorporated (in this section referred to as the “Corporation”), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, at Marine Corps Air Station Miramar, San Diego, California, consisting of approximately 60 acres and appurtenant easements and any other necessary interests in real property for the purpose of permitting the Corporation to use the property for the production of electric power and related ancillary activities.

(b) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the Corporation shall—

(A) convey to the United States all right, title, and interest of the Corporation in and to a parcel of real property in the San Diego area that is suitable for military family housing, as determined by the Secretary; and

(B) if the parcel conveyed under subparagraph (A) does not contain housing units suitable for use
as military family housing, design and construct
such military family housing units and supporting
facilities as the Secretary considers appropriate.

(2) The total combined value of the real property and
military family housing conveyed by the Corporation under
this subsection shall be at least equal to the fair market
value of the real property conveyed to the Secretary under
subsection (a), including any severance costs arising from
any diminution of the value or utility of other property
at Marine Corps Air Station Miramar attributable to the
prospective future use of the property conveyed under sub-
section (a).

(3) The Secretary shall determine the fair market
value of the real property to be conveyed under subsection
(a) and the fair market value of the consideration to be
provided under this subsection. Such determinations shall
be final.

(c) Reversionary Interest.—(1) Subject to para-
graph (2), if the Secretary determines at any time that
the property conveyed under subsection (a) is not being
used in accordance with the purpose of the conveyance
specified in such subsection, all right, title, and interest
in and to the property, including any improvements there-
on, shall revert, at the option of the Secretary, to the
United States, and the United States shall have the right
of immediate entry onto the property. Any determination
of the Secretary under this subsection shall be made on
the record after an opportunity for a hearing.

(2) If Marine Corps Air Station Miramar is no longer
used as a Federal aviation facility, paragraph (1) shall no
longer apply, and the Secretary shall release, without con-
sideration, the reversionary interest retained by the
United States under such paragraph.

(d) ADMINISTRATIVE EXPENSES.—(1) The Corpora-
tion shall make funds available to the Secretary to cover
costs to be incurred by the Secretary, or reimburse the
Secretary for costs incurred, to carry out the conveyance
under subsection (a), including survey costs, costs related
to environmental documentation, and other administrative
costs related to the conveyance. This paragraph does not
apply to costs associated with the removal of explosive ord-
inance from the parcel and environmental remediation of
the parcel.

(2) Section 2695(c) of title 10 United States Code,
shall apply to any amount received under paragraph (1).
If the amounts received in advance under such paragraph
exceed the costs actually incurred by the Secretary, the
Secretary shall refund the excess amount to the Corpora-
tion.
(e) DESCRIPIONS OF PROPERTY.—The exact acreage and legal descriptions of the real property to be conveyed by the Secretary under subsection (a) and the property to be conveyed by the Corporation under subsection (b) shall be determined by a survey satisfactory to the Secretary.

(f) EXEMPTIONS.—Section 2696 of title 10, United States Code, does not apply to the conveyance authorized by subsection (a), and the authority to make the conveyance shall not be considered to render the property excess or underutilized.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2832. BOUNDARY ADJUSTMENTS, MARINE CORPS BASE, QUANTICO, AND PRINCE WILLIAM FOREST PARK, VIRGINIA.

(a) BOUNDARY ADJUSTMENTS AND RELATED TRANSFERS.—(1) The Secretary of the Navy and the Secretary of the Interior shall adjust the boundaries of Marine Corps Base, Quantico, Virginia, and Prince William Forest Park, Virginia, to conform to the boundaries depicted on the map entitled “Map Depicting Boundary Ad-
justments Proposed With March 10, 1998, MOU Between Prince William Forest Park and Marine Corps Base Quantico”.

(2) As part of the boundary adjustment, the Secretary of the Navy shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior approximately 352 acres of land, as depicted on the map, and the Secretary of the Interior shall retain administrative jurisdiction over approximately 1,034 acres of land, which is a portion of the Department of Interior land commonly known as the Quantico Special Use Permit Land.

(3) As part of the boundary adjustment, the Secretary of the Interior shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Navy approximately 3398 acres of land, as depicted on the map.

(b) Effect of Subsequent Determination Property is Excess.—(1) If land transferred or retained under paragraph (2) or (3) of subsection (a) is subsequently determined to be excess to the needs of the Federal agency that received or retained the land, the head of that Federal agency shall offer to return administrative jurisdiction over the land, without reimbursement, to the
Federal agency from which the land was received or retained.

(2) If the offer under paragraph (1) is not accepted within 90 days or is otherwise rejected, the head of the Federal agency holding the land may proceed to dispose of the land under then current law and regulations governing the disposal of excess property.

PART III—AIR FORCE CONVEYANCES

SEC. 2841. LAND CONVEYANCES, WENDOVER AIR FORCE BASE AUXILIARY FIELD, NEVADA.

(a) CONVEYANCES AUTHORIZED TO WEST WENDOVER, NEVADA.—(1) The Secretary of the Interior may convey, without consideration, to the City of West Wendover, Nevada, all right, title, and interest of the United States in and to the following:

(A) The lands at Wendover Air Force Base Auxiliary Field, Nevada, identified in Easement No. AFMC–HL–2–00–334 that are determined by the Secretary of the Air Force to be no longer required for Air Force purposes.

