Public Law 106–398
106th Congress

An Act

Oct. 30, 2000
[H.R. 4205]

To authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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

Incorporation by reference.

SECTION 1. ENACTMENT OF FISCAL YEAR 2001 NATIONAL DEFENSE AUTHORIZATION ACT.

The provisions of H.R. 5408 of the 106th Congress, as introduced on October 6, 2000, are hereby enacted into law.

1 USC 112 note.

SEC. 2. PUBLICATION OF ACT.

In publishing this Act in slip form and in the United States Statutes at Large pursuant to section 112 of title 1, United States Code, the Archivist of the United States shall include after the date of approval an appendix setting forth the text of the bill referred to in section 1.

Approved October 30, 2000.

LEGISLATIVE HISTORY—H.R. 4205 (S. 2549) (S. 2550):

HOUSE REPORTS: Nos. 106–616 (Comm. on Armed Services) and 106–945 (Comm. of Conference).

SENATE REPORTS: No. 106–292 accompanying S. 2549 (Comm. on Armed Services).

CONGRESSIONAL RECORD, Vol. 146 (2000):
May 17, 18 considered and passed House.
July 13, considered and passed Senate, amended.
Oct. 11, House agreed to conference report.
Oct. 12, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 36 (2000):
Oct. 30, Presidential statement.

ENDNOTE: The following appendix was added pursuant to the provisions of sections 1 and 2 of this Act.

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APPENDIX—H.R. 5408

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001".

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

(1) Representative Floyd D. Spence of South Carolina was elected to the House of Representatives in 1970, for service in the 92d Congress, after serving in the South Carolina legislature for 10 years, and he has been reelected to each subsequent Congress.

(2) Representative Spence came to Congress as a distinguished veteran of service in the Armed Forces of the United States.

(3) Upon graduation from college in 1952, Representative Spence was commissioned as an ensign in the United States Naval Reserve. After entering active duty, he served with distinction aboard the USS CARTER HALL and the USS LSM–397 during the Korean War and later served as commanding officer of a Naval Reserve Surface Division and as group commander of all Naval Reserve units in Columbia, South Carolina. Representative Spence retired from the Naval Reserve in 1988 in the grade of captain, after 41 years of dedicated service.

(4) Upon election to the House of Representatives, Representative Spence became a member of the Committee on Armed Services of that body. During 30 years of service on that committee (4 years of which were served while the committee was known as the Committee on National Security), Representative Spence's contributions to the national defense and security of the United States have been profound and long lasting.

(5) Representative Spence served as chairman of that committee while known as the Committee on National Security during the 104th and 105th Congresses and serves as chairman of that committee for the 106th Congress. In addition, Representative Spence served as the ranking minority member of the Committee on Armed Services during the 103d Congress.

(6) Dozens of awards from active duty and reserve military, veterans service, military retiree, and industry organizations and associations have recognized the distinguished character of Representative Spence's service to the Nation.

(7) Representative Spence has been a leading figure in the debate over many of the most critical military readiness, health care, recruiting, and retention issues currently confronting the Nation's military. His concern for the men and women in uniform has been unwavering, and his accomplishments in promoting and gaining support for those issues that preserve

the combat effectiveness, morale, and quality of life of the Nation's military personnel have been unparalleled.

(8) During his tenure as chairman of the Committee on National Security and the Committee on Armed Services of the House of Representatives, Representative Spence has—

(A) led efforts to identify and reverse the effect that declining resources and rising commitments have had on military quality of life for service members and their families, on combat readiness, and on equipment modernization, with a direct result of those diligent efforts and of his willingness to be an outspoken proponent for America's military being that Congress has added nearly $50,000,000,000 to the President's defense budgets over the past 5 years;

(B) been a leading proponent of the need to expeditiously develop and field a national missile defense to protect American citizens and forward deployed military forces from growing ballistic missile threats;

(C) advocated reversing the growing disparity between actual military capability and the requirements associated with the National Military Strategy; and

(D) led efforts in Congress to reform Department of Defense acquisition and management headquarters and infrastructure and business practices.

(9) This Act is the 30th annual authorization bill for the Department of Defense for which Representative Spence has taken a major responsibility as a member of the Committee on Armed Services of the House of Representatives (including 4 years while that committee was known as the Committee on National Security).

(10) In light of the findings in the preceding paragraphs, it is altogether fitting and proper that this Act be named in honor of Representative Floyd D. Spence of South Carolina, as provided in subsection (a).

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; findings.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Defense Inspector General.

Sec. 106. Defense Health Program.

SUBTITLE B—ARMY PROGRAMS

Sec. 111. Multiyear procurement authority.
Sec. 112. Increase in limitation on number of bunker defeat munitions that may be acquired.
Sec. 113. Reports and limitations relating to Army transformation.

SUBTITLE C—NAVY PROGRAMS

Sec. 121. CVNX–1 nuclear aircraft carrier program.
Sec. 122. Arleigh Burke class destroyer program.
Sec. 123. Virginia class submarine program.
Sec. 124. Limitation during fiscal year 2001 on changes in submarine force structure.
Sec. 125. ADC(X) ship program.
Sec. 126. Refueling and complex overhaul program of the U.S.S. Dwight D. Eisenhower.
Sec. 127. Analysis of certain shipbuilding programs.
Sec. 128. Helicopter support of FFG–7 frigates during fiscal year 2001.
Sec. 129. V–22 cockpit aircraft voice and flight data recorders.

SUBTITLE D—AIR FORCE PROGRAMS

Sec. 131. Annual report on B–2 bomber.
Sec. 132. Report on modernization of Air National Guard F–16A units.

SUBTITLE E—JOINT PROGRAMS

Sec. 141. Study of final assembly and checkout alternatives for the Joint Strike Fighter program.

SUBTITLE F—CHEMICAL DEMILITARIZATION

Sec. 151. Pueblo Chemical Depot chemical agent and munitions destruction technologies.
Sec. 152. Report on assessment of need for Federal economic assistance for communities impacted by chemical demilitarization activities.
Sec. 153. Prohibition against disposal of non-stockpile chemical warfare material at Anniston chemical stockpile disposal facility.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. Management of Space-Based Infrared System—Low.
Sec. 212. Joint Strike Fighter program.
Sec. 213. Fiscal year 2002 joint field experiment.
Sec. 214. Nuclear aircraft carrier design and production modeling.
Sec. 215. DD–21 class destroyer program.
Sec. 216. Limitation on Russian American Observation Satellites program.
Sec. 217. Joint biological defense program.
Sec. 218. Report on biological warfare defense vaccine research and development programs.
Sec. 219. Cost limitations applicable to F–22 aircraft program.
Sec. 220. Unmanned advanced capability combat aircraft and ground combat vehicles.
Sec. 221. Global Hawk high altitude endurance unmanned aerial vehicle.
Sec. 222. Army space control technology development.

SUBTITLE C—BALLISTIC MISSILE DEFENSE

Sec. 231. Funding for fiscal year 2001.
Sec. 232. Reports on ballistic missile threat posed by North Korea.
Sec. 233. Plan to modify ballistic missile defense architecture.
Sec. 234. Management of Airborne Laser program.

SUBTITLE D—HIGH ENERGY LASER PROGRAMS

Sec. 241. Funding.
Sec. 242. Implementation of High Energy Laser Master Plan.
Sec. 243. Designation of senior official for high energy laser programs.
Sec. 244. Site for Joint Technology Office.

Sec. 245. High energy laser infrastructure improvements.
Sec. 246. Cooperative programs and activities.
Sec. 247. Technology plan.
Sec. 248. Annual report.
Sec. 249. Definition.
Sec. 250. Review of defense-wide directed energy programs.

SUBTITLE E—OTHER MATTERS

Sec. 251. Reports on mobile offshore base concept and potential use for certain purposes of technologies associated with that concept.
Sec. 252. Air Force science and technology planning.
Sec. 253. Enhancement of authorities regarding education partnerships for purposes of encouraging scientific study.
Sec. 254. Recognition of those individuals instrumental to naval research efforts during the period from before World War II through the end of the Cold War.

TITLE III—OPERATION AND MAINTENANCE

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Joint warfighting capabilities assessment teams.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Sec. 311. Establishment of additional environmental restoration account and use of accounts for operation and monitoring of environmental remedies.
Sec. 312. Certain environmental restoration activities.
Sec. 313. Annual reports under Strategic Environmental Research and Development Program.
Sec. 314. Payment of fines and penalties for environmental compliance at Fort Wainwright, Alaska.
Sec. 315. Payment of fines or penalties imposed for environmental compliance violations at other Department of Defense facilities.
Sec. 316. Reimbursement for certain costs in connection with the former Nansemond Ordnance Depot Site, Suffolk, Virginia.
Sec. 317. Necessity of military low-level flight training to protect national security and enhance military readiness.
Sec. 318. Ship disposal project.
Sec. 319. Defense Environmental Security Corporate Information Management Program.
Sec. 320. Report on Plasma Energy Pyrolysis System.
Sec. 321. Sense of Congress regarding environmental restoration of former defense manufacturing site, Santa Clarita, California.

SUBTITLE C—COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITIES

Sec. 331. Use of appropriated funds to cover operating expenses of commissary stores.
Sec. 332. Adjustment of sales prices of commissary store goods and services to cover certain expenses.
Sec. 333. Use of surcharges for construction and improvement of commissary stores.
Sec. 334. Inclusion of magazines and other periodicals as an authorized commissary merchandise category.
Sec. 335. Use of most economical distribution method for distilled spirits.
Sec. 336. Report on effects of availability of slot machines on United States military installations overseas.

SUBTITLE D—DEPARTMENT OF DEFENSE INDUSTRIAL FACILITIES

Sec. 341. Designation of Centers of Industrial and Technical Excellence and public-private partnerships to increase utilization of such centers.
Sec. 342. Unutilized and underutilized plant-capacity costs of United States arsenals.
Sec. 343. Arsenal support program initiative.
Sec. 344. Codification and improvement of armament retooling and manufacturing support programs.

SUBTITLE E—PERFORMANCE OF FUNCTIONS BY PRIVATE-SECTOR SOURCES

Sec. 351. Inclusion of additional information in reports to Congress required before conversion of commercial or industrial type functions to contractor performance.

Sec. 352. Effects of outsourcing on overhead costs of Centers of Industrial and Technical Excellence and Army ammunition plants.
Sec. 353. Consolidation, restructuring, or reengineering of Department of Defense organizations, functions, or activities.
Sec. 354. Monitoring of savings resulting from workforce reductions as part of conversion of functions to performance by private sector or other strategic sourcing initiatives.
Sec. 355. Performance of emergency response functions at chemical weapons storage installations.
Sec. 356. Suspension of reorganization or relocation of Naval Audit Service.

SUBTITLE F—DEFENSE DEPENDENTS EDUCATION

Sec. 361. Eligibility of dependents of American Red Cross employees for enrollment in Department of Defense domestic dependent schools in Puerto Rico.
Sec. 362. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 363. Impact aid for children with severe disabilities.
Sec. 364. Assistance for maintenance, repair, and renovation of school facilities that serve dependents of members of the Armed Forces and Department of Defense civilian employees.

SUBTITLE G—MILITARY READINESS ISSUES

Sec. 371. Measuring cannibalization of parts, supplies, and equipment under readiness reporting system.
Sec. 372. Reporting requirements regarding transfers from high-priority readiness appropriations.
Sec. 373. Effects of worldwide contingency operations on readiness of military aircraft and equipment.
Sec. 374. Identification of requirements to reduce backlog in maintenance and repair of defense facilities.
Sec. 375. New methodology for preparing budget requests to satisfy Army readiness requirements.
Sec. 376. Review of AH–64 aircraft program.
Sec. 377. Report on Air Force spare and repair parts program for C–5 aircraft.

SUBTITLE H—OTHER MATTERS

Sec. 381. Annual report on public sale of certain military equipment identified on United States Munitions List.
Sec. 382. Resale of armor-piercing ammunition disposed of by the Army.
Sec. 383. Reimbursement by civil air carriers for support provided at Johnston Atoll.
Sec. 384. Travel by Reserves on military aircraft.
Sec. 385. Overseas airlift service on Civil Reserve Air Fleet aircraft.
Sec. 386. Additions to plan for ensuring visibility over all in-transit end items and secondary items.
Sec. 387. Reauthorization of pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft.
Sec. 388. Extension of authority to sell certain aircraft for use in wildfire suppression.
Sec. 389. Damage to aviation facilities caused by alkali silica reactivity.
Sec. 390. Demonstration project to increase reserve component internet access and services in rural communities.
Sec. 391. Additional conditions on implementation of Defense Joint Accounting System.
Sec. 392. Defense Travel System.
Sec. 393. Review of Department of Defense costs of maintaining historical properties.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

SUBTITLE A—ACTIVE FORCES

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent end strength minimum levels.
Sec. 403. Adjustment to end strength flexibility authority.

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 2001 limitation on non-dual status technicians.
Sec. 415. Increase in numbers of members in certain grades authorized to be on active duty in support of the Reserves.

SUBTITLE C—OTHER MATTERS RELATING TO PERSONNEL STRENGTHS

Sec. 421. Authority for Secretary of Defense to suspend certain personnel strength limitations during war or national emergency.
Sec. 422. Exclusion from active component end strengths of certain reserve component members on active duty in support of the combatant commands.
Sec. 423. Exclusion of Army and Air Force medical and dental officers from limitation on strengths of reserve commissioned officers in grades below brigadier general.
Sec. 424. Authority for temporary increases in number of reserve component personnel serving on active duty or full-time national guard duty in certain grades.

SUBTITLE D—AUTHORIZATION OF APPROPRIATIONS

Sec. 431. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

SUBTITLE A—OFFICER PERSONNEL POLICY

Sec. 501. Eligibility of Army and Air Force Reserve colonels and brigadier generals for position vacancy promotions.
Sec. 502. Flexibility in establishing promotion zones for Coast Guard Reserve officers.
Sec. 503. Time for release of reports of officer promotion selection boards.
Sec. 504. Clarification of requirements for composition of active-duty list selection boards when reserve officers are under consideration.
Sec. 505. Authority to issue posthumous commissions in the case of members dying before official recommendation for appointment or promotion is approved by Secretary concerned.
Sec. 506. Technical corrections relating to retired grade of reserve commissioned officers.
Sec. 507. Grade of chiefs of reserve components and directors of National Guard components.
Sec. 508. Revision to rules for entitlement to separation pay for regular and reserve officers.

SUBTITLE B—RESERVE COMPONENT PERSONNEL POLICY

Sec. 521. Exemption from active-duty list for reserve officers on active duty for a period of three years or less.
Sec. 522. Termination of application requirement for consideration of officers for continuation on the reserve active-status list.
Sec. 523. Authority to retain Air Force Reserve officers in all medical specialties until specified age.
Sec. 524. Authority for provision of legal services to reserve component members following release from active duty.
Sec. 525. Extension of involuntary civil service retirement date for certain reserve technicians.

SUBTITLE C—EDUCATION AND TRAINING

Sec. 531. Eligibility of children of Reserves for Presidential appointment to service academies.
Sec. 532. Selection of foreign students to receive instruction at service academies.
Sec. 533. Revision of college tuition assistance program for members of Marine Corps Platoon Leaders Class program.
Sec. 534. Review of allocation of Junior Reserve Officers Training Corps units among the services.
Sec. 535. Authority for Naval Postgraduate School to enroll certain defense industry civilians in specified programs relating to defense product development.

SUBTITLE D—DECORATIONS, AWARDS, AND COMMENDATIONS

Sec. 541. Limitation on award of Bronze Star to members in receipt of imminent danger pay.
Sec. 542. Consideration of proposals for posthumous or honorary promotions or appointments of members or former members of the Armed Forces and other qualified persons.
Sec. 543. Waiver of time limitations for award of certain decorations to certain persons.
Sec. 544. Addition of certain information to markers on graves containing remains of certain unknowns from the U.S.S. Arizona who died in the Japanese attack on Pearl Harbor on December 7, 1941.

Sec. 545. Sense of Congress on the court-martial conviction of Captain Charles Butler McVay, Commander of the U.S.S. Indianapolis, and on the courageous service of the crew of that vessel.
Sec. 546. Posthumous advancement on retired list of Rear Admiral Husband E. Kimmel and Major General Walter C. Short, senior officers in command in Hawaii on December 7, 1941.
Sec. 547. Commendation of citizens of Remy, France, for World War II actions.
Sec. 548. Authority for award of the Medal of Honor to William H. Pitsenbarger for valor during the Vietnam War.

SUBTITLE E—MILITARY JUSTICE AND LEGAL ASSISTANCE MATTERS

Sec. 551. Recognition by States of military testamentary instruments.
Sec. 552. Policy concerning rights of individuals whose names have been entered into Department of Defense official criminal investigative reports.
Sec. 553. Limitation on Secretarial authority to grant clemency for military prisoners serving sentence of confinement for life without eligibility for parole.
Sec. 554. Authority for civilian special agents of military department criminal investigative organizations to execute warrants and make arrests.
Sec. 555. Requirement for verbatim record in certain special court-martial cases.
Sec. 556. Commemoration of the 50th anniversary of the Uniform Code of Military Justice.

SUBTITLE F—MATTERS RELATING TO RECRUITING

Sec. 561. Army recruiting pilot programs.
Sec. 562. Enhancement of recruitment market research and advertising programs.
Sec. 563. Access to secondary schools for military recruiting purposes.
Sec. 564. Pilot program to enhance military recruiting by improving military awareness of school counselors and educators.

SUBTITLE G—OTHER MATTERS

Sec. 571. Extension to end of calendar year of expiration date for certain force drawdown transition authorities.
Sec. 572. Voluntary separation incentive.
Sec. 573. Congressional review period for assignment of women to duty on submarines and for any proposed reconfiguration or design of submarines to accommodate female crew members.
Sec. 574. Management and per diem requirements for members subject to lengthy or numerous deployments.
Sec. 575. Pay in lieu of allowance for funeral honors duty.
Sec. 576. Test of ability of reserve component intelligence units and personnel to meet current and emerging defense intelligence needs.
Sec. 577. National Guard Challenge Program.
Sec. 578. Study of use of civilian contractor pilots for operational support missions.
Sec. 579. Reimbursement for expenses incurred by members in connection with cancellation of leave on short notice.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

SUBTITLE A—PAY AND ALLOWANCES

Sec. 601. Increase in basic pay for fiscal year 2001.
Sec. 602. Additional restructuring of basic pay rates for enlisted members.
Sec. 603. Revised method for calculation of basic allowance for subsistence.
Sec. 604. Family subsistence supplemental allowance for low-income members of the Armed Forces.
Sec. 605. Basic allowance for housing.
Sec. 606. Additional amount available for fiscal year 2001 increase in basic allowance for housing inside the United States.
Sec. 607. Equitable treatment of junior enlisted members in computation of basic allowance for housing.
Sec. 608. Eligibility of members in grade E–4 to receive basic allowance for housing while on sea duty.
Sec. 609. Personal money allowance for senior enlisted members of the Armed Forces.
Sec. 610. Increased uniform allowances for officers.
Sec. 611. Cabinet-level authority to prescribe requirements and allowance for clothing of enlisted members.
Sec. 612. Increase in monthly subsistence allowance for members of precommissioning programs.

SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS

Sec. 621. Extension of certain bonuses and special pay authorities for reserve forces.

Sec. 622. Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 623. Extension of authorities relating to payment of other bonuses and special pays.
Sec. 624. Revision of enlistment bonus authority.
Sec. 625. Consistency of authorities for special pay for reserve medical and dental officers.
Sec. 626. Elimination of required congressional notification before implementation of certain special pay authority.
Sec. 627. Special pay for physician assistants of the Coast Guard.
Sec. 628. Authorization of special pay and accession bonus for pharmacy officers.
Sec. 629. Correction of references to Air Force veterinarians.
Sec. 630. Career sea pay.
Sec. 631. Increased maximum rate of special duty assignment pay.
Sec. 632. Entitlement of members of the National Guard and other reserves not on active duty to receive special duty assignment pay.
Sec. 633. Authorization of retention bonus for members of the Armed Forces qualified in a critical military skill.
Sec. 634. Entitlement of active duty officers of the Public Health Service Corps to special pays and bonuses of health professional officers of the Armed Forces.

SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES

Sec. 641. Advance payments for temporary lodging of members and dependents.
Sec. 642. Additional transportation allowance regarding baggage and household effects.
Sec. 643. Incentive for shipping and storing household goods in less than average weights.
Sec. 644. Equitable dislocation allowances for junior enlisted members.
Sec. 645. Authority to reimburse military recruiters, Senior ROTC cadre, and military entrance processing personnel for certain parking expenses.
Sec. 646. Expansion of funded student travel for dependents.

SUBTITLE D—RETIREMENT AND SURVIVOR BENEFIT MATTERS

Sec. 651. Exception to high-36 month retired pay computation for members retired following a disciplinary reduction in grade.
Sec. 652. Increase in maximum number of Reserve retirement points that may be credited in any year.
Sec. 653. Retirement from active reserve service after regular retirement.
Sec. 654. Same treatment for Federal judges as for other Federal officials regarding payment of military retired pay.
Sec. 655. Reserve component Survivor Benefit Plan spousal consent requirement.
Sec. 656. Sense of Congress on increasing Survivor Benefit Plan annuities for surviving spouses age 62 or older.
Sec. 657. Revision to special compensation authority to repeal exclusion of uniformed services retirees in receipt of disability retired pay.

SUBTITLE E—OTHER MATTERS

Sec. 661. Participation in Thrift Savings Plan.
Sec. 662. Determinations of income eligibility for special supplemental food program.
Sec. 663. Billeting services for reserve members traveling for inactive-duty training.
Sec. 664. Settlement of claims for payments for unused accrued leave and for retired pay.
Sec. 665. Additional benefits and protections for personnel incurring injury, illness, or disease in the performance of funeral honors duty.
Sec. 666. Authority for extension of deadline for filing claims associated with capture and internment of certain persons by North Vietnam.
Sec. 667. Back pay for members of the Navy and Marine Corps selected for promotion while interned as prisoners of war during World War II.
Sec. 668. Sense of Congress concerning funding for reserve components.

TITLE VII—HEALTH CARE PROVISIONS

SUBTITLE A—HEALTH CARE SERVICES

Sec. 701. Provision of domiciliary and custodial care for CHAMPUS beneficiaries and certain former CHAMPUS beneficiaries.
Sec. 702. Chiropractic health care for members on active duty.
Sec. 703. School-required physical examinations for certain minor dependents.
Sec. 704. Two-year extension of dental and medical benefits for surviving dependents of certain deceased members.

Sec. 705. Two-year extension of authority for use of contract physicians at military entrance processing stations and elsewhere outside medical treatment facilities.
Sec. 706. Medical and dental care for Medal of Honor recipients.

SUBTITLE B—SENIOR HEALTH CARE

Sec. 711. Implementation of TRICARE senior pharmacy program.
Sec. 712. Conditions for eligibility for CHAMPUS and TRICARE upon the attainment of age 65; expansion and modification of medicare subvention project.
Sec. 713. Accrual funding for health care for medicare-eligible retirees and dependents.

SUBTITLE C—TRICARE PROGRAM

Sec. 721. Improvement of access to health care under the TRICARE program.
Sec. 722. Additional beneficiaries under TRICARE Prime Remote program in the continental United States.
Sec. 723. Modernization of TRICARE business practices and increase of use of military treatment facilities.
Sec. 724. Extension of TRICARE managed care support contracts.
Sec. 725. Report on protections against health care providers seeking direct reimbursement from members of the uniformed services.
Sec. 726. Voluntary termination of enrollment in TRICARE retiree dental program.
Sec. 727. Claims processing improvements.
Sec. 728. Prior authorizations for certain referrals and nonavailability-of-health-care statements.

SUBTITLE D—DEMONSTRATION PROJECTS

Sec. 731. Demonstration project for expanded access to mental health counselors.
Sec. 732. Teleradiology demonstration project.
Sec. 733. Health care management demonstration program.

SUBTITLE E—JOINT INITIATIVES WITH DEPARTMENT OF VETERANS AFFAIRS

Sec. 741. VA-DOD sharing agreements for health services.
Sec. 742. Processes for patient safety in military and veterans health care systems.
Sec. 743. Cooperation in developing pharmaceutical identification technology.

SUBTITLE F—OTHER MATTERS

Sec. 751. Management of anthrax vaccine immunization program.
Sec. 752. Elimination of copayments for immediate family.
Sec. 753. Medical informatics.
Sec. 754. Patient care reporting and management system.
Sec. 755. Augmentation of Army Medical Department by detailing Reserve officers of the Public Health Service.
Sec. 756. Privacy of Department of Defense medical records.
Sec. 757. Authority to establish special locality-based reimbursement rates; reports.
Sec. 758. Reimbursement for certain travel expenses.
Sec. 759. Reduction of cap on payments.
Sec. 760. Training in health care management and administration.
Sec. 761. Studies on feasibility of sharing biomedical research facility.
Sec. 762. Study on comparability of coverage for physical, speech, and occupational therapies.

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

SUBTITLE A—AMENDMENTS TO GENERAL CONTRACTING AUTHORITIES, PROCEDURES, AND LIMITATIONS

Sec. 801. Department of Defense acquisition pilot programs.
Sec. 802. Multiyear services contracts.
Sec. 803. Clarification and extension of authority to carry out certain prototype projects.
Sec. 804. Clarification of authority of Comptroller General to review records of participants in certain prototype projects.
Sec. 805. Extension of time period of limitation on procurement of ball bearings and roller bearings.
Sec. 806. Reporting requirements relating to multiyear contracts.
Sec. 807. Eligibility of small business concerns owned and controlled by women for assistance under the mentor-protege program.
Sec. 808. Qualifications required for employment and assignment in contracting positions.

Sec. 809. Revision of authority for solutions-based contracting pilot program.
Sec. 810. Procurement notice of contracting opportunities through electronic means.

SUBTITLE B—INFORMATION TECHNOLOGY

Sec. 811. Acquisition and management of information technology.
Sec. 812. Tracking and management of information technology purchases.
Sec. 813. Appropriate use of requirements regarding experience and education of contractor personnel in the procurement of information technology services.
Sec. 814. Navy-Marine Corps Intranet.
Sec. 815. Sense of Congress regarding information technology systems for Guard and Reserve components.

SUBTITLE C—OTHER ACQUISITION-RELATED MATTERS

Sec. 821. Improvements in procurements of services.
Sec. 822. Financial analysis of use of dual rates for quantifying overhead costs at Army ammunition plants.
Sec. 823. Repeal of prohibition on use of Department of Defense funds for procurement of nuclear-capable shipyard crane from a foreign source.
Sec. 824. Extension of waiver period for live-fire survivability testing for MH–47E and MH–60K helicopter modification programs.
Sec. 825. Compliance with existing law regarding purchases of equipment and products.
Sec. 826. Requirement to disregard certain agreements in awarding contracts for the purchase of firearms or ammunition.

SUBTITLE D—STUDIES AND REPORTS

Sec. 831. Study on impact of foreign sourcing of systems on long-term military readiness and related industrial infrastructure.
Sec. 832. Study of policies and procedures for transfer of commercial activities.
Sec. 833. Study and report on practice of contract bundling in military construction contracts.
Sec. 834. Requirement to conduct study on contract bundling.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SUBTITLE A—DUTIES AND FUNCTIONS OF DEPARTMENT OF DEFENSE OFFICERS

Sec. 901. Overall supervision of Department of Defense activities for combating terrorism.
Sec. 902. Change of title of certain positions in the Headquarters, Marine Corps.
Sec. 903. Clarification of scope of Inspector General authorities under military whistleblower law.
Sec. 904. Policy to ensure conduct of science and technology programs so as to foster the transition of science and technology to higher levels of research, development, test, and evaluation.
Sec. 905. Additional components of Chairman of the Joint Chiefs of Staff annual report on combatant command requirements.

