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H. R. 1815

# One Hundred Ninth Congress of the United States of America

**AT THE FIRST SESSION**

***Begun and held at the City of Washington on Tuesday, the fourth day of January, two thousand and five***

# An Act

To authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 2006".

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

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

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

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees.

**DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS**

**TITLE I—PROCUREMENT**

**SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS**

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.

**SUBTITLE B—ARMY PROGRAMS**

Sec. 111. Multiyear procurement authority for utility helicopters.
Sec. 112. Multiyear procurement authority for modernized target acquisition designation sight/pilot night vision sensors for AH–64 Apache attack helicopters.
Sec. 113. Multiyear procurement authority for conversion of AH–64A Apache attack helicopters to the AH–64D Block II configuration.
Sec. 114. Acquisition strategy for tactical wheeled vehicle programs.
Sec. 115. Report on Army Modular Force Initiative.

**SUBTITLE C—NAVY PROGRAMS**

Sec. 121. Virginia-class submarine program.
Sec. 122. LHA Replacement (LHA(R)) amphibious assault ship program.
Sec. 123. Cost limitation for next-generation destroyer program.
Sec. 124. Littoral Combat Ship (LCS) program.
Sec. 125. Prohibition on acquisition of next-generation destroyer through a single shipyard.

Sec. 126. Aircraft carrier force structure.
Sec. 127. Refueling and complex overhaul of the U.S.S. Carl Vinson.
Sec. 128. CVN–78 aircraft carrier.
Sec. 129. LHA Replacement (LHA(R)) ship.
Sec. 130. Report on alternative propulsion methods for surface combatants and amphibious warfare ships.

SUBTITLE D—AIR FORCE PROGRAMS

Sec. 131. C–17 aircraft program and assessment of intertheater airlift requirements.
Sec. 132. Prohibition on retirement of KC–135E aircraft.
Sec. 133. Prohibition on retirement of F–117 aircraft during fiscal year 2006.
Sec. 134. Prohibition on retirement of C–130E/H tactical airlift aircraft during fiscal year 2006.
Sec. 135. Procurement of C–130J/KC–130J aircraft after fiscal year 2005.
Sec. 136. Report on Air Force aircraft aeromedical evacuation programs.

SUBTITLE E—JOINT AND MULTISERVICE MATTERS

Sec. 141. Requirement that tactical unmanned aerial vehicles use specified standard data link.
Sec. 142. Limitation on initiation of new unmanned aerial vehicle systems.
Sec. 143. Advanced SEAL Delivery System.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for defense science and technology.

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. Annual Comptroller General report on Future Combat Systems program.
Sec. 212. Contract for the procurement of the Future Combat Systems (FCS).
Sec. 213. Limitations on systems development and demonstration of manned ground vehicles under Armored Systems Modernization program.
Sec. 214. Separate program elements required for significant systems development and demonstration projects for Armored Systems Modernization program.
Sec. 215. Initiation of program to design and develop next-generation nuclear attack submarine.
Sec. 216. Extension of requirements relating to management responsibility for naval mine countermeasures programs.
Sec. 217. Single set of requirements for Army and Marine Corps heavy lift rotorcraft program.
Sec. 218. Requirements for development of tactical radio communications systems.
Sec. 219. Limitation on systems development and demonstration of Personnel Recovery Vehicle.
Sec. 220. Limitation on VXX helicopter program.
Sec. 221. Report on testing of Internet Protocol version 6.

SUBTITLE C—MISSILE DEFENSE PROGRAMS

Sec. 231. Report on capabilities and costs for operational boost/ascent-phase missile defense systems.
Sec. 232. One-year extension of Comptroller General assessments of ballistic missile defense programs.
Sec. 233. Fielding of ballistic missile defense capabilities.
Sec. 234. Plans for test and evaluation of operational capability of the ballistic missile defense system.

SUBTITLE D—HIGH-PERFORMANCE DEFENSE MANUFACTURING TECHNOLOGY RESEARCH AND DEVELOPMENT

Sec. 241. Pilot program for identification and transition of advanced manufacturing processes and technologies.
Sec. 242. Transition of transformational manufacturing processes and technologies to defense manufacturing base.
Sec. 243. Manufacturing technology strategies.
Sec. 244. Report.
Sec. 245. Definitions.

SUBTITLE E—OTHER MATTERS

Sec. 251. Comptroller General report on program element structure for research, development, test, and evaluation projects.

Sec. 252. Research and development efforts for purposes of small business research.
Sec. 253. Revised requirements relating to submission of Joint Warfighting Science and Technology Plan.
Sec. 254. Report on efficiency of naval shipbuilding industry.
Sec. 255. Technology transition.
Sec. 256. Prevention, mitigation, and treatment of blast injuries.
Sec. 257. Modification of requirements for annual report on DARPA program to award cash prizes for advanced technology achievements.
Sec. 258. Designation of facilities and resources constituting the Major Range and Test Facility Base.
Sec. 259. Report on cooperation between Department of Defense and National Aeronautics and Space Administration on research, development, test, and evaluation activities.
Sec. 260. Delayed effective date for limitation on procurement of systems not GPS-equipped.
Sec. 261. Report on development and use of robotics and unmanned ground vehicle systems.

**TITLE III—OPERATION AND MAINTENANCE**

**SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS**

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Other Department of Defense programs.

**SUBTITLE B—ENVIRONMENTAL PROVISIONS**

Sec. 311. Elimination and simplification of certain items required in the annual report on environmental quality programs and other environmental activities.
Sec. 312. Payment of certain private cleanup costs in connection with Defense Environmental Restoration Program.

**SUBTITLE C—WORKPLACE AND DEPOT ISSUES**

Sec. 321. Modification of authority of Army working-capital funded facilities to engage in cooperative activities with non-Army entities.
Sec. 322. Limitation on transition of funding for east coast shipyards from funding through Navy working capital fund to direct funding.
Sec. 323. Armament Retooling and Manufacturing Support Initiative matters.
Sec. 324. Sense of Congress regarding depot maintenance.

**SUBTITLE D—EXTENSION OF PROGRAM AUTHORITIES**

Sec. 331. Extension of authority to provide logistics support and services for weapons systems contractors.
Sec. 332. Extension of period for reimbursement for certain protective, safety, or health equipment purchased by or for members of the Armed Forces deployed in contingency operations.

**SUBTITLE E—OUTSOURCING**

Sec. 341. Public-private competition.
Sec. 342. Contracting for procurement of certain supplies and services.
Sec. 343. Performance of certain work by Federal Government employees.
Sec. 344. Extension of temporary authority for contractor performance of security-guard functions.

**SUBTITLE F—ANALYSIS, STRATEGIES, AND REPORTS**

Sec. 351. Report on Department of Army programs for prepositioning of equipment and other materiel.
Sec. 352. Reports on budget models used for base operations support, sustainment, and facilities recapitalization.
Sec. 353. Army training strategy for brigade-based combat teams and functional supporting brigades.
Sec. 354. Report regarding effect on military readiness of undocumented immigrants trespassing upon operational ranges.
Sec. 355. Report regarding management of Army lodging.
Sec. 356. Comptroller General report on corrosion prevention and mitigation programs of the Department of Defense.
Sec. 357. Study on use of biodiesel and ethanol fuel.
Sec. 358. Report on effects of windmill farms on military readiness.
Sec. 359. Report on space-available travel for certain disabled veterans and gray-area retirees.

Sec. 360. Report on joint field training and experimentation on stability, security, transition, and reconstruction operations.
Sec. 361. Reports on budgeting relating to sustainment of key military equipment.
Sec. 362. Repeal of Air Force report on military installation encroachment issues.

**SUBTITLE G—OTHER MATTERS**

Sec. 371. Supervision and management of Defense Business Transformation Agency.
Sec. 372. Codification and revision of limitation on modification of major items of equipment scheduled for retirement or disposal.
Sec. 373. Limitation on purchase of investment items with operation and maintenance funds.
Sec. 374. Operation and use of general gift funds of the Department of Defense and Coast Guard.
Sec. 375. Inclusion of packet based telephony in Department of Defense telecommunications benefit.
Sec. 376. Limitation on financial management improvement and audit initiatives within Department of Defense.
Sec. 377. Provision of welfare of special category residents at Naval Station Guantanamo Bay, Cuba.
Sec. 378. Commemoration of success of the Armed Forces in Operation Enduring Freedom and Operation Iraqi Freedom.

**SUBTITLE H—UTAH TEST AND TRAINING RANGE**

Sec. 381. Definitions.
Sec. 382. Military operations and overflights, Utah Test and Training Range.
Sec. 383. Analysis of military readiness and operational impacts in planning process for Federal lands in Utah Test and Training Range.
Sec. 384. Designation and management of Cedar Mountain Wilderness, Utah.
Sec. 385. Relation to other lands.

**TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS**

**SUBTITLE A—ACTIVE FORCES**

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent active duty end strength minimum levels.
Sec. 403. Additional authority for increases of Army and Marine Corps active duty end strengths for fiscal years 2007 through 2009.

**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 2006 limitation on number of non-dual status technicians.
Sec. 415. Maximum number of reserve personnel authorized to be on active duty for operational support.

**SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS**

Sec. 421. Military personnel.
Sec. 422. Armed Forces Retirement Home.

**TITLE V—MILITARY PERSONNEL POLICY**

**SUBTITLE A—OFFICER PERSONNEL POLICY**

Sec. 501. Temporary increase in percentage limits on reduction of time-in-grade requirements for retirement in grade upon voluntary retirement.
Sec. 502. Two-year renewal of temporary authority to reduce minimum length of commissioned service required for voluntary retirement as an officer.
Sec. 503. Exclusion from active-duty general and flag officer distribution and strength limitations of officers on leave pending separation or retirement or between senior positions.
Sec. 504. Consolidation of grade limitations on officer assignment and insignia practice known as frocking.
Sec. 505. Clarification of deadline for receipt by promotion selection boards of certain communications from eligible officers.
Sec. 506. Furnishing to promotion selection boards of adverse information on officers eligible for promotion to certain senior grades.
Sec. 507. Applicability of officer distribution and strength limitations to officers serving in intelligence community positions.
Sec. 508. Grades of the Judge Advocates General.
Sec. 509. Authority to retain permanent professors at the Naval Academy beyond 30 years of active commissioned service.

Sec. 510. Authority for designation of a general/flag officer position on the Joint Staff to be held by reserve component general or flag officer on active duty.

**SUBTITLE B—RESERVE COMPONENT MANAGEMENT**

Sec. 511. Separation at age 64 for reserve component senior officers.
Sec. 512. Modification of strength-in-grade limitations applicable to Reserve flag officers in active status.
Sec. 513. Military technicians (dual status) mandatory separation.
Sec. 514. Military retirement credit for certain service by National Guard members performed while in a State duty status immediately after the terrorist attacks of September 11, 2001.
Sec. 515. Redesignation of the Naval Reserve as the Navy Reserve.
Sec. 516. Clarification of certain authorities relating to the Commission on the National Guard and Reserves.
Sec. 517. Report on employment matters for members of the reserve components.
Sec. 518. Defense Science Board study on deployment of members of the National Guard and Reserves in the Global War on Terrorism.
Sec. 519. Sense of Congress on certain matters relating to the National Guard and Reserves.
Sec. 520. Pilot program on enhanced quality of life for members of the Army Reserve and their families.

**SUBTITLE C—EDUCATION AND TRAINING**

PART I—DEPARTMENT OF DEFENSE SCHOOLS GENERALLY

Sec. 521. Authority for National Defense University award of degree of Master of Science in Joint Campaign Planning and Strategy.
Sec. 522. Authority for certain professional military education schools to receive faculty research grants for certain purposes.

PART II—UNITED STATES NAVAL POSTGRADUATE SCHOOL

Sec. 523. Revision to mission of the Naval Postgraduate School.
Sec. 524. Modification of eligibility for position of President of the Naval Postgraduate School.
Sec. 525. Increased enrollment for eligible defense industry employees in the defense product development program at Naval Postgraduate School.
Sec. 526. Instruction for enlisted personnel by the Naval Postgraduate School.

PART III—RESERVE OFFICERS' TRAINING CORPS

Sec. 531. Repeal of limitation on amount of financial assistance under ROTC scholarship programs.
Sec. 532. Increase in annual limit on number of ROTC scholarships under Army Reserve and National Guard program.
Sec. 533. Procedures for suspending financial assistance and subsistence allowance for Senior ROTC cadets and midshipmen on the basis of health-related conditions.
Sec. 534. Eligibility of United States nationals for appointment to the Senior Reserve Officers' Training Corps.
Sec. 535. Promotion of foreign language skills among members of the Reserve Officers' Training Corps.
Sec. 536. Designation of Ike Skelton Early Commissioning Program scholarships.

PART IV—OTHER MATTERS

Sec. 537. Enhancement of educational loan repayment authorities.
Sec. 538. Payment of expenses of members of the Armed Forces to obtain professional credentials.
Sec. 539. Use of Reserve Montgomery GI Bill benefits and benefits for mobilized members of the Selected Reserve and National Guard for payments for licensing or certification tests.
Sec. 540. Modification of educational assistance for Reserves supporting contingency and other operations.

**SUBTITLE D—GENERAL SERVICE REQUIREMENTS**

Sec. 541. Ground combat and other exclusion policies.
Sec. 542. Uniform citizenship or residency requirements for enlistment in the Armed Forces.
Sec. 543. Increase in maximum age for enlistment.
Sec. 544. Increase in maximum term of original enlistment in regular component.
Sec. 545. National Call to Service program.

Sec. 546. Reports on information provided to potential recruits and to new entrants into the Armed Forces on "stop loss" authorities and initial period of military service obligation.

**SUBTITLE E—MILITARY JUSTICE AND LEGAL ASSISTANCE MATTERS**

Sec. 551. Offense of stalking under the Uniform Code of Military Justice.
Sec. 552. Rape, sexual assault, and other sexual misconduct under Uniform Code of Military Justice.
Sec. 553. Extension of statute of limitations for murder, rape, and child abuse offenses under the Uniform Code of Military Justice.
Sec. 554. Reports by officers and senior enlisted members of conviction of criminal law.
Sec. 555. Clarification of authority of military legal assistance counsel to provide military legal assistance without regard to licensing requirements.
Sec. 556. Use of teleconferencing in administrative sessions of courts-martial.
Sec. 557. Sense of Congress on applicability of Uniform Code of Military Justice to Reserves on inactive-duty training overseas.

**SUBTITLE F—MATTERS RELATING TO CASUALTIES**

Sec. 561. Authority for members on active duty with disabilities to participate in Paralympic Games.
Sec. 562. Policy and procedures on casualty assistance to survivors of military decedents.
Sec. 563. Policy and procedures on assistance to severely wounded or injured service members.
Sec. 564. Designation by members of the Armed Forces of persons authorized to direct the disposition of member remains.

**SUBTITLE G—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR DEFENSE DEPENDENTS EDUCATION**

Sec. 571. Expansion of authorized enrollment in Department of Defense dependents schools overseas.
Sec. 572. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 573. Impact aid for children with severe disabilities.
Sec. 574. Continuation of impact aid assistance on behalf of dependents of certain members despite change in status of member.

**SUBTITLE H—DECORATIONS AND AWARDS**

Sec. 576. Eligibility for Operation Enduring Freedom campaign medal.

**SUBTITLE I—CONSUMER PROTECTION MATTERS**

Sec. 577. Requirement for regulations on policies and procedures on personal commercial solicitations on Department of Defense installations.
Sec. 578. Consumer education for members of the Armed Forces and their spouses on insurance and other financial services.
Sec. 579. Report on predatory lending practices directed at members of the Armed Forces and their dependents.

**SUBTITLE J—REPORTS AND SENSE OF CONGRESS STATEMENTS**

Sec. 581. Report on need for a personnel plan for linguists in the Armed Forces.
Sec. 582. Sense of Congress that colleges and universities give equal access to military recruiters and ROTC in accordance with the Solomon Amendment and requirement for report to Congress.
Sec. 583. Sense of Congress concerning study of options for providing homeland defense education.
Sec. 584. Sense of Congress recognizing the diversity of the members of the Armed Forces serving in Operation Iraqi Freedom and Operation Enduring Freedom and honoring their sacrifices and the sacrifices of their families.

**SUBTITLE K—OTHER MATTERS**

Sec. 589. Expansion and enhancement of authority to present recognition items for recruitment and retention purposes.
Sec. 590. Extension of date of submittal of report of Veterans' Disability Benefits Commission.
Sec. 591. Recruitment and enlistment of home-schooled students in the Armed Forces.
Sec. 592. Modification of requirement for certain intermediaries under certain authorities relating to adoptions.

Sec. 593. Adoption leave for members of the Armed Forces adopting children.
Sec. 594. Addition of information to be covered in mandatory preseparation counseling.
Sec. 595. Report on Transition Assistance Programs.
Sec. 596. Improvement to Department of Defense capacity to respond to sexual assault affecting members of the Armed Forces.
Sec. 597. Authority for appointment of Coast Guard flag officer as Chief of Staff to the President.
Sec. 598. Prayer at military service academy activities.
Sec. 599. Modification of authority to make military working dogs available for adoption.

## TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

### SUBTITLE A—PAY AND ALLOWANCES

Sec. 601. Increase in basic pay for fiscal year 2006.
Sec. 602. Additional pay for permanent military professors at United States Naval Academy with over 36 years of service.
Sec. 603. Basic pay rates for reserve component members selected to attend military service academy preparatory schools.
Sec. 604. Clarification of restriction on compensation for correspondence courses.
Sec. 605. Enhanced authority for agency contributions for members of the Armed Forces participating in the Thrift Savings Plan.
Sec. 606. Pilot program on contributions to Thrift Savings Plan for initial enlistees in the Army.
Sec. 607. Prohibition against requiring certain injured members to pay for meals provided by military treatment facilities.
Sec. 608. Permanent authority for supplemental subsistence allowance for low-income members with dependents.
Sec. 609. Increase in basic allowance for housing and extension of temporary lodging expenses authority for areas subject to major disaster declaration or for installations experiencing sudden increase in personnel levels.
Sec. 610. Basic allowance for housing for reserve component members.
Sec. 611. Permanent increase in length of time dependents of certain deceased members may continue to occupy military family housing or receive basic allowance for housing.
Sec. 612. Overseas cost of living allowance.
Sec. 613. Allowance to cover portion of monthly deduction from basic pay for Servicemembers' Group Life Insurance coverage for members serving in Operation Enduring Freedom or Operation Iraqi Freedom.
Sec. 614. Income replacement payments for Reserves experiencing extended and frequent mobilization for active duty service.

### SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS

Sec. 621. Extension or resumption of certain bonus and special pay authorities for reserve forces.
Sec. 622. Extension of certain bonus and special pay authorities for certain health care professionals.
Sec. 623. Extension of special pay and bonus authorities for nuclear officers.
Sec. 624. Extension of other bonus and special pay authorities.
Sec. 625. Eligibility of oral and maxillofacial surgeons for incentive special pay.
Sec. 626. Eligibility of dental officers for additional special pay.
Sec. 627. Increase in maximum monthly rate authorized for hardship duty pay.
Sec. 628. Flexible payment of assignment incentive pay.
Sec. 629. Active-duty reenlistment bonus.
Sec. 630. Reenlistment bonus for members of the Selected Reserve.
Sec. 631. Consolidation and modification of bonuses for affiliation or enlistment in the Selected Reserve.
Sec. 632. Expansion and enhancement of special pay for enlisted members of the Selected Reserve assigned to certain high priority units.
Sec. 633. Eligibility requirements for prior service enlistment bonus.
Sec. 634. Increase and enhancement of affiliation bonus for officers of the Selected Reserve.
Sec. 635. Increase in authorized maximum amount of enlistment bonus.
Sec. 636. Discretion of Secretary of Defense to authorize retroactive hostile fire and imminent danger pay.
Sec. 637. Increase in maximum bonus amount for nuclear-qualified officers extending period of active duty.
Sec. 638. Increase in maximum amount of nuclear career annual incentive bonus for nuclear-qualified officers trained while serving as enlisted members.
Sec. 639. Uniform payment of foreign language proficiency pay to eligible reserve component members and regular component members.

Sec. 640. Retention bonus for members qualified in certain critical skills or assigned to high priority units.
Sec. 641. Incentive bonus for transfer between Armed Forces.
Sec. 642. Availability of special pay for members during rehabilitation from wounds, injuries, and illnesses incurred in a combat operation or combat zone.
Sec. 643. Pay and benefits to facilitate voluntary separation of targeted members of the Armed Forces.
Sec. 644. Ratification of payment of critical-skills accession bonus for persons enrolled in Senior Reserve Officers' Training Corps obtaining nursing degrees.
Sec. 645. Temporary authority to pay bonus to encourage members of the Army to refer other persons for enlistment in the Army.

**SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES**

Sec. 651. Authorized absences of members for which lodging expenses at temporary duty location may be paid.
Sec. 652. Extended period for selection of home for travel and transportation allowances for dependents of deceased members.
Sec. 653. Transportation of family members in connection with the repatriation of members held captive.
Sec. 654. Increased weight allowances for shipment of household goods of senior noncommissioned officers.
Sec. 655. Permanent authority to provide travel and transportation allowances for family members to visit hospitalized members of the Armed Forces injured in combat operation or combat zone.

**SUBTITLE D—RETIRED PAY AND SURVIVOR BENEFITS**

Sec. 661. Monthly disbursement to States of State income tax withheld from retired or retainer pay.
Sec. 662. Denial of certain burial-related benefits for individuals who committed a capital offense.
Sec. 663. Concurrent receipt of veterans disability compensation and military retired pay.
Sec. 664. Additional amounts of death gratuity for survivors of certain members of the Armed Forces dying on active duty.
Sec. 665. Child support for certain minor children of retirement-eligible members convicted of domestic violence resulting in death of child's other parent.
Sec. 666. Comptroller General report on actuarial soundness of the Survivor Benefit Plan.

**SUBTITLE E—COMMISSARY AND NONAPPROPRIATED FUND INSTRUMENTALITY BENEFITS**

Sec. 671. Increase in authorized level of supplies and services procurement from overseas exchange stores.
Sec. 672. Requirements for private operation of commissary store functions.
Sec. 673. Provision of and payment for overseas transportation services for commissary and exchange supplies and products.
Sec. 674. Compensatory time off for certain nonappropriated fund employees.
Sec. 675. Rest and recuperation leave programs.

**SUBTITLE F—OTHER MATTERS**

Sec. 681. Temporary Army authority to provide additional recruitment incentives.
Sec. 682. Clarification of leave accrual for members assigned to a deployable ship or mobile unit or other duty.
Sec. 683. Expansion of authority to remit or cancel indebtedness of members of the Armed Forces incurred on active duty.
Sec. 684. Loan repayment program for chaplains in the Selected Reserve.
Sec. 685. Inclusion of Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff among senior enlisted members of the Armed Forces.
Sec. 686. Special and incentive pays considered for saved pay upon appointment of members as officers.
Sec. 687. Repayment of unearned portion of bonuses, special pays, and educational benefits.
Sec. 688. Rights of members of the Armed Forces and their dependents under Housing and Urban Development Act of 1968.
Sec. 689. Extension of eligibility for SSI for certain individuals in families that include members of the Reserve and National Guard.
Sec. 690. Information for members of the Armed Forces and their dependents on rights and protections of the Servicemembers Civil Relief Act.

## TITLE VII—HEALTH CARE PROVISIONS

### SUBTITLE A—IMPROVEMENTS TO HEALTH BENEFITS FOR RESERVES

Sec. 701. Enhancement of TRICARE Reserve Select program.
Sec. 702. Expanded eligibility of members of the Selected Reserve under the TRICARE program.

### SUBTITLE B—TRICARE PROGRAM IMPROVEMENTS

Sec. 711. Additional information required by surveys on TRICARE Standard.
Sec. 712. Availability of chiropractic health care services.
Sec. 713. Surviving-dependent eligibility under TRICARE dental plan for surviving spouses who were on active duty at time of death of military spouse.
Sec. 714. Exceptional eligibility for TRICARE Prime Remote.
Sec. 715. Increased period of continued TRICARE Prime coverage of children of members of the uniformed services who die while serving on active duty for a period of more than 30 days.
Sec. 716. TRICARE Standard in TRICARE Regional Offices.
Sec. 717. Qualifications for individuals serving as TRICARE Regional Directors.

### SUBTITLE C—MENTAL HEALTH-RELATED PROVISIONS

Sec. 721. Program for mental health awareness for dependents and pilot project on post traumatic stress disorder.
Sec. 722. Pilot projects on early diagnosis and treatment of post traumatic stress disorder and other mental health conditions.
Sec. 723. Department of Defense task force on mental health.

### SUBTITLE D—STUDIES AND REPORTS

Sec. 731. Study relating to predeployment and postdeployment medical exams of certain members of the Armed Forces.
Sec. 732. Requirements for physical examinations and medical and dental readiness for members of the Selected Reserve not on active duty.
Sec. 733. Report on delivery of health care benefits through the military health care system.
Sec. 734. Comptroller General studies and report on differential payments to children's hospitals for health care for children dependents and maximum allowable charge for obstetrical care services under TRICARE.
Sec. 735. Report on the Department of Defense AHLTA global electronic health record system.
Sec. 736. Comptroller General study and report on Vaccine Healthcare Centers.
Sec. 737. Report on adverse health events associated with use of anti-malarial drugs.
Sec. 738. Report on Reserve dental insurance program.
Sec. 739. Demonstration project study on Medicare Advantage regional preferred provider organization option for TRICARE-medicare dual-eligible beneficiaries.
Sec. 740. Pilot projects on pediatric early literacy among children of members of the Armed Forces.

### SUBTITLE E—OTHER MATTERS

Sec. 741. Authority to relocate patient safety center; renaming MedTeams Program.
Sec. 742. Modification of health care quality information and technology enhancement reporting requirement.
Sec. 743. Correction to eligibility of certain Reserve officers for military health care pending active duty following commissioning.
Sec. 744. Prohibition on conversions of military medical and dental positions to civilian medical positions until submission of certification.
Sec. 745. Clarification of inclusion of dental care in medical readiness tracking and health surveillance program.
Sec. 746. Cooperative outreach to members and former members of the naval service exposed to environmental factors related to sarcoidosis.
Sec. 747. Repeal of requirement for Comptroller General reviews of certain Department of Defense-Department of Veterans Affairs projects on sharing of health care resources.
Sec. 748. Pandemic avian flu preparedness.
Sec. 749. Follow up assistance for members of the Armed Forces after preseparation physical examinations.
Sec. 750. Policy on role of military medical and behavioral science personnel in interrogation of detainees.

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

### SUBTITLE A—PROVISIONS RELATING TO MAJOR DEFENSE ACQUISITION PROGRAMS

Sec. 801. Requirement for certification before major defense acquisition program may proceed to Milestone B.
Sec. 802. Requirements applicable to major defense acquisition programs exceeding baseline costs.
Sec. 803. Requirement for determination by Secretary of Defense and notification to Congress before procurement of major weapon systems as commercial items.
Sec. 804. Reports on significant increases in program acquisition unit costs or procurement unit costs of major defense acquisition programs.
Sec. 805. Report on use of lead system integrators in the acquisition of major systems.
Sec. 806. Congressional notification of cancellation of major automated information systems.

### SUBTITLE B—ACQUISITION POLICY AND MANAGEMENT

Sec. 811. Internal controls for procurements on behalf of the Department of Defense.
Sec. 812. Management structure for the procurement of contract services.
Sec. 813. Report on service surcharges for purchases made for military departments through other Department of Defense agencies.
Sec. 814. Review of defense acquisition structures and capabilities.
Sec. 815. Modification of requirements applicable to contracts authorized by law for certain military materiel.
Sec. 816. Guidance on use of tiered evaluations of offers for contracts and task orders under contracts.
Sec. 817. Joint policy on contingency contracting.
Sec. 818. Acquisition strategy for commercial satellite communication services.
Sec. 819. Authorization of evaluation factor for defense contractors employing or subcontracting with members of the Selected Reserve of the reserve components of the Armed Forces.

### SUBTITLE C—AMENDMENTS TO GENERAL CONTRACTING AUTHORITIES, PROCEDURES, AND LIMITATIONS

Sec. 821. Participation by Department of Defense in acquisition workforce training fund.
Sec. 822. Increase in cost accounting standard threshold.
Sec. 823. Modification of authority to carry out certain prototype projects.
Sec. 824. Increased limit applicable to assistance provided under certain procurement technical assistance programs.

### SUBTITLE D—UNITED STATES DEFENSE INDUSTRIAL BASE PROVISIONS

Sec. 831. Clarification of exception from Buy American requirements for procurement of perishable food for establishments outside the United States.
Sec. 832. Training for defense acquisition workforce on the requirements of the Berry Amendment.
Sec. 833. Amendments to domestic source requirements relating to clothing materials and components covered.

### SUBTITLE E—OTHER MATTERS

Sec. 841. Review and report on Department of Defense efforts to identify contract fraud, waste, and abuse.
Sec. 842. Extension of contract goal for small disadvantaged businesses and certain institutions of higher education.
Sec. 843. Extension of deadline for report of advisory panel on laws and regulations on acquisition practices.
Sec. 844. Exclusion of certain security expenses from consideration for purpose of small business size standards.
Sec. 845. Disaster relief for small business concerns damaged by drought.
Sec. 846. Extension of limited acquisition authority for the commander of the United States Joint Forces Command.
Sec. 847. Civilian Board of Contract Appeals.
Sec. 848. Statement of policy and report relating to contracting with employers of persons with disabilities.
Sec. 849. Study on Department of Defense contracting with small business concerns owned and controlled by service-disabled veterans.

## TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

### SUBTITLE A—GENERAL DEPARTMENT OF DEFENSE MANAGEMENT MATTERS

Sec. 901. Parity in pay levels among Under Secretary positions.
Sec. 902. Expansion of eligibility for leadership of Department of Defense Test Resource Management Center.
Sec. 903. Standardization of authority for acceptance of gifts and donations for Department of Defense regional centers for security studies.
Sec. 904. Directors of Small Business Programs in Department of Defense and military departments.
Sec. 905. Plan to defend the homeland against cruise missiles and other low-altitude aircraft.
Sec. 906. Provision of audiovisual support services by White House Communications Agency on nonreimbursable basis.
Sec. 907. Report on establishment of a Deputy Secretary of Defense for Management.
Sec. 908. Responsibility of the Joint Chiefs of Staff as military advisers to the Homeland Security Council.
Sec. 909. Improvement in health care services for residents of Armed Forces Retirement Home.

### SUBTITLE B—SPACE ACTIVITIES

Sec. 911. Space Situational Awareness Strategy and space control mission review.
Sec. 912. Military satellite communications.
Sec. 913. Operationally responsive space.
Sec. 914. Report on use of Space Radar for topographical mapping for scientific and civil purposes.
Sec. 915. Sense of Congress regarding national security aspect of United States preeminence in human spaceflight.

### SUBTITLE C—CHEMICAL DEMILITARIZATION PROGRAM

Sec. 921. Clarification of Cooperative Agreement Authority under Chemical Demilitarization Program.
Sec. 922. Chemical demilitarization facilities.

### SUBTITLE D—INTELLIGENCE-RELATED MATTERS

Sec. 931. Department of Defense Strategy for Open-Source Intelligence.
Sec. 932. Comprehensive inventory of Department of Defense Intelligence and Intelligence-related programs and projects.
Sec. 933. Operational files of the Defense Intelligence Agency.

## TITLE X—GENERAL PROVISIONS

### SUBTITLE A—FINANCIAL MATTERS

Sec. 1001. Transfer authority.
Sec. 1002. Authorization of emergency supplemental appropriations for fiscal years 2005 and 2006.
Sec. 1003. Increase in fiscal year 2005 general transfer authority.
Sec. 1004. Reports on feasibility and desirability of capital budgeting for major defense acquisition programs.
Sec. 1005. United States contribution to NATO common-funded budgets in fiscal year 2006.

### SUBTITLE B—NAVAL VESSELS AND SHIPYARDS

Sec. 1011. Conveyance, Navy drydock, Seattle, Washington.
Sec. 1012. Conveyance, Navy drydock, Jacksonville, Florida.
Sec. 1013. Conveyance, Navy drydock, Port Arthur, Texas.
Sec. 1014. Transfer of battleships U.S.S. WISCONSIN and U.S.S. IOWA.
Sec. 1015. Transfer of ex-U.S.S. Forrest Sherman.
Sec. 1016. Report on leasing of vessels to meet national defense sealift requirements.
Sec. 1017. Establishment of the USS Oklahoma Memorial and other memorials at Pearl Harbor.
Sec. 1018. Authority to use National Defense Sealift Fund to purchase certain maritime prepositioning ships currently under charter to the Navy.

### SUBTITLE C—COUNTER-DRUG ACTIVITIES

Sec. 1021. Resumption of reporting requirement regarding Department of Defense expenditures to support foreign counter-drug activities.

Sec. 1022. Clarification of authority for joint task forces to support law enforcement agencies conducting counter-terrorism activities.
Sec. 1023. Sense of Congress regarding drug trafficking deterrence.

SUBTITLE D—MATTERS RELATED TO HOMELAND SECURITY

Sec. 1031. Responsibilities of Assistant Secretary of Defense for Homeland Defense relating to nuclear, chemical, and biological emergency response.
Sec. 1032. Testing of preparedness for emergencies involving nuclear, radiological, chemical, biological, and high-yield explosives weapons.
Sec. 1033. Department of Defense chemical, biological, radiological, nuclear, and high-yield explosives response teams.
Sec. 1034. Repeal of Department of Defense emergency response assistance program.
Sec. 1035. Report on use of Department of Defense aerial reconnaissance assets to support Homeland Security border security missions.

SUBTITLE E—REPORTS AND STUDIES

Sec. 1041. Review of Defense Base Act insurance.
Sec. 1042. Report on Department of Defense response to findings and recommendations of Defense Science Board Task Force on High Performance Microchip Supply.

SUBTITLE F—OTHER MATTERS

Sec. 1051. Commission on the Implementation of the New Strategic Posture of the United States.
Sec. 1052. Reestablishment of EMP Commission.
Sec. 1053. Modernization of authority relating to security of defense property and facilities.
Sec. 1054. Revision of Department of Defense counterintelligence polygraph program.
Sec. 1055. Preservation of records pertaining to radioactive fallout from nuclear weapons testing.
Sec. 1056. Technical and clerical amendments.
Sec. 1057. Deletion of obsolete definitions in titles 10 and 32, United States Code.
Sec. 1058. Support for youth organizations.
Sec. 1059. Special immigrant status for persons serving as translators with United States Armed Forces.
Sec. 1060. Expansion of emergency services under reciprocal agreements.
Sec. 1061. Renewal of moratorium on return of veterans memorial objects to foreign nations without specific authorization in law.
Sec. 1062. Sense of Congress on national security interest of maintaining aeronautics research and development.
Sec. 1063. Airport certification.

SUBTITLE G—MILITARY MAIL MATTERS

Sec. 1071. Safe delivery of mail in military mail system.

TITLE XI—CIVILIAN PERSONNEL MATTERS

SUBTITLE A—EXTENSIONS OF AUTHORITIES

Sec. 1101. Extension of eligibility to continue Federal employee health benefits.
Sec. 1102. Extension of Department of Defense voluntary reduction in force authority.
Sec. 1103. Extension of authority to make lump sum severance payments.
Sec. 1104. Permanent extension of Science, Mathematics, and Research for Transformation (SMART) Defense Education Program.
Sec. 1105. Authority to waive annual limitation on total compensation paid to Federal civilian employees.

SUBTITLE B—VETERANS PREFERENCE MATTERS

Sec. 1111. Veterans' preference status for certain veterans who served on active duty during the period beginning on September 11, 2001, and ending as of the close of Operation Iraqi Freedom.
Sec. 1112. Veterans' preference eligibility for military reservists.

SUBTITLE C—OTHER MATTERS

Sec. 1121. Transportation of family members in connection with the repatriation of Federal employees held captive.
Sec. 1122. Strategic human capital plan for civilian employees of the Department of Defense.

Sec. 1123. Independent study on features of successful personnel management systems of highly technical and scientific workforces.
Sec. 1124. Support by Department of Defense of pilot project for Civilian Linguist Reserve Corps.
Sec. 1125. Increase in authorized number of positions in Defense Intelligence Senior Executive Service.

## TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

### SUBTITLE A—ASSISTANCE AND TRAINING

Sec. 1201. Extension of humanitarian and civic assistance provided to host nations in conjunction with military operations.
Sec. 1202. Commanders' Emergency Response Program.
Sec. 1203. Modification of geographic restriction under bilateral and regional cooperation programs for payment of certain expenses of defense personnel of developing countries.
Sec. 1204. Authority for Department of Defense to enter into acquisition and cross-servicing agreements with regional organizations of which the United States is not a member.
Sec. 1205. Two-year extension of authority for payment of certain administrative services and support for coalition liaison officers.
Sec. 1206. Authority to build the capacity of foreign military forces.
Sec. 1207. Security and stabilization assistance.
Sec. 1208. Reimbursement of certain coalition nations for support provided to United States military operations.
Sec. 1209. Authority to transfer defense articles and provide defense services to the military and security forces of Iraq and Afghanistan.

### SUBTITLE B—NONPROLIFERATION MATTERS AND COUNTRIES OF CONCERN

Sec. 1211. Prohibition on procurements from Communist Chinese military companies.
Sec. 1212. Report on nonstrategic nuclear weapons.

### SUBTITLE C—REPORTS AND SENSE OF CONGRESS PROVISIONS

Sec. 1221. War-related reporting requirements.
Sec. 1222. Quarterly reports on war strategy in Iraq.
Sec. 1223. Report on records of civilian casualties in Afghanistan and Iraq.
Sec. 1224. Annual report on Department of Defense costs to carry out United Nations resolutions.
Sec. 1225. Report on claims related to the bombing of the LaBelle Discotheque.
Sec. 1226. Sense of Congress concerning cooperation with Russia on issues pertaining to missile defense.
Sec. 1227. United States policy on Iraq.

### SUBTITLE D—OTHER MATTERS

Sec. 1231. Purchase of weapons overseas for force protection purposes in countries in which combat operations are ongoing.
Sec. 1232. Riot control agents.
Sec. 1233. Requirement for establishment of certain criteria applicable to Global Posture Review.
Sec. 1234. The United States-China Economic Security Review Commission.

## TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.
Sec. 1302. Funding allocations.
Sec. 1303. Permanent waiver of restrictions on use of funds for threat reduction in states of the former Soviet Union.
Sec. 1304. Report on elimination of impediments to threat-reduction and nonproliferation programs in the former Soviet Union.
Sec. 1305. Repeal of requirement for annual Comptroller General assessment of annual Department of Defense report on activities and assistance under Cooperative Threat Reduction programs.

## TITLE XIV—MATTERS RELATING TO DETAINEES

Sec. 1401. Short title.
Sec. 1402. Uniform standards for the interrogation of persons under the detention of the Department of Defense.
Sec. 1403. Prohibition on cruel, inhuman, or degrading treatment or punishment of persons under custody or control of the United States Government.

Sec. 1404. Protection of United States Government personnel engaged in authorized interrogations.
Sec. 1405. Procedures for status review of detainees outside the United States.
Sec. 1406. Training of Iraqi security forces regarding treatment of detainees.

**TITLE XV—AUTHORIZATION FOR INCREASED COSTS DUE TO OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM**

Sec. 1501. Purpose.
Sec. 1502. Army procurement.
Sec. 1503. Navy and Marine Corps procurement.
Sec. 1504. Air Force procurement.
Sec. 1505. Defense-wide activities procurement.
Sec. 1506. Research, development, test and evaluation.
Sec. 1507. Operation and maintenance.
Sec. 1508. Defense Working Capital Fund.
Sec. 1509. Defense Health Program.
Sec. 1510. Military personnel.
Sec. 1511. Iraq Freedom Fund.
Sec. 1512. Treatment as additional authorizations.
Sec. 1513. Transfer authority.
Sec. 1514. Availability of funds.

**DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS**

Sec. 2001. Short title.

**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 of authority to carry out certain fiscal year 2004 project.

**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. 2205. Modification of authority to carry out certain fiscal year 2004 project.
Sec. 2206. Modifications of authority to carry out certain fiscal year 2005 projects.

**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. 2304. Authorization of appropriations, Air Force.

**TITLE XXIV—DEFENSE AGENCIES**

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Energy conservation projects.
Sec. 2403. Authorization of appropriations, Defense Agencies.

**TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM**

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

**TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES**

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

**TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS**

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 2003 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 2002 projects.

**TITLE XXVIII—GENERAL PROVISIONS**

**SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES**

Sec. 2801. Modification of congressional notification requirements for certain military construction activities.

Sec. 2802. Increase in number of family housing units in Korea authorized for lease by the Army at maximum amount.
Sec. 2803. Improvement in availability and timeliness of Department of Defense information regarding military construction and family housing accounts and activities.
Sec. 2804. Modification of cost variation authority.
Sec. 2805. Inapplicability to child development centers of restriction on authority to acquire or construct ancillary supporting facilities.
Sec. 2806. Department of Defense Housing Funds.
Sec. 2807. Use of design-build selection procedures to accelerate design effort in connection with military construction projects.
Sec. 2808. Acquisition of associated utilities, equipment, and furnishings in reserve component facility exchange.
Sec. 2809. One-year extension of temporary, limited authority to use operation and maintenance funds for construction projects outside the United States.
Sec. 2810. Temporary program to use minor military construction authority for construction of child development centers.
Sec. 2811. General and flag officers quarters in the National Capital Region.

**SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION**

Sec. 2821. Consolidation of Department of Defense land acquisition authorities and limitations on use of such authorities.
Sec. 2822. Modification of authorities on agreements to limit encroachments and other constraints on military training, testing, and operations.
Sec. 2823. Modification of utility system conveyance authority and related reporting requirements.
Sec. 2824. Report on application of force protection and anti-terrorism standards to leased facilities.
Sec. 2825. Report on use of ground source heat pumps at Department of Defense facilities.

**SUBTITLE C—BASE CLOSURE AND REALIGNMENT**

Sec. 2831. Additional reporting requirements regarding base closure process and use of Department of Defense base closure accounts.
Sec. 2832. Expanded availability of adjustment and diversification assistance for communities adversely affected by mission realignments in base closure process.
Sec. 2833. Treatment of Indian Tribal Governments as public entities for purposes of disposal of real property recommended for closure in July 1993 BRAC Commission report.
Sec. 2834. Termination of project authorizations for military installations approved for closure in 2005 round of base realignments and closures.
Sec. 2835. Required consultation with State and local entities on issues related to increase in number of military personnel at military installations.
Sec. 2836. Sense of Congress regarding infrastructure and installation requirements for transfer of units and personnel from closed and realigned military installations to receiving locations.
Sec. 2837. Defense access road program and military installations affected by defense base closure process or Integrated Global Presence and Basing Strategy.
Sec. 2838. Sense of Congress on reversionary interests involving real property at Navy homeports.

**SUBTITLE D—LAND CONVEYANCES**

PART I—ARMY CONVEYANCES

Sec. 2841. Land conveyance, Camp Navajo, Arizona.
Sec. 2842. Land conveyance, Iowa Army Ammunition Plant, Middletown, Iowa.
Sec. 2843. Land conveyance, Helena, Montana.
Sec. 2844. Lease authority, Army Heritage and Education Center, Carlisle, Pennsylvania.
Sec. 2845. Land exchange, Fort Hood, Texas.
Sec. 2846. Modification of land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia.
Sec. 2847. Land conveyance, Fort Belvoir, Virginia.
Sec. 2848. Land conveyance, Army Reserve Center, Bothell, Washington.

PART II—NAVY CONVEYANCES

Sec. 2851. Land conveyance, Marine Corps Air Station, Miramar, San Diego, California.
Sec. 2852. Lease or license of United States Navy Museum facilities at Washington Navy Yard, District of Columbia.

PART III—AIR FORCE CONVEYANCES

Sec. 2861. Purchase of build-to-lease family housing, Eielson Air Force Base, Alaska.
Sec. 2862. Land conveyance, Air Force property, Jacksonville, Arkansas.
Sec. 2863. Land conveyance, Air Force property, La Junta, Colorado.
Sec. 2864. Lease, National Imagery and Mapping Agency site, St. Louis, Missouri.

**SUBTITLE E—OTHER MATTERS**

Sec. 2871. Clarification of moratorium on certain improvements at Fort Buchanan, Puerto Rico.
Sec. 2872. Transfer of excess Department of Defense property on Santa Rosa and Okaloosa Island, Florida, to Gulf Islands National Seashore.
Sec. 2873. Authorized military uses of Papago Park Military Reservation, Phoenix, Arizona.
Sec. 2874. Assessment of water needs for Presidio of Monterey and Ord Military Community.
Sec. 2875. Redesignation of McEntire Air National Guard Station, South Carolina, as McEntire Joint National Guard Base.
Sec. 2876. Sense of Congress regarding community impact assistance related to construction of Navy landing field, North Carolina.
Sec. 2877. Sense of Congress on establishment of Bakers Creek Memorial.

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

**TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS**

**SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS**

Sec. 3101. National Nuclear Security Administration.
Sec. 3102. Defense environmental cleanup.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.

**SUBTITLE B—OTHER MATTERS**

Sec. 3111. Reliable Replacement Warhead program.
Sec. 3112. Rocky Flats Environmental Technology Site.
Sec. 3113. Report on compliance with Design Basis Threat issued by Department of Energy in 2005.
Sec. 3114. Reports associated with Waste Treatment and Immobilization Plant Project, Hanford Site, Richland, Washington.
Sec. 3115. Report on assistance for a comprehensive inventory of Russian nonstrategic nuclear weapons.
Sec. 3116. Report on international border security programs.
Sec. 3117. Savannah River National Laboratory.

**TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD**

Sec. 3201. Authorization.

**TITLE XXXIII—NATIONAL DEFENSE STOCKPILE**

Sec. 3301. Authorized uses of National Defense Stockpile funds.
Sec. 3302. Revisions to required receipt objectives for previously authorized disposals from National Defense Stockpile.
Sec. 3303. Authorization for disposal of tungsten ores and concentrates.
Sec. 3304. Disposal of ferromanganese.

**TITLE XXXIV—NAVAL PETROLEUM RESERVES**

Sec. 3401. Authorization of appropriations.

**TITLE XXXV—MARITIME ADMINISTRATION**

Sec. 3501. Authorization of appropriations for fiscal year 2006.
Sec. 3502. Payments for State and regional maritime academies.
Sec. 3503. Maintenance and repair reimbursement pilot program.
Sec. 3504. Tank vessel construction assistance.
Sec. 3505. Improvements to the Maritime Administration vessel disposal program.
Sec. 3506. Assistance for small shipyards and maritime communities.
Sec. 3507. Transfer of authority for title XI non-fishing loan guarantee decisions to Maritime Administration.
Sec. 3508. Technical corrections.

Sec. 3509. United States Maritime Service.
Sec. 3510. Awards and medals.

**SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES.**

For purposes of this Act, the term "congressional defense committees" has the meaning given that term in section 101(a)(16) of title 10, United States Code.

# DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

# TITLE I—PROCUREMENT

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.

SUBTITLE B—ARMY PROGRAMS

Sec. 111. Multiyear procurement authority for utility helicopters.
Sec. 112. Multiyear procurement authority for modernized target acquisition designation sight/pilot night vision sensors for AH–64 Apache attack helicopters.
Sec. 113. Multiyear procurement authority for conversion of AH–64A Apache attack helicopters to the AH–64D Block II configuration.
Sec. 114. Acquisition strategy for tactical wheeled vehicle programs.
Sec. 115. Report on Army Modular Force Initiative.

SUBTITLE C—NAVY PROGRAMS

Sec. 121. Virginia-class submarine program.
Sec. 122. LHA Replacement (LHA(R)) amphibious assault ship program.
Sec. 123. Cost limitation for next-generation destroyer program.
Sec. 124. Littoral Combat Ship (LCS) program.
Sec. 125. Prohibition on acquisition of next-generation destroyer through a single shipyard.
Sec. 126. Aircraft carrier force structure.
Sec. 127. Refueling and complex overhaul of the U.S.S. Carl Vinson.
Sec. 128. CVN–78 aircraft carrier.
Sec. 129. LHA Replacement (LHA(R)) ship.
Sec. 130. Report on alternative propulsion methods for surface combatants and amphibious warfare ships.

SUBTITLE D—AIR FORCE PROGRAMS

Sec. 131. C–17 aircraft program and assessment of intertheater airlift requirements.
Sec. 132. Prohibition on retirement of KC–135E aircraft.
Sec. 133. Prohibition on retirement of F–117 aircraft during fiscal year 2006.
Sec. 134. Prohibition on retirement of C–130E/H tactical airlift aircraft during fiscal year 2006.
Sec. 135. Procurement of C–130J/KC–130J aircraft after fiscal year 2005.
Sec. 136. Report on Air Force aircraft aeromedical evacuation programs.

SUBTITLE E—JOINT AND MULTISERVICE MATTERS

Sec. 141. Requirement that tactical unmanned aerial vehicles use specified standard data link.
Sec. 142. Limitation on initiation of new unmanned aerial vehicle systems.
Sec. 143. Advanced SEAL Delivery System.

## Subtitle A—Authorization of Appropriations

**SEC. 101. ARMY.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement for the Army as follows:

(1) For aircraft, $2,792,580,000.
(2) For missiles, $1,246,850,000.
(3) For weapons and tracked combat vehicles, $1,652,949,000.
(4) For ammunition, $1,738,872,000.
(5) For other procurement, $4,328,934,000.

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

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement for the Navy as follows:
(1) For aircraft, $9,803,126,000.
(2) For weapons, including missiles and torpedoes, $2,737,841,000.
(3) For shipbuilding and conversion, $8,880,623,000.
(4) For other procurement, $5,518,287,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement for the Marine Corps in the amount of $1,396,705,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement of ammunition for the Navy and the Marine Corps in the amount of $867,470,000.

**SEC. 103. AIR FORCE.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement for the Air Force as follows:
(1) For aircraft, $12,862,333,000.
(2) For ammunition, $1,021,207,000.
(3) For missiles, $5,394,557,000.
(4) For other procurement, $14,024,689,000.

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

Funds are hereby authorized to be appropriated for fiscal year 2006 for Defense-wide procurement in the amount of $2,646,988,000.

## Subtitle B—Army Programs

**SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR UTILITY HELICOPTERS.**

(a) UH–60M BLACK HAWK HELICOPTERS.—Subject to subsection (c), the Secretary of the Army may enter into a multiyear contract for the procurement of UH–60M Black Hawk helicopters.

(b) MH–60S SEAHAWK HELICOPTERS.—Subject to subsection (c), the Secretary of the Army, acting as executive agent for the Department of the Navy, may enter into a multiyear contract for the procurement of MH–60S Seahawk helicopters.

(c) CONTRACT REQUIREMENTS.—Any multiyear contract under this section shall be entered into in accordance with section 2306b of title 10, United States Code, and shall commence with the fiscal year 2007 program year.

**SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR MODERNIZED TARGET ACQUISITION DESIGNATION SIGHT/PILOT NIGHT VISION SENSORS FOR AH–64 APACHE ATTACK HELICOPTERS.**

(a) AUTHORITY.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2006 program year, for procurement of modernized target acquisition designation sight/pilot night vision sensors for AH–64 Apache attack helicopters.

(b) LIMITATION ON TERM OF CONTRACT.—Notwithstanding subsection (k) of section 2306b of title 10, United States Code, a contract under this section may not be for a period in excess of four program years.

**SEC. 113. MULTIYEAR PROCUREMENT AUTHORITY FOR CONVERSION OF AH–64A APACHE ATTACK HELICOPTERS TO THE AH–64D BLOCK II CONFIGURATION.**

(a) AUTHORITY.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2006 program year, for conversion of AH–64A Apache attack helicopters to the AH–64D Block II configuration.

(b) LIMITATION ON TERM OF CONTRACT.—Notwithstanding subsection (k) of section 2306b of title 10, United States Code, a contract under this section may not be for a period in excess of four program years.

**SEC. 114. ACQUISITION STRATEGY FOR TACTICAL WHEELED VEHICLE PROGRAMS.**

(a) ARMY.—If, in carrying out a program for modernization and recapitalization of the fleet of tactical wheeled vehicles of the Army, the Secretary of the Army determines to award a contract for procurement of a new vehicle class for the next-generation tactical wheeled vehicle, the Secretary shall award and execute the acquisition program under that contract as a joint service program with the Marine Corps.

(b) MARINE CORPS.—If, in carrying out a program for modernization and recapitalization of the fleet of tactical wheeled vehicles of the Marine Corps, the Secretary of the Navy determines to award a contract for procurement of a new vehicle class for the next-generation tactical wheeled vehicle, the Secretary shall award and execute the acquisition program under that contract as a joint service program with the Army.

(c) APPLICABILITY ONLY TO NEW VEHICLE CLASS.—Subsections (a) and (b) do not apply to a contract for modifications, upgrades, or product improvements to the existing fleet of tactical wheeled vehicles of the Army or Marine Corps, respectively.

**SEC. 115. REPORT ON ARMY MODULAR FORCE INITIATIVE.**

(a) REPORT.—The Secretary of the Army shall submit to the congressional defense committees a report on the complex of programs referred to as the Army Modular Force Initiative. The report shall be submitted not later than 30 days after the date of the submission to Congress of a request by the President for the enactment of emergency supplemental appropriations for the Department of Defense for fiscal year 2006.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) A specification of each acquisition program of the Army that is considered by the Secretary of the Army to be part of the complex of programs constituting the Army Modular Force Initiative.

(2) For each program specified under paragraph (1), the acquisition objective of the program, the funding profile of the program, and the requirement for the program.

(3) The requirements of each such program that, under current funding plans of the Department of Defense for fiscal years after fiscal year 2006, would not be funded.

(4) A detailed accounting of the amounts for the Army Modular Force Initiative in the request for supplemental appropriations referred to in subsection (a).

## Subtitle C—Navy Programs

**SEC. 121. VIRGINIA-CLASS SUBMARINE PROGRAM.**

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the five Virginia-class submarines designated as SSN–779, SSN–780, SSN–781, SSN–782, and SSN–783 may not exceed the following amounts:

(1) For the SSN–779 submarine, $2,330,000,000.

(2) For the SSN–780 submarine, $2,470,000,000.

(3) For the SSN–781 submarine, $2,550,000,000.

(4) For the SSN–782 submarine, $2,670,000,000.

(5) For the SSN–783 submarine, $2,720,000,000.

(b) ADJUSTMENT OF LIMITATION AMOUNTS.—The Secretary of the Navy may adjust the amount set forth in subsection (a) for any Virginia-class submarine specified in that subsection by the following:

(1) The amounts of increases or decreases in costs attributable to economic inflation after September 30, 2005.

(2) The amounts of increases or decreases in costs attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 2005.

(3) The amounts of outfitting costs and post-delivery costs incurred for that submarine.

(4) The amounts of increases or decreases in costs of that submarine that are attributable to insertion of new technology into that submarine, as compared to the technology built into the lead vessel of the Virginia class.

(c) LIMITATION ON TECHNOLOGY INSERTION COST ADJUSTMENT.—The Secretary of the Navy may use the authority under paragraph (4) of subsection (b) to adjust the amount set forth in subsection (a) for any Virginia-class submarine with respect to insertion of new technology into that submarine only if—

(1) the Secretary determines, and certifies to the congressional defense committees, that insertion of the new technology would lower the life-cycle cost of the submarine; or

(2) the Secretary determines, and certifies to the congressional defense committees, that insertion of the new technology is required to meet an emerging threat and the Secretary of Defense certifies to those committees that such threat poses grave harm to national security.

(d) NOTICE TO CONGRESS OF PROGRAM CHANGES.—The Secretary of the Navy shall submit to the congressional defense committees each year, at the same time that the budget is submitted under section 1105(a) of title 31, United States Code, for the next fiscal year, written notice of any change in any of the amounts set forth in subsection (a) during the preceding fiscal year that the Secretary has determined to be associated with a cost referred to in subsection (b).

**SEC. 122. LHA REPLACEMENT (LHA(R)) AMPHIBIOUS ASSAULT SHIP PROGRAM.**

(a) LIMITATION ON PROCUREMENT FUNDS.—Of the funds available to the Department of the Navy for Shipbuilding and Conversion, Navy, for fiscal year 2006 for procurement for the LHA Replacement (LHA(R)) amphibious assault ship program, not more than 70 percent may be obligated or expended until the Secretary of the Navy submits to the congressional defense committees the Secretary's certification in writing that—

(1) a detailed operational requirements document for the program has been approved within the Department of Defense by an appropriate approval authority; and

(2) there exists a stable design for the LHA(R) class of vessels.

(b) STABLE DESIGN.—For purposes of this section, the design of a class of vessels shall be considered to be stable when no substantial change to the design is anticipated.

**SEC. 123. COST LIMITATION FOR NEXT-GENERATION DESTROYER PROGRAM.**

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the fifth vessel in the next-generation destroyer program may not exceed $2,300,000,000.

(b) ADJUSTMENT OF LIMITATION AMOUNT.—The Secretary of the Navy may adjust the amount set forth in subsection (a) for the vessel referred to in that subsection by the following:

(1) The amounts of increases or decreases in costs attributable to economic inflation after September 30, 2005.

(2) The amounts of increases or decreases in costs attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 2005.

(3) The amounts of outfitting costs and post-delivery costs incurred for that vessel.

(4) The amounts of increases or decreases in costs of that vessel that are attributable to insertion of new technology into that vessel, as compared to the technology built into the lead vessel of the next-generation destroyer program class.

(c) LIMITATION ON TECHNOLOGY INSERTION COST ADJUSTMENT.—The Secretary of the Navy may use the authority under paragraph (4) of subsection (b) to adjust the amount set forth in subsection (a) for the vessel referred to in that subsection with respect to insertion of new technology into that vessel only if—

(1) the Secretary determines, and certifies to the congressional defense committees, that insertion of the new technology would lower the life-cycle cost of the vessel; or

(2) the Secretary determines, and certifies to the congressional defense committees, that insertion of the new technology is required to meet an emerging threat and the Secretary

of Defense certifies to those committees that such threat poses grave harm to national security.

(d) WRITTEN NOTICE OF CHANGE IN AMOUNT.—

(1) REQUIREMENT.—The Secretary of the Navy shall submit to the congressional defense committees each year, at the same time that the budget is submitted under section 1105(a) of title 31, United States Code, for the next fiscal year, written notice of any change in the amount set forth in subsection (a) during the preceding fiscal year that the Secretary has determined to be associated with a cost referred to in subsection (b).

(2) EFFECTIVE DATE.—The requirement in paragraph (1) shall become effective with the budget request for the year of procurement of the vessel referred to in subsection (a), such year being the fiscal year in which the Secretary of the Navy intends to award a contract for detail design and construction.

(e) NEXT-GENERATION DESTROYER PROGRAM.—In this section, the term "next-generation destroyer program" means the program to acquire and deploy a new class of destroyers as the follow-on to the Arleigh Burke class of destroyers.

**SEC. 124. LITTORAL COMBAT SHIP (LCS) PROGRAM.**

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the fifth and sixth vessels in the Littoral Combat Ship (LCS) class of vessels, excluding amounts for elements designated by the Secretary of the Navy as a mission package, may not exceed $220,000,000 per vessel.

(b) ADJUSTMENT OF LIMITATION AMOUNT.—The Secretary of the Navy may adjust the amount set forth in subsection (a) for either vessel referred to in that subsection by the following:

(1) The amounts of increases or decreases in costs attributable to economic inflation after September 30, 2005.

(2) The amounts of increases or decreases in costs attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 2005.

(3) The amounts of outfitting costs and post-delivery costs incurred for that vessel.

(4) The amounts of increases or decreases in costs of that vessel that are attributable to insertion of new technology into that vessel, as compared to the technology built into the first and second vessels, respectively, of the Littoral Combat Ship (LCS) class of vessels.

(c) LIMITATION ON TECHNOLOGY INSERTION COST ADJUSTMENT.—The Secretary of the Navy may use the authority under paragraph (4) of subsection (b) to adjust the amount set forth in subsection (a) for any vessel referred to in that subsection with respect to insertion of new technology into that vessel only if—

(1) the Secretary determines, and certifies to the congressional defense committees, that insertion of the new technology would lower the life-cycle cost of the vessel; or

(2) the Secretary determines, and certifies to the congressional defense committees, that insertion of the new technology is required to meet an emerging threat and the Secretary of Defense certifies to those committees that such threat poses grave harm to national security.

(d) ANNUAL REPORT ON COST GROWTH.—

(1) REQUIREMENT.—The Secretary of the Navy shall submit to the congressional defense committees each year, at the same time that the budget is submitted under section 1105(a) of title 31, United States Code, for the next fiscal year, written notice of any change in the amount set forth in subsection (a) during the preceding fiscal year that the Secretary has determined to be associated with a cost referred to in subsection (b).

(2) EFFECTIVE DATE.—The requirement in paragraph (1) shall become effective with the budget request for the year of procurement of the fifth and sixth vessels in the Littoral Combat Ship (LCS) class of vessels, such year being the fiscal year in which the Secretary of the Navy intends to award a contract for detail design and construction of those vessels.

(e) ANNUAL REPORT ON MISSION PACKAGES.—The Secretary of the Navy shall submit to the congressional defense committees each year, at the same time as the President's budget for the next fiscal year is submitted under section 1105(a) of title 31, United States Code, a report that provides current information regarding the content of any element of the Littoral Combat Ship (LCS) class of vessels that is designated as a "mission package", the estimated cost of any such element, and the total number of such elements anticipated.

(f) LIMITATION ON SHIPS AND MISSION MODULES.—No funds available to the Navy may be used for the procurement of Littoral Combat Ships, or elements for such Littoral Combat Ships referred to in subsection (e), after procurement of the first four vessels in the Littoral Combat Ship (LCS) class until the Secretary of the Navy submits to the congressional defense committees the Secretary's certification in writing that there exist stable designs for the Littoral Combat Ship class of vessels.

(g) STABLE DESIGN.—For purposes of this section, the designs of a class of vessels shall be considered to be stable when no substantial change to those designs is anticipated.

**SEC. 125. PROHIBITION ON ACQUISITION OF NEXT-GENERATION DESTROYER THROUGH A SINGLE SHIPYARD.**

(a) PROHIBITION.—The Secretary of the Navy may not acquire vessels under the next-generation destroyer program through a winner-take-all acquisition strategy.

(b) PROHIBITION ON USE OF FUNDS.—The Secretary of the Navy may not obligate or expend any funds to prepare for, conduct, or implement a strategy for the acquisition of vessels under the next-generation destroyer program through a winner-take-all acquisition strategy.

(c) WINNER-TAKE-ALL ACQUISITION STRATEGY DEFINED.—In this section, the term "winner-take-all acquisition strategy", with respect to the acquisition of vessels under the next-generation destroyer program, means the acquisition (including design and construction) of such vessels through a single shipyard.

(d) NEXT-GENERATION DESTROYER PROGRAM.—In this section, the term "next-generation destroyer program" means the program to acquire and deploy a new class of destroyers as the follow-on to the Arleigh Burke class of destroyers.

**SEC. 126. AIRCRAFT CARRIER FORCE STRUCTURE.**

(a) REQUIREMENT FOR 12 OPERATIONAL AIRCRAFT CARRIERS WITHIN THE NAVY.—Section 5062 of title 10, United States Code, is amended—

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

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

"(b) The naval combat forces of the Navy shall include not less than 12 operational aircraft carriers. For purposes of this subsection, an operational aircraft carrier includes an aircraft carrier that is temporarily unavailable for worldwide deployment due to routine or scheduled maintenance or repair.".

(b) FUNDING FOR REPAIR AND MAINTENANCE OF U.S.S. JOHN F. KENNEDY.—Of the amounts available for operation and maintenance for the Navy pursuant to this Act and any other Act for fiscal year 2006, not more than $288,000,000 shall be available for repair and maintenance to extend the life of the U.S.S. John F. Kennedy (CVN–67).

**SEC. 127. REFUELING AND COMPLEX OVERHAUL OF THE U.S.S. CARL VINSON.**

(a) AMOUNT AUTHORIZED FROM FY06 SCN ACCOUNT.—Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 2006 for shipbuilding and conversion, Navy, $1,493,563,000 is available for work on the nuclear refueling and complex overhaul of the U.S.S. Carl Vinson (CVN–70) under the contract authorized by Public Law 109–104.

(b) CONTRACT AUTHORITY.—The amount specified in subsection (a) includes the amount of $89,000,000 made available by Public Law 109–104 for fiscal year 2006 for a period of such fiscal year preceding the enactment of this Act.

**SEC. 128. CVN–78 AIRCRAFT CARRIER.**

(a) AUTHORITY TO USE MULTIPLE YEARS OF FUNDING.—The Secretary of the Navy is authorized to enter into a contract for detail design and construction of the aircraft carrier designated CVN–78 that provides that, subject to subsection (b), funds for payments under the contract may be provided from amounts appropriated for Shipbuilding and Conversion, Navy, for fiscal years 2007, 2008, and 2009.

(b) CONDITION FOR OUT-YEAR CONTRACT PAYMENTS.—A contract described in subsection (a) shall provide that any obligation of the United States to make a payment under the contract for a fiscal year after fiscal year 2006 is subject to the availability of appropriations for that purpose for that fiscal year.

**SEC. 129. LHA REPLACEMENT (LHA(R)) SHIP.**

(a) AMOUNT AUTHORIZED FROM SCN ACCOUNT FOR FISCAL YEAR 2006.—Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 2006 for shipbuilding and conversion, Navy, $200,447,000 shall be available for design, advance procurement, advance construction, detail design, and construction with respect to the LHA Replacement (LHA(R)) ship.

(b) AMOUNTS AUTHORIZED FROM SCN ACCOUNT FOR FISCAL YEARS 2007 AND 2008.—Amounts authorized to be appropriated for fiscal years 2007 and 2008 for shipbuilding and conversion,

Navy, shall be available for construction with respect to the LHA Replacement ship.

(c) CONTRACT AUTHORITY.—

(1) DESIGN, ADVANCE PROCUREMENT, AND ADVANCE CONSTRUCTION.—The Secretary of the Navy may enter into a contract during fiscal year 2006 for design, advance procurement, and advance construction with respect to the LHA Replacement ship.

(2) DETAIL DESIGN AND CONSTRUCTION.—The Secretary may enter into a contract during fiscal year 2006 for the detail design and construction of the LHA Replacement ship.

(d) CONDITION FOR OUT-YEAR CONTRACT PAYMENTS.—A contract entered into under subsection (c) shall provide that any obligation of the United States to make a payment under the contract for a fiscal year after fiscal year 2006 is subject to the availability of appropriations for that purpose for such fiscal year.

(e) FUNDING AS INCREMENT OF FULL FUNDING.—The amounts available under subsections (a) and (b) for the LHA Replacement ship are the first increments of funding for the full funding of the LHA Replacement (LHA(R)) ship program.

**SEC. 130. REPORT ON ALTERNATIVE PROPULSION METHODS FOR SURFACE COMBATANTS AND AMPHIBIOUS WARFARE SHIPS.**

(a) ANALYSIS OF ALTERNATIVES.—The Secretary of the Navy shall conduct an analysis of alternative propulsion methods for surface combatant vessels and amphibious warfare ships of the Navy.

(b) REPORT.—The Secretary shall submit to the congressional defense committees a report on the analysis of alternative propulsion systems carried out under subsection (a). The report shall be submitted not later than November 1, 2006.

(c) MATTERS TO BE INCLUDED.—The report under subsection (b) shall include the following:

(1) The key assumptions used in carrying out the analysis under subsection (a).

(2) The methodology and techniques used in conducting the analysis.

(3) A description of current and future technology relating to propulsion that has been incorporated in recently-designed surface combatant vessels and amphibious warfare ships or that is expected to be available for those types of vessels within the next 10-to-20 years.

(4) A description of each propulsion alternative for surface combatant vessels and amphibious warfare ships that was considered under the study and an analysis and evaluation of each such alternative from an operational and cost-effectiveness standpoint.

(5) A comparison of the life-cycle costs of each propulsion alternative.

(6) For each nuclear propulsion alternative, an analysis of when that nuclear propulsion alternative becomes cost effective as the price of a barrel of crude oil increases for each type of surface combatant vessel and each type of amphibious warfare ship.

(7) The conclusions and recommendations of the study, including those conclusions and recommendations that could

impact the design of future ships or lead to modifications of existing ships.

(8) The Secretary's intended actions, if any, for implementation of the conclusions and recommendations of the study.

(d) LIFE-CYCLE COSTS.—For purposes of this section, the term "life-cycle costs" includes those elements of cost that would be considered for a life-cycle cost analysis for a major defense acquisition program.

## Subtitle D—Air Force Programs

**SEC. 131. C–17 AIRCRAFT PROGRAM AND ASSESSMENT OF INTERTHEATER AIRLIFT REQUIREMENTS.**

(a) MULTIYEAR PROCUREMENT AUTHORIZED.—Subject to subsection (b), the Secretary of the Air Force may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2006 program year, for the procurement of up to 42 additional C–17 aircraft.

(b) CERTIFICATION REQUIRED.—The Secretary of the Air Force may not exercise the authority in subsection (a) until the Secretary of Defense submits to the congressional defense committees a certification that the additional airlift capacity to be provided by the C–17 aircraft to be procured under that authority is consistent with the assessment of the intertheater airlift capabilities required to support the national defense strategy carried out pursuant to subsection (c) and submitted to the congressional committees pursuant to subsection (d).

(c) ASSESSMENT OF INTERTHEATER AIRLIFT REQUIREMENTS.—

(1) REQUIREMENT.—The Secretary of Defense shall carry out an assessment of the intertheater airlift capabilities required to support the national defense strategy. The assessment shall include development of recommendations for future airlift force structure requirements, together with an explanation for each such recommendation. The Secretary shall submit the assessment pursuant to subsection (d).

(2) ADDITIONAL INFORMATION.—In the report on the results of the assessment required by paragraph (1), the Secretary shall explain how the recommendations for future airlift force structure requirements in that report take into account the following:

(A) The increased airlift demands associated with the Army modular brigade combat teams.

(B) The objective to be able to deliver—

(i) a brigade combat team anywhere in the world within four to seven days;

(ii) a division anywhere in the world within 10 days; and

(iii) multiple divisions anywhere in the world within 20 days.

(C) The increased airlift demands associated with the expanded scope of operational activities of the Special Operations forces.

(D) The realignment of the overseas basing structure in accordance with the Integrated Presence and Basing Strategy announced by the Secretary of Defense on March 20, 2003.

(E) Adjustments in the force structure to meet homeland defense requirements.

(F) The potential for simultaneous homeland defense activities and major combat operations.

(G) Potential changes in requirements for intratheater airlift or sealift capabilities.

(H) The capability of the Civil Reserve Air Fleet to provide adequate augmentation in meeting global mobility requirements.

(d) SUBMISSION OF ASSESSMENT OF INTERTHEATER AIRLIFT REQUIREMENTS.—

(1) INCLUSION IN QUADRENNIAL DEFENSE REVIEW.—Subject to paragraph (2), the assessment of the intertheater airlift capabilities required to support the national defense strategy required by subsection (c)(1) shall be carried out as part of the quadrennial defense review under section 118 of title 10, United States Code, in 2005 and in accordance with the provisions of subsection (d)(9) of that section, and the report under subsection (c)(1) on that assessment shall be included in the report on that quadrennial defense review submitted to the Committees on Armed Services of the Senate and House of Representatives with the budget of the President for fiscal year 2007 (as submitted under section 1105(a) of title 31, United States Code).

(2) ALTERNATIVE SUBMISSION.—If the Secretary of Defense determines that, because of the date required by law for the submission of the report on the quadrennial defense review referred to in paragraph (1), the assessment of the intertheater airlift capabilities required to support the national defense strategy required by subsection (c)(1) cannot be carried out as part of the quadrennial defense review referred to in paragraph (1), the Secretary may submit the report of such assessment not later than 45 days after the date of the submission of that review pursuant to section 118(d) of title 10, United States Code. In that case, the Secretary shall submit the report of such assessment to the congressional defense committees.

(e) MAINTENANCE OF C–17 AIRCRAFT PRODUCTION LINE.—If the Secretary of Defense is unable to make the certification specified in subsection (b), the Secretary of the Air Force should procure sufficient C–17 aircraft to maintain the C–17 aircraft production line at not less than the minimum sustaining rate until sufficient flight test data regarding improved C–5 aircraft mission capability rates as a result of the Reliability Enhancement and Re-engining Program and Avionics Modernization Program have been obtained to determine the validity of assumptions concerning the C–5 aircraft used in the Mobility Capabilities Study.

**SEC. 132. PROHIBITION ON RETIREMENT OF KC–135E AIRCRAFT.**

The Secretary of the Air Force may not retire any KC–135E aircraft of the Air Force in fiscal year 2006.

**SEC. 133. PROHIBITION ON RETIREMENT OF F–117 AIRCRAFT DURING FISCAL YEAR 2006.**

The Secretary of the Air Force may not retire any F–117 Nighthawk attack aircraft during fiscal year 2006.

**SEC. 134. PROHIBITION ON RETIREMENT OF C–130E/H TACTICAL AIRLIFT AIRCRAFT DURING FISCAL YEAR 2006.**

The Secretary of the Air Force may not retire any C–130E/H tactical airlift aircraft during fiscal year 2006.

**SEC. 135. PROCUREMENT OF C–130J/KC–130J AIRCRAFT AFTER FISCAL YEAR 2005.**

Any C–130J/KC–130J aircraft procured after fiscal year 2005 (including C–130J/KC–130J aircraft procured through a multiyear contract continuing in force from a fiscal year before fiscal year 2006) shall be procured through a contract under part 15 of the Federal Acquisition Regulation (FAR), relating to acquisition of items by negotiated contract (48 CFR 15.000 et seq.), rather than through a contract under part 12 of the Federal Acquisition Regulation, relating to acquisition of commercial items (48 CFR 12.000 et seq.).

**SEC. 136. REPORT ON AIR FORCE AIRCRAFT AEROMEDICAL EVACUATION PROGRAMS.**

(a) REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Air Force shall submit to the congressional defense committees a report on aircraft aeromedical evacuation programs of the Air Force. The report shall contain a comprehensive evaluation and overall assessment of (1) the current aeromedical evacuation program, carried out through the use of designated aircraft, compared to (2) the former aeromedical evacuation program, carried out through the use of dedicated aircraft.

(b) MATTERS TO BE INCLUDED.—The report shall include the following:

(1) A description of challenges and capability gaps of the current aircraft aeromedical evacuation program compared to the challenges and capability gaps of the former program.

(2) A description of possible means by which to best mitigate or resolve the challenges and capability gaps described under paragraph (1) with respect to the current program.

(3) Specification of medical equipment or upgrades needed to enhance the current program.

(4) Specification of aircraft equipment or upgrades needed to enhance the current program.

(5) A description of the advantages and disadvantages of the current program compared to the advantages and disadvantages of the former program.

(6) A cost comparison analysis of the current program and the former program.

(7) A description of the manner in which customer feedback is obtained and applied to the current program.

# Subtitle E—Joint and Multiservice Matters

**SEC. 141. REQUIREMENT THAT TACTICAL UNMANNED AERIAL VEHICLES USE SPECIFIED STANDARD DATA LINK.**

(a) REQUIREMENT.—The Secretary of Defense shall take such steps as necessary to ensure that (except as specified in subsection (c)) all tactical unmanned aerial vehicles (UAVs) of the Army, Navy, Marine Corps, and Air Force are equipped and configured so that—

(1) the data link used by those vehicles is the Department of Defense standard tactical unmanned aerial vehicle data link known as the Tactical Common Data Link (TCDL), until such time as the Tactical Common Data Link standard is replaced by an updated standard for use by those vehicles; and

(2) those vehicles use data formats consistent with the architectural standard for tactical unmanned aerial vehicles known as STANAG 4586, developed to facilitate multinational interoperability among NATO member nations.

(b) FUNDING LIMITATION.—After December 1, 2006, no funds available to the Department of Defense may be used to enter into a contract for procurement of a new tactical unmanned aerial vehicle system with data links other than as required by subsection (a)(1).

(c) WAIVER AUTHORITY.—The Under Secretary of Defense for Acquisition, Technology, and Logistics may waive the applicability of subsection (a) to any tactical unmanned aerial vehicle if the Under Secretary determines, and certifies to the congressional defense committees, that it would be technologically infeasible or uneconomically acceptable to integrate a tactical data link specified in that subsection into that tactical unmanned aerial vehicle.

(d) REPORT.—Not later than February 1, 2006, the Secretary of each military department shall submit to Congress a report on the status of implementation of standard data links for unmanned aerial vehicles under the jurisdiction of the Secretary in accordance with subsection (a).

**SEC. 142. LIMITATION ON INITIATION OF NEW UNMANNED AERIAL VEHICLE SYSTEMS.**

(a) LIMITATION.—Funds available to the Department of Defense may not be used to procure an unmanned aerial vehicle (UAV) system, including any air vehicle, data link, ground station, sensor, or other associated equipment for any such system, or to modify any such system to include any form of armament, unless such procurement or modification is authorized in writing in advance by the Under Secretary of Defense for Acquisition, Technology, and Logistics.

(b) EXCEPTION FOR EXISTING SYSTEMS.—The limitation in subsection (a) does not apply with respect to an unmanned aerial vehicle (UAV) system for which funds are under contract as of the date of the enactment of this Act or for which funds have been appropriated for procurement before the date of the enactment of this Act.

**SEC. 143. ADVANCED SEAL DELIVERY SYSTEM.**

(a) LIMITATION.—Of the amounts authorized to be appropriated for fiscal year 2006 for operation and maintenance, Defense-wide, that are available for the United States Special Operations Command, $10,100,000 may not be obligated or expended until the Secretary of Defense submits to the congressional defense committees each of the following:

(1) The Secretary's certification that the Secretary has revalidated the requirement for the Advanced SEAL Delivery System.

(2) A report on the Advanced SEAL Delivery System program that, at a minimum, includes—

(A) the conclusions of the quadrennial defense review concerning the program;

(B) the number of boats required for the program and the manner of their expected employment;

(C) an updated cost estimate for the program; and

(D) a timeline for addressing the technological challenges faced by the program by March 1, 2006.

(b) REPORT ON ONGOING CRITICAL SYSTEMS REVIEW.—Not later than January 1, 2007, the Secretary shall submit to the congressional defense committees a report providing the conclusions of the ongoing critical systems review with respect to the Advanced SEAL Delivery System program.

# TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

### SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for defense science and technology.

### SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. Annual Comptroller General report on Future Combat Systems program.
Sec. 212. Contract for the procurement of the Future Combat Systems (FCS).
Sec. 213. Limitations on systems development and demonstration of manned ground vehicles under Armored Systems Modernization program.
Sec. 214. Separate program elements required for significant systems development and demonstration projects for Armored Systems Modernization program.
Sec. 215. Initiation of program to design and develop next-generation nuclear attack submarine.
Sec. 216. Extension of requirements relating to management responsibility for naval mine countermeasures programs.
Sec. 217. Single set of requirements for Army and Marine Corps heavy lift rotorcraft program.
Sec. 218. Requirements for development of tactical radio communications systems.
Sec. 219. Limitation on systems development and demonstration of Personnel Recovery Vehicle.
Sec. 220. Limitation on VXX helicopter program.
Sec. 221. Report on testing of Internet Protocol version 6.

### SUBTITLE C—MISSILE DEFENSE PROGRAMS

Sec. 231. Report on capabilities and costs for operational boost/ascent-phase missile defense systems.
Sec. 232. One-year extension of Comptroller General assessments of ballistic missile defense programs.
Sec. 233. Fielding of ballistic missile defense capabilities.
Sec. 234. Plans for test and evaluation of operational capability of the ballistic missile defense system.

### SUBTITLE D—HIGH-PERFORMANCE DEFENSE MANUFACTURING TECHNOLOGY RESEARCH AND DEVELOPMENT

Sec. 241. Pilot program for identification and transition of advanced manufacturing processes and technologies.
Sec. 242. Transition of transformational manufacturing processes and technologies to defense manufacturing base.
Sec. 243. Manufacturing technology strategies.
Sec. 244. Report.
Sec. 245. Definitions.

### SUBTITLE E—OTHER MATTERS

Sec. 251. Comptroller General report on program element structure for research, development, test, and evaluation projects.
Sec. 252. Research and development efforts for purposes of small business research.
Sec. 253. Revised requirements relating to submission of Joint Warfighting Science and Technology Plan.
Sec. 254. Report on efficiency of naval shipbuilding industry.
Sec. 255. Technology transition.

Sec. 256. Prevention, mitigation, and treatment of blast injuries.
Sec. 257. Modification of requirements for annual report on DARPA program to award cash prizes for advanced technology achievements.
Sec. 258. Designation of facilities and resources constituting the Major Range and Test Facility Base.
Sec. 259. Report on cooperation between Department of Defense and National Aeronautics and Space Administration on research, development, test, and evaluation activities.
Sec. 260. Delayed effective date for limitation on procurement of systems not GPS-equipped.
Sec. 261. Report on development and use of robotics and unmanned ground vehicle systems.

# Subtitle A—Authorization of Appropriations

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

Funds are hereby authorized to be appropriated for fiscal year 2006 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $10,036,004,000.

(2) For the Navy, $18,581,441,000.

(3) For the Air Force, $22,305,012,000.

(4) For Defense-wide activities, $19,277,402,000, of which $168,458,000 is authorized for the Director of Operational Test and Evaluation.

**SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECHNOLOGY.**

(a) FISCAL YEAR 2006.—Of the amounts authorized to be appropriated by section 201, $11,363,021,000 shall be available for the Defense Science and Technology Program, including basic research, applied research, and advanced technology development projects.

(b) BASIC RESEARCH, APPLIED RESEARCH, AND ADVANCED TECHNOLOGY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research, applied research, and advanced technology development" means work funded in program elements for defense research and development under Department of Defense budget activities 1, 2, and 3.

# Subtitle B—Program Requirements, Restrictions, and Limitations

**SEC. 211. ANNUAL COMPTROLLER GENERAL REPORT ON FUTURE COMBAT SYSTEMS PROGRAM.**

(a) ANNUAL GAO REVIEW.—The Comptroller General shall conduct an annual review of the Future Combat Systems program and shall, not later than March 15 of each year, submit to Congress a report on the results of the most recent review. With each such report, the Comptroller General shall submit a certification as to whether the Comptroller General has had access to sufficient information to enable the Comptroller General to make informed judgments on the matters covered by the report.

(b) MATTERS TO BE INCLUDED.—Each report on the Future Combat Systems program under subsection (a) shall include the following with respect to research and development under the program:

(1) The extent to which systems development and demonstration under the program is meeting established goals, including the goals established for performance, key performance parameters, technology readiness levels, cost, and schedule.

(2) The budget for the current fiscal year, and the projected budget for the next fiscal year, for all Department of Defense programs directly supporting the Future Combat Systems program and an evaluation of the contribution each such program makes to meeting the goals established for performance, key performance parameters, and technology readiness levels of the Future Combat Systems program.

(3) The plan for such systems development and demonstration (leading to production) for the fiscal year that begins in the year in which the report is submitted.

(4) The Comptroller General's conclusion regarding whether such systems development and demonstration (leading to production) is likely to be completed at a total cost not in excess of the amount specified (or to be specified) for such purpose in the Selected Acquisition Report for the Future Combat Systems program under section 2432 of title 10, United States Code, for the first quarter of the fiscal year during which the report of the Comptroller General is submitted.

(c) TERMINATION.—No report is required under this section after systems development and demonstration under the Future Combat Systems program is completed.

**SEC. 212. CONTRACT FOR THE PROCUREMENT OF THE FUTURE COMBAT SYSTEMS (FCS).**

The Secretary of the Army shall procure the Future Combat Systems (FCS) through a contract under part 15 of the Federal Acquisition Regulation (FAR), relating to acquisition of items by negotiated contract (48 CFR 15.000 et seq.), rather than through a transaction under section 2371 of title 10, United States Code.

**SEC. 213. LIMITATIONS ON SYSTEMS DEVELOPMENT AND DEMONSTRATION OF MANNED GROUND VEHICLES UNDER ARMORED SYSTEMS MODERNIZATION PROGRAM.**

(a) LIMITATIONS.—Of the amounts appropriated or otherwise made available pursuant to the authorization of appropriations in section 201 for the Armored Systems Modernization program, not more than 70 percent may be obligated for systems development and demonstration of manned ground vehicle variants under that program until each of the following occurs:

(1) The Secretary of Defense certifies to the congressional defense committees that the threshold requirements for manned ground vehicle variants with respect to lethality and survivability have been met and demonstrated, in accordance with applicable regulations, in a relevant environment to be at least equal to the lethality and survivability of the manned ground vehicles to be replaced by those variants.

(2) The Secretary of Defense submits to the congressional defense committees the results of an independent analysis carried out with respect to the transportability requirement for the manned ground vehicle variants under the Future Combat Systems program for the purpose of determining whether—

(A) the requirement can be supported by the future-years defense plan and the projected extended planning

period inter-theater and intra-theater airlift force structure budget;

(B) the requirement is justified by any likely deployment scenario envisioned by current operational plans; and

(C) the projected unit procurement cost warrants the investment required to deploy those variants.

(3) The Under Secretary of Defense for Acquisition, Technology, and Logistics submits to the congressional defense committees the results of an independent cost estimate, prepared by the cost analysis improvement group of the Office of the Secretary of Defense, with respect to the Future Combat Systems program.

(4) The Secretary of the Army submits to the congressional defense committees a report containing—

(A) the organizational design, quantities, and fielding plan for each of the current force Brigade Combat Teams and the Future Combat Systems Brigade Combat Teams; and

(B) the Future Combat Systems Manned Ground Vehicle research, development, test, and evaluation and procurement plan and budgets through the future-years defense plan, including unit procurement cost for each Future Combat Systems Manned Ground Vehicle variant in constant and current-year dollars.

(5) The Secretary of Defense submits to the congressional defense committees a report describing and evaluating the requirements and budgets for the technology insertion program for integrating Future Combat Systems capabilities into current force programs through the future-years defense plan for the purpose of determining—

(A) the balance in programs and resources between the Future Combat Systems Brigade Combat Teams and the current force Brigade Combat Teams;

(B) the feasibility of accelerating technology insertion into the current force Brigade Combat Teams;

(C) the level of research, development, test, and evaluation and procurement funding to support planned technology insertions into the current force Brigade Combat Teams through the future-years defense plan; and

(D) the capabilities of a current force Brigade Combat Team equipped with planned technology insertions in 2010, in comparison to a Future Combat Systems Manned Ground Vehicle Brigade Combat Team in 2014.

(b) EXCEPTION FOR NON-LINE-OF-SIGHT CANNON SYSTEM.—This section does not apply with respect to the obligation of funds for systems development and demonstration of the non-line-of-sight cannon system.

**SEC. 214. SEPARATE PROGRAM ELEMENTS REQUIRED FOR SIGNIFICANT SYSTEMS DEVELOPMENT AND DEMONSTRATION PROJECTS FOR ARMORED SYSTEMS MODERNIZATION PROGRAM.**

(a) PROGRAM ELEMENTS SPECIFIED.—Effective for the budget of the President submitted to Congress under section 1105(a) of title 31, United States Code, for fiscal year 2008 and each fiscal year thereafter, the Secretary of Defense shall ensure that a separate, dedicated program element is assigned to each of the following

systems development and demonstration projects of the Armored Systems Modernization program:

(1) Manned Ground Vehicles.

(2) Systems of Systems Engineering and Program Management.

(3) Future Combat Systems Reconnaissance Platforms and Sensors.

(4) Future Combat Systems Unmanned Ground Vehicles.

(5) Unattended Sensors.

(6) Sustainment.

(b) EARLY COMMENCEMENT OF DISPLAY IN BUDGET JUSTIFICATION MATERIALS.—As part of the budget justification materials submitted to Congress in support of the Department of Defense budget for fiscal year 2007, as submitted with the budget of the President under such section 1105(a), the Secretary of the Army shall set forth the budget justification material for the systems development and demonstration projects of the Armored Systems Modernization program identified in subsection (a) as if the projects were already separate program elements.

(c) TECHNOLOGY INSERTION TO CURRENT FORCE.—

(1) REPORT ON ESTABLISHMENT OF ADDITIONAL PROGRAM ELEMENT.—Not later than June 1, 2006, the Secretary of the Army shall submit a report to the congressional defense committees describing the manner in which the costs of integrating Future Combat Systems capabilities into current force programs could be assigned to a separate, dedicated program element and any management issues that would be raised as a result of establishing such a program element.

(2) DISPLAY IN BUDGET JUSTIFICATION MATERIALS.—As part of the budget justification materials submitted to Congress in support of the Department of Defense budget for fiscal year 2007 and each fiscal year thereafter, as submitted with the budget of the President under such section 1105(a), the Secretary of the Army shall set forth the budget justification material for technology insertion to the current force under the Armored Systems Modernization program.

**SEC. 215. INITIATION OF PROGRAM TO DESIGN AND DEVELOP NEXT-GENERATION NUCLEAR ATTACK SUBMARINE.**

(a) PROGRAM REQUIRED.—The Secretary of the Navy shall initiate a program to design and develop the next-generation of nuclear attack submarines.

(b) OBJECTIVE.—The objective of the program required by subsection (a) is to develop a nuclear attack submarine that meets or exceeds the warfighting capability of a submarine of the current Virginia class at a cost dramatically lower than the cost of a submarine of the Virginia class. The Secretary may meet such objective by modifying the Virginia class of nuclear submarines to incorporate new technology.

(c) REPORT.—

(1) IN GENERAL.—The Secretary of the Navy shall include, with the defense budget justification materials submitted in support of the President's budget for fiscal year 2007 submitted to Congress under section 1105 of title 31, United States Code, a report on the program required by subsection (a).

(2) CONTENTS.—The report shall include—

(A) an outline of the management approach to be used in carrying out the program;

(B) the goals for the program; and

(C) a schedule for the program.

**SEC. 216. EXTENSION OF REQUIREMENTS RELATING TO MANAGEMENT RESPONSIBILITY FOR NAVAL MINE COUNTERMEASURES PROGRAMS.**

(a) IN GENERAL.—Section 216 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1317), as most recently amended by section 212 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2480), is amended—

(1) in subsection (a), by striking "2008" and inserting "2011";

(2) in subsection (b)(1), by inserting after "Secretary of Defense" the following: ", and the Secretary of Defense has forwarded to the congressional defense committees,";

(3) in subsection (b)(2), by inserting before the semicolon at the end the following: "and, by so certifying, ensures that the budget meets the requirements of section 2437 of title 10, United States Code"; and

(4) by striking subsection (c) and inserting the following new subsection (c):

"(c) NOTIFICATION OF CERTAIN PROPOSED CHANGES.—

"(1) IN GENERAL.—With respect to a fiscal year, the Secretary may not carry out any change to the naval mine countermeasures master plan or the budget resources for mine countermeasures with respect to that fiscal year until after the Under Secretary of Defense for Acquisition, Technology, and Logistics submits to the congressional defense committees a notification of the proposed change. Such notification shall describe the nature of the proposed change and the effect of the proposed change on the naval mine countermeasures program or related programs with respect to that fiscal year.

"(2) EXCEPTION.—Paragraph (1) does not apply to a change if both—

"(A) the amount of the change is below the applicable reprogramming threshold; and

"(B) the effect of the change does not affect the validity of the decision to certify.".

(b) NOTICE AND CERTIFICATION BEFORE DECOMMISSIONING OF MHC–51 VESSELS.—The Secretary of the Navy may not decommission any vessel of the MHC–51 mine countermeasures class before the end of the service life of that vessel until—

(1) the Secretary submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on existing capabilities to assume the MHC–51 mission, together with the Secretary's certification that the capabilities of the vessels of the MHC–51 mine countermeasures class are no longer required; and

(2) a period of 30 days has elapsed after the date of receipt of that report and certification by those committees.

**SEC. 217. SINGLE SET OF REQUIREMENTS FOR ARMY AND MARINE CORPS HEAVY LIFT ROTORCRAFT PROGRAM.**

(a) JOINT REQUIREMENT.—The Secretary of the Army and the Secretary of the Navy shall develop a single set of requirements for the Joint Heavy Lift program for the Army and the Marine Corps.

(b) APPROVAL BY JROC REQUIRED.—The Secretary of Defense may not authorize entry into Systems Development and Demonstration for the next-generation heavy lift rotorcraft until the single joint requirement required by subsection (a) has been approved by the Joint Requirements Oversight Council.

(c) EXCEPTION.—This section does not apply to the CH–53X Heavy Lift Replacement Program.

**SEC. 218. REQUIREMENTS FOR DEVELOPMENT OF TACTICAL RADIO COMMUNICATIONS SYSTEMS.**

(a) INTERIM TACTICAL RADIO COMMUNICATIONS.—The Secretary of Defense shall—

(1) assess the immediate requirements of the military departments for tactical radio communications systems;

(2) ensure that the military departments rapidly acquire tactical radio communications systems utilizing existing technology or mature systems readily available in the commercial marketplace; and

(3) develop a plan and roadmap for the development, procurement, deployment, and sustainment of interim and future tactical radio communications systems.

(b) JOINT TACTICAL RADIO SYSTEM.—The Secretary of Defense shall apply Department of Defense Instruction 5000.2 to the Joint Tactical Radio System in a manner that does not permit the Milestone B entrance requirements to be waived unless the Secretary certifies that the Department is unable to meet critical national security objectives.

(c) CERTIFICATION OF BUDGETS.—

(1) BUDGETING THROUGH JOINT PROGRAM OFFICE.—The Secretary of Defense shall require that the Secretary of each military department, and the head of each Defense Agency with programs developing components of or research related to the Joint Tactical Radio System transmit such proposed budgets for these activities, including all waveform development activities, for a fiscal year to the head of the single joint program office designated under section 213 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1416) for review and certification under paragraph (2) before submitting such proposed budget to the Under Secretary of Defense (Comptroller).

(2) ACTIONS OF HEAD OF JOINT PROGRAM OFFICE.—The head of the single joint program office designated under section 213 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1416) shall review each proposed budget transmitted under paragraph (1) and shall, not later than January 31 of the year preceding the fiscal year for which such budgets are proposed, submit to the Secretary of Defense a report containing comments with respect to all such proposed budgets, together with the certification as to whether such proposed budgets are adequate and whether

such proposed budgets provide balanced support for the plan required under subsection (a)(3).

(3) ACTIONS OF SECRETARY OF DEFENSE.—The Secretary of Defense shall, not later than March 31 of the year preceding the fiscal year for which such budgets are proposed, submit to Congress a report on those proposed budgets which the head of the single joint program office has not certified under paragraph (2) to be adequate, including a discussion of the actions that the Secretary proposes to take to address the inadequacy of the proposed budgets.

(d) REPORT ON IMPLEMENTATION REQUIRED.—Not later than May 1, 2006, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the implementation of this section.

**SEC. 219. LIMITATION ON SYSTEMS DEVELOPMENT AND DEMONSTRATION OF PERSONNEL RECOVERY VEHICLE.**

Not more than 40 percent of the amounts made available pursuant to the authorization of appropriations in section 201 for systems development and demonstration of the Personnel Recovery Vehicle may be obligated until 30 days after the date on which the Secretary of Defense submits to the congressional defense committees each of the following:

(1) The Secretary's certification that the requirements for the Personnel Recovery Vehicle have been validated by the Joint Requirements Oversight Council and that the acquisition schedule has been validated by the Under Secretary of Defense for Acquisition, Technology, and Logistics.

(2) The Secretary's certification that all technologies required to meet the requirements (as validated under paragraph (1)) for the Personnel Recovery Vehicle are mature and will have been demonstrated in a relevant environment before inclusion in production aircraft.

(3) The Secretary's assessment of whether another aircraft, or modification of an aircraft, in the inventory of the Department of Defense can meet the requirements and provide a more cost effective solution (as validated under paragraph (1)) for the Personnel Recovery Vehicle Program.

(4) In the event that the Department chooses to award a contract for the Personnel Recovery Vehicle Program for an aircraft not in the Department of Defense inventory, the Secretary's explanation of the reasons why the chosen system would be more effective or less expensive in terms of total life-cycle costs.

(5) A statement setting forth the independent cost estimate and manpower estimate (as required by section 2434 of title 10, United States Code) for the Personnel Recovery Vehicle.

**SEC. 220. LIMITATION ON VXX HELICOPTER PROGRAM.**

(a) LIMITATION.—Of the amounts appropriated or otherwise made available pursuant to the authorization of appropriations in section 201 for the VXX executive helicopter program, not more than 75 percent may be obligated for system development and demonstration of the VXX helicopter until the Secretary of the Navy submits to Congress an event-driven acquisition strategy for Increment Two of the program that includes the completion of

at least one phase of operational testing on production representative test vehicles before the initiation of aircraft production. That acquisition strategy shall be developed by the Secretary working the with the Director of Operational Test and Evaluation of the Department of Defense.

(b) REPORT.—Not later than March 15, 2006, the Secretary of the Navy shall submit to the congressional defense committees a report setting forth in detail the acquisition strategy referred to in subsection (a). The report shall, at a minimum, include the following:

(1) A list of the critical technologies required for the production and operation of Increment Two aircraft for the VXX executive helicopter program.

(2) A schedule that accepts no more than moderate risk in either cost or schedule for the demonstration and test of each critical technology listed pursuant to paragraph (1).

(3) A description of the event-based decision points and associated decision criteria that will occur before the initiation of production of Increment two aircraft.

(4) A description of a proposed operational evaluation using production representative test vehicles to occur before the initiation of production of Increment Two aircraft.

(5) An evaluation of the acquisition strategy for Increment Two aircraft detailed in the report provided by the Director of Operational Test and Evaluation of the Department of Defense.

**SEC. 221. REPORT ON TESTING OF INTERNET PROTOCOL VERSION 6.**

(a) ADDITIONAL PLAN ELEMENT.—Subsection (b) of section 331 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1850) is amended by adding at the end the following new paragraph:

"(5) A certification by the Chairman of the Joint Chiefs of Staff that the conversion of Department of Defense networks to Internet Protocol version 6 will provide equivalent or better performance and capabilities than that which would be provided by any other combination of available technologies or protocols.".

(b) OFFICIAL RESPONSIBLE FOR OVERSIGHT OF TEST AND EVALUATION PLAN.—Such section is further amended—

(1) by redesignating subsection (d) as subsection (e); and

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

"(d) OFFICIAL RESPONSIBLE FOR OVERSIGHT OF TEST AND EVALUATION PLAN.—The Secretary of Defense shall designate the Director of Operational Test and Evaluation of the Department of Defense as the official responsible within the Department of Defense for oversight and direction of the test and evaluation plan under this section and for approval of the master test and evaluation plan under this section.".

(c) ANNUAL REPORT.—Subsection (e) of such section (as redesignated by subsection (b)(1)) is amended to read as follows:

"(e) REPORTS.—

"(1) Not later than June 30, 2006, the Secretary of Defense shall submit to the congressional defense committees a report

containing the transition plan under subsection (a), updated to the time of the submission of the report.

"(2) For each of fiscal years 2006 through 2008, the Secretary of Defense shall, not later than the end of that fiscal year, submit to the congressional defense committees a report on the testing and evaluation carried out pursuant to subsection (c).".

## Subtitle C—Missile Defense Programs

**SEC. 231. REPORT ON CAPABILITIES AND COSTS FOR OPERATIONAL BOOST/ASCENT-PHASE MISSILE DEFENSE SYSTEMS.**

(a) SECRETARY OF DEFENSE ASSESSMENT.—The Secretary of Defense shall conduct an assessment of the United States missile defense programs that are designed to provide capability against threat ballistic missiles in the boost/ascent phase of flight.

(b) PURPOSE.—The purpose of the assessment shall be to compare and contrast—

(1) capabilities of those programs (if operational) to defeat, while in the boost/ascent phase of flight, ballistic missiles launched from North Korea or a location in the Middle East against the continental United States, Alaska, or Hawaii; and

(2) asset requirements and costs for those programs to become operational with the capabilities referred to in paragraph (1).

(c) REPORT.—Not later than October 1, 2006, the Secretary shall submit to Congress a report providing the results of the assessment.

**SEC. 232. ONE-YEAR EXTENSION OF COMPTROLLER GENERAL ASSESSMENTS OF BALLISTIC MISSILE DEFENSE PROGRAMS.**

(a) EXTENSION.—Section 232(g) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 10 U.S.C. 2431 note) is amended—

(1) in paragraph (1), by striking "through 2006" and inserting "through 2007"; and

(2) in paragraph (2), by striking "through 2007" and inserting "through 2008".

(b) MODIFICATION OF SUBMITTAL DATE.—Paragraph (2) of such section is further amended by striking "February 15" and inserting "March 15".

**SEC. 233. FIELDING OF BALLISTIC MISSILE DEFENSE CAPABILITIES.**

Upon approval by the Secretary of Defense, funds authorized to be appropriated for fiscal years 2006 and 2007 for research, development, test, and evaluation for the Missile Defense Agency may be used for the development and fielding of ballistic missile defense capabilities.

**SEC. 234. PLANS FOR TEST AND EVALUATION OF OPERATIONAL CAPABILITY OF THE BALLISTIC MISSILE DEFENSE SYSTEM.**

(a) TEST AND EVALUATION PLANS FOR BLOCKS.—

(1) PLANS REQUIRED.—With respect to block 06 and each subsequent block of the Ballistic Missile Defense System, the appropriate joint and service operational test and evaluation components of the Department of Defense concerned with the

block shall prepare a plan, appropriate for the level of technological maturity of the block, to test, evaluate, and characterize the operational capability of the block.

(2) CONSULTATION AND REVIEW.—The preparation of each plan under this subsection shall be—

(A) carried out in coordination with the Missile Defense Agency; and

(B) subject to the review and approval of the Director of Operational Test and Evaluation.

(b) REPORTS ON TEST AND EVALUATION OF BLOCKS.—At the conclusion of the test and evaluation of block 06 and each subsequent block of the Ballistic Missile Defense System, the Director of Operational Test and Evaluation shall submit to the Secretary of Defense and the congressional defense committees a report providing—

(1) the assessment of the Director as to whether or not the test and evaluation was adequate to evaluate the operational capability of the block; and

(2) the characterization of the Director as to the operational effectiveness, suitability, and survivability of the block, as appropriate for the level of technological maturity of the block tested.

## Subtitle D—High-Performance Defense Manufacturing Technology Research and Development

### SEC. 241. PILOT PROGRAM FOR IDENTIFICATION AND TRANSITION OF ADVANCED MANUFACTURING PROCESSES AND TECHNOLOGIES.

(a) PILOT PROGRAM REQUIRED.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall conduct a pilot program under the authority of section 2521 of title 10, United States Code, to identify and transition advanced manufacturing processes and technologies the utilization of which would achieve significant productivity and efficiency gains in the defense manufacturing base.

(b) CONSIDERATION OF DEFENSE PRIORITIES.—In carrying out subsection (a), the Under Secretary shall take into consideration the defense priorities established in the most current Joint Warfighting Science and Technology plan, as required under section 270 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 2501 note).

(c) IDENTIFICATION FOR TRANSITION.—In identifying manufacturing processes and technologies for transition to the defense manufacturing base under the pilot program, the Under Secretary shall select the most promising transformational technologies and manufacturing processes, in consultation with the Director of Defense Research and Engineering, the Joint Defense Manufacturing Technology Panel, and other such entities as may be appropriate, including the Director of the Small Business Innovation Research Program.

**SEC. 242. TRANSITION OF TRANSFORMATIONAL MANUFACTURING PROCESSES AND TECHNOLOGIES TO DEFENSE MANUFACTURING BASE.**

(a) PROTOTYPES AND TEST BEDS.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall undertake the development of prototypes and test beds to validate the manufacturing processes and technologies selected for transition under the pilot program under section 241.

(b) DIFFUSION OF ENHANCEMENTS.—The Under Secretary shall seek the cooperation of industry in adopting such manufacturing processes and technologies through the following:

(1) The Manufacturing Extension Partnership Program.

(2) The identification of incentives for industry to incorporate and utilize such manufacturing processes and technologies.

**SEC. 243. MANUFACTURING TECHNOLOGY STRATEGIES.**

(a) IN GENERAL.—The Under Secretary of Defense for Acquisition, Technology, and Logistics may—

(1) identify an area of technology where the development of an industry-prepared roadmap for new manufacturing and technology processes applicable to defense manufacturing requirements would be beneficial to the Department of Defense; and

(2) establish a task force, and act in cooperation, with the private sector to map the strategy for the development of manufacturing processes and technologies needed to support technology development in the area identified under paragraph (1).

(b) COMMENCEMENT OF ROADMAPPING.—The Under Secretary shall commence any roadmapping identified pursuant to subsection (a)(1) not later than January 2007.

**SEC. 244. REPORT.**

(a) IN GENERAL.—Not later than December 31, 2007, the Under Secretary of the Defense for Acquisition, Technology, and Logistics shall submit to the congressional defense committees a report on the actions undertaken by the Under Secretary under this subtitle during fiscal year 2006.

(b) ELEMENTS.—The report under subsection (a) shall include—

(1) a comprehensive description of the actions undertaken under this subtitle during fiscal year 2006;

(2) an assessment of effectiveness of such actions in enhancing research and development on manufacturing technologies and processes, and the implementation of such within the defense manufacturing base; and

(3) such recommendations as the Under Secretary considers appropriate for additional actions to be undertaken in order to increase the effectiveness of the actions undertaken under this subtitle in enhancing manufacturing activities within the defense manufacturing base.

**SEC. 245. DEFINITIONS.**

In this subtitle:

(1) DEFENSE MANUFACTURING BASE.—The term "defense manufacturing base" includes any supplier of the Department of Defense, including a supplier of raw materials.

(2) MANUFACTURING EXTENSION PARTNERSHIP PROGRAM.—The term "Manufacturing Extension Partnership Program" means the Manufacturing Extension Partnership Program of the Department of Commerce.

(3) SMALL BUSINESS INNOVATION RESEARCH PROGRAM.—The term "Small Business Innovation Research Program" has the meaning given that term in section 2500(11) of title 10, United States Code.

## Subtitle E—Other Matters

**SEC. 251. COMPTROLLER GENERAL REPORT ON PROGRAM ELEMENT STRUCTURE FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION PROJECTS.**

(a) REPORT REQUIRED.—The Comptroller General shall prepare a report containing assessments of—

(1) the current program element structure and content used to account for projects carried out, or proposed to be carried out, using amounts for research, development, test, and evaluation activities; and

(2) the effectiveness of such program elements, and related budget justification materials, in providing necessary information for budget transparency and oversight by the congressional defense committees.

(b) RECOMMENDATIONS.—The report required by subsection (a) shall also include such recommendations as the Comptroller General considers to be appropriate regarding program element size and content, budget justification material content, and appropriate reprogramming authorities within and between program elements, particularly in connection with highly complex research and development programs that employ the system-of-systems concept.

(c) SUBMISSION.—The report required by subsection (a) shall be submitted to the congressional defense committees not later than February 1, 2007.

**SEC. 252. RESEARCH AND DEVELOPMENT EFFORTS FOR PURPOSES OF SMALL BUSINESS RESEARCH.**

(a) IN GENERAL.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following new subsections:

"(x) RESEARCH AND DEVELOPMENT FOCUS.—

"(1) REVISION AND UPDATE OF CRITERIA AND PROCEDURES OF IDENTIFICATION.—In carrying out subsection (g), the Secretary of Defense shall, not less often than once every 4 years, revise and update the criteria and procedures utilized to identify areas of the research and development efforts of the Department of Defense which are suitable for the provision of funds under the Small Business Innovation Research Program and the Small Business Technology Transfer Program.

"(2) UTILIZATION OF PLANS.—The criteria and procedures described in paragraph (1) shall be developed through the use of the most current versions of the following plans:

"(A) The Joint Warfighting Science and Technology Plan required under section 270 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 2501 note).

"(B) The Defense Technology Area Plan of the Department of Defense.

"(C) The Basic Research Plan of the Department of Defense.

"(3) INPUT IN IDENTIFICATION OF AREAS OF EFFORT.—The criteria and procedures described in paragraph (1) shall include input in the identification of areas of research and development efforts described in that paragraph from Department of Defense program managers (PMs) and program executive officers (PEOs).

"(y) COMMERCIALIZATION PILOT PROGRAM.—

"(1) IN GENERAL.—The Secretary of Defense and the Secretary of each military department is authorized to create and administer a 'Commercialization Pilot Program' to accelerate the transition of technologies, products, and services developed under the Small Business Innovation Research Program to Phase III, including the acquisition process.

"(2) IDENTIFICATION OF RESEARCH PROGRAMS FOR ACCELERATED TRANSITION TO ACQUISITION PROCESS.—In carrying out the Commercialization Pilot Program, the Secretary of Defense and the Secretary of each military department shall identify research programs of the Small Business Innovation Research Program that have the potential for rapid transitioning to Phase III and into the acquisition process.

"(3) LIMITATION.—No research program may be identified under paragraph (2) unless the Secretary of the military department concerned certifies in writing that the successful transition of the program to Phase III and into the acquisition process is expected to meet high priority military requirements of such military department.

"(4) FUNDING.—For payment of expenses incurred to administer the Commercialization Pilot Program under this subsection, the Secretary of Defense and each Secretary of a military department is authorized to use not more than an amount equal to 1 percent of the funds available to the Department of Defense or the military department pursuant to the Small Business Innovation Research Program. Such funds—

"(A) shall not be subject to the limitations on the use of funds in subsection (f)(2); and

"(B) shall not be used to make Phase III awards.

"(5) EVALUATIVE REPORT.—At the end of each fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Armed Services and the Committee on Small Business of the House of Representatives an evaluative report regarding activities under the Commercialization Pilot Program. The report shall include—

"(A) an accounting of the funds used in the Commercialization Pilot Program;

"(B) a detailed description of the Commercialization Pilot Program, including incentives and activities undertaken by acquisition program managers, program executive officers, and prime contractors; and

"(C) a detailed compilation of results achieved by the Commercialization Pilot Program, including the number

of small business concerns assisted and the number of projects commercialized.

"(6) SUNSET.—The pilot program under this subsection shall terminate at the end of fiscal year 2009.".

(b) IMPLEMENTATION OF EXECUTIVE ORDER NO. 13329.—Section 9 of the Small Business Act (15 U.S.C. 638), as amended by subsection (a), is further amended—

(1) in subsection (b)—

(A) in paragraph (6), by striking "and" at the end;

(B) in paragraph (7), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(8) to provide for and fully implement the tenets of Executive Order No. 13329 (Encouraging Innovation in Manufacturing).";

(2) in subsection (g)—

(A) in paragraph (9), by striking "and" at the end;

(B) in paragraph (10), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(11) provide for and fully implement the tenets of Executive Order No. 13329 (Encouraging Innovation in Manufacturing)."; and

(3) in subsection (o)—

(A) in paragraph (14), by striking "and" at the end;

(B) in paragraph (15), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(16) provide for and fully implement the tenets of Executive Order No. 13329 (Encouraging Innovation in Manufacturing).".

(c) TESTING AND EVALUATION AUTHORITY.—Section 9(e) of the Small Business Act (15 U.S.C. 638(e)) is amended—

(1) in paragraph (7), by striking "and" at the end;

(2) in paragraph (8), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(9) the term 'commercial applications' shall not be construed to exclude testing and evaluation of products, services, or technologies for use in technical or weapons systems, and further, awards for testing and evaluation of products, services, or technologies for use in technical or weapons systems may be made in either the second or the third phase of the Small Business Innovation Research Program and of the Small Business Technology Transfer Program, as defined in this subsection.".

**SEC. 253. REVISED REQUIREMENTS RELATING TO SUBMISSION OF JOINT WARFIGHTING SCIENCE AND TECHNOLOGY PLAN.**

(a) BIENNIAL SUBMITTAL.—Section 270 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 2501 note) is amended—

(1) by striking "**ANNUAL**" in the section heading and inserting "**BIENNIAL**"; and

(2) by striking "(a) ANNUAL PLAN REQUIRED.—On March 1 of each year" and inserting "Not later than March 1 of each even-numbered year".

(b) REPEAL OF REQUIREMENT FOR INCLUSION OF TECHNOLOGY AREA REVIEW AND ASSESSMENT SUMMARIES WITH JWSTP.—Subsection (b) of such section is repealed.

(c) REQUIREMENT FOR SEPARATE REPORTS ON TECHNOLOGY AREA REVIEW AND ASSESSMENT SUMMARIES.—Whenever the Secretary of Defense provides for the conduct of a study referred to as a Technology Area Review and Assessment, the Secretary shall, not later than March 1 of the year following the year in which that study is conducted, submit to the congressional defense committees a report containing a summary of each such Technology Area Review and Assessment conducted during that year.

**SEC. 254. REPORT ON EFFICIENCY OF NAVAL SHIPBUILDING INDUSTRY.**

(a) ASSESSMENT OF EFFICIENCY OF NAVAL SHIPBUILDING INDUSTRY.—

(1) ASSESSMENT REQUIRED.—The Secretary of the Navy shall conduct an assessment of the United States naval shipbuilding industry to determine how worldwide shipbuilding industry best practices for innovation, design, and production technologies, processes, and infrastructure could be adopted to improve efficiency in the following areas:

(A) Program design, engineering, and production engineering.

(B) Organization and operating systems.

(C) Steelwork production.

(D) Ship construction and outfitting.

(2) CONTENTS OF ASSESSMENT.—The assessment under paragraph (1) shall include the following:

(A) An identification of any best practice of the worldwide shipbuilding industry that the United States naval shipbuilding industry has not adopted, the adoption of which would lower construction costs.

(B) The estimated cost of adopting any best practice identified under subparagraph (A) and any estimated return on an investment made by a shipyard to adopt such a best practice.

(C) Any recommendation of the Secretary to increase the efficiency of the United States naval shipbuilding industry.

(3) RELATION TO INDEPENDENT NAVY SHIP CONSTRUCTION ASSESSMENT.—The assessment under paragraph (1) shall occur subsequent to, and take into consideration the results of, the study of the cost effectiveness of the ship construction program of the Navy required by section 1014 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2041).

(b) REPORT.—Not later than April 1, 2006, the Secretary of the Navy shall submit to the congressional defense committees a report containing the Secretary's findings and conclusions based on the assessment under subsection (a).

**SEC. 255. TECHNOLOGY TRANSITION.**

(a) CLARIFICATION OF DUTIES OF TECHNOLOGY TRANSITION COUNCIL.—Paragraph (2) of section 2359a(g) of title 10, United States Code, is amended to read as follows:

"(2) The duty of the Council shall be to support the Under Secretary of Defense for Acquisition, Technology, and Logistics in

developing policies to facilitate the rapid transition of technologies from science and technology programs into acquisition programs of the Department of Defense.".

(b) REPORT ON TECHNOLOGY TRANSITION.—

(1) REPORT REQUIRED.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report concerning the challenges associated with technology transition from the science and technology programs of the Department of Defense to the acquisition programs of the Department of Defense. The Secretary shall include in the report a strategy to address those challenges. The Secretary shall prepare the report working through the Technology Transition Council of the Department of Defense established under section 2359a(g) of title 10, United States Code

(2) MATTERS TO BE INCLUDED.—The report shall include the following:

(A) A description of any internal organizational barriers within the Department to technology transition between the technology development, acquisition, and operations components of the Department.

(B) An assessment of the effect of Department acquisition regulations on technology transition.

(C) An assessment of the effects of the requirements validation process and the planning, programming, budgeting, and execution processes of the Department on technology transition.

(D) A description of other challenges associated with technology transition in the Department that are identified by the Secretary.

(E) A Department-wide strategy for pursuing technology transition.

(F) Such recommendations as the Secretary considers appropriate to eliminate internal barriers within the Department to technology transition.

(3) SUBMITTAL DATE.—The report under paragraph (1) shall be submitted not later than nine months after the date of the enactment of this Act.

