To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2003

Mr. HUNTER (for himself and Mr. SKELTON) (both by request) introduced the following bill; which was referred to the Committee on Armed Services

———

A BILL

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “National Defense Au-
5 thorization Act for Fiscal Year 2004”.
6 SEC. 2. TABLE OF CONTENTS.
7 The table of contents for this Act is as follows:
Sec. 1. Short title.
Sec. 2. Table of contents.

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. Defense health program.
Sec. 107. Chemical agents and munitions destruction.

Subtitle B—Multi-Year Contract Authorizations

Sec. 111. Multiyear procurement authority for Navy programs.
Sec. 112. Amendment to multiyear procurement authority for C-130J aircraft for the Air Force.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.

Subtitle B—Ballistic Missile Defense

Sec. 211. Renewal of authority to assist local communities impacted by ballistic missile defense system test bed.

Subtitle C—Other Matters

Sec. 221. Rescind the prohibition on research and development of low-yield nuclear weapons.

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. Clarify definitions of salvage facilities and salvage services to include environmental responses and related equipment.
Sec. 312. Authorization for federal participation in wetland mitigation banks.
Sec. 313. Provision to exempt restoration advisory boards from the Federal Advisory Committee Act.
Sec. 314. Repeal of military equipment and infrastructure: prevention and mitigation of corrosion.

Subtitle C—Workplace and Depot Issues
Sec. 321. Repeal of time limitation on exclusion of expenditures on contracting for depot-level maintenance.
Sec. 322. Exception to competition requirement for depot-level maintenance and repair.
Sec. 323. Exclude workloads for special access programs from limitations on the performance of depot-level maintenance of materiel.
Sec. 324. Establishing minimum level of performance of depot-level maintenance of materiel by federal government personnel or at a government-owned facility.
Sec. 325. Centers of industrial and technical excellence: extension of partnership exemption.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.

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 2004 limitation on number of non-dual status technicians.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Repeal of prohibition against regular Navy officers transferring between line and staff corps in grades above lieutenant commander.
Sec. 502. Retention of officers serving in health professions to fulfill active duty service commitments following promotion non-selection.
Sec. 503. Requirement of exemplary conduct.

Subtitle B—Reserve Component Management

Sec. 511. Ready Reserve training requirement.
Sec. 512. Streamline process to continue officers on the Reserve active status list.

Subtitle C—Military Education and Training

Sec. 521. Authority for the Marine Corps University to award the degree of Master of Operational Studies.
Sec. 522. Joint professional military education.

Subtitle D—Administrative Matters

Sec. 531. Enhancements to personnel tempo program.
Sec. 532. Consistent time in service retirement criteria.

Subtitle E—Benefits

Sec. 541. Authority to transport remains of retirees who die in military treatment facilities outside the United States.
Sec. 542. Change family separation housing allowance from an entitlement to a discretionary allowance.
Sec. 543. Payment of dependent student baggage storage.
Sec. 544. Modification of prohibition on requirement of nonavailability statement or preauthorization.

Subtitle F—Military Justice Matters

Sec. 551. Technical amendment to the Uniform Code of Military Justice concerning the offense of drunken operation of a vehicle, aircraft, or vessel.

Subtitle G—Other Matters

Sec. 561. Basic training requirement for certain members accessed under a direct entry program.
Sec. 562. Alternate initial military service obligation for persons accessed under direct entry program.
Sec. 563. Joint warfighting capabilities funding.
Sec. 564. Reappointment of Chairman and Vice-Chairman of the Joint Chiefs of Staff during national emergency.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Increase in basic pay for fiscal year 2004.
Sec. 602. Housing allowance for each married partner when both are on sea duty and there are no other dependents.
Sec. 603. Amendment to basic pay for certain commissioned officers with prior service as an enlisted member or warrant officer.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Increase maximum amount of selective reenlistment bonus.
Sec. 612. Making all warrant officers eligible for accession bonus for new officers in critical skills.
Sec. 613. Incentive bonus; lateral conversion bonus for converting to unmanned military occupational specialties.
Sec. 614. Extending hostile fire and imminent danger pay to Reserve component members on inactive duty.
Sec. 615. Expanded educational assistance authority for cadets and midshipmen receiving ROTC scholarships.
Sec. 616. Notice and wait provision concerning critical skills retention bonus.
Sec. 617. Expansion of overseas tour extension incentive program benefits to officers.
Sec. 618. One-year extension of certain bonus and special pay authorities for Reserve forces.
Sec. 619. One-year extension of special pay and bonus authorities for nuclear officers.
Sec. 620. One-year extension of authorities relating to payment of other bonuses.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Shipment of a privately owned motor vehicle within the continental United States.

Subtitle D—Other Matters
Sec. 631. Permit non-scholarship senior ROTC sophomores to voluntarily contract and receive subsistence allowance.

TITLE VII—HEALTH CARE PROVISIONS

Sec. 701. Revision of Department of Defense Medicare Eligible Retiree Health Care Fund to permit more accurate actuarial valuations.
Sec. 702. Applicability of the Federal Advisory Committee Act to the Pharmacy and Therapeutics Committee.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Policy and Management

Sec. 801. Milestone authorization of selected defense acquisition programs.
Sec. 802. Contract closeout.
Sec. 803. Clarification of requirement to buy certain articles from American sources; exceptions.

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

Sec. 812. Extension and clarification of authority to carry out certain prototype projects.
Sec. 813. Other transaction authority for modernizing legacy systems.
Sec. 814. Authority for DoD intelligence components to award personal service contracts.
Sec. 815. Elimination of subcontract notification requirements.
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Sec. 817. Industry assignment program.

Subtitle C—Acquisition-Related Reports and Other Matters

Sec. 821. Elimination of the requirement to furnish written assurances of technical data conformity.
Sec. 822. Conversions of commercial activities.
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TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Duties and Functions of Department of Defense Officers

Sec. 901. Alternative authority for acquisition and improvement of military housing.

Subtitle B—Space Activities

Sec. 911. Authorize provision of space surveillance network services to non-United States government entities.

Subtitle C—Reports

Sec. 921. Repeal of various reports required of the Department of Defense.
Subtitle D—Other Matters

Sec. 931. Combatant commands initiatives fund.
Sec. 932. Consolidating the financial management of facilities in the national capital region and designated alternate sites.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Payment of full replacement value for personal property claims.
Sec. 1002. Restoration of authority to enter into 12-month leases at any time during the fiscal year.
Sec. 1003. Authority to provide reimbursement for cellular telephone use.
Sec. 1004. Reimbursement for Reserve intelligence support.
Sec. 1005. Increased use of energy cost savings.
Sec. 1006. Allow the Department of Defense to capture all expired funds from the Military Personnel and Operation and Maintenance Appropriations Accounts for use in the Foreign Currency Fluctuations Account.
Sec. 1007. Funding for special operations Reserve component personnel engaged in activities relating to clearance of landmines.

Subtitle B—Naval Vessels and Shipyards

Sec. 1011. Reimbursement to the Navy for assistance provided in support of certain ship and shipboard equipment transfers.
Sec. 1012. Vessels stricken from naval vessel register: use for experimental purposes.
Sec. 1013. Authorize transfer of vessels stricken from the naval vessel register for use as artificial reefs.
Sec. 1014. Repeal of the Shipbuilding Capability Preservation Agreement.

Subtitle C—Counter-Drug Activities

Sec. 1021. Extend authority for use of counter drug activities.
Sec. 1022. Department of Defense support for counter-terrorism activities in the Americas.
Sec. 1023. Expansion and extension of authority to provide additional support for counter-drug activities.

Subtitle D—Other Department of Defense Provisions

Sec. 1031. Provision of living quarters for certain students.
Sec. 1032. Repeal of required grade for defense attaché in France.
Sec. 1033. National Geospatial-Intelligence Agency.

Subtitle E—Other Matters

Sec. 1041. Updating definitions in title 10, United States Code.
Sec. 1042. Improving readiness in providing firefighting services.
Sec. 1043. Documents, historical artifacts, and obsolete or surplus materiel: loan, donation, or exchange.
Sec. 1044. Authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL
Sec. 1101. Position vacancy promotion consideration in time of war or national emergency.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Matters Related to Allies and Friendly Foreign Nations

Sec. 1201. Expansion of authority to conduct the Arctic military environmental cooperation program.

Sec. 1202. Authority to waive domestic source or content requirements.

Sec. 1203. Authority to expend funds to recognize superior noncombat achievements or performance by members of friendly foreign forces and other foreign nationals.

Sec. 1204. Administrative support and services for foreign liaison officers.


Sec. 1206. Restrictions on permanent transfer of significant military equipment.

Sec. 1207. Amendment to authority for acceptance by Asia-Pacific Center for Security Studies of foreign gifts and donations.

Sec. 1208. Addition of individuals authorized to receive check cashing and exchanges of foreign currency.

Sec. 1209. Continuation of the regional counterterrorism fellowship program.

Sec. 1210. Logistics support for friendly nations.

Subtitle B—Other Matters

Sec. 1221. Repeal of the authorization for the establishment of the Center for the Study of Chinese Military Affairs.

TITLE XIII—HOMELAND SECURITY

Sec. 1301. Sales of chemical and biological defense articles and services to state and local governments.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS


TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.

Sec. 2102. Family housing.

Sec. 2103. Improvements to military family housing units.

Sec. 2104. Authorization of appropriations, Army.

Sec. 2105. Modification to carry out certain fiscal year 2002 projects.

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.

Sec. 2202. Family housing.

Sec. 2203. Improvements to military family housing units.

Sec. 2204. Authorization of appropriations, Navy.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.

Sec. 2302. Family housing.

Sec. 2303. Improvements to military family housing units.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Family housing.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Energy conservation projects.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 2001 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 2000 projects.
Sec. 2704. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction and Military Family Housing

Sec. 2801. Streamlining military construction to reduce facility acquisition and construction cycle time.
Sec. 2802. Increased terms for leases of family housing and other facilities in foreign countries.

Subtitle B—Real Property and Facilities Administration

Sec. 2811. Expanded authority to transfer property at military installations to be closed to persons who construct or provide military housing.
Sec. 2812. Acceptance of in-kind consideration for easements.
Sec. 2813. Modification of authority to accept funds to cover administrative expenses relating to certain real property transactions.
Sec. 2814. Authority to convey property at military installations to persons who construct or provide military housing.
Sec. 2815. Increase in threshold for reports to congressional committees on real property transactions.
Sec. 2816. Contracting with local governments for municipal services.

Subtitle C—Other Matters

Sec. 2821. Increase authority to lease military family housing in Italy.
Sec. 2822. Conveyance of Army and Air Force Exchange Service property, Dallas, Texas.
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 2004 for procurement for the Army as follows:

(1) For aircraft, $2,128,485,000.

(2) For missiles, $1,459,462,000.

(3) For weapons and tracked combat vehicles, $1,640,704,000.

(4) For ammunition, $1,309,966,000.

(5) For other procurement, $4,216,854,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) Navy.—Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for the Navy as follows:

(1) For aircraft, $8,788,148,000.

(2) For weapons, including missiles and torpedoes, $1,991,821,000.

(3) For shipbuilding and conversion, $11,438,984,000.

(4) For other procurement, $4,679,443,000.
(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for the Marine Corps in the amount of $1,070,999,000.

(e) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement of ammunition for the Navy and Marine Corps in the amount of $922,355,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for the Air Force as follows:

(1) For aircraft, $12,079,360,000.
(2) For missiles, $4,393,039,000.
(3) For procurement of ammunition, $1,284,725,000.
(4) For other procurement, $11,583,659,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2004 for defense-wide procurement in the amount of $3,691,006,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for the Defense Inspector General in the amount of $2,100,000.
SEC. 106. DEFENSE HEALTH PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 2004 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 $327,826,000.

SEC. 107. CHEMICAL AGENTS AND MUNITIONS DESTRUCTION.

Funds are hereby authorized to be appropriated for fiscal year 2004 for chemical agents and munitions destruction in the amount of $1,650,076,000 for—

(1) the destruction of lethal chemical weapons 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 material of the United States that is not covered by section 1412 of such Act.

Subtitle B—Multi-Year Contract Authorizations

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR NAVY PROGRAMS.

(a) Multi-Year Contract Authority.—Beginning with the fiscal year 2004 program year, the Secretary of the Navy may, in accordance with section 2306b of title
10, United States Code, enter into multiyear contracts for procurement of the following:

(1) F/A–18 aircraft.

(2) E–2C aircraft.

(3) the Tactical Tomahawk missile.

(4) the Virginia class submarine.

(b) Shipbuilder Teaming.—Paragraphs (2)(A), (3), and (4) of section 121(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648) apply to the procurement of Virginia class submarines under this section.

SEC. 112. AMENDMENT TO MULTIYEAR PROCUREMENT AUTHORITY FOR C–130J AIRCRAFT FOR THE AIR FORCE.

TITILE 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 2004 for the use of the Armed Forces for research, development, test, and evaluation, as follows:

(1) For the Army, $9,122,825,000.

(2) For the Navy, $14,106,653,000.

(3) For the Air Force, $20,336,258,000.

(4) For Defense-wide research, development, test, and evaluation, $18,260,918,000, of which $286,661,000 is authorized for the Director of Operational Test and Evaluation.

(5) For the Defense Health Program, $65,796,000.

(6) For the Defense Inspector General, $300,000.
Subtitle B—Ballistic Missile Defense

SEC. 211. RENEWAL OF AUTHORITY TO ASSIST LOCAL COMMUNITIES IMPACTED BY BALLISTIC MISSILE DEFENSE SYSTEM TEST BED.


Subtitle C—Other Matters

SEC. 221. RESCIND THE PROHIBITION ON RESEARCH AND DEVELOPMENT OF LOW-YIELD NUCLEAR WEAPONS.


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 2004 for the use of the Armed Forces of the United States and other activities and agencies of the De-
partment of Defense, for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $24,965,342,000.
(2) For the Navy, $28,287,690,000.
(3) For the Marine Corps, $3,406,656,000.
(4) For the Air Force, $27,793,931,000.
(5) For the Defense-wide activities, $16,570,847,000.
(6) For the Army Reserve, $1,952,009,000.
(7) For the Naval Reserve, $1,171,921,000.
(8) For the Marine Corps Reserve, $173,952,000.
(9) For the Air Force Reserve, $2,179,188,000.
(10) For the Army National Guard, $4,211,331,000.
(11) For the Air National Guard, $4,402,646,000.
(13) For the United States Court of Appeals for the Armed Forces, $10,333,000.
(14) For Environmental Restoration, Army, $396,018,000.
(15) For Environmental Restoration, Navy, $256,153,000.
(16) For Environmental Restoration, Air Force, $384,307,000.
(17) For Environmental Restoration, Defense-wide, $24,081,000.
(18) For Environmental Restoration, Formerly Used Defense Sites, $212,619,000.
(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $59,000,000.
(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $817,371,000.
(21) For the Defense Health Program, $14,876,887,000.
(22) For Cooperative Threat Reduction programs, $450,800,000.
(23) For Overseas Contingency Operations Transfer Fund, $50,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2004 for the use of the Armed Forces of the United States 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, $1,721,507,000.
(2) For the National Defense Sealift Fund, $1,062,762,000.

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

There is hereby authorized to be appropriated for fiscal year 2004 from the Armed Forces Retirement Home Trust Fund the sum of $65,279,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers’ and Airmen’s Home and the Naval Home.

**Subtitle B—Environmental Provisions**

**SEC. 311. CLARIFY DEFINITIONS OF SALVAGE FACILITIES AND SALVAGE SERVICES TO INCLUDE ENVIRONMENTAL RESPONSES AND RELATED EQUIPMENT.**

(a) Salvage Facilities.—Section 7361(a) of title 10, United States Code, is amended by adding at the end the following new sentence: “Salvage facilities include, but are not limited to, equipment and gear utilized to prevent, abate or minimize damage to the environment.”.

(b) Settlement of Claims for Salvage Services.—Section 7363 of such title is amended by adding at the end the following new sentence: “Claims for such salvage services include, but are not limited to, those for enhanced or special compensation for services that prevent, abate or minimize damage to the environment.”.
SEC. 312. AUTHORIZATION FOR FEDERAL PARTICIPATION IN WETLAND MITIGATION BANKS.

(a) In General.—Chapter 159 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2697. Authorization for Federal participation in wetland mitigation banks

“The Secretary of a military department engaged in any activity resulting, or which may result, in the destruction of or impacts to wetlands is authorized to make payments to wetland mitigation banking programs and consolidated user sites (‘in-lieu-fee’ programs) that have been approved in accordance with the Federal Guidance for the Establishment, Use, and Operation of Mitigation Banks or the Federal Guidance on the Use of In-Lieu-Fee Arrangements for Compensatory Mitigation Under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act as an alternative to creating a wetland for mitigation on Federal property for construction projects. These payments may be included as eligible project costs for military construction.”.

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

“2697. Authorization for Federal participation in wetland mitigation banks.”.
SEC. 313. PROVISION TO EXEMPT RESTORATION ADVISORY
B OARDS FROM THE FEDERAL ADVISORY
C OMMITTEE ACT.

Section 2705 (d)(2) of chapter 160 of title 10, United
States Code, is amended by adding at the end the fol-
lowing new subparagraph:

“(C) The Federal Advisory Committee Act (5 U.S.C.
App.) shall not apply to any restoration advisory board
established by the Secretary pursuant to this subsection.”.

SEC. 314. REPEAL OF MILITARY EQUIPMENT AND INFRA-
S TUCTURE: PREVENTION AND MITIGATION
O F CORROSION.

(a) IN GENERAL.—Section 2228 of title 10, United
States Code, is repealed.

(b) C LERICAL AMENDMENT.—The table of sections
for chapter 131 of this title is amended by striking the
item relating to section 2228.

Subtitle C—Workplace and Depot
I ssues

SEC. 321. REPEAL OF TIME LIMITATION ON EXCLUSION OF
E XPENDITURES ON CONTRACTING FOR
D EPOT-LEVEL MAINTENANCE.

Section 2474(f)(2) of title 10, United States Code,
is amended by striking “for fiscal years 2002 through
2005”.
SEC. 322. EXCEPTION TO COMPETITION REQUIREMENT FOR DEPOT-LEVEL MAINTENANCE AND REPAIR.

Section 2469 of title 10, United States Code, is amended by inserting at the end the following new subsection (d):

“(d) EXCEPTIONS.—This section shall not apply with respect to depot-level maintenance and repair workload that is the subject of a public-private partnership entered into pursuant to section 2474(b) of this title provided—

“(1) competition is sought to select the source that will partner with the depot to perform the workload;

“(2) the payment requests made by the partnership for work performed reflect the full cost to the Government of resources used by the depot for providing services, which shall include costs of resources used, but not paid for, by the depot;

“(3) the portion of the payment received by the partnership that is necessary to cover the full cost of performance by the depot, as required by paragraph (2), is transferred to the General fund in the Treasury to the extent the payment is reimbursing the depot for federal resources the depot has used, but not paid for, in performing its work;
“(4) in accordance with applicable contracting procedures, the customer agency is not charged for any effort undertaken by the partnership to correct performance deficiencies; and

“(5) the depot does not charge its partner contractor for any effort the depot undertakes to correct performance deficiencies under the contract.”.

SEC. 323. EXCLUDE WORKLOADS FOR SPECIAL ACCESS PROGRAMS FROM LIMITATIONS ON THE PERFORMANCE OF DEPOT-LEVEL MAINTENANCE OF MATERIEL.

Section 2466(d) of title 10, United States Code, is amended to read as follows:

“(d) EXCEPTIONS.—Subsection (a) shall not apply with respect to—

“(1) the Sacramento Army Depot, Sacramento, California; and

“(2) workloads for special access programs.”.
SEC. 324. ESTABLISHING MINIMUM LEVEL OF PERFORMANCE OF DEPOT-LEVEL MAINTENANCE OF MATERIEL BY FEDERAL GOVERNMENT PERSONNEL OR AT A GOVERNMENT-OWNED FACILITY.

(a) Establishing Minimum Level.—Section 2466(a) of title 10, United States Code, is amended to read as follows:

“(a) Allocation of Workload Percentage.—At least 50 percent of the funds made available in a fiscal year to a military department or a Defense Agency for depot-level maintenance and repair workload shall be used for the performance of such workload for the military department or the Defense Agency by Federal Government personnel or at a Government-owned facility.”.

(b) Conforming Amendment.—Section 2474(f)(1) of such title is amended by striking “percentage limitation” and inserting “allocation of workload percentage”.

SEC. 325. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE: EXTENSION OF PARTNERSHIP EXEMPTION.

Section 2474(f)(1) of title 10, United States Code, is amended by striking “at” and inserting “for”.
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, 2004, as follows:

(1) The Army, 480,000.
(2) The Navy, 373,800.
(3) The Marine Corps, 175,000.

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, 2004, as follows:

(1) The Army National Guard of the United
States, 350,000.
(2) The Army Reserve, 205,000.
(3) The Naval Reserve, 85,900.
(4) The Marine Corps Reserve, 39,600.
(5) The Air National Guard of the United
States, 107,000.
(6) The Air Force Reserve, 75,800.
(7) The Coast Guard Reserve, 10,000.
(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 increased proportionately 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, 2004, the following number of Reserves to be serving on full-time active duty or,
in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,386.

(2) The Army Reserve, 14,374.

(3) The Naval Reserve, 14,384.

(4) The Marine Corps Reserve, 2,261.

(5) The Air National Guard of the United States, 12,140.

(6) The Air Force Reserve, 1,660.

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

The Reserve Components of the Army and the Air Force are authorized strengths for military technicians (dual status) as of September 30, 2004, as follows:

(1) For the Army Reserve, 6,699.

(2) For the Army National Guard of the United States, 24,589.

(3) For the Air Force Reserve, 9,991.

(4) For the Air National Guard of the United States, 22,806.
SEC. 414. FISCAL YEAR 2004 LIMITATION ON NUMBER OF NON-DUAL STATUS TECHNICIANS.