SUBTITLE B—DEPARTMENT OF DEFENSE ORGANIZATIONS

Sec. 911. Western Hemisphere Institute for Security Cooperation.
Sec. 912. Department of Defense regional centers for security studies.
Sec. 913. Change in name of Armed Forces Staff College to Joint Forces Staff College.
Sec. 914. Special authority for administration of Navy Fisher Houses.
Sec. 915. Supervisory control of Armed Forces Retirement Home board by Secretary of Defense.
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Sec. 3156. Engineering and manufacturing research, development, and demonstration by plant managers of certain nuclear weapons production plants.
Sec. 3157. Prohibition on individuals engaging in concurrent service or duties within National Nuclear Security Administration and outside that Administration but within Department of Energy.
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TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

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

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Sec. 125. ADC(X) ship program.
Sec. 126. Refueling and complex overhaul program of the U.S.S. Dwight D. Eisenhower.
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SUBTITLE F—CHEMICAL DEMILITARIZATION

Sec. 151. Pueblo Chemical Depot chemical agent and munitions destruction technologies.
Sec. 152. Report on assessment of need for Federal economic assistance for communities impacted by chemical demilitarization activities.
Sec. 153. Prohibition against disposal of non-stockpile chemical warfare material at Anniston chemical stockpile disposal facility.

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Army as follows:

(1) For aircraft, $1,550,012,000.

(2) For missiles, $1,320,681,000.

(3) For weapons and tracked combat vehicles, $2,436,324,000.

(4) For ammunition, $1,179,916,000.

(5) For other procurement, $4,235,719,000.

(6) For chemical agents and munitions destruction, $980,100,000, 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.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Navy as follows:

(1) For aircraft, $8,394,338,000.
(2) For weapons, including missiles and torpedoes, $1,443,600,000.
(3) For shipbuilding and conversion, $12,826,919,000.
(4) For other procurement, $3,380,680,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Marine Corps in the amount of $1,212,768,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement of ammunition for the Navy and the Marine Corps in the amount of $487,749,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Air Force as follows:
(1) For aircraft, $9,923,868,000.
(2) For missiles, $2,863,778,000.
(3) For ammunition, $646,808,000.
(4) For other procurement, $7,711,647,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

(a) AMOUNT AUTHORIZED.—Funds are hereby authorized to be appropriated for fiscal year 2001 for Defense-wide procurement in the amount of $2,278,408,000.

(b) AMOUNT FOR NATIONAL MISSILE DEFENSE.—Of the funds authorized to be appropriated in subsection (a), $74,530,000 shall be available for the National Missile Defense program.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Inspector General of the Department of Defense in the amount of $3,300,000.

SEC. 106. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2001 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $290,006,000.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY.

(a) M2A3 BRADLEY FIGHTING VEHICLE.—(1) Beginning with the fiscal year 2001 program year, the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into one or more multiyear contracts for procurement of M2A3 Bradley fighting vehicles.

(2) The Secretary of the Army may execute a contract authorized by paragraph (1) only after—
(A) there is a successful completion of a M2A3 Bradley initial operational test and evaluation (IOT&E); and
(B) the Secretary certifies in writing to the congressional defense committees that the vehicle met all required test parameters.

(b) UTILITY HELICOPTERS.—Beginning with the fiscal year 2002 program year, the Secretary of the Army may, in accordance with

section 2306b of title 10, United States Code, enter into one or more multiyear contracts for procurement of UH–60 Blackhawk utility helicopters and, acting as executive agent for the Department of the Navy, CH–60 Knighthawk utility helicopters.

SEC. 112. INCREASE IN LIMITATION ON NUMBER OF BUNKER DEFEAT MUNITIONS THAT MAY BE ACQUIRED.

Section 116(2) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2682) is amended by striking "6,000" and inserting "8,500".

SEC. 113. REPORTS AND LIMITATIONS RELATING TO ARMY TRANSFORMATION.

(a) SECRETARY OF THE ARMY REPORT ON OBJECTIVE FORCE DEVELOPMENT PROCESS.—The Secretary of the Army shall submit to the congressional defense committees a report on the process for developing the objective force in the transformation of the Army. The report shall include the following:

(1) The operational environments envisioned for the objective force.

(2) The threat assumptions on which research and development efforts for transformation of the Army into the objective force are based.

(3) The potential operational and organizational concepts for the objective force.

(4) The operational requirements anticipated for the operational requirements document of the objective force.

(5) The anticipated schedule of Army transformation activities through fiscal year 2012, together with—

(A) the projected funding requirements through that fiscal year for research and development activities and procurement activities related to transition to the objective force; and

(B) a summary of the anticipated investments of the Defense Advanced Research Projects Agency in programs designed to lead to the fielding of future combat systems for the objective force.

(6) A proposed plan for the comparison referred to in subsection (c).

If any of the information required by paragraphs (1) through (5) is not available at the time the report is submitted, the Secretary shall include in the report the anticipated schedule for the availability of that information.

(b) SECRETARY OF DEFENSE REPORT ON OBJECTIVE FORCE DEVELOPMENT PROCESS.—Not later than March 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the process for developing the objective force in the transformation of the Army. The report shall include the following:

(1) The joint warfighting requirements that will be supported by the fielding of the objective force, together with a description of the adjustments that are planned to be made in the war plans of the commanders of the unified combatant commands in relation to the fielding of the objective force.

(2) The changes in lift requirements that may result from the establishment and fielding of the combat brigades of the objective force.

(3) The evaluation process that will be used to support decisionmaking on the course of the Army transformation, including a description of the operational evaluations and experimentation that will be used to validate the operational requirements for the operational requirements document of the objective force.

If any of the information required by paragraphs (1) through (3) is not available at the time the report is submitted, the Secretary shall include in the report the anticipated schedule for the availability of that information.

(c) COSTS AND EFFECTIVENESS OF MEDIUM ARMORED COMBAT VEHICLES FOR THE INTERIM BRIGADE COMBAT TEAMS.—(1) The Secretary of the Army shall develop a plan for comparing—

(A) the costs and operational effectiveness of the infantry carrier variant of the interim armored vehicles selected for the infantry battalions of the interim brigade combat teams; and

(B) the costs and operational effectiveness of the troop-carrying medium armored vehicles currently in the Army inventory for the use of infantry battalions.

(2) The Secretary of the Army may not carry out the comparison described in paragraph (1) until the Director of Operational Test and Evaluation of the Department of Defense approves the plan for that comparison developed under that paragraph.

(d) LIMITATION PENDING RECEIPT OF SECRETARY OF THE ARMY REPORT.—Not more than 80 percent of the amount appropriated for fiscal year 2001 for the procurement of armored vehicles in the family of new medium armored vehicles may be obligated until—

(1) the Secretary of the Army submits to the congressional defense committees the report required under subsection (a); and

(2) a period of 30 days has elapsed from the date of the submittal of such report.

(e) LIMITATION PENDING COMPARISON AND CERTIFICATION.—No funds appropriated or otherwise made available to the Department of the Army for any fiscal year may be obligated for acquisition of medium armored combat vehicles to equip a third interim brigade combat team until—

(1) the plan for a comparison of costs and operational effectiveness developed under subsection (c)(1), as approved under subsection (c)(2), is carried out;

(2) the Secretary of Defense submits to the congressional defense committees, after the completion of the comparison referred to in paragraph (1), a certification that—

(A) the Secretary approves of the obligation of funds for that purpose; and

(B) the force structure resulting from the acquisition and subsequent operational capability of interim brigade combat teams will not diminish the combat power of the Army; and

(3) a period of 30 days has elapsed from the date of the certification under paragraph (2).

(f) DEFINITIONS.—In this section:

(1) The term "transformation", with respect to the Army, means the actions being undertaken to transform the Army, as it is constituted in terms of organization, equipment, and doctrine in 2000, into the objective force.

(2) The term "objective force" means the Army that has the organizational structure, the most advanced equipment that early twenty-first century science and technology can provide, and the appropriate doctrine to ensure that the Army is responsive, deployable, agile, versatile, lethal, survivable, and sustainable for the full spectrum of the operations anticipated to be required of the Army during the early years of the twenty-first century following 2010.

(3) The term "interim brigade combat team" means an Army brigade that is designated by the Secretary of the Army as a brigade combat team and is reorganized and equipped with currently available equipment in a configuration that effectuates an evolutionary advancement toward transformation of the Army to the objective force.

Subtitle C—Navy Programs

SEC. 121. CVNX–1 NUCLEAR AIRCRAFT CARRIER PROGRAM.

(a) AUTHORIZATION OF SHIP.—The Secretary of the Navy is authorized to procure the aircraft carrier to be designated CVNX–1.

(b) ADVANCE PROCUREMENT AND CONSTRUCTION.—The Secretary may enter into one or more contracts for the advance procurement and advance construction of components for the ship authorized under subsection (a).

(c) AMOUNT AUTHORIZED FROM SCN ACCOUNT.—Of the amounts authorized to be appropriated under section 102(a)(3) for fiscal year 2001, $21,869,000 is available for the advance procurement and advance construction of components (including nuclear components) for the CVNX–1 aircraft carrier program.

SEC. 122. ARLEIGH BURKE CLASS DESTROYER PROGRAM.

(a) ECONOMICAL MULTIYEAR PROCUREMENT OF PREVIOUSLY AUTHORIZED VESSELS AND ONE ADDITIONAL VESSEL.—(1) Subsection (b) of section 122 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2446), as amended by section 122(a) of Public Law 106–65 (113 Stat. 534), is further amended by striking "a total of 18 Arleigh Burke class destroyers" in the first sentence and all that follows through the period at the end of that sentence and inserting "Arleigh Burke class destroyers in accordance with this subsection and subsection (a)(4) at procurement rates not in excess of three ships in each of the fiscal years beginning after September 30, 1998, and before October 1, 2005. The authority under the preceding sentence is subject to the availability of appropriations for such destroyers.".

(2) The heading for such subsection is amended by striking "18".

(b) ECONOMICAL RATE OF PROCUREMENT.—It is the sense of Congress that, for the procurement of the Arleigh Burke class destroyers to be procured after fiscal year 2001 under multiyear contracts authorized under section 122(b) of Public Law 104–201, as amended by subsection (a)—

(1) the Secretary of the Navy should—

(A) achieve the most economical rate of procurement; and

(B) enter into such contracts for advance procurement as may be necessary to achieve that rate of procurement;

(2) the most economical rate of procurement would be achieved by procuring three of those vessels in each of fiscal years 2002 and 2003 and procuring another vessel in fiscal year 2004; and

(3) the Secretary has the authority under section 122(b) of Public Law 104–201 (110 Stat. 2446) and subsections (b) and (c) of section 122 of Public Law 106–65 (113 Stat. 534) to provide for procurement at the most economical rate, as described in paragraph (2).

(c) UPDATE OF 1993 REPORT ON DDG–51 CLASS SHIPS.—(1) The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than November 1, 2000, a report that updates the information provided in the report of the Secretary of the Navy entitled the "Arleigh Burke (DDG–51) Class Industrial Base Study of 1993". The Secretary shall transmit a copy of the updated report to the Comptroller General not later than the date on which the Secretary submits the report to the committees.

(2) The Comptroller General shall review the updated report submitted under paragraph (1) and, not later than December 1, 2000, submit to the Committees on Armed Services of the Senate and House of Representatives the Comptroller General's comments on the updated report.

SEC. 123. VIRGINIA CLASS SUBMARINE PROGRAM.

(a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—Of the amounts authorized to be appropriated by section 102(a)(3) for fiscal year 2001, $1,706,234,000 is available for the Virginia class submarine program.

(b) CONTRACT AUTHORITY.—(1) The Secretary of the Navy is authorized to enter into a contract for the procurement of up to five Virginia class submarines, including the procurement of material in economic order quantities when cost savings are achievable, during fiscal years 2003 through 2006. The submarines authorized under the preceding sentence are in addition to the submarines authorized under section 121(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648).

(2) A contract entered into under paragraph (1) shall provide that any obligation of the United States to make a payment under the contract is subject to the availability of appropriations for that purpose.

(c) SHIPBUILDER TEAMING.—Paragraphs (2)(A), (3), and (4) of section 121(b) of Public Law 105–85 apply to the procurement of submarines under this section.

(d) LIMITATION OF LIABILITY.—If a contract entered into under this section is terminated, the United States shall not be liable for termination costs in excess of the total of the amounts appropriated for the Virginia class submarine program that remain available for the program.

(e) REPORT REQUIREMENT.—At that same time that the President submits the budget for fiscal year 2002 to Congress under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a report on the Navy's fleet of fast attack submarines. The report shall include the following:

(1) A plan for maintaining at least 55 fast attack submarines in commissioned service through 2015, including, by 2015, 18 Virginia class submarines.

(2) Two assessments of the potential savings that would be achieved under the Virginia class submarine program if the production rate for that program were at least two submarines each fiscal year, as follows:

(A) An assessment if that were the production rate beginning in fiscal year 2004.

(B) An assessment if that were the production rate beginning in fiscal year 2006.

(3) An analysis of the advantages and disadvantages of various contracting strategies for the Virginia class submarine program, including one or more multiyear procurement strategies and one or more strategies for block buy with economic order quantity.

SEC. 124. LIMITATION DURING FISCAL YEAR 2001 ON CHANGES IN SUBMARINE FORCE STRUCTURE.

(a) LIMITATION ON RETIREMENT OF SUBMARINES.—During fiscal year 2001, the Secretary of the Navy may not retire from the active force structure of the Navy any Los Angeles class nuclear-powered attack submarine or any Ohio class nuclear-powered ballistic missile submarine unless the Secretary of the Navy certifies to Congress in writing that he cannot assure the continued safe and militarily effective operation of that submarine.

(b) REPORT.—Not later than April 15, 2001, the President shall submit to Congress a report on the required force structure for nuclear-powered submarines, including attack submarines (SSNs), ballistic missile submarines (SSBNs), and cruise missile submarines (SSGNs), to support the national military strategy through 2020. The report shall include a detailed discussion of the acquisition strategy and fleet maintenance requirements to achieve and maintain that force structure through—

(1) the procurement of new construction submarines;

(2) the refueling of Los Angeles class attack submarines (SSNs) to achieve the maximum amount of operational useful service; and

(3) the conversion of Ohio class submarines that are no longer required for the strategic deterrence mission from their current ballistic missile (SSBN) configuration to a cruise-missile (SSGN) configuration.

SEC. 125. ADC(X) SHIP PROGRAM.

The Secretary of the Navy may procure the construction of all ADC(X) class ships in one shipyard if the Secretary determines that it is more cost effective to do so than to procure the construction of such ships from more than one shipyard.

SEC. 126. REFUELING AND COMPLEX OVERHAUL PROGRAM OF THE U.S.S. DWIGHT D. EISENHOWER.

(a) AMOUNT AUTHORIZED FROM SCN ACCOUNT.—Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 2001, $698,441,000 is available for the commencement of the nuclear refueling and complex overhaul of the U.S.S. Dwight D. Eisenhower (CVN–69) during fiscal year 2001. The amount made available in the preceding sentence is the first increment in the

incremental funding planned for the nuclear refueling and complex overhaul of that vessel.

(b) CONTRACT AUTHORITY.—The Secretary of the Navy is authorized to enter into a contract during fiscal year 2001 for the nuclear refueling and complex overhaul of the U.S.S. Dwight D. Eisenhower.

(c) CONDITION FOR OUT-YEAR CONTRACT PAYMENTS.—A contract entered into under subsection (b) shall provide that any obligation of the United States to make a payment under the contract for a fiscal year after fiscal year 2001 is subject to the availability of appropriations for that purpose for that later fiscal year.

SEC. 127. ANALYSIS OF CERTAIN SHIPBUILDING PROGRAMS.

(a) ALTERNATIVE FUNDING ANALYSIS.—The Secretary of the Navy shall conduct an analysis on the potential benefits and risks associated with alternative funding mechanisms for the procurement of various classes of naval vessels and other naval capabilities beginning in fiscal year 2002.

(b) ALTERNATIVE FUNDING MECHANISMS.—For purposes of this section, the term "alternative funding mechanism" means any of the following:

(1) The use of multiyear procurement.

(2) The use of advance procurement for block buys of materials in economic order quantities.

(3) The use of advance procurement and advance construction required in the number of years appropriate to minimize the cost of ship construction.

(4) The use of advance procurement and advance construction apportioned roughly evenly across some number of fiscal years.

(5) The use of resources from the National Defense Sealift Fund to budget for auxiliary ships and strategic lift ships.

(6) The use of the resources from the National Defense Sealift Fund to provide advance payments for national defense features to establish an active Ready Reserve Force.

(c) REPORT.—The Secretary shall submit to the congressional defense committees a report providing the results of the analysis under subsection (a). The report shall be submitted concurrently with the submission of the President's budget for fiscal year 2002, but in no event later than February 5, 2001. The report shall include the following:

(1) A detailed description of the funding mechanisms considered.

(2) The potential savings or costs associated with each such funding mechanism.

(3) The year-to-year effect of each such funding mechanism on production stability of other shipbuilding programs funded within the Shipbuilding and Conversion, Navy, account, given the current acquisition plan of the Navy through fiscal year 2010.

(4) The variables and constants used in the analysis which should include economic, industrial base, and budget realities.

(5) A description and discussion of any statutory or regulatory restrictions that would preclude the use of any of the funding mechanisms considered.

SEC. 128. HELICOPTER SUPPORT OF FFG–7 FRIGATES DURING FISCAL YEAR 2001.

During fiscal year 2001, the Secretary of the Navy shall operate one squadron of six SH–2G helicopters to provide organic helicopter assets for operational support of missions that are to be carried out by FFG–7 Flight I and Flight II frigates during that fiscal year.

SEC. 129. V–22 COCKPIT AIRCRAFT VOICE AND FLIGHT DATA RECORDERS.

The Secretary of Defense shall require that all V–22 Osprey aircraft be equipped with a state-of-the-art cockpit voice recorder and a state-of-the-art flight data recorder each of which meets, at a minimum, the standards for such devices recommended by the National Transportation Safety Board.

Subtitle D—Air Force Programs

SEC. 131. ANNUAL REPORT ON B–2 BOMBER.

(a) IN GENERAL.—(1) Chapter 136 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2282. B–2 bomber: annual report

"Not later than March 1 of each year, 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 B–2 bomber aircraft. Each such report shall include the following:

"(1) Identification of the average full-mission capable rate of B–2 aircraft for the preceding fiscal year and the Secretary's overall assessment of the implications of that full-mission capable rate on mission accomplishment for the B–2 aircraft, together with the Secretary's determination as to whether that rate is adequate for the accomplishment of each of the missions assigned to the B–2 aircraft as of the date of the assessment.

"(2) An assessment of the technical capabilities of the B–2 aircraft and whether these capabilities are adequate to accomplish each of the missions assigned to that aircraft as of the date of the assessment.

"(3) Identification of all ongoing and planned development of technologies to enhance the capabilities of that aircraft.

"(4) Identification and assessment of additional technologies that would make that aircraft more capable or survivable against known and evolving threats.

"(5) A fiscally phased program for each technology identified in paragraphs (3) and (4) for the budget year and the future-years defense program, based on the following three funding situations:

"(A) The President's current budget.

"(B) The President's current budget and the current Department of Defense unfunded priority list.

"(C) The maximum executable funding for the B–2 aircraft given the requirement to maintain enough operationally ready aircraft to accomplish missions assigned to the B–2 aircraft.".

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

"2282. B–2 bomber: annual report.".

(b) REPEAL OF SUPERSEDED REPORTING REQUIREMENT.—Section 112 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) is repealed.

SEC. 132. REPORT ON MODERNIZATION OF AIR NATIONAL GUARD F–16A UNITS.

The Secretary of the Air Force shall, not later than February 1, 2001, submit to Congress a plan to modernize and upgrade the combat capabilities of those Air National Guard units that, as of the date of the enactment of this Act, are assigned F–16A aircraft so that those units can be deployed as part of Air Expeditionary Forces.

Subtitle E—Joint Programs

SEC. 141. STUDY OF FINAL ASSEMBLY AND CHECKOUT ALTERNATIVES FOR THE JOINT STRIKE FIGHTER PROGRAM.

(a) REPORT REQUIRED.—Not later than 180 days after the date of the award of a contract for engineering and manufacturing development for the Joint Strike Fighter aircraft program, the Secretary of Defense shall submit to Congress a report providing the results of a study of final assembly and checkout alternatives for that aircraft.

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

(1) Examination of alternative final assembly and checkout strategies for the program, including—

(A) final assembly and checkout of all aircraft under the program at one location;

(B) final assembly and checkout at dual locations; and

(C) final assembly and checkout at multiple locations.

(2) Identification of each Government and industry facility that is a potential location for such final assembly and checkout.

(3) Identification of the anticipated costs of final assembly and checkout at each facility identified pursuant to paragraph (2), based upon a reasonable profile for the annual procurement of that aircraft once it enters production.

(4) A comparison of the anticipated costs of carrying out such final assembly and checkout at each such location.

(c) COST COMPARISON.—In identifying costs under subsection (b)(3) and carrying out the cost comparisons required by subsection (b)(4), the Secretary shall include consideration of each of the following factors:

(1) State tax credits.

(2) State and local incentives.

(3) Skilled resident workforce.

(4) Supplier and technical support bases.

(5) Available stealth production facilities.

(6) Environmental standards.

Subtitle F—Chemical Demilitarization

SEC. 151. PUEBLO CHEMICAL DEPOT CHEMICAL AGENT AND MUNITIONS DESTRUCTION TECHNOLOGIES.

(a) LIMITATION.—In determining the technologies to be used for the destruction of the stockpile of lethal chemical agents and munitions at Pueblo Chemical Depot, Colorado, whether under the assessment required by section 141(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 537; 50 U.S.C. 1521 note), the Assembled Chemical Weapons Assessment, or any other assessment, the Secretary of Defense may consider only the following technologies:

(1) Incineration.

(2) Any technologies demonstrated under the Assembled Chemical Weapons Assessment on or before May 1, 2000.

(b) ASSEMBLED CHEMICAL WEAPONS ASSESSMENT DEFINED.—As used in subsection (a), the term "Assembled Chemical Weapons Assessment" means the pilot program carried out under section 8065 of the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104–208; 110 Stat. 3009–101; 50 U.S.C. 1521 note).

SEC. 152. REPORT ON ASSESSMENT OF NEED FOR FEDERAL ECONOMIC ASSISTANCE FOR COMMUNITIES IMPACTED BY CHEMICAL DEMILITARIZATION ACTIVITIES.

(a) REPORT REQUIRED.—Not later than April 1, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and of the House of Representatives a report on the impact of the Department of Defense chemical agents and munitions destruction program on the communities in the vicinity of the chemical weapons stockpile storage sites and associated chemical agent demilitarization activities at the following facilities:

(1) Anniston Chemical Activity, Alabama.

(2) Blue Grass Chemical Activity, Kentucky.

(3) Deseret Chemical Depot, Utah.

(4) Edgewood Chemical Activity, Maryland.

(5) Newport Chemical Activity, Indiana.

(6) Pine Bluff Chemical Activity, Arkansas.

(7) Pueblo Chemical Activity, Colorado.

(8) Umatilla Chemical Depot, Oregon.

(b) RECOMMENDATION.—The Secretary shall include in the report a recommendation regarding whether Federal economic assistance for any or all of those communities to assist in meeting the impact of that program is needed and appropriate. If the Secretary's recommendation is that such economic assistance is needed and appropriate for any or all of such communities, the Secretary shall include in the report criteria for determining the amount of such economic assistance.

(c) MATTERS TO BE CONSIDERED IN ASSESSING IMPACT.—In assessing the impact of the program referred to in subsection (a) for purposes of preparing the report required by that subsection and the recommendation required by subsection (b), the Secretary shall consider the following:

(1) The impact that any change in population as a result of chemical agent demilitarization activities would have on the community.

(2) The possible temporary nature of such a change in population and the long-range financial impact of such a change in population on the permanent residents of the community.

(3) The initial capitalization required for the services, facilities, or infrastructure to support any increase in population.

(4) The operating costs for sustaining or upgrading the services, facilities, or infrastructure to support any increase in population.

(5) The costs incurred by local government entities for improvements to emergency evacuation routes required by the chemical demilitarization activities.

(6) Such other factors as the Secretary considers appropriate.

SEC. 153. PROHIBITION AGAINST DISPOSAL OF NON-STOCKPILE CHEMICAL WARFARE MATERIAL AT ANNISTON CHEMICAL STOCKPILE DISPOSAL FACILITY.

No funds authorized to be made available under this or any other Act may be used to facilitate the disposal using the chemical stockpile disposal facility at Anniston, Alabama, of any non-stockpile chemical warfare material that is not stored (as of the date of the enactment of this Act) at the Anniston Army Depot.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. Management of Space-Based Infrared System—Low.
Sec. 212. Joint Strike Fighter program.
Sec. 213. Fiscal year 2002 joint field experiment.
Sec. 214. Nuclear aircraft carrier design and production modeling.
Sec. 215. DD–21 class destroyer program.
Sec. 216. Limitation on Russian American Observation Satellites program.
Sec. 217. Joint biological defense program.
Sec. 218. Report on biological warfare defense vaccine research and development programs.
Sec. 219. Cost limitations applicable to F–22 aircraft program.
Sec. 220. Unmanned advanced capability combat aircraft and ground combat vehicles.
Sec. 221. Global Hawk high altitude endurance unmanned aerial vehicle.
Sec. 222. Army space control technology development.

SUBTITLE C—BALLISTIC MISSILE DEFENSE

Sec. 231. Funding for fiscal year 2001.
Sec. 232. Reports on ballistic missile threat posed by North Korea.
Sec. 233. Plan to modify ballistic missile defense architecture.
Sec. 234. Management of Airborne Laser program.

SUBTITLE D—HIGH ENERGY LASER PROGRAMS

Sec. 241. Funding.
Sec. 242. Implementation of High Energy Laser Master Plan.
Sec. 243. Designation of senior official for high energy laser programs.
Sec. 244. Site for Joint Technology Office.
Sec. 245. High energy laser infrastructure improvements.
Sec. 246. Cooperative programs and activities.
Sec. 247. Technology plan.
Sec. 248. Annual report.
Sec. 249. Definition.

Sec. 250. Review of Defense-wide directed energy programs.

SUBTITLE E—OTHER MATTERS

Sec. 251. Reports on mobile offshore base concept and potential use for certain purposes of technologies associated with that concept.
Sec. 252. Air Force science and technology planning.
Sec. 253. Enhancement of authorities regarding education partnerships for purposes of encouraging scientific study.
Sec. 254. Recognition of those individuals instrumental to naval research efforts during the period from before World War II through the end of the Cold War.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2001 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $5,568,482,000.

(2) For the Navy, $8,715,335,000.

(3) For the Air Force, $13,779,144,000.

(4) For Defense-wide activities, $10,873,712,000, of which $192,060,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 2001.—Of the amounts authorized to be appropriated by section 201, $4,557,188,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term "basic research and applied research" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. MANAGEMENT OF SPACE-BASED INFRARED SYSTEM—LOW.