**SEC. 256. PREVENTION, MITIGATION, AND TREATMENT OF BLAST INJURIES.**

(a) DESIGNATION OF EXECUTIVE AGENT.—The Secretary of Defense shall designate an executive agent to be responsible for coordinating and managing the medical research efforts and programs of the Department of Defense relating to the prevention, mitigation, and treatment of blast injuries.

(b) GENERAL RESPONSIBILITIES.—The executive agent designated under subsection (a) shall be responsible for—

(1) planning for the medical research and development projects, diagnostic and field treatment programs, and patient tracking and monitoring activities within the Department that relate to combat blast injuries;

(2) efficient execution of such projects, programs, and activities;

(3) enabling the sharing of blast injury health hazards and survivability data collected through such projects, programs, and activities with the programs of the Department of Defense;

(4) working with the Director, Defense Research and Engineering and the Secretaries of the military departments to ensure resources are adequate to also meet non-medical requirements related to blast injury prevention, mitigation, and treatment; and

(5) ensuring that a joint combat trauma registry is established and maintained for the purposes of collection and analysis of contemporary combat casualties, including casualties with traumatic brain injury.

(c) MEDICAL RESEARCH EFFORTS.—

(1) IN GENERAL.—The executive agent designated under subsection (a) shall review and assess the adequacy of medical research efforts of the Department of Defense as of the date of the enactment of this Act relating to the following:

(A) The characterization of blast effects leading to injury, including the injury potential of blasts in various environments.

(B) Medical technologies and protocols to more accurately detect and diagnose blast injuries, including improved discrimination between traumatic brain injuries and mental health disorders.

(C) Enhanced treatment of blast injuries in the field.

(D) Integrated treatment approaches for members of the Armed Forces who have a combination of traumatic brain injuries and mental health disorders or other injuries.

(E) Such other blast injury matters as the executive agent considers appropriate.

(2) REQUIREMENTS FOR RESEARCH EFFORTS.—Based on the assessment under paragraph (1), the executive agent shall establish requirements for medical research efforts described in that paragraph in order to enhance and accelerate those research efforts.

(3) OVERSIGHT OF RESEARCH EFFORTS.—The executive agent shall establish, coordinate, and oversee Department-wide medical research efforts relating to the prevention, mitigation, and treatment of blast injuries, as necessary, to fulfill requirements established under paragraph (2).

(d) OTHER RELATED RESEARCH EFFORTS.—The Director, Defense Research and Engineering, in coordination with the executive agent designated under subsection (a) and the Director of the Joint IED Defeat Task Force, shall—

(1) review and assess the adequacy of current research efforts of the Department on the prevention and mitigation of blast injuries;

(2) based on subsection (c)(1), establish requirements for further research; and

(3) address any deficiencies identified in paragraphs (1) and (2) by establishing, coordinating, and overseeing Department-wide research and development initiatives on the prevention and mitigation of blast injuries, including explosive detection and defeat and personnel and vehicle blast protection.

(e) STUDIES.—The executive agent designated under subsection (a) shall conduct studies on the prevention, mitigation, and treatment of blast injuries, including—

(1) studies to improve the clinical evaluation and treatment approach for blast injuries, with an emphasis on traumatic brain injuries and other consequences of blast injury, including acoustic and eye injuries and injuries resulting from over-pressure wave;

(2) studies on the incidence of traumatic brain injuries attributable to blast injury in soldiers returning from combat;

(3) studies to develop protocols for medical tracking of members of the Armed Forces for up to five years following blast injuries; and

(4) studies to refine and improve educational interventions for blast injury survivors and their families.

(f) TRAINING.—The executive agent designated under subsection (a), in coordination with the Director of the Joint IED Defeat Task Force, shall develop training protocols for medical and non-medical personnel on the prevention, mitigation, and treatment of blast injuries. Those protocols shall be intended to improve field and clinical training on early identification of blast injury consequences, both seen and unseen, including traumatic brain injuries, acoustic injuries, and internal injuries.

(g) INFORMATION SHARING.—The executive agent designated under subsection (a) shall make available the results of relevant medical research and development projects and studies to—

(1) Department of Defense programs focused on—

(A) promoting the exchange of blast health hazards data with blast characterization data and blast modeling and simulation tools; and

(B) encouraging the incorporation of blast hazards data into design and operational features of blast detection, mitigation, and defeat capabilities, such as comprehensive armor systems which provide blast, ballistic, and fire protection for the head, neck, ears, eyes, torso, and extremities; and

(2) traumatic brain injury treatment programs to enhance the evaluation and care of members of the Armed Forces with traumatic brain injuries in medical facilities in the United States and in deployed medical facilities, including those outside the Department of Defense.

(h) REPORTS ON BLAST INJURY MATTERS.—

(1) REPORTS REQUIRED.—Not later than 270 days after the date of the enactment of this Act, and annually thereafter through 2008, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the efforts and programs of the Department of Defense relating to the prevention, mitigation, and treatment of blast injuries.

(2) ELEMENTS.—Each report under paragraph (1) shall include the following:

(A) A description of the activities undertaken under this section during the two years preceding the report to improve the prevention, mitigation, and treatment of blast injuries.

(B) A consolidated budget presentation for Department of Defense biomedical research efforts and studies related to blast injury for the two fiscal years following the year of the report.

(C) A description of any gaps in the capabilities of the Department and any plans to address such gaps within biomedical research related to blast injury, blast injury diagnostic and treatment programs, and blast injury tracking and monitoring activities.

(D) A description of collaboration, if any, with other departments and agencies of the Federal Government, and with other countries, during the two years preceding the report in efforts for the prevention, mitigation, and treatment of blast injuries.

(E) A description of any efforts during the two years preceding the report to disseminate findings on the diagnosis and treatment of blast injuries through civilian and military research and medical communities.

(F) A description of the status of efforts during the two years preceding the report to incorporate blast injury effects data into appropriate programs of the Department of Defense and into the development of comprehensive force protection systems that are effective in confronting blast, ballistic, and fire threats.

(i) DEADLINE FOR DESIGNATION OF EXECUTIVE AGENT.—The Secretary shall make the designation required by subsection (a) not later than 90 days after the date of the enactment of this Act.

(j) BLAST INJURIES DEFINED.—In this section, the term "blast injuries" means injuries that occur as the result of the detonation of high explosives, including vehicle-borne and person-borne explosive devices, rocket-propelled grenades, and improvised explosive devices.

(k) EXECUTIVE AGENT DEFINED.—In this section, the term "executive agent" has the meaning provided such term in Department of Defense Directive 5101.1.

**SEC. 257. MODIFICATION OF REQUIREMENTS FOR ANNUAL REPORT ON DARPA PROGRAM TO AWARD CASH PRIZES FOR ADVANCED TECHNOLOGY ACHIEVEMENTS.**

Subsection (e) of section 2374a of title 10, United States Code, is amended to read as follows:

"(e) ANNUAL REPORT.—(1) Not later than March 1 each year, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the activities undertaken by the Director of the Defense Advanced Research Projects Agency during the preceding fiscal year under the authority of this section.

"(2) The report for a fiscal year under this subsection shall include the following:

"(A) The results of consultations between the Director and officials of the military departments regarding the areas of research, technology development, or prototype development for which prizes would be awarded under the program under this section.

"(B) A description of the proposed goals of the competitions established under the program, including the areas of research,

technology development, or prototype development to be promoted by such competitions and the relationship of such areas to the military missions of the Department.

"(C) The total amount of cash prizes awarded under the program, including a description of the manner in which the amounts of cash prizes awarded and claimed were allocated among the accounts of the Defense Advanced Research Projects Agency for recording as obligations and expenditures.

"(D) The methods used for the solicitation and evaluation of submissions under the program, together with an assessment of the effectiveness of such methods.

"(E) A description of the resources, including personnel and funding, used in the execution of the program, together with a detailed description of the activities for which such resources were used.

"(F) A description of any plans to transition the technologies or prototypes developed as a result of the program into acquisition programs of the Department.".

**SEC. 258. DESIGNATION OF FACILITIES AND RESOURCES CONSTITUTING THE MAJOR RANGE AND TEST FACILITY BASE.**

(a) DEPARTMENT OF DEFENSE TEST RESOURCE MANAGEMENT CENTER.—Section 196(h) of title 10, United States Code, is amended by striking "Director of Operational Test and Evaluation" and inserting "Secretary of Defense".

(b) INSTITUTIONAL FUNDING OF TEST AND EVALUATION ACTIVITIES.—Section 232(b)(1) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2490) is amended by striking "Director of Operational Test and Evaluation" and inserting "Secretary of Defense".

**SEC. 259. REPORT ON COOPERATION BETWEEN DEPARTMENT OF DEFENSE AND NATIONAL AERONAUTICS AND SPACE ADMINISTRATION ON RESEARCH, DEVELOPMENT, TEST, AND EVALUATION ACTIVITIES.**

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration shall jointly submit to Congress a report setting forth the recommendations of the Secretary and the Administrator regarding cooperative activities between the Department of Defense and the National Aeronautics and Space Administration related to research, development, test, and evaluation on areas of mutual interest to the Department and the Administration.

(b) AREAS COVERED.—The areas of mutual interest to the Department of Defense and the National Aeronautics and Space Administration referred to in subsection (a) may include the following:

(1) Aeronautics research.

(2) Facilities, personnel, and support infrastructure.

(3) Propulsion and power technologies.

(4) Space access and operations, including responsive launch and small satellite development.

**SEC. 260. DELAYED EFFECTIVE DATE FOR LIMITATION ON PROCUREMENT OF SYSTEMS NOT GPS-EQUIPPED.**

(a) DELAYED EFFECTIVE DATE.—Section 152(b) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2281

note) is amended by striking "After September 30, 2005" and inserting "After September 30, 2007".

(b) RATIFICATION OF ACTIONS.—The amendment made by subsection (a) shall be deemed to have taken effect at the close of September 30, 2005, and any obligation or expenditure of funds by the Department of Defense during the period beginning on October 1, 2005, and ending on the date of the enactment of this Act to modify or procure a Department of Defense aircraft, ship, armored vehicle, or indirect-fire weapon system that is not equipped with a Global Positioning System receiver is hereby ratified with respect to the provision of law specified in subsection (a).

**SEC. 261. REPORT ON DEVELOPMENT AND USE OF ROBOTICS AND UNMANNED GROUND VEHICLE SYSTEMS.**

(a) REPORT REQUIRED.—Not later than nine months after the date of the enactment of this Act, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to the congressional defense committees a report on the development and utilization of robotics and unmanned ground vehicle systems by the Department of Defense.

(b) ELEMENTS.—The report required by subsection (a) shall include the following:

(1) A description of the utilization of robotics and unmanned ground vehicle systems in current military operations.

(2) A description of the manner in which the development of robotics and unmanned ground vehicle systems capabilities supports current major acquisition programs of the Department of Defense.

(3) A description, including budget estimates, of all Department programs and activities on robotics and unmanned ground vehicle systems for fiscal years 2004 through 2012, including the Joint Robotics Program and other programs and activities relating to research, development, test and evaluation, procurement, and operation and maintenance.

(4) A description of the long-term research and development strategy of the Department on technology for the development and integration of new robotics and unmanned ground vehicle systems capabilities in support of Department missions.

(5) A description of any planned demonstration or experimentation activities of the Department that will support the development and deployment of robotics and unmanned ground vehicle systems by the Department.

(6) A statement of the Department organizations currently participating in the development of new robotics or unmanned ground vehicle systems capabilities, including the specific missions of each such organization in such efforts.

(7) A description of the activities of the Department to collaborate with industry, academia, and other government and nongovernmental organizations in the development of new capabilities in robotics and unmanned ground vehicle systems.

(8) An assessment of the short-term and long-term ability of the industrial base of the United States to support the production of robotics and unmanned ground vehicle systems to meet Department requirements.

(9) An assessment of the progress being made to achieve the goal established by section 220(a)(2) of the Floyd D. Spence

National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–38) that, by 2015, one-third of operational ground combat vehicles be unmanned.

(10) An assessment of international research, technology, and military capabilities in robotics and unmanned ground vehicle systems.

(11) A description of the role and placement of the Joint Robotics Program in the Department.

(12) A description of the mechanisms of the Department for coordinating pre-systems development and demonstration funding for robotics and unmanned ground vehicle systems.

# TITLE III—OPERATION AND MAINTENANCE


**SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS**

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Other Department of Defense programs.

**SUBTITLE B—ENVIRONMENTAL PROVISIONS**

Sec. 311. Elimination and simplification of certain items required in the annual report on environmental quality programs and other environmental activities.
Sec. 312. Payment of certain private cleanup costs in connection with Defense Environmental Restoration Program.

**SUBTITLE C—WORKPLACE AND DEPOT ISSUES**

Sec. 321. Modification of authority of Army working-capital funded facilities to engage in cooperative activities with non-Army entities.
Sec. 322. Limitation on transition of funding for east coast shipyards from funding through Navy working capital fund to direct funding.
Sec. 323. Armament Retooling and Manufacturing Support Initiative matters.
Sec. 324. Sense of Congress regarding depot maintenance.

**SUBTITLE D—EXTENSION OF PROGRAM AUTHORITIES**

Sec. 331. Extension of authority to provide logistics support and services for weapons systems contractors.
Sec. 332. Extension of period for reimbursement for certain protective, safety, or health equipment purchased by or for members of the Armed Forces deployed in contingency operations.

**SUBTITLE E—OUTSOURCING**

Sec. 341. Public-private competition.
Sec. 342. Contracting for procurement of certain supplies and services.
Sec. 343. Performance of certain work by Federal Government employees.
Sec. 344. Extension of temporary authority for contractor performance of security-guard functions.

**SUBTITLE F—ANALYSIS, STRATEGIES, AND REPORTS**

Sec. 351. Report on Department of Army programs for prepositioning of equipment and other materiel.
Sec. 352. Reports on budget models used for base operations support, sustainment, and facilities recapitalization.
Sec. 353. Army training strategy for brigade-based combat teams and functional supporting brigades.
Sec. 354. Report regarding effect on military readiness of undocumented immigrants trespassing upon operational ranges.
Sec. 355. Report regarding management of Army lodging.
Sec. 356. Comptroller General report on corrosion prevention and mitigation programs of the Department of Defense.
Sec. 357. Study on use of biodiesel and ethanol fuel.
Sec. 358. Report on effects of windmill farms on military readiness.

Sec. 359. Report on space-available travel for certain disabled veterans and gray-area retirees.
Sec. 360. Report on joint field training and experimentation on stability, security, transition, and reconstruction operations.
Sec. 361. Reports on budgeting relating to sustainment of key military equipment.
Sec. 362. Repeal of Air Force report on military installation encroachment issues.

SUBTITLE G—OTHER MATTERS

Sec. 371. Supervision and management of Defense Business Transformation Agency.
Sec. 372. Codification and revision of limitation on modification of major items of equipment scheduled for retirement or disposal.
Sec. 373. Limitation on purchase of investment items with operation and maintenance funds.
Sec. 374. Operation and use of general gift funds of the Department of Defense and Coast Guard.
Sec. 375. Inclusion of packet based telephony in Department of Defense telecommunications benefit.
Sec. 376. Limitation on financial management improvement and audit initiatives within Department of Defense.
Sec. 377. Provision of welfare of special category residents at Naval Station Guantanamo Bay, Cuba.
Sec. 378. Commemoration of success of the Armed Forces in Operation Enduring Freedom and Operation Iraqi Freedom.

SUBTITLE H—UTAH TEST AND TRAINING RANGE

Sec. 381. Definitions.
Sec. 382. Military operations and overflights, Utah Test and Training Range.
Sec. 383. Analysis of military readiness and operational impacts in planning process for Federal lands in Utah Test and Training Range.
Sec. 384. Designation and management of Cedar Mountain Wilderness, Utah.
Sec. 385. Relation to other lands.

# Subtitle A—Authorization of Appropriations

**SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $24,686,295,000.

(2) For the Navy, $30,538,089,000.

(3) For the Marine Corps, $3,809,526,000.

(4) For the Air Force, $31,117,136,000.

(5) For Defense-wide activities, $18,550,169,000.

(6) For the Army Reserve, $1,992,542,000.

(7) For the Navy Reserve, $1,237,295,000.

(8) For the Marine Corps Reserve, $198,034,000.

(9) For the Air Force Reserve, $2,487,786,000.

(10) For the Army National Guard, $4,478,319,000.

(11) For the Air National Guard, $4,701,991,000.

(12) For the United States Court of Appeals for the Armed Forces, $11,236,000.

(13) For Environmental Restoration, Army, $407,865,000.

(14) For Environmental Restoration, Navy, $305,275,000.

(15) For Environmental Restoration, Air Force, $406,461,000.

(16) For Environmental Restoration, Defense-wide, $28,167,000.

(17) For Environmental Restoration, Formerly Used Defense Sites, $261,921,000.

(18) For Overseas Humanitarian, Disaster, and Civic Aid programs, $61,546,000.

(19) For Cooperative Threat Reduction programs, $415,459,000.

(20) For the Overseas Contingency Operations Transfer Fund, $20,000,000.

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

Funds are hereby authorized to be appropriated for fiscal year 2006 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $316,340,000.

(2) For the National Defense Sealift Fund, $1,657,717,000.

(3) For the Defense Working Capital Fund, Defense Commissary, $1,155,000,000.

**SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

(a) DEFENSE HEALTH PROGRAM.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2006 for expenses, not otherwise provided for, for the Defense Health Program, in the amount of $19,892,594,000, of which—

(1) $19,348,119,000 is for Operation and Maintenance;

(2) $169,156,000 is for Research, Development, Test, and Evaluation; and

(3) $375,319,000 is for Procurement.

(b) CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2006 for expenses, not otherwise provided for, for Chemical Agents and Munitions Destruction, Defense, in the amount of $1,425,827,000, of which—

(A) $1,241,514,000 is for Operation and Maintenance;

(B) $67,786,000 is for Research, Development, Test, and Evaluation; and

(C) $116,527,000 is for Procurement.

(2) USE.—Amounts authorized to be appropriated under paragraph (1) are authorized for—

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

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

(c) DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE-WIDE.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2006 for expenses, not otherwise provided for, for Drug Interdiction and Counter-Drug Activities, Defense-wide, in the amount of $901,741,000.

(d) DEFENSE INSPECTOR GENERAL.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2006 for expenses, not otherwise provided for, for the Office of the Inspector General of the Department of Defense, in the amount of $209,687,000, of which—

(1) $208,687,000 is for Operation and Maintenance; and

(2) $1,000,000 is for Procurement.

## Subtitle B—Environmental Provisions

**SEC. 311. ELIMINATION AND SIMPLIFICATION OF CERTAIN ITEMS REQUIRED IN THE ANNUAL REPORT ON ENVIRONMENTAL QUALITY PROGRAMS AND OTHER ENVIRONMENTAL ACTIVITIES.**

Section 2706(b)(2) of title 10, United States Code, is amended—

(1) by striking subparagraphs (D) and (E);

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) A summary of fines and penalties imposed or assessed against the Department of Defense and the military departments under Federal, State, or local environmental laws during the fiscal year in which the report is submitted and the four preceding fiscal years, which summary shall include—

"(i) a trend analysis of such fines and penalties for military installations inside and outside the United States; and

"(ii) a list of such fines or penalties that exceeded $1,000,000 and the provisions of law under which such fines or penalties were imposed or assessed."; and

(3) by redesignating subparagraph (F) as subparagraph (E) and, in such subparagraph, by striking "and amounts for conferences" and all that follows through "such activities".

**SEC. 312. PAYMENT OF CERTAIN PRIVATE CLEANUP COSTS IN CONNECTION WITH DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.**

(a) ACTIVITIES AT FORMER DEFENSE PROPERTY SUBJECT TO COVENANT FOR ADDITIONAL REMEDIAL ACTION.—Section 2701(d) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting "any owner of covenant property," after "any Indian tribe,"; and

(B) by inserting "owner," after ", Indian tribe,";

(2) in paragraph (3), by adding at the end the following new sentence: "An agreement under such paragraph with respect to a site also may not change the cleanup standards selected for the site pursuant to law.";

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

"(C) The term 'owner of covenant property' means an owner of property subject to a covenant provided by the United States in accordance with the requirements of paragraphs (3) and (4) of section 120(h) of CERCLA (42 U.S.C. 9620(h)), so long as the covenant property is the site at which the services procured under paragraph (1) are to be performed."; and

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

"(5) SAVINGS CLAUSE.—Nothing in this subsection affects the applicability of section 120 of CERCLA (42 U.S.C. 6920) to the Department of Defense or the obligations and responsibilities of the Department of Defense under subsection (h) of such section.".

(b) SOURCE OF FUNDS FOR FORMER BRAC PROPERTY SUBJECT TO COVENANT FOR ADDITIONAL REMEDIAL ACTION.—Section 2703 of such title is amended—

(1) in subsection (g)(1), by striking "The sole source" and inserting "Except as provided in subsection (h), the sole source"; and

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

"(h) SOLE SOURCE OF FUNDS FOR ENVIRONMENTAL REMEDIATION AT CERTAIN BASE REALIGNMENT AND CLOSURE SITES.—In the case of property disposed of pursuant to a base closure law and subject to a covenant that was required to be provided by paragraphs (3) and (4) of section 120(h) of CERCLA (42 U.S.C. 9620(h)), the sole source of funds for services procured under subsection 2701(d)(1) of this title shall be the applicable Department of Defense base closure account. The limitation in this subsection shall expire upon the closure of the applicable base closure account.".

## Subtitle C—Workplace and Depot Issues

### SEC. 321. MODIFICATION OF AUTHORITY OF ARMY WORKING-CAPITAL FUNDED FACILITIES TO ENGAGE IN COOPERATIVE ACTIVITIES WITH NON-ARMY ENTITIES.

(a) APPLICABILITY OF SUNSET.—Subsection (j) of section 4544 of title 10, United States Code, is amended by striking "September 30, 2009," and all that follows through the end and inserting "September 30, 2009.".

(b) CREDITING OF PROCEEDS OF SALE OF ARTICLES AND SERVICES.—Such section is further amended—

(1) in subsection (d), by striking "subsection (e)" and inserting "subsection (f)";

(2) by redesignating subsections (e), (f), (g), (h), (i), and (j) as subsections (f), (g), (h), (i), (j), and (k) respectively;

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

"(e) PROCEEDS CREDITED TO WORKING CAPITAL FUND.—The proceeds received from the sale of an article or service pursuant to a contract or other cooperative arrangement under this section shall be credited to the working capital fund that incurs the cost of manufacturing the article or performing the service."; and

(4) in subsection (g), as redesignated by paragraph (2), by striking "subsection (e)" and inserting "subsection (f)".

### SEC. 322. LIMITATION ON TRANSITION OF FUNDING FOR EAST COAST SHIPYARDS FROM FUNDING THROUGH NAVY WORKING CAPITAL FUND TO DIRECT FUNDING.

(a) LIMITATION.—The Secretary of the Navy may not convert funding for the shipyards of the Navy on the east coast of the United States from funding through the working capital fund of the Navy to funding on a direct basis (also known as "mission funding") before October 1, 2006.

(b) REPORT ON DIRECT FUNDING FOR PUGET SOUND NAVAL SHIPYARD.—

(1) REPORT REQUIRED.—Not later than March 1, 2006, the Secretary shall submit to the congressional defense committees a report that contains the assessment of the Secretary on the effects on Puget Sound Naval Shipyard, Washington, of

the conversion of that shipyard from funding through the working capital fund of the Navy to funding on a direct basis.

(2) MATTERS TO BE INCLUDED.—The report under paragraph (1) shall address the effect of the conversion of Puget Sound Naval Shipyard to direct funding on each of the following:

(A) The cost visibility of specific work performed.

(B) The total cost of consolidated ship maintenance operations on an ongoing basis.

(C) The ability to distinguish between depot and intermediate work of consolidated ship maintenance activities.

(D) The costs associated with buyout expenses for the transfer of the shipyards of the Navy on the east coast of the United States from funding through the working capital fund of the Navy to funding on a direct basis.

(E) The flexibility of the shipyard to continue routine ship maintenance operations during a potential funding gap at the beginning of a fiscal year or when expected maintenance costs exceed annual appropriations.

(F) Operational and financial flexibility and responsiveness of funding on a direct basis compared to funding through the working capital fund of the Navy.

(G) Long-term funding for the capital improvement programs of the shipyard.

(H) Compliance with section 2460 of title 10, United States Code, which defines the work that is considered to be depot-level maintenance and repair versus work that is considered to be a major modification of a weapons system.

(I) Compliance with section 2466 of title 10, United Status Code, which limits the amount of depot-level maintenance and repair workload of the Department of Navy that is performed by non-Federal Government personnel in any fiscal year to not more than 50 percent of the total depot workload reported to the Department in that fiscal year.

(J) Compliance with sections 1115 and 1116 of title 31, United States Code, which require agencies to set annual performance goals, measure performance toward the achievement of those goals, and publicly report on progress.

(K) Compliance with chapter 35 of title 31, United States Code, which requires audited financial statements to include the ability to properly charge and account for reimbursable workload.

(3) GOVERNMENT ACCOUNTABILITY OFFICE REVIEW.—Not later than 60 days after the date on which the report required under paragraph (1) is submitted, the Comptroller General shall submit to the congressional defense committees a review of the report, which shall include the Comptroller General's assessment of whether the report adequately addresses each of the matters specified under paragraph (2).

(c) REPORT ON PROPOSED CONGRESSIONAL BUDGET EXHIBITS FOR NAVY MISSION-FUNDED SHIPYARDS.—

(1) REPORT REQUIRED.—Not later than March 1, 2006, the Secretary shall submit to the congressional defense committees a report that proposes congressional budget exhibits for use

in connection with the funding of Navy shipyards on a direct basis.

(2) MATTERS TO BE INCLUDED.—The report under paragraph (1) shall comprehensively address the following:

(A) The establishment of annual categories, metrics, and measurements to objectively compare the performance of each shipyard over time with respect to the following:

(i) Schedule adherence.

(ii) Quality of work.

(iii) Cost management.

(iv) Administrative efficiency.

(v) Number of hulls for which repairs are completed during the fiscal year.

(vi) Number of hulls that are in the process of being repaired at the end of the fiscal year.

(B) Capital replenishment for each shipyard.

(C) Workload indicators to determine whether each shipyard is effectively utilized.

(D) Annual budget management reports to enable effective monitoring of each shipyard with respect to the following:

(i) Obligation authority from Department of the Navy accounts, including operation and maintenance funds for the Atlantic Fleet, the Pacific Fleet, and the Naval Sea Systems Command and procurement funds for the Navy shipbuilding and conversion account and the other procurement accounts.

(ii) Obligation authority provided by reimbursement from non-Department of the Navy sources, including other Department of Defense accounts, foreign military sales accounts, other Federal Government agency accounts, and non-Federal Government sources.

(iii) Costs and expenses of military personnel, civilian personnel, materials, contracts, travel, supplies, overhead, and other costs.

(iv) Capital expenditures.

(v) Military construction.

(vi) Base operating support.

(vii) Facilities sustainment, restoration, and modernization.

(viii) Personnel and labor management, including military end strengths, civilian end strengths, military mandays, and civilian mandays.

(3) CONGRESSIONAL BUDGET OFFICE REVIEW.—Not later than 60 days after the date on which the report required under paragraph (1) is submitted, the Director of the Congressional Budget Office shall submit to the congressional defense committees a review of the report, which shall include the Director's assessment of whether the report comprehensively addresses each of the matters specified in subparagraphs (A) through (D) of paragraph (2).

**SEC. 323. ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE MATTERS.**

(a) INCLUSION OF ADDITIONAL FACILITIES WITHIN ARMS INITIATIVE.—Section 4551(2) of title 10, United States Code, is amended by inserting ", or a Government-owned, contractor-operated depot

for the storage, maintenance, renovation, or demilitarization of ammunition," after "manufacturing facility".

(b) ADDITIONAL CONSIDERATION FOR USE OF FACILITIES.—Section 4554(b)(2) of such title is amended by adding at the end the following new subparagraph:

"(D) The demilitarization and storage of conventional ammunition.".

(c) ADDITIONAL POLICY OBJECTIVES WITH RESPECT TO AMMUNITION FACILITIES AND CAPACITY.—Section 4552 of such title is amended in paragraphs (1) and (8) by inserting ", storage, maintenance, renovation, and demilitarization" after "manufacturing".

(d) BROADENING OF PURPOSE OF ARMS INITIATIVE WITH RESPECT TO WORK FORCE SKILLS.—Section 4553(b)(3) of such title is amended by striking "in manufacturing processes that are".

**SEC. 324. SENSE OF CONGRESS REGARDING DEPOT MAINTENANCE.**

(a) FINDINGS.—Congress finds the following:

(1) The Depot Maintenance Strategy and Master Plan of the Air Force reflects the essential requirements for the Air Force to maintain a ready and controlled source of organic technical competence, thereby ensuring an effective and timely response to national defense contingencies and emergency requirements.

(2) Since the publication of the Depot Maintenance Strategy and Master Plan of the Air Force in 2002, the Air Force has made great progress toward modernizing all three of its depots, in order to maintain the status of those depots as "world class" maintenance repair and overhaul operations.

(3) One of the central components of the Depot Maintenance Strategy and Master Plan of the Air Force is the commitment of the Air Force to allocate $150,000,000 each fiscal year for six years, beginning in fiscal year 2004, for recapitalization and investment, including the procurement of technologically advanced facilities and equipment, of the Nation's three Air Force depots.

(4) The funds expended to date have ensured that transformation projects, such as the initial implementation of "Lean" and "Six Sigma" production techniques, have achieved great success in reducing the time necessary to perform depot maintenance on aircraft.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Air Force should be commended for the implementation of its Depot Maintenance Strategy and Master Plan and, in particular, meeting the capital investment strategy pursuant to the Plan; and

(2) the Air Force should remain committed to the depot maintenance process improvement initiatives and the investments and recapitalization projects pursuant to the Depot Maintenance Strategy and Master Plan.

# Subtitle D—Extension of Program Authorities

**SEC. 331. EXTENSION OF AUTHORITY TO PROVIDE LOGISTICS SUPPORT AND SERVICES FOR WEAPONS SYSTEMS CONTRACTORS.**

Section 365(g)(1) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2521; 10 U.S.C. 2302 note) is amended by striking "September 30, 2007" and inserting "September 30, 2010".

**SEC. 332. EXTENSION OF PERIOD FOR REIMBURSEMENT FOR CERTAIN PROTECTIVE, SAFETY, OR HEALTH EQUIPMENT PURCHASED BY OR FOR MEMBERS OF THE ARMED FORCES DEPLOYED IN CONTINGENCY OPERATIONS.**

(a) EXTENSION.—Section 351(a)(3) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1857) is amended by striking "July 31, 2004" and inserting "April 1, 2006".

(b) FUNDING.—Amounts for reimbursements made under section 351 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 after the date of the enactment of this Act shall be derived from supplemental appropriations for the Department of Defense for fiscal year 2006 for military operations in Iraq and Afghanistan and the Global War on Terrorism, contingent upon such appropriations being enacted.

# Subtitle E—Outsourcing

**SEC. 341. PUBLIC-PRIVATE COMPETITION.**

(a) PUBLIC-PRIVATE COMPETITION REQUIRED PRIOR TO CONVERSION OF CERTAIN DEPARTMENT OF DEFENSE FUNCTIONS.—Subsection (a) of section 2461 of title 10, United States Code, is amended to read as follows:

"(a) PUBLIC-PRIVATE COMPETITION.—(1) A function of the Department of Defense performed by 10 or more Department of Defense civilian employees may not be converted, in whole or in part, to performance by a contractor unless the conversion is based on the results of a public-private competition that—

"(A) formally compares the cost of performance of the function by Department of Defense civilian employees with the cost of performance by a contractor;

"(B) creates an agency tender, including a most efficient organization plan, in accordance with Office of Management and Budget Circular A–76, as implemented on May 29, 2003;

"(C) includes the issuance of a solicitation;

"(D) determines whether the submitted offers meet the needs of the Department of Defense with respect to factors other than cost, including quality and reliability;

"(E) examines the cost of performance of the function by Department of Defense civilian employees and the cost of performance of the function by one or more contractors to demonstrate whether converting to performance by a contractor will result in savings to the Government over the life of the contract, including—

"(i) the estimated cost to the Government (based on offers received) for performance of the function by a contractor;

"(ii) the estimated cost to the Government for performance of the function by Department of Defense civilian employees; and

"(iii) an estimate of all other costs and expenditures that the Government would incur because of the award of such a contract;

"(F) requires continued performance of the function by Department of Defense civilian employees unless the difference in the cost of performance of the function by a contractor compared to the cost of performance of the function by Department of Defense civilian employees would, over all performance periods required by the solicitation, be equal to or exceed the lesser of—

"(i) 10 percent of the personnel-related costs for performance of that function in the agency tender; or

"(ii) $10,000,000; and

"(G) examines the effect of performance of the function by a contractor on the military mission associated with the performance of the function.

"(2) A function that is performed by the Department of Defense and is reengineered, reorganized, modernized, upgraded, expanded, or changed to become more efficient, but still essentially provides the same service, shall not be considered a new requirement.

"(3) In no case may a function being performed by Department of Defense personnel be—

"(A) modified, reorganized, divided, or in any way changed for the purpose of exempting the conversion of the function from the requirements of this section; or

"(B) converted to performance by a contractor to circumvent a civilian personnel ceiling.".

(b) CONGRESSIONAL NOTIFICATION.—Subsection (b) of such section is amended—

(1) in paragraph (1)—

(A) by striking "to analyze" and all that follows through "private sector" and inserting "a public-private competition under subsection (a)";

(B) in subparagraph (A), by striking "to be analyzed for possible change" and inserting "for which such public-private competition is to be conducted";

(C) in subparagraph (C), by inserting "Department of Defense" before "civilian employee";

(D) in subparagraph (D), by striking "the analysis" both places it appears and inserting "the public-private competition"; and

(E) in subparagraph (E)—

(i) by striking "commercial or industrial type" before "function"; and

(ii) by striking "persons who are not civilian employees of the Department of Defense" and inserting "a contractor";

(2) by striking paragraphs (2) and (3) and inserting the following new paragraph (2):

"(2) The report required under paragraph (1) shall include an examination the potential economic effect of performance of the function by a contractor on—

"(A) Department of Defense civilian employees who would be affected by such a conversion in performance; and

"(B) the local community and the Government, if more than 50 Department of Defense civilian employees perform the function.";

(3) by redesignating paragraph (4) as paragraph (3); and

(4) in paragraph (3), as so redesignated—

(A) in subparagraph (A)—

(i) by striking "where a commercial" and all that follows through "performance" and inserting "where a public-private competition is conducted"; and

(ii) by striking "the analysis" both places it appears and inserting "the public private competition"; and

(B) in subparagraph (B), by striking "the commercial" and all that follows through "to which objected" and inserting "the function for which the public-private competition was conducted for which the objection was submitted".

(c) CONSOLIDATION AND RESTATEMENT OF REPORTING PROVISIONS.—

(1) CONSOLIDATION AND RESTATEMENT.—Section 2462 of such title is amended to read as follows:

**"§ 2462. Reports on public-private competition**

"(a) REPORT ON PUBLIC-PRIVATE COMPETITION RESULTS.—(1) Upon the completion of a public-private competition under section 2461 of this title, the Secretary of Defense shall submit to Congress a report containing the results of the public-private competition required by subsection (a) of such section.

"(2) Each report under this subsection shall include the following:

"(A) The date on which the public-private competition was commenced.

"(B) The number of Department of Defense civilian employees who were performing the function when the public-private competition was commenced and the number of such employees whose employment was or will be terminated or otherwise affected by converting to performance of the function by a contractor or by implementation of the most efficient organization of the function.

"(C) The Secretary's certification that the Government's calculation of the cost of performance of the function by Department of Defense civilian employees is based on an estimate of the most cost effective manner for performance of the function by Department of Defense civilian employees that meets the needs of the Department with respect to factors other than cost, including quality and reliability.

"(D) The Secretary's certification that the public-private competition did not include any predetermined personnel constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees.

"(E) The Secretary's certification that the entire public-private competition is available for examination.

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

"(G) A schedule for implementing the results of the public-private competition.

"(3)(A) No decision made on the basis of a public-private competition under section 2461 of this title may be implemented until after the submission of a report under paragraph (1).

"(B) Notwithstanding subparagraph (A), in the case of function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant, the conversion of the function to performance by a contractor may not begin until at least 60 days after the submission of a report under paragraph (1).

"(b) ANNUAL REPORT.—Not later than June 30 of each year, the Secretary of Defense shall submit to Congress a written report, which shall include the following:

"(1) An estimate of the percentage of functions (other than functions that are inherently governmental) that Department of Defense civilian employees will perform and an estimate of the percentage of such functions that contractors will perform during the fiscal year during which the report is submitted.

"(2) The results of public-private competitions conducted under section 2461 of this title that were completed during the preceding fiscal year, including each of the following:

"(A) The number of such competitions completed during such fiscal year and the number of Department of Defense civilian employees performing functions for which such a competition was conducted.

"(B) The percentage of such competitions that resulted in the continued performance of a function by Department of Defense civilian employees.

"(C) The percentage of such competitions that resulted in the conversion of a function to performance by a contractor.

"(D) The percentage of the Department of Defense civilian employees identified pursuant to subparagraph (A) whose positions will be converted to performance by contractors or eliminated as a result of implementing the results of such competitions.

"(3) The results of monitoring the performance of Department functions under section 2461a of this title, including for each function subject to monitoring, each of the following:

"(A) The cost of the public-private competition conducted under section 2461 of this title.

"(B) The cost of performing the function before such competition compared to the costs incurred after implementing the conversion, reorganization, or reengineering actions recommended pursuant to the competition.

"(C) The actual savings derived from the implementation of the recommendations made pursuant to such competition, if any, compared to the anticipated savings that

were to result from the conversion, reorganization, or reengineering actions.".

(2) WAIVER FOR SMALL FUNCTIONS AND CONFORMING AMENDMENTS.—Section 2461 of such title, as amended by subsections (a) and (b), is further amended—

(A) by striking subsections (c), (d), (f) and (g); and

(B) by redesignating subsections (e) and (h) as subsections (c) and (d) respectively.

(3) CORRECTION OF TERMINOLOGY.—The heading for subsection (c) of such section, as redesignated by paragraph (2), is amended by striking "WAIVER" and inserting "EXEMPTION".

(d) PERFORMANCE MONITORING.—Section 2461a of such title is amended—

(1) by striking subsections (a), (c), and (d);

(2) by redesignating subsections (b) and (e) as subsections (a) and (b) respectively;

(3) in subsection (a), as so redesignated—

(A) in paragraph (1)—

(i) by striking "establish a system for monitoring" and inserting "monitor"; and

(ii) by striking "a workforce review" and inserting "a public-private competition conducted under section 2461 of this title";

(B) in paragraph (2), by striking all and inserting the following:

"(2) In carrying out paragraph (1), the Secretary shall—

"(A) compare the cost of performing the function before the public-private competition to the cost of performing the function after the implementation of the results of the public-private competition; and

"(B) identify any actual savings of the Department of Defense after the implementation of the results of the public-private competition and compare such savings to the estimated savings identified pursuant to section 2461(a)(1)(E) of this title for that public-private competition;"; and

(C) in paragraph (3), by inserting "pursuant to such a public-private competition" after "reengineering of the function"; and

(4) in subsection (b), as so redesignated, by striking "workforce reviews" and inserting "public-private competitions conducted under section 2461 of this title".

(e) INAPPLICABILITY TO BEST-VALUE SOURCE SELECTION PILOT PROGRAM.—Subsection (a)(1)(E) of section 2461 of title 10, United States Code, as amended by subsection (a), shall not apply with respect to the pilot program for best-value source selection for performance of information technology services authorized by section 336 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1444; 10 U.S.C. 2461 note).

(f) REPEAL OF REDUNDANT PROVISION.—Section 2463 of such title is repealed.

(g) CLERICAL AND CONFORMING AMENDMENTS.—

(1) SECTION 2461.—Section 2461(c) of such title, as redesignated by subsection (c), is amended by striking "Subsections (a) through (c) and subsection (g)" and inserting "This section".

(2) HEADINGS.—

(A) 2461.—The heading for section 2461 of such title is amended to read as follows:

**"§ 2461. Public-private competition required before conversion to contractor performance".**

(B) 2461(b).—The heading for subsection (b) of such section is amended to read as follows:

"(b) CONGRESSIONAL NOTIFICATION.—".

(C) 2461a.—The heading for section 2461a of such title is amended to read as follows:

**"§ 2461a. Development and implementation of system for monitoring cost saving resulting from public-private competitions".**

(3) PUBLIC LAW 108–375.—Section 327 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 2461 note) is repealed.

(4) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 146 of title 10, United States Code, is amended by striking the items relating to sections 2461 through 2463 and inserting the following new items:

"2461. Public-private competition required before conversion to contractor performance.

"2461a. Development and implementation of system for monitoring cost saving resulting from public-private competitions.

"2462. Reports on public-private competition.".

**SEC. 342. CONTRACTING FOR PROCUREMENT OF CERTAIN SUPPLIES AND SERVICES.**

Section 8014(a)(3) of the Department of Defense Appropriations Act, 2005 (Public Law 108–287; 118 Stat. 972) is amended—

(1) in subparagraph (A), by inserting ", payment that could be used in lieu of such a plan, health savings account, or medical savings account" after "health insurance plan"; and

(2) in subparagraph (B), by striking "that requires" and all that follows through the end and inserting "that does not comply with the requirements of any Federal law governing the provision of health care benefits by Government contractors that would be applicable if the contractor performed the activity or function under the contract.".

**SEC. 343. PERFORMANCE OF CERTAIN WORK BY FEDERAL GOVERNMENT EMPLOYEES.**

(a) GUIDELINES.—

(1) IN GENERAL.—The Secretary of Defense shall prescribe guidelines and procedures for ensuring that consideration is given to using Federal Government employees for work that is currently performed or would otherwise be performed under Department of Defense contracts.

(2) CRITERIA.—The guidelines and procedures prescribed under paragraph (1) shall provide for special consideration to be given to contracts that—

(A) have been performed by Federal Government employees at any time on or after October 1, 1980;

(B) are associated with the performance of inherently governmental functions;

(C) were not awarded on a competitive basis; or

(D) have been determined by a contracting officer to be poorly performed due to excessive costs or inferior quality.

(b) USE OF FLEXIBLE HIRING AUTHORITY.—The Secretary shall include the use of the flexible hiring authority available through the National Security Personnel System in order to facilitate performance by Federal Government employees of new requirements and work that is performed under Department of Defense contracts.

(c) DEFINITIONS.—In this section:

(1) The term "National Security Personnel System" means the human resources management system established under the authority of section 9902 of title 5, United States Code.

(2) The term "inherently governmental function" has the meaning given that term in section 5 of the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 112 Stat. 2384; 31 U.S.C. 501 note).

**SEC. 344. EXTENSION OF TEMPORARY AUTHORITY FOR CONTRACTOR PERFORMANCE OF SECURITY-GUARD FUNCTIONS.**

Section 332(c) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2513) is amended—

(1) by striking "2006" each place it appears and inserting "2007"; and

(2) in paragraph (1), by striking ", except that" and all that follows through the end and inserting a period.

# Subtitle F—Analysis, Strategies, and Reports

**SEC. 351. REPORT ON DEPARTMENT OF ARMY PROGRAMS FOR PREPOSITIONING OF EQUIPMENT AND OTHER MATERIEL.**

(a) SECRETARY OF ARMY ASSESSMENT.—The Secretary of the Army shall conduct an assessment of the programs of the Department of Army for the prepositioning of equipment and other materiel stocks. The assessment shall focus on how such programs are configured to support the evolving goals of the Department of Army and shall include an identification of each of the following:

(1) The key operational capabilities currently available in both the afloat and ashore prepositioned stocks of the Army, organized by geographic region, including inventory levels in brigade sets, operational projects, and sustainment programs.

(2) Any significant shortfalls that exist in such stocks, particularly in combat and support equipment, spare parts, and munitions, and how the Army would mitigate those shortfalls in the event of a new conflict.

(3) The maintenance condition of prepositioned equipment and supplies, especially the key "pacing" items in brigade sets, including the percentage currently maintained at the Technical Manual–10/20 standard required by the Army.

(4) The percentage of required cyclic maintenance performed on all stocks for each of fiscal years 2003, 2004, and 2005, and the quality control procedures used to ensure that such maintenance was completed according to Army standards.

(5) Whether the oversight mechanisms and internal management reports of the Army with respect to such stocks

are adequate and ensure an accurate portrayal of the readiness of such stocks.

(6) The funding allocated and expended for prepositioning programs for each fiscal year beginning with fiscal year 2000, organized by region, and an assessment of whether the funding levels for such programs have been adequate to maintain program readiness.

(7) The facilities used to store and maintain brigade sets, organized by region, and whether those facilities provide adequate (or excess) capacity for the current and future mission.

(8) The current funding for the war reserve, the sufficiency of the war reserve inventory, and the effect of the war reserve on the ability of the Army to conduct operations.

(b) REPORT.—Not later than March 1, 2006, the Secretary shall submit to Congress a report on the assessment under subsection (a). The report shall include each of the matters specified in paragraphs (1) through (8) of that subsection.

(c) COMPTROLLER GENERAL REVIEW.—Not later than 120 days after the date of the receipt of the report under subsection (b), the Comptroller General shall submit to Congress a review of the assessment conducted by the Secretary of the Army under subsection (a). The review under this subsection shall include the following:

(1) The Comptroller General's assessment of whether the assessment by the Secretary of the Army under subsection (a) comprehensively addresses each of the matters specified in paragraphs (1) through (8) of that subsection.

(2) The extent to which any shortfall or other issue reported by the Secretary of the Army or identified by the Comptroller General has been addressed and an assessment of any plan to address any remaining such shortfalls in the future.

**SEC. 352. REPORTS ON BUDGET MODELS USED FOR BASE OPERATIONS SUPPORT, SUSTAINMENT, AND FACILITIES RECAPITALIZATION.**

(a) REPORTS REQUIRED.—Not later than March 30 of each of the calendar years 2006 through 2010, the Secretary of Defense shall submit to the congressional defense committees a report describing the models used to prepare the budget requests for base operations support, sustainment, and facilities recapitalization submitted to Congress by the President under section 1105(a) of title 31, United States Code, for the next fiscal year.

(b) CONTENT OF REPORTS.—The report for a fiscal year under subsection (a) shall include the following:

(1) An explanation of the methodology used to develop each model and, if there have been any changes to the methodology since the previous report, an explanation of the changes and the reasons therefor.

(2) A description of the items contained in each model.

(3) An explanation of whether the models are being applied to each military department and Defense Agency under common definitions of base operations support, sustainment, and facilities recapitalization and, if common definitions are not being used, an explanation of the differences and the reasons therefor.

(4) A description of the requested funding levels for base operations support, sustainment, and facilities recapitalization for the fiscal year covered by the report and the funding goals

established for base operations support, sustainment, and facilities recapitalization for at least the four succeeding fiscal years.

(5) If the requested funding levels for base operations support, sustainment, and facilities recapitalization for the fiscal year covered by the report deviate from the goals for that fiscal year contained in the preceding report, or the funding goals established for succeeding fiscal years deviate from the goals for those fiscal years contained in the preceding report, a justification for the funding levels and goals and an explanation of the reasons for the changes from the preceding report.

**SEC. 353. ARMY TRAINING STRATEGY FOR BRIGADE-BASED COMBAT TEAMS AND FUNCTIONAL SUPPORTING BRIGADES.**

(a) TRAINING STRATEGY.—

(1) STRATEGY REQUIRED.—The Secretary of the Army shall develop and implement a strategy for the training of brigade-based combat teams and functional supporting brigades in order to ensure the readiness of such teams and brigades.

(2) ELEMENTS.—The training strategy under paragraph (1) shall include the following:

(A) A statement of the purpose of training for brigade-based combat teams and functional supporting brigades.

(B) Performance goals for both active-component and reserve-component brigade-based combat teams and functional supporting brigades, including goals for live, virtual, and constructive training.

(C) Metrics to quantify training performance against the performance goals specified under subparagraph (B).

(D) A process to report the status of collective training to Army leadership for monitoring the training performance of brigade-based combat teams and functional supporting brigades.

(E) A model to quantify, and to forecast, operation and maintenance funding required for each fiscal year to attain the performance goals specified under subparagraph (B).

(3) TIMING OF IMPLEMENTATION.—The Secretary of the Army shall develop and implement the training strategy under paragraph (1) as soon as practicable.

(b) REPORT.—

(1) REPORT REQUIRED.—Not later than one year after the date of the enactment of this Act, the Secretary of the Army shall submit to the congressional defense committees a report on the training strategy developed under subsection (a).

(2) ELEMENTS.—The report under paragraph (1) shall include the following:

(A) A discussion of the training strategy developed under subsection (a), including a description of the performance goals and metrics developed under that subsection.

(B) A discussion and description of the training ranges and other essential elements required to support the training strategy.

(C) A list of the funding requirements, shown by fiscal year and set forth in a format consistent with the future-years defense program to accompany the budget of the President under section 221 of title 10, United States Code, necessary to meet the requirements of the training ranges

and other essential elements described under subparagraph (B).

(D) A schedule for the implementation of the training strategy.

(c) COMPTROLLER GENERAL REVIEW OF IMPLEMENTATION.—

(1) IN GENERAL.—The Comptroller General shall monitor the implementation of the training strategy developed under subsection (a).

(2) REPORT.—Not later than 180 days after the date on which the Secretary of the Army submits the report under subsection (b), the Comptroller General shall submit to the congressional defense committees a report containing the assessment of the Comptroller General of the current progress of the Army in implementing the training strategy.

**SEC. 354. REPORT REGARDING EFFECT ON MILITARY READINESS OF UNDOCUMENTED IMMIGRANTS TRESPASSING UPON OPERATIONAL RANGES.**

(a) REPORT CONTAINING ASSESSMENT AND RESPONSE PLAN.—Not later than April 15, 2006, the Secretary of Defense shall submit to Congress a report containing—

(1) an assessment of the impact on military readiness caused by undocumented immigrants whose entry into the United States involves trespassing upon operational ranges of the Department of Defense; and

(2) a plan for the implementation of measures to prevent such trespass.

(b) PREPARATION AND ELEMENTS OF ASSESSMENT.—The assessment required by subsection (a)(1) shall be prepared by the Secretary of Defense. The assessment shall include the following:

(1) A listing of the operational ranges adversely affected by the trespass of undocumented immigrants upon operational ranges.

(2) A description of the types of range activities affected by such trespass.

(3) A determination of the amount of time lost for range activities, and the increased costs incurred, as a result of such trespass.

(4) An evaluation of the nature and extent of such trespass and means of travel.

(5) An evaluation of the factors that contribute to the use by undocumented immigrants of operational ranges as a means to enter the United States.

(6) A description of measures currently in place to prevent such trespass, including the use of barriers to vehicles and persons, military patrols, border patrols, and sensors.

(c) PREPARATION AND ELEMENTS OF PLAN.—The plan required by subsection (a)(2) shall be prepared jointly by the Secretary of Defense and the Secretary of Homeland Security. The plan shall include the following:

(1) The types of measures to be implemented to improve prevention of trespass of undocumented immigrants upon operational ranges, including the specific physical methods, such as barriers and increased patrols or monitoring, to be implemented and any legal or other policy changes recommended by the Secretaries.

(2) The costs of, and timeline for, implementation of the plan.

(d) IMPLEMENTATION REPORTS.—Not later than September 15, 2006, March 15, 2007, September 15, 2007, and March 15, 2008, the Secretary of Defense shall submit to Congress a report detailing the progress made by the Department of Defense, during the period covered by the report, in implementing measures recommended in the plan required by subsection (a)(2) to prevent undocumented immigrants from trespassing upon operational ranges. Each report shall include the number and types of mitigation measures implemented and the success of such measures in preventing such trespass.

(e) DEFINITIONS.—In this section, the terms "operational range" and "range activities" have the meaning given those terms in section 101(e) of title 10, United States Code.

**SEC. 355. REPORT REGARDING MANAGEMENT OF ARMY LODGING.**

(a) REPORT ON MERITS AND IMPACTS OF PRIVATIZATION.—The Secretary of the Army shall submit to Congress a report containing the results of a study evaluating the merits of privatization of Army lodging. The study should consider at a minimum the following:

(1) The potential overall costs and benefits of privatization of Army lodging.

(2) Whether current lodging agreements with the Army and Air Force Exchange Service to provide hospitality telecommunication services would be impacted by privatization and whether the proposed change will have an impact on funds contributed to morale, welfare, and recreation accounts.

(3) Whether privatization of Army lodging will result in significant cost increases to members of the Armed Forces or other eligible patrons or the loss of such lodging if it is determined that management of such lodging is not a profitable marketing venture.

(4) Whether privatization of Army lodging will provide ancillary support facilities and services that might impact the Army and Air Force Exchange Service and to what extent such facilities and services may impact the funds contributed to morale, welfare, and recreation accounts.

(5) The number of Army lodging personnel who would be impacted by privatization and the total personnel-related costs that could occur as a result of privatization.

(b) ARMY AND AIR FORCE EXCHANGE SERVICE PARTICIPATION IN PRIVATIZATION.—The Army and Air Force Exchange Service shall submit to Congress a report commenting on the feasibility of its participation in privatization of Army lodging. The report should include at a minimum the following:

(1) The potential overall costs and benefits of an Army and Air Force Exchange Service partnership in Army lodging.

(2) Whether the Army and Air Force Exchange Service can adequately participate as a partner in the management of Army lodging, including whether such participation could enhance the quality of lodging and improve access to such lodging when provided through a nonprofit organization versus a partnership with a for-profit corporation.

(3) Whether there are certain benefits, including cost benefits, to having the Army and Air Force Exchange Service become

the partner with the Army that would not exist were the Army to partner with a private sector entity.

(4) The number of Army lodging personnel who would be impacted by an Army and Air Force Exchange Service partnership and the total personnel related costs that could occur as a result of such partnership.

(c) LIMITATION PENDING SUBMISSION OF REPORT.—Until the Secretary of the Army submits the report required by subsection (a) to Congress, the Secretary may not solicit or consider any request for qualifications that would privatize Army lodging beyond the level of privatization identified for inclusion in Group A of the Privatization of Army Lodging Initiative.

**SEC. 356. COMPTROLLER GENERAL REPORT ON CORROSION PREVENTION AND MITIGATION PROGRAMS OF THE DEPARTMENT OF DEFENSE.**

(a) REPORT REQUIRED.—Not later than April 1, 2007, the Comptroller General shall submit to the congressional defense committees a report on the effectiveness of the corrosion prevention and mitigation programs of the Department of Defense.

(b) ELEMENTS.—The report required by subsection (a) shall include the following:

(1) An assessment of the document of the Department of Defense entitled "Long-Term Strategy to Reduce Corrosion and the Effects of Corrosion on the Military Equipment and Infrastructure of the Department of Defense" and dated November 2004.

(2) An assessment of the adequacy for purposes of the strategy set forth in that document of the funding requested in the budgets of the President for fiscal years 2006 and 2007, as submitted to Congress pursuant to section 1105(a) of title 31, United States Code, and the associated Future-Years Defense Program under section 221 of title 10, United States Code.

(3) An assessment of the adequacy and effectiveness of the organizational structure of the Department of Defense in implementing that strategy.

(4) An assessment of the progress made as of the date of the report in establishing throughout the Department common metrics, definitions, and procedures on corrosion prevention and mitigation.

(5) An assessment of the progress made as of the date of the report in establishing a baseline estimate of the scope of the corrosion problems of the Department.

(6) An assessment of the extent to which the strategy of the Department on corrosion prevention and mitigation has been revised to incorporate the recommendations contained in the report of the Defense Science Board on corrosion control issued in October 2004.

(7) An assessment of the implementation of the corrosion prevention and mitigation programs of the Department during fiscal year 2006.

(8) Such recommendations as the Comptroller General considers appropriate for addressing any shortfalls or areas of potential improvement identified in the review for purposes of the report.

**SEC. 357. STUDY ON USE OF BIODIESEL AND ETHANOL FUEL.**

(a) IN GENERAL.—The Secretary of Defense shall conduct a study on the use of biodiesel and ethanol fuel by the Armed Forces and the Defense Agencies and any measures that can be taken to increase such use.

(b) ELEMENTS.—The study shall include—

(1) an evaluation of the historical utilization of biodiesel and ethanol fuel by the Armed Forces and the Defense Agencies, including the quantity of biodiesel and ethanol fuel acquired by the Department of Defense for the Armed Forces and the Defense Agencies during the 5-year period ending on the date of the report under subsection (c);

(2) a review and assessment of potential requirements for increased use of biodiesel and ethanol fuel within the Department of Defense and any research and development efforts required to meet those increased requirements;

(3) based on the review under paragraph (2), a forecast of the requirements of the Armed Forces and the Defense Agencies for biodiesel and ethanol fuels for each of fiscal years 2007 through 2012;

(4) an assessment of the current and future commercial availability of biodiesel and ethanol fuel, including facilities for the production, storage, transportation, distribution, and commercial sale of such fuel;

(5) an assessment of the utilization by the Department of Defense of the commercial infrastructure for ethanol fuel as described in paragraph (4);

(6) a review of the actions of the Department of Defense to coordinate with State, local, and private entities to support the expansion and use of alternative fuel refueling stations that are accessible to the public; and

(7) an assessment of the fueling infrastructure on military installations in the United States, including storage and distribution facilities, that could be adapted or converted for the delivery of biodiesel and ethanol fuel, including—

(A) an assessment of cost of the adaptation or conversion of such infrastructure to the delivery of biodiesel and ethanol fuel; and

(B) an assessment of the feasibility and advisability of that adaptation or conversion.

(c) REPORT.—Not later than 270 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the study conducted under this section.

(d) DEFINITIONS.—In this section:

(1) The term "ethanol fuel" means fuel that is 85 percent ethyl alcohol.

(2) The term "biodiesel" means a diesel fuel substitute produced from nonpetroleum renewable resources that meets the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 211 of the Clean Air Act (42 U.S.C. 7545).

**SEC. 358. REPORT ON EFFECTS OF WINDMILL FARMS ON MILITARY READINESS.**

Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the effects of windmill farms on military readiness, including an assessment of the effects on the operations of military radar installations of the proximity of windmill farms to such installations and of technologies that could mitigate any adverse effects on military operations identified.

**SEC. 359. REPORT ON SPACE-AVAILABLE TRAVEL FOR CERTAIN DISABLED VETERANS AND GRAY-AREA RETIREES.**

(a) REPORT REQUIRED.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the feasibility of providing transportation on Department of Defense aircraft on a space-available basis for—

(1) veterans with a service-connected disability rating of 50 percent or higher;

(2) members and former members of a reserve component under 60 years of age who, but for age, would be eligible for retired pay under chapter 1223 of title 10, United States Code; and

(3) dependents of persons described in paragraph (1) or (2).

(b) CONSULTATION.—The Secretary of Defense shall prepare the report in consultation with the Secretary of Veterans Affairs.

**SEC. 360. REPORT ON JOINT FIELD TRAINING AND EXPERIMENTATION ON STABILITY, SECURITY, TRANSITION, AND RECONSTRUCTION OPERATIONS.**

Not later than February 1, 2007, the Secretary of Defense shall submit to the congressional defense committees a report on joint field training and experimentation conducted to address matters relating to stability, security, transition, and reconstruction operations during fiscal years 2005 and 2006. The report shall include—

(1) a description of each such joint field training and experimentation event, including a description of the participation of other Federal departments and agencies and of the participation of allied and coalition partners;

(2) the findings of the Secretary as a result of such joint field training and experimentation; and

(3) such recommendations as the Secretary considers appropriate in light of such joint field training and experimentation, including recommendations with respect to legislative or administrative action and recommendations for any funding required to implement such action.

**SEC. 361. REPORTS ON BUDGETING RELATING TO SUSTAINMENT OF KEY MILITARY EQUIPMENT.**

(a) REPORTS REQUIRED.—In each of 2006, 2007, and 2008, at or about the time that the budget of the President is submitted to Congress that year under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report on the budgeting of the Department of Defense for the sustainment of key military equipment.

(b) REPORT ELEMENTS.—The report required by subsection (a) for a year shall set forth the following:

(1) A description of the current strategies of the Department of Defense for sustaining key military equipment, and for any modernization that will be required of such equipment.

(2) A description of the amounts required for the Department for the fiscal year beginning in such year in order to fully fund the strategies described in paragraph (1).

(3) A description of the amounts requested for the Department for such fiscal year in order to fully fund such strategies.

(4) A description of the risks, if any, of failing to fund such strategies in the amounts required to fully fund such strategies (as specified in paragraph (2)).

(5) A description of the actions being taken by the Department of Defense to mitigate the risks described in paragraph (4).

(c) KEY MILITARY EQUIPMENT DEFINED.—In this section, the term "key military equipment"—

(1) means—

(A) major weapons systems that are essential to accomplishing the national defense strategy; and

(B) other military equipment, such as major command, control, communications, computer, intelligence, surveillance, and reconnaissance (C4ISR) equipment, and systems designed to prevent fratricide, that is critical to the readiness of military units; and

(2) includes equipment reviewed in the report of the Comptroller General of the United States numbered GAO–06–141.

**SEC. 362. REPEAL OF AIR FORCE REPORT ON MILITARY INSTALLATION ENCROACHMENT ISSUES.**

Section 315 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1843) is repealed.

## Subtitle G—Other Matters

**SEC. 371. SUPERVISION AND MANAGEMENT OF DEFENSE BUSINESS TRANSFORMATION AGENCY.**

Section 192 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) SPECIAL RULE FOR DEFENSE BUSINESS TRANSFORMATION AGENCY.—(1) The Defense Business Transformation Agency shall be supervised by the vice chairman of the Defense Business System Management Committee.

"(2) Notwithstanding the results of any periodic review under subsection (c) with regard to the Defense Business Transformation Agency, the Secretary of Defense shall designate that the Agency be managed cooperatively by the Deputy Under Secretary of Defense for Business Transformation and the Deputy Under Secretary of Defense for Financial Management.".

**SEC. 372. CODIFICATION AND REVISION OF LIMITATION ON MODIFICATION OF MAJOR ITEMS OF EQUIPMENT SCHEDULED FOR RETIREMENT OR DISPOSAL.**

(a) IN GENERAL.—Chapter 134 of title 10, United States Code, is amended by inserting after section 2244 the following new section:

### "§ 2244a. Equipment scheduled for retirement or disposal: limitation on expenditures for modifications

"(a) PROHIBITION.—Except as otherwise provided in this section, the Secretary of a military department may not carry out a modification of an aircraft, weapon, vessel, or other item of equipment that the Secretary plans to retire or otherwise dispose of within five years after the date on which the modification, if carried out, would be completed.

"(b) EXCEPTIONS.—

"(1) EXCEPTION FOR BELOW-THRESHOLD MODIFICATIONS.—The prohibition in subsection (a) does not apply to a modification for which the cost is less than $100,000.

"(2) EXCEPTION FOR TRANSFER OF REUSABLE ITEMS OF VALUE.—The prohibition in subsection (a) does not apply to a modification in a case in which—

"(A) the reusable items of value, as determined by the Secretary, installed on the item of equipment as part of such modification will, upon the retirement or disposal of the item to be modified, be removed from such item of equipment, refurbished, and installed on another item of equipment; and

"(B) the cost of such modification (including the cost of the removal and refurbishment of reusable items of value under subparagraph (A)) is less than $1,000,000.

"(3) EXCEPTION FOR SAFETY MODIFICATIONS.—The prohibition in subsection (a) does not apply to a safety modification.

"(c) WAIVER AUTHORITY.—The Secretary concerned may waive the prohibition in subsection (a) in the case of any modification otherwise subject to that subsection if the Secretary determines that carrying out the modification is in the national security interest of the United States. Whenever the Secretary issues such a waiver, the Secretary shall notify the congressional defense committees in writing.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2244 the following new item:

"2244a. Equipment scheduled for retirement or disposal: limitation on expenditures for modifications.".

(c) CONFORMING REPEAL.—Section 8053 of the Department of Defense Appropriations Act, 1998 (Public Law 105–56; 10 U.S.C. 2241 note) is repealed.

### SEC. 373. LIMITATION ON PURCHASE OF INVESTMENT ITEMS WITH OPERATION AND MAINTENANCE FUNDS.

(a) LIMITATION ON USE OF OPERATION AND MAINTENANCE FUNDS.—Chapter 134 of title 10, United States Code, is amended by inserting after section 2245 the following new section:

### "§ 2245a. Use of operation and maintenance funds for purchase of investment items: limitation

"Funds appropriated to the Department of Defense for operation and maintenance may not be used to purchase any item (including any item to be acquired as a replacement for an item) that has an investment item unit cost that is greater than $250,000.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2245 the following new item:

"2245a. Use of operation and maintenance funds for purchase of investment items: limitation.".

**SEC. 374. OPERATION AND USE OF GENERAL GIFT FUNDS OF THE DEPARTMENT OF DEFENSE AND COAST GUARD.**

Section 2601 of title 10, United States Code, is amended to read as follows:

**"§ 2601. General gift funds**

"(a) GENERAL AUTHORITY TO ACCEPT GIFTS.—Subject to subsection (d)(2), the Secretary concerned may accept, hold, administer, and spend any gift, devise, or bequest of real property, personal property, or money made on the condition that the gift, devise, or bequest be used for the benefit, or in connection with, the establishment, operation, or maintenance, of a school, hospital, library, museum, cemetery, or other institution or organization under the jurisdiction of the Secretary.

"(b) ADDITIONAL AUTHORITY TO ACCEPT GIFTS TO BENEFIT CERTAIN MEMBERS, DEPENDENTS, AND CIVILIAN EMPLOYEES.—(1) Subject to subsection (d)(2), the Secretary concerned may accept, hold, administer, and spend any gift, devise, or bequest of real property, personal property, money, or services made on the condition that the gift, devise, or bequest be used for the benefit of—

"(A) members of the armed forces, including members performing full-time National Guard duty under section 502(f) of title 32, who incur a wound, injury, or illness while in the line of duty;

"(B) civilian employees of the Department of Defense who incur a wound, injury, or illness while in the line of duty;

"(C) dependents of such members or employees; and

"(D) survivors of such members or employees who are killed.

"(2) The Secretary concerned may not accept a gift of services from a foreign government or international organization under this subsection. A gift of real property, personal property, or money from a foreign government or international organization may be accepted under this subsection only if the gift is not designated for a specific individual.

"(3) The Secretary of Defense shall prescribe regulations specifying the conditions that may be attached to a gift, devise, or bequest accepted under this subsection.

"(4) The authority to accept gifts, devises, or bequests under this subsection expires on December 31, 2007.

"(c) GIFT FUNDS.—Gifts and bequests of money, and the proceeds of the sale of property, received under subsection (a) or (b) shall be deposited in the Treasury in the following accounts:

"(1) The Department of the Army General Gift Fund, in the case of deposits made by the Secretary of the Army.

"(2) The Department of the Navy General Gift Fund, in the case of deposits made by the Secretary of the Navy.

"(3) The Department of the Air Force General Gift Fund, in the case of deposits made by the Secretary of the Air Force.

"(4) The Coast Guard General Gift Fund, in the case of deposits made by the Secretary of Homeland Security.

"(5) The Department of Defense General Gift Fund, in the case of deposits made by the Secretary of Defense.

"(d) USE OF GIFTS; PROHIBITIONS.—(1) Except as provided in paragraph (2), property and money accepted under subsection (a) or (b) may be used by the Secretary concerned, and services accepted under subsection (b) may be performed, without further specific authorization in law.

"(2) Property and money may not be accepted under subsection (a) and property, money, and services may not be accepted under subsection (b)—

"(A) if the use of the property or money or the performance of the services in connection with any program, project, or activity would result in the violation of any prohibition or limitation otherwise applicable to such program, project, or activity;

"(B) if the conditions attached to the property, money, or services are inconsistent with applicable law or regulations;

"(C) if the Secretary concerned determines that the use of the property or money or the performance of the services would reflect unfavorably on the ability of the Department of Defense or the Coast Guard, any employee of the Department or Coast Guard, or any member of the armed forces to carry out any responsibility or duty in a fair and objective manner; or

"(D) if the Secretary concerned determines that the use of the property or money or the performance of the services would compromise the integrity or appearance of integrity of any program of the Department of Defense or Coast Guard, or any individual involved in such a program.

"(3) The Secretary concerned may disburse funds deposited in a gift fund referred to in subsection (c) for the purposes specified in subsections (a) and (b), subject to the terms of the gift, devise, or bequest.

"(e) PAYMENT OF EXPENSES.—The Secretary concerned may pay all necessary expenses in connection with the conveyance or transfer of a gift, devise, or bequest accepted under this section.

"(f) TREATMENT OF GIFTS.—For the purposes of Federal income, estate, and gift taxes, any property or money accepted under subsection (a) and any property, money, or services accepted under subsection (b) shall be considered as a gift, devise, or bequest to or for the use of the United States.

"(g) MANAGEMENT OF FUNDS.—In the case of each gift fund referred to in subsection (c), the Secretary of the Treasury, upon the request of the Secretary concerned, may retain money, securities, and the proceeds of the sale of securities in the gift fund and may invest money and reinvest the proceeds of the sale of securities in the gift fund in securities of the United States or in securities guaranteed as to principal and interest by the United States. The interest and profits accruing from those securities shall be deposited to the credit of the gift fund and may be disbursed as provided in subsection (d).

"(h) COMPTROLLER GENERAL REVIEW.—The Comptroller General shall make periodic audits of gifts, devises, and bequests accepted under subsection (a) or (b) at such intervals as the Comptroller General determines to be warranted. The Comptroller General shall submit to Congress a report on the results of each such audit.

"(i) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' includes the Secretary of Defense.

"(2) The term 'services' includes activities that benefit the morale, welfare, or recreation of members of the armed forces and their dependents or are related or incidental to the conveyance of a gift, devise, or bequest of real property or personal property under subsection (a) or (b).".

**SEC. 375. INCLUSION OF PACKET BASED TELEPHONY IN DEPARTMENT OF DEFENSE TELECOMMUNICATIONS BENEFIT.**

(a) INCLUSION IN BENEFIT.—Subsection (a) of section 344 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1448) is amended by inserting "packet based telephony service," after "prepaid phone cards,".

(b) INCLUSION OF INTERNET TELEPHONY IN DEPLOYMENT OF ADDITIONAL TELEPHONE EQUIPMENT.—Subsection (e) of such section is amended—

(1) by inserting "or Internet service" after "additional telephones";

(2) by inserting "or packet based telephony" after "to facilitate telephone"; and

(3) by inserting "or Internet access" after "installation of telephones".

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

(1) in the heading for subsection (a), by striking "PREPAID PHONE CARDS" and inserting "BENEFIT"; and

(2) in the heading for subsection (e), by inserting "OR INTERNET ACCESS" after "TELEPHONE EQUIPMENT".

**SEC. 376. LIMITATION ON FINANCIAL MANAGEMENT IMPROVEMENT AND AUDIT INITIATIVES WITHIN DEPARTMENT OF DEFENSE.**

(a) LIMITATION.—During fiscal year 2006, the Secretary of Defense may not obligate or expend any funds for the purpose of any financial management improvement activity relating to the preparation, processing, or auditing of financial statements until the Secretary submits to the congressional defense committees each of the following:

(1) A comprehensive and integrated financial management improvement plan that—

(A) describes specific actions to be taken to correct financial management deficiencies that impair the ability of the Department of Defense to prepare timely, reliable, and complete financial management information; and

(B) systematically ties such actions to process and control improvements and business systems modernization efforts described in the business enterprise architecture and transition plan required by section 2222 of title 10, United States Code.

(2) A written determination that each financial management improvement activity to be undertaken is—

(A) consistent with the financial management improvement plan submitted pursuant to paragraph (1); and

(B) likely to improve internal controls or otherwise result in sustained improvements in the ability of the

Department to produce timely, reliable, and complete financial management information.

(b) EXCEPTION.—The limitation under subsection (a) shall not apply to an activity directed exclusively at assessing the adequacy of internal controls and remediating any inadequacy identified pursuant to such an assessment.

**SEC. 377. PROVISION OF WELFARE OF SPECIAL CATEGORY RESIDENTS AT NAVAL STATION GUANTANAMO BAY, CUBA.**

(a) IN GENERAL.—The Secretary of the Navy may provide for the general welfare, including subsistence, housing, and health care, of any person at Naval Station Guantanamo Bay, Cuba, who is designated by the Secretary, not later than 90 days after the date of the enactment of this Act, as a "special category resident".

(b) PROHIBITION ON CONSTRUCTION OF NEW FACILITIES.—The authorization under subsection (a) shall not be construed as an authorization for the construction a new housing facility or medical treatment facility.

(c) PRIOR USE OF FUNDS.—Any obligation or expenditure of funds for the general welfare of any person described in subsection (a) before the date of the enactment of this Act is deemed to be not subject to the provisions of chapter 13 of title 31, United States Code.

**SEC. 378. COMMEMORATION OF SUCCESS OF THE ARMED FORCES IN OPERATION ENDURING FREEDOM AND OPERATION IRAQI FREEDOM.**

(a) CELEBRATION HONORING MILITARY EFFORTS IN OPERATION ENDURING FREEDOM AND OPERATION IRAQI FREEDOM.—The President may—

(1) designate a day of celebration to honor the soldiers, sailors, airmen, and Marines of the Armed Forces who have served in Operation Enduring Freedom or Operation Iraqi Freedom and have returned to the United States; and

(2) issue a proclamation calling on the people of the United States to observe that day with appropriate ceremonies and activities.

(b) PARTICIPATION OF ARMED FORCES IN CELEBRATION.—

(1) PARTICIPATION AUTHORIZED.—Members and units of the Armed Forces may participate in activities associated with a day of celebration designated under subsection (a) that are held in Washington, District of Columbia.

(2) AVAILABILITY OF FUNDS.—Subject to paragraph (4), amounts authorized to be appropriated for the Department of Defense for fiscal year 2006 may be used to cover costs associated with the participation of members and units of the Armed Forces in the activities described in paragraph (1).

(3) ACCEPTANCE OF PRIVATE CONTRIBUTIONS.—(A) Notwithstanding any other provision of law, the Secretary of Defense may accept cash contributions from private individuals and entities for the purposes of covering the costs of the participation of members and units of the Armed Forces in the activities described in paragraph (1). Amounts so accepted shall be deposited in an account established for purposes of this paragraph.

(B) Amounts accepted under subparagraph (A) may be used for the purposes described in that subparagraph until expended.

(4) LIMITATION.—The total amount of funds described in paragraph (2) that are available for the purpose set forth in that paragraph may not exceed the amount equal to—

(A) $20,000,000, minus

(B) the amount of any cash contributions accepted by the Secretary under paragraph (3).

(c) AWARD OF RECOGNITION ITEMS.—

(1) AUTHORITY TO AWARD.—Under regulations prescribed by the Secretary of Defense, appropriate recognition items may be awarded to any individual who served honorably as a member of the Armed Forces in Operation Enduring Freedom or Operation Iraqi Freedom during the Global War on Terrorism. The purpose of the award of such items is to recognize the contribution of such individuals to the success of the United States in those operations.

(2) RECOGNITION ITEMS DEFINED.—In this subsection, the term "recognition items" means recognition items authorized for presentation under section 2261 of title 10, United States Code (as added by section 589 of this Act).

# Subtitle H—Utah Test and Training Range

**SEC. 381. DEFINITIONS.**

In this subtitle:

(1) The term "covered wilderness" means the wilderness area designated by this subtitle and wilderness study areas located near lands withdrawn for military use and beneath special use airspace critical to the support of military test and training missions at the Utah Test and Training Range, including the Deep Creek, Fish Springs, Swasey Mountain, Howell Peak, Notch Peak, King Top, Wah Wah Mountain, and Conger Mountain units designated by the Department of the Interior.

(2) The term "Utah Test and Training Range" means those portions of the military operating area of the Utah Test and Training Area located solely in the State of Utah. The term includes the Dugway Proving Ground.

(3) The term "Wilderness Act" means Public Law 88–577, approved September 3, 1964 (16 U.S.C. 1131 et seq.).

**SEC. 382. MILITARY OPERATIONS AND OVERFLIGHTS, UTAH TEST AND TRAINING RANGE.**

(a) FINDINGS.—The Congress finds the following:

(1) The testing and development of military weapons systems and the training of military forces are critical to ensuring the national security of the United States.

(2) The Utah Test and Training Range in the State of Utah is a unique and irreplaceable national asset at the core of the test and training mission of the Department of Defense.

(3) The Cedar Mountain Wilderness Area designated by section 384, as well as several wilderness study areas, are located near lands withdrawn for military use or are beneath special use airspace critical to the support of military test and training missions at the Utah Test and Training Range.

(4) The Utah Test and Training Range and special use airspace withdrawn for military uses create unique management circumstances for the covered wilderness in this subtitle, and it is not the intent of Congress that passage of this subtitle shall be construed as establishing a precedent with respect to any future national conservation area or wilderness designation.

(5) Continued access to the special use airspace and lands that comprise the Utah Test and Training Range, under the terms and conditions described in this subtitle, is a national security priority and is not incompatible with the protection and proper management of the natural, environmental, cultural, and other resources of such lands.

(b) OVERFLIGHTS.—Nothing in this subtitle or the Wilderness Act shall preclude low-level overflights and operations of military aircraft, helicopters, missiles, or unmanned aerial vehicles over the covered wilderness, including military overflights and operations that can be seen or heard within the covered wilderness.

(c) SPECIAL USE AIRSPACE AND TRAINING ROUTES.—Nothing in this subtitle or the Wilderness Act shall preclude the designation of new units of special use airspace, the expansion of existing units of special use airspace, or the use or establishment of military training routes over the covered wilderness.

(d) COMMUNICATIONS AND TRACKING SYSTEMS.—Nothing in this subtitle shall prevent any required maintenance of existing communications, instrumentation, or electronic tracking systems (or infrastructure supporting such systems) or prevent the installation of new communication, instrumentation, or other equipment necessary for effective testing and training to meet military requirements in wilderness study areas located beneath special use airspace comprising the Utah Test and Training Range, including the Deep Creek, Fish Springs, Swasey Mountain, Howell Peak, Notch Peak, King Top, Wah Wah Mountain, and Conger Mountain units designated by the Department of Interior, so long as the Secretary of the Interior, after consultation with the Secretary of the Air Force, determines that the installation and maintenance of such systems, when considered both individually and collectively, comply with section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782).

(e) EMERGENCY ACCESS AND RESPONSE.—Nothing in this subtitle or the Wilderness Act shall preclude the continuation of the memorandum of understanding in existence as of the date of the enactment of this Act between the Department of the Interior and the Department of the Air Force with respect to emergency access and response.

(f) PROHIBITION ON GROUND MILITARY OPERATIONS.—Except as provided in subsections (d) and (e), nothing in this section shall be construed to permit a military operation to be conducted on the ground in covered wilderness in the Utah Test and Training Range unless such ground operation is otherwise permissible under Federal law and consistent with the Wilderness Act.

**SEC. 383. ANALYSIS OF MILITARY READINESS AND OPERATIONAL IMPACTS IN PLANNING PROCESS FOR FEDERAL LANDS IN UTAH TEST AND TRAINING RANGE.**

The Secretary of the Interior shall develop, maintain, and revise land use plans pursuant to section 202 of the Federal Land Policy

and Management Act of 1976 (43 U.S. C. 1712) for Federal lands located in the Utah Test and Training Range in consultation with the Secretary of Defense. As part of the required consultation in connection with a proposed revision of a land use plan, the Secretary of Defense shall prepare and transmit to the Secretary of the Interior an analysis of the military readiness and operational impacts of the proposed revision within six months of a request from the Secretary of the Interior.

**SEC. 384. DESIGNATION AND MANAGEMENT OF CEDAR MOUNTAIN WILDERNESS, UTAH.**

(a) DESIGNATION.—Certain Federal lands in Tooele County, Utah, as generally depicted on the map entitled "Cedar Mountain Wilderness" and dated March 7, 2004, are hereby designated as wilderness and, therefore, as a component of the National Wilderness Preservation System to be known as the Cedar Mountain Wilderness Area.

(b) WITHDRAWAL.—Subject to valid existing rights, the Federal lands in the Cedar Mountain Wilderness Area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, from location, entry, and patent under the United States mining laws, and from disposition under all laws pertaining to mineral and geothermal leasing, and mineral materials, and all amendments to such laws.

(c) MAP AND DESCRIPTION.—

(1) TRANSMITTAL.—As soon as practicable after the date of the enactment of this Act, the Secretary of the Interior shall transmit a map and legal description of the Cedar Mountain Wilderness Area to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(2) LEGAL EFFECT.—The map and legal description shall have the same force and effect as if included in this Act, except that the Secretary of the Interior may correct clerical and typographical errors in the map and legal description.

(3) AVAILABILITY.—The map and legal description shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management and the office of the State Director of the Bureau of Land Management in the State of Utah.

(d) ADMINISTRATION.—Subject to valid existing rights and this subtitle, the Cedar Mountain Wilderness Area shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of the enactment of this Act.

(e) LAND ACQUISITION.—Any lands or interest in lands within the boundaries of the Cedar Mountain Wilderness Area acquired by the United States after the date of the enactment of this Act shall be added to and administered as part of the Cedar Mountain Wilderness Area.

(f) FISH AND WILDLIFE MANAGEMENT.—As provided in section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this subtitle shall be construed as affecting the jurisdiction of the State of Utah with respect to fish and wildlife on the Federal lands located in that State.

(g) GRAZING.—Within the Cedar Mountain Wilderness Area, the grazing of livestock, where established before the date of the enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary of the Interior considers necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in the Wilderness Act, section 101(f) of Public Law 101–628 (104 Stat. 4473), and appendix A of the Report of the Committee on Interior and Insular Affairs to accompany H.R. 2570 of the 101st Congress (H. Rept. 101–405).

(h) BUFFER ZONES.—Congress does not intend for the designation of the Cedar Mountain Wilderness Area to lead to the creation of protective perimeters or buffer zones around the wilderness area. The fact that nonwilderness activities or uses can be seen or heard within the wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(i) RELEASE FROM WILDERNESS STUDY AREA STATUS.—The lands identified as the Browns Spring Cherrystem on the map entitled "Proposed Browns Spring Cherrystem" and dated May 11, 2004, are released from their status as a wilderness study area, and shall no longer be subject to the requirements of section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)) pertaining to the management of wilderness study areas in a manner that does not impair the suitability of those areas for preservation of wilderness.

**SEC. 385. RELATION TO OTHER LANDS.**

Nothing in this subtitle shall be construed to affect any Federal lands located outside of the covered wilderness or the management of such lands.

# TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

**SUBTITLE A—ACTIVE FORCES**

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent active duty end strength minimum levels.
Sec. 403. Additional authority for increases of Army and Marine Corps active duty end strengths for fiscal years 2007 through 2009.

**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 2006 limitation on number of non-dual status technicians.
Sec. 415. Maximum number of reserve personnel authorized to be on active duty for operational support.

**SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS**

Sec. 421. Military personnel.
Sec. 422. Armed Forces Retirement Home.

## Subtitle A—Active Forces

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

(a) IN GENERAL.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 2006, as follows:

(1) The Army, 512,400.
(2) The Navy, 352,700.
(3) The Marine Corps, 179,000.
(4) The Air Force, 357,400.

(b) LIMITATION.—

(1) ARMY.—The authorized strength for the Army provided in paragraph (1) of subsection (a) for active duty personnel for fiscal year 2006 is subject to the condition that costs of active duty personnel of the Army for that fiscal year in excess of 482,400 shall be paid out of funds authorized to be appropriated for that fiscal year for a contingent emergency reserve fund or as an emergency supplemental appropriation.

(2) MARINE CORPS.—The authorized strength for the Marine Corps provided in paragraph (3) of subsection (a) for active duty personnel for fiscal year 2006 is subject to the condition that costs of active duty personnel of the Marine Corps for that fiscal year in excess of 175,000 shall be paid out of funds authorized to be appropriated for that fiscal year for a contingent emergency reserve fund or as an emergency supplemental appropriation.

**SEC. 402. REVISION IN PERMANENT ACTIVE DUTY END STRENGTH MINIMUM LEVELS.**

Section 691(b) of title 10, United States Code, is amended by striking paragraphs (1) through (4) and inserting the following:

"(1) For the Army, 502,400.
"(2) For the Navy, 352,700.
"(3) For the Marine Corps, 179,000.
"(4) For the Air Force, 357,400.".

**SEC. 403. ADDITIONAL AUTHORITY FOR INCREASES OF ARMY AND MARINE CORPS ACTIVE DUTY END STRENGTHS FOR FISCAL YEARS 2007 THROUGH 2009.**

Effective October 1, 2006, the text of section 403 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1863) is amended to read as follows:

"(a) AUTHORITY.—

"(1) ARMY.—For each of fiscal years 2007, 2008, and 2009, the Secretary of Defense may, as the Secretary determines necessary for the purposes specified in paragraph (3), establish the active-duty end strength for the Army at a number greater than the number otherwise authorized by law up to the number equal to the fiscal-year 2006 baseline plus 20,000.

"(2) MARINE CORPS.—For each of fiscal years 2007, 2008, and 2009, the Secretary of Defense may, as the Secretary determines necessary for the purposes specified in paragraph (3), establish the active-duty end strength for the Marine Corps at a number greater than the number otherwise authorized by law up to the number equal to the fiscal-year 2006 baseline plus 5,000.

"(3) PURPOSE OF INCREASES.—The purposes for which increases may be made in Army and Marine Corps active duty end strengths under paragraphs (1) and (2) are—

"(A) to support operational missions; and

"(B) to achieve transformational reorganization objectives, including objectives for increased numbers of combat

brigades and battalions, increased unit manning, force stabilization and shaping, and rebalancing of the active and reserve component forces.

"(4) FISCAL-YEAR 2006 BASELINE.—In this subsection, the term 'fiscal-year 2006 baseline', with respect to the Army and Marine Corps, means the active-duty end strength authorized for those services in section 401 of the National Defense Authorization Act for Fiscal Year 2006.

"(5) ACTIVE-DUTY END STRENGTH.—In this subsection, the term 'active-duty end strength' means the strength for active-duty personnel of one the Armed Forces as of the last day of a fiscal year.

"(b) RELATIONSHIP TO PRESIDENTIAL WAIVER AUTHORITY.—Nothing in this section shall be construed to limit the President's authority under section 123a of title 10, United States Code, to waive any statutory end strength in a time of war or national emergency.

"(c) RELATIONSHIP TO OTHER VARIANCE AUTHORITY.—The authority under subsection (a) is in addition to the authority to vary authorized end strengths that is provided in subsections (e) and (f) of section 115 of title 10, United States Code.

"(d) BUDGET TREATMENT.—

"(1) FISCAL YEAR 2007 BUDGET.—The budget for the Department of Defense for fiscal year 2007 as submitted to Congress shall comply, with respect to funding, with subsections (c) and (d) of section 691 of title 10, United States Code.

"(2) OTHER INCREASES.—If the Secretary of Defense plans to increase the Army or Marine Corps active duty end strength for a fiscal year under subsection (a), then the budget for the Department of Defense for that fiscal year as submitted to Congress shall include the amounts necessary for funding that active duty end strength in excess of the fiscal year 2006 active duty end strength authorized for that service under section 401 of the National Defense Authorization Act for Fiscal Year 2006.".

## 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, 2006, as follows:

(1) The Army National Guard of the United States, 350,000.
(2) The Army Reserve, 205,000.
(3) The Navy Reserve, 73,100.
(4) The Marine Corps Reserve, 39,600.
(5) The Air National Guard of the United States, 106,800.
(6) The Air Force Reserve, 74,000.
(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, 2006, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 27,396.

(2) The Army Reserve, 15,270.

(3) The Navy Reserve, 13,392.

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

(5) The Air National Guard of the United States, 13,123.

(6) The Air Force Reserve, 2,290.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 2006 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 7,649.

(2) For the Army National Guard of the United States, 25,563.

(3) For the Air Force Reserve, 9,852.

(4) For the Air National Guard of the United States, 22,971.

**SEC. 414. FISCAL YEAR 2006 LIMITATION ON NUMBER OF NON-DUAL STATUS TECHNICIANS.**

(a) LIMITATIONS.—

(1) NATIONAL GUARD.—Within the limitation provided in section 10217(c)(2) of title 10, United States Code, the number of non-dual status technicians employed by the National Guard as of September 30, 2006, may not exceed the following:

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

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

(2) ARMY RESERVE.—The number of non-dual status technicians employed by the Army Reserve as of September 30, 2006, may not exceed 695.

(3) AIR FORCE RESERVE.—The number of non-dual status technicians employed by the Air Force Reserve as of September 30, 2006, may not exceed 90.

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

**SEC. 415. MAXIMUM NUMBER OF RESERVE PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY FOR OPERATIONAL SUPPORT.**

During fiscal year 2006, the maximum number of members of the reserve components of the Armed Forces who may be serving at any time on full-time operational support duty under section 115(b) of title 10, United States Code, is the following:

(1) The Army National Guard of the United States, 17,000.
(2) The Army Reserve, 13,000.
(3) The Naval Reserve, 6,200.
(4) The Marine Corps Reserve, 3,000.
(5) The Air National Guard of the United States, 16,000.
(6) The Air Force Reserve, 14,000.

## Subtitle C—Authorization of Appropriations

**SEC. 421. MILITARY PERSONNEL.**

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2006 a total of $108,942,746,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2006.

**SEC. 422. ARMED FORCES RETIREMENT HOME.**

There is hereby authorized to be appropriated for fiscal year 2006 from the Armed Forces Retirement Home Trust Fund the sum of $58,281,000 for the operation of the Armed Forces Retirement Home.

# TITLE V—MILITARY PERSONNEL POLICY

### SUBTITLE A—OFFICER PERSONNEL POLICY

Sec. 501. Temporary increase in percentage limits on reduction of time-in-grade requirements for retirement in grade upon voluntary retirement.
Sec. 502. Two-year renewal of temporary authority to reduce minimum length of commissioned service required for voluntary retirement as an officer.
Sec. 503. Exclusion from active-duty general and flag officer distribution and strength limitations of officers on leave pending separation or retirement or between senior positions.
Sec. 504. Consolidation of grade limitations on officer assignment and insignia practice known as frocking.
Sec. 505. Clarification of deadline for receipt by promotion selection boards of certain communications from eligible officers.
Sec. 506. Furnishing to promotion selection boards of adverse information on officers eligible for promotion to certain senior grades.
Sec. 507. Applicability of officer distribution and strength limitations to officers serving in intelligence community positions.
Sec. 508. Grades of the Judge Advocates General.
Sec. 509. Authority to retain permanent professors at the Naval Academy beyond 30 years of active commissioned service.
Sec. 510. Authority for designation of a general/flag officer position on the Joint Staff to be held by reserve component general or flag officer on active duty.

**SUBTITLE B—RESERVE COMPONENT MANAGEMENT**

Sec. 511. Separation at age 64 for reserve component senior officers.
Sec. 512. Modification of strength-in-grade limitations applicable to Reserve flag officers in active status.
Sec. 513. Military technicians (dual status) mandatory separation.
Sec. 514. Military retirement credit for certain service by National Guard members performed while in a State duty status immediately after the terrorist attacks of September 11, 2001.
Sec. 515. Redesignation of the Naval Reserve as the Navy Reserve.
Sec. 516. Clarification of certain authorities relating to the Commission on the National Guard and Reserves.
Sec. 517. Report on employment matters for members of the reserve components.
Sec. 518. Defense Science Board study on deployment of members of the National Guard and Reserves in the Global War on Terrorism.
Sec. 519. Sense of Congress on certain matters relating to the National Guard and Reserves.
Sec. 520. Pilot program on enhanced quality of life for members of the Army Reserve and their families.

**SUBTITLE C—EDUCATION AND TRAINING**

PART I—DEPARTMENT OF DEFENSE SCHOOLS GENERALLY

Sec. 521. Authority for National Defense University award of degree of Master of Science in Joint Campaign Planning and Strategy.
Sec. 522. Authority for certain professional military education schools to receive faculty research grants for certain purposes.

PART II—UNITED STATES NAVAL POSTGRADUATE SCHOOL

Sec. 523. Revision to mission of the Naval Postgraduate School.
Sec. 524. Modification of eligibility for position of President of the Naval Postgraduate School.
Sec. 525. Increased enrollment for eligible defense industry employees in the defense product development program at Naval Postgraduate School.
Sec. 526. Instruction for enlisted personnel by the Naval Postgraduate School.

PART III—RESERVE OFFICERS' TRAINING CORPS

Sec. 531. Repeal of limitation on amount of financial assistance under ROTC scholarship programs.
Sec. 532. Increase in annual limit on number of ROTC scholarships under Army Reserve and National Guard program.
Sec. 533. Procedures for suspending financial assistance and subsistence allowance for Senior ROTC cadets and midshipmen on the basis of health-related conditions.
Sec. 534. Eligibility of United States nationals for appointment to the Senior Reserve Officers' Training Corps.
Sec. 535. Promotion of foreign language skills among members of the Reserve Officers' Training Corps.
Sec. 536. Designation of Ike Skelton Early Commissioning Program Scholarships.

PART IV—OTHER MATTERS

Sec. 537. Enhancement of educational loan repayment authorities.
Sec. 538. Payment of expenses of members of the Armed Forces to obtain professional credentials.
Sec. 539. Use of Reserve Montgomery GI Bill benefits and benefits for mobilized members of the Selected Reserve and National Guard for payments for licensing or certification tests.
Sec. 540. Modification of educational assistance for reserves supporting contingency and other operations.

**SUBTITLE D—GENERAL SERVICE REQUIREMENTS**

Sec. 541. Ground combat and other exclusion policies.
Sec. 542. Uniform citizenship or residency requirements for enlistment in the Armed Forces.
Sec. 543. Increase in maximum age for enlistment.
Sec. 544. Increase in maximum term of original enlistment in regular component.
Sec. 545. National Call to Service program.
Sec. 546. Reports on information provided to potential recruits and to new entrants into the Armed Forces on "stop loss" authorities and initial period of military service obligation.

**SUBTITLE E—MILITARY JUSTICE AND LEGAL ASSISTANCE MATTERS**

Sec. 551. Offense of stalking under the Uniform Code of Military Justice.

Sec. 552. Rape, sexual assault, and other sexual misconduct under Uniform Code of Military Justice.
Sec. 553. Extension of statute of limitations for murder, rape, and child abuse offenses under the Uniform Code of Military Justice.
Sec. 554. Reports by officers and senior enlisted members of conviction of criminal law.
Sec. 555. Clarification of authority of military legal assistance counsel to provide military legal assistance without regard to licensing requirements.
Sec. 556. Use of teleconferencing in administrative sessions of courts-martial.
Sec. 557. Sense of Congress on applicability of Uniform Code of Military Justice to Reserves on inactive-duty training overseas.

**SUBTITLE F—MATTERS RELATING TO CASUALTIES**

Sec. 561. Authority for members on active duty with disabilities to participate in Paralympic Games.
Sec. 562. Policy and procedures on casualty assistance to survivors of military decedents.
Sec. 563. Policy and procedures on assistance to severely wounded or injured service members.
Sec. 564. Designation by members of the Armed Forces of persons authorized to direct the disposition of member remains.

**SUBTITLE G—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR DEFENSE DEPENDENTS EDUCATION**

Sec. 571. Expansion of authorized enrollment in Department of Defense dependents schools overseas.
Sec. 572. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 573. Impact aid for children with severe disabilities.
Sec. 574. Continuation of impact aid assistance on behalf of dependents of certain members despite change in status of member.

**SUBTITLE H—DECORATIONS AND AWARDS**

Sec. 576. Eligibility for Operation Enduring Freedom campaign medal.

**SUBTITLE I—CONSUMER PROTECTION MATTERS**

Sec. 577. Requirement for regulations on policies and procedures on personal commercial solicitations on Department of Defense installations.
Sec. 578. Consumer education for members of the Armed Forces and their spouses on insurance and other financial services.
Sec. 579. Report on predatory lending practices directed at members of the Armed Forces and their dependents.

**SUBTITLE J—REPORTS AND SENSE OF CONGRESS STATEMENTS**

Sec. 581. Report on need for a personnel plan for linguists in the Armed Forces.
Sec. 582. Sense of Congress that colleges and universities give equal access to military recruiters and ROTC in accordance with the Solomon Amendment and requirement for report to Congress.
Sec. 583. Sense of Congress concerning study of options for providing homeland defense education.
Sec. 584. Sense of Congress recognizing the diversity of the members of the Armed Forces serving in Operation Iraqi Freedom and Operation Enduring Freedom and honoring their sacrifices and the sacrifices of their families.

**SUBTITLE K—OTHER MATTERS**

Sec. 589. Expansion and enhancement of authority to present recognition items for recruitment and retention purposes.
Sec. 590. Extension of date of submittal of report of Veterans' Disability Benefits Commission.
Sec. 591. Recruitment and enlistment of home-schooled students in the Armed Forces.
Sec. 592. Modification of requirement for certain intermediaries under certain authorities relating to adoptions.
Sec. 593. Adoption leave for members of the Armed Forces adopting children.
Sec. 594. Addition of information to be covered in mandatory preseparation counseling.
Sec. 595. Report on Transition Assistance Programs.
Sec. 596. Improvement to Department of Defense capacity to respond to sexual assault affecting members of the Armed Forces.

Sec. 597. Authority for appointment of Coast Guard flag officer as Chief of Staff to the President.
Sec. 598. Prayer at military service academy activities.
Sec. 599. Modification of authority to make military working dogs available for adoption.

# Subtitle A—Officer Personnel Policy

**SEC. 501. TEMPORARY INCREASE IN PERCENTAGE LIMITS ON REDUCTION OF TIME-IN-GRADE REQUIREMENTS FOR RETIREMENT IN GRADE UPON VOLUNTARY RETIREMENT.**

Section 1370(a)(2) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(F) Notwithstanding subparagraph (E), during the period ending on December 31, 2007, the number of lieutenant colonels and colonels of the Air Force, and the number of commanders and captains of the Navy, for whom a reduction is made under this section during any fiscal year in the period of service-in-grade otherwise required under this paragraph may not exceed four percent of the authorized active-duty strength for that fiscal year for officers of that armed force in that grade.".

**SEC. 502. TWO-YEAR RENEWAL OF TEMPORARY AUTHORITY TO REDUCE MINIMUM LENGTH OF COMMISSIONED SERVICE REQUIRED FOR VOLUNTARY RETIREMENT AS AN OFFICER.**

(a) ARMY.—Section 3911(b) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(b)";

(2) in paragraph (1), as so designated, by striking "during the period beginning on October 1, 1990, and ending on December 31, 2001" and inserting "during the period specified in paragraph (2),"; and

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

"(2) The period specified in this paragraph is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2006 and ending on December 31, 2008.".

(b) NAVY AND MARINE CORPS.—Section 6323(a)(2) of such title is amended—

(1) by inserting "(A)" after "(2)";

(2) in subparagraph (A), as so designated, by striking "during the period beginning on October 1, 1990, and ending on December 31, 2001" and inserting "during the period specified in subparagraph (B),"; and

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

"(B) The period specified in this subparagraph is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2006 and ending on December 31, 2008.".

(c) AIR FORCE.—Section 8911(b) of such title is amended—

(1) by inserting "(1)" after "(b)";

(2) in paragraph (1), as so designated, by striking "during the period beginning on October 1, 1990, and ending on December 31, 2001" and inserting "during the period specified in paragraph (2),"; and

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

"(2) The period specified in this paragraph is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2006 and ending on December 31, 2008.".

**SEC. 503. EXCLUSION FROM ACTIVE-DUTY GENERAL AND FLAG OFFICER DISTRIBUTION AND STRENGTH LIMITATIONS OF OFFICERS ON LEAVE PENDING SEPARATION OR RETIREMENT OR BETWEEN SENIOR POSITIONS.**

(a) DISTRIBUTION LIMITATIONS.—Section 525 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) In determining the total number of general officers or flag officers of an armed force on active duty for purposes of this section, the following officers shall not be counted:

"(1) An officer of that armed force in the grade of brigadier general or above or, in the case of the Navy, in the grade of rear admiral (lower half) or above, who is on leave pending the retirement, separation, or release of that officer from active duty, but only during the 60-day period beginning on the date of the commencement of such leave of such officer.

"(2) An officer of that armed force who has been relieved from a position designated under section 601(a) of this title and is under orders to assume another such position, but only during the 60-day period beginning on the date on which those orders are published.".

(b) ACTIVE-DUTY STRENGTH LIMITATIONS.—

(1) IN GENERAL.—Section 526 of such title is amended by adding at the end the following new subsection:

"(e) EXCLUSION OF CERTAIN OFFICERS PENDING SEPARATION OR RETIREMENT OR BETWEEN SENIOR POSITIONS.—The limitations of this section do not apply to a general or flag officer who is covered by an exclusion under section 525(e) of this title.".

(2) CONFORMING AMENDMENT.—The heading of subsection (d) of such section is amended by striking "CERTAIN OFFICERS" and inserting "CERTAIN RESERVE OFFICERS".

(c) PROHIBITION OF FROCKING TO GRADES ABOVE MAJOR GENERAL AND REAR ADMIRAL.—Section 777(a) of such title is amended by inserting "in a grade below the grade of major general or, in the case of the Navy, rear admiral," after "An officer" in the first sentence.

**SEC. 504. CONSOLIDATION OF GRADE LIMITATIONS ON OFFICER ASSIGNMENT AND INSIGNIA PRACTICE KNOWN AS FROCKING.**

Section 777(d) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "brigadier generals and Navy rear admirals (lower half)" and inserting "colonels, Navy captains, brigadier generals, and rear admirals (lower half)"; and

(B) by striking "the grade of" and all that follows through "30" and inserting "the next higher grade may not exceed 85";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

**SEC. 505. CLARIFICATION OF DEADLINE FOR RECEIPT BY PROMOTION SELECTION BOARDS OF CERTAIN COMMUNICATIONS FROM ELIGIBLE OFFICERS.**

(a) OFFICERS ON ACTIVE-DUTY LIST.—Section 614(b) of title 10, United States Code, is amended in the first sentence by inserting "the day before" after "not later than".

(b) OFFICERS ON RESERVE ACTIVE-STATUS LIST.—Section 14106 of such title is amended in the second sentence by inserting "the day before" after "not later than".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on March 1, 2006, and shall apply with respect to selection boards convened on or after that date.

**SEC. 506. FURNISHING TO PROMOTION SELECTION BOARDS OF ADVERSE INFORMATION ON OFFICERS ELIGIBLE FOR PROMOTION TO CERTAIN SENIOR GRADES.**

(a) OFFICERS ON ACTIVE-DUTY LIST.—

(1) IN GENERAL.—Section 615(a) of title 10, United States Code, is amended—

(A) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively; and

(B) by inserting after paragraph (2) the following new paragraph (3):

"(3) In the case of an eligible officer considered for promotion to a grade above colonel or, in the case of the Navy, captain, any credible information of an adverse nature, including any substantiated adverse finding or conclusion from an officially documented investigation or inquiry, shall be furnished to the selection board in accordance with standards and procedures set out in the regulations prescribed by the Secretary of Defense pursuant to paragraph (1).".

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

(A) in paragraph (4), as redesignated by paragraph (1)(A) of this subsection, by striking "paragraph (2)" and inserting "paragraphs (2) and (3)";

(B) in paragraph (5), as so redesignated, by striking "and (3)" and inserting ", (3), and (4)";

(C) in paragraph (6), as so redesignated—

(i) in the matter preceding subparagraph (A), by inserting ", or in paragraph (3)," after "paragraph (2)"; and

(ii) in subparagraph (B), by inserting "or (3), as applicable" after "paragraph (2)"; and

(D) in subparagraph (A) of paragraph (7), as so redesignated, by inserting "or (3)" after "paragraph (2)(B)".

(b) RESERVE OFFICERS.—

(1) IN GENERAL.—Section 14107(a) of title 10, United States Code, is amended—

(A) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively; and

(B) by inserting after paragraph (2) the following new paragraph (3):

"(3) In the case of an eligible officer considered for promotion to a grade above colonel or, in the case of the Navy, captain, any credible information of an adverse nature, including any

substantiated adverse finding or conclusion from an officially documented investigation or inquiry, shall be furnished to the selection board in accordance with standards and procedures set out in the regulations prescribed by the Secretary of Defense pursuant to paragraph (1).".

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

(A) in paragraph (4), as redesignated by paragraph (1)(A) of this subsection, by striking "paragraph (2)" and inserting "paragraphs (2) and (3)";

(B) in paragraph (5), as so redesignated, by striking "and (3)" and inserting ", (3), and (4)";

(C) in paragraph (6), as so redesignated—

(i) in the matter preceding subparagraph (A), by inserting ", or in paragraph (3)," after "paragraph (2)"; and

(ii) in subparagraph (B), by inserting "or (3), as applicable" after "paragraph (2)"; and

(D) in subparagraph (A) of paragraph (7), as so redesignated, by inserting "or (3)" after "paragraph (2)(B)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2006, and shall apply with respect to promotion selection boards convened on or after that date.

**SEC. 507. APPLICABILITY OF OFFICER DISTRIBUTION AND STRENGTH LIMITATIONS TO OFFICERS SERVING IN INTELLIGENCE COMMUNITY POSITIONS.**

(a) IN GENERAL.—Section 528 of title 10, United States Code, is amended to read as follows:

**"§ 528. Exclusion: officers serving in certain intelligence positions**

"(a) EXCLUSION OF OFFICER SERVING IN CERTAIN CIA POSITIONS.—When either of the individuals serving in a position specified in subsection (b) is an officer of the armed forces, one of those officers, while serving in that position, shall be excluded from the limitations in sections 525 and 526 of this title.

"(b) COVERED POSITIONS.—The positions referred to in this subsection are the following:

"(1) Director of the Central Intelligence Agency.

"(2) Deputy Director of the Central Intelligence Agency.

"(c) ASSOCIATE DIRECTOR OF CIA FOR MILITARY SUPPORT.—An officer of the armed forces serving in the position of Associate Director of the Central Intelligence Agency for Military Support, while serving in that position, shall be excluded from the limitations in sections 525 and 526 of this title.

"(d) OFFICERS SERVING IN OFFICE OF DNI.—A general or flag officer of the armed forces assigned to a position in the Office of the Director of National Intelligence designated by agreement between the Secretary of Defense and the Director of National Intelligence, while serving in that position, shall be excluded from the limitations in sections 525 and 526 of this title, except that not more than five such officers may be so excluded at any time.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 32 of such title is amended to read as follows:

"528. Exclusion: officers serving in certain intelligence positions.".

**SEC. 508. GRADES OF THE JUDGE ADVOCATES GENERAL.**

(a) JUDGE ADVOCATE GENERAL OF THE ARMY.—Section 3037(a) of title 10, United States Code, is amended by striking the last sentence and inserting the following new sentences: "The Judge Advocate General, while so serving, shall hold a grade not lower than major general. An officer appointed as Assistant Judge Advocate General who holds a lower regular grade shall be appointed in the regular grade of major general.".

(b) JUDGE ADVOCATE GENERAL OF THE NAVY.—Section 5148(b) of such title is amended by striking the last sentence and inserting the following new sentence: "The Judge Advocate General, while so serving, shall hold a grade not lower than rear admiral or major general, as appropriate.".

(c) JUDGE ADVOCATE GENERAL OF THE AIR FORCE.—Section 8037(a) of such title is amended by striking the last sentence and inserting the following new sentence: "The Judge Advocate General, while so serving, shall hold a grade not lower than major general.".

**SEC. 509. AUTHORITY TO RETAIN PERMANENT PROFESSORS AT THE NAVAL ACADEMY BEYOND 30 YEARS OF ACTIVE COMMISSIONED SERVICE.**

(a) WAIVER OF MANDATORY RETIREMENT FOR YEARS OF SERVICE.—

(1) LIEUTENANT COLONELS AND COMMANDERS.—Section 633 of title 10, United States Code, is amended—

(A) by striking "Except an" and all that follows through "except as provided" and inserting "(a) 28 YEARS OF ACTIVE COMMISSIONED SERVICE.—Except as provided in subsection (b) and as provided"; and

(B) by adding at the end the following:

"(b) EXCEPTIONS.—Subsection (a) does not apply to the following:

"(1) An officer of the Navy or Marine Corps who is an officer designated for limited duty to whom section 5596(e) or 6383 of this title applies.

"(2) An officer of the Navy or Marine Corps who is a permanent professor at the United States Naval Academy.".

(2) COLONELS AND NAVY CAPTAINS.—Section 634 of such title is amended—

(A) by striking "Except an" and all that follows through "except as provided" and inserting "(a) 30 YEARS OF ACTIVE COMMISSIONED SERVICE.—Except as provided in subsection (b) and as provided"; and

(B) by adding at the end the following:

"(b) EXCEPTIONS.—Subsection (a) does not apply to the following:

"(1) An officer of the Navy who is designated for limited duty to whom section 6383(a)(4) of this title applies.

"(2) An officer of the Navy or Marine Corps who is a permanent professor at the United States Naval Academy.".

(b) AUTHORITY FOR RETENTION OF PERMANENT PROFESSORS BEYOND 30 YEARS.—

(1) AUTHORITY.—Chapter 603 of such title is amended by inserting after section 6969 the following new section:

**"§ 6970. Permanent professors: retirement for years of service; authority for deferral**

"(a) RETIREMENT FOR YEARS OF SERVICE.—(1) Except as provided in subsection (b), an officer of the Navy or Marine Corps serving as a permanent professor at the Naval Academy in the grade of commander or lieutenant colonel who is not on a list of officers recommended for promotion to the grade of captain or colonel, as the case may be, shall, if not earlier retired, be retired on the first day of the month after the month in which the officer completes 28 years of active commissioned service.

"(2) Except as provided in subsection (b), an officer of the Navy or Marine Corps serving as a permanent professor at the Naval Academy in the grade of captain or colonel who is not on a list of officers recommended for promotion to the grade of rear admiral (lower half) or brigadier general, as the case may be, shall, if not earlier retired, be retired on the first day of the month after the month in which the officer completes 30 years of active commissioned service.

"(b) CONTINUATION ON ACTIVE DUTY.—(1) An officer subject to retirement under subsection (a) may have his retirement deferred and be continued on active duty by the Secretary of the Navy.

"(2) Subject to section 1252 of this title, the Secretary of the Navy shall determine the period of any continuation on active duty under this section.

"(c) ELIGIBILITY FOR PROMOTION.—A permanent professor at the Naval Academy in the grade of commander or lieutenant colonel who is continued on active duty as a permanent professor under subsection (b) remains eligible for consideration for promotion to the grade of captain or colonel, as the case may be.

"(d) RETIRED GRADE AND RETIRED PAY.—Each officer retired under this section—

"(1) unless otherwise entitled to a higher grade, shall be retired in the grade determined under section 1370 of this title; and

"(2) is entitled to retired pay computed under section 6333 of this title.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6969 the following new item:

"6970. Permanent professors: retirement for years of service; authority for deferral.".

(c) MANDATORY RETIREMENT AT AGE 64.—

(1) REORGANIZATION AND STANDARDIZATION.—Chapter 63 of such title is amended by inserting after section 1251 the following new section:

**"§ 1252. Age 64: permanent professors at academies**

"(a) MANDATORY RETIREMENT FOR AGE.—Unless retired or separated earlier, each regular commissioned officer of the Army, Navy, Air Force, or Marine Corps covered by subsection (b) shall be retired on the first day of the month following the month in which the officer becomes 64 years of age.

"(b) COVERED OFFICERS.—This section applies to the following officers:

"(1) An officer who is a permanent professor or the director of admissions of the United States Military Academy.

"(2) An officer who is a permanent professor at the United States Naval Academy.

"(3) An officer who is a permanent professor or the registrar of the United States Air Force Academy.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1251 the following new item:

"1252. Age 64: permanent professors at academies.".

(3) CONFORMING AMENDMENT.—Section 1251(a) of such title is amended—

(A) in the first sentence, by inserting ", a permanent professor at the United States Naval Academy," after "Air Force Academy"; and

(B) by striking the second sentence.

(d) CONFORMING AMENDMENTS RELATING TO COMPUTATION OF RETIRED PAY.—

(1) AGE 64 RETIREMENT.—Chapter 71 of such title is amended—

(A) in the table in section 1401(a), by inserting at the bottom of the column under the heading "For sections", in the entry for Formula Number 5, the following: "1252"; and

(B) in the table in section 1406(b)(1), by inserting at the bottom of the first column the following: "1252".

(2) YEARS-OF-SERVICE RETIREMENT.—Section 6333(a) of such title is amended—

(A) in the matter preceding the table, by inserting "6970 or" after "section"; and

(B) in the table, by inserting "6970" immediately below "6325(b)" in the column under the heading "For sections", in the entry for Formula B.

**SEC. 510. AUTHORITY FOR DESIGNATION OF A GENERAL/FLAG OFFICER POSITION ON THE JOINT STAFF TO BE HELD BY RESERVE COMPONENT GENERAL OR FLAG OFFICER ON ACTIVE DUTY.**

Section 526(b)(2)(A) of title 10, United States Code, is amended by inserting ", and a general and flag officer position on the Joint Staff," after "combatant commands".

# Subtitle B—Reserve Component Management

**SEC. 511. SEPARATION AT AGE 64 FOR RESERVE COMPONENT SENIOR OFFICERS.**

Section 14512(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" before "Unless retired,";

(2) by striking "who is Chief" and all that follows through "of a State," and inserting "who is specified in paragraph (2)"; and

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

"(2) Paragraph (1) applies to a reserve officer of the Army or Air Force who is any of the following:

"(A) The Chief of the National Guard Bureau.

"(B) The Chief of the Army Reserve, Chief of the Air Force Reserve, Director of the Army National Guard, or Director of the Air National Guard.

"(C) An adjutant general.

"(D) If a reserve officer of the Army, the commanding general of the troops of a State.".

**SEC. 512. MODIFICATION OF STRENGTH-IN-GRADE LIMITATIONS APPLICABLE TO RESERVE FLAG OFFICERS IN ACTIVE STATUS.**

(a) LINE OFFICERS.—The table in paragraph (1) of section 12004(c) of title 10, United States Code, is amended by striking "28" in the item relating to Line officers and inserting "33".

(b) MEDICAL DEPARTMENT STAFF CORPS OFFICERS.—Such table is further amended by striking "9" in the item relating to Medical Department staff corps officers and inserting "5".

(c) SUPPLY CORPS OFFICERS.—Paragraph (2)(A) of such section is amended by striking "seven" and inserting "six".

(d) CONFORMING AMENDMENT.—Paragraph (1) of such section is further amended in the matter preceding the table by striking "39" and inserting "40".

**SEC. 513. MILITARY TECHNICIANS (DUAL STATUS) MANDATORY SEPARATION.**

(a) DEFERRAL OF SEPARATION.—Section 10216 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) DEFERRAL OF MANDATORY SEPARATION.—The Secretary of the Army shall implement personnel policies so as to allow a military technician (dual status) who continues to meet the requirements of this section for dual status to continue to serve beyond a mandatory removal date for officers, and any applicable maximum years of service limitation, until the military technician (dual status) reaches age 60 and attains eligibility for an unreduced annuity (as defined in section 10218(c) of this title).".

(b) EFFECTIVE DATE.—The Secretary of the Army shall implement subsection (f) of section 10216 of title 10, United States Code, as added by subsection (a), not later than 90 days after the date of the enactment of this Act.

**SEC. 514. MILITARY RETIREMENT CREDIT FOR CERTAIN SERVICE BY NATIONAL GUARD MEMBERS PERFORMED WHILE IN A STATE DUTY STATUS IMMEDIATELY AFTER THE TERRORIST ATTACKS OF SEPTEMBER 11, 2001.**

(a) RETIREMENT CREDIT.—Service of a member of the Ready Reserve of the Army National Guard or Air National Guard described in subsection (b) shall be deemed to be service creditable under section 12732(a)(2)(A)(i) of title 10, United States Code.