The number of civilian employees who are non-dual status technicians of a reserve component of the Army or Air Force as of September 30, 2004, may not exceed the following:

(1) For the Army Reserve, 895.

(2) For the Army National Guard of the United States, 1,600.

(3) For the Air Force Reserve, 90.

(4) For the Air National Guard of the United States, 350.

TITLE V—MILITARY PERSONNEL POLICY
Subtitle A—Officer Personnel Policy

SEC. 501. REPEAL OF PROHIBITION AGAINST REGULAR NAVY OFFICERS TRANSFERRING BETWEEN LINE AND STAFF CORPS IN GRADES ABOVE LIEUTENANT COMMANDER.

(a) Repeal.—Section 5582 of title 10, United States Code, is repealed.

(b) Clerical Amendment.—The table of sections at the beginning of chapter 539 of such title is amended by striking the item relating to section 5582.
SEC. 502. RETENTION OF OFFICERS SERVING IN HEALTH PROFESSIONS TO FULFILL ACTIVE DUTY SERVICE COMMITMENTS FOLLOWING PROMOTION NON-SELECTION.

(a) In General.—Subsection (a) of section 632 of title 10, United States Code, is amended—

(1) by striking “or” at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting “; or”; and

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

“(4) if on the date on which he is to be discharged under paragraph (1) a medical officer or dental officer or an officer appointed in a medical skill other than as a medical officer or dental officer (as defined in regulations prescribed by the Secretary of Defense) has yet to complete a period of active duty service obligation incurred under section 2005, 2114, 2123, or 2603 of this title, he shall be retained on active duty until completion of such service obligation, unless the Secretary concerned determines that completion of the active duty obligation is not in the best interest of the military department.”.
(b) **Technical Amendment.**—Such subsection is further amended by striking “clause (1)” in paragraph (3) and inserting “paragraph (1)”.

**SEC. 503. REQUIREMENT OF EXEMPLARY CONDUCT.**

(a) **In General.**—Chapter 3 of title 10, United States Code, is amended by inserting after section 121 the following new section:

```
§ 121a. Requirement of exemplary conduct

“All commanding officers and others in authority in the Department of Defense are required—

“(1) to show in themselves a good example of virtue, honor, patriotism, and subordination;

“(2) to be vigilant in inspecting the conduct of all persons who are placed under their command or charge;

“(3) to guard against and to suppress all dissolute and immoral practices and to correct, according to applicable laws and regulations, all persons who are guilty of them; and

“(4) to take all necessary and proper measures, under the laws, regulations, and customs applicable to the armed forces, to promote and safeguard the morale, the physical well-being, and the general welfare of the officers, enlisted persons, and civilian persons under their command or charge.”.
```
(b) **Conforming and Clerical Amendments.**—

(1) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 121 the following new item:

“121a. Requirement of exemplary conduct.”.

(2) Title 10 is further amended as follows:

(A)(i) Section 3583 is repealed.

(ii) The table of sections at the beginning of chapter 345 is amended by striking the item relating to section 3583.

(B)(i) Section 5947 is repealed.

(ii) The table of sections at the beginning of chapter 551 is amended by striking the item relating to section 5947.

(C)(i) Section 8583 is repealed.

(ii) The table of sections at the beginning of chapter 845 is amended by striking the item relating to section 8583.

**Subtitle B—Reserve Component Management**

**SEC. 511. READY RESERVE TRAINING REQUIREMENT.**

Subsection (a) of section 10147 of title 10, United States Code, is amended to read as follows:

“(a) Except as specifically provided in regulations to be prescribed by the Secretary of Defense, or by the Secretary of Homeland Security with respect to the Coast
Guard when it is not operating as a service in the Navy, each person who is enlisted, inducted, or appointed in an armed force, and who becomes a member of the Ready Reserve under any provision of law except section 513 or 10145(b) of this title, shall be required, while in the Ready Reserve, to participate in a combination of drills, training periods or active duty equivalent to 38 days, exclusive of travel, during each year.”.

SEC. 512. STREAMLINE PROCESS TO CONTINUE OFFICERS ON THE RESERVE ACTIVE STATUS LIST.

(a) CONTINUATION.—Section 14701 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “by a selection board convened under section 14101(b) of this title” and inserting “under regulations prescribed by the Secretary concerned”;

(B) in paragraph (6), by striking “as a result of the convening of a selection board under section 14101(b) of this title”;

(2) by striking subsections (b) and (c); and

(3) by redesignating subsection (d) as subsection (b).

(b) CONFORMING AMENDMENT.—Subsection (b) of section 14101 of such title is amended—
(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

Subtitle C—Military Education and Training

SEC. 521. AUTHORITY FOR THE MARINE CORPS UNIVERSITY TO AWARD THE DEGREE OF MASTER OF OPERATIONAL STUDIES.

Section 7102 of title 10, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection (c):

“(c) COMMAND AND STAFF COLLEGE OF THE MARINE CORPS UNIVERSITY.—Upon the recommendation of the Director and faculty of the Command and Staff College of the Marine Corps University, the President of the Marine Corps University may confer the degree of master of operational studies upon graduates of the Command and Staff College’s School of Advanced Warfighting who fulfill the requirements for that degree.”.

SEC. 522. JOINT PROFESSIONAL MILITARY EDUCATION.

Section 663(e) of title 10, United States Code, is repealed.
Subtitle D—Administrative Matters

SEC. 531. ENHANCEMENTS TO PERSONNEL TEMPO PROGRAM.

(a) Revisions to Deployment Limits and Authority To Authorize Exemptions.—Section 991(a) of title 10, United States Code, is amended to read as follows:

“(a) Service and General or Flag Officer Responsibilities.—The deployment (or potential deployment) of a member of the armed forces shall be managed to ensure the member is not deployed, or continued in a deployment, on any day on which the total number of days on which the member has been deployed out of the preceding 730 days would exceed 400, or a lower threshold as approved by the Under Secretary of Defense for Personnel and Readiness. The member may be deployed, or continued in a deployment, without regard to the preceding sentence if such deployment, or continued deployment, is approved by a member of the Senior Executive Service or the first general or flag officer (including officers in the grade of 0–6 in such positions already selected for general or flag rank) in the member’s chain of command.”.
(b) Changes to High-Deployment Allowance.—Section 436 of title 37, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

“(a) Monthly Allowance Required.—The Secretary of the military department concerned shall pay a high-deployment allowance to a member of the armed forces under the Secretary’s jurisdiction for each month during which the member—

“(1) is deployed; and

“(2) has, as of that day, been deployed for either or both of the following periods:

“(A) 401 or more days out of the preceding 730 days (or at a lower threshold as approved by the Under Secretary of Defense for Personnel and Readiness); or

“(B) 191 or more consecutive days (or for a lower threshold as approved by the Under Secretary of Defense for Personnel and Readiness).”;

(2) by amending subsection (c) to read as follows:
“(c) Maximum Rate.—The maximum monthly rate of the allowance payable to a member under this section is $1,000.”;

(3) in subsection (e), by striking “per diem” and inserting “allowance”;

(4) in subsection (f)—

(A) by striking “per diem” and inserting “allowance”; and

(B) by striking “day on” and inserting “month during”; and

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

“(g) Excluded Billets.—The Secretary concerned may exclude selected billets from eligibility for the high-deployment allowance upon approval by the Under Secretary of Defense for Personnel and Readiness. A billet may only be excluded on a prospective basis once the current incumbent has vacated that billet.”.

(e) Changes to Reporting Requirement.—Section 487(b)(5) of title 10, United States Code, is amended to read as follows:

“(5) For each of the armed forces, the description shall indicate the number of members who received the high-deployment allowance, the total number of months
for which the allowance was paid to members, and the
total amount spent on the allowance.”.

(d) CLERICAL AMENDMENTS.—(1) The heading of
section 436 of title 37, United States Code, is amended
to read as follows:

§ 436. Monthly high-deployment allowance for
lengthy or numerous deployments”;

and

(2) The item relating to that section in the table of
sections at the beginning of chapter 7 of such title is
amended to read as follows:

“436. Monthly high-deployment allowance for lengthy or numerous deploy-
ments.”.

SEC. 532. CONSISTENT TIME IN SERVICE RETIREMENT CRITERIA.

(a) Officers in Regular Navy or Marine Corps
Who Completed 40 Years of Active Service.—Sec-
tion 6321(a) of title 10, United States Code, is amended
by striking “after completing 40 or more years” and in-
serting “and has at least 40 years”.

(b) Officers in Regular Navy or Marine Corps
Who Completed 30 Years of Active Service.—Sec-
tion 6322(a) of such is amended by striking “after com-
pleting 30 or more years” and inserting “and has at least
30 years”.

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(c) Officers in Navy or Marine Corps Who Completed 20 Years of Active Service.—Section 6323(a)(1) of such title is amended by striking “after completing more than 20 years” and inserting “and has at least 20 years”.

(d) Enlisted Members in Regular Navy or Marine Corps Who Completed 30 Years of Active Service.—Section 6326(a) of such title is amended by striking “after completing 30 or more years” and inserting “and has at least 30 years”.

(e) Transfer of Enlisted Members to the Fleet Reserve and Fleet Marine Corps Reserve.—Section 6330(b) of such title is amended by striking “who has completed 20 or more years” both places it appears and inserting “and has at least 20 years”.

(f) Transfer of Members of the Fleet Reserve and Fleet Marine Corps Reserve to the Retired List.—Section 6331(a) of such title is amended by striking “completed 30 years” and inserting “has at least 30 years”.

(g) Effective Date.—The Secretary of the Navy may determine the effective date of the amendments made by this section.
Subtitle E—Benefits

SEC. 541. AUTHORITY TO TRANSPORT REMAINS OF RETIREES WHO DIE IN MILITARY TREATMENT FACILITIES OUTSIDE THE UNITED STATES.

(a) AUTHORIZE TRANSPORT OUTSIDE THE UNITED STATES.—Section 1490 of title 10, United States Code, is amended—

(1) in subsection (a), by striking “located in the United States”; and

(2) in subsection (b)(1), by striking “outside the United States or to a place”.

(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended to read as follows:

“(c) In this section, the term ‘dependent’ has the meaning given such term in section 1072(2) of this title.”.

SEC. 542. CHANGE FAMILY SEPARATION HOUSING ALLOWANCE FROM AN ENTITLEMENT TO A DISCRETIONARY ALLOWANCE.

Section 403(d)(1) of title 37, United States Code, is amended by striking “is entitled to” and inserting “may be paid, at the discretion of the Secretary concerned,”.

SEC. 543. PAYMENT OF DEPENDENT STUDENT BAGGAGE STORAGE.

Section 430(b)(2) of title 37, United States Code, is amended by striking “during the dependent’s annual trip
between the school and the member’s duty station” and inserting “one time per fiscal year”.

**SEC. 544. MODIFICATION OF PROHIBITION ON REQUIREMENT OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.**


**Subtitle F—Military Justice Matters**

**SEC. 551. TECHNICAL AMENDMENT TO THE UNIFORM CODE OF MILITARY JUSTICE CONCERNING THE OFFENSE OF DRUNKEN OPERATION OF A VEHICLE, AIRCRAFT, OR VESSEL.**

Section 911 of title 10, United States Code, is amended to read as follows:

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§ 911. Drunken or reckless operation of a vehicle, aircraft, or vessel