Not later than October 1, 2001, the Secretary of Defense shall direct that the Director of the Ballistic Missile Defense Organization shall have authority for program management for the ballistic missile defense program known on the date of the enactment of this Act as the Space-Based Infrared System—Low.

SEC. 212. JOINT STRIKE FIGHTER PROGRAM.

(a) REPORT.—Not later than December 15, 2000, the Secretary of Defense shall submit to the congressional defense committees a report on the Joint Strike Fighter aircraft program describing the criteria for exit of the program from the demonstration and validation phase, and entry of the program into the engineering and manufacturing development phase, of the acquisition process.

(b) CERTIFICATION.—The Joint Strike Fighter program may not be approved for entry into the engineering and manufacturing development phase of the acquisition process until the Secretary of Defense certifies to the congressional defense committees that—

(1) the exit criteria established in the report submitted under subsection (a) have been accomplished;

(2) the technological maturity of key technologies for the program is sufficient to warrant entry of the program into the engineering and manufacturing development phase; and

(3) the short take-off, vertical-landing aircraft variant selected for engineering and manufacturing development has successfully flown at least 20 hours.

(c) TRANSFERS WITHIN THE JOINT STRIKE FIGHTER NAVY AND AIR FORCE ACCOUNTS.—(1) The Secretary of Defense may, subject to established congressional notification and reprogramming procedures, transfer within the Joint Strike Fighter program the following amounts:

(A) Of the funds authorized to be appropriated for PE 64800N, up to $100,000,000 to PE 63800N.

(B) Of the funds authorized to be appropriated for PE 64800F, up to $100,000,000 to PE 63800F.

(2) The transfer authority authorized in paragraph (1) is in addition to the transfer authority provided in section 1001.

SEC. 213. FISCAL YEAR 2002 JOINT FIELD EXPERIMENT.

(a) REQUIREMENTS.—The Secretary of Defense shall carry out a joint field experiment in fiscal year 2002. The Secretary shall ensure that the planning for the joint field experiment is carried out in fiscal year 2001.

(b) PURPOSE.—The purpose of the joint field experiment is to explore critical war fighting challenges at the operational level of war that will confront United States joint military forces after 2010.

(c) PARTICIPATING FORCES.—(1) The joint field experiment shall involve elements of the Army, Navy, Marine Corps, and Air Force, and shall include special operations forces.

(2) The forces designated to participate in the joint field experiment shall exemplify the concepts for organization, equipment, and doctrine that are conceived for the forces after 2010 under Joint Vision 2010 and Joint Vision 2020 (issued by the Joint Chiefs of Staff) and the current vision statements of the Chief of Staff of the Army, the Chief of Naval Operations, the Commandant of the Marine Corps, and the Chief of Staff of the Air Force, including the following concepts:

(A) Army medium weight brigades.

(B) Navy Forward-From-The-Sea.

(C) Air Force expeditionary aerospace forces.

(d) REPORT.—Not later than March 1, 2001, the Secretary shall submit to the congressional defense committees a report on the concept plan for the joint field experiment required under subsection (a). The report shall include the following:

(1) The objectives of the experiment.

(2) The forces participating in the experiment.

(3) The schedule and location of the experiment.

(4) For each joint command, defense agency, and service component participating in the experiment, an identification of—

(A) the funding required for the experiment by that command, agency, or component; and

(B) any shortfall in the budget request for the Department of Defense for fiscal year 2002 for that funding for that command, agency, or component.

SEC. 214. NUCLEAR AIRCRAFT CARRIER DESIGN AND PRODUCTION MODELING.

(a) ASSESSMENT REQUIRED.—The Secretary of the Navy shall conduct an assessment of the cost-effectiveness of—

(1) converting design data for the Nimitz-class aircraft carrier from non-electronic to electronic form; and

(2) developing an electronic, three-dimensional design product model for the CVNX class aircraft carrier.

(b) CONDUCT OF THE ASSESSMENT.—The Secretary of the Navy shall carry out the assessment in a manner that ensures the participation of the nuclear aircraft carrier shipbuilding industry.

(c) REPORT.—The Secretary of the Navy shall submit a report to the congressional defense committees on the assessment. The report shall include the results of the assessment and plans and funding requirements for developing the model specified in subsection (a)(2). The report shall be submitted with the submission of the budget request for the Department of Defense for fiscal year 2002.

(d) FUNDING.—Of the amount authorized to be appropriated under section 201(2) for research, development, test, and evaluation for the Navy, $8,000,000 shall be available to initiate the conversion and development of nuclear aircraft carrier design data into an electronic, three-dimensional product model.

SEC. 215. DD–21 CLASS DESTROYER PROGRAM.

(a) AUTHORITY.—The Secretary of the Navy is authorized to pursue a technology insertion approach for the construction of the DD–21 destroyer that is based on the assumption of the following schedule:

(1) Award of a contract for advance procurement for construction of components for the DD–21 destroyer during fiscal year 2004.

(2) Delivery of the completed ship during fiscal year 2009.

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

(1) there are compelling reasons for starting the program for constructing the DD–21 destroyer during fiscal year 2004 with available procurement funds and continuing with sequential construction of DD–21 class destroyers during the ensuing fiscal years until 32 DD–21 class destroyers have been constructed; and

(2) the Secretary of the Navy, in providing for the acquisition of DD–21 class destroyers, should consider that—

(A) the Marine Corps needs the surface fire-support capabilities of the DD–21 class destroyers as soon as possible in order to mitigate the inadequacies of the surface fire-support capabilities that are currently available;

(B) the Navy and Marine Corps need to resolve whether there is a requirement for surface fire-support missile weapon systems to be easily sustainable by means of replenishment while under way;

(C) the technology insertion approach has been successful for other ship construction programs and is being pursued for the CVNX aircraft carrier program and the Virginia class submarine program;

(D) the establishment of a stable configuration for the first 10 DD–21 class destroyers should enable the construction of those ships with the greatest capabilities at the lowest cost; and

(E) action to acquire DD–21 class destroyers should be taken as soon as possible in order to realize fully the cost savings that can be derived from the construction and operation of DD–21 class destroyers, including—

(i) savings in construction costs that would result from achievement of the Navy's target per-ship cost of $750,000,000 by the fifth ship constructed in each construction yard;

(ii) savings that would result from the estimated reduction of the crews of destroyers by 200 or more personnel for each ship; and

(iii) savings that would result from a reduction in the operating costs for destroyers by an estimated 70 percent.

(c) NAVY PLAN FOR USE OF TECHNOLOGY INSERTION APPROACH FOR CONSTRUCTION OF THE DD–21 SHIP.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than April 18, 2001, a plan for pursuing a technology insertion approach for the construction of the DD–21 destroyer as authorized under subsection (a). The plan shall include estimates of the resources necessary to carry out the plan.

(d) REPORT ON ACQUISITION AND MAINTENANCE PLAN FOR DD–21 CLASS SHIPS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than April 18, 2001, a report on the Navy's plan for the acquisition and maintenance of DD–21 class destroyers. The report shall include a discussion of each of the following matters:

(1) The technical feasibility of contracting for, and commencing construction of, the first destroyer in that class during fiscal year 2004 and achieving delivery of the completed ship during fiscal year 2009.

(2) An analysis of alternative contracting strategies for the construction of the first 10 destroyers in that class, including one or more multiyear procurement strategies and one or more strategies for block buy in economic order quantity.

(3) A comparison of the effects on the destroyer industrial base and on costs to other Navy shipbuilding programs of the following two options:

(A) Commencing construction of the first destroyer in that class during fiscal year 2004, with delivery of the completed ship during fiscal year 2009, and delaying commencement of construction of the next destroyer in that class until fiscal year 2006.

(B) Commencing construction of the first destroyer in that class during fiscal year 2005 (rather than fiscal year 2004), with advance procurement during fiscal year 2004 and delivery of the completed ship during fiscal year 2010, and delaying commencement of construction of the next destroyer in that class until fiscal year 2007 (rather than fiscal year 2006).

(4) The effects on the fleet maintenance strategies of Navy fleet commanders, on commercial maintenance facilities in fleet concentration areas, and on the administration of funds in compliance with section 2466 of title 10, United States Code, of awarding to a contractor for the construction of a destroyer in that class all maintenance workloads for destroyers in that class that are below depot-level maintenance and above ship-level maintenance.

SEC. 216. LIMITATION ON RUSSIAN AMERICAN OBSERVATION SATELLITES PROGRAM.

None of the funds authorized to be appropriated under section 201(4) for the Russian American Observation Satellites program may be obligated or expended until 30 days after the Secretary of Defense submits to Congress a report explaining how the Secretary plans to protect United States advanced military technology that may be associated with the Russian American Observation Satellites program.

SEC. 217. JOINT BIOLOGICAL DEFENSE PROGRAM.

(a) LIMITATION.—Subject to subsection (c), funds authorized to be appropriated by this Act may not be obligated for the procurement of a vaccine for the biological agent anthrax until the Secretary of Defense has submitted to the congressional defense committees each of the following:

(1) A written notification that the Food and Drug Administration has approved the current manufacturer for production of the vaccine.

(2) A report on the contingencies associated with continuing to rely on the current manufacturer to supply the vaccine.

(b) CONTENT OF REPORT.—The report required under subsection (a)(2) shall include each of the following:

(1) Recommended strategies to mitigate the risk to the Department of Defense of losing the current manufacturer as a source of anthrax vaccine, together with a discussion of the criteria to be applied in determining whether to carry out any of the strategies and which strategy to carry out.

(2) Recommended strategies to ensure that the Department of Defense can procure, from one or more sources other than the current manufacturer, an anthrax vaccine approved by the Food and Drug Administration that meets the requirements of the Department if—

(A) the Food and Drug Administration does not approve the release of the anthrax vaccine available from the current manufacturer; or

(B) the current manufacturer terminates the production of anthrax vaccine permanently.

(3) A five-year budget to support each strategy recommended under paragraph (1) or (2).

(c) PERMISSIBLE OBLIGATIONS.—(1) This section does not limit the obligation of funds for any of the following purposes:

(A) The support of any action that is necessary for the current manufacturer to comply with standards of the Food and Drug Administration (including those purposes necessary to obtain or maintain a biological license application) applicable to anthrax vaccine.

(B) Establishing an additional source (other than or in conjunction with the current manufacturer) for the production of anthrax vaccine.

(C) Any action that the Secretary determines necessary to ensure production of anthrax vaccine for meeting an urgent and immediate national defense requirement.

(2) Not later than seven days after the total amount of the funds obligated (or obligated and expended) for purposes specified in paragraph (1) exceeds $5,000,000, the Secretary shall submit to Congress a notification that the total obligations exceed that amount, together with a written justification for the obligation of funds in excess of that amount.

(d) CURRENT MANUFACTURER.—In this section, the term "current manufacturer" means the manufacturing source from which the Department of Defense is procuring anthrax vaccine as of the date of the enactment of this Act.

SEC. 218. REPORT ON BIOLOGICAL WARFARE DEFENSE VACCINE RESEARCH AND DEVELOPMENT PROGRAMS.

(a) REPORT REQUIRED.—Not later than February 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the acquisition of biological warfare defense vaccines for the Department of Defense.

(b) CONTENTS.—The report shall include the following:

(1) The Secretary's evaluation of the implications of reliance on the commercial sector to meet the requirements of the Department of Defense for biological warfare defense vaccines.

(2) A design for a government-owned, contractor-operated facility for the production of biological warfare defense vaccines that meets the requirements of the Department for such vaccines, and the assumptions on which that design is based.

(3) A preliminary cost estimate of, and schedule for, establishing and bringing into operation such a facility, and the estimated annual cost of operating such a facility thereafter.

(4) A determination, developed in consultation with the Surgeon General, of the utility of such a facility to support the production of vaccines for the civilian sector, and a discussion of the effects that the use of such a facility for that purpose might have on—

(A) the production of vaccines for the Armed Forces; and

(B) the annual cost of operating such a facility.

(5) An analysis of the effects that international requirements for vaccines, and the production of vaccines in response to those requirements, might have on—

(A) the production of vaccines for the Armed Forces; and

(B) the annual cost of operating such a facility.

(c) BIOLOGICAL WARFARE DEFENSE VACCINE DEFINED.—In this section, the term "biological warfare defense vaccine" means a vaccine useful for the immunization of military personnel to protect against biological agents on the Validated Threat List issued by the Joint Chiefs of Staff, whether such vaccine is in production or is being developed.

SEC. 219. COST LIMITATIONS APPLICABLE TO F–22 AIRCRAFT PROGRAM.

(a) FLEXIBILITY IN ENGINEERING AND MANUFACTURING DEVELOPMENT COST CAP.—Section 217(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660) is amended by adding at the end the following new paragraph:

"(3) With respect to the limitation in subsection (a), an increase by an amount that does not exceed 1½ percent of the total amount of that limitation (taking into account the increases and decreases, if any, under paragraphs (1) and (2)) if the Director of Operational Test and Evaluation, after consulting with the Under Secretary of Defense for Acquisition, Technology, and Logistics, determines that the increase is necessary in order to ensure adequate testing.".

(b) REESTABLISHMENT OF SEPARATE ENGINEERING AND MANUFACTURING DEVELOPMENT COST CAP AND PRODUCTION COST CAP.—The provisions of subsections (a) and (b) of section 217 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660) shall continue to apply with respect to amounts obligated and expended for engineering and manufacturing development, and for production, respectively, for the F–22 aircraft program without regard to any provision of law establishing a single limitation on amounts obligated and expended for engineering and manufacturing development and for production for that program.

SEC. 220. UNMANNED ADVANCED CAPABILITY COMBAT AIRCRAFT AND GROUND COMBAT VEHICLES.

(a) GOAL.—It shall be a goal of the Armed Forces to achieve the fielding of unmanned, remotely controlled technology such that—

(1) by 2010, one-third of the aircraft in the operational deep strike force aircraft fleet are unmanned; and

(2) by 2015, one-third of the operational ground combat vehicles are unmanned.

(b) REPORT ON UNMANNED ADVANCED CAPABILITY COMBAT AIRCRAFT AND GROUND COMBAT VEHICLES.—(1) Not later than January 31, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the programs to demonstrate unmanned advanced capability combat aircraft and ground combat vehicles undertaken jointly between the Director of the Defense Advanced Research Projects Agency and any of the following:

(A) The Secretary of the Army.

(B) The Secretary of the Navy.

(C) The Secretary of the Air Force.

(2) The report shall include, for each program referred to in paragraph (1), the following:

(A) A schedule for the demonstration to be carried out under that program.

(B) An identification of the funding required for fiscal year 2002 and for the future-years defense program to carry out that program and for the demonstration to be carried out under that program.

(C) In the case of the program relating to the Army, the plan for modification of the existing memorandum of agreement

with the Defense Advanced Research Projects Agency for demonstration and development of the Future Combat System to reflect an increase in unmanned, remotely controlled enabling technologies.

(3) The report shall also include, for each Secretary referred to in paragraphs (1)(A), (1)(B), and (1)(C), a description and assessment of the acquisition strategy for unmanned advanced capability combat aircraft and ground combat vehicles planned by that Secretary, which shall include a detailed estimate of all research and development, procurement, operation, support, ownership, and other costs required to carry out such strategy through the year 2030, and—

(A) in the case of the acquisition strategy relating to the Army, the transition from the planned acquisition strategy for the Future Combat System to an acquisition strategy capable of meeting the goal specified in subsection (a)(2);

(B) in the case of the acquisition strategy relating to the Navy—

(i) the plan to implement a program that examines the ongoing Air Force unmanned combat air vehicle program and identifies an approach to develop a Navy unmanned combat air vehicle program that has the goal of developing an aircraft that is suitable for aircraft carrier use and has maximum commonality with the aircraft under the Air Force program; and

(ii) an analysis of alternatives between the operational deep strike force aircraft fleet and that fleet together with an additional 10 to 20 unmanned advanced capability combat aircraft that are suitable for aircraft carrier use and capable of penetrating fully operational enemy air defense systems; and

(C) in the case of the acquisition strategy relating to the Air Force—

(i) the schedule for evaluation of demonstration results for the ongoing unmanned combat air vehicle program and the earliest possible transition of that program into engineering and manufacturing development and procurement; and

(ii) an analysis of alternatives between the currently planned deep strike force aircraft fleet and the operational deep strike force aircraft fleet that could be acquired by fiscal year 2010 to meet the goal specified in subsection (a)(1).

(c) FUNDS.—Of the amount authorized to be appropriated for Defense-wide activities under section 201(4) for the Defense Advanced Research Projects Agency, $100,000,000 shall be available only to carry out the programs referred to in subsection (b)(1).

(d) DEFINITIONS.—For purposes of this section:

(1) An aircraft or ground combat vehicle has "unmanned advanced capability" if it is an autonomous, semi-autonomous, or remotely controlled system that can be deployed, re-tasked, recovered, and re-deployed.

(2) The term "currently planned deep strike force aircraft fleet" means the early entry, deep strike aircraft fleet (composed of F–117 stealth aircraft and B–2 stealth aircraft) that is currently planned for fiscal year 2010.

(3) The term "operational deep strike force aircraft fleet" means the currently planned deep strike force aircraft fleet, together with at least 30 unmanned advanced capability combat aircraft that are capable of penetrating fully operational enemy air defense systems.

(4) The term "operational ground combat vehicles" means ground combat vehicles acquired through the Future Combat System acquisition program of the Army to equip the future objective force, as outlined in the vision statement of the Chief of Staff of the Army.

SEC. 221. GLOBAL HAWK HIGH ALTITUDE ENDURANCE UNMANNED AERIAL VEHICLE.

(a) CONCEPT DEMONSTRATION REQUIRED.—The Secretary of Defense shall require and coordinate a concept demonstration of the Global Hawk high altitude endurance unmanned aerial vehicle.

(b) PURPOSE OF DEMONSTRATION.—The purpose of the concept demonstration is to demonstrate the capability of the Global Hawk high altitude endurance unmanned aerial vehicle to operate in an airborne surveillance mode, using available, non-developmental technology.

(c) TIME FOR DEMONSTRATION.—The Secretary shall initiate the demonstration not later than March 1, 2001.

(d) PARTICIPATION BY CINCS.—The Secretary shall require the commander of the United States Joint Forces Command and the commander of the United States Southern Command jointly to provide guidance for the demonstration and otherwise to participate in the demonstration.

(e) SCENARIO FOR DEMONSTRATION.—The demonstration shall be conducted in a counter-drug surveillance scenario that is designed to replicate factual conditions typically encountered in the performance of the counter-drug surveillance mission of the commander of the United States Southern Command within that commander's area of responsibility.

(f) REPORT.—Not later than 45 days after the demonstration is completed, the Secretary shall submit to Congress a report on the results of the demonstration. The report shall include the following:

(1) The Secretary's assessment of the technical feasibility of using the Global Hawk high altitude endurance unmanned aerial vehicle for airborne air surveillance.

(2) A discussion of the operational concept for the use of the vehicle for that purpose.

(g) FUNDING.—Of the funds authorized to be appropriated by section 301(20) for Drug Interdiction and Counter-drug Activities, Defense-wide, $18,000,000 shall be available for the concept demonstration required by subsection (a), including initiation of concurrent development for an improved surveillance radar.

SEC. 222. ARMY SPACE CONTROL TECHNOLOGY DEVELOPMENT.

Of the funds authorized to be appropriated under section 201(1) for Army space control technology, $3,000,000 shall be available for the kinetic energy anti-satellite technology program.

Subtitle C—Ballistic Missile Defense

SEC. 231. FUNDING FOR FISCAL YEAR 2001.

Of the funds authorized to be appropriated in section 201(4), $1,875,238,000 shall be available for the National Missile Defense program.

SEC. 232. REPORTS ON BALLISTIC MISSILE THREAT POSED BY NORTH KOREA.

(a) REPORT ON BALLISTIC MISSILE THREAT.—Not later than two weeks after the next flight test by North Korea of a long-range ballistic missile, the President shall submit to Congress, in classified and unclassified form, a report on the North Korean ballistic missile threat to the United States. The report shall include the following:

(1) An assessment of the current North Korean missile threat to the United States.

(2) An assessment of whether the United States is capable of defeating the North Korean long-range missile threat to the United States as of the date of the report.

(3) An assessment of when the United States will be capable of defeating the North Korean missile threat to the United States.

(4) An assessment of the potential for proliferation of North Korean missile technologies to other states and whether such proliferation will accelerate the development of additional long-range ballistic missile threats to the United States.

(b) REPORT ON REDUCING VULNERABILITY.—Not later than two weeks after the next flight test by North Korea of a long-range ballistic missile, the President shall submit to Congress a report providing the following:

(1) Any additional steps the President intends to take to reduce the period of time during which the Nation is vulnerable to the North Korean long-range ballistic missile threat.

(2) The technical and programmatic viability of testing any other missile defense systems against targets with flight characteristics similar to the North Korean long-range missile threat, and plans to do so if such tests are considered to be a viable alternative.

(c) DEFINITION.—For purposes of this section, the term "United States", when used in a geographic sense, means the 50 States, the District of Columbia, and any Commonwealth, territory, or possession of the United States.

SEC. 233. PLAN TO MODIFY BALLISTIC MISSILE DEFENSE ARCHITECTURE.

(a) PLAN.—The Director of the Ballistic Missile Defense Organization shall develop a plan to adapt ballistic missile defense systems and architectures to counter potential threats to the United States, United States forces deployed outside the United States, and other United States national security interests that are posed by longer range medium-range ballistic missiles and intermediate-range ballistic missiles.

(b) USE OF SPACE-BASED SENSORS INCLUDED.—The plan shall include—

(1) potential use of space-based sensors, including the Space-Based Infrared System (SBIRS) Low and Space-Based

Infrared System (SBIRS) High, Navy theater missile defense assets, upgrades of land-based theater missile defenses, the airborne laser, and other assets available in the European theater; and

(2) a schedule for ground and flight testing against the identified threats.

(c) REPORT.—The Secretary of Defense shall assess the plan and, not later than February 15, 2001, shall submit to the congressional defense committees a report on the results of the assessment.

SEC. 234. MANAGEMENT OF AIRBORNE LASER PROGRAM.

(a) OVERSIGHT OF FUNDING, SCHEDULE, AND TECHNICAL REQUIREMENTS.—With respect to the program known as of the date of the enactment of this Act as the "Airborne Laser" program, the Secretary of Defense shall require that the Secretary of the Air Force obtain the concurrence of the Director of the Ballistic Missile Defense Organization before the Secretary—

(1) makes any change to the funding plan or schedule for that program that would delay to a date later than September 30, 2003, the first test of the airborne laser that is intended to destroy a ballistic missile in flight;

(2) makes any change to the funding plan for that program in the future-years defense program that would delay the initial operational capability of the airborne laser; and

(3) makes any change to the technical requirements of the airborne laser that would significantly reduce its ballistic missile defense capabilities.

(b) REPORT.—Not later than February 15, 2001, the Director of the Ballistic Missile Defense Organization shall submit to the congressional defense committees a report, to be prepared in coordination with the Secretary of the Air Force, on the role of the airborne laser in the family of systems missile defense architecture developed by the Director of the Ballistic Missile Defense Organization and the Director of the Joint Theater Air and Missile Defense Organization. The report shall be submitted in unclassified and, if necessary, classified form. The report shall include the following:

(1) An assessment by the Secretary of the Air Force and the Director of the Ballistic Missile Defense Organization of the funding plan for that program required to achieve the schedule identified in paragraphs (1) and (2) of subsection (a).

(2) Potential future airborne laser roles in that architecture.

(3) An assessment of the effect of deployment of the airborne laser on requirements for theater ballistic missile defense systems.

(4) An assessment of the cost effectiveness of the airborne laser compared to other ballistic missile defense systems.

(5) An assessment of the relative significance of the airborne laser in the family of systems missile defense architecture.

Subtitle D—High Energy Laser Programs

SEC. 241. FUNDING.

(a) FUNDING FOR FISCAL YEAR 2001.—(1) Of the amount authorized to be appropriated by section 201(4), $30,000,000 is authorized for high energy laser development.

(2) Funds available under this subsection are available to supplement the high energy laser programs of the military departments and Defense Agencies, as determined by the official designated under section 243.

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

(1) the Department of Defense should establish funding for high energy laser programs within the science and technology programs of each of the military departments and the Ballistic Missile Defense Organization; and

(2) the Secretary of Defense should establish a goal that basic, applied, and advanced research in high energy laser technology should constitute at least 4.5 percent of the total science and technology budget of the Department of Defense by fiscal year 2004.

SEC. 242. IMPLEMENTATION OF HIGH ENERGY LASER MASTER PLAN.

The Secretary of Defense shall implement the management and organizational structure specified in the Department of Defense High Energy Laser Master Plan of March 24, 2000.

SEC. 243. DESIGNATION OF SENIOR OFFICIAL FOR HIGH ENERGY LASER PROGRAMS.

(a) DESIGNATION.—The Secretary of Defense shall designate a single senior civilian official in the Office of the Secretary of Defense (in this subtitle referred to as the "designated official") to chair the High Energy Laser Technology Council called for in the master plan referred to in section 242 and to carry out responsibilities for the programs for which funds are provided under this subtitle. The designated official shall report directly to the Under Secretary of Defense for Acquisition, Technology, and Logistics for matters concerning the responsibilities specified in subsection (b).

(b) RESPONSIBILITIES.—The primary responsibilities of the designated official shall include the following:

(1) Establishment of priorities for the high energy laser programs of the military departments and the Defense Agencies.

(2) Coordination of high energy laser programs among the military departments and the Defense Agencies.

(3) Identification of promising high energy laser technologies for which funding should be a high priority for the Department of Defense and establishment of priority for funding among those technologies.

(4) Preparation, in coordination with the Secretaries of the military departments and the Directors of the Defense Agencies, of a detailed technology plan to develop and mature high energy laser technologies.

(5) Planning and programming appropriate to rapid evolution of high energy laser technology.

(6) Ensuring that high energy laser programs of each military department and the Defense Agencies are initiated and

managed effectively and are complementary with programs managed by the other military departments and Defense Agencies and by the Office of the Secretary of Defense.

(7) Ensuring that the high energy laser programs of the military departments and the Defense Agencies comply with the requirements specified in subsection (c).

(c) COORDINATION AND FUNDING BALANCE.—In carrying out the responsibilities specified in subsection (b), the designated official shall ensure that—

(1) high energy laser programs of each military department and of the Defense Agencies are consistent with the priorities identified in the designated official's planning and programming activities;

(2) funding provided by the Office of the Secretary of Defense for high energy laser research and development complements high energy laser programs for which funds are provided by the military departments and the Defense Agencies;

(3) programs, projects, and activities to be carried out by the recipients of such funds are selected on the basis of appropriate competitive procedures or Department of Defense peer review process;

(4) beginning with fiscal year 2002, funding from the Office of the Secretary of Defense in applied research and advanced technology development program elements is not applied to technology efforts in support of high energy laser programs that are not funded by a military department or the Defense Agencies; and

(5) funding from the Office of the Secretary of Defense to complement an applied research or advanced technology development high energy laser program for which funds are provided by one of the military departments or the Defense Agencies do not exceed the amount provided by the military department or the Defense Agencies for that program.

SEC. 244. SITE FOR JOINT TECHNOLOGY OFFICE.

(a) DEADLINE FOR SELECTION OF SITE.—The Secretary of Defense shall locate the Joint Technology Office called for in the High Energy Laser Master Plan referred to in section 242 at a location determined appropriate by the Secretary not later than 30 days after the date of the enactment of this Act.