(b) COVERED SERVICE.—Service referred to in subsection (a) is full-time State active duty service that a member of the National Guard performed on or after September 11, 2001, and before October 1, 2002, in any of the counties specified in subsection (c) to support a Federal declaration of emergency following the terrorist attacks on the United States of September 11, 2001.

(c) COVERED COUNTIES.—The counties referred to in subsection (b) are the following:

(1) In the State of New York: Bronx, Kings, New York (boroughs of Brooklyn and Manhattan), Queens, Richmond,

Delaware, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Sullivan, Ulster, and Westchester.

(2) In the State of Virginia: Arlington.

(d) APPLICABILITY.—Subsection (a) shall take effect as of September 11, 2001.

**SEC. 515. REDESIGNATION OF THE NAVAL RESERVE AS THE NAVY RESERVE.**

(a) REDESIGNATION OF RESERVE COMPONENT.—

(1) REDESIGNATION.—The reserve component of the Armed Forces known as the Naval Reserve is redesignated as the Navy Reserve.

(2) CONFORMING REPEAL.—Section 517 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1884; 10 U.S.C. 10101 note) is repealed.

(b) CONFORMING AMENDMENTS TO TITLE 10, UNITED STATES CODE.—

(1) TEXT AMENDMENTS.—Title 10, United States Code, is amended by striking "Naval Reserve" each place it appears in the following provisions and inserting "Navy Reserve":

(A) Section 513(a).
(B) Section 516.
(C) Section 526(b)(2)(C)(i).
(D) Section 971(a).
(E) Section 5001(a)(1).
(F) Section 5143.
(G) Section 5596(c).
(H) Section 6323(f).
(I) Section 6327.
(J) Section 6330(b).
(K) Section 6331(a)(2).
(L) Section 6336.
(M) Section 6389.
(N) Section 6911(c)(1).
(O) Section 6913(a).
(P) Section 6915.
(Q) Section 6954(b)(3).
(R) Section 6956(a)(2).
(S) Section 6959.
(T) Section 7225.
(U) Section 7226.
(V) Section 7605(1).
(W) Section 7852.
(X) Section 7853.
(Y) Section 7854.
(Z) Section 10101(3).
(AA) Section 10108.
(BB) Section 10172.
(CC) Section 10301(a)(7).
(DD) Section 10303.
(EE) Section 12004(e)(2).
(FF) Section 12005.
(GG) Section 12010.
(HH) Section 12011(a)(2).
(II) Section 12012(a).
(JJ) Section 12103.

(KK) Section 12205.
(LL) Section 12207(b)(2).
(MM) Section 12732.
(NN) Section 12774(b) (other than the first place it appears).
(OO) Section 14002(b).
(PP) Section 14101(a)(1).
(QQ) Section 14107(d).
(RR) Section 14302(a)(1)(A).
(SS) Section 14313(b).
(TT) Section 14501(a).
(UU) Section 14512(b).
(VV) Section 14705(a).
(WW) Section 16201(d)(1)(B)(ii).

(2) SUBSECTION CAPTION AMENDMENTS.—Such title is further amended in sections 971(a) and 5143(a) by striking "NAVAL RESERVE" and inserting "NAVY RESERVE".

(3) SECTION HEADING AMENDMENTS.—Such title is further amended as follows:

(A) The heading of section 5143 is amended to read as follows:

**"§ 5143. Office of Navy Reserve: appointment of Chief".**

(B) The heading of section 6327 is amended to read as follows:

**"§ 6327. Officers and enlisted members of the Navy Reserve and Marine Corps Reserve: 30 years; 20 years; retired pay".**

(C) The heading of section 6389 is amended to read as follows:

**"§ 6389. Navy Reserve and Marine Corps Reserve; officers: elimination from active status; computation of total commissioned service".**

(D) The heading of section 7225 is amended to read as follows:

**"§ 7225. Navy Reserve flag".**

(E) The heading of section 7226 is amended to read as follows:

**"§ 7226. Navy Reserve yacht pennant".**

(F) The heading of section 10108 is amended to read as follows:

**"§ 10108. Navy Reserve: administration".**

(G) The heading of section 10172 is amended to read as follows:

**"§ 10172. Navy Reserve Force".**

(H) The heading of section 10303 is amended to read as follows:

**"§ 10303. Navy Reserve Policy Board".**

(I) The heading of section 12010 is amended to read as follows:

**"§ 12010. Computations for Navy Reserve and Marine Corps Reserve: rule when fraction occurs in final result".**

(J) The heading of section 14306 is amended to read as follows:

**"§ 14306. Establishment of promotion zones: Navy Reserve and Marine Corps Reserve running mate system".**

(4) TABLES OF SECTIONS AMENDMENTS.—Such title is further amended as follows:

(A) The item relating to section 5143 in the table of sections at the beginning of chapter 513 is amended to read as follows:

"5143. Office of Navy Reserve: appointment of Chief.".

(B) The item relating to section 6327 in the table of sections at the beginning of chapter 571 is amended to read as follows:

"6327. Officers and enlisted members of the Navy Reserve and Marine Corps Reserve: 30 years; 20 years; retired pay.".

(C) The item relating to section 6389 in the table of sections at the beginning of chapter 573 is amended to read as follows:

"6389. Navy Reserve and Marine Corps Reserve; officers: elimination from active status; computation of total commissioned service.".

(D) The items relating to sections 7225 and 7226 in the table of sections at the beginning of chapter 631 are amended to read as follows:

"7225. Navy Reserve flag.
"7226. Navy Reserve yacht pennant.".

(E) The item relating to section 10108 in the table of sections at the beginning of chapter 1003 is amended to read as follows:

"10108. Navy Reserve: administration.".

(F) The item relating to section 10172 in the table of sections at the beginning of chapter 1006 is amended to read as follows:

"10172. Navy Reserve Force.".

(G) The item relating to section 10303 in the table of sections at the beginning of chapter 1009 is amended to read as follows:

"10303. Navy Reserve Policy Board.".

(H) The item relating to section 12010 in the table of sections at the beginning of chapter 1201 is amended to read as follows:

"12010. Computations for Navy Reserve and Marine Corps Reserve: rule when fraction occurs in final result.".

(I) The item relating to section 14306 in the table of sections at the beginning of chapter 1405 is amended to read as follows:

"14306. Establishment of promotion zones: Navy Reserve and Marine Corps Reserve running mate system.".

(c) CONFORMING AMENDMENT TO TITLE 14, UNITED STATES CODE.—Section 705 of title 14, United States Code, is amended by striking "Naval Reserve" each place it appears and inserting "Navy Reserve".

(d) CONFORMING AMENDMENTS TO TITLE 37, UNITED STATES CODE.—

(1) TEXT AMENDMENTS.—Title 37, United States Code, is amended by striking "Naval Reserve" each place it appears in the following provisions and inserting "Navy Reserve":

(A) Section 101(24)(C).

(B) Section 201(d).

(C) Section 205(a)(2)(I).

(D) Section 301c(d).

(E) Section 319(a).

(F) Section 905.

(2) SUBSECTION CAPTION AMENDMENT.—Section 301c(d) of such title is further amended by striking "NAVAL RESERVE" and inserting "NAVY RESERVE".

(e) CONFORMING AMENDMENTS TO TITLE 38, UNITED STATES CODE.—Title 38, United States Code, is amended by striking "Naval Reserve" each place it appears in the following provisions and inserting "Navy Reserve":

(1) Section 101(27)(B).

(2) Section 3002(6)(C).

(3) Section 3202(1)(C)(iii).

(4) Section 3452(a)(3)(C).

(f) CONFORMING AMENDMENTS TO OTHER CODIFIED TITLES.—

(1) TITLE 5, UNITED STATES CODE.—Section 2108(1)(B) of title 5, United States Code, is amended by striking "Naval Reserve" and inserting "Navy Reserve".

(2) TITLE 18, UNITED STATES CODE.—Section 2387(b) of title 18, United States Code, is amended by striking "Naval Reserve" and inserting "Navy Reserve".

(3) TITLE 46, UNITED STATES CODE.—Title 46, United States Code, is amended as follows:

(A) Sections 8103(g) and 8302(g) are amended by striking "Naval Reserve" each place it appears and inserting "Navy Reserve".

(B) The heading of section 8103 is amended to read as follows:

**"§ 8103. Citizenship and Navy Reserve requirements".**

(C) The table of sections at the beginning of chapter 81 is amended by striking the item relating to section 8103 and inserting the following new item:

"8103. Citizenship and Navy Reserve requirements.".

(g) CONFORMING AMENDMENTS TO OTHER LAWS.—

(1) Section 2301(4)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6671(4)(C)) is amended by striking "Naval Reserve" and inserting "Navy Reserve".

(2) The Merchant Marine Act, 1936 is amended—

(A) by striking "Naval Reserve" each place it appears in sections 301(b) (46 U.S.C. App. 1131(b)), 1303 (46 U.S.C. App. 1295b), and 1304 (46 U.S.C. App. 1295c) and inserting "Navy Reserve"; and

(B) by striking "NAVAL RESERVE" in sections 1303(c) and 1304(h) and inserting "NAVY RESERVE":

(3) The Military Selective Service Act is amended—

(A) in section 6(a)(1) (50 U.S.C. App. 456(a)(1)), by striking "United States Naval Reserves" and inserting "members of the United States Navy Reserve"; and

(B) in section 16(i) (50 U.S.C. App. 466(i)), by striking "Naval Reserve" and inserting "Navy Reserve".

(h) OTHER REFERENCES.—Any reference in any law, regulation, document, record, or other paper of the United States to the Naval Reserve, other than a reference to the Naval Reserve regarding the United States Naval Reserve Retired List, shall be considered to be a reference to the Navy Reserve.

**SEC. 516. CLARIFICATION OF CERTAIN AUTHORITIES RELATING TO THE COMMISSION ON THE NATIONAL GUARD AND RESERVES.**

(a) NATURE OF COMMISSION.—Subsection (a) of section 513 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1880) is amended by inserting "in the legislative branch" after "There is established".

(b) PAY OF MEMBERS.—Subsection (e)(1) of such section is amended by striking "except that" and all that follows through the end and inserting "except that—

"(A) in applying the first sentence of subsection (a) of section 957 of such Act to the Commission, 'may' shall be substituted for 'shall'; and

"(B) in applying subsections (a), (c)(2), and (e) of section 957 of such Act to the Commission, 'level IV of the Executive Schedule' shall be substituted for 'level V of the Executive Schedule'.".

(c) TECHNICAL AMENDMENT.—Subsection (c)(2)(C) of such section is amended by striking "section 404(a)(4)" and inserting "section 416(a)(4)".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 28, 2004, as if included in the enactment of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005.

**SEC. 517. REPORT ON EMPLOYMENT MATTERS FOR MEMBERS OF THE RESERVE COMPONENTS.**

(a) REQUIREMENT FOR REPORT.—Not later than 270 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on problems faced by members of the reserve components with respect to employment as a result of being ordered to perform full-time National Guard duty or being ordered to active duty.

(b) SPECIFIC MATTERS.—In preparing the report under subsection (a), the Comptroller General shall include the following:

(1) TYPE OF EMPLOYERS.—An estimate of the number of employers of members of the reserve components who are private-sector employers and the number who are public-sector employers.

(2) SIZE OF EMPLOYERS.—An estimate of the number of employers of members of the reserve components who employ fewer than 50 full-time employees.

(3) SELF-EMPLOYED.—An estimate of the number of members of the reserve components who are self-employed.

(4) NATURE OF BUSINESS.—A description of the nature of the business of employers of members of the reserve components.

(5) REEMPLOYMENT DIFFICULTIES.—A description of difficulties faced by members of the reserve components in gaining reemployment after having performed full-time National Guard duty or active duty, including difficulties faced by members who are disabled as a result of their service.

**SEC. 518. DEFENSE SCIENCE BOARD STUDY ON DEPLOYMENT OF MEMBERS OF THE NATIONAL GUARD AND RESERVES IN THE GLOBAL WAR ON TERRORISM.**

(a) STUDY REQUIRED.—The Defense Science Board shall conduct a study on the length and frequency of the deployment of members of the National Guard and the Reserves as a result of the global war on terrorism.

(b) ELEMENTS.—The study required by subsection (a) shall include the following:

(1) An identification of the current range of lengths and frequencies of deployments of members of the National Guard and the Reserves.

(2) An assessment of the consequences for force structure, morale, and mission capability of deployments of members of the National Guard and the Reserves in the course of the global war on terrorism that are lengthy, frequent, or both.

(3) An identification of the optimal length and frequency of deployments of members of the National Guard and the Reserves during the global war on terrorism.

(4) An identification of mechanisms to reduce the length, frequency, or both of deployments of members of the National Guard and the Reserves during the global war on terrorism.

(c) REPORT.—Not later than May 1, 2006, the Defense Science Board shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the study required by subsection (a). The report shall include the results of the study and such recommendations as the Defense Science Board considers appropriate in light of the study.

**SEC. 519. SENSE OF CONGRESS ON CERTAIN MATTERS RELATING TO THE NATIONAL GUARD AND RESERVES.**

It is the sense of Congress—

(1) to recognize the important and integral role played by members of the Active Guard and Reserve and military technicians (dual status) in the efforts of the Armed Forces; and

(2) to urge the Secretary of Defense to promptly resolve issues relating to appropriate authority for payment of reenlistment bonuses stemming from reenlistment contracts entered into between January 14, 2005, and April 17, 2005, involving members of the Army National Guard and military technicians (dual status).

**SEC. 520. PILOT PROGRAM ON ENHANCED QUALITY OF LIFE FOR MEMBERS OF THE ARMY RESERVE AND THEIR FAMILIES.**

(a) PILOT PROGRAM REQUIRED.—

(1) IN GENERAL.—The Secretary of the Army shall carry out a pilot program to assess the feasibility and advisability of using a coalition of military and civilian community personnel in order to enhance the quality of life for members of the Army Reserve and their families.

(2) LOCATIONS.—The Secretary shall carry out the pilot program in areas of the United States in which members of the Army Reserve and their families are concentrated. The Secretary shall select one area in two States for purposes of the pilot program.

(b) PARTICIPATING PERSONNEL.—A coalition of personnel under the pilot program shall include—

(1) military personnel; and

(2) appropriate members of the civilian community, such as clinicians and teachers, who volunteer for participation in the coalition.

(c) REPORT.—Not later than April 1, 2007, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the pilot program carried out under this section. The report shall include—

(1) a description of the pilot program;

(2) an assessment of the benefits of using a coalition of military and civilian community personnel in order to enhance the quality of life for members of the Army Reserve and their families; and

(3) such recommendations for legislative or administrative action as the Secretary considers appropriate in light of the pilot program.

# Subtitle C—Education and Training

## PART I—DEPARTMENT OF DEFENSE SCHOOLS GENERALLY

### SEC. 521. AUTHORITY FOR NATIONAL DEFENSE UNIVERSITY AWARD OF DEGREE OF MASTER OF SCIENCE IN JOINT CAMPAIGN PLANNING AND STRATEGY.

(a) JOINT FORCES STAFF COLLEGE PROGRAM.—Section 2163 of title 10, United States Code, is amended to read as follows:

### "§ 2163. National Defense University: master of science degrees

"(a) AUTHORITY TO AWARD SPECIFIED DEGREES.—The President of the National Defense University, upon the recommendation of the faculty of the respective college or other school within the University, may confer the master of science degrees specified in subsection (b).

"(b) AUTHORIZED DEGREES.—The following degrees may be awarded under subsection (a):

"(1) MASTER OF SCIENCE IN NATIONAL SECURITY STRATEGY.—The degree of master of science in national security strategy, to graduates of the University who fulfill the requirements of the program of the National War College.

"(2) MASTER OF SCIENCE IN NATIONAL RESOURCE STRATEGY.—The degree of master of science in national resource strategy, to graduates of the University who fulfill the requirements of the program of the Industrial College of the Armed Forces.

"(3) MASTER OF SCIENCE IN JOINT CAMPAIGN PLANNING AND STRATEGY.—The degree of master of science in joint campaign planning and strategy, to graduates of the University who fulfill the requirements of the program of the Joint Advanced Warfighting School at the Joint Forces Staff College.

"(c) REGULATIONS.—The authority provided by this section shall be exercised under regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The item relating to section 2163 in the table of sections at the beginning of chapter 108 of such title is amended to read as follows:

"2163. National Defense University: master of science degrees.".

(c) EFFECTIVE DATE.—Paragraph (3) of section 2163(b) of title 10, United States Code, as amended by subsection (a), shall take effect for degrees awarded after May 2005.

**SEC. 522. AUTHORITY FOR CERTAIN PROFESSIONAL MILITARY EDUCATION SCHOOLS TO RECEIVE FACULTY RESEARCH GRANTS FOR CERTAIN PURPOSES.**

(a) NATIONAL DEFENSE UNIVERSITY.—Section 2165 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) ACCEPTANCE OF FACULTY RESEARCH GRANTS.—(1) The Secretary of Defense may authorize the President of the National Defense University to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of one of the institutions comprising the University for a scientific, literary, or educational purpose.

"(2) A qualifying research grant under this subsection is a grant that is awarded on a competitive basis by an entity referred to in paragraph (3) for a research project with a scientific, literary, or educational purpose.

"(3) A grant may be accepted under this subsection only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(4) The Secretary shall establish an account for administering funds received as research grants under this subsection. The President of the University shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(5) Subject to such limitations as may be provided in appropriations Acts, appropriations available for the National Defense University may be used to pay expenses incurred by the University in applying for, and otherwise pursuing, the award of qualifying research grants.

"(6) The Secretary shall prescribe regulations for the administration of this subsection.".

(b) ARMY WAR COLLEGE.—

(1) IN GENERAL.—Chapter 407 of such title is amended by adding at the end the following new section:

**"§ 4417. United States Army War College: acceptance of grants for faculty research for scientific, literary, and educational purposes**

"(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Army may authorize the Commandant of the United States Army War College to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the College for a scientific, literary, or educational purpose.

"(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

"(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The Commandant shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Army War College may be used to pay expenses incurred by the College in applying for, and otherwise pursuing, the award of qualifying research grants.

"(f) REGULATIONS.—The Secretary shall prescribe regulations for the administration of this section.".

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

"4417. United States Army War College: acceptance of grants for faculty research for scientific, literary, and educational purposes.".

(c) UNITED STATES NAVAL POSTGRADUATE SCHOOL.—

(1) IN GENERAL.—Chapter 605 of such title is amended by adding at the end the following new section:

**"§ 7050. Grants for faculty research for scientific, literary, and educational purposes: acceptance; authorized grantees**

"(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Navy may authorize the President of the Naval Postgraduate School to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the School for a scientific, literary, or educational purpose.

"(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

"(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The President of the Naval Postgraduate School shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Naval Postgraduate School may be used to pay expenses

incurred by the School in applying for, and otherwise pursuing, the award of qualifying research grants.

"(f) REGULATIONS.—The Secretary shall prescribe regulations for the administration of this section.".

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

"7050. Grants for faculty research for scientific, literary, and educational purposes: acceptance, authorized grantees.".

(d) NAVAL WAR COLLEGE AND MARINE CORPS UNIVERSITY.—

(1) IN GENERAL.—Chapter 609 of such title is amended by adding at the end the following new sections:

**"§ 7103. Naval War College: acceptance of grants for faculty research for scientific, literary, and educational purposes**

"(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Navy may authorize the President of the Naval War College to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the College for a scientific, literary, or educational purpose.

"(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

"(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The President of the Naval War College shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Naval War College may be used to pay expenses incurred by the College in applying for, and otherwise pursuing, the award of qualifying research grants.

"(f) REGULATIONS.—The Secretary shall prescribe regulations for the administration of this section.

**"§ 7104. Marine Corps University: acceptance of grants for faculty research for scientific, literary, and educational purposes**

"(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Navy may authorize the President of the Marine Corps University to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of one of the institutions comprising the University for a scientific, literary, or educational purpose.

"(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis

by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

"(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The President of the Marine Corps University shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Marine Corps University may be used to pay expenses incurred by the University in applying for, and otherwise pursuing, the award of qualifying research grants.

"(f) REGULATIONS.—The Secretary shall prescribe regulations for the administration of this section.".

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

"7103. Naval War College: acceptance of grants for faculty research for scientific, literary, and educational purposes.

"7104. Marine Corps University: acceptance of grants for faculty research for scientific, literary, and educational purposes.".

(e) UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY.—Section 9314 of such title is amended by adding at the end the following new subsection:

"(d) ACCEPTANCE OF RESEARCH GRANTS.—(1) The Secretary of the Air Force may authorize the Commandant of the United States Air Force Institute of Technology to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the Institute for a scientific, literary, or educational purpose.

"(2) A qualifying research grant under this subsection is a grant that is awarded on a competitive basis by an entity referred to in paragraph (3) for a research project with a scientific, literary, or educational purpose.

"(3) A grant may be accepted under this subsection only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(4) The Secretary shall establish an account for administering funds received as research grants under this section. The Commandant of the Institute shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(5) Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Institute may be used to pay expenses incurred by the Institute in applying for, and otherwise pursuing, the award of qualifying research grants.

"(6) The Secretary shall prescribe regulations for the administration of this subsection.".

(f) AIR WAR COLLEGE.—

(1) IN GENERAL.—Chapter 907 of such title is amended by adding at the end the following new section:

**"§ 9417. Air War College: acceptance of grants for faculty research for scientific, literary, and educational purposes**

"(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Air Force may authorize the Commandant of the Air War College to accept qualifying research grants. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the College for a scientific, literary, or educational purpose.

"(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

"(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The Commandant shall use the funds in the account in accordance with applicable provisions of the regulations and the terms and condition of the grants received.

"(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Air War College may be used to pay expenses incurred by the College in applying for, and otherwise pursuing, the award of qualifying research grants.

"(f) REGULATIONS.—The Secretary shall prescribe regulations for the administration of this section.".

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

"9417. Air War College: acceptance of grants for faculty research for scientific, literary, and educational purposes.".

## PART II—UNITED STATES NAVAL POSTGRADUATE SCHOOL

**SEC. 523. REVISION TO MISSION OF THE NAVAL POSTGRADUATE SCHOOL.**

(a) INCLUSION OF PROFESSIONAL EDUCATION AND RESEARCH OPPORTUNITIES.—The text of section 7041 of title 10, United States Code, is amended to read as follows:

"There is a United States Naval Postgraduate School, the primary function of which is to provide advanced instruction and professional and technical education and research opportunities for commissioned officers of the naval service in—

"(1) their practical and theoretical duties;

"(2) the science, physics, and systems engineering of current and future naval warfare doctrine, operations, and systems; and

"(3) the integration of naval operations and systems into joint, combined, and multinational operations.".

(b) CONFORMING AMENDMENT.—Section 7042(b)(1) of such title is amended by striking "and technical education of students" and

inserting "and professional and technical education of students and the provision of research opportunities for students".

**SEC. 524. MODIFICATION OF ELIGIBILITY FOR POSITION OF PRESIDENT OF THE NAVAL POSTGRADUATE SCHOOL.**

Subsection (a) of section 7042 of title 10, United States Code, is amended to read as follows:

"(a)(1) The President of the Naval Postgraduate School shall be one of the following:

"(A) An officer of the Navy in a grade not below the grade of captain who is detailed to such position.

"(B) A civilian individual having qualifications appropriate to the position of President of the Naval Postgraduate School who is assigned to such position.

"(2) The President of the Naval Postgraduate School shall be detailed or assigned to such position by the Secretary of the Navy, upon the recommendation of the Chief of Naval Operations.

"(3) An individual assigned to the position of President of the Naval Postgraduate School under paragraph (1)(B) shall serve in that position for a term of not more than five years and may be reassigned to that position for an additional term of up to five years.

"(4) The qualifications appropriate for selection for detail or assignment to the position of President of the Naval Postgraduate School include the following:

"(A) A doctorate degree in a field of study relevant to the mission and function of the Naval Postgraduate School, in the case of a civilian, or a doctorate or master's degree in such a field of study, in the case of an officer of the Navy.

"(B) A comprehensive understanding of the Navy, the Department of Defense, and joint and combined operations.

"(C) Leadership experience at the senior level in a large and diverse organization.

"(D) Demonstrated ability to foster and encourage a program of research in order to sustain academic excellence.

"(E) Other qualifications, as determined by the Secretary of the Navy.".

**SEC. 525. INCREASED ENROLLMENT FOR ELIGIBLE DEFENSE INDUSTRY EMPLOYEES IN THE DEFENSE PRODUCT DEVELOPMENT PROGRAM AT NAVAL POSTGRADUATE SCHOOL.**

Section 7049(a) of title 10, United States Code, is amended—

(1) by inserting "and systems engineering" after "curriculum related to defense product development"; and

(2) by striking "10" and inserting "25".

**SEC. 526. INSTRUCTION FOR ENLISTED PERSONNEL BY THE NAVAL POSTGRADUATE SCHOOL.**

(a) EXPANDED ELIGIBILITY FOR INSTRUCTION.—Section 7045 of title 10, United States Code, is amended—

(1) in subsection (a)(2)—

(A) by redesignating subparagraph (C) as subparagraph (D);

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

"(C) The Secretary may permit an eligible enlisted member of the Navy or Marine Corps to receive instruction from the Postgraduate School in certificate programs and courses required for the performance of the member's duties."; and

(C) in subparagraph (D), as so redesignated, by striking "(A) and (B)" and inserting "(A), (B), and (C)"; and

(2) in subsection (b)(2), by striking "(a)(2)(C)" and inserting "(a)(2)(D)".

(b) LIMITATION ON DEGREE AWARDS.—Such section is further amended by adding at the end the following new subsection:

"(d) The Secretary may not award a baccalaureate, masters, or doctorate degree to an enlisted member based upon instruction received at the Postgraduate School under subsection (a)(2)(C).".

(c) REPORT ON RATIONALE AND PLANS OF THE NAVY TO PROVIDE ENLISTED MEMBERS AN OPPORTUNITY TO OBTAIN GRADUATE DEGREES.—The Secretary of the Navy shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the plans, if any, of the Secretary, and the rationale for those plans, for a program to provide enlisted members of the Navy with opportunities to pursue graduate degree programs either through Navy schools or paid for by the Navy in return for an additional service obligation. The report shall include the following:

(1) The underlying philosophy and objectives supporting a decision to provide opportunities for graduate degrees to enlisted members of the Navy.

(2) An overall description of how the award of a graduate degree to an enlisted member would fit in an integrated, progressive, coordinated, and systematic way into the goals and requirements of the Navy for enlisted career development and for professional education, together with a discussion of a wider requirement, if any, for programs for the award of associate and baccalaureate degrees to enlisted members, particularly in the career fields under consideration for the pilot program referred to in subsection (d).

(3) A discussion of the scope and details of the plan to ensure that Navy enlisted members have the requisite academic baccalaureate degrees as a prerequisite for undertaking graduate-level work.

(4) Identification of the specific enlisted career fields for which the Secretary has determined that a graduate degree should be a requirement, as well as the rationale for that determination.

(5) A description of the concept of the Secretary for the process and mechanism of providing graduate degrees to enlisted members, including, at a minimum, the Secretary's plan for whether the degree programs would be provided through civilian or military degree-granting institutions and whether through in-resident or distance learning or some combination thereof.

(6) A description of the plan to ensure proper and effective utilization of enlisted members following the award of a graduate degree.

(d) PLAN FOR PILOT PROGRAM.—In addition to the report under subsection (c), the Secretary of the Navy may submit a plan for a pilot program to make available opportunities to pursue graduate degree programs to a limited number of Navy enlisted members

in a specific, limited set of critical career fields. Such a plan shall include, as a minimum, the following:

(1) The specific objectives of the pilot program.

(2) An identification of the specific enlisted career fields from which candidates for the program would be drawn, the numbers and prerequisite qualifications of initial candidates, and the process for selecting the enlisted members who would initially participate.

(3) The process and mechanism for providing the degrees, described in the same manner as specified under subsection (c)(5), and a general description of course content.

(4) An analysis of the cost effectiveness of using Navy, other service, or civilian degree granting institutions in the program.

(5) The plan for post-graduation utilization of the enlisted members who obtain graduate degrees under the program.

(6) The criteria and plan for assessing whether the objectives of the program are met.

## PART III—RESERVE OFFICERS' TRAINING CORPS

### SEC. 531. REPEAL OF LIMITATION ON AMOUNT OF FINANCIAL ASSISTANCE UNDER ROTC SCHOLARSHIP PROGRAMS.

(a) GENERAL ROTC PROGRAM.—Section 2107(c) of title 10, United States Code, is amended—

(1) by striking paragraph (4); and

(2) in paragraph (5)(B), by striking ", (3), or (4)" and inserting "or (3)".

(b) ARMY RESERVE AND ARMY NATIONAL GUARD PROGRAM.—Section 2107a(c) of such title is amended by striking paragraph (3).

(c) EFFECTIVE DATE.—Paragraph (4) of section 2107(c) of title 10, United States Code, and paragraph (3) of section 2107a(c) of such title, as in effect on the day before the date of the enactment of this Act, shall continue to apply in the case of any individual selected before the date of the enactment of this Act for appointment as a cadet or midshipman under section 2107 or 2107a of such title.

### SEC. 532. INCREASE IN ANNUAL LIMIT ON NUMBER OF ROTC SCHOLARSHIPS UNDER ARMY RESERVE AND NATIONAL GUARD PROGRAM.

Section 2107a(h) of title 10, United States Code, is amended by striking "208" and inserting "416".

### SEC. 533. PROCEDURES FOR SUSPENDING FINANCIAL ASSISTANCE AND SUBSISTENCE ALLOWANCE FOR SENIOR ROTC CADETS AND MIDSHIPMEN ON THE BASIS OF HEALTH-RELATED CONDITIONS.

(a) REQUIREMENTS.—Section 2107 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(j)(1) Payment of financial assistance under this section for, and payment of a monthly subsistence allowance under section 209 of title 37 to, a cadet or midshipman appointed under this section may be suspended on the basis of health-related incapacity

of the cadet or midshipman only in accordance with regulations prescribed under paragraph (2).

"(2) The Secretary of Defense shall prescribe in regulations the policies and procedures for suspending payments under paragraph (1). The regulations shall apply uniformly to all of the military departments. The regulations shall include the following matters:

"(A) The standards of health-related fitness that are to be applied.

"(B) Requirements for—

"(i) the health-related condition and prognosis of a cadet or midshipman to be determined, in relation to the applicable standards prescribed under subparagraph (A), by a health care professional on the basis of a medical examination of the cadet or midshipman; and

"(ii) the Secretary concerned to take into consideration the determinations made under clause (i) with respect to such condition in deciding whether to suspend payment in the case of such cadet or midshipman on the basis of that condition.

"(C) A requirement for the Secretary concerned to transmit to a cadet or midshipman proposed for suspension under this subsection a notification of the proposed suspension together with the determinations made under subparagraph (B)(i) in the case of the proposed suspension.

"(D) A procedure for a cadet or midshipman proposed for suspension under this subsection to submit a written response to the proposal for suspension, including any supporting information.

"(E) Requirements for—

"(i) one or more health-care professionals to review, in the case of such a response of a cadet or midshipman, each health-related condition and prognosis addressed in the response, taking into consideration the matters submitted in such response; and

"(ii) the Secretary concerned to take into consideration the determinations made under clause (i) with respect to such condition in making a final decision regarding whether to suspend payment in the case of such cadet or midshipman on the basis of that condition, and the conditions under which such suspension may be lifted.".

(b) TIME FOR PROMULGATION OF REGULATIONS.—The Secretary of Defense shall prescribe the regulations required under subsection (j) of section 2107 of title 10, United States Code (as added by subsection (a)), not later than May 1, 2006.

**SEC. 534. ELIGIBILITY OF UNITED STATES NATIONALS FOR APPOINTMENT TO THE SENIOR RESERVE OFFICERS' TRAINING CORPS.**

(a) IN GENERAL.—Section 2107(b)(1) of title 10, United States Code, is amended by inserting "or national" after "citizen".

(b) ARMY RESERVE OFFICERS TRAINING PROGRAMS.—Section 2107a(b)(1)(A) of such title is amended by inserting "or national" after "citizen".

(c) ELIGIBILITY FOR APPOINTMENT AS COMMISSIONED OFFICERS.—Section 532(f) of such title is amended by inserting ", or for a United States national otherwise eligible for appointment as a cadet or midshipman under section 2107(a) of this title or

as a cadet under section 2107a of this title," after "for permanent residence".

**SEC. 535. PROMOTION OF FOREIGN LANGUAGE SKILLS AMONG MEMBERS OF THE RESERVE OFFICERS' TRAINING CORPS.**

(a) IN GENERAL.—The Secretary of Defense shall support the acquisition of foreign language skills among cadets and midshipmen in the Reserve Officers' Training Corps, including through the development and implementation of—

(1) incentives for cadets and midshipmen to participate in study of a foreign language, including special emphasis for Arabic, Chinese, and other "strategic languages", as defined by the Secretary of Defense in consultation with other relevant agencies; and

(2) a recruiting strategy to target foreign language speakers, including members of heritage communities, to participate in the Reserve Officers' Training Corps.

(b) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Armed Services the Senate and the Committee on Armed Services of the House of Representatives a report on the actions taken to carry out this section.

**SEC. 536. DESIGNATION OF IKE SKELTON EARLY COMMISSIONING PROGRAM SCHOLARSHIPS.**

Section 2107a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(j) Financial assistance provided under this section to a cadet appointed at a military junior college is designated as, and shall be known as, an 'Ike Skelton Early Commissioning Program Scholarship'.".

## PART IV—OTHER MATTERS

**SEC. 537. ENHANCEMENT OF EDUCATIONAL LOAN REPAYMENT AUTHORITIES.**

(a) ADDITIONAL LOANS ELIGIBLE FOR REPAYMENT.—Paragraph (1) of section 2171(a) of title 10, United States Code, is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C), by striking the period at the end and inserting "; or"; and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) any loan incurred for educational purposes made by a lender that is—

"(i) an agency or instrumentality of a State;

"(ii) a financial or credit institution (including an insurance company) that is subject to examination and supervision by an agency of the United States or any State;

"(iii) a pension fund approved by the Secretary for purposes of this section; or

"(iv) a non-profit private entity designated by a State, regulated by such State, and approved by the Secretary for purposes of this section.".

(b) ELIGIBILITY OF OFFICERS.—Paragraph (2) of such section is amended by striking "an enlisted member in a military specialty" and inserting "a member in an officer program or military specialty".

**SEC. 538. PAYMENT OF EXPENSES OF MEMBERS OF THE ARMED FORCES TO OBTAIN PROFESSIONAL CREDENTIALS.**

(a) IN GENERAL.—Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

### "§ 2015. Payment of expenses to obtain professional credentials

"(a) AUTHORITY.—The Secretary of Defense and the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy, may pay for—

"(1) expenses for members of the armed forces to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification; and

"(2) examinations to obtain such credentials.

"(b) LIMITATION.—The authority under subsection (a) may not be used to pay the expenses of a member to obtain professional credentials that are a prerequisite for appointment in the armed forces.".

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

"2015. Payment of expenses to obtain professional credentials.".

**SEC. 539. USE OF RESERVE MONTGOMERY GI BILL BENEFITS AND BENEFITS FOR MOBILIZED MEMBERS OF THE SELECTED RESERVE AND NATIONAL GUARD FOR PAYMENTS FOR LICENSING OR CERTIFICATION TESTS.**

(a) CHAPTER 1606.—Section 16131 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(j)(1) Subject to paragraph (3), the amount of educational assistance payable under this chapter for a licensing or certification test described in section 3452(b) of title 38 is the lesser of $2,000 or the fee charged for the test.

"(2) The number of months of entitlement charged in the case of any individual for such licensing or certification test is equal to the number (including any fraction) determined by dividing the total amount of educational assistance paid such individual for such test by the full-time monthly institutional rate of educational assistance which, but for paragraph (1), such individual would otherwise be paid under subsection (b).

"(3) In no event shall payment of educational assistance under this subsection for such a test exceed the amount of the individual's available entitlement under this chapter.".

(b) CHAPTER 1607.—Section 16162 of such title is amended by adding at the end the following new subsection:

"(e) AVAILABILITY OF ASSISTANCE FOR LICENSING AND CERTIFICATION TESTS.—The provisions of section 16131(j) of this title shall apply to the provision of educational assistance under this chapter, except that, in applying such section under this chapter, the reference to subsection (b) in paragraph (2) of such section is deemed to be a reference to subsection (c) of this section.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to a licensing or certification test administered on or after the date of the enactment of this Act.

**SEC. 540. MODIFICATION OF EDUCATIONAL ASSISTANCE FOR RESERVES SUPPORTING CONTINGENCY AND OTHER OPERATIONS.**

(a) OFFICIAL RECEIVING ELECTIONS OF BENEFITS.—Section 16163(e) of title 10, United States Code, is amended by striking "Secretary concerned" and inserting "Secretary of Veterans Affairs".

(b) EXCEPTION TO IMMEDIATE TERMINATION OF ASSISTANCE.—Section 16165 of such title is amended—

(1) by striking "Educational assistance" and inserting "(a) IN GENERAL.—Except as provided in subsection (b), educational assistance"; and

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

"(b) EXCEPTION.—Under regulations prescribed by the Secretary of Defense, educational assistance may be provided under this chapter to a member of the Selected Reserve of the Ready Reserve who incurs a break in service in the Selected Reserve of not more than 90 days if the member continues to serve in the Ready Reserve during and after such break in service.".

# Subtitle D—General Service Requirements

**SEC. 541. GROUND COMBAT AND OTHER EXCLUSION POLICIES.**

(a) IN GENERAL.—

(1) Chapter 37 of title 10, United States Code, is amended by inserting after section 651 the following new section:

## "§ 652. Notice to Congress of proposed changes in units, assignments, etc. to which female members may be assigned

"(a) RULE FOR GROUND COMBAT PERSONNEL POLICY.—(1) If the Secretary of Defense proposes to make any change described in paragraph (2)(A) or (2)(B) to the ground combat exclusion policy or proposes to make a change described in paragraph (2)(C), the Secretary shall, before any such change is implemented, submit to Congress a report providing notice of the proposed change. Such a change may then be implemented only after the end of a period of 30 days of continuous session of Congress (excluding any day on which either House of Congress is not in session) following the date on which the report is received.

"(2) A change referred to in paragraph (1) is a change that—

"(A) closes to female members of the armed forces any category of unit or position that at that time is open to service by such members;

"(B) opens to service by female members of the armed forces any category of unit or position that at that time is closed to service by such members; or

"(C) opens or closes to the assignment of female members of the armed forces any military career designator as described in paragraph (6).

"(3) The Secretary shall include in any report under paragraph (1)—

"(A) a detailed description of, and justification for, the proposed change; and

"(B) a detailed analysis of legal implication of the proposed change with respect to the constitutionality of the

application of the Military Selective Service Act (50 App. U.S.C. 451 et seq.) to males only.

"(4) In this subsection, the term 'ground combat exclusion policy' means the military personnel policies of the Department of Defense and the military departments, as in effect on October 1, 1994, by which female members of the armed forces are restricted from assignment to units and positions below brigade level whose primary mission is to engage in direct combat on the ground.

"(5) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die.

"(6) For purposes of this subsection, a military career designator is one that is related to military operations on the ground as of May 18, 2005, and applies—

"(A) for enlisted members and warrant officers, to military occupational specialties, specialty codes, enlisted designators, enlisted classification codes, additional skill identifiers, and special qualification identifiers; and

"(B) for officers (other than warrant officers), to officer areas of concentration, occupational specialties, specialty codes, designators, additional skill identifiers, and special qualification identifiers.

"(b) OTHER PERSONNEL POLICY CHANGES.—(1) Except in a case covered by section 6035 of this title or by subsection (a), whenever the Secretary of Defense proposes to make a change to military personnel policies described in paragraph (2), the Secretary shall, not less than 30 days before such change is implemented, submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice, in writing, of the proposed change.

"(2) Paragraph (1) applies to a proposed military personnel policy change, other than a policy change covered by subsection (a), that would make available to female members of the armed forces assignment to any of the following that, as of the date of the proposed change, is closed to such assignment:

"(A) Any type of unit not covered by subsection (a).

"(B) Any class of combat vessel.

"(C) Any type of combat platform.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 651 the following new item:

"652. Notice to Congress of proposed changes in units, assignments, etc. to which female members may be assigned.".

(b) REPORT ON IMPLEMENTATION OF DEPARTMENT OF DEFENSE POLICIES WITH REGARD TO THE ASSIGNMENT OF WOMEN.—Not later than March 31, 2006, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report of the Secretary's review of the current and future implementation of the policy regarding the assignment of women as articulated in the Secretary of Defense memorandum, dated January 13, 1994, and entitled, "Direct Ground Combat Definition and Assignment Rule". In conducting that review, the Secretary shall closely examine Army unit modularization efforts, and associated personnel assignment policies, to ensure their compliance with the Department of Defense policy articulated in the January 1994 memorandum.

(c) CONFORMING REPEAL.—Section 542 of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 113 note) is repealed.

**SEC. 542. UNIFORM CITIZENSHIP OR RESIDENCY REQUIREMENTS FOR ENLISTMENT IN THE ARMED FORCES.**

(a) UNIFORM REQUIREMENTS.—Section 504 of title 10, United States Code, is amended—

(1) by inserting "(a) INSANITY, DESERTION, FELONS, ETC.—" before "No person"; and

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

"(b) CITIZENSHIP OR RESIDENCY.—(1) A person may be enlisted in any armed force only if the person is one of the following:

"(A) A national of the United States, as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).

"(B) An alien who is lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

"(C) A person described in section 341 of one of the following compacts:

"(i) The Compact of Free Association between the Federated States of Micronesia and the United States (section 201(a) of Public Law 108–188 (117 Stat. 2784; 48 U.S.C. 1921 note)).

"(ii) The Compact of Free Association between the Republic of the Marshall Islands and the United States (section 201(b) of Public Law 108–188 (117 Stat. 2823; 48 U.S.C. 1921 note)).

"(iii) The Compact of Free Association between Palau and the United States (section 201 of Public Law 99–658 (100 Stat. 3678; 48 U.S.C. 1931 note)).

"(2) Notwithstanding paragraph (1), the Secretary concerned may authorize the enlistment of a person not described in paragraph (1) if the Secretary determines that such enlistment is vital to the national interest.".

(b) REPEAL OF SUPERSEDED LIMITATIONS FOR THE ARMY AND AIR FORCE.—

(1) REPEAL.—Sections 3253 and 8253 of such title are repealed.

(2) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 333 of such title is amended by striking the item relating to section 3253. The table of sections at the beginning of chapter 833 of such title is amended by striking the item relating to section 8253.

**SEC. 543. INCREASE IN MAXIMUM AGE FOR ENLISTMENT.**

Section 505(a) of title 10, United States Code, is amended by striking "thirty-five years of age" and inserting "forty-two years of age".

**SEC. 544. INCREASE IN MAXIMUM TERM OF ORIGINAL ENLISTMENT IN REGULAR COMPONENT.**

Section 505(c) of title 10, United States Code, is amended by striking "six years" and inserting "eight years".

**SEC. 545. NATIONAL CALL TO SERVICE PROGRAM.**

(a) LIMITATION TO DOMESTIC NATIONAL SERVICE PROGRAMS.—Subsection (c)(3)(D) of section 510 of title 10, United States Code, is amended by striking "in the Peace Corps, Americorps, or another national service program" and inserting "in Americorps or another domestic national service program".

(b) EXTENSION OF QUALIFYING SERVICE FOR INITIAL MILITARY SERVICE UNDER PROGRAM.—Subsection (d) of such title section is amended by inserting before the period at the end the following: "and shall include military occupational specialties for enlistments for officer training and subsequent service as an officer, in cases in which the reason for the enlistment and entry into an agreement under subsection (b) is to enter an officer training program".

(c) ADMINISTRATION OF EDUCATION INCENTIVES BY SECRETARY OF VETERANS AFFAIRS.—Paragraph (2) of subsection (h) of such section is amended to read as follows:

"(2)(A) Educational assistance under paragraphs (3) or (4) of subsection (e) shall be provided through the Department of Veterans Affairs under an agreement to be entered into by the Secretary of Defense and the Secretary of Veterans Affairs. The agreements shall include administrative procedures to ensure the prompt and timely transfer of funds from the Secretary concerned to the Secretary of Veterans Affairs for the making of payments under this section.

"(B) Except as otherwise provided in this section, the provisions of sections 503, 511, 3470, 3471, 3474, 3476, 3482(g), 3483, and 3485 of title 38 and the provisions of subchapters I and II of chapter 36 of such title (with the exception of sections 3686(a), 3687, and 3692) shall be applicable to the provision of educational assistance under this chapter. The term 'eligible veteran' and the term 'person', as used in those provisions, shall be deemed for the purpose of the application of those provisions to this section to refer to a person eligible for educational assistance under paragraph (3) or (4) of subsection (e).".

**SEC. 546. REPORTS ON INFORMATION PROVIDED TO POTENTIAL RECRUITS AND TO NEW ENTRANTS INTO THE ARMED FORCES ON "STOP LOSS" AUTHORITIES AND INITIAL PERIOD OF MILITARY SERVICE OBLIGATION.**

(a) REPORT ON INFORMATION PROVIDED TO POTENTIAL RECRUITS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the actions being taken to ensure that each individual being recruited for service in the Armed Forces is provided, before making a formal enlistment in the Armed Forces, precise and detailed information on the period or periods of service to which such individual may be obligated by reason of enlistment in the Armed Forces, including any revisions to Department of Defense Form 4/1.

(2) ELEMENTS.—The report under paragraph (1) shall include—

(A) a description of how the Department informs enlistees in the Armed Forces on—

(i) the so-called "stop loss" authority and the manner in which exercise of such authority could affect the duration of an individual's service on active duty in the Armed Forces;

(ii) the authority for the call or order to active duty of members of the Individual Ready Reserve and the manner in which such a call or order to active duty could affect an individual following the completion of the individual's expected period of service on active duty or in the Individual Ready Reserve; and

(iii) any other authorities applicable to the call or order to active duty of the Reserves, or of the retention of members of the Armed Forces on active duty, that could affect the period of service of an individual on active duty or in the Armed Forces; and

(B) such other information as the Secretary considers appropriate.

(b) REPORT ON INFORMATION PROVIDED TO NEW ENTRANTS AND OTHER SERVICE MEMBERS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the actions being taken to ensure that each individual covered by section 651(a) of title 10, United States Code, is provided, upon commencing that person's initial period of service as a member of the Armed Forces and at other points during a military career, precise information regarding the date on which the initial service obligation of that person under such section ends.

(2) ELEMENTS OF REPORT.—The report under subsection (a) shall include the following:

(A) A description of how the Department notifies members of the Armed Forces of—

(i) the completion date of their military service obligation upon entry in the Armed Forces;

(ii) the expiration of their military service obligation; and

(iii) before the expiration of a member's military service obligation, the opportunity, if the member is qualified and serving in the Individual Ready Reserve, to continue voluntarily in the Ready Reserve or to transfer to an active component.

(B) A description of the policy and procedures of the Department of Defense regarding the involuntary recall or mobilization of members serving in the Individual Ready Reserve beyond the date of expiration of their military service obligation.

(C) Such other information as the Secretary considers appropriate.

# Subtitle E—Military Justice and Legal Assistance Matters

**SEC. 551. OFFENSE OF STALKING UNDER THE UNIFORM CODE OF MILITARY JUSTICE.**

(a) ESTABLISHMENT OF OFFENSE.—

(1) NEW PUNITIVE ARTICLE.—Subchapter X of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 920 (article 120) the following new section:

**"§ 920a. Art. 120a. Stalking**

"(a) Any person subject to this section—

"(1) who wrongfully engages in a course of conduct directed at a specific person that would cause a reasonable person to fear death or bodily harm, including sexual assault, to himself or herself or a member of his or her immediate family;

"(2) who has knowledge, or should have knowledge, that the specific person will be placed in reasonable fear of death or bodily harm, including sexual assault, to himself or herself or a member of his or her immediate family; and

"(3) whose acts induce reasonable fear in the specific person of death or bodily harm, including sexual assault, to himself or herself or to a member of his or her immediate family;

is guilty of stalking and shall be punished as a court-martial may direct.

"(b) In this section:

"(1) The term 'course of conduct' means—

"(A) a repeated maintenance of visual or physical proximity to a specific person; or

"(B) a repeated conveyance of verbal threat, written threats, or threats implied by conduct, or a combination of such threats, directed at or toward a specific person.

"(2) The term 'repeated', with respect to conduct, means two or more occasions of such conduct.

"(3) The term 'immediate family', in the case of a specific person, means a spouse, parent, child, or sibling of the person, or any other family member, relative, or intimate partner of the person who regularly resides in the household of the person or who within the six months preceding the commencement of the course of conduct regularly resided in the household of the person.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 920 the following new item:

"920a. 120a. Stalking.".

(b) APPLICABILITY.—Section 920a of title 10, United States Code (article 120a of the Uniform Code of Military Justice), as added by subsection (a), applies to offenses committed after the date that is 180 days after the date of the enactment of this Act.

**SEC. 552. RAPE, SEXUAL ASSAULT, AND OTHER SEXUAL MISCONDUCT UNDER UNIFORM CODE OF MILITARY JUSTICE.**

(a) REVISION TO UCMJ.—

(1) IN GENERAL.—Section 920 of title 10, United States Code (article 120 of the Uniform Code of Military Justice), is amended to read as follows:

**"§ 920. Art. 120. Rape, sexual assault, and other sexual misconduct**

"(a) RAPE.—Any person subject to this chapter who causes another person of any age to engage in a sexual act by—

"(1) using force against that other person;

"(2) causing grievous bodily harm to any person;

"(3) threatening or placing that other person in fear that any person will be subjected to death, grievous bodily harm, or kidnaping;

"(4) rendering another person unconscious; or

"(5) administering to another person by force or threat of force, or without the knowledge or permission of that person, a drug, intoxicant, or other similar substance and thereby substantially impairs the ability of that other person to appraise or control conduct;

is guilty of rape and shall be punished as a court-martial may direct.

"(b) RAPE OF A CHILD.—Any person subject to this chapter who—

"(1) engages in a sexual act with a child who has not attained the age of 12 years; or

"(2) engages in a sexual act under the circumstances described in subsection (a) with a child who has attained the age of 12 years;

is guilty of rape of a child and shall be punished as a court-martial may direct.

"(c) AGGRAVATED SEXUAL ASSAULT.—Any person subject to this chapter who—

"(1) causes another person of any age to engage in a sexual act by—

"(A) threatening or placing that other person in fear (other than by threatening or placing that other person in fear that any person will be subjected to death, grievous bodily harm, or kidnapping); or

"(B) causing bodily harm; or

"(2) engages in a sexual act with another person of any age if that other person is substantially incapacitated or substantially incapable of—

"(A) appraising the nature of the sexual act;

"(B) declining participation in the sexual act; or

"(C) communicating unwillingness to engage in the sexual act;

is guilty of aggravated sexual assault and shall be punished as a court-martial may direct.

"(d) AGGRAVATED SEXUAL ASSAULT OF A CHILD.—Any person subject to this chapter who engages in a sexual act with a child who has attained the age of 12 years is guilty of aggravated sexual assault of a child and shall be punished as a court-martial may direct.

"(e) AGGRAVATED SEXUAL CONTACT.—Any person subject to this chapter who engages in or causes sexual contact with or by another person, if to do so would violate subsection (a) (rape) had the

sexual contact been a sexual act, is guilty of aggravated sexual contact and shall be punished as a court-martial may direct.

"(f) AGGRAVATED SEXUAL ABUSE OF A CHILD.—Any person subject to this chapter who engages in a lewd act with a child is guilty of aggravated sexual abuse of a child and shall be punished as a court-martial may direct.

"(g) AGGRAVATED SEXUAL CONTACT WITH A CHILD.—Any person subject to this chapter who engages in or causes sexual contact with or by another person, if to do so would violate subsection (b) (rape of a child) had the sexual contact been a sexual act, is guilty of aggravated sexual contact with a child and shall be punished as a court-martial may direct.

"(h) ABUSIVE SEXUAL CONTACT.—Any person subject to this chapter who engages in or causes sexual contact with or by another person, if to do so would violate subsection (c) (aggravated sexual assault) had the sexual contact been a sexual act, is guilty of abusive sexual contact and shall be punished as a court-martial may direct.

"(i) ABUSIVE SEXUAL CONTACT WITH A CHILD.—Any person subject to this chapter who engages in or causes sexual contact with or by another person, if to do so would violate subsection (d) (aggravated sexual assault of a child) had the sexual contact been a sexual act, is guilty of abusive sexual contact with a child and shall be punished as a court-martial may direct.

"(j) INDECENT LIBERTY WITH A CHILD.—Any person subject to this chapter who engages in indecent liberty in the physical presence of a child—

"(1) with the intent to arouse, appeal to, or gratify the sexual desire of any person; or

"(2) with the intent to abuse, humiliate, or degrade any person;

is guilty of indecent liberty with a child and shall be punished as a court-martial may direct.

"(k) INDECENT ACT.—Any person subject to this chapter who engages in indecent conduct is guilty of an indecent act and shall be punished as a court-martial may direct.

"(l) FORCIBLE PANDERING.—Any person subject to this chapter who compels another person to engage in an act of prostitution with another person to be directed to said person is guilty of forcible pandering and shall be punished as a court-martial may direct.

"(m) WRONGFUL SEXUAL CONTACT.—Any person subject to this chapter who, without legal justification or lawful authorization, engages in sexual contact with another person without that other person's permission is guilty of wrongful sexual contact and shall be punished as a court-martial may direct.

"(n) INDECENT EXPOSURE.—Any person subject to this chapter who intentionally exposes, in an indecent manner, in any place where the conduct involved may reasonably be expected to be viewed by people other than members of the actor's family or household, the genitalia, anus, buttocks, or female areola or nipple is guilty of indecent exposure and shall by punished as a court-martial may direct.

"(o) AGE OF CHILD.—

"(1) TWELVE YEARS.—In a prosecution under subsection (b) (rape of a child), subsection (g) (aggravated sexual contact with a child), or subsection (j) (indecent liberty with a child),

it need not be proven that the accused knew that the other person engaging in the sexual act, contact, or liberty had not attained the age of 12 years. It is not an affirmative defense that the accused reasonably believed that the child had attained the age of 12 years.

"(2) SIXTEEN YEARS.—In a prosecution under subsection (d) (aggravated sexual assault of a child), subsection (f) (aggravated sexual abuse of a child), subsection (i) (abusive sexual contact with a child), or subsection (j) (indecent liberty with a child), it need not be proven that the accused knew that the other person engaging in the sexual act, contact, or liberty had not attained the age of 16 years. Unlike in paragraph (1), however, it is an affirmative defense that the accused reasonably believed that the child had attained the age of 16 years.

"(p) PROOF OF THREAT.—In a prosecution under this section, in proving that the accused made a threat, it need not be proven that the accused actually intended to carry out the threat.

"(q) MARRIAGE.—

"(1) IN GENERAL.—In a prosecution under paragraph (2) of subsection (c) (aggravated sexual assault), or under subsection (d) (aggravated sexual assault of a child), subsection (f) (aggravated sexual abuse of a child), subsection (i) (abusive sexual contact with a child), subsection (j) (indecent liberty with a child), subsection (m) (wrongful sexual contact), or subsection (n) (indecent exposure), it is an affirmative defense that the accused and the other person when they engaged in the sexual act, sexual contact, or sexual conduct are married to each other.

"(2) DEFINITION.—For purposes of this subsection, a marriage is a relationship, recognized by the laws of a competent State or foreign jurisdiction, between the accused and the other person as spouses. A marriage exists until it is dissolved in accordance with the laws of a competent State or foreign jurisdiction.

"(3) EXCEPTION.—Paragraph (1) shall not apply if the accused's intent at the time of the sexual conduct is to abuse, humiliate, or degrade any person.

"(r) CONSENT AND MISTAKE OF FACT AS TO CONSENT.—Lack of permission is an element of the offense in subsection (m) (wrongful sexual contact). Consent and mistake of fact as to consent are not an issue, or an affirmative defense, in a prosecution under any other subsection, except they are an affirmative defense for the sexual conduct in issue in a prosecution under subsection (a) (rape), subsection (c) (aggravated sexual assault), subsection (e) (aggravated sexual contact), and subsection (h) (abusive sexual contact).

"(s) OTHER AFFIRMATIVE DEFENSES NOT PRECLUDED.—The enumeration in this section of some affirmative defenses shall not be construed as excluding the existence of others.

"(t) DEFINITIONS.—In this section:

"(1) SEXUAL ACT.—The term 'sexual act' means—

"(A) contact between the penis and the vulva, and for purposes of this subparagraph contact involving the penis occurs upon penetration, however slight; or

"(B) the penetration, however slight, of the genital opening of another by a hand or finger or by any object,

with an intent to abuse, humiliate, harass, or degrade any person or to arouse or gratify the sexual desire of any person.

"(2) SEXUAL CONTACT.—The term 'sexual contact' means the intentional touching, either directly or through the clothing, of the genitalia, anus, groin, breast, inner thigh, or buttocks of another person, or intentionally causing another person to touch, either directly or through the clothing, the genitalia, anus, groin, breast, inner thigh, or buttocks of any person, with an intent to abuse, humiliate, or degrade any person or to arouse or gratify the sexual desire of any person.

"(3) GRIEVOUS BODILY HARM.—The term 'grievous bodily harm' means serious bodily injury. It includes fractured or dislocated bones, deep cuts, torn members of the body, serious damage to internal organs, and other severe bodily injuries. It does not include minor injuries such as a black eye or a bloody nose. It is the same level of injury as in section 928 (article 128) of this chapter, and a lesser degree of injury than in section 2246(4) of title 18.

"(4) DANGEROUS WEAPON OR OBJECT.—The term 'dangerous weapon or object' means—

"(A) any firearm, loaded or not, and whether operable or not;

"(B) any other weapon, device, instrument, material, or substance, whether animate or inanimate, that in the manner it is used, or is intended to be used, is known to be capable of producing death or grievous bodily harm; or

"(C) any object fashioned or utilized in such a manner as to lead the victim under the circumstances to reasonably believe it to be capable of producing death or grievous bodily harm.

"(5) FORCE.—The term 'force' means action to compel submission of another or to overcome or prevent another's resistance by—

"(A) the use or display of a dangerous weapon or object;

"(B) the suggestion of possession of a dangerous weapon or object that is used in a manner to cause another to believe it is a dangerous weapon or object; or

"(C) physical violence, strength, power, or restraint applied to another person, sufficient that the other person could not avoid or escape the sexual conduct.

"(6) THREATENING OR PLACING THAT OTHER PERSON IN FEAR.—The term 'threatening or placing that other person in fear' under paragraph (3) of subsection (a) (rape), or under subsection (e) (aggravated sexual contact), means a communication or action that is of sufficient consequence to cause a reasonable fear that non-compliance will result in the victim or another person being subjected to death, grievous bodily harm, or kidnapping.

"(7) THREATENING OR PLACING THAT OTHER PERSON IN FEAR.—

"(A) IN GENERAL.—The term 'threatening or placing that other person in fear' under paragraph (1)(A) of subsection (c) (aggravated sexual assault), or under subsection (h) (abusive sexual contact), means a communication or

action that is of sufficient consequence to cause a reasonable fear that non-compliance will result in the victim or another being subjected to a lesser degree of harm than death, grievous bodily harm, or kidnapping.

"(B) INCLUSIONS.—Such lesser degree of harm includes—

"(i) physical injury to another person or to another person's property; or

"(ii) a threat—

"(I) to accuse any person of a crime;

"(II) to expose a secret or publicize an asserted fact, whether true or false, tending to subject some person to hatred, contempt or ridicule; or

"(III) through the use or abuse of military position, rank, or authority, to affect or threaten to affect, either positively or negatively, the military career of some person.

"(8) BODILY HARM.—The term 'bodily harm' means any offensive touching of another, however slight.

"(9) CHILD.—The term 'child' means any person who has not attained the age of 16 years.

"(10) LEWD ACT.—The term 'lewd act' means—

"(A) the intentional touching, not through the clothing, of the genitalia of another person, with an intent to abuse, humiliate, or degrade any person, or to arouse or gratify the sexual desire of any person; or

"(B) intentionally causing another person to touch, not through the clothing, the genitalia of any person with an intent to abuse, humiliate or degrade any person, or to arouse or gratify the sexual desire of any person.

"(11) INDECENT LIBERTY.—The term 'indecent liberty' means indecent conduct, but physical contact is not required. It includes one who with the requisite intent exposes one's genitalia, anus, buttocks, or female areola or nipple to a child. An indecent liberty may consist of communication of indecent language as long as the communication is made in the physical presence of the child. If words designed to excite sexual desire are spoken to a child, or a child is exposed to or involved in sexual conduct, it is an indecent liberty; the child's consent is not relevant.

"(12) INDECENT CONDUCT.—The term 'indecent conduct' means that form of immorality relating to sexual impurity which is grossly vulgar, obscene, and repugnant to common propriety, and tends to excite sexual desire or deprave morals with respect to sexual relations. Indecent conduct includes observing, or making a videotape, photograph, motion picture, print, negative, slide, or other mechanically, electronically, or chemically reproduced visual material, without another person's consent, and contrary to that other person's reasonable expectation of privacy, of—

"(A) that other person's genitalia, anus, or buttocks, or (if that other person is female) that person's areola or nipple; or

"(B) that other person while that other person is engaged in a sexual act, sodomy (under section 925 (article 125)), or sexual contact.

"(13) ACT OF PROSTITUTION.—The term 'act of prostitution' means a sexual act, sexual contact, or lewd act for the purpose of receiving money or other compensation.

"(14) CONSENT.—The term 'consent' means words or overt acts indicating a freely given agreement to the sexual conduct at issue by a competent person. An expression of lack of consent through words or conduct means there is no consent. Lack of verbal or physical resistance or submission resulting from the accused's use of force, threat of force, or placing another person in fear does not constitute consent. A current or previous dating relationship by itself or the manner of dress of the person involved with the accused in the sexual conduct at issue shall not constitute consent. A person cannot consent to sexual activity if—

"(A) under 16 years of age; or

"(B) substantially incapable of—

"(i) appraising the nature of the sexual conduct at issue due to—

"(I) mental impairment or unconsciousness resulting from consumption of alcohol, drugs, a similar substance, or otherwise; or

"(II) mental disease or defect which renders the person unable to understand the nature of the sexual conduct at issue;

"(ii) physically declining participation in the sexual conduct at issue; or

"(iii) physically communicating unwillingness to engage in the sexual conduct at issue.

"(15) MISTAKE OF FACT AS TO CONSENT.—The term 'mistake of fact as to consent' means the accused held, as a result of ignorance or mistake, an incorrect belief that the other person engaging in the sexual conduct consented. The ignorance or mistake must have existed in the mind of the accused and must have been reasonable under all the circumstances. To be reasonable the ignorance or mistake must have been based on information, or lack of it, which would indicate to a reasonable person that the other person consented. Additionally, the ignorance or mistake cannot be based on the negligent failure to discover the true facts. Negligence is the absence of due care. Due care is what a reasonably careful person would do under the same or similar circumstances. The accused's state of intoxication, if any, at the time of the offense is not relevant to mistake of fact. A mistaken belief that the other person consented must be that which a reasonably careful, ordinary, prudent, sober adult would have had under the circumstances at the time of the offense.

"(16) AFFIRMATIVE DEFENSE.—The term 'affirmative defense' means any special defense which, although not denying that the accused committed the objective acts constituting the offense charged, denies, wholly, or partially, criminal responsibility for those acts. The accused has the burden of proving the affirmative defense by a preponderance of evidence. After the defense meets this burden, the prosecution shall have the burden of proving beyond a reasonable doubt that the affirmative defense did not exist.".

(2) CLERICAL AMENDMENT.—The item relating to section 920 (article 120) in the table of sections at the beginning

of subchapter X of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended to read as follows:

"920. 120. Rape, sexual assault, and other sexual misconduct.".

(b) INTERIM MAXIMUM PUNISHMENTS.—Until the President otherwise provides pursuant to section 856 of title 10, United States Code (article 56 of the Uniform Code of Military Justice), the punishment which a court-martial may direct for an offense under section 920 of such title (article 120 of the Uniform Code of Military Justice), as amended by subsection (a), may not exceed the following limits:

(1) SUBSECTIONS (a) AND (b).—For an offense under subsection (a) (rape) or subsection (b) (rape of a child), death or such other punishment as a court-martial may direct.

(2) SUBSECTION (c).—For an offense under subsection (c) (aggravated sexual assault), dishonorable discharge, forfeiture of all pay and allowances, and confinement for 30 years.

(3) SUBSECTIONS (d) AND (e).—For an offense under subsection (d) (aggravated sexual assault of a child) or subsection (e) (aggravated sexual contact), dishonorable discharge, forfeiture of all pay and allowances, and confinement for 20 years.

(4) SUBSECTIONS (f) AND (g).—For an offense under subsection (f) (aggravated sexual abuse of a child) or subsection (g) (aggravated sexual contact with a child), dishonorable discharge, forfeiture of all pay and allowances, and confinement for 15 years.

(5) SUBSECTIONS (h) THROUGH (j).—For an offense under subsection (h) (abusive sexual contact), subsection (i) (abusive sexual contact with a child), or subsection (j) (indecent liberty with a child), dishonorable discharge, forfeiture of all pay and allowances, and confinement for 7 years.

(6) SUBSECTIONS (k) AND (l).—For an offense under subsection (k) (indecent act) or subsection (l) (forcible pandering), dishonorable discharge, forfeiture of all pay and allowances, and confinement for 5 years.

(7) SUBSECTIONS (m) AND (n).—For an offense under subsection (m) (wrongful sexual contact) or subsection (n) (indecent exposure), dishonorable discharge, forfeiture of all pay and allowances, and confinement for one year.

(c) APPLICABILITY.—Section 920 of title 10, United States Code (article 120 of the Uniform Code of Military Justice), as amended by subsection (a), shall apply with respect to offenses committed on or after the effective date specified in subsection (f).

(d) AGGRAVATING FACTORS FOR OFFENSE OF MURDER.—Section 918 of title 10, United States Code (article 118 of the Uniform Code of Military Justice), is amended in paragraph (4) by striking "rape," and inserting "rape, rape of a child, aggravated sexual assault, aggravated sexual assault of a child, aggravated sexual contact, aggravated sexual abuse of a child, aggravated sexual contact with a child,".

(e) STATUTE OF LIMITATIONS.—Section 843(a) of title 10, United States Code (article 843(a) of the Uniform Code of Military Justice), as amended by section 553(a), is amended by striking "or rape," and inserting ", rape, or rape of a child,".

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2007.

**SEC. 553. EXTENSION OF STATUTE OF LIMITATIONS FOR MURDER, RAPE, AND CHILD ABUSE OFFENSES UNDER THE UNIFORM CODE OF MILITARY JUSTICE.**

(a) NO LIMITATION FOR MURDER OR RAPE.—Subsection (a) of section 843 of title 10, United States Code (article 43 of the Uniform Code of Military Justice), is amended by striking "or with any offense punishable by death" and inserting "with murder or rape, or with any other offense punishable by death".

(b) SPECIAL RULES FOR CHILD ABUSE OFFENSES.—Subsection (b)(2) of such section (article) is amended—

(1) in subparagraph (A), by striking "before the child attains the age of 25 years" and inserting "during the life of the child or within five years after the date on which the offense was committed, whichever provides a longer period,";

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking "sexual or physical";

(B) in clause (i), by striking "Rape or carnal knowledge" and inserting "Any offense"; and

(C) in clause (v), by striking "Indecent assault," and inserting "Kidnaping; indecent assault;"; and

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

"(C) In subparagraph (A), the term 'child abuse offense' includes an act that involves abuse of a person who has not attained the age of 18 years and would constitute an offense under chapter 110 or 117, or under section 1591, of title 18.".

**SEC. 554. REPORTS BY OFFICERS AND SENIOR ENLISTED MEMBERS OF CONVICTION OF CRIMINAL LAW.**

(a) REQUIREMENT FOR REPORTS.—

(1) IN GENERAL.—The Secretary of Defense shall prescribe in regulations a requirement that each covered member of the Armed Forces shall submit to an authority in the military department concerned designated pursuant to such regulations a timely report of any conviction of such member by any law enforcement authority of the United States for a violation of a criminal law of the United States, whether or not the member is on active duty at the time of the conduct that provides the basis for the conviction. The regulations shall apply uniformly throughout the military departments.

(2) COVERED MEMBERS.—In this section, the term "covered member of the Armed Forces" means a member of the Army, Navy, Air Force, or Marine Corps who is on the active-duty list or the reserve active-status list and who is—

(A) an officer; or

(B) an enlisted member in a pay grade above pay grade E–6.

(b) LAW ENFORCEMENT AUTHORITY OF THE UNITED STATES.—For purposes of this section, a law enforcement authority of the United States includes—

(1) a military or other Federal law enforcement authority;

(2) a State or local law enforcement authority; and

(3) such other law enforcement authorities within the United States as the Secretary shall specify in the regulations prescribed pursuant to subsection (a).

(c) CRIMINAL LAW OF THE UNITED STATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for purposes of this section, a criminal law of the United States includes—

(A) any military or other Federal criminal law;

(B) any State, county, municipal, or local criminal law or ordinance; and

(C) such other criminal laws and ordinances of jurisdictions within the United States as the Secretary shall specify in the regulations prescribed pursuant to subsection (a).

(2) EXCEPTION.—For purposes of this section, a criminal law of the United States shall not include a law or ordinance specifying a minor traffic offense (as determined by the Secretary for purposes of such regulations).

(d) TIMELINESS OF REPORTS.—The regulations prescribed pursuant to subsection (a) shall establish requirements for the timeliness of reports under this section.

(e) FORWARDING OF INFORMATION.—The regulations prescribed pursuant to subsection (a) shall provide that, in the event a military department receives information that a covered member of the Armed Forces under the jurisdiction of another military department has become subject to a conviction for which a report is required by this section, the Secretary of the military department receiving such information shall, in accordance with such procedures as the Secretary of Defense shall establish in such regulations, forward such information to the authority in the military department having jurisdiction over such member designated pursuant to such regulations.

(f) CONVICTIONS.—In this section, the term "conviction" includes any plea of guilty or nolo contendere.

(g) DEADLINE FOR REGULATIONS.—The regulations required by subsection (a), including the requirement in subsection (e), shall go into effect not later than the end of the 180-day period beginning on the date of the enactment of this Act.

(h) APPLICABILITY OF REQUIREMENT.—The requirement under the regulations required by subsection (a) that a covered member of the Armed Forces submit notice of a conviction shall apply only to a conviction that becomes final after the date of the enactment of this Act.

**SEC. 555. CLARIFICATION OF AUTHORITY OF MILITARY LEGAL ASSISTANCE COUNSEL TO PROVIDE MILITARY LEGAL ASSISTANCE WITHOUT REGARD TO LICENSING REQUIREMENTS.**

Section 1044 of title 10, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

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

"(d)(1) Notwithstanding any law regarding the licensure of attorneys, a judge advocate or civilian attorney who is authorized to provide military legal assistance is authorized to provide that assistance in any jurisdiction, subject to such regulations as may be prescribed by the Secretary concerned.

"(2) Military legal assistance may be provided only by a judge advocate or a civilian attorney who is a member of the bar of a Federal court or of the highest court of a State.

"(3) In this subsection, the term 'military legal assistance' includes—

"(A) legal assistance provided under this section; and

"(B) legal assistance contemplated by sections 1044a, 1044b, 1044c, and 1044d of this title.".

**SEC. 556. USE OF TELECONFERENCING IN ADMINISTRATIVE SESSIONS OF COURTS-MARTIAL.**

Section 839 of title 10, United States Code (article 39 of the Uniform Code of Military Justice), is amended—

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

(2) by designating the matter following paragraph (4) of subsection (a) as subsection (b); and

(3) in subsection (b), as so redesignated—

(A) by striking "These proceedings shall be conducted" and inserting "Proceedings under subsection (a) shall be conducted"; and

(B) by adding at the end the following new sentence: "If authorized by regulations of the Secretary concerned, and if at least one defense counsel is physically in the presence of the accused, the presence required by this subsection may otherwise be established by audiovisual technology (such as videoteleconferencing technology).".

**SEC. 557. SENSE OF CONGRESS ON APPLICABILITY OF UNIFORM CODE OF MILITARY JUSTICE TO RESERVES ON INACTIVE-DUTY TRAINING OVERSEAS.**

It is the sense of Congress that—

(1) there should be no ambiguity about the applicability of the Uniform Code of Military Justice to members of the reserve components of the Armed Forces while such members are serving overseas under inactive-duty training orders for any period of time under such orders; and

(2) the Secretary of Defense should—

(A) take action, not later than February 1, 2006, to clarify jurisdictional issues relating to such applicability under section 802 of title 10, United States Code (article 2 of the Uniform Code of Military Justice); and

(B) if necessary, submit to Congress a proposal for legislative action to ensure the applicability of the Uniform Code of Military Justice to such members.

## Subtitle F—Matters Relating to Casualties

**SEC. 561. AUTHORITY FOR MEMBERS ON ACTIVE DUTY WITH DISABILITIES TO PARTICIPATE IN PARALYMPIC GAMES.**

Section 717(a) of title 10, United States Code, is amended by striking "participate in—" and all that follows through "(2) any other" and inserting "participate in any of the following sports competitions:

"(1) The Pan-American Games and the Olympic Games, and qualifying events and preparatory competition for those games.

"(2) The Paralympic Games, if eligible to participate in those games, and qualifying events and preparatory competition for those games.

"(3) Any other".

**SEC. 562. POLICY AND PROCEDURES ON CASUALTY ASSISTANCE TO SURVIVORS OF MILITARY DECEDENTS.**

(a) COMPREHENSIVE POLICY ON CASUALTY ASSISTANCE.—

(1) POLICY REQUIRED.—Not later than August 1, 2006, the Secretary of Defense shall prescribe a comprehensive policy for the Department of Defense on the provision of casualty assistance to survivors and next of kin of members of the Armed Forces who die during military service (in this section referred to as "military decedents").

(2) CONSULTATION.—The Secretary shall develop the policy under paragraph (1) in consultation with the Secretaries of the military departments, the Secretary of Veterans Affairs, and the Secretary of Homeland Security with respect to the Coast Guard.

(3) INCORPORATION OF PAST EXPERIENCE AND PRACTICE.—The policy developed under paragraph (1) shall be based on—

(A) the experience and best practices of the military departments;

(B) the recommendations of nongovernment organizations with demonstrated expertise in responding to the needs of survivors of military decedents; and

(C) such other matters as the Secretary of Defense considers appropriate.

(4) PROCEDURES.—The policy shall include procedures to be followed by the military departments in the provision of casualty assistance to survivors and next of kin of military decedents. The procedures shall be uniform across the military departments except to the extent necessary to reflect the traditional practices or customs of a particular military department.

(b) ELEMENTS OF POLICY.—The comprehensive policy developed under subsection (a) shall address the following matters:

(1) The initial notification of primary and secondary next of kin of the deaths of military decedents and any subsequent notifications of next of kin warranted by circumstances.

(2) The transportation and disposition of remains of military decedents, including notification of survivors of the performance of autopsies.

(3) The qualifications, assignment, training, duties, supervision, and accountability for the performance of casualty assistance responsibilities.

(4) The relief or transfer of casualty assistance officers, including notification to survivors and next of kin of the reassignment of such officers to other duties.

(5) Centralized, short-term and long-term case-management procedures for casualty assistance by each military department, including rapid access by survivors of military decedents and casualty assistance officers to expert case managers and counselors.

(6) The provision, through a computer accessible Internet website and other means and at no cost to survivors of military decedents, of personalized, integrated information on the benefits and financial assistance available to such survivors from the Federal Government.

(7) The provision, at no cost to survivors of military decedents, of legal assistance by military attorneys on matters arising from the deaths of such decedents, including tax matters, on an expedited, prioritized basis.

(8) The provision of financial counseling to survivors of military decedents, particularly with respect to appropriate disposition of death gratuity and insurance proceeds received by surviving spouses, minor dependent children, and their representatives.

(9) The provision of information to survivors and next of kin of military decedents on mechanisms for registering complaints about, or requests for, additional assistance related to casualty assistance.

(10) Liaison with the Department of Veterans Affairs and the Social Security Administration in order to ensure prompt and accurate resolution of issues relating to benefits administered by those agencies for survivors of military decedents.

(11) Data collection regarding the incidence and quality of casualty assistance provided to survivors of military decedents, including surveys of such survivors and military and civilian members assigned casualty assistance duties.

(c) ADOPTION BY MILITARY DEPARTMENTS.—Not later than November 1, 2006, the Secretary of each military department shall prescribe regulations, or modify current regulations, on the policies and procedures of such military department on the provision of casualty assistance to survivors and next of kin of military decedents in order to conform such policies and procedures to the policy developed under subsection (a).

(d) REPORT ON IMPROVEMENT OF CASUALTY ASSISTANCE PROGRAMS.—Not later than December 1, 2006, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report that includes—

(1) the assessment of the Secretary of the adequacy and sufficiency of the current casualty assistance programs of the military departments;

(2) a plan for a system for the uniform provision to survivors of military decedents of personalized, accurate, and integrated information on the benefits and financial assistance available to such survivors through the casualty assistance programs of the military departments under subsection (c); and

(3) such recommendations for other legislative or administrative action as the Secretary considers appropriate to enhance and improve such programs to achieve their intended purposes.

(e) GAO REPORT.—

(1) REPORT REQUIRED.—Not later than July 1, 2006, the Comptroller General shall submit to the committees specified in subsection (d) a report on the evaluation by the Comptroller General of the casualty assistance programs of the Department of Defense and of such other departments and agencies of the Federal Government as provide casualty assistance to survivors and next of kin of military decedents.

(2) ASSESSMENT.—The report shall include the assessment of the Comptroller General of the adequacy of the current policies and procedures of, and funding for, the casualty assistance programs covered by the report to achieve their intended purposes.

**SEC. 563. POLICY AND PROCEDURES ON ASSISTANCE TO SEVERELY WOUNDED OR INJURED SERVICE MEMBERS.**

(a) COMPREHENSIVE POLICY.—

(1) POLICY REQUIRED.—Not later than June 1, 2006, the Secretary of Defense shall prescribe a comprehensive policy for the Department of Defense on the provision of assistance to members of the Armed Forces who incur severe wounds or injuries in the line of duty (in this section referred to as "severely wounded or injured servicemembers").

(2) CONSULTATION.—The Secretary shall develop the policy required by paragraph (1) in consultation with the Secretaries of the military departments, the Secretary of Veterans Affairs, and the Secretary of Labor.

(3) INCORPORATION OF PAST EXPERIENCE AND PRACTICE.—The policy required by paragraph (1) shall be based on—

(A) the experience and best practices of the military departments, including the Army Wounded Warrior Program, the Marine Corps Marine for Life Injured Support Program, the Air Force Palace HART program, and the Navy Wounded Marines and Sailors Initiative;

(B) the recommendations of nongovernment organizations with demonstrated expertise in responding to the needs of severely wounded or injured servicemembers; and

(C) such other matters as the Secretary of Defense considers appropriate.

(4) PROCEDURES AND STANDARDS.—The policy shall include guidelines to be followed by the military departments in the provision of assistance to severely wounded or injured servicemembers. The procedures and standards shall be uniform across the military departments except to the extent necessary to reflect the traditional practices or customs of a particular military department. The procedures and standards shall establish a minimum level of support and shall specify the duration of programs.

(b) ELEMENTS OF POLICY.—The comprehensive policy developed under subsection (a) shall address the following matters:

(1) Coordination with the Severely Injured Joint Support Operations Center of the Department of Defense.

(2) Promotion of a seamless transition to civilian life for severely wounded or injured servicemembers who are or are likely to be separated on account of their wound or injury.

(3) Identification and resolution of special problems or issues related to the transition to civilian life of severely wounded or injured servicemembers who are members of the reserve components.

(4) The qualifications, assignment, training, duties, supervision, and accountability for the performance of responsibilities for the personnel providing assistance to severely wounded or injured servicemembers.

(5) Centralized, short-term and long-term case-management procedures for assistance to severely wounded or injured servicemembers by each military department, including rapid access for severely wounded or injured servicemembers to case managers and counselors.

(6) The provision, through a computer accessible Internet website and other means and at no cost to severely wounded

or injured servicemembers, of personalized, integrated information on the benefits and financial assistance available to such members from the Federal Government.

(7) The provision of information to severely wounded or injured servicemembers on mechanisms for registering complaints about, or requests for, additional assistance.

(8) Participation of family members.

(9) Liaison with the Department of Veterans Affairs and the Department of Labor in order to ensure prompt and accurate resolution of issues relating to benefits administered by those agencies for severely wounded or injured servicemembers.

(10) Data collection regarding the incidence and quality of assistance provided to severely wounded or injured servicemembers, including surveys of such servicemembers and military and civilian personnel whose assigned duties include assistance to severely wounded or injured servicemembers.

(c) ADOPTION BY MILITARY DEPARTMENTS.—Not later than September 1, 2006, the Secretary of each military department shall prescribe regulations, or modify current regulations, on the policies and procedures of such military department on the provision of assistance to severely wounded or injured servicemembers in order to conform such policies and procedures to the policy prescribed under subsection (a).

**SEC. 564. DESIGNATION BY MEMBERS OF THE ARMED FORCES OF PERSONS AUTHORIZED TO DIRECT THE DISPOSITION OF MEMBER REMAINS.**

(a) IN GENERAL.—Not later than June 1, 2006, the Secretary of Defense shall complete, and the Secretaries of the military departments shall implement, Department of Defense Instruction 1300.18, including interim policy guidance, regarding the requirement to have service members designate a person authorized to direct disposition of their remains should they become a casualty.

(b) REPORT.—Not later than July 1, 2006, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the actions taken by the Secretary, and by the Secretaries of the military departments, to carry out the requirement in subsection (a).

# Subtitle G—Assistance to Local Educational Agencies for Defense Dependents Education

**SEC. 571. EXPANSION OF AUTHORIZED ENROLLMENT IN DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS OVERSEAS.**

The Defense Dependents' Education Act of 1978 (20 U.S.C. 931 et seq.) is amended by inserting after section 1404 the following new section:

"ENROLLMENT OF CERTAIN ADDITIONAL CHILDREN ON TUITION-FREE BASIS

"SEC. 1404A. (a) ENROLLMENT AUTHORIZED.—Under regulations to be prescribed by the Secretary of Defense, the Secretary may

authorize the enrollment in schools of the defense dependents' education system on a tuition-free basis of the children of full-time, locally-hired employees of the Department of Defense in an overseas area if such employees are citizens or nationals of the United States.

"(b) FUNDING.—The Secretary may use funds available for the defense dependents' education system to provide for the education of children enrolled in the defense dependents' education system under subsection (a).".

**SEC. 572. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.**

(a) ASSISTANCE TO SCHOOLS WITH SIGNIFICANT NUMBERS OF MILITARY DEPENDENT STUDENTS.—

(1) ASSISTANCE AUTHORIZED.—The Secretary of Defense shall provide financial assistance to an eligible local educational agency described in paragraph (2) if, without such assistance, the local educational agency will be unable (as determined by the Secretary of Defense in consultation with the Secretary of Education) to provide the students in the schools of the local educational agency with a level of education that is equivalent to the minimum level of education available in the schools of the other local educational agencies in the same State.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency is eligible for assistance under this subsection for a fiscal year if at least 20 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools of the local educational agency during the preceding school year were military dependent students counted under section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)).

(b) ASSISTANCE TO SCHOOLS WITH ENROLLMENT CHANGES DUE TO BASE CLOSURES, FORCE STRUCTURE CHANGES, OR FORCE RELOCATIONS.—

(1) ASSISTANCE AUTHORIZED.—To assist communities in making adjustments resulting from changes in the size or location of the Armed Forces, the Secretary of Defense shall provide financial assistance to an eligible local educational agency described in paragraph (2) if, during the period between the end of the school year preceding the fiscal year for which the assistance is authorized and the beginning of the school year immediately preceding that school year, the local educational agency had (as determined by the Secretary of Defense in consultation with the Secretary of Education) an overall increase or reduction of—

(A) not less than five percent in the average daily attendance of military dependent students in the schools of the local educational agency; or

(B) not less than 250 military dependent students in average daily attendance in the schools of the local educational agency.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency is eligible for assistance under this subsection for a fiscal year if—

(A) the local educational agency is eligible for assistance under subsection (a) for the same fiscal year, or would

have been eligible for such assistance if not for the reduction in military dependent students in schools of the local educational agency; and

(B) the overall increase or reduction in military dependent students in schools of the local educational agency is the result of one or more of the following:

(i) The global rebasing plan of the Department of Defense.

(ii) The official creation or activation of one or more new military units.

(iii) The realignment of forces as a result of the base closure process.

(iv) A change in the number of housing units on a military installation.

(3) CALCULATION OF AMOUNT OF ASSISTANCE.—

(A) PRO RATA DISTRIBUTION.—The amount of the assistance provided under this subsection to a local educational agency that is eligible for such assistance for a fiscal year shall be equal to the product obtained by multiplying—

(i) the per-student rate determined under subparagraph (B) for that fiscal year; by

(ii) the net of the overall increases and reductions in the number of military dependent students in schools of the local educational agency, as determined under paragraph (1).

(B) PER-STUDENT RATE.—For purposes of subparagraph (A)(i), the per-student rate for a fiscal year shall be equal to the dollar amount obtained by dividing—

(i) the total amount of funds made available for that fiscal year to provide assistance under this subsection; by

(ii) the sum of the overall increases and reductions in the number of military dependent students in schools of all eligible local educational agencies for that fiscal year under this subsection.

(C) MAXIMUM AMOUNT OF ASSISTANCE.—A local educational agency may not receive more than $1,000,000 in assistance under this subsection for any fiscal year.

(4) DURATION.—Assistance may not be provided under this subsection after September 30, 2010.

(c) NOTIFICATION.—Not later than June 30, 2006, and June 30 of each fiscal year thereafter for which funds are made available to carry out this section, the Secretary of Defense shall notify each local educational agency that is eligible for assistance under this section for that fiscal year of—

(1) the eligibility of the local educational agency for the assistance, including whether the agency is eligible for assistance under either subsection (a) or (b) or both subsections; and

(2) the amount of the assistance for which the local educational agency is eligible.

(d) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse assistance made available under this section for a fiscal year not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (c) for that fiscal year.

(e) FINDING FOR FISCAL YEAR 2006.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities—

(1) $30,000,000 shall be available only for the purpose of providing assistance to local educational agencies under subsection (a); and

(2) $10,000,000 shall be available only for the purpose of providing assistance to local educational agencies under subsection (b).

(f) DEFINITIONS.—In this section:

(1) The term "base closure process" means the 2005 base closure and realignment process authorized by Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) or any base closure and realignment process conducted after the date of the enactment of this Act under section 2687 of title 10, United States Code, or any other similar law enacted after that date.

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

(3) The term "military dependent students" refers to—

(A) elementary and secondary school students who are dependents of members of the Armed Forces; and

(B) elementary and secondary school students who are dependents of civilian employees of the Department of Defense.

(4) The term "State" means each of the 50 States and the District of Columbia.

(g) REPEAL OF FORMER AUTHORITY.—Section 386 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note) is repealed.

**SEC. 573. IMPACT AID FOR CHILDREN WITH SEVERE DISABILITIES.**

Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $5,000,000 shall be available for payments under section 363 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–77; 20 U.S.C. 7703a).

**SEC. 574. CONTINUATION OF IMPACT AID ASSISTANCE ON BEHALF OF DEPENDENTS OF CERTAIN MEMBERS DESPITE CHANGE IN STATUS OF MEMBER.**

(a) SPECIAL RULE.—For purposes of computing the amount of a payment for an eligible local educational agency under subsection (a) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) for school year 2005–2006, the Secretary of Education shall continue to count as a child enrolled in a school of such agency under such subsection any child who—

(1) would be counted under paragraph (1)(B) of such subsection to determine the number of children who were in average daily attendance in the school; but

(2) due to the deployment of both parents or legal guardians of the child, the deployment of a parent or legal guardian having sole custody of the child, or the death of a military parent or legal guardian while on active duty (so long as the child resides on Federal property (as defined in section 8013(5) of such Act (20 U.S.C. 7713(5))), is not eligible to be so counted.

(b) TERMINATION.—The special rule provided under subsection (a) applies only so long as the children covered by such subsection remain in average daily attendance at a school in the same local educational agency they attended before their change in eligibility status.

## Subtitle H—Decorations and Awards

**SEC. 576. ELIGIBILITY FOR OPERATION ENDURING FREEDOM CAMPAIGN MEDAL.**

For purposes of eligibility for the campaign medal for Operation Enduring Freedom established pursuant to Public Law 108–234 (10 U.S.C. 1121 note), the beginning date of Operation Enduring Freedom is September 11, 2001.

## Subtitle I—Consumer Protection Matters

**SEC. 577. REQUIREMENT FOR REGULATIONS ON POLICIES AND PROCEDURES ON PERSONAL COMMERCIAL SOLICITATIONS ON DEPARTMENT OF DEFENSE INSTALLATIONS.**

(a) REQUIREMENT.—As soon as practicable after the date of the enactment of this Act, and not later than March 31, 2006, the Secretary of Defense shall prescribe regulations, or modify existing regulations, on the policies and procedures relating to personal commercial solicitations, including the sale of life insurance and securities, on Department of Defense installations.

(b) REPEAL OF SUPERSEDED LIMITATIONS.—The following provisions of law are repealed:

(1) Section 586 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1493).

(2) Section 8133 of the Department of Defense Appropriations Act, 2005 (Public Law 108–287; 118 Stat. 1002).

**SEC. 578. CONSUMER EDUCATION FOR MEMBERS OF THE ARMED FORCES AND THEIR SPOUSES ON INSURANCE AND OTHER FINANCIAL SERVICES.**

(a) EDUCATION AND COUNSELING REQUIREMENTS.—

(1) IN GENERAL.—Chapter 50 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 992. Consumer education: financial services**

"(a) REQUIREMENT FOR CONSUMER EDUCATION PROGRAM FOR MEMBERS.—(1) The Secretary concerned shall carry out a program to provide comprehensive education to members of the armed forces under the jurisdiction of the Secretary on—

"(A) financial services that are available under law to members;

"(B) financial services that are routinely offered by private sector sources to members;

"(C) practices relating to the marketing of private sector financial services to members;

"(D) such other matters relating to financial services available to members, and the marketing of financial services to members, as the Secretary considers appropriate; and

"(E) such other financial practices as the Secretary considers appropriate.

"(2) Training under this subsection shall be provided to members as—

"(A) a component of members initial entry orientation training; and

"(B) a component of periodically recurring required training that is provided for the members at military installations.

"(3) The training provided at a military installation under paragraph (2)(B) shall include information on any financial services marketing practices that are particularly prevalent at that military installation and in the vicinity.

"(b) COUNSELING FOR MEMBERS AND SPOUSES.—(1) The Secretary concerned shall, upon request, provide counseling on financial services to each member of the armed forces, and such member's spouse, under the jurisdiction of the Secretary.

"(2)(A) In the case of a military installation at which at least 2,000 members of the armed forces on active duty are assigned, the Secretary concerned—

"(i) shall provide counseling on financial services under this subsection through a full-time financial services counselor at such installation; and

"(ii) may provide such counseling at such installation by any means elected by the Secretary from among the following:

"(I) Through members of the armed forces in pay grade E–7 or above, or civilians, who provide such counseling as part of their other duties for the armed forces or the Department of Defense.

"(II) By contract, including contract for services by telephone and by the Internet.

"(III) Through qualified representatives of nonprofit organizations and agencies under formal agreements with the Department of Defense to provide such counseling.

"(B) In the case of any military installation not described in subparagraph (A), the Secretary concerned shall provide counseling on financial services under this subsection at such installation by any of the means set forth in subparagraph (A)(ii), as elected by the Secretary concerned.

"(3) Each financial services counselor under paragraph (2)(A)(i), and any other individual providing counseling on financial services under paragraph (2), shall be an individual who, by reason of education, training, or experience, is qualified to provide helpful counseling to members of the armed forces and their spouses on financial services and marketing practices described in subsection (a)(1). Such individual may be a member of the armed forces or an employee of the Federal Government.

"(4) The Secretary concerned shall take such action as is necessary to ensure that each financial services counselor under paragraph (2)(A)(i), and any other individual providing counseling on financial services under paragraphs (2), is free from conflicts of interest relevant to the performance of duty under this section. and, in the performance of that duty, is dedicated to furnishing members of the armed forces and their spouses with helpful information and counseling on financial services and related marketing practices.

"(c) LIFE INSURANCE.—In counseling a member of the armed forces, or spouse of a member of the armed forces, under this

section regarding life insurance offered by a private sector source, a financial services counselor under subsection (b)(2)(A)(i), or another individual providing counseling on financial services under subsection (b)(2), shall furnish the member or spouse, as the case may be, with information on the availability of Servicemembers' Group Life Insurance under subchapter III of chapter 19 of title 38, including information on the amounts of coverage available and the procedures for electing coverage and the amount of coverage.

"(d) FINANCIAL SERVICES DEFINED.—In this section, the term 'financial services' includes the following:

"(1) Life insurance, casualty insurance, and other insurance.

"(2) Investments in securities or financial instruments.

"(3) Banking, credit, loans, deferred payment plans, and mortgages.".

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

"992. Consumer education: financial services.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first month that begins more than 120 days after the date of the enactment of this Act.

**SEC. 579. REPORT ON PREDATORY LENDING PRACTICES DIRECTED AT MEMBERS OF THE ARMED FORCES AND THEIR DEPENDENTS.**

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate committees of Congress a report on predatory lending practices directed at members of the Armed Forces and their families. The report shall be prepared in consultation with the Secretary of the Treasury, the Chairman of the Federal Reserve, the Chairman of the Federal Deposit Insurance Corporation, and representatives of military charity organizations and consumer organizations.

(b) ELEMENTS.—The report under subsection (a) shall include the following:

(1) A description of the prevalence of predatory lending practices directed at members of the Armed Forces and their families.

(2) An assessment of the effects of predatory lending practices on members of the Armed Forces and their families.

(3) A description of the strategy of the Department of Defense, and of any current or planned programs of the Department, to educate members of the Armed Forces and their families regarding predatory lending practices.

(4) A description of the strategy of the Department of Defense, and of any current or planned programs of the Department, to reduce or eliminate—

(A) the prevalence of predatory lending practices directed at members of the Armed Forces and their families; and

(B) the negative effect of such practices on members of the Armed Forces and their families.

(5) Recommendations for additional legislative and administrative action to reduce or eliminate predatory lending

practices directed at members of the Armed Forces and their families.

(c) DEFINITIONS.—In this section:

(1) The term "appropriate committees of Congress" means—

(A) the Committee on Armed Services and the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Armed Services and the Committee on Financial Services of the House of Representatives.

(2) The term "predatory lending practice" means an unfair or abusive loan or credit sale transaction or collection practice.

# Subtitle J—Reports and Sense of Congress Statements

### SEC. 581. REPORT ON NEED FOR A PERSONNEL PLAN FOR LINGUISTS IN THE ARMED FORCES.

(a) NEED ASSESSMENT.—The Secretary of Defense shall review the career tracks of members of the Armed Forces who are linguists in an effort to improve the management of linguists (in enlisted grades or officer grades, or both) and to assist them in reaching their full linguistic and analytical potential over a 20-year career. As part of such review, the Secretary shall assess the need for a comprehensive plan to better manage the careers of military linguists (in enlisted grades or officer grades, or both) and to ensure that such linguists have an opportunity to progress in grade and are provided opportunities to enhance their language and cultural skills. As part of the review, the Secretary shall consider personnel management methods such as enhanced bonuses, immersion opportunities, specialized career fields, establishment of a dedicated career path for linguists, and career monitoring to ensure career progress for linguists serving in duty assignments that are not linguist related.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the review and assessment conducted under subsection (a). The report shall include the findings, results, and conclusions of the Secretary's review and assessment of the careers of officer and enlisted linguists in the Armed Forces and the need for a comprehensive plan to ensure effective career management of linguists.

### SEC. 582. SENSE OF CONGRESS THAT COLLEGES AND UNIVERSITIES GIVE EQUAL ACCESS TO MILITARY RECRUITERS AND ROTC IN ACCORDANCE WITH THE SOLOMON AMENDMENT AND REQUIREMENT FOR REPORT TO CONGRESS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) any college or university that discriminates against ROTC programs or military recruiters should be denied certain Federal taxpayer support, especially funding for many military and defense programs; and

(2) universities and colleges that receive Federal funds should provide military recruiters access to college campuses

and to college students equal in quality and scope to that provided all other employers.

(b) REPORT REQUIRED.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the colleges and universities that are denying equal access to military recruiters and ROTC programs.

**SEC. 583. SENSE OF CONGRESS CONCERNING STUDY OF OPTIONS FOR PROVIDING HOMELAND DEFENSE EDUCATION.**

It is the sense of Congress that—

(1) the Secretary of Defense, in consultation with the Secretary of Homeland Security, should study the options among public and private educational institutions and facilities (including an option of using the National Defense University) for providing strategic-level homeland defense education and related research opportunities to civilian and military leaders from all agencies of government in order to contribute to the development of a common understanding of core homeland defense principles and of effective interagency homeland defense strategies, policies, doctrines, and processes; and

(2) the results of such consultation and study should be reported to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, together with such recommendations as the Secretary considers appropriate, including a request for any implementing legislation that would contribute to the development of strategic-level homeland defense education.

**SEC. 584. SENSE OF CONGRESS RECOGNIZING THE DIVERSITY OF THE MEMBERS OF THE ARMED FORCES SERVING IN OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM AND HONORING THEIR SACRIFICES AND THE SACRIFICES OF THEIR FAMILIES.**

(a) FINDINGS.—Congress finds the following:

(1) Thousands of members of the United States Armed Forces who come from a variety of ethnic and racial backgrounds have served, and are serving, in Operation Iraqi Freedom and Operation Enduring Freedom to defend the cause of freedom, democracy, and liberty. Many have been killed, wounded, or seriously injured.

(2) Diversity is an essential part of the strength of the Armed Forces, in which members having different ethnic and racial backgrounds share the goal of defending the cause of freedom, democracy, and liberty.

(3) The Armed Forces are representative of the diverse culture and backgrounds that make the United States a great nation.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States should—

(1) recognize and celebrate the diversity of the members of the Armed Forces; and

(2) recognize and honor the sacrifices being made by the members of the Armed Forces and their families in the global war on terrorism.

## Subtitle K—Other Matters

**SEC. 589. EXPANSION AND ENHANCEMENT OF AUTHORITY TO PRESENT RECOGNITION ITEMS FOR RECRUITMENT AND RETENTION PURPOSES.**

(a) IN GENERAL.—

(1) AUTHORITY.—Subchapter II of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 2261. Presentation of recognition items for recruitment and retention purposes**

"(a) EXPENDITURES FOR RECOGNITION ITEMS.—Under regulations prescribed by the Secretary of Defense, appropriated funds may be expended—

"(1) to procure recognition items of nominal or modest value for recruitment or retention purposes; and

"(2) to present such items—

"(A) to members of the armed forces; and

"(B) to members of the families of members of the armed forces, and other individuals, recognized as providing support that substantially facilitates service in the armed forces.

"(b) PROVISION OF MEALS AND REFRESHMENTS.—For purposes of section 520c of this title and any regulation prescribed to implement that section, functions conducted for the purpose of presenting recognition items described in subsection (a) shall be treated as recruiting functions, and recipients of such items shall be treated as persons who are the objects of recruiting efforts.

"(c) RECOGNITION ITEMS OF NOMINAL OR MODEST VALUE.—In this section, the term 'recognition item of nominal or modest value' means a commemorative coin, medal, trophy, badge, flag, poster, painting, or other similar item that is valued at less than $50 per item and is designed to recognize or commemorate service in the armed forces.

"(d) TERMINATION OF AUTHORITY.—The authority under this section shall expire December 31, 2007.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of chapter 134 of such title is amended by adding at the end the following new item:

"2261. Presentation of recognition items for recruitment and retention purposes.".

(b) REPEAL OF SUPERSEDED AUTHORITIES.—

(1) ARMY RESERVE.—Section 18506 of title 10, United States Code, is repealed. The table of sections at the beginning of chapter 1805 of such title is amended by striking the item relating to such section.

(2) NATIONAL GUARD.—Section 717 of title 32, United States Code, is repealed. The table of sections at the beginning of chapter 7 of such title is amended by striking the item relating to such section.

**SEC. 590. EXTENSION OF DATE OF SUBMITTAL OF REPORT OF VETERANS' DISABILITY BENEFITS COMMISSION.**

Section 1503 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1678; 38 U.S.C. 1101 note) is amended by striking "Not later than 15 months

after the date on which the commission first meets," and inserting "Not later than October 1, 2007,".

**SEC. 591. RECRUITMENT AND ENLISTMENT OF HOME-SCHOOLED STUDENTS IN THE ARMED FORCES.**

(a) POLICY ON RECRUITMENT AND ENLISTMENT.—

(1) POLICY REQUIRED.—The Secretary of Defense shall prescribe a policy on the recruitment and enlistment of home-schooled students in the Armed Forces.

(2) UNIFORMITY ACROSS THE ARMED FORCES.—The Secretary shall ensure that the policy prescribed under paragraph (1) applies, to the extent practicable, uniformly across the Armed Forces.

(b) ELEMENTS.—The policy under subsection (a) shall include the following:

(1) An identification of a graduate of home schooling for purposes of recruitment and enlistment in the Armed Forces that is in accordance with the requirements described in subsection (c).

(2) A communication plan to ensure that the policy described in subsection (c) is understood by recruiting officials of all the Armed Forces, to include field recruiters at the lowest level of command.

(3) An exemption of graduates of home schooling from the requirement for a secondary school diploma or an equivalent (GED) as a precondition for enlistment in the Armed Forces.

(c) HOME SCHOOL GRADUATES.—In prescribing the policy under subsection (a), the Secretary of Defense shall prescribe a single set of criteria to be used by the Armed Forces in determining whether an individual is a graduate of home schooling. The Secretary concerned shall ensure compliance with education credential coding requirements.

(d) SECRETARY CONCERNED DEFINED.—In this section, the term "Secretary concerned" has the meaning given such term in section 101(a)(9) of title 10, United States Code.

**SEC. 592. MODIFICATION OF REQUIREMENT FOR CERTAIN INTERMEDIARIES UNDER CERTAIN AUTHORITIES RELATING TO ADOPTIONS.**

(a) REIMBURSEMENT FOR ADOPTION EXPENSES.—Section 1052(g)(1) of title 10, United States Code, is amended by inserting "or other source authorized to place children for adoption under State or local law" after "qualified adoption agency".

(b) TREATMENT AS CHILDREN FOR MEDICAL AND DENTAL CARE PURPOSES.—Section 1072(6)(D)(i) of such title is amended by inserting ", or by any other source authorized by State or local law to provide adoption placement," after "(recognized by the Secretary of Defense)".

**SEC. 593. ADOPTION LEAVE FOR MEMBERS OF THE ARMED FORCES ADOPTING CHILDREN.**

(a) LEAVE AUTHORIZED.—Section 701 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) Under regulations prescribed by the Secretary of Defense, a member of the armed forces adopting a child in a qualifying child adoption is allowed up to 21 days of leave in a calendar year to be used in connection with the adoption.

"(2) For the purpose of this subsection, an adoption of a child by a member is a qualifying child adoption if the member is eligible for reimbursement of qualified adoption expenses for such adoption under section 1052 of this title.

"(3) In the event that two members of the armed forces who are married to each other adopt a child in a qualifying child adoption, only one such member shall be allowed leave under this subsection.

"(4) Leave under paragraph (1) is in addition to other leave provided under other provisions of this section.".

(b) EFFECTIVE DATE.—Subsection (i) of section 701 of title 10, United States Code (as added by subsection (a)), shall take effect on January 1, 2006, and shall apply only with respect to adoptions completed on or after that date.

**SEC. 594. ADDITION OF INFORMATION TO BE COVERED IN MANDATORY PRESEPARATION COUNSELING.**

Section 1142(b) of title 10, United States Code, is amended—

(1) in paragraph (4), by striking "(4) Information concerning" and inserting the following:

"(4) Provision of information on civilian occupations and related assistance programs, including information concerning—

"(A) certification and licensure requirements that are applicable to civilian occupations;

"(B) civilian occupations that correspond to military occupational specialties; and

"(C)"; and

(2) by adding at the end the following:

"(11) Information concerning the availability of mental health services and the treatment of post-traumatic stress disorder, anxiety disorders, depression, suicidal ideations, or other mental health conditions associated with service in the armed forces.

"(12) Information concerning the priority of service for veterans in the receipt of employment, training, and placement services provided under qualified job training programs of the Department of Labor.

"(13) Information concerning veterans small business ownership and entrepreneurship programs of the Small Business Administration and the National Veterans Business Development Corporation.

"(14) Information concerning employment and reemployment rights and obligations under chapter 43 of title 38.

"(15) Information concerning veterans preference in federal employment and federal procurement opportunities.

"(16) Contact information for housing counseling assistance.

"(17) A description, developed in consultation with the Secretary of Veterans Affairs, of health care and other benefits to which the member may be entitled under the laws administered by the Secretary of Veterans Affairs.".

**SEC. 595. REPORT ON TRANSITION ASSISTANCE PROGRAMS.**

(a) REPORT REQUIRED.—Not later than May 1, 2006, the Secretary of Defense shall submit to Congress a report on the actions taken, including those actions taken pursuant to the recommendations in the May 2005 report of the Comptroller General submitted to Congress pursuant to section 598 of the Ronald W. Reagan

National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1939), to ensure that the Transition Assistance Programs for members of the Armed Forces separating from the Armed Forces (including members of the regular components of the Armed Forces and members of the reserve components of the Armed Forces) function effectively to provide such members with timely and comprehensive transition assistance when separating from the Armed Forces. The report under this section shall be prepared in consultation with the Secretary of Labor and the Secretary of Veterans Affairs.

(b) FOCUS ON PARTICULAR MEMBERS.—The report required by subsection (a) shall include particular attention to the actions taken with respect to the Transition Assistance Programs to assist the following members of the Armed Forces:

(1) Members deployed to Operation Iraqi Freedom.

(2) Members deployed to Operation Enduring Freedom.

(3) Members deployed to or in support of other contingency operations.

(4) Members of the National Guard activated under the provisions of title 32, United States Code, in support of relief efforts for Hurricane Katrina and Hurricane Rita.

**SEC. 596. IMPROVEMENT TO DEPARTMENT OF DEFENSE CAPACITY TO RESPOND TO SEXUAL ASSAULT AFFECTING MEMBERS OF THE ARMED FORCES.**

(a) PLAN FOR SYSTEM TO TRACK CASES IN WHICH CARE OR PROSECUTION HINDERED BY LACK OF AVAILABILITY.—

(1) PLAN REQUIRED.—The Secretary of Defense shall develop and implement a system to track cases under the jurisdiction of the Department of Defense in which care to a victim of rape or sexual assault, or the investigation or prosecution of an alleged perpetrator of rape or sexual assault, is hindered by the lack of availability of a rape kit or other needed supplies or by the lack of timely access to appropriate laboratory testing resources.

(2) SUBMITTAL TO CONGRESSIONAL COMMITTEES.—The Secretary shall submit the plan developed under paragraph (1) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives not later than 120 days after the date of the enactment of this Act.

(b) ACCESSIBILITY PLAN FOR DEPLOYED UNITS.—

(1) PLAN REQUIRED.—The Secretary of Defense shall develop and implement a plan for ensuring accessibility and availability of supplies, trained personnel, and transportation resources for responding to sexual assaults occurring in deployed units. The plan shall include the following:

(A) A plan for the training of personnel who are considered to be "first responders" to sexual assaults (including criminal investigators, medical personnel responsible for rape kit evidence collection, and victims advocates), such training to include current techniques on the processing of evidence, including rape kits, and on conducting investigations.

(B) A plan for ensuring the availability at military hospitals of supplies needed for the treatment of victims of sexual assault who present at a military hospital,

including rape kits, equipment for processing rape kits, and supplies for testing and treatment for sexually transmitted infections and diseases, including HIV, and for testing for pregnancy.

(2) SUBMITTAL TO CONGRESSIONAL COMMITTEES.—The Secretary shall submit the plan developed under paragraph (1) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives not later than 120 days after the date of the enactment of this Act.

(c) ADDITIONAL MATTERS FOR ANNUAL REPORT ON SEXUAL ASSAULTS.—Section 577(f)(2) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1927; 10 U.S.C. 113 note) is amended—

(1) by redesignating subparagraph (D) as subparagraph (G); and

(2) by inserting after subparagraph (C) the following new subparagraphs:

"(D) A description of the implementation during the year covered by the report of the tracking system implemented pursuant to section 596(a) of the National Defense Authorization Act for Fiscal Year 2006, including information collected on cases during that year in which care to a victim of rape or sexual assault was hindered by the lack of availability of a rape kit or other needed supplies or by the lack of timely access to appropriate laboratory testing resources.

"(E) A description of the implementation during the year covered by the report of the accessibility plan implemented pursuant to section 596(b) of the National Defense Authorization Act for Fiscal Year 2006, including a description of the steps taken during that year to provide that trained personnel, appropriate supplies, and transportation resources are accessible to deployed units in order to provide an appropriate and timely response in any case of reported sexual assault in a deployed unit.

"(F) A description of the required supply inventory, location, accessibility, and availability of supplies, trained personnel, and transportation resources needed, and in fact in place, in order to be able to provide an appropriate and timely response in any case of reported sexual assault in a deployed unit.".

**SEC. 597. AUTHORITY FOR APPOINTMENT OF COAST GUARD FLAG OFFICER AS CHIEF OF STAFF TO THE PRESIDENT.**

(a) AUTHORITY.—Chapter 3 of title 14, United States Code, is amended by adding at the end the following new section:

**"§ 54. Chief of staff to President: appointment**

"The President, by and with the advice and consent of the Senate, may appoint a flag officer of the Coast Guard as the Chief of Staff to the President.".

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

"54. Chief of Staff to President: appointment.".

**SEC. 598. PRAYER AT MILITARY SERVICE ACADEMY ACTIVITIES.**

(a) IN GENERAL.—The superintendent of a service academy may have in effect such policy as the superintendent considers

appropriate with respect to the offering of a voluntary, nondenominational prayer at an otherwise authorized activity of the academy, subject to the United States Constitution and such limitations as the Secretary of Defense may prescribe.

(b) SERVICE ACADEMIES.—For purposes of this section, the term "service academy" means any of the following:

(1) The United States Military Academy.

(2) The United States Naval Academy.

(3) The United States Air Force Academy.

**SEC. 599. MODIFICATION OF AUTHORITY TO MAKE MILITARY WORKING DOGS AVAILABLE FOR ADOPTION.**

(a) ADMINISTRATION OF AUTHORITY BY SECRETARIES OF MILITARY DEPARTMENTS.—Subsection (a) of section 2583 of title 10, United States Code, is amended—

(1) by striking "Secretary of Defense may" and inserting "Secretary of the military department concerned may"; and

(2) by striking "the Department of Defense" and inserting "such military department".

(b) AUTHORITY TO MAKE DOGS AVAILABLE FOR ADOPTION BEFORE END OF USEFUL WORKING LIFE.—Such subsection is further amended by striking "at the end" and all that follows and inserting ", unless the dog has been determined to be unsuitable for adoption under subsection (b), under circumstances as follows:

"(1) At the end of the dog's useful working life.

"(2) Before the end of the dog's useful working life, if such Secretary, in such Secretary's discretion, determines that unusual or extraordinary circumstances justify making the dog available for adoption before that time.

"(3) When the dog is otherwise excess to the needs of such military department.".

(c) CLARIFICATION OF REPORTING REQUIREMENT.—Subsection (f) of such section is amended by inserting "of Defense" after "Secretary".

(d) CONFORMING AND CLERICAL AMENDMENTS.—The heading of such section, and the item relating to such section in the table of sections at the beginning of chapter 153 of such title, are each amended by striking the last six words.

# TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

## SUBTITLE A—PAY AND ALLOWANCES

Sec. 601. Increase in basic pay for fiscal year 2006.
Sec. 602. Additional pay for permanent military professors at United States Naval Academy with over 36 years of service.
Sec. 603. Basic pay rates for reserve component members selected to attend military service academy preparatory schools.
Sec. 604. Clarification of restriction on compensation for correspondence courses.
Sec. 605. Enhanced authority for agency contributions for members of the Armed Forces participating in the Thrift Savings Plan.
Sec. 606. Pilot program on contributions to Thrift Savings Plan for initial enlistees in the Army.
Sec. 607. Prohibition against requiring certain injured members to pay for meals provided by military treatment facilities.
Sec. 608. Permanent authority for supplemental subsistence allowance for low-income members with dependents.
Sec. 609. Increase in basic allowance for housing and extension of temporary lodging expenses authority for areas subject to major disaster declaration or for installations experiencing sudden increase in personnel levels.

Sec. 610. Basic allowance for housing for reserve component members.
Sec. 611. Permanent increase in length of time dependents of certain deceased members may continue to occupy military family housing or receive basic allowance for housing.
Sec. 612. Overseas cost of living allowance.
Sec. 613. Allowance to cover portion of monthly deduction from basic pay for Servicemembers' Group Life Insurance coverage for members serving in Operation Enduring Freedom or Operation Iraqi Freedom.
Sec. 614. Income replacement payments for Reserves experiencing extended and frequent mobilization for active duty service.

**SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS**

Sec. 621. Extension or resumption of certain bonus and special pay authorities for reserve forces.
Sec. 622. Extension of certain bonus and special pay authorities for certain health care professionals.
Sec. 623. Extension of special pay and bonus authorities for nuclear officers.
Sec. 624. Extension of other bonus and special pay authorities.
Sec. 625. Eligibility of oral and maxillofacial surgeons for incentive special pay.
Sec. 626. Eligibility of dental officers for additional special pay.
Sec. 627. Increase in maximum monthly rate authorized for hardship duty pay.
Sec. 628. Flexible payment of assignment incentive pay.
Sec. 629. Active-duty reenlistment bonus.
Sec. 630. Reenlistment bonus for members of the Selected Reserve.
Sec. 631. Consolidation and modification of bonuses for affiliation or enlistment in the Selected Reserve.
Sec. 632. Expansion and enhancement of special pay for enlisted members of the Selected Reserve assigned to certain high priority units.
Sec. 633. Eligibility requirements for prior service enlistment bonus.
Sec. 634. Increase and enhancement of affiliation bonus for officers of the Selected Reserve.
Sec. 635. Increase in authorized maximum amount of enlistment bonus.
Sec. 636. Discretion of Secretary of Defense to authorize retroactive hostile fire and imminent danger pay.
Sec. 637. Increase in maximum bonus amount for nuclear-qualified officers extending period of active duty.
Sec. 638. Increase in maximum amount of nuclear career annual incentive bonus for nuclear-qualified officers trained while serving as enlisted members.
Sec. 639. Uniform payment of foreign language proficiency pay to eligible reserve component members and regular component members.
Sec. 640. Retention bonus for members qualified in certain critical skills or assigned to high priority units.
Sec. 641. Incentive bonus for transfer between Armed Forces.
Sec. 642. Availability of special pay for members during rehabilitation from wounds, injuries, and illnesses incurred in a combat operation or combat zone.
Sec. 643. Pay and benefits to facilitate voluntary separation of targeted members of the Armed Forces.
Sec. 644. Ratification of payment of critical-skills accession bonus for persons enrolled in Senior Reserve Officers' Training Corps obtaining nursing degrees.
Sec. 645. Temporary authority to pay bonus to encourage members of the Army to refer other persons for enlistment in the Army.

**SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES**

Sec. 651. Authorized absences of members for which lodging expenses at temporary duty location may be paid.
Sec. 652. Extended period for selection of home for travel and transportation allowances for dependents of deceased members.
Sec. 653. Transportation of family members in connection with the repatriation of members held captive.
Sec. 654. Increased weight allowances for shipment of household goods of senior noncommissioned officers.
Sec. 655. Permanent authority to provide travel and transportation allowances for family members to visit hospitalized members of the Armed Forces injured in combat operation or combat zone.

**SUBTITLE D—RETIRED PAY AND SURVIVOR BENEFITS**

Sec. 661. Monthly disbursement to States of State income tax withheld from retired or retainer pay.
Sec. 662. Denial of certain burial-related benefits for individuals who committed a capital offense.

Sec. 663. Concurrent receipt of veterans' disability compensation and military retired pay.
Sec. 664. Additional amounts of death gratuity for survivors of certain members of the Armed Forces dying on active duty.
Sec. 665. Child support for certain minor children of retirement-eligible members convicted of domestic violence resulting in death of child's other parent.
Sec. 666. Comptroller General report on actuarial soundness of the Survivor Benefit Plan.

SUBTITLE E—COMMISSARY AND NONAPPROPRIATED FUND INSTRUMENTALITY BENEFITS

Sec. 671. Increase in authorized level of supplies and services procurement from overseas exchange stores.
Sec. 672. Requirements for private operation of commissary store functions.
Sec. 673. Provision of and payment for overseas transportation services for commissary and exchange supplies and products.
Sec. 674. Compensatory time off for certain nonappropriated fund employees.
Sec. 675. Rest and recuperation leave programs.

SUBTITLE F—OTHER MATTERS

Sec. 681. Temporary Army authority to provide additional recruitment incentives.
Sec. 682. Clarification of leave accrual for members assigned to a deployable ship or mobile unit or other duty.
Sec. 683. Expansion of authority to remit or cancel indebtedness of members of the Armed Forces incurred on active duty.
Sec. 684. Loan repayment program for chaplains in the Selected Reserve.
Sec. 685. Inclusion of Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff among senior enlisted members of the Armed Forces.
Sec. 686. Special and incentive pays considered for saved pay upon appointment of members as officers.
Sec. 687. Repayment of unearned portion of bonuses, special pays, and educational benefits.
Sec. 688. Rights of members of the Armed Forces and their dependents under Housing and Urban Development Act of 1968.
Sec. 689. Extension of eligibility for SSI for certain individuals in families that include members of the Reserve and National Guard.
Sec. 690. Information for members of the Armed Forces and their dependents on rights and protections of the Servicemembers Civil Relief Act.

# Subtitle A—Pay and Allowances

**SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2006.**

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2006 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 2006, the rates of monthly basic pay for members of the uniformed services are increased by 3.1 percent.

**SEC. 602. ADDITIONAL PAY FOR PERMANENT MILITARY PROFESSORS AT UNITED STATES NAVAL ACADEMY WITH OVER 36 YEARS OF SERVICE.**

Section 203(b) of title 37, United States Code, is amended by inserting after "Military Academy" the following: ", the United States Naval Academy,".

**SEC. 603. BASIC PAY RATES FOR RESERVE COMPONENT MEMBERS SELECTED TO ATTEND MILITARY SERVICE ACADEMY PREPARATORY SCHOOLS.**

Section 203(e)(2) of title 37, United States Code, is amended—

(1) by striking "on active duty for a period of more than 30 days shall continue to receive" and inserting "shall receive"; and

(2) by inserting before the period at the end the following: "or at the rate provided for cadets and midshipmen under subsection (c), whichever is greater".

**SEC. 604. CLARIFICATION OF RESTRICTION ON COMPENSATION FOR CORRESPONDENCE COURSES.**

Section 206(d)(1) of title 37, United States Code, is amended by inserting after "reserve component" the following: "or by a member of the National Guard while not in Federal service".

**SEC. 605. ENHANCED AUTHORITY FOR AGENCY CONTRIBUTIONS FOR MEMBERS OF THE ARMED FORCES PARTICIPATING IN THE THRIFT SAVINGS PLAN.**

(a) AUTHORITY TO MAKE CONTRIBUTIONS FOR CERTAIN FIRST-TIME ENLISTEES.—Subsection (d) of section 211 of title 37, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting "(i)" after "(A)";

(B) by redesignating subparagraph (B) as clause (ii) of subparagraph (A) and, in such clause, by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following new subparagraph (B):

"(B) is enlisting in the armed forces for the first time and the period of the member's enlistment is not less than two years.";

(2) in paragraph (2), by striking "paragraph (1)" the first place it appears and inserting "paragraph (1)(A)";

(3) by designating the second sentence of paragraph (2) as paragraph (4) and, in such paragraph, by striking "this paragraph" and inserting "this subsection"; and

(4) by inserting before such paragraph (4) the following new paragraph:

"(3) In the case of a member described by paragraph (1)(B), the Secretary shall make contributions to the Fund for the benefit of the member for each pay period of the enlistment of the member described in that paragraph for which the member makes a contribution to the Fund under section 8440e of title 5 (other than under subsection (d)(2) thereof).".

(b) CLERICAL AMENDMENT.—Such subsection is further amended by inserting "AND FIRST-TIME ENLISTEES" after "SPECIALTIES".

**SEC. 606. PILOT PROGRAM ON CONTRIBUTIONS TO THRIFT SAVINGS PLAN FOR INITIAL ENLISTEES IN THE ARMY.**

(a) PILOT PROGRAM REQUIRED.—During fiscal year 2006, the Secretary of the Army shall use the authority provided by section 211(d)(1)(B) of title 10, United States Code, as amended by section 605, to carry out within the Army a pilot program in order to assess the extent to which contributions by the Secretary to the Thrift Savings Fund on behalf of members of the Army described in subsection (b) would—

(1) assist the Army in recruiting efforts; and

(2) assist such members in establishing habits of financial responsibility during their initial enlistment in the Armed Forces.

(b) COVERED MEMBERS.—To be eligible to participate in the pilot program under subsection (a), a member of the Army must

be serving under an initial enlistment for a period of not less than two years.

(c) CONTRIBUTIONS TO THRIFT SAVINGS FUND.—

(1) IN GENERAL.—The Secretary of the Army may make contributions to the Thrift Savings Fund on behalf of any participant in the pilot program under subsection (a) for any pay period during the period of the pilot program.

(2) LIMITATIONS.—The amount of any contributions made with respect to a member under paragraph (1) shall be subject to the provisions of section 8432(c) of title 5, United States Code.

(d) REPORT.—

(1) IN GENERAL.—Not later than February 1, 2007, the Secretary of Defense shall submit to the congressional defense committees a report on the pilot program under subsection (a).

(2) ELEMENTS.—The report shall include the following:

(A) A description of the pilot program, including the number of members of the Army who participated in the pilot program and the contributions made by the Army to the Thrift Savings Fund on behalf of such members during the period of the pilot program.

(B) An assessment, based on the pilot program and taking into account the views of officers and senior enlisted personnel of the Army, and of field recruiters, of the extent to which contributions by the military departments to the Thrift Savings Fund on behalf of members of the Armed Forces similar to the participants in the pilot program—

(i) would enhance the recruiting efforts of the Armed Forces; and

(ii) would assist such members in establishing habits of financial responsibility during their initial enlistment in the Armed Forces.

**SEC. 607. PROHIBITION AGAINST REQUIRING CERTAIN INJURED MEMBERS TO PAY FOR MEALS PROVIDED BY MILITARY TREATMENT FACILITIES.**

(a) TEMPORARY PROHIBITION.—Section 402 of title 37, United States Code, is amended—

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

(2) by inserting after subsection (g) the following new subsection:

"(h) NO PAYMENT FOR MEALS RECEIVED AT MILITARY TREATMENT FACILITIES.—(1) A member of the armed forces who is undergoing medical recuperation or therapy, or is otherwise in the status of continuous care, including outpatient care, at a military treatment facility for an injury, illness, or disease described in paragraph (2) shall not be required to pay any charge for meals provided to the member by the military treatment facility during any month covered by paragraph (3) in which the member is entitled to a basic allowance for subsistence under this section.

"(2) Paragraph (1) applies with respect to an injury, illness, or disease incurred or aggravated by a member while the member was serving on active duty—

"(A) in support of Operation Iraqi Freedom or Operation Enduring Freedom; or

"(B) in any other operation designated by the Secretary of Defense as a combat operation or in an area designated by the Secretary as a combat zone.

"(3) This subsection shall apply to months beginning during the period beginning on October 1, 2005, and ending on December 31, 2006.".

(b) REPEAL OF TEMPORARY AUTHORITY.—Section 1023 of division A of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13), is repealed.

**SEC. 608. PERMANENT AUTHORITY FOR SUPPLEMENTAL SUBSISTENCE ALLOWANCE FOR LOW-INCOME MEMBERS WITH DEPENDENTS.**

(a) REPEAL OF TERMINATION PROVISION.—Section 402a of title 37, United States Code, is amended by striking subsection (i).

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Subsection (f) of such section is amended—

(1) in the first sentence, by striking "Secretary of Transportation" and inserting "Secretary of Homeland Security, with respect to the Coast Guard"; and

(2) by striking the second sentence.

**SEC. 609. INCREASE IN BASIC ALLOWANCE FOR HOUSING AND EXTENSION OF TEMPORARY LODGING EXPENSES AUTHORITY FOR AREAS SUBJECT TO MAJOR DISASTER DECLARATION OR FOR INSTALLATIONS EXPERIENCING SUDDEN INCREASE IN PERSONNEL LEVELS.**

(a) TEMPORARY BASIC ALLOWANCE FOR HOUSING INCREASE AUTHORIZED.—Section 403(b) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(7)(A) Under the authority of this paragraph, the Secretary of Defense may prescribe a temporary increase in the rates of basic allowance for housing otherwise prescribed for a military housing area or a portion of a military housing area if the military housing area or portion thereof—

"(i) is located in an area covered by a declaration by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) that a major disaster exists; or

"(ii) contains one or more military installations that are experiencing a sudden increase in the number of members of the armed forces assigned to the installation.

"(B) The Secretary of Defense shall base the amount of the increase to be made in the rates of basic allowance for housing for an area on a determination by the Secretary of the amount by which the costs of adequate housing for civilians have increased in the area by reason of the disaster or the influx of military personnel, except that the increase may not exceed the amount equal to 20 percent of the rate of basic allowance for housing otherwise prescribed for the area.

"(C) A member may be paid a basic allowance for housing at a rate increased under this paragraph only if the member certifies to the Secretary concerned that the member has incurred increased housing costs in the area by reason of the disaster or the influx of military personnel.

"(D) Subject to subparagraph (E), an increase in the rates of basic allowance for housing in an area under this paragraph

shall remain in effect until the effective date of the first adjustment in rates of basic allowance for housing made for the area pursuant to a redetermination of housing costs in the area under this subsection that occurs after the date of the increase under this paragraph.

"(E) An increase in the rates of basic allowance for housing for an area may not be prescribed under this paragraph or continue after December 31, 2008.".

(b) TEMPORARY EXTENSION OF TEMPORARY LODGING EXPENSES AUTHORITY.—Section 404a(c) of such title is amended by adding at the end the following new paragraph:

"(3) Whenever the conditions described in clause (i) or (ii) of subparagraph (A) of section 403(b)(7) of this title exist for a military housing area or portion thereof, the Secretary concerned may increase the period for which subsistence expenses are to be paid or reimbursed under this section in the case of a change of permanent station described in subparagraph (A) or (C) of subsection (a)(2) in the same military housing area or portion thereof to a maximum of 20 days.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to months beginning on or after September 1, 2005.

**SEC. 610. BASIC ALLOWANCE FOR HOUSING FOR RESERVE COMPONENT MEMBERS.**

(a) EQUAL TREATMENT OF RESERVE MEMBERS.—Subsection (g) of section 403 of title 37, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) The rate of basic allowance for housing to be paid to the following members of a reserve component shall be equal to the rate in effect for similarly situated members of a regular component of the uniformed services:

"(A) A member who is called or ordered to active duty for a period of more than 30 days.

"(B) A member who is called or ordered to active duty for a period of 30 days or less in support of a contingency operation."; and

(3) in paragraph (4), as so redesignated, by striking "less than 140 days" and inserting "30 days or less".

(b) CONFORMING AMENDMENT REGARDING MEMBERS WITHOUT DEPENDENTS.—Paragraph (1) of such subsection is amended by inserting "or for a period of more than 30 days" after "in support of a contingency operation" both places it appears.

**SEC. 611. PERMANENT INCREASE IN LENGTH OF TIME DEPENDENTS OF CERTAIN DECEASED MEMBERS MAY CONTINUE TO OCCUPY MILITARY FAMILY HOUSING OR RECEIVE BASIC ALLOWANCE FOR HOUSING.**

Effective immediately after the termination, pursuant to subsection (b) of section 1022 of Public Law 109–13 (119 Stat. 251) and section 124 of Public Law 109–77 (119 Stat. 2041), of the amendments made by subsection (a) of such section 1022, section 403(l) of title 37, United States Code, is amended by striking "180 days" each place it appears and inserting "365 days".

**SEC. 612. OVERSEAS COST OF LIVING ALLOWANCE.**

(a) PAYMENT OF ALLOWANCE BASED ON OVERSEAS LOCATION OF DEPENDENTS.—Section 405 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(e) PAYMENT OF ALLOWANCE BASED ON OVERSEAS LOCATION OF DEPENDENTS.—In the case of a member assigned to duty inside the continental United States whose dependents continue to reside outside the continental United States, the Secretary concerned may pay the member a per diem under this section based on the location of the dependents and provide reimbursement under subsection (d) for an unusual or extraordinary expense incurred by the dependents if the Secretary determines that such payment or reimbursement is in the best interest of the member or the member's dependents and in the best interest of the United States.".

(b) CLARIFICATION OF EXPENSES ELIGIBLE FOR LUMP-SUM REIMBURSEMENT.—Subsection (d) of such section is amended—

(1) in the subsection heading, by striking "NONRECURRING" and inserting "UNUSUAL OR EXTRAORDINARY";

(2) by inserting "or (e)" after "subsection (a)" each place it appears; and

(3) in paragraph (1)—

(A) by striking "a nonrecurring" and inserting "an unusual or extraordinary" in the matter preceding subparagraph (A); and

(B) in subparagraph (A), by inserting "or the location of the member's dependents" before the semicolon.

**SEC. 613. ALLOWANCE TO COVER PORTION OF MONTHLY DEDUCTION FROM BASIC PAY FOR SERVICEMEMBERS' GROUP LIFE INSURANCE COVERAGE FOR MEMBERS SERVING IN OPERATION ENDURING FREEDOM OR OPERATION IRAQI FREEDOM.**

(a) ALLOWANCE TO COVER SGLI DEDUCTIONS.—Chapter 7 of title 37, United States Code, is amended by adding at the end the following new section:

**"§ 437. Allowance to cover portion of monthly premium for Servicemembers' Group Life Insurance: members serving in Operation Enduring Freedom or Operation Iraqi Freedom**

"(a) REQUIRED REIMBURSEMENT FOR PREMIUM DEDUCTION.—(1) In the case of a member of the armed forces who has insurance coverage for the member under the Servicemembers' Group Life Insurance program under subchapter III of chapter 19 of title 38 and who serves in the theater of operations for Operation Enduring Freedom or Operation Iraqi Freedom at any time during a month, the Secretary concerned shall pay the member an allowance under this section for that month in an amount equal to the amount of the deduction made under subsection (a)(1) of section 1969 of such title for the first $150,000 of Servicemembers' Group Life Insurance coverage held by the member under section 1967 of such title.

"(2) If a member described in paragraph (1) elected to be insured in an amount less than the coverage amount specified in paragraph (1) or in effect pursuant to subsection (b), the amount of the allowance under this section for a month shall be equal

to the amount of the deduction made for that month under subsection (a)(1) of section 1969 of title 38 from the basic pay of the member for the amount of Servicemembers' Group Life Insurance coverage actually held by the member under section 1967 of such title.

"(b) AUTHORITY TO INCREASE MAXIMUM REIMBURSEMENT AMOUNT.—For purposes of subsection (a), the Secretary of Defense is authorized to increase the coverage amount specified in paragraph (1) of such subsection to permit the reimbursement of all or an additional amount of the deduction made under section 1969(a)(1) of title 38 for levels of coverage in excess of $150,000 for members under the Servicemembers' Group Life Insurance program.

"(c) NOTICE OF AVAILABILITY OF ALLOWANCE.—To the maximum extent practicable, in advance of the deployment of a member to a theater of operations referred to in subsection (a), the Secretary concerned shall give the member information regarding the following:

"(1) The availability of the allowance under this section for members insured under the Servicemembers' Group Life Insurance program.

"(2) The ability of members who elected not to be insured under Servicemembers' Group Life Insurance, or elected less than the coverage amount specified in subsection (a)(1) or in effect pursuant to subsection (b), to obtain insurance, or to obtain additional coverage, as the case may be, under the authority provided in section 1967(c) of title 38.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 37, United States Code, is amended by adding at the end the following new item:

"437. Allowance to cover portion of monthly premium for Servicemembers' Group Life Insurance: members serving in Operation Enduring Freedom or Operation Iraqi Freedom.".

(c) EFFECTIVE DATE; NOTIFICATION.—Section 437 of title 37, United States Code, as added by subsection (a), shall apply with respect to service by members of the Armed Forces in the theater of operations for Operation Enduring Freedom or Operation Iraqi Freedom for months beginning on or after the date of the enactment of this Act. In the case of members who are serving in the theater of operations for Operation Enduring Freedom or Operation Iraqi Freedom as of such date, the Secretary of Defense shall provide such members, as soon as practicable, the information specified in subsection (c) of that section.

**SEC. 614. INCOME REPLACEMENT PAYMENTS FOR RESERVES EXPERIENCING EXTENDED AND FREQUENT MOBILIZATION FOR ACTIVE DUTY SERVICE.**

(a) IN GENERAL.—Chapter 17 of title 37, United States Code, is amended by adding at the end the following new section:

### "§ 910. Replacement of lost income: involuntarily mobilized reserve component members subject to extended and frequent active duty service

"(a) PAYMENT REQUIRED.—The Secretary concerned shall pay to an eligible member of a reserve component of the armed forces an amount equal to the monthly active-duty income differential of the member, as determined by the Secretary. The payments shall be made on a monthly basis.

"(b) ELIGIBILITY.—Subject to subsection (c), a reserve component member is entitled to a payment under this section for any full month of active duty of the member, while on active duty under an involuntary mobilization order, following the date on which the member—

"(1) completes 18 continuous months of service on active duty under such an order;

"(2) completes 24 months on active duty during the previous 60 months under such an order; or

"(3) is involuntarily mobilized for service on active duty for a period of 180 days or more within six months or less following the member's separation from a previous period of involuntary active duty for a period of 180 days or more.

"(c) MINIMUM AND MAXIMUM PAYMENT AMOUNTS.—(1) A payment under this section shall be made to a member for a month only if the amount of the monthly active-duty income differential for the month is greater than $50.

"(2) Notwithstanding the amount determined under subsection (d) for a member for a month, the monthly payment to a member under this section may not exceed $3,000.

"(d) MONTHLY ACTIVE-DUTY INCOME DIFFERENTIAL.—For purposes of this section, the monthly active-duty income differential of a member is the difference between—

"(1) the average monthly civilian income of the member; and

"(2) the member's total monthly military compensation.

"(e) DEFINITIONS.—In this section:

"(1) The term 'average monthly civilian income', with respect to a member of a reserve component, means the amount, determined by the Secretary concerned, of the earned income of the member for either the 12 months preceding the member's mobilization or the 12 months covered by the member's most recent Federal income tax filing, divided by 12.

"(2) The term 'total monthly military compensation' means the amount, computed on a monthly basis, of the sum of—

"(A) the amount of the regular military compensation (RMC) of the member; and

"(B) any amount of special pay or incentive pay and any allowance (other than an allowance included in regular military compensation) that is paid to the member on a monthly basis.

"(f) REGULATIONS.—This section shall be administered under regulations to be prescribed by the Secretary of Defense.

"(g) TERMINATION OF AUTHORITY.—No payment shall be made under this section after December 31, 2008.".

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

"910. Replacement of lost income: involuntarily mobilized reserve component members subject to extended and frequent active duty service.".

(c) EFFECTIVE DATE.—Section 910 of title 37, United States Code, as added by subsection (a), may apply only with respect to months beginning after the end of the 180-day period beginning on the date of the enactment of this Act .

# Subtitle B—Bonuses and Special and Incentive Pays

**SEC. 621. EXTENSION OR RESUMPTION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.**

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(g) of title 37, United States Code, is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(b) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(c) READY RESERVE ENLISTMENT BONUS FOR PERSONS WITHOUT PRIOR SERVICE.—Section 308g(h) of such title is amended by striking "an enlistment after September 30, 1992" and inserting "an enlistment—

"(1) during the period beginning on October 1, 1992, and ending on September 30, 2005; or

"(2) after December 31, 2006.".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS FOR PERSONS WITH PRIOR SERVICE.—Section 308h(g) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(e) SELECTED RESERVE ENLISTMENT BONUS FOR PERSONS WITH PRIOR SERVICE.—Section 308i(f) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

**SEC. 622. EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR CERTAIN HEALTH CARE PROFESSIONALS.**

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(b) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of such title is amended by striking "January 1, 2006" and inserting "January 1, 2007".

(c) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(d) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(e) SPECIAL PAY FOR SELECTED RESERVE HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(f) ACCESSION BONUS FOR DENTAL OFFICERS.—Section 302h(a)(1) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(g) ACCESSION BONUS FOR PHARMACY OFFICERS.—Section 302j(a) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

**SEC. 623. 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, 2005" and inserting "December 31, 2006".

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

**SEC. 624. EXTENSION OF OTHER BONUS AND SPECIAL PAY AUTHORITIES.**

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(b) ASSIGNMENT INCENTIVE PAY.—Section 307a(f) of such title is amended by striking "December 31, 2006" and inserting "December 31, 2007".

(c) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(d) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 309(e) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(e) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.—Section 323(i) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

(f) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Section 324(g) of such title is amended by striking "December 31, 2005" and inserting "December 31, 2006".

**SEC. 625. ELIGIBILITY OF ORAL AND MAXILLOFACIAL SURGEONS FOR INCENTIVE SPECIAL PAY.**

(a) ELIGIBILITY.—Subsection (a) of section 302b of title 37, United States Code, is amended—

(1) in the subsection heading, by striking "AND BOARD CERTIFICATION" and inserting "BOARD CERTIFICATION, AND INCENTIVE"; and

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

"(6) An officer described in paragraph (1) who is an oral or maxillofacial surgeon may be paid incentive special pay at the same rates, and subject to the same terms and conditions, as incentive special pay available for medical officers under section 302(b) of this title.".

(b) CONFORMING AMENDMENTS.—Such section is further amended in subsections (b) and (d) by striking "subsection (a)(4)" each place it appears and inserting "paragraph (4) or (6) of subsection (a)".

**SEC. 626. ELIGIBILITY OF DENTAL OFFICERS FOR ADDITIONAL SPECIAL PAY.**

Section 302b(a)(4) of title 37, United States Code, is amended in the first sentence—

(1) by inserting "also" before "is entitled"; and

(2) by inserting "initial" before "residency".

**SEC. 627. INCREASE IN MAXIMUM MONTHLY RATE AUTHORIZED FOR HARDSHIP DUTY PAY.**

Section 305(a) of title 37, United States Code, is amended by striking "$300" and inserting "$750".

**SEC. 628. FLEXIBLE PAYMENT OF ASSIGNMENT INCENTIVE PAY.**

(a) AUTHORITY TO PROVIDE LUMP SUM OR INSTALLMENT PAYMENTS.—Section 307a of title 37, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "monthly"; and

(B) by adding at the end the following new sentence: "Incentive pay payable under this section may be paid on a monthly basis, in a lump sum, or in installments."; and

(2) in subsection (b)—

(A) by inserting "(1)" before "The Secretary concerned";

(B) in paragraph (1), as so designated, by striking "incentive pay" in the first sentence and inserting "the payment of incentive pay on a monthly basis"; and

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

"(2) The Secretary concerned shall require a member performing service in an assignment designated under subsection (a) to enter into a written agreement with the Secretary in order to qualify for the payment of incentive pay on a lump sum or installment basis under this section. The written agreement shall specify the period for which the incentive pay will be paid to the member and, subject to subsection (c), the amount of the lump sum, or each installment, of the incentive pay.".

(b) MAXIMUM RATE OR AMOUNT.—Subsection (c) of such section is amended to read as follows:

"(c) MAXIMUM RATE OR AMOUNT.—(1) The maximum monthly rate of incentive pay payable to a member on a monthly basis under this section is $3,000.

"(2) The amount of the lump sum payment of incentive pay payable to a member on a lump sum basis under this section may not exceed an amount equal to the product of—

"(A) the maximum monthly rate authorized under paragraph (1) at the time of the written agreement of the member under subsection (b)(2); and

"(B) the number of months in the period for which incentive pay will be paid pursuant to the agreement.

"(3) The amount of each installment payment of incentive pay payable to a member on an installment basis under this section shall be the amount equal to—

"(A) the product of (i) a monthly rate specified in the written agreement of the member under subsection (b)(2) (which monthly rate may not exceed the maximum monthly rate authorized under paragraph (1) at the time of the written agreement), and (ii) the number of months in the period for which incentive pay will be paid; divided by

"(B) the number of installments over such period.

"(4) If a member extends an assignment specified in an agreement with the Secretary under subsection (b), incentive pay for the period of the extension may be paid under this section on a monthly basis, in a lump sum, or in installments in accordance with this section.".

(c) REPAYMENT.—Such section is further amended—

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

(2) by inserting after subsection (c), as amended by subsection (b) of this section, the following new subsection (d):

"(d) REPAYMENT OF INCENTIVE PAY.—(1) A member who, pursuant to an agreement under subsection (b)(2), receives a lump sum or installment payment of incentive pay under this section and who fails to complete the total period of service or other conditions specified in the agreement voluntarily or because of misconduct, shall refund to the United States an amount equal to the percentage of incentive pay paid which is equal to the unexpired portion of the service divided by the total period of service. The Secretary concerned may waive repayment of an amount of incentive pay under this section, in whole or in part, if the Secretary determines that conditions and circumstances warrant.

"(2) An obligation to repay 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 5 years after the termination of the agreement does not discharge the member signing the agreement from a debt arising under paragraph (1).".

**SEC. 629. ACTIVE-DUTY REENLISTMENT BONUS.**

(a) ELIGIBILITY OF SENIOR ENLISTED MEMBERS.—Subsection (a) of section 308 of title 37, United States Code, is amended—

(1) in paragraph (1)(A), by striking "16 years of active duty" and inserting "20 years of active duty"; and

(2) in paragraph (3), by striking "18 years" and inserting "24 years".

(b) INCREASE IN AUTHORIZED MAXIMUM AMOUNT OF BONUS.—Paragraph (2)(B) of such subsection is amended by striking "$60,000" and inserting "$90,000".

(c) REPEAL OF REFERENCE TO OBSOLETE SPECIAL PAY.—Paragraph (1) of such subsection is amended—

(1) by inserting "and" at the end of subparagraph (B);

(2) by striking subparagraph (C); and

(3) by redesignating subparagraph (D) as subparagraph (C).

(d) REPEAL OF OBSOLETE SPECIAL PAY.—

(1) REPEAL.—Section 312a of title 37, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 312a.

**SEC. 630. REENLISTMENT BONUS FOR MEMBERS OF THE SELECTED RESERVE.**

(a) ELIGIBILITY OF SENIOR ENLISTED MEMBERS.—Subsection (a)(1) of section 308b of title 37, United States Code, is amended by striking "16 years of total military service" and inserting "20 years of total military service".

(b) COMPUTATION OF BONUS AMOUNT.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

"(3) Any portion of a term of reenlistment or extension of enlistment of a member that, when added to the total years of service of the member at the time of discharge or release, exceeds

24 years may not be used in computing the total bonus amount under paragraph (1).".

**SEC. 631. CONSOLIDATION AND MODIFICATION OF BONUSES FOR AFFILIATION OR ENLISTMENT IN THE SELECTED RESERVE.**

(a) CONSOLIDATION AND MODIFICATION OF BONUSES.—Section 308c of title 37, United States Code, is amended to read as follows:

**"§ 308c. Special pay: bonus for affiliation or enlistment in the Selected Reserve**

"(a) AFFILIATION BONUS AUTHORIZED.—The Secretary concerned may pay an affiliation bonus to an enlisted member of an armed force who—

"(1) has completed fewer than 20 years of military service; and

"(2) executes a written agreement to serve in the Selected Reserve of the Ready Reserve of an armed force for a period of not less than three years in a skill, unit, or pay grade designated under subsection (b) after being discharged or released from active duty under honorable conditions.

"(b) DESIGNATION OF SKILLS, UNITS, AND PAY GRADES.—The Secretary concerned shall designate the skills, units, and pay grades for which an affiliation bonus may be paid under subsection (a). Any skill, unit, or pay grade so designated shall be a skill, unit, or pay grade for which there is a critical need for personnel in the Selected Reserve of the Ready Reserve of an armed force, as determined by the Secretary concerned. The Secretary concerned shall establish other requirements to ensure that members accepted for affiliation meet required performance and discipline standards.

"(c) ACCESSION BONUS AUTHORIZED.—The Secretary concerned may pay an accession bonus to a person who—

"(1) has not previously served in the armed forces; and

"(2) executes a written agreement to serve as an enlisted member in the Selected Reserve of the Ready Reserve of an armed force for a period of not less than three years upon acceptance of the agreement by the Secretary concerned.

"(d) LIMITATION ON AMOUNT OF BONUS.—The amount of a bonus under subsection (a) or (c) may not exceed $20,000.

"(e) PAYMENT METHOD.—Upon acceptance of a written agreement by the Secretary concerned, the total amount of the bonus payable under the agreement becomes fixed. The agreement shall specify whether the bonus shall be paid by the Secretary concerned in a lump sum or in installments.

"(f) CONTINUED ENTITLEMENT TO BONUS PAYMENTS.—A member entitled to a bonus under this section who is called or ordered to active duty shall be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

"(g) REPAYMENT.—(1) A person who enters into an agreement under subsection (a) or (c) and receives all or part of the bonus under the agreement, but who does not commence to serve in the Selected Reserve or does not satisfactorily participate in the Selected Reserve for the total period of service specified in the agreement, shall repay to the United States the amount of the bonus so paid, except as otherwise prescribed under paragraph (2).

"(2) The Secretary concerned shall prescribe in regulations whether repayment of an amount otherwise required under paragraph (1) shall be made in whole or in part, the method for computing the amount of such repayment, and any conditions under which an exception to required repayment would apply.

"(3) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States. A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under subsection (a) or (c) does not discharge the individual signing the agreement from a debt arising under such agreement or under paragraph (1).

"(h) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under the jurisdiction of the Secretary of Defense and by the Secretary of Homeland Security for the Coast Guard when it is not operating as a service in the Navy.

"(i) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section with respect to any agreement entered into under subsection (a) or (c) after December 31, 2006.".

(b) REPEAL OF SUPERSEDED AFFILIATION BONUS AUTHORITY.—Section 308e of such title is repealed.

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 5 of such title is amended—

(1) by striking the item relating to section 308c and inserting the following new item:

"308c. Special pay: bonus for affiliation or enlistment in the Selected Reserve.";

and

(2) by striking the item relating to section 308e.

**SEC. 632. EXPANSION AND ENHANCEMENT OF SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.**

(a) ELIGIBILITY FOR PAY.—Subsection (a) of section 308d of title 37, United States Code, is amended by striking "an enlisted member" and inserting "a member".

(b) AMOUNT OF PAY.—Such subsection is further amended by striking "$10" and inserting "$50".

(c) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows:

**"§ 308d. Special pay: members of the Selected Reserve assigned to certain high priority units".**

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 308d and inserting the following new item:

"308d. Special pay: members of the Selected Reserve assigned to certain high priority units.".

**SEC. 633. ELIGIBILITY REQUIREMENTS FOR PRIOR SERVICE ENLISTMENT BONUS.**

Section 308i(a)(2) of title 37, United States Code, is amended—

(1) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) The person has not more than 16 years of total military service and received an honorable discharge at the conclusion of all prior periods of service."; and

(2) by striking subparagraph (D).

**SEC. 634. INCREASE AND ENHANCEMENT OF AFFILIATION BONUS FOR OFFICERS OF THE SELECTED RESERVE.**

(a) REPEAL OF PROHIBITION ON ELIGIBILITY FOR PRIOR RESERVE SERVICE.—Subsection (a)(2) of section 308j of title 37, United States Code, is amended—

(1) in subparagraph (A), by adding "and" at the end;

(2) by striking subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) INCREASE IN MAXIMUM AMOUNT.—Subsection (d) of such section is amended by striking "$6,000" and inserting "$10,000".

(c) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows:

**"§ 308j. Special pay: affiliation bonus for officers in the Selected Reserve".**

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 308j and inserting the following new item:

"308j. Special pay: affiliation bonus for officers in the Selected Reserve.".

**SEC. 635. INCREASE IN AUTHORIZED MAXIMUM AMOUNT OF ENLISTMENT BONUS.**

Section 309(a) of title 37, United States Code, is amended by striking "$20,000" and inserting "$40,000".

**SEC. 636. DISCRETION OF SECRETARY OF DEFENSE TO AUTHORIZE RETROACTIVE HOSTILE FIRE AND IMMINENT DANGER PAY.**

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

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

(2) by inserting before paragraph (2), as so redesignated, the following new paragraph (1):

"(1) In the case of an area described in subparagraph (B) or (D) of subsection (a)(2), the Secretary of Defense shall be responsible for designating the period during which duty in the area will qualify members for special pay under this section. The effective date designated for the commencement of such a period may be a date occurring before, on, or after the actual date on which the Secretary makes the designation. If the commencement date for such a period is a date occurring before the date on which the Secretary makes the designation, the payment of special pay under this section for the period between the commencement date and the date on which the Secretary makes the designation shall be subject to the availability of appropriated funds for that purpose.".

**SEC. 637. INCREASE IN MAXIMUM BONUS AMOUNT FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.**

Section 312(a) of title 37, United States Code, is amended by striking "$25,000" and inserting "$30,000".

**SEC. 638. INCREASE IN MAXIMUM AMOUNT OF NUCLEAR CAREER ANNUAL INCENTIVE BONUS FOR NUCLEAR-QUALIFIED OFFICERS TRAINED WHILE SERVING AS ENLISTED MEMBERS.**

Section 312c(b)(1) of title 37, United States Code, is amended by striking "$10,000" and inserting "$14,000".

**SEC. 639. UNIFORM PAYMENT OF FOREIGN LANGUAGE PROFICIENCY PAY TO ELIGIBLE RESERVE COMPONENT MEMBERS AND REGULAR COMPONENT MEMBERS.**

(a) AVAILABILITY OF BONUS IN LIEU OF MONTHLY SPECIAL PAY.—Subsection (a) of section 316 of title 37, United States Code, is amended—

(1) by striking "SPECIAL PAY" and inserting "BONUS";

(2) by striking "monthly special pay" and inserting "a bonus"; and

(3) by striking "is entitled to basic pay under section 204 of this title and who".

(b) PAYMENT OF BONUS.—Such section is further amended—

(1) by striking subsections (b), (d), (e), and (g);

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

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

"(b) BONUS AMOUNT; TIME FOR PAYMENT.—A bonus under subsection (a) may not exceed $12,000 per one-year certification period under subsection (c). The Secretary concerned may pay the bonus in a single lump sum at the beginning of the certification period or in installments during the certification period. The bonus is in addition to any other pay or allowance payable to a member under any other provision of law.".

(c) REPAYMENT.—Such section is further amended by inserting after subsection (d), as redesignated by subsection (b)(2) of this section, the following new subsection (e):

"(e) REPAYMENT.—(1) A member who receives a bonus under this section, but who does not satisfy an eligibility requirement specified in paragraph (1), (2), (3), or (4) of subsection (a) for the entire certification period, shall repay to the United States the amount of the bonus so paid, except as otherwise prescribed under paragraph (2).

"(2) The Secretary concerned shall prescribe in regulations whether repayment of an amount otherwise required under paragraph (1) shall be made in whole or in part, the method for computing the amount of such repayment, and any conditions under which an exception to required repayment would apply.

"(3) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States. A discharge in bankruptcy under title 11 that is entered less than five years after the date on which the member received the bonus does not discharge the member from a debt arising under paragraph (1).".

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

(1) in subsection (c)—

(A) by striking "special pay or" both places it appears; and

(B) by striking "or (b)";

(2) in subsection (d), as redesignated by subsection (b)(2) of this section—

(A) in paragraph (1)—

(i) by striking "monthly special pay or" in the matter preceding subparagraph (A); and

(ii) in subparagraph (C), by striking "for receipt" and all that follows through the period at the end and inserting "under subsection (a).";

(B) in paragraph (2), by striking "For purposes" and all that follows through "the Secretary concerned" and inserting "The Secretary concerned";

(C) in paragraph (3)—

(i) by striking "special pay or" both places it appears; and

(ii) by striking "subsection (h)" and inserting "subsection (f)"; and

(D) in paragraph (4), by striking "subsection (g)" and inserting "section 303a(e) of this title".

(e) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

**"§ 316. Special pay: bonus for members with foreign language proficiency".**

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 316 and inserting the following new item:

"316. Special pay: bonus for members with foreign language proficiency.".

**SEC. 640. RETENTION BONUS FOR MEMBERS QUALIFIED IN CERTAIN CRITICAL SKILLS OR ASSIGNED TO HIGH PRIORITY UNITS.**

(a) AVAILABILITY OF BONUS FOR RESERVE COMPONENT MEMBERS.—Section 323 of title 37, United States Code, is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "who is serving on active duty and" and inserting "who is serving on active duty in a regular component or in an active status in a reserve component and who";

(B) in paragraph (1), by inserting "or to remain in an active status in a reserve component for at least one year" before the semicolon; and

(C) in paragraph (3), by inserting "or to remain in an active status in a reserve component for a period of at least one year" before the period; and

(2) in subsection (e)(1), by inserting "or service in an active status in a reserve component" after "active duty" each place it appears.

(b) ADDITIONAL CRITERIA FOR BONUS.—Such section is further amended—

(1) in subsection (a), by striking "designated critical military skill" and inserting "critical military skill designated under subsection (b) or accepts an assignment to a high priority unit designated under such subsection";

(2) in subsection (b)—

(A) by striking "DESIGNATION OF CRITICAL SKILLS.—" and inserting "ELIGIBILITY CRITERIA.—(1)"; and

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

"(2) The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, may designate a unit as a high priority unit regarding which a retention bonus will be provided to a member of the armed forces who agrees to accept an assignment to the unit under subsection (a).."; and

(3) in subsection (h)(1), by striking "members qualified in the critical military skills for which the bonuses were offered" and inserting "members of the armed forces who were offered a bonus under this section".

(c) MAXIMUM AMOUNT OF BONUS FOR RESERVE COMPONENT MEMBERS.—Subsection (d)(1) of such section is amended by inserting after "$200,000" the following: "(or $100,000 in the case of a reserve component member)".

(d) EXTENDED ELIGIBILITY PERIOD FOR CERTAIN MEMBERS.—Subsection (e) of such section is amended by striking paragraph (2) and inserting the following new paragraphs:

"(2) The limitations in paragraph (1) do not apply with respect to an officer who, during the period of active duty or service in an active status in a reserve component for which the bonus is being offered, is assigned duties as a health care professional.

"(3) The limitations in paragraph (1) do not apply with respect to a member who, during the period of active duty or service in an active status in a reserve component for which the bonus is being offered—

"(A) is qualified in a skill designated as critical under subsection (b)(1) related to special operations forces; or

"(B) is qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.".

(e) REPAYMENT REQUIREMENTS.—Subsection (g)(1) of such section is amended by striking "If" and all that follows through "under this section," and inserting "If a member paid a bonus under this section fails, during the period of service covered by the member's agreement, reenlistment, or voluntary extension of enlistment under subsection (a), to remain qualified in the critical military skill or to satisfy the other eligibility criteria for which the bonus was paid,".

(f) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of section 323 of such title is amended to read as follows:

**"§ 323. Special pay: retention incentives for members qualified in critical military skills or assigned to high priority units".**

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 5 of such title is amended by striking the

item relating to section 323 and inserting the following new item:

"323. Special pay: retention incentives for members qualified in critical military skills or assigned to high priority units.".

**SEC. 641. INCENTIVE BONUS FOR TRANSFER BETWEEN ARMED FORCES.**

(a) IN GENERAL.—Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

**"§ 327. Incentive bonus: transfer between armed forces**

"(a) INCENTIVE BONUS AUTHORIZED.—A bonus under this section may be paid to an eligible member of a regular component or reserve component of an armed force who executes a written agreement—

"(1) to transfer from such regular component or reserve component to a regular component or reserve component of another armed force; and

"(2) to serve pursuant to such agreement for a period of not less than three years in the component to which transferred.

"(b) ELIGIBLE MEMBERS.—A member is eligible to enter into an agreement under subsection (a) if, as of the date of the agreement, the member—

"(1) has not failed to satisfactorily complete any term of enlistment in the armed forces;

"(2) is eligible for reenlistment in the armed forces or, in the case of an officer, is eligible to continue in service in a regular or reserve component of the armed forces; and

"(3) has fulfilled such requirements for transfer to the component of the armed force to which the member will transfer as the Secretary having jurisdiction over such armed force shall establish.

"(c) LIMITATION.—A member may enter into an agreement under subsection (a) to transfer to a regular component or reserve component of another armed force only if the Secretary having jurisdiction over such armed force determines that there is shortage of trained and qualified personnel in such component.

"(d) AMOUNT AND PAYMENT OF BONUS.—(1) A bonus under this section may not exceed $2,500.

"(2) A bonus under this section shall be paid by the Secretary having jurisdiction of the armed force to which the member to be paid the bonus is transferring.

"(3) A bonus under this section shall, at the election of the Secretary paying the bonus—

"(A) be disbursed to the member in one lump sum when the transfer for which the bonus is paid is approved by the chief personnel officer of the armed force to which the member is transferring; or

"(B) be paid to the member in annual installments in such amounts as may be determined by the Secretary paying the bonus.

"(e) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A bonus paid to a member under this section is in addition to any other pay and allowances to which the member is entitled.

"(f) REPAYMENT.—(1) A member who is paid a bonus under an agreement under this section and who, voluntarily or because

of misconduct, fails to serve for the period covered by such agreement shall refund to the United States an amount which bears the same ratio to the amount of the bonus paid such member as the period which such 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 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under paragraph (1).

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

"(h) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after December 31, 2006.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by adding at the end the following new item:

"327. Incentive bonus: transfer between armed forces.".

**SEC. 642. AVAILABILITY OF SPECIAL PAY FOR MEMBERS DURING REHABILITATION FROM WOUNDS, INJURIES, AND ILLNESSES INCURRED IN A COMBAT OPERATION OR COMBAT ZONE.**

(a) SPECIAL PAY AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by inserting after section 327, as added by section 641, the following new section:

### "§ 328. Combat-related injury rehabilitation pay

"(a) SPECIAL PAY AUTHORIZED.—The Secretary concerned may pay monthly special pay under this section to a member of the armed forces who, while in the line of duty, incurs a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense and is evacuated from the theater of the combat operation or from the combat zone for medical treatment.

"(b) COMMENCEMENT OF PAYMENT.—Subject to subsection (c), the special pay authorized by subsection (a) may be paid to a member described in such subsection for any month beginning after the date on which the member was evacuated from the theater of the combat operation or the combat zone in which the member incurred the combat-related injury.

"(c) TERMINATION OF PAYMENTS.—The payment of special pay to a member under subsection (a) shall terminate at the end of the first month during which any of the following occurs:

"(1) The member is paid a benefit under the traumatic injury protection rider of the Servicemembers' Group Life Insurance Program issued under section 1980A of title 38.

"(2) The member receives notification of the eligibility of the member for a benefit under such traumatic injury protection rider and a period of 30 days expires after the date of such notification.

"(3) The member is no longer hospitalized in a military treatment facility or a facility under the auspices of the military health care system.

"(d) AMOUNT OF SPECIAL PAY.—The monthly amount of special pay paid to a member under this section shall be equal to $430, less any payment received by the member for the same month under section 310(b) of this title.

"(e) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—Special pay paid to a member under this section is in addition to any other pay and allowances to which the member is entitled or authorized to receive.".

(b) CONTINUATION OF HOSTILE FIRE AND IMMINENT DANGER PAY DURING HOSPITALIZATION.—Section 310(b) of such title is amended—

(1) by striking "A member covered by subsection (a)(2)(C)" and all that follows through "the injury or wound" and inserting "(1) A member described in paragraph (2)";

(2) by striking "so hospitalized" and inserting "hospitalized as described in such paragraph"; and

(3) by adding at the end the following new paragraph: "(2) Paragraph (1) applies with respect to a member who—

"(A) is injured or wounded under the circumstances described in subsection (a)(2)(C) and is hospitalized for the treatment of the injury or wound; or

"(B) while in the line of duty, incurs a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense and is hospitalized outside of the theater of the combat operation or the combat zone for the treatment of the wound, injury, or illness.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by inserting after the item relating to section 327, as added by section 641, the following new item:

"328. Combat-related injury rehabilitation pay.".

(d) EFFECTIVE DATE.—The Secretary of a military department may provide special pay under section 328 of title 37, United States Code, as added by subsection (a), for months beginning on or after the date of the enactment of this Act. A member of the Armed Forces who incurred a wound, injury, or illness under the circumstances described in subsection (a) of such section before the date of the enactment of this Act may receive such pay for such wound, injury, or illness for months beginning on or after that date so long as the member continues to satisfy the eligibility criteria specified in such section.

**SEC. 643. PAY AND BENEFITS TO FACILITATE VOLUNTARY SEPARATION OF TARGETED MEMBERS OF THE ARMED FORCES.**

(a) PAY AND BENEFITS AUTHORIZED.—

(1) IN GENERAL.—Chapter 59 of title 10, United States Code, is amended by inserting after section 1175 the following new section:

### "§ 1175a. Voluntary separation pay and benefits

"(a) IN GENERAL.—Under regulations approved by the Secretary of Defense, the Secretary concerned may provide voluntary separation pay and benefits in accordance with this section to eligible

members of the armed forces who are voluntarily separated from active duty in the armed forces.

"(b) ELIGIBLE MEMBERS.—(1) Except as provided in paragraph (2), a member of the armed forces is eligible for voluntary separation pay and benefits under this section if the member—

"(A) has served on active duty for more than 6 years but not more than 20 years;

"(B) has served at least 5 years of continuous active duty immediately preceding the date of the member's separation from active duty;

"(C) has not been approved for payment of a voluntary separation incentive under section 1175 of this title;

"(D) meets such other requirements as the Secretary concerned may prescribe, which may include requirements relating to—

"(i) years of service, skill, rating, military specialty, or competitive category;

"(ii) grade or rank;

"(iii) remaining period of obligated service; or

"(iv) any combination of these factors; and

"(E) requests separation from active duty.

"(2) The following members are not eligible for voluntary separation pay and benefits under this section:

"(A) Members discharged with disability severance pay under section 1212 of this title.

"(B) Members transferred to the temporary disability retired list under section 1202 or 1205 of this title.

"(C) Members being evaluated for disability retirement under chapter 61 of this title.

"(D) Members who have been previously discharged with voluntary separation pay.

"(E) Members who are subject to pending disciplinary action or who are subject to administrative separation or mandatory discharge under any other provision of law or regulations.

"(3) The Secretary concerned shall determine each year the number of members to be separated, and provided separation pay and benefits, under this section during the fiscal year beginning in such year.

"(c) SEPARATION.—Each eligible member of the armed forces whose request for separation from active duty under subsection (b)(1)(E) is approved shall be separated from active duty.

"(d) ADDITIONAL SERVICE IN READY RESERVE.—Of the number of members of the armed forces to be separated from active duty in a fiscal year, as determined under subsection (b)(3), the Secretary concerned shall determine a number of such members, in such skill and grade combinations as the Secretary concerned shall designate, who shall serve in the Ready Reserve, after separation from active duty, for a period of not less than three years, as a condition of the receipt of voluntary separation pay and benefits under this section.

"(e) SEPARATION PAY AND BENEFITS.—(1) A member of the armed forces who is separated from active duty under subsection (c) shall be paid voluntary separation pay in accordance with subsection (g) in an amount determined by the Secretary concerned pursuant to subsection (f).

"(2) A member who is not entitled to retired or retainer pay upon separation shall be entitled to the benefits and services provided under—

"(A) chapter 58 of this title during the 180-day period beginning on the date the member is separated (notwithstanding any termination date for such benefits and services otherwise applicable under the provisions of such chapter); and

"(B) sections 404 and 406 of title 37.

"(f) COMPUTATION OF VOLUNTARY SEPARATION PAY.—The Secretary concerned shall specify the amount of voluntary separation pay that an individual or defined group of members of the armed forces may be paid under subsection (e)(1). No member may receive as voluntary separation pay an amount greater than two times the full amount of separation pay for a member of the same pay grade and years of service who is involuntarily separated under section 1174 of this title.

"(g) PAYMENT OF VOLUNTARY SEPARATION PAY.—(1) Voluntary separation pay under this section may be paid in a single lump sum.

"(2) In the case of a member of the armed forces who, at the time of separation under subsection (c), has completed at least 15 years, but less than 20 years, of active service, voluntary separation pay may be paid, at the election of the Secretary concerned, in—

"(A) a single lump sum;

"(B) installments over a period not to exceed 10 years; or

"(C) a combination of lump sum and such installments.

"(h) COORDINATION WITH RETIRED OR RETAINER PAY AND DISABILITY COMPENSATION.—(1) A member who is paid voluntary separation pay under this section and who later qualities for retired or retainer pay under this title or title 14 shall have deducted from each payment of such retired or retainer pay an amount, in such schedule of monthly installments as the Secretary concerned shall specify, until the total amount deducted from such retired or retainer pay is equal to the total amount of voluntary separation pay so paid.

"(2)(A) Except as provided in subparagraphs (B) and (C), a member who is paid voluntary separation pay under this section shall not be deprived, by reason of the member's receipt of such pay, of any disability compensation to which the member is entitled under the laws administered by the Secretary of Veterans Affairs, but there shall be deducted from such disability compensation an amount, in such schedule of monthly installments as the Secretary concerned shall specify, until the total amount deducted from such disability compensation is equal to the total amount of voluntary separation pay so paid, less the amount of Federal income tax withheld from such pay (such withholding being at the flat withholding rate for Federal income tax withholding, as in effect pursuant to regulations prescribed under chapter 24 of the Internal Revenue Code of 1986).

"(B) No deduction shall be made from the disability compensation paid to an eligible disabled uniformed services retiree under section 1413, or to an eligible combat-related disabled uniformed services retiree under section 1413a of this title, who is paid voluntary separation pay under this section.

"(C) No deduction may be made from the disability compensation paid to a member for the amount of voluntary separation pay received by the member because of an earlier discharge or release from a period of active duty if the disability which is the basis for that disability compensation was incurred or aggravated during a later period of active duty.

"(3) The requirement under this subsection to repay voluntary separation pay following retirement from the armed forces does not apply to a member who was eligible to retire at the time the member applied and was accepted for voluntary separation pay and benefits under this section.

"(4) The Secretary concerned may waive the requirement to repay voluntary separation pay under paragraphs (1) and (2) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

"(i) RETIREMENT DEFINED.—In this section, the term 'retirement' includes a transfer to the Fleet Reserve or Fleet Marine Corps Reserve.

"(j) REPAYMENT FOR MEMBERS WHO RETURN TO ACTIVE DUTY.—(1) Except as provided in paragraphs (2) and (3), a member of the armed forces who, after having received all or part of voluntary separation pay under this section, returns to active duty shall have deducted from each payment of basic pay, in such schedule of monthly installments as the Secretary concerned shall specify, until the total amount deducted from such basic pay equals the total amount of voluntary separation pay received.

"(2) Members who are involuntarily recalled to active duty or full-time National Guard duty in accordance with section 12301(a), 12301(b), 12301(g), 12302, 12303, or 12304 of this title or section 502(f)(1) of title 32 shall not be subject to this subsection.

"(3) Members who are recalled or perform active duty or full-time National Guard duty in accordance with section 101(d)(1), 101(d)(2), 101(d)(5), 12301(d) (insofar as the period served is less than 180 consecutive days with the consent of the member), 12319, or 12503 of title 10, or section 114, 115, or 502(f)(2) of title 32 (insofar as the period served is less than 180 consecutive days with consent of the member), shall not be subject to this subsection.

"(4) The Secretary of Defense may waive, in whole or in part, repayment required under paragraph (1) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States. The authority in this paragraph may be delegated only to the Undersecretary of Defense for Personnel and Readiness and the Principal Deputy Undersecretary of Defense for Personnel and Readiness.

"(k) TERMINATION OF AUTHORITY.—(1) The authority to separate a member of the armed forces from active duty under subsection (c) shall terminate on December 31, 2008.

"(2) A member who separates by the date specified in paragraph (1) may continue to be provided voluntary separation pay and benefits under this section until the member has received the entire amount of pay and benefits to which the member is entitled under this section.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 59 of such title is amended by inserting after the item relating to section 1175 the following new item:

"1175a. Voluntary separation pay and benefits.".

(b) LIMITATION ON APPLICABILITY.—During the period beginning on the date of the enactment of this Act and ending on December 31, 2008, the members of the Armed Forces who are eligible for separation, and for the provision of voluntary separation pay and benefits, under section 1175a of title 10, United States Code (as added by subsection (a)), shall be limited to officers of the Armed Forces who meet the eligibility requirements of section 1175a(b) of title 10, United States Code (as so added), but have not completed more than 12 years of active service as of the date of separation from active duty.

**SEC. 644. RATIFICATION OF PAYMENT OF CRITICAL-SKILLS ACCESSION BONUS FOR PERSONS ENROLLED IN SENIOR RESERVE OFFICERS' TRAINING CORPS OBTAINING NURSING DEGREES.**

(a) ACCESSION BONUS AUTHORIZED.—In the case of an agreement executed under section 324 of title 37, United States Code, from October 5, 2004, through December 31, 2005, between the Secretary of the Army and a person who completed the second year of an accredited baccalaureate degree program in nursing to serve in the Army Nurse Corps, the payment of an accession bonus to the person under such section is authorized even though the person did not possess a skill designated as critical and, at the time of the agreement, was enrolled in the Senior Reserve Officers' Training Corps program of the Army for advanced training under chapter 103 of title 10, United States Code, including a person receiving financial assistance under section 2107 of such title.

(b) LIMITATION ON AMOUNT OF BONUS.—The amount of the accession bonus referred to in subsection (a) may not exceed $5,000.

**SEC. 645. TEMPORARY AUTHORITY TO PAY BONUS TO ENCOURAGE MEMBERS OF THE ARMY TO REFER OTHER PERSONS FOR ENLISTMENT IN THE ARMY.**

(a) AUTHORITY TO PAY BONUS.—The Secretary of the Army may pay a bonus under this section to a member of the Army, whether in the regular component of the Army or in the Army National Guard or Army Reserve, who refers to an Army recruiter a person who has not previously served in an Armed Force and who, after such referral, enlists in the regular component of the Army or in the Army National Guard or Army Reserve.

(b) REFERRAL.—For purposes of this section, a referral for which a bonus may be paid under subsection (a) occurs—

(1) when a member of the Army contacts an Army recruiter on behalf of a person interested in enlisting in the Army; or

(2) when a person interested in enlisting in the Army contacts the Army recruiter and informs the recruiter of the role of the member in initially recruiting the person.

(c) CERTAIN REFERRALS INELIGIBLE.—

(1) REFERRAL OF IMMEDIATE FAMILY.—A member of the Army may not be paid a bonus under subsection (a) for the referral of an immediate family member.

(2) MEMBERS IN RECRUITING ROLES.—A member of the Army serving in a recruiting or retention assignment, or assigned to other duties regarding which eligibility for a bonus under subsection (a) could (as determined by the Secretary)

be perceived as creating a conflict of interest, may not be paid a bonus under subsection (a).

(d) AMOUNT OF BONUS.—The amount of the bonus paid for a referral under subsection (a) may not exceed $1,000. The bonus shall be paid in a lump sum.

(e) TIME OF PAYMENT.—A bonus may not be paid under subsection (a) with respect to a person who enlists in the Army until the person completes basic training and individual advanced training.

(f) RELATION TO PROHIBITION ON BOUNTIES.—The referral bonus authorized by this section is not a bounty for purposes of section 514(a) of title 10, United States Code.

(g) DURATION OF AUTHORITY.—A bonus may not be paid under subsection (a) with respect to any referral that occurs after December 31, 2007.

## Subtitle C—Travel and Transportation Allowances

### SEC. 651. AUTHORIZED ABSENCES OF MEMBERS FOR WHICH LODGING EXPENSES AT TEMPORARY DUTY LOCATION MAY BE PAID.

(a) ABSENCES COVERED BY ALLOWANCE.—Section 404b of title 37, United States Code, is amended—

(1) in subsection (a), by striking "while the member is in an authorized leave status" and inserting "during an authorized absence of the member from the temporary duty location";

(2) in subsection (b)—

(A) in paragraph (1), by striking "taking the authorized leave" and inserting "the authorized absence"; and

(B) in paragraph (3), by striking "immediately after completing the authorized leave" and inserting "before the end of the authorized absence";

(3) in subsection (c), by striking "while the member was in an authorized leave status" and inserting "during the authorized absence of the member"; and

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

"(d) AUTHORIZED ABSENCE DEFINED.—In this section, the term 'authorized absence', with respect to a member, means that the member is in an authorized leave status or that the absence of the member is otherwise authorized under regulations prescribed by the Secretary concerned.".

(b) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

**"§ 404b. Travel and transportation allowances: payment of lodging expenses at temporary duty location during authorized absence of member".**

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 7 of such title is amended by striking the

item relating to section 404b and inserting the following new item:

"404b. Travel and transportation allowances: payment of lodging expenses at temporary duty location during authorized absence of member.".

**SEC. 652. EXTENDED PERIOD FOR SELECTION OF HOME FOR TRAVEL AND TRANSPORTATION ALLOWANCES FOR DEPENDENTS OF DECEASED MEMBERS.**

(a) DEATH OF MEMBERS ENTITLED TO BASIC PAY.—Subsection (f) section 406 of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(f)";

(2) by striking "he" and inserting "the member"; and

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

"(2) The Secretary concerned shall give the dependents of a member described in paragraph (1) a period of not less than three years, beginning on the date of the death of the member, during which to select a home for the purposes of the travel and transportation allowances authorized by this section.".

(b) CERTAIN OTHER DECEASED MEMBERS.—Subsection (g)(3) of such section is amended in the first sentence—

(1) by striking "he exercises it" and inserting "the member exercises the right or entitlement";

(2) by striking "his surviving dependents or, if" and inserting "the surviving dependents at any time before the end of the three-year period beginning on the date on which the member accrued that right or entitlement. If"; and

(3) by striking "his baggage and household effects" and inserting "the baggage and household effects of the deceased member".

**SEC. 653. TRANSPORTATION OF FAMILY MEMBERS IN CONNECTION WITH THE REPATRIATION OF MEMBERS HELD CAPTIVE.**

(a) ALLOWANCES AUTHORIZED.—Chapter 7 of title 37, United States Code, is amended by inserting after section 411i the following new section:

**"§ 411j. Travel and transportation allowances: transportation of family members incident to the repatriation of members held captive**

"(a) ALLOWANCE FOR FAMILY MEMBERS AND CERTAIN OTHERS.—(1) Under uniform regulations prescribed by the Secretaries concerned, travel and transportation described in subsection (d) may be provided for not more than three family members of a member described in subsection (b).

"(2) In addition to the family members authorized to be provided travel and transportation under paragraph (1), the Secretary concerned may provide travel and transportation described in subsection (d) to an attendant to accompany a family member described in that paragraph if the Secretary determines that—

"(A) the family member to be accompanied is unable to travel unattended because of age, physical condition, or other reason determined by the Secretary; and

"(B) no other family member who is eligible for travel and transportation under paragraph (1) is able to serve as an attendant for the family member.

"(3) If no family member of a member described in subsection (b) is able to travel to the repatriation site of the member, travel

and transportation described in subsection (d) may be provided to not more than 2 persons related to and selected by the member.

"(4) In circumstances determined to be appropriate by the Secretary concerned, the Secretary may waive the limitation on the number of family members of a member provided travel and transportation allowances under this section.

"(b) COVERED MEMBERS.—A member described in this subsection is a member of the uniformed services who—

"(1) is serving on active duty;

"(2) was held captive, as determined by the Secretary concerned; and

"(3) is repatriated to a site inside or outside the United States.

"(c) ELIGIBLE FAMILY MEMBERS.—In this section, the term 'family member' has the meaning given the term in section 411h(b) of this title.

"(d) TRAVEL AND TRANSPORTATION AUTHORIZED.—(1) The transportation authorized by subsection (a) is round-trip transportation between the home of the family member (or home of the attendant or person provided transportation under paragraph (2) or (3) of subsection (a), as the case may be) and the location of the repatriation site at which the member is located.

"(2) In addition to the transportation authorized by subsection (a), the Secretary concerned may provide a per diem allowance or reimbursement for the actual and necessary expenses of the travel, or a combination thereof, but not to exceed the rates established for such allowances and expenses under section 404(d) of this title.

"(3) The transportation authorized by subsection (a) may be provided by any of the means described in section 411h(d)(1) of this title.

"(4) An allowance under this subsection may be paid in advance.

"(5) Reimbursement payable under this subsection may not exceed the cost of Government-procured round-trip air travel.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of such title is amended by inserting after the item relating to section 411i the following new item:

"411j. Travel and transportation allowances: transportation of family members incident to the repatriation of members held captive.".

**SEC. 654. INCREASED WEIGHT ALLOWANCES FOR SHIPMENT OF HOUSEHOLD GOODS OF SENIOR NONCOMMISSIONED OFFICERS.**

(a) INCREASE.—The table in section 406(b)(1)(C) of title 37, United States Code, is amended by striking the items relating to pay grades E–7 through E–9 and inserting the following new items:

| | | |
|---|---|---|
| "E–9 | 13,000 | 15,000 |
| E–8 | 12,000 | 14,000 |
| E–7 | 11,000 | 13,000". |

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2006, and apply with respect to

an order in connection with a change of temporary or permanent station issued on or after that date.

**SEC. 655. PERMANENT AUTHORITY TO PROVIDE TRAVEL AND TRANSPORTATION ALLOWANCES FOR FAMILY MEMBERS TO VISIT HOSPITALIZED MEMBERS OF THE ARMED FORCES INJURED IN COMBAT OPERATION OR COMBAT ZONE.**

(a) AUTHORITY TO CONTINUE ALLOWANCE.—Section 1026 of division A of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13; 119 Stat. 254), is amended by striking subsections (d) and (e).

(b) CONFORMING AMENDMENT.—Subsection (a)(2)(B)(ii) of section 411h of title 37, United States Code, as added by section 1026 of division A of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005, is amended by striking "under section 1967(e)(1)(A) of title 38".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of the following:

(1) The date of the enactment of this Act.

(2) The date specified in section 106(3) of Public Law 109–77 (119 Stat. 2039).

# Subtitle D—Retired Pay and Survivor Benefits

**SEC. 661. MONTHLY DISBURSEMENT TO STATES OF STATE INCOME TAX WITHHELD FROM RETIRED OR RETAINER PAY.**

Section 1045(a) of title 10, United States Code, is amended in the third sentence—

(1) by striking "quarter" the first place it appears and inserting "month"; and

(2) by striking "during the month following that calendar quarter" and inserting "during the following calendar month".

**SEC. 662. DENIAL OF CERTAIN BURIAL-RELATED BENEFITS FOR INDIVIDUALS WHO COMMITTED A CAPITAL OFFENSE.**

(a) PROHIBITION OF INTERMENT IN NATIONAL CEMETERIES.—Section 2411 of title 38, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "for which the person was sentenced to death or life imprisonment" and inserting "and whose conviction is final (other than a person whose sentence was commuted by the President)"; and

(B) in paragraph (2), by striking "for which the person was sentenced to death or life imprisonment without parole" and inserting "and whose conviction is final (other than a person whose sentence was commuted by the Governor of a State)"; and

(2) in subsection (d)—

(A) in paragraph (1), by striking "the death penalty or life imprisonment may be imposed" and inserting "a sentence of imprisonment for life or the death penalty may be imposed"; and

(B) in paragraph (2), by striking "the death penalty or life imprisonment without parole may be imposed" and inserting "a sentence of imprisonment for life or the death penalty may be imposed".

(b) PROHIBITION OF CERTAIN DEPARTMENT OF DEFENSE BENEFITS.—

(1) ADDITIONAL CIRCUMSTANCES FOR PROHIBITION OF PERFORMANCE OF MILITARY HONORS.—Subsection (a) of section 985 of title 10, United States Code, is amended—

(A) by inserting "(under section 1491 of this title or any other authority)" after "military honors"; and

(B) by striking "a person who" and all that follows and inserting the following: "any of the following persons:

"(1) A person described in section 2411(b) of title 38.

"(2) A person who is a veteran (as defined in section 1491(h) of this title) or who died while on active duty or a member of a reserve component, when the circumstances surrounding the person's death or other circumstances as specified by the Secretary of Defense are such that to provide military honors at the funeral or burial of the person would bring discredit upon the person's service (or former service).".

(2) ADDITIONAL CIRCUMSTANCES FOR PROHIBITION OF INTERMENT IN MILITARY CEMETERY.—Subsection (b) of such section is amended by striking "convicted of a capital offense under Federal law" and inserting "who is ineligible for interment in a national cemetery under the control of the National Cemetery Administration by reason of section 2411(b) of title 38".

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

"(c) DEFINITION.—In this section, the term 'burial' includes inurnment.".

(4) PROHIBITION OF FUNERAL HONORS.—Section 1491(a) of title 10, United States Code, is amended by inserting before the period at the end the following: ", except when military honors are prohibited under section 985(a) of this title".

(c) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of section 985 of such title is amended to read as follows:

**"§ 985. Persons convicted of capital crimes; certain other persons: denial of specified burial-related benefits".**

(2) TABLE OF SECTIONS.—The item relating to section 985 in the table of sections at the beginning of chapter 49 of such title is amended to read as follows:

"985. Persons convicted of capital crimes; certain other persons: denial of specified burial-related benefits.".

(d) RULEMAKING.—

(1) DEPARTMENT OF VETERANS AFFAIRS.—The Secretary of Veterans Affairs shall prescribe regulations to ensure that a person is not interred in any cemetery in the National Cemetery System unless a good faith effort has been made to determine whether such person is ineligible for such interment or honors by reason of being a person described in section 2411(b) of title 38, United States Code, or is otherwise ineligible for such interment under Federal law.

(2) DEPARTMENT OF DEFENSE.—The Secretary of Defense shall prescribe regulations to ensure that a person is not interred in any military cemetery under the authority of the Secretary of a military department or provided funeral honors under section 1491 of title 10, United States Code, unless a good faith effort has been made to determine whether such person is ineligible for such interment or honors by reason of being a person described in section 2411(b) of title 38, United States Code, or is otherwise ineligible for such interment or honors under Federal law.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to funerals and burials that occur on or after the date of the enactment of this Act.

**SEC. 663. CONCURRENT RECEIPT OF VETERANS' DISABILITY COMPENSATION AND MILITARY RETIRED PAY.**

Section 1414(a)(1) of title 10, United States Code, is amended by inserting before the period at the end the following: ", and in the case of a qualified retiree receiving veterans' disability compensation at the rate payable for a 100 percent disability by reason of a determination of individual unemployability, payment of retired pay to such veteran is subject to subsection (c) only during the period beginning on January 1, 2004, and ending on September 30, 2009".

**SEC. 664. ADDITIONAL AMOUNTS OF DEATH GRATUITY FOR SURVIVORS OF CERTAIN MEMBERS OF THE ARMED FORCES DYING ON ACTIVE DUTY.**

(a) INCREASED AMOUNT OF DEATH GRATUITY.—

(1) INCREASED AMOUNT.—Subsection (a) of section 1478 of title 10, United States Code, is amended by striking "$12,000" and inserting "$100,000".

(2) AMENDMENTS.—Such section is further amended—

(A) in the first sentence of subsection (a), by striking "(as" and all that follows in that sentence and inserting a period; and

(B) by striking subsection (c).

(3) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as of October 7, 2001, and shall apply to deaths occurring on or after the date of the enactment of this Act and, subject to subsection (c), to deaths occurring during the period beginning on October 7, 2001, and ending on the day before the date of the enactment of this Act.

(b) RETROACTIVE PAYMENT OF ADDITIONAL DEATH GRATUITY FOR CERTAIN MEMBERS NOT PREVIOUSLY COVERED.—Such section is further amended by adding at the end the following new subsection:

"(d)(1) In the case of a person described in paragraph (2), a death gratuity shall be payable, subject to section 664(c) of the National Defense Authorization Act for Fiscal Year 2006, for the death of such person that is in addition to the death gratuity payable in the case of such death under subsection (a).

"(2) This subsection applies in the case of a person who died during the period beginning on October 7, 2001, and ending on May 11, 2005, while a member of the armed forces on active duty and whose death did not establish eligibility for an additional death gratuity under the prior subsection (e) of this section (as added by section 1013(b) of Public Law 109–13; 119 Stat. 247),

because the person was not described in paragraph (2) of that prior subsection.

"(3) The amount of additional death gratuity payable under this subsection shall be $150,000.

"(4) A payment pursuant to this subsection shall be paid in the same manner as provided under paragraph (4) of the prior subsection (e) of this section (as added by section 1013(b) of Public Law 109–13; 119 Stat. 247), for payments pursuant to paragraph (3)(A) of that prior subsection.".

(c) FUNDING.—Amounts for payments after the date of the enactment of this Act by reason of the amendments made by subsection (a) with respect to deaths before the date of the date of the enactment of this Act, and amounts for payments under subsection (d) of section 1478 of title 10, United States Code, as added by subsection (b), shall be derived from supplemental appropriations for the Department of Defense for fiscal year 2006 for military operations in Iraq and Afghanistan and the Global War on Terrorism, contingent upon such appropriations being enacted.

(d) COORDINATION OF AMENDMENTS.—If the date of the enactment of this Act occurs before the date specified in section 106(3) of Public Law 109–77—

(1) effective as of such date of enactment, the amendments made to section 1478 of title 10, United States Code, by section 1013 of Public Law 109–13 are repealed; and

(2) effective immediately before the execution of the amendments made by this section, the provisions of section 1478 of title 10, United States Code, as in effect on the day before the date of the enactment of Public Law 109–13, are revived.

**SEC. 665. CHILD SUPPORT FOR CERTAIN MINOR CHILDREN OF RETIREMENT-ELIGIBLE MEMBERS CONVICTED OF DOMESTIC VIOLENCE RESULTING IN DEATH OF CHILD'S OTHER PARENT.**

(a) AUTHORITY FOR COURT-ORDERED PAYMENTS.—Section 1408(h) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting "(A)" after "(1)"; and

(B) by adding at the end of such paragraph the following:

"(B) If, in the case of a member or former member of the armed forces referred to in paragraph (2)(A), a court order provides for the payment as child support of an amount from the disposable retired pay of that member or former member (as certified under paragraph (4)) to an eligible dependent child of the member or former member, the Secretary concerned, beginning upon effective service of such court order, shall pay that amount in accordance with this subsection to such dependent child.";

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by inserting ", or a dependent child," after "former spouse";

(B) in subparagraph (B)—

(i) by inserting "in the case of eligibility of a spouse or former spouse under paragraph (1)(A)," after "(B)"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(C) in the case of eligibility of a dependent child under paragraph (1)(B), the other parent of the child died as a result of the misconduct that resulted in the termination of retired pay.";

(3) in paragraph (4), by inserting ", or an eligible dependent child," after "former spouse";

(4) in paragraph (5), by inserting ", or the dependent child," after "former spouse"; and

(5) in paragraph (6), by inserting ", or to a dependent child," after "former spouse".

(b) EFFECTIVE DATE.—A court order authorized by the amendments made by this section may not provide for a payment attributable to any period before the date of the enactment of this Act, or the date of the court order, whichever is later.

**SEC. 666. COMPTROLLER GENERAL REPORT ON ACTUARIAL SOUNDNESS OF THE SURVIVOR BENEFIT PLAN.**

(a) REPORT.—Not later than July 31, 2006, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the actuarial soundness of the Survivor Benefit Plan program under subchapter II of chapter 73 of title 10, United States Code.

(b) ELEMENTS.—The report required by subsection (a) shall include the following:

(1) An assessment of the implications for the actuarial soundness of the Survivor Benefit Plan program of recent improvements to that program, including the implications of such improvements for the actuarial soundness of that program with respect to various categories of participants in the program and with respect to the program as a whole.

(2) An assessment of the implications for Government contributions and payments to the Survivor Benefit Plan program of the improvements to that program covered by paragraph (1), including the implications of such improvements on such contributions and payments with respect to various categories of participants in the program and with respect to the program as a whole.

(3) An assessment of the implications for the actuarial soundness of the Survivor Benefit Plan program, and for Government contributions and payments to that program, of—

(A) enactment of a law permitting participants in that program to designate an insurable interest beneficiary if a previously designated beneficiary dies; and

(B) enactment of a law repealing the provisions of sections 1450(c) and 1451(c)(2) of title 10, United States Code, that require the reduction of an annuity paid to a beneficiary under that program by the amount of dependency and indemnity compensation paid to the same beneficiary under section 1311(a) of title 38, United States Code.

(c) GOVERNMENT CONTRIBUTIONS.—In making the assessments under paragraphs (2) and (3) of subsection (b), the Comptroller General, in considering the Government contributions to the Survivor Benefit Plan program, shall consider both the Government's

normal cost contributions under the program and the Government's payments to amortize unfunded liability under the program.

## Subtitle E—Commissary and Nonappropriated Fund Instrumentality Benefits

**SEC. 671. INCREASE IN AUTHORIZED LEVEL OF SUPPLIES AND SERVICES PROCUREMENT FROM OVERSEAS EXCHANGE STORES.**

Section 2424(b) of title 10, United States Code, is amended by striking "$50,000" and inserting "$100,000".

**SEC. 672. REQUIREMENTS FOR PRIVATE OPERATION OF COMMISSARY STORE FUNCTIONS.**

Section 2485(a)(2) of title 10, United States Code, is amended by adding at the end the following new sentence: "Until December 31, 2008, the Defense Commissary Agency is not required to conduct any cost-comparison study under the policies and procedures of Office of Management and Budget Circular A–76 relating to the possible contracting out of commissary store functions.".

**SEC. 673. PROVISION OF AND PAYMENT FOR OVERSEAS TRANSPORTATION SERVICES FOR COMMISSARY AND EXCHANGE SUPPLIES AND PRODUCTS.**

Section 2643 of title 10, United States Code, is amended—

(1) by inserting "(a) TRANSPORTATION OPTIONS.—" before "The Secretary";

(2) in the first sentence, by striking "by sea without relying on the Military Sealift Command" and inserting "to destinations outside the continental United States without relying on the Air Mobility Command, the Military Sealift Command,";

(3) in the second sentence, by striking "transportation contracts" and inserting "contracts for sea-borne transportation"; and

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

"(b) PAYMENT OF TRANSPORTATION COSTS.—Section 2483(b)(5) of this title, regarding the use of appropriated funds to cover the expenses of operating commissary stores, shall apply to the transportation of commissary supplies and products. Appropriated funds for the Department of Defense shall also be used to cover the expenses of transporting exchange supplies and products to destinations outside the continental United States.".

**SEC. 674. COMPENSATORY TIME OFF FOR CERTAIN NONAPPROPRIATED FUND EMPLOYEES.**

Section 5543 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The appropriate Secretary may, on request of an employee of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard described in section 2105(c), grant such employee compensatory time off from duty instead of overtime pay for overtime work.

"(2) For purposes of this subsection, the term 'appropriate Secretary' means—

"(A) with respect to an employee of a nonappropriated fund instrumentality of the Department of Defense, the Secretary of Defense; and

"(B) with respect to an employee of a nonappropriated fund instrumentality of the Coast Guard, the Secretary of the Executive department in which it is operating.".

**SEC. 675. REST AND RECUPERATION LEAVE PROGRAMS.**

(a) AVAILABILITY OF FUNDS FOR REIMBURSEMENT OF EXPENSES.—Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, $7,000,000 may be available for the reimbursement of expenses of the Armed Forces Recreation Centers related to the utilization of the facilities of the Armed Forces Recreation Centers under official Rest and Recuperation Leave Programs authorized by the military departments or combatant commanders.

(b) UTILIZATION OF REIMBURSEMENTS.—Amounts received by the Armed Forces Recreation Centers under subsection (a) as reimbursement for expenses may be utilized by such Centers for facility maintenance and repair, utility expenses, correction of health and safety deficiencies, and routine ground maintenance.

(c) REGULATIONS.—The utilization of facilities of the Armed Forces Recreation Centers under Rest and Recuperation Leave Programs, and reimbursement for expenses related to such utilization of such facilities, shall be subject to regulations prescribed by the Secretary of Defense.

# Subtitle F—Other Matters

**SEC. 681. TEMPORARY ARMY AUTHORITY TO PROVIDE ADDITIONAL RECRUITMENT INCENTIVES.**

(a) AUTHORITY TO DEVELOP AND PROVIDE RECRUITMENT INCENTIVES.—The Secretary of the Army may develop and provide incentives not otherwise authorized by law to encourage individuals to accept commissions as officers or to enlist in the Army.

(b) RELATION TO OTHER PERSONNEL AUTHORITIES.—A recruitment incentive developed under subsection (a) may be provided—

(1) without regard to the lack of specific authority for the incentive under title 10 or 37, United States Code; and

(2) notwithstanding any provision of such titles, or any rule or regulation prescribed under such provision, relating to methods of—

(A) determining requirements for, and the compensation of, members of the Army who are assigned duty as military recruiters; or

(B) providing incentives to individuals to accept commissions or enlist in the Army, including the provision of group or individual bonuses, pay, or other incentives.

(c) WAIVER OF OTHERWISE APPLICABLE LAWS.—A provision of title 10 or 37, United States Code, may not be waived with respect to, or otherwise determined to be inapplicable to, the provision of a recruitment incentive developed under subsection (a) without the approval of the Secretary of Defense.

(d) NOTICE AND WAIT REQUIREMENT.—A recruitment incentive developed under subsection (a) may not be provided to individuals until—

(1) the Secretary of the Army submits to Congress, the appropriate elements of the Department of Defense, and the Comptroller General a plan that includes—

(A) a description of the incentive, including the purpose of the incentive and the potential recruits to be addressed by the incentive;

(B) a description of the provisions of titles 10 and 37, United States Code, from which the incentive would require a waiver and the rationale to support the waiver;

(C) a statement of the anticipated outcomes as a result of providing the incentive; and

(D) the method to be used to evaluate the effectiveness of the incentive; and

(2) a 45-day period beginning on the date on which the plan was received by Congress expires.

(e) LIMITATION ON NUMBER OF INCENTIVES.—Not more than four recruitment incentives may be provided under the authority of this section.

(f) LIMITATION ON NUMBER OF INDIVIDUALS RECEIVING INCENTIVES.—The number of individuals who receive one or more of the recruitment incentives provided under subsection (a) during a fiscal year may not exceed the number of individuals equal to 20 percent of the accession mission of the Army for that fiscal year.

(g) DURATION OF DEVELOPED INCENTIVE.—A recruitment incentive developed under subsection (a) may be provided for not longer than a three-year period beginning on the date on which the incentive is first provided, except that the Secretary of the Army may extend the period if the Secretary determines that additional time is needed to fully evaluate the effectiveness of the incentive.

(h) REPORTING REQUIREMENTS.—

(1) SECRETARY OF THE ARMY REPORT.—The Secretary of the Army shall submit to Congress an annual report on the recruitment incentives provided under subsection (a) during the preceding year, including—

(A) a description of the incentives provided under subsection (a) during that fiscal year; and

(B) an assessment of the impact of the incentives on the recruitment of individuals as officers or enlisted members.

(2) COMPTROLLER GENERAL REPORT.—As soon as practicable after receipt of each plan under subsection (d), the Comptroller General shall submit to Congress a report evaluating the expected outcomes of the recruitment incentive covered by the plan in terms of cost effectiveness and mission achievement.

(i) TERMINATION OF AUTHORITY TO PROVIDE INCENTIVES.—Notwithstanding subsection (g), the authority to provide recruitment incentives under this section expires on December 31, 2009.

**SEC. 682. CLARIFICATION OF LEAVE ACCRUAL FOR MEMBERS ASSIGNED TO A DEPLOYABLE SHIP OR MOBILE UNIT OR OTHER DUTY.**

Subparagraph (B) of section 701(f)(1) of title 10, United States Code, is amended to read as follows:

"(B) This subsection applies to a member who—

"(i) serves on active duty for a continuous period of at least 120 days in an area in which the member is entitled to special pay under section 310(a) of title 37;

"(ii) is assigned to a deployable ship or mobile unit or to other duty designated for the purpose of this section; or

"(iii) on or after August 29, 2005, performs duty designated by the Secretary of Defense as qualifying duty for purposes of this subsection.".

**SEC. 683. EXPANSION OF AUTHORITY TO REMIT OR CANCEL INDEBTEDNESS OF MEMBERS OF THE ARMED FORCES INCURRED ON ACTIVE DUTY.**

(a) INDEBTEDNESS OF MEMBERS OF THE ARMY.—

(1) AUTHORITY.—Section 4837 of title 10, United States Code, is amended to read as follows:

**"§ 4837. Settlement of accounts: remission or cancellation of indebtedness of members**

"(a) IN GENERAL.—If the Secretary considers it to be in the best interest of the United States, the Secretary may have remitted or cancelled any part of the indebtedness of a member of the Army on active duty, or a member of a reserve component of the Army in an active status, to the United States or any instrumentality of the United States incurred while the member was serving on active duty.

"(b) PERIOD OF EXERCISE OF AUTHORITY.—The Secretary may exercise the authority in subsection (a) with respect to a member—

"(1) while the member is on active duty or in active status, as the case may be;

"(2) if discharged from the armed forces under honorable conditions, during the one-year period beginning on the date of such discharge; or

"(3) if released from active status in a reserve component, during the one-year period beginning on the date of such release.

"(c) RETROACTIVE APPLICABILITY TO CERTAIN DEBTS.—The authority in subsection (a) may be exercised with respect to any debt covered by that subsection that is incurred on or after October 7, 2001.

"(d) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense.".

(2) CLERICAL AMENDMENT.—The item relating to that section in the table of sections at the beginning of chapter 453 of such title is amended by striking the penultimate word.

(3) TERMINATION.—The amendments made by this subsection shall terminate on December 31, 2007. Effective on that date, section 4873 of title 10, United States Code, as in effect on the day before the date of the enactment of this Act shall be revived.

(b) INDEBTEDNESS OF MEMBERS OF THE NAVY.—

(1) AUTHORITY.—Section 6161 of title 10, United States Code, is amended to read as follows:

**"§ 6161. Settlement of accounts: remission or cancellation of indebtedness of members**

"(a) IN GENERAL.—If the Secretary of the Navy considers it to be in the best interest of the United States, the Secretary

may have remitted or cancelled any part of the indebtedness of a member of the Navy on active duty, or a member of a reserve component of the Navy in an active status, to the United States or any instrumentality of the United States incurred while the member was serving on active duty.

"(b) PERIOD OF EXERCISE OF AUTHORITY.—The Secretary of the Navy may exercise the authority in subsection (a) with respect to a member—

"(1) while the member is on active duty or in active status, as the case may be;

"(2) if discharged from the armed forces under honorable conditions, during the one-year period beginning on the date of such discharge; or

"(3) if released from active status in a reserve component, during the one-year period beginning on the date of such release.

"(c) RETROACTIVE APPLICABILITY TO CERTAIN DEBTS.—The authority in subsection (a) may be exercised with respect to any debt covered by that subsection that is incurred on or after October 7, 2001.

"(d) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense.".

(2) CLERICAL AMENDMENT.—The item relating to that section in the table of sections at the beginning of chapter 561 of such title is amended by striking the penultimate word.

(3) TERMINATION.—The amendments made by this subsection shall terminate on December 31, 2007. Effective on that date, section 6161 of title 10, United States Code, as in effect on the day before the date of the enactment of this Act shall be revived.

(c) INDEBTEDNESS OF MEMBERS OF THE AIR FORCE.—

(1) AUTHORITY.—Section 9837 of title 10, United States Code, is amended to read as follows:

**"§ 9837. Settlement of accounts: remission or cancellation of indebtedness of members**

"(a) IN GENERAL.—If the Secretary considers it to be in the best interest of the United States, the Secretary may have remitted or cancelled any part of the indebtedness of a member of the Air Force on active duty, or a member of a reserve component of the Air Force in an active status, to the United States or any instrumentality of the United States incurred while the member was serving on active duty.

"(b) PERIOD OF EXERCISE OF AUTHORITY.—The Secretary may exercise the authority in subsection (a) with respect to a member—

"(1) while the member is on active duty or in active status, as the case may be;

"(2) if discharged from the armed forces under honorable conditions, during the one-year period beginning on the date of such discharge; or

"(3) if released from active status in a reserve component, during the one-year period beginning on the date of such release.

"(c) RETROACTIVE APPLICABILITY TO CERTAIN DEBTS.—The authority in subsection (a) may be exercised with respect to any debt covered by that subsection that is incurred on or after October 7, 2001.

"(d) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense.".

(2) CLERICAL AMENDMENT.—The item relating to that section in the table of sections at the beginning of chapter 953 of such title is amended by striking the penultimate word.

(3) TERMINATION.—The amendments made by this subsection shall terminate on December 31, 2007. Effective on that date, section 9873 of title 10, United States Code, as in effect on the day before the date of the enactment of this Act shall be revived.

**SEC. 684. LOAN REPAYMENT PROGRAM FOR CHAPLAINS IN THE SELECTED RESERVE.**

(a) LOAN REPAYMENT PROGRAM AUTHORIZED.—Chapter 1609 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 16303. Loan repayment program: chaplains serving in the Selected Reserve**

"(a) AUTHORITY TO REPAY EDUCATION LOANS.—For purposes of maintaining adequate numbers of chaplains in the Selected Reserve, the Secretary concerned may repay a loan that was obtained by a person who—

"(1) satisfies the requirements for accessioning and commissioning of chaplains, as prescribed in regulations;

"(2) holds, or is fully qualified for, an appointment as a chaplain in a reserve component of an armed force; and

"(3) signs a written agreement with the Secretary concerned to serve not less than three years in the Selected Reserve.

"(b) EXCEPTION FOR CHAPLAIN CANDIDATE PROGRAM.—A person accessioned into the Chaplain Candidate Program is not eligible for the repayment of a loan under subsection (a).

"(c) LOAN REPAYMENT PROCESS; MAXIMUM AMOUNT.—(1) Subject to paragraph (2), the repayment of a loan under subsection (a) may consist of the payment of the principal, interest, and related expenses of the loan.

"(2) The amount of any repayment of a loan made under subsection (a) on behalf of a person may not exceed $20,000 for each three year period of obligated service that the person agrees to serve in an agreement described in subsection (a)(3). Of such amount, not more than an amount equal to 50 percent of such amount may be paid before the completion by the person of the first year of obligated service pursuant to the agreement. The balance of such amount shall be payable at such time or times as are prescribed in regulations.

"(d) EFFECT OF FAILURE TO COMPLETE OBLIGATION.—If a person on whose behalf a loan is repaid under subsection (a) fails to commence or complete the period of obligated service specified in the agreement described in subsection (a)(3), the Secretary concerned may require the person to pay the United States an amount equal to the amount of the loan repayments made on behalf of the person in connection with the agreement.

"(e) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1609 of such title is amended by adding at the end the following new item:

"16303. Loan repayment program: chaplains serving in the Selected Reserve.".

**SEC. 685. INCLUSION OF SENIOR ENLISTED ADVISOR FOR THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF AMONG SENIOR ENLISTED MEMBERS OF THE ARMED FORCES.**

(a) BASIC PAY RATE.—

(1) EQUAL TREATMENT.—The rate of basic pay for an enlisted member in the grade E–9 while serving as Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff shall be the same as the rate of basic pay for an enlisted member in that 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, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

(2) EFFECTIVE DATE.—Paragraph (1) shall apply beginning on the date on which an enlisted member of the Armed Forces is first appointed to serve as Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff.

(b) PAY DURING TERMINAL LEAVE OR WHILE HOSPITALIZED.—Section 210(c) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(6) The Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff.".

(c) PERSONAL MONEY ALLOWANCE.—Section 414(c) of such title is amended—

(1) by striking "or" after "Sergeant Major of the Marine Corps,"; and

(2) by inserting before the period at the end the following: ", or the Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff".

(d) RETIRED PAY BASE.—Section 1406(i)(3)(B) of title 10, United States Code, is amended by adding at the end the following new clause:

"(vi) Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff.".

**SEC. 686. SPECIAL AND INCENTIVE PAYS CONSIDERED FOR SAVED PAY UPON APPOINTMENT OF MEMBERS AS OFFICERS.**

(a) INCLUSION AND EXCLUSION OF CERTAIN PAY TYPES.—Subsection (d) of section 907 of title 37, United States Code, is amended to read as follows:

"(d)(1) In determining the amount of the pay and allowances of a grade formerly held by an officer, the following special and incentive pays may be considered only so long as the officer continues to perform the duty that creates the entitlement to, or eligibility for, that pay and would otherwise be eligible to receive that pay in the former grade:

"(A) Incentive pay for hazardous duty under section 301 of this title.

"(B) Submarine duty incentive pay under section 301c of this title.

"(C) Special pay for diving duty under section 304 of this title.

"(D) Hardship duty pay under section 305 of this title.

"(E) Career sea pay under section 305a of this title.

"(F) Special pay for service as a member of a Weapons of Mass Destruction Civil Support Team under section 305b of this title.

"(G) Assignment incentive pay under section 307a of this title.

"(H) Special pay for duty subject to hostile fire or imminent danger under section 310 of this title.

"(I) Special pay or bonus for an extension of duty at a designated overseas location under section 314 of this title.

"(J) Foreign language proficiency pay under section 316 of this title.

"(K) Critical skill retention bonus under section 323 of this title.

"(2) The following special and incentive pays are dependent on a member being in an enlisted status and may not be considered in determining the amount of the pay and allowances of a grade formerly held by an officer:

"(A) Special duty assignment pay under section 307 of this title.

"(B) Reenlistment bonus under section 308 of this title.

"(C) Enlistment bonus under section 309 of this title.

"(D) Career enlisted flyer incentive pay under section 320 of this title.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsections (a) and (b)—

(A) by striking "he" each place it appears and inserting "the officer"; and

(B) by striking "his appointment" each place it appears and inserting "the appointment"; and

(2) in subsection (c)(2), by striking "he" and inserting "the officer".

(c) EFFECTIVE DATE.—Subsection (d) of section 907 of title 37, United States Code, as amended by subsection (a), shall apply with respect to any acceptance by an enlisted member of the Armed Forces of an appointment as an officer made on or after the date of the enactment of this Act.

**SEC. 687. REPAYMENT OF UNEARNED PORTION OF BONUSES, SPECIAL PAYS, AND EDUCATIONAL BENEFITS.**

(a) REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS.—

(1) UNIFORM REPAYMENT PROVISION.—Section 303a of title 37, United States Code, is amended by adding at the end the following new subsection:

"(e) REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS WHEN CONDITIONS OF PAYMENT NOT MET.—(1) A member of the uniformed services who receives a bonus or similar benefit and whose receipt of the bonus or similar benefit is subject to the condition that the member continue to satisfy certain eligibility requirements shall repay to the United States an amount equal to the unearned portion of the bonus or similar benefit if

the member fails to satisfy the requirements, except in certain circumstances authorized by the Secretary concerned.

"(2) The Secretary concerned may establish, by regulations, procedures for determining the amount of the repayment required under this subsection and the circumstances under which an exception to the required repayment may be granted. The Secretary concerned may specify in the regulations the conditions under which an installment payment of a bonus or similar benefit to be paid to a member of the uniformed services will not be made if the member no longer satisfies the eligibility requirements for the bonus or similar benefit. For the military departments, this subsection shall be administered under regulations prescribed by the Secretary of Defense.

"(3) An obligation to repay the United States under this subsection is, for all purposes, a debt owed the United States. A discharge in bankruptcy under title 11 does not discharge a person from such debt if the discharge order is entered less than five years after—

"(A) the date of the termination of the agreement or contract on which the debt is based; or

"(B) in the absence of such an agreement or contract, the date of the termination of the service on which the debt is based.

"(4) In this subsection:

"(A) The term 'bonus or similar benefit' means a bonus, incentive pay, special pay, or similar payment, or an educational benefit or stipend, paid to a member of the uniformed services under a provision of law that refers to the repayment requirements of this subsection.

"(B) The term 'service', as used in paragraph (3)(B), refers to an obligation willingly undertaken by a member of the uniformed services, in exchange for a bonus or similar benefit offered by the Secretary of Defense or the Secretary concerned—

"(i) to remain on active duty or in an active status in a reserve component;

"(ii) to perform duty in a specified skill, with or without a specified qualification or credential;

"(iii) to perform duty at a specified location; or

"(iv) to perform duty for a specified period of time.".

(2) APPLICABILITY TO TITLE 11 CASES.—In the case of a provision of law amended by subsection (b), (c), or (d) of this section, paragraph (3) of subsection (a) of section 303a of title 37, United States Code, as added by this subsection, shall apply to any case commenced under title 11, United States Code, after March 30, 2006.

(b) CONFORMING AMENDMENTS TO TITLE 37.—

(1) AVIATION CAREER OFFICER RETENTION BONUS.—Subsection (g) of section 301b of title 37, United States Code, is amended to read as follows:

"(g) REPAYMENT.—An officer who does not complete the period of active duty specified in the agreement entered into under subsection (a) shall be subject to the repayment provisions of section 303a(e) of this title.".

(2) MEDICAL OFFICER MULTIYEAR RETENTION BONUS.—Subsection (c) of section 301d of such title is amended to read as follows:

"(c) REPAYMENT.—An officer who does not complete the period of active duty specified in the agreement entered into under subsection (a) shall be subject to the repayment provisions of section 303a(e) of this title.".

(3) DENTAL OFFICER MULTIYEAR RETENTION BONUS.—Subsection (d) of section 301e of such title is amended to read as follows:

"(d) REPAYMENT.—An officer who does not complete the period of active duty specified in the agreement entered into under subsection (a) shall be subject to the repayment provisions of section 303a(e) of this title.".

(4) MEDICAL OFFICER SPECIAL PAY.—Section 302 of such title is amended—

(A) in subsection (c)(2), by striking the second sentence and inserting the following new sentence: "If such entitlement is terminated, the officer concerned shall be subject to the repayment provisions of section 303a(e) of this title."; and

(B) by striking subsection (f) and inserting the following new subsection:

"(f) REPAYMENT.—An officer who does not complete the period for which the payment was made under subsection (a)(4) or subsection (b)(1) shall be subject to the repayment provisions of section 303a(e) of this title.".

(5) OPTOMETRIST RETENTION SPECIAL PAY.—Paragraph (4) of section 302a(b) of such title is amended to read as follows:

"(4) The Secretary concerned may terminate at any time the eligibility of an officer to receive retention special pay under paragraph (1). An officer who does not complete the period for which the payment was made under paragraph (1) shall be subject to the repayment provisions of section 303a(e) of this title.".

(6) DENTAL OFFICER SPECIAL PAY.—Section 302b of such title is amended—

(A) in subsection (b)(2), by striking the second sentence and inserting the following new sentence: "If such entitlement is terminated, the officer concerned shall be subject to the repayment provisions of section 303a(e) of this title.";

(B) by striking subsection (e) and inserting the following new subsection (e):

"(e) REPAYMENT.—An officer who does not complete the period of active duty specified in the agreement referred to in subsection (b) shall be subject to the repayment provisions of section 303a(e) of this title.";

(C) by striking subsection (f); and

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

(7) ACCESSION BONUS FOR REGISTERED NURSES.—Subsection (d) of section 302d of such title is amended to read as follows:

"(d) REPAYMENT.—An officer who does not become and remain licensed as a registered nurse during the period for which the payment is made, or who does not complete the period of active duty specified in the agreement entered into under subsection (a), shall be subject to the repayment provisions of section 303a(e) of this title.".

(8) NURSE ANESTHETIST SPECIAL PAY.—Section 302e of such title is amended—

(A) in subsection (c), by striking the last sentence and inserting the following new sentence: "If such entitlement is terminated, the officer concerned shall be subject to the repayment provisions of section 303a(e) of this title."; and

(B) by striking subsection (e) and inserting the following new subsection:

"(e) REPAYMENT.—An officer who does not complete the period of active duty specified in the agreement entered into under subsection (a) shall be subject to the repayment provisions of section 303a(e) of this title.".

(9) RESERVE, RECALLED, OR RETAINED HEALTH CARE OFFICERS SPECIAL PAY.—Section 302f(c) of such title is amended by striking "refund" and inserting "repay in the manner provided in section 303a(e) of this title".

(10) SELECTED RESERVE HEALTH CARE PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES SPECIAL PAY.—Section 302g of such title is amended—

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

(B) by inserting after subsection (c) the following new subsection (d):

"(d) REPAYMENT.—An officer who does not complete the period of service in the Selected Reserve specified in the agreement entered into under subsection (a) shall be subject to the repayment provisions of section 303a(e) of this title."; and

(C) by redesignating subsection (f), as amended by section 622(e), as subsection (e).

(11) ACCESSION BONUS FOR DENTAL OFFICERS.—Subsection (d) of section 302h of such title is amended to read as follows:

"(d) REPAYMENT.—A person who, after signing an agreement under subsection (a), is not commissioned as an officer of the armed forces, does not become licensed as a dentist, or does not complete the period of active duty specified in the agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(12) ACCESSION BONUS FOR PHARMACY OFFICERS.—Subsection (e) of section 302j of such title is amended to read as follows:

"(e) REPAYMENT.—A person who, after signing an agreement under subsection (a), is not commissioned as an officer of the armed forces, does not become and remain certified or licensed as a pharmacist, or does not complete the period of active duty specified in the agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(13) ASSIGNMENT INCENTIVE PAY.—Subsection (d) of section 307a of such title, as added by section 628(c), is amended to read as follows:

"(d) REPAYMENT.—A member who enters into an agreement under this section and receives incentive pay under the agreement in a lump sum or installments, but who fails to complete the period of service covered by the payment, whether voluntarily or because of misconduct, shall be subject to the repayment provisions of section 303a(e) of this title.".

(14) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Subsection (d) of section 308 of such title is amended to read as follows:

"(d) A member who does not complete the term of enlistment for which a bonus was paid to the member under this section, or a member who is not technically qualified in the skill for which a bonus was paid to the member under this section, shall be subject to the repayment provisions of section 303a(e) of this title.".

(15) REENLISTMENT BONUS FOR SELECTED RESERVE.—Subsection (d) of section 308b of such title is amended to read as follows:

"(d) REPAYMENT.—A member who does not complete the term of enlistment in the element of the Selected Reserve for which the bonus was paid to the member under this section shall be subject to the repayment provisions of section 303a(e) of this title.".

(16) SELECTED RESERVE AFFILIATION OR ENLISTMENT BONUS.—Section 308c of such title, as amended by section 631, is further amended by striking subsection (g) and inserting the following new subsection:

"(g) REPAYMENT.—A person who enters into an agreement under subsection (a) or (c) and receives all or part of the bonus under the agreement, but who does not commence to serve in the Selected Reserve or does not satisfactorily participate in the Selected Reserve for the total period of service specified in the agreement, shall be subject to the repayment provisions of section 303a(e) of this title.".

(17) READY RESERVE ENLISTMENT BONUS.—Section 308g of such title is amended—

(A) by striking subsection (d) and inserting the following new subsection:

"(d) A person who does not serve satisfactorily in the element of the Ready Reserve in the combat or combat support skill for the period for which the bonus was paid under this section shall be subject to the repayment provisions of section 303a(e) of this title.";

(B) by striking subsections (e) and (f); and

(C) by redesignating subsections (g) and (h), as amended by section 621(c), as subsections (e) and (f), respectively.

(18) READY RESERVE REENLISTMENT, ENLISTMENT, AND VOLUNTARY EXTENSION OF ENLISTMENT BONUS.—Section 308h of such title is amended—

(A) by striking subsection (c) and inserting the following new subsection:

"(c) REPAYMENT.—A person who does not complete the period of enlistment or extension of enlistment for which the bonus was paid under this section shall be subject to the repayment provisions of section 303a(e) of this title.";

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

(C) by redesignating subsections (f) and (g), as amended by section 621(d), as subsections (d) and (e), respectively.

(19) PRIOR SERVICE ENLISTMENT BONUS.—Subsection (d) of section 308i of such title is amended to read as follows:

"(d) REPAYMENT.—A person who receives a bonus payment under this section and who, during the period for which the bonus was paid, does not serve satisfactorily in the element of the Selected Reserve with respect to which the bonus was paid shall be subject to the repayment provisions of section 303a(e) of this title.".

(20) ENLISTMENT BONUS.—Subsection (b) of section 309 of such title is amended to read as follows:

"(b) REPAYMENT.—A member who does not complete the term of enlistment for which a bonus was paid to the member under this section, or a member who is not technically qualified in the skill for which a bonus was paid to the member under this section, shall be subject to the repayment provisions of section 303a(e) of this title.".

(21) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING ACTIVE DUTY.—Subsection (b) of section 312 of such title is amended to read as follows:

"(b) An officer who does not complete the period of active duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants that the officer agreed to serve, and for which a payment was made under subsection (a) or subsection (d)(1), shall be subject to the repayment provisions of section 303a(e) of this title.".

(22) NUCLEAR CAREER ACCESSION BONUS.—Paragraph (2) of section 312b(a) of such title is amended to read as follows:

"(2) An officer who does not commence or complete satisfactorily the nuclear power training specified in the agreement under paragraph (1) shall be subject to the repayment provisions of section 303a(e) of this title.".

(23) ENLISTED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS.—Subsection (d) of section 314 of such title is amended to read as follows:

"(d) REPAYMENT.—A member who, having entered into a written agreement to extend a tour of duty for a period under subsection (a), receives a bonus payment under subsection (b)(2) for a 12-month period covered by the agreement and ceases during that 12-month period to perform the agreed tour of duty shall be subject to the repayment provisions of section 303a(e) of this title.".

(24) ENGINEERING AND SCIENTIFIC CAREER CONTINUATION PAY.—Subsection (c) of section 315 of such title is amended to read as follows:

"(c) An officer who, having entered into a written agreement under subsection (b) and having received all or part of a bonus under this section, does not complete the period of active duty as specified in the agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(25) FOREIGN LANGUAGE PROFICIENCY PAY.—Subsection (e) of section 316 of such title, as added by section 639(c), is amended to read as follows:

"(e) REPAYMENT.—A member who receives a bonus under this section, but who does not satisfy an eligibility requirement specified in paragraph (1), (2), (3), or (4) of subsection (a) for the entire certification period, shall be subject to the repayment provisions of section 303a(e) of this title.".

(26) CRITICAL ACQUISITION POSITIONS.—Subsection (f) of section 317 of such title is amended to read as follows:

"(f) REPAYMENT.—An officer who, having entered into a written agreement under subsection (a) and having received all or part of a bonus under this section, does not complete the period of active duty as specified in the agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(27) SPECIAL WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.—Subsection (h) of section 318 of such title is amended to read as follows:

"(h) REPAYMENT.—An officer who, having entered into a written agreement under subsection (b) and having received all or part of a bonus under this section, does not complete the period of active duty in special warfare service as specified in the agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(28) SURFACE WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.—Subsection (f) of section 319 of such title is amended to read as follows:

"(f) REPAYMENT.—An officer who, having entered into a written agreement under subsection (b) and having received all or part of a bonus under this section, does not complete the period of active duty as a department head on a surface vessel as specified in the agreement, shall be subject to the repayment provisions of section 303a(e) of this title.".

(29) JUDGE ADVOCATE CONTINUATION PAY.—Subsection (f) of section 321 of such title is amended to read as follows:

"(f) REPAYMENT.—An officer who has entered into a written agreement under subsection (b) and has received all or part of the amount payable under the agreement but who does not complete the total period of active duty specified in the agreement, shall be subject to the repayment provisions of section 303a(e) of this title.".

(30) 15-YEAR CAREER STATUS BONUS.—Subsection (f) of section 322 of such title is amended to read as follows:

"(f) REPAYMENT.—If a person paid a bonus under this section does not complete a period of active duty beginning on the date on which the election of the person under paragraph (1) of subsection (a) is received and ending on the date on which the person completes 20 years of active duty service as described in paragraph (2) of such subsection, the person shall be subject to the repayment provisions of section 303a(e) of this title.".

(31) CRITICAL MILITARY SKILLS RETENTION BONUS.—Subsection (g) of section 323 of such title, as amended by section 640(e), is amended to read as follows:

"(g) REPAYMENT.—A member paid a bonus under this section who fails, during the period of service covered by the member's agreement, reenlistment, or voluntary extension of enlistment under subsection (a), to remain qualified in the critical military skill or to satisfy the other eligibility criteria for which the bonus was paid shall be subject to the repayment provisions of section 303a(e) of this title.".

(32) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Subsection (f) of section 324 of such title is amended to read as follows:

"(f) REPAYMENT.—An individual who, having received all or part of the bonus under an agreement referred to in subsection (a), is not thereafter commissioned as an officer or does not commence or complete the total period of active duty service specified in the agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(33) SAVINGS PLAN FOR EDUCATION EXPENSES AND OTHER CONTINGENCIES.—Subsection (g) of section 325 of such title is amended to read as follows:

"(g) REPAYMENT.—If a person does not complete the qualifying service for which the person is obligated under a commitment for which a benefit has been paid under this section, the person

shall be subject to the repayment provisions of section 303a(e) of this title.".

(34) INCENTIVE BONUS FOR CONVERSION TO MILITARY OCCUPATIONAL SPECIALTY.—Subsection (e) of section 326 of such title is amended to read as follows:

"(e) REPAYMENT.—A member who does not convert to and complete the period of service in the military occupational specialty specified in the agreement executed under subsection (a) shall be subject to the repayment provisions of section 303a(e) of this title.".

(35) TRANSFER BETWEEN ARMED FORCES INCENTIVE BONUS.—Section 327 of such title, as added by section 641, is amended by striking subsection (f) and inserting the following new subsection:

"(f) REPAYMENT.—A member who is paid a bonus under an agreement under this section and who, voluntarily or because of misconduct, fails to serve for the period covered by such agreement shall be subject to the repayment provisions of section 303a(e) of this title.".

(c) CONFORMING AMENDMENTS TO TITLE 10.—

(1) ENLISTMENT INCENTIVES FOR PURSUIT OF SKILLS TO FACILITATE NATIONAL SERVICE.—Subsection (i) of section 510 of title 10, United States Code, is amended to read as follows:

"(i) REPAYMENT.—If a National Call to Service participant who has entered into an agreement under subsection (b) and received or benefitted from an incentive under paragraph (1) or (2) of subsection (e) fails to complete the total period of service specified in the agreement, the National Call to Service participant shall be subject to the repayment provisions of section 303a(e) of title 37.".

(2) ADVANCED EDUCATION ASSISTANCE.—Section 2005 of such title is amended—

(A) in subsection (a), by striking paragraph (3) and inserting the following new paragraph:

"(3) that if such person does not complete the period of active duty specified in the agreement, or does not fulfill any term or condition prescribed pursuant to paragraph (4), such person shall be subject to the repayment provisions of section 303a(e) of title 37; and";

(B) by striking subsections (c), (d), (f), (g) and (h);

(C) by redesignating subsection (e) as subsection (d); and

(D) by inserting after subsection (b), the following new subsection:

"(c) As a condition of the Secretary concerned providing financial assistance under section 2107 or 2107a of this title to any person, the Secretary concerned shall require that the person enter into the agreement described in subsection (a). In addition to the requirements of paragraphs (1) through (4) of such subsection, the agreement shall specify that, if the person does not complete the education requirements specified in the agreement or does not fulfill any term or condition prescribed pursuant to paragraph (4) of such subsection, the person shall be subject to the repayment provisions of section 303a(e) of title 37 without the Secretary first ordering such person to active duty as provided for under subsection (a)(2) and sections 2107(f) and 2107a(f) of this title.".

(3) TUITION FOR OFF-DUTY TRAINING OR EDUCATION.—Section 2007 of such title is amended by adding at the end the following new subsection:

"(f) If an officer who enters into an agreement under subsection (b) does not complete the period of active duty specified in the agreement, the officer shall be subject to the repayment provisions of section 303a(e) of title 37.".

(4) FAILURE TO COMPLETE ADVANCED TRAINING OR TO ACCEPT COMMISSION.—Section 2105 of such title is amended by adding at the end the following new sentence: "If the member does not complete the period of active duty prescribed by the Secretary concerned, the member shall be subject to the repayment provisions of section 303a(e) of title 37".

(5) HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM FOR ACTIVE SERVICE.—Section 2123(e)(1)(C) of such title is amended by striking "equal to" and all that follows through the period at the end and inserting "pursuant to the repayment provisions of section 303a(e) of title 37.".

(6) FINANCIAL ASSISTANCE FOR NURSE OFFICER CANDIDATES.—Subsection (d) of section 2130a of such title is amended to read as follows:

"(d) REPAYMENT.—A person who does not complete a nursing degree program in which the person is enrolled in accordance with the agreement entered into under subsection (a), or having completed the nursing degree program, does not become an officer in the Nurse Corps of the Army or the Navy or an officer designated as a nurse officer of the Air Force or commissioned corps of the Public Health Service or does not complete the period of obligated active service required under the agreement, shall be subject to the repayment provisions of section 303a(e) of title 37.".

(7) EDUCATION LOAN REPAYMENT PROGRAM.—Subsection (g) of section 2173 of such title is amended—

(A) by inserting "(1)" before "A commissioned officer"; and

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

"(2) An officer who does not complete the period of active duty specified in the agreement entered into under subsection (b)(3), or the alternative obligation imposed under paragraph (1), shall be subject to the repayment provisions of section 303a(e) of title 37.".

(8) SCHOLARSHIP PROGRAM FOR DEGREE PROGRAM FOR DEGREE OR CERTIFICATION IN INFORMATION ASSURANCE.—Section 2200a of such title is amended—

(A) by striking subsection (e) and inserting the following new subsection:

"(e) REPAYMENT FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) A member of an armed force who does not complete the period of active duty specified in the service agreement under section (b) shall be subject to the repayment provisions of section 303a(e) of title 37.

"(2) A civilian employee of the Department of Defense who voluntarily terminates service before the end of the period of obligated service required under an agreement entered into under subsection (b) shall be subject to the repayment provisions of section 303a(e) of title 37 in the same manner and to the same extent as if the civilian employee were a member of the armed forces.".

(B) by striking subsection (f); and

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

(9) ARMY CADET AGREEMENT TO SERVE AS OFFICER.—Section 4348 of such title is amended by adding at the end the following new subsection:

"(f) A cadet or former cadet who does not fulfill the terms of the agreement as specified under section (a), or the alternative obligation imposed under subsection (b), shall be subject to the repayment provisions of section 303a(e) of title 37.".

(10) MIDSHIPMEN AGREEMENT FOR LENGTH OF SERVICE.—Section 6959 of such title is amended by adding at the end the following new subsection:

"(f) A midshipman or former midshipman who does not fulfill the terms of the agreement as specified under section (a), or the alternative obligation imposed under subsection (b), shall be subject to the repayment provisions of section 303a(e) of title 37.".

(11) AIR FORCE CADET AGREEMENT TO SERVE AS OFFICER.—Section 9348 of such title is amended by adding at the end the following new subsection:

"(f) A cadet or former cadet who does not fulfill the terms of the agreement as specified under section (a), or the alternative obligation imposed under subsection (b), shall be subject to the repayment provisions of section 303a(e) of title 37.".

(12) EDUCATIONAL ASSISTANCE FOR MEMBERS OF SELECTED RESERVE.—Section 16135 of such title is amended to read as follows:

**"§ 16135. Failure to participate satisfactorily; penalties**

"(a) PENALTIES.—At the option of the Secretary concerned, a member of the Selected Reserve of an armed force who does not participate satisfactorily in required training as a member of the Selected Reserve during a term of enlistment or other period of obligated service that created entitlement of the member to educational assistance under this chapter, and during which the member has received such assistance, may—

"(1) be ordered to active duty for a period of two years or the period of obligated service the person has remaining under section 16132 of this title, whichever is less; or

"(2) be subject to the repayment provisions under section 303a(e) of title 37.

"(b) EFFECT OF REPAYMENT.—Any repayment under section 303a(e) of title 37 shall not affect the period of obligation of a member to serve as a Reserve in the Selected Reserve.".

(13) HEALTH PROFESSIONS STIPEND PROGRAM PENALTIES AND LIMITATIONS.—Subparagraph (B) of section 16203(a)(1) of such title is amended to read as follows:

"(B) to comply with the repayment provisions of section 303a(e) of title 37.".

(14) LOAN REPAYMENT PROGRAM FOR CHAPLAINS SERVING IN SELECTED RESERVE.—Section 16303 of such title, as added by section 684, is amended by striking subsection (d) and inserting the following new subsection:

"(d) EFFECT OF FAILURE TO COMPLETE OBLIGATION.—A person on whose behalf a loan is repaid under subsection (a) who fails to commence or complete the period of obligated service specified in the agreement described in subsection (a)(3) shall be subject to the repayment provisions of section 303a(e) of title 37.".

(15) COLLEGE TUITION ASSISTANCE PROGRAM FOR MARINE CORPS PLATOON LEADERS CLASS.—Subsection (f) of section 16401 of such title is amended—

(A) in paragraph (1), by striking "may be required to repay the full amount of financial assistance" and inserting "shall be subject to the repayment provisions of section 303a(e) of title 37"; and

(B) in paragraph (2), by inserting before "The Secretary of the Navy" the following new sentence: "Any requirement to repay any portion of financial assistance received under this section shall be administered under the regulations issued under section 303a(e) of title 37.".

(d) CONFORMING AMENDMENT TO TITLE 14.—Section 182 of title 14, United States Code, is amended by adding at the end the following new subsection:

"(g) A cadet or former cadet who does not fulfill the terms of the obligation to serve as specified under section (b), or the alternative obligation imposed under subsection (c), shall be subject to the repayment provisions of section 303a(e) of title 37.".

(e) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of section 303a of title 37, United States Code, is amended to read as follows:

**"§ 303a. Special pay: general provisions".**

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 303a and inserting the following new item:

"303a. Special pay: general provisions.".

(f) CONTINUED APPLICATION OF CURRENT LAW TO EXISTING BONUSES.—In the case of any bonus, incentive pay, special pay, or similar payment, such as education assistance or a stipend, which the United States became obligated to pay before April 1, 2006, under a provision of law amended by subsection (b), (c), or (d) of this section, such provision of law, as in effect on the day before the date of the enactment of this Act, shall continue to apply to the payment, or any repayment, of the bonus, incentive pay, special pay, or similar payment under such provision of law.

**SEC. 688. RIGHTS OF MEMBERS OF THE ARMED FORCES AND THEIR DEPENDENTS UNDER HOUSING AND URBAN DEVELOPMENT ACT OF 1968.**

(a) WRITTEN NOTICE OF RIGHTS.—Section 106(c)(5)(A)(ii) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(A)(ii)) is amended—

(1) in subclause (II), by striking "and" at the end;

(2) in subclause (III), by striking the period and inserting "; and"; and

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

"(IV) notify the homeowner by a statement or notice, written in plain English by the Secretary of Housing and Urban Development, in consultation with the Secretary of Defense and the Secretary of the Treasury, explaining the mortgage and foreclosure rights of servicemembers, and the dependents of such servicemembers, under the Servicemembers Civil Relief Act (50 U.S.C. App.