“(a) Any person subject to this chapter who—

“(1) operates or physically controls any vehicle, aircraft, or vessel in a reckless or wanton manner or while impaired by a substance described in section 912a(b) of this title, or
```
“(2) operates or is in actual physical control of any vehicle, aircraft, or vessel while drunk or when the alcohol concentration in the person’s blood or breath is at or above the level prohibited under subsection (b), as shown by chemical analysis, shall be punished as a court-martial may direct.

“(b)(1) For purposes of subsection (a), the applicable limit on the alcohol concentration in a person’s blood or breath is as follows:

“(A) In the case of the operation or control of a vehicle, aircraft, or vessel in the United States, the level is the blood or breath alcohol concentration prohibited under the law of the State in which the conduct occurred, except as may be provided under paragraph (2) for conduct on a military installation that is in more than one State, and subject to the prohibited alcohol concentration level specified in paragraph (3).

“(B) In the case of the operation or control of a vehicle, aircraft, or vessel outside the United States, the level is the blood alcohol concentration specified in paragraph (3) or such lower level as the Secretary of Defense may by regulation prescribe.

“(2) In the case of a military installation that is in more than one State, if those States have different levels
for defining their prohibited blood alcohol concentrations under their respective State laws, the Secretary concerned for the installation may select one such level to apply uniformly on that installation.

“(3) For purposes of paragraph (1), the level of alcohol concentration prohibited in a person’s blood is 0.10 grams or more of alcohol per 100 milliliters of blood and with respect to a person’s breath is 0.10 grams or more of alcohol per 210 liters of breath, as shown by chemical analysis.

“(4) In this subsection, the term ‘United States’ included the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa and the term ‘State’ includes each of those jurisdictions.”.

Subtitle G—Other Matters

SEC. 561. BASIC TRAINING REQUIREMENT FOR CERTAIN MEMBERS ACCESSED UNDER A DIRECT ENTRY PROGRAM.

Paragraph (1) of section 671(c) of title 10, United States Code, is amended to read as follows:

“(1) Under regulations prescribed under paragraph (2), a period of basic training (or equivalent training) shorter than 12 weeks may be established
by the Secretary concerned for members of the armed forces who—

“(A) have been credentialed in a medical profession or occupation and are serving in a health-care occupational specialty; or

“(B) have been accessed into a direct entry program established by the Secretary concerned based on unique skills acquired in a civilian occupation.

Any such period shall be established under regulations prescribed under paragraph (2) and may be established notwithstanding section 4(a) of the Military Selective Service Act (50 U.S.C. App. 454(a)).”.

SEC. 562. ALTERNATE INITIAL MILITARY SERVICE OBLIGATION FOR PERSONS ACCESSED UNDER DIRECT ENTRY PROGRAM.

Subsection (a) of section 651 of title 10, United States Code, is amended to read as follows:

“(a)(1) Each person who becomes a member of an armed force, other than a person described in paragraph (2), shall serve in the armed forces for a total initial period of not less than six years nor more than eight years, as provided in regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by
the Secretary of Homeland Security for the Coast Guard when it is not operating as a service in the Navy, unless such person is sooner discharged under such regulations because of personal hardship. Any part of such service that is not active duty or that is active duty for training shall be performed in a reserve component.

“(2) A person is not subject to paragraph (1) if that person—

“(A) deferred under the next to the last sentence of section 6(d)(1) of the Military Selective Service Act (50 U.S.C. App. 456(d)(1)); or

“(B) accessed into a direct entry program established by the Secretary concerned based on unique skills acquired in a civilian occupation.”.

SEC. 563. JOINT WARFIGHTING CAPABILITIES FUNDING.

Section 166a(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(10) Joint warfighting capabilities.”.

SEC. 564. REAPPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN OF THE JOINT CHIEFS OF STAFF DURING NATIONAL EMERGENCY.

(a) Reappointment of the Chairman of the Joint Chiefs of Staff.—Section 152(a) of title 10, United States Code, is amended—
(1) in paragraph (1), by striking “in time of war” and inserting “in time of war or during a national emergency declared by the President or Congress”; and

(2) in paragraph (3), by striking “in time of war” and inserting “in time of war or during a national emergency declared by the President or Congress”.

(b) Reappointment of the Vice-Chairman of the Joint Chiefs of Staff.—Paragraph (3) of section 154(a) of such title is amended by striking “in time of war” and inserting “in time of war or during a national emergency declared by the President or Congress”.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS
Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2004.

(a) Waiver of Section 1009 Adjustment.—The adjustment to become effective during fiscal year 2004 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 for Members of Armed Forces.—Effective on January 1, 2004, the rates
of monthly basic pay for members of the armed forces within each pay grade are as follows:

**COMMISSIONED OFFICERS**¹

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>
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¹Notwithstanding 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.

²Subject to the preceding footnote, the rate of basic pay for an officer in this grade 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, is $14,679.30, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³This 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>
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<td>3,382.20</td>
<td>3,537.00</td>
<td>3,537.00</td>
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</table>

Over 8  Over 10  Over 12  Over 14  Over 16

| O–2E      | 4,180.20  | 4,180.20  | 4,180.20  | 4,180.20  | 4,180.20  |
| O–1E      | 3,537.00  | 3,537.00  | 3,537.00  | 3,537.00  | 3,537.00  |

WARRANT OFFICERS

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

<table>
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<th>Pay Grade</th>
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<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
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<td>2,943.30</td>
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</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

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<td>1,173.90</td>
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</tr>
</tbody>
</table>

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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, the rate of basic pay for an enlisted member in this grade 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, is $6,090.90, 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 $1,086.00.

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(c) **Increase in Basic Pay for Members of the Uniformed Services Not in the Armed Forces.**—

Effective on January 1, 2004, the monthly basic pay for members of the uniformed services not in the armed forces is increased by 2.0 percent.
SEC. 602. HOUSING ALLOWANCE FOR EACH MARRIED PARTNER WHEN BOTH ARE ON SEA DUTY AND THERE ARE NO OTHER DEPENDENTS.

Subparagraph (C) of subsection 403(f)(2) of title 37, United States Code, is amended to read as follows:

“(C) Notwithstanding section 421 of this title, two members of the uniformed services in a pay grade below pay grade E–6 who are married to each other, have no other dependents, and are simultaneously assigned to sea duty are each entitled to a basic allowance for housing during the period of such simultaneous sea duty. The amount of each member’s allowance shall be based on the without dependents rate for the pay grade of the member.”.

SEC. 603. AMENDMENT TO BASIC PAY FOR CERTAIN COMMISSIONED OFFICERS WITH PRIOR SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER.

Section 203(d)(2) of title 37, United States Code, is amended to read as follows:

“(2) Service to be taken into account for purposes of computing basic pay under paragraph (1) is as follows:

“(A) Active service as a warrant officer or as a warrant officer and an enlisted member.

“(B) Service as a warrant officer, as an enlisted member, or as a warrant officer and an enlisted
member, for which at least 1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10.”

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. INCREASE MAXIMUM AMOUNT OF SELECTIVE RE-ENLISTMENT BONUS.

Section 308(a)(2)(B) of title 37, United States Code, is amended by striking “$60,000” and inserting “$90,000”.

SEC. 612. MAKING ALL WARRANT OFFICERS ELIGIBLE FOR ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.

Section 324 of title 37, United States Code, is amended—

(1) in subsection (a), by inserting “or an appointment” after “commission”; and

(2) in subsection (f), by inserting “or an appointment” after “commission”.

SEC. 613. INCENTIVE BONUS: LATERAL CONVERSION BONUS FOR CONVERTING TO UNDERMANNED MILITARY OCCUPATIONAL SPECIALTIES.

(a) Bonus Authorized.—Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:
§ 326. Incentive bonus: lateral conversion bonus for converting to undermanned military occupational specialties

(a) Authority and Eligibility Requirements.—

“(1) The Secretary concerned may pay a bonus to a member of the armed forces who agrees to serve in a military occupational specialty, rating or other military specialty defined by the member’s armed force, that is designated by the Secretary concerned as undermanned for purposes of this bonus.

“(2) A bonus may only be paid under this section to a member who—

“(A) is entitled to basic pay;

“(B) is serving in pay grade E–6 (with less than 10 years of service) or E–5 and below (regardless of years of service); and

“(C) agrees to serve for a period of not less than two years in a military occupational specialty, rating or other military specialty designated by the Secretary concerned as undermanned for the purposes of this bonus.

(b) Amount and Payment of Bonus.—

“(1) A bonus under this section may not exceed $4,000.
“(2) Any bonus payable under this section shall be disbursed in one lump sum payment when the member’s conversion to the new military specialty is approved by the personnel chief of the member’s armed force, or his designee.

“(e) Relationship to Other Pay and Allowances.—A bonus paid to a member under this section is in addition to any other pay and allowances to which the member is entitled.

“(d) Repayment of Bonus.—

“(1) A member who receives a bonus payment under this section and who voluntarily or through misconduct, fails to serve for the required period in the undermanned military occupational specialty, rating or other military specialty defined by the armed force for which the bonus was paid, shall refund to the United States an amount that bears the same ratio to the amount of the bonus paid to the member as the period that the member failed to serve bears to the total period for which the bonus was paid.

“(2) An obligation to reimburse the United States imposed under paragraph (1) is, for all purposes, a debt owed to the United States.
“(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of service for which a bonus was paid under this section shall not discharge the person receiving such bonus payment from the debt arising under paragraph (1).

“(4) Under regulations prescribed pursuant to subsection (e), the Secretary concerned may waive, in whole or in part, an obligation to reimburse the United States imposed under paragraph (1) when the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

“(e) Regulations.—The Secretaries concerned shall prescribe regulations to carry out this section. Regulations prescribed by the Secretary of a military department shall be subject to the approval of the Secretary of Defense.

“(f) Termination of Bonus Authority.—No bonus may be paid under this section with respect to any lateral conversion approved after September 30 of the third fiscal year that began after the date of enactment of this section.”.

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:
Incentive bonus: lateral conversion bonus for converting to undermanned military occupational specialties.’’.

SEC. 614. EXTENDING HOSTILE FIRE AND IMMINENT DANGER PAY TO RESERVE COMPONENT MEMBERS ON INACTIVE DUTY.

Section 310 of title 37, United States Code, is amended—

(1) in subsection (a), by inserting “under section 204, or to compensation under section 206 (as provided in subsection (b)(2)), of this title,” after “basic pay”; and

(2) in subsection (b)(2), by inserting “, including a member who is entitled to compensation under section 206 of this title if performing inactive duty in an area that has not been designated as an imminent danger area or has not been under hostile fire but comes under hostile fire or an explosion of hostile mines during such inactive duty for training period,” after “reserve component”.

SEC. 615. EXPANDED EDUCATIONAL ASSISTANCE AUTHORITY FOR CADETS AND MIDSHIPMEN RECEIVING ROTC SCHOLARSHIPS.

(a) Financial Assistance Program for Service on Active Duty.—Section 2107(e) of title 10, United States Code, is amended by adding at the end the following new paragraph:
“(3)(A) In the case of any cadet or midshipman eligible to receive financial assistance as provided under paragraph (1) or (2), the Secretary of the military department concerned may pay room and board expenses for such cadet or midshipman, and other expenses required by the educational institution, in lieu of all or part of the financial assistance described in paragraph (1).

“(B) The total amount of financial assistance, including the payment of room and board and other educational expenses, provided to a cadet or midshipman in an academic year under this subsection may not exceed an amount equal to the amount that could be provided as financial assistance for such cadet or midshipman under paragraph (1) or (2), or other amount determined by the Secretary concerned, without regard to whether room and board and other educational expenses for such cadet or midshipman are paid under this paragraph.”.

(b) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE IN TROOP PROGRAM UNITS.—Section 2107a(c) of such title is amended—

(1) by inserting “(1)” after “(c)”; and

(2) by adding at the end the following new paragraph:
“(2)(A) In the case of any cadet eligible to receive financial assistance as provided under paragraph (1), the Secretary of the military department concerned may pay room and board expenses for such cadet, and other expenses required by the educational institution, in lieu of all or part of the financial assistance described in paragraph (1).

“(B) The total amount of financial assistance, including the payment of room and board and any other educational expenses, provided to a cadet in an academic year under this subsection may not exceed an amount equal to the amount that could be provided as financial assistance for such cadet under paragraph (1), or other amount determined by the Secretary of the Army, without regard to whether the room and board and other educational expenses for such cadet are paid under this paragraph.”.

SEC. 616. NOTICE AND WAIT PROVISION CONCERNING CRITICAL SKILLS RETENTION BONUS.

Section 323(b) of title 37, United States Code, is amended by striking paragraph (2).

SEC. 617. EXPANSION OF OVERSEAS TOUR EXTENSION INCENTIVE PROGRAM BENEFITS TO OFFICERS.

(a) Rest and Recuperative Absence.—
(1) Section 705 of title 10, United States Code, is amended—
(A) by striking “enlisted” in the section heading; and
(B) in subsection (a), by striking “an enlisted” and inserting “a”.

(2) The item relating to such section in the table of sections at the beginning of chapter 40 of such title is amended to read as follows:

“705. Rest and recuperative absence for qualified members extending duty at designated locations overseas.”.

(b) SPECIAL PAY OR BONUS.—
(1) Section 314 of title 37, United States Code, is amended—
(A) by striking “enlisted” in the section heading;
(B) in subsection (a), by striking “an enlisted” and inserting “a”; and
(C) in subsection (b), by striking “an enlisted” and inserting “a”.

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

“314. Special pay or bonus: qualified members extending duty at designated locations overseas.”.
SEC. 618. ONE-YEAR EXTENSION OF CERTAIN BONUS AND
SPECIAL PAY AUTHORITIES FOR RESERVE
FORCES.

(a) Special Pay for Health Professionals in
Critically Short Wartime Specialties.—Section
302g(f) of title 37, United States Code, is amended by
striking out “December 31, 2003” and inserting “December
31, 2004”.

(b) Selected Reserve Reenlistment Bonus.—
Section 308b(f) of such title is amended by striking out
“December 31, 2003” and inserting “December 31,
2004”.

(c) Selected Reserve Enlistment Bonus.—Sec-
tion 308c(e) of such title is amended by striking out “De-
cember 31, 2003” and inserting “December 31, 2004”.

(d) Special Pay for Enlisted Members As-
signed to Certain High Priority Units.—Section
308d(c) of such title is amended by striking out “Decem-
ber 31, 2003” and inserting “December 31, 2004”.

(e) Selected Reserve Affiliation Bonus.—Sec-
tion 308e(e) of such title is amended by striking “Decem-
ber 31, 2001” and inserting “December 31, 2004”.

(f) Ready Reserve Enlistment and Reenlist-
ment Bonus.—Section 308h(g) of such title is amended
by striking “December 31, 2003” and inserting “December
31, 2004”.
(g) Prior Service Reenlistment Bonus.—Section 308i(f) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(h) Repayment of Education Loans for Certain Health Professionals Who Serve in the Selected Reserve.—Section 16302(d) of title 10, United States Code, is amended by striking “January 1, 2004” and inserting “January 1, 2005”.

SEC. 619. 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, 2003” and inserting “December 31, 2004”.

(b) Nuclear Career Accession Bonus.—Section 312b(c) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(c) Nuclear Career Annual Incentive Bonus.—Section 312e(d) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.
SEC. 620. ONE-YEAR EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES.

(a) Aviation Officer Retention Bonus.—Section 301b(a) of title 37, United States Code, is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(b) Reenlistment Bonus for Active Members.—Section 308(g) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(c) Enlistment Bonus.—Section 309(e) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(d) Retention Bonus for Members Qualified in a Critical Military Skill.—Section 323(i) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(e) Accession Bonus for New Officers in Critical Skills.—Section 324(g) of such title is amended by striking “December 31, 2003” and inserting “December 31, 2004”.
Subtitle C—Travel and Transportation Allowances

SEC. 621. SHIPMENT OF A PRIVATELY OWNED MOTOR VEHICLE WITHIN THE CONTINENTAL UNITED STATES.

(a) Authority To Procure Contract For Transportation of Motor Vehicle.—Section 2634 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(i) In the case of a change of permanent station described in clause (A) or (B) of subsection (h)(1) of this section, the Secretary concerned may authorize the member to arrange shipment of the motor vehicle in lieu of transportation at the expense of the United States. The member may be paid a monetary allowance in lieu of transportation as established under section 404(d)(1) of title 37 and the member is responsible for any transportation costs in excess of such allowance.”.

(b) Allowance For Self-Procurement Of Transportation of Motor Vehicle.—Subparagraph (B) of section 406(b)(1) of title 37, United States Code, is amended by adding at the end the following new sentence: “In the case of the transportation of a motor vehicle arranged by the member under subsection (i) of section 2634 of title 10, the member, who has proof of shipment,
may be paid a monetary allowance in lieu of transpor-
tation as established under section 404(d)(1) of this
title.”.

Subtitle D—Other Matters

SEC. 631. PERMIT NON-SCHOLARSHIP SENIOR ROTC SOPH-
OMORES TO VOLUNTARILY CONTRACT AND
RECEIVE SUBSISTENCE ALLOWANCE.

Section 209 of title 37, United States Code, is
amended—

(1) by redesignating subsections (c) and (d) as
subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the fol-
lowing new subsection (c):

“(c) PILOT PROGRAM FOR CONTRACT OF NON-
SCHOLARSHIP SENIOR ROTC MEMBERS.—(1) An eligible
member of the Selected Reserve Officers’ Training Corps
is entitled to a monthly subsistence allowance at a rate
prescribed under subsection (a) for a maximum of twenty
months.

“(2) To be eligible to receive a subsistence al-
lowance under this subsection, a person must—

“(A) be a citizen of the United States;

“(B) enlist in an armed force under the ju-
risdiction of the Secretary of the military de-
partment concerned for the period prescribed by
the Secretary;

“(C) contract, with the consent of his par-
ent or guardian if he is a minor, with the Sec-
retary of the military department concerned, or
his designated representative, to serve for the
period required by the program;

“(D) agree in writing that he will accept
an appointment, if offered, as a commissioned
officer in the Army, Navy, Air Force, or Marine
Corps, as the case may be, and that he will
serve in the armed forces for the period pre-
scribed by the Secretary;

“(E) complete successfully the first year of
a four-year Senior Reserve Officers’ Training
Corps course;

“(F) not be eligible for advanced training
under section 2104 of title 10;

“(G) not be appointed under section 2107
of title 10; and

“(H) execute a certificate of loyalty in
such form as the Secretary of Defense pre-
scribes or take a loyalty oath as prescribed by
the Secretary.
“(3) This program will run as a pilot program for the period of three years beginning in January 2004. The Secretary of Defense will report to the Office of Management and Budget annually on the participation rates for the program with a cost evaluation of the program’s effectiveness. Such annual reports will be due by December 31 for each of the three years.”.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. REVISION OF DEPARTMENT OF DEFENSE MEDICARE ELIGIBLE RETIREE HEALTH CARE FUND TO PERMIT MORE ACCURATE ACTUARIAL VALUATIONS.

Section 1115(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(6) In determining single level dollar amounts in subparagraphs (1)(A) and (1)(B), the Secretary of Defense may, if the Secretary determines that it would produce a more accurate and appropriate actuarial valuation, determine a separate single level dollar amount under either or both subparagraphs for any individual participating uniformed service. If the Secretary makes any such determination, the Secretary (or in the case of a par-
ticipating uniformed service under the jurisdiction of an-
other administering Secretary, the administering Sec-
retary concerned) shall make corresponding calculations 
under section 1116(a) of this title for the contributions 
applicable to the affected uniformed services.”.

SEC. 702. APPLICABILITY OF THE FEDERAL ADVISORY 
COMMITTEE ACT TO THE PHARMACY AND 
THERAPEUTICS COMMITTEE.

Section 1074g(b)(1) of title 10, United States Code, 
is amended by adding at the end the following new sen-
App.) shall not apply to the Pharmacy and Therapeutics 
Committee.”.

TITLE VIII—ACQUISITION POL-
ICY, ACQUISITION MANAGE-
MENT, AND RELATED MAT-
TERS

Subtitle A—Acquisition Policy and 
Management

SEC. 801. MILESTONE AUTHORIZATION OF SELECTED DE-
FENSE ACQUISITION PROGRAMS.

(a) In General.—(1) Chapter 144 of title 10, 
United States Code is amended by adding after section 
2435 the following new section:
§ 2436. Milestone authorization

(a) Designation of Participating Programs.—
(1) The Secretary of Defense may designate defense acquisition programs in each military department to be considered for milestone authorization of appropriations under subsection (c).

(2) The Secretary may designate a defense acquisition program under paragraph (1) only if the program—
(A) is ready to proceed into system development and demonstration or production and deployment, or
(B) is in either system development and demonstration or production and deployment.

(b) Submission of Baseline Descriptions.—
Not later than the end of the 90-day period beginning on the date that a defense acquisition program is designated under subsection (a), the Secretary of Defense shall request from Congress that funds be authorized to be appropriated in a single amount sufficient to carry out the acquisition phase for which the baseline description is submitted.

(c) Milestone Authorization.—Congress shall authorize the appropriation of funds for the system development and demonstration, or the production and deployment of a program designated by the Secretary of Defense under subsection (a) in a single amount sufficient to carry
out that phase, provided that such period for which funds
may be obligated may not exceed six years.

“(d) No Effect on Statutory and Regulatory
Requirements.—Granting milestone authorization does
not change any other statutory or regulatory requirements
relating to defense acquisition programs.”.

(b) Clerical Amendment.—The table of sections
at the beginning of such chapter is amended by adding
after the item relating to section 2435 the following new
item:

“2436. Milestone authorization.”.

SEC. 802. CONTRACT CLOSEOUT.

(a) In General.—The Secretary of Defense shall
have the authority to promulgate regulations to settle the
financial accounts for contracts executed prior to Sep-
tember 30, 1996 that are administratively complete and
for which any unreconciled balance, either positive or neg-
ative, is less than $100,000.

(b) Finality of Decision.—Decisions carried out
in accordance with these regulations shall be final and
conclusive upon the accounting officers of the United
States.
SEC. 803. CLARIFICATION OF REQUIREMENT TO BUY CERTAIN ARTICLES FROM AMERICAN SOURCES; EXCEPTIONS.

Section 2533a of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking “subsections (c) through (h)” and inserting “subsections (b) through (i)”;

(B) by striking “if the item is not grown, reprocessed, reused, or produced in the United States”;

(2) in subsection (b), by amending paragraphs (1) through (3) to read as follows:

“(1) An article or item of—

“(A) meals ready-to-eat listed in Federal Supply Class 8970 unless the item is produced or manufactured in the United States;

“(B) clothing unless the item is grown, reprocessed, reused, or produced in the United States;

“(C) tents, tarpaulins, or covers unless the item is grown, reprocessed, reused, or produced in the United States;

“(D) cotton and other natural fiber products, woven silk or woven silk blends, spun silk
yarn for cartridge cloth, synthetic fabric or coated synthetic fabric (including all textile fibers and yarns that are for use in such fabrics), canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles) unless the item is grown, reprocessed, reused, or produced in the United States; or