(b) CONSIDERATION OF SITE.—In determining the location of the Joint Technology Office, the Secretary shall, in consultation with the Deputy Under Secretary of Defense for Science and Technology, assess—

(1) cost;

(2) accessibility between the Office and the Armed Forces and senior Department of Defense leaders; and

(3) the advantages and disadvantages of locating the Office at a site at which occurs a substantial proportion of the directed energy research, development, test, and evaluation activities of the Department of Defense.

SEC. 245. HIGH ENERGY LASER INFRASTRUCTURE IMPROVEMENTS.

(a) ENHANCEMENT OF INDUSTRIAL BASE.—The Secretary of Defense shall consider, evaluate, and undertake to the extent appropriate initiatives, including investment initiatives, to enhance the industrial base to support military applications of high energy laser technologies and systems.

(b) ENHANCEMENT OF TEST AND EVALUATION CAPABILITIES.—The Secretary of Defense shall consider modernizing the High Energy Laser Test Facility at White Sands Missile Range, New Mexico, in order to enhance the test and evaluation capabilities of the Department of Defense with respect to high energy laser weapons.

SEC. 246. COOPERATIVE PROGRAMS AND ACTIVITIES.

(a) MEMORANDUM OF AGREEMENT WITH NNSA.—(1) The Secretary of Defense and the Administrator for Nuclear Security of the Department of Energy shall enter into a memorandum of agreement to conduct joint research and development on military applications of high energy lasers.

(2) The projects pursued under the memorandum of agreement—

(A) shall be of mutual benefit to the national security programs of the Department of Defense and the National Nuclear Security Administration of the Department of Energy;

(B) shall be prioritized jointly by officials designated to do so by the Secretary of Defense and the Administrator; and

(C) shall be consistent with the technology plan prepared pursuant to section 243(b)(4) and the requirements identified in section 243(c).

(3) The costs of each project pursued under the memorandum of agreement shall be shared equally by the Department of Defense and the National Nuclear Security Administration.

(4) The memorandum of agreement shall provide for appropriate peer review of projects pursued under the memorandum of agreement.

(b) EVALUATION OF OTHER COOPERATIVE PROGRAMS AND ACTIVITIES.—The Secretary of Defense shall evaluate the feasibility and advisability of entering into cooperative programs or activities with other Federal agencies, institutions of higher education, and the private sector for the purpose of enhancing the programs, projects, and activities of the Department of Defense relating to high energy laser technologies, systems, and weapons.

SEC. 247. TECHNOLOGY PLAN.

The designated official shall submit to the congressional defense committees by February 15, 2001, the technology plan prepared pursuant to section 243(b)(4). The report shall be submitted in unclassified and, if necessary, classified form.

SEC. 248. ANNUAL REPORT.

Not later than February 15 of 2001, 2002, and 2003, the Secretary of Defense shall submit to the congressional defense committees a report on the high energy laser programs of the Department of Defense. Each report shall include an assessment of the following:

(1) The adequacy of the management structure of the Department of Defense for the high energy laser programs.

(2) The funding available for the high energy laser programs.

(3) The technical progress achieved for the high energy laser programs.

(4) The extent to which goals and objectives of the high energy laser technology plan have been met.

SEC. 249. DEFINITION.

For purposes of this subtitle, the term "high energy laser" means a laser that has average power in excess of one kilowatt and that has potential weapons applications.

SEC. 250. REVIEW OF DEFENSE-WIDE DIRECTED ENERGY PROGRAMS.

(a) EVALUATION.—The Secretary of Defense, in consultation with the Deputy Under Secretary of Defense for Science and Technology, shall evaluate expansion of the High Energy Laser management structure specified in section 242 for possible inclusion in that management structure of science and technology programs in related areas, including the following:

(1) High power microwave technologies.

(2) Low energy and nonlethal laser technologies.

(3) Other directed energy technologies.

(b) CONSIDERATION OF PRIOR STUDY.—The evaluation under subsection (a) shall take into consideration the July 1999 Department of Defense study on streamlining and coordinating science and technology and research, development, test, and evaluation within the Department of Defense.

(c) REPORT.—The Secretary of Defense shall submit to the congressional defense committees a report on the findings of the evaluation under subsection (a). The report shall be submitted not later than March 15, 2001.

Subtitle E—Other Matters

SEC. 251. REPORTS ON MOBILE OFFSHORE BASE CONCEPT AND POTENTIAL USE FOR CERTAIN PURPOSES OF TECHNOLOGIES ASSOCIATED WITH THAT CONCEPT.

(a) REPORT ON MERITS OF MOBILE OFFSHORE BASE CONCEPT.—Not later than March 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the mobile offshore base concept. The report shall include the following:

(1) A cost-benefit analysis of the mobile offshore base, using operational concepts that would support the National Military Strategy.

(2) A recommendation regarding whether to proceed with the mobile offshore base as a program and, if so—

(A) a statement regarding which of the Armed Forces is to be designated to have the lead responsibility for the program; and

(B) a schedule for the program.

(b) REPORT ON POTENTIAL USE FOR CERTAIN PURPOSES OF ASSOCIATED TECHNOLOGIES.—Not later than March 1, 2001, the Secretary of the Navy shall submit to the congressional defense committees a report on the potential use of technologies associated with the mobile offshore base concept. The report shall include an assessment of the potential application and feasibility of using existing technologies, including those technologies associated with the mobile offshore base concept, to a sea-based landing platform for support of naval aviation training.

SEC. 252. AIR FORCE SCIENCE AND TECHNOLOGY PLANNING.

(a) REQUIREMENT FOR REVIEW.—The Secretary of the Air Force shall conduct a review of the long-term challenges and short-term objectives of the Air Force science and technology programs. The

Secretary shall complete the review not later than one year after the date of the enactment of this Act.

(b) MATTERS TO BE REVIEWED.—The review shall include the following:

(1) An assessment of the budgetary resources that are being used for fiscal year 2001 for addressing the long-term challenges and the short-term objectives of the Air Force science and technology programs.

(2) The budgetary resources that are necessary to address those challenges and objectives adequately.

(3) A course of action for each projected or ongoing Air Force science and technology program that does not address either the long-term challenges or the short-term objectives.

(4) The matters required under subsection (c)(5) and (d)(6).

(c) LONG-TERM CHALLENGES.—(1) The Secretary of the Air Force shall establish an integrated product team to identify high-risk, high-payoff challenges that will provide a long-term focus and motivation for the Air Force science and technology programs over the next 20 to 50 years following the enactment of this Act. The integrated product team shall include representatives of the Office of Scientific Research and personnel from the Air Force Research Laboratory.

(2) The team shall solicit views from the entire Air Force science and technology community on the matters under consideration by the team.

(3) The team—

(A) shall select for consideration science and technology challenges that involve—

(i) compelling requirements of the Air Force;

(ii) high-risk, high-payoff areas of exploration; and

(iii) very difficult, but probably achievable, results; and

(B) should not select a linear extension of any ongoing Air Force science and technology program for consideration as a science and technology challenge under subparagraph (A).

(4) The Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering shall designate a technical coordinator and a management coordinator for each science and technology challenge identified pursuant to this subsection. Each technical coordinator shall have sufficient expertise in fields related to the challenge to be able to identify other experts in such fields and to affirm the credibility of the challenge. The coordinator for a science and technology challenge shall conduct workshops within the relevant scientific and technological community to obtain suggestions for possible approaches to addressing the challenge and to identify ongoing work that addresses the challenge, deficiencies in current work relating to the challenge, and promising areas of research.

(5) In carrying out subsection (a), the Secretary of the Air Force shall review the science and technology challenges identified pursuant to this subsection and, for each such challenge, at a minimum—

(A) consider the results of the workshops conducted pursuant to paragraph (4); and

(B) identify any work not currently funded by the Air Force that should be performed to meet the challenge.

(d) SHORT-TERM OBJECTIVES.—(1) The Secretary of the Air Force shall establish a task force to identify short-term technological

objectives of the Air Force science and technology programs. The task force shall be chaired by the Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering and shall include representatives of the Chief of Staff of the Air Force and the specified combatant commands of the Air Force.

(2) The task force shall solicit views from the entire Air Force requirements community, user community, and acquisition community.

(3) The task force shall select for consideration short-term objectives that involve—

(A) compelling requirements of the Air Force;

(B) support in the user community; and

(C) likely attainment of the desired benefits within a five-year period.

(4) The Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering shall establish an integrated product team for each short-term objective identified pursuant to this subsection. Each integrated product team shall include representatives of the requirements community, the user community, and the science and technology community with relevant expertise.

(5) The integrated product team for a short-term objective shall be responsible for—

(A) identifying, defining, and prioritizing the enabling capabilities that are necessary for achieving the objective;

(B) identifying deficiencies in the enabling capabilities that must be addressed if the short-term objective is to be achieved; and

(C) working with the Air Force science and technology community to identify science and technology projects and programs that should be undertaken to eliminate each deficiency in an enabling capability.

(6) In carrying out subsection (a), the Secretary of the Air Force shall review the short-term science and technology objectives identified pursuant to this subsection and, for each such objective, at a minimum—

(A) consider the work of the integrated product team conducted pursuant to paragraph (5); and

(B) identify the science and technology work of the Air Force that should be undertaken to eliminate each deficiency in enabling capabilities that is identified by the integrated product team pursuant to subparagraph (B) of that paragraph.

(e) COMPTROLLER GENERAL REVIEW.—(1) Not later than 90 days after the Secretary of the Air Force completes the review required by subsection (a), the Comptroller General shall submit to Congress a report on the results of the review. The report shall include the Comptroller General's assessment regarding the extent to which the review was conducted in compliance with the requirements of this section.

(2) Immediately upon completing the review required by subsection (a), the Secretary of Defense shall notify the Comptroller General of the completion of the review. For the purposes of paragraph (1), the date of the notification shall be considered the date of the completion of the review.

SEC. 253. ENHANCEMENT OF AUTHORITIES REGARDING EDUCATION PARTNERSHIPS FOR PURPOSES OF ENCOURAGING SCIENTIFIC STUDY.

(a) ASSISTANCE IN SUPPORT OF PARTNERSHIPS.—Subsection (b) of section 2194 of title 10, United States Code, is amended—

(1) in the matter preceding paragraph (1), by inserting ", and is encouraged to provide," after "may provide";

(2) in paragraph (1), by inserting before the semicolon the following: "for any purpose and duration in support of such agreement that the director considers appropriate"; and

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

"(2) notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) or any provision of law or regulation relating to transfers of surplus property, transferring to the institution any computer equipment, or other scientific equipment, that is—

"(A) commonly used by educational institutions;

"(B) surplus to the needs of the defense laboratory; and

"(C) determined by the director to be appropriate for support of such agreement;".

(b) DEFENSE LABORATORY DEFINED.—Subsection (e) of that section is amended to read as follows:

"(e) In this section:

"(1) The term 'defense laboratory' means any laboratory, product center, test center, depot, training and educational organization, or operational command under the jurisdiction of the Department of Defense.

"(2) The term 'local educational agency' has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).".

SEC. 254. RECOGNITION OF THOSE INDIVIDUALS INSTRUMENTAL TO NAVAL RESEARCH EFFORTS DURING THE PERIOD FROM BEFORE WORLD WAR II THROUGH THE END OF THE COLD WAR.

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

(1) The contributions of the Nation's scientific community and of science research to the victory of the United States and its allies in World War II resulted in the understanding that science and technology are of critical importance to the future security of the Nation.

(2) Academic institutions and oceanographers provided vital support to the Navy and the Marine Corps during World War II.

(3) Congress created the Office of Naval Research in the Department of the Navy in 1946 to ensure the availability of resources for research in oceanography and other fields related to the missions of the Navy and Marine Corps.

(4) The Office of Naval Research of the Department of the Navy, in addition to its support of naval research within the Federal Government, has also supported the conduct of oceanographic and scientific research through partnerships with educational and scientific institutions throughout the Nation.

(5) These partnerships have long been recognized as among the most innovative and productive research partnerships ever established by the Federal Government and have resulted in a vast improvement in understanding of basic ocean processes and the development of new technologies critical to the security and defense of the Nation.

(b) CONGRESSIONAL RECOGNITION AND APPRECIATION.—Congress—

(1) applauds the commitment and dedication of the officers, scientists, researchers, students, and administrators who were instrumental to the program of partnerships for oceanographic and scientific research between the Federal Government and academic institutions, including those individuals who helped forge that program before World War II, implement it during World War II, and improve it throughout the Cold War;

(2) recognizes that the Nation, in ultimately prevailing in the Cold War, relied to a significant extent on research supported by, and technologies developed through, those partnerships and, in particular, on the superior understanding of the ocean environment generated through that research;

(3) supports efforts by the Secretary of the Navy and the Chief of Naval Research to honor those individuals, who contributed so greatly and unselfishly to the naval mission and the national defense, through those partnerships during the period beginning before World War II and continuing through the end of the Cold War; and

(4) expresses appreciation for the ongoing efforts of the Office of Naval Research to support oceanographic and scientific research and the development of researchers in those fields, to ensure that such partnerships will continue to make important contributions to the defense and the general welfare of the Nation.

TITLE III—OPERATION AND MAINTENANCE

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Joint warfighting capabilities assessment teams.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Sec. 311. Establishment of additional environmental restoration account and use of accounts for operation and monitoring of environmental remedies.
Sec. 312. Certain environmental restoration activities.
Sec. 313. Annual reports under Strategic Environmental Research and Development Program.
Sec. 314. Payment of fines and penalties for environmental compliance at Fort Wainwright, Alaska.
Sec. 315. Payment of fines or penalties imposed for environmental compliance violations at other Department of Defense facilities.
Sec. 316. Reimbursement for certain costs in connection with the former Nansemond Ordnance Depot Site, Suffolk, Virginia.
Sec. 317. Necessity of military low-level flight training to protect national security and enhance military readiness.
Sec. 318. Ship disposal project.
Sec. 319. Defense Environmental Security Corporate Information Management Program.

Sec. 320. Report on Plasma Energy Pyrolysis System.
Sec. 321. Sense of Congress regarding environmental restoration of former defense manufacturing site, Santa Clarita, California.

SUBTITLE C—COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITIES

Sec. 331. Use of appropriated funds to cover operating expenses of commissary stores.
Sec. 332. Adjustment of sales prices of commissary store goods and services to cover certain expenses.
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Sec. 334. Inclusion of magazines and other periodicals as an authorized commissary merchandise category.
Sec. 335. Use of most economical distribution method for distilled spirits.
Sec. 336. Report on effects of availability of slot machines on United States military installations overseas.

SUBTITLE D—DEPARTMENT OF DEFENSE INDUSTRIAL FACILITIES

Sec. 341. Designation of Centers of Industrial and Technical Excellence and public-private partnerships to increase utilization of such centers.
Sec. 342. Unutilized and underutilized plant-capacity costs of United States arsenals.
Sec. 343. Arsenal support program initiative.
Sec. 344. Codification and improvement of armament retooling and manufacturing support programs.

SUBTITLE E—PERFORMANCE OF FUNCTIONS BY PRIVATE-SECTOR SOURCES

Sec. 351. Inclusion of additional information in reports to Congress required before conversion of commercial or industrial type functions to contractor performance.
Sec. 352. Effects of outsourcing on overhead costs of Centers of Industrial and Technical Excellence and Army ammunition plants.
Sec. 353. Consolidation, restructuring, or reengineering of Department of Defense organizations, functions, or activities.
Sec. 354. Monitoring of savings resulting from workforce reductions as part of conversion of functions to performance by private sector or other strategic sourcing initiatives.
Sec. 355. Performance of emergency response functions at chemical weapons storage installations.
Sec. 356. Suspension of reorganization or relocation of Naval Audit Service.

SUBTITLE F—DEFENSE DEPENDENTS EDUCATION

Sec. 361. Eligibility of dependents of American Red Cross employees for enrollment in Department of Defense domestic dependent schools in Puerto Rico.
Sec. 362. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 363. Impact aid for children with severe disabilities.
Sec. 364. Assistance for maintenance, repair, and renovation of school facilities that serve dependents of members of the Armed Forces and Department of Defense civilian employees.

SUBTITLE G—MILITARY READINESS ISSUES

Sec. 371. Measuring cannibalization of parts, supplies, and equipment under readiness reporting system.
Sec. 372. Reporting requirements regarding transfers from high-priority readiness appropriations.
Sec. 373. Effects of worldwide contingency operations on readiness of military aircraft and equipment.
Sec. 374. Identification of requirements to reduce backlog in maintenance and repair of defense facilities.
Sec. 375. New methodology for preparing budget requests to satisfy Army readiness requirements.
Sec. 376. Review of AH–64 aircraft program.
Sec. 377. Report on Air Force spare and repair parts program for C–5 aircraft.

SUBTITLE H—OTHER MATTERS

Sec. 381. Annual report on public sale of certain military equipment identified on United States Munitions List.
Sec. 382. Resale of armor-piercing ammunition disposed of by the Army.
Sec. 383. Reimbursement by civil air carriers for support provided at Johnston Atoll.

Sec. 384. Travel by Reserves on military aircraft.
Sec. 385. Overseas airlift service on Civil Reserve Air Fleet aircraft.
Sec. 386. Additions to plan for ensuring visibility over all in-transit end items and secondary items.
Sec. 387. Reauthorization of pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft.
Sec. 388. Extension of authority to sell certain aircraft for use in wildfire suppression.
Sec. 389. Damage to aviation facilities caused by alkali silica reactivity.
Sec. 390. Demonstration project to increase reserve component internet access and services in rural communities.
Sec. 391. Additional conditions on implementation of Defense Joint Accounting System.
Sec. 392. Report on Defense Travel System.
Sec. 393. Review of Department of Defense costs of maintaining historical properties.

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2001 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, $19,280,381,000.
(2) For the Navy, $23,766,610,000.
(3) For the Marine Corps, $2,826,291,000.
(4) For the Air Force, $22,395,221,000.
(5) For Defense-wide activities, $11,740,569,000.
(6) For the Army Reserve, $1,561,418,000.
(7) For the Naval Reserve, $978,946,000.
(8) For the Marine Corps Reserve, $144,159,000.
(9) For the Air Force Reserve, $1,903,859,000.
(10) For the Army National Guard, $3,233,835,000.
(11) For the Air National Guard, $3,468,375,000.
(12) For the Defense Inspector General, $144,245,000.
(13) For the United States Court of Appeals for the Armed Forces, $8,574,000.
(14) For Environmental Restoration, Army, $389,932,000.
(15) For Environmental Restoration, Navy, $294,038,000.
(16) For Environmental Restoration, Air Force, $376,300,000.
(17) For Environmental Restoration, Defense-wide, $21,412,000.
(18) For Environmental Restoration, Formerly Used Defense Sites, $231,499,000.
(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $55,900,000.
(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $869,000,000.
(21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $25,000,000.
(22) For Defense Health Program, $11,480,123,000.
(23) For Cooperative Threat Reduction programs, $443,400,000.
(24) For Overseas Contingency Operations Transfer Fund, $4,100,577,000.

(25) For Quality of Life Enhancements, Defense-wide, $10,500,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2001 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, $916,276,000.

(2) For the National Defense Sealift Fund, $388,158,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2001 from the Armed Forces Retirement Home Trust Fund the sum of $69,832,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 2001 in amounts as follows:

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

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

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

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

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

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. JOINT WARFIGHTING CAPABILITIES ASSESSMENT TEAMS.

Of the total amount authorized to be appropriated under section 301(5) for operation and maintenance for Defense-wide activities for the Joint Staff, $4,000,000 is available only for the improvement of the performance of analyses by the joint warfighting capabilities assessment teams of the Joint Requirements Oversight Council.

Subtitle B—Environmental Provisions

SEC. 311. ESTABLISHMENT OF ADDITIONAL ENVIRONMENTAL RESTORATION ACCOUNT AND USE OF ACCOUNTS FOR OPERATION AND MONITORING OF ENVIRONMENTAL REMEDIES.

(a) ACCOUNT FOR FORMERLY USED DEFENSE SITES.—Subsection (a) of section 2703 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) An account to be known as the 'Environmental Restoration Account, Formerly Used Defense Sites'.".

(b) OPERATION AND MONITORING OF ENVIRONMENTAL REMEDIES.—Such section is further amended by adding at the end the following new subsection:

"(f) SOLE SOURCE OF FUNDS FOR OPERATION AND MONITORING OF ENVIRONMENTAL REMEDIES.—(1) The sole source of funds for all phases of an environmental remedy at a site under the jurisdiction of the Department of Defense or a formerly used defense site shall be the applicable environmental restoration account established under subsection (a).

"(2) In this subsection, the term 'environmental remedy' has the meaning given the term 'remedy' in section 101 of CERCLA (42 U.S.C. 9601).".

SEC. 312. CERTAIN ENVIRONMENTAL RESTORATION ACTIVITIES.

Subsection (b) of section 2703 of title 10, United States Code, is amended to read as follows:

"(b) OBLIGATION OF AUTHORIZED AMOUNTS.—(1) Funds authorized for deposit in an account under subsection (a) may be obligated or expended from the account only—

"(A) to carry out the environmental restoration functions of the Secretary of Defense and the Secretaries of the military departments under this chapter and under any other provision of law; and

"(B) to pay for the costs of permanently relocating a facility because of a release or threatened release of hazardous substances, pollutants, or contaminants from—

"(i) real property on which the facility is located and that is currently under the jurisdiction of the Secretary of Defense or the Secretary of a military department; or

"(ii) real property on which the facility is located and that was under the jurisdiction of the Secretary of Defense or the Secretary of a military department at the time of the actions leading to the release or threatened release.

"(2) The authority provided by paragraph (1)(B) expires September 30, 2003. The Secretary of Defense or the Secretary of a military department may not pay the costs of permanently relocating a facility under such paragraph unless the Secretary—

"(A) determines that permanent relocation—

"(i) is the most cost effective method of responding to the release or threatened release of hazardous substances, pollutants, or contaminants from the real property on which the facility is located;

"(ii) has the approval of relevant regulatory agencies; and

"(iii) is supported by the affected community; and

"(B) submits to Congress written notice of the determination before undertaking the permanent relocation of the facility, including a description of the response action taken or to be taken in connection with the permanent relocation and a statement of the costs incurred or to be incurred in connection with the permanent relocation.

"(3) If relocation costs are to be paid under paragraph (1)(B) with respect to a facility located on real property described in clause (ii) of such paragraph, the Secretary of Defense or the Secretary of the military department concerned may use only fund transfer mechanisms otherwise available to the Secretary.

"(4) Funds authorized for deposit in an account under subsection (a) shall remain available until expended. Not more than 5 percent of the funds deposited in an account under subsection (a) for a fiscal year may be used to pay relocation costs under paragraph (1)(B).".

SEC. 313. ANNUAL REPORTS UNDER STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

(a) REPEAL OF REQUIREMENT FOR ANNUAL REPORT FROM SCIENTIFIC ADVISORY BOARD.—Section 2904 of title 10, United States Code, is amended—

(1) by striking subsection (h); and

(2) by redesignating subsection (i) as subsection (h).

(b) INCLUSION OF ACTIONS OF BOARD IN ANNUAL REPORTS OF COUNCIL.—Section 2902(d)(3) of such title is amended by adding at the end the following new subparagraph:

"(D) A summary of the actions of the Strategic Environmental Research and Development Program Scientific Advisory Board during the year preceding the year in which the report is submitted and any recommendations, including recommendations on program direction and legislation, that the Advisory Board considers appropriate regarding the program.".

SEC. 314. PAYMENT OF FINES AND PENALTIES FOR ENVIRONMENTAL COMPLIANCE AT FORT WAINWRIGHT, ALASKA.

The Secretary of Defense, or the Secretary of the Army, may pay, as part of a settlement of liability, a fine or penalty of not more than $2,000,000 for matters addressed in the Notice of Violation issued on March 5, 1999, by the Administrator of the Environmental Protection Agency to Fort Wainwright, Alaska.

SEC. 315. PAYMENT OF FINES OR PENALTIES IMPOSED FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS AT OTHER DEPARTMENT OF DEFENSE FACILITIES.

(a) ARMY VIOLATIONS.—Using amounts authorized to be appropriated by section 301(1) for operation and maintenance for the Army, the Secretary of the Army may pay the following amounts in connection with environmental compliance violations at the following locations:

(1) $993,000 for a supplemental environmental project to implement an installation-wide hazardous substance management system at Walter Reed Army Medical Center, Washington, District of Columbia, in satisfaction of a fine imposed by Environmental Protection Agency Region 3 under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(2) $377,250 for a supplemental environmental project to install new parts washers at Fort Campbell, Kentucky, in satisfaction of a fine imposed by Environmental Protection Agency Region 4 under the Solid Waste Disposal Act.

(3) $20,701 for a supplemental environmental project to upgrade the wastewater treatment plant at Fort Gordon, Georgia, in satisfaction of a fine imposed by the State of Georgia under the Solid Waste Disposal Act.

(4) $78,500 for supplemental environmental projects to reduce the generation of hazardous waste at Pueblo Chemical Depot, Colorado, in satisfaction of a fine imposed by the State of Colorado under the Solid Waste Disposal Act.

(5) $20,000 for a supplemental environmental project to repair cracks in floors of igloos used to store munitions hazardous waste at Deseret Chemical Depot, Utah, in satisfaction of a fine imposed by the State of Utah under the Solid Waste Disposal Act.

(6) $7,975 for payment to the Texas Natural Resource Conservation Commission of a cash penalty for permit violations assessed with respect to Fort Sam Houston, Texas, under the Solid Waste Disposal Act.

(b) NAVY VIOLATIONS.—Using amounts authorized to be appropriated by section 301(2) for operation and maintenance for the Navy, the Secretary of the Navy may pay the following amounts in connection with environmental compliance violations at the following locations:

(1) $108,800 for payment to the West Virginia Division of Environmental Protection of a cash penalty with respect to Allegany Ballistics Laboratory, West Virginia, under the Solid Waste Disposal Act.

(2) $5,000 for payment to Environmental Protection Agency Region 6 of a cash penalty with respect to Naval Air Station, Corpus Christi, Texas, under the Clean Air Act (42 U.S.C. 7401).

(3) $1,650 for payment to Environmental Protection Agency Region 3 of a cash penalty with respect to Marine Corps Combat Development Command, Quantico, Virginia, under the Clean Air Act.

SEC. 316. REIMBURSEMENT FOR CERTAIN COSTS IN CONNECTION WITH THE FORMER NANSEMOND ORDNANCE DEPOT SITE, SUFFOLK, VIRGINIA.

(a) AUTHORITY.—The Secretary of Defense may pay, using funds described in subsection (b), not more than $98,210 to the Former Nansemond Ordnance Depot Site Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) to reimburse the Environmental Protection Agency for costs incurred by the agency in overseeing a time critical removal action under CERCLA being performed by the Department of Defense under the Defense Environmental Restoration Program for ordnance and explosive safety hazards at the Former Nansemond Ordnance Depot Site, Suffolk, Virginia, pursuant to an Interagency Agreement entered into by the Department of the Army and the Environmental Protection Agency on January 3, 2000.

(b) SOURCE OF FUNDS.—Any payment under subsection (a) shall be made using amounts authorized to be appropriated by section 301 to the Environmental Restoration Account, Formerly Used Defense Sites, established by paragraph (5) of section 2703(a) of title 10, United States Code, as added by section 311(a) of this Act.