501 et seq.), including the toll-free military one source number to call if servicemembers, or the dependents of such servicemembers, require further assistance.".

(b) NO EFFECT ON OTHER LAWS.—Nothing in this section shall relieve any person of any obligation imposed by any other Federal, State, or local law.

(c) DISCLOSURE FORM.—Not later than 150 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue a final disclosure form to fulfill the requirement of subclause (IV) of section 106(c)(5)(A)(ii) of the Housing and Urban Development Act of 1968, as added by subsection (a).

(d) EFFECTIVE DATE.—The amendments made under subsection (a) shall take effect 150 days after the date of the enactment of this Act.

**SEC. 689. EXTENSION OF ELIGIBILITY FOR SSI FOR CERTAIN INDIVIDUALS IN FAMILIES THAT INCLUDE MEMBERS OF THE RESERVE AND NATIONAL GUARD.**

Section 1631(j)(1)(B) of the Social Security Act (42 U.S.C. 1383(j)(1)(B)) is amended by inserting "(or 24 consecutive months, in the case of such an individual whose ineligibility for benefits under or pursuant to both such sections is a result of being called to active duty pursuant to section 12301(d) or 12302 of title 10, United States Code, or section 502(f) of title 32, United States Code)" after "for a period of 12 consecutive months".

**SEC. 690. INFORMATION FOR MEMBERS OF THE ARMED FORCES AND THEIR DEPENDENTS ON RIGHTS AND PROTECTIONS OF THE SERVICEMEMBERS CIVIL RELIEF ACT.**

(a) OUTREACH TO MEMBERS.—The Secretary concerned shall provide to each member of the Armed Forces under the jurisdiction of the Secretary pertinent information on the rights and protections available to members and their dependents under the Servicemembers Civil Relief Act (50 U.S.C. App. 501 et seq.).

(b) TIME OF PROVISION.—The information required to be provided under subsection (a) to a member shall be provided at the following times:

(1) During the initial orientation training of the member.

(2) In the case of a member of a reserve component, during the initial orientation training of the member and when the member is mobilized or otherwise individually called or ordered to active duty for a period of more than one year.

(3) At such other times as the Secretary concerned considers appropriate.

(c) OUTREACH TO DEPENDENTS.—The Secretary concerned may provide to the adult dependents of members under the jurisdiction of the Secretary pertinent information on the rights and protections available to members and their dependents under the Servicemembers Civil Relief Act.

(d) DEFINITIONS.—In this section, the terms "dependent" and "Secretary concerned" have the meanings given such terms in section 101 of the Servicemembers Civil Relief Act (50 U.S.C. App. 511).

# TITLE VII—HEALTH CARE PROVISIONS


**SUBTITLE A—IMPROVEMENTS TO HEALTH BENEFITS FOR RESERVES**

Sec. 701. Enhancement of TRICARE Reserve Select program.
Sec. 702. Expanded eligibility of members of the Selected Reserve under the TRICARE program.

**SUBTITLE B—TRICARE PROGRAM IMPROVEMENTS**

Sec. 711. Additional information required by surveys on TRICARE Standard.
Sec. 712. Availability of chiropractic health care services.
Sec. 713. Surviving-dependent eligibility under TRICARE dental plan for surviving spouses who were on active duty at time of death of military spouse.
Sec. 714. Exceptional eligibility for TRICARE Prime Remote.
Sec. 715. Increased period of continued TRICARE Prime coverage of children of members of the uniformed services who die while serving on active duty for a period of more than 30 days.
Sec. 716. TRICARE Standard in TRICARE Regional Offices.
Sec. 717. Qualifications for individuals serving as TRICARE Regional Directors.

**SUBTITLE C—MENTAL HEALTH-RELATED PROVISIONS**

Sec. 721. Program for mental health awareness for dependents and pilot project on post traumatic stress disorder.
Sec. 722. Pilot projects on early diagnosis and treatment of post traumatic stress disorder and other mental health conditions.
Sec. 723. Department of Defense task force on mental health.

**SUBTITLE D—STUDIES AND REPORTS**

Sec. 731. Study relating to predeployment and postdeployment medical exams of certain members of the Armed Forces.
Sec. 732. Requirements for physical examinations and medical and dental readiness for members of the Selected Reserve not on active duty.
Sec. 733. Report on delivery of health care benefits through the military health care system.
Sec. 734. Comptroller General studies and report on differential payments to children's hospitals for health care for children dependents and maximum allowable charge for obstetrical care services under TRICARE.
Sec. 735. Report on the Department of Defense AHLTA global electronic health record system.
Sec. 736. Comptroller General study and report on Vaccine Healthcare Centers.
Sec. 737. Report on adverse health events associated with use of anti-malarial drugs.
Sec. 738. Report on Reserve dental insurance program.
Sec. 739. Demonstration project study on Medicare Advantage regional preferred provider organization option for TRICARE-medicare dual-eligible beneficiaries.
Sec. 740. Pilot projects on pediatric early literacy among children of members of the Armed Forces.

**SUBTITLE E—OTHER MATTERS**

Sec. 741. Authority to relocate patient safety center; renaming MedTeams Program.
Sec. 742. Modification of health care quality information and technology enhancement reporting requirement.
Sec. 743. Correction to eligibility of certain Reserve officers for military health care pending active duty following commissioning.
Sec. 744. Prohibition on conversions of military medical and dental positions to civilian medical positions until submission of certification.
Sec. 745. Clarification of inclusion of dental care in medical readiness tracking and health surveillance program.
Sec. 746. Cooperative outreach to members and former members of the naval service exposed to environmental factors related to sarcoidosis.
Sec. 747. Repeal of requirement for Comptroller General reviews of certain Department of Defense-Department of Veterans Affairs projects on sharing of health care resources.
Sec. 748. Pandemic avian flu preparedness.
Sec. 749. Follow up assistance for members of the Armed Forces after preseparation physical examinations.
Sec. 750. Policy on role of military medical and behavioral science personnel in interrogation of detainees.

# Subtitle A—Improvements to Health Benefits for Reserves

**SEC. 701. ENHANCEMENT OF TRICARE RESERVE SELECT PROGRAM.**

(a) EXTENSION OF COVERAGE FOR MEMBERS RECALLED TO ACTIVE DUTY.—Section 1076d of title 10, United States Code, is amended—

(1) in subsection (b), by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph (3):

"(3) In the case of a member recalled to active duty before the period of coverage for which the member is eligible under subsection (a) terminates, the period of coverage of the member—

"(A) resumes after the member completes the subsequent active duty service (subject to any additional entitlement to care and benefits under section 1145(a) of this title that is based on the same subsequent active duty service); and

"(B) increases by any additional period of coverage for which the member is eligible under subsection (a) based on the subsequent active duty service.";

(2) in subsection (b)(2), by striking "Unless earlier terminated under paragraph (3)" and inserting "Subject to paragraph (3) and unless earlier terminated under paragraph (4)"; and

(3) in subsection (f), by adding at the end the following new paragraph:

"(3) The term 'member recalled to active duty' means, with respect to a member who is eligible for coverage under this section based on a period of active duty service, a member who is called or ordered to active duty for an additional period of active duty subsequent to the period of active duty on which that eligibility is based.".

(b) SPECIAL RULE FOR MOBILIZED MEMBERS OF INDIVIDUAL READY RESERVE FINDING NO POSITION IN SELECTED RESERVE.—Section 1076d of such title is amended by adding at the end of subsection (b) (as amended by this section) the following new paragraph:

"(5) In the case of a member of the Individual Ready Reserve who is unable to find a position in the Selected Reserve and who meets the requirements for eligibility for health benefits under TRICARE Standard under subsection (a) except for membership in the Selected Reserve, the period of coverage under this section may begin not later than one year after coverage would otherwise begin under this section had the member been a member of the Selected Reserve, if the member finds a position in the Selected Reserve during that one-year period.".

(c) ELIGIBILITY OF FAMILY MEMBERS FOR 6 MONTHS FOLLOWING DEATH OF MEMBER.—Section 1076d(c) of such title is amended by adding at the end the following: "If a member of a reserve component dies while in a period of coverage under this section, the eligibility of the members of the immediate family of such member for TRICARE Standard coverage shall continue for six months beyond the date of death of the member.".

(d) EXTENSION OF TIME FOR ENTERING INTO AGREEMENT.—Section 1076d(a)(2) of such title is amended by striking "on or before the date of the release" and inserting "not later than 90 days after release".

(e) REVISION OF TRICARE STANDARD DEFINITION.—Subsection (f)(2) of section 1076d of such title is amended to read as follows:

"(2) The term 'TRICARE Standard' means—

"(A) medical care to which a dependent described in section 1076(a)(2) of this title is entitled; and

"(B) health benefits contracted for under the authority of section 1079(a) of this title and subject to the same rates and conditions as apply to persons covered under that section.".

(f) REVISION OF SECTION HEADING.—

(1) AMENDMENT.—The heading for section 1076d of such title is amended to read as follows:

**"§ 1076d. TRICARE program: coverage for members of reserve components who commit to continued service in the Selected Reserve after release from active duty in support of a contingency operation".**

(2) CLERICAL AMENDMENT.—The item relating to section 1076d in the table of sections relating to chapter 55 of such title is amended to read as follows:

"1076d. TRICARE program: coverage for members of reserve components who commit to continued service in the Selected Reserve after release from active duty in support of a contingency operation.".

**SEC. 702. EXPANDED ELIGIBILITY OF MEMBERS OF THE SELECTED RESERVE UNDER THE TRICARE PROGRAM.**

(a) EXPANDED ELIGIBILITY.—

(1) IN GENERAL.—Section 1076b of title 10, United States Code, is amended to read as follows:

**"§ 1076b. TRICARE program: TRICARE Standard coverage for members of the Selected Reserve**

"(a) ELIGIBILITY.—Each member of the Selected Reserve of the Ready Reserve who is committed to serving in the Selected Reserve as described in subsection (c)(3) is eligible, subject to subsection (h), to enroll in TRICARE Standard and receive benefits under such enrollment for any period that the member—

"(1) is an eligible unemployment compensation recipient;

"(2) subject to subsection (i), is not eligible for health care benefits under an employer-sponsored health benefits plan; or

"(3) is not eligible under paragraph (1) or (2) and is not eligible under section 1076d of this title.

"(b) TYPES OF COVERAGE.—(1) A member eligible under subsection (a) may enroll for either of the following types of coverage:

"(A) Self alone coverage.

"(B) Self and family coverage.

"(2) An enrollment by a member for self and family covers the member and the dependents of the member who are described in subparagraph (A), (D), or (I) of section 1072(2) of this title.

"(c) ENROLLMENT.—(1) The Secretary of Defense shall provide for at least one open enrollment period each year. During an open enrollment period or at such other time as the Secretary considers appropriate, a member eligible under subsection (a) may enroll in TRICARE Standard or change or terminate an enrollment in TRICARE Standard.

"(2) An enrollment in TRICARE Standard of a member eligible under subsection (a) shall be effective for one year only, and may

be renewed by the member during the open enrollment period provided under paragraph (1) or at such other time as the Secretary considers appropriate.

"(3) A member eligible under subsection (a) may not enroll or renew an enrollment in TRICARE Standard under this section unless the member is committed to a period of obligated service in the Selected Reserve that extends through the enrollment period.

"(d) SCOPE OF CARE.—(1) A member and the dependents of a member enrolled in TRICARE Standard under this section shall be entitled to the same benefits under this chapter as a member of the uniformed services on active duty or a dependent of such a member, respectively, is entitled to under TRICARE Standard.

"(2) Section 1074(c) of this title shall apply with respect to a member enrolled in TRICARE Standard under this section.

"(e) PREMIUMS.—(1) The Secretary of Defense shall charge premiums for coverage pursuant to enrollments under this section. The Secretary shall prescribe for each of the TRICARE Standard program options a premium for self alone coverage and a premium for self and family coverage.

"(2) The monthly amount of the premium in effect for a month for a type of coverage under this section shall be as follows:

"(A) For members eligible under paragraph (1) or (2) of subsection (a), the amount equal to 50 percent of the total amount determined by the Secretary on an appropriate actuarial basis as being reasonable for the coverage.

"(B) For members eligible under paragraph (3) of subsection (a), the amount equal to 85 percent of the total amount determined by the Secretary on an appropriate actuarial basis as being reasonable for the coverage.

"(3) In determining the amount of a premium under paragraph (2), the Secretary shall use the same actuarial basis as used under section 1076d of this title for determining the amount of premiums under that section.

"(4) The premiums payable by a member under this subsection may be deducted and withheld from basic pay payable to the member under section 204 of title 37 or from compensation payable to the member under section 206 of such title. The Secretary shall prescribe the requirements and procedures applicable to the payment of premiums by members.

"(5) Amounts collected as premiums under this subsection shall be credited to the appropriation available for the Defense Health Program Account under section 1100 of this title, shall be merged with sums in such Account that are available for the fiscal year in which collected, and shall be available under subsection (b) of such section for such fiscal year.

"(f) OTHER CHARGES.—A person who receives health care pursuant to an enrollment in TRICARE Standard under this section, including a member who receives such health care, shall be subject to the same deductibles, copayments, and other nonpremium charges for health care as apply under this chapter for health care provided under TRICARE Standard to dependents described in subparagraph (A), (D), or (I) of section 1072(2) of this title.

"(g) TERMINATION OF ENROLLMENT.—(1) A member enrolled in TRICARE Standard under this section may terminate the enrollment only during an open enrollment period provided under subsection (c).

"(2) An enrollment of a member for self alone or for self and family under this section shall terminate on the first day of the first month beginning after the date on which the member ceases to be eligible under subsection (a).

"(3) The enrollment of a member under this section may be terminated on the basis of failure to pay the premium charged the member under this section.

"(h) RELATIONSHIP TO TRANSITION TRICARE COVERAGE UPON SEPARATION FROM ACTIVE DUTY.—A member is not eligible for TRICARE Standard under this section while entitled to transitional health care under subsection (a) of section 1145 of this title or while authorized to receive health care under subsection (c) of such section.

"(i) NONCOVERAGE BY OTHER HEALTH BENEFITS PLAN.—(1) For purposes of subsection (a)(2), a person shall be considered to be not eligible for health care benefits under an employer-sponsored health benefits plan only if the person—

"(A) is employed by an employer that does not offer a health benefits plan to anyone working for the employer;

"(B) is in a category of employees to which the person's employer does not offer a health benefits plan, if such category is designated by the employer based on hours, duties, employment agreement, or such other characteristic, other than membership in the Selected Reserve, as the regulations administering this section prescribe (such as part-time employees); or

"(C) is self-employed.

"(2) The Secretary of Defense may require a member to submit any certification that the Secretary considers appropriate to substantiate the member's assertion that the member is not eligible for health care benefits under an employer-sponsored health benefits plan.

"(j) ELIGIBLE UNEMPLOYMENT COMPENSATION RECIPIENT DEFINED.—In this section, the term 'eligible unemployment compensation recipient' means, with respect to any month, any individual who is determined eligible for any day of such month for unemployment compensation under State law (as defined in section 205(9) of the Federal-State Extended Unemployment Compensation Act of 1970), including Federal unemployment compensation laws administered through the State.

"(k) TRICARE STANDARD DEFINED.—In this section, the term 'TRICARE Standard' has the meaning provided by section 1076d(f) of this title.

"(l) REGULATIONS.—The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations for the administration of this section.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 55 of title 10, United States Code, is amended by striking the item relating to section 1076b and inserting the following:

"1076b. TRICARE program: TRICARE Standard coverage for members of the Selected Reserve.".

(b) EFFECTIVE DATE.—The Secretary of Defense shall ensure that health care under TRICARE Standard is provided under section 1076b of title 10, United States Code, as amended by this section, beginning not later than October 1, 2006.

# Subtitle B—TRICARE Program Improvements

**SEC. 711. ADDITIONAL INFORMATION REQUIRED BY SURVEYS ON TRICARE STANDARD.**

Section 723(a) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1532; 10 U.S.C. 1073 note) is amended by adding at the end the following new paragraph:

"(4) Surveys required by paragraph (1) shall include questions seeking to determine from health care providers the following:

"(A) Whether the provider is aware of the TRICARE program.

"(B) What percentage of the provider's current patient population uses any form of TRICARE.

"(C) Whether the provider accepts patients for whom payment is made under the medicare program for health care services.

"(D) If the provider accepts patients referred to in subparagraph (C), whether the provider would accept additional such patients who are not in the provider's current patient population.".

**SEC. 712. AVAILABILITY OF CHIROPRACTIC HEALTH CARE SERVICES.**

(a) AVAILABILITY OF CHIROPRACTIC HEALTH CARE SERVICES.—The Secretary of the Air Force shall ensure that chiropractic health care services are available at all medical treatment facilities listed in table 5 of the report to Congress dated August 16, 2001, titled "Chiropractic Health Care Implementation Plan". If the Secretary determines that it is not necessary or feasible to provide chiropractic health care services at any such facility, the Secretary shall provide such services at an alternative site for each such facility.

(b) IMPLEMENTATION AND REPORT.—Not later than September 30, 2006, the Secretary of the Air Force shall—

(1) implement subsection (a); and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the availability of chiropractic health care services as required under subsection (a), including information on alternative sites at which such services have been made available.

**SEC. 713. SURVIVING-DEPENDENT ELIGIBILITY UNDER TRICARE DENTAL PLAN FOR SURVIVING SPOUSES WHO WERE ON ACTIVE DUTY AT TIME OF DEATH OF MILITARY SPOUSE.**

Section 1076a(k) of title 10, United States Code, is amended to read as follows:

"(k) ELIGIBLE DEPENDENT DEFINED.—(1) In this section, the term 'eligible dependent' means a dependent described in subparagraph (A), (D), or (I) of section 1072(2) of this title.

"(2) Such term includes any such dependent of a member who dies while on active duty for a period of more than 30 days or a member of the Ready Reserve if, on the date of the death of the member, the dependent—

"(A) is enrolled in a dental benefits plan established under subsection (a); or

"(B) if not enrolled in such a plan on such date—

"(i) is not enrolled by reason of a discontinuance of a former enrollment under subsection (f); or

"(ii) is not qualified for such enrollment because—

"(I) the dependent is a child under the minimum age for such enrollment; or

"(II) the dependent is a spouse who is a member of the armed forces on active duty for a period of more than 30 days.

"(3) Such term does not include a dependent by reason of paragraph (2) after the end of the three-year period beginning on the date of the member's death.".

**SEC. 714. EXCEPTIONAL ELIGIBILITY FOR TRICARE PRIME REMOTE.**

Section 1079(p) of title 10, United States Code, is amended—

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

(2) by inserting after paragraph (3) the following new paragraph:

"(4) The Secretary of Defense may provide for coverage of a dependent referred to in subsection (a) who is not described in paragraph (3) if the Secretary determines that exceptional circumstances warrant such coverage.".

**SEC. 715. INCREASED PERIOD OF CONTINUED TRICARE PRIME COVERAGE OF CHILDREN OF MEMBERS OF THE UNIFORMED SERVICES WHO DIE WHILE SERVING ON ACTIVE DUTY FOR A PERIOD OF MORE THAN 30 DAYS.**

(a) PERIOD OF ELIGIBILITY.—Section 1079(g) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(g)";

(2) by striking the second sentence; and

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

"(2) In addition to any continuation of eligibility for benefits under paragraph (1), when a member dies while on active duty for a period of more than 30 days, the member's dependents who are receiving benefits under a plan covered by subsection (a) shall continue to be eligible for benefits under TRICARE Prime during the three-year period beginning on the date of the member's death, except that, in the case of such a dependent of the deceased who is described by subparagraph (D) or (I) of section 1072(2) of this title, the period of continued eligibility shall be the longer of the following periods beginning on such date:

"(A) Three years.

"(B) The period ending on the date on which such dependent attains 21 years of age.

"(C) In the case of such a dependent who, at 21 years of age, is enrolled in a full-time course of study in a secondary school or in a full-time course of study in an institution of higher education approved by the administering Secretary and was, at the time of the member's death, in fact dependent on the member for over one-half of such dependent's support, the period ending on the earlier of the following dates:

"(i) The date on which such dependent ceases to pursue such a course of study, as determined by the administering Secretary.

"(ii) The date on which such dependent attains 23 years of age.

"(3) For the purposes of paragraph (2)(C), a dependent shall be treated as being enrolled in a full-time course of study in an

institution of higher education during any reasonable period of transition between the dependent's completion of a full-time course of study in a secondary school and the commencement of an enrollment in a full-time course of study in an institution of higher education, as determined by the administering Secretary.

"(4) The terms and conditions under which health benefits are provided under this chapter to a dependent of a deceased member under paragraph (2) shall be the same as those that would apply to the dependent under this chapter if the member were living and serving on active duty for a period of more than 30 days.

"(5) In this subsection, the term 'TRICARE Prime' means the managed care option of the TRICARE program.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 7, 2001, and shall apply with respect to deaths occurring on or after that date.

**SEC. 716. TRICARE STANDARD IN TRICARE REGIONAL OFFICES.**

(a) RESPONSIBILITIES OF TRICARE REGIONAL OFFICE.—The responsibilities of each TRICARE Regional Office shall include the monitoring, oversight, and improvement of the TRICARE Standard option in the TRICARE region concerned, including—

(1) identifying health care providers who will participate in the TRICARE program and provide the TRICARE Standard option under that program;

(2) communicating with beneficiaries who receive the TRICARE Standard option;

(3) outreach to community health care providers to encourage their participation in the TRICARE program; and

(4) publication of information that identifies health care providers in the TRICARE region concerned who provide the TRICARE Standard option.

(b) ANNUAL REPORT.—The Secretary of Defense shall submit an annual report to the Committees on Armed Services of the Senate and the House of Representatives on the monitoring, oversight, and improvement of TRICARE Standard activities of each TRICARE Regional Office. The report shall include—

(1) a description of the activities of the TRICARE Regional Office to monitor, oversee, and improve the TRICARE Standard option;

(2) an assessment of the participation of eligible health care providers in TRICARE Standard in each TRICARE region; and

(3) a description of any problems or challenges that have been identified by both providers and beneficiaries with respect to use of the TRICARE Standard option and the actions undertaken to address such problems or challenges.

(c) DEFINITION.—In this section, the term "TRICARE Standard" or "TRICARE standard option" means the Civilian Health and Medical Program of the Uniformed Services option under the TRICARE program.

**SEC. 717. QUALIFICATIONS FOR INDIVIDUALS SERVING AS TRICARE REGIONAL DIRECTORS.**

(a) QUALIFICATIONS.—Effective as of the date of the enactment of this Act, no individual may be selected to serve in the position of Regional Director under the TRICARE program unless the individual—

(1) is—

(A) an officer of the Armed Forces in a general or flag officer grade;

(B) a civilian employee of the Department of Defense in the Senior Executive Service; or

(C) a civilian employee of the Federal Government in a department or agency other than the Department of Defense, or a civilian working in the private sector, who has experience in a position comparable to an officer described in subparagraph (A) or a civilian employee described in subparagraph (B); and

(2) has at least 10 years of experience, or equivalent expertise or training, in the military health care system, managed care, and health care policy and administration.

(b) TRICARE PROGRAM DEFINED.—In this section, the term "TRICARE program" has the meaning given such term in section 1072(7) of title 10, United States Code.

## Subtitle C—Mental Health-Related Provisions

### SEC. 721. PROGRAM FOR MENTAL HEALTH AWARENESS FOR DEPENDENTS AND PILOT PROJECT ON POST TRAUMATIC STRESS DISORDER.

(a) PROGRAM ON MENTAL HEALTH AWARENESS.—

(1) REQUIREMENT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall develop a program to improve awareness of the availability of mental health services for, and warning signs about mental health problems in, dependents of members of the Armed Forces whose sponsor served or will serve in a combat theater during the previous or next 60 days.

(2) MATTERS COVERED.—The program developed under paragraph (1) shall be designed to—

(A) increase awareness of mental health services available to dependents of members of the Armed Forces on active duty;

(B) increase awareness of mental health services available to dependents of Reservists and National Guard members whose sponsors have been activated; and

(C) increase awareness of mental health issues that may arise in dependents referred to in subparagraphs (A) and (B) whose sponsor is deployed to a combat theater.

(3) COORDINATION.—The Secretary may permit the Department of Defense to coordinate the program developed under paragraph (1) with an accredited college, university, hospital-based, or community-based mental health center or engage mental health professionals to develop programs to help implement this section.

(4) AVAILABILITY IN OTHER LANGUAGES.—The Secretary shall evaluate whether the effectiveness of the program developed under paragraph (1) would be improved by providing materials in languages other than English and take action accordingly

(5) REPORT.—Not later than one year after implementation of the program developed under paragraph (1), the Secretary

shall submit to Congress a report on the effectiveness of the program, including the extent to which the program is used by low-English-proficient individuals.

(b) PILOT PROJECT ON POST TRAUMATIC STRESS DISORDER.—

(1) REQUIREMENT.—The Secretary of Defense shall carry out a pilot project to evaluate the efficacy of various approaches to improving the capability of the military and civilian health care systems to provide early diagnosis and treatment of post traumatic stress disorder (PTSD) and other mental health conditions.

(2) INTERNET-BASED DIAGNOSIS AND TREATMENT.—The pilot project shall be designed to evaluate—

(A) Internet-based automated tools available to military and civilian health care providers for the early diagnosis and treatment of post traumatic stress disorder, and for tracking patients who suffer from post traumatic stress disorder; and

(B) Internet-based tools available to family members of members of the Armed Forces in order to assist such family members in the identification of the emergence of post traumatic stress disorder.

(3) REPORT.—Not later than June 1, 2006, the Secretary shall submit to the congressional defense committees a report on the pilot project. The report shall include a description of the pilot project, including the location of the pilot project and the scope and objectives of the pilot project.

**SEC. 722. PILOT PROJECTS ON EARLY DIAGNOSIS AND TREATMENT OF POST TRAUMATIC STRESS DISORDER AND OTHER MENTAL HEALTH CONDITIONS.**

(a) PILOT PROJECTS REQUIRED.—The Secretary of Defense may carry out pilot projects to evaluate the efficacy of various approaches to improving the capability of the military and civilian health care systems to provide early diagnosis and treatment of post traumatic stress disorder (PTSD) and other mental health conditions.

(b) PILOT PROJECT REQUIREMENTS.—

(1) MOBILIZATION-DEMOBILIZATION FACILITY.—

(A) IN GENERAL.—A pilot project under subsection (a) may be carried out at a military medical facility at a large military installation at which the mobilization or demobilization of members of the Armed Forces occurs.

(B) ELEMENTS.—The pilot project under this paragraph shall be designed to evaluate and produce effective diagnostic and treatment approaches for use by primary care providers in the military health care system in order to improve the capability of such providers to diagnose and treat post traumatic stress disorder in a manner that avoids the referral of patients to specialty care by a psychiatrist or other mental health professional.

(2) NATIONAL GUARD OR RESERVE FACILITY.—

(A) IN GENERAL.—A pilot project under subsection (a) may be carried out at the location of a National Guard or Reserve unit or units that are located more than 40 miles from a military medical facility and whose personnel are served primarily by civilian community health resources.

(B) ELEMENTS.—The pilot project under this paragraph shall be designed—

(i) to evaluate approaches for providing evidence-based clinical information on post traumatic stress disorder to civilian primary care providers; and

(ii) to develop educational materials and other tools for use by members of the National Guard or Reserve who come into contact with other members of the National Guard or Reserve who may suffer from post traumatic stress disorder in order to encourage and facilitate early reporting and referral for treatment.

(c) REPORT.—Not later than September 1, 2006, the Secretary shall submit to the congressional defense committees a report on the progress toward identifying pilot projects to be carried out under this section. To the extent possible the report shall include a description of each such pilot project, including the location of the pilot projects under paragraphs (1) and (2) of subsection (b), and the scope and objectives of each such pilot project.

**SEC. 723. DEPARTMENT OF DEFENSE TASK FORCE ON MENTAL HEALTH.**

(a) REQUIREMENT TO ESTABLISH.—The Secretary of Defense shall establish within the Department of Defense a task force to examine matters relating to mental health and the Armed Forces.

(b) COMPOSITION.—

(1) MEMBERS.—The task force shall consist of not more than 14 members appointed by the Secretary of Defense from among individuals described in paragraph (2) who have demonstrated expertise in the area of mental health.

(2) RANGE OF MEMBERS.—The individuals appointed to the task force shall include—

(A) at least one member of each of the Army, Navy, Air Force, and Marine Corps;

(B) a number of persons from outside the Department of Defense equal to the total number of personnel from within the Department of Defense (whether members of the Armed Forces or civilian personnel) who are appointed to the task force;

(C) persons who have experience in—

(i) national mental health policy;

(ii) military personnel policy;

(iii) research in the field of mental health;

(iv) clinical care in mental health; or

(v) military chaplain or pastoral care; and

(D) at least one family member of a member of the Armed Forces who has experience working with military families.

(3) INDIVIDUALS APPOINTED WITHIN DEPARTMENT OF DEFENSE.—At least one of the individuals appointed to the task force from within the Department of Defense shall be the surgeon general of an Armed Force.

(4) INDIVIDUALS APPOINTED OUTSIDE DEPARTMENT OF DEFENSE.—(A) Individuals appointed to the task force from outside the Department of Defense may include officers or employees of other departments or agencies of the Federal Government, officers or employees of State and local governments, or individuals from the private sector.

(B) The individuals appointed to the task force from outside the Department of Defense shall include—

(i) an officer or employee of the Department of Veterans Affairs; and

(ii) an officer or employee of the Substance Abuse and Mental Health Services Administration of the Department of Health and Human Services.

(5) DEADLINE FOR APPOINTMENT.—All appointments of individuals to the task force shall be made not later than 90 days after the date of the enactment of this Act.

(6) CO-CHAIRS OF TASK FORCE.—There shall be two co-chairs of the task force. One of the co-chairs shall be designated by the Secretary of the Defense at the time of appointment from among the Department of Defense personnel appointed to the task force. The other co-chair shall be selected from among the members appointed from outside the Department of Defense by members so appointed.

(c) ASSESSMENT AND RECOMMENDATIONS ON MENTAL HEALTH SERVICES.—

(1) IN GENERAL.—Not later than 12 months after the date on which all members of the task force have been appointed, the task force shall submit to the Secretary a report containing an assessment of, and recommendations for improving, the efficacy of mental health services provided to members of the Armed Forces by the Department of Defense.

(2) UTILIZATION OF OTHER EFFORTS.—In preparing the report, the task force shall take into consideration completed and ongoing efforts by the Department of Defense and the Department of Veterans Affairs to improve the efficacy of mental health care provided to members of the Armed Forces by the Departments.

(3) ELEMENTS.—The assessment and recommendations (including recommendations for legislative or administrative action) shall include measures to improve the following:

(A) The awareness of the potential for mental health conditions among members of the Armed Forces.

(B) The access to and efficacy of existing programs in primary care and mental health care to prevent, identify, and treat mental health conditions among members of the Armed Forces, including programs for and with respect to forward-deployed troops.

(C) Identification and means to evaluate the effectiveness of pilot projects authorized by section 722 with the objective of improving early diagnosis and treatment of post traumatic stress disorder and other mental health conditions.

(D) The access to and programs for family members of members of the Armed Forces, including family members overseas.

(E) The reduction or elimination of barriers to care, including the stigma associated with seeking help for mental health related conditions, and the enhancement of confidentiality for members of the Armed Forces seeking care for such conditions.

(F) The awareness of mental health services available to dependents of members of the Armed Forces whose

sponsors have been activated or deployed to a combat theater.

(G) The adequacy of outreach, education, and support programs on mental health matters for families of members of the Armed Forces.

(H) The early identification and treatment of mental health and substance abuse problems through the use of internal mass media communications (including radio and television) and other education tools to change attitudes within the Armed Forces regarding mental health and substance abuse treatment.

(I) The efficacy of programs and mechanisms for ensuring a seamless transition from care of members of the Armed Forces on active duty for mental health conditions through the Department of Defense to care for such conditions through the Department of Veterans Affairs after such members are discharged or released from military, naval, or air service.

(J) The availability of long-term follow-up and access to care for mental health conditions for members of the Individual Ready Reserve and the Selective Reserve and for discharged, separated, or retired members of the Armed Forces.

(K) Collaboration among organizations in the Department of Defense with responsibility for or jurisdiction over the provision of mental health services.

(L) Coordination between the Department of Defense and civilian communities, including local support organizations, with respect to mental health services.

(M) The scope and efficacy of curricula and training on mental health matters for commanders in the Armed Forces.

(N) The efficiency of pre- and post-deployment mental health screening, including mental health screenings for members of the Armed Forces who have experienced multiple deployments.

(O) The effectiveness of mental health programs provided in languages other than English.

(P) Such other matters as the task force considers appropriate.

(d) ADMINISTRATIVE MATTERS.—

(1) COMPENSATION.—Each member of the task force who is a member of the Armed Forces or a civilian officer or employee of the United States shall serve without compensation (other than compensation to which entitled as a member of the Armed Forces or an officer or employee of the United States, as the case may be). Other members of the task force shall be treated for purposes of section 3161 of title 5, United States Code, as having been appointed under subsection (b) of such section.

(2) OVERSIGHT.—The Under Secretary of Defense for Personnel and Readiness shall oversee the activities of the task force.

(3) ADMINISTRATIVE SUPPORT.—The Washington Headquarters Services of the Department of Defense shall provide

the task force with personnel, facilities, and other administrative support as necessary for the performance of the duties of the task force.

(4) ACCESS TO FACILITIES.—The Under Secretary of Defense for Personnel and Readiness shall, in coordination with the Secretaries of the military departments, ensure appropriate access by the task force to military installations and facilities for purposes of the discharge of the duties of the task force.

(e) REPORT.—

(1) IN GENERAL.—The task force shall submit to the Secretary of Defense a report on its activities under this section. The report shall include—

(A) a description of the activities of the task force;

(B) the assessment and recommendations required by subsection (c); and

(C) such other matters relating to the activities of the task force that the task force considers appropriate.

(2) TRANSMITTAL TO CONGRESS.—Not later than 90 days after receipt of the report under paragraph (1), the Secretary shall transmit the report to the Committees on Armed Services and Veterans' Affairs of the Senate and the House of Representatives. The Secretary may include in the transmittal such comments on the report as the Secretary considers appropriate.

(f) PLAN REQUIRED.—Not later than 6 months after receipt of the report from the task force under subsection (e)(1), the Secretary of Defense shall develop a plan based on the recommendations of the task force and submit the plan to the congressional defense committees.

(g) TERMINATION.—The task force shall terminate 90 days after the date on which the report of the task force is submitted to Congress under subsection (e)(2).

## Subtitle D—Studies and Reports

### SEC. 731. STUDY RELATING TO PREDEPLOYMENT AND POSTDEPLOYMENT MEDICAL EXAMS OF CERTAIN MEMBERS OF THE ARMED FORCES.

(a) STUDY.—The Secretary of Defense shall conduct a study of the effectiveness of self-administered surveys included in predeployment and postdeployment medical exams, including the mental health portion of the surveys, of members of the Armed Forces that are carried out as part of the medical tracking system required under section 1074f of title 10, United States Code.

(b) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the study conducted under subsection (a).

### SEC. 732. REQUIREMENTS FOR PHYSICAL EXAMINATIONS AND MEDICAL AND DENTAL READINESS FOR MEMBERS OF THE SELECTED RESERVE NOT ON ACTIVE DUTY.

(a) IN GENERAL.—Subsection (a) of section 10206 of title 10, United States Code, is amended—

(1) by amending paragraph (1) to read as follows:

"(1) have a comprehensive medical readiness health and dental assessment on an annual basis, including routine annual

preventive health care screening and periodic comprehensive physical examinations in accordance with regulations prescribed by the Secretary of Defense that reflect morbidity and mortality risks associated with the military service, age, and gender of the member; and"; and

(2) in paragraph (2), by striking "annually to the Secretary concerned" and all that follows and inserting "to the Secretary concerned on an annual basis documentation of the medical and dental readiness of the member to perform military duties.".

(b) CONFORMING AMENDMENT.—The heading of such section is amended by striking "**periodic**".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1007 of such title is amended in the item relating to section 10206 by striking "periodic".

**SEC. 733. REPORT ON DELIVERY OF HEALTH CARE BENEFITS THROUGH THE MILITARY HEALTH CARE SYSTEM.**

(a) REPORT REQUIRED.—Not later than February 1, 2007, the Secretary of Defense shall submit to the congressional defense committees a report on the delivery of health care benefits through the military health care system.

(b) ELEMENTS.—The report under subsection (a) shall include the following:

(1) An analysis of the organization and costs of delivering health care benefits to current and retired members of the Armed Forces and their families.

(2) An analysis of the costs of ensuring medical readiness throughout the Armed Forces in support of national security objectives.

(3) An assessment of the role of health benefits in the recruitment and retention of members of the Armed Forces, whether in the regular components or the reserve components of the Armed Forces.

(4) An assessment of the experience of the military departments during fiscal years 2003, 2004, and 2005 in recruitment and retention of military and civilian medical and dental personnel, whether in the regular components or the reserve components of the Armed Forces, in light of military and civilian medical manpower requirements.

(5) A description of requirements for graduate medical education for military medical care providers and options for meeting such requirements, including civilian medical training programs.

(c) RECOMMENDATIONS.—In addition to the matters specified in subsection (b), the report under subsection (a) shall also include such recommendations for legislative or administrative action as the Secretary considers necessary to improve efficiency and quality in the provision of health care benefits through the military health care system, including recommendations on—

(1) the organization and delivery of health care benefits;

(2) mechanisms required to measure costs more accurately;

(3) mechanisms required to measure quality of care, and access to care, more accurately;

(4) Department of Defense participation in the Medicare Advantage Program, formerly Medicare plus Choice;

(5) the use of flexible spending accounts and health savings accounts for military retirees under the age of 65;

(6) incentives for eligible beneficiaries of the military health care system to retain private employer-provided health care insurance;

(7) means of improving integrated systems of disease management, including chronic illness management;

(8) means of improving the safety and efficiency of pharmacy benefits management;

(9) the management of enrollment options for categories of eligible beneficiaries in the military health care system;

(10) reform of the provider payment system, including the potential for use of a pay-for-performance system in order to reward quality and efficiency in the TRICARE system;

(11) means of improving efficiency in the administration of the TRICARE program, to include the reduction of headquarters and redundant management layers, and maximizing efficiency in the claims processing system;

(12) other improvements in the efficiency of the military health care system; and

(13) any other matters the Secretary considers appropriate to improve the efficiency and quality of military health care benefits.

**SEC. 734. COMPTROLLER GENERAL STUDIES AND REPORT ON DIFFERENTIAL PAYMENTS TO CHILDREN'S HOSPITALS FOR HEALTH CARE FOR CHILDREN DEPENDENTS AND MAXIMUM ALLOWABLE CHARGE FOR OBSTETRICAL CARE SERVICES UNDER TRICARE.**

(a) STUDIES REQUIRED.—The Comptroller General of the United States shall conduct the following studies:

(1) A study of the effectiveness of the current system of differential payments to children's hospitals for health care services for dependent children of members of the uniformed services under the TRICARE program in achieving the objective of securing adequate health care services for such dependent children under that program.

(2) A study of the effectiveness of the TRICARE program in achieving the objective of adequate access to high quality obstetrical care services for family members of members of the uniformed services.

(b) ELEMENTS OF CHILDREN'S HOSPITALS STUDY.—The study required by subsection (a)(1) shall include the following:

(1) A description of the current participation of children's hospitals in the TRICARE program.

(2) An assessment of the current system of payments to children's hospitals under the TRICARE program, including differential payments to such hospitals for health care services described in subsection (a)(1), including an assessment of—

(A) the extent to which the calculation of such differential payments takes into account the complexity and extraordinary resources required for the provision of such health care services;

(B) the extent to which TRICARE payment rates, including the children's hospital differential, have kept pace with inflation in health care costs for children's hospitals since the establishment of the differential in 1988;

(C) the extent to which such differential payments provide appropriate compensation to such hospitals for the provision of such services; and

(D) any obstacles or challenges to the development of future modifications to the system of differential payments.

(3) An assessment of the adequacy of, including any barrier to, the access of dependent children described in subsection (a)(1) to specialized hospital services for their illnesses under the TRICARE program.

(c) ELEMENTS OF OBSTETRICAL CARE SERVICES STUDY.—The study required by subsection (a)(2) shall include the following:

(1) A description of the current participation of civilian providers of obstetrical care services in the TRICARE program.

(2) An assessment of the current system of payments for obstetrical care services, including an assessment of—

(A) the extent to which the calculation of such payments takes into account the complexity and resources required;

(B) the extent to which TRICARE payment rates have kept pace with inflation in health care costs;

(C) the extent to which such payments provide appropriate compensation to providers of such services; and

(D) obstacles or challenges to the development of future improvements to access to high quality obstetrical services, including referral patterns and inclusion of all necessary services within the maximum allowable charge.

(3) An assessment of the adequacy of the access of military family members to needed obstetrical care services.

(d) REPORT.—Not later than May 1, 2006, the Comptroller General shall submit to the Secretary of Defense and the congressional defense committees a report on the studies required by subsection (a), together with such recommendations, if any, as the Comptroller General considers appropriate for modifications of the current system of differential payments to children's hospitals and payments for obstetrical care services in order to achieve the objectives described in that subsection.

(e) TRANSMITTAL TO CONGRESS.—

(1) IN GENERAL.—Not later than November 1, 2006, the Secretary of Defense shall transmit to the congressional defense committees the report submitted by the Comptroller General to the Secretary under subsection (d).

(2) IMPLEMENTATION OF MODIFICATIONS.—If the report under paragraph (1) includes recommendations of the Comptroller General for modifications of the current system of differential payments to children's hospitals or of payments for obstetrical care services, the Secretary shall transmit with the report—

(A) a proposal for such legislative or administration action as may be required to implement such modifications; and

(B) an assessment and estimate of the costs associated with the implementation of such modifications.

(f) DEFINITIONS.—In this section:

(1) DIFFERENTIAL PAYMENTS TO CHILDREN'S HOSPITALS.—The term "differential payments to children's hospitals" means the additional amounts paid to children's hospitals under the

TRICARE program for health care procedures for severely ill children in order to take into account the additional costs associated with such procedures for such children when compared with the costs associated with such procedures for adults and other children.

(2) PAYMENTS FOR OBSTETRICAL CARE.—The term "payments for obstetrical care services" means the maximum allowable payment rates established by the Department of Defense under the TRICARE program for routine obstetrical care, including prenatal care, laboratory tests in accordance with accepted obstetrical practices standards, specialty care if needed, delivery, and post-partum maternal care.

(3) TRICARE PROGRAM.—The term "TRICARE program" has the meaning given that term in section 1072(7) of title 10, United States Code.

**SEC. 735. REPORT ON THE DEPARTMENT OF DEFENSE AHLTA GLOBAL ELECTRONIC HEALTH RECORD SYSTEM.**

(a) REPORT REQUIRED.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the Department of Defense AHLTA global electronic health record system.

(b) REPORT ELEMENTS.—The report under subsection (a) shall include the following:

(1) A chronology and description of previous efforts undertaken to develop an electronic medical records system capable of maintaining a two-way exchange of data between the Department of Defense and the Department of Veterans Affairs.

(2) The plans as of the date of the report, including any projected commencement dates, for the implementation of the AHLTA global electronic health record system.

(3) A description of the software and hardware being considered as of the date of the report for use in the AHLTA global electronic health record system.

(4) A description of the management structure used in the development of the AHLTA global electronic health record system.

(5) A description of the accountability measures utilized during the development of the AHLTA global electronic health record system in order to evaluate progress made in the development of that system.

(6) The schedule for the remaining development of the AHLTA global electronic health record system.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committees on Armed Services, Appropriations, Veterans' Affairs, and Health, Education, Labor, and Pensions of the Senate; and

(2) the Committees on Armed Services, Appropriations, Veterans' Affairs, and Energy and Commerce of the House of Representatives.

**SEC. 736. COMPTROLLER GENERAL STUDY AND REPORT ON VACCINE HEALTHCARE CENTERS.**

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study of the Vaccine Healthcare Centers operated by the Department of Defense in support of medical needs arising from mandatory military vaccinations.

(b) ELEMENTS.—In conducting the study under subsection (a), the Comptroller General shall examine the following:

(1) The mission of each Center.

(2) The adequacy of resources available to support the mission of each Center and the source of those resources from within the Department of Defense.

(3) The extent of participation and support of the Centers by each of the Armed Forces.

(4) The effectiveness of the Centers in supporting the medical needs of members of the Armed Forces arising from mandatory military vaccinations.

(5) The effectiveness of the Centers in providing assistance to military and civilian healthcare providers based on outreach to and response to inquiries from providers.

(6) The extent to which the Centers are conducting evaluations to identify and treat potential and actual health effects from vaccines.

(7) The extent to which the Centers take advantage of and are linked to vaccine health resources outside the Department of Defense.

(8) The extent to which the Centers are involved in outreach to military and civilian healthcare providers relating to vaccine safety, efficiency, and acceptability.

(9) The extent to which similar activities conducted by the Centers are conducted in governmental or nongovernmental agencies outside the Department of Defense.

(c) RECOMMENDATIONS.—The Comptroller General shall submit to Congress a report containing findings and recommendations not later than May 30, 2006, including recommendations on ways to improve the ability of the Department of Defense to understand and support medical needs arising from mandatory military vaccinations and the extent to which the Department of Defense requires the Vaccine Healthcare Centers to continue in their current configuration.

**SEC. 737. REPORT ON ADVERSE HEALTH EVENTS ASSOCIATED WITH USE OF ANTI-MALARIAL DRUGS.**

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study of adverse health events that may be associated with use of anti-malarial drugs, including mefloquine.

(b) MATTERS COVERED.—The study required by subsection (a) shall include a comparison of adverse health (including mental health) events that may be associated with different anti-malarial drugs, including mefloquine.

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the congressional defense committees a report on the study required by subsection (a).

**SEC. 738. REPORT ON RESERVE DENTAL INSURANCE PROGRAM.**

(a) STUDY.—The Secretary of Defense shall conduct a study of the Reserve dental insurance program.

(b) ELEMENTS.—The study required by subsection (a) shall—

(1) identify the most effective mechanism or mechanisms for the payment of premiums under the Reserve dental insurance program for members of the reserve components of the Armed Forces and their dependents, including by deduction from reserve pay, by direct collection, or by other means (including appropriate mechanisms from other military benefits programs), to ensure uninterrupted availability of premium payments regardless of whether members are performing active duty with pay or inactive-duty training with pay;

(2) include such matters relating to the Reserve dental insurance program as the Secretary considers appropriate; and

(3) assess the effectiveness of mechanisms for informing the members of the reserve components of the Armed Forces of the availability of, and benefits under, the Reserve dental insurance program.

(c) REPORT.—Not later than February 1, 2007, the Secretary shall submit to the congressional defense committees a report on the study required by subsection (a). The report shall include the findings of the study and such recommendations for legislative or administrative action regarding the Reserve dental insurance program as the Secretary considers appropriate in light of the study.

(d) RESERVE DENTAL INSURANCE PROGRAM DEFINED.—In this section, the term "Reserve dental insurance program" includes—

(1) the dental insurance plan required under paragraph (1) of section 1076a(a) of title 10, United States Code; and

(2) any dental insurance plan established under paragraph (2) or (4) of section 1076a(a) of title 10, United States Code.

**SEC. 739. DEMONSTRATION PROJECT STUDY ON MEDICARE ADVANTAGE REGIONAL PREFERRED PROVIDER ORGANIZATION OPTION FOR TRICARE-MEDICARE DUAL-ELIGIBLE BENEFICIARIES.**

(a) STUDY ON DEMONSTRATION PROJECT.—

(1) REQUIREMENT.—The Secretary of Defense shall conduct a study to evaluate the feasibility and cost effectiveness of conducting a demonstration project under section 1092 of title 10, United States Code, to implement the provisions of section 1097(d) of such title. The purpose of such a demonstration project would be to evaluate whether applying the managed care methods under the Medicare Advantage program under part C of title XVIII of the Social Security Act would improve the quality of care, realize cost savings to the Department of Defense, and improve beneficiary satisfaction for Department of Defense beneficiaries who also are entitled to health care under medicare.

(2) ELEMENTS OF STUDY.—The study required by paragraph (1) shall include an analysis of the following:

(A) The impact of the Medicare Advantage Regional Preferred Provider Organization model on medical utilization, pharmacy usage, and Department of Defense health care costs.

(B) The full costs of the demonstration project.

(C) The implementation and use of quality improvement and chronic care improvement programs for Department of Defense beneficiaries.

(D) Beneficiary satisfaction.

(E) The near term and long term effect on all existing Department of Defense contracts for health care support, including TRICARE managed care contracts, claims processing contracts, and pharmacy contracts.

(F) A comparison of the costs and benefits of using existing Department of Defense contractors or new Department of Defense contractors who are qualified as the vehicle for conducting the demonstration.

(b) PLAN.—

(1) REQUIREMENT.—If the Secretary of Defense determines under subsection (a) that the demonstration project is feasible, cost effective, and in the best interests of the Department of Defense and eligible beneficiaries, the Secretary, in coordination with other administering Secretaries, shall develop a plan to carry out the demonstration project.

(2) ELEMENTS OF PLAN.—

(A) HEALTH CARE BENEFITS.—In the plan, the Secretary of Defense shall prescribe the minimum health care benefits to be provided under the plan to eligible beneficiaries enrolled in the plan. Those benefits shall include at least all health care services covered under part A and part B of medicare and TRICARE for Life.

(B) DEMONSTRATION SERVICE AREA.—In the plan, the Secretary shall provide for conducting the demonstration in at least two demonstration service areas.

(C) ELIGIBILITY.—In the plan, the Secretary shall provide that any eligible beneficiary who meets the eligibility requirements for participation in the Medicare Advantage Regional Preferred Provider Organization plan who resides in the demonstration service area is eligible to enroll in the demonstration on a voluntary basis.

(D) DURATION.—In the plan, the Secretary shall provide for conducting the demonstration for a period of time consistent with decisions made by the Department of Defense to exercise remaining option periods on the managed care support contract covering the area where the demonstration occurs.

(E) EVALUATION OF THE DEMONSTRATION PROJECT.—The plan shall include a plan to evaluate the costs and benefits of all elements of the demonstration project, including the elements described in subsection (a)(2) and, in addition, the financial mechanisms used in carrying out the demonstration project.

(c) DEFINITIONS.—In this section:

(1) ELIGIBLE BENEFICIARY.—The term "eligible beneficiary" means a person who is eligible for both TRICARE and medicare under section 1086(d)(2) of title 10, United States Code.

(2) MEDICARE.—The term "medicare" means title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(3) ADMINISTERING SECRETARIES.—The term "administering Secretaries" has the meaning provided by section 1072(3) of title 10, United States Code.

(d) REPORT.—Not later than April 1, 2006, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the study required under subsection (a), along with the plan under subsection (b) if applicable.

**SEC. 740. PILOT PROJECTS ON PEDIATRIC EARLY LITERACY AMONG CHILDREN OF MEMBERS OF THE ARMED FORCES.**

(a) PILOT PROJECTS AUTHORIZED.—The Secretary of Defense may conduct pilot projects to assess the feasibility, advisability, and utility of encouraging pediatric early literacy among the children of members of the Armed Forces.

(b) LOCATIONS.—

(1) IN GENERAL.—The pilot projects conducted under subsection (a) shall be conducted at not more than 20 military medical treatment facilities designated by the Secretary for purposes of this section.

(2) CO-LOCATION WITH CERTAIN INSTALLATIONS.—In designating military medical treatment facilities under paragraph (1), the Secretary shall, to the extent practicable, designate facilities that are located on, or co-located with, military installations at which the mobilization or demobilization of members of the Armed Forces occurs.

(c) ACTIVITIES.—Activities under the pilot projects conducted under subsection (a) shall the following:

(1) The provision of training to health care providers and other appropriate personnel on early literacy promotion.

(2) The purchase and distribution of children's books to members of the Armed Forces, their spouses, and their children.

(3) The modification of treatment facility and clinic waiting rooms to include a full selection of literature for children.

(4) The dissemination to members of the Armed Forces and their spouses of parent education materials on pediatric early literacy.

(5) Such other activities as the Secretary considers appropriate.

(d) REPORT.—

(1) IN GENERAL.—Not later than March 1, 2007, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the pilot projects conducted under this section.

(2) ELEMENTS.—The report under paragraph (1) shall include—

(A) a description of the pilot projects conducted under this section, including the location of each pilot project and the activities conducted under each pilot project; and

(B) an assessment of the feasibility, advisability, and utility of encouraging pediatric early literacy among the children of members of the Armed Forces.

## Subtitle E—Other Matters

**SEC. 741. AUTHORITY TO RELOCATE PATIENT SAFETY CENTER; RENAMING MEDTEAMS PROGRAM.**

(a) REPEAL OF REQUIREMENT TO LOCATE THE DEPARTMENT OF DEFENSE PATIENT SAFETY CENTER WITHIN THE ARMED FORCES INSTITUTE OF PATHOLOGY.—Subsection (c)(3) of section 754 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654–196) is amended by striking "within the Armed Forces Institute of Pathology".

(b) RENAMING MEDTEAMS PROGRAM.—Subsection (d) of such section is amended by striking "MedTeams" in the heading and inserting "Medical Team Training".

**SEC. 742. MODIFICATION OF HEALTH CARE QUALITY INFORMATION AND TECHNOLOGY ENHANCEMENT REPORTING REQUIREMENT.**

Section 723(e) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 697) is amended by striking paragraphs (1) through (4) and inserting the following:

"(1) Measures of the quality of health care furnished, including timeliness and accessibility of care.

"(2) Population health.

"(3) Patient safety.

"(4) Patient satisfaction.

"(5) The extent of use of evidence-based health care practices.

"(6) The effectiveness of biosurveillance in detecting an emerging epidemic.".

**SEC. 743. CORRECTION TO ELIGIBILITY OF CERTAIN RESERVE OFFICERS FOR MILITARY HEALTH CARE PENDING ACTIVE DUTY FOLLOWING COMMISSIONING.**

(a) CORRECTION.—Clause (iii) of section 1074(a)(2)(B) of title 10, United States Code, is amended by inserting before the semicolon the following: "or the orders have been issued but the member has not entered active duty".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of November 24, 2003, and as if included in the enactment of paragraph (2) of section 1074(a) of title 10, United States Code, by section 708 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1530).

**SEC. 744. PROHIBITION ON CONVERSIONS OF MILITARY MEDICAL AND DENTAL POSITIONS TO CIVILIAN MEDICAL POSITIONS UNTIL SUBMISSION OF CERTIFICATION.**

(a) PROHIBITION ON CONVERSIONS.—

(1) SUBMISSION OF CERTIFICATION.—A Secretary of a military department may not convert any military medical or dental position to a civilian medical or dental position until the Secretary submits to the Committees on Armed Services of the Senate and the House of Representatives a certification that the conversions within that department will not increase cost or decrease quality of care or access to care. Such a certification may not be submitted before June 1, 2006.

(2) REPORT WITH CERTIFICATION.—A Secretary submitting such a certification shall include with the certification a written report that includes—

(A) the methodology used by the Secretary in making the determinations necessary for the certification, including the extent to which the Secretary took into consideration the findings of the Comptroller General in the report under subsection (b)(3);

(B) the results of a market survey in each affected area of the availability of civilian medical and dental care providers in such area in order to determine whether the civilian medical and dental care providers available in such area are adequate to fill the civilian positions created by the conversion of military medical and dental positions to civilian positions in such area; and

(C) any action taken by the Secretary in response to recommendations in the Comptroller General report under subsection (b)(3).

(b) REQUIREMENT FOR STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study on the effect of conversions of military medical and dental positions to civilian medical or dental positions on the defense health program.

(2) MATTERS COVERED.—The study shall include the following:

(A) The number of military medical and dental positions, by grade and specialty, planned for conversion to civilian medical or dental positions.

(B) The number of military medical and dental positions, by grade and specialty, converted to civilian medical or dental positions since October 1, 2004.

(C) The ability of the military health care system to fill the civilian medical and dental positions required, by specialty.

(D) The degree to which access to health care is affected in both the direct and purchased care system, including an assessment of the effects of any increased shifts in patient load from the direct care to the purchased care system, or any delays in receipt of care in either the direct or purchased care system because of lack of direct care providers.

(E) The degree to which changes in military manpower requirements affect recruiting and retention of uniformed medical and dental personnel.

(F) The degree to which conversion of the military positions meets the joint medical and dental readiness requirements of the uniformed services, as determined jointly by all the uniformed services.

(G) The effect of the conversions of military medical positions to civilian medical and dental positions on the defense health program, including costs associated with the conversions, with a comparison of the estimated costs versus the actual costs incurred by the number of conversions since October 1, 2004.

(H) The effectiveness of the conversions in enhancing medical and dental readiness, health care efficiency, productivity, quality, and customer satisfaction.

(3) REPORT ON STUDY.—Not later than May 1, 2006, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing the results of the study under this section.

(c) DEFINITIONS.—In this section:

(1) The term "military medical or dental position" means a position for the performance of health care functions within the Armed Forces held by a member of the Armed Forces.

(2) The term "civilian medical or dental position" means a position for the performance of health care functions within the Department of Defense held by an employee of the Department or of a contractor of the Department.

(3) The term "affected area" means an area in which military medical or dental positions were converted to civilian medical or dental positions before October 1, 2004, or in which such conversions are scheduled to occur in the future.

(4) The term "uniformed services" has the meaning given that term in section 1072(1) of title 10, United States Code.

**SEC. 745. CLARIFICATION OF INCLUSION OF DENTAL CARE IN MEDICAL READINESS TRACKING AND HEALTH SURVEILLANCE PROGRAM.**

(a) INCLUSION OF DENTAL CARE.—Subtitle D of title VII of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 1074 note) is amended by adding at the end the following new section:

**"SEC. 740. INCLUSION OF DENTAL CARE.**

"For purposes of the plan, this subtitle, and the amendments made by this subtitle, references to medical readiness, health status, and health care shall be considered to include dental readiness, dental status, and dental care.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of title VII of such Act and in section 2(b) of such Act are each amended by inserting after the item relating to section 739 the following:

"Sec. 740. Inclusion of dental care.".

**SEC. 746. COOPERATIVE OUTREACH TO MEMBERS AND FORMER MEMBERS OF THE NAVAL SERVICE EXPOSED TO ENVIRONMENTAL FACTORS RELATED TO SARCOIDOSIS.**

(a) OUTREACH PROGRAM REQUIRED.—The Secretary of the Navy, in coordination with the Secretary of Veterans Affairs, shall conduct an outreach program intended to contact as many members and former members of the naval service as possible who, in connection with service aboard Navy ships, may have been exposed to aerosolized particles resulting from the removal of nonskid coating used on those ships.

(b) PURPOSES OF OUTREACH PROGRAM.—The purposes of the outreach program are as follows:

(1) To develop additional data for use in subsequent studies aimed at determining a causative link between sarcoidosis and military service.

(2) To inform members and former members identified in subsection (a) of the findings of Navy studies identifying an association between service aboard certain naval ships and sarcoidosis.

(3) To provide information to assist members and former members identified in subsection (a) in getting medical evaluations to help clarify linkages between their disease and their service aboard Navy ships.

(4) To provide the Department of Veterans Affairs with data and information for the effective evaluation of veterans who may seek care for sarcoidosis.

(c) IMPLEMENTATION AND REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of the Navy shall begin the outreach program. Not later than one year after beginning the program, the Secretary shall provide to the Committees on Armed Services of the Senate and the House of Representatives and the Committees on Veterans Affairs of the Senate and House of Representatives a report on the results of the outreach program.

**SEC. 747. REPEAL OF REQUIREMENT FOR COMPTROLLER GENERAL REVIEWS OF CERTAIN DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS PROJECTS ON SHARING OF HEALTH CARE RESOURCES.**

(a) JOINT INCENTIVES PROGRAM.—Section 8111(d) of title 38, United States Code, is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(b) HEALTH CARE RESOURCES SHARING AND COORDINATION PROJECT.—Section 722 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2595; 38 U.S.C. 8111 note) is amended—

(1) by striking subsection (h);

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

(3) in paragraph (2) of subsection (h), as so redesignated, by striking "based on recommendations" and all that follows and inserting "as determined by the Secretaries based on information available to the Secretaries to warrant such action.".

**SEC. 748. PANDEMIC AVIAN FLU PREPAREDNESS.**

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the efforts within the Department of Defense to prepare for pandemic influenza, including pandemic avian influenza. The Secretary shall address the following, with respect to military personnel, dependents of military personnel on military installations, and civilian personnel within the Department of Defense:

(1) The procurement of vaccines, antivirals, and other medicines, and medical supplies, including personal protective equipment, particularly those that must be imported.

(2) Protocols for the allocation and distribution of vaccines and medicines among high priority personnel.

(3) Public health protection and containment measures that may be implemented on military bases and other facilities, including risk communication, quarantine, travel restrictions, and other isolation precautions.

(4) Communication with Department of Defense-affiliated health providers about pandemic preparedness and response.

(5) Surge capacity for the provision of medical care during pandemics.

(6) The availability and delivery of food and basic supplies and services.

(7) Surveillance efforts domestically and internationally, including those using the Global Emerging Infections Systems (GEIS), and how such efforts are integrated with other ongoing surveillance systems.

(8) The integration of pandemic and response planning in the Department of Defense with the planning of other Federal departments, including the Department of Health and Human Services, the Department of Homeland Security, the Department of Veterans Affairs, the Department of State, and USAID.

(9) Collaboration (as appropriate) with international entities engaged in pandemic preparedness and response.

(10) Acceleration of medical research and development related to pandemic influenza.

(b) SUBMISSION OF REPORT.—The report required under subsection (a) shall be submitted not later than 120 days after the date of the enactment of this Act.

**SEC. 749. FOLLOW UP ASSISTANCE FOR MEMBERS OF THE ARMED FORCES AFTER PRESEPARATION PHYSICAL EXAMINATIONS.**

Section 1145(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) The Secretary of Defense shall, in consultation with the Secretary of Veterans Affairs, ensure that appropriate actions are taken to assist a member of the armed forces who, as a result of a medical examination under paragraph (4), receives an indication for a referral for follow up treatment from the health care provider who performs the examination.

"(B) Assistance provided to a member under paragraph (1) shall include the following:

"(i) Information regarding, and any appropriate referral for, the care, treatment, and other services that the Secretary of Veterans Affairs may provide to such member under any other provision of law, including—

"(I) clinical services, including counseling and treatment for post-traumatic stress disorder and other mental health conditions; and

"(II) any other care, treatment, and services.

"(ii) Information on the private sector sources of treatment that are available to the member in the member's community.

"(iii) Assistance to enroll in the health care system of the Department of Veterans Affairs for health care benefits for which the member is eligible under laws administered by the Secretary of Veterans Affairs.".

**SEC. 750. POLICY ON ROLE OF MILITARY MEDICAL AND BEHAVIORAL SCIENCE PERSONNEL IN INTERROGATION OF DETAINEES.**

(a) POLICY REQUIRED.—The Secretary of Defense shall establish the policy of the Department of Defense on the role of military medical and behavioral science personnel in the interrogation of persons detained by the Armed Forces. The policy shall apply uniformly throughout the Armed Forces.

(b) REPORT.—Not later than March 1, 2006, the Secretary shall submit to the congressional defense committees a report on the

policy established under subsection (a). The report shall set forth the policy, and shall include such additional matters on the policy as the Secretary considers appropriate.

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

### SUBTITLE A—PROVISIONS RELATING TO MAJOR DEFENSE ACQUISITION PROGRAMS

Sec. 801. Requirement for certification before major defense acquisition program may proceed to Milestone B.
Sec. 802. Requirements applicable to major defense acquisition programs exceeding baseline costs.
Sec. 803. Requirement for determination by Secretary of Defense and notification to Congress before procurement of major weapon systems as commercial items.
Sec. 804. Reports on significant increases in program acquisition unit costs or procurement unit costs of major defense acquisition programs.
Sec. 805. Report on use of lead system integrators in the acquisition of major systems.
Sec. 806. Congressional notification of cancellation of major automated information systems.

### SUBTITLE B—ACQUISITION POLICY AND MANAGEMENT

Sec. 811. Internal controls for procurements on behalf of the Department of Defense.
Sec. 812. Management structure for the procurement of contract services.
Sec. 813. Report on service surcharges for purchases made for military departments through other Department of Defense agencies.
Sec. 814. Review of defense acquisition structures and capabilities.
Sec. 815. Modification of requirements applicable to contracts authorized by law for certain military materiel.
Sec. 816. Guidance on use of tiered evaluations of offers for contracts and task orders under contracts.
Sec. 817. Joint policy on contingency contracting.
Sec. 818. Acquisition strategy for commercial satellite communication services.
Sec. 819. Authorization of evaluation factor for defense contractors employing or subcontracting with members of the Selected Reserve of the reserve components of the Armed Forces.

### SUBTITLE C—AMENDMENTS TO GENERAL CONTRACTING AUTHORITIES, PROCEDURES, AND LIMITATIONS

Sec. 821. Participation by Department of Defense in acquisition workforce training fund.
Sec. 822. Increase in cost accounting standard threshold.
Sec. 823. Modification of authority to carry out certain prototype projects.
Sec. 824. Increased limit applicable to assistance provided under certain procurement technical assistance programs.

### SUBTITLE D—UNITED STATES DEFENSE INDUSTRIAL BASE PROVISIONS

Sec. 831. Clarification of exception from Buy American requirements for procurement of perishable food for establishments outside the United States.
Sec. 832. Training for defense acquisition workforce on the requirements of the Berry Amendment.
Sec. 833. Amendments to domestic source requirements relating to clothing materials and components covered.

### SUBTITLE E—OTHER MATTERS

Sec. 841. Review and report on Department of Defense efforts to identify contract fraud, waste, and abuse.
Sec. 842. Extension of contract goal for small disadvantaged businesses and certain institutions of higher education.
Sec. 843. Extension of deadline for report of advisory panel on laws and regulations on acquisition practices.

Sec. 844. Exclusion of certain security expenses from consideration for purpose of small business size standards.
Sec. 845. Disaster relief for small business concerns damaged by drought.
Sec. 846. Extension of limited acquisition authority for the commander of the United States Joint Forces Command.
Sec. 847. Civilian Board of Contract Appeals.
Sec. 848. Statement of policy and report relating to contracting with employers of persons with disabilities.
Sec. 849. Study on Department of Defense contracting with small business concerns owned and controlled by service-disabled veterans.

# Subtitle A—Provisions Relating to Major Defense Acquisition Programs

**SEC. 801. REQUIREMENT FOR CERTIFICATION BEFORE MAJOR DEFENSE ACQUISITION PROGRAM MAY PROCEED TO MILESTONE B.**

(a) CERTIFICATION REQUIREMENT.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2366 the following new section:

**"§ 2366a. Major defense acquisition programs: certification required before Milestone B or Key Decision Point B approval**

"(a) CERTIFICATION.—A major defense acquisition program may not receive Milestone B approval, or Key Decision Point B approval in the case of a space program, until the milestone decision authority certifies that—

"(1) the technology in the program has been demonstrated in a relevant environment;

"(2) the program demonstrates a high likelihood of accomplishing its intended mission;

"(3) the program is affordable when considering the per unit cost and the total acquisition cost in the context of the total resources available during the period covered by the future-years defense program submitted during the fiscal year in which the certification is made;

"(4) the Department of Defense has completed an analysis of alternatives with respect to the program;

"(5) the program is affordable when considering the ability of the Department of Defense to accomplish the program's mission using alternative systems;

"(6) the Joint Requirements Oversight Council has accomplished its duties with respect to the program pursuant to section 181(b) of this title, including an analysis of the operational requirements for the program; and

"(7) the program complies with all relevant policies, regulations, and directives of the Department of Defense.

"(b) SUBMISSION TO CONGRESS.—The certification required under subsection (a) with respect to a major defense acquisition program shall be submitted to the congressional defense committees with the first Selected Acquisition Report submitted under section 2432 of this title after completion of the certification.

"(c) WAIVER FOR NATIONAL SECURITY.—The milestone decision authority may waive the applicability to a major defense acquisition program of one or more components (as specified in paragraph (1), (2), (3), (4), (5), or (6) of subsection (a)) of the certification requirement if the milestone decision authority determines that,

but for such a waiver, the Department would be unable to meet critical national security objectives. Whenever the milestone decision authority makes such a determination and authorizes such a waiver, the waiver, the determination, and the reasons for the determination shall be submitted in writing to the congressional defense committees within 30 days after the waiver is authorized.

"(d) NONDELEGATION.—The milestone decision authority may not delegate the certification requirement under subsection (a) or the authority to waive any component of such requirement under subsection (c).

"(e) DEFINITIONS.—In this section:

"(1) The term 'major defense acquisition program' means a Department of Defense acquisition program that is a major defense acquisition program for purposes of section 2430 of this title.

"(2) The term 'milestone decision authority', with respect to a major defense acquisition program, means the individual within the Department of Defense designated with overall responsibility for the program.

"(3) The term 'Milestone B approval' has the meaning provided that term in section 2366(e)(7) of this title.

"(4) The term 'Key Decision Point B' means the official program initiation of a National Security Space program of the Department of Defense, which triggers a formal review to determine maturity of technology and the program's readiness to begin the preliminary system design.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2366 the following new item:

"2366a. Major defense acquisition programs: certification required before Milestone B approval or Key Decision Point B approval.".

**SEC. 802. REQUIREMENTS APPLICABLE TO MAJOR DEFENSE ACQUISITION PROGRAMS EXCEEDING BASELINE COSTS.**

(a) SPECIFICATION OF SIGNIFICANT COST GROWTH THRESHOLD AND CRITICAL COST GROWTH THRESHOLD.—Subsection (a) of section 2433 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

"(4) The term 'significant cost growth threshold' means the following:

"(A) In the case of a major defense acquisition program, a percentage increase in the program acquisition unit cost for the program of—

"(i) at least 15 percent over the program acquisition unit cost for the program as shown in the current Baseline Estimate for the program; or

"(ii) at least 30 percent over the program acquisition unit cost for the program as shown in the original Baseline Estimate for the program.

"(B) In the case of a major defense acquisition program that is a procurement program, a percentage increase in the procurement unit cost for the program of—

"(i) at least 15 percent over the procurement unit cost for the program as shown in the current Baseline Estimate for the program; or

"(ii) at least 30 percent over the procurement unit cost for the program as shown in the original Baseline Estimate for the program.

"(5) The term 'critical cost growth threshold' means the following:

"(A) In the case of a major defense acquisition program, a percentage increase in the program acquisition unit cost for the program of—

"(i) at least 25 percent over the program acquisition unit cost for the program as shown in the current Baseline Estimate for the program; or

"(ii) at least 50 percent over the program acquisition unit cost for the program as shown in the original Baseline Estimate for the program.

"(B) In the case of a major defense acquisition program that is a procurement program, a percentage increase in the procurement unit cost for the program of—

"(i) at least 25 percent over the procurement unit cost for the program as shown in the current Baseline Estimate for the program; or

"(ii) at least 50 percent over the procurement unit cost for the program as shown in the original Baseline Estimate for the program.".

(b) INCORPORATION OF THRESHOLDS INTO UNIT COST REPORT AND RELATED REQUIREMENTS.—

(1) UNIT COST REPORT REQUIREMENTS.—Subsection (c) of such section is amended by striking "cause to believe—" and all that follows through "reflected in the Baseline Estimate;" and inserting "cause to believe that the program acquisition unit cost for the program or the procurement unit cost for the program, as applicable, has increased by a percentage equal to or greater than the significant cost growth threshold for the program;".

(2) DETERMINATIONS OF SERVICE ACQUISITION EXECUTIVES.—Subsection (d) of such section is amended—

(A) in paragraph (1), by striking "by at least 15 percent, or by at least 25 percent, over the program acquisition unit cost for the program as shown in the Baseline Estimate" and inserting "by a percentage equal to or greater than the significant cost growth threshold, or the critical cost growth threshold, for the program";

(B) in paragraph (2), by striking "by at least 15 percent, or by at least 25 percent, over the procurement unit cost for the program as reflected in the Baseline Estimate" and inserting "by a percentage equal to or greater than the significant cost growth threshold, or the critical cost growth threshold, for the program"; and

(C) in paragraph (3)—

(i) by striking "by at least 15 percent, or by at least 25 percent, as determined under paragraph (1)" and inserting "by a percentage equal to or greater than the significant cost growth threshold or critical cost growth threshold"; and

(ii) by striking "by at least 15 percent, or by at least 25 percent, as determined under paragraph (2)" and inserting "by a percentage equal to or greater

than the significant cost growth threshold or critical cost growth threshold".

(3) SERVICE ACQUISITION REPORTS.—Subsection (e) of such section is amended—

(A) in paragraph (1)(A), by striking "by at least 15 percent" and inserting "by a percentage equal to or greater than the significant cost growth threshold for the program";

(B) in paragraph (2)—

(i) by striking "percentage increase in the"; and

(ii) by striking "exceeds 25 percent" and inserting "increases by a percentage equal to or greater than the critical cost growth threshold for the program"; and

(C) in paragraph (3)—

(i) by striking "of at least 15 percent" both places it appears and inserting "by a percentage equal to or greater than the significant cost growth threshold"; and

(ii) by striking "of at least 25 percent" both places it appears and inserting "by a percentage equal to or greater than the critical cost growth threshold".

(c) ADDITIONAL REQUIREMENTS RELATING TO CERTAIN UNIT COST INCREASES.—Paragraph (2) of subsection (e) of such section is further amended—

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

(2) by striking "the Secretary of Defense" and all that follows through "a written certification, stating that—" and inserting "the Secretary of Defense shall—

"(A) carry out an assessment of—

"(i) the projected cost of completing the program if current requirements are not modified;

"(ii) the projected cost of completing the program based on reasonable modification of such requirements; and

"(iii) the rough order of magnitude of the costs of any reasonable alternative system or capability;

"(B) submit to Congress, before the end of the 60-day period beginning on the day the Selected Acquisition Report containing the information described in subsection (g) is required to be submitted under section 2432(f) of this title, a written certification (with a supporting explanation) stating that—".

(d) ORIGINAL BASELINE ESTIMATE.—

(1) IN GENERAL.—Section 2435 of title 10, United States Code, is amended—

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

(B) by inserting after subsection (c) the following new subsection (d):

"(d) ORIGINAL BASELINE ESTIMATE.—(1) In this chapter, the term 'original Baseline Estimate', with respect to a major defense acquisition program, means the baseline description established with respect to the program under subsection (a), without adjustment or revision (except as provided in paragraph (2)).

"(2) An adjustment or revision of the original baseline description of a major defense acquisition program may be treated as the original Baseline Estimate for the program for purposes of

this chapter only if the percentage increase in the program acquisition unit cost or procurement unit cost under such adjustment or revision exceeds the critical cost growth threshold for the program under section 2433 of this title, as determined by the Secretary of the military department concerned under subsection (d) of such section.

"(3) In the event of an adjustment or revision of the original baseline description of a major defense acquisition program, the Secretary of Defense shall include in the next Selected Acquisition Report to be submitted under section 2432 of this title after such adjustment or revision a notification to the congressional defense committees of such adjustment or revision, together with the reasons for such adjustment or revision.".

(2) CONFORMING AMENDMENT.—Section 2433(a) of such title, as amended by subsection (a) of this section, is further amended by adding at the end the following new paragraph:

"(6) The term 'original Baseline Estimate' has the same meaning as provided in section 2435(d) of this title.".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act, and shall apply with respect to any major defense acquisition program for which an original Baseline Estimate is first established before, on, or after that date.

(2) APPLICABILITY TO CURRENT MAJOR DEFENSE ACQUISITION PROGRAMS.—In the case of a major defense acquisition program for which the program acquisition unit cost or procurement unit cost, as applicable, exceeds the original Baseline Estimate for the program by more than 50 percent on the date of the enactment of this Act—

(A) the current Baseline Estimate for the program as of such date of enactment is deemed to be the original Baseline Estimate for the program for purposes of section 2433 of title 10, United States Code (as amended by this section); and

(B) each Selected Acquisition Report submitted on the program after the date of the enactment of this Act shall reflect each of the following:

(i) The original Baseline Estimate, as first established for the program, without adjustment or revision.

(ii) The Baseline Estimate for the program that is deemed to be the original Baseline Estimate for the program under subparagraph (A).

(iii) The current original Baseline Estimate for the program as adjusted or revised, if at all, in accordance with subsection (d)(2) of section 2435 of title 10, United States Code (as added by subsection (d) of this section).

**SEC. 803. REQUIREMENT FOR DETERMINATION BY SECRETARY OF DEFENSE AND NOTIFICATION TO CONGRESS BEFORE PROCUREMENT OF MAJOR WEAPON SYSTEMS AS COMMERCIAL ITEMS.**

(a) REQUIREMENT FOR DETERMINATION AND NOTIFICATION.—

(1) IN GENERAL.—Chapter 140 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 2379. Requirement for determination by Secretary of Defense and notification to Congress before procurement of major weapon systems as commercial items**

"(a) REQUIREMENT FOR DETERMINATION AND NOTIFICATION.—A major weapon system of the Department of Defense may be treated as a commercial item, or purchased under procedures established for the procurement of commercial items, only if—

"(1) the Secretary of Defense determines that—

"(A) the major weapon system is a commercial item, as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)); and

"(B) such treatment is necessary to meet national security objectives; and

"(2) the congressional defense committees are notified at least 30 days before such treatment or purchase occurs.

"(b) TREATMENT OF SUBSYSTEMS AND COMPONENTS AS COMMERCIAL ITEMS.—A subsystem or component of a major weapon system shall be treated as a commercial item and purchased under procedures established for the procurement of commercial items if such subsystem or component otherwise meets the requirements (other than requirements under subsection (a)) for treatment as a commercial item.

"(c) DELEGATION.—The authority of the Secretary of Defense to make a determination under subsection (a) may be delegated only to the Deputy Secretary of Defense, without further redelegation.

"(d) MAJOR WEAPON SYSTEM DEFINED.—In this section, the term 'major weapon system' means a weapon system acquired pursuant to a major defense acquisition program (as that term is defined in section 2430 of this title).".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 140 of such title is amended by adding at the end the following new item:

"2379. Requirement for determination by Secretary of Defense and notification to Congress before procurement of major weapon systems as commercial items.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act, and shall apply to contracts entered into on or after such date.

**SEC. 804. REPORTS ON SIGNIFICANT INCREASES IN PROGRAM ACQUISITION UNIT COSTS OR PROCUREMENT UNIT COSTS OF MAJOR DEFENSE ACQUISITION PROGRAMS.**

(a) INITIAL REPORT REQUIRED.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the acquisition status of each major defense acquisition program whose program acquisition unit cost or procurement unit cost, as of the date of the enactment of this Act, has exceeded by more than 50 percent the original baseline projection for such unit cost. The report shall include the information specified in subsection (b).

(b) INFORMATION.—The information specified in this subsection with respect to a major defense acquisition program is the following:

(1) An assessment of the costs to be incurred to complete the program if the program is not modified.

(2) An explanation of why the costs of the program have increased.

(3) A justification for the continuation of the program notwithstanding the increase in costs.

(c) MAJOR DEFENSE ACQUISITION PROGRAM DEFINED.—In this section, the term "major defense acquisition program" has the meaning given that term in section 2430 of title 10, United States Code.

**SEC. 805. REPORT ON USE OF LEAD SYSTEM INTEGRATORS IN THE ACQUISITION OF MAJOR SYSTEMS.**

(a) REPORT REQUIRED.—Not later than September 30, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the use of lead system integrators for the acquisition by the Department of Defense of major systems.

(b) CONTENTS.—The report required by subsection (a) shall include a detailed description of the actions taken, or to be taken (including a specific timetable), and the current regulations and guidelines regarding—

(1) the definition of the respective rights of the Department of Defense, lead system integrators, and other contractors that participate in the development or production of any individual element of a major weapon system (including subcontractors under lead system integrators) in intellectual property that is developed by the other participating contractors in a manner that ensures that—

(A) the Department of Defense obtains appropriate rights in technical data developed by the other participating contractors in accordance with the requirements of section 2320 of title 10, United States Code; and

(B) lead system integrators obtain access to technical data developed by the other participating contractors only to the extent necessary to execute their contractual obligations as lead systems integrators;

(2) the prevention or mitigation of organizational conflicts of interest on the part of lead system integrators;

(3) minimization of the performance by lead system integrators of functions closely associated with inherently governmental functions;

(4) the appropriate use of competitive procedures in the award of subcontracts by lead system integrators with system responsibility;

(5) the prevention of organizational conflicts of interest arising out of any financial interest of lead system integrators without system responsibility in the development or production of individual elements of a major weapon system; and

(6) the prevention of pass-through charges by lead system integrators with system responsibility on systems or subsystems developed or produced under subcontracts where such lead system integrators do not provide significant value added with regard to such systems or subsystems.

(c) DEFINITIONS.—In this section:

(1) The term "lead system integrator" includes lead system integrators with system responsibility and lead system integrators without system responsibility.

(2) The term "lead system integrator with system responsibility" means a prime contractor for the development or production of a major system if the prime contractor is not expected at the time of award, as determined by the Secretary of Defense for purposes of this section, to perform a substantial portion of the work on the system and the major subsystems.

(3) The term "lead system integrator without system responsibility" means a contractor under a contract for the procurement of services whose primary purpose is to perform acquisition functions closely associated with inherently governmental functions with regard to the development or production of a major system.

(4) The term "major system" has the meaning given such term in section 2302d of title 10, United States Code.

(5) The term "pass-through charge" means a charge for overhead or profit on work performed by a lower-tier contractor (other than charges for the direct costs of managing lower-tier contracts and overhead and profit based on such direct costs) that does not, as determined by the Secretary for purposes of this section, promote significant value added with regard to such work.

(6) The term "functions closely associated with inherently governmental functions" has the meaning given such term in section 2383(b)(3) of title 10, United States Code.

**SEC. 806. CONGRESSIONAL NOTIFICATION OF CANCELLATION OF MAJOR AUTOMATED INFORMATION SYSTEMS.**

(a) REPORT REQUIRED.—The Secretary of Defense shall notify the congressional defense committees not less than 60 days before cancelling a major automated information system program that has been fielded or approved to be fielded, or making a change that will significantly reduce the scope of such a program, of the proposed cancellation or change.

(b) CONTENT.—Each notification submitted under subsection (a) with respect to a proposed cancellation or change shall include—

(1) the specific justification for the proposed cancellation or change;

(2) a description of the impact of the proposed cancellation or change on the ability of the Department to achieve the objectives of the program proposed for cancellation or change;

(3) a description of the steps that the Department plans to take to achieve those objectives; and

(4) other information relevant to the change in acquisition strategy.

(c) DEFINITIONS.—In this section:

(1) The term "major automated information system" has the meaning given that term in Department of Defense directive 5000.1.

(2) The term "approved to be fielded" means having received Milestone C approval.

# Subtitle B—Acquisition Policy and Management

**SEC. 811. INTERNAL CONTROLS FOR PROCUREMENTS ON BEHALF OF THE DEPARTMENT OF DEFENSE.**

(a) INSPECTOR GENERAL REVIEWS AND DETERMINATIONS.—

(1) IN GENERAL.—For each covered non-defense agency, the Inspector General of the Department of Defense and the Inspector General of such non-defense agency shall, not later than March 15, 2006, jointly—

(A) review—

(i) the procurement policies, procedures, and internal controls of such non-defense agency that are applicable to the procurement of property and services on behalf of the Department by such non-defense agency; and

(ii) the administration of those policies, procedures, and internal controls; and

(B) determine in writing whether—

(i) such non-defense agency is compliant with defense procurement requirements;

(ii) such non-defense agency is not compliant with defense procurement requirements, but has a program or initiative to significantly improve compliance with defense procurement requirements; or

(iii) neither of the conclusions stated in clauses (i) and (ii) is correct in the case of such non-defense agency.

(2) ACTIONS FOLLOWING CERTAIN DETERMINATIONS.—If the Inspectors General determine under paragraph (1) that the conclusion stated in clause (ii) or (iii) of subparagraph (B) of that paragraph is correct in the case of a covered non-defense agency, such Inspectors General shall, not later than June 15, 2007, jointly—

(A) conduct a second review, as described in subparagraph (A) of that paragraph, regarding such non-defense agency's procurement of property or services on behalf of the Department of Defense in fiscal year 2006; and

(B) determine in writing whether such non-defense agency is or is not compliant with defense procurement requirements.

(b) COMPLIANCE WITH DEFENSE PROCUREMENT REQUIREMENTS.—For the purposes of this section, a covered non-defense agency is compliant with defense procurement requirements if such non-defense agency's procurement policies, procedures, and internal controls applicable to the procurement of products and services on behalf of the Department of Defense, and the manner in which they are administered, are adequate to ensure such non-defense agency's compliance with the requirements of laws and regulations that apply to procurements of property and services made directly by the Department of Defense.

(c) MEMORANDA OF UNDERSTANDING BETWEEN INSPECTORS GENERAL.—

(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Inspector General of the

Department of Defense and the Inspector General of each covered non-defense agency shall enter into a memorandum of understanding with each other to carry out the reviews and make the determinations required by this section.

(2) SCOPE OF MEMORANDA.—The Inspector General of the Department of Defense and the Inspector General of a covered non-defense agency may by mutual agreement conduct separate reviews of the procurement of property and services on behalf of the Department of Defense that are conducted by separate business units, or under separate governmentwide acquisition contracts, of such non-defense agency. In any case where such separate reviews are conducted, the Inspectors General shall make separate determinations under paragraph (1) or (2) of subsection (a), as applicable, with respect to each such separate review.

(d) LIMITATIONS ON PROCUREMENTS ON BEHALF OF DEPARTMENT OF DEFENSE.—

(1) LIMITATION DURING REVIEW PERIOD.—After March 15, 2006, and before June 16, 2007, no official of the Department of Defense may, except as provided in subsection (e) or (f), order, purchase, or otherwise procure property or services in an amount in excess of $100,000 through a covered non-defense agency for which a determination described in paragraph (1)(B)(iii) of subsection (a) has been made under that subsection.

(2) LIMITATION AFTER REVIEW PERIOD.—After June 15, 2007, no official of the Department of Defense may, except as provided in subsection (e) or (f), order, purchase, or otherwise procure property or services in an amount in excess of $100,000 through a covered non-defense agency that, having been subject to review under this section, has not been determined under this section as being compliant with defense procurement requirements.

(3) LIMITATION FOLLOWING FAILURE TO REACH MOU.—Commencing on the date that is 60 days after the date of the enactment of this Act, if a memorandum of understanding between the Inspector General of the Department of Defense and the Inspector General of a covered non-defense agency cannot be attained causing the review required by this section to not be performed, no official of the Department of Defense, except as provided in subsection (e) or (f), may order, purchase or otherwise procure property or services in an amount in excess of $100,000 through such non-defense agency.

(e) EXCEPTION FROM APPLICABILITY OF LIMITATIONS.—

(1) EXCEPTION.—No limitation applies under subsection (d) with respect to the procurement of property and services on behalf of the Department of Defense by a covered non-defense agency during any period that there is in effect a determination of the Under Secretary of Defense for Acquisition, Technology, and Logistics, made in writing, that it is necessary in the interest of the Department of Defense to continue to procure property and services through such non-defense agency.

(2) APPLICABILITY OF DETERMINATION.—A written determination with respect to a covered non-defense agency under paragraph (1) is in effect for the period, not in excess of one year, that the Under Secretary shall specify in the written determination. The Under Secretary may extend from time

to time, for up to one year at a time, the period for which the written determination remains in effect.

(f) TERMINATION OF APPLICABILITY OF LIMITATIONS.—Subsection (d) shall cease to apply to a covered non-defense agency on the date on which the Inspector General of the Department of Defense and the Inspector General of such non-defense agency jointly—

(1) determine that such non-defense agency is compliant with defense procurement requirements; and

(2) notify the Secretary of Defense of that determination.

(g) IDENTIFICATION OF PROCUREMENTS MADE DURING A PARTICULAR FISCAL YEAR.—For the purposes of subsection (a), a procurement shall be treated as being made during a particular fiscal year to the extent that funds are obligated by the Department of Defense for that procurement in that fiscal year.

(h) DEFINITIONS.—In this section:

(1) The term "covered non-defense agency" means each of the following:

(A) The Department of the Treasury.

(B) The Department of the Interior.

(C) The National Aeronautics and Space Administration.

(2) The term "governmentwide acquisition contract", with respect to a covered non-defense agency, means a task or delivery order contract that—

(A) is entered into by the non-defense agency; and

(B) may be used as the contract under which property or services are procured for 1 or more other departments or agencies of the Federal Government.

**SEC. 812. MANAGEMENT STRUCTURE FOR THE PROCUREMENT OF CONTRACT SERVICES.**

(a) MANAGEMENT STRUCTURE.—

(1) IN GENERAL.—Section 2330 of title 10, United States Code, is amended to read as follows:

**"§ 2330. Procurement of contract services: management structure**

"(a) REQUIREMENT FOR MANAGEMENT STRUCTURE.—The Secretary of Defense shall establish and implement a management structure for the procurement of contract services for the Department of Defense. The management structure shall provide, at a minimum, for the following:

"(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall—

"(A) develop and maintain (in consultation with the service acquisition executives) policies, procedures, and best practices guidelines addressing the procurement of contract services, including policies, procedures, and best practices guidelines for—

"(i) acquisition planning;

"(ii) solicitation and contract award;

"(iii) requirements development and management;

"(iv) contract tracking and oversight;

"(v) performance evaluation; and

"(vi) risk management;

"(B) work with the service acquisition executives and other appropriate officials of the Department of Defense—

"(i) to identify the critical skills and competencies needed to carry out the procurement of contract services on behalf of the Department of Defense;

"(ii) to develop a comprehensive strategy for recruiting, training, and deploying employees to meet the requirements for such skills and competencies; and

"(iii) to ensure that the military departments and Defense Agencies have staff and administrative support that are adequate to effectively perform their duties under this section;

"(C) establish contract services acquisition categories, based on dollar thresholds, for the purpose of establishing the level of review, decision authority, and applicable procedures in such categories; and

"(D) oversee the implementation of the requirements of this section and the policies, procedures, and best practices guidelines established pursuant to subparagraph (A).

"(2) The service acquisition executive of each military department shall be the senior official responsible for the management of acquisition of contract services for or on behalf of the military department.

"(3) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall be the senior official responsible for the management of acquisition of contract services for or on behalf of the Defense Agencies and other components of the Department of Defense outside the military departments.

"(b) DUTIES AND RESPONSIBILITIES OF SENIOR OFFICIALS RESPONSIBLE FOR THE MANAGEMENT OF ACQUISITION OF CONTRACT SERVICES.—(1) Except as provided in paragraph (2), the senior officials responsible for the management of acquisition of contract services shall assign responsibility for the review and approval of procurements in each contract services acquisition category established under subsection (a)(1)(C) to specific Department of Defense officials, subject to the direction, supervision, and oversight of such senior officials.

"(2) With respect to the acquisition of contract services by a component or command of the Department of Defense the primary mission of which is the acquisition of products and services, such acquisition shall be conducted in accordance with policies, procedures, and best practices guidelines developed and maintained by the Under Secretary of Defense for Acquisition, Technology, and Logistics pursuant to subsection (a)(1), subject to oversight by the senior officials referred to in paragraph (1).

"(3) In carrying out paragraph (1), each senior official responsible for the management of acquisition of contract services shall—

"(A) implement the requirements of this section and the policies, procedures, and best practices guidelines developed by the Under Secretary of Defense for Acquisition, Technology, and Logistics pursuant to subsection (a)(1)(A);

"(B) authorize the procurement of contract services through contracts entered into by agencies outside the Department of Defense in appropriate circumstances, in accordance with the requirements of section 854 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (10 U.S.C. 2304 note), section 814 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (31 U.S.C. 1535 note), and the regulations implementing such sections;

"(C) dedicate full-time commodity managers to coordinate the procurement of key categories of services;

"(D) ensure that contract services are procured by means of procurement actions that are in the best interests of the Department of Defense and are entered into and managed in compliance with applicable laws, regulations, directives, and requirements;

"(E) ensure that competitive procedures and performance-based contracting are used to the maximum extent practicable for the procurement of contract services; and

"(F) monitor data collection under section 2330a of this title, and periodically conduct spending analyses, to ensure that funds expended for the procurement of contract services are being expended in the most rational and economical manner practicable.

"(c) DEFINITIONS.—In this section:

"(1) The term 'procurement action' includes the following actions:

"(A) Entry into a contract or any other form of agreement.

"(B) Issuance of a task order, delivery order, or military interdepartmental purchase request.

"(2) The term 'contract services' includes all services acquired from private sector entities by or for the Department of Defense, other than services relating to research and development or military construction.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking the item relating to section 2330 and inserting the following new item:

"2330. Procurement of contract services: management structure.".

(b) PHASED IMPLEMENTATION.—The requirements of section 2330 of title 10, United States Code (as added by subsection (a)), shall be implemented as follows:

(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall—

(A) establish an initial set of contract services acquisition categories, based on dollar thresholds, by not later than June 1, 2006; and

(B) issue an initial set of policies, procedures, and best practices guidelines in accordance with section 2330(a)(1)(A) by not later than October 1, 2006.

(2) The contract services acquisition categories established by the Under Secretary shall include—

(A) one or more categories for acquisitions with an estimated value of $250,000,000 or more;

(B) one or more categories for acquisitions with an estimated value of at least $10,000,000 but less than $250,000,000; and

(C) one or more categories for acquisitions with an estimated value greater than the simplified acquisition threshold but less than $10,000,000.

(3) The senior officials responsible for the management of acquisition of contract services shall assign responsibility to specific individuals in the Department of Defense for the review and approval of procurements in the contract services

acquisition categories established by the Under Secretary, as follows:

(A) Not later than October 1, 2006, for all categories established pursuant to paragraph (2)(A).

(B) Not later than October 1, 2007, for all categories established pursuant to paragraph (2)(B).

(C) Not later than October 1, 2009, for all categories established pursuant to paragraph (2)(C).

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a final report on the implementation of section 2330 of title 10, United States Code, as added by this section.

**SEC. 813. REPORT ON SERVICE SURCHARGES FOR PURCHASES MADE FOR MILITARY DEPARTMENTS THROUGH OTHER DEPARTMENT OF DEFENSE AGENCIES.**

(a) REPORTS BY MILITARY DEPARTMENTS.—For each of fiscal years 2005 and 2006, the Secretary of each military department shall, not later than 180 days after the last day of that fiscal year, submit to the Under Secretary of Defense for Acquisition, Technology, and Logistics a report on the service charges imposed on such military department for purchases in amounts greater than the simplified acquisition threshold that were made for that military department during such fiscal year through a contract entered into by an agency of the Department of Defense other than that military department. The report shall specify the amounts of the service charges and identify the services provided in exchange for such charges.

(b) ANALYSIS OF MILITARY DEPARTMENT REPORT.—Not later than 90 days after receiving a report of the Secretary of a military department for a fiscal year under subsection (a), the Under Secretary of Defense for Acquisition, Technology, and Logistics shall review the service charges delineated in such report for the acquisitions covered by the report and the services provided in exchange for such charges and shall compare those charges with the costs of alternative means for making such acquisitions. The analysis shall include the Under Secretary's determinations of whether the imposition and amounts of the service charges were reasonable.

(c) REPORTS TO CONGRESS.—Not later than October 1, 2006 (for reports for fiscal year 2005 under subsection (a)), and not later than October 1, 2007 (for reports for fiscal year 2006 under subsection (a)), the Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to the congressional defense committees a report on the reports submitted by the Secretaries of the military departments under subsection (a), together with the Under Secretary's determinations under subsection (b) with regard to the matters set forth in those reports.

(d) SIMPLIFIED ACQUISITION THRESHOLD DEFINED.—In this section, the term "simplified acquisition threshold" has the meaning given such term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

**SEC. 814. REVIEW OF DEFENSE ACQUISITION STRUCTURES AND CAPABILITIES.**

(a) REVIEW BY DEFENSE ACQUISITION UNIVERSITY.—The Defense Acquisition University, acting under the direction and

authority of the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall conduct a review of the acquisition structures and capabilities of the Department of Defense, including the acquisition structures and capabilities of the following:

(1) Each military department.

(2) Each defense agency.

(3) Any other element of the Department of Defense that has an acquisition function.

(b) ELEMENTS OF REVIEW.—

(1) IN GENERAL.—In reviewing the acquisition structures and capabilities of an organization under subsection (a), the Defense Acquisition University shall—

(A) determine the current structure of the organization;

(B) review the evolution of the current structure of the organization, including the reasons for each reorganization of the structure;

(C) identify the capabilities needed by the organization to fulfill its function and assess the capacity of the organization, as currently structured, to provide such capabilities;

(D) identify any gaps, shortfalls, or inadequacies relating to acquisitions in the current structures and capabilities of the organization;

(E) identify any recruiting, retention, training, or professional development steps that may be needed to address any such gaps, shortfalls, or inadequacies; and

(F) make such recommendations as the review team determines to be appropriate.

(2) EMPHASIS IN REVIEW.—In conducting the review of acquisition structures and capabilities under subsection (a), the University shall place special emphasis on consideration of—

(A) structures, capabilities, and processes for joint acquisition, including actions that may be needed to improve such structures, capabilities, and processes; and

(B) actions that may be needed to improve acquisition outcomes.

(c) FUNDING.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall provide the Defense Acquisition University the funds required to conduct the review under subsection (a).

(d) REPORT ON REVIEW.—

(1) IN GENERAL.—Not later than 180 days after the completion of the review required by subsection (a), the University shall submit to the Under Secretary of Defense for Acquisition, Technology, and Logistics a report on the review.

(2) ANNEX.—The report shall include a separate annex on the acquisition structures and capabilities on each organization covered by the review. The annex—

(A) shall address the matters specified under subsection (b) with respect to such organization; and

(B) may include such recommendations with respect to such organization as the University considers appropriate.

(3) TRANSMITTAL OF FINAL REPORT.—Not later than 90 days after the receipt of the report under paragraph (1), the Under

Secretary shall transmit to the congressional defense committees a copy of the report, together with the comments of the Under Secretary on the report.

(e) DEFENSE ACQUISITION UNIVERSITY DEFINED.—In this section, the term "Defense Acquisition University" means the Defense Acquisition University established pursuant to section 1746 of title 10, United States Code.

**SEC. 815. MODIFICATION OF REQUIREMENTS APPLICABLE TO CONTRACTS AUTHORIZED BY LAW FOR CERTAIN MILITARY MATERIEL.**

(a) INCLUSION OF COMBAT VEHICLES UNDER REQUIREMENTS.—Section 2401 of title 10, United States Code, is amended—

(1) by striking "vessel or aircraft" each place it appears and inserting "vessel, aircraft, or combat vehicle";

(2) in subsection (c), by striking "aircraft or naval vessel" each place it appears and inserting "aircraft, naval vessel, or combat vehicle";

(3) in subsection (e), by striking "aircraft or naval vessels" each place it appears and inserting "aircraft, naval vessels, or combat vehicles"; and

(4) in subsection (f)—

(A) by striking "aircraft and naval vessels" and inserting "aircraft, naval vessels, and combat vehicles"; and

(B) by striking "such aircraft and vessels" and inserting "such aircraft, vessels, and combat vehicles".

(b) ADDITIONAL INFORMATION FOR CONGRESS.—Subsection (b) of such section is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) the Secretary has certified to those committees—

"(i) that entering into the proposed contract as a means of obtaining the vessel, aircraft, or combat vehicle is the most cost-effective means of obtaining such vessel, aircraft, or combat vehicle; and

"(ii) that the Secretary has determined that the lease complies with all applicable laws, Office of Management and Budget circulars, and Department of Defense regulations."; and

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

"(3) Upon receipt of a notice under paragraph (1)(C), a committee identified in paragraph (1)(B) may request the Inspector General of the Department of Defense or the Comptroller General of the United States to conduct a review of the proposed contract to determine whether or not such contract meets the requirements of this section.

"(4) If a review is requested under paragraph (3), the Inspector General of the Department of Defense or the Comptroller General of the United States, as the case may be, shall submit to the Secretary and the congressional defense committees a report on such review before the expiration of the period specified in paragraph (1)(C).".

(c) APPLICABILITY OF ACQUISITION REGULATIONS.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f)(1) If a lease or charter covered by this section is a capital lease or a lease-purchase—

"(A) the lease or charter shall be treated as an acquisition and shall be subject to all applicable statutory and regulatory requirements for the acquisition of aircraft, naval vessels, or combat vehicles; and

"(B) funds appropriated to the Department of Defense for operation and maintenance may not be obligated or expended for the lease or charter.

"(2) In this subsection, the terms 'capital lease' and 'lease-purchase' have the meanings given those terms in Appendix B to Office of Management and Budget Circular A–11, as in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2006.".

(d) CONFORMING AND CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

**"§ 2401. Requirement for authorization by law of certain contracts relating to vessels, aircraft, and combat vehicles".**

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 141 of such title is amended by striking the item relating to section 2401 and inserting the following new item:

"2401. Requirement for authorization by law of certain contracts relating to vessels, aircraft, and combat vehicles.".

**SEC. 816. GUIDANCE ON USE OF TIERED EVALUATIONS OF OFFERS FOR CONTRACTS AND TASK ORDERS UNDER CONTRACTS.**

(a) GUIDANCE REQUIRED.—The Secretary of Defense shall prescribe guidance for the military departments and the Defense Agencies on the use of tiered evaluations of offers for contracts and for task or delivery orders under contracts.

(b) ELEMENTS.—The guidance prescribed under subsection (a) shall include a prohibition on the initiation by a contracting officer of a tiered evaluation of an offer for a contract or for a task or delivery order under a contract unless the contracting officer—

(1) has conducted market research in accordance with part 10 of the Federal Acquisition Regulation in order to determine whether or not a sufficient number of qualified small businesses are available to justify limiting competition for the award of such contract or task or delivery order under applicable law and regulations;

(2) is unable, after conducting market research under paragraph (1), to make the determination described in that paragraph; and

(3) includes in the contract file a written explanation of why such contracting officer was unable to make such determination.

**SEC. 817. JOINT POLICY ON CONTINGENCY CONTRACTING.**

(a) JOINT POLICY.—

(1) REQUIREMENT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall develop a joint policy for contingency contracting during combat operations and post-conflict operations.

(2) MATTERS COVERED.—The joint policy for contingency contracting required by paragraph (1) shall, at a minimum, provide for—

(A) the designation of a senior commissioned officer in each military department with the responsibility for administering the policy;

(B) the assignment of a senior commissioned officer with appropriate acquisition experience and qualifications to act as head of contingency contracting during combat operations, post-conflict operations, and contingency operations, who shall report directly to the commander of the combatant command in whose area of responsibility the operations occur;

(C) an organizational approach to contingency contracting that is designed to ensure that each military department is prepared to conduct contingency contracting during combat operations and post-conflict operations;

(D) a requirement to provide training (including training under a program to be created by the Defense Acquisition University) to contingency contracting personnel in—

(i) the use of law, regulations, policies, and directives related to contingency contracting operations;

(ii) the appropriate use of rapid acquisition methods, including the use of exceptions to competition requirements under section 2304 of title 10, United States Code, sealed bidding, letter contracts, indefinite delivery indefinite quantity task orders, set asides under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), undefinitized contract actions, and other tools available to expedite the delivery of goods and services during combat operations or post-conflict operations;

(iii) the appropriate use of rapid acquisition authority, commanders' emergency response program funds, and other tools unique to contingency contracting; and

(iv) instruction on the necessity for the prompt transition from the use of rapid acquisition authority to the use of full and open competition and other methods of contracting that maximize transparency in the acquisition process;

(E) appropriate steps to ensure that training is maintained for such personnel even when they are not deployed in a contingency operation; and

(F) such steps as may be needed to ensure jointness and cross-service coordination in the area of contingency contracting.

(b) REPORTS.—

(1) INTERIM REPORT.—

(A) REQUIREMENT.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the

Senate and the House of Representatives an interim report on contingency contracting.

(B) MATTERS COVERED.—The report shall include discussions of the following:

(i) Progress in the development of the joint policy under subsection (a).

(ii) The ability of the Armed Forces to support contingency contracting.

(iii) The ability of commanders of combatant commands to request contingency contracting support and the ability of the military departments and the acquisition support agencies to respond to such requests and provide such support, including the availability of rapid acquisition personnel for such support.

(iv) The ability of the current civilian and military acquisition workforce to deploy to combat theaters of operations and to conduct contracting activities during combat and during post-conflict, reconstruction, or other contingency operations.

(v) The effect of different periods of deployment on continuity in the acquisition process.

(2) FINAL REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees listed in paragraph (1)(A) a final report on contingency contracting, containing a discussion of the implementation of the joint policy developed under subsection (a), including updated discussions of the matters covered in the interim report.

(c) DEFINITIONS.—In this section:

(1) CONTINGENCY CONTRACTING PERSONNEL.—The term "contingency contracting personnel" means members of the Armed Forces and civilian employees of the Department of Defense who are members of the defense acquisition workforce and, as part of their duties, are assigned to provide support to contingency operations (whether deployed or not).

(2) CONTINGENCY CONTRACTING.—The term "contingency contracting" means all stages of the process of acquiring property or services by the Department of Defense during a contingency operation.

(3) CONTINGENCY OPERATION.—The term "contingency operation" has the meaning provided in section 101(13) of title 10, United States Code.

(4) ACQUISITION SUPPORT AGENCIES.—The term "acquisition support agencies" means Defense Agencies and Department of Defense Field Activities that carry out and provide support for acquisition-related activities.

**SEC. 818. ACQUISITION STRATEGY FOR COMMERCIAL SATELLITE COMMUNICATION SERVICES.**

(a) REQUIREMENT FOR SPEND ANALYSIS.—The Secretary of Defense shall, as a part of the effort of the Department of Defense to develop a revised strategy for acquiring commercial satellite communication services, perform a complete spend analysis of the acquisitions by the Department of commercial satellite communication services for the period from fiscal year 2000 through fiscal year 2005. That analysis shall, at a minimum, include a determination of the following:

(1) Total acquisition costs in aggregate, by fiscal year, for items and services purchased.

(2) Total quantity of items and services purchased.

(3) Quantity and cost of items and services purchased by each entity from each supplier and who used the items and services purchased.

(4) Purchasing patterns that may lead to recommendations in which the Department of Defense may centralize operations, consolidate requirements, or leverage purchasing power.

(b) REPORT ON ACQUISITION STRATEGY.—

(1) IN GENERAL.—Not later than five months after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the acquisition strategy of the Department of Defense for commercial satellite communications services.

(2) ELEMENTS.—The report required by paragraph (1) shall include the following:

(A) A description of the spend analysis required by subsection (a), including the results of the analysis.

(B) The proposed strategy of the Department for acquiring commercial satellite communication services, which—

(i) shall be based in appropriate part on the results of the analysis required by subsection (a); and

(ii) shall take into account various methods of aggregating purchases and leveraging the purchasing power of the Department, including through the use of multiyear contracting for commercial satellite communication services.

(C) A proposal for such legislative action as the Secretary considers necessary to acquire appropriate types and amounts of commercial satellite communications services using methods of aggregating purchases and leveraging the purchasing power of the Department (including the use of multiyear contracting), or if the use of such methods is determined inadvisable, a statement of the rationale for such determination.

(D) A proposal for such other legislative action that the Secretary considers necessary to implement the strategy of the Department for acquiring commercial satellite communication services.

**SEC. 819. AUTHORIZATION OF EVALUATION FACTOR FOR DEFENSE CONTRACTORS EMPLOYING OR SUBCONTRACTING WITH MEMBERS OF THE SELECTED RESERVE OF THE RESERVE COMPONENTS OF THE ARMED FORCES.**

(a) DEFENSE CONTRACTS.—In awarding any contract for the procurement of goods or services to an entity, the Secretary of Defense is authorized to use as an evaluation factor whether the entity intends to carry out the contract using employees or individual subcontractors who are members of the Selected Reserve of the reserve components of the Armed Forces.

(b) DOCUMENTATION OF SELECTED RESERVE-RELATED EVALUATION FACTOR.—Any entity claiming intent to carry out a contract using employees or individual subcontractors who are members of the Selected Reserve of the reserve components of the Armed

Forces shall submit proof of the use of such employees or subcontractors for the Department of Defense to consider in carrying out subsection (a) with respect to that contract.

(c) REGULATIONS.—The Federal Acquisition Regulation shall be revised as necessary to implement this section.

## Subtitle C—Amendments to General Contracting Authorities, Procedures, and Limitations

### SEC. 821. PARTICIPATION BY DEPARTMENT OF DEFENSE IN ACQUISITION WORKFORCE TRAINING FUND.

(a) REQUIRED CONTRIBUTIONS TO ACQUISITION WORKFORCE TRAINING FUND BY DEPARTMENT OF DEFENSE.—Section 37(h)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(h)(3)) is amended—

(1) in subparagraph (A), by striking "other than the Department of Defense" and inserting ", except as provided in subparagraph (D)"; and

(2) by redesignating subparagraphs (D), (E), (F), and (G) as subparagraphs (E), (F), (G), and (H), respectively, and inserting after subparagraph (C) the following new subparagraph (D):

"(D) The Administrator of General Services shall transfer to the Secretary of Defense fees collected from the Department of Defense pursuant to subparagraph (B), to be used by the Defense Acquisition University for purposes of acquisition workforce training.".

(b) CONFORMING AMENDMENTS.—

(1) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—Section 37(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(a)) is amended by striking "This section" and inserting "Except as provided in subsection (h)(3), this section".

(2) PUBLIC LAW 108–136.—Section 1412 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1664) is amended by striking subsection (c).

(c) DEFENSE ACQUISITION UNIVERSITY FUNDING.—Amounts transferred under section 37(h)(3)(D) of the Office of Federal Procurement Policy Act (as amended by subsection (a)) for use by the Defense Acquisition University shall be in addition to other amounts authorized for the University.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees collected under contracts described in section 37(h)(3)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(h)(3)(B)) after the date of the enactment of this Act.

### SEC. 822. INCREASE IN COST ACCOUNTING STANDARD THRESHOLD.

Section 26(f)(2)(A) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)(A)) is amended by striking "$500,000" and inserting "the amount set forth in section 2306a(a)(1)(A)(i) of title 10, United States Code, as such amount is adjusted in accordance with applicable requirements of law".

**SEC. 823. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.**

Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—

(1) in subsection (a)—

(A) by striking "The Director" and inserting "(1) Subject to paragraph (2), the Director"; and

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

"(2) The authority of this section—

"(A) may be exercised for a prototype project that is expected to cost the Department of Defense in excess of $20,000,000 but not in excess of $100,000,000 only upon a written determination by the senior procurement executive for the agency (as designated for the purpose of section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) that—

"(i) the requirements of subsection (d) will be met; and

"(ii) the use of the authority of this section is essential to promoting the success of the prototype project; and

"(B) may be exercised for a prototype project that is expected to cost the Department of Defense in excess of $100,000,000 only if—

"(i) the Under Secretary of Defense for Acquisition, Technology, and Logistics determines in writing that—

"(I) the requirements of subsection (d) will be met; and

"(II) the use of the authority of this section is essential to meet critical national security objectives; and

"(ii) the congressional defense committees are notified in writing at least 30 days before such authority is exercised.

"(3) The authority of a senior procurement executive under paragraph (2)(A), and the authority of the Under Secretary of Defense for Acquisition, Technology, and Logistics under paragraph (2)(B), may not be delegated.";

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

(3) by inserting after subsection (g) the following new subsection (h):

"(h) APPLICABILITY OF PROCUREMENT ETHICS REQUIREMENTS.—An agreement entered into under the authority of this section shall be treated as a Federal agency procurement for the purposes of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423).".

**SEC. 824. INCREASED LIMIT APPLICABLE TO ASSISTANCE PROVIDED UNDER CERTAIN PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.**

Section 2414(a)(2) of title 10, United States Code, is amended by striking "$150,000" and inserting "$300,000".

# Subtitle D—United States Defense Industrial Base Provisions

**SEC. 831. CLARIFICATION OF EXCEPTION FROM BUY AMERICAN REQUIREMENTS FOR PROCUREMENT OF PERISHABLE FOOD FOR ESTABLISHMENTS OUTSIDE THE UNITED STATES.**

Section 2533a(d)(3) of title 10, United States Code, is amended by inserting ", or for," after "perishable foods by".

**SEC. 832. TRAINING FOR DEFENSE ACQUISITION WORKFORCE ON THE REQUIREMENTS OF THE BERRY AMENDMENT.**

(a) TRAINING DURING FISCAL YEAR 2006.—The Secretary of Defense shall ensure that each member of the defense acquisition workforce who participates personally and substantially in the acquisition of textiles on a regular basis receives training during fiscal year 2006 on the requirements of section 2533a of title 10, United States Code (commonly referred to as the "Berry Amendment"), and the regulations implementing that section.

(b) INCLUSION OF INFORMATION IN NEW TRAINING PROGRAMS.—The Secretary shall ensure that any training program developed or implemented after the date of the enactment of this Act for members of the defense acquisition workforce who participate personally and substantially in the acquisition of textiles on a regular basis includes comprehensive information on the requirements described in subsection (a).

**SEC. 833. AMENDMENTS TO DOMESTIC SOURCE REQUIREMENTS RELATING TO CLOTHING MATERIALS AND COMPONENTS COVERED.**

(a) NOTICE.—Section 2533a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(k) NOTIFICATION REQUIRED WITHIN 7 DAYS AFTER CONTRACT AWARD IF CERTAIN EXCEPTIONS APPLIED.—In the case of any contract for the procurement of an item described in subparagraph (B), (C), (D), or (E) of subsection (b)(1), if the Secretary of Defense or of the military department concerned applies an exception set forth in subsection (c) or (e) with respect to that contract, the Secretary shall, not later than 7 days after the award of the contract, post a notification that the exception has been applied on the Internet site maintained by the General Services Administration known as FedBizOps.gov (or any successor site).".

(b) CLOTHING MATERIALS AND COMPONENTS COVERED.—Subsection (b) of section 2533a of title 10, United States Code, is amended in paragraph (1)(B) by inserting before the semicolon the following: "and the materials and components thereof, other than sensors, electronics, or other items added to, and not normally associated with, clothing (and the materials and components thereof)".

## Subtitle E—Other Matters

**SEC. 841. REVIEW AND REPORT ON DEPARTMENT OF DEFENSE EFFORTS TO IDENTIFY CONTRACT FRAUD, WASTE, AND ABUSE.**

(a) REVIEW BY COMPTROLLER GENERAL.—The Comptroller General shall conduct a review of efforts by the Department of Defense to identify and assess the areas of vulnerability of Department of Defense contracts to fraud, waste, and abuse.

(b) MATTERS COVERED.—

(1) IN GENERAL.—In conducting the review, the Comptroller General shall summarize the ongoing efforts of the Department of Defense, including the reviews described in paragraph (2), and make recommendations about areas not addressed or items that need further investigation.

(2) DEPARTMENT OF DEFENSE REVIEWS.—The reviews by the Department of Defense referred to in paragraph (1) are the following:

(A) A report by a task force of the Defense Science Board dated March 2005 and titled "Management Oversight in Acquisition Organizations".

(B) An audit by the Inspector General of the Department of Defense titled "Service Acquisition Executives Management Oversight and Procurement Authority".

(C) A task force to address contract fraud, waste, and abuse designated by the Deputy Secretary of Defense.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the review, including the Comptroller General's findings and recommendations.

**SEC. 842. EXTENSION OF CONTRACT GOAL FOR SMALL DISADVANTAGED BUSINESSES AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.**

Section 2323(k) of title 10, United States Code, is amended by striking "2006" both places it appears and inserting "2009".