“(E) any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials unless the item is grown, reprocessed, reused, or produced in the United States;

“(2) Equipment of the following Federal supply classifications that contain a specialty metal unless the specialty metal used to produce or manufacture the item, or an equivalent amount that is acquired by the contractor or a subcontractor, was smelted in the United States:


“(B) Nuclear ordnance listed in Federal Supply Group 11.

“(C) Fire control equipment listed in Federal Supply Group 12.
“(D) Ammunition and explosives listed in Federal Supply Group 13.

“(E) Guided missiles listed in Federal Supply Group 14.

“(F) Aircraft and related components, accessories, and equipment listed in Federal Supply Groups 15, 16, and 17.

“(G) Space vehicles listed in Federal Supply Group 18.

“(H) Ships, small craft, pontoons, and floating docks listed in Federal Supply Group 19.

“(I) Ship and marine equipment listed in Federal Supply Group 20.

“(J) Passenger motor vehicles listed in Federal Supply Class 2310.

“(K) Tracked combat vehicles listed in Federal Supply Class 2350.


For the purposes of this paragraph, ‘specialty metal’ means:

“(A) steel—

“(i) where the maximum alloy content exceeds one or more of the following limits:
manganese, 1.65 percent; silicon, 0.60 percent; or copper, 0.60 percent; or

“(ii) that contains more than 0.25 percent of any of the following elements:
aluminum, chromium, cobalt, columbium, molybdenum, nickel, titanium, tungsten, or vanadium;

“(B) metal alloys consisting of nickel, iron-nickel, and cobalt base alloys containing a total of other alloying metals (except iron) in excess of 10 percent;

“(C) titanium and titanium alloys; or

“(D) zirconium and zirconium base alloys; and

“(3) Hand tools listed in Federal Supply Group 51 and measuring tools listed in Federal Supply Group 52 unless the item is produced or manufactured in the United States.”;

(3) in subsection (e)—

(A) by striking “Subsection (a)” and inserting “This section”; and

(B) by striking “(1) or specialty metals (including stainless steel flatware)”;

(4) in subsection (d)—
(A) in the catch line for such subsection, by striking “OUTSIDE THE UNITED STATES” and inserting “IN EXIGENT CIRCUMSTANCES”;

(B) by striking “Subsection (a) does not apply” and inserting “This section does not apply”;

(C) by revising paragraph (1) to read as follows:

“(1) Procurements of items listed in subsections (b)(1)(A), (b)(2), and (b)(3) in support of contingency operations as defined in section 101(a)(13) of this title, and procurements outside the United States of items listed in subsections (b)(1)(B) through (b)(1)(E) in support of combat operations.”;

(D) by revising paragraph (3) to read as follows:

“(3) Procurements of items listed in subsections (b)(1)(A), (b)(2), and (b)(3) of unusual and compelling urgency under the authority of section 2304(c)(2) of this title, and emergency procurements by an establishment located outside the United States of items listed in subsections (b)(1)(B) through (b)(1)(E) for the personnel attached to such establishment.”;
(5) by revising subsection (e) to read as follows:

"(e) EXCEPTION FOR SPECIALTY METALS AND CHEMICAL WARFARE PROTECTIVE CLOTHING.—(1) This section does not apply to the procurement of end items or components of equipment listed in subsection (b)(2) if the specialty metal used to produce or manufacture the item, or an equivalent amount that is acquired by the contractor or a subcontractor, was smelted in a foreign country that has a memorandum of understanding providing for reciprocal procurement of defense items that is entered into with the Department of Defense in accordance with section 2531 of this title.

“(2) This section does not apply to the procurement of chemical warfare protective clothing produced outside the United States if—

“(A) such procurement is necessary—

“(i) to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements; or

“(ii) in furtherance of agreements with foreign governments in which both such govern-
ments agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country; and

“(B) any such agreement with a foreign government complies, where applicable, with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and with section 2457 of this title.”;

(6) in subsection (f), by striking “Subsection (a) does not preclude” and inserting “This section does not preclude”;}

(7) in subsection (g), by striking “Subsection (a) does not apply” and inserting “This section does not apply”;}

(8) in subsection (h), by striking “Subsection (a) does not apply” and inserting “This section does not apply”; and

(9) in subsection (i)—

(A) by striking “This section” and inserting “(1) Except as provided in paragraph (2), this section”; and

(B) by adding at the end the following new paragraph:
“(2) This section does not apply to commercial
items, or components thereof, that are listed in sec-
tions (b)(1)(A), (b)(2), and (b)(3), except if the end
item is specialty metal.”.

Subtitle B—Amendments to Gen-
eral Contracting Authorities,
Procedures, and Limitations

SEC. 811. EXTEND USE OF THE DEFENSE MODERNIZATION
ACCOUNT FOR LIFE CYCLE COST REDUCTION

INITIATIVES.

(a) Title 10 Amendments.—Section 2216 of title
10, United States Code, is amended—

(1) by striking the catch line in subsection (c);

(2) by redesignating subsection (c) as para-
graph (b)(5);

(3) by inserting after subsection (b) the fol-
lowing new subsection (c):

“(c) Appropriations for Life Cycle Cost Re-
duction.—(1) Funds are authorized to be appropriated
for fiscal years 2004–2006 in the amount of $25,000,000
annually to the Defense Modernization Account for the
purpose of providing startup funds for projects under-
taken by a military department, Defense Agency, or other
element of the Department of Defense to reduce the life
cycle cost of new or existing systems in accordance with
criteria established by the Secretary of Defense.

“(2) A military department, Defense agency, or other
element of the Department of Defense that receives funds
appropriated pursuant to paragraph (1) shall, upon
achieving savings from such a project, reimburse the Ac-
count for the funds previously received. Funds transferred
back to the Account pursuant to this paragraph shall be
available for funding new projects under paragraph (1).”.

(4) in subsection (d), by striking “Authorized
Use of Funds.—Funds available from the Defense
Modernization Account pursuant to subsection (f) or
(g) may be used for the following purposes:” and in-
serting “Authorized Use of Transferred Funds.—
Funds transferred to the Defense Modernization Ac-
count pursuant to subsection (b) may be used for
the following purposes:”; and

(5) in paragraph (f)(1), by striking the sentence
beginning with “The Secretary” and inserting “The
Secretary of Defense may transfer funds in the De-
fense Modernization Account to appropriations avail-
able to the Department of Defense for the purposes
set forth in subsections (c) and (d).”.

(b) EXTENSION OF AUTHORITY.—Subsection (c) of
section 912 of the National Defense Authorization Act for
Fiscal Year 1996 (Public Law 104–106; 110 Stat. 410) is amended to read as follows:

“(c) Expiration of Authority and Account.—

(1) The authority under section 2216(b) of title 10, United States Code, to transfer funds into the Defense Modernization Account and the authorization under section 2216(c) of such title to appropriate funds to the Defense Modernization Account shall terminate on September 30, 2006.

“(2) The Defense Modernization Account shall be closed on September 30, 2011, and any remaining balance in the Account shall be cancelled and thereafter shall not be available for any purpose.”.

SEC. 812. EXTENSION AND CLARIFICATION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1547) is amended in subsection (g), by striking “September 30, 2004” and inserting “September 30, 2008”.

SEC. 813. OTHER TRANSACTION AUTHORITY FOR MODERNIZING LEGACY SYSTEMS.

Section 845(a) of National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1547) is amended by inserting “, or are improvements to
weapons or weapon systems currently fielded by the Department of Defense” after “Department of Defense”.

**SEC. 814. AUTHORITY FOR CERTAIN DOD COMPONENTS TO AWARD PERSONAL SERVICES CONTRACTS.**

(a) Notwithstanding any other provision of law, sums made available by appropriation or otherwise to a covered component, as defined in subsection (b), may be expended for personal services contracts necessary to carry out the covered component’s missions, including personal services without regard to limitations on types of persons to be employed.

(b) The term “covered component” includes—

1. any Department of Defense component that is an element of the Intelligence Community, as defined in Section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a);

2. any element of the Office of the Secretary of Defense designated by the Secretary of Defense for purposes of this section; and

3. the United States Special Operations Command when engaged in special operations activities delineated in 10 U.S.C. 167(j)(1)–(4).
SEC. 815. ELIMINATION OF SUBCONTRACT NOTIFICATION REQUIREMENTS.

Section 2306(e) of title 10, United States Code, is amended to read as follows:

“(e) Except for contracts with a contractor that maintains a purchasing system approved by the cognizant contracting officer, each cost contract and each cost-plus-a-fixed-fee contract shall require the contractor to provide notice to the agency, prior to the award under a prime contract, of—

“(1) a cost-plus-a-fixed-fee subcontract; or

“(2) a fixed-price subcontract or purchase order involving more than the greater of—

“(A) the simplified acquisition threshold;

or

“(B) five percent of the estimated cost of the prime contract.”.

SEC. 816. EXCEPTION FOR REPLACEMENT BALL BEARINGS AND ROLLER BEARINGS TO BE USED IN A COMPONENT OF NON-DOMESTIC ORIGIN.

Section 2534(a)(5) of title 10, United States Code, is amended by inserting before the period at the end the following: “, other than ball bearings and roller bearings to be used in an end product or a component of non-domestic origin”.

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SEC. 817. INDUSTRY ASSIGNMENT PROGRAM.

(a) In General.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1599c the following new section:

§1599d. Government industry assignment program

“(a) Authority.—The Secretary of Defense may establish a pilot program for the temporary assignment of non-governmental personnel who are employed in the private sector to the Department of Defense. The Secretary may promulgate regulations for such purpose.

“(b) Purpose.—This program is designed to improve the Department’s acquisition-related processes and procedures. It would accomplish this through an infusion of new and modern ideas by the temporary assignment in the Department of non-governmental personnel who are employed by private industry. The private sector employees would be compensated by their private employer yet would be subject generally to governmental requirements that are in force for Federal employees. The Department would provide the private employer the benefit of a career enhancement for its private sector employees who participate in the program.

“(c) Limitations.—(1) This program is limited to those individuals in private sector positions whose duties, as determined by the Secretary, are comparable to defense acquisition positions.
“(2) Each such assignment shall be based on a written agreement between the Department of Defense, the private sector employer, and the employee concerned, which shall include nondisclosure provisions addressing the use and disclosure of classified and unclassified information in the possession or under the control of the Department of Defense that has not been released to the public and which shall also include the Federal laws and penalties applicable to the disclosure of classified information, including, but not limited to section 798 of title 18, United States Code.

“(3) During the period of an assignment made pursuant to this section, a private sector employee—

“(A) is not entitled to pay from the Department of Defense, except, as determined by the Secretary on a case by case basis, to the extent that the pay received from the private sector employer is less than the appropriate rate of pay which the duties would warrant under the applicable pay provisions of this title, title 5, United States Code, or other applicable authority;

“(B) is deemed an employee of the Department of Defense, subject to section 7353 of title 5, United States Code; sections 201, 203, 205, 207, 208, 209, 219, 602, 603, 606, 607, 610, 643, 654, 1905, 1913
and other provisions of title 18, United States Code, not specifically exempted herein; sections 1343, 1344, and 1349(b) of title 31, United States Code; the Federal Tort Claims Act (28 U.S.C. 2671 et seq.); any other Federal tort liability statute; section 27 of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423) and regulations implementing that Act; the Ethics in Government Act of 1978 (5 U.S.C. App.) and regulations implementing that Act; and any other provisions of Federal law not specifically exempted herein. Notwithstanding section 209 of title 18, United States Code, the private sector employer may pay, contribute to, or supplement the salary or other benefits of such private sector employee (who may accept such pay, contributions, and benefits), subject to the terms of the written private sector employee assignment agreement required in paragraph (c)(2) above;

“(C) is also deemed an employee of his or her private sector employer for purposes of section 208 of title 18, United States Code;

“(D) is subject to such regulations that the Secretary may prescribe, which shall incorporate by reference executive branch standards of ethical conduct and any authorized agency supplemental stand-
ards of conduct and which shall include as a min-
imum—

“(i) limitations on the number of partici-
pants (no more than 400);

“(ii) length of temporary assignments (up
to two years);

“(iii) protection of government informa-
tion;

“(iv) procedures for avoidance of conflicts
of interest, including selection of program prior-
ities and funding decisions that may involve the
assignee’s employer or its competitors, and
avoidance of the appearance of conflicts of in-
terest; and

“(v) exclusions from the performance of in-
herently governmental functions, such as policy-
making and supervision of government employ-
ees; and

“(vi) methodology and criteria for evalua-
tion of the pilot; and

“(E) is not deemed to be an employee for pur-
poses of federal employee pay and benefits under
title 5, United States Code, except as provided for
under this subsection.

“(d) WORKERS COMPENSATION COVERAGE.—
“(1) A private sector employee assigned to the Department of Defense pursuant to this section shall not be deemed an employee of the United States for the purposes of Chapter 81 of title 5, United States Code, (relating to compensation for injury).

“(2) Notwithstanding any other law, the United States, any instrumentality of the United States; or an employee, agent, or assign of the United States shall not be liable to:

“(A) a private sector employee assigned to the Department of Defense pursuant to this section;

“(B) such employee’s legal representative, spouse, dependents, survivors and next of kin; and

“(C) any other person, including any third party as to whom such employee, or his or her legal representative, spouse, dependents, survivors, or next of kin, has a cause of action arising out of an injury or death sustained in the performance of duty pursuant to an assignment under this section, otherwise entitled to recover damages from the United States, any instrumentality of the United States, or any
employee, agent, or assign of the United States—

with respect to any injury or death suffered by a private sector employee sustained in the performance of duty pursuant to an assignment under this section.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘private sector employer’ means a corporation, partnership, sole proprietorship, or other entity operated on a for-profit basis. It may, at the option of the Secretary, also include ‘other organizations’ as defined in section 3371 of title 5.

“(2) The term ‘acquisition position’ has the same meaning as in section 1721(b) of this title.

“(3) The term ‘assignment’ means an assignment under an arrangement made pursuant to the section under which a private sector employee is assigned to the Department of Defense by being appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service or being deemed to be detailed to the Department of Defense.

“(4) The term ‘government employee’ means an ‘employee’ as defined in section 2105 of title 5.

“(f) EXPIRATION.—The Secretary may not assign non-governmental personnel who are employed in the pri-
vate sector to the Department of Defense under the provi-
sions of this section after the last day of the fifth year
beginning with the effective date of this Act.”.

(b) Reporting Requirement.—During the fourth
year after the enactment of this Act, the Secretary of De-
fense, with input from the Inspector General of the De-
partment of Defense, and in consultation with the Direc-
tor of the Office of Personnel Management, shall evaluate
the program authorized under this section and prepare a
report for the President that includes an analysis of the
use of the authorities of this section, including conflict of
interest standards, and the costs and benefits of assign-
ments made pursuant to this section.

(e) Clerical Amendment.—The table of sections
at the beginning of such chapter 81 is amended by insert-
ing after the item relating to section 2331 the following
new item:

“1599d. Government industry assignment program.”.

Subtitle C—Acquisition-Related
Reports and Other Matters

Sec. 821. Elimination of the Requirement to Fur-
nish Written Assurances of Technical
Data Conformity.

Section 2320(b) of title 10, United States Code, is
amended—

(1) by striking paragraph (7); and
(2) by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

SEC. 822. CONVERSIONS OF COMMERCIAL ACTIVITIES.

(a) Changes to Elements of Analysis.—Paragraph (3)(A) of section 2461(b) of title 10, United States Code, is amended—

(1) by striking “of the cost”;

(2) by striking “savings” and inserting “the best value”;

(3) by redesignating subsection (iii) as subsection (iv); and

(4) by inserting after clause (ii) the following new clause (iii):

“(iii) Benefits in addition to price that warrant performance of the function by a source at a cost higher than that of performance by Department of Defense civilian employees.”.

(b) Contracting If Best Value.—Section 2462(a) of such title is amended by striking “such a source can provide such supply or service to the Department at a cost that is lower (after including any cost differential required by law, Executive order, or regulation) than the cost at which the Department can provide the same supply or service” and inserting “performance by that source represents the best value to the Government,”
determined in accordance with the competition requirements of OMB Circular A–76.”.

SEC. 823. MAKE PERMANENT THE AUTHORITY TO ENTER INTO CERTAIN PERSONAL SERVICES CONTRACTS.

Section 1091(a)(2) of title 10, United States Code, is amended by striking “The Secretary may not enter into a contract under this paragraph after December 31, 2003.”.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Duties and Functions of Department of Defense Officers

SEC. 901. ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) UNIT SIZE AND TYPE.—Section 2880(b)(2) of title 10, United States Code, is amended by striking “unless the unit is located on a military installation”; and

(b) DEPARTMENT OF DEFENSE HOUSING FUND.—

(1) Section 2883 of title 10, United States Code is amended—

(A) by striking subsections (a), (b), and (c);

(B) by inserting the following new subsections (a) and (b):
“(a) ESTABLISHMENT.—There is hereby established on the books of the Treasury the Department of Defense Housing Improvement Fund.

“(b) CREDITS TO FUNDS.—There shall be credited to the Department of Defense Housing Improvement Fund the following:

“(1) Amounts authorized for and appropriated to that Fund.

“(2) Subject to subsection (e), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts to that 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 housing or military unaccompanied housing, including income and gains realized from investments under sec-
tion 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 that 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.”;

(C) by redesignating subsections (d), (e), (f), and (g) as (e), (d), (e), and (f) respectively;

(D) in the newly redesignated subsection (c)—

(i) by striking “Family in paragraph (1);

(ii) by striking paragraph (2); and

(iii) by redesignating paragraph (3) as (2);

(E) in the newly redesignated subsection (e) by striking “a Fund under paragraph (1)(B) or (2)(B) of subsection (e)” and inserting “the Fund under paragraph (2) of subsection (b)”;

(F) in subsection (f) as relettered by subpara-

graph (C) of this paragraph—

(i) by striking “$850,000,000” in para-

graph (1) and inserting “$1,700,000,000”; and

(ii) by striking “$150,000,000” in para-

graph (2) and inserting “$300,000,000”;

(2) Section 2871(6) of title 10, United States Code, is amended by striking “Family Housing Improvement
Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund” and inserting “Housing Improvement Fund”; and

(3) Section 2875(e) of title 10, United States Code, is amended by striking “Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund” and inserting “Housing Improvement Fund”.

Subtitle B—Space Activities

Sec. 911. Authorize provision of space surveillance network services to non-United States governmental entities.

(a) In general.—Chapter 136 of title 10, United States Code, is amended by adding at the end the following new section:

§ 2283. Space surveillance network

“(a) Satellite tracking services.—To support the establishment of an experimental pilot program, the Secretary of Defense is authorized to establish procedures under which non-United States Federal governmental entities, including but not limited to U.S. and non-U.S. commercial entities, state and local government entities and foreign governments, may purchase, directly or through a contractor, satellite tracking services from assets owned or controlled by the Department of Defense. The Sec-
retary may include in such transactions the provision and
analysis of satellite data if he determines it is in the na-
tional security interests of the United States. Any pro-
posed sale to a foreign government or foreign commercial
entity shall be subject to the concurrence of the Secretary
of State to ensure its consistency with United States for-
eign policy interests. The pilot program shall be conducted
during a three-year period beginning not later than 180
days after the date of the enactment of this Act.

"(b) Reimbursement of Costs.—In the case of
any purchase made by a non-United States Federal gov-
ernmental entity under the procedures established under
subsection (a), the Secretary of Defense may require the
non-United States Federal governmental entity to reim-
burse the Department of Defense for the costs to the De-
partment of such purchase.

"(c) Deposit of Funds Received.—Funds re-
ceived pursuant to the sales authorized in subsection (a)
shall be credited to accounts of the Department of Defense
that are current when the proceeds are received and that
are available for the same purposes as the accounts origi-
nally charged to perform the services. Funds so credited
are to merge with and become available for obligation for
the same period as the accounts to which they are cred-
ited.
“(d) NON-TRANSFERABILITY AGREEMENT.—The Department will require all non-United States Federal governmental entities to execute a binding commitment not to transfer any data or technical information, including the analysis of the tracking data, to any other entity without the Department’s expressed approval. In the case of foreign governments and foreign commercial entities, the Department’s approval will be subject to the concur- rence of the Department of State.

“(e) PROHIBITION CONCERNING INTELLIGENCE ASSETS OR DATA.—Nothing in this section shall be deemed to authorize the provision of services or information concerning, or derived from, United States intelligence assets or data.”.

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

“2283. Space surveillance network.”.

Subtitle C—Reports

SEC. 921. REPEAL OF VARIOUS REPORTS REQUIRED OF THE DEPARTMENT OF DEFENSE.

(a) PROVISIONS OF TITLE 10.—Title 10, United States Code, is amended—

(1) in section 113—

(A) by striking subsection (j);

(B) by striking subsection (m); and
(C) by redesignating subsections (k) and
(l) as (j) and (k), respectively;
(2) in section 116—
(A) by repealing this entire section in
chapter 2; and
(B) by amending the table of sections at
the beginning of such chapter 2 by striking the
item relating to section 116;
(3) in section 117—
(A) by striking subsection (e); and
(B) by redesignating subsection (f) as sub-
section (e);
(4) in section 127, by striking subsection (d);
(5) in section 127a—
(A) by striking subparagraph (a)(3);
(B) by redesignating subparagraph (a)(4)
as subparagraph (a)(3);
(C) by striking subsection (d); and
(D) by redesignating subsections (e)
through (i) as subsections (d) through (h), re-
spectively;
(6) in section 129, by striking subsection (f);
(7) in section 153, by striking subsection (d);
(8) in section 184—
(A) by amending subsection (a) to read as

follows:

“(a) Authority To Establish Regional Center
for Security Studies.—The Secretary of Defense may
establish such regional centers for security studies as he
deems necessary and appropriate.”;

(B) by striking subsection (b); and

(C) by redesignating subsection (c) as sub-
section (b);

(9) for section 228—

(A) by repealing this entire section in
chapter 9; and

(B) by amending the table of sections at
the beginning of such chapter by striking the
item relating to section 228;

(10) in section 401—

(A) by striking subsection (d); and

(B) by redesignating subsection (e) as sub-
section (d);

(11) in section 437—

(A) by striking subsections (b) and (c);

(B) by redesignating subsection (d) as sub-
section (b);

(12) in section 482—
(A) by repealing this entire section in chapter 23; and

(B) by amending the table of sections for such chapter by striking the item relating to section 482;

(13) in section 483—

(A) by repealing this entire section in chapter 23; and

(B) by amending the table of sections for such chapter by striking the item relating to section 483;

(14) in section 484—

(A) by repealing this entire section in chapter 23; and

(B) by amending the table of sections for such chapter by striking the item relating to section 484;

(15) in section 487—

(A) by repealing this entire section in chapter 23; and

(B) by amending the table of sections for such chapter by striking the item relating to section 487;

(16) in section 520c—
(A) by striking subsections (b) and (c); and

(B) by striking the designator and the catch line in the preceding matter;

(C) by amending the section title to read: “§ 520c. Provision of meals and refreshments for recruiting purposes”; and

(D) by amending the table of sections at the beginning of chapter 31 by replacing the item relating to section 520c with the following new item:

“520c. Provision of meals and refreshments for recruiting purposes.”;