(c) DEFINITIONS.—In this section:

(1) The term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(2) The term "Defense Environmental Restoration Program" means the program of environmental restoration carried out under chapter 160 of title 10, United States Code.

SEC. 317. NECESSITY OF MILITARY LOW-LEVEL FLIGHT TRAINING TO PROTECT NATIONAL SECURITY AND ENHANCE MILITARY READINESS.

Nothing in the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or the regulations implementing such law shall require the Secretary of Defense or the Secretary of a military department to prepare a programmatic, nation-wide environmental impact statement for low-level flight training as a precondition to the use by the Armed Forces of an airspace for the performance of low-level training flights.

SEC. 318. SHIP DISPOSAL PROJECT.

(a) CONTINUATION OF PROJECT; PURPOSE.—During fiscal year 2001, the Secretary of the Navy shall continue to carry out the ship disposal project within the United States to permit the Secretary to assemble appropriate data on the cost of scrapping naval vessels.

(b) USE OF COMPETITIVE PROCEDURES.—The Secretary shall use competitive procedures to award all task orders under the primary contracts under the ship disposal project.

(c) REPORT.—Not later than December 31, 2000, the Secretary shall submit to the congressional defense committees a report on the ship disposal project. The report shall contain the following:

(1) A description of the competitive procedures used for the solicitation and award of all task orders under the project.

(2) A description of the task orders awarded under the project.

(3) An assessment of the results of the project as of the date of the report, including the performance of contractors under the project.

(4) The proposed strategy of the Navy for future procurement of ship scrapping activities.

SEC. 319. DEFENSE ENVIRONMENTAL SECURITY CORPORATE INFORMATION MANAGEMENT PROGRAM.

(a) MANAGEMENT AND OVERSIGHT OF PROGRAM.—The Chief Information Officer of the Department of Defense shall ensure that management and oversight of the Defense Environmental Security Corporate Information Management Program is consistent with the requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106), section 2223 of title 10, United States Code, Department of Defense Directives 5000.1, 5000.2-R, and 5137.1, and all other laws, directives, regulations, and management controls applicable to investment in information technology and related services.

(b) PROGRAM REPORT REQUIRED.—Not later than 60 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 Defense Environmental Security Corporate Information Management Program.

(c) MISSION.—The report shall include a mission statement and strategic objectives for the Defense Environmental Security Corporate Information Management Program, including the recommendations of the Secretary for the future mission and objectives of the Program.

(d) PERSONNEL, ORGANIZATION, AND OVERSIGHT.—The report shall include—

(1) the personnel requirements and organizational structure of the Defense Environmental Security Corporate Information Management Program to carry out the mission statement; and

(2) a discussion of—

(A) the means by which the Program will ensure program accountability, including accountability for all past, current, and future activities funded under the Program; and

(B) the role of the Chief Information Officer of the Department of Defense in ensuring program accountability as required by subsection (a).

(e) PROGRAM ACTIVITIES.—The report shall include a discussion of the means by which the Defense Environmental Security Corporate Information Management Program will address or provide—

(1) information access procedures that keep pace with current and evolving requirements for information access;

(2) data standardization and systems integration;

(3) product failures and cost-effective results;

(4) user confidence and utilization; and

(5) program continuity.

SEC. 320. REPORT ON PLASMA ENERGY PYROLYSIS SYSTEM.

(a) REPORT REQUIRED.—Not later than February 1, 2001, the Secretary of the Army shall submit to the congressional defense committees a report on the Plasma Energy Pyrolysis System.

(b) REPORT ELEMENTS.—The report on the Plasma Energy Pyrolysis System shall include the following:

(1) An analysis of available information and data on the fixed-transportable unit demonstration phase of the System and on the mobile unit demonstration phase of the System.

(2) Recommendations regarding future applications for each phase of the System described in paragraph (1).

(3) A statement of the projected funding for such future applications.

SEC. 321. SENSE OF CONGRESS REGARDING ENVIRONMENTAL RESTORATION OF FORMER DEFENSE MANUFACTURING SITE, SANTA CLARITA, CALIFORNIA.

It is the sense of the Congress that—

(1) there exists a 1,000-acre former defense manufacturing site in Santa Clarita, California (known as the "Santa Clarita site"), that could be environmentally restored to serve a future role in the community, and every effort should be made to apply all known public and private sector innovative technologies to restore the Santa Clarita site to productive use for the benefit of the community; and

(2) the experience gained from environmental restoration at the Santa Clarita site by private and public sector partnerships has the potential to benefit not only the community of Santa Clarita, but all sites in need of environmental restoration.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 331. USE OF APPROPRIATED FUNDS TO COVER OPERATING EXPENSES OF COMMISSARY STORES.

(a) IN GENERAL.—(1) Section 2484 of title 10, United States Code, is amended to read as follows:

"§ 2484. Commissary stores: use of appropriated funds to cover operating expenses

"(a) OPERATION OF AGENCY AND SYSTEM.—Except as otherwise provided in this title, the operation of the Defense Commissary Agency and the defense commissary system may be funded using such amounts as are appropriated for such purpose.

"(b) OPERATING EXPENSES OF COMMISSARY STORES.—Appropriated funds may be used to cover the expenses of operating commissary stores and central product processing facilities of the defense commissary system. For purposes of this subsection, operating expenses include the following:

"(1) Salaries and wages of employees of the United States, host nations, and contractors supporting commissary store operations.

"(2) Utilities.

"(3) Communications.

"(4) Operating supplies and services.

"(5) Second destination transportation costs within or outside the United States.

"(6) Any cost associated with above-store-level management or other indirect support of a commissary store or a central product processing facility, including equipment maintenance and information technology costs.".

(2) The table of sections at the beginning of chapter 147 of such title is amended by striking the item relating to section 2484 and inserting the following new item:

"2484. Commissary stores: use of appropriated funds to cover operating expenses.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2001.

SEC. 332. ADJUSTMENT OF SALES PRICES OF COMMISSARY STORE GOODS AND SERVICES TO COVER CERTAIN EXPENSES.

(a) ADJUSTMENT REQUIRED.—Section 2486 of title 10, United States Code, is amended—

(1) in subsection (c), by striking "section 2484(b) or" and inserting "subsection (d) or section"; and

(2) in subsection (d)—

(A) in paragraph (1), by striking "sections 2484 and" and inserting "section"; and

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

"(3) The sales price of merchandise and services sold in, at, or by commissary stores shall be adjusted to cover the following:

"(A) The cost of first destination commercial transportation of the merchandise in the United States to the place of sale.

"(B) The actual or estimated cost of shrinkage, spoilage, and pilferage of merchandise under the control of commissary stores.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2001.

SEC. 333. USE OF SURCHARGES FOR CONSTRUCTION AND IMPROVEMENT OF COMMISSARY STORES.

(a) EXPANSION OF AUTHORIZED USES.—Subsection (b) of section 2685 of title 10, United States Code, is amended to read as follows:

"(b) USE FOR CONSTRUCTION, REPAIR, IMPROVEMENT, AND MAINTENANCE.—(1) The Secretary of Defense may use the proceeds from the adjustments or surcharges authorized by subsection (a) only—

"(A) to acquire (including acquisition by lease), construct, convert, expand, improve, repair, maintain, and equip the physical infrastructure of commissary stores and central product processing facilities of the defense commissary system; and

"(B) to cover environmental evaluation and construction costs related to activities described in paragraph (1), including costs for surveys, administration, overhead, planning, and design.

"(2) In paragraph (1), the term 'physical infrastructure' includes real property, utilities, and equipment (installed and free standing and including computer equipment), necessary to provide a complete and usable commissary store or central product processing facility.".

(b) AUTHORITY OF SECRETARY OF DEFENSE.—Such section is further amended—

(1) in subsection (a), by striking "Secretary of a military department, under regulations established by him and approved by the Secretary of Defense," and inserting "Secretary of Defense";

(2) in subsection (c)—

(A) by striking "Secretary of a military department, with the approval of the Secretary of Defense and" and inserting "Secretary of Defense, with the approval of"; and

(B) by striking "Secretary of the military department determines" and inserting "Secretary determines"; and

(3) in subsection (d)(1), by striking "Secretary of a military department" and inserting "Secretary of Defense".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001.

SEC. 334. INCLUSION OF MAGAZINES AND OTHER PERIODICALS AS AN AUTHORIZED COMMISSARY MERCHANDISE CATEGORY.

(a) ADDITIONAL AUTHORIZED CATEGORY.—Subsection (b) of section 2486 of title 10, United States Code, is amended—

(1) by redesignating paragraph (11) as paragraph (12); and

(2) by inserting after paragraph (10) the following new paragraph:

"(11) Magazines and other periodicals.".

(b) CONFORMING AMENDMENTS.—Subsection (f) of such section is amended—

(1) by striking "(1)" before "Notwithstanding";

(2) by striking "items in the merchandise categories specified in paragraph (2)" and inserting "tobacco products"; and

(3) by striking paragraph (2).

SEC. 335. USE OF MOST ECONOMICAL DISTRIBUTION METHOD FOR DISTILLED SPIRITS.

Section 2488(c) of title 10, United States Code, is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

SEC. 336. REPORT ON EFFECTS OF AVAILABILITY OF SLOT MACHINES ON UNITED STATES MILITARY INSTALLATIONS OVERSEAS.

(a) REPORT REQUIRED.—Not later than March 31, 2001, the Secretary of Defense shall submit to Congress a report evaluating the effect that the ready availability of slot machines as a morale, welfare, and recreation activity on United States military installations outside of the United States has on members of the Armed Forces, their dependents, and other persons who use such slot machines, the morale of military communities overseas, and the personal financial stability of members of the Armed Forces.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report—

(1) an estimate of the number of persons who used such slot machines during the preceding two years and, of such persons, the percentage who were enlisted members (shown both in the aggregate and by pay grade), officers (shown both in the aggregate and by pay grade), Department of Defense civilians, other United States persons, and foreign nationals;

(2) to the extent feasible, information with respect to military personnel referred to in paragraph (1) showing the number (as a percentage and by pay grade) who have—

(A) sought financial services counseling at least partially due to the use of such slot machines;

(B) qualified for Government financial assistance at least partially due to the use of such slot machines; or

(C) had a personal check returned for insufficient funds or received any other nonpayment notification from a creditor at least partially due to the use of such slot machines; and

(3) to the extent feasible, information with respect to the average amount expended by each category of persons referred to in paragraph (1) in using such slot machines per visit, to be shown by pay grade in the case of military personnel.

Subtitle D—Department of Defense Industrial Facilities

SEC. 341. DESIGNATION OF CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE AND PUBLIC-PRIVATE PARTNERSHIPS TO INCREASE UTILIZATION OF SUCH CENTERS.

(a) DESIGNATION METHOD.—Subsection (a) of section 2474 of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "The Secretary of Defense" and inserting "The Secretary concerned, or the Secretary of Defense in the case of a Defense Agency,"; and

(B) by striking "of the activity" and inserting "of the designee";

(2) in paragraph (2)—

(A) by inserting "of Defense" after "The Secretary"; and

(B) by striking "depot-level activities" and inserting "Centers of Industrial and Technical Excellence"; and

(3) in paragraph (3)—

(A) by striking "depot-level operations" and inserting "operations at Centers of Industrial and Technical Excellence";

(B) by striking "depot-level activities" and inserting "the Centers"; and

(C) by striking "such activities" and inserting "the Centers".

(b) PUBLIC-PRIVATE PARTNERSHIPS.—Subsection (b) of such section is amended to read as follows:

"(b) PUBLIC-PRIVATE PARTNERSHIPS.—(1) To achieve one or more objectives set forth in paragraph (2), the Secretary designating a Center of Industrial and Technical Excellence under subsection (a) may authorize and encourage the head of the Center to enter into public-private cooperative arrangements (in this section referred to as a 'public-private partnership') to provide for any of the following:

"(A) For employees of the Center, private industry, or other entities outside the Department of Defense to perform (under contract, subcontract, or otherwise) work related to the core competencies of the Center, including any depot-level maintenance and repair work that involves one or more core competencies of the Center.

"(B) For private industry or other entities outside the Department of Defense to use, for any period of time determined to be consistent with the needs of the Department of Defense, any facilities or equipment of the Center that are not fully utilized for a military department's own production or maintenance requirements.

"(2) The objectives for exercising the authority provided in paragraph (1) are as follows:

"(A) To maximize the utilization of the capacity of a Center of Industrial and Technical Excellence.

"(B) To reduce or eliminate the cost of ownership of a Center by the Department of Defense in such areas of responsibility as operations and maintenance and environmental remediation.

"(C) To reduce the cost of products of the Department of Defense produced or maintained at a Center.

"(D) To leverage private sector investment in—

"(i) such efforts as plant and equipment recapitalization for a Center; and

"(ii) the promotion of the undertaking of commercial business ventures at a Center.

"(E) To foster cooperation between the armed forces and private industry.

"(3) If the Secretary concerned, or the Secretary of Defense in the case of a Defense Agency, authorizes the use of public-private partnerships under this subsection, the Secretary shall submit to Congress a report evaluating the need for loan guarantee authority, similar to the ARMS Initiative loan guarantee program under section 4555 of this title, to facilitate the establishment

of public-private partnerships and the achievement of the objectives set forth in paragraph (2).".

(c) PRIVATE SECTOR USE OF EXCESS CAPACITY.—Such section is further amended—

(1) by striking subsection (d);

(2) by redesignating subsection (c) as subsection (d); and

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

"(c) PRIVATE SECTOR USE OF EXCESS CAPACITY.—Any facilities or equipment of a Center of Industrial and Technical Excellence made available to private industry may be used to perform maintenance or to produce goods in order to make more efficient and economical use of Government-owned industrial plants and encourage the creation and preservation of jobs to ensure the availability of a workforce with the necessary manufacturing and maintenance skills to meet the needs of the armed forces.".

(d) CREDITING OF AMOUNTS FOR PERFORMANCE.—Subsection (d) of such section, as redesignated by subsection (c)(2), is amended by adding at the end the following new sentences: "Consideration in the form of rental payments or (notwithstanding section 3302(b) of title 31) in other forms may be accepted for a use of property accountable under a contract performed pursuant to this section. Notwithstanding section 2667(d) of this title, revenues generated pursuant to this section shall be available for facility operations, maintenance, and environmental restoration at the Center where the leased property is located.".

(e) AVAILABILITY OF EXCESS EQUIPMENT TO PRIVATE-SECTOR PARTNERS.—Such section is further amended by adding at the end the following new subsections:

"(e) AVAILABILITY OF EXCESS EQUIPMENT TO PRIVATE-SECTOR PARTNERS.—Equipment or facilities of a Center of Industrial and Technical Excellence may be made available for use by a private-sector entity under this section only if—

"(1) the use of the equipment or facilities will not have a significant adverse effect on the readiness of the armed forces, as determined by the Secretary concerned or, in the case of a Center in a Defense Agency, by the Secretary of Defense; and

"(2) the private-sector entity agrees—

"(A) to reimburse the Department of Defense for the direct and indirect costs (including any rental costs) that are attributable to the entity's use of the equipment or facilities, as determined by that Secretary; and

"(B) to hold harmless and indemnify the United States from—

"(i) any claim for damages or injury to any person or property arising out of the use of the equipment or facilities, except in a case of willful conduct or gross negligence; and

"(ii) any liability or claim for damages or injury to any person or property arising out of a decision by the Secretary concerned or the Secretary of Defense to suspend or terminate that use of equipment or facilities during a war or national emergency.

"(f) CONSTRUCTION OF PROVISION.—Nothing in this section may be construed to authorize a change, otherwise prohibited by law,

from the performance of work at a Center of Industrial and Technical Excellence by Department of Defense personnel to performance by a contractor.".

(f) USE OF WORKING CAPITAL-FUNDED FACILITIES.—Section 2208(j)(1) of title 10, United States Code, is amended—

(1) by striking "contract; and" at the end of subparagraph (A) and all that follows through "(B) the solicitation" and inserting "contract, and the solicitation";

(2) by striking the period at the end and inserting "; or"; and

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

"(B) the Secretary would advance the objectives set forth in section 2474(b)(2) of this title by authorizing the facility to do so.".

(g) REPEAL OF GENERAL AUTHORITY TO LEASE EXCESS DEPOT-LEVEL EQUIPMENT AND FACILITIES TO OUTSIDE TENANTS.—(1) Section 2471 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 146 of such title is amended by striking the item relating to section 2471.

SEC. 342. UNUTILIZED AND UNDERUTILIZED PLANT-CAPACITY COSTS OF UNITED STATES ARSENALS.

(a) TREATMENT OF UNUTILIZED AND UNDERUTILIZED PLANT-CAPACITY COSTS.—Chapter 433 of title 10, United States Code, is amended by inserting after section 4540 the following new section:

"§ 4541. Army arsenals: treatment of unutilized or underutilized plant-capacity costs

"(a) ESTIMATE OF COSTS.—The Secretary of the Army shall include in the budget justification documents submitted to Congress in support of the President's budget for a fiscal year submitted under section 1105 of title 31 an estimate of the funds to be required in that fiscal year to cover unutilized and underutilized plant-capacity costs at Army arsenals.

"(b) USE OF FUNDS.—Funds appropriated to the Secretary of the Army for a fiscal year to cover unutilized and underutilized plant-capacity costs at Army arsenals shall be used in such fiscal year only for such costs.

"(c) TREATMENT OF COSTS.—(1) The Secretary of the Army shall not include unutilized and underutilized plant-capacity costs when evaluating the bid of an Army arsenal for purposes of the arsenal's contracting to provide a good or service to a Government agency.

"(2) When an Army arsenal is serving as a subcontractor to a private-sector entity with respect to a good or service to be provided to a Government agency, the cost charged by the arsenal shall not include unutilized and underutilized plant-capacity costs that are funded by a direct appropriation.

"(d) DEFINITIONS.—In this section:

"(1) The term 'Army arsenal' means a Government-owned, Government-operated defense plant of the Department of the Army that manufactures weapons, weapon components, or both.

"(2) The term 'unutilized and underutilized plant-capacity costs' means the costs associated with operating and maintaining the facilities and equipment of an Army arsenal that the Secretary of the Army determines are required to be kept for mobilization needs, in those months in which the facilities

and equipment are not used or are used only 20 percent or less of available work days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4540 the following new item:

"4541. Army arsenals: treatment of unutilized or underutilized plant-capacity costs.".

SEC. 343. ARSENAL SUPPORT PROGRAM INITIATIVE.

(a) DEMONSTRATION PROGRAM REQUIRED.—To help maintain the viability of the Army manufacturing arsenals and the unique capabilities of these arsenals to support the national security interests of the United States, the Secretary of the Army shall carry out a demonstration program under this section during fiscal years 2001 and 2002 at each manufacturing arsenal of the Department of the Army.

(b) PURPOSES OF DEMONSTRATION PROGRAM.—The purposes of the demonstration program are as follows:

(1) To provide for the utilization of the existing skilled workforce at the Army manufacturing arsenals by commercial firms.

(2) To provide for the reemployment and retraining of skilled workers who, as a result of declining workload and reduced Army spending on arsenal production requirements at these Army arsenals, are idled or underemployed.

(3) To encourage commercial firms, to the maximum extent practicable, to use these Army arsenals for commercial purposes.

(4) To increase the opportunities for small businesses (including socially and economically disadvantaged small business concerns and new small businesses) to use these Army arsenals for those purposes.

(5) To maintain in the United States a work force having the skills in manufacturing processes that are necessary to meet industrial emergency planned requirements for national security purposes.

(6) To demonstrate innovative business practices, to support Department of Defense acquisition reform, and to serve as both a model and a laboratory for future defense conversion initiatives of the Department of Defense.

(7) To the maximum extent practicable, to allow the operation of these Army arsenals to be rapidly responsive to the forces of free market competition.

(8) To reduce or eliminate the cost of Government ownership of these Army arsenals, including the costs of operations and maintenance, the costs of environmental remediation, and other costs.

(9) To reduce the cost of products of the Department of Defense produced at these Army arsenals.

(10) To leverage private investment at these Army arsenals through long-term facility use contracts, property management contracts, leases, or other agreements that support and advance the demonstration program for the following activities:

(A) Recapitalization of plant and equipment.

(B) Environmental remediation.

(C) Promotion of commercial business ventures.

(D) Other activities approved by the Secretary of the Army.

(11) To foster cooperation between the Department of the Army, property managers, commercial interests, and State and local agencies in the implementation of sustainable development strategies and investment in these Army arsenals.

(c) CONTRACT AUTHORITY.—(1) In the case of each Army manufacturing arsenal, the Secretary of the Army may enter into contracts with commercial firms to authorize the contractors, consistent with section 4543 of title 10, United States Code—

(A) to use the arsenal, or a portion of the arsenal, and the skilled workforce at the arsenal to manufacture weapons, weapon components, or related products consistent with the purposes of the program; and

(B) to enter into subcontracts for the commercial use of the arsenal consistent with such purposes.

(2) A contract under paragraph (1) shall require the contractor to contribute toward the operation and maintenance of the Army manufacturing arsenal covered by the contract.

(3) In the event an Army manufacturing arsenal is converted to contractor operation, the Secretary may enter into a contract with the contractor to authorize the contractor, consistent with section 4543 of title 10, United States Code—

(A) to use the facility during the period of the program in a manner consistent with the purposes of the program; and

(B) to enter into subcontracts for the commercial use of the facility consistent with such purposes.

(d) LOAN GUARANTEES.—(1) Subject to paragraph (2), the Secretary of the Army may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity at an Army manufacturing arsenal under this section.

(2) Loan guarantees under this subsection may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).

(3) The Secretary of the Army may enter into agreements with the Administrator of the Small Business Administration or the Administrator of the Farmers Home Administration, the Administrator of the Rural Development Administration, or the head of other appropriate agencies of the Department of Agriculture, under which such Administrators may, under this subsection—

(A) process applications for loan guarantees;

(B) guarantee repayment of loans; and

(C) provide any other services to the Secretary of the Army to administer this subsection.

(4) An Administrator referred to in paragraph (3) may guarantee loans under this section to commercial firms of any size, notwithstanding any limitations on the size of applicants imposed on other loan guarantee programs that the Administrator administers. To the extent practicable, each Administrator shall use the same procedures for processing loan guarantee applications under this subsection as the Administrator uses for processing loan guarantee applications under other loan guarantee programs that the Administrator administers.

(e) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under subsection (d) may not exceed—

(1) $20,000,000, with respect to any single borrower; and

(2) $320,000,000 with respect to all borrowers.

(f) TRANSFER OF FUNDS.—The Secretary of the Army may transfer to an Administrator providing services under subsection (d), and the Administrator may accept, such funds as may be necessary to administer loan guarantees under such subsection.

(g) REPORTING REQUIREMENTS.—(1) Not later than July 1 of each year in which a guarantee issued under subsection (d) is in effect, the Secretary of the Army shall submit to Congress a report specifying the amounts of loans guaranteed under such subsection during the preceding calendar year. No report is required after fiscal year 2002.

(2) Not later than July 1, 2001, the Secretary of the Army shall submit to the congressional defense committees a report on the implementation of the demonstration program. The report shall contain a comprehensive review of contracting at the Army manufacturing arsenals covered by the program and such recommendations as the Secretary considers appropriate regarding changes to the program.

SEC. 344. CODIFICATION AND IMPROVEMENT OF ARMAMENT RETOOLING AND MANUFACTURING SUPPORT PROGRAMS.

(a) IN GENERAL.—(1) Part IV of subtitle B of title 10, United States Code, is amended by inserting after chapter 433 the following new chapter:

"CHAPTER 434—ARMAMENTS INDUSTRIAL BASE

"Sec.
"4551. Definitions.
"4552. Policy.
"4553. Armament Retooling and Manufacturing Support Initiative.
"4554. Property management contracts and leases.
"4555. ARMS Initiative loan guarantee program.

"§ 4551. Definitions

"In this chapter:

"(1) The term 'ARMS Initiative' means the Armament Retooling and Manufacturing Support Initiative authorized by this chapter.

"(2) The term 'eligible facility' means a Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army that is in an active, inactive, layaway, or caretaker status.

"(3) The term 'property manager' includes any person or entity managing an eligible facility made available under the ARMS Initiative through a property management contract.

"(4) The term 'property management contract' includes facility use contracts, site management contracts, leases, and other agreements entered into under the authority of this chapter.

"(5) The term 'Secretary' means the Secretary of the Army.

"§ 4552. Policy

"It is the policy of the United States—

"(1) to encourage, to the maximum extent practicable, commercial firms to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army;

"(2) to use such facilities for supporting programs, projects, policies, and initiatives that promote competition in the private sector of the United States economy and that advance United States interests in the global marketplace;

"(3) to increase the manufacture of products inside the United States;

"(4) to support policies and programs that provide manufacturers with incentives to assist the United States in making more efficient and economical use of eligible facilities for commercial purposes;

"(5) to provide, as appropriate, small businesses (including socially and economically disadvantaged small business concerns and new small businesses) with incentives that encourage those businesses to undertake manufacturing and other industrial processing activities that contribute to the prosperity of the United States;

"(6) to encourage the creation of jobs through increased investment in the private sector of the United States economy;

"(7) to foster a more efficient, cost-effective, and adaptable armaments industry in the United States;

"(8) to achieve, with respect to armaments manufacturing capacity, an optimum level of readiness of the national technology and industrial base within the United States that is consistent with the projected threats to the national security of the United States and the projected emergency requirements of the armed forces; and

"(9) to encourage facility use contracting where feasible.

"§ 4553. Armament Retooling and Manufacturing Support Initiative

"(a) AUTHORITY FOR INITIATIVE.—The Secretary may carry out a program to be known as the 'Armament Retooling and Manufacturing Support Initiative'.

"(b) PURPOSES.—The purposes of the ARMS Initiative are as follows:

"(1) To encourage commercial firms, to the maximum extent practicable, to use eligible facilities for commercial purposes.

"(2) To increase the opportunities for small businesses (including socially and economically disadvantaged small business concerns and new small businesses) to use eligible facilities for those purposes.

"(3) To maintain in the United States a work force having the skills in manufacturing processes that are necessary to meet industrial emergency planned requirements for national security purposes.

"(4) To demonstrate innovative business practices, to support Department of Defense acquisition reform, and to serve as both a model and a laboratory for future defense conversion initiatives of the Department of Defense.

"(5) To the maximum extent practicable, to allow the operation of eligible facilities to be rapidly responsive to the forces of free market competition.

"(6) To reduce or eliminate the cost of Government ownership of eligible facilities, including the costs of operations and maintenance, the costs of environmental remediation, and other costs.

"(7) To reduce the cost of products of the Department of Defense produced at eligible facilities.

"(8) To leverage private investment at eligible facilities through long-term facility use contracts, property management contracts, leases, or other agreements that support and advance the policies and purposes of this chapter, for the following activities:

"(A) Recapitalization of plant and equipment.

"(B) Environmental remediation.

"(C) Promotion of commercial business ventures.

"(D) Other activities approved by the Secretary.

"(9) To foster cooperation between the Department of the Army, property managers, commercial interests, and State and local agencies in the implementation of sustainable development strategies and investment in eligible facilities made available for purposes of the ARMS Initiative.

"(10) To reduce or eliminate the cost of asset disposal that would be incurred if property at an eligible facility was declared excess to the needs of the Department of the Army.

"(c) AVAILABILITY OF FACILITIES.—The Secretary may make any eligible facility available for the purposes of the ARMS Initiative.

