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.

IN THE SENATE OF THE UNITED STATES

MARCH 31, 2003

Mr. WARNER (for himself and Mr. LEVIN) (by request) introduced the following bill; which was read twice and 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.

Be it enacted by the Senate and House of Representa-
atives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “National Defense Au-
 thorization Act for Fiscal Year 2004”.

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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.

(c) 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 the 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.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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Sec. 201. Authorization of appropriations.

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

Subtitle C—Other Matters

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

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.


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


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Sec. 313. Provision to exempt restoration advisory boards from the Federal Advisory Committee Act.
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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.

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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 Department 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 BOARDS FROM THE FEDERAL ADVISORY COMMITTEE ACT.

Section 2705 (d)(2) of chapter 160 of title 10, United States Code, is amended by adding at the end the following 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 INFRASTRUCTURE: PREVENTION AND MITIGATION OF CORROSION.

(a) IN GENERAL.—Section 2228 of title 10, United States Code, is repealed.

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

SEC. 315. RIGHT OF REMOVAL TO FEDERAL DISTRICT COURT IN CLEAN AIR ACT AND SAFE DRINKING WATER ACT CASES FILED AGAINST THE FEDERAL GOVERNMENT.

(a) CLARIFICATION OF RIGHT TO REMOVE.—Section 118(a) of the Clean Air Act (42 U.S.C. 7418(a)) is amended by adding at the end the following new sentence: “Nothing in this chapter shall be construed to prevent any department, agency, or instrumentality of the Federal Government, or any officer, agent, or employee thereof in the performance of his official duties, from removing to the appropriate Federal district court any proceeding in State court to which the department, agency, or instru-
mentality or officer, agent, or employee thereof is subject pursuant to this subsection, and any such proceeding may be removed in accordance with section 1441 et seq. of title 28.”.

(b) CLARIFICATION OF RIGHT TO REMOVE.—Section 1447 of the Safe Drinking Water Act (42 U.S.C. 300j–6) is amended by adding at the end the following new subsection:

“(f) REMOVAL.—Nothing in this part shall be construed to prevent any department, agency, or instrumentality of the Federal Government, or any officer, agent, or employee thereof in the performance of his official duties, from removing to the appropriate Federal district court any proceeding in State court to which the department, agency, or instrumentality or officer, agent, or employee thereof is subject pursuant to subsection (a), and any such proceeding may be removed in accordance with section 1441 et seq. of title 28.”.

(c) APPLICATION.—The amendments made by this section shall apply to any action filed in a state court after the effective date of this section.
SEC. 316. READINESS AND RANGE PRESERVATION INITIATIVE.

(a) IN GENERAL.—(1) Part III of subtitle A of title 10, United States Code, is amended by inserting after chapter 101 the following new chapter:

“CHAPTER 101A—READINESS AND RANGE PRESERVATION

§ 2015. Purpose of this chapter

“The purpose of this chapter is to—

“(1) protect the lives and well-being of citizens of the United States and preserve their freedoms, economic prosperity, and environmental heritage by ensuring military readiness;

“(2) ensure military readiness by addressing problems created by encroachment on military readiness activities and lands, marine areas, and airspace reserved, withdrawn, or designated for a military use;

“(3) reaffirm the principle that such lands, marine areas, and airspace exist to ensure military preparedness;
“(4) shield military readiness activities and lands, marine areas, and airspace reserved, withdrawn, or designated for a military use, including land, sea, and air training and operating areas, from encroachment, while ensuring that the Department of Defense fulfills its environmental stewardship responsibilities;

“(5) manage such lands, marine areas, and airspace for other purposes to the extent the non-military purpose does not reduce capability to support military readiness activities;

“(6) re-establish the appropriate balance between military readiness and environmental stewardship; and

“(7) establish a framework to ensure long-term sustainability of military ranges.

§ 2016. Definitions

“For purposes of this chapter:

“(1) The term ‘military readiness activities’ includes all training and operations that relate to combat, and the adequate and realistic testing of military equipment, vehicles, weapons, and sensors for proper operation and suitability for combat use. The term does not include the routine operation of installation operating support functions, such as adminis-
trative offices, military exchanges, commissaries, water treatment facilities, storage, schools, housing, motor pools, laundries, morale, welfare and recreation activities, shops, and mess halls, nor the operation of industrial activities, or the construction or demolition of such facilities.

“(2) The terms ‘combat’ or ‘combat use’ include all forms of armed conflict and operational employment as well as those support functions necessary for armed conflict and operational employment, including transportation of personnel, weapons, supplies, ammunition and other military material to the vicinity of actual or potential armed conflict; intelligence gathering in support of actual or potential armed conflict; command of and communications between military units; and similar activities necessary for the successful prosecution of armed conflict, whether or not conducted at the scene of actual conflict.

“(3) The term ‘the Department’ means the Department of Defense as defined in section 101(a)(6) of this title and the Coast Guard when it is not operating as a service in the Department of the Navy.
§ 2017. Military readiness and the conservation of protected species

“(a) The completion of an Integrated Natural Resources Management Plan, pursuant to the Sikes Act Improvement Act (16 U.S.C. 670a), for lands or other geographical areas owned or controlled by the Department, or designated for its use, that addresses endangered or threatened species and their habitat, provides the ‘special management considerations or protection’ required under the Endangered Species Act (16 U.S.C. 1532(5)(A)) and precludes designation of critical habitat for any such land or geographical areas under section 4 of the Endangered Species Act (16 U.S.C. 1533).

“(b) This section does not remove the requirement for agency consultation under section 7(a)(2) of the Endangered Species Act (16 U.S.C. 1536(a)(2)).

§ 2018. Conformity with State Implementation Plans for air quality

“(a) Conformity With Clean Air Act.—In all cases in which the requirements of section 176(c) of the Clean Air Act would have applied to proposed military readiness activities, the Department shall not be prohibited from engaging in such military readiness activities, but shall—

“(1) estimate for all criteria pollutants for which the area is designated ‘nonattainment’ or
‘maintenance’ the quantity of emissions that are
caused by the military readiness activities;

“(2) notify the state air quality planning agency
for the affected area of such emission estimates
prior to engaging in proposed military readiness ac-
tivities; and

“(3) ensure that military readiness activities
conform with the requirements of section 176(c)
within three years of the date new activities begin.

“(b) EPA APPROVAL.—Notwithstanding any other
provisions of law, an implementation plan or plan revision
required under the Clean Air Act shall be approved by the
Administrator of the Environmental Protection Agency
if—

“(1) such plan or revision meets all the require-
ments applicable to it under the Clean Air Act other
than a requirement that such plan or revision dem-
onstrate attainment and maintenance of the relevant
national ambient air quality standards by the attain-
ment date specified under the applicable provision of
the Act, or in a regulation promulgated under such
provision; and

“(2) the submitting State established to the
satisfaction of the Administrator that the implemen-
tation plan of such State would be adequate to at-
tain and maintain the relevant national ambient air quality standards by the attainment date specified under the applicable provision of the Act, or in a regulation promulgated under such provision, but for emissions emanating from military readiness activities not otherwise meeting section 176(c) of the Act pursuant to paragraph (a) of this section.

“(c) Effect on State Compliance With Ozone Standards.—Notwithstanding any other provisions of law, any state that establishes to the satisfaction of the Administrator that, with respect to an ozone nonattainment area in such State, such State would have attained the national ambient air quality standard for ozone by the applicable attainment date, but for emissions emanating from military readiness activities not otherwise meeting section 176(c) of the Act pursuant to paragraph (a) of this section, shall not be subject to the provisions of section 182(a)(2) or (5) or section 185 of the Act.

“(d) Effect on State Compliance With Carbon Monoxide Standards.—Notwithstanding any other provision of law, any State that establishes to the satisfaction of the Administrator, with respect to a carbon monoxide nonattainment area in such State, that such State has attained the national ambient air quality standard for carbon monoxide by the applicable attainment date, but for
emissions emanating from military readiness activities not otherwise meeting section 176(e) of the Act pursuant to paragraph (a) of this section, shall not be subject to the provisions of section 186(b)(2) of the Act.

"(e) Effect on State Compliance With PM–10 Standards.—Notwithstanding any other provisions of law, any State that establishes to the satisfaction of the Administrator that, with respect to a PM–10 nonattainment area in such State, such State would have attained the national ambient air quality standard for PM–10 by the applicable attainment date, but for emission emanating from military readiness activities not otherwise meeting section 176(e) of the Act pursuant to paragraph (a) of this section, shall not be subject to the provisions of section 188(b)(2) of the Act.

§ 2019. Range management and restoration

“(a) Definition of Solid Waste.—(1)(A) The term ‘solid waste’, as used in the Solid Waste Disposal Act, as amended (42 U.S.C. 6901 et seq.), includes explosives, unexploded ordnance, munitions, munition fragments, or constituents thereof that—

“(i) are or have been deposited, incident to their normal and expected use, on an operational range, and—
“(I) are removed from the operational range for reclamation, treatment, disposal, treatment prior to disposal, or storage prior to or in lieu of reclamation, treatment, disposal, or treatment prior to disposal;

“(II) are recovered, collected, and then disposed of by burial or landfilling; or

“(III) migrate off an operational range and are not addressed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9601 et seq.); or

“(ii) are deposited, incident to their normal and expected use, off an operational range, and are not promptly rendered safe or retrieved.

“(B) The explosives, unexploded ordnance, munitions, munitions fragments, or constituents thereof defined as solid waste in subparagraph (a)(1)(A) shall be subject to the provisions of the Solid Waste Disposal Act, as amended, including but not limited to sections 7002 and 7003, where applicable.

“(2) Except as set out in subparagraph (1), the term ‘solid waste,’ as used in the Solid Waste Disposal Act, as amended, does not include explosives, unexploded ord-
nance, munitions, munitions fragments, or constituents thereof that—

“(A) are used in training military personnel or explosives and munitions emergency response specialists (including training in proper destruction of unused propellant or other munitions);

“(B) are used in research, development, testing, and evaluation of military munitions, weapons, or weapon systems;

“(C) are or have been deposited, incident to their normal and expected use, and remain on an operational range, except as provided in subparagraph (a)(1)(A);

“(D) are deposited, incident to their normal and expected use, off an operational range, and are promptly rendered safe or retrieved; or

“(E) are recovered, collected, and destroyed on-range during range clearance activities at operational ranges, but not including the on-range burial of unexploded ordnance and contaminants when the burial is not a result of product use.

Nothing in subparagraphs (2)(A), (B), (C), (D), or (E) hereof affects the legal requirements applicable to explosives, unexploded ordnance, munitions, munitions fragments, or constituents thereof that have been deposited
on an operational range once the range ceases to be an operational range.

“(b) Definition of Release.—(1) The term ‘release,’ as used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9601 et seq.), includes the deposit off an operational range, or the migration off an operational range, of any explosives, unexploded ordnance, munitions, munitions fragments, or constituents thereof.

“(2) The term ‘release,’ as used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9601 et seq.), does not include the deposit or presence on an operational range of any explosives, unexploded ordnance, munitions, munitions fragments, or constituents thereof that are or have been deposited thereon incident to their normal and expected use and remain thereon.

“(3) Notwithstanding the provisions of paragraph (2), the authority of the President under section 106(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9606(a)), to take action because there may be an imminent and substantial endangerment to the public health or welfare or the environment because of an actual or threatened release of a hazardous substance includes
the authority to take action because of the deposit or presence on an operational range of any explosives, unexploded ordnance, munitions, munitions fragments, or constituents thereof that are or have been deposited thereon incident to their normal and expected use and remain thereon.

“(4) Nothing in this section affects the authority of the Department to protect the environment, safety, and health on operational ranges.”.

(2) The table of chapters at the beginning of such subtitle and the beginning of part III of such subtitle are amended by inserting after the item relating to chapter 101 the following new item:

“101A. Readiness and Range Preservation .............................. 2015”.

(b) MILITARY READINESS AND MARINE MAMMAL PROTECTION RECONCILIATION.—The Marine Mammal Protection Act of 1972, as amended (Public Law 92–522; 86 Stat. 1027; 16 U.S.C. 1361 et. seq.), is amended as follows:

(1) DEFINITIONS.—Section 3 (16 U.S.C. 1362) is amended—

(A) by amending paragraph (18) to read as follows:

“(18)(A) Except as provided in subparagraph (B), the term ‘harassment’ means any act of pursuit, torment, or annoyance which—
“(i) has the potential to injure a marine mammal or marine mammal stock in the wild; or

“(ii) has the potential to disturb a marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering.

“(iii) The term ‘Level A harassment’ means harassment described in subparagraph (A)(i).

“(iv) The term ‘Level B harassment’ means harassment described in subparagraph (A)(ii).

“(B) For purposes of military readiness activities, the term ‘harassment’ means any act which—

“(i) injures or has the significant potential to injure a marine mammal or marine mammal stock in the wild; or

“(ii)(I) disturbs or is likely to disturb a marine mammal or marine mammal stock in the wild by causing disruption of natural behavioral patterns, including, but not limited to, migration, surfacing, nursing, breeding, feeding, or sheltering, to a point where such behavioral
patterns are abandoned or significantly altered;
or
“(II) is directed toward a specific individual, group or stock of marine mammals in the wild that is likely to disturb the individual, group, or stock of marine mammals by disrupting behavior, including, but not limited to, migration, surfacing, nursing, breeding, feeding, or sheltering.”; and

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

“(30) The term ‘military readiness activities’ includes all training and operations that relate to combat, and the adequate and realistic testing of military equipment, vehicles, weapons, and sensors for proper operation and suitability for combat use. The term does not include the routine operation of installation operating support functions, such as administrative offices, military exchanges, commissaries, water treatment facilities, storage, schools, housing, motor pools, laundries, morale, welfare and recreation activities, shops, and mess halls, nor the operation of industrial activities, or the construction or demolition of such facilities.
“(31) The terms ‘combat’ or ‘combat use’ include all forms of armed conflict and operational employment as well as those support functions necessary for armed conflict and operational employment, including transportation of personnel, weapons, supplies, ammunition and other military material to the vicinity of actual or potential armed conflict; intelligence gathering in support of actual or potential armed conflict; command of and communications between military units; and similar activities necessary for the successful prosecution of armed conflict, whether or not conducted at the scene of actual conflict.

“(32) The term ‘Department of Defense’ means the military departments and the Coast Guard when it is not operating as a service in the Department of the Navy.”.