(B) The lands at Wendover Air Force Base Auxiliary Field identified for disposition on the map entitled “West Wendover, Nevada–Excess”, dated January 5, 2001, that are determined by the Sec-
retary of the Air Force to be no longer required for Air Force purposes.

(2) The purposes of the conveyances under this sub-section are—

(A) to permit the establishment and maintenance of runway protection zones; and

(B) to provide for the development of an industrial park and related infrastructure.

(3) The map referred to in paragraph (1)(B) shall be on file and available for public inspection in the offices of the Director of the Bureau of Land Management and the Elko District Office of the Bureau of Land Management.

(b) CONVEYANCE AUTHORIZED TO TOOELE COUNTY, UTAH.—(1) The Secretary of the Interior may convey, without consideration, to Tooele County, Utah, all right, title, and interest of the United States in and to the lands at Wendover Air Force Base Auxiliary Field identified in Easement No. AFMC–HL–2–00–318 that are determined by the Secretary of the Air Force to be no longer required for Air Force purposes.

(2) The purpose of the conveyance under this sub-section is to permit the establishment and maintenance of runway protection zones and an aircraft accident poten-
tial protection zone as necessitated by continued military
aerial operations at the Utah Test and Training Range.

(c) PHASED CONVEYANCES.—The land conveyances
authorized by subsections (a) and (b) may be conducted
in phases. To the extent practicable, the first phase of the
conveyances should involve at least 3,000 acres.

(d) MANAGEMENT OF CONVEYED LANDS.—The
lands conveyed under subsections (a) and (b) shall be
managed by the City of West Wendover, Nevada, City of
Wendover, Utah, Tooele County, Utah, and Elko County,
Nevada—

(1) in accordance with the provisions of an
Interlocal Memorandum of Agreement entered into
between the Cities of West Wendover, Nevada, and
Wendover, Utah, Tooele County, Utah, and Elko
County, Nevada, providing for the coordinated man-
agement and development of the lands for the eco-

(2) in a manner that is consistent with such
provisions of the easements referred to subsections
(a) and (b) that, as jointly determined by the Sec-
retary of the Air Force and Secretary of the Inter-
ior, remain applicable and relevant to the operation
and management of the lands following conveyance
and are consistent with the provisions of this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force and the Secretary of the Interior may jointly require such additional terms and conditions in connection with the conveyances required by subsections (a) and (b) as the Secretaries consider appropriate to protect the interests of the United States.

Subtitle D—Other Matters

SEC. 2861. EASEMENT FOR CONSTRUCTION OF ROADS OR HIGHWAYS, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

Section 2851(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2219), as amended by section 2867 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1334) is amended in the first sentence by striking “easement to construct” and all that follows through the period at the end and inserting “easement to construct, operate, and maintain a restricted access highway, notwithstanding any provision of State law that would otherwise prevent the Secretary from granting the easement or the Agency from constructing, operating, or maintaining the restricted access highway.”.
SEC. 2862. SALE OF EXCESS TREATED WATER AND WASTE-WATER TREATMENT CAPACITY, MARINE CORPS BASE, CAMP LEJEUNE, NORTH CAROLINA.

(a) SALE AUTHORIZED.—The Secretary of the Navy may provide to Onslow County, North Carolina, or any authority or political subdivision organized under the laws of North Carolina to provide public water or sewage services in Onslow County (in this section referred to as the “County”), treated water and wastewater treatment services from facilities at Marine Corps Base, Camp Lejeune, North Carolina, if the Secretary determines that the provision of these utility services is in the public interest and will not interfere with current or future operations at Camp Lejeune.

(b) INAPPLICABILITY OF CERTAIN REQUIREMENTS.—Section 2686 of title 10, United States Code, shall not apply to the provision of public water or sewage services authorized by subsection (a).

(c) CONSIDERATION.—As consideration for the receipt of public water or sewage services under subsection (a), the County shall pay to the Secretary an amount (in cash or in kind) equal to the fair market value of the services. Amounts received in cash shall be credited to the base operation and maintenance accounts of Camp Lejeune.
(d) EXPANSION.—The Secretary may make minor expansions and extensions and permit connections to the public water or sewage systems of the County in order to furnish the services authorized under subsection (a). The Secretary shall restrict the provision of services to the County to those areas in the County where residential development would be compatible with current and future operations at Camp Lejeune.

(e) ADMINISTRATIVE EXPENSES.—The Secretary may require the County to reimburse the Secretary for the costs incurred by the Secretary to provide public water or sewage services to the County under subsection (a).

(2) Section 2695(c) of title 10 United States Code, shall apply to any amount received under this subsection.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the provision of public water or sewage services under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2863. RATIFICATION OF AGREEMENT REGARDING ADAK NAVAL COMPLEX, ALASKA, AND RELATED LAND CONVEYANCES.