"(d) CONSIDERATION FOR LEASES.—Section 321 of the Act of June 30, 1932 (40 U.S.C. 303b), shall not apply to uses of property or facilities in accordance with the ARMS Initiative.

"(e) PROGRAM SUPPORT.—(1) Funds appropriated for purposes of the ARMS Initiative may be used for administrative support and management.

"(2) A full annual accounting of such expenses for each fiscal year shall be provided to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives not later than March 30 of the following fiscal year.

"§ 4554. Property management contracts and leases

"(a) IN GENERAL.—In the case of each eligible facility that is made available for the ARMS Initiative, the Secretary—

"(1) shall make full use of facility use contracts, leases, and other such commercial contractual instruments as may be appropriate;

"(2) shall evaluate, on the basis of efficiency, cost, emergency mobilization requirements, and the goals and purposes of the ARMS Initiative, the procurement of services from the property manager, including maintenance, operation, modification, infrastructure, environmental restoration and remediation, and disposal of ammunition manufacturing assets, and other services; and

"(3) may, in carrying out paragraphs (1) and (2)—

"(A) enter into contracts, and provide for subcontracts, for terms up to 25 years, as the Secretary considers appropriate and consistent with the needs of the Department of the Army and the goals and purposes of the ARMS Initiative; and

"(B) use procedures that are authorized to be used under section 2304(c)(5) of this title when the contractor or subcontractor is a source specified in law.

"(b) CONSIDERATION FOR USE.—(1) To the extent provided in a contract entered into under this section for the use of property at an eligible facility that is accountable under the contract, the Secretary may accept consideration for such use that is, in whole or in part, in a form other than—

"(A) rental payments; or

"(B) revenue generated at the facility.

"(2) Forms of consideration acceptable under paragraph (1) for a use of an eligible facility or any property at an eligible facility include the following:

"(A) The improvement, maintenance, protection, repair, and restoration of the facility, the property, or any property within the boundaries of the installation where the facility is located.

"(B) Reductions in overhead costs.

"(C) Reductions in product cost.

"(3) The authority under paragraph (1) may be exercised without regard to section 3302(b) of title 31 and any other provision of law.

"§ 4555. ARMS Initiative loan guarantee program

"(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary may carry out a loan guarantee program to encourage commercial firms to use eligible facilities under this chapter. Under any such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity to use an eligible facility under this chapter.

"(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).

"(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into an agreement with any of the officials named in paragraph (2) under which that official may, for the purposes of this section—

"(A) process applications for loan guarantees;

"(B) guarantee repayment of loans; and

"(C) provide any other services to the Secretary to administer the loan guarantee program.

"(2) The officials referred to in paragraph (1) are as follows:

"(A) The Administrator of the Small Business Administration.

"(B) The head of any appropriate agency in the Department of Agriculture, including—

"(i) the Administrator of the Farmers Home Administration; and

"(ii) the Administrator of the Rural Development Administration.

"(3) Each official authorized to do so under an agreement entered into under paragraph (1) may guarantee loans under this section to commercial firms of any size, notwithstanding any limitations on the size of applicants imposed on other loan guarantee programs that the official administers.

"(4) To the extent practicable, each official processing loan guarantee applications under this section pursuant to an agreement entered into under paragraph (1) shall use the same processing procedures as the official uses for processing loan guarantee applications under other loan guarantee programs that the official administers.

"(d) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under this section may not exceed—

"(1) $20,000,000, with respect to any single borrower; and

"(2) $320,000,000 with respect to all borrowers.

"(e) TRANSFER OF FUNDS.—The Secretary may transfer to an official providing services under subsection (c), and that official may accept, such funds as may be necessary to administer the loan guarantee program under this section.".

(2) The tables of chapters at the beginning of subtitle B of such title and at the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 433 the following new item:

"434. Armaments Industrial Base ..... 4551".

(b) IMPLEMENTATION REPORT.—Not later than July 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the procedures and controls implemented to carry out section 4554 of title 10, United States Code, as added by subsection (a).

(c) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—(1) Subchapter IV of chapter 148 of title 10, United States Code, is amended—

(A) by redesignating section 2525 as section 2521; and

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

"§ 2522. Armament retooling and manufacturing

"The Secretary of the Army is authorized by chapter 434 of this title to carry out programs for the support of armaments retooling and manufacturing in the national defense industrial and technology base.".

(2) The table of sections at the beginning of such subchapter is amended by striking the item relating to section 2525 and inserting the following new items:

"2521. Manufacturing Technology Program.
"2522. Armament retooling and manufacturing.".

(d) REPEAL OF SUPERSEDED LAW.—The Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102–484; 10 U.S.C. 2501 note) is repealed.

Subtitle E—Performance of Functions by Private-Sector Sources

SEC. 351. INCLUSION OF ADDITIONAL INFORMATION IN REPORTS TO CONGRESS REQUIRED BEFORE CONVERSION OF COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE.

(a) INFORMATION REQUIRED BEFORE COMMENCEMENT OF CONVERSION ANALYSIS.—Subsection (b)(1)(D) of section 2461 of title 10, United States Code, is amended by inserting before the period

the following: ", and a specific identification of the budgetary line item from which funds will be used to cover the cost of the analysis".

(b) INFORMATION REQUIRED IN NOTIFICATION OF DECISION.—Subsection (c)(1) of such section is amended—

(1) by redesignating subparagraphs (A), (B), (C), (D), and (E) as subparagraphs (B), (C), (F), (H), and (I), respectively;

(2) by inserting before subparagraph (B), as so redesignated, the following new subparagraph:

"(A) The date when the analysis of that commercial or industrial type function for possible change to performance by the private sector was commenced.";

(3) by inserting after subparagraph (C), as so redesignated, the following new subparagraphs:

"(D) The number of Department of Defense civilian employees who were performing the function when the analysis was commenced, the number of such employees whose employment was terminated or otherwise affected in implementing the most efficient organization of the function, and the number of such employees whose employment would be terminated or otherwise affected by changing to performance of the function by the private sector.

"(E) The Secretary's certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision to change performance, 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."; and

(4) by inserting after subparagraph (F), as so redesignated, the following new subparagraph:

"(G) A statement of the potential economic effect of the change on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).".

SEC. 352. EFFECTS OF OUTSOURCING ON OVERHEAD COSTS OF CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE AND ARMY AMMUNITION PLANTS.

Section 2461(c) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) If the commercial or industrial type function to be changed to performance by the private sector is performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant—

"(A) the report required by this subsection shall also include a description of the effect that the performance and administration of the resulting contract will have on the overhead costs of the center or ammunition plant, as the case may be; and

"(B) notwithstanding paragraph (3), the change of the function to contractor performance may not begin until at least 60 days after the submission of the report.".

SEC. 353. CONSOLIDATION, RESTRUCTURING, OR REENGINEERING OF DEPARTMENT OF DEFENSE ORGANIZATIONS, FUNCTIONS, OR ACTIVITIES.

(a) IN GENERAL.—Chapter 146 of tit1e 10, United States Code, is amended by adding at the end the following new section:

"§ 2475. Consolidation, restructuring, or reengineering of organizations, functions, or activities: notification requirements

"(a) REQUIREMENT TO SUBMIT PLAN ANNUALLY.—Concurrently with the submission of the President's annual budget request under section 1105 of title 31, the Secretary of Defense shall submit to Congress each Strategic Sourcing Plan of Action for the Department of Defense (as identified in the Department of Defense Interim Guidance dated February 29, 2000, or any successor Department of Defense guidance or directive), for the following year.

"(b) NOTIFICATION OF DECISION TO EXECUTE PLAN.—If a decision is made to consolidate, restructure, or reengineer an organization, function, or activity of the Department of Defense pursuant to a Strategic Sourcing Plan of Action described in subsection (a), and such consolidation, restructuring, or reengineering would result in a manpower reduction affecting 50 or more personnel of the Department of Defense (including military and civilian personnel)—

"(1) the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing that decision, including—

"(A) a projection of the savings that will be realized as a result of the consolidation, restructuring, or reengineering, compared with the cost incurred by the Department of Defense to perform the function or to operate the organization or activity prior to such proposed consolidation, restructuring, or reengineering;

"(B) a description of all missions, duties, or military requirements that will be affected as a result of the decision to consolidate, restructure, or reengineer the organization, function, or activity that was analyzed;

"(C) the Secretary's certification that the consolidation, restructuring, or reengineering will not result in any diminution of military readiness;

"(D) a schedule for performing the consolidation, restructuring, or reengineering; and

"(E) the Secretary's certification that the entire analysis for the consolidation, restructuring, or reengineering is available for examination; and

"(2) the head of the Defense Agency or the Secretary of the military department concerned may not implement the plan until 30 days after the date that the agency head or Secretary submits notification to the Committees on Armed Services of the Senate and House of Representatives of the intent to carry out such plan.".

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

"2475. Consolidation, restructuring, or reengineering of organizations, functions, or activities: notification requirements.".

SEC. 354. MONITORING OF SAVINGS RESULTING FROM WORKFORCE REDUCTIONS AS PART OF CONVERSION OF FUNCTIONS TO PERFORMANCE BY PRIVATE SECTOR OR OTHER STRATEGIC SOURCING INITIATIVES.

(a) REQUIREMENT FOR A MONITORING SYSTEM.—Chapter 146 of title 10, United States Code, is amended by inserting after section 2461 the following new section:

"§ 2461a. Development of system for monitoring cost savings resulting from workforce reductions

"(a) WORKFORCE REVIEW DEFINED.—In this section, the term 'workforce review', with respect to a function of the Department of Defense performed by Department of Defense civilian employees, means a review conducted under Office of Management and Budget Circular A–76 (or any successor administrative regulation or policy), the Strategic Sourcing Program Plan of Action (or any successor Department of Defense guidance or directive), or any other authority to determine whether the function—

"(1) should be performed by a workforce composed of Department of Defense civilian employees or by a private sector workforce; or

"(2) should be reorganized or otherwise reengineered to improve the effeciency or effectiveness of the performance of the function, with a resulting decrease in the number of Department of Defense civilian employees performing the function.

"(b) SYSTEM FOR MONITORING PERFORMANCE.—(1) The Secretary of Defense shall establish a system for monitoring the performance, including the cost of performance, of each function of the Department of Defense that, after the date of the enactment of this section, is the subject of a workforce review.

"(2) The monitoring system shall be designed to compare the following:

"(A) The costs to perform a function before the workforce review to the costs actually incurred to perform the function after implementing the conversion, reorganization, or reengineering actions recommended by the workforce review.

"(B) The anticipated savings to the actual savings, if any, resulting from conversion, reorganization, or reengineering actions undertaken in response to the workforce review.

"(3) The monitoring of a function shall continue under this section for at least five years after the conversion, reorganization, or reengineering of the function.

"(c) WAIVER FOR CERTAIN WORKFORCE REVIEWS.—Subsection (b) shall not apply to a workforce review that would result in a manpower reduction affecting fewer than 50 Department of Defense civilian employees.

"(d) ANNUAL REPORT.—Not later than February 1 of each fiscal year, the Secretary of Defense shall submit to Congress a report on the results of the monitoring performed under the system established under subsection (b). For each function subject to monitoring during the previous fiscal year, the report shall indicate the following:

"(1) The cost of the workforce review.

"(2) The cost of performing the function before the workforce review compared to the costs incurred after implementing the conversion, reorganization, or reengineering actions recommended by the workforce review.

"(3) The actual savings derived from the implementation of the recommendations of the workforce review, if any, compared to the anticipated savings that were to result from the conversion, reorganization, or reengineering actions.

"(e) CONSIDERATION IN PREPARATION OF FUTURE-YEARS DEFENSE PROGRAM.—In preparing the future-years defense program under section 221 of this title, the Secretary of Defense shall, for the fiscal years covered by the program, estimate and take

into account the costs to be incurred and the savings to be derived from the performance of functions by workforces selected in workforce reviews. The Secretary shall consider the results of the monitoring under this section in making the estimates.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2461 the following new item:

"2461a. Development of system for monitoring cost savings resulting from workforce reductions.".

SEC. 355. PERFORMANCE OF EMERGENCY RESPONSE FUNCTIONS AT CHEMICAL WEAPONS STORAGE INSTALLATIONS.

(a) RESTRICTION ON CONVERSION.—The Secretary of the Army may not convert to contractor performance the emergency response functions of any chemical weapons storage installation that, as of the date of the enactment of this Act, are performed for that installation by employees of the United States until the certification required by subsection (c) has been submitted in accordance with that subsection.

(b) COVERED INSTALLATIONS.—For the purposes of this section, a chemical weapons storage installation is any installation of the Department of Defense on which lethal chemical agents or munitions are stored.

(c) CERTIFICATION REQUIREMENT.—The Secretary of the Army shall certify in writing to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives that, to ensure that there will be no lapse of capability to perform the chemical weapon emergency response mission at a chemical weapons storage installation during any transition to contractor performance of those functions at the installation, the plan for conversion of the performance of those functions—

(1) is consistent with the recommendation contained in General Accounting Office Report NSIAD–00–88, entitled "DoD Competitive Sourcing", dated March 2000;

(2) provides for a transition to contractor performance of emergency response functions which ensures an adequate transfer of the relevant knowledge and expertise regarding chemical weapon emergency response to the contractor personnel; and

(3) complies with section 2465 of title 10, United States Code.

SEC. 356. SUSPENSION OF REORGANIZATION OR RELOCATION OF NAVAL AUDIT SERVICE.

(a) SUSPENSION.—During the period specified in subsection (b), the Secretary of the Navy may not commence or continue any consolidation, involuntary transfer, buy-out, or other reduction in force of the workforce of auditors and administrative support personnel of the Naval Audit Service if the consolidation, involuntary transfer, buy-out, or other reduction in force is associated with the reorganization or relocation of the performance of the auditing functions of the Naval Audit Service.

(b) DURATION.—Subsection (a) applies during the period beginning on the date of the enactment of this Act and ending 180 days after the date on which the Secretary submits to the congressional defense committees a report that sets forth in detail the Navy's plans and justification for the reorganization or relocation

of the performance of the auditing functions of the Naval Audit Service, as the case may be.

Subtitle F—Defense Dependents Education

SEC. 361. ELIGIBILITY OF DEPENDENTS OF AMERICAN RED CROSS EMPLOYEES FOR ENROLLMENT IN DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOLS IN PUERTO RICO.

Section 2164 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i) AMERICAN RED CROSS EMPLOYEE DEPENDENTS IN PUERTO RICO.—(1) The Secretary may authorize the dependent of an American Red Cross employee described in paragraph (2) to enroll in an education program provided by the Secretary pursuant to subsection (a) in Puerto Rico if the American Red Cross agrees to reimburse the Secretary for the educational services so provided.

"(2) An employee referred to in paragraph (1) is an American Red Cross employee who—

"(A) resides in Puerto Rico; and

"(B) performs, on a full-time basis, emergency services on behalf of members of the armed forces.

"(3) In determining the dependency status of any person for the purposes of paragraph (1), the Secretary shall apply the same definitions as apply to the determination of such status with respect to Federal employees in the administration of this section.

"(4) Subsection (g) shall apply with respect to determining the reimbursement rates for educational services provided pursuant to this subsection. Amounts received as reimbursement for such educational services shall be treated in the same manner as amounts received under subsection (g).".

SEC. 362. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 2001.—Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, $35,000,000 shall be available only for the purpose of providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2001, the Secretary of Defense shall notify each local educational agency that is eligible for educational agencies assistance for fiscal year 2001 of—

(1) that agency's eligibility for educational agencies assistance; and

(2) the amount of the educational agencies assistance for which that agency is eligible.

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

(d) DEFINITIONS.—In this section:

(1) The term "educational agencies assistance" means assistance authorized under section 386(b) of the National

Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

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

SEC. 363. IMPACT AID FOR CHILDREN WITH SEVERE DISABILITIES.

(a) PAYMENTS.—Subject to subsection (f), the Secretary of Defense shall make a payment for fiscal years after fiscal year 2001, to each local educational agency eligible to receive a payment for a child described in subparagraph (A)(ii), (B), (D)(i) or (D)(ii) of section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)) that serves two or more such children with severe disabilities, for costs incurred in providing a free appropriate public education to each such child.

(b) PAYMENT AMOUNT.—The amount of the payment under subsection (a) to a local educational agency for a fiscal year for each child referred to in such subsection with a severe disability shall be—

(1) the payment made on behalf of the child with a severe disability that is in excess of the average per pupil expenditure in the State in which the local educational agency is located; less

(2) the sum of the funds received by the local educational agency—

(A) from the State in which the child resides to defray the educational and related services for such child;

(B) under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) to defray the educational and related services for such child; and

(C) from any other source to defray the costs of providing educational and related services to the child which are received due to the presence of a severe disabling condition of such child.

(c) EXCLUSIONS.—No payment shall be made under subsection (a) on behalf of a child with a severe disability whose individual cost of educational and related services does not exceed—

(1) five times the national or State average per pupil expenditure (whichever is lower), for a child who is provided educational and related services under a program that is located outside the boundaries of the school district of the local educational agency that pays for the free appropriate public education of the student; or

(2) three times the State average per pupil expenditure, for a child who is provided educational and related services under a program offered by the local educational agency, or within the boundaries of the school district served by the local educational agency.

(d) RATABLE REDUCTION.—If the amount available for a fiscal year for payments under subsection (a) is insufficient to pay the full amount all local educational agencies are eligible to receive under such subsection, the Secretary of Defense shall ratably reduce the amounts of the payments made under such subsection to all local educational agencies by an equal percentage.

(e) REPORT.—Each local educational agency desiring a payment under subsection (a) shall report to the Secretary of Defense—

(1) the number of severely disabled children for which a payment may be made under this section; and

(2) a breakdown of the average cost, by placement (inside or outside the boundaries of the school district of the local educational agency), of providing education and related services to such children.

(f) PAYMENTS SUBJECT TO APPROPRIATION.—Payments shall be made for any period in a fiscal year under this section only to the extent that funds are appropriated specifically for making such payments for that fiscal year.

(g) LOCAL EDUCATIONAL AGENCY DEFINED.—In this section, the term "local educational agency" has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

SEC. 364. ASSISTANCE FOR MAINTENANCE, REPAIR, AND RENOVATION OF SCHOOL FACILITIES THAT SERVE DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) REPAIR AND RENOVATION ASSISTANCE.—(1) During fiscal year 2001, the Secretary of Defense may make a grant to an eligible local educational agency to assist the agency to repair and renovate—

(A) an impacted school facility that is used by significant numbers of military dependent students; or

(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school.

(2) Authorized repair and renovation projects may include repairs and improvements to an impacted school facility (including the grounds of the facility) designed to ensure compliance with the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) or local health and safety ordinances, to meet classroom size requirements, or to accommodate school population increases.

(3) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $2,500,000 during fiscal year 2001.

(b) MAINTENANCE ASSISTANCE.—(1) During fiscal year 2001, the Secretary of Defense may make a grant to an eligible local educational agency whose boundaries are the same as a military installation to assist the agency to maintain an impacted school facility, including the grounds of such a facility.

(2) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $250,000 during fiscal year 2001.

(c) DETERMINATION OF ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—(1) A local educational agency is an eligible local educational agency under this section only if the Secretary of Defense determines that the local educational agency has—

(A) one or more federally impacted school facilities; and

(B) satisfies at least one of the following eligibility requirements:

(i) The local educational agency is eligible to receive assistance under subsection (f) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) and at least 10 percent of the students who were in average daily attendance in the schools of such

agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

(ii) At least 35 percent of the students who were in average daily attendance in the schools of the local educational agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

(iii) The State education system and the local educational agency are one and the same.

(2) A local educational agency is also an eligible local educational agency under this section if the local educational agency has a school facility that was a former Department of Defense domestic dependent elementary or secondary school, but assistance provided under subsection (a) may only be used to repair and renovate that specific facility.

(d) NOTIFICATION OF ELIGIBILITY.—Not later than April 30, 2001, the Secretary of Defense shall notify each local educational agency identified under subsection (c) that the local educational agency is eligible to apply for a grant under subsection (a), subsection (b), or both subsections.

(e) RELATION TO IMPACT AID CONSTRUCTION ASSISTANCE.—A local education agency that receives a grant under subsection (a) to repair and renovate a school facility may not also receive a payment for school construction under section 8007 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7707) for fiscal year 2001.

(f) GRANT CONSIDERATIONS.—In determining which eligible local educational agencies will receive a grant under this section, the Secretary of Defense shall take into consideration the following conditions and needs at impacted school facilities of eligible local educational agencies:

(1) The repair or renovation of facilities is needed to meet State mandated class size requirements, including student-teacher ratios and instructional space size requirements.

(2) There is an increase in the number of military dependent students in facilities of the agency due to increases in unit strength as part of military readiness.

(3) There are unhoused students on a military installation due to other strength adjustments at military installations.

(4) The repair or renovation of facilities is needed to address any of the following conditions:

(A) The condition of the facility poses a threat to the safety and well-being of students.

(B) The requirements of the Americans with Disabilities Act of 1990.

(C) The cost associated with asbestos removal, energy conservation, or technology upgrades.

(D) Overcrowding conditions as evidenced by the use of trailers and portable buildings and the potential for future overcrowding because of increased enrollment.

(5) The repair or renovation of facilities is needed to meet any other Federal or State mandate.

(6) The number of military dependent students as a percentage of the total student population in the particular school facility.

(7) The age of facility to be repaired or renovated.

(g) DEFINITIONS.—In this section:

(1) LOCAL EDUCATIONAL AGENCY.—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)).

(2) IMPACTED SCHOOL FACILITY.—The term "impacted school facility" means a facility of a local educational agency—

(A) that is used to provide elementary or secondary education at or near a military installation; and

(B) at which the average annual enrollment of military dependent students is a high percentage of the total student enrollment at the facility, as determined by the Secretary of Defense.

(3) MILITARY DEPENDENT STUDENTS.—The term "military dependent students" means students who are dependents of members of the armed forces or Department of Defense civilian employees.

(4) MILITARY INSTALLATION.—The term "military installation" has the meaning given that term in section 2687(e) of title 10, United States Code.

(h) FUNDING SOURCE.—The amount authorized to be appropriated under section 301(25) for Quality of Life Enhancements, Defense-Wide, shall be available to the Secretary of Defense to make grants under this section.

Subtitle G—Military Readiness Issues

SEC. 371. MEASURING CANNIBALIZATION OF PARTS, SUPPLIES, AND EQUIPMENT UNDER READINESS REPORTING SYSTEM.

Section 117(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(7) Measure, on a quarterly basis, the extent to which units of the armed forces remove serviceable parts, supplies, or equipment from one vehicle, vessel, or aircraft in order to render a different vehicle, vessel, or aircraft operational.".

SEC. 372. REPORTING REQUIREMENTS REGARDING TRANSFERS FROM HIGH-PRIORITY READINESS APPROPRIATIONS.

(a) CONTINUATION OF REPORTING REQUIREMENTS.—Section 483 of title 10, United States Code, is amended by striking subsection (e).

(b) LEVEL OF DETAIL.—Subsection (c)(2) of such section is amended by inserting before the period the following: ", including identification of the sources from which funds were transferred into that activity and identification of the recipients of the funds transferred out of that activity".

(c) ADDITIONAL COVERED BUDGET ACTIVITIES.—Subsection (d)(5) of such section is amended by adding at the end the following new subparagraphs:

"(G) Combat Enhancement Forces.

"(H) Combat Communications.".

SEC. 373. EFFECTS OF WORLDWIDE CONTINGENCY OPERATIONS ON READINESS OF MILITARY AIRCRAFT AND EQUIPMENT.

(a) REQUIREMENT FOR REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report assessing the effects of worldwide contingency operations on—

(1) the readiness of aircraft and ground equipment of the Armed Forces; and

(2) the capability of the Armed Forces to maintain a high level of equipment readiness and to manage a high operating tempo for the aircraft and ground equipment.

(b) EFFECTS ON AIRCRAFT.—With respect to aircraft, the assessment contained in the report shall address the following effects:

(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000 on the aircraft of each of the Armed Forces in each category of aircraft, as follows:

(A) Combat tactical aircraft.

(B) Strategic aircraft.

(C) Combat support aircraft.

(D) Combat service support aircraft.

(2) The types of adverse effects on the aircraft of each of the Armed Forces in each category of aircraft specified in paragraph (1) resulting from contingency operations, as follows:

(A) Patrolling in no-fly zones over Iraq in Operation Northern Watch and Operation Southern Watch and over the Balkans in Operation Allied Force.

(B) Air operations in the North Atlantic Treaty Organization air war against Serbia in Operation Sky Anvil, Operation Noble Anvil, and Operation Allied Force.

(C) Air operations in Operation Shining Hope in Kosovo.

(D) All other activities within the general context of worldwide contingency operations.

(3) Any other effects that the Secretary of Defense considers appropriate in carrying out subsection (a).

(c) EFFECTS ON GROUND EQUIPMENT.—With respect to ground equipment, the assessment contained in the report shall address the following effects:

(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000 on the ground equipment of each of the Armed Forces.

(2) Any other effects that the Secretary of Defense considers appropriate in carrying out subsection (a).

(d) DEFINITIONS.—In this section:

(1) The term "Armed Forces" means the Army, Navy, Marine Corps, and Air Force.

(2) The term "contingency operation" has the meaning given the term in section 101(a)(13) of title 10, United States Code.

SEC. 374. IDENTIFICATION OF REQUIREMENTS TO REDUCE BACKLOG IN MAINTENANCE AND REPAIR OF DEFENSE FACILITIES.

(a) REPORT TO ADDRESS MAINTENANCE AND REPAIR BACKLOG.—Not later than March 15, 2001, the Secretary of Defense shall submit to Congress a report identifying a list of requirements to reduce the backlog in maintenance and repair needs of facilities and infrastructure under the jurisdiction of the Department of Defense or a military department.

(b) ELEMENTS OF REPORT.—At a minimum, the report shall include or address the following:

(1) The extent of the work necessary to repair and revitalize facilities and infrastructure, or to demolish and replace unusable facilities, carried as backlog by the Secretary of Defense or the Secretary of a military department.

(2) Measurable goals, over specified time frames, for addressing all of the identified requirements.

(3) Expected funding for each military department and Defense Agency to address the identified requirements during the period covered by the most recent future-years defense program submitted to Congress pursuant to section 221 of title 10, United States Code.

(4) The cost of the current backlog in maintenance and repair for each military department and Defense Agency, which shall be determined using the standard costs to standard facility categories in the Department of Defense Facilities Cost Factors Handbook, shown both in the aggregate and individually for each major military installation.

(5) The total number of square feet of building space of each military department and Defense Agency to be demolished or proposed for demolition, shown both in the aggregate and individually for each major military installation.

(6) The initiatives underway to identify facility and infrastructure requirements at military installations to accommodate new and developing weapons systems and to prepare installations to accommodate these systems.

(c) ANNUAL UPDATES.—The Secretary of Defense shall update the report required under subsection (a) annually. The annual updates shall be submitted to Congress at or about the time that the budget is submitted to Congress for a fiscal year under section 1105(a) of title 31, United States Code.

SEC. 375. NEW METHODOLOGY FOR PREPARING BUDGET REQUESTS TO SATISFY ARMY READINESS REQUIREMENTS.

(a) REQUIREMENT FOR NEW METHODOLOGY.—The Secretary of the Army shall develop a new methodology for preparing budget requests for operation and maintenance for the Army that can be used to ensure that the budget requests for operation and maintenance for future fiscal years more accurately reflect the Army's requirements than did the budget requests submitted to Congress for fiscal year 2001 and preceding fiscal years.