(17) in section 664(i), (4)(F)(ii), by striking “and notifies Congress upon each approval, providing the criteria that led to that approval”;

(18) in section 983(e)(1), by striking “and to Congress”;

(19) in section 986, by striking subsection (e);

(20) in section 1060—

(A) by striking subsection (d); and

(B) by redesignating subsections (e), through (g) as subsections (d) through (f) respectively;

(21) in section 1130—

(A) by striking subsection (b); and
(B) by redesignating subsections (c) and (d) as subsections (b) and (e), respectively;

(22) in section 1557—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e);

(23) in section 1563—

(A) by repealing this entire section in chapter 80; and

(B) by amending the table of sections for such chapter by striking the item relating to section 1563;

(24) in section 1597, by striking subsections (c) through (e);

(25) in section 2010—

(A) by striking subsection (b); and

(B) by redesignating subsections (c) and (d) as subsections (b) and (e), respectively;

(26) in section 2011, by striking subsection (e).

(27) in section 2166, by striking subsection (h);

(28) in section 2208, in subsection (j)(2), by striking “and notifies Congress regarding the reasons for the waiver”;

(29) in section 2212—
(A) by striking subsections (d) and (e); and

(B) by redesignating subsection (f) as subsection (d);

(30) in section 2214—

(A) by striking subsection (e); and

(B) by redesignating subsection (d) as subsection (e);

(31) in section 2216—

(A) by striking subsection (i); and

(B) by redesignating subsection (j) as subsection (i);

(32) in section 2222—

(A) by repealing this entire section in chapter 131; and

(B) by amending the table of sections for such chapter by striking the item relating to section 2222;

(33) in section 2255(b)—

(A) by striking paragraph (2); and

(B) by striking the designator “(1)” after the catch line;

(34) in section 2281—

(A) by striking subsection (d); and
(B) by redesignating subsection (e) as subsection (d);

(35) in section 2282—

(A) by repealing this entire section in chapter 136; and

(B) by amending the table of sections for such chapter by striking the item relating to section 2282;

(36) in section 2306b—

(A) by striking subsection (i);

(B) in subsection (l)—

(i) by striking paragraphs (1) and (6);

(ii) by redesignating paragraphs (2) through (10) of subsection (l) as paragraphs (1) through (8), respectively; and

(C) by redesignating subsections (j) through (l) as subsections (i) through (k), respectively;

(37) in section 2327(c)(1)—

(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); and
(C) by redesignating subparagraph (C) as subparagraph (B);

(38) in section 2350a—

(A) by striking subsection (f); and

(B) in subsection (g), by striking paragraph (3);

(39) in section 2350b—

(A) by striking subsection (d);

(B) by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively;

(40) in section 2350j—

(A) by striking subsection (e); and

(B) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively;

(41) in section 2367, by striking subsections (e) and (d);

(42) in section 2374a—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e);

(43) in section 2401—

(A) in subsection (a), by striking “only as provided in subsection (b)” both times such phrase appears in the subsection;
(B) by striking subsection (b); and

(C) by redesignating subsections (e) through (f) as subsections (b) through (e), respectively;

(44) in section 2410i, in subsection (e), by striking the last sentence;

(45) in section 2410m, by striking subsection (e);

(46) in section 2457—

(A) by striking subsection (d); and

(B) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively;

(47) in section 2461a—

(A) by striking subsection (d); and

(B) by redesignating subsection (e) as subsection (d);

(48) in section 2464, by striking paragraph (3) in subsection (b);

(49) in section 2467, by striking subsection (c);

(50) in section 2472, by striking subsection (b);

(51) in section 2493, by striking subsection (g);

(52) for section 2504—

(A) by repealing the entire section in chapter 148; and
(B) by amending the section of tables for such chapter by striking all references to section 2504;

(53) in section 2515, by striking subsection (d);

(54) in section 2521, by striking subsection (e);

(55) in section 2536—

(A) by striking paragraph (2) in subsection (b), and by striking designator (1) after the catch line; and

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

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

(56) in section 2537—

(A) by striking subsection (b); and

(B) by redesignating subsection (c) as subsection (b);

(57) in section 2541d—

(A) by striking subsection (b); and

(B) by striking the “(a)” and the catch line in the remaining matter;

(58) in section 2561—

(A) by striking subsections (e), (d) and (f); and
(B) by redesignating subsection (e) as subsection (e);

(59) in section 2563, by striking “and notifies Congress regarding the reasons for the waiver” in subsection (c)(2);

(60) in section 2631, by striking the last sentence in subsection (b)(3);

(61) in section 2645—

(A) by striking subsection (d);

(B) by striking subsection (g); and

(C) by redesignating subsections (e), (f), and (h) as subsections (d), (e), and (f), respectively;

(62) in section 2662—

(A) by striking subsection (e);

(B) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively; and

(C) in subsection (f), as redesignated by subparagraph (B), by striking “, and the reporting requirement set forth in subsection (e) must not apply with respect to a real property transaction otherwise covered by that subsection,”;

(63) in section 2667a (c)—

(A) by striking paragraph (2);
(B) by striking designator (1) after the catch line;

(64) in section 2676, in subsection (d), by striking all after “is approved by the Secretary concerned” and inserting a period;

(65) in section 2680, by striking subsection (e);

(66) in section 2688—

(A) by striking subsection (e);

(B) by redesignating subsections (f) through (i) as subsections (e) through (h), respectively; and

(C) in subsection (f), as redesignated by subparagraph (B), by striking the last sentence;

(67) in section 2696—

(A) by striking subsections (c) and (d);

and

(B) by redesignating subsection (e) as subsection (c);

(68) in section 2703(b)(2)—

(A) by striking subparagraph (B);

(B) by striking the designator “(A)” which precedes “determines that permanent relocation—”;
(C) by striking the dash that follows “such paragraph unless the Secretary” in paragraph (2); 

(D) by realigning the previously designated subparagraph (A) to follow at the end of para-
graph (2); and 

(E) by redesignating clauses (i) through (iii) as subparagraphs (A) through (C), respecti-
vously; 

(69) in section 2805— 

(A) in subsection (b), by striking para-
graph (2); and 

(B) by striking the designator “(1)” that precedes the remaining matter; 

(70) in section 2807— 

(A) by striking subsections (b) and (e); and 

(B) by redesignating subsection (d) as sub-
section (b); 

(71) in section 2809, by striking subsection (f); 

(72) in section 2811— 

(A) by striking subsection (d); and 

(B) by redesignating subsection (e) as sub-
section (d); 

(73) in section 2812—
(A) in subsection (c), by striking paragraph (1);

(B) by striking the designator “(2)” that precedes the remaining matter;

(74) in section 2813, by striking subsection (c);

(75) in section 2815—

(A) by repealing this entire section in chapter 169; and

(B) by amending the table of section at the beginning of such chapter by striking the item relating to section 2815;

(76) in section 2825—

(A) in subparagraph (b)(1)(B)—

(i) by striking clause (ii);

(ii) by striking “, and” at the end of clause (i); and

(iii) by striking the designator “(i)” in the remaining text following “in the preceding sentence if”;

(B) in subsection (e)(1)—

(i) by striking subparagraphs (C) and (D);

(ii) by inserting “and” at the end of subparagraph (A); and
(iii) by striking the semicolon at the end of subparagraph (B) and inserting a period;

(77) in section 2826—

(A) by striking subsection (b); and

(B) by redesignating subsections (c)
through (i) as subsections (b) through (h), re-
spectively;

(78) in section 2827—

(A) by striking subsection (b); and

(B) by striking ``(a) Subject to subsection
(b), the Secretary'' and inserting ``The Sec-
retary'';

(79) in section 2828—

(A) by striking subsection (f); and

(B) by redesignating subsection (g) as sub-
section (f);

(80) in section 2835—

(A) by striking subsections (b) and (g);

(B) by redesignating subsections (c)
through (h) as subsections (b) through (f), re-
spectively; and

(C) in subsection (a), by striking ``Subject
to subsection (b), the Secretary'' and inserting
``The Secretary'';
(81) in section 2836—
(A) in subsection (a), by striking “Subject to subsection (b), the Secretary” and inserting “The Secretary”;
(B) by striking subsection (b);
(C) by striking subsection (f); and
(D) by redesignating subsections (e) through (g) as subsections (b) through (e), respectively;
(82) in section 2837—
(A) in subsection (c)—
(i) by striking paragraph (2); and
(ii) by striking the designator “(1)” after the catch line and preceding the remaining matter;
(B) by striking subsection (f); and
(C) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively;
(83) in section 2853—
(A) in subsection (c), by striking paragraphs (2) and (3);
(B) in the remaining matter, by striking the designator “(1)” and the dash and realigning the paragraph to read as a subsection; and
(C) by striking the semicolon at the end of
the remaining matter and inserting a period;
(84) in section 2854—
   (A) by striking subsection (b); and
   (B) by striking “(a) Subject to subsection
   (b), the” in the preceding matter and inserting
   “The”;
(85) in section 2854a—
   (A) by striking subsection (c); and
   (B) by redesignating subsections (d)
   through (g) as subsections (e) through (f), re-
   spectively;
(86) in section 2865—
   (A) in subsection (e), by striking para-
   graph (2); and
   (B) by striking subsection (f); and
   (C) by striking designator (1) after the
   catch line;
(87) in section 2866—
   (A) in subsection (c), by striking para-
   graph (2); and
   (B) by striking designator (1) after the
   catch line;
(88) in section 2867, by striking subsection (c);
(89) in section 2875, by striking subsection (e);
(90) in section 2884—

(A) by striking subsection (b);
(B) by striking the designator “(1)” that follows the catch line in the remaining matter;
(C) by striking the designator before subparagraph (2) and inserting “(b) CONTENT OF REPORTS.—” to redesignate that subparagraph as a subsection;
(D) by amending the section title to read: “§ 2884. Project reports”; and
(E) by amending the table of sections at the beginning of such chapter 169 by replacing the item relating to section 2884 with the following new item:

“2884. Project reports.”;

(91) in section 2902—

(A) in subsection (g), by striking paragraph (2); and
(B) by striking designator (1) after the catch line;

(92) in section 5143, by striking subsection (e);

(93) in section 6954—

(A) by striking subsection (f); and
(B) by redesignating subsection (g) as subsection (f);

(94) in section 7049—
(A) by striking subsection (c); and

(B) by redesignating subsections (d) through (g) as subsections (e) through (f), respectively;

(95) in section 9356—

(A) by striking subsection (c);

(B) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively; and

(C) in subsection (a), by striking “Subject to subsection (c), the Secretary” and inserting “The Secretary”;  

(96) in section 9514—

(A) by striking subsection (c);

(B) by striking subsection (f); and

(C) by redesignating subsection (g) as subsection (f);

(97) in section 12302—

(A) in subsection (b), by striking the last sentence; and

(B) by striking subsection (d); and

(98) in section 16137—

(A) by repealing this entire section in chapter 1606; and
(B) by amending the table of sections at
the beginning of such chapter by striking the
item relating to section 16137.

(b) **FOREIGN ASSISTANCE ACT OF 1961.**—Section
656 of the Foreign Assistance Act of 1961 (Public Law
87–195) is repealed.

(c) **DEFENSE ACQUISITION IMPROVEMENT ACT OF
1986.**—Section 908 of the Defense Acquisition Improve-
ment Act of 1986 (as contained in section 101(e) of Public
Law 99–500 and identically enacted in section 101(c)
[title X] of Public Law 99–591 and title IX of division
A of Public Law 99–661) (10 U.S.C. 2326 note) is amend-
ed by striking subsection (b).

(d) **NATIONAL DEFENSE AUTHORIZATION ACT FOR
FISCAL YEARS 1988 AND 1989.**—Section 1121 of the Na-
tional Defense Authorization Act for Fiscal Years 1988
and 1989 (Public Law 100–180; 101 Stat. 1147) (10
U.S.C. 113 note) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsections (g) and (h) as
subsections (f) and (g), respectively.

(e) **DEFENSE AUTHORIZATION AMENDMENTS AND
BASE CLOSURE AND REALIGNMENT ACT OF 1990.**—Sec-
tion 206 of the Defense Authorization Amendments and
1 Base Closure and Realignment Act of 1990 (Public Law 100–526; 102 Stat. 2631) (10 U.S.C. 2687) is repealed.
2 (f) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991.—The National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1607, 1819, and 1822, respectively) is amended—
3 (1) in section 831, by striking subsection (l);
4 (2) in section 2921, by striking subsections (e), (f), (g)(1), and (g)(2); and
5 (3) in section 2926, by striking subsection (g).
6 (g) DEFENSE ECONOMIC ADJUSTMENT, DIVERSIFICATION, CONVERSION, AND STABILIZATION ACT OF 1990.—Section 4004 of the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (Public Law 101–510; 104 Stat. 1849) is amended by striking paragraph (e)(3).
8 (1) in section 734—
9 (A) by striking subsection (e); and
(B) by redesignating subsections (d) through (f) as subsections (e) through (e), respectively; and

(2) by repealing section 2868.


(1) in section 324, by striking subsection (b), and by striking the designator “(a)” prior to “Sense of Congress” in the remaining matter;

(2) in section 722, by striking subsection (d);

(3) in section 1082(b)—

(A) by striking subparagraph (1)(B);

(B) by striking the dash in subsection (b) of section 1082; and

(C) by striking the designator “(A)” preceding the remaining matter, and realigning it to read as a paragraph; and

(4) in section 2827—

(A) by striking subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(1) by repealing section 542; and

(2) in section 2924, by striking subsection (b).


(1) in section 721—

(A) by striking subsection (h); and

(B) by redesignating subsection (i) as subsection (h); and

(2) in section 1305, by striking subsection (h).


(1) in subsection (a)—

(A) by striking paragraph (4); and

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

(2) in subsection (b)—

(A) by striking paragraph (4); and
(B) by redesignating paragraph (5) as paragraph (4).


(1) in section 324, by striking subsection (c);

and

(2) in section 1065, by striking subsection (b).

(n) Omnibus Consolidated Appropriations Act, 1997.—Section 8009 of the Omnibus Consolidated Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–89) is amended—

(1) by striking “unless the congressional defense committees have been notified at least thirty days in advance of the proposed contract award”;

(2) by striking the comma after “year”; and

(3) by striking the colon before “Provided”.


Year 1999 (Public Law 105–261; 112 Stat. 2075 and 2155, respectively) is amended—

(1) in section 745(e)—

(A) by striking paragraph (2); and

(B) by striking the designator “(1)” following the catch line in the preceding matter;

and

(2) by repealing section 1223.

(q) Department of Defense Appropriations Act, 1999.—Section 8005 of the Department of Defense Appropriations Act, 1999 (Public Law 105–262; 112 Stat. 2297) is amended by striking “Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act:”.


(1) in section 212, by striking subsection (c);

(2) in section 724, by striking subsection (e);

(3) by repealing section 811;

(4) by repealing section 1025;

(5) in section 1039, by striking subsection (b);
(6) in section 1201—

(A) by striking subsections (d) and (e); and

(B) by redesignating subsection (f) as subsection (d); and

(7) in section 1402, by striking subsection (b)(2).

(s) MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2001.—The Military Construction Appropriations Act, 2001 (Public Law 106–246; 114 Stat. 517 and 518, respectively) is amended—

(1) by repealing section 125; and

(2) in section 127, by striking all that follows after “including flag and general officer quarters” and inserting a period.

(t) DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001.—Section 8019 of the Department of Defense Appropriations Act, 2001 (Public Law 106–259; 114 Stat. 678;) is amended by striking the last sentence.


(1) by repealing section 131;
(2) in section 1006, by striking subsection (c); and
(3) by repealing section 1233.


(w) Department of Defense and Emergency Supplemental Appropriations for Recovery From and Response To Terrorist Attacks on the United States Act, 2002.—Section 8009 of the Department of Defense and Emergency Supplemental Appropriations for Recovery From and Response To Terrorist Attacks on the United States Act, 2002 (Public Law 107–117; 115 Stat. 2249; 10 U.S.C. 401 note) is amended by striking “, and these obligations shall be reported to the Congress as of September 30 of each year”.

(x) Senate Executive Resolution 75 (105th Congress, 1st Session, Agreed to by the Senate on April 24, 1997).—Section 2, Condition 11, paragraph (F), of Senate Executive Resolution 75, a provision of the Senate’s advice and consent to the ratification of the
Chemical Weapons Convention (Treaty Doc. 103–21), is repealed.

**Subtitle D—Other Matters**

**SEC. 931. COMBATANT COMMANDS INITIATIVES FUND.**

(a) Substitution of the Term “CINC”.—Section 166a of title 10, United States Code, is amended by striking “CINC” wherever it appears and inserting “Combatant Commander”.

(b) Funds Authorized.—Subsection (e)(1) of such title is amended—

(1) in subparagraph (A), by striking “$7,000,000” and inserting “$15,000,000”; 

(2) in subparagraph (B), by striking “$1,000,000” and inserting “$10,000,000”; and 

(3) in subparagraph (C), by striking “$2,000,000” and inserting “$10,000,000”.

**SEC. 932. CONSOLIDATING THE FINANCIAL MANAGEMENT OF FACILITIES IN THE NATIONAL CAPITAL REGION AND DESIGNATED ALTERNATE SITES.**

Section 2674 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking “of the Department of Defense, and located” and inserting “of
the Department of Defense that is either on the
Pentagon Reservation or”;

(2) in subsection (d), by inserting before the pe-
period at the end the following: “or at facilities occu-
pied by the Department of Defense in the National
Capital Region”;

(3) in subsection (e)—

(A) in paragraph (1), by striking “pursu-
ant to subsection (d)” and inserting “or at fa-
cilities occupied by the Department of Defense
in the National Capital Region pursuant to sub-
section (d). Any residual balance in the Build-
ings Maintenance Fund shall be transferred to
the Pentagon Reservation Maintenance Revolv-
ing Fund”; and

(B) in paragraph (2), by inserting before
the period at the end the following: “and at fa-
cilities occupied by the Department of Defense
in the National Capital Region.”;

(4) in subsection (f)(1)—

(A) by inserting “—(A)” after the “The
Pentagon Reservation means”;

(B) by striking the period at the end and
inserting “; and”; and
(C) by adding at the end the following new subparagraph:

“(B) notwithstanding section 2682 of this title, such other areas of land, locations, or physical facilities of the Department of Defense as the Secretary of Defense may determine are necessary to designate as part of the Pentagon Reservation in order to meet continuity of operations or other related national security needs of the Department.”.

**TITLE X—GENERAL PROVISIONS**

**Subtitle A—Financial Matters**

**SEC. 1001. PAYMENT OF FULL REPLACEMENT VALUE FOR PERSONAL PROPERTY CLAIMS.**

Section 2636 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 procure from commercial transportation service providers full replacement value coverage for household goods shipments provided at government expense without regard to the dollar limitations contained in title 37, United States Code, Section 3721, relative to claims for loss or damages. Under such contracts, servicemembers will be reimbursed full replacement value,
if warranted, and such amounts may be deducted from
the amounts due the carriers if settlement is not reached
between the servicemember and the carrier.”.

SEC. 1002. RESTORATION OF AUTHORITY TO ENTER INTO
12-MONTH LEASES AT ANY TIME DURING THE
FISCAL YEAR.

Section 2410a(a) of title 10, United States Code, is
amended by inserting after “severable services” the fol-
lowing: “and the lease of real or personal property, includ-
ing the maintenance of such property when contracted for
as part of the lease agreement,”.

SEC. 1003. AUTHORITY TO PROVIDE REIMBURSEMENT FOR
CELLULAR TELEPHONE USE.

(a) GENERAL AUTHORITY.—The Secretary of De-
fense is authorized to reimburse employees on a flat-rate
basis for cellular telephone used on privately-owned cel-
lular phones when on official government business.

(b) REIMBURSEMENT RATE.—The Secretary of De-
defense may prescribe the cellular phone flat reimbursement
rate. This reimbursement rate shall not exceed the equiva-
lent Government costs of providing a cellular telephone to
employees on official Government business.
SEC. 1004. REIMBURSEMENT FOR RESERVE INTELLIGENCE SUPPORT.

(a) In General.—Chapter 1003 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 10115. Reimbursement for reserve intelligence support

“The Secretary of Defense or the Secretary concerned shall reimburse a Reserve or National Guard unit or organization for the pay, allowances, or other expenses incurred by the Reserve or National Guard unit or organization when a member of the Reserve or National Guard unit or organization provides intelligence support, counterintelligence support, or intelligence and counterintelligence support to Combatant Commands, Defense Agencies, and Joint Intelligence Activities, including but not limited to the activities and programs within the National Foreign Intelligence Program, the Joint Military Intelligence Program, and the Tactical Intelligence and Related Activities. Reimbursement shall be paid out of funds available for operations and maintenance of the military departments, combatant commands, or Defense Agencies.”.

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

“10115. Reimbursement for reserve intelligence support.”.

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SEC. 1005. INCREASED USE OF ENERGY COST SAVINGS.

Section 2865(b)(1) of title 10, United States Code, is amended by striking “Two-thirds of the portion of the funds appropriated to Department of Defense for a fiscal year that is” and inserting “Funds appropriated to the Department of Defense for a fiscal year that are”.

SEC. 1006. ALLOW THE DEPARTMENT OF DEFENSE TO CAPTURE ALL EXPIRED FUNDS FROM THE MILITARY PERSONNEL AND OPERATION AND MAINTENANCE APPROPRIATIONS ACCOUNTS FOR USE IN THE FOREIGN CURRENCY FLUCTUATIONS ACCOUNT.

Section 2779 of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking “second fiscal year” and inserting “fifth fiscal year”; and

(2) in subsection (d)(2), by striking “second fiscal year” and inserting “fifth fiscal year”.

SEC. 1007. FUNDING FOR SPECIAL OPERATIONS RESERVE COMPONENT PERSONNEL ENGAGED IN ACTIVITIES RELATING TO CLEARANCE OF LANDMINES.

Funds authorized in this Act for the Overseas Humanitarian, Disaster and Civic Aid programs of the Department of Defense shall be available, in a total amount not to exceed $5,000,000 in any fiscal year, for reimburse-
ment of pay and allowances of Special Operations Reserve Component personnel performing duty in connection with training and activities related to the clearing of landmines for humanitarian purposes.

**Subtitle B—Naval Vessels and Shipyards**

**SEC. 1011. REIMBURSEMENT TO THE NAVY FOR ASSISTANCE PROVIDED IN SUPPORT OF CERTAIN SHIP AND SHIPBOARD EQUIPMENT TRANSFERS.**

(a) In General.—Chapter 633 of title 10, United States Code, is amended by adding at the end the following new section:

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§ 7316. Reimbursement for assistance provided in support of certain ship and shipboard equipment transfers

“(a) Authority To Perform Work.—The Secretary of the Navy may provide assistance in support of any ship or shipboard equipment transfer under sections 2572, 7306, 7307, and 7545 of this title, or under any other authority, in connection with inactive decommissioned Navy-owned vessels maintained and located at Navy facilities.

“(b) Reimbursement.—The Secretary may require the entities receiving assistance under subsection (a) to
reimburse the Navy for amounts expended in providing such assistance.

“(c) Deposit of Funds Received.—Funds received under subsection (b) shall be credited to the appropriations supporting the maintenance and operation of the Navy Inactive Ships Management Office for the fiscal year in which the funds are received, to merge with and become available for the same purposes and period as the accounts to which they are credited.”.

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

“7316. Reimbursement for assistance provided in support of certain ship and shipboard equipment transfers.”.

SEC. 1012. VESSELS STRICKEN FROM NAVAL VESSEL REGISTER: USE FOR EXPERIMENTAL PURPOSES.

Section 7306a of title 10, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1), by adding at the end the following new sentence: “Material and equipment stripped from the vessel may be sold by a contractor or a designated sales agent on behalf of the Navy.”; and

(B) in paragraph (2), by striking “scraping services” and all that follows through the
end of the paragraph and inserting “services needed for such stripping and for environmental remediation required for the use of a vessel for experimental purposes. Amounts received which are in excess of amounts needed for reimbursement of those costs shall be deposited into the account from which the stripping and environmental remediation expenses were incurred and shall be available for stripping and environmental remediation of other vessels used for experimental purposes.”; and
(2) by adding at the end the following new subsection:

“(c) EXPERIMENTAL PURPOSES DEFINED.—For purposes of this section, the term ‘experimental purposes’ includes vessels used in Navy sink exercises and for target use.”.

SEC. 1013. AUTHORIZE TRANSFER OF VESSELS STRICKEN FROM THE NAVAL VESSEL REGISTER FOR USE AS ARTIFICIAL REEFS.

Chapter 633 of title 10, United States Code, is amended by inserting after section 7306a the following new section:
§ 7306b. Vessels stricken from Naval Vessel Register; transfer by gift or otherwise for use as artificial reefs

“(a) AUTHORITY TO MAKE TRANSFER.—Subject to subsections (c) and (d) of section 602 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474), the Secretary of the Navy may transfer, by gift or otherwise, any vessel stricken from the Naval Vessel Register to any State, Commonwealth, or possession of the United States or any municipal corporation or political subdivision thereof.

“(b) VESSEL TO BE USED AS ARTIFICIAL REEF.—An agreement for the transfer of a vessel under subsection (a) shall require that—