(a) RATIFICATION OF AGREEMENT.—The document entitled the “Agreement Concerning the Conveyance of Property at the Adak Naval Complex”, and dated Sep-
tember 20, 2000, executed by the Aleut Corporation, the
Department of the Interior, and the Department of the
Navy, together with any technical amendments or modi-
fications to the boundaries that may be agreed to by the
parties, is hereby ratified, confirmed, and approved and
the terms, conditions, procedures, covenants, reservations,
indemnities and other provisions set forth in the Agree-
ment are declared to be obligations and commitments of
the United States as a matter of Federal law. Modifica-
tions to the maps and legal descriptions of lands to be
removed from the National Wildlife Refuge System within
the military withdrawal on Adak Island set forth in Public
Land Order 1949 may be made only upon agreement of
all Parties to the Agreement and notification given to the
Committee on Resources of the House of Representatives
and the Committee on Energy and Natural Resources of
the Senate. The acreage conveyed to the United States
by the Aleut Corporation under the Agreement, as modi-
fied, shall be at least 36,000 acres.

(b) REMOVAL OF LANDS FROM REFUGE.—Effective
on the date of conveyance to the Aleut Corporation of the
Adak Exchange Lands as described in the Agreement, all
such lands shall be removed from the National Wildlife
Refuge System and shall neither be considered as part of
the Alaska Maritime National Wildlife Refuge nor subject
to any laws pertaining to lands within the boundaries of
the Alaska Maritime National Wildlife Refuge. The con-
veyance restrictions imposed by section 22(g) of the Alas-
ka Native Claims Settlement Act (43 U.S.C. 1621(g)) for
land in the National Wildlife Refuge System shall not
apply. The Secretary shall adjust the boundaries of the
Refuge so as to exclude all interests in lands and land
rights, surface and subsurface, received by the Aleut Cor-
poration in accordance with this section and the Agree-
ment.

(c) Relation to Alaska Native Claims Settlement Act.—Lands and interests therein exchanged and
conveyed by the United States pursuant to this section
shall be considered and treated as conveyances of lands
or interests therein under the Alaska Native Claims Set-
tlement Act, except that receipt of such lands and inter-
est therein shall not constitute a sale or disposition of
land or interests received pursuant to such Act. The public
casements for access to public lands and waters reserved
pursuant to the Agreement are deemed to satisfy the re-
quirements and purposes of section 17(b) of the Alaska
Native Claims Settlement Act.

(d) Reacquisition Authority.—The Secretary of
the Interior is authorized to acquire by purchase or ex-
change, on a willing seller basis only, any land conveyed
to the Aleut Corporation under the Agreement and this section. In the event any of the lands are subsequently acquired by the United States, they shall be automatically included in the National Wildlife Refuge System. The laws and regulations applicable to refuge lands shall then apply to these lands and the Secretary shall then adjust the boundaries accordingly.

(e) CONVEYANCE OF NAVY PERSONAL PROPERTY.—Notwithstanding any other provision of law, and for the purposes of the transfer of property authorized by this section, Department of Navy personal property that remains on Adak Island is deemed related to the real property and shall be conveyed by the Department of the Navy to the Aleut Corporation, at no additional cost, when the related real property is conveyed by the Department of the Interior.

(f) ADDITIONAL CONVEYANCE.—The Secretary of the Interior shall convey to the Aleut Corporation those lands identified in the Agreement as the former landfill sites without charge to the Aleut Corporation’s entitlement under the Alaska Native Claims Settlement Act.

(g) VALUATION.—For purposes of section 21(c) of the Alaska Native Claims Settlement Act, the receipt of all property by the Aleut Corporation shall be entitled to
a tax basis equal to fair value on date of transfer. Fair value shall be determined by replacement cost appraisal.

(h) Certain Property Treated as Not Developed.—Any property, including, but not limited to, appurtenances and improvements, received pursuant to this section shall, for purposes of section 21(d) of the Alaska Native Claims Settlement Act and section 907(d) of the Alaska National Interest Lands Conservation Act be treated as not developed until such property is actually occupied, leased (other than leases for nominal consideration to public entities) or sold by the Aleut Corporation, or, in the case of a lease or other transfer by the Aleut Corporation to a wholly owned development subsidiary, actually occupied, leased, or sold by the subsidiary.

(i) Certain Lands Unavailable for Selection.—Upon conveyance to the Aleut Corporation of the lands described in Appendix A of the Agreement, the lands described in Appendix C of the Agreement will become unavailable for selection under the Alaska Native Claims Settlement Act.

(j) Maps.—The maps included as part of Appendix A to the Agreement depict the lands to be conveyed to the Aleut Corporation. The maps are on file at the Region 7 Office of the United States Fish and Wildlife Service and the offices of the Alaska Maritime National Wildlife
Refuge in Homer, Alaska. The written legal descriptions of the lands to be conveyed to the Aleut Corporation are also part of Appendix A. In case of discrepancies, the maps shall control.

(k) DEFINITIONS.—In this section:

(1) The term “Agreement” means the agreement ratified, confirmed, and approved under subsection (a).

(2) The term “Aleut Corporation” means the Alaskan Native Regional Corporation known as the Aleut Corporation incorporated in the State of Alaska pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

SEC. 2864. SPECIAL REQUIREMENTS FOR ADDING MILITARY INSTALLATION TO CLOSURE LIST.


(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph (4):
“(4) LIMITATION ON AUTHORITY TO RECOMMEND ADDITIONAL INSTALLATION FOR CLOSURE.—Notwithstanding paragraph (3), the decision of the Commission to add a military installation to the Secretary’s list of installations recommended for closure must be unanimous, and at least two members of the Commission must have visited the installation during the period of the Commission’s review of the list.”