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

(1) the methodology required by subsection (a) should provide for the determination of the budget levels to request for operation and maintenance for the Army to be based on—

(A) the level of training that must be conducted in order for the Army to execute successfully the full range of missions called for in the national defense strategy delineated pursuant to section 118 of title 10, United States Code, at a low-to-moderate level of risk;

(B) the cost of conducting training at the level of training described in subparagraph (A); and

(C) the costs of all other Army operations, including the cost of meeting infrastructure requirements; and

(2) the Secretary of the Army should use the new methodology in the preparation of the budget requests for operation and maintenance for the Army for fiscal years after fiscal year 2001.

SEC. 376. REVIEW OF AH–64 AIRCRAFT PROGRAM.

(a) REQUIREMENT FOR REVIEW.—The Comptroller General shall conduct a review of the Army's AH–64 aircraft program to determine—

(1) whether obsolete spare parts, rather than spare parts for the latest aircraft configuration, are being procured;

(2) whether there is insufficient sustaining system technical support;

(3) whether technical data packages and manuals are obsolete;

(4) whether there are unfunded requirements for airframe and component upgrades; and

(5) if one or more of the conditions described in the preceding paragraphs exist, whether the readiness of the aircraft is impaired by the conditions.

(b) REPORT.—Not later than March 1, 2001, the Comptroller General shall submit to the congressional defense committees a report on the results of the review under subsection (a).

SEC. 377. REPORT ON AIR FORCE SPARE AND REPAIR PARTS PROGRAM FOR C–5 AIRCRAFT.

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

(1) There exists a significant shortfall in the Nation's current strategic airlift requirement, even though strategic airlift remains critical to the national security strategy of the United States.

(2) This shortfall results from the slow phase-out of C–141 aircraft and their replacement with C–17 aircraft and from lower than optimal reliability rates for the C–5 aircraft.

(3) One of the primary causes of these reliability rates for C–5 aircraft, and especially for operational unit aircraft, is the shortage of spare repair parts. Over the past 5 years, this shortage has been particularly evident in the C–5 fleet.

(4) Not Mission Capable for Supply rates for C–5 aircraft have increased significantly in the period between 1997 and 1999. At Dover Air Force Base, Delaware, for example, an average of 7 to 9 C–5 aircraft were not available during that period because of a lack of parts.

(5) Average rates of cannibalization of C–5 aircraft per 100 sorties of such aircraft have also increased during that period and are well above the Air Mobility Command standard. In any given month, this means devoting additional manhours to cannibalization of C–5 aircraft. At Dover Air Force Base, for example, an average of 800 to 1,000 additional manhours were required for cannibalization of C–5 aircraft during that period. Cannibalization is often required for aircraft that transit through a base such as Dover Air Force Base, as well as those that are based there.

(6) High cannibalization rates indicate a significant problem in delivering spare parts in a timely manner and systemic problems within the repair and maintenance process, and also demoralize overworked maintenance crews.

(7) The C–5 aircraft remains an absolutely critical asset in air mobility and airlifting heavy equipment and personnel to both military contingencies and humanitarian relief efforts around the world.

(8) Despite increased funding for spare and repair parts and other efforts by the Air Force to mitigate the parts shortage problem, Congress continues to receive reports of significant cannibalization to airworthy C–5 aircraft and parts backlogs.

(b) REPORT REQUIRED.—Not later than January 1, 2001, and September 30, 2001, the Secretary of the Air Force shall submit to Congress a report on the overall status of the spare and repair parts program of the Air Force for the C–5 aircraft.

(c) ELEMENTS OF REPORT.—Each report shall include the following:

(1) A statement of the funds currently allocated to the acquisition of spare and repair parts for the C–5 aircraft and the adequacy of such funds to meet current and future repair and maintenance requirements for that aircraft.

(2) A description of current efforts to address shortfalls in the availability of spare and repair parts for the C–5 aircraft, including an assessment of potential short-term and long-term effects of such efforts.

(3) An assessment of the effects of such parts shortfalls on readiness and reliability ratings for the C–5 aircraft.

(4) A description of rates at which spare and repair parts for one C–5 aircraft are taken from another C–5 aircraft (known as parts cannibalization) and the manhours devoted to part cannibalization of such aircraft.

(5) An assessment of the effects of parts shortfalls and parts cannibalization with respect to C–5 aircraft on readiness and retention.

Subtitle H—Other Matters

SEC. 381. ANNUAL REPORT ON PUBLIC SALE OF CERTAIN MILITARY EQUIPMENT IDENTIFIED ON UNITED STATES MUNITIONS LIST.

(a) ANNUAL REPORT REQUIRED.—Chapter 153 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2582. Military equipment identified on United States munitions list: annual report of public sales

"(a) REPORT REQUIRED.—The Secretary of Defense shall prepare an annual report identifying each public sale conducted by a military department or Defense Agency of military items that are—

"(1) identified on the United States Munitions List maintained under section 121.1 of title 22, Code of Federal Regulations; and

"(2) assigned a demilitarization code of 'B' or its equivalent.

"(b) ELEMENTS OF REPORT.—(1) A report under this section shall cover all public sales described in subsection (a) that were conducted during the preceding fiscal year.

"(2) The report shall specify the following for each sale:

"(A) The date of the sale.

"(B) The military department or Defense Agency conducting the sale.

"(C) The manner in which the sale was conducted.

"(D) The military items described in subsection (a) that were sold or offered for sale.

"(E) The purchaser of each item.

"(F) The stated end-use of each item sold.

"(c) SUBMISSION OF REPORT.—Not later than March 31 of each year, 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 the report required by this section for the preceding fiscal year.".

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

"2582. Military equipment identified on United States munitions list: annual report of public sales.".

SEC. 382. RESALE OF ARMOR-PIERCING AMMUNITION DISPOSED OF BY THE ARMY.

(a) RESTRICTION.—(1) Chapter 443 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4688. Armor-piercing ammunition and components: condition on disposal

"(a) LIMITATION ON RESALE OR OTHER TRANSFER.—Except as provided in subsection (b), whenever the Secretary of the Army carries out a disposal (by sale or otherwise) of armor-piercing ammunition, or a component of armor-piercing ammunition, the Secretary shall require as a condition of the disposal that the recipient agree in writing not to sell or otherwise transfer any of the ammunition (reconditioned or otherwise), or any armor-piercing component of that ammunition, to any purchaser in the United States other than a law enforcement or other governmental agency.

"(b) EXCEPTION.—Subsection (a) does not apply to a transfer of a component of armor-piercing ammunition solely for the purpose of metal reclamation by means of a destructive process such as melting, crushing, or shredding.

"(c) SPECIAL RULE FOR NON-ARMOR-PIERCING COMPONENTS.—A component of the armor-piercing ammunition that is not itself armor-piercing and is not subjected to metal reclamation as described in subsection (b) may not be used as a component in the production of new or remanufactured armor-piercing ammunition other than for sale to a law enforcement or other governmental agency or for a government-to-government sale or commercial export to a foreign government under the Arms Export Control Act (22 U.S.C. 2751).

"(d) DEFINITION.—In this section, the term 'armor-piercing ammunition' means a center-fire cartridge the military designation of which includes the term 'armor penetrator' or 'armor-piercing', including a center-fire cartridge designated as armor-piercing incendiary (API) or armor-piercing incendiary-tracer (API–T).".

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

"4688. Armor-piercing ammunition and components: condition on disposal.".

(b) APPLICABILITY.—Section 4688 of title 10, United States Code, as added by subsection (a), shall apply with respect to any

disposal of ammunition or components referred to in that section after the date of the enactment of this Act.

SEC. 383. REIMBURSEMENT BY CIVIL AIR CARRIERS FOR SUPPORT PROVIDED AT JOHNSTON ATOLL.

(a) IN GENERAL.—Chapter 949 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9783. Johnston Atoll: reimbursement for support provided to civil air carriers

"(a) AUTHORITY OF THE SECRETARY.—The Secretary of the Air Force may, under regulations prescribed by the Secretary, require payment by a civil air carrier for support provided by the United States to the carrier at Johnston Atoll that is either—

"(1) requested by the civil air carrier; or

"(2) determined under the regulations as being necessary to accommodate the civil air carrier's use of Johnston Atoll.

"(b) AMOUNT OF CHARGES.—Any amount charged an air carrier under subsection (a) for support shall be equal to the total amount of the actual costs to the United States of providing the support. The amount charged may not include any amount for an item of support that does not satisfy a condition described in paragraph (1) or (2) of subsection (a).

"(c) RELATIONSHIP TO LANDING FEES.—No landing fee shall be charged an air carrier for a landing of an aircraft of the air carrier at Johnston Atoll if the air carrier is charged under subsection (a) for support provided to the air carrier.

"(d) DISPOSITION OF PAYMENTS.—(1) Amounts collected from an air carrier under this section shall be credited to appropriations available for the fiscal year in which collected, as follows:

"(A) For support provided by the Air Force, to appropriations available for the Air Force for operation and maintenance.

"(B) For support provided by the Army, to appropriations available for the Army for chemical demilitarization.

"(2) Amounts credited to an appropriation under paragraph (1) shall be merged with funds in that appropriation and shall be available, without further appropriation, for the purposes and period for which the appropriation is available.

"(e) DEFINITIONS.—In this section:

"(1) The term 'civil air carrier' means an air carrier (as defined in section 40101(a)(2) of title 49) that is issued a certificate of public convenience and necessity under section 41102 of such title.

"(2) The term 'support' includes fuel, fire rescue, use of facilities, improvements necessary to accommodate use by civil air carriers, police, safety, housing, food, air traffic control, suspension of military operations on the island (including operations at the Johnston Atoll Chemical Agent Demilitarization System), repairs, and any other construction, services, or supplies.".

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

"9783. Johnston Atoll: reimbursement for support provided to civil air carriers.".

SEC. 384. TRAVEL BY RESERVES ON MILITARY AIRCRAFT.

(a) SPACE-REQUIRED TRAVEL FOR TRAVEL TO DUTY STATIONS.—Subsection (a) of section 18505 of title 10, United States Code, is amended to read as follows:

"(a) A member of a reserve component traveling for annual training duty or inactive-duty training (including a place other than the place of the member's unit training assembly if the member is performing annual training duty or inactive-duty training in another location) may travel in a space-required status on aircraft of the armed forces between the member's home and the place of the annual training duty or inactive-duty training.".

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

"§ 18505. Reserves traveling for annual training duty or inactive-duty training: space-required travel on military aircraft".

(2) The table of sections at the beginning of chapter 1805 of such title is amended by striking the item relating to section 18505 and inserting the following new item:

"18505. Reserves traveling for annual training duty or inactive-duty training: space-required travel on military aircraft.".

SEC. 385. OVERSEAS AIRLIFT SERVICE ON CIVIL RESERVE AIR FLEET AIRCRAFT.

(a) IN GENERAL.—Section 41106 of title 49, United States Code, is amended—

(1) in subsection (a)(1), by striking "of at least 31 days";

(2) by redesignating subsection (b) as subsection (d); and

(3) by inserting after subsection (a) the following new subsections:

"(b) TRANSPORTATION BETWEEN THE UNITED STATES AND FOREIGN LOCATIONS.—Except as provided in subsection (d), the transportation of passengers or property by transport category aircraft between a place in the United States and a place outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service shall be provided by an air carrier referred to in subsection (a).

"(c) TRANSPORTATION BETWEEN FOREIGN LOCATIONS.—The transportation of passengers or property by transport category aircraft between two places outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service shall be provided by an air carrier that has aircraft in the civil reserve air fleet whenever transportation by such an air carrier is reasonably available.".

(b) CONFORMING AMENDMENT.—Subsection (a) of such section is further amended by striking "GENERAL.—(1) Except as provided in subsection (b) of this section," and inserting "INTERSTATE TRANSPORTATION.—(1) Except as provided in subsection (d) of this section,".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

SEC. 386. ADDITIONS TO PLAN FOR ENSURING VISIBILITY OVER ALL IN-TRANSIT END ITEMS AND SECONDARY ITEMS.

(a) REQUIRED ADDITIONS.—Subsection (d) of section 349 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1981; 10 U.S.C. 2458 note) is amended—

(1) in paragraph (1), by inserting before the period at the end the following: ", including specific actions to address underlying weaknesses in the controls over items being shipped"; and

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

"(5) The key management elements for monitoring, and for measuring the progress achieved in, the implementation of the plan, including—

"(A) the assignment of oversight responsibility for each action identified pursuant to paragraph (1);

"(B) a description of the resources required for oversight; and

"(C) an estimate of the annual cost of oversight.".

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of such section is amended by striking "Not later than" and all that follows through "Congress" and inserting "The Secretary of Defense shall prescribe and carry out".

(2) Such section is further amended by adding at the end the following new subsection:

"(f) SUBMISSIONS TO CONGRESS.—The Secretary shall submit to Congress any revisions made to the plan that are required by any law enacted after October 17, 1998. The revisions so made shall be submitted not later than 180 days after the date of the enactment of the law requiring the revisions.".

(3) Subsection (e)(1) of such section is amended by striking "submits the plan" and inserting "submits the initial plan".

SEC. 387. REAUTHORIZATION OF PILOT PROGRAM FOR ACCEPTANCE AND USE OF LANDING FEES CHARGED FOR USE OF DOMESTIC MILITARY AIRFIELDS BY CIVIL AIRCRAFT.

(a) REAUTHORIZATION.—Section 377 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1993; 10 U.S.C. 113 note) is amended—

(1) in subsection (a)—

(A) by striking "during fiscal years 1999 and 2000"; and

(B) by striking the second sentence; and

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

"(e) DURATION OF PILOT PROGRAM.—The pilot program under this section may not be carried out after September 30, 2010.".

(b) FEES COLLECTED.—Subsection (b) of such section is amended to read as follows:

"(b) LANDING FEE DEFINED.—In this section, the term 'landing fee' means any fee that is established under or in accordance with regulations of the military department concerned (whether prescribed in a fee schedule or imposed under a joint-use agreement) to recover costs incurred for use by civil aircraft of an airfield of the military department in the United States or in a territory or possession of the United States.".

(c) USE OF PROCEEDS.—Subsection (c) of such section is amended by striking "Amounts received for a fiscal year in payment

of landing fees imposed under the pilot program for use of a military airfield" and inserting "Amounts received in payment of landing fees for use of a military airfield in a fiscal year of the pilot program".

(d) REPORT.—Subsection (d) of such section is amended—

(1) by striking "March 31, 2000," and inserting "March 31, 2003,"; and

(2) by striking "December 31, 1999" and inserting "December 31, 2002".

SEC. 388. EXTENSION OF AUTHORITY TO SELL CERTAIN AIRCRAFT FOR USE IN WILDFIRE SUPPRESSION.

Section 2 of the Wildfire Suppression Aircraft Transfer Act of 1996 (Public Law 104–307; 10 U.S.C. 2576 note) is amended—

(1) in subsection (a)(1), by striking "September 30, 2000" and inserting "September 30, 2005";

(2) in subsection (d)(1)—

(A) by striking "the date of the enactment of this Act" and inserting "October 14, 1996"; and

(B) by adding at the end the following: "The regulations prescribed under this paragraph shall be effective until the end of the period specified in subsection (a)(1).."; and

(3) in subsection (f), by striking "March 31, 2000" and inserting "March 31, 2005".

SEC. 389. DAMAGE TO AVIATION FACILITIES CAUSED BY ALKALI SILICA REACTIVITY.

(a) ASSESSMENT OF DAMAGE AND PREVENTION AND MITIGATION TECHNOLOGY.—The Secretary of Defense shall require the Secretaries of the military departments to assess—

(1) the damage caused to aviation facilities of the Armed Forces by alkali silica reactivity; and

(2) the availability of technologies capable of preventing, treating, or mitigating alkali silica reactivity in hardened concrete structures and pavements.

(b) EVALUATION OF TECHNOLOGIES.—(1) Taking into consideration the assessment under subsection (a), the Secretary of each military department may conduct a demonstration project at a location selected by the Secretary concerned to test and evaluate the effectiveness of technologies intended to prevent, treat, or mitigate alkali silica reactivity in hardened concrete structures and pavements.

(2) The Secretary of Defense shall ensure that the locations selected for the demonstration projects represent the diverse operating environments of the Armed Forces.

(c) NEW CONSTRUCTION.—The Secretary of Defense shall develop specific guidelines for appropriate testing and use of lithium salts to prevent alkali silica reactivity in new construction of the Department of Defense.

(d) COMPLETION OF ASSESSMENT AND DEMONSTRATION.—The assessment conducted under subsection (a) and the demonstration projects, if any, conducted under subsection (b) shall be completed not later than September 30, 2006.

(e) DELEGATION OF AUTHORITY.—The authority to conduct the assessment under subsection (a) may be delegated only to the Chief of Engineers of the Army, the Commander of the Naval Facilities Engineering Command, and the Civil Engineer of the Air Force.

(f) LIMITATION ON EXPENDITURES.—The Secretary of Defense and the Secretaries of the military departments may not expend more than a total of $5,000,000 to conduct both the assessment under subsection (a) and all of the demonstration projects under subsection (b).

SEC. 390. DEMONSTRATION PROJECT TO INCREASE RESERVE COMPONENT INTERNET ACCESS AND SERVICES IN RURAL COMMUNITIES.

(a) AUTHORIZATION AND PURPOSE OF PROJECT.—The Secretary of the Army, acting through the Chief of the National Guard Bureau, may carry out a demonstration project in rural communities that are unserved or underserved by the telecommunications medium known as the Internet to provide or increase Internet access and services to units and members of the National Guard and other reserve components located in these communities.

(b) PROJECT ELEMENTS.—In carrying out the demonstration project, the Secretary may—

(1) establish and operate distance learning classrooms in communities described in subsection (a), including any support systems required for such classrooms; and

(2) provide Internet access and services in such classrooms through GuardNet, the telecommunications infrastructure of the National Guard.

(c) REPORT.—Not later than February 1, 2005, the Secretary shall submit to Congress a report on the demonstration project. The report shall describe the activities conducted under the demonstration project and include any recommendations for the improvement or expansion of the demonstration project that the Secretary considers appropriate.

SEC. 391. ADDITIONAL CONDITIONS ON IMPLEMENTATION OF DEFENSE JOINT ACCOUNTING SYSTEM.

(a) REPORT ON DEPLOYMENT OF SYSTEM.—The proposed Defense Joint Accounting System is not prohibited, but the Secretary of Defense may not grant a Milestone III decision for the system unless and until the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report—

(1) explaining the reasons for the withdrawal of the Department of the Air Force from the proposed Defense Joint Accounting System and the effect of the withdrawal on the development of the system;

(2) explaining the reasons why the Department of the Navy is not required to participate in the system;

(3) identifying business process reengineering initiatives reviewed, considered, or undertaken by the Department of the Air Force and the Department of the Navy before the decisions were made to exclude the Department of the Navy from the system and to allow the Department of the Air Force to withdraw from the system; and

(4) containing an analysis, prepared with the participation of the Secretaries of the military departments, of alternatives to the system to determine whether the system warrants deployment.

(b) CERTIFICATION.—If the Secretary of Defense determines that the proposed Defense Joint Accounting System warrants a Milestone III decision, 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 certification that the system will meet—

(1) the required functionality for users of the system;

(2) Department of Defense acquisition standards;

(3) the applicable requirements for Milestones I, II, and III; and

(4) the applicable requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106).

SEC. 392. REPORT ON DEFENSE TRAVEL SYSTEM.

(a) REQUIREMENT FOR REPORT.—Not later than November 30, 2000, the Secretary of Defense shall submit to the congressional defense committees a report on the Defense Travel System.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A detailed discussion of the development, testing, and fielding of the system, including the performance requirements, the evaluation criteria, the funding that has been provided for the development, testing, and fielding of the system, and the funding that is projected to be required for completing the development, testing, and fielding of the system.

(2) The schedule for the testing of the system, including the initial operational test and evaluation and the final operational testing and evaluation, together with the results of the testing.

(3) The cost savings expected to result from the deployment of the system and from the completed implementation of the system, together with a discussion of how the savings are estimated and the expected schedule for the realization of the savings.

(4) An analysis of the costs and benefits of fielding the front-end software for the system throughout all 18 geographical areas selected for the original fielding of the system.

SEC. 393. REVIEW OF DEPARTMENT OF DEFENSE COSTS OF MAINTAINING HISTORICAL PROPERTIES.

(a) REQUIREMENT FOR REVIEW.—The Comptroller General shall conduct a review of the annual costs incurred by the Department of Defense to comply with the requirements of the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(b) REPORT.—Not later than February 28, 2001, the Comptroller General shall submit to the congressional defense committees a report on the results of the review. The report shall contain the following:

(1) For each military department and Defense Agency and for the Department of Defense in the aggregate, the cost for fiscal year 2000 and the projected costs for the ensuing 10 fiscal years to comply with the requirements of the National Historic Preservation Act.

(2) Of the costs referred to in paragraph (1), the portion of such costs related to maintenance of those properties that qualified as historic properties under the National Historic Preservation Act when such Act was originally enacted in 1966.

(3) The accounts used for paying the costs of complying with the requirements of the National Historic Preservation Act.

(4) For each military department and Defense Agency, the identity of all properties that must be maintained in order to comply with the requirements of the National Historic Preservation Act.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

SUBTITLE A—ACTIVE FORCES

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent end strength minimum levels.
Sec. 403. Adjustment to end strength flexibility authority.

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 2001 limitation on non-dual status technicians.
Sec. 415. Increase in numbers of members in certain grades authorized to be on active duty in support of the Reserves.

SUBTITLE C—OTHER MATTERS RELATING TO PERSONNEL STRENGTHS

Sec. 421. Authority for Secretary of Defense to suspend certain personnel strength limitations during war or national emergency.
Sec. 422. Exclusion from active component end strengths of certain reserve component members on active duty in support of the combatant commands.
Sec. 423. Exclusion of Army and Air Force medical and dental officers from limitation on strengths of reserve commissioned officers in grades below brigadier general.
Sec. 424. Authority for temporary increases in number of reserve component personnel serving on active duty or full-time national guard duty in certain grades.

SUBTITLE D—AUTHORIZATION OF APPROPRIATIONS

Sec. 431. Authorization of appropriations for military personnel.

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 2001, as follows:

(1) The Army, 480,000.
(2) The Navy, 372,642.
(3) The Marine Corps, 172,600.
(4) The Air Force, 357,000.

SEC. 402. REVISION IN PERMANENT END STRENGTH MINIMUM LEVELS.

(a) REVISED END STRENGTH FLOORS.—Section 691(b) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking "371,781" and inserting "372,000";

(2) in paragraph (3), by striking "172,148" and inserting "172,600"; and

(3) in paragraph (4), by striking "360,877" and inserting "357,000".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2000.

SEC. 403. ADJUSTMENT TO END STRENGTH FLEXIBILITY AUTHORITY.

Section 691(e) of title 10, United States Code, is amended by inserting "or greater than" after "identical to".

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, 2001, as follows:

(1) The Army National Guard of the United States, 350,526.
(2) The Army Reserve, 205,300.
(3) The Naval Reserve, 88,900.
(4) The Marine Corps Reserve, 39,558.
(5) The Air National Guard of the United States, 108,022.
(6) The Air Force Reserve, 74,358.
(7) The Coast Guard Reserve, 8,000.

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

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and

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

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

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2001, 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, 22,974.
(2) The Army Reserve, 13,106.
(3) The Naval Reserve, 14,649.
(4) The Marine Corps Reserve, 2,261.
(5) The Air National Guard of the United States, 11,170.
(6) The Air Force Reserve, 1,336.

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 2001 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army National Guard of the United States, 23,128.
(2) For the Army Reserve, 5,921.

(3) For the Air National Guard of the United States, 22,247.

(4) For the Air Force Reserve, 9,785.

SEC. 414. FISCAL YEAR 2001 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

(a) LIMITATION.—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2001, may not exceed the following:

(1) For the Army Reserve, 1,195.

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

(3) For the Air Force Reserve, 10.

(4) For the Air National Guard of the United States, 326.

(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.

(c) POSTPONEMENT OF PERMANENT LIMITATION.—Section 10217(c)(2) of title 10, United States Code, is amended by striking "October 1, 2001" and inserting "October 1, 2002".

SEC. 415. INCREASE IN NUMBERS OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

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

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,316	1,071	948	140
Lieutenant Colonel or Commander	1,759	520	852	90
Colonel or Navy Captain	529	188	317	30".

(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	764	202	502	20
E–8	2,821	429	1,117	94".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

(d) REPORT.—(1) Not later than March 31, 2001, 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 management of the grade structure for reserve-component officers who are subject to section 12011 of title 10, United States Code, and on the grade structure of enlisted members who are subject to section 12012 of that title. The Secretary of Defense shall include in the report recommendations for a permanent solution for managing the grade structures for those officers and enlisted members without requirement for frequent statutory adjustments to the limitations in those sections.

(2) In developing recommendations for the report under paragraph (1), the Secretary shall consider the following areas:

(A) The grade structure authorized for field-grade officers in the active-duty forces and the reasons why the grade structure for field-grade reserve officers on active duty in support of the reserves is different.

(B) The grade structure authorized for senior enlisted members in the active-duty forces and the reasons why the grade structure for senior enlisted reserve members on active duty in support of the reserves is different.

(C) The need for independent grade limits for each reserve component under sections 12011 and 12012 of title 10, United States Code.

(D) The advantages and disadvantage of replacing management by the current grade tables in those sections with management through a system based on the grade authorized for the position occupied by the member.

(E) The current mix within each reserve component, for each controlled grade, of (i) traditional reservists, (ii) military technicians, (iii) regular component members, and (iv) reserve members on active duty in support of the reserves, and how that mix, for each component, would shift over time under the Secretary's recommended solution as specified in paragraph (1).

Subtitle C—Other Matters Relating to Personnel Strengths

SEC. 421. AUTHORITY FOR SECRETARY OF DEFENSE TO SUSPEND CERTAIN PERSONNEL STRENGTH LIMITATIONS DURING WAR OR NATIONAL EMERGENCY.

(a) SENIOR ENLISTED MEMBERS ON ACTIVE DUTY.—Section 517 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) Whenever under section 527 of this title the President may suspend the operation of any provision of section 523, 525, or 526 of this title, the Secretary of Defense may suspend the operation of any provision of this section. Any such suspension shall, if not sooner ended, end in the manner specified in section 527 for a suspension under that section.".

(b) FIELD GRADE RESERVE COMPONENT OFFICERS.—Section 12011 of such title is amended by adding at the end the following new subsection:

"(c) Whenever under section 527 of this title the President may suspend the operation of any provision of section 523, 525, or 526 of this title, the Secretary of Defense may suspend the operation of any provision of this section. Any such suspension shall, if not sooner ended, end in the manner specified in section 527 for a suspension under that section.".

(c) SENIOR ENLISTED MEMBER IN RESERVE COMPONENTS.—Section 12012 of such title is amended by adding at the end the following new subsection:

"(c) Whenever under section 527 of this title the President may suspend the operation of any provision of section 523, 525, or 526 of this title, the Secretary of Defense may suspend the operation of any provision of this section. Any such suspension shall, if not sooner ended, end in the manner specified in section 527 for a suspension under that section.".