(3) Taking and Importing Marine Mammals.—Section 101 (16 U.S.C. 1371) is amended—

(A) in subsection (a)—

(i) in paragraph (5)—

(I) in subparagraph (A), by inserting “and military readiness activities” after “other than commercial fishing”; and
(II) in subparagraph (D)(i), by inserting “and military readiness activities” after “other than commercial fishing”; and

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

“(7)(A) Upon request by the Department of Defense for an authorization related to military readiness activities, the Secretary, shall allow, during periods of not more than five consecutive years each, the incidental, but not intentional, taking of marine mammals of a species or population stock if the Secretary—

“(i) finds that the total of such taking during each five-year (or less) period concerned will have a negligible impact upon such species or stock and will not have an unmitigable adverse impact on the availability of such species or stock for taking for subsistence uses pursuant to subsection (b) of this section or section 1379(f) of this title, or in the case of a cooperative agreement under both this chapter and the Whaling Convention Act of 1949 (16 U.S.C. 916 et seq.), pursuant to section 1382(c) of this title; and
“(ii) prescribes regulations setting forth—

“(I) permissible methods of taking
pursuant to such activity, and other means
of affecting the least practicable adverse
impact on such species or stock and its
habitat, paying particular attention to
rookeries and mating grounds, and on the
availability of such species or stock for
subsistence uses; and

“(II) requirements pertaining to the
monitoring and reporting of such taking.

“(B) The Secretary shall withdraw, or suspend
for a time certain, the permission to take marine
mammals granted under subparagraph (A), if the
Secretary finds, after notice and opportunity for
public comment (unless subparagraph (C)(i) ap-
plies), that—

“(i) the regulations prescribed under sub-
paragraph (A) regarding methods of taking,
monitoring, or reporting are not being substan-
tially complied with; or

“(ii) the taking allowed under subpara-
graph (A) is having, or may have, more than a
negligible impact on the species or stock con-
cerned.
“(C)(i) The requirement for notice and opportunity for public comment shall not apply in the case of a suspension of permission to take if the Secretary determines that an emergency exists which poses a significant risk to well-being of the species or stock concerned.

“(ii) Sections 1373 and 1374 of this title shall not apply to the taking of marine mammals under the authority of this paragraph.

“(D)(i) Upon request by the Department of Defense for an authorization related to military readiness activities, the Secretary shall authorize, for periods of not more than 1 year, subject to such conditions as the Secretary may specify, the incidental, but not intentional, taking by harassment of marine mammals of a species or population stock if the Secretary finds that such harassment during each period concerned—

“(I) will have a negligible impact on such species or stock, and

“(II) will not have an unmitigable adverse impact on the availability of such species or stock for taking for subsistence uses pursuant to subsection (b) of this section, or 1379(f) of
this title, or pursuant to a cooperative agreement under section 1388 of this title.

“(ii) The authorization for such military readiness activities shall prescribe, where applicable—

“(I) permissible methods of taking by harassment pursuant to such military readiness activity, and other means of affecting the least practicable impact upon such species or stock and its habitat, paying particular attention to rookeries and mating grounds, and on the availability of such species or stock for subsistence uses pursuant to subsection (b) of this section, or 1379(f) of this title, or pursuant to a cooperative agreement under section 1388 of this title;

“(II) the measures that the Secretary of Commerce or Secretary of Interior determines are necessary to ensure no unmitigable adverse impact upon the availability of the species or stock for subsistence uses pursuant to subsection (b) of this section, or 1379(f) of this title, or pursuant to a cooperative agreement under section 1388 of this title; and

“(III) requirements pertaining to the monitoring and reporting of such taking by harassment, including requirements for the inde-
pendent peer review of proposed monitoring plans or other research proposals where the proposed military readiness activity may affect the availability of the species or stock for subsistence uses pursuant to subsection (b) of this section, or 1379(f) of this title, or pursuant to a cooperative agreement under section 1388 of this title.

“(iii) The Secretary shall publish a proposed authorization not later than 45 days after receiving a request under this subparagraph and request public comment through notice in the Federal Register for a period of 30 days after publication. Not later than 45 days after the close of the public comment period, if the Secretary makes the findings set forth in clause (E)(i), the Secretary shall issue an authorization with appropriate conditions to meet the requirements of clause (D)(ii).

“(iv) The Secretary shall modify, suspend, or revoke an authorization if the Secretary finds that the provisions of clauses (D)(i) or (D)(ii) are not being met.

“(v) A person conducting a military readiness activity for which an authorization has been granted under this subparagraph shall not be subject to the
penalties of this chapter for taking by harassment that occurs in compliance with such authorization.

“(E) Nothing in this chapter shall require disclosure of information classified in the interests of national defense.”;

(4) by redesignating subsection (e) as subsection (f); and

(5) by inserting after subsection (d) the following new subsection (e):

“(e) EXEMPTION OF ACTIONS NECESSARY FOR NATIONAL DEFENSE.—The Secretary of Defense, after conferring with the Secretary of Commerce, the Secretary of Interior, or both, as appropriate, may exempt any action or category of actions undertaken by the Department of Defense or its components from compliance with any requirement of the Marine Mammal Protection Act, 16 U.S.C. 1361 et seq., if he determines that it is necessary for national defense. Exemptions granted under this section shall be for a period of not more than two years. Additional exemptions for periods not to exceed two years each may be granted for the same action or category of actions upon the Secretary of Defense, after conferring with the Secretary of Commerce, the Secretary of Interior, or both as appropriate, making a new determination.”.
Subtitle C—Workplace and Depot Issues

SEC. 321. REPEAL OF TIME LIMITATION ON EXCLUSION OF EXPENDITURES ON CONTRACTING FOR DEPOT-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 pro-
viding 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 para-
graph (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 con-
tractor for any effort the depot undertakes to cor-
rect performance deficiencies under the contract.”.

SEC. 323. EXCLUDE WORKLOADS FOR SPECIAL ACCESS
PROGRAMS FROM LIMITATIONS ON THE PER-
FORMANCE 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”.

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SEC. 325. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELENCE: 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.

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.

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.
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.

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.

Sec. 513. Extending eligibility to the federal long-term care insurance program to reservists transferred to the Retired Reserves awaiting receipt of retired pay.

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. Eliminate requirement that the Department of Defense report earned but non-taxable income on form W–2.

Sec. 533. 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. Termination of disability review boards.

Sec. 562. Basic training requirement for certain members accessed under a direct entry program.

Sec. 563. Alternate initial military service obligation for persons accessed under direct entry program.

Sec. 564. Release of taxpayer address information held by the Internal Revenue Service on members of the Armed Forces.

Sec. 565. Joint warfighting capabilities funding.

Sec. 566. Reappointment of Chairman and Vice-Chairman of the Joint Chiefs of Staff during national emergency.
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 para-
graph (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 dis-
charged 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 Sec-
retary 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 de-
dtermines that completion of the active duty obliga-
tion is not in the best interest of the military depart-
ment.”.

(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.”.
(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”; and

(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.
SEC. 513. EXTENDING ELIGIBILITY TO THE FEDERAL LONG-TERM CARE INSURANCE PROGRAM TO RESERVISTS TRANSFERRED TO THE RETIRED RESERVES AWAITING RECEIPT OF RETIRED PAY.

Section 9001(4) of title 5, United States Code, is amended—

(1) by striking “including” and inserting “and”; and

(2) by striking “who has attained the age of 60 and”.

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 deploy-
ment, 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 deployments.”.


Section 6051(a) of subpart A of part III of chapter 61 of the Internal Revenue Code of 1986 (relating to information concerning persons subject to special provisions) is amended—

(1) by striking paragraph (10); and

(2) by redesignating paragraph (11) as paragraph (10).
SEC. 533. CONSISTENT TIME IN SERVICE RETIREMENT CRITERIA.

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

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

(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:

§ 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. TERMINATION OF DISABILITY REVIEW BOARDS.

(a) MILITARY DEPARTMENTS.—Section 1554 of title 10, United States Code, is repealed.

(b) PUBLIC HEALTH SERVICE.—Section 221(a) of the Public Health Service Act (42 U.S.C. 213a(a)) is amended—

(1) by striking paragraph (14); and

(2) by redesignating paragraphs (15), (16), and (17) as paragraphs (14), (15), and (16), respectively.

SEC. 562. 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. 563. 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. 564. RELEASE OF TAXPAYER ADDRESS INFORMATION HELD BY THE INTERNAL REVENUE SERVICE ON MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—Section 6103(m) of the Internal Revenue Code of 1986 (26 U.S.C. 6103(m)) is amended by adding at the end the following new paragraph:

“(8) MEMBERS OF THE ARMED FORCES.—

“(A) IN GENERAL.—Upon written request by the Secretary of Defense, the Secretary of a military department, or the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, the Secretary may disclose the mailing
address of an individual to officers or employees
of the Department of Defense or Department of
Homeland Security for use by such officers or
employees or their agents for the purpose of lo-
cating such individual who is serving in a re-
serve component of the armed forces of the
United States.

“(B) PRIOR ATTEMPTS TO OBTAIN AD-
DRESS INFORMATION FROM OTHER SOURCES.—
Such requests shall be made only after the Sec-
retary of Defense, the Secretary of a military
department or the Secretary of Homeland Secu-
rity, as the case may be, has made every rea-
sonable effort to locate the individual through
other sources.

“(C) EXCEPTION DURING NATIONAL
EMERGENCY OR WAR.—During a national emer-
gency declared by the President or war declared
by Congress, the Secretary of Defense, the Sec-
retary of a military department or the Sec-
retary of Homeland Security may request the
address of an individual, notwithstanding sub-
paragraph (B), if the individual possesses a
critical skill and is needed for immediate mobili-
zation under section 12304, 12302, or 12301(a) of title 10.

“(D) Expiration of Authority.—No information shall be released under this section after September 30, 2006.”.

(b) Disclosures to Contractors.—Subsection (p) of such section is amended by adding at the end the following new paragraph:

“(9) Disclosures to Contractors.—

“(A) In General.—Notwithstanding any other provision of this section, no return or return information shall be disclosed to a contractor or other agent of a Federal, State, or local agency unless such agency, to the satisfaction of the Secretary—

“(i) has requirements in effect that require each contractor or other agent of such agency that would have access to returns or return information to provide safeguards (within the meaning of paragraph (4)) to protect the confidentiality of such returns or return information;

“(ii) agrees to conduct a regular, on-site review (mid-point review in the case of contracts of less than 1 year in duration)
of each contractor or other agency to determine compliance with such requirements;

“(iii) submits the findings of the most recent review conducted under clause (ii) to the Secretary as part of the report required by paragraph (4)(E); and

“(iv) certifies to the Secretary for the most recent annual period that all contractors or other agents are in compliance with all such requirements. Such certification shall be signed by the head of the agency or his or her delegate.

“The certification required by clause (iv) shall include the name and address of each contractor or other agent, a description of the contract or agreement of the contractor with the agency, or other authority for agency relationship, and the duration of such contract, agreement or authority.

“(B) RELATIONSHIP TO PROVISION GOV-ERNING DISCLOSURE FOR PURPOSES OF TAX ADMINISTRATION.—The requirements of this paragraph shall not apply to disclosures pursu-
(c) CONFORMING AND TECHNICAL AMENDMENTS.—

(1) Such section is further amended—

(A) in subsection (a)(3), by striking “(2) or (4)(B)” and inserting “(2), (4)(B), (5), (7), or (8)”;

and

(B) in subsection (p)(4), by striking “under paragraph (2), (4), (6), or (7) of subsection (m)” and inserting “under paragraph (2), (4), (5), (6), (7), or (8) of subsection (m)”.

(2) Section 7213(a)(2) of such Code (26 U.S.C. 7213(a)(2)) is amended by striking “or (7) of section 6103” and inserting “(7), or (8) of section 6103”.

SEC. 565. 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. 566. 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.
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. Providing members serving in a contingency operation the same tax filing delay provided to members serving in a combat zone or in a qualified hazardous duty area.
Sec. 632. Permit non-scholarship senior ROTC sophomores to voluntarily contract and receive subsistence allowance.
Sec. 633. Increase annual student loan repayment authority.
Sec. 634. Authorize cabinet secretaries, secretaries of military departments, and heads of independent agencies to be paid on a biweekly basis.