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. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2003 for the activities of the National Nuclear Security Administration in carrying
out programs necessary for national security in the amount of $8,034,349,000, to be allocated as follows:

(1) For weapons activities, $5,937,000,000.

(2) For defense nuclear nonproliferation activities, $1,074,630,000.

(3) For naval reactors, $706,790,000.

(4) For the Office of the Administrator for Nuclear Security, $315,929,000.

(b) Authorization of New Plant Projects.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary may carry out new plant projects as follows:

(1) For weapons activities, the following new plant projects:

Project 03–D–101, Sandia underground reactor facility (SURF), Sandia National Laboratories, Albuquerque, New Mexico, $2,000,000.

Project 03–D–103, project engineering and design, various locations, $15,539,000.

Project 03–D–121, gas transfer capacity expansion, Kansas City Plant, Kansas City, Missouri, $4,000,000.
Project 03–D–122, prototype purification facility, Y–12 plant, Oak Ridge, Tennessee, $20,800,000.

Project 03–D–123, special nuclear materials requalification, Pantex plant, Amarillo, Texas, $3,000,000.

(2) For naval reactors, the following new plant project:

Project 03–D–201, cleanroom technology facility, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania, $7,200,000.

SEC. 3102. ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES.

(a) Authorization of Appropriations.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2003 for environmental restoration and waste management activities and other defense activities in carrying out programs necessary for national security in the amount of $7,366,510,000, to be allocated as follows:

(1) For defense environmental restoration and waste management, $4,544,133,000.

(2) For defense environmental management cleanup reform in carrying out environmental res-
toration and waste management activities necessary for national security programs, $800,000,000.

(3) For defense facilities closure projects, $1,091,314,000.

(4) For defense environmental management privatization, $158,399,000.

(5) For other defense activities in carrying out programs necessary for national security, $457,664,000.

(6) For defense nuclear waste disposal for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)), $315,000,000.

(b) Authorization of New Plant Project.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary may carry out, for environmental restoration and waste management activities, the following new plant project:

Project 03–D–403, immobilized high-level waste interim storage facility, Richland, Washington, $6,363,000.
Subtitle B—Department of Energy
National Security Authorizations General Provisions

SEC. 3120. SHORT TITLE; DEFINITIONS.

(a) SHORT TITLE.—This subtitle may be cited as the “Department of Energy National Security Authorizations General Provisions Act”.

(b) DEFINITIONS.—In this subtitle:

(1) The term “DOE national security authorization” means an authorization of appropriations for activities of the Department of Energy in carrying out programs necessary for national security.

(2) The term “congressional defense committees” means—

(A) the Committee on Armed Services and the Committee on Appropriations of the Senate;

and

(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

(3) The term “minor construction threshold” means $5,000,000.

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Except as provided in sections 3129 and 3130, the Secretary of Energy may not use
amounts appropriated pursuant to a DOE national security authorization for a program—

(1) in amounts that exceed, in a fiscal year, the amount authorized for that program by that authorization for that fiscal year; or

(2) which has not been presented to, or requested of, Congress,

until the Secretary submits to the congressional defense committees a report referred to in subsection (b) with respect to that program and a period of 30 days has elapsed after the date on which such committees receive the report.

(b) Report.—The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

(c) Computation of Days.—In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain.

(d) Limitations.—

(1) Total amount obligated.—In no event may the total amount of funds obligated pursuant to a DOE national security authorization for a fiscal
year exceed the total amount authorized to be appropriated by that authorization for that fiscal year.

(2) **Prohibited Items.**—Funds appropriated pursuant to a DOE national security authorization may not be used for an item for which Congress has specifically denied funds.

**SEC. 3122. MINOR CONSTRUCTION PROJECTS.**

(a) **Authority.**—Using operation and maintenance funds or facilities and infrastructure funds authorized by a DOE national security authorization, the Secretary of Energy may carry out minor construction projects.

(b) **Annual Report.**—The Secretary shall submit to the congressional defense committees on an annual basis a report on each exercise of the authority in subsection (a) during the preceding fiscal year. Each report shall provide a brief description of each minor construction project covered by the report.

(c) **Cost Variation Reports to Congressional Committees.**—If, at any time during the construction of any minor construction project authorized by a DOE national security authorization, the estimated cost of the project is revised and the revised cost of the project exceeds the minor construction threshold, the Secretary shall immediately submit to the congressional defense committees a report explaining the reasons for the cost variation.
(d) Minor Construction Project Defined.—In this section, the term “minor construction project” means any plant project not specifically authorized by law for which the approved total estimated cost does not exceed the minor construction threshold.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) In General.—

(1) Construction cost ceiling.—Except as provided in paragraph (2), construction on a construction project which is in support of national security programs of the Department of Energy and was authorized by a DOE national security authorization may not be started, and additional obligations in connection with the project above the total estimated cost may not be incurred, whenever the current estimated cost of the construction project exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project;

or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) Exception where notice-and-wait given.—An action described in paragraph (1) may be taken if—
(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) COMPUTATION OF DAYS.—In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain.

(b) EXCEPTION FOR MINOR PROJECTS.—Subsection (a) does not apply to a construction project with a current estimated cost of less than the minor construction threshold.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to a DOE national security authorization to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the
same time period as the authorizations of the Federal agency to which the amounts are transferred.