**SEC. 843. EXTENSION OF DEADLINE FOR REPORT OF ADVISORY PANEL ON LAWS AND REGULATIONS ON ACQUISITION PRACTICES.**

Section 1423(d) of the Services Acquisition Reform Act of 2003 (title XIV of Public Law 108–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended by striking "one year" and inserting "18 months".

**SEC. 844. EXCLUSION OF CERTAIN SECURITY EXPENSES FROM CONSIDERATION FOR PURPOSE OF SMALL BUSINESS SIZE STANDARDS.**

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)), is amended by adding at the end the following:

"(4) EXCLUSION OF CERTAIN SECURITY EXPENSES FROM CONSIDERATION FOR PURPOSE OF SMALL BUSINESS SIZE STANDARDS.—

"(A) DETERMINATION REQUIRED.—Not later than 30 days after the date of enactment of this paragraph, the Administrator shall review the application of size standards established pursuant to paragraph (2) to small business

concerns that are performing contracts in qualified areas and determine whether it would be fair and appropriate to exclude from consideration in the average annual gross receipts of such small business concerns any payments made to such small business concerns by Federal agencies to reimburse such small business concerns for the cost of subcontracts entered for the sole purpose of providing security services in a qualified area.

"(B) ACTION REQUIRED.—Not later than 60 days after the date of enactment of this paragraph, the Administrator shall either—

"(i) initiate an adjustment to the size standards, as described in subparagraph (A), if the Administrator determines that such an adjustment would be fair and appropriate; or

"(ii) provide a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives explaining in detail the basis for the determination by the Administrator that such an adjustment would not be fair and appropriate.

"(C) QUALIFIED AREAS.—In this paragraph, the term 'qualified area' means—

"(i) Iraq,

"(ii) Afghanistan, and

"(iii) any foreign country which included a combat zone, as that term is defined in section 112(c)(2) of the Internal Revenue Code of 1986, at the time of performance of the relevant Federal contract or subcontract.".

**SEC. 845. DISASTER RELIEF FOR SMALL BUSINESS CONCERNS DAMAGED BY DROUGHT.**

(a) DROUGHT DISASTER AUTHORITY.—

(1) DEFINITION OF DISASTER.—Section 3(k) of the Small Business Act (15 U.S.C. 632(k)) is amended—

(A) by inserting "(1)" after "(k)"; and

(B) by adding at the end the following:

"(2) For purposes of section 7(b)(2), the term 'disaster' includes—

"(A) drought; and

"(B) below average water levels in the Great Lakes, or on any body of water in the United States that supports commerce by small business concerns.".

(2) DROUGHT DISASTER RELIEF AUTHORITY.—Section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) is amended—

(A) by inserting "(including drought), with respect to both farm-related and nonfarm-related small business concerns," before "if the Administration"; and

(B) in subparagraph (B), by striking "the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961)" and inserting the following: "section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961), in which case, assistance under this paragraph may be provided to farm-related and nonfarm-related small business concerns, subject to the other applicable requirements of this paragraph".

(b) LIMITATION ON LOANS.—From funds otherwise appropriated for loans under section 7(b) of the Small Business Act (15 U.S.C. 636(b)), not more than $9,000,000 may be used during each of fiscal years 2005 through 2008, to provide drought disaster loans to nonfarm-related small business concerns in accordance with this section and the amendments made by this section.

(c) PROMPT RESPONSE TO DISASTER REQUESTS.—Section 7(b)(2)(D) of the Small Business Act (15 U.S.C. 636(b)(2)(D)) is amended by striking "Upon receipt of such certification, the Administration may" and inserting "Not later than 30 days after the date of receipt of such certification by a Governor of a State, the Administration shall respond in writing to that Governor on its determination and the reasons therefore, and may".

(d) RULEMAKING.—Not later than 45 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall promulgate final rules to carry out this section and the amendments made by this section.

**SEC. 846. EXTENSION OF LIMITED ACQUISITION AUTHORITY FOR THE COMMANDER OF THE UNITED STATES JOINT FORCES COMMAND.**

(a) EXTENSION OF AUTHORITY.—Subsection (f) of section 167a of title 10, United States Code, is amended—

(1) by striking "through 2006" and inserting "through 2008"; and

(2) by striking "September 30, 2006" and inserting "September 30, 2008".

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of section 167a of title 10, United States Code.

**SEC. 847. CIVILIAN BOARD OF CONTRACT APPEALS.**

(a) IN GENERAL.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

**"SEC. 42. CIVILIAN BOARD OF CONTRACT APPEALS.**

"(a) BOARD ESTABLISHED.—There is established in the General Services Administration a board of contract appeals to be known as the Civilian Board of Contract Appeals (in this section referred to as the 'Civilian Board').

"(b) MEMBERSHIP.—

"(1) APPOINTMENT.—(A) The Civilian Board shall consist of members appointed by the Administrator of General Services (in consultation with the Administrator for Federal Procurement Policy) from a register of applicants maintained by the Administrator of General Services, in accordance with rules issued by the Administrator of General Services (in consultation with the Administrator for Federal Procurement Policy) for establishing and maintaining a register of eligible applicants and selecting Civilian Board members. The Administrator of General Services shall appoint a member without regard to political affiliation and solely on the basis of the professional qualifications required to perform the duties and responsibilities of a Civilian Board member.

"(B) The members of the Civilian Board shall be selected and appointed to serve in the same manner as administrative law judges appointed pursuant to section 3105 of title 5, United States Code, with an additional requirement that such members shall have had not fewer than five years of experience in public contract law.

"(C) Notwithstanding subparagraph (B) and subject to paragraph (2), the following persons shall serve as Civilian Board members: any full-time member of any agency board of contract appeals other than the Armed Services Board of Contract Appeals, the Postal Service Board of Contract Appeals, and the board of contract appeals of the Tennessee Valley Authority serving as such on the day before the effective date of this section.

"(2) REMOVAL.—Members of the Civilian Board shall be subject to removal in the same manner as administrative law judges, as provided in section 7521 of title 5, United States Code.

"(3) COMPENSATION.—Compensation for members of the Civilian Board shall be determined under section 5372a of title 5, United States Code.

"(c) FUNCTIONS.—

"(1) IN GENERAL.—The Civilian Board shall have jurisdiction as provided by section 8(d) of the Contract Disputes Act of 1978 (41 U.S.C. 607(b)).

"(2) ADDITIONAL JURISDICTION.—The Civilian Board may, with the concurrence of the Federal agency or agencies affected—

"(A) assume jurisdiction over any additional category of laws or disputes over which an agency board of contract appeals established pursuant to section 8 of the Contract Disputes Act exercised jurisdiction before the effective date of this section; and

"(B) assume any other functions performed by such a board before such effective date on behalf of such agencies.".

(b) TRANSFERS.—The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the agency boards of contract appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before the effective date described in subsection (g)) other than the Armed Services Board of Contract Appeals, the board of contract appeals of the Tennessee Valley Authority, and the Postal Service Board of Contract Appeals shall be transferred to the Civilian Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(c) TERMINATION OF BOARDS OF CONTRACT APPEALS.—

(1) TERMINATION.—Effective on the effective date described in subsection (g), the agency boards of contract appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before such effective date), other than the Armed Services Board of Contract Appeals, the board of contract appeals of the Tennessee Valley

Authority, and the Postal Service Board of Contract Appeals, shall terminate.

(2) SAVINGS PROVISION.—(A) This section and the amendments made by this section shall not affect any proceedings pending on the effective date described in subsection (g) before any agency board of contract appeals terminated by paragraph (1).

(B) In the case of any such proceedings pending before an agency board of contract appeals other than the Armed Services Board of Contract Appeals or the board of contract appeals of the Tennessee Valley Authority, the proceedings shall be continued by the Civilian Board of Contract Appeals, and orders which were issued in any such proceeding by the agency board shall continue in effect until modified, terminated, superseded, or revoked by the Civilian Board of Contract Appeals, by a court of competent jurisdiction, or by operation of law.

(d) AMENDMENTS TO CONTRACTS DISPUTES ACT.—

(1) AMENDMENTS TO DEFINITIONS.—Section 2 of the Contract Disputes Act of 1978 (41 U.S.C. 601) is amended—

(A) in paragraph (2), by striking ", the United States Postal Service, and the Postal Rate Commission";

(B) by redesignating paragraph (7) as paragraph (9);

(C) by amending paragraph (6) to read as follows:

"(6) the terms 'agency board' or 'agency board of contract appeals' mean—

"(A) the Armed Services Board of Contract Appeals established under section 8(a)(1) of this Act;

"(B) the Civilian Board of Contract Appeals established under section 42 of the Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.);

"(C) the board of contract appeals of the Tennessee Valley Authority; or

"(D) the Postal Service Board of Contract Appeals established under section 8(c) of this Act;"; and

(D) by inserting after paragraph (6) the following new paragraphs:

"(7) the term 'Armed Services Board' means the Armed Services Board of Contract Appeals established under section 8(a)(1) of this Act;

"(8) the term 'Civilian Board' means the Civilian Board of Contract Appeals established under section 42 of the Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.); and".

(2) AMENDMENTS RELATING TO JURISDICTION.—Section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) is amended—

(A) in subsection (d)—

(i) by striking the first sentence and inserting the following: "The Armed Services Board shall have jurisdiction to decide any appeal from a decision of a contracting officer of the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, or the National Aeronautics and Space Administration relative to a contract made by that department or agency. The Civilian Board shall have jurisdiction to decide any appeal from

a decision of a contracting officer of any executive agency (other than the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, the National Aeronautics and Space Administration, the United States Postal Service, the Postal Rate Commission, or the Tennessee Valley Authority) relative to a contract made by that agency. Each other agency board shall have jurisdiction to decide any appeal from a decision of a contracting officer relative to a contract made by its agency."; and

(ii) in the second sentence, by striking "Claims Court" and inserting "Court of Federal Claims";

(B) by striking subsection (c) and inserting the following:

"(c) There is established an agency board of contract appeals to be known as the 'Postal Service Board of Contract Appeals'. Such board shall have jurisdiction to decide any appeal from a decision of a contracting officer of the United States Postal Service or the Postal Rate Commission relative to a contract made by either agency. Such board shall consist of judges appointed by the Postmaster General who shall meet the qualifications of and serve in the same manner as members of the Civilian Board of Contract Appeals. This Act shall apply to contract disputes before the Postal Service Board of Contract Appeals in the same manner as they apply to contract disputes before the Civilian Board.".

(3) CONFORMING AMENDMENTS.—Section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) is further amended—

(A) in subsection (a)(1)—

(i) by striking "Except as provided in paragraph (2) an agency board of contract appeals" and inserting "An Armed Services Board of Contract Appeals"; and

(ii) by striking "an executive agency when the agency head" and inserting "the Department of Defense when the Secretary of Defense"; and

(B) in subsection (b)(1)—

(i) by striking "Except as provided in paragraph (2), the members of agency boards" and inserting "The members of the Armed Services Board of Contract Appeals";

(ii) in the second sentence, by striking "agency boards" and inserting "such Board";

(iii) in the third sentence, by striking "each board" and inserting "such Board" and by striking "the agency head" and inserting "the Secretary of Defense"; and

(iv) in the fourth sentence, by striking "an agency board" and inserting "such Board".

(4) REPEAL OF OBSOLETE PROVISIONS.—Section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) is further amended by striking subsections (h) and (i).

(e) REFERENCES.—Any reference to an agency board of contract appeals other than the Armed Services Board of Contract Appeals, the board of contract appeals of the Tennessee Valley Authority, or the Postal Service Board of Contract Appeals in any provision of law or in any rule, regulation, or other paper of the United States shall be treated as referring to the Civilian Board of Contract

Appeals established under section 42 of the Office of Federal Procurement Policy Act.

(f) CONFORMING AND CLERICAL AMENDMENTS.—(1) Section 5372a(a)(1) of title 5, United States Code, is amended by inserting after "of 1978" the following: "or a member of the Civilian Board of Contract Appeals appointed under section 42 of the Office of Federal Procurement Policy Act".

(2) The table of contents for the Office of Federal Procurement Policy Act (contained in section 1(b)) is amended by adding at the end the following new item:

"42. Civilian Board of Contract Appeals.".

(g) EFFECTIVE DATE.—Section 42 of the Office of Federal Procurement Policy Act, as added by this section, and the amendments and repeals made by this section, shall take effect 1 year after the date of the enactment of this Act.

**SEC. 848. STATEMENT OF POLICY AND REPORT RELATING TO CONTRACTING WITH EMPLOYERS OF PERSONS WITH DISABILITIES.**

(a) EXTENSIONS OF INAPPLICABILITY OF CERTAIN ACTS.—Section 853 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2021) is amended in subsections (a)(2)(A) and (b)(2)(A) by striking "2005" and inserting "2006".

(b) STATEMENT OF POLICY.—The Secretary of Defense, the Secretary of Education, and the Chairman of the Committee for Purchase From People Who Are Blind or Severely Disabled shall jointly issue a statement of policy related to the implementation of the Randolph-Sheppard Act (20 U.S.C. 107 et seq.) and the Javits-Wagner-O'Day Act (41 U.S.C. 48) within the Department of Defense and the Department of Education. The joint statement of policy shall specifically address the application of those Acts to both operation and management of all or any part of a military mess hall, military troop dining facility, or any similar dining facility operated for the purpose of providing meals to members of the Armed Forces, and shall take into account and address, to the extent practicable, the positions acceptable to persons representing programs implemented under each Act.

(c) REPORT.—Not later than April 1, 2006, the Secretary of Defense, the Secretary of Education, and the Chairman of the Committee for Purchase From People Who Are Blind or Severely Disabled shall submit to the Committees on Armed Services of the Senate and the House of Representatives, the Committee on Health, Education, Labor and Pensions of the Senate, and the Committee on Education and the Workforce of the House of Representatives a report describing the joint statement of policy issued under subsection (b), with such findings and recommendations as the Secretaries consider appropriate.

**SEC. 849. STUDY ON DEPARTMENT OF DEFENSE CONTRACTING WITH SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.**

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study on Department of Defense procurement contracts with small business concerns owned and controlled by service-disabled veterans.

(b) ELEMENTS OF STUDY.—The study required by subsection (a) shall include the following determinations:

(1) Any steps taken by the Department of Defense to meet the Government-wide goal of participation by small business concerns owned and controlled by service-disabled veterans in at least 3 percent of the total value of all prime contract and subcontract awards, as required under section 15(g) of the Small Business Act (15 U.S.C. 644(g)).

(2) If the Department of Defense has failed to meet such goal, an explanation of the reasons for such failure.

(3) Any steps taken within the Department of Defense to make contracting officers aware of the 3 percent goal and to ensure that procurement officers are working actively to achieve such goal.

(4) An estimate of the number of appropriately qualified small business concerns owned and controlled by service-disabled veterans which submitted responsive offers on contracts with the Department of Defense during the preceding fiscal year.

(5) Any outreach efforts made by the Department to enter into contracts with small business concerns owned and controlled by service-disabled veterans.

(6) Any additional outreach efforts the Department should make.

(7) The appropriate role of prime contractors in achieving goals established for small business concerns owned and controlled by service-disabled veterans under section 36 of the Small Business Act (15 U.S.C. 657f).

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the findings of the study conducted under this section.

(d) SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.—In this section, the term "small business concern owned and controlled by service-disabled veterans" has the meaning given that term in section 3(q) of the Small Business Act (15 U.S.C. 632(q)).

# TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

## SUBTITLE A—GENERAL DEPARTMENT OF DEFENSE MANAGEMENT MATTERS

Sec. 901. Parity in pay levels among Under Secretary positions.
Sec. 902. Expansion of eligibility for leadership of Department of Defense Test Resource Management Center.
Sec. 903. Standardization of authority for acceptance of gifts and donations for Department of Defense regional centers for security studies.
Sec. 904. Directors of Small Business Programs in Department of Defense and military departments.
Sec. 905. Plan to defend the homeland against cruise missiles and other low-altitude aircraft.
Sec. 906. Provision of audiovisual support services by White House Communications Agency on nonreimbursable basis.
Sec. 907. Report on establishment of a Deputy Secretary of Defense for Management.
Sec. 908. Responsibility of the Joint Chiefs of Staff as military advisers to the Homeland Security Council.
Sec. 909. Improvement in health care services for residents of Armed Forces Retirement Home.

SUBTITLE B—SPACE ACTIVITIES

Sec. 911. Space Situational Awareness Strategy and space control mission review.
Sec. 912. Military satellite communications.
Sec. 913. Operationally responsive space.
Sec. 914. Report on use of Space Radar for topographical mapping for scientific and civil purposes.
Sec. 915. Sense of Congress regarding national security aspect of United States preeminence in human spaceflight.

SUBTITLE C—CHEMICAL DEMILITARIZATION PROGRAM

Sec. 921. Clarification of Cooperative Agreement Authority under Chemical Demilitarization Program.
Sec. 922. Chemical demilitarization facilities.

SUBTITLE D—INTELLIGENCE-RELATED MATTERS

Sec. 931. Department of Defense Strategy for Open-Source Intelligence.
Sec. 932. Comprehensive inventory of Department of Defense Intelligence and Intelligence-related programs and projects.
Sec. 933. Operational files of the Defense Intelligence Agency.

# Subtitle A—General Department of Defense Management Matters

### SEC. 901. PARITY IN PAY LEVELS AMONG UNDER SECRETARY POSITIONS.

(a) POSITIONS OF UNDER SECRETARIES OF MILITARY DEPARTMENTS RAISED TO LEVEL III OF THE EXECUTIVE SCHEDULE.—Section 5314 of title 5, United States Code, is amended by inserting after "Under Secretary of Defense for Intelligence" the following:

"Under Secretary of the Air Force.
"Under Secretary of the Army.
"Under Secretary of the Navy.".

(b) CONFORMING AMENDMENT.—Section 5315 of such title is amended by striking the following:

"Under Secretary of the Air Force.
"Under Secretary of the Army.
"Under Secretary of the Navy.".

### SEC. 902. EXPANSION OF ELIGIBILITY FOR LEADERSHIP OF DEPARTMENT OF DEFENSE TEST RESOURCE MANAGEMENT CENTER.

(a) DIRECTOR OF CENTER.—Paragraph (1) of section 196(b) of title 10, United States Code, is amended by striking "commissioned officers" and all that follows through the end of the sentence and inserting "individuals who have substantial experience in the field of test and evaluation.".

(b) DEPUTY DIRECTOR OF CENTER.—Paragraph (2) of such section is amended by striking "senior civilian officers and employees of the Department of Defense" and inserting "individuals".

### SEC. 903. STANDARDIZATION OF AUTHORITY FOR ACCEPTANCE OF GIFTS AND DONATIONS FOR DEPARTMENT OF DEFENSE REGIONAL CENTERS FOR SECURITY STUDIES.

(a) AUTHORITY TO ACCEPT.—

(1) IN GENERAL.—Section 2611 of title 10, United States Code, is amended to read as follows:

**"§ 2611. Regional centers for security studies: acceptance of gifts and donations**

"(a) AUTHORITY TO ACCEPT GIFTS AND DONATIONS.—(1) Subject to subsection (c), the Secretary of Defense may, on behalf of any Department of Defense regional center for security studies, any combination of such centers, or such centers generally, accept from any source specified in subsection (b) any gift or donation for purposes of defraying the costs or enhancing the operation of such a center, combination of centers, or centers generally, as the case may be.

"(2) For purposes of this section, the Department of Defense regional centers for security studies are the following:

"(A) The George C. Marshall European Center for Security Studies.

"(B) The Asia-Pacific Center for Security Studies.

"(C) The Center for Hemispheric Defense Studies.

"(D) The Africa Center for Strategic Studies.

"(E) The Near East South Asia Center for Strategic Studies.

"(b) SOURCES.—The sources from which gifts and donations may be accepted under subsection (a) are the following:

"(1) The government of a State or a political subdivision of a State.

"(2) The government of a foreign country.

"(3) A foundation or other charitable organization, including a foundation or charitable organization this is organized or operates under the laws of a foreign country.

"(4) Any source in the private sector of the United States or a foreign country.

"(c) LIMITATION.—The Secretary may not accept a gift or donation under subsection (a) if acceptance of the gift or donation would compromise or appear to compromise—

"(1) the ability of the Department of Defense, any employee of the Department, or any member of the armed forces to carry out the responsibility or duty of the Department in a fair and objective manner; or

"(2) the integrity of any program of the Department, or of any person involved in such a program.

"(d) CRITERIA FOR ACCEPTANCE.—The Secretary shall prescribe written guidance setting forth the criteria to be used in determining whether the acceptance of a gift or donation would have a result described in subsection (c).

"(e) CREDITING OF FUNDS.—Funds accepted by the Secretary under section (a) shall be credited to appropriations available to the Department of Defense for the regional center, combination of centers, or centers generally for which accepted. Funds so credited shall be merged with the appropriations to which credited and shall be available for the regional center, combination of centers, or centers generally, as the case may be, for the same purposes as the appropriations with which merged. Any funds accepted under this section shall remain available until expended.

"(f) GIFT OR DONATION DEFINED.—In this section, the term 'gift or donation' means any gift or donation of funds, materials (including research materials), real or personal property, or services (including lecture services and faculty services).".

(2) CLERICAL AMENDMENT.—The item relating to section 2611 in the table of sections at the beginning of chapter 155 of such title is amended to read as follows:

"2611. Regional centers for security studies: acceptance of gifts and donations.".

(b) ANNUAL REPORT ON GIFT ACCEPTANCE.—Section 184(b)(4) of title 10, United States Code, is amended by striking "under any of the" and all that follows and inserting "under section 2611 of this title.".

(c) CONFORMING AMENDMENTS.—

(1) Section 1306 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2892) is amended—

(A) by striking subsection (a);

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

(C) by striking "(1)" the first place it appears;

(D) by redesignating paragraph (2) as subsection (b);

(E) by inserting "SOURCE OF FUNDS.—" before "Costs for"; and

(F) by striking "paragraph (1)" and insertion "subsection (a)".

(2) Section 1065 of the National Defense Authorization Act for Fiscal Year 1997 (10 U.S.C. 113 note) is amended—

(A) by striking subsection (a); and

(B) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

**SEC. 904. DIRECTORS OF SMALL BUSINESS PROGRAMS IN DEPARTMENT OF DEFENSE AND MILITARY DEPARTMENTS.**

(a) REDESIGNATION OF EXISTING POSITIONS AND OFFICES.—

(1) POSITIONS REDESIGNATED.—The following positions within the Department of Defense are redesignated as follows:

(A) The Director of Small and Disadvantaged Business Utilization of the Department of Defense is redesignated as the Director of Small Business Programs of the Department of Defense.

(B) The Director of Small and Disadvantaged Business Utilization of the Department of the Army is redesignated as the Director of Small Business Programs of the Department of the Army.

(C) The Director of Small and Disadvantaged Business Utilization of the Department of the Navy is redesignated as the Director of Small Business Programs of the Department of the Navy.

(D) The Director of Small and Disadvantaged Business Utilization of the Department of the Air Force is redesignated as the Director of Small Business Programs of the Department of the Air Force.

(2) OFFICES REDESIGNATED.—The following offices within the Department of Defense are redesignated as follows:

(A) The Office of Small and Disadvantaged Business Utilization of the Department of Defense is redesignated as the Office of Small Business Programs of the Department of Defense.

(B) The Office of Small and Disadvantaged Business Utilization of the Department of the Army is redesignated as the Office of Small Business Programs of the Department of the Army.

(C) The Office of Small and Disadvantaged Business Utilization of the Department of the Navy is redesignated as the Office of Small Business Programs of the Department of the Navy.

(D) The Office of Small and Disadvantaged Business Utilization of the Department of the Air Force is redesignated as the Office of Small Business Programs of the Department of the Air Force.

(3) REFERENCES.—Any reference in any law, regulation, document, paper, or other record of the United States to a position or office redesignated by paragraph (1) or (2) shall be deemed to be a reference to the position or office as so redesignated.

(b) DEPARTMENT OF DEFENSE.—

(1) OSD POSITION AND OFFICE.—Chapter 4 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 144. Director of Small Business Programs**

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of Defense. The Director is appointed by the Secretary of Defense.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of Defense is the office that is established within the Office of the Secretary of Defense under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of Defense, and shall exercise such powers regarding those programs, as the Secretary of Defense may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"144. Director of Small Business Programs.".

(c) DEPARTMENT OF THE ARMY.—

(1) POSITION AND OFFICE.—Chapter 303 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 3024. Director of Small Business Programs**

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of the Army. The Director is appointed by the Secretary of the Army.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of the Army is the office that is established within the Department of the Army under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of the Army,

and shall exercise such powers regarding those programs, as the Secretary of the Army may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"3024. Director of Small Business Programs.".

(d) DEPARTMENT OF THE NAVY.—

(1) POSITION AND OFFICE.—Chapter 503 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 5028. Director of Small Business Programs**

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of the Navy. The Director is appointed by the Secretary of the Navy.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of the Navy is the office that is established within the Department of the Navy under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of the Navy, and shall exercise such powers regarding those programs, as the Secretary of the Navy may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"5028. Director of Small Business Programs.".

(e) DEPARTMENT OF THE AIR FORCE.—

(1) POSITION AND OFFICE.—Chapter 803 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 8024. Director of Small Business Programs**

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of the Air Force. The Director is appointed by the Secretary of the Air Force.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of the Air Force is the office that is established within the Department of the Air Force under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of the Air Force, and shall exercise such powers regarding those programs, as the Secretary of the Air Force may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"8024. Director of Small Business Programs.".

**SEC. 905. PLAN TO DEFEND THE HOMELAND AGAINST CRUISE MISSILES AND OTHER LOW-ALTITUDE AIRCRAFT.**

(a) PLAN REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a plan for the defense of the United States homeland against cruise missiles, unmanned aerial vehicles, and other low-altitude aircraft that may be launched in an attack against the United States homeland.

(b) FOCUS OF PLAN.—In developing the plan, the Secretary shall focus on the role of Department of Defense components in the defense of the homeland against an attack described in subsection (a), but shall also address the role, if any, of other departments and agencies of the United States Government in that defense.

(c) ELEMENTS OF PLAN.—The plan shall include the following:

(1) The identification of an official or office within the Department of Defense to be responsible for coordinating the implementation of the plan described in subsection (a) from both an operational and acquisition perspective.

(2) Identification of (A) the capabilities required by the Department of Defense in order to fulfill the mission of the Department to defend the homeland against attack by cruise missiles, unmanned aerial vehicles, and other low-altitude aircraft, and (B) any current shortfall in those capabilities.

(3) Identification of each element of the Department of Defense that will be responsible under the plan for acquisition in order to achieve one or more of the capabilities identified pursuant to paragraph (2).

(4) A schedule for implementing the plan.

(5) A statement of the funding required to implement the Department of Defense portion of the plan.

(6) An identification of the roles and missions, if any, of other departments and agencies of the United States Government in contributing to the defense of the homeland against attack described in paragraph (2).

(d) SCOPE OF PLAN.—The plan shall be coordinated with plans of the Department of Defense for defending the United States homeland against attack by short-range to medium-range ballistic missiles.

**SEC. 906. PROVISION OF AUDIOVISUAL SUPPORT SERVICES BY WHITE HOUSE COMMUNICATIONS AGENCY ON NONREIMBURSABLE BASIS.**

(a) PROVISION ON NONREIMBURSABLE BASIS.—Section 912 of the National Defense Authorization Act for Fiscal Year 1997 (10 U.S.C. 111 note) is amended—

(1) in subsection (a)—

(A) in the subsection heading, by inserting "AND AUDIOVISUAL SUPPORT SERVICES" after "TELECOMMUNICATIONS SUPPORT"; and

(B) by inserting "and audiovisual support services" after "provision of telecommunications support"; and

(2) in subsection (b), by inserting "and audiovisual" after "other than telecommunications".

(b) REPEAL OF OBSOLETE PROVISIONS.—Such section is further amended by striking subsections (d), (e), and (f).

**SEC. 907. REPORT ON ESTABLISHMENT OF A DEPUTY SECRETARY OF DEFENSE FOR MANAGEMENT.**

(a) STUDY REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall, as determined by the Secretary, select one or two Federally Funded Research and Development Centers to conduct a study of the feasibility and advisability of establishing a Deputy Secretary of Defense for Management. The Secretary shall provide for each Center conducting a study under this section to submit a report on such study to the Secretary and to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives not later than December 1, 2006.

(b) CONTENT OF STUDY.—Each study under this section shall address—

(1) the extent to which the establishment of a Deputy Secretary of Defense for Management would—

(A) improve the management of the Department of Defense;

(B) expedite the process of management reform in the Department; and

(C) enhance the implementation of business systems modernization in the Department;

(2) the appropriate relationship of the Deputy Secretary of Defense for Management to other Department of Defense officials;

(3) the appropriate term of service for a Deputy Secretary of Defense for Management; and

(4) the experience of any other Federal agencies that have instituted similar management positions.

(c) DEPUTY SECRETARY FOR MANAGEMENT POSITION DESCRIBED.—For the purposes of this section, a Deputy Secretary of Defense for Management is an official who—

(1) serves as the Chief Management Officer of the Department of Defense;

(2) is the principal advisor to the Secretary of Defense on matters relating to the management of the Department of Defense, including defense business activities, to ensure Department-wide capability to carry out the strategic plan of the Department of Defense in support of national security objectives; and

(3) takes precedence in the Department of Defense immediately after the Deputy Secretary of Defense.

**SEC. 908. RESPONSIBILITY OF THE JOINT CHIEFS OF STAFF AS MILITARY ADVISERS TO THE HOMELAND SECURITY COUNCIL.**

(a) RESPONSIBILITY AS MILITARY ADVISERS.—

(1) IN GENERAL.—Subsection (b) of section 151 of title 10, United States Code, is amended—

(A) in paragraph (1), by inserting "the Homeland Security Council," after "the National Security Council,"; and

(B) in paragraph (2), by inserting "the Homeland Security Council," after "the National Security Council,".

(2) CONSULTATION BY CHAIRMAN.—Subsection (c)(2) of such section is amended by inserting "the Homeland Security Council," after "the National Security Council," both places it appears.

(3) ADVICE AND OPINIONS OF MEMBERS OTHER THAN CHAIRMAN.—Subsection (d) of such section is amended—

(A) in paragraph (1), by inserting "the Homeland Security Council," after "the National Security Council," both places it appears; and

(B) in paragraph (2), by inserting "the Homeland Security Council," after "the National Security Council,".

(4) ADVICE ON REQUEST.—Subsection (e) of such section is amended by inserting "the Homeland Security Council," after "the National Security Council," both places it appears.

(b) ATTENDANCE AT MEETING OF HOMELAND SECURITY COUNCIL.—Section 903 of the Homeland Security Act of 2002 (6 U.S.C. 493) is amended—

(1) by inserting "(a) MEMBERS—" before "The members"; and

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

"(b) ATTENDANCE OF CHAIRMAN OF JOINT CHIEFS OF STAFF AT MEETINGS.—The Chairman of the Joint Chiefs of Staff (or, in the absence of the Chairman, the Vice Chairman of the Joint Chiefs of Staff) may, in the role of the Chairman of the Joint Chiefs of Staff as principal military adviser to the Council and subject to the direction of the President, attend and participate in meetings of the Council.".

**SEC. 909. IMPROVEMENT IN HEALTH CARE SERVICES FOR RESIDENTS OF ARMED FORCES RETIREMENT HOME.**

(a) AVAILABILITY OF PHYSICIANS AND DENTISTS; MEDICAL CARE TRANSPORTATION.—Section 1513 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 413) is amended—

(1) in subsection (a), by striking "subsection (b)" and inserting "subsections (b), (c), and (d)";

(2) in the third sentence of subsection (b), by striking "The" and inserting "Except as provided in subsection (d), the"; and

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

"(c) AVAILABILITY OF PHYSICIANS AND DENTISTS.—(1) In providing for the health care needs of residents at a facility of the Retirement Home under subsection (b), the Retirement Home shall have a physician and a dentist—

"(A) available at the facility during the daily business hours of the facility; and

"(B) available on an on-call basis at other times.

"(2) The physicians and dentists required by this subsection shall have the skills and experience suited to residents of the facility served by the physicians and dentists.

"(3) To ensure the availability of health care services for residents of a facility of the Retirement Home, the Chief Operating Officer, in consultation with the Medical Director, shall establish

uniform standards, appropriate to the medical needs of the residents, for access to health care services during and after the daily business hours of the facility.

"(d) TRANSPORTATION TO MEDICAL CARE OUTSIDE RETIREMENT HOME FACILITIES.—(1) With respect to each facility of the Retirement Home, the Retirement Home shall provide daily scheduled transportation to nearby medical facilities used by residents of the facility. The Retirement Home may provide, based on a determination of medical need, unscheduled transportation for a resident of the facility to any medical facility located not more than 30 miles from the facility for the provision of necessary and urgent medical care for the resident.

"(2) The Retirement Home may not collect a fee from a resident for transportation provided under this subsection.".

(b) COMPTROLLER GENERAL ASSESSMENT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report containing—

(1) an assessment of the regulatory oversight and monitoring of health care and nursing home care services provided by the Armed Forces Retirement Home; and

(2) such recommendations as the Comptroller General considers appropriate in light of the results of the assessment.

## Subtitle B—Space Activities

### SEC. 911. SPACE SITUATIONAL AWARENESS STRATEGY AND SPACE CONTROL MISSION REVIEW.

(a) FINDINGS.—The Congress finds that—

(1) the Department of Defense has the responsibility, within the executive branch, for developing the strategy and the systems of the United States for ensuring freedom to operate United States space assets affecting national security; and

(2) the foundation of any credible strategy for ensuring freedom to operate United States space assets is a comprehensive system for space situational awareness.

(b) SPACE SITUATIONAL AWARENESS STRATEGY.—

(1) REQUIREMENT.—The Secretary of Defense shall develop a strategy, to be known as the "Space Situational Awareness Strategy", for ensuring freedom to operate United States space assets affecting national security. The Secretary shall submit the Space Situational Awareness Strategy to Congress not later than April 15, 2006. The Secretary shall submit to Congress an updated, current version of the strategy not later than April 15 of every odd-numbered year thereafter.

(2) TIME PERIODS.—The Space Situational Awareness Strategy shall cover—

(A) the 20-year period from 2006 through 2025; and

(B) three separate successive periods, the first beginning with 2006, designed to align with the next three periods for the Future-Years Defense Plan.

(3) MATTERS TO BE INCLUDED.—The Space Situational Awareness Strategy shall include the following for each period specified in paragraph (2):

(A) A threat assessment describing the perceived threats to United States space assets affecting national security.

(B) A list of the desired effects and required space situational awareness capabilities required for national security.

(C) Details for a coherent and comprehensive strategy for the United States for space situational awareness, together with a description of the systems architecture to implement that strategy in light of the threat assessment and the desired effects and required capabilities identified under subparagraphs (A) and (B).

(D) The space situational awareness capabilities roadmap required by subsection (c).

(c) SPACE SITUATIONAL AWARENESS CAPABILITIES ROADMAP.—The Space Situational Awareness Strategy shall include a roadmap, to be known as the "space situational awareness capabilities roadmap", which shall include the following:

(1) A description of each of the individual program concepts that will make up the systems architecture described pursuant to subsection (b)(3)(C).

(2) For each such program concept, a description of the specific capabilities to be achieved and the threats to be abated.

(d) SPACE SITUATIONAL AWARENESS IMPLEMENTATION PLAN.—

(1) REQUIREMENT.—The Secretary of the Air Force shall develop a plan, to be known as the "space situational awareness implementation plan", for the development of the systems architecture described pursuant to subsection (b)(3)(C).

(2) MATTERS TO BE INCLUDED.—The space situational awareness implementation plan shall include a description of the following:

(A) The capabilities of all systems deployed as of mid-2005 or planned for modernization or acquisition from 2006 to 2015.

(B) Recommended solutions for inadequacies in the architecture to address threats and the desired effects and required capabilities identified under subparagraphs (A) and (B) of subsection (b)(3).

(e) SPACE CONTROL MISSION REVIEW AND ASSESSMENT.—

(1) REQUIREMENT.—The Secretary of Defense shall provide for a review and assessment of the requirements of the Department of Defense for the space control mission. The review and assessment shall be conducted by an entity of the Department of Defense outside of the Department of the Air Force.

(2) MATTERS TO BE INCLUDED.—The review and assessment under paragraph (1) shall consider the following:

(A) Whether current activities of the Department of Defense match current requirements of the Department for the current space control mission.

(B) Whether there exists proper allocation of appropriate resources to fulfill the current space control mission.

(C) The plans of the Department of Defense for the future space control mission.

(3) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the results

of the review and assessment under paragraph (1). The report shall include the following:

(A) The findings and conclusions of the entity conducting the review and assessment on (A) requirements of the Department of Defense for the space control mission, and (B) the efforts of the Department to meet those requirements.

(B) Recommendations regarding the best means by which the Department may meet those requirements.

(4) SPACE CONTROL MISSION DEFINED.—In this subsection, the term "space control mission" means the mission of the Department of Defense involving the following:

(A) Space situational awareness.

(B) Defensive counterspace operations.

(C) Offensive counterspace operations.

**SEC. 912. MILITARY SATELLITE COMMUNICATIONS.**

(a) FINDINGS.—Congress finds the following:

(1) Military requirements for satellite communications exceed the capability of on-orbit assets as of mid-2005.

(2) To meet future military requirements for satellite communications, the Secretary of the Air Force has initiated a highly complex and revolutionary program called the Transformational Satellite Communications System (TSAT).

(3) If the program referred to in paragraph (2) experiences setbacks that prolong the development and deployment of the capability to be provided by that program, the Secretary of the Air Force must be prepared to implement contingency programs to achieve interim improvements in the capabilities of satellite communications to meet military requirements through upgrades to current systems.

(b) DEVELOPMENT OF OPTIONS.—In order to prepare for the contingency referred to in subsection (a)(3), the Director of the National Security Space Office of the Department of Defense shall provide for an assessment, to be conducted by an entity outside the Department of Defense, to develop and compare options for the individual acquisition of additional Advanced Extremely High Frequency space vehicles, in conjunction with modifications to future acquisitions under the Wideband Gapfiller System program, that will accomplish the following:

(1) Minimize nonrecurring costs.

(2) Improve communications-on-the-move capabilities.

(3) Increase net centricity for communications.

(4) Increase satellite throughput.

(5) Increase user connectivity.

(6) Improve airborne communications support.

(7) Minimize effects of a break in production.

(8) Minimize risk associated with gaps in functional availability of on-orbit assets.

(c) ANALYSIS OF ALTERNATIVES REPORT.—Not later than April 15, 2006, the Director of the National Security Space Office shall submit to Congress a report providing an analysis of alternatives with respect to the options developed pursuant to subsection (b). The analysis of alternatives shall be prepared taking into consideration the findings and recommendations of the independent assessment conducted under subsection (b).

**SEC. 913. OPERATIONALLY RESPONSIVE SPACE.**

(a) JOINT OPERATIONALLY RESPONSIVE SPACE PAYLOAD TECHNOLOGY ORGANIZATION.—

(1) IN GENERAL.—The Secretary of Defense shall establish or designate an organization in the Department of Defense to coordinate joint operationally responsive space payload technology.

(2) MASTER PLAN.—The organization established or designated under paragraph (1) shall produce an annual master plan for coordination of operationally responsive space payload technology and shall coordinate resources provided to stimulate technical development of small satellite payloads. The annual master plan shall describe focus areas for development of operationally responsive space payload technology, including—

(A) miniaturization technology for satellite payloads;

(B) increased sensor acuity;

(C) concept of operations exploration;

(D) increased processor capability; and

(E) such additional matters as the head of that organization determines appropriate.

(3) REQUESTS FOR PROPOSALS.—The Secretary of Defense, acting through the Director of the Office of Force Transformation, shall award contracts, from amounts available for that purpose for any fiscal year, for technology projects that support the focus areas set out in the master plan for development of operationally responsive space payload technology.

(4) ASSESSMENT FACTORS.—In assessing any proposal submitted for a contract under paragraph (3), the Secretary shall consider—

(A) how the proposal correlates to the goals articulated in the master plan under paragraph (2) and to the National Security Space Architecture; and

(B) the probability, for the project for which the proposal is submitted, of eventual transition either to a laboratory of one of the military departments for continued development or to a joint program office for operational deployment.

(b) REPORT ON JOINT PROGRAM OFFICE FOR TACSAT.—Not later than February 28, 2006, the Secretary of Defense shall submit to the congressional defense committees a report providing a plan for the creation of a joint program office for the Tactical Satellite program and for transition of that program out of the Office of Force Transformation and to the administration of the joint program office. The report shall be prepared in conjunction with the Department of Defense executive agent for space.

(c) JOINT REPORT ON CERTAIN SPACE AND MISSILE DEFENSE ACTIVITIES.—Not later than February 28, 2006, the Department of Defense executive agent for space and the Director of the Missile Defense Agency shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a joint report on the value of each of the following:

(1) Increased use of the Rocket Systems Launch Program for the respective missions of the Department of the Air Force and the Missile Defense Agency.

(2) An agreement between the Director of the Missile Defense Agency and the Secretary of the Air Force for eventual

transition of operational control of small satellite demonstrations from the Missile Defense Agency to the Department of the Air Force.

(3) A partnership between the Missile Defense Agency and the Department of the Air Force in the development of common high-altitude and near-space assets for the respective missions of the Missile Defense Agency and the Department of the Air Force.

**SEC. 914. REPORT ON USE OF SPACE RADAR FOR TOPOGRAPHICAL MAPPING FOR SCIENTIFIC AND CIVIL PURPOSES.**

(a) REPORT REQUIRED.—Not later than October 1, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the feasibility and advisability of using systems developed within the Space Radar program of the Department of Defense for purposes of providing coastal zone and other topographical mapping information, and related information, to the scientific community and other elements of the private sector for scientific and civil purposes.

(b) REPORT ELEMENTS.—The report required by subsection (a) shall include the following:

(1) A description and evaluation of any use of Space Radar systems for scientific or civil purposes that is identified by the Secretary for purposes of the report.

(2) A description and evaluation of any addition or modification to Space Radar systems that is identified by the Secretary for purposes of the report that would increase the utility of those systems to the scientific community or other elements of the private sector for scientific or civil purposes, including the use of additional frequencies, the development or enhancement of ground systems, and the enhancement of operations.

(3) A description and evaluation of the effects, if any, on the primary missions of the Space Radar, and on the development of the Space Radar, of the use of systems developed within the Space Radar program for scientific or civil purposes.

(4) A description of the costs of any addition or modification identified pursuant to paragraph (2).

(5) A description of the process for developing and validating requirements for the Space Radar, including the involvement of the Civil Applications Committee or other organizations outside the Department of Defense.

(6) A description and evaluation of the processes that would be used to modify Space Radar systems in order to meet the needs of the scientific community, or other elements of the private sector with respect to the use of those systems for scientific or civil purposes, and for meeting the costs of such modifications.

**SEC. 915. SENSE OF CONGRESS REGARDING NATIONAL SECURITY ASPECT OF UNITED STATES PREEMINENCE IN HUMAN SPACEFLIGHT.**

(a) FINDINGS.—The Congress finds that the following:

(1) Preeminence by the United States in human spaceflight allows the United States to project leadership around the world and forms an important component of United States national security.

(2) Continued development of human spaceflight in low-Earth orbit, on the Moon, and beyond adds to the overall national strategic posture.

(3) Human spaceflight enables continued stewardship of the region between the Earth and the Moon—an area that is critical and of growing national and international security relevance.

(4) Human spaceflight provides unprecedented opportunities for the United States to lead peaceful and productive international relationships with the world community in support of United States security and geo-political objectives.

(5) An increasing number of nations are pursuing human spaceflight and space-related capabilities, including China and India.

(6) Past investments in human spaceflight capabilities represent a national resource that can be built upon and leveraged for a broad range of purposes, including national and economic security.

(7) The industrial base and capabilities represented by the Space Transportation System (popularly referred to as the "space shuttle") provide a critical launch capability for the Nation.

(b) SENSE OF CONGRESS.—It is the sense of Congress that it is in the national security interest of the United States to maintain preeminence in human spaceflight.

# Subtitle C—Chemical Demilitarization Program

### SEC. 921. CLARIFICATION OF COOPERATIVE AGREEMENT AUTHORITY UNDER CHEMICAL DEMILITARIZATION PROGRAM.

(a) AGREEMENTS WITH FEDERALLY RECOGNIZED INDIAN TRIBAL ORGANIZATIONS.—Section 1412(c)(4) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(c)(4)), is amended—

(1) by inserting "(A)" after "(4)";

(2) in the first sentence—

(A) by inserting "and to tribal organizations" after "to State and local governments"; and

(B) by inserting "and tribal organizations" after "assist those governments";

(3) by designating the text beginning "Additionally, the Secretary " as subparagraph (B);

(4) in the first sentence of subparagraph (B), as designated by paragraph (3), by inserting ", and with tribal organizations," after "with State and local governments"; and

(5) by adding at the end the following:

"(C) In this paragraph, the term 'tribal organization' has the meaning given that term in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l)).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a)—

(1) take effect as of December 5, 1991; and

(2) apply with respect to any cooperative agreement entered into on or after that date.

**SEC. 922. CHEMICAL DEMILITARIZATION FACILITIES.**

(a) AUTHORITY TO USE RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS TO CONSTRUCT FACILITIES.—The Secretary of Defense may, using amounts authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide and available for chemical weapons demilitarization activities under the Assembled Chemical Weapons Alternatives program, carry out construction projects, or portions of construction projects, for facilities necessary to support chemical demilitarization operations at each of the following:

(1) Pueblo Army Depot, Colorado.

(2) Blue Grass Army Depot, Kentucky.

(b) SCOPE OF AUTHORITY.—The authority in subsection (a) to carry out a construction project for facilities includes authority to carry out planning and design and the acquisition of land for the construction or improvement of such facilities.

(c) LIMITATION ON AMOUNT OF FUNDS.—The amount of funds that may be utilized under the authority in subsection (a) may not exceed $51,000,000.

(d) DURATION OF AUTHORITY.—A construction project, or portion of a construction project, may not be commenced under the authority in subsection (a) after September 30, 2006.

(e) NOTICE AND WAIT.—The Secretary may not carry out a construction project, or portion of a construction project, under the authority in subsection (a) until the end of the 21-day period beginning on the date on which the Secretary submits to the congressional defense committees notice of the Secretary's intent to carry out such project and confirms his intent to seek funding for these projects beginning in fiscal year 2007 through the military construction appropriations accounts.

# Subtitle D—Intelligence-Related Matters

**SEC. 931. DEPARTMENT OF DEFENSE STRATEGY FOR OPEN-SOURCE INTELLIGENCE.**

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

(1) Open-source intelligence (OSINT) is intelligence that is produced from publicly available information and is collected, exploited, and disseminated in a timely manner to an appropriate audience for the purpose of addressing a specific intelligence requirement.

(2) With the Information Revolution, the amount, significance, and accessibility of open-source information has expanded significantly, but the intelligence community has not expanded its exploitation efforts and systems to produce open-source intelligence.

(3) The production of open-source intelligence is a valuable intelligence discipline that must be integrated into intelligence tasking, collection, processing, exploitation, and dissemination to ensure that United States policymakers are fully and completely informed.

(4) The dissemination and use of validated open-source intelligence inherently enables information sharing since open-source intelligence is produced without the use of sensitive sources and methods. Open-source intelligence products can

be shared with the American public and foreign allies because of the unclassified nature of open-source intelligence.

(5) The National Commission on Terrorist Attacks Upon the United States (popularly referred to as the "9/11 Commission"), in its final report released on July 22, 2004, identified shortfalls in the ability of the United States to use all-source intelligence, a large component of which is open-source intelligence.

(6) In the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458), Congress calls for coordination of the collection, analysis, production, and dissemination of open-source intelligence.

(7) The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction, in its report to the President released on March 31, 2005, found that "the need for exploiting open-source material is greater now than ever before," but that "the Intelligence Community's open source programs have not expanded commensurate with either the increase in available information or with the growing importance of open source data to today's problems".

(b) DEPARTMENT OF DEFENSE STRATEGY FOR OPEN-SOURCE INTELLIGENCE.—

(1) DEVELOPMENT OF STRATEGY.—The Secretary of Defense shall develop a strategy for the purpose of integrating open-source intelligence into the Defense intelligence process. The strategy shall be known as the "Defense Strategy for Open-Source Intelligence". The strategy shall be incorporated within the larger Defense intelligence strategy.

(2) SUBMISSION.—The Secretary shall submit to Congress a report setting forth the strategy developed under paragraph (1). The report shall be submitted not later than 180 days after the date of the enactment of this Act.

(c) MATTERS TO BE INCLUDED.—The strategy under subsection (b) shall include the following:

(1) A plan for providing funds over the period of the future-years defense program for the development of a robust open-source intelligence capability for the Department of Defense, with particular emphasis on exploitation and dissemination.

(2) A description of how management of the collection of open-source intelligence is currently conducted within the Department of Defense and how that management can be improved.

(3) A description of the tools, systems, centers, organizational entities, and procedures to be used within the Department of Defense to perform open-source intelligence tasking, collection, processing, exploitation, and dissemination.

(4) A description of proven tradecraft for effective exploitation of open-source intelligence, to include consideration of operational security.

(5) A detailed description on how open-source intelligence will be fused with all other intelligence sources across the Department of Defense.

(6) A description of—

(A) a training plan for Department of Defense intelligence personnel with respect to open-source intelligence; and

(B) open-source intelligence guidance for Department of Defense intelligence personnel.

(7) A plan to incorporate the function of oversight of open-source intelligence—

(A) into the Office of the Undersecretary of Defense for Intelligence; and

(B) into service intelligence organizations.

(8) A plan to incorporate and identify an open-source intelligence specialty into personnel systems of the Department of Defense, including military personnel systems.

(9) A plan for the use of intelligence personnel of the reserve components to augment and support the open-source intelligence mission.

(10) A plan for the use of the Open-Source Information System for the purpose of exploitation and dissemination of open-source intelligence.

**SEC. 932. COMPREHENSIVE INVENTORY OF DEPARTMENT OF DEFENSE INTELLIGENCE AND INTELLIGENCE-RELATED PROGRAMS AND PROJECTS.**

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional committees specified in subsection (b) a report providing a comprehensive inventory of Department of Defense intelligence and intelligence-related programs and projects. The Secretary shall prepare the inventory in consultation with the Director of National Intelligence, as appropriate.

(b) COMMITTEES.—The congressional committees referred to in subsection (a) are the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

**SEC. 933. OPERATIONAL FILES OF THE DEFENSE INTELLIGENCE AGENCY.**

(a) PROTECTION OF OPERATIONAL FILES OF DEFENSE INTELLIGENCE AGENCY.—

(1) PROTECTION OF FILES.—Title VII of the National Security Act of 1947 (50 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"OPERATIONAL FILES OF THE DEFENSE INTELLIGENCE AGENCY

"SEC. 705. (a) EXEMPTION OF OPERATIONAL FILES.—The Director of the Defense Intelligence Agency, in coordination with the Director of National Intelligence, may exempt operational files of the Defense Intelligence Agency from the provisions of section 552 of title 5, United States Code, which require publication, disclosure, search, or review in connection therewith.

"(b) OPERATIONAL FILES DEFINED.—(1) In this section, the term 'operational files' means—

"(A) files of the Directorate of Human Intelligence of the Defense Intelligence Agency (and any successor organization

of that directorate) that document the conduct of foreign intelligence or counterintelligence operations or intelligence or security liaison arrangements or information exchanges with foreign governments or their intelligence or security services; and

"(B) files of the Directorate of Technology of the Defense Intelligence Agency (and any successor organization of that directorate) that document the means by which foreign intelligence or counterintelligence is collected through technical systems.

"(2) Files that are the sole repository of disseminated intelligence are not operational files.

"(c) SEARCH AND REVIEW FOR INFORMATION.—Notwithstanding subsection (a), exempted operational files shall continue to be subject to search and review for information concerning:

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

"(2) Any special activity the existence of which is not exempt from disclosure under the provisions of section 552 of title 5, United States Code.

"(3) The specific subject matter of an investigation by any of the following for any impropriety, or violation of law, Executive order, or Presidential directive, in the conduct of an intelligence activity:

"(A) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

"(B) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

"(C) The Intelligence Oversight Board.

"(D) The Department of Justice.

"(E) The Office of General Counsel of the Department of Defense or of the Defense Intelligence Agency.

"(F) The Office of Inspector General of the Department of Defense or of the Defense Intelligence Agency.

"(G) The Office of the Director of the Defense Intelligence Agency.

"(d) INFORMATION DERIVED OR DISSEMINATED FROM EXEMPTED OPERATIONAL FILES.—(1) Files that are not exempted under subsection (a) that contain information derived or disseminated from exempted operational files shall be subject to search and review.

"(2) The inclusion of information from exempted operational files in files that are not exempted under subsection (a) shall not affect the exemption under subsection (a) of the originating operational files from search, review, publication, or disclosure.

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

"(4) Records from exempted operational files that have been disseminated to and referenced in files that are not exempted under subsection (a) and that have been returned to exempted operational files for sole retention shall be subject to search and review.

"(e) ALLEGATION; IMPROPER WITHHOLDING OF RECORDS; JUDICIAL REVIEW.—(1) Except as provided in paragraph (2), whenever any person who has requested agency records under section 552 of title 5, United States Code, alleges that the Defense Intelligence Agency 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.

"(2) Judicial review shall not be available in the manner provided under paragraph (1) as follows:

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

"(B) The court shall determine, to the fullest extent practicable, issues of fact based on sworn written submissions of the parties.

"(C) When a complainant alleges that requested records were 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.

"(D)(i) When a complainant alleges that requested records were improperly withheld because of improper exemption of operational files, the Defense Intelligence Agency 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 responsible records currently perform the functions set forth in subsection (b).

"(ii) The court may not order the Defense Intelligence Agency to review the content of any exempted operational file or files in order to make the demonstration required under clause (i), unless the complainant disputes the Defense Intelligence Agency's showing with a sworn written submission based on personal knowledge or otherwise admissible evidence.

"(E) In proceedings under subparagraphs (C) and (D), the parties shall 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.

"(F) If the court finds under this subsection that the Defense Intelligence Agency has improperly withheld requested records because of failure to comply with any provision of this subsection, the court shall order the Defense Intelligence Agency 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 section (other than subsection (f)).

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

"(H) Any information filed with, or produced for the court pursuant to subparagraphs (A) and (D) shall be coordinated with the Director of National Intelligence before submission to the court.

"(f) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—(1) Not less than once every 10 years, the Director of the Defense Intelligence Agency and the Director of National Intelligence shall review the exemptions in force under subsection (a) to determine whether such exemptions may be removed from a category of exempted files or any portion thereof. The Director of National Intelligence must approve any determinations to remove such exemptions.

"(2) The review required by paragraph (1) shall include 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 declassifying a significant part of the information contained therein.

"(3) A complainant that alleges that the Defense Intelligence Agency has improperly 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 the following:

"(A) Whether the Defense Intelligence Agency has conducted the review required by paragraph (1) before the expiration of the 10-year period beginning on the date of the enactment of this section or before the expiration of the 10-year period beginning on the date of the most recent review.

"(B) Whether the Defense Intelligence Agency, in fact, considered the criteria set forth in paragraph (2) in conducting the required review.

"(g) TERMINATION.—This section shall cease to be effective on December 31, 2007.".

(2) CLERICAL AMENDMENT.—The table of contents in the first section of the National Security Act of 1947 is amended by inserting after the item relating to section 704 the following new item:

"Sec. 705. Operational files of the Defense Intelligence Agency.".

(b) SEARCH AND REVIEW OF CERTAIN OTHER OPERATIONAL FILES.—The National Security Act of 1947 is further amended—

(1) in section 702(a)(3)(C) (50 U.S.C. 432(a)(3)(C)), by adding at the end the following new clause:

"(vi) The Office of the Inspector General of the National Geospatial-Intelligence Agency.";

(2) in section 703(a)(3)(C) (50 U.S.C. 432a(a)(3)(C)), by adding at the end the following new clause:

"(vii) The Office of the Inspector General of the NRO.";

and

(3) in section 704(c)(3) (50 U.S.C. 432b(c)(3)), by adding at the end the following new subparagraph:

"(H) The Office of the Inspector General of the National Security Agency.".

# TITLE X—GENERAL PROVISIONS

## SUBTITLE A—FINANCIAL MATTERS

Sec. 1001. Transfer authority.
Sec. 1002. Authorization of emergency supplemental appropriations for fiscal years 2005 and 2006.
Sec. 1003. Increase in fiscal year 2005 general transfer authority.
Sec. 1004. Reports on feasibility and desirability of capital budgeting for major defense acquisition programs.
Sec. 1005. United States contribution to NATO common-funded budgets in fiscal year 2006.

## SUBTITLE B—NAVAL VESSELS AND SHIPYARDS

Sec. 1011. Conveyance, Navy drydock, Seattle, Washington.
Sec. 1012. Conveyance, Navy drydock, Jacksonville, Florida.
Sec. 1013. Conveyance, Navy drydock, Port Arthur, Texas.
Sec. 1014. Transfer of battleships U.S.S. WISCONSIN and U.S.S. IOWA.
Sec. 1015. Transfer of ex-U.S.S. Forrest Sherman.
Sec. 1016. Report on leasing of vessels to meet national defense sealift requirements.
Sec. 1017. Establishment of the USS Oklahoma Memorial and other memorials at Pearl Harbor.
Sec. 1018. Authority to use National Defense Sealift Fund to purchase certain maritime prepositioning ships currently under charter to the Navy.

## SUBTITLE C—COUNTER-DRUG ACTIVITIES

Sec. 1021. Resumption of reporting requirement regarding Department of Defense expenditures to support foreign counter-drug activities.
Sec. 1022. Clarification of authority for joint task forces to support law enforcement agencies conducting counter-terrorism activities.
Sec. 1023. Sense of Congress regarding drug trafficking deterrence.

## SUBTITLE D—MATTERS RELATED TO HOMELAND SECURITY

Sec. 1031. Responsibilities of Assistant Secretary of Defense for Homeland Defense relating to nuclear, chemical, and biological emergency response.
Sec. 1032. Testing of preparedness for emergencies involving nuclear, radiological, chemical, biological, and high-yield explosives weapons.
Sec. 1033. Department of Defense chemical, biological, radiological, nuclear, and high-yield explosives response teams.
Sec. 1034. Repeal of Department of Defense emergency response assistance program.
Sec. 1035. Report on use of Department of Defense aerial reconnaissance assets to support Homeland Security border security missions.

## SUBTITLE E—REPORTS AND STUDIES

Sec. 1041. Review of Defense Base Act insurance.
Sec. 1042. Report on Department of Defense response to findings and recommendations of Defense Science Board Task Force on High Performance Microchip Supply.

## SUBTITLE F—OTHER MATTERS

Sec. 1051. Commission on the Implementation of the New Strategic Posture of the United States.
Sec. 1052. Reestablishment of EMP Commission.
Sec. 1053. Modernization of authority relating to security of defense property and facilities.
Sec. 1054. Revision of Department of Defense counterintelligence polygraph program.
Sec. 1055. Preservation of records pertaining to radioactive fallout from nuclear weapons testing.
Sec. 1056. Technical and clerical amendments.
Sec. 1057. Deletion of obsolete definitions in titles 10 and 32, United States Code.
Sec. 1058. Support for youth organizations.
Sec. 1059. Special immigrant status for persons serving as translators with United States Armed Forces.
Sec. 1060. Expansion of emergency services under reciprocal agreements.
Sec. 1061. Renewal of moratorium on return of veterans memorial objects to foreign nations without specific authorization in law.

Sec. 1062. Sense of Congress on national security interest of maintaining aeronautics research and development.
Sec. 1063. Airport certification.

SUBTITLE G—MILITARY MAIL MATTERS

Sec. 1071. Safe delivery of mail in military mail system.

# Subtitle A—Financial Matters

**SEC. 1001. TRANSFER AUTHORITY.**

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—

(1) AUTHORITY.—Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2006 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) LIMITATION.—The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $3,500,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

**SEC. 1002. AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEARS 2005 AND 2006.**

(a) EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE, THE GLOBAL WAR ON TERROR, AND TSUNAMI RELIEF, 2005.—Amounts authorized to be appropriated to the Department of Defense and the Department of Energy for fiscal year 2005 in the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased by a supplemental appropriation or decreased by a rescission, or both, or are increased by a transfer of funds, pursuant to title I and chapter 2 of title IV of division A of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13).

(b) FIRST EMERGENCY SUPPLEMENTAL TO MEET NEEDS ARISING FROM HURRICANE KATRINA.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2005 in the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375) are hereby adjusted, with respect

to any such authorized amount, by the amount by which appropriations pursuant to such authorized amount are increased by a supplemental appropriation, or by a transfer of funds, pursuant to the Emergency Supplemental Appropriations Act to Meet Immediate Needs Arising From the Consequences of Hurricane Katrina, 2005 (Public Law 109–61).

(c) SECOND EMERGENCY SUPPLEMENTAL TO MEET NEEDS ARISING FROM HURRICANE KATRINA.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2005 in the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorized amount are increased by a supplemental appropriation, or by a transfer of funds, pursuant to the Second Emergency Supplemental Appropriations Act to Meet Immediate Needs Arising From the Consequences of Hurricane Katrina, 2005 (Public Law 109–62).

(d) SUPPLEMENTAL APPROPRIATIONS FOR AVIAN FLU PREPAREDNESS.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2006 in this Act are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorized amount are increased by a supplemental appropriation, or by a transfer of funds, arising from the proposal of the President relating to avian flu preparedness that was submitted to Congress on November 1, 2006.

(e) AMOUNTS REALLOCATED FOR HURRICANE-RELATED DISASTER RELIEF.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2006 in this Act are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorized amount are increased by a reallocation of funds from the Disaster Relief Fund of the Federal Emergency Management Agency arising from the proposal of the Director of the Office of Management and Budget on the reallocation of amounts for hurricane-related disaster relief that was submitted to the President on October 28, 2005, and transmitted to the Speaker of the House of Representatives on that date.

(f) AMOUNTS FOR HUMANITARIAN ASSISTANCE FOR EARTHQUAKE VICTIMS IN PAKISTAN.—There is authorized to be appropriated as emergency supplemental appropriations for the Department of Defense for fiscal year 2006, $40,000,000 for the use of the Department of Defense for overseas, humanitarian, disaster, and civic aid for the purpose of providing humanitarian assistance to the victims of the earthquake that devastated northern Pakistan on October 8, 2005.

(g) REPORTS ON USE OF CERTAIN FUNDS.—

(1) REPORT ON USE OF EMERGENCY SUPPLEMENTAL FUNDS.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the obligation and expenditure, as of that date, of any funds appropriated to the Department of Defense for fiscal year 2005 pursuant to the Acts referred to in subsections (a), (b), and (c) as authorized by such subsections. The report shall set forth—

(A) the amounts so obligated and expended; and

(B) the purposes for which such amounts were so obligated and expended.

(2) REPORT ON EXPENDITURE OF REIMBURSABLE FUNDS.—The Secretary shall include in the report required by paragraph (1) a statement of any expenditure by the Department of Defense of funds that were reimbursable by the Federal Emergency Management Agency, or any other department or agency of the Federal Government, from funds appropriated in an Act referred to in subsection (a), (b), or (c) to such department or agency.

(3) REPORT ON USE OF CERTAIN OTHER FUNDS.—Not later than May 15, 2006, and quarterly thereafter through November 15, 2006, the Secretary shall submit to the congressional defense committees a report on the obligation and expenditure, during the previous fiscal year quarter, of any funds appropriated to the Department of Defense as specified in subsection (d) and any funds reallocated to the Department as specified in subsection (e). Each report shall, for the fiscal year quarter covered by such report, set forth—

(A) the amounts so obligated and expended; and

(B) the purposes for which such amounts were so obligated and expended.

(h) REPORT ON ASSISTANCE FOR EARTHQUAKE VICTIMS IN PAKISTAN.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report describing Department of Defense efforts to provide relief to victims of the earthquake that devastated northern Pakistan on October 8, 2005, and assessing the need for further reconstruction and relief assistance.

**SEC. 1003. INCREASE IN FISCAL YEAR 2005 GENERAL TRANSFER AUTHORITY.**

Section 1001(a)(2) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2034) is amended by striking "$3,500,000,000" and inserting "$6,185,000,000".

**SEC. 1004. REPORTS ON FEASIBILITY AND DESIRABILITY OF CAPITAL BUDGETING FOR MAJOR DEFENSE ACQUISITION PROGRAMS.**

(a) CAPITAL BUDGETING DEFINED.—For the purposes of this section, the term "capital budgeting" means a budget process that—

(1) identifies large capital outlays that are expected to be made in future years, together with identification of the proposed means to finance those outlays and the expected benefits of those outlays;

(2) separately identifies revenues and outlays for capital assets from revenues and outlays for an operating budget;

(3) allows for the issue of long-term debt to finance capital investments; and

(4) provides the budget authority for acquiring a capital asset over several fiscal years (rather than in a single fiscal year at the beginning of such acquisition).

(b) REPORTS REQUIRED.—Not later than July 1, 2006, the Secretary of Defense and the Secretary of each military department shall each submit to Congress a report analyzing the feasibility and desirability of using a capital budgeting system for the

financing of major defense acquisition programs. Each such report shall address the following matters:

(1) The potential long-term effect on the defense industrial base of the United States of continuing with the current full up-front funding system for major defense acquisition programs.

(2) Whether use of a capital budgeting system could create a more effective decisionmaking process for long-term investments in major defense acquisition programs.

(3) The manner in which a capital budgeting system for major defense acquisition programs would affect the budget planning and formulation process of the military departments.

(4) The types of financial mechanisms that would be needed to provide funds for such a capital budgeting system.

**SEC. 1005. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2006.**

(a) FISCAL YEAR 2006 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2006 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) TOTAL AMOUNT.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2005, of funds appropriated for fiscal years before fiscal year 2006 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) AUTHORIZED AMOUNTS.—Amounts authorized to be appropriated by titles II and III of this Act are available for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), $763,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $289,447,000 for the Military Budget.

(d) DEFINITIONS.—For purposes of this section:

(1) COMMON-FUNDED BUDGETS OF NATO.—The term "common-funded budgets of NATO" means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) FISCAL YEAR 1998 BASELINE LIMITATION.—The term "fiscal year 1998 baseline limitation" means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

# Subtitle B—Naval Vessels and Shipyards

**SEC. 1011. CONVEYANCE, NAVY DRYDOCK, SEATTLE, WASHINGTON.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy is authorized to convey the yard floating drydock YFD–70, located in Seattle, Washington, to Todd Pacific Shipyards Corporation, that company being the current user of the drydock.

(b) CONDITION OF CONVEYANCE.—The Secretary shall require as a condition of the conveyance under subsection (a) that the drydock remain at the facilities of Todd Pacific Shipyards Corporation until at least September 30, 2010.

(c) CONSIDERATION.—As consideration for the conveyance of the drydock under subsection (a), the purchaser shall provide compensation to the United States the value of which, as determined by the Secretary, is equal to the fair market value of the drydock, as determined by the Secretary.

(d) TRANSFER AT NO COST TO UNITED STATES.—The provisions of section 7306(c) of title 10, United States Code, shall apply to the conveyance under this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 1012. CONVEYANCE, NAVY DRYDOCK, JACKSONVILLE, FLORIDA.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy is authorized to convey the medium auxiliary floating drydock SUSTAIN (AFDM–7), located in Duval County, Florida, to Atlantic Marine Property Holding Company, that company being the current user of the drydock.

(b) CONDITION OF CONVEYANCE.—The Secretary shall require as a condition of the conveyance under subsection (a) that the drydock remain at the facilities of Atlantic Marine Property Holding Company until at least September 30, 2010.

(c) CONSIDERATION.—As consideration for the conveyance of the drydock under subsection (a), the purchaser shall provide compensation to the United States the value of which, as determined by the Secretary, is equal to the fair market value of the drydock, as determined by the Secretary.

(d) TRANSFER AT NO COST TO UNITED STATES.—The provisions of section 7306(c) of title 10, United States Code, shall apply to the conveyance under this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 1013. CONVEYANCE, NAVY DRYDOCK, PORT ARTHUR, TEXAS.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy is authorized to convey to the port authority of the city of Port Arthur, Texas, the inactive medium auxiliary floating drydock designated as AFDM–2, currently administered through the National Defense Reserve Fleet.

(b) CONDITION OF CONVEYANCE.—The Secretary shall require as a condition of the conveyance under subsection (a) that the drydock remain at the facilities of the port authority named in subsection (a).

(c) CONSIDERATION.—As consideration for the conveyance of the drydock under subsection (a), the purchaser shall provide compensation to the United States the value of which, as determined by the Secretary, is equal to the fair market value of the drydock, as determined by the Secretary.

(d) TRANSFER AT NO COST TO UNITED STATES.—The provisions of section 7306(c) of title 10, United States Code, shall apply to the conveyance under this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 1014. TRANSFER OF BATTLESHIPS U.S.S. WISCONSIN AND U.S.S. IOWA.**

(a) TRANSFER OF BATTLESHIP WISCONSIN.—The Secretary of the Navy is authorized—

(1) to strike the battleship U.S.S. WISCONSIN (BB–64) from the Naval Vessel Register; and

(2) to transfer that vessel, by gift or otherwise, in accordance with section 7306 of title 10, United States Code, except that the Secretary shall require, as a condition of transfer, that the transferee locate the vessel in the Commonwealth of Virginia.

(b) TRANSFER OF BATTLESHIP IOWA.—The Secretary of the Navy is authorized—

(1) to strike the battleship U.S.S. IOWA (BB–61) from the Naval Vessel Register; and

(2) to transfer that vessel, by gift or otherwise, in accordance with section 7306 of title 10, United States Code, except that the Secretary shall require, as a condition of transfer, that the transferee locate the vessel in the State of California.

(c) INAPPLICABILITY OF NOTICE-AND-WAIT REQUIREMENT.—Section 7306(d) of title 10, United States Code, does not apply to the transfer authorized by subsection (a) or the transfer authorized by subsection (b).

(d) AUTHORITY FOR REVERSION IN EVENT OF NATIONAL EMERGENCY.—The Secretary of the Navy shall require that the terms of the transfer of a vessel under this section include a requirement that, in the event the President declares a national emergency pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.), the transferee of the vessel shall, upon request of the Secretary of Defense, return the vessel to the United States and that, in such a case, unless the transferee is otherwise notified by the Secretary, title to the vessel shall revert immediately to the United States.

(e) REPEAL OF SUPERSEDED REQUIREMENTS AND AUTHORITIES.—

(1) Section 1011 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421) is repealed.

(2) Section 1011 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2118) is repealed.

**SEC. 1015. TRANSFER OF EX-U.S.S. FORREST SHERMAN.**

(a) TRANSFER.—The Secretary of the Navy may transfer the decommissioned destroyer ex-U.S.S. Forrest Sherman (DD–931) to the USS Forrest Sherman DD–931 Foundation, Inc., a nonprofit

organization under the laws of the State of Maryland, subject to the submission of a donation application for that vessel that is satisfactory to the Secretary.

(b) APPLICABLE LAW.—The transfer under this section is subject to subsections (b) and (c) of section 7306 of title 10, United States Code. Subsection (d) of that section is hereby waived with respect to such transfer.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transfer under subsection (a) as the Secretary considers appropriate.

(d) EXPIRATION OF AUTHORITY.—The authority granted by subsection (a) shall expire at the end of the five-year period beginning on the date of the enactment of this Act.

**SEC. 1016. REPORT ON LEASING OF VESSELS TO MEET NATIONAL DEFENSE SEALIFT REQUIREMENTS.**

(a) REPORT REQUIREMENT.—The Secretary of Defense shall submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate by no later than March 1, 2006, a report on leasing (including chartering) of vessels by the Department of Defense to meet national defense sealift requirements, including leasing under sections 2401 and 2401a of title 10, United States Code.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) A description of—

(A) the portion of national defense sealift requirements that, during the 3-year period preceding the date of the enactment of this Act, was met through leasing of vessels;

(B) the portion of such requirements that was met during that period through use of vessels owned by the United States; and

(C) for each of the portions described under subparagraph (A) and (B), a description of the number of each type of vessel used to meet such requirements, including roll-on/roll-off vessels, dry bulk carriers, oilers, and other vessel types.

(2) With respect to vessels that were leased in the 3-year period preceding the date of the enactment of this Act—

(A) a listing of such vessels;

(B) identification of the country in which each vessel was constructed or reconstructed;

(C) identification of the country under the laws of which each vessel is documented;

(D) with respect to periods during which each vessel was operated under lease to the Department of Defense, identification of the routes on which each vessel operated and the ports at which each vessel called;

(E) the terms of the lease for each vessel that govern—

(i) amounts required to be paid by the United States;

(ii) the length of the lease term;

(iii) maintenance, repair, and alteration, including provisions regarding—

(I) alterations required under the lease; and

(II) qualified maintenance or repair of the vessel in a foreign shipyard or foreign ship repair facility; and

(iv) where alterations or qualified maintenance or repair may be performed; and

(F) a description of qualified maintenance or repair that was performed on each vessel in the 3-year period preceding the date of the enactment of this Act, including—

(i) the amounts paid by the lessor for such work; and

(ii) identification of whether such work was performed in the United States or in a foreign country.

(3) Estimation of any increase in total costs that would have been incurred by the United States if qualified maintenance or repair that was performed on leased vessels in the 3-year period preceding the date of the enactment of this Act were required to be performed in the United States.

(4) Other impacts to the economy of the United States if qualified maintenance or repair that was performed on leased vessels in the 3-year period preceding the date of the enactment of this Act were required to be performed in the United States.

(c) QUALIFIED MAINTENANCE OR REPAIR DEFINED.—In this section the term "qualified maintenance or repair"—

(1) except as provided in paragraph (2), means—

(A) any inspection of a vessel that is—

(i) required under chapter 33 of title 46, United States Code; and

(ii) performed in a period in which the vessel is under lease by the Department of Defense;

(B) any maintenance or repair of a vessel that is determined, in the course of an inspection referred to in subparagraph (A), to be necessary to comply with the laws of the United States; and

(C) any routine maintenance or repair; and

(2) does not include any emergency work that is necessary to enable a vessel to return to a port in the United States.

**SEC. 1017. ESTABLISHMENT OF THE USS OKLAHOMA MEMORIAL AND OTHER MEMORIALS AT PEARL HARBOR.**

(a) ESTABLISHMENT OF THE USS OKLAHOMA MEMORIAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Navy, in consultation with the Secretary of the Interior, shall identify an appropriate site on Ford Island, Hawaii, for a memorial for the U.S.S. Oklahoma (BB–37). The Secretary of the Interior shall establish the memorial at the identified site by authorizing the USS Oklahoma Memorial Foundation to construct a memorial. The Secretary shall certify that—

(1) the USS Oklahoma Memorial Foundation has sufficient funding to complete construction of the memorial; and

(2) the memorial meets the requirements of subsection (c).

(b) ADMINISTRATION OF THE MEMORIAL.—Once established, the Secretary of the Interior shall administer the USS Oklahoma Memorial as a part of the USS Arizona Memorial, a unit of the National Park System, in accordance with the laws and regulations applicable to land administered by the National Park Service and any agreement between the Secretary of the Interior and the Secretary of

the Navy. The Secretary of the Navy shall retain administrative jurisdiction over the land where the USS Oklahoma Memorial is established.

(c) REQUIREMENTS FOR PEARL HARBOR MEMORIALS.—The site selection, design, and construction of the USS Oklahoma Memorial and any memorials established after the date of the enactment of this Act that are associated with the attack at Pearl Harbor on December 7, 1941, shall be consistent with the requirements in the document titled "Pearl Harbor Naval Complex Design Guidelines and Evaluation Criteria for Memorials", dated April 2005.

(d) ESTABLISHMENT AND OPERATION OF TRANSPORTATION SYSTEM.—The Secretary of the Interior may establish and operate a transportation system over roads linking the USS Arizona Memorial Visitor Center with one or more of the existing and future historic sites and historic visitor attractions within the Pearl Harbor Naval Complex, including Ford Island. Transportation on this system may be provided with or without charge, directly or through a contract or concessioner, and without regard to whether service is provided to sites or attractions that are under the jurisdiction of or administered by the National Park Service.

**SEC. 1018. AUTHORITY TO USE NATIONAL DEFENSE SEALIFT FUND TO PURCHASE CERTAIN MARITIME PREPOSITIONING SHIPS CURRENTLY UNDER CHARTER TO THE NAVY.**

(a) FISCAL YEAR 2006 LIMITATION.—The authority provided by subsection (c)(1) of section 2218 of title 10, United States Code, may not be used for the purchase of more than six vessels described in subsection (c) using funds appropriated to the National Defense Sealift Fund for fiscal year 2006.

(b) AUTHORITY.—The Secretary of Defense may purchase any vessel described in subsection (c) through the use of the authority in subsection (c)(1) of section 2218 of title 10, United States Code, without regard to the limitation in subsection (f)(1) of that section.

(c) COVERED VESSELS.—Subsections (a) and (b) apply with respect to any vessel that as of the date of the enactment of this Act—

(1) is chartered by the Department of Defense under a 25-year lease; and

(2) is used by the Navy as a maritime prepositioning ship.

(d) TECHNICAL AMENDMENTS TO UPDATE STATUTE.—Section 2218(f)(1) of title 10, United States Code, is amended—

(1) by striking "Not more than a total of five vessels built in foreign ship yards may be" and inserting "A vessel built in a foreign ship yard may not be"; and

(2) by inserting before the period at the end the following: ", unless specifically authorized by law".

## Subtitle C—Counter-Drug Activities

**SEC. 1021. RESUMPTION OF REPORTING REQUIREMENT REGARDING DEPARTMENT OF DEFENSE EXPENDITURES TO SUPPORT FOREIGN COUNTER-DRUG ACTIVITIES.**

(a) ADDITIONAL REPORT REQUIRED.—Section 1022 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–255), as amended by section 1022 of the National Defense

Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1215), is further amended by striking "January 1, 2001, and April 15, 2002," and inserting "April 15, 2006,".

(b) ADDITIONAL INFORMATION REQUIRED.—Such section is further amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) A description of each base of operation or training facility established, constructed, or operated using the assistance, including any minor construction projects carried out using such assistance, and the amount of assistance expended on base of operations and training facilities.".

**SEC. 1022. CLARIFICATION OF AUTHORITY FOR JOINT TASK FORCES TO SUPPORT LAW ENFORCEMENT AGENCIES CONDUCTING COUNTER-TERRORISM ACTIVITIES.**

Section 1022 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1594) is amended—

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

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

"(b) AVAILABILITY OF FUNDS.—During fiscal years 2006 and 2007, funds available to a joint task force to support counter-drug activities may also be used to provide the counter-terrorism support authorized by subsection (a).

"(c) REPORT REQUIRED.—Not later than December 31, 2006, the Secretary of Defense shall submit to Congress a report evaluating the effect on counter-drug and counter-terrorism activities and objectives of using counter-drug funds of a joint task force to provide counter-terrorism support authorized by subsection (a).".

**SEC. 1023. SENSE OF CONGRESS REGARDING DRUG TRAFFICKING DETERRENCE.**

(a) FINDINGS.—Congress finds the following:

(1) According to the Department of State, drug trafficking organizations shipped approximately nine tons of cocaine to the United States through the Dominican Republic in 2004, and are increasingly using small, high-speed watercraft.

(2) Drug traffickers use the Caribbean corridor to smuggle narcotics to the United States via Puerto Rico and the Dominican Republic. This route is ideal for drug trafficking because of its geographic expanse, numerous law enforcement jurisdictions, and fragmented investigative efforts.

(3) The tethered aerostat system in Lajas, Puerto Rico, contributes to deterring and detecting smugglers moving illicit drugs into Puerto Rico. The aerostat's range and operational capabilities allow it to provide surveillance coverage of the eastern Caribbean corridor and the strategic waterway between Puerto Rico and the Dominican Republic, known as the Mona Passage.

(4) Including maritime radar on the Lajas aerostat will expand its ability to detect suspicious vessels in the eastern Caribbean corridor.

(b) SENSE OF CONGRESS.—Given the findings contained in subsection (a), it is the sense of Congress that—

(1) Congress and the Department of Defense should fund the Counter-Drug Tethered Aerostat program; and

(2) the Department of Defense should install maritime radar on the Lajas, Puerto Rico, aerostat.

# Subtitle D—Matters Related to Homeland Security

**SEC. 1031. RESPONSIBILITIES OF ASSISTANT SECRETARY OF DEFENSE FOR HOMELAND DEFENSE RELATING TO NUCLEAR, CHEMICAL, AND BIOLOGICAL EMERGENCY RESPONSE.**

Subsection (a) of section 1413 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2313) is amended to read as follows:

"(a) DEPARTMENT OF DEFENSE.—The Assistant Secretary of Defense for Homeland Defense is responsible for the coordination of Department of Defense assistance to Federal, State, and local officials in responding to threats involving nuclear, radiological, biological, chemical weapons, or high-yield explosives or related materials or technologies, including assistance in identifying, neutralizing, dismantling, and disposing of nuclear, radiological, biological, chemical weapons, and high-yield explosives and related materials and technologies.".

**SEC. 1032. TESTING OF PREPAREDNESS FOR EMERGENCIES INVOLVING NUCLEAR, RADIOLOGICAL, CHEMICAL, BIOLOGICAL, AND HIGH-YIELD EXPLOSIVES WEAPONS.**

(a) SECRETARY OF HOMELAND SECURITY FUNCTIONS.—Subsection (a) of section 1415 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2315) is amended—

(1) in the subsection heading, by striking "CHEMICAL OR" and inserting "NUCLEAR, RADIOLOGICAL, CHEMICAL, OR";

(2) in paragraph (1)—

(A) by striking "Secretary of Defense" and inserting "Secretary of Homeland Security"; and

(B) by striking "biological weapons and related materials and emergencies involving" and inserting "nuclear, radiological, biological, and";

(3) in paragraph (2), by striking "during each of fiscal years 1997 through 2013" and inserting "in accordance with sections 102(c) and 430(c)(1) of the Homeland Security Act of 2002 (6 U.S.C. 112(c), 238(c)(1))"; and

(4) in paragraph (3)—

(A) by inserting "the Secretary of Defense," before "the Director of the Federal Bureau of Investigation"; and

(B) by striking "the Director of the Federal Emergency Management Agency,".

(b) REPEAL OF SECRETARY OF ENERGY FUNCTIONS.—Such section is further amended by striking subsection (b).

(c) CONFORMING AMENDMENTS.—Subsection (c) of such section—

(1) is redesignated as subsection (b); and

(2) is amended—

(A) in the first sentence, by striking "The official responsible for carrying out a program developed under subsection (a) or (b) shall revise the program" and inserting "The Secretary of Homeland Security shall revise the program developed under subsection (a)"; and

(B) in the second sentence, by striking "the official" and inserting "the Secretary".

(d) REPEAL OF OBSOLETE PROVISIONS.—Such section is further amended by striking subsections (d) and (e).

**SEC. 1033. DEPARTMENT OF DEFENSE CHEMICAL, BIOLOGICAL, RADIOLOGICAL, NUCLEAR, AND HIGH-YIELD EXPLOSIVES RESPONSE TEAMS.**

Section 1414 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2314) is amended as follows:

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

**"SEC. 1414. CHEMICAL, BIOLOGICAL, RADIOLOGICAL, NUCLEAR, AND HIGH-YIELD EXPLOSIVES RESPONSE TEAM.".**

(2) Subsection (a) of such section is amended by striking "or related materials" and inserting "radiological, nuclear, and high-yield explosives".

(3) Subsection (b) of such section is amended—

(A) in the subsection heading, by striking "PLAN" and inserting "PLANS";

(B) in the first sentence, by striking "Not later than" and all that follows through "response plans and" and inserting "The Secretary of Homeland Security shall incorporate into the National Response Plan prepared pursuant to section 502(6) of the Homeland Security Act of 2002 (6 U.S.C. 312(6)), other existing Federal emergency response plans, and"; and

(C) in the second sentence—

(i) by striking "Director" and inserting "Secretary of Homeland Security"; and

(ii) by striking "consultation" and inserting "coordination".

**SEC. 1034. REPEAL OF DEPARTMENT OF DEFENSE EMERGENCY RESPONSE ASSISTANCE PROGRAM.**

Section 1412 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2312) is repealed.

**SEC. 1035. REPORT ON USE OF DEPARTMENT OF DEFENSE AERIAL RECONNAISSANCE ASSETS TO SUPPORT HOMELAND SECURITY BORDER SECURITY MISSIONS.**

(a) REPORT REQUIRED.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report containing the results of a study regarding the use of aerial reconnaissance equipment of the Department of Defense in missions in which the Armed Forces support the Department of Homeland Security in performing its international border security mission. The Secretary of Defense shall conduct the study and prepare the report in coordination with the Secretary of Homeland Security.

(b) ELEMENTS OF REPORT.—The report required by subsection (a) shall include the following:

(1) A description of the current use of aerial reconnaissance equipment of the Department of Defense to conduct aerial reconnaissance over the international land and maritime borders of the United States in missions in which the Armed

Forces support the Department of Homeland Security in performing its international border security mission.

(2) A statement of the costs of such missions and the source of funds for such missions.

(3) The conclusions derived from a study of how the Department of Defense leverages dual-use aerial reconnaissance assets and technology, such as unmanned aerial vehicles and tethered aerostat radars, for both homeland defense and homeland security purposes.

## Subtitle E—Reports and Studies

**SEC. 1041. REVIEW OF DEFENSE BASE ACT INSURANCE.**

(a) REVIEW REQUIRED.—The Secretary of Defense shall review current and future needs, options, and risks associated with Defense Base Act insurance. The review shall be conducted in coordination with the Director of the Office of Management and Budget and appropriate officials of the Department of Labor, the Department of State, and the United States Agency for International Development.

(b) MATTERS TO BE ADDRESSED.—The review under subsection (a) shall address the following matters:

(1) Cost-effective options for acquiring Defense Base Act insurance.

(2) Methods for coordinating data collection efforts among agencies and contractors on numbers of employees, costs of insurance, and other information relevant to decisions on Defense Base Act insurance.

(3) Improved communication and coordination within and among agencies on the implementation of Defense Base Act insurance.

(4) Actions to be taken to address difficulties in the administration of Defense Base Act insurance, including on matters relating to cost, data, enforcement, and claims processing.

(c) REPORT REQUIRED.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the congressional defense committees a report on the results of the review under subsection (a). The report shall set forth the findings of the Secretary as a result of the review and such recommendations, including recommendations for legislative or administrative action, as the Secretary considers appropriate in light of the review.

(d) DEFENSE BASE ACT INSURANCE DEFINED.—In this section, the term "Defense Base Act insurance" means workers' compensation insurance provided to contractor employees pursuant to the Defense Base Act (42 U.S.C. 1651 et seq.).

**SEC. 1042. REPORT ON DEPARTMENT OF DEFENSE RESPONSE TO FINDINGS AND RECOMMENDATIONS OF DEFENSE SCIENCE BOARD TASK FORCE ON HIGH PERFORMANCE MICROCHIP SUPPLY.**

(a) REPORT REQUIRED.—Not later than July 1, 2006, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House

of Representatives a report on the implementation of the recommendations of the Defense Science Board Task Force on High Performance Microchip Supply.

(b) CONTENTS.—The report required by subsection (a) shall include the following:

(1) An analysis of each finding of the Task Force.

(2) A detailed description of the response of the Department of Defense to each recommendation of the Task Force, including—

(A) for each recommendation that is being implemented or that the Secretary plans to implement—

(i) a summary of actions that have been taken to implement the recommendation; and

(ii) a schedule, with specific milestones, for completing the implementation of the recommendation; and

(B) for each recommendation that the Secretary does not plan to implement—

(i) the reasons for the decision not to implement the recommendation; and

(ii) a summary of alternative actions the Secretary plans to take to address the purposes underlying the recommendation.

(3) A summary of any additional actions the Secretary plans to take to address concerns raised by the Task Force.

## Subtitle F—Other Matters

### SEC. 1051. COMMISSION ON THE IMPLEMENTATION OF THE NEW STRATEGIC POSTURE OF THE UNITED STATES.

(a) ESTABLISHMENT OF COMMISSION.—

(1) ESTABLISHMENT.—There is hereby established a commission to be known as the "Commission on the Implementation of the New Strategic Posture of the United States". The Secretary of Defense shall enter into a contract with a federally funded research and development center to provide for the organization, management, and support of the Commission. Such contract shall be entered into in consultation with the Secretary of Energy. The selection of the federally funded research and development center shall be made in consultation with the chairman and ranking minority member of the Committee on Armed Services of the Senate and the chairman and ranking minority member of the Committee on Armed Services of the House of Representatives.

(2) COMPOSITION.—

(A) MEMBERSHIP.—The Commission shall be composed of 12 members who shall be appointed by the Secretary of Defense. In selecting individuals for appointment to the Commission, the Secretary of Defense shall consult with the chairman and ranking minority member of the Committee on Armed Services of the Senate and the chairman and ranking minority member of the Committee on Armed Services of the House of Representatives.

(B) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in the political, military, operational, and technical aspects of nuclear strategy.

(3) CHAIRMAN OF THE COMMISSION.—The Secretary of Defense shall designate one of the members of the Commission to serve as chairman of the Commission.

(4) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(5) SECURITY CLEARANCES.—All members of the Commission shall hold appropriate security clearances.

(b) DUTIES OF COMMISSION.—

(1) REVIEW OF IMPLEMENTATION OF NUCLEAR POSTURE REVIEW.—The Commission shall examine programmatic requirements to achieve the goals set forth in the report of the Secretary of Defense submitted to Congress on December 31, 2001, providing the results of the Nuclear Posture Review conducted pursuant to section 1041 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654, 1654A–262) and results of periodic assessments of the Nuclear Posture Review. Matters examined by the Commission shall include the following:

(A) The process of establishing requirements for strategic forces and how that process accommodates employment of nonnuclear strike platforms and munitions in a strategic role.

(B) How strategic intelligence, reconnaissance, and surveillance requirements differ from nuclear intelligence, reconnaissance, and surveillance requirements.

(C) The ability of a limited number of strategic platforms to carry out a growing range of nonnuclear strategic strike missions.

(D) The limits of tactical systems to perform nonnuclear global strategic missions in a prompt manner.

(E) An assessment of the ability of the current nuclear stockpile to address the evolving strategic threat environment through 2008.

(2) RECOMMENDATIONS.—The Commission shall include in its report recommendations with respect to the following:

(A) Changes to the requirements process to employ nonnuclear strike platforms and munitions in a strategic role.

(B) Changes to the nuclear stockpile and infrastructure required to preserve a nuclear capability commensurate with the changes to the strategic threat environment through 2008.

(C) Actions the Secretary of Defense and the Secretary of Energy can take to preserve flexibility of the defense nuclear complex while reducing the cost of a Cold War strategic infrastructure.

(D) Identify shortfalls in the strategic modernization programs of the United States that would undermine the ability of the United States to develop new nonnuclear strategic strike capabilities.

(3) COOPERATION FROM GOVERNMENT.—

(A) COOPERATION.—In carrying out its duties, the Commission shall receive the full and timely cooperation of the Secretary of Defense, the Secretary of Energy, and any other United States Government official in providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

(B) LIAISON WITH DOE & DOD.—The Secretary of Energy and the Secretary of Defense shall each designate at least one officer or employee of the Department of Energy and the Department of Defense, respectively, to serve as a liaison officer between the department and the Commission.

(c) REPORTS.—

(1) COMMISSION REPORT.—Not later than June 30, 2007, the Commission shall submit to the Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives a report on the Commission's findings and conclusions.

(2) SECRETARY OF DEFENSE RESPONSE.—

(A) IN GENERAL.—The Secretary of Defense may submit to the Commission a response to the report of the Commission under paragraph (1). If the Secretary elects to submit to the Commission a response to the report of the Commission, the Secretary shall also submit such response to the committees specified in paragraph (1).

(B) MATTERS TO BE INCLUDED.—The response, if any, of the Secretary to the report of the Commission shall include—

(i) comments on the findings and conclusions of the Commission; and

(ii) an explanation of what actions, if any, the Secretary intends to take to implement the recommendations of the Commission and, with respect to each such recommendation, the Secretary's reasons for implementing, or not implementing, the recommendation.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, up to three employees of such department or agency to the Commission to assist it in carrying out its duties.

(e) FUNDING.—Funds for activities of the Commission shall be provided from amounts appropriated for the Department of Defense.

(f) TERMINATION OF COMMISSION.—The Commission shall terminate on July 30, 2007.

(g) IMPLEMENTATION.—

(1) FFRDC CONTRACT.—The Secretary of Defense shall enter into the contract required under subsection (a)(1) not later that 60 days after the date of the enactment of this Act.

(2) FIRST MEETING.—The Commission shall convene its first meeting not later than 30 days after the date as of which all members of the Commission have been appointed.

**SEC. 1052. REESTABLISHMENT OF EMP COMMISSION.**

(a) REESTABLISHMENT.—The commission established pursuant to title XIV of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–345), known as the Commission to Assess the Threat to the United States from Electromagnetic Pulse Attack, is hereby reestablished.

(b) MEMBERSHIP.—The Commission as reestablished shall have the same membership as the Commission had as of the date of the submission of the report of the Commission pursuant to section 1403(a) of such Act, as in effect before the date of the enactment of this Act. Service on the Commission is voluntary, and Commissioners may elect to terminate their service on the Commission.

(c) COMMISSION CHARTER DEFINED.—In this section, the term "Commission charter" means title XIV of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–345 et seq.).

(d) ESTABLISHMENT AND PURPOSE.—Section 1401 of the Commission charter (114 Stat. 1654A–345) is amended—

(1) by striking subsections (e) and (g);

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

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

"(b) PURPOSE.—The purpose of the Commission is to monitor, investigate, make recommendations, and report to Congress on the evolving threat to the United States from electromagnetic pulse (hereinafter in this title referred to as 'EMP') attack resulting from the detonation of a nuclear weapon or weapons at high altitude.";

(4) in subsection (c), as redesignated by paragraph (2), by striking the second and third sentences and inserting "In the event of a vacancy in the membership of the Commission, the Secretary of Defense shall appoint a new member."; and

(5) in subsection (d), as redesignated by paragraph (2), by striking "pulse (hereafter" and all that follows and inserting "pulse effects referred to in subsection (b).".

(e) DUTIES OF COMMISSION.—Section 1402 of the Commission charter (114 Stat. 1654A–346) is amended to read as follows:

**"SEC. 1402. DUTIES OF COMMISSION.**

"The Commission shall assess the following:

"(1) The vulnerability of electric-dependent military systems and other electric-dependent systems in the United States to an EMP attack, giving special attention to the progress, or lack of progress, by the Department of Defense, other Government departments and agencies of the United States, and entities of the private sector in taking steps to protect such systems from such an attack.

"(2) The report of the Secretary of Defense submitted to Congress under section 1403(b) of this Act as in effect before the enactment of the National Defense Authorization Act for Fiscal Year 2006.".

(f) REPORT.—Section 1403 of the Commission charter (114 Stat. 1654A–345) is amended to read as follows:

**"SEC. 1403. REPORTS.**

"(a) FINAL REPORT.—Not later than June 30, 2007, the Commission shall submit to Congress a report providing the Commission's assessment of the matters specified in section 1402. That report shall include recommendations for any steps the Commission believes should be taken by the United States to better protect systems referred to in section 1402(1) from an EMP attack.

"(b) INTERIM REPORTS.—Before the submission of its report under subsection (a), the Commission may submit to Congress interim reports at such times as the Commission considers appropriate.".

(g) CLERICAL AMENDMENT.—The heading for subsection (c) of section 1405 of the Commission charter (114 Stat. 1654A–347) is amended by striking "COMMISSION" and inserting "PANELS".

(h) COMMISSION PERSONNEL MATTERS.—Section 1406(c)(2) of the Commission charter (114 Stat. 1654A–347) is amended by striking "for grade GS–15 of the General Schedule" and inserting "for senior level and scientific or professional positions".

(i) FUNDING.—Section 1408 of the Commission charter (114 Stat. 1654A–348) is amended—

(1) by inserting "for any fiscal year" after "activities of the Commission"; and

(2) by striking "for fiscal year 2001" and inserting "for that fiscal year".

(j) TERMINATION.—Section 1049 of of the Commission charter (114 Stat. 1654A–348) is amended by striking "60 days" and inserting "30 days".

**SEC. 1053. MODERNIZATION OF AUTHORITY RELATING TO SECURITY OF DEFENSE PROPERTY AND FACILITIES.**

Section 21 of the Internal Security Act of 1950 (50 U.S.C. 797) is amended to read as follows:

"PENALTY FOR VIOLATION OF SECURITY REGULATIONS AND ORDERS

"SEC. 21. (a) MISDEMEANOR VIOLATION OF DEFENSE PROPERTY SECURITY REGULATIONS.—

"(1) MISDEMEANOR.—Whoever willfully violates any defense property security regulation shall be fined under title 18, United States Code, or imprisoned not more than one year, or both.

"(2) DEFENSE PROPERTY SECURITY REGULATION DESCRIBED.—For purposes of paragraph (1), a defense property security regulation is a property security regulation that, pursuant to lawful authority—

"(A) shall be or has been promulgated or approved by the Secretary of Defense (or by a military commander designated by the Secretary of Defense or by a military officer, or a civilian officer or employee of the Department of Defense, holding a senior Department of Defense director position designated by the Secretary of Defense) for the protection or security of Department of Defense property; or

"(B) shall be or has been promulgated or approved by the Administrator of the National Aeronautics and Space Administration for the protection or security of NASA property.

"(3) PROPERTY SECURITY REGULATION DESCRIBED.—For purposes of paragraph (2), a property security regulation, with respect to any property, is a regulation—

"(A) relating to fire hazards, fire protection, lighting, machinery, guard service, disrepair, disuse, or other unsatisfactory conditions on such property, or the ingress thereto or egress or removal of persons therefrom; or

"(B) otherwise providing for safeguarding such property against destruction, loss, or injury by accident or by enemy action, sabotage, or other subversive actions.

"(4) DEFINITIONS.—In this subsection:

"(A) DEPARTMENT OF DEFENSE PROPERTY.—The term 'Department of Defense property' means covered property subject to the jurisdiction, administration, or in the custody of the Department of Defense, any Department or agency of which that Department consists, or any officer or employee of that Department or agency.

"(B) NASA PROPERTY.—The term 'NASA property' means covered property subject to the jurisdiction, administration, or in the custody of the National Aeronautics and Space Administration or any officer or employee thereof.

"(C) COVERED PROPERTY.—The term 'covered property' means aircraft, airports, airport facilities, vessels, harbors, ports, piers, water-front facilities, bases, forts, posts, laboratories, stations, vehicles, equipment, explosives, or other property or places.

"(D) REGULATION AS INCLUDING ORDER.—The term 'regulation' includes an order.

"(b) POSTING.—Any regulation or order covered by subsection (a) shall be posted in conspicuous and appropriate places.".

**SEC. 1054. REVISION OF DEPARTMENT OF DEFENSE COUNTERINTELLIGENCE POLYGRAPH PROGRAM.**

(a) IN GENERAL.—Section 1564a of title 10, United States Code, is amended to read as follows:

**"§ 1564a. Counterintelligence polygraph program**

"(a) AUTHORITY FOR PROGRAM.—The Secretary of Defense may carry out a program for the administration of counterintelligence polygraph examinations to persons described in subsection (b). The program shall be conducted in accordance with the standards specified in subsection (e).

"(b) PERSONS COVERED.—Except as provided in subsection (d), the following persons, if their duties are described in subsection (c), are subject to this section:

"(1) Military and civilian personnel of the Department of Defense.

"(2) Personnel of defense contractors.

"(3) A person assigned or detailed to the Department of Defense.

"(4) An applicant for a position in the Department of Defense.

"(c) COVERED TYPES OF DUTIES.—The Secretary of Defense may provide, under standards established by the Secretary, that a person described in subsection (b) is subject to this section if that person's duties involve—

"(1) access to information that—

"(A) has been classified at the level of top secret; or

"(B) is designated as being within a special access program under section 4.4(a) of Executive Order No. 12958 (or a successor Executive order); or

"(2) assistance in an intelligence or military mission in a case in which the unauthorized disclosure or manipulation of information, as determined under standards established by the Secretary of Defense, could reasonably be expected to—

"(A) jeopardize human life or safety;

"(B) result in the loss of unique or uniquely productive intelligence sources or methods vital to United States security; or

"(C) compromise technologies, operational plans, or security procedures vital to the strategic advantage of the United States and its allies.

"(d) EXCEPTIONS FROM COVERAGE FOR CERTAIN INTELLIGENCE AGENCIES AND FUNCTIONS.—This section does not apply to the following persons:

"(1) A person assigned or detailed to the Central Intelligence Agency or to an expert or consultant under a contract with the Central Intelligence Agency.

"(2) A person who is—

"(A) employed by or assigned or detailed to the National Security Agency;

"(B) an expert or consultant under contract to the National Security Agency;

"(C) an employee of a contractor of the National Security Agency; or

"(D) a person applying for a position in the National Security Agency.

"(3) A person assigned to a space where sensitive cryptographic information is produced, processed, or stored.

"(4) A person employed by, or assigned or detailed to, an office within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs or a contractor of such an office.

"(e) STANDARDS.—(1) Polygraph examinations conducted under this section shall comply with all applicable laws and regulations.

"(2) Such examinations may be authorized for any of the following purposes:

"(A) To assist in determining the initial eligibility for duties described in subsection (c) of, and aperiodically thereafter, on a random basis, to assist in determining the continued eligibility of, persons described in subsections (b) and (c).

"(B) With the consent of, or upon the request of, the examinee, to—

"(i) resolve serious credible derogatory information developed in connection with a personnel security investigation; or

"(ii) exculpate him- or herself of allegations or evidence arising in the course of a counterintelligence or personnel security investigation.

"(C) To assist, in a limited number of cases when operational exigencies require the immediate use of a person's services before the completion of a personnel security investigation, in determining the interim eligibility for duties described in subsection (c) of the person.

"(3) Polygraph examinations conducted under this section shall provide adequate safeguards, prescribed by the Secretary of Defense, for the protection of the rights and privacy of persons subject to this section under subsection (b) who are considered for or administered polygraph examinations under this section. Such safeguards shall include the following:

"(A) The examinee shall receive timely notification of the examination and its intended purpose and may only be given the examination with the consent of the examinee.

"(B) The examinee shall be advised of the examinee's right to consult with legal counsel.

"(C) All questions asked concerning the matter at issue, other than technical questions necessary to the polygraph technique, must have a relevance to the subject of the inquiry.

"(f) OVERSIGHT.—(1) The Secretary shall establish a process to monitor responsible and effective application of polygraph examinations within the Department of Defense.

"(2) The Secretary shall make information on the use of polygraphs within the Department of Defense available to the congressional defense committees.

"(g) POLYGRAPH RESEARCH PROGRAM.—The Secretary shall carry out a continuing research program to support the polygraph examination activities of the Department of Defense. The program shall include the following:

"(1) An on-going evaluation of the validity of polygraph techniques used by the Department.

"(2) Research on polygraph countermeasures and anti-countermeasures.

"(3) Developmental research on polygraph techniques, instrumentation, and analytic methods.".

(b) EFFECTIVE DATE; IMPLEMENTATION.—The amendment made by subsection (a) shall apply with respect to polygraph examinations administered beginning on the date of the enactment of this Act.

**SEC. 1055. PRESERVATION OF RECORDS PERTAINING TO RADIOACTIVE FALLOUT FROM NUCLEAR WEAPONS TESTING.**

(a) PROHIBITION OF DESTRUCTION OF CERTAIN RECORDS.—The Secretary of Defense may not destroy any official record in the custody or control of the Department of Defense that contains information relating to radioactive fallout from nuclear weapons testing.

(b) PRESERVATION AND PUBLICATION OF INFORMATION.—The Secretary of Defense shall identify, preserve, and make available any unclassified information contained in official records referred to in subsection (a).

**SEC. 1056. TECHNICAL AND CLERICAL AMENDMENTS.**

(a) AMENDMENTS RELATING TO DEFINITION OF BASE CLOSURE LAWS.—

(1) Section 2694a(i) of title 10, United States Code, is amended by striking paragraph (2).

(2) Paragraph (1) of section 1333(i) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2701 note) is amended to read as follows:

"(1) BASE CLOSURE LAW.—The term 'base closure law' has the meaning given such term in section 101(a)(17) of title 10, United States Code.".

(3) Subsection (b) of section 2814 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 10 U.S.C. 2687 note) is amended to read as follows:

"(b) BASE CLOSURE LAW DEFINED.—In this section, the term 'base closure law' has the meaning given such term in section 101(a)(17) of title 10, United States Code.".

(4) Subsection (c) of section 3341 of title 5, United States Code, is amended to read as follows:

"(c) For purposes of this section, the term 'base closure law' has the meaning given such term in section 101(a)(17) of title 10.".

(5) Chapter 5 of title 40, United States Code, is amended—

(A) in section 554(a)(1), by striking "means" and all that follows and inserting "has the meaning given that term in section 101(a)(17) of title 10."; and

(B) in section 572(b)(1)(B), by striking "section 2667(h)(2) of title 10" and inserting "section 101(a)(17) of title 10".

(6) The Act of November 13, 2000, entitled "An Act to amend the Organic Act of Guam, and for other purposes" (Public Law 106–504; 114 Stat. 2309) is amended by striking paragraph (2) of section 1(c) and inserting the following new paragraph (2):

"(2) The term 'base closure law' has the meaning given such term in section 101(a)(17) of title 10, United States Code.".

(b) DEFINITION OF STATE FOR PURPOSES OF SECTION 2694a.—Subsection (i) of section 2694a of title 10, United States Code, as amended by subsection (a)(1), is further amended—

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

(2) in paragraph (3), as so redesignated, by striking "and the territories and possessions of the United States" and inserting "Guam, the Virgin Islands, and American Samoa".

(c) OTHER MISCELLANEOUS CORRECTIONS TO TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 101(e)(4)(B)(ii) is amended by striking the comma after "bulk explosives".

(2) Section 127b(d)(1) is amended by striking "polices" in the second sentence and inserting "policies".

(3) Section 1732 is amended—

(A) in subsection (c)—

(i) by striking "(b)(2)(A) and (b)(2)(B)" in paragraphs (1) and (2) and inserting "(b)(1)(A) and (b)(1)(B)"; and

(ii) by striking paragraph (3); and

(B) in subsection (d)(2), by striking "(b)(2)(A)(ii)" and inserting "(b)(1)(A)(ii)".

(4) Section 2410n(b) is amended by striking "compeititon" in the second sentence and inserting "competition".

(5) Section 2507(d) is amended by striking "section (a)" and inserting "subsection (a)".

(6) Section 2665(a) is amended by striking "under section 2664 of this title".

(7) Section 2703(b) is amended by striking "For purposes of the preceding sentence, the terms 'unexploded ordnance',

'discarded military munitions', and" and inserting "In this subsection, the terms 'discarded military munitions' and".

(8) Section 2773a(a) is amended by inserting "by" after "incorrect payment made" in the first sentence.

(9) Section 2801(d) is amended by striking "sections 2830 and 2835" and inserting "sections 2830, 2835, and 2836 of this chapter".

(10) Section 2881a(f) is amended by striking "Notwithstanding section 2885 of this title, the" and inserting "The".

(11) Section 3084 is amended by striking the semicolon in the section heading and inserting a colon.

(d) RONALD W. REAGAN NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005.—Section 1105(h) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2075) is amended by striking "(21 U.S.C." and inserting "(20 U.S.C.".

(e) BOB STUMP NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003.—The Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) is amended as follows:

(1) Section 314 (116 Stat. 2508) is amended—

(A) in subsection (d), by striking "(40 U.S.C." and inserting "(42 U.S.C."; and

(B) in subsection (e)(2), by striking "(40 U.S.C." and inserting "(42 U.S.C.".

(2) Section 635(a) (116 Stat. 2574) is amended by inserting "the first place it appears" after "by striking 'a claim' ".

(f) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—Section 1605(a)(4) of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended by striking "Logisitics" in the first sentence and inserting "Logistics".

(g) TITLE 38, UNITED STATES CODE.—Section 8111(b)(1) of title 38, United States Code, is amended by inserting "of 1993" after "the Government Performance and Results Act".

**SEC. 1057. DELETION OF OBSOLETE DEFINITIONS IN TITLES 10 AND 32, UNITED STATES CODE.**

(a) DELETING OBSOLETE DEFINITION OF "TERRITORY" IN TITLE 10.—Title 10, United States Code, is amended as follows:

(1) Section 101(a) is amended by striking paragraph (2).

(2) The following sections are amended by striking the terms "Territory or", "or Territory", "a Territorial Department,", "or a Territory", "Territory and", "its Territories,", and "and Territories" each place they appear: sections 101(a)(3), 332, 822, 1072, 1103, 2671, 3037, 5148, 8037, 8074, 12204, and 12642.

(3) The following sections are amended by striking the terms "Territory," and "Territories," each place they appear: sections 849, 858, 888, 2668, 2669, 7545, and 9773.

(4) Section 808 is amended by striking "Territory, Commonwealth, or possession," and inserting "Commonwealth, possession,".

(5) The following sections are amended by striking "Territories, Commonwealths, or possessions" each place it appears and inserting "Commonwealths or possessions": sections 847, 2734, 4778, 5986, 7652, 7653, and 12406.

(6) The following sections are amended by striking "Territories, Commonwealths, and possessions" each place it appears and inserting "Commonwealths and possessions": sections 846, 3062, 3074, 4747, 4778, 8062, and 9778.

(7) Section 312 is amended by striking "States and Territories, and Puerto Rico" and inserting "States, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands".

(8) Section 335 is amended by striking "the unincorporated territories of".

(9) Sections 4301 and 9301 are amended by striking "State or Territory, Puerto Rico, or the District of Columbia" each place it appears and inserting "State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, or the Virgin Islands".

(10) Sections 4685 and 9685 are amended by striking "State or Territory concerned" each place it appears and inserting "State concerned or Guam or the Virgin Islands" and by striking "State and Territorial" each place it appears and inserting "State, Guam, and the Virgin Islands".

(11) Section 7851 is amended by striking "States, the Territories, and the District of Columbia" and inserting "States, the District of Columbia, Guam, and the Virgin Islands".

(12) Section 7854 is amended by striking "any State, any Territory, or the District of Columbia" and inserting "any State, the District of Columbia, Guam, or the Virgin Islands".

(b) DELETING OBSOLETE DEFINITION OF "TERRITORY" IN TITLE 32.—Title 32, United States Code, is amended as follows:

(1) Paragraph (1) of section 101 is amended to read as follows:

"(1) For purposes of other laws relating to the militia, the National Guard, the Army National Guard of the United States, and the Air National Guard of the United States, the term 'Territory' includes Guam and the Virgin Islands.".

(2) Sections 103, 104(c), 314, 315, 708(d), and 711 are amended by striking "State and Territory, Puerto Rico, and the District of Columbia" and "State or Territory, Puerto Rico, and the District of Columbia" each place they appear and inserting "State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, and the Virgin Islands".

(3) Sections 104(d), 107, 109, 503, 703, 704, 710, and 712 are amended by striking "State or Territory, Puerto Rico, or the District of Columbia" and "State or Territory, Puerto Rico, the Virgin Islands or the District of Columbia" each place they appear and inserting "State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, or the Virgin Islands".

(4) Sections 104(a), 505, 702(a), and 708(a) are amended by striking "State or Territory and Puerto Rico", "State or Territory or Puerto Rico", and "State or Territory, Puerto Rico" each place they appear and inserting "State, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands".

(5) Section 324 is amended by striking "State or Territory of whose National Guard he is a member, or by the laws of Puerto Rico, or the District of Columbia, if he is a member of its National Guard" and inserting "State of whose National Guard he is a member, or by the laws of the Commonwealth of Puerto Rico, or the District of Columbia, Guam, or the Virgin Islands, whose National Guard he is a member".

(6) Section 325 is amended by striking "State or Territory, or of Puerto Rico" and "State or Territory or Puerto Rico" each place they appear and inserting "State, or of the Commonwealth of Puerto Rico, Guam, or the Virgin Islands".

(7) Sections 326, 327, and 501 are amended by striking "States and Territories, Puerto Rico, and the District of Columbia" each place it appears and inserting "States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, and the Virgin Islands".

**SEC. 1058. SUPPORT FOR YOUTH ORGANIZATIONS.**

(a) YOUTH ORGANIZATION DEFINED.—In this section, the term "youth organization" means—

(1) the Boy Scouts of America;
(2) the Girl Scouts of the United States of America;
(3) the Boys Clubs of America;
(4) the Girls Clubs of America;
(5) the Young Men's Christian Association;
(6) the Young Women's Christian Association;
(7) the Civil Air Patrol;
(8) the United States Olympic Committee;
(9) the Special Olympics;
(10) Campfire USA;
(11) the Young Marines;
(12) the Naval Sea Cadets Corps;
(13) 4–H Clubs;
(14) the Police Athletic League;
(15) Big Brothers—Big Sisters of America;
(16) National Guard Challenge Program; and
(17) any other organization designated by the President as an organization that is primarily intended to—

(A) serve individuals under the age of 21 years;
(B) provide training in citizenship, leadership, physical fitness, service to community, and teamwork; and
(C) promote the development of character and ethical and moral values.

(b) SUPPORT FOR YOUTH ORGANIZATIONS.—

(1) CONTINUATION OF SUPPORT.—No Federal law (including any rule, regulation, directive, instruction, or order) shall be construed to limit any Federal agency from providing any form of support for a youth organization (including the Boy Scouts of America or any group officially affiliated with the Boy Scouts of America) that would result in that Federal agency providing less support to that youth organization (or any similar organization chartered under the chapter of title 36, United States Code, relating to that youth organization) than was provided during the preceding fiscal year to that youth organization. This paragraph shall be subject to the availability of appropriations.

(2) YOUTH ORGANIZATIONS THAT CEASE TO EXIST.—Paragraph (1) shall not apply to any youth organization that ceases to exist.

(3) WAIVERS.—The head of a Federal agency may waive the application of paragraph (1) to a youth organization with respect to each conviction or investigation described under subparagraph (A) or (B) for a period of not more than two fiscal years if—

(A) any senior officer (including any member of the board of directors) of the youth organization is convicted of a criminal offense relating to the official duties of that officer or the youth organization is convicted of a criminal offense; or

(B) the youth organization is the subject of a criminal investigation relating to fraudulent use or waste of Federal funds.

(4) TYPES OF SUPPORT.—Support described in paragraph (1) includes—

(A) authorizing a youth organization to hold meetings, camping events, or other activities on Federal property;

(B) hosting any official event of a youth organization;

(C) loaning equipment for the use of a youth organization; and

(D) providing personnel services and logistical support for a youth organization.

(c) CONTINUATION OF DEPARTMENT OF DEFENSE OF SUPPORT FOR SCOUT JAMBOREES.—Section 2554 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) The Secretary of Defense shall provide at least the same level of support under this section for a national or world Boy Scout Jamboree as was provided under this section for the preceding national or world Boy Scout Jamboree.

"(2) The Secretary of Defense may waive paragraph (1), if the Secretary—

"(A) determines that providing the support subject to paragraph (1) would be detrimental to the national security of the United States; and

"(B) submits to Congress a report containing such determination in a timely manner, and before the waiver takes effect.".

(d) EQUAL ACCESS FOR YOUTH ORGANIZATIONS.—Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5309) is amended—

(1) in the first sentence of subsection (b), by inserting "or (e)" after "subsection (a)"; and

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

"(e) EQUAL ACCESS.—

"(1) DEFINITION.—In this subsection, the term 'youth organization' means an organization described under part B of subtitle II of title 36, United States Code, that is intended to serve individuals under the age of 21 years.