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 the 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

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

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<tr>
<td>O–5 ...</td>
<td>6,389.70</td>
<td>6,563.40</td>
<td>6,760.80</td>
<td>6,760.80</td>
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<tr>
<td>O–4 ...</td>
<td>5,733.00</td>
<td>5,733.00</td>
<td>5,733.00</td>
<td>5,733.00</td>
<td>5,733.00</td>
</tr>
<tr>
<td>O–3 (^3)</td>
<td>4,911.30</td>
<td>4,911.30</td>
<td>4,911.30</td>
<td>4,911.30</td>
<td>4,911.30</td>
</tr>
<tr>
<td>O–2 (^3)</td>
<td>3,592.50</td>
<td>3,592.50</td>
<td>3,592.50</td>
<td>3,592.50</td>
<td>3,592.50</td>
</tr>
<tr>
<td>O–1 (^3)</td>
<td>2,834.70</td>
<td>2,834.70</td>
<td>2,834.70</td>
<td>2,834.70</td>
<td>2,834.70</td>
</tr>
</tbody>
</table>

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

\(^2\) Subject to the preceding footnote, 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 $14,879.30, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

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

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

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>O–3E</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$4,027.20</td>
<td>$4,220.10</td>
</tr>
<tr>
<td>O–2E</td>
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<td>0.00</td>
<td>0.00</td>
<td>3,537.00</td>
<td>3,609.90</td>
</tr>
<tr>
<td>O–1E</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>2,848.50</td>
<td>3,042.30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Over 8</th>
<th>Over 10</th>
<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>O–3E</td>
<td>$4,431.60</td>
<td>$4,568.70</td>
<td>$4,794.30</td>
<td>$4,984.20</td>
<td>$5,092.80</td>
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<tr>
<td>O–2E</td>
<td>3,724.80</td>
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<td>4,180.20</td>
<td>4,180.20</td>
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<tr>
<td>O–1E</td>
<td>3,154.50</td>
<td>3,269.40</td>
<td>3,382.20</td>
<td>3,537.00</td>
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</table>

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Over 18</th>
<th>Over 20</th>
<th>Over 22</th>
<th>Over 24</th>
<th>Over 26</th>
</tr>
</thead>
<tbody>
<tr>
<td>O–2E</td>
<td>4,180.20</td>
<td>4,180.20</td>
<td>4,180.20</td>
<td>4,180.20</td>
<td>4,180.20</td>
</tr>
<tr>
<td>O–1E</td>
<td>3,537.00</td>
<td>3,537.00</td>
<td>3,537.00</td>
<td>3,537.00</td>
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</table>

WARRANT OFFICERS

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

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>W–5 ..</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
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<tr>
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<td>3,119.40</td>
<td>3,355.80</td>
<td>3,452.40</td>
<td>3,547.20</td>
<td>3,710.40</td>
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<tr>
<td>W–3 ..</td>
<td>2,848.80</td>
<td>2,967.90</td>
<td>3,089.40</td>
<td>3,129.30</td>
<td>3,257.10</td>
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<tr>
<td>W–2 ..</td>
<td>2,505.90</td>
<td>2,649.00</td>
<td>2,774.10</td>
<td>2,865.30</td>
<td>2,943.30</td>
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<td>W–1 ..</td>
<td>2,212.80</td>
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<td>2,515.20</td>
<td>2,593.50</td>
<td>2,802.30</td>
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<table>
<thead>
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<th>Pay Grade</th>
<th>Over 8</th>
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<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>W–5 ..</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>W–4 ..</td>
<td>3,871.50</td>
<td>4,035.00</td>
<td>4,194.30</td>
<td>4,359.00</td>
<td>4,617.30</td>
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<tr>
<td>W–3 ..</td>
<td>3,403.20</td>
<td>3,595.80</td>
<td>3,786.30</td>
<td>3,988.80</td>
<td>4,140.50</td>
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<tr>
<td>W–2 ..</td>
<td>3,157.80</td>
<td>3,321.60</td>
<td>3,443.40</td>
<td>3,562.20</td>
<td>3,643.80</td>
</tr>
<tr>
<td>W–1 ..</td>
<td>2,928.30</td>
<td>3,039.90</td>
<td>3,164.70</td>
<td>3,247.20</td>
<td>3,321.90</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Over 18</th>
<th>Over 20</th>
<th>Over 22</th>
<th>Over 24</th>
<th>Over 26</th>
</tr>
</thead>
<tbody>
<tr>
<td>W–5 ..</td>
<td>$0.00</td>
<td>$3,530.70</td>
<td>$3,544.30</td>
<td>$5,728.80</td>
<td>$5,914.20</td>
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<tr>
<td>W–4 ..</td>
<td>4,782.60</td>
<td>4,944.30</td>
<td>5,112.00</td>
<td>5,277.00</td>
<td>5,445.90</td>
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<tr>
<td>W–3 ..</td>
<td>4,291.80</td>
<td>4,356.90</td>
<td>4,424.10</td>
<td>4,570.20</td>
<td>4,716.30</td>
</tr>
<tr>
<td>W–2 ..</td>
<td>3,712.50</td>
<td>3,843.00</td>
<td>3,972.60</td>
<td>4,103.70</td>
<td>4,103.70</td>
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<tr>
<td>W–1 ..</td>
<td>3,443.70</td>
<td>3,535.80</td>
<td>3,535.80</td>
<td>3,535.80</td>
<td>3,535.80</td>
</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>E–9 2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
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<tr>
<td>E–8 ...</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>E–7 ...</td>
<td>2,145.00</td>
<td>2,341.20</td>
<td>2,430.60</td>
<td>2,549.70</td>
<td>2,642.10</td>
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<tr>
<td>E–6 ...</td>
<td>1,855.50</td>
<td>2,041.20</td>
<td>2,131.20</td>
<td>2,218.80</td>
<td>2,310.00</td>
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<tr>
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<td>1,700.10</td>
<td>1,813.50</td>
<td>1,901.10</td>
<td>1,991.10</td>
<td>2,130.60</td>
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<tr>
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<td>1,558.20</td>
<td>1,638.30</td>
<td>1,726.80</td>
<td>1,814.10</td>
<td>1,891.50</td>
</tr>
<tr>
<td>E–3 ...</td>
<td>1,407.00</td>
<td>1,495.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
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<tr>
<td>E–2 ...</td>
<td>1,331.40</td>
<td>1,331.40</td>
<td>1,331.40</td>
<td>1,331.40</td>
<td>1,331.40</td>
</tr>
<tr>
<td>E–1 3</td>
<td>1,086.00</td>
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<td>0.00</td>
<td>0.00</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Over 8</th>
<th>Over 10</th>
<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>E–9 2</td>
<td>$0.00</td>
<td>$3,769.20</td>
<td>$3,854.70</td>
<td>$3,962.40</td>
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<td>3,085.50</td>
<td>3,222.00</td>
<td>3,306.30</td>
<td>3,406.70</td>
<td>3,517.50</td>
</tr>
<tr>
<td>E–7 ...</td>
<td>2,801.40</td>
<td>2,891.10</td>
<td>2,980.20</td>
<td>3,139.80</td>
<td>3,219.60</td>
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<tr>
<td>E–6 ...</td>
<td>2,516.10</td>
<td>2,596.20</td>
<td>2,685.30</td>
<td>2,763.30</td>
<td>2,799.90</td>
</tr>
<tr>
<td>E–5 ...</td>
<td>2,250.90</td>
<td>2,339.70</td>
<td>2,367.90</td>
<td>2,367.90</td>
<td>2,367.90</td>
</tr>
<tr>
<td>E–4 ...</td>
<td>1,891.50</td>
<td>1,891.50</td>
<td>1,891.50</td>
<td>1,891.50</td>
<td>1,891.50</td>
</tr>
<tr>
<td>E–3 ...</td>
<td>1,585.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
</tr>
<tr>
<td>E–2 ...</td>
<td>1,331.40</td>
<td>1,331.40</td>
<td>1,331.40</td>
<td>1,331.40</td>
<td>1,331.40</td>
</tr>
<tr>
<td>E–1 3</td>
<td>1,173.90</td>
<td>1,173.90</td>
<td>1,173.90</td>
<td>1,173.90</td>
<td>1,173.90</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Over 18</th>
<th>Over 20</th>
<th>Over 22</th>
<th>Over 24</th>
<th>Over 26</th>
</tr>
</thead>
<tbody>
<tr>
<td>E–9 2</td>
<td>$4,216.50</td>
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<td>$4,594.20</td>
<td>$4,776.60</td>
<td>$5,054.70</td>
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<tr>
<td>E–8 ...</td>
<td>3,715.50</td>
<td>3,815.70</td>
<td>3,986.40</td>
<td>4,081.20</td>
<td>4,314.30</td>
</tr>
<tr>
<td>E–7 ...</td>
<td>3,295.50</td>
<td>3,341.70</td>
<td>3,498.00</td>
<td>3,599.10</td>
<td>3,855.00</td>
</tr>
<tr>
<td>E–6 ...</td>
<td>2,809.80</td>
<td>2,809.80</td>
<td>2,809.80</td>
<td>2,809.80</td>
<td>2,809.80</td>
</tr>
<tr>
<td>E–5 ...</td>
<td>2,367.90</td>
<td>2,367.90</td>
<td>2,367.90</td>
<td>2,367.90</td>
<td>2,367.90</td>
</tr>
<tr>
<td>E–4 ...</td>
<td>1,891.50</td>
<td>1,891.50</td>
<td>1,891.50</td>
<td>1,891.50</td>
<td>1,891.50</td>
</tr>
<tr>
<td>E–3 ...</td>
<td>1,585.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
<td>1,585.50</td>
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<td>E–2 ...</td>
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<tr>
<td>E–1 3</td>
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<td>1,173.90</td>
<td>1,173.90</td>
<td>1,173.90</td>
<td>1,173.90</td>
</tr>
</tbody>
</table>

1 Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

2 Subject to the preceding footnote, 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.

1 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.

(c) INCREASE IN BASIC PAY FOR MEMBERS OF THE UNIFORMED SERVICES NOT IN THE ARMED FORCES.—Effective on January 1, 2004, the rates of 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.

“(c) 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:

"326. 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.

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(e) of such
title is amended—

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

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

“(2)(A) In the case of any cadet eligible to re-
ceive financial assistance as provided under para-
graph (1), the Secretary of the military department
concerned may pay room and board expenses for
such cadet, and other expenses required by the edu-
cational institution, in lieu of all or part of the fi-
nancial 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 pro-
vided 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.—Section 308c(e) of such title is amended by striking out “December 31, 2003” and inserting “December 31, 2004”.

(d) Special Pay for Enlisted Members Assigned to Certain High Priority Units.—Section 308d(c) of such title is amended by striking out “December 31, 2003” and inserting “December 31, 2004”.
(e) Selected Reserve Affiliation Bonus.—Section 308e(e) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2004”.

(f) Ready Reserve Enlistment and Reenlistment Bonus.—Section of 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 312c(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”.
(c) **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 transportation as established under section 404(d)(1) of this title.”.

Subtitle D—Other Matters

SEC. 631. PROVIDING MEMBERS SERVING IN A CONTINGENCY OPERATION THE SAME TAX FILING DELAY PROVIDED TO MEMBERS SERVING IN A COMBAT ZONE OR IN A QUALIFIED HAZARDOUS DUTY AREA.

(a) In General.—Section 7508(a) of the Internal Revenue Code of 1986 (relating to deadlines postponed by reason of service in a combat zone) is amended—

(1) by inserting “or when deployed outside the United States away from the individual’s permanent duty station while participating in an operation designated by the Secretary of Defense as a contingency operation, or which became a contingency operation by operation of law, pursuant to section 101 of title 10” after “section 112”; and
(2) by inserting “or at any time during the period of a contingency operation” after “for purposes of such section”.

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

“SEC. 7508. TIME FOR PERFORMING CERTAIN ACTS BY REASON OF SERVICE IN COMBAT ZONE OR CONTINGENCY OPERATION.”.

(2) The item relating to such section in the table of sections at the beginning of chapter 77 of the Internal Revenue Code of 1986 is amended to read as follows:

“Sec. 7508. Time for performing certain acts postponed by reason of service in combat zone or contingency operation.”.

SEC. 632. PERMIT NON-SCHOLARSHIP SENIOR ROTC SOPHOMORES 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 following 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 allowance
under this subsection, a person must—

“(A) be a citizen of the United States;
“(B) enlist in an armed force under the juris-
diction of the Secretary of the military department
concerned for the period prescribed by the Secretary;
“(C) contract, with the consent of his parent or
guardian if he is a minor, with the Secretary 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 ap-
pointment, 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 prescribed 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 prescribes 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.”.

SEC. 633. INCREASE ANNUAL STUDENT LOAN REPAYMENT AUTHORITY.

Section 5379(b)(2)(A) of title 5, United States Code, is amended by striking “$6,000” and inserting “$10,000”.

SEC. 634. AUTHORIZE CABINET SECRETARIES, SECRETARIES OF MILITARY DEPARTMENTS, AND HEADS OF EXECUTIVE AGENCIES TO BE PAID ON A BIWEEKLY BASIS.

Section 5504 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by striking “For the purpose of this subsection” and inserting “For the purpose of this section”; and
(B) by amending paragraph (B) to read as follows:

“(B) an employee or individual excluded from the definition of ‘employee’ in section 5541(2), other than an employee or individual excluded by clauses (ii), (iii), and (xiv)–(xvii) of such section. Notwithstanding the preceding sentence, an individual who otherwise would be excluded from this section shall be deemed to be an employee for purposes of this section if the individual’s employing agency so elects, under guidelines in regulations to be promulgated by the Office of Personnel Management under subsection (c)(2).”;

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

(3) in subsection (c)—

(A) by inserting “(1)” after “(e)”; and

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

“(2) The Office of Personnel Management shall provide guidelines by regulation for exemptions to be made by the heads of agencies under the last sentence of subsection (a)(B) only under exceptional circumstances.”.
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.

Sec. 703. Changes to Department of Defense-Department of Veterans Affairs Health Executive Committee.

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 participating uniformed service under the jurisdiction of another administering Secretary, the administering Secretary 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 sentence: “The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Pharmacy and Therapeutics Committee.”.

SEC. 703. CHANGES TO DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS HEALTH EXECUTIVE COMMITTEE.

Subsection (c) of section 8111 of title 38, United States Code, is amended to read as follows:

“(c) DOD–VA JOINT EXECUTIVE COMMITTEE.—(1) There is established an interagency committee to be known as the Department of Veterans Affairs-Department of Defense Joint Executive Committee (hereinafter in this section referred to as the ‘Committee’). The Committee is composed of—

“(A) the Deputy Secretary of Veterans Affairs and such other officers and employees of the Department of Veterans Affairs as the Secretary of Veterans Affairs may designate; and

“(B) the Under Secretary of Defense for Personnel and Readiness and such other officers and
employees of the Department of Defense as the Secretary of Defense may designate.

“(2) The Deputy Secretary of Veterans Affairs and the Under Secretary of Defense shall determine the size and structure of the Committee, as well as the administrative and procedural guidelines for the operation of the Committee. The two Departments shall supply appropriate staff and resources to provide administrative support and services. Support for such purposes shall be provided at a level sufficient for the efficient operation of the Committee, including a subordinate Health Executive Committee, a subordinate Benefits Executive Committee, and such other committees or working groups as deemed necessary by the co-chairs.

“(3) The Committee shall recommend to the Secretaries strategic direction for the joint coordination and sharing efforts between and within the two Departments under this section and shall oversee implementation of those efforts.

“(4) The Committee shall submit to the two Secretaries and to Congress an annual report containing such recommendations as the Committee considers appropriate.

“(5) In order to enable the Committee to make recommendations in its annual report under paragraph (4), the Committee shall do the following:
“(A) Review existing policies, procedures, and practices relating to the coordination and sharing of resources between the two Departments.

“(B) Identify changes in policies, procedures, and practices that, in the judgment of the Committee, would promote mutually beneficial coordination, use, or exchange of use of services and resources of the two Departments, with the goal of improving the quality, efficiency and effectiveness of the delivery of benefits and services to veterans, service members, military retirees and their families through an enhanced Department of Veterans Affairs and Department of Defense partnership.

“(C) Identify and assess further opportunities for the coordination and collaboration between the Departments that, in the judgment of the Committee, would not adversely affect the range of services, the quality of care, or the established priorities for benefits provided by either Department.