(b) Transfer Within Department of Energy.—

(1) Transfers permitted.—Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to a DOE national security authorization between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Maximum amounts.—Not more than 5 percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than 5 percent by a transfer under such paragraph.

(c) Limitations.—The authority provided by this subsection to transfer authorizations—

(1) may be used only to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and
(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives of any transfer of funds to or from any DOE national security authorization.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT OF CONCEPTUAL DESIGN.—

(1) IN GENERAL.—Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) REQUESTS FOR CONCEPTUAL DESIGN FUNDS.—If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.
(3) EXCEPTIONS.—The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than the minor construction threshold; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—

(1) IN GENERAL.—Within the amounts authorized by a DOE national security authorization, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) SPECIFIC AUTHORITY REQUIRED.—If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for that design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to a DOE national security authorization, including funds
authorized to be appropriated for advance planning, engineering, and construction design, and for plant projects, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of a construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making those activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to a DOE national security authorization for management and support activities and for general plant projects are available
for use, when necessary, in connection with all national
security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection
(b), amounts appropriated for operation and maintenance
or for plant projects may, when so specified in an appro-
priations Act, remain available until expended.

(b) EXCEPTION FOR NNSA FUNDS.—Amounts ap-
propriated for the National Nuclear Security Administra-
tion pursuant to a DOE national security authorization
for a fiscal year shall remain available to be expended—
(1) only until the end of that fiscal year, in the
case of amounts appropriated for the Office of the
Administrator for Nuclear Security; and
(2) only in that fiscal year and the two suc-
ceeding fiscal years, in all other cases.

SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MAN-
AGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRON-
MENTAL MANAGEMENT FUNDS.—The Secretary of En-
ergy shall provide the manager of each field office of the
Department of Energy with the authority to transfer de-
fense environmental management funds from a program
or project under the jurisdiction of that office to another
such program or project.
(b) LIMITATIONS.—

(1) NUMBER OF TRANSFERS.—Not more than one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) AMOUNTS TRANSFERRED.—The amount transferred to or from a program or project in any one transfer under subsection (a) may not exceed $5,000,000.

(3) DETERMINATION REQUIRED.—A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary—

(A) to address a risk to health, safety, or the environment; or

(B) to assure the most efficient use of defense environmental management funds at the field office.

(4) IMPERMISSIBLE USES.—Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(e) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).
(d) **NOTIFICATION.**—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) **DEFINITIONS.**—In this section—

1. the term “program or project” means, with respect to a field office of the Department of Energy, a program or project that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by that office, and for which defense environmental management funds have been authorized and appropriated; and

2. the term “defense environmental management funds” means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

**SEC. 3130. TRANSFER OF WEAPONS ACTIVITIES FUNDS.**

(a) **TRANSFER AUTHORITY FOR WEAPONS ACTIVITIES FUNDS.**—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer weapons activities funds
from a program or project under the jurisdiction of that
office to another such program or project.

(b) LIMITATIONS.—

(1) NUMBER OF TRANSFERS.—Not more than
one transfer may be made to or from any program
or project under subsection (a) in a fiscal year.

(2) AMOUNTS TRANSFERRED.—The amount
transferred to or from a program or project in any
one transfer under subsection (a) may not exceed
$5,000,000.

(3) DETERMINATION REQUIRED.—A transfer
may not be carried out by a manager of a field office
under subsection (a) unless the manager determines
that the transfer—

(A) is necessary to address a risk to
health, safety, or the environment; or

(B) will result in cost savings and effi-
ciencies.

(4) LIMITATION.—A transfer may not be car-
rried out by a manager of a field office under sub-
section (a) to cover a cost overrun or scheduling
delay for any program or project.

(5) IMPERMISSIBLE USES.—Funds transferred
pursuant to subsection (a) may not be used for an
item for which Congress has specifically denied
funds or for a new program or project that has not
been authorized by Congress.

(c) Exemption from Reprogramming Requirements.—The requirements of section 3121 shall not
apply to transfers of funds pursuant to subsection (a).

(d) Notification.—The Secretary, acting through
the Administrator for Nuclear Security, shall notify Con-
gress of any transfer of funds pursuant to subsection (a)
not later than 30 days after such transfer occurs.

(e) Definitions.—In this section—

(1) the term “program or project” means, with
respect to a field office of the Department of En-
ergy, a program or project that is for weapons ac-
tivities necessary for national security programs of
the Department, that is being carried out by that of-
office, and for which weapons activities funds have
been authorized and appropriated; and

(2) the term “weapons activities funds” means
funds appropriated to the Department of Energy
pursuant to an authorization for carrying out weap-
ons activities necessary for national security pro-
grams.
SEC. 3131. SCOPE OF AUTHORITY TO CARRY OUT PLANT PROJECTS.

In carrying out programs necessary for national security, the authority of the Secretary of Energy to carry out plant projects includes authority for maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3141. ONE-YEAR EXTENSION OF PANEL TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR STOCKPILE.

Section 3159 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (42 U.S.C. 2121 note) is amended—

(1) in subsection (d), by striking “February 1, 2002,” and inserting “February 1 of 2002 and 2003,”; and

(2) in subsection (g), by striking “three years” and all that follows through the period at the end and inserting “April 1, 2003.”.
SEC. 3142. TRANSFER TO NATIONAL NUCLEAR SECURITY ADMINISTRATION OF DEPARTMENT OF DEFENSE'S COOPERATIVE THREAT REDUCTION PROGRAM RELATING TO ELIMINATION OF WEAPONS GRADE PLUTONIUM IN RUSSIA.