“(1) the transferee use, site, construct, monitor and manage the vessel only as an artificial reef in accordance with the requirements of chapter 35 of title 33, except that the transferee also may use the artificial reef to enhance diving opportunities if that use does not have an adverse effect on fishery resources, as defined in section 1802(14) of the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended (Public Law 100–627; 16 U.S.C. 1802); and

“(2) the transferee shall obtain and bear all of the responsibility for complying with all of the appli-
cable federal, state, interstate, and local permits for
siting, constructing, monitoring and managing a ves-

el as an artificial reef.

“(c) ADDITIONAL TERMS.—The Secretary may re-
quire such additional terms in connection with the convey-
ance authorized by this section as the Secretary considers
appropriate.

“(d) COST SHARING ON TRANSFERS.—The Depart-
ment of the Navy may share with the recipient any of the
costs associated with transferring the vessel under this
section.

“(e) APPLICATION FOR MORE THAN ONE VESSEL.—
A State, Commonwealth, or possession of the United
States, or any municipal corporation or political subdivi-
sion thereof, may apply for more than one vessel under
this section.”.

(b) CLERICAL AMENDMENT.—The table of sections
at the beginning of such chapter is amended by inserting
after the item relating to section 7306a the following new
item:

“7306b. Vessels stricken from Naval Vessel Register; transfer by gift or other-
wise for use as artificial reefs.”.

SEC. 1014. REPEAL OF THE SHIPBUILDING CAPABILITY
PRESERVATION AGREEMENT.

(a) IN GENERAL.—Section 7315 of title 10, United
States Code, is repealed.
(b) Savings Provision.—Agreements entered into under the authority of section 7315 prior to the date of enactment of this Act shall continue to remain in full force and effect.

(c) Clerical Amendment.—The table of sections at the beginning of chapter 633 of such title is amended by striking the item relating to section 7315.

Subtitle C—Counter-Drug Activities

Sec. 1021. Extend Authority for Use of Counter-Drug Activities.

(a)(1) Authority.—In fiscal years 2004 and 2005, the Secretary of Defense may use funds available for drug interdiction and counter-drug activities to provide assistance to the Government of Colombia to support a unified campaign against narcotics trafficking, to support a unified campaign against activities by organizations designated as terrorist organizations such as the Revolutionary Armed Forces of Colombia, the National Liberation Army, and the United Self-Defense Forces of Colombia, and to take actions to protect human health and welfare in emergency circumstances, including undertaking rescue operations.
(2) The authority in this section is in addition to authorities currently available to provide assistance to Colombia.

(b) APPLICATION TO FUNDS.—Sections 556, 567, and 568 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115; 115 Stat. 2160, 2165 and 2166, respectively), section 8093 of the Department of Defense Appropriations Act, 2002 (Public Law 107–248; 116 Stat. 1558), and the numerical limitations on the number of United States military personnel and United States individual civilian contractors in section 3204(b)(1) of the Military Construction Appropriations Act, 2001 (Public Law 106–246; 114 Stat. 575), as amended, shall be applicable to funds made available pursuant to the authority contained in subsection (a).

(c) PROHIBITION.—No United States Armed Forces personnel or United States civilian contractor employed by the United States will participate in any combat operation in connection with assistance made available under this chapter, except for the purpose of acting in self-defense or rescuing any United States citizen to include United States Armed Forces personnel, United States civilian employees, and civilian contractors employed by the United States.
SEC. 1022. DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-TERRORISM ACTIVITIES IN THE AMERICAS.

In fiscal year 2004, funds made available to the Department of Defense to support counter-drug activities are hereby authorized to support a unified campaign against illicit narcotics-trafficking and related activities by identified organizations engaged in such narcotics-trafficking, to support a unified campaign against activities by organizations in the Americas hemisphere actively engaged in, or designated as, terrorist organizations, and to take sufficient action to protect human health and welfare in exigent circumstances, including the undertaking of rescue operations throughout Central and South America and the waters south of the Continental United States, such as the Pacific Ocean east of 120 degrees West, the Gulf of Mexico, and the Caribbean Sea. The exercise of this authority by the Secretary of Defense is subject to the concurrence of the Secretary of State.

SEC. 1023. EXPANSION AND EXTENSION OF AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.

Section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881), as amended by the National Defense Authorization
Act for Fiscal Year 2001 (Public Law 106–398; 114 Stat. 1654A–255), is amended—

(1) in the section title by striking “Peru and Colombia” and inserting “other countries”;

(2) in subsection (a)—

(A) by striking “2002” and inserting “2006”; and

(B) by striking “either or both” and inserting “any”;

(3) by amending subsection (b) to read as follows:

“(b) GOVERNMENTS ELIGIBLE TO RECEIVE SUPPORT.—The foreign governments eligible to receive counter-drug support under this section are as follows:

“(1) Afghanistan.

“(2) Ecuador.

“(3) Pakistan.

“(4) Tajikistan.

“(5) Turkmenistan.

“(6) Uzbekistan

“(7) Peru; and

“(8) Colombia.”;

(4) in subsection (c)—

(A) in paragraph (2) by striking “riverine”;
(B) by amending paragraph (3) to read as follows:

“(3) The maintenance, repair, or upgrade of equipment of the government that is used for counter-drug activities.”; and

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

“(4) The sustainment, including ammunition, of counter-drug security forces.”;

(5) in subsection (e)(2)—

(A) by striking “$20,000,000” and inserting “$40,000,000”; and

(B) by striking “1999” and inserting “2004”; and

(6) in subsection (h)—

(A) by amending subsection (h) to read as follows:

“(h) COUNTER-DRUG PLAN.—The Secretary of Defense, in consultation with the Secretary of State, shall prepare for fiscal year 2004 (and revise as necessary for subsequent fiscal years) a counter-drug plan involving the governments named in subsection (b) to which support will be provided under this section.”;

(B) in paragraph (2), by striking “riverine”;
(C) in paragraph (7), by striking “riverine”;

(D) in paragraph (8), by striking “riverine”; and

(E) by amending paragraph (9) to read as follows:

“(9) A detailed discussion of how the counter-drug program supports the national drug control strategy and the national security cooperation goals of the United States.”.

Subtitle D—Other Department of Defense Provisions

SEC. 1031. PROVISION OF LIVING QUARTERS FOR CERTAIN STUDENTS.

Section 2195 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(d) Notwithstanding the provisions of section 5911(c), title 5, United States Code, the Director of the National Security Agency may provide living quarters without charge, or at rates or charges fixed by regulation, to a student in the Student Educational Employment Program or similar program, as prescribed by the Office of Personnel Management, while the student is employed at the Agency’s laboratory.”.
SEC. 1032. REPEAL OF REQUIRED GRADE FOR DEFENSE ATTACHE´ IN FRANCE.

(a) In General.—Section 714 of title 10, United States Code, is repealed.

(b) Conforming Amendment.—The table of sections at the beginning of chapter 41 of that title is amended by striking the item relating to section 714.

SEC. 1033. NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY.

(a) Definition of Geospatial Intelligence.—

Section 467 of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(5) The term ‘geospatial intelligence’ means the exploitation and analysis of imagery and geospatial information to describe, assess, and visually depict physical features and geographically referenced activities on the Earth. This term consists of imagery, imagery intelligence, and geospatial information.”.

(b) Missions.—Section 442(a) of such title is amended to read as follows:

“(a) National Security Missions.—

(1) The National Geospatial-Intelligence Agency shall, in support of the national security objectives of the United States, provide geospatial intelligence consisting of the following:

“(A) Imagery.
“(B) Imagery intelligence.

“(C) Geospatial information.

“(2) Geospatial intelligence provided in carrying out paragraph (1) shall be timely, relevant, and accurate.”.

(c) NATIONAL SECURITY ACT CHANGE.—Section 110 of the National Security Act of 1947 (50 U.S.C. 404(e)) is amended by striking “imagery” and inserting “geospatial intelligence”.

(d) TECHNICAL CHANGES TO TITLE 10.—

(1) The title of chapter 22 of such title is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(2) Paragraphs (a) and (b) of section 441 of such title are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(3) Section 442 of such title is amended by striking “National Imagery and Mapping Agency” wherever it appears and inserting “National Geospatial-Intelligence Agency”.

(4) Paragraphs (a) and (b) of section 443 of such title are amended by striking “National Im-
agery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(5) Paragraphs (a), (b), (c), and (e) of section 444 of such title are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(6) Section 451 of such title is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(7) Paragraphs (a) and (b) of section 452 of such title are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(8) Paragraphs (a) and (b) of section 453 of such title are amended—

(A) by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”; and

(B) by striking “NIMA” and inserting “NGA”.

(9) Section 454 of such title is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.
(10) Paragraphs (a) and (b) of section 455 of such title are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(11) Paragraphs (a) and (b) of section 456 of such title are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(12) Paragraph (b) of section 457 of such title is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(13) Paragraphs (a), (b), (c), and (d) of section 461 of such title are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(14) Section 1614 of such title is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(e) TECHNICAL CHANGES TO THE NATIONAL SECURITY ACT OF 1947.—

(1) Section 3 of the National Security Act of 1947 (50 U.S.C. 401a) is amended by striking “Na-
tional Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(2) Paragraphs (b) and (d) of section 105 of such Act (50 U.S.C. 403–5) are amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(3) Paragraph (b) of section 105A of such Act (50 U.S.C. 403–5a) is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(4) Section 105C of such Act (50 U.S.C. 403–5c) is amended—

(A) by striking “National Imagery and Mapping Agency” wherever it appears and inserting “National Geospatial-Intelligence Agency”; and

(B) by striking “NIMA” wherever it appears and inserting “NGA”.

(5) Paragraph (a) of section 106 of such Act (50 U.S.C. 403–6) is amended by striking “National Imagery and Mapping Agency” and inserting “National Geospatial-Intelligence Agency”.

(6) Paragraphs (a), (b), and (c) of section 110 of such Act (50 U.S.C. 404e) are amended by strik-
ing “National Imagery and Mapping Agency” and
inserting “National Geospatial-Intelligence Agency”.

(f) SEAL.—Section 425 (a) of title 10, United States
Code, is amended by adding at the end the following new
paragraph:

“(5) The words ‘National Geospatial-Intelli-
gence Agency’, the initials ‘NGA,’ or the seal of the
National Geospatial-Intelligence Agency.”.

Subtitle E—Other Matters

SEC. 1041. UPDATING DEFINITIONS IN TITLE 10, UNITED
STATES CODE.

(a) GENERAL DEFINITIONS.—Subsection (a) of sec-
tion 101 of title 10, United States Code, is amended by
adding at the end the following new paragraphs:

“(16) The term ‘appropriate committees of
Congress’ means the Committee on Armed Services
and the Committee on Appropriations of the Senate
and the Committee on Armed Services and the Com-
mittee on Appropriations of the House of Represent-
atives and, with respect to any project to be carried
out by, or for the use of, an intelligence component
of the Department of Defense, the Permanent Select
Committee on Intelligence of the House of Rep-
resentatives and the Select Committee on Intel-
ligence of the Senate.
“(17) The term ‘base closure law’ means—

“(A) section 2687 of this title;


“(C) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note);

and

“(D) any other similar authority for the closure or realignment of military installations that is enacted after the date of the enactment of the Bob Stump National Defense Authorization Act for Fiscal Year 2003.

“(18) The term ‘Indian tribe’ has the meaning given such term in section 102(2) of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a(2)).”.

(b) FACILITIES DEFINITIONS.—Section 101 is further amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection (e):
“(e) FACILITIES AND OPERATIONS.—Unless the context indicates otherwise, the following definitions relating to facilities and operations apply to this title:

“(1) The term ‘military munitions’—

“(A) means all ammunition products and components produced for or used by the armed forces for national defense and security, including ammunition products or components under the control of the Department of Defense, the Coast Guard, the Department of Energy, and the National Guard. The term includes confined gaseous, liquid, and solid propellants, explosives, pyrotechnics, chemical and riot control agents, smokes, incendiaries, bulk explosives and chemical warfare agents, chemical munitions, rockets, guided and ballistic missiles, bombs, warheads, mortar rounds, artillery ammunition, small arms ammunition, grenades, mines, torpedoes, depth charges, cluster munitions and dispensers, demolition charges, and devices and components thereof, and

“(B) does not include wholly inert items, improvised explosive devices, and nuclear weapons, nuclear devices, and nuclear components, except that the term does include non-nuclear
components of nuclear devices that are man-
aged under the nuclear weapons program of the
Department of Energy after all required saniti-
zation operations under the Atomic Energy Act
of 1954 (42 U.S.C. 2011, et seq.) have been
completed.

“(2) The term ‘operational range’ means—

“(A) a range that is used for range activi-
ties, or

“(B) a range that is not currently being
used for range activities, but that is still consid-
ered by the Secretary concerned to be a range,
is under the jurisdiction, custody, or control of
the Secretary concerned, and has not been put
to a new use that is incompatible with range ac-
tivities.

“(3) The term ‘range’ means a designated land
or water area set aside, managed, and used to con-
duct research, development, testing, and evaluation
of military munitions, other ordnance, or weapon
systems, or to train military personnel in their use
and handling. Ranges include firing lines and posi-
tions, maneuver areas, firing lanes, test pads, deto-
nation pads, impact areas, electronic scoring sites,
buffer zones with restricted access and exclusionary
areas, and airspace areas designated for military use
according to regulations and procedures established
by the Federal Aviation Administration such as spe-
cial use airspace areas, military training routes, or
other associated airspace.

“(4) The term ‘unexploded ordnance’ means
military munitions that—

“(A) have been primed, fused, armed, or
otherwise prepared for action;

“(B) have been fired, dropped, launched,
projected, or placed in such a manner as to con-
stitute a hazard to operations, installations,
personnel, or material; and

“(C) remain unexploded either by malfunc-
tion, design, or any other cause.”.

(e) CONFORMING AMENDMENTS.—
(1) Subsection (e) of section 2710 of title 10,
United States Code, is amended—

(A) by striking paragraphs (3), (5), and
(9); and

(B) by redesignating paragraphs (4), (6),
(7), (8), and (10) as paragraphs (3), (4), (5),
(6), and (7), respectively.

(2) Subsection (d) of section 313 of the Na-
tional Defense Authorization Act for Fiscal Year
2002 (Public Law 107–107; 115 Stat. 1053), is amended by inserting after “311” the following: “, or in section 101 of title 10, United States Code”.

(3) Title 10, United States Code, is further amended as follows:

(A) Subsection (c) of section 2801 is amended by striking paragraph (4).

(B) Sections 181, 229, 1107, 2216, 2218, 2306b, 2366, 2399, 2534, 2667, and 10216 are amended by striking “congressional defense committees” each place it appears and inserting “appropriate committees of Congress”.

(C) Subsection (d)(2) of section 181 is amended—

(i) by striking “subsection: (A) The” and inserting “subsection, the”; and

(ii) by striking paragraph (B).

(D) Subsection (f) of section 229 is repealed.

(E) Subsection (f)(4) of section 1107 is amended by striking subparagraph (C).

(F) Subsection (j) of section 2216 is amended by striking paragraph (3).

(G) Subsection (l) of section 2218 is amended—
(i) by striking paragraph (4); and

(ii) by redesignating paragraph (5) as paragraph (4).

(H) Subsection (l) of section 2306b is amended—

(i) by striking paragraph (9); and

(ii) by redesignating paragraph (10) as paragraph (9).

(I) Subsection (e) of section 2366 is amended by striking paragraph (7).

(J) Subsection (h) of section 2399 is amended—

(i) in paragraph (1), by striking “section: (1) The” and inserting “section, the”;

and

(ii) by striking paragraph (2).

(K) Subsection (h) of section 2667 is amended—

(i) by striking paragraphs (1) and (2);

and

(ii) by striking “section: (3) The” and inserting “section, the”.

(4) Title 10, United States Code, is further amended as follows:
(A) Subsection (f) of section 2490a is amended—

(i) by striking “section: (1) The” and inserting “section, the”; and

(ii) by striking paragraph (2).

(B) Section 2705 is amended by striking subsection (h).

(C) Section 2871 is amended—

(i) by striking paragraph (2); and

(ii) by redesignating paragraphs (3), (4), (5), (6), (7), and (8) as paragraphs (2), (3), (4), (5), (6), and (7), respectively.

SEC. 1042. IMPROVING READINESS IN PROVIDING FIRE-FIGHTING SERVICES.

Section 2465(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(4) to a contract for the performance of a firefighting function for a period of one year or less to fill vacant positions created by deployed military fire fighters.”.
SEC. 1043. DOCUMENTS, HISTORICAL ARTIFACTS, AND OBSOLETE OR SURPLUS MATERIEL: LOAN, DONATION, OR EXCHANGE.

(a) In General.—Section 2572 of title 10, United States Code, is amended—

(1) in the heading, by striking “condemned or obsolete combat” and inserting “obsolete or surplus”;  

(2) in subsection (a), by striking “subsection (e)” and inserting “subsection (c)(1)”;  

(3) in subsection (b), by striking “subsection (e)” and inserting “subsection (c)(2)”; and  

(4) in subsection (e)—  

(A) by striking “(e) This section” and “(e)(1) Subsection (a)” ; and  

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

“(2) Subsection (b) applies to the following types of property held by a military department or the Coast Guard: books, manuscripts, works of art, historical artifacts, drawings, plans, models, and obsolete or surplus materiel.”.  

(b) Conforming Amendment.—The table of sections at the beginning of chapter 153 of such title is amended by amending the item relating to section 2572
to read as follows:

“2572. Documents, historical artifacts, and obsolete or surplus combat materiel: loan, gift, or exchange.”.

SEC. 1044. AUTHORITY TO ENSURE DEMILITARIZATION OF SIGNIFICANT MILITARY EQUIPMENT FORMERLY OWNED BY THE DEPARTMENT OF DEFENSE.

(a) In General.—Chapter 153 of title 10, United States Code, is amended by inserting after section 2582 the following new section:

“§ 2583. Continued authority to require demilitarization of significant military equipment after disposal

“(a) Authority To Require Demilitarization.—

The Secretary of Defense may require any person in possession of significant military equipment formerly owned by the Department of Defense—

“(1) to demilitarize the equipment;

“(2) to have the equipment demilitarized by a third party; or

“(3) to return the equipment to the United States Government for demilitarization.

“(b) Cost and Validation of Demilitarization.—When the demilitarization of significant military equipment is carried out by the person in possession of the equipment pursuant to paragraph (1) or (2) of sub-

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section (a), the person shall be solely responsible for all demilitarization costs, and the United States shall have the right to validate that the equipment has been demilitarized.

“(c) Return of Equipment to the U.S. Government.—When the Secretary of Defense requires the return of significant military equipment for demilitarization by the United States Government, the Secretary shall bear all costs to transport and demilitarize the equipment. If the person in possession of the significant military equipment obtained the property in the manner authorized by law or regulation and the Secretary determines that the cost to demilitarize and return the property to the person is prohibitive, the Secretary shall reimburse the person for the fair market value of the property or, if the fair market value is not readily ascertainable, the purchase cost of the property and for the reasonable transportation costs incurred by the person to purchase the equipment.

“(d) Establishment of Demilitarization Standards.—The Secretary of Defense may prescribe by regulation what constitutes demilitarization for each type of significant military equipment.

“(e) Exceptions.—This section does not apply—

“(1) when a person is in possession of significant equipment formerly owned by the Department
of Defense for the purpose of demilitarizing the
equipment pursuant to a U.S. Government contract;

“(2) to small arms weapons issued under the
Defense Civilian Marksmanship Program established
in title 36, United States Code;

“(3) to issues by the Department of Defense to
museums where demilitarization has been performed
in accordance with departmental regulations; and

“(4) to other issues and undemilitarized signifi-
cant military equipment under the provisions of de-
partmental regulations.

“(f) DEFINITION OF SIGNIFICANT MILITARY EQUIP-
MENT.—In this section, the term ‘significant military
equipment’ means—

“(1) an article for which special export controls
are warranted under the Arms Export Control Act
(22 U.S.C. 2751 et seq.) because of its capacity for
substantial military utility or capability, as identified
on the United States Munitions List maintained
under sect 121.1 of title 22, Code of Federal Regu-
lations; and

“(2) any other article designated by the Depart-
ment of Defense as requiring demilitarization before
its disposal.”.
(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“2583. Continued authority to require demilitarization of significant military equipment after disposal.”

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

SEC. 1101. POSITION VACANCY PROMOTION CONSIDERATION IN TIME OF WAR OR NATIONAL EMERGENCY.

(a) VACANCY PROMOTION CONSIDERATION.—Section 14317 of title 10, United States Code, is amended—

(1) in subsection (d), by striking “If a reserve officer” and inserting “Except as provided in subsection (e), if a reserve officer”; and

(2) in subsection (e), by inserting “or, in the case of an officer who has been ordered to or is serving on active duty in support of a contingency operation as defined in section 101(a)(13) of this title, a vacancy promotion board” after “mandatory promotion board”.

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 14315(a) of such title is amended by striking “or, as determined by the Secretary concerned, is available to occupy a position” and inserting “or, under regulations
prescribed by the Secretary concerned, is recommended to occupy a position”.

**TITLE XII—MATTERS RELATING TO OTHER NATIONS**

**Subtitle A—Matters Related to Allies and Friendly Foreign Nations**

**SEC. 1201. EXPANSION OF AUTHORITY TO CONDUCT THE ARCTIC MILITARY ENVIRONMENTAL CO-OPERATION PROGRAM.**


(1) in the title, by inserting “AND WESTERN PACIFIC” after “ARCTIC”;

(2) by striking subsections (b) and (c);

(3) by redesignating subsection (a) as subsection (b);

(4) by inserting after the title the following new subsection (a):

“(a) Authority To Conduct Program.—Subject to subsection (b), the Secretary of Defense, with the concurrence of the Secretary of State, may conduct the Arctic and Western Pacific Military Environmental Cooperation Program.”; and
(5) in subsection (b), as redesignated by para-
graph (3)—

(A) in paragraph (1)—

(i) by inserting “and Western Pacific”
after “Subject to paragraph (2), activities
under the Arctic”;

(ii) by inserting “and assistance”
after “shall include cooperative”; and

(iii) by striking “in the Arctic Re-

gion”; and

(B) in paragraph (2)—

(i) by inserting “Western Pacific”
after “Activities under the Arctic”; and

(ii) by striking “for purposes for

which funds for Cooperative Threat Reduc-
tion programs have been denied or are pro-
hibited, including the purposes”.

SEC. 1202. AUTHORITY TO WAIVE DOMESTIC SOURCE OR
CONTENT REQUIREMENTS.

(a) In General.—Subchapter V of chapter 148 of
title 10, United States Code, is amended by adding at the
end the following new section:
§ 2539c. Waiver of domestic source or content requirements

“(a) Authority.—Except as provided in subsection (f), the Secretary of Defense may waive the application of any domestic source requirement or domestic content requirement referred to in subsection (b) and thereby authorize the procurement of items that are grown, reprocessed, reused, produced, or manufactured—

“(1) in a foreign country that has a reciprocal defense procurement memorandum of understanding or agreement with the United States;

“(2) in a foreign country that has a reciprocal defense procurement memorandum of understanding or agreement with the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a reciprocal defense procurement memorandum of understanding or agreement with the United States; or

“(3) in the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a reciprocal defense procurement memorandum of understanding or agreement with the United States.
“(b) COVERED REQUIREMENTS.—For purposes of this section:

“(1) A domestic source requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item that is grown, reprocessed, reused, produced, or manufactured in the United States or by a manufacturer that is a part of the national technology and industrial base (as defined in section 2500(1) of this title).

“(2) A domestic content requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item produced or manufactured partly or wholly from components and materials grown, reprocessed, reused, produced, or manufactured in the United States.

“(c) APPLICABILITY.—The authority of the Secretary to waive the application of a domestic source or content requirements under subsection (a) applies to the procurement of items for which the Secretary of Defense determines that—