“(D) Review the plans of both Departments for the acquisition of additional resources, especially new facilities and major equipment and technology, in order to assess the potential effect of such plans on further opportunities for the coordination and sharing of resources.
“(E) Review the implementation of activities designed to promote the coordination and sharing of resources between the Departments.”

**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.
Sec. 816. Exception for replacement ball bearings and roller bearings to be used in a component of non-domestic origin.
Sec. 817. Industry assignment program.

Subtitle C—Acquisition-Related Reports and Other Matters

Sec. 821. Limited access to controlled unclassified information by administrative support service contractors.
Sec. 822. Elimination of the requirement to furnish written assurances of technical data conformity.
Sec. 823. Authorization to take actions to correct the industrial resource shortfall for radiation-hardened electronics.
Sec. 824. Conversions of commercial activities.
Sec. 825. Make permanent the authority to enter into certain personal services contracts.
Subtitle A—Acquisition Policy and Management

SEC. 801. MILESTONE AUTHORIZATION OF SELECTED DEFENSE ACQUISITION PROGRAMS.

(a) In General.—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 appro
priated in a single amount sufficient to carry out the ac-
quisition phase for which the baseline description is sub-
mitted.

“(c) MILESTONE AUTHORIZATION.—Congress shall
authorize the appropriation of funds for the system devel-
opment and demonstration, or the production and deploy-
ment 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 insert-\nserting “This section”; and

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

(4) in subsection (d)—

(A) in the catchline for such subsection, by\nstriking “OUTSIDE THE UNITED STATES” and\ninserting “IN EXIGENT CIRCUMSTANCES”;

(B) by striking “Subsection (a) does not\napply” and inserting “This section does not\napply”;\n
(C) by revising paragraph (1) to read as\nfollows:

“(1) Procurements of items listed in sub-
sections (b)(1)(A), (b)(2), and (b)(3) in support of\ncontingency operations as defined in section\n101(a)(13) of this title, and procurements outside\nthe United States of items listed in subsections\n(b)(1)(B) through (b)(1)(E) in support of combat\noperations.”; and

(D) by revising paragraph (3) to read as\nfollows:

“(3) Procurements of items listed in sub-
sections (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 for-

gnment in which both such govern-
ments agree to remove barriers to purchases of
supplies produced in the other country or serv-
ices performed by sources of the other country;
and
“(B) any such agreement with a foreign govern-
ment complies, where applicable, with the require-
ments 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 sections (b)(1)(A), (b)(2), and (b)(3), except if the end item is specialty metal.”.

Subtitle B—Amendments to General 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 catchline in subsection (c);

(2) by redesignating subsection (c) as paragraph (b)(5);

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

“(c) Appropriations for Life Cycle Cost Reduction.—(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 start-up funds for projects undertaken 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 Account 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 inserting “AUTHORIZED USE OF TRANSFERRED FUNDS.—Funds transferred to the Defense Modernization Account 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 Defense 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 sec-
tion 2216(c) of such title to appropriate funds to the De-
fense Modernization Account shall terminate on Sep-
tember 30, 2006.; and

“(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
1547) is amended in subsection (g), by striking “Sep-
tember 30, 2004” and inserting “September 30, 2008”.

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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-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-do-
mestic origin”.

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 es-
tablish a pilot program for the temporary assignment of
non-governmental personnel who are employed in the pri-
ivate sector to the Department of Defense. The Secretary
may promulgate regulations for such purpose.

“(b) Purpose.—This program is designed to im-
prove 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 employ-
ees 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 partici-
pate 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 standards of conduct and which shall include as a minimum—

“(i) limitations on the number of participants (no more than 400);

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

“(iii) protection of government information;

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

“(v) exclusions from the performance of inherently governmental functions, such as policy-making and supervision of Government employees; and

“(vi) methodology and criteria for evaluation of the pilot; and
“(E) is not deemed to be an employee for purposes 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-
ivate 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.

(c) 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.”.
SEC. 818. REAUTHORIZATION OF DEFENSE PRODUCTION ACT.

(a) IN GENERAL.—Subsection (a) of Section 717 of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended in the first sentence by striking “Title I (except section 104), title III, and title VII (except sections 708 and 721), and all authority conferred thereunder, shall terminate at the close of September 30, 2003” and insert “Title I (except section 104), title III, and title VII (except sections 707, 708, and 721), and all authority conferred thereunder, shall terminate at the close of September 30, 2008.”; and

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 711(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2161(b)) is amended by striking “1996 through 2003” and inserting “2004 through 2008”.

Subtitle C—Acquisition-Related Reports and Other Matters

SEC. 821. LIMITED ACCESS TO PROTECTED INFORMATION BY ADMINISTRATIVE SUPPORT CONTRACTORS.

(a) The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) is amended by adding at the end the following new section:
§ Sec. 40. Limited access to protected information by administrative support contractors

“(a) With respect to a contractor who performs an administrative support function, the head of an executive agency may, in the discretion of the executive agency head, authorize access to, and use by, that contractor of protected information to perform such function for such executive agency, unless—

“(1) such access or use is prohibited by a law or Executive Order other than an information protection statute; or

“(2) the contractor has no need to know or use the information to perform duties under a contract with the United States or an executive agency.

“(b) Any contractor who has exercised access to or used protected information to which access was authorized pursuant to subsection (a) shall be subject to—

“(1) any provision of a contract with respect to which such access was authorized regarding use, reproduction, modification, performance, display, release or disclosure of such protected information;

“(2) any Federal rule or regulation regarding use, reproduction, modification, performance, display, release or disclosure of such protected information that applies to an employee of the United States with respect to such protected information,
unless the authority issuing the rule or regulation determines in writing that, in the public interest, the rule or regulation shall not apply to such contractor;

“(3) any information protection statute that applies with respect to such protected information to the same extent (including any civil and criminal penalties for violation of such statute) as an officer or employee of the United States; and

“(4) any other applicable law.

“(c) Nothing in this section shall be construed to impair or otherwise affect—

“(1) the rights of any person with respect to patents, copyrights or other intellectual property of that person under Federal law; or

“(2) the rights of any person vested prior to the date of enactment of this section under section 21 of this Act or section 2320 of title 10, United States Code.

“(d) DEFINITIONS.—In this section—

“(1) The term ‘contractor’ means an individual who is—

“(A) a party to a contract with the United States or an executive agency thereof;
“(B) employed by a party to a contract with the United States or an executive agency thereof; or

“(C) a subcontractor at any tier (or employee of a subcontractor at any tier) of a contractor described in paragraph (A) or (B).

“(2) The term ‘administrative support function’ means any of the following—

“(A) secretarial or clerical support;

“(B) auditing or audit support;

“(C) provisioning or logistics support;

“(D) data entry;

“(E) document reproduction, scanning, imaging, or destruction;

“(F) operation, management, or maintenance of paper-based or electronic mail rooms, file rooms, or libraries;

“(G) installation, operation, management, or maintenance of computer systems, electronic networks, or internet or intranet systems;

“(H) security services, including facilities or information security; and

“(I) supervision or legal services in connection with functions listed in paragraphs (A) through (H) above.
“(3) The term ‘information protection statute’ means any of the following laws—

“(A) Section 21 of this Act.

“(B) Section 2320 of title 10, United States Code.

“(C) Section 1905 of title 18, United States Code.

“(4) The term ‘protected information’ means information for which an information protection statute prohibits disclosure to a contractor.”.

(b) Clerical Amendment.—The table of contents in section 1(b) of such Act is amended by adding at the end the following new item:

“Sec. 40. Limited access to protected information by administrative support contractors.”.

SEC. 822. ELIMINATION OF THE REQUIREMENT TO FURNISH 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. 823. AUTHORIZATION TO TAKE ACTIONS TO CORRECT
THE INDUSTRIAL RESOURCE SHORTFALL
FOR RADIATION-HARDENED ELECTRONICS.

Notwithstanding the limitation in section 303(a)(6)(C) of the Defense Production Act of 1950 (50 U.S.C. App. 2093(a)(6)(C)), the President is authorized to take action under section 303 of the Defense Production Act of 1950 to correct the industrial resource shortfall for radiation-hardened electronics, provided that such Presidential actions does not cause the aggregate outstanding amount of all such actions to exceed $200,000,000.

SEC. 824. 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 per-
formance by Department of Defense civil-
ian 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. 825. MAKE PERMANENT THE AUTHORITY TO ENTER INTO CERTAIN PERSONAL SERVICES CON-TRACTS.

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 DE- FENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Duties and Functions of Department of Defense Officers

Sec. 901. Repeal of rotating chairman for the Economic Adjustment Com- mittee.

Sec. 902. 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.
Sec. 912. Commercial space competitiveness and contributions of funds and
services from non-federal agencies.

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.
Sec. 933. Protection of operational files of the National Security Agency.

Subtitle A—Duties and Functions of Department of Defense Officers

SEC. 901. REPEAL OF ROTATING CHAIRMAN FOR THE ECO-
NOMIC ADJUSTMENT COMMITTEE.

Section 4004(b) of the Defense Economic Adjust-
ment, Diversification, Conversion, and Stabilization Act of
1990 (Public Law 101–510; 104 Stat. 1848), as amended
to read as follows:
“(b) CHAIRMAN.—The Secretary of Defense shall be
the chairman of the Economic Adjustment Committee.”.

SEC. 902. 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 “un-
less 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 amend-
(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 hous-
ing or military unaccompanied housing, including in-
come and gains realized from investments under sec-
tion 2875 of this title and any return of capital in-
vested 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 (c)” 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”.

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(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”.

(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 credited.

“(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 concurrence 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.”.

SEC. 912. COMMERCIAL SPACE COMPETITIVENESS AND CONTRIBUTIONS OF FUNDS AND SERVICES FROM NON-FEDERAL AGENCIES.

(a) NON-FEDERAL INVESTMENTS.—Section 501 of the National Aeronautics and Space Administration Authorization Act for Fiscal Year 1993 (Public Law 102–
588; 106 Stat. 5122; 15 U.S.C. 5801), is amended by adding at the end the following new paragraph:

“(11) The provision of non-Federal sources of investment to finance improvements and additions to U.S. space launch infrastructure can strengthen and expand or otherwise enhance the United States commercial space transportation industry.”.

(b) DEFINITION OF NON-FEDERAL.—Section 502 of such Act (15 U.S.C. 5802), is amended by adding at the end the following new paragraph:

“(15) ‘non-Federal’ means private sector entities, state government entities and local government entities.”.

(c) NON-FEDERAL INVESTMENT IN RANGE INFRA-STRUCTURE.—Title V of such Act (Public Law 102–588; 106 Stat. 5129; 15 U.S.C. 5808), is amended by adding at the end the following new section:

“SEC. 511. NON-FEDERAL INVESTMENT IN RANGE INFRA-STRUCTURE.

“(a) ACCEPTANCE OF FUNDS.—The head of an executive agency providing launch property or launch services pursuant to chapter 701 of title 49 may accept funds or other property or assistance from non-Federal entities for improvements and additions or modernization of space launch infrastructure or services, if the improvements and additions or modernization contribute to the strengthening
and expansion of or will otherwise enhance the United States commercial space transportation industry. Notwithstanding section 1342 of title 31, the head of an agency may also accept, subject to regulations issued by the head of an agency, voluntary service for the United States if the service—

“(1) is to be performed by a non-Federal entity as part of an agency program established for the purpose of providing improvements and additions or modernization of space launch infrastructure;

“(2) is to be uncompensated; and

“(3) is not to be used to displace any employee.

“(b) USE OF FUNDS.—The head of an executive agency may agree to receive funds or launch or reentry property from non-Federal entities and may agree to use those funds or property to develop, purchase, sustain, improve, and/or integrate specified launch or reentry facilities or property in a manner that will enhance the use of such facilities for commercial launch or reentry operations.

“(c) AGREEMENT TERMS AND CONDITIONS.—The head of the executive agency may include the following terms in the agreements described in subsection (b):
“(1) The amount and terms of any payment the non-Federal entity shall provide to the executive agency, and description of any property or services;

“(2) An allocation of responsibility for future operation, maintenance, sustainment, integration, and development of any property; and

“(3) Such other terms and conditions as may be agreed between the head of the executive agency and the non-Federal entity.

“(d) COLLECTION BY THE EXECUTIVE AGENCY.—The head of the executive agency may accept payments under this section pursuant to the terms and conditions of any agreement as described under this section. Amounts received under this subsection shall be credited to appropriations of the agency available for these purposes and shall be available for obligation until expended.”.

(d) TITLE 49 DEFINITIONS.—Section 70102 of title 49, United States Code, is amended by adding at the end the following new subsections:

“(18) ‘direct costs’ means the actual costs that—

“(A) can be associated unambiguously with a commercial launch or reentry effort; and
“(B) the Government would not incur if there were no commercial launch or reentry effort.

“(19) ‘non-Federal’ means private sector entities, State governmental entities and local governmental entities.”.

(e) Provision of Launch and Reentry Services.—Section 70103 of such title is amended by adding the following sentence at the end of subsection (e): “To assist the Secretary in carrying out this chapter, Federal agencies, including the National Aeronautics and Space Administration and the Department of Defense, shall provide launch and reentry services and launch and reentry property and other support to commercial space launch and reentry activities consistent with public health and safety, national security, international treaty obligations, and the missions of those Federal agencies.”.

(f) Change to General Requirements and Considerations.—Section 70111 of such title is amended to read as follows:

“(a) General Requirements and Considerations.—(1) The Secretary of Transportation shall facilitate and encourage the acquisition by the private sector and State governments of United States Government
launch and reentry property or launch and reentry services, including utilities, on a reimbursable basis when—

“(A) the property or services will be used to support United States and local commercial space activities;

“(B) such use can be supported by existing or planned Federal resources;

“(C) such use is not inconsistent with Federal activities;

“(D) equivalent commercial property or services are not available on reasonable terms; and

“(E) such use is consistent with public health and safety, safety of property, national security, foreign policy interests, and international treaty obligations. In carrying out this paragraph, the head of the agency providing the property or services shall consult with other appropriate Federal officials.

“(2) Federal agencies, including the National Aeronautics and Space Administration and the Department of Defense, may allow non-Federal entities to acquire or use such launch or reentry property or launch or reentry services in accordance with paragraph (1).