(a) TRANSFER OF PROGRAM.—There are hereby transferred to the Administrator for Nuclear Security the following:

(1) The program, within the Cooperative Threat Reduction program of the Department of Defense, relating to the elimination of weapons grade plutonium in Russia.

(2) All functions, powers, duties, and activities of that program performed before the date of the enactment of this Act by the Department of Defense.

(b) TRANSFER OF ASSETS.—(1) So much of the property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the program transferred by subsection (a) are transferred to the Administrator for use in connection with the program transferred.

(2) Funds so transferred—

(A) shall be credited to the appropriation account of the Department of Energy for the activities of the National Nuclear Security Administration in
carrying out defense nuclear nonproliferation activities; and

(B) remain subject to such limitations as applied to such funds before such transfer.

(c) REFERENCES.—Any reference in any other Federal law to the Secretary of Defense (or an officer of the Department of Defense) or the Department of Defense shall, to the extent such reference pertains to a function transferred by this section, be deemed to refer to the Administrator for Nuclear Security or the National Nuclear Security Administration, as applicable.

SEC. 3143. REPEAL OF REQUIREMENT FOR REPORTS ON OBLIGATION OF FUNDS FOR PROGRAMS ON FISSILE MATERIALS IN RUSSIA.


(1) in subsection (a), by striking “(a) AUTHORITY.—”; and

(2) by striking subsection (b).
SEC. 3144. ANNUAL CERTIFICATION TO THE PRESIDENT AND CONGRESS ON THE CONDITION OF THE UNITED STATES NUCLEAR WEAPONS STOCKPILE.

(a) Certification Required.—(1) Not later than January 15 of each year, each official specified in subsection (b)(1) shall submit to the Secretary concerned a certification regarding the safety, reliability, and performance of each nuclear weapon type in the active stockpile of the United States for which such official is responsible.

(2) Not later than February 1 of each year, the Secretary of Defense and the Secretary of Energy shall each submit to the President and the Congress—

(A) each certification, without change, submitted under paragraph (1) to that Secretary;

(B) each report, without change, submitted under subsection (d) to that Secretary;

(C) the comments of that Secretary with respect to each such certification and each such report; and

(D) any other information that the Secretary considers appropriate.

(b) Covered Officials and Secretaries.—(1) The officials referred to in subsection (a) are the following:
(A) The head of each national security laboratory, as defined in section 3281 of the National Nuclear Security Administration Act (50 U.S.C. 2471).

(B) The commander of the United States Strategic Command.

(2) In this section, the term “Secretary concerned” means—

(A) the Secretary of Energy, with respect to matters concerning the Department of Energy; and

(B) the Secretary of Defense, with respect to matters concerning the Department of Defense.

(c) USE OF “RED TEAMS” FOR LABORATORY CERTIFICATIONS.—The head of each national security laboratory shall, to assist in the certification process required by subsection (a), establish one or more teams of experts known as “red teams”. Each such team shall—

(1) subject to challenge the matters covered by that laboratory’s certification, and submit the results of such challenge, together with findings and recommendations, to the head of that laboratory; and

(2) carry out peer review of the certifications carried out by the other laboratories, and submit the results of such peer review to the head of the laboratory concerned.
(d) REPORT ACCOMPANYING CERTIFICATION.—Each official specified in subsection (b)(1) shall submit with each such certification a report on the stockpile stewardship and management program of the Department of Energy. The report shall include the following:

(1) An assessment of the adequacy of the science-based tools and methods being used to determine the matters covered by the certification.

(2) An assessment of the capability of the manufacturing infrastructure required by section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (42 U.S.C. 2121 note) to identify and fix any inadequacy with respect to the matters covered by the certification.

(3) An assessment of the need of the United States to resume testing of nuclear weapons and the readiness of the United States to resume such testing, together with an identification of the specific tests the conduct of which might have value and the anticipated value of conducting such tests.

(4) An identification and discussion of any other matter that adversely affects the ability to accurately determine the matters covered by the certification.
(5) In the case of a report submitted by the head of a national security laboratory, the findings and recommendations submitted by the “red teams” under subsection (c) that relate to such certification, and a discussion of those findings and recommendations.

(6) In the case of a report submitted by the head of a national security laboratory, a discussion of the relative merits of other weapon types that could accomplish the mission of the weapon type covered by such certification.

(c) CLASSIFIED FORM.—Each submission required by this section shall be made only in classified form.

SEC. 3145. PLAN FOR ACHIEVING ONE-YEAR READINESS POSTURE FOR RESUMPTION BY THE UNITED STATES OF UNDERGROUND NUCLEAR WEAPONS TESTS.

(a) PLAN REQUIRED.—The Secretary of Energy, in consultation with the Administrator for Nuclear Security, shall prepare a plan for achieving, not later than one year after the date on which the plan is submitted under subsection (c), a one-year readiness posture for resumption by the United States of underground nuclear weapons tests.
(b) DEFINITION.—For purposes of this section, a one-year readiness posture for resumption by the United States of underground nuclear weapons tests is achieved when the Department of Energy has the capability to resume such tests, if directed by the President to resume such tests, not later than one year after the date on which the President so directs.