“(1) application of the requirement would impede the reciprocal procurement of defense items under a memorandum of understanding providing
for reciprocal procurement of defense items between
a foreign country and the United States in accord-
ance with section 2531 of this title; and

“(2) such country does not discriminate against
defense items produced in the United States to a
greater degree than the United States discriminates
against defense items produced in that country.

“(d) LAWS NOT WAIVABLE.—The Secretary of De-
fense may not exercise the authority under subsection (a)
to waive any domestic source or content requirement con-
tained in any of the following laws:

seq.).

“(2) The Javits-Wagner-O’Day Act (41 U.S.C.
et seq.).

“(3) Sections 2533a, 7309 and 7310 of this
title.

“(e) RELATIONSHIP TO OTHER WAIVER AUTHOR-
ITY.—The authority under subsection (a) to waive a do-
mestic source requirement or domestic content require-
ment is in addition to any other authority to waive such
requirement.

“(f) CONSTRUCTION WITH RESPECT TO LATER EN-
ACTED LAWS.—This section may not be construed as
being inapplicable to a domestic source requirement or do-

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destic content requirement that is set forth in a law enacted after the enactment of this section solely on the basis of the later enactment.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2539b the following new item:

“2539c. Waiver of domestic source or content requirements.”.

SEC. 1203. AUTHORITY TO EXPEND FUNDS TO RECOGNIZE SUPERIOR NONCOMBAT ACHIEVEMENTS OR PERFORMANCE BY MEMBERS OF FRIENDLY FOREIGN FORCES AND OTHER FOREIGN NATIONALS.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 the following new section:

“§ 1051a. Bilateral or regional cooperation programs: expenditure of funds to recognize superior noncombat achievements or performance

“(a) GENERAL AUTHORITY.—The Secretary of Defense may expend operations and maintenance funds to recognize superior noncombat achievements or performance, by members of friendly foreign forces and other foreign nationals, that significantly enhance or support the National Security Strategy of the United States. Activities
that may be recognized include superior achievement or performance that—

“(1) plays a crucial role in shaping the international security environment in ways that protect and promote United States interests;

“(2) supports or enhances United States overseas presence and peacetime engagement activities such as defense cooperation initiatives, security assistance training and programs, and training and exercises with United States Armed Forces;

“(3) helps to deter aggression and coercion, build coalitions, promote regional stability; and

“(4) serves as role models for appropriate conduct by militaries in emerging democracies.

“(b) LIMITATIONS.—Expenditures for the purchase or production of suitable mementos under this section shall not exceed the “minimal value” established in accordance with section 7342(a)(5) of title 5.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

“1051a. Bilateral or regional cooperation programs: expenditure of funds to recognize superior noncombat achievements or performance.”.
SEC. 1204. ADMINISTRATIVE SUPPORT AND SERVICES FOR FOREIGN LIAISON OFFICERS.

(a) Authority.—Section 1051a of title 10, United States Code, is amended to read as follows:

"§ 1051a. Administrative support and services for foreign liaison officers

“(a) Authority.—The Secretary of Defense may provide administrative services and support for the performance of duties by any liaison officer of another nation while the liaison officer is assigned to the headquarters of combatant command, component command, or subordinate operational command of the United States.

“(b) Travel, Subsistence, and Other Expenses.—The Secretary may pay the travel, subsistence, and similar personal expenses of a liaison officer of a developing nation involved in a coalition while the liaison officer is assigned temporarily to the headquarters of a combatant command, component command, or subordinate operational command of the United States, in connection with the planning for, or conduct of, a coalition operation, if the assignment is requested by the commander of the combatant command.

“(c) Reimbursement.—To the extent that the Secretary determines appropriate, the Secretary may provide the services and support authorized under subsection (a) and the expenses authorized by subsection (b) with or
without reimbursement from (or on behalf of) the recipients.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘administrative services and support’ includes base or installation support services, office space, utilities, copying services, fire and police protection, and computer support.

“(2) The term ‘coalition’ means an ad hoc arrangement between or among the United States and one or more other nations for common action.”.

SEC. 1205. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY STUDIES.

Section 1306 (b)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2892) is amended by striking “military officers and civilian officials of cooperation partner states of the North Atlantic Council or the Partnership for Peace” and inserting “foreign participants”.

SEC. 1206. RESTRICTIONS ON PERMANENT TRANSFER OF SIGNIFICANT MILITARY EQUIPMENT.

(a) IN GENERAL.—Chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:
§2350l. Restrictions on permanent transfer of significant military equipment

“(a) Transfer of Significant Military Equipment.—Lethal and non-lethal military equipment designated as significant military equipment (SME), may be permanently transferred, with the concurrence of the Secretary of State, only when the transaction is conducted as replacement in kind, where the equipment is identical, and in situations where the recipient country has an existing inventory for the SME in question.

“(b) Export and Transfer Laws.—The authority to transfer SME in accordance with subsection (a) is subject to all other applicable laws and regulations pertaining to export and transfers.”.

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

“2350l. Restrictions on permanent transfer of significant military equipment.”.

SEC. 1207. AMENDMENT TO AUTHORITY FOR ACCEPTANCE BY ASIA-PACIFIC CENTER FOR SECURITY STUDIES OF FOREIGN GIFTS AND DONATIONS.

Section 2611 of title 10, United States Code, is amended—

(1) by striking “foreign” from—

(A) the title;
(B) subsection (a) in both places it appears;  
(C) subsection (c);  
(D) subsection (f)—  
(i) in the heading; and  
(ii) the first place it appears; and  
(E) from the section title in the table of sections in the beginning of the chapter;  
(2) in subsection (a)(1), by adding at the end the following sentence: “Such donations may be accepted from any agency of the Federal Government, any State or local government, any foreign government, any foundation or other charitable organization (including any that is organized or operates under the laws of a foreign country), or any other private source in the United States or a foreign country.”; and  
(3) in subsection (f), by striking all after “services” and inserting a period.

SEC. 1208. ADDITION OF INDIVIDUALS AUTHORIZED TO RECEIVE CHECK CASHING AND EXCHANGES OF FOREIGN CURRENCY.

Section 3342(b) of title 31, United States Code, is amended—
(1) by striking “or” at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting “; or”; and

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

“(8) a military member of an allied or coalition nation who is part of a joint operation, joint exercise, humanitarian or peacekeeping mission with the military forces of the United States, provided that such accommodation has been approved by the senior United States military commander assigned to the joint operation or mission, that the allied or coalition nation has guaranteed payment for any deficiency resulting from such accommodation, and that accommodations of negotiable instruments are limited to negotiable instruments drawn on financial institutions located in the United States or on foreign branches of such institutions.”.

SEC. 1209. CONTINUATION OF THE REGIONAL DEFENSE COUNTERTERRORISM FELLOWSHIP PROGRAM.

The Secretary of Defense may pay for all costs associated with the attendance of foreign military officers, ministry of defense officials, and security officials at
United States military educational institutions, regional centers, conferences, seminars, or other training programs conducted under the Regional Defense Counterterrorism Fellowship Program, including transportation, travel, and subsistence costs.

SEC. 1210. LOGISTICS SUPPORT FOR FRIENDLY NATIONS.

Section 2342 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(e) Notwithstanding any other provision of law or regulation, the Secretary of Defense, when in the best interests of the United States and subject to the availability of appropriations, may provide logistics support, supplies and services, on a reimbursable or non–reimbursable basis, without a completed cross-servicing or foreign military sales agreement, to the following countries participating, with or on behalf of the United States, in an exercise, a contingency operation, as defined by section 101 of this title, or war—

“(1) North Atlantic Treaty Organization bodies and member countries;

“(2) Countries permitting stationing of United States Armed Forces, importation of United States military equipment and materials and porting of ships;
“(3) Counties holding a defense alliance with the United States; and

“(4) Countries hosting military exercises involving the United States.”.

Subtitle B—Other Matters

SEC. 1221. REPEAL OF THE AUTHORIZATION FOR THE ESTABLISHMENT OF THE CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.

Section 914 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 721), is repealed.

TITLE XIII—HOMELAND SECURITY

Sec. 1301. Sales of chemical and biological defense articles and services to state and local governments.

SEC. 1301. SALES OF CHEMICAL AND BIOLOGICAL DEFENSE ARTICLES AND SERVICES TO STATE AND LOCAL GOVERNMENTS.

(a) Authority for Procurement and Sales.—Chapter 18 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 383. Sales of chemical and biological defense articles and services to State and local governments

“(a) PROCUREMENT THROUGH THE DEPARTMENT OF DEFENSE.—The Secretary of Defense shall establish
procedures in accordance with this subsection under which States and units of local government may purchase articles suitable for chemical and biological defense and operator training, repair and maintenance, and similar services in connection with such articles, through the Department of Defense.

“(b) Sales From Inventories.—The Secretary of Defense may sell articles suitable for chemical and biological defense in Department of Defense inventories to States and units of local government at a price based upon the estimated or actual costs incurred by the Department in providing the articles.

“(c) Provision of Services.—The Secretary may provide, within any State or unit of local government, operator training, repair and maintenance, and similar services in connection with articles suitable for chemical and biological defense at a price based upon the estimated or actual costs incurred by the Department in providing the services.

“(d) Payment for Articles and Services.—Payment for articles and services under this section may be in advance or on providing the articles or services.

“(e) Reimbursement of Administrative Costs.—In the case of any purchase made by a State or unit of local government under this section, the Secretary
may require the State or unit of local government to reim-
burse the Department of Defense for administrative costs
to the Department of such purchase.

“(f) CREDIT OF FUNDS FROM SALES.—Funds re-
ceived by the Department of Defense from sales of articles
under subsection (b) shall be credited to the military de-
partment, Defense Agency, or Department of Defense
Field Activity that sold the articles so as to merge with
and become available for the same purposes and period
as the accounts to which they are credited, and shall be
available until expended only for the acquisition of articles
suitable for chemical and biological defense.

“(g) CREDIT OF FUNDS FOR SERVICES.—Funds re-
ceived for the provision of services under subsection (c)
shall be credited to the military department, Defense
Agency, or Department of Defense Field Activity that pro-
vided the services and shall be available until expended
only for the provision of such services.

“(h) DEFINITIONS.—In this section:

“(1) The terms ‘articles suitable for chemical
and biological defense’ and ‘services’ have the mean-
ing given those terms in regulations as prescribed by
the Secretary of Defense.

“(2) The term ‘State’ has the meaning given the
term in section 381(d)(1) of this title.
“(3) The term ‘unit of local government’ has the
meaning given the term in section 381(d)(2) 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:

“383. Sales of chemical and biological defense articles and services to State and
local governments.”.

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 2004”.

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 approipa-
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 or locations inside the
United States, and in the amounts, set forth in the fol-
lowing table:

<table>
<thead>
<tr>
<th>Army: Inside the United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
</tr>
<tr>
<td>Alabama</td>
</tr>
<tr>
<td>Alaska</td>
</tr>
</tbody>
</table>
Army: Inside the United States—Continued

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Georgia</td>
<td>Fort Benning</td>
<td>$30,000,000</td>
</tr>
<tr>
<td></td>
<td>Fort Stewart/Hunter Army Air Field</td>
<td>$64,500,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Helemano Military Reservation</td>
<td>$1,400,000</td>
</tr>
<tr>
<td></td>
<td>Schofield Barracks</td>
<td>$119,400,000</td>
</tr>
<tr>
<td>Kansas</td>
<td>Fort Riley</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>Kentucky</td>
<td>Fort Knox</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Louisiana</td>
<td>Fort Polk</td>
<td>$72,000,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Fort Meade</td>
<td>$9,600,000</td>
</tr>
<tr>
<td>New York</td>
<td>Fort Drum</td>
<td>$114,500,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Fort Bragg</td>
<td>$152,000,000</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>Fort Sill</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Fort Hood</td>
<td>$47,000,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Fort Myer</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>Washington</td>
<td>Fort Lewis</td>
<td>$3,900,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$814,600,000</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 or 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>Germany</td>
<td>Area Support Group, Bamberg</td>
<td>$17,900,000</td>
</tr>
<tr>
<td></td>
<td>Darmstadt</td>
<td>$7,700,000</td>
</tr>
<tr>
<td></td>
<td>Grafenwoehr</td>
<td>$76,000,000</td>
</tr>
<tr>
<td></td>
<td>Heidelberg</td>
<td>$17,000,000</td>
</tr>
<tr>
<td></td>
<td>Hohenfels</td>
<td>$13,200,000</td>
</tr>
<tr>
<td></td>
<td>Mannheim</td>
<td>$4,300,000</td>
</tr>
<tr>
<td></td>
<td>Schweinfurt</td>
<td>$7,500,000</td>
</tr>
<tr>
<td></td>
<td>Wuerzburg</td>
<td>$18,500,000</td>
</tr>
<tr>
<td>Italy</td>
<td>Aviano Air Base</td>
<td>$15,500,000</td>
</tr>
<tr>
<td></td>
<td>Livorno</td>
<td>$22,000,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Camp Casey</td>
<td>$86,000,000</td>
</tr>
<tr>
<td></td>
<td>Camp Hovey</td>
<td>$29,000,000</td>
</tr>
<tr>
<td>Kwajalein Atoll</td>
<td>Kwajalein Atoll</td>
<td>9,400,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$324,000,000</td>
</tr>
</tbody>
</table>

(c) UNSPECIFIED WORLDWIDE.—(1) Using amounts appropriated pursuant to the authorization of appropria-
tions in section 2104(a)(3) and amounts, not to exceed $150,000,000 provided under Public Law 107–38, the Secretary of the Army may acquire personal services and real property, and may provide for the operation and construction of critical infrastructure and allied systems to ensure essential governmental functions for the installation or 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>Worldwide Unspecified</td>
<td>Unspecified Worldwide</td>
<td>$663,900,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$663,900,000</td>
</tr>
</tbody>
</table>

(2) Military Construction projects, and those funded in whole or in part under Public Law 107–38, containing national security classified information and for the purposes of preventing, responding to, or countering the effects of terrorist attacks shall comply, to the extent practical, with applicable Federal, State, and local laws and other orders regarding regulatory compliance, consultation, coordination and inspection; provided that in carrying out such projects—

(A) no such compliance, consultation, coordination or inspection may expose, endanger, or otherwise compromise national security; and

(B) any anticipated exception to such compliance, consultation, coordination or inspection shall
be addressed in project documentation submitted to Congress under paragraph (3).

(3) Where applicable, project documentation submitted to the congressional defense committees shall satisfy general provisions of section 1001 of Public Law 107–117 and address any exception to compliance, consultation, coordination or inspection anticipated by paragraph (2).

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 or locations, for the purposes and in the amounts, set forth in the following table:

<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>100 Units</td>
<td>$44,000,000</td>
</tr>
<tr>
<td>Arizona</td>
<td>Fort Huachuca</td>
<td>160 Units</td>
<td>$27,000,000</td>
</tr>
<tr>
<td>Kentucky</td>
<td>Fort Knox</td>
<td>178 Units</td>
<td>$41,000,000</td>
</tr>
<tr>
<td>New Mexico</td>
<td>White Sands Missile Range</td>
<td>58 Units</td>
<td>$14,600,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total:</td>
<td>$126,600,000</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 $34,488,000.

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 $197,803,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2003, for military construction, land acquisition and military family housing functions of the Department of the Army in the total amount of $2,935,927,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $721,600,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $314,000,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2101(e), $178,700,000.
(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $20,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $122,710,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $356,891,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,043,026,000.

(7) For the construction of phase 3 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. 1281), $33,000,000.

1283), as amended by section 2105 of this Act, $49,000,000.

(9) For the construction of phase 2 of a barracks complex, Range Road, at Fort Campbell, Kentucky, authorized by section 2101(a) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (division B of Public Law 107–314; 116 Stat. 2681), $49,000,000.


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 in the item relating to Fort Richardson, Alaska, by striking “$115,000,000” in the amount column and inserting “$117,000,000”.

(b) Conforming Amendment.—Paragraph (2) of section 2104(b) of such Act (115 Stat. 1284) is amended by striking “$52,000,000” and inserting “$54,000,000”.

HR 1588 IH
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 or 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>$22,230,000</td>
</tr>
<tr>
<td>California</td>
<td>Marine Corps Base, Camp Pendleton</td>
<td>$73,580,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, Lemoore</td>
<td>$34,510,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Air Station, Miramar</td>
<td>$4,740,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, North Island</td>
<td>$49,240,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Warfare Center, China Lake</td>
<td>$12,890,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Warfare Center, Point Mugu, San Nicolas Island</td>
<td>$6,150,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Facility, San Clemente Island</td>
<td>$18,940,000</td>
</tr>
<tr>
<td></td>
<td>Naval Postgraduate School, Monterey</td>
<td>$35,550,000</td>
</tr>
<tr>
<td></td>
<td>Naval Station, San Diego</td>
<td>$49,710,000</td>
</tr>
<tr>
<td></td>
<td>Marine Air Ground Task Force Training Center, Twentynine Palms</td>
<td>$28,390,000</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>Marine Corps Barracks</td>
<td>$1,550,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Naval Air Station, Jacksonville</td>
<td>$3,190,000</td>
</tr>
<tr>
<td></td>
<td>Naval Air Station, Whiting Field, Milton</td>
<td>$4,830,000</td>
</tr>
<tr>
<td></td>
<td>Naval Surface Warfare Center, Coastal Systems Station, Panama City</td>
<td>$9,550,000</td>
</tr>
<tr>
<td></td>
<td>Blount Island (Jacksonville)</td>
<td>$115,711,000</td>
</tr>
<tr>
<td>Georgia</td>
<td>Strategic Weapons Facility Atlantic, Kings Bay</td>
<td>$11,510,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Fleet and Industrial Supply Center, Pearl Harbor</td>
<td>$32,180,000</td>
</tr>
<tr>
<td></td>
<td>Naval Magazine, Lualualei</td>
<td>$6,320,000</td>
</tr>
<tr>
<td></td>
<td>Naval Shipyard, Pearl Harbor</td>
<td>$7,010,000</td>
</tr>
<tr>
<td>Illinois</td>
<td>Naval Training Center, Great Lakes</td>
<td>$137,120,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Naval Air Warfare Center, Patuxent, Indian Head</td>
<td>$24,370,000</td>
</tr>
<tr>
<td></td>
<td>Naval Surface Warfare Center, Indian Head</td>
<td>$14,850,000</td>
</tr>
<tr>
<td>Mississippi</td>
<td>Naval Air Station, Meridian</td>
<td>$4,570,000</td>
</tr>
<tr>
<td>New Jersey</td>
<td>Naval Air Warfare Center, Lakehurst</td>
<td>$20,681,000</td>
</tr>
<tr>
<td></td>
<td>Naval Weapons Station, Earle</td>
<td>$123,720,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Marine Corps Air Station, New River</td>
<td>$6,240,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Base, Camp Lejeune</td>
<td>$29,450,000</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>Naval Station, Newport</td>
<td>$16,140,000</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>Virginia</td>
<td>Naval Undersea Warfare Center, Newport</td>
<td>$10,890,000</td>
</tr>
<tr>
<td></td>
<td>Henderson Hall, Arlington</td>
<td>$1,970,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Combat Development</td>
<td>$3,700,000</td>
</tr>
<tr>
<td></td>
<td>Naval Amphibious Base, Little Creek</td>
<td>$3,810,000</td>
</tr>
<tr>
<td></td>
<td>Naval Station, Norfolk</td>
<td>$182,240,000</td>
</tr>
<tr>
<td></td>
<td>Naval Space Command Center, Dahlgren</td>
<td>$20,520,000</td>
</tr>
<tr>
<td></td>
<td>Norfolk Naval Shipyard, Portsmouth</td>
<td>$22,040,000</td>
</tr>
<tr>
<td></td>
<td>Naval Magazine, Indian Island</td>
<td>$17,770,000</td>
</tr>
<tr>
<td>Washington</td>
<td>Naval Submarine Base, Bangor</td>
<td>$33,820,000</td>
</tr>
<tr>
<td></td>
<td>Strategic Weapons Facility Pacific, Bangor</td>
<td>$6,530,000</td>
</tr>
<tr>
<td>Various Locations</td>
<td>Various Locations, CONUS</td>
<td>$56,360,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$1,244,772,000</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 installations or 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>$18,030,000</td>
</tr>
<tr>
<td>Italy</td>
<td>Naval Support Activity, La Maddalena</td>
<td>$39,020,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Naval Air Station, Sigonella</td>
<td>$34,070,000</td>
</tr>
<tr>
<td></td>
<td>Joint Maritime Facility, St. Mawgan</td>
<td>$7,070,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$98,190,000</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)(6)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition and supporting facilities) at the
installations or locations, 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>187 Units</td>
<td>$41,585,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Naval Air Station, Pensacola</td>
<td>25 Units</td>
<td>$4,447,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Marine Corps Base, Camp Lejeune</td>
<td>519 Units</td>
<td>$68,531,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Air Station, Cherry Point</td>
<td>339 Units</td>
<td>$42,803,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$157,366,000</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 $8,381,000.

**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 $20,446,000.

**SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2003, for mili-
tary construction, land acquisition and military family
housing functions of the Department of the Navy in the
total amount of $2,169,829,000 as follows:

(1) For military construction projects inside the
United States authorized by section 2201(a),
$909,992,000.

(2) For military construction projects outside
the United States authorized by section 2201(b),
$98,190,000.

(3) For unspecified minor construction projects
authorized by section 2805 of title 10, United States
Code, $12,334,000.

(4) For architectural and engineering services
and construction design under section 2807 of title
10, United States Code, $65,612,000.

(5) For military family housing functions:

(A) For construction and acquisition, plan-
ning and design and improvement of military
family housing and facilities, $184,193,000.

(B) For support of military family housing
(including functions described in section 2833
of title 10, United States Code), $852,778,000.

(6) For construction of a shipboard ashore
BEQ at Naval Shipyard Norfolk, Virginia, author-
ized in section 2201(a) of the Military Construction

**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 or 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>$13,400,000</td>
</tr>
<tr>
<td>Alaska</td>
<td>Eielson Air Force Base</td>
<td>$33,201,000</td>
</tr>
<tr>
<td></td>
<td>Elmendorf Air Force Base</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Arizona</td>
<td>Davis-Monthan Air Force Base</td>
<td>$10,062,000</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Little Rock Air Force Base</td>
<td>$3,695,000</td>
</tr>
<tr>
<td>California</td>
<td>Beale Air Force Base</td>
<td>$22,750,000</td>
</tr>
<tr>
<td></td>
<td>Edwards Air Force Base</td>
<td>$19,444,000</td>
</tr>
<tr>
<td>Colorado</td>
<td>Buckley Air Force Base</td>
<td>$7,019,000</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>Bolling Air Force Base</td>
<td>$9,300,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Hurlburt Field</td>
<td>$7,800,000</td>
</tr>
<tr>
<td></td>
<td>Tyndall Air Force Base</td>
<td>$6,320,000</td>
</tr>
<tr>
<td>Georgia</td>
<td>Robins Air Force Base</td>
<td>$29,264,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Hickam Air Force Base</td>
<td>$73,296,000</td>
</tr>
<tr>
<td>Idaho</td>
<td>Mountain Home Air Force Base</td>
<td>$5,445,000</td>
</tr>
<tr>
<td>Illinois</td>
<td>Scott Air Force Base</td>
<td>$1,900,000</td>
</tr>
<tr>
<td>New Jersey</td>
<td>McGuire Air Force Base</td>
<td>$11,861,000</td>
</tr>
<tr>
<td>New Mexico</td>
<td>Tularosa</td>
<td>$3,600,000</td>
</tr>
<tr>
<td></td>
<td>Kirtland Air Force Base</td>
<td>$7,097,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Pope Air Force Base</td>
<td>$24,499,000</td>
</tr>
<tr>