“(b) PRICE.—(1) In consultation with the Secretary, the head of the executive agency providing the property
or service under subsection (a) shall establish the price
for the property or service. The price for—

“(A) acquiring launch property by sale or
transaction instead of sale is the fair market value;
“(B) acquiring launch property (except by sale
or transaction instead of sale) is an amount equal to
the direct costs, including specific wear and tear and
property damage, that the Government incurred be-
cause of acquisition of the property; and
“(C) launch services or reentry services is an
amount equal to the direct costs, including the basic
pay of Government civilian and contractor personnel,
that the Government incurred because of acquisition
of the services.
“(2) The Secretary shall ensure the establishment of
uniform guidelines for, and consistent implementation of,
this section by all Federal agencies.
“(c) NON-FEDERAL ENTITY ACCESS.—Subject to
satisfying the requirements in subsection (a) and con-
sistent with the needs of national defense, non-Federal en-
tities shall be granted access to United States Government
launch and reentry property, launch and reentry services,
including utilities, and launch and reentry scheduling op-
portunities.
“(d) COLLECTION BY SECRETARY.—The Secretary may collect a payment under this section with the consent of the head of the executive agency establishing the price. Amounts collected under this subsection shall be credited to the appropriation from which the cost of providing the property or service was paid, and shall be available for obligation for the same period and other purposes as the appropriation in which credited.

“(e) COLLECTION BY OTHER GOVERNMENTAL HEADS.—The head of a department, agency, or instrumentality of the Government may collect a payment for an activity involved in producing a launch vehicle or reentry vehicle, or the payload of either, for launch or reentry if the activity was agreed to by the owner or manufacturer of the launch vehicle, reentry vehicle, or payload. Amounts collected under this subsection shall be credited to the appropriation from which the cost of providing the property or services was paid, and shall be available for obligation for the same period and purposes as the appropriation in which credited.”.

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 subsection (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), respectively;

(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) in section 226,

(A) by repealing this entire section in

chapter 9; and

(B) by amending the table of sections for

such chapter by striking the item relating to

section 226;

(10) 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;

(11) in section 401—

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

(12) in section 437—

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

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

(13) 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 items relating to section 482;

(14) 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;

(15) 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;
(16) 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;
(17) in section 520c—
   (A) by striking subsections (b) and (c);
   (B) by striking the designator and the catchline 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.”;
(18) in section 664(i)(4)(F)(ii), by striking “and notifies Congress upon each approval, providing the criteria that led to that approval”;
(19) in section 983(e)(1), by striking “and to Congress”;
(20) in section 986, by striking subsection (e);
(21) in section 1060—
   (A) by striking subsection (d); and
(B) by redesignating subsections (e) through (g) as subsections (d) through (f) respectively;

(22) in section 1130—

(A) by striking subsection (b); and

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

(23) in section 1557—

(A) by striking subsection (e); and

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

(24) 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;

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

(26) in section 2010—

(A) by striking subsection (b); and

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

(27) in section 2011, by striking subsection (e);

(28) in section 2166, by striking subsection (h);
(29) in section 2208, in subsection (j)(2), by striking “and notifies Congress regarding the reasons for the waiver”;

(30) in section 2212—

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

and

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

(31) in section 2214—

(A) by striking subsection (c); and

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

(32) in section 2216—

(A) by striking subsection (i); and

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

(33) 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;

(34) in section 2255(b)—

(A) by striking paragraph (2); and
(B) by striking the designator “(1)” after
the catchline;

(35) in section 2281—

(A) by striking subsection (d); and

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

(36) 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;

(37) in section 2306b—

(A) by striking subsection (i);

(B) in subsection (l)—

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

and

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

(C) by redesignating subsections (j)
through (l) as subsections (i) through (k), re-
spectively;

(38) 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”;

(B) by striking subparagraph (B); and

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

(39) in section 2350a—

(A) by striking subsection (f); and

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

(40) in section 2350b—

(A) by striking subsection (d); and

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

(41) in section 2350j—

(A) by striking subsection (e); and

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

(42) in section 2367, by striking subsection (e) and (d);

(43) in section 2374a—

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

(44) 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 (c) through (f) as subsections (b) through (e), respectively;

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

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

(47) in section 2457—

(A) by striking subsection (d); and

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

(48) in section 2461a—

(A) by striking subsection (d); and

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

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

(50) in section 2467, by striking subsection (e);
(51) in section 2472, by striking subsection (b);
(52) in section 2493, by striking subsection (g);
(53) 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;
(54) in section 2515, by striking subsection (d);
(55) in section 2521, by striking subsection (e);
(56) in section 2536—
   (A) by striking paragraph (2) in subsection (b), and by striking designator (1) after the catch line;
   (B) by redesignating subparagraph (A) and (B) as paragraphs (1) and (2), respectively; and
   (C) by redesignating subparagraph (i) and (ii) as subparagraphs (A) and (B), respectively;
(57) in section 2537—
   (A) by striking subsection (b); and
   (B) by redesignating subsection (c) as subsection (b);
(58) in section 2541d—
   (A) by striking subsection (b); and
(B) by striking the “(a)” and the catchline in the remaining matter;

(59) in section 2561—
(A) by striking subsections (c), (d), and (f); and
(B) by redesignating subsection (e) as subsection (e);

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

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

(62) 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;

(63) 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 sub-
section,”;
(64) in section 2667a (e)—
   (A) by striking paragraph (2); and
   (B) by striking designator (1) after the
catch line;
(65) in section 2676, in subsection (d), by strik-
ing all after “is approved by the Secretary con-
cerned” and inserting a period;
(66) in section 2680, by striking subsection (e);
(67) in section 2688—
   (A) by striking subsection (e);
   (B) by redesignating subsections (f)
through (i) as subsections (e) through (h), re-
spectively; and
   (C) in subsection (f), as redesignated by
subparagraph (B), by striking the last sentence;
(68) in section 2696—
   (A) by striking subsections (e) and (d);
   and
   (B) by redesignating subsection (e) as sub-
section (e);
(69) 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 paragraph (2); and

(E) by redesignating clauses (i) through (iii) as subparagraphs (A), through (C), respectively;

(70) in section 2805—

(A) in subsection (b), by striking paragraph (2); and

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

(71) in section 2807—

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

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

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

(73) in section 2811—

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

(74) in section 2812—

(A) in subsection (c), by striking paragraph (1);

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

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

(76) 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;

(77) 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”; and

(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 semi-colon at the
end of subparagraph (B) and inserting a
period;

(78) in section 2826—

(A) by striking subsection (b); and

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

(79) in section 2827—

(A) by striking subsection (b); and

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

(80) in section 2828—

(A) by striking subsection (f); and

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

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

(89) in section 2867, by striking subsection (c);

(90) in section 2875, by striking subsection (e);

(91) in section 2884—

(A) by striking subsection (b);

(B) by striking the designator “(1)” that follows the catchline in the remaining matter;

(C) by striking the designator before sub-
paragraph (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 fol-
lowing new item:

“2884. Project reports.”;

(92) in section 2902—

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

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

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

(94) in section 6954—
(A) by striking subsection (f); and

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

(95) in section 7049—

(A) by striking subsection (c); and

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

(96) 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”;

(97) in section 9514—

(A) by striking subsection (c);

(B) by striking subsection (f); and

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

(98) in section 12302—

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

(B) by striking subsection (d); and

(99) 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.


(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
Base Closure and Realignment Act of 1990 (Public Law
100–526; 102 Stat. 2631) (10 U.S.C. 2687) is repealed.

(f) National Defense Authorization Act for
Fiscal Year 1991.—The National Defense Authoriza-
tion Act for Fiscal Year 1991 (Public Law 101–510; 104
Stat. 1607, 1819, and 1822, respectively) is amended—
(1) in section 831, by striking subsection (l);
(2) in section 2921, by striking subsections (e),
(f), (g)(1), and (g)(2); and
(3) in section 2926, by striking subsection (g).

(g) Defense Economic Adjustment, Diver-
sification, Conversion, and Stabilization Act of
1990.—Section 4004 of the Defense Economic Adjust-
ment, Diversification, Conversion, and Stabilization Act of
1990 (Public Law 101–510; 104 Stat. 1849) is amended
by striking paragraph (e)(3).

(h) National Defense Authorization Act for
Fiscal Years 1992 and 1993.—The National Defense
Authorization Act for Fiscal Years 1992 and 1993 (Public
Law 102–190; 105 Stat. 1411 and 1562, respectively) is
amended—
(1) in section 734—
(A) by striking subsection (c); 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”.


(p) Strom Thurmond National Defense Authorization Act for Fiscal Year 1999.—The Strom
Thurmond National Defense Authorization Act for Fiscal 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 catchline 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 (e); 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 period at the end the following: “or at facilities occupied by the Department of Defense in the National Capital Region’’;

(3) in subsection (e)—

(A) in paragraph (1), by striking “pursuant to subsection (d)” and inserting “or at facilities occupied by the Department of Defense in the National Capital Region pursuant to subsection (d). Any residual balance in the Buildings Maintenance Fund shall be transferred to the Pentagon Reservation Maintenance Revolving Fund”; and

(B) in paragraph (2), by inserting before the period at the end the following: “and at facilities 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.”.

SEC. 933. PROTECTION OF OPERATIONAL FILES OF THE NATIONAL SECURITY AGENCY.

(a) In general.—Title I of the National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by inserting after section 105D (50 U.S.C. 403–5c) the following new section:

“§105E. Protection of Operational Files of the National Security Agency

“(a) Exemption of Certain Operational Files From Search, Review, Publication, or Disclosure.—(1) The Director of the National Security Agency, with the coordination of the Director of Central Intelligence, may exempt operational files of the National Security Agency from the provisions of section 552 of title 5,
1. United States Code, which require publication, disclosure, search, or review in connection therewith.

“(2)(A) Subject to subparagraph (B), for the purposes of this section, the term ‘operational files’ means files of the National Security Agency (hereafter in this section referred to as “NSA”) that document the means by which foreign intelligence or counterintelligence is collected through technical systems.

“(B) Files that contain disseminated intelligence are not operational files.

“(3) Notwithstanding paragraph (1), exempted operational files shall continue to be subject to search and review for information concerning—

“(A) United States citizens or aliens lawfully admitted for permanent residence who have requested information on themselves pursuant to the provisions of section 552 of title 5 or section 552a of title 5, United States Code;

“(B) any special activity the existence of which is not exempt from disclosure under the provisions of section 552 of title 5, United States Code; or

“(C) the specific subject matter of an investigation for any impropriety, or violation of law, Executive order, or Presidential directive, in the conduct of an intelligence activity by—
“(i) The Permanent Select Committee on Intelligence of the House of Representatives.

“(ii) The Select Committee on Intelligence of the Senate.

“(iii) The Intelligence Oversight Board.

“(iv) The Department of Justice.

“(v) The Office of General Counsel of NSA.

“(vi) The Office of the Director of NSA.

“(4)(A) Files that are not exempted under paragraph (1) which contain information derived or disseminated from exempted operational files shall be subject to search and review.

“(B) The inclusion of information from exempted operational files in files that are not exempted under paragraph (1) shall not affect the exemption under paragraph (1) of the originating operational files from search, review, publication, or disclosure.

“(C) The declassification of some of the information contained in exempted operational files shall not affect the status of the operational file as being exempt from search, review, publication, or disclosure.

“(D) Records from exempted operational files which have been disseminated to and referenced in files that are not exempted under paragraph (1) and which have been
returned to exempted operational files for sole retention shall be subject to search and review.

“(5) The provisions of paragraph (1) may not be superseded except by a provision of law which is enacted after the date of the enactment of this section, and which specifically cites and repeals or modifies its provisions.

“(6)(A) Except as provided in subparagraph (B), whenever any person who has requested agency records under section 552 of title 5, United States Code, alleges that NSA has withheld records improperly because of failure to comply with any provision of this section, judicial review shall be available under the terms set forth in section 552(a)(4)(B) of title 5, United States Code.

“(B) Judicial review shall not be available in the manner provided for under subparagraph (A) as follows:

“(i) In any case in which information specifically authorized under criteria established by an Executive order to be kept secret in the interests of national defense or foreign relations which is filed with, or produced for, the court by NSA, such information shall be examined ex parte, in camera by the court.

“(ii) The court shall, to the fullest extent practicable, determine the issues of fact based on sworn written submissions of the parties.
“(iii) When a complainant alleges that requested records are improperly withheld because of improper placement solely in exempted operational files, the complainant shall support such allegation with a sworn written submission based upon personal knowledge or otherwise admissible evidence.

“(iv)(I) When a complainant alleges that requested records were improperly withheld because of improper exemption of operational files, NSA shall meet its burden under section 552(a)(4)(B) of title 5, United States Code, by demonstrating to the court by sworn written submission that exempted operational files likely to contain responsive records currently perform the functions set forth in paragraph (2).

“(II) The court may not order NSA to review the content of any exempted operational file or files in order to make the demonstration required under subclause (I), unless the complainant disputes NSA’s showing with a sworn written submission based on personal knowledge or otherwise admissible evidence.

“(v) In proceedings under clauses (iii) and (iv), the parties may not obtain discovery pursuant to rules 26 through 36 of the Federal Rules of Civil
Procedure, except that requests for admission may be made pursuant to rules 26 and 36.

“(vi) If the court finds under this paragraph that NSA has improperly withheld requested records because of failure to comply with any provision of this subsection, the court shall order NSA to search and review the appropriate exempted operational file or files for the requested records and make such records, or portions thereof, available in accordance with the provisions of section 552 of title 5, United States Code, and such order shall be the exclusive remedy for failure to comply with this subsection.

“(vii) If at any time following the filing of a complaint pursuant to this paragraph NSA agrees to search the appropriate exempted operational file or files for the requested records, the court shall dismiss the claim based upon such complaint.

“(viii) Any information filed with, or produced for the court pursuant to clauses (i) and (iv) shall be coordinated with the Director of Central Intelligence prior to submission to the court.

“(b) Decennial Review of Exempted Operational Files.—(1) Not less than once every 10 years, the Director of NSA and the Director of Central Intelligence shall review the exemptions in force under sub-
section (a)(1) to determine whether such exemptions may
be removed from the category of exempted files or any
portion thereof. The Director of Central Intelligence must
approve any determination to remove such exemptions.

“(2) The review required by paragraph (1) shall in-
clude consideration of the historical value or other public
interest in the subject matter of the particular category
of files or portions thereof and the potential for declass-
sifying a significant part of the information contained
therein.