"(2) IN GENERAL.—No State or unit of general local government that has a designated open forum, limited public forum, or nonpublic forum and that is a recipient of assistance under this title shall deny equal access or a fair opportunity to meet to, or discriminate against, any youth organization, including the Boy Scouts of America or any group officially affiliated with the Boy Scouts of America, that wishes to conduct a meeting or otherwise participate in that designated open forum, limited public forum, or nonpublic forum.".

**SEC. 1059. SPECIAL IMMIGRANT STATUS FOR PERSONS SERVING AS TRANSLATORS WITH UNITED STATES ARMED FORCES.**

(a) IN GENERAL.—For purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), subject to subsection (c)(1), the

Secretary of Homeland Security may provide an alien described in subsection (b) with the status of a special immigrant under section 101(a)(27) of such Act (8 U.S.C. 1101(a)(27)), if the alien—

(1) files with the Secretary of Homeland Security a petition under section 204 of such Act (8 U.S.C. 1154) for classification under section 203(b)(4) of such Act (8 U.S.C. 1153(b)(4)); and

(2) is otherwise eligible to receive an immigrant visa and is otherwise admissible to the United States for permanent residence, except in determining such admissibility, the grounds for inadmissibility specified in section 212(a)(4) of such Act (8 U.S.C. 1182(a)(4)) shall not apply.

(b) ALIENS DESCRIBED.—

(1) PRINCIPAL ALIENS.—An alien is described in this subsection if the alien—

(A) is a national of Iraq or Afghanistan;

(B) worked directly with United States Armed Forces as a translator for a period of at least 12 months;

(C) obtained a favorable written recommendation from a general or flag officer in the chain of command of the United States Armed Forces unit that was supported by the alien; and

(D) before filing the petition described in subsection (a)(1), cleared a background check and screening, as determined by a general or flag officer in the chain of command of the United States Armed Forces unit that was supported by the alien.

(2) SPOUSES AND CHILDREN.—An alien is described in this subsection if the alien is the spouse or child of a principal alien described in paragraph (1), and is following or accompanying to join the principal alien.

(c) NUMERICAL LIMITATIONS.—

(1) IN GENERAL.—The total number of principal aliens who may be provided special immigrant status under this section during any fiscal year shall not exceed 50.

(2) COUNTING AGAINST SPECIAL IMMIGRANT CAP.—For purposes of the application of sections 201 through 203 of the Immigration and Nationality Act (8 U.S.C. 1151–1153) in any fiscal year, aliens eligible to be provided status under this section shall be treated as special immigrants described in section 101(a)(27) of such Act (8 U.S.C. 1101(a)(27)) who are not described in subparagraph (A), (B), (C), or (K) of such section.

(d) APPLICATION OF IMMIGRATION AND NATIONALITY ACT PROVISIONS.—The definitions in subsections (a) and (b) of section 101 of the Immigration and Nationality Act (8 U.S.C. 1101) shall apply in the administration of this section.

**SEC. 1060. EXPANSION OF EMERGENCY SERVICES UNDER RECIPROCAL AGREEMENTS.**

Subsection (b) of the first section of the Act of May 27, 1955 (42 U.S.C. 1856(b)), is amended by striking "and fire fighting" and inserting ", fire fighting, and emergency services, including basic medical support, basic and advanced life support, hazardous material containment and confinement, and special rescue events involving vehicular and water mishaps, and trench, building, and confined space extractions".

**SEC. 1061. RENEWAL OF MORATORIUM ON RETURN OF VETERANS MEMORIAL OBJECTS TO FOREIGN NATIONS WITHOUT SPECIFIC AUTHORIZATION IN LAW.**

Section 1051(c) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 10 U.S.C. 2572 note) is amended—

(1) by striking "the date of the enactment of this Act" and inserting "October 5, 1999,"; and

(2) by inserting before the period at the end the following: ", and during the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2006 and ending on September 30, 2010".

**SEC. 1062. SENSE OF CONGRESS ON NATIONAL SECURITY INTEREST OF MAINTAINING AERONAUTICS RESEARCH AND DEVELOPMENT.**

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

(1) The advances made possible by Government-funded research in emerging aeronautics technologies have enabled longstanding military air superiority for the United States in recent decades.

(2) Military aircraft incorporate advanced technologies developed at research centers of the National Aeronautics and Space Administration.

(3) The vehicle systems program of the National Aeronautics and Space Administration has provided major technology advances that have been used in every major civil and military aircraft developed over the last 50 years.

(4) It is important for the cooperative research efforts of the National Aeronautics and Space Administration and the Department of Defense that funding of research on military aviation technologies be robust.

(5) Recent National Aeronautics and Space Administration and independent studies have demonstrated the competitiveness, scientific merit, and necessity of existing aeronautics programs.

(6) The economic and military security of the United States is enhanced by the continued development of improved aeronautics technologies.

(7) A national effort is needed to ensure that the National Aeronautics and Space Administration can help meet future aviation needs.

(b) SENSE OF CONGRESS.—It is the sense of Congress that it is in the national security interest of the United States to maintain a strong aeronautics research and development program within the Department of Defense and the National Aeronautics and Space Administration.

**SEC. 1063. AIRPORT CERTIFICATION.**

For the airport referred to in paragraph (1) to be eligible to receive approval of an airport layout plan by the Federal Aviation Administration, such airport shall ensure and provide documentation that—

(1) the governing body of an airport built after the date of enactment of this Act at site number 04506.3*A and under number 17–0027 of the National Plan of Integrated Airport

Systems is composed of a majority of local residents who live in the county in which such airport is located; and

(2) the airport complies with sections 303, 303A, and 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253–253b) as implemented by the Federal Acquisition Regulation issued pursuant to section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) regarding land procurement and developer selection.

## Subtitle G—Military Mail Matters

**SEC. 1071. SAFE DELIVERY OF MAIL IN MILITARY MAIL SYSTEM.**

(a) PLAN FOR SAFE DELIVERY OF MILITARY MAIL.—

(1) PLAN REQUIRED.—The Secretary of Defense shall develop and implement a plan to ensure that the mail within the military mail system is safe for delivery. The plan shall provide for the screening of all mail within the military mail system in order to detect the presence of biological, chemical, or radiological weapons, agents, or pathogens or explosive devices before mail within the military mail system is delivered to its intended recipients.

(2) FUNDING.—The budget justification materials submitted to Congress with the budget of the President for fiscal year 2007 and each fiscal year thereafter shall include a description of the amounts required in such fiscal year to carry out the plan.

(b) REPORT ON SAFETY OF MAIL FOR DELIVERY.—

(1) REPORT REQUIRED.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the safety of mail within the military mail system for delivery.

(2) ELEMENTS.—The report shall include the following:

(A) An assessment of any existing deficiencies in the military mail system in ensuring that mail within the military mail system is safe for delivery.

(B) The plan required by subsection (a).

(C) An estimate of the time and resources required to implement the plan.

(D) A description of the delegation within the Department of Defense of responsibility for ensuring that mail within the military mail system is safe for delivery, including responsibility for the development, implementation, and oversight of improvements to the military mail system to ensure that mail within the military mail system is safe for delivery.

(3) FORM.—The report shall be submitted in unclassified form, but may include a classified annex.

(c) MAIL WITHIN THE MILITARY MAIL SYSTEM DEFINED.—

(1) IN GENERAL.—In this section, the term "mail within the military mail system" means—

(A) any mail that is posted through the Military Post Offices (including Army Post Offices (APOs) and Fleet Post Offices (FPOs)), Department of Defense mail centers, military Air Mail Terminals, and military Fleet Mail Centers; and

(B) any mail or package posted in the United States that is addressed to an unspecified member of the Armed Forces.

(2) INCLUSIONS AND EXCEPTION.—The term includes any official mail posted by the Department of Defense. The term does not include any mail posted as otherwise described in paragraph (1) that has been screened for safety for delivery by the United States Postal Service before such posting.

# TITLE XI—CIVILIAN PERSONNEL MATTERS


SUBTITLE A—EXTENSIONS OF AUTHORITIES

Sec. 1101. Extension of eligibility to continue Federal employee health benefits.
Sec. 1102. Extension of Department of Defense voluntary reduction in force authority.
Sec. 1103. Extension of authority to make lump sum severance payments.
Sec. 1104. Permanent extension of Science, Mathematics, and Research for Transformation (SMART) Defense Education Program.
Sec. 1105. Authority to waive annual limitation on total compensation paid to Federal civilian employees.

SUBTITLE B—VETERANS PREFERENCE MATTERS

Sec. 1111. Veterans' preference status for certain veterans who served on active duty during the period beginning on September 11, 2001, and ending as of the close of Operation Iraqi Freedom.
Sec. 1112. Veterans' preference eligibility for military reservists.

SUBTITLE C—OTHER MATTERS

Sec. 1121. Transportation of family members in connection with the repatriation of Federal employees held captive.
Sec. 1122. Strategic human capital plan for civilian employees of the Department of Defense.
Sec. 1123. Independent study on features of successful personnel management systems of highly technical and scientific workforces.
Sec. 1124. Support by Department of Defense of pilot project for Civilian Linguist Reserve Corps.
Sec. 1125. Increase in authorized number of positions in Defense Intelligence Senior Executive Service.


## Subtitle A—Extensions of Authorities

### SEC. 1101. EXTENSION OF ELIGIBILITY TO CONTINUE FEDERAL EMPLOYEE HEALTH BENEFITS.

Section 8905a(d)(4)(B) of title 5, United States Code, is amended—

(1) in clause (i), by striking "October 1, 2006" and inserting "October 1, 2010"; and

(2) in clause (ii)—

(A) by striking "February 1, 2007" and inserting "February 1, 2011"; and

(B) by striking "October 1, 2006" and inserting "October 1, 2010".

### SEC. 1102. EXTENSION OF DEPARTMENT OF DEFENSE VOLUNTARY REDUCTION IN FORCE AUTHORITY.

Section 3502(f)(5) of title 5, United States Code, is amended by striking "September 30, 2005" and inserting "September 30, 2010".

**SEC. 1103. EXTENSION OF AUTHORITY TO MAKE LUMP SUM SEVERANCE PAYMENTS.**

Section 5595(i)(4) of title 5, United States Code, is amended by striking "October 1, 2006" and inserting "October 1, 2010".

**SEC. 1104. PERMANENT EXTENSION OF SCIENCE, MATHEMATICS, AND RESEARCH FOR TRANSFORMATION (SMART) DEFENSE EDUCATION PROGRAM.**

(a) PERMANENT EXTENSION.—Section 1105 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2074; 10 U.S.C. 2192 note) is amended—

(1) by striking "pilot" each place it appears in the section and subsection headings and the text;

(2) in subsection (a)—

(A) by striking "(1)"; and

(B) by striking paragraph (2);

(3) in subsection (b)—

(A) by striking "(b)" and all that follows through "a scholarship" and inserting "(b) FINANCIAL ASSISTANCE.—(1) Under the program under this section, the Secretary of Defense may award a scholarship or fellowship";

(B) in paragraph (1)(B)—

(i) by striking "undergraduate" and inserting "associates degree, undergraduate degree,"; and

(ii) by inserting "accredited" before "institution of higher education";

(C) in paragraph (2)—

(i) by inserting "or fellowship" after "scholarship";

(ii) by inserting "equipment expenses," after "laboratory expenses,"; and

(iii) by striking the second sentence; and

(D) by adding at the end the following new paragraph: "(3) Financial assistance provided under a scholarship or fellowship awarded under this section may be paid directly to the recipient of such scholarship or fellowship or to an administering entity for disbursement of the funds."; and

(4) in subsection (c)—

(A) in the heading, by inserting "FINANCIAL" before "ASSISTANCE"

(B) in paragraph (2)—

(i) by striking "a scholarship" and inserting "financial assistance";

(ii) by striking "the financial assistance provided under the scholarship" and inserting "such financial assistance"; and

(iii) by striking the second sentence and inserting the following: "Except as provided in subsection (d), the period of service required of a recipient may not be less than the total period of pursuit of a degree that is covered by such financial assistance.".

(b) EMPLOYMENT OF PROGRAM PARTICIPANTS.—Such section is further amended—

(1) by striking subsection (g);

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

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

"(d) EMPLOYMENT OF PROGRAM PARTICIPANTS.—(1) The Secretary of Defense may—

"(A) appoint or retain a person participating in the program under this section in a position on an interim basis during the period of such person's pursuit of a degree under the program and for a period not to exceed 2 years after completion of the degree, but only if, in the case of the period after completion of the degree—

"(i) there is no readily available appropriate permanent position for such person; and

"(ii) there is an active and ongoing effort to identify and assign such person to an appropriate permanent position as soon as practicable; and

"(B) if there is no appropriate permanent position available after the end of the periods described in subparagraph (A), separate such person from employment with the Department without regard to any other provision of law, in which event the service agreement of such person under subsection (c) shall terminate.

"(2) The period of service of a person covered by paragraph (1) in a position on an interim basis under that paragraph shall, after completion of the degree, be treated as a period of service for purposes of satisfying the obligated service requirements of the person under the service agreement of the person under subsection (c).".

(c) REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—Paragraph (1) of subsection (e) of such section, as redesignated by subsection (c)(1) of this section, is amended to read as follows:

"(1)(A) A participant in the program under this section who is not an employee of the Department of Defense and who voluntarily fails to complete the educational program for which financial assistance has been provided under this section, or fails to maintain satisfactory academic progress as determined in accordance with regulations prescribed by the Secretary of Defense, shall refund to the United States an appropriate amount, as determined by the Secretary.

"(B) A participant in the program under this section who is an employee of the Department of Defense and who—

"(i) voluntarily fails to complete the educational program for which financial assistance has been provided, or fails to maintain satisfactory academic progress as determined in accordance with regulations prescribed by the Secretary; or

"(ii) before completion of the period of obligated service required of such participant—

"(I) voluntarily terminates such participant's employment with the Department; or

"(II) is removed from such participant's employment with the Department on the basis of misconduct,

shall refund the United States an appropriate amount, as determined by the Secretary.".

(d) CODIFICATION.—

(1) AMENDMENT TO TITLE 10.—Chapter 111 of title 10, United States Code, is amended—

(A) by inserting after section 2192 the following:

**"§ 2192a. Science, Mathematics, and Research for Transformation (SMART) Defense Education Program";**

and

(B) by transferring and inserting the text of section 1105 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2074; 10 U.S.C. 2192 note), as amended by subsections (a), (b), and (c), so as to appear below the section heading for section 2192a, as added by subparagraph (A).

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2192 the following new item:

"2192a. Science, Mathematics, and Research for Transformation (SMART) Defense Education Program.".

(e) CONFORMING AMENDMENTS.—

(1) Section 1105 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2074; 10 U.S.C. 2192 note) is repealed.

(2) Section 3304(a)(3)(B)(ii) of title 5, United States Code, is amended—

(A) by striking "Scholarship Pilot Program" and inserting "Defense Education Program"; and

(B) by striking "section 1105" and all that follows through the period and inserting "section 2192a of title 10, United States Code.".

(f) EFFECT ON CURRENT PARTICIPANTS IN SMART PILOT PROGRAM.—Participation in the Science, Mathematics, and Research for Transformation (SMART) Defense Scholarship Pilot Program under section 1105 of Public Law 108–375 by an individual who has entered into an agreement under that pilot program before the date of the enactment of this Act shall be governed by the terms of such agreement without regard to the amendments made by this section.

**SEC. 1105. AUTHORITY TO WAIVE ANNUAL LIMITATION ON TOTAL COMPENSATION PAID TO FEDERAL CIVILIAN EMPLOYEES.**

(a) WAIVER AUTHORITY.—During 2006 and notwithstanding section 5547 of title 5, United States Code, the head of an executive agency may waive, subject to subsection (b), the limitation established in that section for total compensation (including limitations on the aggregate of basic pay and premium pay payable in a calendar year) of an employee who performs work while in an overseas location that is in the area of responsibility of the commander of the United States Central Command, in direct support of or directly related to a military operation (including a contingency operation as defined in section 101(13) of title 10, United States Code).

(b) $200,000 MAXIMUM TOTAL COMPENSATION.—The total compensation of an employee whose pay is covered by a waiver under subsection (a) may not exceed $200,000 in a calendar year.

(c) ADDITIONAL PAY NOT CONSIDERED BASIC PAY.—To the extent that a waiver under subsection (a) results in payment of additional premium pay of a type that is normally creditable as basic pay for retirement or any other purpose, such additional pay—

(1) shall not be considered to be basic pay for any purpose; and

(2) shall not be used in computing a lump sum payment for accumulated and accrued annual leave under section 5551 of title 5, United States Code.

## Subtitle B—Veterans Preference Matters

**SEC. 1111. VETERANS' PREFERENCE STATUS FOR CERTAIN VETERANS WHO SERVED ON ACTIVE DUTY DURING THE PERIOD BEGINNING ON SEPTEMBER 11, 2001, AND ENDING AS OF THE CLOSE OF OPERATION IRAQI FREEDOM.**

(a) DEFINITION OF VETERAN.—Section 2108(1) of title 5, United States Code, is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C), by adding "or" after the semicolon; and

(3) by inserting after subparagraph (C) the following:

"(D) served on active duty as defined by section 101(21) of title 38 at any time in the armed forces for a period of more than 180 consecutive days any part of which occurred during the period beginning on September 11, 2001, and ending on the date prescribed by Presidential proclamation or by law as the last date of Operation Iraqi Freedom;".

(b) CONFORMING AMENDMENT.—Section 2108(3)(B) of such title is amended by striking "paragraph (1)(B) or (C)" and inserting "paragraph (1)(B), (C), or (D)".

**SEC. 1112. VETERANS' PREFERENCE ELIGIBILITY FOR MILITARY RESERVISTS.**

(a) VETERANS' PREFERENCE ELIGIBILITY.—Section 2108(1) of title 5, United States Code, is amended by striking "separated from" and inserting "discharged or released from active duty in".

(b) SAVINGS PROVISION.—Nothing in the amendment made by subsection (a) may be construed to affect a determination made before the date of enactment of this Act that an individual is a preference eligible (as defined in section 2108(3) of title 5, United States Code).

## Subtitle C—Other Matters

**SEC. 1121. TRANSPORTATION OF FAMILY MEMBERS IN CONNECTION WITH THE REPATRIATION OF FEDERAL EMPLOYEES HELD CAPTIVE.**

(a) ALLOWANCES AUTHORIZED.—Chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

### "§ 5760. Travel and transportation allowances: transportation of family members incident to the repatriation of employees held captive

"(a) ALLOWANCE FOR FAMILY MEMBERS AND CERTAIN OTHERS.—(1) Under uniform regulations prescribed by the heads of agencies, travel and transportation described in subsection (d) may be provided for not more than 3 family members of an employee described in subsection (b).

"(2) In addition to the family members authorized to be provided travel and transportation under paragraph (1), the head of an agency may provide travel and transportation described in subsection (d) to an attendant to accompany a family member described in subsection (b) if the head of an agency determines—

"(A) the family member to be accompanied is unable to travel unattended because of age, physical condition, or other reason determined by the head of the agency; and

"(B) no other family member who is eligible for travel and transportation under subsection (a) is able to serve as an attendant for the family member.

"(3) If no family member of an employee described in subsection (b) is able to travel to the repatriation site of the employee, travel and transportation described in subsection (d) may be provided to not more than 2 persons related to and selected by the employee.

"(b) COVERED EMPLOYEES.—An employee described in this subsection is an employee (as defined in section 2105 of this title) who—

"(1) was held captive, as determined by the head of an agency concerned; and

"(2) is repatriated to a site inside or outside the United States.

"(c) ELIGIBLE FAMILY MEMBERS.—In this section, the term 'family member' has the meaning given the term in section 411h(b) of title 37.

"(d) TRAVEL AND TRANSPORTATION AUTHORIZED.—(1) The transportation authorized by subsection (a) is round-trip transportation between the home of the family member (or home of the attendant or person provided transportation under paragraph (2) or (3) of subsection (a), as the case may be) and the location of the repatriation site at which the employee is located.

"(2) In addition to the transportation authorized by subsection (a), the head of an agency may provide a per diem allowance or reimbursement for the actual and necessary expenses of the travel, or a combination thereof, but not to exceed the rates established for such allowances and expenses under section 404(d) of title 37.

"(3) The transportation authorized by subsection (a) may be provided by any of the means described in section 411h(d)(1) of title 37.

"(4) An allowance under this subsection may be paid in advance.

"(5) Reimbursement payable under this subsection may not exceed the cost of government-procured round-trip air travel.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 57 of such title is amended by adding at the end the following new item:

"5760. Travel and transportation allowances: transportation of family members incident to the repatriation of employees held captive.".

**SEC. 1122. STRATEGIC HUMAN CAPITAL PLAN FOR CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.**

(a) PLAN REQUIRED.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall develop and submit to the Committees on Armed Services of the Senate and House of Representatives a strategic plan to shape and improve the civilian employee workforce of the Department of Defense.

(2) The plan shall be known as the "strategic human capital plan".

(b) CONTENTS.—The strategic human capital plan required by subsection (a) shall include—

(1) an assessment of—

(A) the critical skills and competencies that will be needed in the future civilian employee workforce of the Department of Defense to support national security requirements and effectively manage the Department over the next decade;

(B) the skills and competencies of the existing civilian employee workforce of the Department and projected trends in that workforce based on expected losses due to retirement and other attrition; and

(C) gaps in the existing or projected civilian employee workforce of the Department that should be addressed to ensure that the Department has continued access to the critical skills and competencies described in subparagraph (A); and

(2) a plan of action for developing and reshaping the civilian employee workforce of the Department to address the gaps in critical skills and competencies identified under paragraph (1)(C), including—

(A) specific recruiting and retention goals, including the program objectives of the Department to be achieved through such goals; and

(B) specific strategies for development, training, deploying, compensating, and motivating the civilian employee workforce of the Department, including the program objectives of the Department to be achieved through such strategies.

(c) ANNUAL UPDATES.—Not later than March 1 of each year from 2007 through 2010, the Secretary shall update the strategic human capital plan required by subsection (a), as previously updated under this subsection.

(d) ANNUAL REPORTS.—Not later than March 1 of each year from 2007 through 2010, the Secretary shall submit to the appropriate committees of Congress—

(1) the update of the strategic human capital plan prepared in such year under subsection (c); and

(2) the assessment of the Secretary, using results-oriented performance measures, of the progress of the Department of Defense in implementing the strategic human capital plan.

(e) COMPTROLLER GENERAL REVIEW.—Not later than 90 days after the Secretary submits under subsection (a) the strategic human capital plan required by that subsection, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plan.

**SEC. 1123. INDEPENDENT STUDY ON FEATURES OF SUCCESSFUL PERSONNEL MANAGEMENT SYSTEMS OF HIGHLY TECHNICAL AND SCIENTIFIC WORKFORCES.**

(a) INDEPENDENT STUDY.—The Secretary of Defense shall commission an independent study to identify the features of successful personnel management systems of the highly technical and scientific workforces of the Department of Defense laboratories and similar scientific facilities and institutions.

(b) ELEMENTS.—The study required by subsection (a) shall include the following:

(1) An examination of the personnel management authorities under statute or regulation currently being used, or available for use, at Department of Defense demonstration laboratories to assist in the management of the workforce of such laboratories.

(2) A list of personnel management authorities and practices critical to successful mission execution, obtained through interviews with selected, premier government and private sector laboratory directors.

(3) A comparative assessment of the effectiveness of the Department of Defense technical workforce management authorities and practices with that of other similar entities.

(4) Such recommendations as are considered appropriate for the effective use of available personnel management authorities to ensure the successful personnel management of the highly technical and scientific workforce of the Department of Defense.

**SEC. 1124. SUPPORT BY DEPARTMENT OF DEFENSE OF PILOT PROJECT FOR CIVILIAN LINGUIST RESERVE CORPS.**

Subject to the availability of appropriated funds, the Secretary of Defense may support implementation of the Civilian Linguist Reserve Corps pilot project authorized by section 613 of the Intelligence Authorization Act for Fiscal Year 2005 (Public Law 108–487; 118 Stat. 3959; 50 U.S.C. 403–1b note).

**SEC. 1125. INCREASE IN AUTHORIZED NUMBER OF POSITIONS IN DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.**

Section 1606(a) of title 10, United States Code, is amended by striking "544" and inserting "594".

# TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

**SUBTITLE A—ASSISTANCE AND TRAINING**

Sec. 1201. Extension of humanitarian and civic assistance provided to host nations in conjunction with military operations.
Sec. 1202. Commanders' Emergency Response Program.
Sec. 1203. Modification of geographic restriction under bilateral and regional cooperation programs for payment of certain expenses of defense personnel of developing countries.
Sec. 1204. Authority for Department of Defense to enter into acquisition and cross-servicing agreements with regional organizations of which the United States is not a member.
Sec. 1205. Two-year extension of authority for payment of certain administrative services and support for coalition liaison officers.
Sec. 1206. Authority to build the capacity of foreign military forces.
Sec. 1207. Security and stabilization assistance.
Sec. 1208. Reimbursement of certain coalition nations for support provided to United States military operations.
Sec. 1209. Authority to transfer defense articles and provide defense services to the military and security forces of Iraq and Afghanistan.

**SUBTITLE B—NONPROLIFERATION MATTERS AND COUNTRIES OF CONCERN**

Sec. 1211. Prohibition on procurements from Communist Chinese military companies.
Sec. 1212. Report on nonstrategic nuclear weapons.

**SUBTITLE C—REPORTS AND SENSE OF CONGRESS PROVISIONS**

Sec. 1221. War-related reporting requirements.

Sec. 1222. Quarterly reports on war strategy in Iraq.
Sec. 1223. Report on records of civilian casualties in Afghanistan and Iraq.
Sec. 1224. Annual report on Department of Defense costs to carry out United Nations resolutions.
Sec. 1225. Report on claims related to the bombing of the LaBelle Discotheque.
Sec. 1226. Sense of Congress concerning cooperation with Russia on issues pertaining to missile defense.
Sec. 1227. United States policy on Iraq.

SUBTITLE D—OTHER MATTERS

Sec. 1231. Purchase of weapons overseas for force protection purposes in countries in which combat operations are ongoing.
Sec. 1232. Riot control agents.
Sec. 1233. Requirement for establishment of certain criteria applicable to Global Posture Review.
Sec. 1234. The United States-China Economic Security Review Commission.

# Subtitle A—Assistance and Training

**SEC. 1201. EXTENSION OF HUMANITARIAN AND CIVIC ASSISTANCE PROVIDED TO HOST NATIONS IN CONJUNCTION WITH MILITARY OPERATIONS.**

(a) LIMITATION ON AMOUNT OF ASSISTANCE FOR CLEARANCE OF LANDMINES, ETC.—Subsection (c)(3) of section 401 of title 10, United States Code is amended by striking "$5,000,000" and inserting "$10,000,000".

(b) EXTENSION AND CLARIFICATION OF TYPES OF HEALTH CARE AUTHORIZED.—Subsection (e)(1) of such section is amended—

(1) by inserting "surgical," before "dental," both places it appears; and

(2) by inserting ", including education, training, and technical assistance related to the care provided" before the period at the end.

**SEC. 1202. COMMANDERS' EMERGENCY RESPONSE PROGRAM.**

(a) AUTHORITY FOR FISCAL YEARS 2006 AND 2007.—During each of fiscal years 2006 and 2007, from funds made available to the Department of Defense for operation and maintenance for such fiscal year, not to exceed $500,000,000 may be used by the Secretary of Defense in such fiscal year to provide funds—

(1) for the Commanders' Emergency Response Program; and

(2) for a similar program to assist the people of Afghanistan.

(b) QUARTERLY REPORTS.—Not later than 15 days after the end of each fiscal-year quarter of fiscal years 2006 and 2007, the Secretary of Defense shall submit to the congressional defense committees a report regarding the source of funds and the allocation and use of funds during that quarter that were made available pursuant to the authority provided in this section or under any other provision of law for the purposes of the programs under subsection (a).

(c) SUBMISSION OF GUIDANCE.—

(1) INITIAL SUBMISSION.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a copy of the guidance issued by the Secretary to the Armed Forces concerning the allocation of funds through the Commanders' Emergency Response Program and any similar program to assist the people of Afghanistan.

(2) MODIFICATIONS.—If the guidance in effect for the purpose stated in paragraph (1) is modified, the Secretary shall submit to the congressional defense committees a copy of the modification not later than 15 days after the date on which the Secretary makes the modification.

(d) WAIVER AUTHORITY.—For purposes of exercising the authority provided by this section or any other provision of law making funding available for the Commanders' Emergency Response Program or any similar program to assist the people of Afghanistan, the Secretary of Defense may waive any provision of law not contained in this section that would (but for the waiver) prohibit, restrict, limit, or otherwise constrain the exercise of that authority.

(e) COMMANDERS' EMERGENCY RESPONSE PROGRAM DEFINED.—In this section, the term "Commanders' Emergency Response Program" means the program established by the Administrator of the Coalition Provisional Authority for the purpose of enabling United States military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi people.

**SEC. 1203. MODIFICATION OF GEOGRAPHIC RESTRICTION UNDER BILATERAL AND REGIONAL COOPERATION PROGRAMS FOR PAYMENT OF CERTAIN EXPENSES OF DEFENSE PERSONNEL OF DEVELOPING COUNTRIES.**

Section 1051(b)(1) of title 10, United States Code, is amended—

(1) by inserting "to and" after "in connection with travel"; and

(2) by striking "in which the developing country is located" and inserting "in which the bilateral or regional conference, seminar, or similar meeting for which expenses are authorized is located".

**SEC. 1204. AUTHORITY FOR DEPARTMENT OF DEFENSE TO ENTER INTO ACQUISITION AND CROSS-SERVICING AGREEMENTS WITH REGIONAL ORGANIZATIONS OF WHICH THE UNITED STATES IS NOT A MEMBER.**

Subchapter I of chapter 138 of title 10, United States Code, is amended by striking "of which the United States is a member" in sections 2341(1), 2342(a)(1)(C), and 2344(b)(4).

**SEC. 1205. TWO-YEAR EXTENSION OF AUTHORITY FOR PAYMENT OF CERTAIN ADMINISTRATIVE SERVICES AND SUPPORT FOR COALITION LIAISON OFFICERS.**

Section 1051a(e) of title 10, United States Code, is amended by striking "September 30, 2005" and inserting "September 30, 2007".

**SEC. 1206. AUTHORITY TO BUILD THE CAPACITY OF FOREIGN MILITARY FORCES.**

(a) AUTHORITY.—The President may direct the Secretary of Defense to conduct or support a program to build the capacity of a foreign country's national military forces in order for that country to—

(1) conduct counterterrorist operations; or

(2) participate in or support military and stability operations in which the United States Armed Forces are a participant.

(b) TYPES OF CAPACITY BUILDING.—

(1) AUTHORIZED ELEMENTS.—The program directed by the President under subsection (a) may include the provision of equipment, supplies, and training.

(2) REQUIRED ELEMENTS.—The program directed by the President under subsection (a) shall include elements that promote—

(A) observance of and respect for human rights and fundamental freedoms; and

(B) respect for legitimate civilian authority within that country.

(c) LIMITATIONS.—

(1) ANNUAL FUNDING LIMITATION.—The Secretary of Defense may use up to $200,000,000 of funds available for defense-wide operation and maintenance for any fiscal year to conduct or support activities directed by the President under subsection (a) in that fiscal year.

(2) ASSISTANCE OTHERWISE PROHIBITED BY LAW.—The President may not use the authority in subsection (a) to provide any type of assistance described in subsection (b) that is otherwise prohibited by any provision of law.

(3) LIMITATION ON ELIGIBLE COUNTRIES.—The President may not use the authority in subsection (a) to provide assistance described in subsection (b) to any foreign country that is otherwise prohibited from receiving such type of assistance under any other provision of law.

(d) FORMULATION AND EXECUTION OF PROGRAM.—The Secretary of Defense and the Secretary of State shall jointly formulate any program directed by the President under subsection (a). The Secretary of Defense shall coordinate with the Secretary of State in the implementation of any program directed by the President under subsection (a).

(e) CONGRESSIONAL NOTIFICATION.—

(1) PRESIDENTIAL DIRECTION.—At the time the President directs the Secretary of Defense to conduct or support a program authorized in subsection (a), the President shall provide a written copy of that direction to the Congress.

(2) ACTIVITIES IN A COUNTRY.—Not less than 15 days before initiating activities in any country as directed by the President under subsection (a), the Secretary of Defense, in coordination with the Secretary of State, shall submit to the congressional committees specified in paragraph (3) a notice of the following:

(A) The country whose capacity to engage in activities in subsection (a) will be built.

(B) The budget, implementation timeline with milestones, and completion date for completing the program directed by the President.

(C) The source and planned expenditure of funds to complete the program directed by the President.

(3) SPECIFIED CONGRESSIONAL COMMITTEES.—The congressional committees specified in this paragraph are the following:

(A) The Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

(B) The Committee on Armed Services, the Committee on International Relations, and the Committee on Appropriations of the House of Representatives.

(f) REPORT.—Not later than one year after the date of the enactment of this Act, the President shall transmit to the congressional committees specified in subsection (e)(3) a report examining the following issues:

(1) The strengths and weaknesses of the Foreign Assistance Act of 1961, the Arms Export Control Act, and any other provision of law related to the building of the capacity of foreign governments or the training and equipping of foreign military forces, including strengths and weaknesses for the purposes described in subsection (a).

(2) The changes, if any, that should be made to the Foreign Assistance Act of 1961, the Arms Export Control Act, and any other relevant provision of law that would improve the ability of the United States Government to build the capacity of foreign governments or train and equip foreign military forces, including for the purposes described in subsection (a).

(3) The organizational and procedural changes, if any, that should be made in the Department of State and the Department of Defense to improve their ability to conduct programs to build the capacity of foreign governments or train and equip foreign military forces, including for the purposes described in subsection (a).

(4) The resources and funding mechanisms required to assure adequate funding for such programs.

(g) TERMINATION OF PROGRAM.—The authority of the President under subsection (a) to direct the Secretary of Defense to conduct a program terminates at the close of September 30, 2007. Any program directed before that date may be completed, but only using funds available for fiscal year 2006 or fiscal year 2007.

**SEC. 1207. SECURITY AND STABILIZATION ASSISTANCE.**

(a) AUTHORITY.—The Secretary of Defense may provide services to, and transfer defense articles and funds to, the Secretary of State for the purposes of facilitating the provision by the Secretary of State of reconstruction, security, or stabilization assistance to a foreign country.

(b) LIMITATION.—The aggregate value of all services, defense articles, and funds provided or transferred to the Secretary of State under this section in any fiscal year may not exceed $100,000,000.

(c) AVAILABILITY OF FUNDS.—Any funds transferred to the Secretary of State under this section may remain available until expended.

(d) CONGRESSIONAL NOTIFICATION.—

(1) REQUIREMENT FOR NOTICE.—Whenever the Secretary of Defense exercises the authority under subsection (a), the Secretary shall, at the time the authority is exercised, notify the congressional committees specified in paragraph (3) of the exercise of that authority. Any such notification shall be prepared in coordination with the Secretary of State.

(2) CONTENT OF NOTIFICATION.—Any notification under paragraph (1) shall include a description of—

(A) the services, defense articles, or funds provided or transferred to the Secretary of State; and

(B) the purpose for which such services, defense articles, and funds will be used.

(3) SPECIFIED CONGRESSIONAL COMMITTEES.—The congressional committees specified in this paragraph are the following:

(A) The Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

(B) The Committee on Armed Services, the Committee on International Relations, and the Committee on Appropriations of the House of Representatives.

(e) APPLICABLE LAW.—Any services, defense articles, or funds provided or transferred to the Secretary of State under the authority of this section that the Secretary of State uses to provide reconstruction, security, or stabilization assistance to a foreign country shall be subject to the authorities and limitations in the Foreign Assistance Act of 1961, the Arms Export Control Act, or any law making appropriations to carry out such Acts.

(f) EXPIRATION.—The authority provided under subsection (a) may not be exercised after September 30, 2007.

**SEC. 1208. REIMBURSEMENT OF CERTAIN COALITION NATIONS FOR SUPPORT PROVIDED TO UNITED STATES MILITARY OPERATIONS.**

(a) AUTHORITY.—From funds made available for the Department of Defense by title XV for Defense-Wide Operation and Maintenance, the Secretary of Defense may reimburse any key cooperating nation for logistical and military support provided by that nation to or in connection with United States military operations in Iraq, Afghanistan, and the global war on terrorism.

(b) DETERMINATIONS.—Payments authorized under subsection (a) may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State and in consultation with the Director of the Office of Management and Budget, may determine, in the Secretary's discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided. Any such determination by the Secretary of Defense shall be final and conclusive upon the accounting officers of the United States. To the maximum extent practicable, the Secretary shall develop standards for determining the kinds of logistical and military support to the United States that shall be considered reimbursable under this section.

(c) LIMITATIONS.—

(1) TOTAL AMOUNT.—The total amount of payments made under the authority of this section during fiscal year 2006 may not exceed $1,500,000,000.

(2) PROHIBITION ON CONTRACTUAL OBLIGATIONS TO MAKE PAYMENTS.—The Secretary may not enter into any contractual obligation to make a payment under the authority of this section.

(d) CONGRESSIONAL NOTIFICATIONS.—The Secretary of Defense—

(1) shall notify the congressional defense committees not less than 15 days before making any payment under the authority of this section; and

(2) shall submit to those committees quarterly reports on the use of the authority under this section.

**SEC. 1209. AUTHORITY TO TRANSFER DEFENSE ARTICLES AND PROVIDE DEFENSE SERVICES TO THE MILITARY AND SECURITY FORCES OF IRAQ AND AFGHANISTAN.**

(a) AUTHORITY.—The President is authorized to transfer defense articles from the stocks of the Department of Defense and to provide defense services in connection with the transfer of such defense articles to the military and security forces of Iraq and Afghanistan in order to support the efforts of those forces to restore and maintain peace and security in those countries.

(b) LIMITATION.—The aggregate value of all defense articles transferred and defense services provided to Iraq and Afghanistan under subsection (a) may not exceed $500,000,000.

(c) APPLICABLE LAW.—Any defense articles transferred or defense services provided to Iraq or Afghanistan under the authority of subsection (a) shall be subject to the authorities and limitations applicable to the transfer of excess defense articles under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j), other than the authorities and limitations contained in subsections (b)(1)(B), (e), (f), and (g) of such section.

(d) NOTIFICATION.—

(1) IN GENERAL.—The President may not transfer defense articles or provide defense services under subsection (a) until 15 days after the date on which the President has provided notice of the proposed transfer of defense articles or provision of defense services to the appropriate congressional committees.

(2) CONTENTS.—Such notification shall include—

(A) the information required by subparagraphs (A) through (D) of section 516(f)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(f)(2)(A) through (D));

(B) a description of the amount and type of each defense article to be transferred or defense service to be provided and the brigade-level unit from which the defense article is to be transferred or defense service is to be provided, if applicable; and

(C) an identification of the element of the military or security force that is the proposed recipient of each defense article to be transferred or defense service to be provided.

(e) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Appropriations, the Committee on Armed Services, and the Committee on International Relations of the House of Representatives; and

(B) the Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Relations of the Senate.

(2) DEFENSE ARTICLES.—The term "defense articles" has the meaning given the term in section 644(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(d)).

(3) DEFENSE SERVICES.—The term "defense services" has the meaning given the term in section 644(f) of such Act (22 U.S.C. 2403(f)).

(4) MILITARY AND SECURITY FORCES.—The term "military and security forces" has the meaning given the term in section 1202(e) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375).

(f) EXPIRATION.—The authority provided under subsection (a) may not be exercised after September 30, 2006.

# Subtitle B—Nonproliferation Matters and Countries of Concern

### SEC. 1211. PROHIBITION ON PROCUREMENTS FROM COMMUNIST CHINESE MILITARY COMPANIES.

(a) PROHIBITION.—The Secretary of Defense may not procure goods or services described in subsection (b), through a contract or any subcontract (at any tier) under a contract, from any Communist Chinese military company.

(b) GOODS AND SERVICES COVERED.—For purposes of subsection (a), the goods and services described in this subsection are goods and services on the munitions list of the International Trafficking in Arms Regulations, other than goods or services procured—

(1) in connection with a visit by a vessel or an aircraft of the United States Armed Forces to the People's Republic of China;

(2) for testing purposes; or

(3) for purposes of gathering intelligence.

(c) WAIVER AUTHORIZED.—The Secretary of Defense may waive the prohibition in subsection (a) if the Secretary determines such a waiver is necessary for national security purposes. The Secretary shall notify the congressional defense committees of each waiver made under this subsection.

(d) DEFINITIONS.—In this section:

(1) The term "Communist Chinese military company" has the meaning provided that term by section 1237(b)(4) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (50 U.S.C. 1701 note).

(2) The term "munitions list of the International Trafficking in Arms Regulations" means the United States Munitions List contained in part 121 of subchapter M of title 22 of the Code of Federal Regulations.

### SEC. 1212. REPORT ON NONSTRATEGIC NUCLEAR WEAPONS.

(a) REVIEW.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall, in consultation with the Secretary of State and the Secretary of Energy, conduct a review of United States and Russian nonstrategic nuclear weapons and determine whether it is in the national security interest of the United States—

(1) to reduce the number of United States and Russian nonstrategic nuclear weapons;

(2) to improve the security of United States and Russian nonstrategic nuclear weapons in storage and during transport;

(3) to identify and develop mechanisms and procedures to implement transparent reductions in nonstrategic nuclear weapons; and

(4) to identify and develop mechanisms and procedures to implement the transparent dismantlement of excess nonstrategic nuclear weapons.

(b) REPORT.—

(1) IN GENERAL.—The Secretary of Defense shall submit to the congressional defense committees a joint report, prepared

in consultation with the Secretary of State and the Secretary of Energy, on the results of the review required under subsection (a). The report shall include a plan to implement, not later than October 1, 2006, actions determined as a result of the review to be in the United States national security interest.

(2) FORM.—The report required under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

## Subtitle C—Reports and Sense of Congress Provisions

**SEC. 1221. WAR-RELATED REPORTING REQUIREMENTS.**

(a) REPORT REQUIRED FOR OPERATION IRAQI FREEDOM, OPERATION ENDURING FREEDOM, AND OPERATION NOBLE EAGLE.—The Secretary of Defense shall submit to the congressional defense committees, in accordance with this section, a report on procurement and equipment maintenance costs for each of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle and on facility infrastructure costs associated with each of Operation Iraqi Freedom and Operation Enduring Freedom. The report shall include the following:

(1) PROCUREMENT.—A specification of costs of procurement funding requested since fiscal year 2003, together with end-item quantities requested and the purpose of the request (such as replacement for battle losses, improved capability, increase in force size, restructuring of forces), shown by service.

(2) EQUIPMENT MAINTENANCE.—A cost comparison of the requirements for equipment maintenance expenditures during peacetime and for such requirements during wartime, as shown by the requirements in each of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. The cost comparison shall include—

(A) a description of the effect of war operations on the backlog of maintenance requirements over the period of fiscal years 2003 to the time of the report; and

(B) an examination of the extent to which war operations have precluded maintenance from being performed because equipment was unavailable.

(3) OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM INFRASTRUCTURE.—A specification of the number of United States military personnel that can be supported by the facility infrastructure in Iraq and Afghanistan and in the neighboring countries from where Operation Iraq Freedom and Operation Enduring Freedom are supported.

(b) SUBMISSION REQUIREMENTS.—The report under subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act. The Secretary of Defense shall submit an updated report on procurement, equipment maintenance, and military construction costs, as specified in subsection (a), concurrently with any request made to Congress after the date of the enactment of this Act for war-related funding.

(c) SUBMISSION TO GAO OF CERTAIN REPORTS ON COSTS.—The Secretary of Defense shall submit to the Comptroller General, not later than 45 days after the end of each reporting month, the

Department of Defense Supplemental and Cost of War Execution reports. Based on these reports, the Comptroller General shall provide to Congress quarterly updates on the costs of Operation Iraqi Freedom and Operation Enduring Freedom.

**SEC. 1222. QUARTERLY REPORTS ON WAR STRATEGY IN IRAQ.**

(a) QUARTERLY REPORTS.—At the same time the Secretary of Defense submits to Congress each report on stability and security in Iraq that is submitted to Congress after the date of the enactment of this Act under the Joint Explanatory Statement of the Committee on Conference to accompany the conference report on the bill H.R. 1268 of the 109th Congress, the Secretary of Defense and appropriate personnel of the Central Intelligence Agency shall provide the appropriate committees of Congress a briefing on the strategy for the war in Iraq, including the intelligence and other measures of evaluation used in determining the progress made in the execution of that strategy.

(b) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services, the Select Committee on Intelligence, and the Committee on Appropriations of the Senate; and

(2) the Committee on Armed Services, the Permanent Select Committee on Intelligence, and the Committee on Appropriations of the House of Representatives.

(c) TERMINATION OF REQUIREMENT.—This section shall cease to be in effect after 12 of the quarterly briefings specified in subsection (a) have been provided or December 31, 2008, whichever is later.

**SEC. 1223. REPORT ON RECORDS OF CIVILIAN CASUALTIES IN AFGHANISTAN AND IRAQ.**

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on records of civilian casualties in Afghanistan and Iraq.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) Whether records of civilian casualties in Afghanistan and Iraq are kept by the United States Armed Forces and if such records are kept—

(A) how and from what sources the information for those records is collected;

(B) where those records are kept; and

(C) what officials or organizations are responsible for maintaining those records.

(2) Whether such records (if kept) contain—

(A) any information relating to the circumstances under which the casualties occurred and whether those casualties were fatalities or injuries;

(B) information as to whether any condolence payment, compensation, or assistance was provided to the victim or to the victim's family; and

(C) any other information relating to those casualties.

**SEC. 1224. ANNUAL REPORT ON DEPARTMENT OF DEFENSE COSTS TO CARRY OUT UNITED NATIONS RESOLUTIONS.**

(a) REQUIREMENT FOR ANNUAL REPORT.—

(1) DEPARTMENT OF DEFENSE COSTS.—Not later than April 30 of each year, the Secretary of Defense shall submit to the congressional committees specified in paragraph (2) a report on Department of Defense costs during the preceding fiscal year to carry out United Nations resolutions.

(2) SPECIFIED COMMITTEES.—The committees specified in this paragraph are—

(A) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

(B) the Committee on Armed Services, the Committee on International Relations, and the Committee on Appropriations of the House of Representatives.

(b) MATTERS TO BE INCLUDED.—Each report under subsection (a) shall set forth the following:

(1) All direct and indirect costs (including incremental costs) incurred by the Department of Defense during the preceding fiscal year in implementing or supporting any resolution adopted by the United Nations Security Council, including any such resolution calling for—

(A) international sanctions;

(B) international peacekeeping operations;

(C) international peace enforcement operations;

(D) monitoring missions;

(E) observer missions; or

(F) humanitarian missions.

(2) An aggregate of all such Department of Defense costs by operation or mission and the total cost to United Nations members of each operation or mission.

(3) All direct and indirect costs (including incremental costs) incurred by the Department of Defense during the preceding fiscal year in training, equipping, and otherwise assisting, preparing, providing resources for, and transporting foreign defense or security forces for implementing or supporting any resolution adopted by the United Nations Security Council, including any such resolution specified in paragraph (1).

(4) All efforts made to seek credit against past United Nations expenditures.

(5) All efforts made to seek compensation from the United Nations for costs incurred by the Department of Defense in implementing and supporting United Nations activities.

(c) COORDINATION.—The report under subsection (a) each year shall be prepared in coordination with the Secretary of State.

(d) FORM OF REPORT.—Each report required by this section shall be submitted in unclassified form, but may include a classified annex.

**SEC. 1225. REPORT ON CLAIMS RELATED TO THE BOMBING OF THE LABELLE DISCOTHEQUE.**

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Government of Libya should be commended for the steps the Government has taken to renounce terrorism and to eliminate Libya's weapons of mass destruction and related programs; and

(2) an important priority for improving relations between the United States and Libya should be a good faith effort

on the part of the Government of Libya to resolve the claims of members of the Armed Forces of the United States and other United States citizens who were injured in the bombing of the LaBelle Discotheque in Berlin, Germany that occurred in April 1986, and of family members of members of the Armed Forces of the United States who were killed in that bombing.

(b) REPORTS.—

(1) INITIAL REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report on the status of negotiations between the Government of Libya and United States claimants in connection with the bombing of the LaBelle Discotheque in Berlin, Germany that occurred in April 1986, regarding resolution of their claims. The report shall also include information on efforts by the Government of the United States to urge the Government of Libya to make a good faith effort to resolve such claims.

(2) UPDATE.—Not later than one year after enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees an update of the report required by paragraph (1).

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term "appropriate congressional committees" means the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on Armed Services and the Committee on International Relations of the House of Representatives.

**SEC. 1226. SENSE OF CONGRESS CONCERNING COOPERATION WITH RUSSIA ON ISSUES PERTAINING TO MISSILE DEFENSE.**

It is the sense of Congress that—

(1) cooperation between the United States and Russia with regard to missile defense is in the interest of the United States;

(2) there does not exist strong enough engagement between the United States and Russia with respect to missile defense cooperation;

(3) the United States should explore innovative and non-traditional means of cooperation with Russia on issues pertaining to missile defense; and

(4) as part of such an effort, the Secretary of Defense should consider the possibilities for United States-Russian cooperation with respect to missile defense through—

(A) the testing of specific elements of the detection and tracking equipment of the Missile Defense Agency of the United States Department of Defense through the use of Russian target missiles;

(B) the provision of early warning radar to the Missile Defense Agency by the use of Russian radar data; and

(C) the implementation of the Joint Data Exchange Center in Moscow to improve early warning capabilities.

**SEC. 1227. UNITED STATES POLICY ON IRAQ.**

(a) SHORT TITLE.—This section may be cited as the "United States Policy in Iraq Act".

(b) SENSE OF CONGRESS.—It is the sense of the Congress that, in order to succeed in Iraq—

(1) members of the United States Armed Forces who are serving or have served in Iraq and their families deserve the

utmost respect and the heartfelt gratitude of the American people for their unwavering devotion to duty, service to the Nation, and selfless sacrifice under the most difficult circumstances; the United States Congress supports our troops and supports a successful conclusion to their mission;

(2) it is important to recognize that the Iraqi people have made enormous sacrifices and that the overwhelming majority of Iraqis want to live in peace and security; and that the Iraqi security forces in a growing number of incidences are fighting side-by-side with coalition forces, are increasing in numbers and improving in military capability;

(3) the terrorists seeking to prevent the emergence of a secure, stable, peaceful, and democratic Iraq are led by individuals seeking to restore dictatorship in Iraq or who want to advance al Qaeda's broad vision of violently extreme Islam in the Middle East;

(4) calendar year 2006 should be a period of significant transition to full Iraqi sovereignty, with Iraqi security forces taking the lead for the security of a free and sovereign Iraq, thereby creating the conditions for the phased redeployment of United States forces from Iraq;

(5) United States military forces should not stay in Iraq any longer than required and the professional military judgment of our senior military should be a key factor in future decisions;

(6) the Administration should tell the leaders of all groups and political parties in Iraq that they need to make the compromises necessary to achieve the broad-based and sustainable political settlement that is essential for defeating the insurgency in Iraq, within the schedule they set for themselves; and

(7) the President has committed to continue to explain to Congress and the American people progress toward a successful completion of the mission in Iraq.

(c) REPORTS TO CONGRESS ON UNITED STATES POLICY AND MILITARY OPERATIONS IN IRAQ.—Not later than 90 days after the date of the enactment of this Act, and every three months thereafter until all United States combat brigades have redeployed from Iraq, the President shall submit to Congress a report on United States policy and military operations in Iraq. To the maximum extent practicable, the report required in (c) shall be unclassified, with a classified annex if necessary. Each report shall include to the extent practical, the following information:

(1) The current military mission and the diplomatic, political, economic, and military measures that are being or have been undertaken to successfully complete or support that mission, including:

(A) Efforts to convince Iraq's main communities to make the compromises necessary for a broad-based and sustainable political settlement.

(B) Engaging the international community and the region in efforts to stabilize Iraq and to forge a broad-based and sustainable political settlement.

(C) Strengthening the capacity of Iraq's government ministries.

(D) Accelerating the delivery of basic services.

(E) Securing the delivery of pledged economic assistance from the international community and additional pledges of assistance.

(F) Training Iraqi security forces and transferring additional security responsibilities to those forces and the government of Iraq.

(2) Whether the Iraqis have made the compromises necessary to achieve the broad-based and sustainable political settlement that is essential for defeating the insurgency in Iraq.

(3) Any specific conditions included in the April 2005 Multi-National Forces-Iraq campaign action plan (referred to in United States Government Accountability Office October 2005 report on Rebuilding Iraq: DOD Reports Should Link Economic, Governance, and Security Indicators to Conditions for Stabilizing Iraq), and any subsequent updates to that campaign plan, that must be met in order to provide for the transition of additional security responsibility to Iraqi security forces.

(4) To the extent that these conditions are not covered under paragraph (3), the following should also be addressed:

(A) The number of battalions of the Iraqi Armed Forces that must be able to operate independently or to take the lead in counterinsurgency operations and the defense of Iraq's territory.

(B) The number of Iraqi special police units that must be able to operate independently or to take the lead in maintaining law and order and fighting the insurgency.

(C) The number of regular police that must be trained and equipped to maintain law and order.

(D) The ability of Iraq's Federal ministries and provincial and local governments to independently sustain, direct, and coordinate Iraq's security forces.

(5) The criteria to be used to evaluate progress toward meeting such conditions.

(6) A plan for meeting such conditions, an assessment of the extent to which such conditions have been met, information regarding variables that could alter that plan, and the reasons for any subsequent changes to that plan.

## Subtitle D—Other Matters

**SEC. 1231. PURCHASE OF WEAPONS OVERSEAS FOR FORCE PROTECTION PURPOSES IN COUNTRIES IN WHICH COMBAT OPERATIONS ARE ONGOING.**

(a) FORCE PROTECTION PURCHASES.—Chapter 3 of title 10, United States Code, is amended by inserting after section 127b the following new section:

### "§ 127c. Purchase of weapons overseas: force protection

"(a) AUTHORITY.—When elements of the armed forces are engaged in ongoing military operations in a country, the Secretary of Defense may, for the purpose of protecting United States forces in that country, purchase weapons from any foreign person, foreign government, international organization, or other entity located in that country.

"(b) LIMITATION.—The total amount expended during any fiscal year for purchases under this section may not exceed $15,000,000.

"(c) SEMIANNUAL CONGRESSIONAL REPORT.—In any case in which the authority provided in subsection (a) is used during the period of the first six months of a fiscal year, or during the period of the second six months of a fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives a report on the use of that authority during that six-month period. Each such report shall be submitted not later than 30 days after the end of the six-month period during which the authority is used. Each such report shall include the following:

"(1) The number and type of weapons purchased under subsection (a) during that six-month period covered by the report, together with the amount spent for those weapons and the Secretary's estimate of the fair market value of those weapons.

"(2) A description of the dispositions (if any) during that six-month period of weapons purchased under subsection (a).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 127b the following new item:

"127c. Purchase of weapons overseas: force protection.".

**SEC. 1232. RIOT CONTROL AGENTS.**

(a) RESTATEMENT OF POLICY.—It is the policy of the United States that riot control agents are not chemical weapons and that the President may authorize their use as legitimate, legal, and non-lethal alternatives to the use of force that, as provided in Executive Order No. 11850 (40 Fed. Reg. 16187) and consistent with the resolution of ratification of the Chemical Weapons Convention, may be employed by members of the Armed Forces in war in defensive military modes to save lives, including the illustrative purposes cited in Executive Order No. 11850.

(b) REPORT REQUIRED.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on the use of riot control agents by members of the Armed Forces.

(2) CONTENT.—The report required by paragraph (1) shall include—

(A) a description of all regulations, doctrines, training materials, and any other information related to the use of riot control agents by members of the Armed Forces;

(B) a description of how the material described in subparagraph (A) is consistent with United States policy on the use of riot control agents;

(C) a description of the availability of riot control agents, and the means to use them, to members of the Armed Forces, including members of the Armed Forces deployed in Iraq and Afghanistan;

(D) a description of the frequency and circumstances of the use of riot control agents by members of the Armed Forces since January 1, 1992, and a summary of views held by commanders of United States combatant commands as to the utility of the use of riot control agents by members of the Armed Forces when compared with alternatives;

(E) a general description of steps taken or planned to be taken by the Department of Defense to clarify the circumstances under which riot control agents may be used by members of the Armed Forces; and

(F) a brief explanation of the continuing validity of Executive Order No. 11850 under United States law.

(3) FORM.—The report required by paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(c) DEFINITIONS.—In this section:

(1) CHEMICAL WEAPONS CONVENTION.—The term "Chemical Weapons Convention" means the Convention on the Prohibitions of Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, with annexes, done at Paris, January 13, 1993, and entered into force April 29, 1997 (T. Doc. 103–21).

(2) RESOLUTION OF RATIFICATION OF THE CHEMICAL WEAPONS CONVENTION.—The term "resolution of ratification of the Chemical Weapons Convention" means S. Res. 75, 105th Congress, agreed to April 24, 1997, advising and consenting to the ratification of the Chemical Weapons Convention.

**SEC. 1233. REQUIREMENT FOR ESTABLISHMENT OF CERTAIN CRITERIA APPLICABLE TO GLOBAL POSTURE REVIEW.**

(a) CRITERIA.—As part of the Integrated Global Presence and Basing Strategy (IGPBS) developed by the Department of Defense that is referred to as the "Global Posture Review", the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall develop criteria for assessing, with respect to each type of facility specified in subsection (c) that is to be located in a foreign country, the following factors:

(1) The effect of any new basing arrangements on the strategic mobility requirements of the Department of Defense.

(2) The ability of units deployed to overseas locations in areas in which United States Armed Forces have not traditionally been deployed to meet mobility response times required by operational planners.

(3) The cost of deploying units to areas referred to in paragraph (2) on a rotational basis (rather than on a permanent basing basis).

(4) The strategic benefit of rotational deployments through countries with which the United States is developing a close or new security relationship.

(5) Whether the relative speed and complexity of conducting negotiations with a particular country is a discriminator in the decision to deploy forces within the country.

(6) The appropriate and available funding mechanisms for the establishment, operation, and sustainment of specific Main Operating Bases, Forward Operating Bases, or Cooperative Security Locations.

(7) The effect on military quality of life of the unaccompanied deployment of units to new facilities in overseas locations.

(8) Other criteria as Secretary of Defense determines appropriate.

(b) ANALYSIS OF ALTERNATIVES TO BASING OR OPERATING LOCATIONS.—The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall develop a mechanism for analyzing alternatives to any particular overseas basing or operating location. Such a mechanism shall incorporate the factors specified in each of paragraphs (1) through (5) of subsection (a).

(c) MINIMAL INFRASTRUCTURE REQUIREMENTS FOR OVERSEAS INSTALLATIONS.—The Secretary of Defense shall develop a description of minimal infrastructure requirements for each of the following types of facilities:

(1) Facilities categorized as Main Operating Bases.

(2) Facilities categorized as Forward Operating Bases.

(3) Facilities categorized as Cooperative Security Locations.

(d) NOTIFICATION REQUIRED.—Not later than 30 days after an agreement is entered into between the United States and a foreign country to support the deployment of elements of the United States Armed Forces in that country, the Secretary of Defense shall submit to the congressional defense committees a written notification of such agreement. The notification under this subsection shall include the terms of the agreement, any costs to the United States resulting from the agreement, and a timeline to carry out the terms of the agreement.

(e) ANNUAL BUDGET ELEMENT.—The Secretary of Defense shall submit to Congress, as an element of the annual budget request of the Secretary, information regarding the funding sources for the establishment, operation, and sustainment of individual Main Operating Bases, Forward Operating Bases, or Cooperative Security Locations.

(f) REPORT.—Not later than March 30, 2006, the Secretary of Defense shall submit to Congress a report on the matters specified in subsections (a) through (c).

**SEC. 1234. THE UNITED STATES-CHINA ECONOMIC SECURITY REVIEW COMMISSION.**

(a) FINDINGS.—Congress finds the following:

(1) The 2004 Report to Congress of the United States-China Economic and Security Review Commission states that—

(A) China's State-Owned Enterprises (SOEs) lack adequate disclosure standards, which creates the potential for United States investors to unwittingly contribute to enterprises that are involved in activities harmful to United States security interests;

(B) United States influence and vital long-term interests in Asia are being challenged by China's robust regional economic engagement and diplomacy;

(C) the assistance of China and North Korea to global ballistic missile proliferation is extensive and ongoing;

(D) China's transfers of technology and components for weapons of mass destruction (WMD) and their delivery systems to countries of concern, including countries that support acts of international terrorism, have helped create a new tier of countries with the capability to produce WMD and ballistic missiles;

(E) the removal of the European Union arms embargo against China that is currently under consideration in the European Union would accelerate weapons modernization and dramatically enhance Chinese military capabilities;

(F) China is developing a leading-edge military with the objective of intimidating Taiwan and deterring United States involvement in the Taiwan Strait, and China's qualitative and quantitative military advancements have already resulted in a dramatic shift in the cross-Strait military balance toward China; and

(G) China's growing energy needs are driving China into bilateral arrangements that undermine multilateral efforts to stabilize oil supplies and prices, and in some cases may involve dangerous weapons transfers.

(2) On March 14, 2005, the National People's Congress approved a law that would authorize the use of force if Taiwan formally declares independence.

(b) SENSE OF CONGRESS FOR COMPREHENSIVE STRATEGY.—It is the sense of Congress that the President should present to Congress quickly a comprehensive strategy to—

(1) address the emergence of China economically, diplomatically, and militarily;

(2) promote mutually beneficial trade relations with China; and

(3) encourage China's adherence to international norms in the areas of trade, international security, and human rights.

(c) CONTENTS OF STRATEGY.—The strategy referred to in subsection (b) should address the following:

(1) Actions to address China's policy of undervaluing its currency, including—

(A) encouraging China to continue to upwardly revalue the Chinese yuan against the United States dollar;

(B) allowing the yuan to float against a trade-weighted basket of currencies; and

(C) concurrently encouraging United States trading partners with similar interests to join in these efforts.

(2) Actions to make better use of the World Trade Organization (WTO) dispute settlement mechanism and applicable United States trade laws to redress China's trade practices, including—

(A) exchange rate manipulation;

(B) denial of trading and distribution rights;

(C) insufficient intellectual property rights protection;

(D) objectionable labor standards;

(E) subsidization of exports; and

(F) forced technology transfers as a condition of doing business.

(3) The United States Trade Representative should consult with United States trading partners regarding any trade dispute with China.

(4) Actions to encourage United States diplomatic efforts to identify and pursue initiatives to revitalize United States engagement in East Asia. The initiatives should have a regional focus and complement bilateral efforts. The Asia-Pacific Economic Cooperation forum (APEC) offers a ready mechanism for pursuit of such initiatives.

(5) Actions by the administration to work with China to prevent proliferation of prohibited technologies and to secure China's agreement to renew efforts to curtail commercial export by North Korea of ballistic missiles.

(6) Actions by the Secretary of State and the Secretary of Energy to consult with the International Atomic Energy Agency with the objective of upgrading the current loose experience-sharing arrangement whereby China engages in some limited exchanges with the organization to a more structured arrangement.

(7) Actions by the administration to develop a coordinated, comprehensive national policy and strategy designed to maintain United States scientific and technological leadership and competitiveness, in light of the rise of China and the challenges of globalization.

(8) Actions to review laws and regulations governing the Committee on Foreign Investment in the United States (CFIUS), including exploring whether the definition of national security should include the potential impact on national economic security as a criterion to be reviewed, and whether the chairmanship of CFIUS should be transferred from the Secretary of the Treasury to a more appropriate executive branch agency.

(9) Actions by the President and the Secretary of State and Secretary of Defense to press strongly their counterparts in the European Union and its member states to maintain and strengthen the embargo on selling arms to China.

(10) Actions by the administration to discourage foreign defense contractors from selling sensitive military-use technology or weapons systems to China.

# TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.
Sec. 1302. Funding allocations.
Sec. 1303. Permanent waiver of restrictions on use of funds for threat reduction in states of the former Soviet Union.
Sec. 1304. Report on elimination of impediments to threat-reduction and nonproliferation programs in the former Soviet Union.
Sec. 1305. Repeal of requirement for annual Comptroller General assessment of annual Department of Defense report on activities and assistance under Cooperative Threat Reduction programs.

## SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) FISCAL YEAR 2006 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term "fiscal year 2006 Cooperative Threat Reduction funds" means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

**SEC. 1302. FUNDING ALLOCATIONS.**

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $415,549,000 authorized to be appropriated to the Department of Defense for fiscal year 2006 in section 301(19) for Cooperative Threat Reduction programs, the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $78,900,000.

(2) For nuclear weapons storage security in Russia, $74,100,000.

(3) For nuclear weapons transportation security in Russia, $30,000,000.

(4) For weapons of mass destruction proliferation prevention in the states of the former Soviet Union, $40,600,000.

(5) For biological weapons proliferation prevention in the former Soviet Union, $60,849,000.

(6) For chemical weapons destruction in Russia, $108,500,000.

(7) For defense and military contacts, $8,000,000.

(8) For activities designated as Other Assessments/Administrative Support, $14,600,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2006 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (8) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2006 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2006 for a purpose listed in any of the paragraphs in subsection (a) in excess of the specific amount authorized for that purpose.

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for a purpose stated in any of paragraphs (6) through (8) of subsection (a) in excess of 125 percent of the specific amount authorized for such purpose.

**SEC. 1303. PERMANENT WAIVER OF RESTRICTIONS ON USE OF FUNDS FOR THREAT REDUCTION IN STATES OF THE FORMER SOVIET UNION.**

Section 1306 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 22 U.S.C. 5952 note) is amended—

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

(2) by redesignating subsection (e) as subsection (c).

**SEC. 1304. REPORT ON ELIMINATION OF IMPEDIMENTS TO THREAT-REDUCTION AND NONPROLIFERATION PROGRAMS IN THE FORMER SOVIET UNION.**

Not later than November 1, 2006, the President shall submit to Congress a report on impediments to the effective conduct of Cooperative Threat Reduction programs and related threat reduction and nonproliferation programs and activities in the states of the former Soviet Union. The report shall—

(1) identify the impediments to the rapid, efficient, and effective conduct of programs and activities of the Department of Defense, the Department of State, and the Department of Energy, including issues relating to access to sites, liability, and taxation; and

(2) describe the plans of the United States to overcome or ameliorate such impediments, including an identification and discussion of new models and approaches that might be used to develop new relationships with entities in the states of the former Soviet Union capable of assisting in removing or ameliorating those impediments, and any congressional action that may be necessary for that purpose.

**SEC. 1305. REPEAL OF REQUIREMENT FOR ANNUAL COMPTROLLER GENERAL ASSESSMENT OF ANNUAL DEPARTMENT OF DEFENSE REPORT ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.**

Section 1308 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A-341) is amended by striking subsection (e).

# TITLE XIV—MATTERS RELATING TO DETAINEES

Sec. 1401. Short title
Sec. 1402. Uniform standards for the interrogation of persons under the detention of the Department of Defense
Sec. 1403. Prohibition on cruel, inhuman, or degrading treatment or punishment of persons under custody or control of the United States Government
Sec. 1404. Protection of United States Government personnel engaged in authorized interrogations
Sec. 1405. Procedures for status review of detainees outside the United States
Sec. 1406. Training of Iraqi security forces regarding treatment of detainees

**SEC. 1401. SHORT TITLE.**

This title may be cited as the "Detainee Treatment Act of 2005".

**SEC. 1402. UNIFORM STANDARDS FOR THE INTERROGATION OF PERSONS UNDER THE DETENTION OF THE DEPARTMENT OF DEFENSE.**

(a) IN GENERAL.—No person in the custody or under the effective control of the Department of Defense or under detention in a Department of Defense facility shall be subject to any treatment or technique of interrogation not authorized by and listed in the United States Army Field Manual on Intelligence Interrogation.

(b) APPLICABILITY.—Subsection (a) shall not apply with respect to any person in the custody or under the effective control of the Department of Defense pursuant to a criminal law or immigration law of the United States.

(c) CONSTRUCTION.—Nothing in this section shall be construed to affect the rights under the United States Constitution of any person in the custody or under the physical jurisdiction of the United States.

**SEC. 1403. PROHIBITION ON CRUEL, INHUMAN, OR DEGRADING TREATMENT OR PUNISHMENT OF PERSONS UNDER CUSTODY OR CONTROL OF THE UNITED STATES GOVERNMENT.**

(a) IN GENERAL.—No individual in the custody or under the physical control of the United States Government, regardless of nationality or physical location, shall be subject to cruel, inhuman, or degrading treatment or punishment.

(b) CONSTRUCTION.—Nothing in this section shall be construed to impose any geographical limitation on the applicability of the prohibition against cruel, inhuman, or degrading treatment or punishment under this section.

(c) LIMITATION ON SUPERSEDURE.—The provisions of this section shall not be superseded, except by a provision of law enacted after the date of the enactment of this Act which specifically repeals, modifies, or supersedes the provisions of this section.

(d) CRUEL, INHUMAN, OR DEGRADING TREATMENT OR PUNISHMENT DEFINED.—In this section, the term "cruel, inhuman, or degrading treatment or punishment" means the cruel, unusual, and inhumane treatment or punishment prohibited by the Fifth, Eighth, and Fourteenth Amendments to the Constitution of the United States, as defined in the United States Reservations, Declarations and Understandings to the United Nations Convention Against Torture and Other Forms of Cruel, Inhuman or Degrading Treatment or Punishment done at New York, December 10, 1984.

**SEC. 1404. PROTECTION OF UNITED STATES GOVERNMENT PERSONNEL ENGAGED IN AUTHORIZED INTERROGATIONS.**

(a) PROTECTION OF UNITED STATES GOVERNMENT PERSONNEL.—In any civil action or criminal prosecution against an officer, employee, member of the Armed Forces, or other agent of the United States Government who is a United States person, arising out of the officer, employee, member of the Armed Forces, or other agent's engaging in specific operational practices, that involve detention and interrogation of aliens who the President or his designees have determined are believed to be engaged in or associated with international terrorist activity that poses a serious, continuing threat to the United States, its interests, or its allies, and that were officially authorized and determined to be lawful at the time that they were conducted, it shall be a defense that such officer, employee, member of the Armed Forces, or other agent did not

know that the practices were unlawful and a person of ordinary sense and understanding would not know the practices were unlawful. Good faith reliance on advice of counsel should be an important factor, among others, to consider in assessing whether a person of ordinary sense and understanding would have known the practices to be unlawful. Nothing in this section shall be construed to limit or extinguish any defense or protection otherwise available to any person or entity from suit, civil or criminal liability, or damages, or to provide immunity from prosecution for any criminal offense by the proper authorities.

(b) COUNSEL.—The United States Government may provide or employ counsel, and pay counsel fees, court costs, bail, and other expenses incident to the representation of an officer, employee, member of the Armed Forces, or other agent described in subsection (a), with respect to any civil action or criminal prosecution arising out of practices described in that subsection, under the same conditions, and to the same extent, to which such services and payments are authorized under section 1037 of title 10, United States Code.

**SEC. 1405. PROCEDURES FOR STATUS REVIEW OF DETAINEES OUTSIDE THE UNITED STATES.**

(a) SUBMITTAL OF PROCEDURES FOR STATUS REVIEW OF DETAINEES AT GUANTANAMO BAY, CUBA, AND IN AFGHANISTAN AND IRAQ.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on the Judiciary of the Senate and the Committee on Armed Services and the Committee on the Judiciary of the House of Representatives a report setting forth—

(A) the procedures of the Combatant Status Review Tribunals and the Administrative Review Boards established by direction of the Secretary of Defense that are in operation at Guantanamo Bay, Cuba, for determining the status of the detainees held at Guantanamo Bay or to provide an annual review to determine the need to continue to detain an alien who is a detainee; and

(B) the procedures in operation in Afghanistan and Iraq for a determination of the status of aliens detained in the custody or under the physical control of the Department of Defense in those countries.

(2) DESIGNATED CIVILIAN OFFICIAL.—The procedures submitted to Congress pursuant to paragraph (1)(A) shall ensure that the official of the Department of Defense who is designated by the President or Secretary of Defense to be the final review authority within the Department of Defense with respect to decisions of any such tribunal or board (referred to as the "Designated Civilian Official") shall be a civilian officer of the Department of Defense holding an office to which appointments are required by law to be made by the President, by and with the advice and consent of the Senate.

(3) CONSIDERATION OF NEW EVIDENCE.—The procedures submitted under paragraph (1)(A) shall provide for periodic review of any new evidence that may become available relating to the enemy combatant status of a detainee.

(b) CONSIDERATION OF STATEMENTS DERIVED WITH COERCION.—

(1) ASSESSMENT.—The procedures submitted to Congress pursuant to subsection (a)(1)(A) shall ensure that a Combatant Status Review Tribunal or Administrative Review Board, or any similar or successor administrative tribunal or board, in making a determination of status or disposition of any detainee under such procedures, shall, to the extent practicable, assess—

(A) whether any statement derived from or relating to such detainee was obtained as a result of coercion; and

(B) the probative value, if any, of any such statement.

(2) APPLICABILITY.—Paragraph (1) applies with respect to any proceeding beginning on or after the date of the enactment of this Act.

(c) REPORT ON MODIFICATION OF PROCEDURES.—The Secretary of Defense shall submit to the committees specified in subsection (a)(1) a report on any modification of the procedures submitted under subsection (a). Any such report shall be submitted not later than 60 days before the date on which such modification goes into effect.

(d) ANNUAL REPORT.—

(1) REPORT REQUIRED.—The Secretary of Defense shall submit to Congress an annual report on the annual review process for aliens in the custody of the Department of Defense outside the United States. Each such report shall be submitted in unclassified form, with a classified annex, if necessary. The report shall be submitted not later than December 31 each year.

(2) ELEMENTS OF REPORT.—Each such report shall include the following with respect to the year covered by the report:

(A) The number of detainees whose status was reviewed.

(B) The procedures used at each location.

(e) JUDICIAL REVIEW OF DETENTION OF ENEMY COMBATANTS.—

(1) IN GENERAL.—Section 2241 of title 28, United States Code, is amended by adding at the end the following:

"(e) Except as provided in section 1405 of the Detainee Treatment Act of 2005, no court, justice, or judge shall have jurisdiction to hear or consider—

"(1) an application for a writ of habeas corpus filed by or on behalf of an alien detained by the Department of Defense at Guantanamo Bay, Cuba; or

"(2) any other action against the United States or its agents relating to any aspect of the detention by the Department of Defense of an alien at Guantanamo Bay, Cuba, who—

"(A) is currently in military custody; or

"(B) has been determined by the United States Court of Appeals for the District of Columbia Circuit in accordance with the procedures set forth in section 1405(e) of the Detainee Treatment Act of 2005 to have been properly detained as an enemy combatant.".

(2) REVIEW OF DECISIONS OF COMBATANT STATUS REVIEW TRIBUNALS OF PROPRIETY OF DETENTION.—

(A) IN GENERAL.—Subject to subparagraphs (B), (C), and (D), the United States Court of Appeals for the District of Columbia Circuit shall have exclusive jurisdiction to determine the validity of any final decision of a Combatant

Status Review Tribunal that an alien is properly detained as an enemy combatant.

(B) LIMITATION ON CLAIMS.—The jurisdiction of the United States Court of Appeals for the District of Columbia Circuit under this paragraph shall be limited to claims brought by or on behalf of an alien—

(i) who is, at the time a request for review by such court is filed, detained by the Department of Defense at Guantanamo Bay, Cuba; and

(ii) for whom a Combatant Status Review Tribunal has been conducted, pursuant to applicable procedures specified by the Secretary of Defense.

(C) SCOPE OF REVIEW.—The jurisdiction of the United States Court of Appeals for the District of Columbia Circuit on any claims with respect to an alien under this paragraph shall be limited to the consideration of—

(i) whether the status determination of the Combatant Status Review Tribunal with regard to such alien was consistent with the standards and procedures specified by the Secretary of Defense for Combatant Status Review Tribunals (including the requirement that the conclusion of the Tribunal be supported by a preponderance of the evidence and allowing a rebuttable presumption in favor the Government's evidence); and

(ii) to the extent the Constitution and laws of the United States are applicable, whether the use of such standards and procedures to make the determination is consistent with the Constitution and laws of the United States.

(D) TERMINATION ON RELEASE FROM CUSTODY.—The jurisdiction of the United States Court of Appeals for the District of Columbia Circuit with respect to the claims of an alien under this paragraph shall cease upon the release of such alien from the custody of the Department of Defense.

(3) REVIEW OF FINAL DECISIONS OF MILITARY COMMISSIONS.—

(A) IN GENERAL.—Subject to subparagraphs (B), (C), and (D), the United States Court of Appeals for the District of Columbia Circuit shall have exclusive jurisdiction to determine the validity of any final decision rendered pursuant to Military Commission Order No. 1, dated August 31, 2005 (or any successor military order).

(B) GRANT OF REVIEW.—Review under this paragraph—

(i) with respect to a capital case or a case in which the alien was sentenced to a term of imprisonment of 10 years or more, shall be as of right; or

(ii) with respect to any other case, shall be at the discretion of the United States Court of Appeals for the District of Columbia Circuit.

(C) LIMITATION ON APPEALS.—The jurisdiction of the United States Court of Appeals for the District of Columbia Circuit under this paragraph shall be limited to an appeal brought by or on behalf of an alien—

(i) who was, at the time of the proceedings pursuant to the military order referred to in subparagraph

(A), detained by the Department of Defense at Guantanamo Bay, Cuba; and

(ii) for whom a final decision has been rendered pursuant to such military order.

(D) SCOPE OF REVIEW.—The jurisdiction of the United States Court of Appeals for the District of Columbia Circuit on an appeal of a final decision with respect to an alien under this paragraph shall be limited to the consideration of—

(i) whether the final decision was consistent with the standards and procedures specified in the military order referred to in subparagraph (A); and

(ii) to the extent the Constitution and laws of the United States are applicable, whether the use of such standards and procedures to reach the final decision is consistent with the Constitution and laws of the United States.

(4) RESPONDENT.—The Secretary of Defense shall be the named respondent in any appeal to the United States Court of Appeals for the District of Columbia Circuit under this subsection.

(f) CONSTRUCTION.—Nothing in this section shall be construed to confer any constitutional right on an alien detained as an enemy combatant outside the United States.

(g) UNITED STATES DEFINED.—For purposes of this section, the term "United States", when used in a geographic sense, is as defined in section 101(a)(38) of the Immigration and Nationality Act and, in particular, does not include the United States Naval Station, Guantanamo Bay, Cuba.

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—This section shall take effect on the date of the enactment of this Act.

(2) REVIEW OF COMBATANT STATUS TRIBUNAL AND MILITARY COMMISSION DECISIONS.—Paragraphs (2) and (3) of subsection (e) shall apply with respect to any claim whose review is governed by one of such paragraphs and that is pending on or after the date of the enactment of this Act.

**SEC. 1406. TRAINING OF IRAQI SECURITY FORCES REGARDING TREATMENT OF DETAINEES.**

(a) REQUIRED POLICIES.—

(1) IN GENERAL.—The Secretary of Defense shall prescribe policies designed to ensure that all military and civilian Department of Defense personnel or contractor personnel of the Department of Defense responsible for the training of any unit of the Iraqi Security Forces provide training to such units regarding the international obligations and laws applicable to the humane treatment of detainees, including protections afforded under the Geneva Conventions and the Convention Against Torture.

(2) ACKNOWLEDGMENT OF TRAINING.—The Secretary shall ensure that, for all personnel of the Iraqi Security Forces who are provided training referred to in paragraph (1), there is documented acknowledgment that such training has been provided.

(3) DEADLINE FOR POLICIES TO BE PRESCRIBED.—The policies required by paragraph (1) shall be prescribed not later than 180 days after the date of the enactment of this Act.

(b) ARMY FIELD MANUAL.—

(1) TRANSLATION.—The Secretary of Defense shall provide for the unclassified portions of the United States Army Field Manual on Intelligence Interrogation to be translated into Arabic and any other language the Secretary determines appropriate for use by members of the Iraqi security forces.

(2) DISTRIBUTION.—The Secretary of Defense shall provide for such manual, as translated, to be distributed to all appropriate officials of the Iraqi Government, including, but not limited to, the Iraqi Minister of Defense, the Iraqi Minister of Interior, senior Iraqi military personnel, and appropriate members of the Iraqi Security Forces with a recommendation that the principles that underlay the manual be adopted by the Iraqis as the basis for their policies on interrogation of detainees.

(c) TRANSMITTAL TO CONGRESSIONAL COMMITTEES.—Not less than 30 days after the date on which policies are first prescribed under subsection (a), the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives copies of such regulations, policies, or orders, together with a report on steps taken to the date of the report to implement this section.

(d) ANNUAL REPORT.—Not less than one year after the date of the enactment of this Act, and annually thereafter, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the implementation of this section.

# TITLE XV—AUTHORIZATION FOR INCREASED COSTS DUE TO OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM

Sec. 1501. Purpose.
Sec. 1502. Army procurement.
Sec. 1503. Navy and Marine Corps procurement.
Sec. 1504. Air Force procurement.
Sec. 1505. Defense-wide activities procurement.
Sec. 1506. Research, development, test and evaluation.
Sec. 1507. Operation and maintenance.
Sec. 1508. Defense Working Capital Fund.
Sec. 1509. Defense Health Program.
Sec. 1510. Military personnel.
Sec. 1511. Iraq Freedom Fund.
Sec. 1512. Treatment as additional authorizations.
Sec. 1513. Transfer authority.
Sec. 1514. Availability of funds.

**SEC. 1501. PURPOSE.**

The purpose of this title is to authorize emergency supplemental appropriations for the Department of Defense for fiscal year 2006 to provide funds for additional costs due to Operation Iraqi Freedom and Operation Enduring Freedom pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

**SEC. 1502. ARMY PROCUREMENT.**

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement accounts of the Army in amounts as follows:

(1) For aircraft, $40,600,000.

(2) For ammunition, $109,500,000.

(3) For weapons and tracked combat vehicles, $485,499,000.

(4) For other procurement, $1,659,800,000.

(b) AVAILABILITY OF CERTAIN AMOUNTS FOR UP-ARMORED WHEELED VEHICLES.—

(1) AVAILABILITY.—Of the amount authorized to be appropriated by subsection (a)(4), $240,000,000 shall be available for the procurement of up-armored high mobility multipurpose wheeled vehicles (UAHs), including vehicles in the M1114, M1151, and M1152 configurations.

(2) ALLOCATION OF FUNDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Army shall allocate the manner in which amounts available under paragraph (1) shall be available for purposes specified in that paragraph.

(B) LIMITATION.—Amounts available under paragraph (1) may not be allocated under subparagraph (A) until the Secretary certifies to the congressional defense committees that the Army has a validated requirement for procurement for a purpose specified in paragraph (1) based on a statement of urgent needs from a commander of a combatant command.

(C) REPORTS.—Not later than 15 days after an allocation of funds is made under subparagraph (A), the Secretary shall submit to the congressional defense committees a report describing such allocation of funds.

(c) AVAILABILITY OF CERTAIN AMOUNTS FOR TACTICAL WHEELED VEHICLE ARMORING PROGRAMS.—

(1) AVAILABILITY.—Of the amount authorized to be appropriated by subsection (a)(4), $150,000,000 shall be available for units deployed in Iraq and Afghanistan, as follows:

(A) Procurement of up-armored Light Tactical Wheeled Vehicles (LTVs) or add-on armor kits for Light Tactical Wheeled Vehicles.

(B) Procurement of add-on armor kits for Medium Tactical Wheeled Vehicles (MTVs), including Low Signature Armored Cabs for the family of Medium Tactical Wheeled Vehicles.

(C) Procurement of add-on armor kits for Heavy Tactical Wheeled Vehicles (HTVs).

(2) ALLOCATION OF FUNDS.—To the extent the Secretary of the Army determines that such amount is not needed for the procurement of such armored Tactical Wheeled Vehicles for units deployed in Iraq and Afghanistan under paragraph (1), the Secretary shall use the amounts remaining for the procurement of such armored vehicles in accordance with other priorities of the Army.

**SEC. 1503. NAVY AND MARINE CORPS PROCUREMENT.**

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2006 for procurement accounts for the Navy in amounts as follows:

(1) For aircraft procurement, $15,000,000.

(2) For weapons procurement, $56,700,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2006 for the procurement account for the Marine Corps in the amount of $644,400,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2006 for the procurement account for ammunition for the Navy and the Marine Corps in the amount of $147,921,000.

(d) AVAILABILITY OF CERTAIN AMOUNTS.—

(1) AVAILABILITY.—Of the amount authorized to be appropriated by subsection (b), $200,000,000 shall be available for the procurement of up-armored high mobility multipurpose wheeled vehicles (UAHs), including vehicles in the M1114, M1151, and M1152 configurations.

(2) ALLOCATION OF FUNDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Navy shall allocate the manner in which amounts available under paragraph (1) shall be available for the purposes specified in that paragraph.

(B) LIMITATION.—Amounts available under paragraph (1) may not be allocated under subparagraph (A) until the Secretary certifies to the congressional defense committees that the Marine Corps has a validated requirement for procurement for a purpose specified in paragraph (1) based on a statement of urgent needs from a commander of a combatant command.

(C) REPORTS.—Not later than 15 days after an allocation of funds is made under subparagraph (A), the Secretary shall submit to the congressional defense committees a report describing such allocation of funds.

**SEC. 1504. AIR FORCE PROCUREMENT.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for the aircraft procurement accounts for the Air Force in the amount of $214,000,000.

**SEC. 1505. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for the procurement account for Defense-wide in the amount of $103,900,000.

**SEC. 1506. RESEARCH, DEVELOPMENT, TEST AND EVALUATION.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for the use of the Department of Defense for research, development, test and evaluation as follows:

(1) For the Army, $8,700,000.

(2) For Defense-wide activities, $75,000,000.

**SEC. 1507. OPERATION AND MAINTENANCE.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for the use of the Armed Forces for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $19,828,180,000.

(2) For the Navy, $1,658,000,000.

(3) For the Marine Corps, $1,588,250,000.

(4) For the Air Force, $2,404,190,000.

(5) For Defense-wide activities, $1,778,397,000.

(6) For the Army Reserve, $44,400,000.
(7) For the Naval Reserve, $9,400,000.
(8) For the Marine Corps Reserve, $4,000,000.
(9) For the Air Force Reserve, $7,000,000.
(10) For the Army National Guard, $196,300,000.
(11) For the Air National Guard, $13,400,000.

**SEC. 1508. DEFENSE WORKING CAPITAL FUND.**

Funds are hereby authorized to be appropriated for fiscal year 2006 for the Defense Working Capital Fund in the amount of $1,700,000,000.

**SEC. 1509. DEFENSE HEALTH PROGRAM.**

Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2006 for expenses, not otherwise provided for, the Defense Health Program, in the amount of $178,415,000 for operation and maintenance.

**SEC. 1510. MILITARY PERSONNEL.**

There is hereby authorized to be appropriated to the Department of Defense for military personnel accounts for fiscal year 2006 a total of $11,788,323,000.

**SEC. 1511. IRAQ FREEDOM FUND.**

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 2006 for the Iraq Freedom Fund in the amount of $5,240,725,000.

(b) LIMITATION ON AVAILABILITY OF CERTAIN AMOUNT.—Of the amount authorized to be appropriated by subsection (a), $1,000,000,000 shall be available only for support of activities of the Joint Improvised Explosive Device Task Force.

(c) CLASSIFIED PROGRAMS.—Of the amount authorized to be appropriated by subsection (a), $2,500,000,000 shall be available only for classified programs.

(d) TRANSFER.—

(1) TRANSFER AUTHORIZED.—Subject to paragraph (2), amounts authorized to be appropriated by subsection (a) may be transferred from the Iraq Freedom Fund to any accounts as follows:

(A) Operation and maintenance accounts of the Armed Forces.

(B) Military personnel accounts.

(C) Research, development, test, and evaluation accounts of the Department of Defense.

(D) Procurement accounts of the Department of Defense.

(E) Accounts providing funding for classified programs.

(F) The operating expenses account of the Coast Guard.

(2) NOTICE TO CONGRESS.—A transfer may not be made under the authority in paragraph (1) until five days after the date on which the Secretary of Defense notifies the congressional defense committees in writing of the transfer.

(3) TREATMENT OF TRANSFERRED FUNDS.—Amounts transferred to an account under the authority in paragraph (1) shall be merged with amounts in such account and shall be made available for the same purposes, and subject to the same conditions and limitations, as amounts in such account.

(4) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer of an amount to an account under the authority in paragraph (1) shall be deemed to increase the amount authorized for such account by an amount equal to the amount transferred.

**SEC. 1512. TREATMENT AS ADDITIONAL AUTHORIZATIONS.**

The amounts authorized to be appropriated by this title are in addition to amounts otherwise authorized to be appropriated by this Act.

**SEC. 1513. TRANSFER AUTHORITY.**

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—

(1) AUTHORITY.—Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this title for fiscal year 2006 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) LIMITATION.—The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,500,000,000. The transfer authority provided in this section is in addition to any other transfer authority available to the Secretary of Defense.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred;

(2) may not be used to provide authority for an item that has been denied authorization by Congress; and

(3) may not be combined with the authority under section 1001.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—A transfer may be made under the authority of this section only after the Secretary of Defense—

(1) consults with the chairmen and ranking members of the congressional defense committees with respect to the proposed transfer; and

(2) after such consultation, notifies those committees in writing of the proposed transfer not less than five days before the transfer is made.

**SEC. 1514. AVAILABILITY OF FUNDS.**

Funds in this title shall be made available for obligation to the Army, Navy, Marine Corps, Air Force, and Defense-wide components by the end of the second quarter of fiscal year 2006.

# DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

**SEC. 2001. SHORT TITLE.**

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2006".

# 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 of authority to carry out certain fiscal year 2004 project.

**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:

**Army: Inside the United States**

| State | Installation or Location | Amount |
|---|---|---|
| Alabama | Anniston Army Depot | $3,150,000 |
| | Fort Rucker | $9,700,000 |
| | Redstone Arsenal | $25,100,000 |
| Alaska | Fort Richardson | $4,700,000 |
| | Fort Wainwright | $44,660,000 |
| Arizona | Fort Huachuca | $5,100,000 |
| | Yuma Proving Ground | $8,100,000 |
| California | Concord Naval Weapons Station | $11,850,000 |
| | Fort Irwin | $21,250,000 |
| Colorado | Fort Carson | $72,822,000 |
| Georgia | Fort Benning | $30,261,000 |
| | Fort Gillem | $3,900,000 |
| | Fort Gordon | $4,550,000 |
| | Fort Stewart/Hunter Army Air Field | $57,980,000 |
| Hawaii | Pohakuloa Training Area | $60,300,000 |
| | Schofield Barracks | $53,900,000 |
| Illinois | Rock Island Arsenal | $7,400,000 |
| Indiana | Crane Army Ammunition Activity | $5,700,000 |
| Kansas | Fort Riley | $33,900,000 |
| Kentucky | Fort Campbell | $116,475,000 |
| | Fort Knox | $4,600,000 |
| Louisiana | Fort Polk | $28,887,000 |
| Missouri | Fort Leonard Wood | $23,500,000 |
| New Jersey | Picatinny Arsenal | $4,450,000 |
| New York | Fort Drum | $73,350,000 |
| | United States Military Academy, West Point. | $7,500,000 |
| North Carolina | Fort Bragg | $301,250,000 |
| Ohio | Joint Systems Manufacturing Center, Lima | $11,600,000 |
| Oklahoma | Fort Sill | $5,850,000 |
| | McAlester Army Ammunition Plant | $5,400,000 |
| Pennsylvania | Letterkenny Depot | $6,300,000 |

**Army: Inside the United States**—Continued

| State | Installation or Location | Amount |
|---|---|---|
| South Carolina | Fort Jackson | $1,600,000 |
| Texas | Fort Bliss | $5,000,000 |
| | Fort Hood | $64,488,000 |
| | Fort Sam Houston | $7,000,000 |
| Utah | Dugway Proving Ground | $25,000,000 |
| Virginia | Fort A.P. Hill | $2,700,000 |
| | Fort Belvoir | $18,000,000 |
| | Fort Eustis | $3,100,000 |
| | Fort Lee | $3,900,000 |
| | Fort Myer | $15,200,000 |
| Washington | Fort Lewis | $99,949,000 |

(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 or locations outside the United States, and in the amounts, set forth in the following table:

**Army: Outside the United States**

| Country | Installation or Location | Amount |
|---|---|---|
| Germany | Grafenwoehr | $84,081,000 |
| Italy | Pisa | $5,254,000 |
| Korea | Camp Humphreys | $105,162,000 |
| | Yongpyong | $1,450,000 |

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for unspecified installations or locations in the amount set forth in the following table:

**Army: Unspecified Worldwide**

| Location | Installation or Location | Amount |
|---|---|---|
| | Unspecified Worldwide | $50,000,000 |

**SEC. 2102. FAMILY HOUSING.**

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations or locations, in the number of units, and in the amounts set forth in the following table:

**Army: Family Housing**

| State | Installation or Location | Units | Amount |
|---|---|---|---|
| Alaska | Fort Richardson | 117 | $49,000,000 |
| | Fort Wainwright | 180 | $91,000,000 |

**Army: Family Housing**—Continued

| State | Installation or Location | Units | Amount |
|---|---|---|---|
| Arizona | Fort Huachuca | 131 | $31,000,000 |
| | Yuma Proving Ground | 35 | $11,200,000 |
| Oklahoma | Fort Sill | 129 | $24,000,000 |
| Virginia | Fort Lee | 96 | $19,500,000 |
| | Fort Monroe | 21 | $6,000,000 |

(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 $17,536,000.

**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 $300,400,000.

**SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2005, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,128,889,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $1,111,522,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $195,947,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2101(c), $50,000,000.

(4) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $24,141,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $170,021,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $549,636,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $803,993,000.

(7) For the construction of increment 3 of the Lewis and Clark Instructional Facility at Fort Leavenworth, Kansas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1697), $42,642,000.

(8) For the construction of increment 2 of a barracks complex at Vilseck, Germany, authorized by section 2101(b) of the Military Construction Authorization Act for Fiscal Year

2004 (division B of Public Law 108–136; 117 Stat. 1698), as amended by section 2105 of this Act, $13,600,000.

(9) For the construction of increment 2 of the Drum Road upgrade at Helemano Military Reservation, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2101), $41,000,000.

(10) For the construction of increment 2 of a vehicle maintenance facility at Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2101), $24,656,000.

(11) For the construction of increment 2 of a barracks complex, at Fort Campbell, Kentucky, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2101), $24,650,000.

(12) For the construction of increment 2 of trainee barracks, Basic Training Complex 1 at Fort Knox, Kentucky, authorized by section 2101(a) of the Military Construction Authorization Act of Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2101), $21,000,000.

(13) For the construction of increment 2 of a library and learning center at the United States Military Academy, West Point, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2101), $25,470,000.

(14) For the construction of increment 2 of a barracks complex renewal project at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2101), $30,611,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a).

(2) $16,500,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex for Fort Drum, New York).

(3) $31,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex for the 2nd Brigade at Fort Bragg, North Carolina).

(4) $50,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex for the 3rd Brigade at Fort Bragg, North Carolina).

(5) $77,400,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex for divisional artillery at Fort Bragg, North Carolina).

(6) $13,000,000 (the balance of the amount authorized under section 2101(a) for construction of a defense access road for Fort Belvoir, Virginia).

(c) CONFORMING TECHNICAL AMENDMENT.—Section 2104(a)(8) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2103) is amended

by striking "Fiscal Year 2003 (division B of Public Law 107–314; 116 Stat. 2681)" and inserting "Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1697)".

**SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2004 PROJECT.**

(a) MODIFICATION OF OUTSIDE THE UNITED STATES PROJECT.—The table in section 2101(b) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1698) is amended—

(1) in the item relating to Vilseck, Germany, by striking "$31,000,000" in the amount column and inserting "$26,000,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$226,900,000".

(b) CONFORMING AMENDMENT.—Section 2104(b)(6) of that Act (117 Stat. 1700) is amended by striking "$18,900,000" and inserting "$13,900,000".

# 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. 2205. Modification of authority to carry out certain fiscal year 2004 project.
Sec. 2206. Modifications of authority to carry out certain fiscal year 2005 projects.

**SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

**Navy: Inside the United States**

| State | Installation or Location | Amount |
|---|---|---|
| Arizona | Marine Corps Air Station, Yuma | $3,637,000 |
| California | Air-Ground Combat Center, Twentynine Palms. | $24,000,000 |
| | Marine Corps Air Station, Camp Pendleton. | $1,400,000 |
| | Marine Corps Air Station, Miramar | $5,070,000 |
| | Marine Corps Base, Camp Pendleton | $90,437,000 |
| | Naval Air Station, Lemoore | $8,480,000 |
| | Naval Air Warfare Center, China Lake | $19,158,000 |
| | Naval Postgraduate School | $6,500,000 |
| Connecticut | Naval Submarine Base, New London | $4,610,000 |
| Florida | Diving&Salvage Training Center, Panama City. | $9,678,000 |
| | Naval Air Station, Jacksonville | $88,603,000 |
| | Naval Air Station, Pensacola | $8,710,000 |
| | Naval Station, Mayport | $15,220,000 |
| | Whiting Field | $4,670,000 |
| Georgia | Naval Submarine Base, Kings Bay | $6,890,000 |
| | Marine Corps Logistics Base, Albany | $5,840,000 |
| Hawaii | Marine Corps Air Station, Kaneohe Bay | $5,700,000 |

**Navy: Inside the United States**—Continued

| State | Installation or Location | Amount |
|---|---|---|
| | Naval Base, Pearl Harbor | $29,700,000 |
| Illinois | Recruit Training Command, Great Lakes | $167,750,000 |
| Indiana | Naval Warfare Center, Crane | $8,220,000 |
| Maine | Portsmouth Naval Shipyard | $8,100,000 |
| Maryland | Naval Air Warfare Center, Patuxent River. | $5,800,000 |
| | Naval Surface Warfare Center, Indian Head. | $8,250,000 |
| | United States Naval Academy, Annapolis | $51,720,000 |
| Mississippi | Naval Air Station, Meridian | $10,450,000 |
| North Carolina | Marine Corps Air Station, Cherry Point | $29,147,000 |
| | Marine Corps Air Station, New River | $6,840,000 |
| | Marine Corps Base, Camp Lejeune | $44,590,000 |
| Pennsylvania | Naval Station Weapons Center, Philadelphia. | $4,780,000 |
| Rhode Island | Naval Station, Newport | $15,490,000 |
| South Carolina | Marine Corps Air Station, Beaufort | $1,480,000 |
| Texas | Naval Air Station, Kingsville | $16,040,000 |
| Virginia | Marine Corps Air Field, Quantico | $19,698,000 |
| | Marine Corps Base, Quantico | $18,429,000 |
| | Naval Air Station, Oceana | $11,680,000 |
| | Naval Amphibious Base, Little Creek | $36,034,000 |
| | Naval Station, Norfolk | $32,245,000 |
| | Naval Support Activity, Norfolk Naval Shipyard. | $78,788,000 |
| | Naval Station Weapons Center, Dahlgren | $9,960,000 |
| Washington | Naval Station, Everett | $70,950,000 |
| | Naval Submarine Base, Bangor | $60,160,000 |
| | Naval Air Station, Whidbey Island | $4,010,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations outside the United States, and in the amounts, set forth in the following table:

**Navy: Outside the United States**

| Country | Installation or Location | Amount |
|---|---|---|
| Guam | Naval Base, Guam | $55,473,000 |
| Japan | Naval Station, Yokosuka | $83,010,000 |

**SEC. 2202. FAMILY HOUSING.**

Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(4)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition and supporting facilities) at the installation, in the number of units, and in the amount set forth in the following table:

**Navy: Family Housing**

| Location | Installation | Units | Amount |
|---|---|---|---|
| Guam | Naval Base, Guam | 126 | $43,495,000 |

**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)(4)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $178,644,000.

**SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2005, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,964,743,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $837,411,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $39,584,000.

(3) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $34,893,000.

(4) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $218,942,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $588,660,000.

(5) For the construction of increment 3 of the general purpose berthing pier at Naval Weapons Station, Earle, New Jersey, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1704), as amended by section 2205 of this Act, $54,432,000.

(6) For the construction of increment 3 of pier 11 replacement at Naval Station, Norfolk, Virginia, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1704), $40,200,000.

(7) For the construction of increment 2 of the apron and hangar recapitalization at Naval Air Facility, El Centro, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105), $18,666,000.

(8) For the construction of increment 2 of the White Side complex, Marine Corps Air Facility, Quantico, Virginia, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105), $34,730,000.

(9) For the construction of increment 2 of the limited area production and storage complex at Strategic Weapons Facility Pacific, Bangor, Washington, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105), as amended by section 2206 of this Act, $47,095,000.

(10) For the construction of increment 2 of the lab consolidation at Strategic Weapons Facility Pacific, Bangor, Washington authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105), as amended by section 2206 of this Act, $9,430,000.

(11) For the construction of increment 2 of the presidential helicopter programs support facility at Naval Air Warfare Center, Patuxent River, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105), as amended by section 2206 of this Act, $40,700,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(2) $37,721,000 (the balance of the amount authorized under section 2201(a) for a reclamation and conveyance project for Marine Corps Base, Camp Pendleton, California).

(3) $43,424,000 (the balance of the amount authorized under section 2201(a) for a helicopter hangar replacement at Naval Air Station, Jacksonville, Florida).

(4) $45,850,000 (the balance of the amount authorized under section 2201(a) for infrastructure upgrades to Recruit Training Command, Great Lakes, Illinois).

(5) $26,790,000 (the balance of the amount authorized under section 2201(a) for construction of a field house at United States Naval Academy, Annapolis, Maryland).

(6) $31,059,000 (the balance of the amount authorized under section 2201(a) for replacement of Ship Repair Pier 3 at Naval Support Activity, Norfolk Naval Shipyard, Virginia).

(7) $10,159,000 (the balance of the amount authorized under section 2201(a) for an addition to Hockmuth Hall, Marine Corps Base, Quantico, Virginia).

(8) $21,000,000 (the balance of the amount authorized under section 2201(a) for construction of bachelor quarters for Naval Station, Everett, Washington).

(9) $29,889,000 (the balance of the amount authorized under section 2201(b) for wharf upgrades at Naval Base, Guam).

(10) $69,100,000 (the balance of the amount authorized under section 2201(b) for wharf upgrades at Naval Station, Yokosuka, Japan).

**SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2004 PROJECT.**

(a) MODIFICATION OF INSIDE THE UNITED STATES PROJECT.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1703) is amended—

(1) in the item relating to Naval Weapons Station, Earle, New Jersey, by striking "$123,720,000" in the amount column and inserting "$140,372,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$1,352,524,000".

(b) CONFORMING AMENDMENT.—Section 2204(b)(4) of that Act (117 Stat. 1706) is amended by striking "$96,980,000" and inserting "$113,632,000".

**SEC. 2206. MODIFICATIONS OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2005 PROJECTS.**

(a) MODIFICATION OF INSIDE THE UNITED STATES PROJECTS.—Section 2201 of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105) is amended—

(1) in the table in subsection (a)—

(A) below the item relating to Naval Surface Warfare Center, Indian Head, Maryland, by inserting "Naval Air Warfare Center, Patuxent River" in the installation column and "$95,200,000" in the amount column;

(B) in the item relating to Marine Corps Air Facility, Quantico, Virginia, by striking "$73,838,000" in the amount column and inserting "$74,470,000";

(C) in the item relating to Strategic Weapons Facility Pacific, Bangor, Washington, by striking "$138,060,000" in the amount column and inserting "$147,760,000"; and

(D) by striking the amount identified as the total in the amount column and inserting "$1,057,587,000"; and

(2) by striking subsection (c).

(b) CONFORMING AMENDMENTS.—Section 2204 of that Act (118 Stat. 2107) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "$712,927,000" and inserting "$752,927,000"; and

(B) by striking paragraph (3); and

(2) in subsection (b)—

(A) in paragraph (4), by striking "$34,098,000" and inserting "$34,730,000"; and

(B) by striking paragraph (7) and inserting the following new paragraphs:

"(7) $9,700,000 (the balance of the amount authorized under section 2201(a) for naval laboratory consolidation, Strategic Weapons Facility Pacific, Bangor, Washington).

"(8) $55,200,000 (the balance of the amount authorized under section 2201(a) for construction of a presidential helicopter programs support facility at Naval Air Warfare Center, Patuxent River, Maryland).".

# 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. 2304. Authorization of appropriations, Air Force.

**SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations

or locations inside the United States, and in the amounts, set forth in the following table:

**Air Force: Inside the United States**

| State | Installation or Location | Amount |
|---|---|---|
| Alabama | Maxwell Air Force Base | $14,900,000 |
| Alaska | Clear Air Force Base | $20,000,000 |
| | Elmendorf Air Force Base | $84,820,000 |
| Arizona | Davis-Monthan Air Force Base | $8,600,000 |
| | Luke Air Force Base | $13,000,000 |
| Arkansas | Little Rock Air Force Base | $8,900,000 |
| California | Beale Air Force Base | $14,200,000 |
| | Edwards Air Force Base | $103,000,000 |
| | Travis Air Force Base | $46,400,000 |
| | Vandenberg Air Force Base | $16,845,000 |
| Colorado | Buckley Air Force Base | $20,100,000 |
| | Peterson Air Force Base | $25,500,000 |
| | United States Air Force Academy | $13,000,000 |
| Delaware | Dover Air Force Base | $19,000,000 |
| District of Columbia | Bolling Air Force Base | $14,900,000 |
| Florida | Cape Canaveral | $6,200,000 |
| | Hurlburt Field | $2,540,000 |
| | MacDill Air Force Base | $107,200,000 |
| | Tyndall Air Force Base | $21,500,000 |
| Georgia | Robins Air Force Base | $7,600,000 |
| Hawaii | Hickam Air Force Base | $13,378,000 |
| Idaho | Mountain Home Air Force Base | $9,835,000 |
| Louisiana | Barksdale Air Force Base | $10,800,000 |
| Massachusetts | Hanscom Air Force Base | $3,900,000 |
| Mississippi | Columbus Air Force Base | $10,000,000 |
| | Keesler Air Force Base | $47,500,000 |
| Missouri | Whiteman Air Force Base | $5,721,000 |
| Montana | Malmstrom Air Force Base | $13,500,000 |
| Nebraska | Offutt Air Force Base | $63,080,000 |
| Nevada | Indian Springs Auxiliary Field | $60,724,000 |
| | Nellis Air Force Base | $24,370,000 |
| New Jersey | McGuire Air Force Base | $13,185,000 |
| New Mexico | Kirtland Air Force Base | $6,600,000 |
| | Holloman Air Force Base | $15,000,000 |
| North Dakota | Minot Air Force Base | $8,700,000 |
| Ohio | Wright Patterson Air Force Base | $32,620,000 |
| Oklahoma | Tinker Air Force Base | $31,960,000 |
| | Vance Air Force Base | $14,000,000 |
| South Carolina | Charleston Air Force Base | $2,583,000 |
| | Shaw Air Force Base | $16,030,000 |
| South Dakota | Ellsworth Air Force Base | $8,400,000 |
| Texas | Goodfellow Air Force Base | $4,300,000 |
| | Laughlin Air Force Base | $7,900,000 |
| | Sheppard Air Force Base | $36,000,000 |
| Utah | Hill Air Force Base | $33,900,000 |
| Virginia | Langley Air Force Base | $44,365,000 |
| Washington | Fairchild Air Force Base | $8,200,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations or locations outside the United States, and in the amounts, set forth in the following table:

**Air Force: Outside the United States**

| Country | Installation or Location | Amount |
|---|---|---|
| Germany | Ramstein Air Base | $11,650,000 |
| | Spangdahlem Air Base | $12,474,000 |
| Guam | Andersen Air Base | $18,500,000 |
| Italy | Aviano Air Base | $22,660,000 |
| Korea | Kunsan Air Base | $47,900,000 |
| | Osan Air Base | $37,719,000 |
| Portugal | Lajes Field, Azores | $12,000,000 |
| Turkey | Incirlik Air Base | $5,780,000 |
| United Kingdom | Royal Air Force Lakenheath | $5,125,000 |
| | Royal Air Force Mildenhall | $13,500,000 |

**SEC. 2302. FAMILY HOUSING.**

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations or locations, in the number of units, and in the amounts set forth in the following table:

**Air Force: Family Housing**

| State or Country | Installation or Location | Units | Amount |
|---|---|---|---|
| Alaska | Eielson Air Force Base | 392 | $55,794,000 |
| California | Edwards Air Force Base | 226 | $59,699,000 |
| Florida | MacDill Air Force Base | 109 | $40,982,000 |
| Idaho | Mountain Home Air Force Base. | 194 | $56,467,000 |
| Missouri | Whiteman Air Force Base | 111 | $26,917,000 |
| Montana | Malmstrom Air Force Base | 296 | $68,971,000 |
| North Carolina | Seymour Johnson Air Force Base. | 255 | $48,868,000 |
| North Dakota | Grand Forks Air Force Base. | 150 | $43,353,000 |
| | Minot Air Force Base | 223 | $44,548,000 |
| South Carolina | Charleston Air Force Base | 10 | $15,935,000 |
| South Dakota | Ellsworth Air Force Base | 60 | $14,383,000 |
| Texas | Dyess Air Force Base | 190 | $43,016,000 |
| Germany | Ramstein Air Base | 101 | $62,952,000 |
| | Spangdahlem Air Base | 79 | $45,385,000 |
| Turkey | Incirlik Air Base | 100 | $22,730,000 |
| United Kingdom | Royal Air Force Lakenheath. | 107 | $48,437,000 |

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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 $37,104,000.

**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)(5)(A), the Secretary of the Air Force

may improve existing military family housing units in an amount not to exceed $366,346,000.

**SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2005, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $3,157,356,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $989,756,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $187,308,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $15,929,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $95,537,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $1,101,887,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $766,939,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(2) $30,000,000 (the balance of the amount authorized under section 2301(a) for construction of a C–17 maintenance complex at Elmendorf Air Force Base, Alaska).

(3) $66,000,000 (the balance of the amount authorized under section 2301(a) for construction of a main base runway at Edwards Air Force Base, California).

(4) $29,000,000 (the balance of the amount authorized under section 2301(a) for construction of a joint intelligence center at MacDill Air Force Base, Florida).

# TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Energy conservation projects.
Sec. 2403. Authorization of appropriations, Defense Agencies.

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

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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 tables:

## Defense Education Activity

| State | Installation or Location | Amount |
|---|---|---|
| Georgia | Fort Stewart/Hunter Army Air Field | $16,629,000 |
| North Carolina | Fort Bragg | $18,075,000 |

## Defense Intelligence Agency

| State | Installation or Location | Amount |
|---|---|---|
| District of Columbia | Bolling Air Force Base | $7,900,000 |

### Defense Logistics Agency

| State | Installation or Location | Amount |
|---|---|---|
| Arizona | Yuma Proving Ground | $7,300,000 |
| California | Defense Distribution Depot, Tracy | $33,635,000 |
| | Miramar | $23,000,000 |
| Kansas | McConnell Air Force Base | $15,800,000 |
| New Mexico | Cannon Air Force Base | $13,200,000 |
| North Carolina | Seymour Johnson Air Force Base | $18,500,000 |
| Pennsylvania | Defense Distribution Depot, New Cumberland. | $6,500,000 |
| Virginia | Fort Belvoir | $4,500,000 |
| | Naval Station, Norfolk | $6,700,000 |

## National Security Agency

| State | Installation or Location | Amount |
|---|---|---|
| Georgia | Augusta | $61,466,000 |
| Hawaii | Kunia | $305,000,000 |
| Maryland | Fort Meade | $41,200,000 |

## Special Operations Command

| State | Installation or Location | Amount |
|---|---|---|
| California | Naval Surface Warfare Center, Coronado. | $28,350,000 |
| Florida | Hurlburt Field | $6,500,000 |
| | Eglin Air Force Base | $12,800,000 |
| Georgia | Fort Stewart/Hunter Army Air Field. | $10,000,000 |
| Kentucky | Fort Campbell | $37,800,000 |
| North Carolina | Fort Bragg | $18,069,000 |
| Washington | Fort Lewis | $53,300,000 |

## TRICARE Management Activity

| State | Installation or Location | Amount |
|---|---|---|
| California | Beale Air Force Base | $18,000,000 |

**TRICARE Management Activity**—Continued

| State | Installation or Location | Amount |
|---|---|---|
| | Naval Hospital, San Diego | $15,000,000 |
| Colorado | Peterson Air Force Base | $1,820,000 |
| Maryland | Fort Detrick | $55,200,000 |
| | Uniformed Services University, Bethesda. | $10,350,000 |
| Mississippi | Keesler Air Force Base | $14,000,000 |
| Nevada | Nellis Air Force Base | $1,700,000 |
| South Carolina. | Charleston | $35,000,000 |
| Texas | Lackland Air Force Base | $11,000,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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 tables:

**Defense Education Activity**

| Country | Installation or Location | Amount |
|---|---|---|
| Germany | Landstuhl | $6,543,000 |
| | Vilseck | $2,323,000 |
| Guam | Agana | $40,578,000 |
| Korea | Taegu | $8,231,000 |
| Spain | Naval Station, Rota | $7,963,000 |

**Defense Logistics Agency**

| Country | Installation or Location | Amount |
|---|---|---|
| Greece | Souda Bay | $7,089,000 |

**Missile Defense Agency**

| Country | Installation or Location | Amount |
|---|---|---|
| Kwajalein | Kwajalein Atoll | $4,901,000 |

**National Security Agency**

| Country | Installation or Location | Amount |
|---|---|---|
| United Kingdom | Menwith Hill | $86,354,000 |

**TRICARE Management Activity**

| Country | Installation or Location | Amount |
|---|---|---|
| Bahrain ..... | ..... | $4,750,000 |

**SEC. 2402. ENERGY CONSERVATION PROJECTS.**

Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(5), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $50,000,000.

**SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.**

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2005, 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 $2,817,039,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $626,609,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $123,104,000.

(3) For unspecified minor military construction projects under section 2805 of title 10, United States Code, $15,736,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $136,406,000.

(5) For energy conservation projects authorized by section 2402 of this Act, $50,000,000.

(6) For base closure and realignment activities as authorized by 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 funded through the Department of Defense Base Closure Account 1990 established by section 2906 of such Act, $254,827,000.

(7) For base closure and realignment activities as authorized by 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 funded through the Department of Defense Base Closure Account 2005 established by section 2906A of such Act, $1,504,466,000.

(8) For military family housing functions:

(A) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $46,391,000.

(B) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, $2,500,000.

(9) For the construction of increment 2 of the hospital replacement at Fort Belvoir, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2112), $57,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853

of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(2) $12,500,000 (the balance of the amount authorized under section 2401(a) for construction of a regional security operations center, Augusta, Georgia).

(3) $256,034,000 (the balance of the amount authorized under section 2401(a) for replacement of a regional security operations center, Kunia, Hawaii).

(4) $13,151,000 (the balance of the amount authorized under section 2401(a) for construction of a classified material conversion facility, Fort Meade, Maryland).

(5) $44,657,000 (the balance of the amount authorized under section 2401(b) for construction of an operations building, Royal Air Force Menwith Hill Station, United Kingdom).

(c) NOTICE AND WAIT REQUIREMENT APPLICABLE TO OBLIGATION OF FUNDS FOR BASE CLOSURE AND REALIGNMENT ACTIVITIES.—Funds appropriated pursuant to the authorization of appropriations in subsection (a)(7) may not be obligated until—

(1) a period of 21 days has expired following the date on which the Secretary of Defense submits to the congressional defense committees a report describing the specific programs, projects, and activities for which the funds are to be obligated; or

(2) if over sooner, a period of 14 days has expired following the date on which a copy of the report is provided in an electronic medium pursuant to section 480 of title 10, United States Code.