(c) REPORT.—The Secretary shall include with the budget justification materials submitted to Congress in support of the Department of Energy budget for fiscal year 2004 (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) a report on the plan required by subsection (a). The report shall include the plan and a budget for implementing the plan.

SEC. 3146. PROHIBITION ON DEVELOPMENT OF LOW-YIELD NUCLEAR WEAPONS.

(a) UNITED STATES POLICY.—It shall be the policy of the United States not to conduct development which could lead to the production by the United States of a new low-yield nuclear weapon, including a precision low-yield warhead.

(b) LIMITATION.—The Secretary of Energy may not conduct, or provide for the conduct of, development which could lead to the production by the United States of a
low-yield nuclear weapon which, as of the date of the enactment of this Act, has not entered production.

(c) Effect on Other Development.—Nothing in this section shall prohibit the Secretary of Energy from conducting, or providing for the conduct of, development necessary—

(1) to design a testing device that has a yield of less than five kilotons;

(2) to modify an existing weapon for the purpose of addressing safety and reliability concerns; or

(3) to address proliferation concerns.

(d) Definition.—In this section—

(1) the term “low-yield nuclear weapon” means a nuclear weapon that has a yield of less than five kilotons; and

(2) the term “development” does not include concept definition studies, feasibility studies, or detailed engineering design work.

(e) Conforming Repeal.—Section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 2121 note) is repealed.
Subtitle D—Matters Relating to Defense Environmental Management

SEC. 3151. DEFENSE ENVIRONMENTAL MANAGEMENT CLEANUP REFORM PROGRAM.

(a) Program Required.—From funds made available pursuant to section 3102(a)(2) for defense environmental management cleanup reform, the Secretary of Energy shall carry out a program to reform DOE environmental management activities. In carrying out the program, the Secretary shall allocate, to each site for which the Secretary has submitted to the congressional defense committees a site performance management plan, the amount of those funds that such plan requires.

(b) Transfer and Merger of Funds.—Funds so allocated shall, notwithstanding section 3124, be transferred to the account for DOE environmental management activities and, subject to subsection (c), shall be merged with and be available for the same purposes and for the same period as the funds available in such account. The authority provided by section 3129 shall apply to funds so transferred.

(c) Limitation on Use of All Merged Funds.—Upon a transfer and merger of funds under subsection (b), all funds in the merged account that are available with
respect to the site may be used only to carry out the site performance management plan for such site.

(d) Site Performance Management Plan Defined.—For purposes of this section, a site performance management plan for a site is a plan, agreed to by the applicable Federal and State agencies with regulatory jurisdiction with respect to the site, for the performance of activities to accelerate the reduction of environmental risk in connection with, and to accelerate the environmental cleanup of, the site.

(e) DOE Environmental Management Activities Defined.—For purposes of this section, the term “DOE environmental management activities” means environmental restoration and waste management activities of the Department of Energy in carrying out programs necessary for national security.

SEC. 3152. REPORT ON STATUS OF ENVIRONMENTAL MANAGEMENT INITIATIVES TO ACCELERATE THE REDUCTION OF ENVIRONMENTAL RISKS AND CHALLENGES POSED BY THE LEGACY OF THE COLD WAR.

(a) Report Required.—The Secretary of Energy shall prepare a report on the status of those environmental management initiatives specified in subsection (b) that are being undertaken to accelerate the reduction of the envi-
ronmental risks and challenges that, as a result of the leg-
acy of the Cold War, are faced by the Department of En-
ergy, contractors of the Department, and applicable Fed-
eral and State agencies with regulatory jurisdiction.

(b) CONTENTS.—The report shall include the fol-
lowing matters:

(1) A discussion of the progress made in reduc-
ing such risks and challenges in each of the fol-
lowing areas:

(A) Acquisition strategy and contract man-
agement.

(B) Regulatory agreements.

(C) Interim storage and final disposal of
high-level waste, spent nuclear fuel, transuranic
waste, and low-level waste.

(D) Closure and transfer of environmental
remediation sites.

(E) Achievements in innovation by contrac-
tors of the Department with respect to acceler-
ated risk reduction and cleanup.

(F) Consolidation of special nuclear mate-
rials and improvements in safeguards and secu-
rity.
(2) An assessment of the progress made in streamlining risk reduction processes of the environmental management program of the Department.

(3) An assessment of the progress made in improving the responsiveness and effectiveness of the environmental management program of the Department.

(4) Any proposals for legislation that the Secretary considers necessary to carry out such initiatives, including the justification for each such proposal.

(c) INITIATIVES COVERED.—The environmental management initiatives referred to in subsection (a) are the initiatives arising out of the report titled “Top-to-Bottom Review of the Environmental Management Program” and dated February 4, 2002, with respect to the environmental restoration and waste management activities of the Department of Energy in carrying out programs necessary for national security.

(d) SUBMISSION OF REPORT.—On the date on which the budget justification materials in support of the Department of Energy budget for fiscal year 2004 (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) are submitted to Congress, the Secretary shall submit to the congres-
sional defense committees the report required by sub-
section (a).