“(3) A complainant that alleges that NSA has im-
properly withheld records because of failure to comply with
this subsection may seek judicial review in the district
court of the United States of the district in which any
of the parties reside, or in the District of Columbia. In
such a proceeding, the court’s review shall be limited to
determining—

“(A) Whether NSA has conducted the review
required by paragraph (1) before the expiration of
the 10-year period beginning on the date of the en-
actment of this section or before the expiration of
the 10-year period beginning on the date of the most
recent review.
“(B) Whether NSA, in fact, considered the criteria set forth in paragraph (2) in conducting the required review.”.

(b) CLERICAL AMENDMENT.—The table of contents contained in the first section of such Act is amended by inserting after the item relating to section 105D the following new item:

“Sec. 105E. Protection of operational files of the National Security Agency.”.

8 TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Repeal of requirement for separate budget request for procurement of Reserve equipment.
Sec. 1002. Repeal of requirement for two-year budget cycle for the Department of Defense.
Sec. 1003. Payment of full replacement value for personal property claims.
Sec. 1004. Treatment of reimbursements for subpoena and litigation costs; recovery to agency funds.
Sec. 1005. Restoration of authority to enter into 12-month leases at any time during the fiscal year.
Sec. 1006. Authority to provide reimbursement for cellular telephone use.
Sec. 1007. Reimbursement for Reserve intelligence support.
Sec. 1008. Increased use of energy cost savings.
Sec. 1009. 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. 1010. 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. Use of the National Driver Register for personnel security investigations and determinations.
Sec. 1043. Updating definitions in title 10, United States Code.
Sec. 1044. Improving readiness in providing firefighting services.
Sec. 1045. Exemption for charter operations to provide transportation to the Armed Forces.
Sec. 1046. Documents, historical artifacts, and obsolete or surplus material: loan, donation, or exchange.
Sec. 1047. Authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense.
Sec. 1048. Stopping vessels; immunity for firing at or into vessel.
Sec. 1049. Reauthorization of aviation insurance program.
Sec. 1050. Modification of national security education program.

Subtitle A—Financial Matters

SEC. 1001. REPEAL OF REQUIREMENT FOR SEPARATE BUDGET REQUEST FOR PROCUREMENT OF RESERVE EQUIPMENT.

Section 114(e) of title 10, United States Code, is repealed.

SEC. 1002. REPEAL OF REQUIREMENT FOR TWO-YEAR BUDGET CYCLE FOR THE DEPARTMENT OF DEFENSE.

SEC. 1003. 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. 1004. TREATMENT OF REIMBURSEMENTS FOR SUBPOENA AND LITIGATION COSTS; RECOVERY TO AGENCY FUNDS.

Section 3730(b) of title 31, United States Code, is amended by adding at the end the following new paragraph:

“(6) An agency responding to a subpoena or request for information relating to a matter in litigation to which neither the United States or any agency thereof is a party (including any suit brought under this section of this title
in which the United States has not intervened) may assess reasonable fees for responding to the subpoena or request. Payments received for such assessments shall be deposited into the agency’s current year appropriation from which the expenditure was originally made, to merge with and become available for the same purposes and period as the accounts to which they are credited.”.

SEC. 1005. 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 following: “and the lease of real or personal property, including the maintenance of such property when contracted for as part of the lease agreement,”.

SEC. 1006. AUTHORITY TO PROVIDE REIMBURSEMENT FOR CELLULAR TELEPHONE USE.

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

(b) REIMBURSEMENT RATE.—The Secretary of 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. 1007. 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.”.

SEC. 1008. 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. 1009. 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. 1010. 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 reimbursement 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:

“§ 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 decommis-
sioned 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 re-
ceived under subsection (b) shall be credited to the appro-
priations 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 REG-
ISTER: 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 re-
sources, as defined in section 1802(14) of the Magnu-
non-Stevens Fishery Conservation and Manage-
ment 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-
sel 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 otherwise 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) AUTHORITY.—(1) 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 Revolu-
tionary 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 em-
ployees, 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 De-
partment of Defense to support counter-drug activities are
hereby authorized to support a unified campaign against
illicit narcotics-trafficking and related activities by identi-
fied organizations engaged in such narcotics-trafficking, to
support a unified campaign against activities by organiza-
tions in the Americas hemisphere actively engaged in, or
designated as, terrorist organizations, and to take suffi-
cient action to protect human health and welfare in exi-
gent 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 au-
thority by the Secretary of Defense is subject to the con-
currence of the Secretary of State.
SEC. 1023. EXPANSION AND EXTENSION OF AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.


(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 counterdrug 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 De-
fense, 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 sub-
section:

“(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 Pro-
gram 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 Na-
tional Geospatial-Intelligence Agency shall, in support of
the national security objectives of the United States, pro-
vide 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 Map-
ning Agency” and inserting “National Geospatial-In-
telligence Agency”.

(2) Paragraphs (a) and (b) of section 441 of
such title are amended by striking “National Im-
agery 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 Imagery 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”.

(c) 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 “National 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) and 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 striking “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-Intelligence Agency’, the initials ‘NGA’, or the seal of the National Geospatial-Intelligence Agency.”.

Subtitle E—Other Matters

SEC. 1041. USE OF THE NATIONAL DRIVER REGISTER FOR PERSONNEL SECURITY INVESTIGATIONS AND DETERMINATIONS.

(a) In General.—Chapter 303 of title 49, United States Code, is amended by inserting after section 30305 the following new section:
§30305a. National driver register information for use in personnel security investigations and determinations and personnel investigations with regard to Federal employment security checks for Federal employment

“An individual who has or who seeks access to national security information for purposes of Executive Order 12968, or successor Executive orders, or an individual who is being investigated for Federal employment under authority of Executive Order 10450, or successor Executive orders, may request that the chief driver licensing official of a State provide information about the individual pursuant to section 30305(a) of this title to a Federal department or agency that is authorized to investigate the individual for the purpose of assisting in the determination of the eligibility of the individual for access to national security information or for Federal employment. The Federal Department or agency that receives such information may use it in accordance with applicable law.”.

(b) CLERICAL AMENDMENT.—The table of sections for such chapter 303 of title 49 is amended by inserting after the item relating to section 30305 the following new item:
“30305a. National driver register information for use in personnel security investigations and determinations and personnel investigations with regard to Federal employment security checks for Federal employment.”.

SEC. 1042. NATIONAL DEFENSE HERITAGE FOUNDATION.

(a) In General.—Part IV of Subtitle A of title 10, United States Code is amended by adding at the end the following new chapter:

“CHAPTER 173—NATIONAL DEFENSE HERITAGE FOUNDATION

§ 2905. Establishment and purpose

“(a) Establishment.—A National Defense Heritage Foundation is hereby established as a charitable and nonprofit corporation for the purposes specified in subsection (b), and shall be organized and operated as a 26 U.S.C. 501(c)(3) charitable foundation.

“(b) Purposes.—The Foundation shall encourage, accept, and administer private gifts of money and real and personal property or any income therefrom for the benefit of, or in connection with, the preservation, protection, and continued beneficial use of historic properties owned or controlled by the Department of Defense.
§ 2906. Composition and operation

(a) BOARD OF DIRECTORS.—The National Defense Heritage Foundation shall be governed by a Board of Directors that shall consist of—

(1) the Secretary of Defense, ex officio;

(2) the Secretaries of the Military Departments, ex officio;

(3) the Director of the National Park Service, ex officio;

(4) five experts in the field of historic preservation appointed by the Secretary of Defense from the disciplines of architecture, history, archeology, or other appropriate disciplines;

(5) three at-large members from the general public appointed by the Secretary of Defense; and

(6) the Chairman of the Advisory Council on Historic Preservation.

(b) TERM OF APPOINTMENT.—The initial terms of the five historic preservation experts and the three at-large members shall be staggered to assure continuity of administration. Thereafter, the term shall be six years, unless a successor is chosen to fill a vacancy occurring prior to the expiration of the term for which his predecessor was chosen, in which event the successor shall be chosen only for the remainder of that term.
“(c) CHAIRPERSON AND SECRETARY.—The Secretary of Defense shall be the Chairman of the Board and the Director of the National Park Service shall be the Secretary of the Board.

“(d) MEMBERSHIP AND OPERATION.—Except as to those Board members serving in their official capacities, service as a member of the Board shall not constitute employment by, or the holding of, an office of the United States for the purposes of any Federal law. A majority of the members of the Board serving at any one time shall constitute a quorum for the transaction of business, and the Foundation shall have an official seal, which shall be judicially noticed. The Board shall meet at the call of the Chairman and there shall be at least one meeting each year.

“(e) COMPENSATION AND TRAVEL EXPENSES.—No compensation shall be paid to the members of the Board for their services as members, but they shall be reimbursed for actual and necessary traveling and subsistence expenses incurred by them in the performance of their duties as such members out of National Defense Heritage Foundation funds available to the Board for such purposes.

“(f) VOLUNTEER STATUS.—The Secretary of Defense may accept, without regard to civil service classification laws, rules, or regulations, the services of the Founda-
tion, the Board, and the officers and employees of the Board, without compensation from the Department of De-
fense, as volunteers in the performance of the functions authorized herein.

“(g) **EMPLOYEES.**—An officer or employee of the Foundation—

“(1) shall not by virtue of the appointment or employment of the office or employee, be considered a Federal employee for any purpose; and

“(2) may not be paid by the Foundation a salary in excess of $134,000 per year.

**§ 2907. Corporate powers and obligations**

“(a) **GIFTS.**—(1) The Foundation is authorized to ac-
cept, receive, solicit, hold, administer, and use any gifts, devises, or bequests, either absolutely or in trust, of real or personal property or any income therefrom or other inter-
erest therein for the benefit of or in connection with, the preservation, protection, and continued beneficial use of historic properties owned or controlled by the Department of Defense; provided, that the Foundation may not accept any such gift, devise, or bequest that entails any expendi-
ture other than from the resources of the Foundation.

“(2) An interest in real property includes, among other things, easements or other rights for preservation,
conservation, protection, or enhancement of historic properties.

“(3) A gift, device, or bequest may be accepted by the Foundation even though it is encumbered, restricted, or subject to beneficial interests of private persons if any current or future interest therein supports the purposes for which the Foundation has been established.

“(b) Property and Income Dealings and Transactions.—(1) Except as otherwise required by the instrument of transfer, the Foundation may sell, lease, invest, reinvest, retain, or otherwise dispose of or deal with any property or income thereof as the Board may from time to time determine.

“(2) The Foundation shall not engage in any business, nor shall the Foundation make any investment that may not lawfully be made by a trust company in the District of Columbia, except that the Foundation may make any investment authorized by the instrument of transfer, and may retain any property accepted by the Foundation.

“(3) The Foundation may utilize the services and facilities of the Department of Defense, the Department of the Interior, and the Department of Justice, and such services and facilities may be made available on request to the extent practicable with or without reimbursement therefore. Monies reimbursed to any Department shall be
returned by the Department to the account from which
the funds for which the reimbursement is made were
drawn and may, without further appropriation, be ex-
pended for any purpose for which such account is author-
ized.

“(c) Corporate Succession; Powers and Duties
of Trustee; Suits; Personal Liability for Malfeas-
ance.—The Foundation shall have perpetual succession,
with all the usual powers and obligations of a corporation
acting as a trustee, including the power to sue and to be
sued in its own name, but the members of the Board shall
not be personally liable, except for malfeasance.

“(d) Authority for Execution of Contracts,
Instruments, and Necessary or Appropriate
Acts.—The Foundation shall have the power to enter into
contracts, to execute instruments, and generally to do any
and all lawful acts necessary or appropriate to its pur-
poses.

“(e) Bylaws, Rules, and Regulations; Con-
tracts for Services.—In carrying out the provisions
of this subchapter, the Board may adopt bylaws, rules,
and regulations necessary for the administration of its
functions and contract for any necessary services.
“§ 2908. Tax exemptions; contributions toward costs of local government; contributions, gifts, or transfers to or for use of United States

“(a) Tax Exemptions.—The Foundation and any income or property received or owned by it, and all transactions relating to such income or property, shall be exempt from all Federal, State, and local taxation with respect thereto.

“(b) Contribution to Costs of Local Government.—The Foundation may, however, in the discretion of its directors, contribute toward the costs of local government in amounts not in excess of those which it would be obligated to pay such government if it were not exempt from taxation by virtue of the foregoing or by virtue of its being a charitable and nonprofit corporation and may agree so to contribute with respect to property transferred to it and the income derived therefrom if such agreement is a condition of the transfer.

“(c) Transfers to or for Use of United States.—Contributions, gifts, and other transfers made to or for the use of the Foundation shall be regarded as contributions, gifts, or transfers to or for the use of the United States.

“§ 2909. Liability of United States

“The United States shall not be liable for any debts, defaults, acts, or omissions of the Foundation.
§ 2910. Promotion of local fundraising support

“(a) Establishment.—The Foundation shall design and implement a comprehensive program to assist and promote philanthropic programs of support at the individual military installation level.

“(b) Implementation.—The program under subsection (a) shall be implemented to—

“(1) assist in the creation of local nonprofit support organizations; and

“(2) provide support, national consistency, and management-improving suggestions for local nonprofit support organizations.

“(c) Program.—The program under subsection (a) shall include the greatest number of military installations as is practicable.

“(d) Requirements.—The program under subsection (a) shall include, at a minimum—

“(1) a standard adaptable organizational design format to establish and sustain responsible management of a local nonprofit support organization for support of a military installation;

“(2) standard and legally tenable bylaws and recommended money-handling procedures that can easily be adapted as applied to individual military installations; and
“(3) a standard training curriculum to orient and expand the operating expertise of personnel employed by local nonprofit support organizations.

“(e) ANNUAL REPORT.—The Foundation shall report the progress of the program under subsection (a) in the annual report of the Foundation.

“(f) AFFILIATIONS.—(1) Nothing in this section requires:

“(A) a nonprofit support organization or friends group to modify current practices or to affiliate with the Foundation; or

“(B) a local nonprofit support organization, established as a result of this section, to be bound through its charter or corporate bylaws to be permanently affiliated with the Foundation.

“(2) An affiliation with the Foundation shall be established only at the discretion of the governing board of a nonprofit organization.

§ 2911. Authorization of appropriations

“(a) AUTHORIZATION.—There are authorized to be appropriated to the Department of Defense such sums as may be necessary to achieve the purposes of the Foundation.