<td>North Dakota</td>
<td>Seymour Johnson Air Force Base</td>
<td>$11,222,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>Minot Air Force Base</td>
<td>$3,190,000</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>Altus Air Force Base</td>
<td>$1,167,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Charleston Air Force Base</td>
<td>$9,942,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Goodfellow Air Force Base</td>
<td>$20,035,000</td>
</tr>
<tr>
<td></td>
<td>Lackland Air Force Base</td>
<td>$57,360,000</td>
</tr>
<tr>
<td>Utah</td>
<td>Sheppard Air Force Base</td>
<td>$29,167,000</td>
</tr>
<tr>
<td></td>
<td>Hill Air Force Base</td>
<td>$15,848,000</td>
</tr>
</tbody>
</table>
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>Virginia</td>
<td>Langley Air Force Base</td>
<td>$25,474,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$494,762,000</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 or 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>Germany</td>
<td>Ramstein Air Base</td>
<td>$35,616,000</td>
</tr>
<tr>
<td></td>
<td>Spangdahlem Air Base</td>
<td>$25,328,000</td>
</tr>
<tr>
<td>Italy</td>
<td>Aviano Air Base</td>
<td>$14,025,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Kunsan Air Base</td>
<td>$7,059,000</td>
</tr>
<tr>
<td></td>
<td>Osan Air Base</td>
<td>$16,638,000</td>
</tr>
<tr>
<td>Portugal</td>
<td>Lajes Field, Azores</td>
<td>$4,086,000</td>
</tr>
<tr>
<td>Turkey</td>
<td>Incirlik Air Base</td>
<td>$3,262,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Royal Air Force, Lakenheath</td>
<td>$30,587,000</td>
</tr>
<tr>
<td></td>
<td>Royal Air Force, Mildenhall</td>
<td>$10,558,000</td>
</tr>
<tr>
<td>Wake Island</td>
<td>Wake Island</td>
<td>$24,000,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$171,159,000</td>
</tr>
</tbody>
</table>

(c) Unspecified Worldwide.—Using 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 construction projects for the installation or location, and in the amount, set forth in the following table:

Air Force: Unspecified Worldwide

<table>
<thead>
<tr>
<th>Location</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unspecified Worldwide</td>
<td>Classified Location</td>
<td>$29,501,000</td>
</tr>
</tbody>
</table>
1 SEC. 2302. FAMILY HOUSING.

2 (a) CONSTRUCTION AND ACQUISITION.—Using

3 amounts appropriated pursuant to the authorization of ap-

4 propriations in section 2304(a)(6)(A), the Secretary of the

5 Air Force may construct or acquire family housing units

6 (including land acquisition and supporting facilities) at the

7 installations or locations, for the purposes and in the

8 amounts, set forth in the following table:

<table>
<thead>
<tr>
<th>Location</th>
<th>Installation or location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$29,501,000</td>
</tr>
</tbody>
</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>Davis-Monthan Air Force</td>
<td>93 Units</td>
<td>$19,357,000</td>
</tr>
<tr>
<td>California</td>
<td>Travis Air Force Base</td>
<td>56 Units</td>
<td>$12,723,000</td>
</tr>
<tr>
<td>Delaware</td>
<td>Dover Air Force Base</td>
<td>112 Units</td>
<td>$19,601,000</td>
</tr>
<tr>
<td>Florida</td>
<td>Eglin Air Force Base</td>
<td>279 Units</td>
<td>$32,166,000</td>
</tr>
<tr>
<td>Idaho</td>
<td>Mountain Home Air Force</td>
<td>186 Units</td>
<td>$37,126,000</td>
</tr>
<tr>
<td>Maryland</td>
<td>Andrews Air Force Base</td>
<td>50 Units</td>
<td>$20,233,000</td>
</tr>
<tr>
<td>Missouri</td>
<td>Whiteman Air Force Base</td>
<td>100 Units</td>
<td>$18,221,000</td>
</tr>
<tr>
<td>Montana</td>
<td>Malmstrom Air Force Base</td>
<td>94 Units</td>
<td>$19,368,000</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Seymour Johnson Air</td>
<td>138 Units</td>
<td>$18,336,000</td>
</tr>
<tr>
<td>North Dakota</td>
<td>Grand Forks Air Force</td>
<td>144 Units</td>
<td>$29,550,000</td>
</tr>
<tr>
<td>South Dakota</td>
<td>Ellsworth Air Force Base</td>
<td>75 Units</td>
<td>$41,117,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Dyess Air Force Base</td>
<td>116 Units</td>
<td>$19,973,000</td>
</tr>
<tr>
<td>Korea</td>
<td>Osan Air Base</td>
<td>111 Units</td>
<td>$17,538,000</td>
</tr>
<tr>
<td>Portugal</td>
<td>Lajes Field, Azores</td>
<td>42 Units</td>
<td>$10,087,000</td>
</tr>
<tr>
<td>Turkey</td>
<td>Incirlik Air Base</td>
<td>100 Units</td>
<td>$17,538,000</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Royal Air Force,</td>
<td>89 Units</td>
<td>$23,640,000</td>
</tr>
<tr>
<td></td>
<td>Lakenheath</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$417,136,000</td>
</tr>
</tbody>
</table>

(b) PLANNING AND DESIGN.—Using amounts appro-

priated 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 con-
struction design activities with respect to the construction
or improvement of military family housing units in an
amount not to exceed $33,488,000.

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 mili-
tary family housing units in an amount not to exceed
$248,998,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR
FORCE.

(a) IN GENERAL.—Funds are hereby authorized to
be appropriated for fiscal years beginning after September
30, 2003, for military construction, land acquisition and
military family housing functions of the Department of the
Air Force in the total amount of $2,302,857,000 as fol-
lows:

(1) For military construction projects inside the
United States authorized by section 2301(a),
$486,282,000.
(2) For military construction projects outside the United States authorized by section 2301(b), $171,159,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $28,981,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $74,345,000.

(6) For military housing functions:
   (A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $695,622,000.
   (B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $834,468,000.

**TITLE XXIV—DEFENSE AGENCIES**

**SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) **INSIDE THE UNITED STATES.**—Using amounts appropriated pursuant to the authorization of appropria-
tions in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Defense Education Activity</td>
<td>Marine Corps Base, Camp Lejeune, North Carolina</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Defense Distribution Depot, New Cumberland, Pennsylvania</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Eglin Air Force Base, Florida</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Eglin Air Force Base, Alaska</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hickam Air Force Base, Hawaii</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hurlburt Field, Florida</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Langley Air Force Base, Virginia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Laughlin Air Force Base, Texas</td>
</tr>
<tr>
<td></td>
<td></td>
<td>McChord Air Force Base, Washington</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nellis Air Force Base, Nevada</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Offutt Air Force Base, Nebraska</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fort Meade, Maryland</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dam Neck, Virginia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fort Benning, Georgia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fort Bragg, North Carolina</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fort Campbell, Kentucky</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Harrisburg International Airport, Pennsylvania</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hurlburt Field, Florida</td>
</tr>
<tr>
<td></td>
<td>National Security Agency</td>
<td>Naval Station, Anacostia, District of Columbia</td>
</tr>
<tr>
<td></td>
<td>Special Operations Command</td>
<td>Naval Submarine Base, New London, Connecticut</td>
</tr>
<tr>
<td></td>
<td></td>
<td>United States Air Force Academy, Colorado</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Walter Reed Medical Center, District of Columbia</td>
</tr>
<tr>
<td></td>
<td>Tri-Care Management Activity</td>
<td>Arlington, Virginia</td>
</tr>
<tr>
<td></td>
<td>Washington Headquarters Services</td>
<td>Total</td>
</tr>
</tbody>
</table>

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(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:
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 Education Agency ...</td>
<td>Grafenwoehr, Germany</td>
<td>$36,247,000</td>
</tr>
<tr>
<td></td>
<td>Heidelberg, Germany</td>
<td>$3,086,000</td>
</tr>
<tr>
<td></td>
<td>Sigonella, Italy</td>
<td>$30,234,000</td>
</tr>
<tr>
<td></td>
<td>Vicenza, Italy</td>
<td>$16,374,000</td>
</tr>
<tr>
<td></td>
<td>Vilseck, Germany</td>
<td>$1,773,000</td>
</tr>
<tr>
<td>Special Operations Command</td>
<td>Stuttgart, Germany</td>
<td>$11,400,000</td>
</tr>
<tr>
<td>Tri-Care Management Activity</td>
<td>Andersen Air Force Base, Guam</td>
<td>$26,000,000</td>
</tr>
<tr>
<td></td>
<td>Grafenwoehr, Germany</td>
<td>$12,585,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$137,699,000</td>
</tr>
</tbody>
</table>

**SEC. 2402. FAMILY HOUSING.**

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(8)(A), the Secretary of Defense 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 $300,000.

**SEC. 2403. 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)(5)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $50,000.
SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(6), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $69,500,000.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2003, 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 $1,017,718,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $296,670,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $120,334,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,153,000.

(4) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,960,000.
(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $59,884,000.

(6) For Energy Conservation projects authorized by section 2404 of this Act, $69,500,000.


(8) For military family housing functions:

(A) For planning and design and improvement of military family housing and facilities, $350,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $49,440,000.

(C) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, $300,000.

(9) For construction of the Defense Threat Reduction Center at Fort Belvoir, Virginia, authorized by section 2401(a) of the Military Construction Au-
authorization Act for Fiscal Year 2003 (division B of

TITLE XXV—NORTH ATLANTIC
TREATY ORGANIZATION SE-
curity Investment Pro-
gram

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND
ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for
the North Atlantic Treaty Organization Security Invest-
ment 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 pur-
pose in section 2502 and the amount collected from the
North Atlantic Treaty Organization as a result of con-
struction 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, 2003, for con-
tributions 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 $169,300,000.
TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2003, 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, $168,298,000; and
   (B) for the Army Reserve, $68,478,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $28,032,000.

(3) For the Department of the Air Force—
   (A) for the Air National Guard of the United States, $60,430,000; and
   (B) for the Air Force Reserve, $44,312,000.
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, 2006; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2007.

(b) Exception.—Subsection (a) shall not apply to authorizations 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) for which appropriated funds have been obligated before the later of—
(1) October 1, 2006; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2007 for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment Program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) Extension.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of Public Law 106–398; 114 Stat. 1654A–389), authorizations set forth in the tables in subsection (b), as provided in sections 2102, 2201, and 2404 of that Act, shall remain in effect until October 1, 2004, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005, whichever is later.

(b) Tables.—The tables referred to in subsection (a) are as follows:

<table>
<thead>
<tr>
<th>Army: Extension of 2001 Project Authorization</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
</tr>
<tr>
<td>----------------------------</td>
</tr>
<tr>
<td>South Carolina</td>
</tr>
</tbody>
</table>
NAVY: EXTENSION OF 2001 PROJECT AUTHORIZATION

<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>Naval Surface Warfare</td>
<td>Gas Turbine Test Facility</td>
<td>$10,680,000</td>
</tr>
<tr>
<td></td>
<td>Center Shipyard Systems</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Engineering Station,</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Philadelphia</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DEFENSE AGENCIES: EXTENSION OF 2001 PROJECT AUTHORIZATIONS

<table>
<thead>
<tr>
<th>State</th>
<th>Installation or location</th>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense Education Activity</td>
<td>Seoul, Korea</td>
<td>Elementary School Full Day Kindergarten Classroom Addition</td>
<td>$2,317,000</td>
</tr>
<tr>
<td></td>
<td>Taegu, Korea</td>
<td>Elementary/High School Full Day</td>
<td>$762,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kindergarten Classroom Addition</td>
<td></td>
</tr>
</tbody>
</table>

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization 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 2601 of that Act, shall remain in effect until October 1, 2004, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005, whichever is later.

(b) TABLE.—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: 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>National Guard Ft. Pickett</td>
<td>Multi-purpose Range-Heavy</td>
<td>$13,500,000</td>
</tr>
</tbody>
</table>

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, XXVI, and XXVII shall take effect on the later of—

(1) October 1, 2003; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction and Military Family Housing

SEC. 2801. STREAMLINING MILITARY CONSTRUCTION TO REDUCE FACILITY ACQUISITION AND CONSTRUCTION CYCLE TIME.

(a) Thresholds.—(1) Section 2803(c)(1) of title 10, United States Code, is amended by striking “$30,000,000” and inserting “$60,000,000”.

(2) Section 2805 of such title is amended—

(A) in subsection (a)(1)—
(i) by striking “$1,500,000” and inserting “$3,000,000”; and
(ii) by striking “$3,000,000” and inserting “$6,000,000”.
(B) in subsection (b)(1) by striking “$750,000” and inserting “$1,500,000”; and
(C) in subsection (e)(1)—
(i) by striking “$1,500,000” in subparagraph (A) and inserting “$3,000,000”; and
(ii) by striking “$750,000” in subparagraph (B) and inserting “$1,500,000”.
(3) Section 2811(b) of such title is amended by striking “$5,000,000” and inserting “$10,000,000”.
(4) Section 18233a of such title is amended by striking “$1,500,000 in subsection (a)(1) and inserting
“$3,000,000”.
(b) PROJECT APPLICABILITY.—Section 2805(b)(1) of such title is amended by inserting at the end “This para-
graph shall not apply to unspecified minor military con-
struction projects using funds made available for oper-
ation and maintenance in accordance with subsection (e).”
(c) DESIGN-BUILD CONTRACTING.—(1) Section 2305a(e)(5) of such title is amended—
(A) by inserting “(A)” after “(5)” ; and
(B) by adding at the end the following new sub-
paragraph:

“(B) Notwithstanding any other provision of law, a
military department may accelerate design effort for de-
sign-build contracts (fast-track design funding) to accom-
plish the design effort for any military construction or
family housing construction project, prior to the project
being authorized and appropriated, if (1) the contractor
to whom the contract will be awarded has been selected
using design-build selection procedures established under
this section, (2) a request for the authorization and appro-
priation of construction funds has been submitted to Con-
gress as part of the Department’s annual budget, and (3)
the Government’s liability in a Termination for Conven-
ience would not exceed costs above that attributable to the
final design of the project.”.

(2) Section 2807(a) of such title is amended by strik-
ing “in connection with military construction projects not
otherwise authorized by law” at the end of the first sen-
tence and inserting “regardless of the intended acquisition
approach, in connection with a military construction
project otherwise, or not otherwise, authorized by law”.

(d) COST VARIATIONS.—Section 2853(a) of such title
is amended by striking “or 200 percent of the minor con-
struction project ceiling specified in section 2805(a)(1), whichever is less’.

(c) Real Property Transactions.—(1) Section 2662 is repealed.

(2) Section 2672 of such title is amended—

(A) in the title, by striking ‘‘$500,000’’ and inserting ‘‘the unspecified minor military construction project ceiling in section 2805(a)(1) of this title’’; and

(B) in subsection (a)(1)(B), by striking ‘‘$500,000’’ and inserting ‘‘the unspecified minor military construction project ceiling in section 2805(a)(1) of this title’’; and

(C) in subsection (a)(2), by striking ‘‘$500,000’’ and inserting ‘‘the unspecified minor military construction project ceiling in section 2805(a)(1) of this title’’.

(3) Section 2672a(b) of such title is amended by striking the last sentence.

SEC. 2802. INCREASED TERMS FOR LEASES OF FAMILY HOUSING AND OTHER FACILITIES IN FOREIGN COUNTRIES.

(a) Leases of Family Housing in Foreign Countries.—Section 2828(d)(1) of title 10, United States
Code, is amended by striking “ten years” and inserting “fifteen years”.

(b) Leases of Other Facilities in Foreign Countries.—Section 2675 of such title is amended by striking “five years” and inserting “fifteen years”.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. EXPANDED AUTHORITY TO TRANSFER PROPERTY AT MILITARY INSTALLATIONS TO BE CLOSED TO PERSONS WHO CONSTRUCT OR PROVIDE MILITARY HOUSING.

(a) 1988 Law.—Section 204(e) 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 “FAMILY” in the subsection heading.


SEC. 2812. ACCEPTANCE OF IN-KIND CONSIDERATION FOR EASEMENTS.

(a) Easements for Rights-of-Way.—Section 2668 of title 10, United States Code, is amended by adding at the end the following new subsections:
“(f) In addition to any cash consideration accepted under subsection (e), the Secretary concerned may accept in-kind consideration with respect to easements granted under this section, including the following:

“(1) Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities under the control of the Secretary concerned.

“(2) Construction of new facilities.

“(3) Provision of facilities for use by the military departments.

“(4) Facilities operation support.

“(5) Provision of such other services relating to activities that will occur on the property subject to the easement, as the Secretary concerned considers appropriate.

“(g) The Secretary concerned may accept in-kind consideration under subsection (f) at any property or facilities under his or her control that he or she selects for that purpose.

“(h) Sections 2662 and 2802 of this title shall not apply to construction of any new facilities accepted as in-kind consideration under this subsection.”.

(b) EASEMENTS FOR RIGHTS-OF-WAY: GAS, WATER, AND SEWER PIPELINES.—Section 2669 of such title is
amended by adding at the end the following new sub-
sections:

“(f) In addition to any cash consideration accepted
under subsection (e), the Secretary concerned may accept
in-kind consideration with respect to easements granted
under this section, including the following:

“(1) Maintenance, protection, alteration, repair,
improvement, or restoration (including environ-
mental restoration) of property or facilities under
the control of the Secretary concerned.

“(2) Construction of new facilities.

“(3) Provision of facilities for use by the mili-
tary departments.

“(4) Facilities operation support.

“(5) Provision of such other services relating to
activities that will occur on the property subject to
the easement, as the Secretary concerned considers
appropriate.

“(g) The Secretary concerned may accept in-kind
consideration under subsection (f) any property or facili-
ties under his or her control that he or she selects for
that purpose.

“(h) Sections 2662 and 2802 of this title shall not
apply to construction of any new facilities accepted as in-
kind consideration under this subsection.”.
SEC. 2813. MODIFICATION OF AUTHORITY TO ACCEPT FUNDS TO COVER ADMINISTRATIVE EXPENSES RELATING TO CERTAIN REAL PROPERTY TRANSACTIONS.

Section 2695 of title 10, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

“(a) AUTHORITY TO ACCEPT.—In connection with a real property transaction referred to in subsection (b) with a non-Federal person or entity, the Secretary of a military department may charge the person or entity, either in advance or arrears, amounts to cover administrative expenses incurred by the Secretary in reviewing and implementing the covered transaction.”;

(2) in subsection (b), by inserting “whether or not the transaction is completed” before the colon;

and

(3) in subsection (c)—

(A) by inserting “or are to be” after “expenses were”; and

(B) by adding at the end the following new sentence: “After liquidation of all subsection (a) administrative expenses, the amount of any overpayment shall be refunded to the non-Federal person or entity from the appropriation,
fund, or account into which the funds were originally deposited in such a way as to merge with and become available for the same purposes and period as the accounts to which they are credited.”.

SEC. 2814. AUTHORITY TO CONVEY PROPERTY AT MILITARY INSTALLATIONS TO PERSONS WHO CONSTRUCT OR PROVIDE MILITARY HOUSING.

(a) Authority To Convey Property.—Subchapter III of chapter 169 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2869. Conveyance of property to persons who construct or provide military housing

“(a) Authority To Convey Property.—Subject to subsection (b), the Secretary concerned may enter into an agreement to convey real property, including any improvements, structures or fixtures located thereon, on a military installation to any person who agrees, in exchange for the real property, to transfer to the Secretary housing that is constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable housing to meet the requirements of members of the Armed Forces and their dependents.
“(b) Requirements for Conveyance.—A conveyance of real property may be made under subsection (a) only if—

“(1) the Secretary determines that the real property to be conveyed is in excess of the needs of the military installation;

“(2) the fair market value of the housing to be received by the Secretary in exchange for the real property to be conveyed is equal to or greater than the fair market value of such property, including any improvements, structures or fixtures located thereon, as determined by the Secretary; and

“(3) in the event the fair market value of the housing is less than the fair market value of the real property to be conveyed, including any improvements, structures or fixtures located thereon, the recipient of the real property agrees to pay to the Secretary the amount equal to the excess of the fair market value of such real property over the fair market value of the housing.

“(c) Deposit of Funds.—Notwithstanding any other provision of law, the Secretary may deposit funds received under subsection (b)(3) in the Department of Defense Housing Improvement Fund established under sec-
tion 2883(a) of this title to be merged with and used for
the same purpose as funds already in the account.

“(d) EXEMPTIONS.—The conveyance of real property
under this section shall not be subject to the following:

“(1) Section 501 of the Stewart B. McKinney
Homeless Assistance Act (42 U.S.C. 11411).

“(2) Section 2693 of this title.

“(e) ADDITIONAL TERMS.—The Secretary may re-
quire any additional terms and conditions in connection
with an agreement authorized by this section as the Sec-
retary considers appropriate to protect the interests of the
United States.

“(f) DEFINITION.—In this section, the term ‘housing’
means both military family housing and military unaccomp-
panied housing.”.

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

“2869. Conveyance of property to persons who construct or provide military
housing.”.

(c) CONFORMING AMENDMENT.—Section 2883(c)(1)
of such title is amended by adding at the end the following
new subparagraph:

“(F) Any amounts that the Secretary concerned
transfers to that Fund pursuant to section 2869 of
this title.”.
SEC. 2815. INCREASE IN THRESHOLD FOR REPORTS TO CONGRESSIONAL COMMITTEES ON REAL PROPERTY TRANSACTIONS.

Section 2662 of title 10, United States Code, is amended by striking “$500,000” each place it appears and inserting “the unspecified minor military construction project limit under section 2805(c)(1)(B) of this title”.

SEC. 2816. CONTRACTING WITH LOCAL GOVERNMENTS FOR MUNICIPAL SERVICES.

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

“§ 2476. Contracting with local governments for municipal services

“Subject to the provisions of this chapter, but notwithstanding any other provision of law related to the award of public contracts, the Secretary of Defense or the Secretary of a military department may enter directly into a contract or other agreement for public works, utility and other municipal services at an installation or facility of the Department of Defense, with the municipality or local government responsible for serving the area that includes that installation or facility. The Secretary concerned may enter into such a contract or agreement, even if the municipality or local government to which the Secretary
makes award is required by law to provide those services
to the public without direct charge.”.

(b) CONFORMING AMENDMENT.—Section 816 of the
(Public Law 103–337; 108 Stat. 2820) is repealed.

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

“2476. Contracting with local governments for municipal services.”.

Subtitle C—Other Matters

SEC. 2821. INCREASE AUTHORITY TO LEASE MILITARY FAMILY HOUSING IN ITALY.

Section 2828(e)(2) of title 10, United States Code,
is amended by striking “2,000” and inserting “2,800”.

SEC. 2822. CONVEYANCE OF ARMY AND AIR FORCE EXCHANGE SERVICE PROPERTY, DALLAS, TEXAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of
Defense may authorize the Army and Air Force Exchange
Service, which is a nonappropriated fund instrumentality
of the United States, to sell all right, title, and interest
of the United States in and to a parcel of real property,
including improvements thereon, that is located at 1515
Roundtable Drive in Dallas, Texas.

(b) CONSIDERATION.—As consideration for convey-
ance under subsection (a), the purchaser shall pay, in a
single lump sum payment, an amount equal to the fair market value of the real property conveyed, as determined by the Secretary. The payment shall be handled in the manner provided in section 204(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(c)). Such funds and credit receipts shall not go to the general treasury but to the Department of Defense to merge with and become available for the same purposes and period as the accounts to which they are credited.

(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 purchaser.

(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.