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2003, $19,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) Obligation of Stockpile Funds.—During fiscal year 2003, the National Defense Stockpile Manager may obligate up to $76,400,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) Additional Obligations.—The National Defense Stockpile Manager may obligate amounts in excess
of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

**TITLE XXXIV—NAVAL PETROLEUM RESERVES**

**SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $21,069,000 for fiscal year 2003 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.
TITLE XXXV—MARITIME ADMINISTRATION

SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2003.

Funds are hereby authorized to be appropriated for fiscal year 2003, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $93,132,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $54,126,000, of which—

(A) $50,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $4,126,000 is for administrative expenses related to loan guarantee commitments under the program.

(3) For expenses to dispose of obsolete vessels in the National Defense Reserve Fleet, including provision of assistance under section 7 of Public
Law 92–402 (as amended by this title), $20,000,000.

SEC. 3502. AUTHORITY TO CONVEY VESSEL USS SPHINX (ARL–24).

(a) IN GENERAL.—Notwithstanding any other law, the Secretary of Transportation may convey the right, title, and interest of the United States Government in and to the vessel USS SPHINX (ARL–24), to the Dunkirk Historical Lighthouse and Veterans Park Museum (a not-for-profit corporation, in this section referred to as the “recipient”) for use as a military museum, if—

(1) the recipient agrees to use the vessel as a nonprofit military museum;

(2) the vessel is not used for commercial transportation purposes;

(3) the recipient agrees to make the vessel available to the Government when the Secretary requires use of the vessel by the Government;

(4) the recipient agrees that when the recipient no longer requires the vessel for use as a military museum—

(A) the recipient will, at the discretion of the Secretary, reconvey the vessel to the Government in good condition except for ordinary wear and tear; or
(B) if the Board of Trustees of the recipient has decided to dissolve the recipient according to the laws of the State of New York, then—

(i) the recipient shall distribute the vessel, as an asset of the recipient, to a person that has been determined exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code, or to the Federal Government or a State or local government for a public purpose; and

(ii) the vessel shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the recipient is located, for such purposes as the court shall determine, or to such organizations as the court shall determine are organized exclusively for public purposes;

(5) the recipient agrees to hold the Government harmless for any claims arising from exposure to asbestos after conveyance of the vessel, except for claims arising from use by the Government under paragraph (3) or (4); and
(6) the recipient has available, for use to re-
store the vessel, in the form of cash, liquid assets,
or a written loan commitment, financial resources of
at least $100,000.

(b) DELIVERY OF VESSEL.—If a conveyance is made
under this Act, the Secretary shall deliver the vessel at
the place where the vessel is located on the date of enact-
ment of this Act, in its present condition, without cost to
the Government.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary
may also convey any unneeded equipment from other ves-
sels in the National Defense Reserve Fleet in order to re-
store the USS SPHINX (ARL–24) to museum quality.

(d) RETENTION OF VESSEL IN NDRF.—The Sec-
retary shall retain in the National Defense Reserve Fleet
the vessel authorized to be conveyed under subsection (a),
until the earlier of—

(1) 2 years after the date of the enactment of
this Act; or

(2) the date of conveyance of the vessel under
subsection (a).
SEC. 3503. FINANCIAL ASSISTANCE TO STATES FOR PREPARATION OF TRANSFERRED OBSOLETE SHIPS FOR USE AS ARTIFICIAL REEFS.

(a) In General.—Public Law 92–402 (16 U.S.C. 1220 et seq.) is amended by redesignating section 7 as section 8, and by inserting after section 6 the following:

"SEC. 7. FINANCIAL ASSISTANCE TO STATE TO PREPARE TRANSFERRED SHIP.

“(a) Assistance Authorized.—The Secretary, subject to the availability of appropriations, may provide, to any State to which an obsolete ship is transferred under this Act, financial assistance to prepare the ship for use as an artificial reef, including for—

“(1) environmental remediation;

“(2) towing; and

“(3) sinking.

“(b) Amount of Assistance.—The Secretary shall determine the amount of assistance under this section with respect to an obsolete ship based on—

“(1) the total amount available for providing assistance under this section;

“(2) the benefit achieved by providing assistance for that ship; and

“(3) the costeffectiveness of disposing of the ship by transfer under this Act and provision of as-
sistance under this section, compared to other disposal options for the vessel.

“(c) TERMS AND CONDITIONS.—The Secretary—

“(1) shall require a State seeking assistance under this section to provide cost data and other information determined by the Secretary to be necessary to justify and document the assistance; and

“(2) may require a State receiving such assistance to comply with terms and conditions necessary to protect the environment and the interests of the United States.”.

(b) CONFORMING AMENDMENT.—Section 4(4) of such Act (16 U.S.C. 1220a(4)) is amended by inserting “(except for any financial assistance provided under section 7)” after “at no cost to the Government”.

SEC. 3504. INDEPENDENT ANALYSIS OF TITLE XI INSURANCE GUARANTEE APPLICATIONS.

Section 1104A of the Merchant Marine Act, 1936 (46 App. U.S.C. 1274) is amended—

(1) by adding at the end of subsection (d) the following:

“(4) The Secretary may obtain independent analysis of an application for a guarantee or commitment to guarantee under this title.”; and
(2) in subsection (f) by inserting ‘‘(including for obtaining independent analysis under subsection (d)(4))’’ after ‘‘applications for a guarantee’’.

Passed the House of Representatives May 10 (legislative day, May 9), 2002.

Attest:

Clerk.