“(b) USE OF AMOUNTS APPROPRIATED.—(1) Subject to paragraph (2), amounts appropriated under this section
shall be made available to the Foundation for use for matching, in whole or in part, contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies.

“(2) No Federal funds authorized under this section shall be used by the foundation for administrative expenses of the Foundation, including salaries, travel and transportation expenses, and other overhead expenses.

“(c) ADDITIONAL AUTHORIZATION.—The amounts authorized to be appropriated under this section are in addition to any amounts provided or available to the Foundation under any other Federal law.”.

(b) CLERICAL AMENDMENT.—The table of chapters of Part IV of Subtitle A of such title is amended by adding at the end the following new item:


SEC. 1043. UPDATING DEFINITIONS IN TITLE 10, UNITED STATES CODE.

(a) GENERAL DEFINITIONS.—Subsection (a) of section 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 Committee on Appropriations
of the House of Representatives 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 Representatives and the Select Committee on Intelligence 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 managed under the nuclear weapons program of the Department of Energy after all required sanitization 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 activities, or

“(B) a range that is not currently being used for range activities, but that is still considered 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 activities.

“(3) The term ‘range’ means a designated land or water area set aside, managed, and used to conduct 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 positions, maneuver areas, firing lanes, test pads, detonation 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 special 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 constitute a hazard to operations, installations, personnel, or material; and

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

(c) 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 National 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 (c) 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. 1044. 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. 1045. EXEMPTION FOR AIRCRAFT CHARTER OPERATIONS TO PROVIDE TRANSPORTATION TO THE ARMED FORCES.

Section 132 of the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 635) is amended by adding at the end the following new subsection:

“(c) EXEMPTION FOR CHARTER OPERATIONS TO PROVIDE TRANSPORTATION TO THE ARMED FORCES.—The provisions of this Act shall not apply to the operation of, or to the passengers and property carried by, aircraft when employed to provide charter transportation to the armed forces, except for an operation to or from an airport described in section 44903(c) of title 49, United States Code. For an operation to or from an airport described in section 44903(c), the screening, and passenger manifest provisions of this Act shall not apply to passengers and property loaded onto such aircraft. The Secretary of Defense, in consultation with the Secretary of Homeland Security and the Secretary of Transportation, shall establish security procedures relating to the operation of such aircraft to or from an airport described in section 44903(c) of title 49.”
SEC. 1046. DOCUMENTS, HISTORICAL ARTIFACTS, AND OBOSE 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 (c)” and inserting “subsection (c)(1)”;

(3) in subsection (b), by striking “subsection (c)” and inserting “subsection (c)(2)”;

(4) in subsection (c)—

(A) by striking “(c) This section” and “(c)(1) Subsection (a)”;

(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. 1047. 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 U.S. 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 subsection (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 demili-
tarized.

“(c) Return of Equipment to the United States 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 United States 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 significant military equipment under the provisions of departmental regulations.

“(f) DEFINITION OF SIGNIFICANT MILITARY EQUIPMENT.—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 Regulations; and

“(2) any other article designated by the Department 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.”.

SEC. 1048. STOPPING VESSELS; IMMUNITY FOR FIRING AT OR INTO VESSEL.

Section 637 of title 14, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end the following: “, except that the prior use of the warning signal is not required if its use would unreasonably endanger persons or property in the vicinity of the vessel.”.

(2) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

“(2) it is a surface naval vessel or military aircraft on which one or more members of the Coast Guard are assigned pursuant to section 379 of title 10.”; and

(B) by striking paragraph (3); and

(3) by striking subsection (d).
SEC. 1049. REAUTHORIZATION OF AVIATION INSURANCE PROGRAM.

(a) Repeal of Insurance Authority Sunset.—Section 44310 of title 49, United States Code, is repealed.

(b) Conforming Amendment.—The table of sections at the beginning of chapter 443 of such title is amended by striking the item relating to section 44310.

SEC. 1050. MODIFICATION OF NATIONAL SECURITY EDUCATION PROGRAM.

(a) Requirement To Carry Out Program.—Section 802(a)(1) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902) is amended by striking “Secretary of Defense” and inserting “Secretary”.

(b) Service Agreements.—Section 802(b) of such Act (50 U.S.C. 1902) is amended by adding the following new paragraphs:

“(4) A service agreement shall not be affected by the transfer of any management function to the Department of Education, but shall continue in full force and effect according to the original terms until amended, modified, superseded, terminated, set aside, or revoked in accordance with law by the Secretary. Upon any such transfer, all existing and future service agreements will be subject to the authority of the Secretary under this Act.
“(5) Notwithstanding the provisions of Section 437 of the General Education Provisions Act (20 U.S.C. 1232), the Secretary may adopt regulations promulgated by the Secretary of Defense as required in the management of such program and implementation of such service agreements.”.

(c) FOREIGN LANGUAGE CENTER OF THE DEFENSE LANGUAGE INSTITUTE.—Section 802(h) of such Act (50 U.S.C. 1902) is amended—

(1) in paragraph (1) by adding “of Defense” after “Secretary”; and

(2) in paragraph (2), by adding “of Defense” after “Secretary”.

(d) ORGANIZATION OF THE NATIONAL SECURITY EDUCATION BOARD.—Section 803 of such Act (50 U.S.C. 1903) is amended—

(1) in subsection (a), by striking “of Defense” after “Secretary”; and

(2) in subsection (b)—

(A) in paragraph (1), by striking “of Defense” after “Secretary”; and

(B) in paragraph (2), by striking “of Education” after “Secretary” and inserting “of Defense”.

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(e) Revision of Requirement To Provide Information in Connection With General Accounting Office Audits.—Section 807 of such Act (50 U.S.C. 1907) is amended by striking “of Defense” after “Department” and inserting “of Education”.

(f) Definitions.—Section 808 of such Act (50 U.S.C. 1908) is amended—

(1) by inserting the following new item (1):

“(1) Unless provided otherwise, the term ‘Secretary’ means the Secretary of Education.”; and

(2) by redesignating items (1) through (4) as (2) through (5).

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Sec. 1101. Extension of voluntary separation incentive pay authority.
Sec. 1102. Modify the overtime pay cap.
Sec. 1103. Application of grievance procedures.
Sec. 1104. Civil service retirement system computation for part-time service.
Sec. 1105. Position vacancy promotion consideration in time of war or national emergency.
Sec. 1106. Military leave for mobilized federal civilian employees.

SEC. 1101. EXTENSION OF VOLUNTARY SEPARATION INCENTIVE PAY AUTHORITY.

Section 5597(e) of title 5, United States Code, is amended by striking “September 30, 2003” and inserting “September 30, 2006”.
SEC. 1102. MODIFY THE OVERTIME PAY CAP.

Section 5542(a)(2) of title 5, United States Code, is amended by striking “the overtime hourly rate of pay is an amount equal to one and one-half times the hourly rate of the minimum rate of basic pay for GS–10 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law)” and inserting “the overtime hourly rate of pay is an amount equal to the greater of one and one-half times the minimum hourly rate of basic pay for GS–10 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law) or the employee’s hourly rate of basic pay”.

SEC. 1103. APPLICATION OF GRIEVANCE PROCEDURES.

(a) Section 7103(a)(9)(A) of title 5, United States Code, is amended by adding before the semicolon the following: “raised pursuant to a negotiated grievance procedure established pursuant to section 7121 of this chapter”.

(b) Subparagraph (A) of section 7114(a)(2) of such title is amended by adding before the semicolon the following: “, except that discussions related to Equal Em-
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Employment Opportunity complaints are not formal discussion”.

SEC. 1104. CIVIL SERVICE RETIREMENT SYSTEM COMPUTATION FOR PART-TIME SERVICE.

Section 8339(p) of title 5, United States Code, is amended by adding at the end the following new paragraphs:

“(3) In the administration of paragraph (1)—

“(A) subparagraph (A) of such paragraph shall apply to any service performed before, on, or after April 7, 1986;

“(B) subparagraph (B) of such paragraph shall apply to all service performed on a part-time or full-time basis on or after April 7, 1986; and

“(C) any service performed on a part-time basis before April 7, 1986, shall be credited as service performed on a full-time basis; and

“(4) Paragraph (3) applies to individuals who retire on or after the date of enactment, and the administration of this provision is effective 90 days after the date of enactment.”.
SEC. 1105. 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”.

SEC. 1106. MILITARY LEAVE FOR MOBILIZED FEDERAL CIVILIAN EMPLOYEES.

(a) In General.—Subsection (b) of section 6323 of title 5, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and
(2) by inserting after paragraph (1) the fol-
lowing new paragraph (2):

“(2) performs active duty in support of a con-
tingency operation as defined in section 101(a)(13)
of title 10; or”.

(b) CONFORMING AMENDMENT.—Such subsection is
further amended by inserting “or (3)” after “paragraph
(2)”.

e) EFFECTIVE DATE.—The amendments made by
subsection (a) shall apply prospectively upon enactment.

**TITLE XII—MATTERS RELATING TO OTHER NATIONS**

Subtitle A—Matters Related to Arms Control and Monitoring

Sec. 1201. Clarification and extension of authority to provide assistance to
United Nations-sponsored efforts to inspect and monitor Iraqi
weapons activities.

Subtitle B—Matters Related to Allies and Friendly Foreign Nations

Sec. 1211. Expansion of authority to conduct the Arctic military environmental
cooporation program.
Sec. 1212. Provision of cataloging data and services.
Sec. 1213. Authority to waive domestic source or content requirements.
Sec. 1214. Authority to expend funds to recognize superior noneombat achieve-
ments or performance by members of friendly foreign forces
and other foreign nationals.
Sec. 1215. Administrative support and services for foreign liaison officers.
Sec. 1217. Restrictions on permanent transfer of significant military equip-
ment.
Sec. 1218. Amendment to authority for acceptance by Asia-Pacific Center for
Security Studies of foreign gifts and donations.
Sec. 1219. Addition of individuals authorized to receive check cashing and ex-
changes of foreign currency.
Sec. 1220. Continuation of the regional counterterrorism fellowship program.
Sec. 1221. Logistics support for friendly nations.

Subtitle C—Other Matters

Sec. 1231. Repeal of the authorization for the establishment of the Center for the
Study of Chinese Military Affairs.
Subtitle A—Matters Related to Arms Control and Monitoring

SEC. 1201. CLARIFICATION AND EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE TO UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2004.—The total amount of the assistance for fiscal year 2004 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed $15,000,000.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Section 1505(f) of the Weapons of Mass Destruction Act of 1992 (22 U.S.C. 5859a) is amended by striking “2003” and inserting “2004”.

(c) REFERENCES TO UNITED NATIONS SPECIAL COMMISSION ON IRAQ.—Section 1505 of The Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended—

(1) in subsection (b)(2), by striking “the United Nations Special Commission on Iraq (or any successor organization)” and inserting “United Nations
Monitoring, Verification and Inspection Commission”; and

(2) in subsection (d)(4)(A), by striking “United Nations Special Commission on Iraq (or any successor organization)” and inserting “United Nations Monitoring, Verification and Inspection Commission”.

Subtitle B—Matters Related to Allies and Friendly Foreign Nations

SEC. 1211. 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 con-
currence 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. 1212. PROVISION OF CATALOGING DATA AND SERV-
ICES.

Section 21(h)(2) of the Arms Export Control Act
(Public Law 90–629; 22 U.S.C. 2761(h)(2)) is amended
by striking “or to any member government of that Organi-
zation if that Organization or member government” and
inserting “, to any member of that Organization, or to
the government of any other country if that Organization,
member government, or other government”.

SEC. 1213. 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
der end the following new section:

§ 2539c. Waiver of domestic source or content re-
quirements

“(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 au-
thorize the procurement of items that are grown, repro-
cessed, 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, re-
processed, 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 accordance 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 Defense may not exercise the authority under subsection (a) to waive any domestic source or content requirement contained in any of the following laws:


“(3) Sections 2533a, 7309, and 7310 of this title.

“(e) **Relationship to Other Waiver Authority.**—The authority under subsection (a) to waive a domestic source requirement or domestic content requirement is in addition to any other authority to waive such requirement.

“(f) **Construction With Respect to Later Enacted Laws.**—This section may not be construed as being inapplicable to a domestic source requirement or domestic 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. 1214. 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 ac-
cordance 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 rec-
ognize superior noncombat achievements or performance.”

SEC. 1215. 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 for-
eign liaison officers

“(a) Authority.—The Secretary of Defense may
provide administrative services and support for the per-
formance of duties by any liaison officer of another nation
while the liaison officer is assigned to the headquarters
of combatant command, component command, or subordi-
nate operational command of the United States.

“(b) Travel, Subsistence, and Other Ex-

penses.—The Secretary may pay the travel, subsistence,
and similar personal expenses of a liaison officer of a de-
veloping nation involved in a coalition while the liaison of-
icer is assigned temporarily to the headquarters of a com-
batant 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 Sec-
retary 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 recipi-
ents.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘administrative services and sup-
port’ includes base or installation support services,
office space, utilities, copying services, fire and po-
lice protection, and computer support.

“(2) The term ‘coalition’ means an ad hoc ar-
angement between or among the United States and
one or more other nations for common action.”.

SEC. 1216. GEORGE C. MARSHALL EUROPEAN CENTER FOR
SECURITY STUDIES.

Section 1306(b)(1) of the National Defense Author-
ization 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. 1217. 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. 1218. 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. 1219. 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”;

(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 in-
stitutions located in the United States or on foreign
branches of such institutions.”.

SEC. 1220. CONTINUATION OF THE REGIONAL DEFENSE
COUNTERTERRORISM FELLOWSHIP PROGRAM.

The Secretary of Defense may pay for all costs asso-
ciated 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. 1221. LOGISTICS SUPPORT FOR FRIENDLY NATIONS.

Section 2342 of title 10, United States Code, is
amended by adding at the end the following new sub-
section:

“(e) Notwithstanding any other provision of law or
regulation, the Secretary of Defense, when in the best in-
terests 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) Countries holding a defense alliance with the United States; and

“(4) Countries hosting military exercises involving the United States.”.

Subtitle C—Other Matters

SEC. 1231. 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—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Expanded use of cooperative threat reduction funds.
SEC. 1301. EXPANDED USE OF COOPERATIVE THREAT REDUCTION FUNDS.