# 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, 2005, 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 $206,858,000.

# 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, 2005, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), in the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $523,151,000; and

(B) for the Army Reserve, $152,569,000.

(2) For the Department of the Navy, for the Navy Reserve and Marine Corps Reserve, $46,864,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $316,117,000; and

(B) for the Air Force Reserve, $105,883,000.

# 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 2003 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 2002 projects.

**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, 2008; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2009.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 2008; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2009 for military construction 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 2003 PROJECTS.**

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 2003 (division B of Public Law 107–314; 116 Stat. 2700), authorizations set forth in the tables in subsection (b), as provided in section 2301, 2302, or 2401 of that Act, shall remain in effect until October 1, 2006, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2007, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

**Air Force: Extension of 2003 Project Authorizations**

| Installation or Location | Project | Amount |
|---|---|---|
| Aviano Air Base, Italy | Area consolidation | $5,000,000 |
| Eglin Air Force Base, Florida | Family housing (134 units) | $15,906,000 |
| | Family housing office | $597,000 |
| Keesler Air Force Base, Mississippi | Family housing (117 units) | $16,505,000 |
| Randolph Air Force Base, Texas | Family housing (112 units) | $14,311,000 |
| | Housing maintenance facility. | $447,000 |

**Defense Wide: Extension of 2003 Project Authorization**

| Installation or Location | Project | Amount |
|---|---|---|
| Stennis Space Center, Mississippi | SOF Training Range | $5,000,000 |

**SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2002 PROJECTS.**

(a) EXTENSION AND RENEWAL.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1301), authorizations set forth in the tables in subsection (b), as provided in section 2101 or 2302 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2116), shall remain in effect until October 1, 2006, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2007, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

**Army: Extension of 2002 Project Authorization**

| Installation or Location | Project | Amount |
|---|---|---|
| Pohakuloa Training Area, Hawaii | Land acquisition | $1,500,000 |

**Air Force: Extension of 2002 Project Authorization**

| Installation or Location | Project | Amount |
|---|---|---|
| Barksdale Air Force Base, Louisiana. | Family housing (56 units) .. | $7,300,000 |

# TITLE XXVIII—GENERAL PROVISIONS

## SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

Sec. 2801. Modification of congressional notification requirements for certain military construction activities.
Sec. 2802. Increase in number of family housing units in Korea authorized for lease by the Army at maximum amount.
Sec. 2803. Improvement in availability and timeliness of Department of Defense information regarding military construction and family housing accounts and activities.
Sec. 2804. Modification of cost variation authority.
Sec. 2805. Inapplicability to child development centers of restriction on authority to acquire or construct ancillary supporting facilities.
Sec. 2806. Department of Defense Housing Funds.
Sec. 2807. Use of design-build selection procedures to accelerate design effort in connection with military construction projects.
Sec. 2808. Acquisition of associated utilities, equipment, and furnishings in reserve component facility exchange.
Sec. 2809. One-year extension of temporary, limited authority to use operation and maintenance funds for construction projects outside the United States.
Sec. 2810. Temporary program to use minor military construction authority for construction of child development centers.
Sec. 2811. General and flag officers quarters in the National Capital Region.

## SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION

Sec. 2821. Consolidation of Department of Defense land acquisition authorities and limitations on use of such authorities.
Sec. 2822. Modification of authorities on agreements to limit encroachments and other constraints on military training, testing, and operations.
Sec. 2823. Modification of utility system conveyance authority and related reporting requirements.
Sec. 2824. Report on application of force protection and anti-terrorism standards to leased facilities.
Sec. 2825. Report on use of ground source heat pumps at Department of Defense facilities.

## SUBTITLE C—BASE CLOSURE AND REALIGNMENT

Sec. 2831. Additional reporting requirements regarding base closure process and use of Department of Defense base closure accounts.
Sec. 2832. Expanded availability of adjustment and diversification assistance for communities adversely affected by mission realignments in base closure process.
Sec. 2833. Treatment of Indian Tribal Governments as public entities for purposes of disposal of real property recommended for closure in July 1993 BRAC Commission report.
Sec. 2834. Termination of project authorizations for military installations approved for closure in 2005 round of base realignments and closures.
Sec. 2835. Required consultation with State and local entities on issues related to increase in number of military personnel at military installations.
Sec. 2836. Sense of Congress regarding infrastructure and installation requirements for transfer of units and personnel from closed and realigned military installations to receiving locations.
Sec. 2837. Defense access road program and military installations affected by defense base closure process or Integrated Global Presence and Basing Strategy.
Sec. 2838. Sense of Congress on reversionary interests involving real property at Navy homeports.

**SUBTITLE D—LAND CONVEYANCES**

PART 1—ARMY CONVEYANCES

Sec. 2841. Land conveyance, Camp Navajo, Arizona.
Sec. 2842. Land conveyance, Iowa Army Ammunition Plant, Middletown, Iowa.
Sec. 2843. Land conveyance, Helena, Montana.
Sec. 2844. Lease authority, Army Heritage and Education Center, Carlisle, Pennsylvania.
Sec. 2845. Land exchange, Fort Hood, Texas.
Sec. 2846. Modification of land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia.
Sec. 2847. Land conveyance, Fort Belvoir, Virginia.
Sec. 2848. Land conveyance, Army Reserve Center, Bothell, Washington.

PART 2—NAVY CONVEYANCES

Sec. 2851. Land conveyance, Marine Corps Air Station, Miramar, San Diego, California.
Sec. 2852. Lease or license of United States Navy Museum facilities at Washington Navy Yard, District of Columbia.

PART 3—AIR FORCE CONVEYANCES

Sec. 2861. Purchase of build-to-lease family housing, Eielson Air Force Base, Alaska.
Sec. 2862. Land conveyance, Air Force property, Jacksonville, Arkansas.
Sec. 2863. Land conveyance, Air Force property, La Junta, Colorado.
Sec. 2864. Lease, National Imagery and Mapping Agency site, St. Louis, Missouri.

**SUBTITLE E—OTHER MATTERS**

Sec. 2871. Clarification of moratorium on certain improvements at Fort Buchanan, Puerto Rico.
Sec. 2872. Transfer of excess Department of Defense property on Santa Rosa and Okaloosa Island, Florida, to Gulf Islands National Seashore.
Sec. 2873. Authorized military uses of Papago Park Military Reservation, Phoenix, Arizona.
Sec. 2874. Assessment of water needs for Presidio of Monterey and Ord Military Community.
Sec. 2875. Redesignation of McEntire Air National Guard Station, South Carolina, as McEntire Joint National Guard Base.
Sec. 2876. Sense of Congress regarding community impact assistance related to construction of Navy landing field, North Carolina.
Sec. 2877. Sense of Congress on establishment of Bakers Creek Memorial.

# Subtitle A—Military Construction Program and Military Family Housing Changes

**SEC. 2801. MODIFICATION OF CONGRESSIONAL NOTIFICATION REQUIREMENTS FOR CERTAIN MILITARY CONSTRUCTION ACTIVITIES.**

(a) CONTINGENCY CONSTRUCTION.—Section 2804(b) of title 10, United States Code, is amended—

(1) by striking "21-day period" and inserting "14-day period"; and

(2) by striking "14-day period" and inserting "seven-day period".

(b) ACQUISITION IN LIEU OF CONSTRUCTION.—Section 2813(c) of such title is amended—

(1) by striking "30-day period" and inserting "21-day period"; and

(2) by striking "21-day period" and inserting "14-day period".

**SEC. 2802. INCREASE IN NUMBER OF FAMILY HOUSING UNITS IN KOREA AUTHORIZED FOR LEASE BY THE ARMY AT MAXIMUM AMOUNT.**

Section 2828(e)(4) of title 10, United States Code, is amended by striking "2,400" and inserting "2,800".

**SEC. 2803. IMPROVEMENT IN AVAILABILITY AND TIMELINESS OF DEPARTMENT OF DEFENSE INFORMATION REGARDING MILITARY CONSTRUCTION AND FAMILY HOUSING ACCOUNTS AND ACTIVITIES.**

(a) MAINTENANCE OF INFORMATION ON INTERNET.—Section 2851 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) MAINTENANCE OF MILITARY CONSTRUCTION INFORMATION ON INTERNET; ACCESS.—(1) The Secretary of Defense shall maintain an Internet site that, when activated by a person authorized under paragraph (3), will permit the person to access and view on a separate page of the Internet site a document or other file containing the information required by paragraph (2) for the following:

"(A) Each military construction project or military family housing project that has been specifically authorized by Act of Congress.

"(B) Each project carried out with funds authorized for the operation and maintenance of military family housing.

"(C) Each project carried out with funds authorized for the improvement of military family housing units.

"(D) Each unspecified minor construction project carried out under the authority of section 2805(a) of this title.

"(E) Each military construction project or military family housing project regarding which a statutory requirement exists to notify Congress.

"(2) The information to be provided via the Internet site required by paragraph (1) for each project described in such paragraph shall include the following:

"(A) The solicitation date and award date (or anticipated dates) for each contract entered into (or to be entered into) by the United States in connection with the project.

"(B) The contract recipient, contract award amount, construction milestone schedule proposed by the contractor, and construction completion date stipulated in the awarded contract.

"(C) The most current Department of Defense Form 1391, Military Construction Project Data, for the project.

"(D) The progress of the project, including the percentage of construction currently completed and the current estimated construction completion date.

"(E) The current contract obligation of funds for the project, including any changes to the original contract award amount.

"(F) The estimated final cost of the project and, if the estimated final cost of the project exceeds the amount appropriated for the project and funds have been provided from another source to meet the increased cost, the source of the funds and the amount provided.

"(G) If funds appropriated for the project have been diverted for use in another project, the project to which the funds were diverted and the amount so diverted.

"(H) For accounts such as planning and design, unspecified minor construction, and family housing operation and maintenance, detailed information regarding expenditures and anticipated expenditures under these accounts and the purposes for which the expenditures are made.

"(3) Access to the Internet site required by paragraph (1) shall be restricted to the following persons:

"(A) Members of the congressional defense committees and their staff.

"(B) Staff of the congressional defense committees.

"(4) The information required to be provided for each project described in paragraph (1) shall be made available to the persons referred to in paragraph (3) not later than 90 days after the award of a contract or delivery order for the project. The Secretary of Defense shall update the required information as promptly as practicable, but not less frequently than once a month, to ensure that the information is available to such persons in a timely manner.".

(b) IMPLEMENTATION.—The Internet site required by subsection (c) of section 2851 of title 10, United States Code, as added by subsection (a), shall be available to the persons referred to in paragraph (3) of such subsection not later than July 15, 2006.

(c) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "SUPERVISION OF MILITARY DEPARTMENT PROJECTS.—" after "(a)"; and

(2) in subsection (b), by inserting "SUPERVISION OF DEFENSE AGENCY PROJECTS.—" after "(b)"

**SEC. 2804. MODIFICATION OF COST VARIATION AUTHORITY.**

(a) LIMITATION ON COST DECREASES RELATED TO MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING PROJECTS.—Section 2853 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "may be increased by not more than 25 percent" and inserting "may be increased or decreased by not more than 25 percent"; and

(B) by striking "if the Secretary concerned determines that such an increase in cost is required" and inserting "if the Secretary concerned determines that such revised cost is required";

(2) in subsection (c)—

(A) by striking "limitation on cost increase" and inserting "limitation on cost variations"; and

(B) by striking "the increase" both places it appears and inserting "the variation"; and

(3) in subsection (d), by striking "limitation on cost increases" and inserting "limitation on cost variations".

(b) ADDITIONAL INFORMATION REQUIRED FOR NOTIFICATION IN CONNECTION WITH WAIVER OF LIMITATIONS ON COST INCREASES.—Subsection (c)(2) of such section is further amended by inserting after "the reasons therefor" the following: ", including a description of the funds proposed to be used to finance any increased costs".

(c) TECHNICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

**"§ 2853. Authorized cost and scope of work variations".**

(2) TABLE OF SECTIONS.—The item relating to such section in the table of sections at the beginning of subchapter III of chapter 169 of such title is amended to read as follows:

"2853. Authorized cost and scope of work variations.".

**SEC. 2805. INAPPLICABILITY TO CHILD DEVELOPMENT CENTERS OF RESTRICTION ON AUTHORITY TO ACQUIRE OR CONSTRUCT ANCILLARY SUPPORTING FACILITIES.**

(a) EXCEPTION FOR CHILD DEVELOPMENT CENTERS.—Section 2881(b) of title 10, United States Code, is amended by inserting "(other than a child development center)" after "ancillary supporting facility".

(b) CHILD DEVELOPMENT CENTER DEFINED.—Section 2871 of such title is amended—

(1) in paragraph (1), by inserting "child development centers," after "day care centers,"; and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) The term 'child development center' includes a facility, and the utilities to support such facility, the function of which is to support the daily care of children aged six weeks old through five years old for full-day, part-day, and hourly service.".

(c) RULE OF CONSTRUCTION.—Nothing in the amendment made by subsection (a) may be construed to alter any law and regulation applicable to the operation of a child development center, as defined in section 2871(2) of title 10, United States Code.

**SEC. 2806. DEPARTMENT OF DEFENSE HOUSING FUNDS.**

(a) REQUIREMENT TO FUND CERTAIN ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING SOLELY THROUGH DEFENSE HOUSING FUNDS.—Subsection (e) of section 2883 of title 10, United States Code, is amended—

(1) by striking "The Secretary" and inserting "(1) The Secretary"; and

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

"(2) The Funds established under subsection (a) shall be the sole source of funds for activities carried out under this subchapter.".

(b) AUTHORITY TO TRANSFER FUNDS APPROPRIATED FOR THE IMPROVEMENT OF MILITARY FAMILY HOUSING TO DEFENSE HOUSING FUNDS.—Subsection (c)(1)(B) of such section is amended by striking "acquisition or construction" and inserting "acquisition, improvement, or construction".

(c) REPORTING REQUIREMENTS RELATED TO DEPARTMENT OF DEFENSE HOUSING FUNDS.—Section 2884 of such title is amended—

(1) in subsection (a)(2)(D), by inserting after "description of the source of such funds" the following: ", including a description of the specific construction, acquisition, or improvement projects from which funds were transferred to the Funds established under section 2883 of this title in order to finance the contract, conveyance, or lease"; and

(2) in subsection (b)(1)—

(A) by striking "a report" and inserting "a separate report";

(B) by striking "covering the Funds" and inserting "covering each of the Funds"; and

(C) by striking the period at the end and inserting the following: ", including a description of the specific construction, acquisition, or improvement projects from which funds were transferred and the privatization projects or contracts to which those funds were transferred. Each report shall also include, for each military department or defense agency, a description of all funds to be transferred to such Funds for the current fiscal year and the next fiscal year.".

**SEC. 2807. USE OF DESIGN-BUILD SELECTION PROCEDURES TO ACCELERATE DESIGN EFFORT IN CONNECTION WITH MILITARY CONSTRUCTION PROJECTS.**

(a) CLARIFICATION OF CONDITION ON CONTRACTS.—Paragraph (2) of subsection (f) of section 2305a of title 10, United States Code, is amended to read as follows:

"(2) Any military construction contract that provides for an accelerated design effort, as authorized by paragraph (1), shall include as a condition of the contract that the liability of the United States in a termination for convenience before funds are first made available for construction may not exceed an amount attributable to the final design of the project.".

(b) DURATION OF AUTHORITY; REPORT.—Paragraph (4) of such subsection is amended by striking "2007" each place it appears and inserting "2008".

**SEC. 2808. ACQUISITION OF ASSOCIATED UTILITIES, EQUIPMENT, AND FURNISHINGS IN RESERVE COMPONENT FACILITY EXCHANGE.**

(a) ACQUISITION AUTHORITY.—Section 18240 of title 10, United States Code, is amended—

(1) in subsection (a), by adding at the end the following new sentence: "The acquisition of a facility or an addition to an existing facility under this section may include the acquisition of utilities, equipment, and furnishings for the facility."; and

(2) in subsection (c), by inserting "including any utilities, equipment, and furnishings, to be" after "existing facility,".

(b) CONFORMING AMENDMENT.—Section 2809(c)(1) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2127) is amended by inserting "including any utilities, equipment, and furnishings," after "existing facility,".

**SEC. 2809. ONE-YEAR EXTENSION OF TEMPORARY, LIMITED AUTHORITY TO USE OPERATION AND MAINTENANCE FUNDS FOR CONSTRUCTION PROJECTS OUTSIDE THE UNITED STATES.**

(a) CONDITIONAL EXTENSION.—Section 2808 of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1723), as amended by section 2810 of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2128), is further amended—

(1) in subsection (a), by striking "fiscal year 2005" and inserting "fiscal years 2005 and 2006"; and

(2) in subsection (d)(2)—

(A) by striking "during fiscal year 2005" and inserting "during a fiscal year";

(B) by inserting "for that fiscal year" after "commence"; and

(C) by striking "for fiscal year 2004" and inserting "for the preceding fiscal year".

(b) LIMITATION ON USE OF AUTHORITY.—Subsection (c)(1) of such section 2808 is amended by striking "$200,000,000" and inserting "$100,000,000".

(c) QUARTERLY REPORTS.—Subsection (d) of such section 2808 is amended by striking paragraph (1) and inserting the following new paragraph:

"(1) Not later than 30 days after the end of each fiscal-year quarter during which appropriated funds available for operation and maintenance are obligated or expended to carry out construction projects outside the United States, the Secretary of Defense shall submit to the congressional committees specified in subsection (f) a report on the worldwide obligation and expenditure during that quarter of such appropriated funds for such construction projects.".

(d) EFFECT OF FAILURE TO SUBMIT QUARTERLY REPORTS OR PROJECT NOTIFICATIONS.—Such section 2808 is further amended by adding at the end the following new subsection:

"(g) EFFECT OF FAILURE TO SUBMIT QUARTERLY REPORTS OR PROJECT NOTIFICATIONS.—If the report for a fiscal-year quarter under subsection (d) or the notice of the obligation of the funds for a construction project required by subsection (b) is not submitted to the congressional committees specified in subsection (f) by the required date, appropriated funds available for operation and maintenance may not be obligated or expended after that date under the authority of this section to carry out construction projects outside the United States until the date on which the report or notice is finally submitted.".

**SEC. 2810. TEMPORARY PROGRAM TO USE MINOR MILITARY CONSTRUCTION AUTHORITY FOR CONSTRUCTION OF CHILD DEVELOPMENT CENTERS.**

(a) THRESHOLDS ON CONSTRUCTION AUTHORIZED.—The Secretary of Defense shall establish a program to carry out minor military construction projects under section 2805 of title 10, United States Code, to construct child development centers.

(b) INCREASED MAXIMUM AMOUNTS APPLICABLE TO MINOR CONSTRUCTION PROJECTS.—For the purpose of any military construction project carried out under the program authorized by this section, the amounts specified in section 2805 of title 10, United States Code, are modified as follows:

(1) The amount specified in the third sentence of subsection (a)(1) of such section is deemed to be $8,000,000.

(2) The amount specified in the second sentence of subsection (a)(1) and in subsection (c)(1)(A) of such section is deemed to be $7,000,000.

(3) The amount specified in subsections (b)(1) and (c)(1)(B) of such section is deemed to be $5,000,000.

(c) NOTIFICATION, REVIEW AND APPROVAL REQUIREMENTS.—The notification requirements under section 2805 of title 10, United States Code, shall remain in effect for construction projects carried out under the program authorized by this section. The Secretary

shall establish procedures for the review and approval of requests from the Secretaries of military departments to carry out construction projects under the program.

(d) REPORT REQUIRED.—Not later than March 1, 2007, the Secretary of Defense shall submit to the congressional defense committees a report on the program authorized by this section. The report shall include a list and description of the construction projects carried out under the program, including the location and cost of each project.

(e) EXPIRATION OF AUTHORITY.—The authority to obligate funds to carry out a minor military construction project under the program authorized by this section expires on September 30, 2007.

(f) CONSTRUCTION OF AUTHORITY.—Nothing in this section may be construed to limit any other authority provided by law for a military construction project at a child development center.

(g) CHILD DEVELOPMENT CENTER DEFINED.—In this section, the term "child development center" includes a facility, and the utilities to support such facility, the function of which is to support the daily care of children aged six weeks old through five years old for full-day, part-day, and hourly service.

**SEC. 2811. GENERAL AND FLAG OFFICERS QUARTERS IN THE NATIONAL CAPITAL REGION.**

(a) SERVICE-BY-SERVICE REPORT ON NEED FOR QUARTERS IN NATIONAL CAPITAL REGION.—Not later than March 15, 2006, the Secretary of each of the military departments shall submit to the congressional defense committees a report containing an analysis of the anticipated needs of the Armed Forces under the jurisdiction of that Secretary for family housing units for general officers and flag officers in the National Capital Region. In conducting the analysis, the Secretary shall consider the necessity of providing housing for general officers and flag officers in secure locations in the National Capital Region, but shall not consider the number of existing Government-owned units in the National Capital Region.

(b) USE OF ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.—The Secretary of a military department shall include in the report prepared by the Secretary under subsection (a) an assessment of the viability and economic impact of incorporating the inventory of general officer and flag officer quarters of that military department in the National Capitol Region into transactions carried out using the alternative authority for the acquisition and improvement of military housing provided by subchapter IV of chapter 169 of title 10, United States Code. The assessment shall include an economic analysis of the potential costs to include general officer and flag officer quarters into existing and planned housing privatization transactions.

(c) DEFINITIONS.—In this section:

(1) The terms "general officer" and "flag officer" have the meanings given such terms in section 101(b) of title 10, United States Code.

(2) The term "National Capital Region" has the meaning given such term in section 2674(f) of such title.

# Subtitle B—Real Property and Facilities Administration

**SEC. 2821. CONSOLIDATION OF DEPARTMENT OF DEFENSE LAND ACQUISITION AUTHORITIES AND LIMITATIONS ON USE OF SUCH AUTHORITIES.**

(a) LAND ACQUISITION AUTHORITY.—Chapter 159 of title 10, United States Code, is amended—

(1) in section 2663—

(A) by striking the section heading and inserting the following new section heading:

**"§ 2663. Land acquisition authorities";**

(B) in subsection (a)—

(i) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(ii) in subparagraph (C), as so redesignated, by striking "clause (2)" and inserting "subparagraph (B)"; and

(iii) by inserting "ACQUISITION OF LAND BY CONDEMNATION FOR CERTAIN MILITARY PURPOSES.—(1)" before "The Secretary";

(C) by redesignating subsection (b) as paragraph (2) and, in such paragraph, by striking "subsection (a)" and inserting "paragraph (1)";

(D) by redesignating subsection (c) as subsection (b) and, in such subsection, by inserting "ACQUISITION BY PURCHASE IN LIEU OF CONDEMNATION.—" before "The Secretary"; and

(E) by striking subsection (d);

(2) by transferring subsections (a), (b), and (d) of section 2672 to section 2663 and inserting such subsections in that order after subsection (b), as redesignated by paragraph (1)(D);

(3) in subsection (a), as transferred by paragraph (2), by striking "(a) ACQUISITION AUTHORITY" and inserting "(c) ACQUISITION OF LOW-COST INTERESTS IN LAND";

(4) in subsection (b), as transferred by paragraph (2)—

(A) by striking "(b) ACQUISITION OF MULTIPLE PARCELS.—This section" and inserting "(3) This subsection";

(B) by striking "subsection (a)(1)" and inserting "paragraph (1)"; and

(C) by striking "subsection (a)(2)" and inserting "paragraph (2)";

(5) in subsection (d), as transferred by paragraph (2)—

(A) by striking "(d) AVAILABILITY OF FUNDS.—Appropriations" and inserting "(4) Appropriations"; and

(B) by striking "this section" and inserting "this subsection";

(6) by transferring subsections (a), (c), and (b) of section 2672a to section 2663 and inserting such subsections in that order after subsection (c), as redesignated and amended by paragraphs (3), (4), and (5);

(7) in subsection (a), as transferred by paragraph (6)—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(B) by striking "(a) The Secretary" and inserting "(d) ACQUISITION OF INTERESTS IN LAND WHEN NEED IS URGENT.—(1) The Secretary";

(8) in subsection (c), as transferred by paragraph (6)—

(A) by striking "(c)" and inserting "(2)"; and

(B) by striking "this section" and inserting "this subsection";

(9) in subsection (b), as transferred by paragraph (6)—

(A) by striking "(b)" and inserting "(3)";

(B) by striking "this section" in the first sentence and inserting "this subsection"; and

(C) by striking the second sentence;

(10) by transferring subsection (b) of section 2676 to section 2663 and inserting such subsection after subsection (d), as redesignated and amended by paragraphs (7), (8), and (9); and

(11) in subsection (b), as transferred by paragraph (10), by striking "(b) Authority" and inserting "(e) SURVEY AUTHORITY; ACQUISITION METHODS.—Authority".

(b) LIMITATIONS ON ACQUISITION AUTHORITY.—Section 2676 of such title, as amended by subsection (a)(10), is further amended—

(1) in subsection (a)—

(A) by inserting "AUTHORIZATION FOR ACQUISITION REQUIRED.—" before "No military department"; and

(B) by striking ", as amended";

(2) in subsection (c)—

(A) in paragraph (1), by inserting "COST LIMITATIONS.—" before "(1)"; and

(B) in paragraph (2)—

(i) by striking "A land" and inserting "Until subsection (d) is complied with, a land"; and

(ii) by striking "lesser," and all that follows through the period at the end and inserting "lesser.";

(3) in subsection (d), by inserting "CONGRESSIONAL NOTIFICATION.—" before "The limitations"; and

(4) in subsection (e), by inserting "PAYMENT OF JUDGEMENTS AND SETTLEMENTS.—" before "The Secretary".

(c) TRANSFER AND REDESIGNATION OF REVISED LIMITATION SECTION.—Section 2676 of such title, as amended by subsections (a)(10) and (b)—

(1) is inserted after section 2663 of such title, as amended by subsection (a); and

(2) is amended by striking the section heading and inserting the following new section heading:

**"§ 2664. Limitations on real property acquisition".**

(d) INCLUSION OF LIMITATION ON LAND ACQUISITION COMMISSIONS.—Subsection (c) of section 2661 of such title is transferred to section 2664 of such title, as redesignated by subsection (c)(2), is inserted after subsection (a) of such redesignated section, and is redesignated as subsection (b).

(e) APPLICATION OF REAL PROPERTY MANAGEMENT AUTHORITIES TO PENTAGON RESERVATION.—Section 2661 of such title is amended by adding at the end the following new subsection:

"(d) TREATMENT OF PENTAGON RESERVATION.—In this chapter, the terms 'Secretary concerned' and 'Secretary of a military department' include the Secretary of Defense with respect to the Pentagon Reservation.".

(f) CONFORMING REPEALS.—Sections 2672 and 2672a of such title are repealed.

(g) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 159 of such title is amended—

(1) by striking the items relating to sections 2663, 2672, 2672a, and 2676; and

(2) by inserting after the item relating to section 2662 the following new items:

"2663. Land acquisition authorities.

"2664. Limitations on real property acquisition.".

**SEC. 2822. MODIFICATION OF AUTHORITIES ON AGREEMENTS TO LIMIT ENCROACHMENTS AND OTHER CONSTRAINTS ON MILITARY TRAINING, TESTING, AND OPERATIONS.**

(a) EXPANSION OF AGREEMENTS AUTHORIZED.—

(1) IN GENERAL.—Subsection (a) of section 2684a of title 10, United States Code, is amended—

(A) by inserting "or entities" after "entity"; and

(B) by striking "in the vicinity of a military installation" and inserting "in the vicinity of, or ecologically related to, a military installation or military airspace".

(2) CONFORMING AMENDMENTS.—Subsection (d) of such section is amended—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting "or entities" after "eligible entity"; and

(ii) in subparagraph (A), by inserting "or entities" after "the entity"; and

(B) in paragraph (3), by inserting "or entities" after "the entity".

(b) COST-SHARING OF ACQUISITION COSTS OF PROPERTY AND INTERESTS.—Subsection (d) of such section is further amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking "may provide" and inserting "shall provide"; and

(B) by striking subparagraph (B) and inserting the following new subparagraph (B):

"(B) the sharing by the United States and the entity or entities of the acquisition costs in accordance with paragraph (3).";

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(3) by inserting after paragraph (2) the following new paragraph (3):

"(3)(A) The Secretary concerned shall determine the appropriate portion of the acquisition costs to be borne by the United States in the sharing of acquisition costs of real property, or an interest in real property, under paragraph (1)(B).

"(B) The portion of acquisition costs borne by the United States in the sharing of acquisition costs of real property, or an interest in real property, under paragraph (1)(B) may not exceed an amount equal to the fair market value of any property or interest to be

transferred to the United States upon the request of the Secretary concerned under paragraph (4).

"(C) The contribution of an entity or entities to the acquisition costs of real property, or an interest in real property, under paragraph (1)(B) may include, with the approval of the Secretary concerned, the following or any combination of the following:

"(i) The provision of funds, including funds received by such entity or entities from a Federal agency outside the Department of Defense or a State or local government in connection with a Federal, State, or local program.

"(ii) The provision of in-kind services, including services related to the acquisition or maintenance of such real property or interest in real property.

"(iii) The exchange or donation of real property or any interest in real property.".

(c) REPORTING REQUIREMENT.—Such section is further amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) ANNUAL REPORTS.—(1) Not later than March 1, 2007, and annually thereafter, the Secretary of Defense shall, in coordination with the Secretaries of the military departments and the Director of the Department of Defense Test Resource Management Center, submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the projects undertaken under agreements under this section.

"(2) Each report under paragraph (1) shall include the following the following:

"(A) A description of the status of the projects undertaken under agreements under this section.

"(B) An assessment of the effectiveness of such projects, and other actions taken pursuant to this section, as part of a long-term strategy to ensure the sustainability of military test and training ranges, military installations, and associated airspace.

"(C) An evaluation of the methodology and criteria used to select, and to establish priorities, for projects undertaken under agreements under this section.

"(D) A description of any sharing of costs by the United States and eligible entities under subsection (d) during the preceding year, including a description of each agreement under this section providing for the sharing of such costs and a statement of the eligible entity or entities with which the United States is sharing such costs.

"(E) Such recommendations as the Secretary of Defense considers appropriate for legislative or administrative action in order to improve the efficiency and effectiveness of actions taken pursuant to agreements under this section.".

**SEC. 2823. MODIFICATION OF UTILITY SYSTEM CONVEYANCE AUTHORITY AND RELATED REPORTING REQUIREMENTS.**

(a) NOTICE AND WAIT REQUIREMENT.—Subsection (a) of section 2688 of title 10, United States Code, is amended—

(1) by inserting "(1)" after "CONVEYANCE AUTHORITY.—"; and

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

"(2) The Secretary concerned may not enter into a contract to convey a utility system, or part of a utility system, under this subsection until—

"(A) the Secretary submits to the congressional defense committees an economic analysis, based upon accepted life-cycle costing procedures approved by the Secretary of Defense, that demonstrates that—

"(i) the long-term economic benefit to the United States of the conveyance of the utility system, or part thereof, exceeds the long-term economic cost to the United States of the conveyance;

"(ii) the conveyance of the utility system, or part thereof, will reduce the long-term cost to the United States of utility services provided by the utility system; and

"(iii) the economic benefit analysis under clause (i) and the cost reduction analysis under clause (ii) incorporate margins of error in the estimates, based upon guidance approved by the Secretary of Defense that minimize any underestimation of the costs resulting from privatization of the utility system, or part thereof, or any overestimation of the costs resulting from continued Government ownership and management of the utility system, or part thereof; and

"(B) the end of the 21-day period beginning on the date on which the economic analysis prepared under subparagraph (A) with respect to the conveyance of the utility system, or part thereof, is received by the congressional defense committees or, if over earlier, the end of the 14-day period beginning on the date on which a copy of the economic analysis is provided in an electronic medium pursuant to section 480 of this title.".

(b) CONSIDERATION.—Subsection (c)(1) of such section is amended by striking "shall" and inserting "may".

(c) DURATION OF UTILITY SERVICES CONTRACTS IN CONNECTION WITH CONVEYANCES.—Such section is further amended—

(1) by redesignating subsections (d) through (i) as subsections (e) through (j), respectively; and

(2) by redesignating paragraph (3) of subsection (c) as subsection (d) and, in such subsection (as so redesignated)—

(A) by striking "A contract" and inserting "CONTRACTS FOR UTILITY SERVICES.—(1) Except as provided in paragraph (2), a contract";

(B) by striking "paragraph (1)" and inserting "subsection (c)";

(C) by striking "50 years." and inserting "10 years."; and

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

"(2) The Secretary of Defense, or the designee of the Secretary, may authorize a contract for utility services described in paragraph (1) to have a term in excess of 10 years, but not to exceed 50 years, if the Secretary determines that a contract for a longer term will be cost effective. The economic analysis submitted to the congressional defense committees under subsection (a)(2) for the conveyance of the utility system, or part thereof, with regard to which the utility services contract will be entered into by the Secretary concerned shall include the determination required by this paragraph, an explanation of the need for the longer term

contract, and a comparison of costs between a 10-year contract and the longer-term contract.".

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

(1) in subsection (f), as redesignated by subsection (c)(1), by striking the second sentence; and

(2) in subsection (h), as redesignated by subsection (c)(1), by striking "subsection (e)" and inserting "subsection (a)(2)".

(e) TEMPORARY LIMITATION ON USE OF CONVEYANCE AUTHORITY.—During each of fiscal years 2006 and 2007, the number of utility systems, or parts of utility systems, for which conveyance contracts may be entered into under section 2688 of title 10, United States Code, shall not exceed 25 percent of the total number of utility systems that, as of the date of the enactment of this Act, have been determined to be eligible for conveyance under such section, but have not yet been conveyed.

(f) REPORT ON USE OF CONVEYANCE AUTHORITY.—Not later than April 1, 2006, the Secretary of Defense shall submit to the congressional defense committees a report describing the use of section 2688 of title 10, United States Code, to convey utility systems, or parts of utility systems. The report shall contain the following:

(1) A discussion of the methodology by which a military department conducts the economic analyses of proposed utility system conveyances under section 2688 of title 10, United States Code, including the economic analyses referred to in subsection (a)(2) of such section, and any guidance issued by the Department of Defense related to conducting such economic analyses.

(2) A list of the steps taken to ensure the reliability of completed economic analyses, including post-conveyance reviews of actual costs and savings to the United States versus the costs and savings anticipated in the economic analyses.

(3) A review of the costs and savings to the United States resulting from each utility system conveyance carried out under such section.

(4) A discussion of the feasibility of obtaining consideration equal to the fair market value of a conveyed utility system, as authorized by subsection (c) of such section, and any guidance issued by the Department of Defense related to implementing that requirement, and the effect of that requirement and guidance on the costs and savings to the United States resulting from procuring by contract the utility services provided by the utility system.

(5) A discussion of the effects that permanent conveyance of ownership in a utility system may have on the ability of the Secretary of a military department to renegotiate contracts for utility services provided by the utility system or to procure such services from another source.

(6) A comparison of the value of contracts to permanently convey ownership in a utility system versus contracts that include reversion of the utility system to Government ownership at the end of a specified contractual period, with regards to contract terms, short- and long-term costs to the Government, system condition at the end of a contract, liability and costs associated with termination before the end of a contract, and

available courses of action to address problems and other issues raised during and after the contractual period.

(7) A discussion of the efforts and direction within the Department of Defense to oversee the implementation and use of the utility system conveyance authority under this section and to ensure the adequacy of utilities services for a military installation after conveyance of a utility system.

(8) A discussion of the effect of utility system conveyances on the operating budgets of military installations at which the conveyances were made.

(g) TEMPORARY SUSPENSION OF CONVEYANCE AUTHORITY.—If the report required by subsection (f) is not submitted to the congressional defense committees by the date specified in such subsection, the Secretary of a military department may not convey a utility system, including any part of a utility system, under subsection (a) of section 2688 of title 10, United States Code, or make a contribution under subsection (h) of such section toward the cost of construction, repair, or replacement of a utility system by another entity until the end of the 30-day period beginning on the date on which the report is finally submitted.

(h) COMPTROLLER GENERAL REVIEW.—Not later than August 1, 2006, the Comptroller General shall submit to the congressional defense committees a report evaluating the changes made by the Department of Defense since May 2005 to the utility systems conveyance program authorized by section 2688 of title 10, United States Code, and the effects of those changes and containing such recommendations for additional changes as the Comptroller General considers necessary.

**SEC. 2824. REPORT ON APPLICATION OF FORCE PROTECTION AND ANTI-TERRORISM STANDARDS TO LEASED FACILITIES.**

(a) REPORT REQUIRED.—Not later than September 30, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the application of Department of Defense Anti-Terrorism/Force Protection standards to all facilities leased by the Department of Defense or leased by the General Services Administration as an agent for the Department of Defense as of September 30, 2005.

(b) INFORMATION ON LEASED FACILITIES.—For the facilities identified in the report submitted under subsection (a), the Secretary of Defense shall include the following:

(1) A description of the function of each leased facility, including the location, size, terms of lease, and number of personnel housed within the facility.

(2) A description of the threat assessment and the joint security integrated vulnerability assessment for each leased facility.

(3) A description and cost estimate of any actions necessary to mitigate risk to an acceptable level in each leased facility.

(4) A description and cost estimate of the actions to be taken by the Secretary for each leased facility to ensure compliance with Department of Defense Anti-Terrorism/Force Protection standards.

(5) The total estimated cost of, and a proposed funding plan for, implementation of the force protection and anti-terrorism measures required to ensure the compliance of all leased

facilities with Defense Anti-Terrorism/Force Protection standards.

(c) INFORMATION ON SUPPORT PRIORITIES.—The report submitted under subsection (a) shall also include a separate description of the procedures used by the Secretary of Defense to prioritize funding for the application of force protection and antiterrorism standards to leased facilities, including a description of any such procedures applicable to the entire Department of Defense.

(d) APPLICABILITY.—The reporting requirements under this section apply to any space or facility that houses 11 or more personnel in service to, or employed by, the Department of Defense.

**SEC. 2825. REPORT ON USE OF GROUND SOURCE HEAT PUMPS AT DEPARTMENT OF DEFENSE FACILITIES.**

(a) REPORT REQUIRED.—Not later than July 1, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the use of ground source heat pumps at Department of Defense facilities.

(b) CONTENT.—The report required under subsection (a) shall include—

(1) a description of the types of Department of Defense facilities that use ground source heat pumps;

(2) an assessment of the applicability and cost-effectiveness of the use of ground source heat pumps at Department of Defense facilities in different geographic regions of the United States;

(3) a description of the relative applicability of ground source heat pumps for purposes of new construction at, and retrofitting of, Department of Defense facilities; and

(4) recommendations for facilitating and encouraging the increased use of ground source heat pumps at Department of Defense facilities.

# Subtitle C—Base Closure and Realignment

**SEC. 2831. ADDITIONAL REPORTING REQUIREMENTS REGARDING BASE CLOSURE PROCESS AND USE OF DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNTS.**

(a) INFORMATION ON FUTURE RECEIPTS AND EXPENDITURES.—

(1) 1990 ACCOUNT.—Section 2906(c)(1) of 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) is amended—

(A) in subparagraph (A)—

(i) by striking "committees of the amount" and inserting "committees of—

"(i) the amount";

(ii) by striking "such fiscal year and of the amount" and inserting "such fiscal year;

"(ii) the amount"; and

(iii) by striking "such fiscal year." and inserting "such fiscal year;

"(iii) the amount and nature of anticipated deposits to be made into, and the anticipated expenditures to be made from, the Account during the first fiscal year commencing after the submission of the report; and

"(iv) the amount and nature of anticipated expenditures to be made pursuant to section 2905(a) during the first fiscal year commencing after the submission of the report."; and

(B) in subparagraph (B)—

(i) in clause (i), by inserting "and installation" after "subaccount"; and

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

"(v) An estimate of the net revenues to be received from property disposals to be completed during the first fiscal year commencing after the submission of the report at military installations the date of approval of closure or realignment of which is before January 1, 2005.".

(2) 2005 ACCOUNT.—Section 2906A(c)(1) of such Act is amended—

(A) in subparagraph (A)—

(i) by striking "committees of the amount" and inserting "committees of—

"(i) the amount";

(ii) by striking "such fiscal year and of the amount" and inserting "such fiscal year;

"(ii) the amount"; and

(iii) by striking "such fiscal year." and inserting "such fiscal year;

"(iii) the amount and nature of anticipated deposits to be made into, and the anticipated expenditures to be made from, the Account during the first fiscal year commencing after the submission of the report; and

"(iv) the amount and nature of anticipated expenditures to be made pursuant to section 2905(a) during the first fiscal year commencing after the submission of the report."; and

(B) in subparagraph (B)—

(i) in clause (i), by inserting "and installation" after "subaccount"; and

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

"(v) An estimate of the net revenues to be received from property disposals to be completed during the first fiscal year commencing after the submission of the report at military installations the date of approval of closure or realignment of which is after January 1, 2005.".

(b) INFORMATION ON BRAC PROCESS.—Section 2907 of such Act is amended—

(1) by striking "fiscal year 1993" and inserting "fiscal year 2007";

(2) by striking "and" at the end of paragraph (1);

(3) by striking the period at the end of paragraph (2) and inserting a semicolon; and

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

"(3) a description of the closure or realignment actions already carried out at each military installation since the date of the installation's approval for closure or realignment under this part and the current status of the closure or realignment of the installation, including whether—

"(A) a redevelopment authority has been recognized by the Secretary for the installation;

"(B) the screening of property at the installation for other Federal use has been completed; and

"(C) a redevelopment plan has been agreed to by the redevelopment authority for the installation;

"(4) a description of redevelopment plans for military installations approved for closure or realignment under this part, the quantity of property remaining to be disposed of at each installation as part of its closure or realignment, and the quantity of property already disposed of at each installation;

"(5) a list of the Federal agencies that have requested property during the screening process for each military installation approved for closure or realignment under this part, including the date of transfer or anticipated transfer of the property to such agencies, the acreage involved in such transfers, and an explanation for any delays in such transfers;

"(6) a list of known environmental remediation issues at each military installation approved for closure or realignment under this part, including the acreage affected by these issues, an estimate of the cost to complete such environmental remediation, and the plans (and timelines) to address such environmental remediation; and

"(7) an estimate of the date for the completion of all closure or realignment actions at each military installation approved for closure or realignment under this part.".

**SEC. 2832. EXPANDED AVAILABILITY OF ADJUSTMENT AND DIVERSIFICATION ASSISTANCE FOR COMMUNITIES ADVERSELY AFFECTED BY MISSION REALIGNMENTS IN BASE CLOSURE PROCESS.**

(a) ELIGIBILITY REQUIREMENTS.—Subsection (b)(3) of section 2391 of title 10, United States Code, is amended—

(1) by striking "significantly reduced operations of a defense facility" and inserting "realignment of a military installation";

(2) by striking "cancellation," and inserting "closure or realignment, cancellation or"; and

(3) by striking "community" and all that follows through the period at the end and inserting "community or its residents.".

(b) MILITARY INSTALLATION AND REALIGNMENT DEFINED.—Paragraph (1) of subsection (d) of such section is amended to read as follows:

"(1) The terms 'military installation' and 'realignment' have the meanings given those terms in section 2687(e) of this title.".

**SEC. 2833. TREATMENT OF INDIAN TRIBAL GOVERNMENTS AS PUBLIC ENTITIES FOR PURPOSES OF DISPOSAL OF REAL PROPERTY RECOMMENDED FOR CLOSURE IN JULY 1993 BRAC COMMISSION REPORT.**

Section 8013 of the Department of Defense Appropriations Act, 1994 (Public Law 103–139; 107 Stat. 1440), is amended by striking "the report to the President from the Defense Base Closure and Realignment Commission, July 1991" and inserting "the reports to the President from the Defense Base Closure and Realignment Commission, July 1991 and July 1993".

**SEC. 2834. TERMINATION OF PROJECT AUTHORIZATIONS FOR MILITARY INSTALLATIONS APPROVED FOR CLOSURE IN 2005 ROUND OF BASE REALIGNMENTS AND CLOSURES.**

(a) PROJECT TERMINATION.—An authorization for a military construction project, land acquisition, or family housing project

contained in title XXI, XXII, XXIII, or XXIV of this Act or in an Act authorizing funds for a prior fiscal year for military construction projects, land acquisition, and family housing projects (and authorizations of appropriations therefor) shall terminate and no longer constitute authority under section 2676, 2802, 2821, or 2822 of title 10, United States Code, to carry out the military construction project, land acquisition, or family housing project if the project is located at a military installation that is approved for closure or adverse realignment or established as an enclave in 2005 under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(b) EXCEPTIONS.—Subsection (a) shall not apply to an authorization for a military construction project, land acquisition, or family housing project (and authorizations of appropriations therefor) if the Secretary of Defense determines that—

(1) the cost to the United States to carry out the project would be less than the cost to the United States of canceling the project;

(2) the project remains necessary to support functions at a military installation either before, during, or after the closure or realignment of the installation or the establishment of the installation as an enclave;

(3) in the case of an installation established as an enclave to which future missions may be designated, the project is necessary to support enclave functions or future missions after their designation; or

(4) the project is vital to the national security or to the protection of health, safety, or the quality of the environment.

(c) NOTICE AND WAIT REQUIREMENT.—When a decision is made to carry out a military construction project, land acquisition, or family housing project under subsection (b), the Secretary of Defense shall submit to the congressional defense committees a report explaining the decision, including the justification for the project and the current estimate of the cost of the project. The project may then be carried out only after the end of the 21-day period beginning on the date the report is received by such committees or, if earlier, the end of the 14-day period beginning on the date on which a copy of the report is provided in an electronic medium pursuant to section 480 of title 10, United States Code. In the case of a project described in subsection (b)(4), advance notification is not required, but the Secretary shall notify such committees within seven days after first obligating funds for the project.

**SEC. 2835. REQUIRED CONSULTATION WITH STATE AND LOCAL ENTITIES ON ISSUES RELATED TO INCREASE IN NUMBER OF MILITARY PERSONNEL AT MILITARY INSTALLATIONS.**

If the base closure and realignment decisions of the 2005 round of base closures and realignments under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) or the Integrated Global Presence and Basing Strategy would result in an increase in the number of members of the Armed Forces assigned to a military installation, the Secretary of Defense, during the development of the plans to implement the decisions or strategy with respect to that installation, shall consult with appropriate State and local entities to ensure that matters affecting the local community, including

requirements for transportation, utility infrastructure, housing, education, and family support activities, are considered.

**SEC. 2836. SENSE OF CONGRESS REGARDING INFRASTRUCTURE AND INSTALLATION REQUIREMENTS FOR TRANSFER OF UNITS AND PERSONNEL FROM CLOSED AND REALIGNED MILITARY INSTALLATIONS TO RECEIVING LOCATIONS.**

(a) FINDINGS.—Congress finds the following:

(1) The decisions of the 2005 round of base closures and realignments and the Integrated Global Presence and Basing Strategy will result in the permanent change of station and relocation of hundreds of thousands of members of the Armed Forces and their families over the next six years.

(2) Critical quality-of-life concerns for military families related to the infrastructure and installation requirements to support the restructuring of the Armed Forces include adequate housing and continued access to quality education facilities and child care, health care, and other services.

(3) By ensuring that facilities and infrastructure are maintained at closing installations pending the actual change of station and relocation of members of the Armed Forces and their families and that adequate permanent facilities and infrastructure await them at the receiving installations, disruptions to unit operational effectiveness will be minimized and the quality of life of military families will be protected.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should seek to ensure that the permanent facilities and infrastructure necessary to support the mission of the Armed Forces and the quality-of-life needs of members of the Armed Forces and their families are ready for use at receiving locations before units are transferred to such locations as a result of the 2005 round of base closures and realignments and the Integrated Global Presence and Basing Strategy.

**SEC. 2837. DEFENSE ACCESS ROAD PROGRAM AND MILITARY INSTALLATIONS AFFECTED BY DEFENSE BASE CLOSURE PROCESS OR INTEGRATED GLOBAL PRESENCE AND BASING STRATEGY.**

(a) SENSE OF CONGRESS.—It is the sense of Congress that roads leading onto a military installation that is significantly impacted by an increase in the number of members of the Armed Forces assigned to the installation as a result of the 2005 round of defense base closure and realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) or the Integrated Global Presence and Basing Strategy should be considered for designation as defense access roads for purposes of section 210 of title 23, United States Code.

(b) STUDY OF SURFACE TRANSPORTATION INFRASTRUCTURE OF AFFECTED INSTALLATIONS.—The Secretary of Defense shall conduct a study—

(1) to identify each military installation, if any, that will be significantly impacted by an increase in the number of members of the Armed Forces assigned to the installation as a result of the 2005 round of defense base closure and realignment under the Defense Base Closure and Realignment Act of 1990 or the Integrated Global Presence and Basing Strategy; and

(2) to determine whether the existing surface transportation infrastructure at each installation identified under paragraph (1) is adequate to support the increased vehicular traffic associated with the increase in the number of defense personnel described in that paragraph.

(c) REPORT.—Not later than April 15, 2007, the Secretary shall submit to the congressional defense committees a report containing the results of the study conducted under subsection (b).

**SEC. 2838. SENSE OF CONGRESS ON REVERSIONARY INTERESTS INVOLVING REAL PROPERTY AT NAVY HOMEPORTS.**

It is the sense of Congress that, in implementing the decisions made with respect to Navy homeports as part of the 2005 round of defense base closures and realignments, the Secretary of the Navy should, when consistent with Federal policy supporting cost-free conveyances of Federal surplus property suitable for use to provide a public benefit, release or otherwise relinquish any entitlement to receive, pursuant to any agreement providing for such payment, compensation from any holder of a reversionary interest in real property used by the United States for improvements made to the property.

# Subtitle D—Land Conveyances

## PART 1—ARMY CONVEYANCES

**SEC. 2841. LAND CONVEYANCE, CAMP NAVAJO, ARIZONA.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Department of Veterans' Services of the State of Arizona (in this section referred to as the "Department") all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 80 acres at Camp Navajo, Arizona, for the purpose of permitting the Department to establish a State-run cemetery for veterans.

(b) REVERSIONARY INTEREST.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property shall revert, at the option of the Secretary, to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(c) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the Department to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the Department in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the Department.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF REAL PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2842. LAND CONVEYANCE, IOWA ARMY AMMUNITION PLANT, MIDDLETOWN, IOWA.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the City of Middletown, Iowa (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 1.0 acres located at the Iowa Army Ammunition Plant, Middletown, Iowa, for the purpose of economic development.

(b) CONSIDERATION.—As consideration for the conveyance of property under subsection (a), the City shall provide the United States, whether by cash payment, in-kind consideration, or a combination thereof, an amount that is not less than the fair market value of the conveyed property, as determined by the Secretary.

(c) PAYMENT OF COSTS OF CONVEYANCE.—

(1) AUTHORITY TO REQUIRE PAYMENT.—The Secretary may require the City to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the City in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the City.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with

the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2843. LAND CONVEYANCE, HELENA, MONTANA.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Helena Indian Alliance all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 3.0 acres located at Sheridan Hall United States Army Reserve Center, 501 Euclid Avenue, Helena, Montana, for the purposes of supporting Native American health care, mental health counseling, and the operation of an education training center.

(b) REVERSIONARY INTEREST.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used in accordance with the purposes of the conveyance specified in such subsection, all right, title, and interest in and to the property shall revert, at the option of the Secretary, to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(c) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the Helena Indian Alliance to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the Helena Indian Alliance in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the Alliance.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF REAL PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2844. LEASE AUTHORITY, ARMY HERITAGE AND EDUCATION CENTER, CARLISLE, PENNSYLVANIA.**

Section 2866 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1333) is amended—

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

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

"(e) LEASE OF FACILITY.—(1) Under such terms and conditions as the Secretary considers appropriate, the Secretary may lease portions of the facility to the Military Heritage Foundation to be used by the Foundation, consistent with the agreement referred to in subsection (a), for—

"(A) generating revenue for activities of the facility through rental use by the public, commercial and nonprofit entities, State and local governments, and other Federal agencies; and

"(B) such administrative purposes as may be necessary for the support of the facility.

"(2) The annual amount of consideration paid to the Secretary by the Military Heritage Foundation for a lease under paragraph (1) may not exceed an amount equal to the actual cost, as determined by the Secretary, of the annual operations and maintenance of the facility.

"(3) Amounts paid under paragraph (2) may be used by the Secretary, in such amounts as provided in advance in appropriation Acts, to cover the costs of operation of the facility.".

**SEC. 2845. LAND EXCHANGE, FORT HOOD, TEXAS.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Central Texas College (in this section referred to as the "College") all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 40 acres at Fort Hood, Texas.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the College shall convey to the Secretary all right, title, and interest of the College in and to one or more parcels of real property acceptable to the Secretary and consisting of a total of approximately 158 acres. The fair market value of the real property received by the Secretary under this subsection shall be at least equal to the fair market value of the real property conveyed under subsection (a), as determined by the Secretary.

(c) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the College to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the land exchange under this section, including survey costs, costs related to environmental documentation, and other administrative costs related to the exchange. If amounts are collected from the College in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the College.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the land exchange. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be exchanged under this section shall be determined by surveys satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the land exchange under this section as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2846. MODIFICATION OF LAND CONVEYANCE, ENGINEER PROVING GROUND, FORT BELVOIR, VIRGINIA.**

(a) CONSIDERATION.—Subsection (b)(4) of section 2836 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1314) is amended by striking ", jointly determined" and all that follows through "Ground" and inserting "equal to $3,880,000".

(b) REPLACEMENT OF FIRE STATION.—Subsection (d) of such section is amended—

(1) in paragraph (1)—

(A) by striking "Building 5089" and inserting "Building 191"; and

(B) by striking "paragraphs (2) and (3)" and inserting "paragraph (2)";

(2) in paragraph (2), by striking "Building 5089" and inserting "Building 191"; and

(3) by striking paragraph (3).

**SEC. 2847. LAND CONVEYANCE, FORT BELVOIR, VIRGINIA.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Commonwealth of Virginia (in this section referred to as the "Commonwealth") all right, title, and interest of the United States in and to up to three parcels of real property at Fort Belvoir, Virginia, consisting of approximately 2.5 acres and located on the alignment of State Route 618 (also known as the Woodlawn Road) and both the east and west sides of the intersection of State Route 618 and U.S. Highway No. 1 (in this section referred to as the "Woodlawn Road parcels"), for the purpose of allowing the Commonwealth, the National Trust for Historic Preservation (in this section referred to as the "Trust"), and Fairfax County, Virginia, to enter into an agreement regarding the conveyance from the Trust of a parcel of real property located on the west side of Old Mill Road, consisting of approximately two acres and extending between the intersection of Old Mill Road and Pole Road and the intersection of Mount Vernon Highway and U.S. Highway No. 1.

(b) CONSIDERATION.—

(1) IN GENERAL.—As consideration for the conveyance of the Woodlawn Road parcels under subsection (a), the Secretary shall receive, whether by cash payment, in-kind consideration, or a combination thereof, an amount that is not less than the fair market value of the conveyed property, as determined by an appraisal of the property acceptable to the Secretary.

(2) DISPOSITION OF FUNDS.—Cash consideration received by the Secretary under paragraph (1) shall be deposited in the special account in the Treasury established under subsection (b) of section 572 of title 40, United States Code, and shall be available in accordance with paragraph (5)(B)(i) of such subsection.

(c) PAYMENT OF COSTS OF CONVEYANCE.—

(1) AUTHORITY TO REQUIRE PAYMENT.—The Secretary may require the Commonwealth to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred

by the Secretary, to carry out the conveyance of the Woodlawn Road parcels under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the Commonwealth in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the Commonwealth.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the Woodlawn Road parcels shall be determined by surveys satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2848. LAND CONVEYANCE, ARMY RESERVE CENTER, BOTHELL, WASHINGTON.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Snohomish County Fire Protection District #10 (in this section referred to as the "Fire District") all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately one acre at the Army Reserve Center in Bothell, Washington, and currently occupied, in part, by the Queensborough Firehouse, for the purpose of supporting the provision of fire and emergency medical aid services.

(b) IN-KIND CONSIDERATION.—As consideration for the conveyance under subsection (a), the Fire District shall provide in-kind consideration acceptable to the Secretary.

(c) REVERSIONARY INTEREST.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to all or any portion of the property shall revert, at the option of the Secretary, to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the Fire District to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the Fire District in advance of the Secretary incurring the actual costs, and the amount

collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the Fire District.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

## PART 2—NAVY CONVEYANCES

### SEC. 2851. LAND CONVEYANCE, MARINE CORPS AIR STATION, MIRAMAR, SAN DIEGO, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (c), the Secretary of the Navy may convey to the County of San Diego, California (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon and appurtenant easements thereto, consisting of approximately 230 acres along the eastern boundary of Marine Corps Air Station, Miramar, California, for the purpose of removing the property from the boundaries of the installation and permitting the County to preserve the entire property as a public passive park/recreational area known as the Stowe Trail.

(b) CONSIDERATION.—

(1) IN GENERAL.—As consideration for the conveyance under subsection (a), the County shall provide the United States consideration, whether by cash payment, in-kind consideration, or a combination thereof, in an amount that is not less than the fair market value of the conveyed real property, as determined by the Secretary.

(2) IN-KIND CONSIDERATION.—The in-kind consideration provided by the County under paragraph (1) shall include the acquisition, construction, provision, improvement, maintenance, repair, or restoration (including environmental restoration), or combination thereof, of any facilities or infrastructure relating to the security of Marine Corps Air Station, Miramar, that the Secretary considers acceptable as consideration under that paragraph.

(3) RELATION TO OTHER LAWS.—Sections 2662 and 2802 of title 10, United States Code, shall not apply to any new facilities or infrastructure received by the United States as in-kind consideration under paragraph (2).

(4) NOTICE TO CONGRESS.—The Secretary shall provide written notification to the congressional defense committees of the types and value of consideration provided the United States under paragraph (1).

(5) TREATMENT OF CASH CONSIDERATION RECEIVED.—Any cash payment received by the United States under paragraph (1) shall be deposited in the special account in the Treasury established under subsection (b) of section 572 of title 40, United States Code, and shall be available in accordance with paragraph (5)(B)(ii) of such subsection.

(c) REVERSIONARY INTEREST.—If the Secretary determines at any time that the County is not using the property conveyed under subsection (a) in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert, at the option of the Secretary, to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) RELEASE OF REVERSIONARY INTEREST.—The Secretary shall release, without consideration, the reversionary interest retained by the United States under subsection (c) if—

(1) Marine Corps Air Station, Miramar, is no longer being used for Department of Defense activities; or

(2) the Secretary determines that the reversionary interest is otherwise unnecessary to protect the interests of the United States.

(e) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the County to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a) and implement the receipt of in-kind consideration under subsection (b), including appraisal costs, survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance and receipt of in-kind consideration.

(2) TREATMENT OF AMOUNTS RECEIVED.—Section 2695(c) of title 10, United States Code, shall apply to any amounts received by the Secretary under paragraph (1). If amounts are received from the County in advance of the Secretary incurring the actual costs, and the amount received exceeds the costs actually incurred by the Secretary under this section, the Secretary shall refund the excess amount to the County.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed by the Secretary under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2852. LEASE OR LICENSE OF UNITED STATES NAVY MUSEUM FACILITIES AT WASHINGTON NAVY YARD, DISTRICT OF COLUMBIA.**

(a) LEASES AND LICENSES AUTHORIZED.—The Secretary of the Navy may lease or license to the Naval Historical Foundation any portion of the facilities located at the Washington Naval Yard, District of Columbia, that house the United States Navy Museum for the purpose of permitting the Foundation to carry out the following activities:

(1) Generation of revenue for the United States Navy Museum through the rental of facilities to the public, commercial and non-profit entities, State and local governments, and other Federal agencies.

(2) Performance of administrative activities in support of the United States Navy Museum.

(b) LIMITATION.—Activities carried out at a facility subject to a lease or license under subsection (a) must be consistent with the operations of the United States Navy Museum.

(c) CONSIDERATION.—The amount of consideration paid in a year by the Naval Historical Foundation to the United States for the lease or license of facilities under subsection (a) may not exceed the actual cost, as determined by the Secretary, of the annual operation and maintenance of the facilities.

(d) DEPOSIT AND USE OF PROCEEDS.—Consideration paid under subsection (c) shall be deposited into the appropriations account available for the operation and maintenance of the United States Navy Museum. The Secretary may use the amounts so deposited to cover costs associated with the operation and maintenance of the Museum and its exhibits.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a lease or license under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

## PART 3—AIR FORCE CONVEYANCES

### SEC. 2861. PURCHASE OF BUILD-TO-LEASE FAMILY HOUSING, EIELSON AIR FORCE BASE, ALASKA.

(a) CONDITIONAL AUTHORITY TO PURCHASE.—After the expiration of the contract for the lease of the military family housing project at Eielson Air Force Base, Alaska, that was constructed under the authority of former subsection (g) of section 2828 of title 10, United States Code (now section 2835 of such title), as added by section 801 of the Military Construction Authorization Act, 1984 (Public Law 98–115; 97 Stat. 782), the Secretary of the Air Force may purchase the entire interest of the lessor in the project if the Secretary determines that the purchase of the project is in the best economic interests of the Air Force.

(b) CONSIDERATION.—The consideration paid by the Secretary to purchase the interest of the lessor under subsection (a) may not exceed the fair market value of the military family housing project, as determined by the Secretary.

(c) CONGRESSIONAL NOTIFICATION.—If a decision is made to purchase the interest of the lessor in the military family housing project under subsection (a), the Secretary shall submit a report to the congressional defense committees containing—

(1) notice of the decision;

(2) the economic analyses used by the Secretary to determine that purchase of the project is in the best economic interests of the Air Force, as required by subsection (a); and

(3) a schedule for, and an estimate of the costs and nature of, any renovations or repairs that will be necessary to ensure that all units in the project meet current adequate housing standards.

(d) PURCHASE DELAY.—A contract to effectuate the purchase of the military family housing project under subsection (a) may be entered into by the Secretary only after—

(1) the contract for the lease of the project expires; and

(2) the report required by subsection (c) is submitted and a 30-day period beginning on the date the report is received by the congressional defense committees expires or, if earlier, a 21-day period beginning on the date on which a copy of the report is provided in an electronic medium pursuant to section 480 of title 10, United States Code, expires.

**SEC. 2862. LAND CONVEYANCE, AIR FORCE PROPERTY, JACKSONVILLE, ARKANSAS.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey to the City of Jacksonville, Arkansas (in this section referred to as the "City"), all right, title, and interest of the United States in and to real property consisting of approximately 45.024 acres around an existing short line railroad in Pulaski County, Arkansas, for the purpose of permitting the City to facilitate railroad access to an industrial park to further community economic development.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to the fair market value of the conveyed real property, as established by the assessment of the property conducted under contract for the Corps of Engineers and dated September 15, 2003.

(c) CONDITIONS OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the lease agreement dated October 29, 1982, as amended, between the Secretary and the Missouri Pacific Railroad Company (and its successors and assigns) and any other easement, lease, condition, or restriction of record, including streets, roads, highways, railroads, pipelines, and public utilities, insofar as the easement, lease, condition, or restriction is in existence on the date of the enactment of this Act and lawfully affects the conveyed property.

(d) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the City to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the City in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the City.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2863. LAND CONVEYANCE, AIR FORCE PROPERTY, LA JUNTA, COLORADO.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the City of La Junta, Colorado (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 8 acres located at the USA Bomb Plot in the La Junta Industrial Park for the purpose of training local law enforcement officers.

(b) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the City to cover costs to be incurred by the Secretary after the date of enactment of the Act, or to reimburse the Secretary for costs incurred by the Secretary after that date, to carry out the conveyance under subsection (a), including any survey costs, costs related to environmental assessments, studies, analyses, or other documentation, and other administrative costs related to the conveyance. If amounts are collected from the City in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the City.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2864. LEASE, NATIONAL IMAGERY AND MAPPING AGENCY SITE, ST. LOUIS, MISSOURI.**

(a) LEASE REQUIRED.—Not later than February 28, 2006, the Secretary of the Air Force shall lease to the St. Louis County Port Authority of St. Louis County, Missouri (in this section referred to as the "Port District"), a parcel of real property, including improvements thereon, consisting of approximately 39 acres and known as the National Imagery and Mapping Agency site at 8900 South Broadway, St. Louis, Missouri, for the purpose of permitting the Port District to use the parcel for economic development purposes. The Secretary shall carry out this section in consultation with the Administrator of the General Services Administration.

(b) RENTAL PRICE.—The real property to be leased under subsection (a) shall be leased at a rate equal to not less than the fair market value of the property.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be leased under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Port District.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

## Subtitle E—Other Matters

**SEC. 2871. CLARIFICATION OF MORATORIUM ON CERTAIN IMPROVEMENTS AT FORT BUCHANAN, PUERTO RICO.**

(a) CLARIFICATION OF AND EXCEPTIONS TO MORATORIUM.—Section 1507 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–355) is amended—

(1) in subsection (a), by striking "conversion, rehabilitation, extension, or improvement" and inserting "or extension"; and

(2) in subsection (b)—

(A) in paragraph (1), by inserting ", repair, replace, or convert" after "maintain";

(B) in paragraph (2), by striking "authorized before the date of the enactment of this Act"; and

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

"(3) The construction of facilities supporting Department of Defense education activities.

"(4) Any construction or extension required to support the installation of communications equipment.".

(b) RULE OF CONSTRUCTION.—The amendments made by subsection (a) do not trigger the termination of the moratorium on certain improvements at Fort Buchanan, Puerto Rico, as provided by subsection (c) of such section.

**SEC. 2872. TRANSFER OF EXCESS DEPARTMENT OF DEFENSE PROPERTY ON SANTA ROSA AND OKALOOSA ISLAND, FLORIDA, TO GULF ISLANDS NATIONAL SEASHORE.**

(a) FINDINGS.—Congress finds the following:

(1) Public Law 91–660 of the 91st Congress established the Gulf Islands National Seashore in the States of Florida and Mississippi.

(2) The original boundaries of the Gulf Islands National Seashore encompassed certain Federal land used by the Air Force and the Navy, and the use of such land was still required by the Armed Forces when the seashore was established.

(3) Senate Report 91–1514 of the 91th Congress addressed the relationship between these military lands and the Gulf Islands National Seashore as follows: "While the military use of these lands is presently required, they remain virtually free of adverse development and they are included in the boundaries of the seashore so that they can be wholly or partially transferred to the Department of the Interior when they become excess to the needs of the Air Force.".

(4) Although section 2(a) of Public Law 91–660 (16 U.S.C. 459h–1(a)) authorized the eventual transfer of Federal land within the boundaries of the Gulf Islands National Seashore from the Department of Defense to the Secretary of the Interior, an amendment mandating the transfer of excess Department of Defense land on Santa Rosa and Okaloosa Island, Florida, to the Secretary of the Interior is required to ensure that the purposes of the Gulf Islands National Seashore are fulfilled.

(b) TRANSFER REQUIRED.—Section 7 of Public Law 91–660 (16 U.S.C. 459h–6) is amended—

(1) by inserting "(a)" before "There are"; and

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

"(b) If any of the Federal land on Santa Rosa or Okaloosa Island, Florida, under the jurisdiction of the Department of Defense is ever excess to the needs of the Armed Forces, the Secretary of Defense shall transfer the excess land to the administrative jurisdiction of the Secretary of the Interior, subject to the terms and conditions acceptable to the Secretary of the Interior and the Secretary of Defense. The Secretary of the Interior shall administer the transferred land as part of the seashore in accordance with the provisions of this Act.".

**SEC. 2873. AUTHORIZED MILITARY USES OF PAPAGO PARK MILITARY RESERVATION, PHOENIX, ARIZONA.**

The Act of April 7, 1930 (Chapter 107; 46 Stat. 142), is amended in the first designated paragraph, relating to the Papago Park Military Reservation, by striking "as a rifle range".

**SEC. 2874. ASSESSMENT OF WATER NEEDS FOR PRESIDIO OF MONTEREY AND ORD MILITARY COMMUNITY.**

Not later than April 7, 2006, the Secretary of Defense shall submit to Congress an interim assessment of the current and reasonable future needs of the Department of the Defense for water for the Presidio of Monterey and the Ord Military Community.

**SEC. 2875. REDESIGNATION OF MCENTIRE AIR NATIONAL GUARD STATION, SOUTH CAROLINA, AS MCENTIRE JOINT NATIONAL GUARD BASE.**

McEntire Air National Guard Station in Eastover, South Carolina, shall be known and designated as "McEntire Joint National Guard Base" in recognition of the use of the installation to house both Air National Guard and Army National Guard assets. Any reference to McEntire Air National Guard Station in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to McEntire Joint National Guard Base.

**SEC. 2876. SENSE OF CONGRESS REGARDING COMMUNITY IMPACT ASSISTANCE RELATED TO CONSTRUCTION OF NAVY LANDING FIELD, NORTH CAROLINA.**

It is the sense of Congress that—

(1) the planned construction of an outlying landing field in North Carolina is vital to the national security interests of the United States; and

(2) the Department of Defense should work with other Federal agencies to provide community impact assistance to those communities directly impacted by the location of the outlying landing field, including, to the extent appropriate—

(A) economic development assistance;

(B) impact aid program assistance;

(C) the provision by cooperative agreement with the Navy of fire, rescue, water, and sewer services;

(D) access by leasing arrangement to appropriate land for farming for farmers impacted by the location of the landing field;

(E) direct relocation assistance; and

(F) fair compensation to landowners for property purchased by the Navy.

**SEC. 2877. SENSE OF CONGRESS ON ESTABLISHMENT OF BAKERS CREEK MEMORIAL.**

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

(1) In 1943 and 1944, the United States Armed Forces operated a rest and relaxation facility in Mackay, Queensland, Australia, for troops serving in the Pacific Theater during World War II.

(2) On June 14, 1943, a Boeing B–17C was transporting 6 crew members and 35 servicemen from Mackay to Port Moresby, New Guinea, to return the servicemen to duty after 10 days of rest and relaxation leave at an Army/Red Cross facility.

(3) The aircraft crashed shortly after take-off at Bakers Creek, Australia, killing all 6 crew members and 34 of the 35 servicemen being transported in what was at that point the worst crash in American air transport history, and what remains the worst air disaster in Australian history.

(4) Due to wartime censorship rules related to the movement of troops, the tragic crash and loss of life were not reported to the Australian or United States public.

(5) Many family members of those killed did not learn the circumstances of the troops deaths until they were contacted by the Bakers Creek Memorial Foundation beginning in 1992.

(6) As of May 2005, the Bakers Creek Memorial Foundation had contacted 36 of the 40 families that lost loved ones in the tragic crash, and was continuing efforts to locate the remaining four families to inform them of the true events of the crash at Bakers Creek.

(7) The Australian people marked the tragic crash at Bakers Creek with a memorial established in 1992, but no similar memorial has been established in the United States.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Army may establish an appropriate marker, at a site to be chosen at the discretion of the Secretary, to commemorate the 40 members of the United States Armed Forces who lost their lives in the air crash at Bakers Creek, Australia, on June 14, 1943.

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

# TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

**SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS**

Sec. 3101. National Nuclear Security Administration.
Sec. 3102. Defense environmental cleanup.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.

**SUBTITLE B—OTHER MATTERS**

Sec. 3111. Reliable Replacement Warhead program.
Sec. 3112. Rocky Flats Environmental Technology Site.
Sec. 3113. Report on compliance with Design Basis Threat issued by Department of Energy in 2005.
Sec. 3114. Reports associated with Waste Treatment and Immobilization Plant Project, Hanford Site, Richland, Washington.
Sec. 3115. Report on assistance for a comprehensive inventory of Russian nonstrategic nuclear weapons.
Sec. 3116. Report on international border security programs.
Sec. 3117. Savannah River National Laboratory.

## Subtitle A—National Security Programs Authorizations

### SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2006 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $9,196,456 to be allocated as follows:

(1) For weapons activities, $6,433,936,000.

(2) For defense nuclear nonproliferation activities, $1,631,151,000.

(3) For naval reactors, $789,500,000.

(4) For the Office of the Administrator for Nuclear Security, $341,869,000.

(b) AUTHORIZATION OF NEW PLANT PROJECTS.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary of Energy may carry out new plant projects for the National Nuclear Security Administration as follows:

(1) For readiness in technical base and facilities, the following new plant projects:

Project 06–D-140, Readiness in Technical Base and Facilities Program, project engineering and design, various locations, $14,113,000.

Project 06–D-402, replacement of Fire Stations Number 1 and Number 2, Nevada Test Site, Nevada, $8,284,000.

Project 06–D-403, tritium facility modernization, Lawrence Livermore National Laboratory, Livermore, California, $2,600,000.

Project 06–D-404, remediation, restoration, and upgrade of Building B–3, Nevada Test Site, Nevada, $16,000,000.

(2) For facilities and infrastructure recapitalization, the following new plant projects:

Project 06–D-160, Facilities and Infrastructure Recapitalization Program, project engineering and design, various locations, $5,811,000.

Project 06–D-601, electrical distribution system upgrade, Pantex Plant, Amarillo, Texas, $4,000,000.

Project 06–D-602, gas main and distribution system upgrade, Pantex Plant, Amarillo, Texas, $3,700,000.

Project 06–D-603, Steam Plant Life Extension Project, Y–12 National Security Complex, Oak Ridge, Tennessee, $729,000.

(3) For defense nuclear nonproliferation, the following new plant project:

Project 06–D-180, Defense Nuclear Nonproliferation, project engineering and design, National Security Laboratory, Pacific Northwest National Laboratory, Richland, Washington, $13,000,000.

(4) For naval reactors, the following plant projects:

Project 06–D-901, Central Office Building 2, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania, $7,000,000.

Project 05–D-900, Materials Development Facility Building, Schenectady, New York, $9,900,000, of which $1,000,000 shall be available for project engineering and design.

**SEC. 3102. DEFENSE ENVIRONMENTAL CLEANUP.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2006 for defense environmental cleanup activities in carrying out programs necessary for national security in the amount of $6,192,371,000.

(b) AUTHORIZATION OF NEW PLANT PROJECT.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary of Energy may carry out, for defense environmental cleanup activities, the following new plant project:

Project 06–D-401, sodium bearing waste treatment project, Idaho National Laboratory, Idaho Falls, Idaho, $54,270,000.

**SEC. 3103. OTHER DEFENSE ACTIVITIES.**

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2006 for other defense activities in carrying out programs necessary for national security in the amount of $641,998,000.

**SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.**

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2006 for defense nuclear waste disposal for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $350,000,000.

## Subtitle B—Other Matters

**SEC. 3111. RELIABLE REPLACEMENT WARHEAD PROGRAM.**

(a) PROGRAM REQUIRED.—The Atomic Energy Defense Act (division D of Public Law 107–314) is amended by inserting after section 4204 (50 U.S.C. 2524) the following new section:

**"SEC. 4204a. RELIABLE REPLACEMENT WARHEAD PROGRAM.**

"(a) PROGRAM REQUIRED.—The Secretary of Energy shall carry out a program, to be known as the Reliable Replacement Warhead program, which will have the following objectives:

"(1) To increase the reliability, safety, and security of the United States nuclear weapons stockpile.

"(2) To further reduce the likelihood of the resumption of underground nuclear weapons testing.

"(3) To remain consistent with basic design parameters by including, to the maximum extent feasible and consistent with the objective specified in paragraph (2), components that are well understood or are certifiable without the need to resume underground nuclear weapons testing.

"(4) To ensure that the nuclear weapons infrastructure can respond to unforeseen problems, to include the ability to produce replacement warheads that are safer to manufacture, more cost-effective to produce, and less costly to maintain than existing warheads.

"(5) To achieve reductions in the future size of the nuclear weapons stockpile based on increased reliability of the reliable replacement warheads.

"(6) To use the design, certification, and production expertise resident in the nuclear complex to develop reliable replacement components to fulfill current mission requirements of the existing stockpile.

"(7) To serve as a complement to, and potentially a more cost-effective and reliable long-term replacement for, the current Stockpile Life Extension Programs.

"(b) CONSULTATION.—The Secretary of Energy shall carry out the Reliable Replacement Warhead program in consultation with the Secretary of Defense.".

(b) REPORT.—Not later than March 1, 2007, the Secretary of Energy and the Secretary of Defense shall submit to the congressional defense committees a report on the feasibility and implementation of the Reliable Replacement Warhead program required by section 4204a of the Atomic Energy Defense Act, as added by subsection (a). The report shall—

(1) identify existing warheads recommended for replacement by 2035 with an assessment of the weapon performance and safety characteristics of the replacement warheads;

(2) discuss the relationship of the Reliable Replacement Warhead program within the Stockpile Stewardship Program and its impact on the current Stockpile Life Extension Programs;

(3) provide an assessment of the extent to which a successful Reliable Replacement Warhead program could lead to reductions in the nuclear weapons stockpile;

(4) discuss the criteria by which replacement warheads under the Reliable Replacement Warhead program will be

designed to maximize the likelihood of not requiring nuclear testing, as well as the circumstances that could lead to a resumption of testing;

(5) provide a description of the infrastructure, including pit production capabilities, required to support the Reliable Replacement Warhead program;

(6) provide a detailed summary of how the funds made available pursuant to the authorizations of appropriations in this Act, and any funds made available in prior years, will be used; and

(7) provide an estimate of the comparative costs of a reliable replacement warhead and the stockpile life extension for the warheads identified in paragraph (1).

(c) INTERIM REPORT.—Not later than March 1, 2006, the Secretary of Energy and the Secretary of Defense shall submit to the congressional defense committees an interim report on the matters required to be covered by the report under subsection (b).

(d) CONSULTATION.—The Secretary of Energy and the Secretary of Defense shall prepare the reports required by subsections (b) and (c) in consultation with the Nuclear Weapons Council.

**SEC. 3112. ROCKY FLATS ENVIRONMENTAL TECHNOLOGY SITE.**

(a) DEFINITIONS.—In this section:

(1) ESSENTIAL MINERAL RIGHT.—The term "essential mineral right" means a right to mine sand and gravel at Rocky Flats, as depicted on the map.

(2) FAIR MARKET VALUE.—The term "fair market value" means the value of an essential mineral right, as determined by an appraisal performed by an independent, certified mineral appraiser under the Uniform Standards of Professional Appraisal Practice.

(3) MAP.—The term "map" means the map entitled "Rocky Flats National Wildlife Refuge", dated July 25, 2005, and available for inspection in appropriate offices of the United States Fish and Wildlife Service and the Department of Energy.

(4) NATURAL RESOURCE DAMAGE LIABILITY CLAIM.—The term "natural resource damage liability claim" means a natural resource damage liability claim under subsections (a)(4)(C) and (f) of section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) arising from hazardous substances releases at or from Rocky Flats that, as of the date of enactment of this Act, are identified in the administrative record for Rocky Flats required by the National Oil and Hazardous Substances Pollution Contingency Plan prepared under section 105 of that Act (42 U.S.C. 9605).

(5) ROCKY FLATS.—The term "Rocky Flats" means the Department of Energy facility in the State of Colorado known as the "Rocky Flats Environmental Technology Site".

(6) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(7) TRUSTEES.—The term "Trustees" means the Federal and State officials designated as trustees under section 107(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(f)(2)).

(b) PURCHASE OF ESSENTIAL MINERAL RIGHTS.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, such amounts authorized to be appropriated under subsection (c) shall be available to the Secretary to purchase essential mineral rights at Rocky Flats.

(2) CONDITIONS.—The Secretary shall not purchase an essential mineral right under paragraph (1) unless—

(A) the owner of the essential mineral right is a willing seller; and

(B) the Secretary purchases the essential mineral right for an amount that does not exceed fair market value.

(3) LIMITATION.—Only those funds authorized to be appropriated under subsection (c) shall be available for the Secretary to purchase essential mineral rights under paragraph (1).

(4) RELEASE FROM LIABILITY.—A natural resource damage liability claim under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) shall be considered to be satisfied by—

(A) the purchase by the Secretary of essential mineral rights under paragraph (1) for consideration in an amount equal to $10,000,000;

(B) the payment by the Secretary to the Trustees of $10,000,000; or

(C) the purchase by the Secretary of any portion of the mineral rights under paragraph (1) for—

(i) consideration in an amount less than $10,000,000; and

(ii) a payment by the Secretary to the Trustees of an amount equal to the difference between—

(I) $10,000,000; and

(II) the amount paid under clause (i).

(5) USE OF FUNDS.—

(A) IN GENERAL.—Any amounts received under paragraph (4) shall be used by the Trustees for the purposes described in section 107(f)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(f)(1)), including—

(i) the purchase of additional mineral rights at Rocky Flats; and

(ii) the development of habitat restoration projects at Rocky Flats.

(B) CONDITION.—Any expenditure of funds under this paragraph shall be made jointly by the Trustees.

(C) ADDITIONAL FUNDS.—The Trustees may use the funds received under paragraph (4) in conjunction with other private and public funds.

(6) EXEMPTION FROM NATIONAL ENVIRONMENTAL POLICY ACT.—Any purchases of mineral rights under this subsection shall be exempt from the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(7) ROCKY FLATS NATIONAL WILDLIFE REFUGE.—

(A) TRANSFER OF MANAGEMENT RESPONSIBILITIES.—The Rocky Flats National Wildlife Refuge Act of 2001 (16 U.S.C. 668dd note; Public Law 107–107) is amended—

(i) in section 3175—

(I) by striking subsections (b) and (f); and

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

(ii) in section 3176(a)(1), by striking "section 3175(d)" and inserting "section 3175(c)".

(B) BOUNDARIES.—Section 3177 of such Act is amended by striking subsection (c) and inserting the following new subsection:

"(c) COMPOSITION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the refuge shall consist of land within the boundaries of Rocky Flats, as depicted on the map—

"(A) entitled 'Rocky Flats National Wildlife Refuge';

"(B) dated July 25, 2005; and

"(C) available for inspection in the appropriate offices of the United States Fish and Wildlife Service and the Department of Energy.

"(2) EXCLUSIONS.—The refuge does not include—

"(A) any land retained by the Department of Energy for response actions under section 3175(c);

"(B) any land depicted on the map described in paragraph (1) that is subject to one or more essential mineral rights described in section 3112(a) of the National Defense Authorization Act for Fiscal Year 2006 over which the Secretary shall retain jurisdiction of the surface estate until the essential mineral rights—

"(i) are purchased under subsection (b) of such section; or

"(ii) are mined and reclaimed by the mineral rights holders in accordance with requirements established by the State of Colorado; and

"(C) the land depicted on the map described in paragraph (1) on which essential mineral rights are being actively mined as of the date of enactment of the National Defense Authorization Act for Fiscal Year 2006 until—

"(i) the essential mineral rights are purchased; or

"(ii) the surface estate is reclaimed by the mineral rights holder in accordance with requirements established by the State of Colorado.

"(3) ACQUISITION OF ADDITIONAL LAND.—Notwithstanding paragraph (2), upon the purchase of the mineral rights or reclamation of the land depicted on the map described in paragraph (1), the Secretary shall—

"(A) transfer the land to the Secretary of the Interior for inclusion in the refuge; and

"(B) the Secretary of the Interior shall—

"(i) accept the transfer of the land; and

"(ii) manage the land as part of the refuge.".

(c) FUNDING.—Of the amounts authorized to be appropriated to the Secretary for the Rocky Flats Environmental Technology Site for fiscal year 2006, $10,000,000 may be made available to the Secretary for the purposes described in subsection (b).

**SEC. 3113. REPORT ON COMPLIANCE WITH DESIGN BASIS THREAT ISSUED BY DEPARTMENT OF ENERGY IN 2005.**

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a report detailing plans for achieving compliance under the Design Basis Threat issued by the Department of Energy in November 2005 (in this section referred to as the "2005 Design Basis Threat").

(b) CONTENT.—The report required under subsection (a) shall include the following:

(1) A plan with associated annual funding requirements to achieve compliance under the 2005 Design Basis Threat by December 31, 2008, and sustain such compliance through the Future Years Nuclear Security Plan, of all Department of Energy and National Nuclear Security Administration sites that contain nuclear weapons or special nuclear material.

(2) A risk and cost analysis of the increase in security requirements from the Design Basis Threat issued by the Department of Energy in May 2003 to the 2005 Design Basis Threat.

(3) An evaluation of options for applying security technologies and innovative protective force deployment to increase the efficiency and effectiveness of efforts to protect against the threats postulated in the 2005 Design Basis Threat.

(c) FORM.—The report required under subsection (a) shall be submitted in classified form with an unclassified summary.

(d) COMPTROLLER GENERAL REVIEW.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to the congressional defense committees a report containing a review of the plan required by subsection (b)(1). In conducting the review, the Comptroller General shall employ probalistic risk assessment methodology to access the merits of incremental risk mitigation steps proposed by the Department of Energy.

**SEC. 3114. REPORTS ASSOCIATED WITH WASTE TREATMENT AND IMMOBILIZATION PLANT PROJECT, HANFORD SITE, RICHLAND, WASHINGTON.**

(a) SUBMISSION OF ARMY CORPS OF ENGINEERS REPORTS.—Not later than 10 days after the date on which the Secretary of Energy receives any report from the Army Corps of Engineers documenting any evaluation or validation of costs, schedule, and technical issues associated with the Waste Treatment and Immobilization Plant Project at the Department of Energy Hanford Site, the Secretary shall submit a copy of the report to the congressional defense committees.

(b) INCLUSION OF SPECIFIC REPORTS.—The requirement to submit reports under this section includes the anticipated reports from the Army Corps of Engineers—

(1) documenting the cost validation of the estimated cost to complete the project based on both constrained and unconstrained funding scenarios; and

(2) evaluating the baseline ground motion criteria.

**SEC. 3115. REPORT ON ASSISTANCE FOR A COMPREHENSIVE INVENTORY OF RUSSIAN NONSTRATEGIC NUCLEAR WEAPONS.**

(a) FINDINGS.—Congress finds that—

(1) there is an insufficient accounting for, and insufficient security of, the nonstrategic nuclear weapons of the Russian Federation; and

(2) because of the dangers posed by that insufficient accounting and security, it is in the national security interest of the United States to assist the Russian Federation in the conduct of a comprehensive inventory of its nonstrategic nuclear weapons.

(b) REPORT.—

(1) REPORT REQUIRED.—Not later than April 15, 2006, the Secretary of Energy shall submit to Congress a report containing—

(A) the Secretary's evaluation of past and current efforts by the United States to encourage or facilitate a proper accounting for and securing of the nonstrategic nuclear weapons of the Russian Federation; and

(B) the Secretary's recommendations regarding the actions by the United States that are most likely to lead to progress in improving the accounting for, and securing of, those weapons.

(2) CONSULTATION WITH SECRETARY OF DEFENSE.—The report under paragraph (1) shall be prepared in consultation with the Secretary of Defense.

(3) CLASSIFICATION OF REPORT.—The report under paragraph (1) shall be in unclassified form, but may be accompanied by a classified annex.

**SEC. 3116. REPORT ON INTERNATIONAL BORDER SECURITY PROGRAMS.**

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the management by the Secretaries referred to in subsection (c) of border security programs in the countries of the former Soviet Union and other countries.

(b) CONTENT.—The report required under subsection (a) shall include—

(1) a description of the roles and responsibilities of each department and agency of the United States Government in international border security programs;

(2) a description of the interactions and coordination among departments and agencies of the United States Government that are conducting international border security programs;

(3) a description of the mechanisms and processes that exist to ensure coordination, avoid duplication, and provide a means to resolve conflicts or problems that might arise in the implementation of international border security programs;

(4) a discussion of whether there is existing interagency guidance that addresses the roles, interactions, and dispute resolution mechanisms for departments and agencies of the United States Government that are conducting international border security programs, and the adequacy of such guidance if it exists; and

(5) recommendations to improve the coordination and effectiveness of international border security programs.

(c) CONSULTATION.—The Secretary of Energy shall prepare the report required by subsection (a) in consultation with the Secretary of Defense, the Secretary of State, and, as appropriate, the Secretary of Homeland Security.

**SEC. 3117. SAVANNAH RIVER NATIONAL LABORATORY.**

The Savannah River National Laboratory shall be a participating laboratory in the Department of Energy laboratory directed research and development program.

# TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

**SEC. 3201. AUTHORIZATION.**

There are authorized to be appropriated for fiscal year 2006, $22,032,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

# TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authorized uses of National Defense Stockpile funds.
Sec. 3302. Revisions to required receipt objectives for previously authorized disposals from National Defense Stockpile.
Sec. 3303. Authorization for disposal of tungsten ores and concentrates.
Sec. 3304. Disposal of ferromanganese.

**SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.**

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2006, the National Defense Stockpile Manager may obligate up to $52,132,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

**SEC. 3302. REVISIONS TO REQUIRED RECEIPT OBJECTIVES FOR PREVIOUSLY AUTHORIZED DISPOSALS FROM NATIONAL DEFENSE STOCKPILE.**

(a) DISPOSAL AUTHORITY.—Section 3303(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999

(Public Law 105–261; 50 U.S.C. 98d note), as amended by section 3302 of the Ronald W. Reagan National Defense Authorization Act for Year 2005 (Public Law 108–375; 118 Stat. 2193), is amended—

(1) by striking "and" at the end of paragraph (4); and

(2) by striking paragraph (5) and inserting the following new paragraphs:

"(5) $900,000,000 by the end of fiscal year 2010; and

"(6) $1,000,000,000 by the end of fiscal year 2013.".

(b) ADDITIONAL DISPOSAL AUTHORITY.—Section 3402(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 50 U.S.C. 98d note), as amended by section 3302 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1788), is amended—

(1) by striking "and" at the end of paragraph (3); and

(2) by striking paragraph (4) and inserting the following new paragraphs:

"(4) $500,000,000 before the end of fiscal year 2010; and

"(5) $600,000,000 before the end of fiscal year 2013.".

**SEC. 3303. AUTHORIZATION FOR DISPOSAL OF TUNGSTEN ORES AND CONCENTRATES.**

(a) DISPOSAL AUTHORIZED.—The President may dispose of up to 8,000,000 pounds of contained tungsten in the form of tungsten ores and concentrates from the National Defense Stockpile in fiscal year 2006.

(b) CERTAIN SALES AUTHORIZED.—The tungsten ores and concentrates disposed under subsection (a) may be sold to entities with ore conversion or tungsten carbide manufacturing or processing capabilities in the United States.

**SEC. 3304. DISPOSAL OF FERROMANGANESE.**

(a) DISPOSAL AUTHORIZED.—The Secretary of Defense may dispose of up to 75,000 tons of ferromanganese from the National Defense Stockpile during fiscal year 2006.

(b) CONTINGENT AUTHORITY FOR ADDITIONAL DISPOSAL.—If the Secretary of Defense completes the disposal of the total quantity of ferromanganese authorized for disposal by subsection (a) before September 30, 2006, the Secretary of Defense may dispose of up to an additional 25,000 tons of ferromanganese from the National Defense Stockpile before that date.

(c) CERTIFICATION.—The Secretary of Defense may dispose of ferromanganese under the authority of subsection (b) only if the Secretary submits written certification to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, not later than 30 days before the commencement of disposal, that—

(1) the disposal of the additional ferromanganese from the National Defense Stockpile is in the interest of national defense;

(2) the disposal of the additional ferromanganese will not cause undue disruption to the usual markets of producers and processors of ferromanganese in the United States; and

(3) the disposal of the additional ferromanganese is consistent with the requirements and purpose of the National Defense Stockpile.

(d) DELEGATION OF RESPONSIBILITY.—The Secretary of Defense may delegate the responsibility of the Secretary under subsection (c) to an appropriate official within the Department of Defense.

(e) NATIONAL DEFENSE STOCKPILE DEFINED.—In this section, the term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

# TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

**SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $18,500,000 for fiscal year 2006 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

# TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2006.
Sec. 3502. Payments for State and regional maritime academies.
Sec. 3503. Maintenance and repair reimbursement pilot program.
Sec. 3504. Tank vessel construction assistance.
Sec. 3505. Improvements to the Maritime Administration vessel disposal program.
Sec. 3506. Assistance for small shipyards and maritime communities.
Sec. 3507. Transfer of authority for title XI non-fishing loan guarantee decisions to Maritime Administration.
Sec. 3508. Technical corrections.
Sec. 3509. United States Maritime Service.
Sec. 3510. Awards and medals.

**SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2006.**

Funds are hereby authorized to be appropriated for fiscal year 2006, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $122,249,000.

(2) For administrative expenses related to loan guarantee commitments under the program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $4,126,000.

(3) For expenses to dispose of obsolete vessels in the National Defense Reserve Fleet, including provision of assistance under section 7 of Public Law 92–402, $21,000,000.

**SEC. 3502. PAYMENTS FOR STATE AND REGIONAL MARITIME ACADEMIES.**

(a) ANNUAL PAYMENT.—Section 1304(d)(1)(C)(ii) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(d)(1)(C)(ii)) is amended by striking "$200,000" and inserting "$300,000 for fiscal year 2006, $400,000 for fiscal year 2007, and $500,000 for fiscal year 2008 and each fiscal year thereafter".

(b) SCHOOL SHIP FUEL PAYMENT.—Section 1304(c)(2) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(c)(2)) is amended—

(1) by striking "The Secretary may pay to any State maritime academy" and inserting "(A) The Secretary shall, subject to the availability of appropriations, pay to each State maritime academy"; and

(2) by adding at the end the following:

"(B) The amount of the payment to a State maritime academy under this paragraph shall not exceed—

"(i) $100,000 for fiscal year 2006;

"(ii) $200,000 for fiscal year 2007; and

"(iii) $300,000 for fiscal year 2008 and each fiscal year thereafter.".

**SEC. 3503. MAINTENANCE AND REPAIR REIMBURSEMENT PILOT PROGRAM.**

Section 3517 of the Maritime Security Act of 2003 (46 U.S.C. 53101 note) is amended to read as follows:

**"SEC. 3517. MAINTENANCE AND REPAIR REIMBURSEMENT PILOT PROGRAM.**

"(a) AUTHORITY TO ENTER AGREEMENTS.—

"(1) IN GENERAL.—The Secretary of Transportation shall carry out a pilot program under which the Secretary shall enter into an agreement with 1 or more contractors under chapter 531 of title 46, United States Code, regarding maintenance and repair of 1 or more vessels that are subject to an operating agreement under that chapter.

"(2) REQUIREMENT OF AGREEMENT.—The Secretary shall, subject to the availability of appropriations, require 1 or more persons to enter into an agreement under this section as a condition of awarding an operating agreement to the person under chapter 531 of title 46, United States Code, for 1 or more vessels that normally make port calls in the United States.

"(b) TERMS OF AGREEMENT.—An agreement under this section—

"(1) shall require that except as provided in subsection (c), all qualified maintenance or repair on the vessel shall be performed in the United States;

"(2) shall require that the Secretary shall reimburse the contractor in accordance with subsection (d) for the costs of qualified maintenance or repair performed in the United States; and

"(3) shall apply to qualified maintenance or repair performed during the 5-year period beginning on the date the vessel begins operating under the operating agreement under chapter 531 of title 46, United States Code.

"(c) EXCEPTION TO REQUIREMENT TO PERFORM WORK IN THE UNITED STATES.—A contractor shall not be required to have qualified maintenance or repair work performed in the United States under this section if—

"(1) the Secretary determines that there is no facility capable of meeting all technical requirements of the qualified maintenance or repair in the United States located in the geographic area in which the vessel normally operates available to perform the work in the time required by the contractor to maintain its regularly scheduled service;

"(2) the Secretary determines that there are insufficient funds to pay reimbursement under subsection (d) with respect to the work; or

"(3) the Secretary fails to make the certification described in subsection (e)(2).

"(d) REIMBURSEMENT.—

"(1) IN GENERAL.—The Secretary shall, subject to the availability of appropriations, reimburse a contractor for costs incurred by the contractor for qualified maintenance or repair performed in the United States under this section.

"(2) AMOUNT.—The amount of reimbursement shall be equal to the difference between—

"(A) the fair and reasonable cost of obtaining the qualified maintenance or repair in the United States; and

"(B) the fair and reasonable cost of obtaining the qualified maintenance or repair outside the United States, in the country in which the contractor would otherwise undertake the qualified maintenance or repair.

"(3) DETERMINATION OF FAIR AND REASONABLE COSTS.—The Secretary shall determine fair and reasonable costs for purposes of paragraph (2).

"(e) NOTIFICATION REQUIREMENTS.—

"(1) NOTIFICATION BY CONTRACTOR.—The Secretary is not required to pay reimbursement to a contractor under this section for qualified maintenance or repair, unless the contractor—

"(A) notifies the Secretary of the intent of the contractor to obtain the qualified maintenance or repair, by not later than 90 days before the date of the performance of the qualified maintenance or repair; and

"(B) includes in such notification—

"(i) a description of all qualified maintenance or repair that the contractor should reasonably expect may be performed;

"(ii) a description of the vessel's normal route and port calls in the United States;

"(iii) an estimate of the cost of obtaining the qualified maintenance or repair described under clause (i) in the United States; and

"(iv) an estimate of the cost of obtaining the qualified maintenance or repair described under clause (i) outside the United States, in the country in which the contractor otherwise would undertake the qualified maintenance or repair.

"(2) CERTIFICATION BY SECRETARY.—

"(A) Not later than 30 days after the date of receipt of notification under paragraph (1), the Secretary shall certify to the contractor—

"(i) whether the cost estimates provided by the contractor are fair and reasonable;

"(ii) if the Secretary determines that such cost estimates are not fair and reasonable, the Secretary's estimate of fair and reasonable costs for such work;

"(iii) whether there are available to the Secretary sufficient funds to pay reimbursement under subsection (d) with respect to such work; and

"(iv) that the Secretary commits such funds to the contractor for such reimbursement, if such funds are available for that purpose.

"(B) If the contractor notification described in paragraph (1) does not include an estimate of the cost of obtaining qualified maintenance and repair in the United States, then not later than 30 days after the date of receipt of such notification, the Secretary shall—

"(i) certify to the contractor whether there is a facility capable of meeting all technical requirements of the qualified maintenance and repair in the United States located in the geographic area in which the vessel normally operates available to perform the qualified maintenance and repair described in the notification by the contractor under paragraph (1) in the time period required by the contractor to maintain its regularly scheduled service; and

"(ii) if there is such a facility, require the contractor to resubmit such notification with the required cost estimate for such facility.

"(f) REGULATIONS.—

"(1) REQUIREMENT TO ISSUE NOTICE OF PROPOSED RULE MAKING.—The Secretary shall—

"(A) by not later than 30 days after the effective date of this subsection, issue a notice of proposed rule making to implement this section;

"(B) in such notice, solicit the submission of comments by the public regarding rules to implement this section; and

"(C) provide a period of at least 30 days for the submission of such comments.

"(2) INTERIM RULES.—Upon expiration of the period for submission of comments pursuant to paragraph (1)(C), the Secretary may prescribe interim rules necessary to carry out the Secretary's responsibilities under this section. For this purpose, the Secretary is excepted from compliance with the notice and comment requirements of section 553 of title 5, United States Code. At the time interim rules are issued, the Secretary shall solicit comments on the interim rules from the public and other interested persons. Such period for comment shall not be less than 90 days. All interim rules prescribed under the authority of this subsection that are not earlier superseded by final rules shall expire no later than 270 days after the effective date of this subsection.

"(g) QUALIFIED MAINTENANCE OR REPAIR DEFINED.—In this section the term 'qualified maintenance or repair'—

"(1) except as provided in paragraph (2), means—

"(A) any inspection of a vessel that is—

"(i) required under chapter 33 of title 46, United States Code; and

"(ii) performed in the period in which the vessel is subject to an agreement under this section;

"(B) any maintenance or repair of a vessel that is determined, in the course of an inspection referred to in subparagraph (A), to be necessary; and

"(C) any additional maintenance or repair the contractor intends to undertake at the same time as the work described in subparagraph (B); and

"(2) does not include—

"(A) maintenance or repair not agreed to by the contractor to be undertaken at the same time as the work described in paragraph (1); or

"(B) any emergency work that is necessary to enable a vessel to return to a port in the United States.

"(h) ANNUAL REPORT.—The Secretary shall submit to the Congress by not later than September 30 each year a report on the program under this section. The report shall include a listing of future inspection schedules for all vessels included in the Maritime Security Fleet under section 53102 of title 46, United States Code.

"(i) AUTHORIZATION OF APPROPRIATIONS.—In addition to the other amounts authorized by this title, for reimbursement of costs of qualified maintenance or repair under this section there is authorized to be appropriated to the Secretary of Transportation $19,500,000 for each of fiscal years 2006 through 2011.".

**SEC. 3504. TANK VESSEL CONSTRUCTION ASSISTANCE.**

(a) REQUIREMENT TO ENTER CONTRACTS.—Section 3543(a) of the National Defense Authorization Act for Fiscal Year 2004 (46 U.S.C. 53101 note) is amended by striking "may" and inserting "shall, to the extent of the availability of appropriations,".

(b) AMOUNT OF ASSISTANCE.—Section 3543(b) of the National Defense Authorization Act for Fiscal Year 2004 (46 U.S.C. 53101 note) is amended by striking "up to 75 percent of".

**SEC. 3505. IMPROVEMENTS TO THE MARITIME ADMINISTRATION VESSEL DISPOSAL PROGRAM.**

(a) REPEAL OF LIMITATION ON SCRAPPING; COMPREHENSIVE MANAGEMENT PLAN.—Section 3502 of the Floyd D. Spence National Defense Authorization Act of Fiscal Year 2001 (enacted into law by section 1 of Public Law 106–398; 16 U.S.C. 5405 note; 114 Stat. 1654A–490) is amended by striking subsections (c), (d), (e), and (f), and inserting the following:

"(c) COMPREHENSIVE MANAGEMENT PLAN.—

"(1) REQUIREMENT TO DEVELOP PLAN.—The Secretary of Transportation shall prepare, publish, and submit to the Congress by not later than 180 days after the date of the enactment of this Act a comprehensive plan for management of the vessel disposal program of the Maritime Administration in accordance with the recommendations made in the Government Accountability Office in report number GAO–05–264, dated March 2005.

"(2) CONTENTS OF PLAN.—The plan shall—

"(A) include a strategy and implementation plan for disposal of obsolete National Defense Reserve Fleet vessels (including vessels added to the fleet after the enactment of this paragraph) in a timely manner, maximizing the use of all available disposal methods, including dismantling, use for artificial reefs, donation, and Navy training exercises;

"(B) identify and describe the funding and other resources necessary to implement the plan, and specific milestones for disposal of vessels under the plan;

"(C) establish performance measures to track progress toward achieving the goals of the program, including the expeditious disposal of ships commencing upon the date of the enactment of this paragraph;

"(D) develop a formal decisionmaking framework for the program; and

"(E) identify external factors that could impede successful implementation of the plan, and describe steps to be taken to mitigate the effects of such factors.

"(d) IMPLEMENTATION OF MANAGEMENT PLAN.—

"(1) REQUIREMENT TO IMPLEMENT.—Subject to the availability of appropriations, the Secretary shall implement the vessel disposal program of the Maritime Administration in accordance with—

"(A) the management plan submitted under subsection (c); and

"(B) the requirements set forth in paragraph (2).

"(2) UTILIZATION OF DOMESTIC SOURCES.—In the procurement of services under the vessel disposal program of the Maritime Administration, the Secretary shall—

"(A) use full and open competition; and

"(B) utilize domestic sources to the maximum extent practicable.

"(e) FAILURE TO SUBMIT PLAN.—

"(1) PRIVATE MANAGEMENT CONTRACT FOR DISPOSAL OF MARITIME ADMINISTRATION VESSELS.—The Secretary of Transportation, subject to the availability of appropriations, shall promptly award a contract using full and open competition to expeditiously implement all aspects of disposal of obsolete National Defense Reserve Fleet vessels.

"(2) APPLICATION.—This subsection shall apply beginning 180 days after the date of the enactment of this subsection, unless the Secretary of Transportation has submitted to the Congress the comprehensive plan required under subsection (c).

"(f) REPORT.—No later than 1 year after the date of the enactment of this subsection, and every 6 months thereafter, the Secretary of Transportation, in coordination with the Secretary of the Navy, shall report to the Committee on Transportation and Infrastructure, the Committee on Resources, and the Committee on Armed Services of the House of Representatives, and to the Committee on Commerce, Science, and Transportation and the Committee on Armed Services of the Senate, on the progress made in implementing the vessel disposal plan developed under subsection (c). In particular, the report shall address the performance measures required to be established under subsection (c)(2)(C).".

(b) TEMPORARY AUTHORITY TO TRANSFER OBSOLETE COMBATANT VESSELS TO NAVY FOR DISPOSAL.—The Secretary of Transportation shall, subject to the availability of appropriations and consistent with section 1535 of title 31, United States Code, popularly known as the Economy Act, transfer to the Secretary of the Navy during fiscal year 2006 for disposal by the Navy, no fewer than 4 combatant vessels in the nonretention fleet of the Maritime Administration that are acceptable to the Secretary of the Navy.

(c) TRANSFER OF TITLE OF OBSOLETE VESSELS TO BE DISPOSED OF AS ARTIFICIAL REEFS.—Paragraph (4) of section 4 of the Act entitled "An Act to authorize appropriations for the fiscal year

1973 for certain maritime programs of the Department of Commerce, and for related purposes" (Public Law 92–402; 16 U.S.C. 1220a) is amended to read as follows:

"(4) the transfer would be at no cost to the Government (except for any financial assistance provided under section 1220(c)(1) of this title) with the State taking delivery of such obsolete ships and titles in an 'as-is—where-is' condition at such place and time designated as may be determined by the Secretary of Transportation.".

**SEC. 3506. ASSISTANCE FOR SMALL SHIPYARDS AND MARITIME COMMUNITIES.**

(a) ESTABLISHMENT OF PROGRAM.—Subject to the availability of appropriations, the Administrator of the Maritime Administration shall establish a program to provide assistance to State and local governments—

(1) to provide assistance in the form of grants, loans, and loan guarantees to small shipyards for capital improvements; and

(2) for maritime training programs in communities whose economies are substantially related to the maritime industry.

(b) AWARDS.—In providing assistance under the program, the Administrator shall—

(1) take into account—

(A) the economic circumstances and conditions of maritime communities; and

(B) the local, State, and regional economy in which the communities are located; and

(2) strongly encourage State, local, and regional efforts to promote economic development and training that will enhance the economic viability of and quality of life in maritime communities.

(c) USE OF FUNDS.—Assistance provided under this section may be used—

(1) to make capital and related improvements in small shipyards located in or near maritime communities;

(2) to encourage, assist in, or provide training for residents of maritime communities that will enhance the economic viability of those communities; and

(3) for such other purposes as the Administrator determines to be consistent with and supplemental to such activities.

(d) PROHIBITED USES.—Grants awarded under this section may not be used to construct buildings or other physical facilities or to acquire land unless such use is specifically approved by the Administrator in support of subsection (c)(3).

(e) MATCHING REQUIREMENTS.—

(1) FEDERAL FUNDING.—Except as provided in paragraph (2), Federal funds for any eligible project under this section shall not exceed 75 percent of the total cost of such project.

(2) EXCEPTIONS.—

(A) SMALL PROJECTS.—Paragraph (1) shall not apply to grants under this section for stand alone projects costing not more than $25,000. The amount under this subparagraph shall be indexed to the consumer price index and modified each fiscal year after the annual publication of the consumer price index.

(B) REDUCTION IN MATCHING REQUIREMENT.—If the Administrator determines that a proposed project merits support and cannot be undertaken without a higher percentage of Federal financial assistance, the Administrator may award a grant for such project with a lesser matching requirement than is described in paragraph (1).

(f) APPLICATION.—

(1) IN GENERAL.—The Administrator shall determine who, as an eligible applicant, may submit an application, at such time, in such form, and containing such information and assurances as the Administrator may require.

(2) MINIMUM STANDARDS FOR PAYMENT OR REIMBURSEMENT.—Each application submitted under paragraph (1) shall include—

(A) a comprehensive description of—

(i) the need for the project;

(ii) the methodology for implementing the project; and

(iii) any existing programs or arrangements that can be used to supplement or leverage assistance under the program.

(3) PROCEDURAL SAFEGUARDS.—The Administrator, in consultation with the Office of the Inspector General, shall issue guidelines to establish appropriate accounting, reporting, and review procedures to ensure that—

(A) grant funds are used for the purposes for which they were made available;

(B) grantees have properly accounted for all expenditures of grant funds; and

(C) grant funds not used for such purposes and amounts not obligated or expended are returned.

(4) PROJECT APPROVAL REQUIRED.—The Administrator may not award a grant under this section unless the Administrator determines that—

(A) sufficient funding is available to meet the matching requirements of subsection (e);

(B) the project will be completed without unreasonable delay; and

(C) the recipient has authority to carry out the proposed project.

(g) AUDITS AND EXAMINATIONS.—All grantees under this section shall maintain such records as the Administrator may require and make such records available for review and audit by the Administrator.

(h) SMALL SHIPYARD DEFINED.—In this section, the term "small shipyard" means a shipyard that—

(1) is a small business concern (within the meaning of section 3 of the Small Business Act (15 U.S.C. 632); and

(2) does not have more than 600 employees.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Maritime Administration for each of fiscal years 2006 through 2010 to carry out this section—

(1) $5,000,000 for training grants; and

(2) $25,000,000 for capital and related improvement grants.

**SEC. 3507. TRANSFER OF AUTHORITY FOR TITLE XI NON-FISHING LOAN GUARANTEE DECISIONS TO MARITIME ADMINISTRATION.**

(a) IN GENERAL.—Title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et seq.), as amended by subsection (d) of this section, is amended—

(1) by striking "Secretary" each place it appears and inserting "Secretary or Administrator" in—

(A) section 1101(c), (f), and (g);

(B) section 1102;

(C) section 1103(a), (b), (c), (e), (g), and (h);

(D) section 1104A, except in—

(i) subsection (b)(7) and the undesignated paragraph that follows;

(ii) paragraphs (1), (2), (3)(B), and (4) of subsection (d);

(iii) subsection (e)(2)(F) the second place it appears;

(iv) subsection (j); and

(v) subsection (n)(1) the first place it appears;

(E) section 1104B;

(F) section 1105(a), (b), (c), and (e);

(G) section 1105(d) the first, second, third, fifth, and last places it appears; and

(H) sections 1108, 1109 (except the second place it appears in subsection (c)), and 1113 (as redesignated by subsection (d) of this section);

(2) by striking "Secretary" and inserting "Administrator" in—

(A) section 1103(i);

(B) section 1103(j) the first place it appears;

(C) section 1104A(b)(7) each place it appears but not in the undesignated paragraph that follows subsection (b)(7);

(D) section 1104A(d)(1)(A) each place it appears except the first;

(E) section 1104A(d)(3) each place it appears except in subparagraph (B);

(F) section 1104A(j)(1) the first, fifth, and seventh places it appears;

(G) section 1104A(n) each place it appears except the first;

(H) section 1110 each place it appears except the first and fourth places it appears in subsection (b);

(I) section 1111(a) and (b)(2) each place it appears;

(J) section 1111(b)(4) each place it appears except the first; and

(K) section 1112 each place it appears; and

(3) by striking "Secretary's" in sections 1108(g)(1) and 1109(d)(3) and inserting "Secretary's or Administrator's".

(b) ADDITIONAL AND CONFORMING TITLE XI CHANGES.—

(1) Section 1101 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271) is amended—

(A) by striking "title," and all that follows in subsection (n) and inserting "title."; and

(B) by adding at the end the following:

"(p) The term 'Administrator' means the Administrator of the Maritime Administration.".

(2) Section 1103(j) of such Act (46 U.S.C. App. 1273(j)) is amended by adding at the end the following:

"The Secretary of Defense shall determine whether a vessel satisfies paragraphs (1) and (2) by not later than 30 days after receipt of a request from the Administrator for such a determination.".

(3) Section 1104A(d) of such Act (46 U.S.C. App. 1274(d)) is amended—

(A) by striking "Secretary of Transportation" in paragraphs (1)(A) and (3)(B) and inserting "Administrator";

(B) by striking "the waiver" in paragraph (4)(B) and inserting "if deemed necessary by the Secretary or Administrator, the waiver";

(C) by striking "the increased" in paragraph (4)(B) and inserting "any significant increase in".

(4) Section 1104A(f) of such Act (46 U.S.C. App. 1273(f)) is amended—

(A) by striking "financial structures, or other risk factors identified by the Secretary or Administrator." in paragraph (2), as amended by subsection (a) of this section, and inserting "or financial structures.";

(B) by striking "financial structures, or other risk factors identified by the Secretary or Administrator." in paragraph (3), as amended by subsection (a) of this section, and inserting "or financial structures."; and

(C) by adding at the end the following:

"(5) A third party independent analysis conducted under paragraph (2) shall be performed by a private sector expert in assessing such risk factors who is selected by the Administrator.".

(5) Section 1104A(j)(2) of such Act (46 U.S.C. App. 1273(j)(2)) is amended by striking "The Secretary of Transportation" and inserting "The Administrator".

(6) Section 1104A(m) of such Act (46 U.S.C. App. 1273(m)) is amended by striking the last sentence and inserting "If the Secretary or Administrator has waived a requirement under section 1104A(d), the loan agreement shall include requirements for additional payments, collateral, or equity contributions to meet such waived requirement upon the occurrence of verifiable conditions indicating that the obligor's financial condition enables the obligor to meet the waived requirement.".

(7) Section 1104A(n)(1) of such Act (46 U.S.C. App. 1273(n)(1)) is amended by striking "The Secretary of Transportation" and inserting "The Administrator".

(8) Section 1111 of such Act (46 U.S.C. 1279(f)) is amended by striking "Secretary of Transportation" each place it appears and inserting "Administrator".

(c) CONFORMING CHANGES IN OTHER STATUTES.—

(1) Section 401(a) of the Ocean Shipping Reform Act of 1998 (46 U.S.C. App. 1273a(a)) is amended by striking "Secretary of Transportation" and inserting "Administrator of the Maritime Administration".

(2) Section 101 of Public Law 85–469 (46 U.S.C. 1280) is amended by inserting "or the Administrator of the Maritime Administration" after "Secretary".

(3) Section 3527 of the Maritime Security Act of 2003 (46 U.S.C. App. 1280b) is amended by striking "Secretary of Transportation" and inserting "Administrator of the Maritime Administration".

(4) Section 3528 of the Maritime Security Act of 2003 (46 U.S.C. App. 1271 note) is repealed.

(d) TECHNICAL CORRECTION OF SECTION NUMBERING.—Title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et seq.) is amended by redesignating the second sections 1111 and 1112, as added by section 303 of the Sustainable Fisheries Act (Public Law 104–297; 110 Stat. 3616), as sections 1113 and 1114, respectively.

**SEC. 3508. TECHNICAL CORRECTIONS.**

(a) INTERMODAL CENTERS.—Section 9008(b)(1) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users is amended by striking "section 5309(m)(1)(C)" and inserting "paragraphs (1)(C) and (2)(C) of section 5309(m)".

(b) INTERMODAL SURFACE FREIGHT TRANSFER FACILITY ELIGIBILITY.—Section 9008(b)(2) of that Act is amended by striking "section 181(9)(D)" and inserting "181(8)(D)".

**SEC. 3509. UNITED STATES MARITIME SERVICE.**

Section 1306(a) of the Maritime Education and Training Act of 1980 (46 U.S.C. App. 1295e(a)), is amended by inserting "and to perform functions to assist the United States merchant marine, as determined necessary by the Secretary," after "United States" the second place it appears.

**SEC. 3510. AWARDS AND MEDALS.**

Section 5(c) of the Merchant Marine Decorations and Medals Act (46 U.S.C. App. 2004(c)) is amended by striking "provide at cost, or authorize for the manufacture and sale at reasonable prices by private persons—" and inserting "provide—".

*Speaker of the House of Representatives.*

*Vice President of the United States and President of the Senate.*