(a) IN GENERAL.—(1) Notwithstanding any other provision of law and subject to the succeeding provisions of this section, the President may obligate and expend Cooperative Threat Reduction funds, including Cooperative Threat Reduction funds for a prior fiscal year that remain available for obligation as of the date of the enactment of this Act, for proliferation threat reduction projects and activities outside the states of the former Soviet Union if the President determines that such projects and activities will—

(A) assist the United States in the resolution of critical emerging proliferation threats; or

(B) permit the United States to take advantage of opportunities to achieve long-standing non-proliferation goals.

(2) The amount that may be obligated under paragraph (1) in any fiscal year for projects and activities described in that paragraph may not exceed $50,000,000.

(b) AUTHORIZED USES OF FUNDS.—The authority under subsection (a) to obligate and expend Cooperative Threat Reduction funds for a project or activity includes authority to provide equipment, goods, and services for the project or activity, but does not include authority to provide cash directly to the project or activity.
TITILE XIV—HOMELAND SECURITY

Sec. 1401. Sales of chemical and biological defense articles and services to state and local governments.

Sec. 1402. Clarification of intelligence exceptions from limitations on interception and disclosure of wire, oral, and electronic communications.

SEC. 1401. 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 reimburse the Department of Defense for administrative costs to the Department of such purchase.

“(f) Credit of Funds From Sales.—Funds received by the Department of Defense from sales of articles under subsection (b) shall be credited to the military department, 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 received for the provision of services under subsection (c) shall be credited to the military department, Defense Agency, or Department of Defense Field Activity that provided 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 meaning 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.”.
SEC. 1402. CLARIFICATION OF INTELLIGENCE EXCEPTIONS FROM LIMITATIONS ON INTERCEPTION AND DISCLOSURE OF WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS.

Section 224(a) of the Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT ACT) (Public Law 107–56; 115 Stat. 295) is amended to read as follows:

“(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments made by this title (other than sections 203(a), 203(c), 204, 205, 208, 210, 211, 213, 216, 219, 221, and 222, and the amendments made by those sections) shall cease to have effect on December 31, 2005.”

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the “Military Construction Authorization Act for Fiscal Year 2004”.

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.
SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army 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>Redstone Arsenal</td>
<td>$5,500,000</td>
</tr>
<tr>
<td>Alaska</td>
<td>Fort Wainwright</td>
<td>$138,800,000</td>
</tr>
<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>
</tbody>
</table>

Total                                             $814,600,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:
### Army: Outside the United States

<table>
<thead>
<tr>
<th>Country</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>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></td>
<td>Kwajalein Atoll</td>
<td>9,400,000</td>
</tr>
<tr>
<td>World</td>
<td>Total</td>
<td>$324,000,000</td>
</tr>
</tbody>
</table>

### (c) UNSPECIFIED WORLDWIDE.—(1) Using amounts appropriated pursuant to the authorization of appropriations 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:

#### Army: Unspecified Worldwide

<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>$663,900,000</td>
<td></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 ef-
fects of terrorist attacks shall comply, to the extent practi-
cal, with applicable Federal, State, and local laws and
other orders regarding regulatory compliance, consulta-
tion, coordination and inspection, provided that in car-
rying out such a project—

(A) no such compliance, consultation, coordina-
tion, or inspection may expose, endanger, or other-
wise compromise the national security; and

(B) any anticipated exception to such compli-
ance, consultation, coordination or inspection shall
be addressed in project documentation submitted to
Congress pursuant to paragraph (3).

(3) Where applicable, project documentation sub-
mitted to the congressional defense committees shall sat-
ify general provisions of section 1001 of Public Law 107–
117 and address any exception to compliance, consulta-
tion, coordination, or inspection anticipated by paragraph
(2).

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using
amounts appropriated pursuant to the authorization of ap-
propriations in section 2104(a)(6)(A), the Secretary of the
Army may construct or acquire family housing units (in-
cluding 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 un-
specified worldwide locations authorized by section
2101(c), $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, plan-
ning 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), as amended by section 2105 of this Act, $33,000,000.

(8) For the construction of phase 2 of a barracks complex, Capron Road, at Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 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.

(10) For the construction of phase 3 of a barracks complex, 17th and B Streets, at Fort Lewis, Washington, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal
Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), $48,000,000.

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)(2) of such Act (115 Stat. 1284) is amended by striking “$52,000,000” and inserting “$54,000,000”.

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.

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
1 States, and in the amounts, set forth in the following table:

### Navy: Inside the United States

<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 Nicholas Island</td>
<td>$6,150,000</td>
</tr>
<tr>
<td></td>
<td>Naval 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, Lanhualei</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 River</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>
<tr>
<td></td>
<td>Naval Undersea Warfare Center, Newport</td>
<td>$10,890,000</td>
</tr>
<tr>
<td>Virginia</td>
<td>Henderson Hall, Arlington</td>
<td>$13,970,000</td>
</tr>
<tr>
<td></td>
<td>Marine Corps Combat Development Command, Quantico</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>$152,240,000</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>$17,770,000</td>
</tr>
<tr>
<td>Washington</td>
<td>Naval Magazine, Indian Island</td>
<td>$2,240,000</td>
</tr>
<tr>
<td></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>Total</td>
<td></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:

<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></td>
<td>Naval Air Station, Sigonella</td>
<td>$34,070,000</td>
</tr>
<tr>
<td>United Kingdom</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, 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>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>Total</td>
<td></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 military 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, planning 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, authorized in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2003 (division B of Public Law 107–314; 116 Stat. 2687), $46,730,000.

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.
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>$73,298,000</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>Tinker Air Force Base</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></td>
<td>Seymour Johnson Air Force Base</td>
<td>$11,222,000</td>
</tr>
<tr>
<td>North Dakota</td>
<td>Minot Air Force Base</td>
<td>$3,190,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>Wright-Patterson Air Force Base</td>
<td>$10,500,000</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>Altus Air Force Base</td>
<td>$1,167,000</td>
</tr>
<tr>
<td></td>
<td>Tinker Air Force Base</td>
<td>$19,444,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Charleston Air Force Base</td>
<td>$9,042,000</td>
</tr>
<tr>
<td>Texas</td>
<td>Goodfellow Air Force Base</td>
<td>$20,335,000</td>
</tr>
<tr>
<td></td>
<td>Lackland Air Force Base</td>
<td>$57,360,000</td>
</tr>
<tr>
<td></td>
<td>Sheppard Air Force Base</td>
<td>$29,167,000</td>
</tr>
<tr>
<td>Utah</td>
<td>Hill Air Force Base</td>
<td>$15,848,000</td>
</tr>
<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 appropria-
tions in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

### Air Force: Outside the United States

<table>
<thead>
<tr>
<th>Country</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>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><strong>Total</strong></td>
<td></td>
<td><strong>$171,159,000</strong></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>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$29,501,000</strong></td>
</tr>
</tbody>
</table>

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units.
(including land acquisition and supporting facilities) at the installations 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>Arizona ..........</td>
<td>Davis-Monthan Air Force Base</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 Base</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 100 Units</td>
<td>$18,221,000</td>
<td></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 Force Base</td>
<td>138 Units</td>
<td>$18,336,000</td>
</tr>
<tr>
<td>North Dakota ....</td>
<td>Grand Forks Air Force Base</td>
<td>144 Units</td>
<td>$29,550,000</td>
</tr>
<tr>
<td>South Dakota ....</td>
<td>Ellsworth Air Force Base 75 Units</td>
<td>$16,240,000</td>
<td></td>
</tr>
<tr>
<td>Texas ...........</td>
<td>Dyess Air Force Base 116 Units</td>
<td>$19,973,000</td>
<td></td>
</tr>
<tr>
<td>Korea ...........</td>
<td>Osan Air Base 111 Units</td>
<td>$44,765,000</td>
<td></td>
</tr>
<tr>
<td>Portugal .......</td>
<td>Lajes Field, Azores 42 Units</td>
<td>$13,428,000</td>
<td></td>
</tr>
<tr>
<td>Turkey ...........</td>
<td>Incirlik Air Base 100 Units</td>
<td>$17,538,000</td>
<td></td>
</tr>
<tr>
<td>United Kingdom ..</td>
<td>Royal Air Force, Lakenheath 89 Units</td>
<td>$23,640,000</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 appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $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 mil-
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-

(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 military construction projects at un-
specified 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.

Sec. 2402. Family Housing.

Sec. 2403. Improvements to military family housing units.

Sec. 2404. Energy conservation projects.


SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:
### Defense Agencies: Inside the United States

<table>
<thead>
<tr>
<th>Agency</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense Education Activity</td>
<td>Marine Corps Base, Camp Lejeune, North Carolina</td>
<td>$15,259,000</td>
</tr>
<tr>
<td>Defense Logistics Agency</td>
<td>Defense Distribution Depot, New Cumberland, Pennsylvania</td>
<td>$27,700,000</td>
</tr>
<tr>
<td></td>
<td>Eglin Air Force Base, Florida</td>
<td>$4,800,000</td>
</tr>
<tr>
<td></td>
<td>Eielson Air Force Base, Alaska</td>
<td>$17,000,000</td>
</tr>
<tr>
<td></td>
<td>Hickam Air Force Base, Hawaii</td>
<td>$14,100,000</td>
</tr>
<tr>
<td></td>
<td>Hurlburt Field, Florida</td>
<td>$4,100,000</td>
</tr>
<tr>
<td></td>
<td>Langley Air Force Base, Virginia</td>
<td>$13,000,000</td>
</tr>
<tr>
<td></td>
<td>Laughlin Air Force Base, Texas</td>
<td>$4,888,000</td>
</tr>
<tr>
<td></td>
<td>McChord Air Force Base, Washington</td>
<td>$1,842,000</td>
</tr>
<tr>
<td>National Security Agency</td>
<td>Fort Meade, Maryland</td>
<td>$1,842,000</td>
</tr>
<tr>
<td>Special Operations Command</td>
<td>Offutt Air Force Base, Nebraska</td>
<td>$13,400,000</td>
</tr>
<tr>
<td></td>
<td>Dam Neck, Virginia</td>
<td>$15,281,000</td>
</tr>
<tr>
<td></td>
<td>Fort Benning, Georgia</td>
<td>$2,100,000</td>
</tr>
<tr>
<td></td>
<td>Fort Bragg, North Carolina</td>
<td>$36,300,000</td>
</tr>
<tr>
<td></td>
<td>Fort Campbell, Kentucky</td>
<td>$7,800,000</td>
</tr>
<tr>
<td></td>
<td>Harrisburg International Airport, Pennsylvania</td>
<td>$3,000,000</td>
</tr>
<tr>
<td></td>
<td>Hurlburt Field, Florida</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Tri-Care Management Activity</td>
<td>Naval Station, Anacostia, District of Columbia</td>
<td>$15,714,000</td>
</tr>
<tr>
<td></td>
<td>Naval Submarine Base, New London, Connecticut</td>
<td>$6,700,000</td>
</tr>
<tr>
<td></td>
<td>United States Air Force Academy, Colorado</td>
<td>$22,100,000</td>
</tr>
<tr>
<td></td>
<td>Walter Reed Medical Center, District of Columbia</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>Washington Headquarters Services</td>
<td>Arlington, Virginia</td>
<td>$38,086,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$298,870,000</td>
</tr>
</tbody>
</table>

### Defense Agencies: Outside the United States

<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>
</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 or locations outside the United States, and in the amounts, set forth in the following table:
Defense Agencies: Outside the United States—Continued

<table>
<thead>
<tr>
<th>Agency</th>
<th>Installation or location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<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></td>
<td>Total</td>
<td>$137,699,000</td>
</tr>
</tbody>
</table>

SEC. 2402. FAMILY HOUSING.

(a) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(5)(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, 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.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

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

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2003, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the amount of $169,300,000.
TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized guard and reserve construction and land acquisition projects.

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 therefore, 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.
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.

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 Se-
security Investment program (and authorizations of appropri-
ations 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 author-
izing funds for fiscal year 2007 for military con-
struction projects, land acquisition, family housing
projects and facilities, or 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
1654A–389), authorizations set forth in the tables in sub-
section (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:
Army: 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>South Carolina</td>
<td>Fort Jackson</td>
<td>New Construction—GFOQ</td>
<td>$250,000</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 Center Shipyard Systems Engineering Station, Philadelphia</td>
<td>Gas Turbine Test Facility</td>
<td>$10,680,000</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 Kindergarten Classroom Addition</td>
<td>$762,000</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) **TABLES.**—The tables referred to in subsection (a) are as follows:

**Air Force: 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>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.

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.
Sec. 2823. Relief from McKinney-Vento (Homeless) Act screening requirements.

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 (c)(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”.

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(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 paragraph shall not apply to unspecified minor military construction projects using funds made available for operation 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 subparagraph:

"(B) Notwithstanding any other provision of law, a military department may accelerate design effort for design-build contracts (fast-track design funding) to accomplish 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 ap-
propriation of construction funds has been submitted to Congress as part of the Department’s annual budget, and (3) the Government’s liability in a Termination for Convenience would not exceed costs above that attributable to the final design of the project.”.

(2) Section 2807(a) of such title is amended by striking “in connection with military construction projects not otherwise authorized by law” at the end of the first sentence 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 construction project ceiling specified in section 2805(a)(1), whichever is less”.

(e) 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”;

(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 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) at any property or fa-
cilities 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 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) 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.”.

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:

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§ 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 improve-
ments, structures or fixtures located thereon, the re-
cipient of the real property agrees to pay to the Sec-
retary 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 De-
fense 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 Secretary 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 unaccompanied 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 National Defense Authorization Act for Fiscal Year 1995 (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 conveyance 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 satis-
factory 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 condi-
tions in connection with the conveyance under subsection
(a) as the Secretary considers appropriate to protect the
interests of the United States.

SEC. 2823. RELIEF FROM MCKINNEY-VENTO (HOMELESS)
ACT SCREENING REQUIREMENTS.

Section 501 of the McKinney-Vento Homeless Assist-
ance Act (101 Public Law 101–645; 42 U.S.C. 11411)
is amended—

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

(2) by inserting after subsection (h) the fol-
lowing new subsection (i):

“(i) APPLICABILITY TO PROPERTY DURING EMER-
GENCIES.—The provisions of this section shall not apply
to buildings and property that have been requested for support or are being used for direct support of—

“(1) a war or national emergency declared in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.); or

“(2) an emergency or major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).”.