SEC. 422. EXCLUSION FROM ACTIVE COMPONENT END STRENGTHS OF CERTAIN RESERVE COMPONENT MEMBERS ON ACTIVE DUTY IN SUPPORT OF THE COMBATANT COMMANDS.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(9) Members of reserve components (not described in paragraph (8)) on active duty for more than 180 days but less than 271 days to perform special work in support of the combatant commands, except that—

"(A) general and flag officers may not be excluded under this paragraph; and

"(B) the number of members of any of the armed forces excluded under this paragraph may not exceed the number equal to 0.2 percent of the end strength authorized for active-duty personnel of that armed force under subsection (a)(1)(A).".

SEC. 423. EXCLUSION OF ARMY AND AIR FORCE MEDICAL AND DENTAL OFFICERS FROM LIMITATION ON STRENGTHS OF RESERVE COMMISSIONED OFFICERS IN GRADES BELOW BRIGADIER GENERAL.

Section 12005(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) Medical officers and dental officers shall not be counted for the purposes of this subsection.".

SEC. 424. AUTHORITY FOR TEMPORARY INCREASES IN NUMBER OF RESERVE COMPONENT PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES.

(a) FIELD GRADE OFFICERS.—Section 12011 of title 10, United States Code, as amended by section 421(b), is amended by adding at the end the following new subsection:

"(d) Upon increasing under subsection (c)(2) of section 115 of this title the end strength that is authorized under subsection (a)(1)(B) of that section for a fiscal year for active-duty personnel and full-time National Guard duty personnel of an armed force who are to be paid from funds appropriated for reserve personnel, the Secretary of Defense may increase for that fiscal year the limitation that is set forth in subsection (a) of this section for the number of officers of that armed force serving in any grade if the Secretary determines that such action is in the national interest. The percent of the increase may not exceed the percent by which the Secretary increases that end strength.".

(b) SENIOR ENLISTED PERSONNEL.—Section 12012 of such title, as amended by section 421(c), is amended by adding at the end the following new subsection:

"(d) Upon increasing under subsection (c)(2) of section 115 of this title the end strength that is authorized under subsection (a)(1)(B) of that section for a fiscal year for active-duty personnel and full-time National Guard duty personnel of an armed force who are to be paid from funds appropriated for reserve personnel, the Secretary of Defense may increase for that fiscal year the limitation that is set forth in subsection (a) of this section for the number of enlisted members of that armed force serving in any grade if the Secretary determines that such action is in the

national interest. The percent of the increase may not exceed the percent by which the Secretary increases that end strength.".

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2001 a total of $75,801,666,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2001.

TITLE V—MILITARY PERSONNEL POLICY

SUBTITLE A—OFFICER PERSONNEL POLICY

Sec. 501. Eligibility of Army and Air Force Reserve colonels and brigadier generals for position vacancy promotions.
Sec. 502. Flexibility in establishing promotion zones for Coast Guard Reserve officers.
Sec. 503. Time for release of reports of officer promotion selection boards.
Sec. 504. Clarification of requirements for composition of active-duty list selection boards when reserve officers are under consideration.
Sec. 505. Authority to issue posthumous commissions in the case of members dying before official recommendation for appointment or promotion is approved by Secretary concerned.
Sec. 506. Technical corrections relating to retired grade of reserve commissioned officers.
Sec. 507. Grade of chiefs of reserve components and directors of National Guard components.
Sec. 508. Revision to rules for entitlement to separation pay for regular and reserve officers.

SUBTITLE B—RESERVE COMPONENT PERSONNEL POLICY

Sec. 521. Exemption from active-duty list for reserve officers on active duty for a period of three years or less.
Sec. 522. Termination of application requirement for consideration of officers for continuation on the reserve active-status list.
Sec. 523. Authority to retain Air Force Reserve officers in all medical specialties until specified age.
Sec. 524. Authority for provision of legal services to reserve component members following release from active duty.
Sec. 525. Extension of involuntary civil service retirement date for certain reserve technicians.

SUBTITLE C—EDUCATION AND TRAINING

Sec. 531. Eligibility of children of Reserves for Presidential appointment to service academies.
Sec. 532. Selection of foreign students to receive instruction at service academies.
Sec. 533. Revision of college tuition assistance program for members of Marine Corps Platoon Leaders Class program.
Sec. 534. Review of allocation of Junior Reserve Officers Training Corps units among the services.
Sec. 535. Authority for Naval Postgraduate School to enroll certain defense industry civilians in specified programs relating to defense product development.

SUBTITLE D—DECORATIONS, AWARDS, AND COMMENDATIONS

Sec. 541. Limitation on award of Bronze Star to members in receipt of imminent danger pay.

Sec. 542. Consideration of proposals for posthumous or honorary promotions or appointments of members or former members of the Armed Forces and other qualified persons.
Sec. 543. Waiver of time limitations for award of certain decorations to certain persons.
Sec. 544. Addition of certain information to markers on graves containing remains of certain unknowns from the U.S.S. Arizona who died in the Japanese attack on Pearl Harbor on December 7, 1941.
Sec. 545. Sense of Congress on the court-martial conviction of Captain Charles Butler McVay, Commander of the U.S.S. Indianapolis, and on the courageous service of the crew of that vessel.
Sec. 546. Posthumous advancement on retired list of Rear Admiral Husband E. Kimmel and Major General Walter C. Short, senior officers in command in Hawaii on December 7, 1941.
Sec. 547. Commendation of citizens of Remy, France, for World War II actions.
Sec. 548. Authority for award of the Medal of Honor to William H. Pitsenbarger for valor during the Vietnam War.

SUBTITLE E—MILITARY JUSTICE AND LEGAL ASSISTANCE MATTERS

Sec. 551. Recognition by States of military testamentary instruments.
Sec. 552. Policy concerning rights of individuals whose names have been entered into Department of Defense official criminal investigative reports.
Sec. 553. Limitation on Secretarial authority to grant clemency for military prisoners serving sentence of confinement for life without eligibility for parole.
Sec. 554. Authority for civilian special agents of military department criminal investigative organizations to execute warrants and make arrests.
Sec. 555. Requirement for verbatim record in certain special court-martial cases.
Sec. 556. Commemoration of the 50th anniversary of the Uniform Code of Military Justice.

SUBTITLE F—MATTERS RELATING TO RECRUITING

Sec. 561. Army recruiting pilot programs.
Sec. 562. Enhancement of recruitment market research and advertising programs.
Sec. 563. Access to secondary schools for military recruiting purposes.
Sec. 564. Pilot program to enhance military recruiting by improving military awareness of school counselors and educators.

SUBTITLE G—OTHER MATTERS

Sec. 571. Extension to end of calendar year of expiration date for certain force drawdown transition authorities.
Sec. 572. Voluntary separation incentive.
Sec. 573. Congressional review period for assignment of women to duty on submarines and for any proposed reconfiguration or design of submarines to accommodate female crew members.
Sec. 574. Management and per diem requirements for members subject to lengthy or numerous deployments.
Sec. 575. Pay in lieu of allowance for funeral honors duty.
Sec. 576. Test of ability of reserve component intelligence units and personnel to meet current and emerging defense intelligence needs.
Sec. 577. National Guard Challenge Program.
Sec. 578. Study of use of civilian contractor pilots for operational support missions.
Sec. 579. Reimbursement for expenses incurred by members in connection with cancellation of leave on short notice.

Subtitle A—Officer Personnel Policy

SEC. 501. ELIGIBILITY OF ARMY AND AIR FORCE RESERVE COLONELS AND BRIGADIER GENERALS FOR POSITION VACANCY PROMOTIONS.

Section 14315(b) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting after "(A) is assigned to the duties of a general officer of the next higher reserve grade in the Army Reserve" the following: "or is recommended for such an assignment under regulations prescribed by the Secretary of the Army"; and

(2) in paragraph (2), by inserting after "(A) is assigned to the duties of a general officer of the next higher reserve

grade" the following: "or is recommended for such an assignment under regulations prescribed by the Secretary of the Air Force".

SEC. 502. FLEXIBILITY IN ESTABLISHING PROMOTION ZONES FOR COAST GUARD RESERVE OFFICERS.

(a) COAST GUARD RESERVE OFFICER PROMOTION SYSTEM BASED ON DOD ROPMA SYSTEM.—Section 729(d) of title 14, United States Code, is amended to read as follows:

"(d)(1) Before convening a selection board to recommend Reserve officers for promotion, the Secretary shall establish a promotion zone for officers serving in each grade to be considered by the board. The Secretary shall determine the number of officers in the promotion zone for officers serving in any grade from among officers who are eligible for promotion in that grade.

"(2)(A) Before convening a selection board to recommend Reserve officers for promotion to a grade (other than the grade of lieutenant (junior grade)), the Secretary shall determine the maximum number of officers in that grade that the board may recommend for promotion.

"(B) The Secretary shall make the determination under subparagraph (A) of the maximum number that may be recommended with a view to having in an active status a sufficient number of Reserve officers in each grade to meet the needs of the Coast Guard for Reserve officers in an active status.

"(C) In order to make the determination under subparagraph (B), the Secretary shall determine the following:

"(i) The number of positions needed to accomplish mission objectives that require officers in the grade to which the board will recommend officers for promotion.

"(ii) The estimated number of officers needed to fill vacancies in such positions during the period in which it is anticipated that officers selected for promotion will be promoted.

"(iii) The number of officers authorized by the Secretary to serve in an active status in the grade under consideration.

"(iv) Any statutory limitation on the number of officers in any grade authorized to be in an active status.

"(3)(A) The Secretary may, when the needs of the Coast Guard require, authorize the consideration of officers in a grade above lieutenant (junior grade) for promotion to the next higher grade from below the promotion zone.

"(B) When selection from below the promotion zone is authorized, the Secretary shall establish the number of officers that may be recommended for promotion from below the promotion zone. That number may not exceed the number equal to 10 percent of the maximum number of officers that the board is authorized to recommend for promotion, except that the Secretary may authorize a greater number, not to exceed 15 percent of the total number of officers that the board is authorized to recommend for promotion, if the Secretary determines that the needs of the Coast Guard so require. If the maximum number determined under this subparagraph is less than one, the board may recommend one officer for promotion from below the promotion zone.

"(C) The number of officers recommended for promotion from below the promotion zone does not increase the maximum number of officers that the board is authorized to recommend for promotion under paragraph (2).".

(b) RUNNING MATE SYSTEM MADE OPTIONAL.—(1) Section 731 of such title is amended—

(A) by designating the text of such section as subsection (b);

(B) by inserting after the section heading the following:

"(a) AUTHORITY TO USE RUNNING MATE SYSTEM.—The Secretary may by regulation implement section 729(d)(1) of this title by requiring that the promotion zone for consideration of Reserve officers in an active status for promotion to the next higher grade be determined in accordance with a running mate system as provided in subsection (b).";

(C) in subsection (b), as designated by subparagraph (A), by striking "Subject to the eligibility requirements of this subchapter, a Reserve officer shall" and inserting the following: "CONSIDERATION FOR PROMOTION.—If promotion zones are determined as authorized under subsection (a), a Reserve officer shall, subject to the eligibility requirements of this subchapter,"; and

(D) by adding at the end the following:

"(c) CONSIDERATION OF OFFICERS BELOW THE ZONE.—If the Secretary authorizes the selection of officers for promotion from below the promotion zone in accordance with section 729(d)(3) of this title, the number of officers to be considered from below the zone may be established through the application of the running mate system under this subchapter or otherwise as the Secretary determines to be appropriate to meet the needs of the Coast Guard.".

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

"§ 731. Establishment of promotion zones under running mate system".

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

"731. Establishment of promotion zones under running mate system.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to selection boards convened under section 730 of title 14, United States Code, on or after the date of the enactment of this Act.

SEC. 503. TIME FOR RELEASE OF REPORTS OF OFFICER PROMOTION SELECTION BOARDS.

(a) ACTIVE-DUTY LIST OFFICER BOARDS.—Section 618(e) of title 10, United States Code, is amended to read as follows:

"(e)(1) The names of the officers recommended for promotion in the report of a selection board shall be disseminated to the armed force concerned as follows:

"(A) In the case of officers recommended for promotion to a grade below brigadier general or rear admiral (lower half), such names may be disseminated upon, or at any time after, the transmittal of the report to the President.

"(B) In the case of officers recommended for promotion to a grade above colonel or, in the case of the Navy, captain, such names may be disseminated upon, or at any time after, the approval of the report by the President.

"(C) In the case of officers whose names have not been sooner disseminated, such names shall be promptly disseminated upon confirmation by the Senate.

"(2) A list of names of officers disseminated under paragraph (1) may not include—

"(A) any name removed by the President from the report of the selection board containing that name, if dissemination is under the authority of subparagraph (B) of such paragraph; or

"(B) the name of any officer whose promotion the Senate failed to confirm, if dissemination is under the authority of subparagraph (C) of such paragraph.".

(b) RESERVE ACTIVE-STATUS LIST OFFICER BOARDS.—The text of section 14112 of title 10, United States Code, is amended to read as follows:

"(a) TIME FOR DISSEMINATION.—The names of the officers recommended for promotion in the report of a selection board shall be disseminated to the armed force concerned as follows:

"(1) In the case of officers recommended for promotion to a grade below brigadier general or rear admiral (lower half), such names may be disseminated upon, or at any time after, the transmittal of the report to the President.

"(2) In the case of officers recommended for promotion to a grade above colonel or, in the case of the Navy, captain, such names may be disseminated upon, or at any time after, the approval of the report by the President.

"(3) In the case of officers whose names have not been sooner disseminated, such names shall be promptly disseminated—

"(A) upon confirmation of the promotion of the officers by the Senate (in the case of promotions required to be submitted to the Senate for confirmation); or

"(B) upon the approval of the report by the President (in the case of promotions not required to be submitted to the Senate for confirmation).

"(b) NAMES NOT DISSEMINATED.—A list of names of officers disseminated under subsection (a) may not include—

"(1) any name removed by the President from the report of the selection board containing that name, if dissemination is under the authority of paragraph (2) or (3)(B) of that subsection; or

"(2) the name of any officer whose promotion the Senate failed to confirm, if dissemination is under the authority of paragraph (3)(A) of that subsection.".

SEC. 504. CLARIFICATION OF REQUIREMENTS FOR COMPOSITION OF ACTIVE-DUTY LIST SELECTION BOARDS WHEN RESERVE OFFICERS ARE UNDER CONSIDERATION.

(a) CLARIFICATION.—Section 612(a) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "who are on the active-duty list" in the second sentence; and

(B) by inserting after the second sentence the following new sentence: "Each member of a selection board (except as provided in paragraphs (2), (3), and (4)) shall be an officer on the active-duty list."; and

(2) in paragraph (3)—

(A) by striking "of that armed force, with the exact number of reserve officers to be" and inserting "of that armed force on active duty (whether or not on the active-duty list). The actual number of reserve officers shall be"; and

(B) by striking "his discretion, except that" and inserting "the Secretary's discretion. Notwithstanding the first sentence of this paragraph,".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any selection board convened under section 611(a) of title 10, United States Code, on or after August 1, 1981.

SEC. 505. AUTHORITY TO ISSUE POSTHUMOUS COMMISSIONS IN THE CASE OF MEMBERS DYING BEFORE OFFICIAL RECOMMENDATION FOR APPOINTMENT OR PROMOTION IS APPROVED BY SECRETARY CONCERNED.

(a) REPEAL OF LIMITATION TO DEATHS OCCURRING AFTER SECRETARIAL APPROVAL.—Subsection (a)(3) of section 1521 of title 10, United States Code, is amended by striking "and the recommendation for whose appointment or promotion was approved by the Secretary concerned".

(b) EFFECTIVE DATE OF COMMISSION.—Subsection (b) of such section is amended by striking "approval" both places it appears and inserting "official recommendation".

SEC. 506. TECHNICAL CORRECTIONS RELATING TO RETIRED GRADE OF RESERVE COMMISSIONED OFFICERS.

(a) ARMY.—Section 3961(a) of title 10, United States Code, is amended by striking "or for nonregular service under chapter 1223 of this title".

(b) AIR FORCE.—Section 8961(a) of title 10, United States Code, is amended by striking "or for nonregular service under chapter 1223 of this title".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to Reserve commissioned officers who are promoted to a higher grade as a result of selection for promotion by a board convened under chapter 36 or 1403 of title 10, United States Code, or having been found qualified for Federal recognition in a higher grade under chapter 3 of title 32, United States Code, after October 1, 1996.

SEC. 507. GRADE OF CHIEFS OF RESERVE COMPONENTS AND DIRECTORS OF NATIONAL GUARD COMPONENTS.

(a) CHIEF OF ARMY RESERVE.—Subsections (b) and (c) of section 3038 of title 10, United States Code, are amended to read as follows:

"(b) APPOINTMENT.—(1) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Army Reserve from general officers of the Army Reserve who have had at least 10 years of commissioned service in the Army Reserve.

"(2) The Secretary of Defense may not recommend an officer to the President for appointment as Chief of Army Reserve unless the officer—

"(A) is recommended by the Secretary of the Army; and

"(B) is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process

established by the Chairman, to have significant joint duty experience.

"(3) An officer on active duty for service as the Chief of Army Reserve shall be counted for purposes of the grade limitations under sections 525 and 526 of this title.

"(4) Until October 1, 2003, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Chief of Army Reserve if the Secretary of the Army requests the waiver and, in the judgment of the Secretary of Defense—

"(A) the officer is qualified for service in the position; and

"(B) the waiver is necessary for the good of the service. Any such waiver shall be made on a case-by-case basis.

"(c) TERM; REAPPOINTMENT; GRADE.—(1) The Chief of Army Reserve is appointed for a period of four years, but may be removed for cause at any time. An officer serving as Chief of Army Reserve may be reappointed for one additional four-year period.

"(2) The Chief of Army Reserve, while so serving, holds the grade of lieutenant general.".

(b) CHIEF OF NAVAL RESERVE.—Subsections (b) and (c) of section 5143 of such title are amended to read as follows:

"(b) APPOINTMENT.—(1) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Naval Reserve from flag officers of the Navy (as defined in section 5001(1)) who have had at least 10 years of commissioned service.

"(2) The Secretary of Defense may not recommend an officer to the President for appointment as Chief of Naval Reserve unless the officer—

"(A) is recommended by the Secretary of the Navy; and

"(B) is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process established by the Chairman, to have significant joint duty experience.

"(3) An officer on active duty for service as the Chief of Naval Reserve shall be counted for purposes of the grade limitations under sections 525 and 526 of this title.

"(4) Until October 1, 2003, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Chief of Naval Reserve if the Secretary of the Navy requests the waiver and, in the judgment of the Secretary of Defense—

"(A) the officer is qualified for service in the position; and

"(B) the waiver is necessary for the good of the service. Any such waiver shall be made on a case-by-case basis.

"(c) TERM; REAPPOINTMENT; GRADE.—(1) The Chief of Naval Reserve is appointed for a term determined by the Chief of Naval Operations, normally four years, but may be removed for cause at any time. An officer serving as Chief of Naval Reserve may be reappointed for one additional term of up to four years.

"(2) The Chief of Naval Reserve, while so serving, holds the grade of vice admiral.".

(c) COMMANDER, MARINE FORCES RESERVE.—Subsections (b) and (c) of section 5144 of such title are amended to read as follows:

"(b) APPOINTMENT.—(1) The President, by and with the advice and consent of the Senate, shall appoint the Commander, Marine

Forces Reserve, from general officers of the Marine Corps (as defined in section 5001(2)) who have had at least 10 years of commissioned service.

"(2) The Secretary of Defense may not recommend an officer to the President for appointment as Commander, Marine Forces Reserve, unless the officer—

"(A) is recommended by the Secretary of the Navy; and

"(B) is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process established by the Chairman, to have significant joint duty experience.

"(3) An officer on active duty for service as the Commander, Marine Forces Reserve, shall be counted for purposes of the grade limitations under sections 525 and 526 of this title.

"(4) Until October 1, 2003, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Commander, Marine Forces Reserve, if the Secretary of the Navy requests the waiver and, in the judgment of the Secretary of Defense—

"(A) the officer is qualified for service in the position; and

"(B) the waiver is necessary for the good of the service. Any such waiver shall be made on a case-by-case basis.

"(c) TERM; REAPPOINTMENT; GRADE.—(1) The Commander, Marine Forces Reserve, is appointed for a term determined by the Commandant of the Marine Corps, normally four years, but may be removed for cause at any time. An officer serving as Commander, Marine Forces Reserve, may be reappointed for one additional term of up to four years.

"(2) The Commander, Marine Forces Reserve, while so serving, holds the grade of lieutenant general.".

(d) CHIEF OF AIR FORCE RESERVE.—Subsections (b) and (c) of section 8038 of such title are amended to read as follows:

"(b) APPOINTMENT.—(1) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Air Force Reserve from general officers of the Air Force Reserve who have had at least 10 years of commissioned service in the Air Force.

"(2) The Secretary of Defense may not recommend an officer to the President for appointment as Chief of Air Force Reserve unless the officer—

"(A) is recommended by the Secretary of the Air Force; and

"(B) is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process established by the Chairman, to have significant joint duty experience.

"(3) An officer on active duty for service as the Chief of Air Force Reserve shall be counted for purposes of the grade limitations under sections 525 and 526 of this title.

"(4) Until October 1, 2003, the Secretary of Defense may waive subparagraph (B) of paragraph (2) with respect to the appointment of an officer as Chief of Air Force Reserve if the Secretary of the Air Force requests the waiver and, in the judgment of the Secretary of Defense—

"(A) the officer is qualified for service in the position; and

"(B) the waiver is necessary for the good of the service.

Any such waiver shall be made on a case-by-case basis.

"(c) TERM; REAPPOINTMENT; GRADE.—(1) The Chief of Air Force Reserve is appointed for a period of four years, but may be removed for cause at any time. An officer serving as Chief of Air Force Reserve may be reappointed for one additional four-year period.

"(2) The Chief of Air Force Reserve, while so serving, holds the grade of lieutenant general.".

(e) DIRECTORS IN THE NATIONAL GUARD BUREAU.—Section 10506(a) of such title is amended—

(1) in subparagraphs (A) and (B) of paragraph (1), by striking "while so serving shall hold the grade of major general or, if appointed to that position in accordance with section 12505(a)(2) of this title, the grade of lieutenant general, and" and inserting "shall be appointed in accordance with paragraph (3), shall hold the grade of lieutenant general while so serving, and shall"; and

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

"(3)(A) The President, by and with the advice and consent of the Senate, shall appoint the Director, Army National Guard, from general officers of the Army National Guard of the United States and shall appoint the Director, Air National Guard, from general officers of the Air National Guard of the United States.

"(B) The Secretary of Defense may not recommend an officer to the President for appointment as Director, Army National Guard, or as Director, Air National Guard, unless the officer—

"(i) is recommended by the Secretary of the military department concerned; and

"(ii) is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process established by the Chairman, to have significant joint duty experience.

"(C) An officer on active duty for service as the Director, Army National Guard, or the Director, Air National Guard, shall be counted for purposes of the grade limitations under sections 525 and 526 of this title.

"(D) Until October 1, 2003, the Secretary of Defense may waive clause (ii) of subparagraph (B) with respect to the appointment of an officer as Director, Army National Guard, or as Director, Air National Guard, if the Secretary of the military department concerned requests the waiver and, in the judgment of the Secretary of Defense—

"(i) the officer is qualified for service in the position; and

"(ii) the waiver is necessary for the good of the service. Any such waiver shall be made on a case-by-case basis.

"(E) The Director, Army National Guard, and the Director, Air National Guard, are appointed for a period of four years, but may be removed for cause at any time. An officer serving as either Director may be reappointed for one additional four-year period.".

(f) REPEAL OF SUPERSEDED SECTION.—(1) Section 12505 of such title is repealed.

(2) The table of sections at the beginning of chapter 1213 is amended by striking the item relating to section 12505.

(g) CONFORMING INCREASE IN AUTHORIZED NUMBER OF O–9 POSITIONS.—Section 525(b) of such title is amended—

(1) in paragraph (1)—

(A) by striking "Army, Air Force, or Marine Corps" in the first sentence and inserting "Army or Air Force";

(B) by striking "15 percent" both places it appears and inserting "15.7 percent";

(C) by striking "In the case of the Army and Air Force, of" at the beginning of the second sentence and inserting "Of"; and

(D) by inserting "of the Army or Air Force" in the second sentence after "general officers"; and

(2) in paragraph (2)—

(A) by inserting "(A)" after "(2)";

(B) by striking "15 percent" both places it appears and inserting "15.7 percent"; and

(C) by adding at the end the following:

"(B) No appointment may be made in a grade above major general in the Marine Corps if that appointment would result in more than 16.2 percent of the general officers of the Marine Corps on active duty being in grades above major general.".

(h) STUDY OF INCREASE IN GRADE FOR VICE CHIEF OF NATIONAL GUARD BUREAU.—(1) The Secretary of Defense shall conduct a study of the advisability of changing the grade authorized for the Vice Chief of the National Guard Bureau from major general to lieutenant general.

(2) As part of the study, the Chief of the National Guard Bureau shall submit to the Secretary of Defense an analysis of the functions and responsibilities of the Vice Chief of the National Guard Bureau and the Chief's recommendation as to whether the grade for the Vice Chief should be changed from major general to lieutenant general.

(3) Not later than February 1, 2001, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the study. The report shall include the following—

(A) the recommendation of the Chief of the National Guard Bureau and any other information provided by the Chief to the Secretary of Defense pursuant to paragraph (2);

(B) the conclusions resulting from the study; and

(C) the Secretary's recommendations regarding whether the grade authorized for the Vice Chief of the National Guard Bureau should be changed to lieutenant general.

(i) IMPLEMENTATION.—(1) An appointment or reappointment, in the case of the incumbent in a reserve component chief position, shall be made to each of the reserve component chief positions not later than 12 months after the date of the enactment of this Act, in accordance with the amendments made by subsections (a) through (e).

(2) An officer serving in a reserve component chief position on the date of the enactment of this Act may be reappointed to that position under the amendments made by subsection (a) through (e), if eligible and otherwise qualified in accordance with those amendments. If such an officer is so reappointed, the appointment may be made for the remainder of the officer's original term or for a full new term, as specified at the time of the appointment.

(3) An officer serving on the date of the enactment of this Act in a reserve component chief position may continue to serve in that position in accordance with the provisions of law in effect immediately before the amendments made by this section until a successor is appointed under paragraph (1) (or that officer is reappointed under paragraph (1)).

(4) The amendments made by subsection (g) shall be implemented so that each increase authorized by those amendments in the number of officers in the grades of lieutenant general and vice admiral is implemented on a case-by-case basis with an initial appointment made after the date of the enactment of this Act, as specified in paragraph (1), to a reserve component chief position.

(5) For purposes of this subsection, the term "reserve component chief position" means a position specified in section 3038, 5143, 5144, or 8038 of title 10, United States Code, or the position of Director, Army National Guard or Director, Air National Guard under section 10506(a)(1) of such title.

SEC. 508. REVISION TO RULES FOR ENTITLEMENT TO SEPARATION PAY FOR REGULAR AND RESERVE OFFICERS.

(a) REGULAR OFFICERS.—Subsection (a) of section 1174 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) Notwithstanding paragraphs (1) and (2), an officer who is subject to discharge under any provision of chapter 36 of this title or under section 580 or 6383 of this title by reason of having twice failed of selection for promotion to the next higher grade is not entitled to separation pay under this section if that officer, after such second failure of selection for promotion, is selected for, and declines, continuation on active duty for a period that is equal to or more than the amount of service required to qualify the officer for retirement.".

(b) RESERVE OFFICERS.—Subsection (c) of such section is amended by adding at the end the following new paragraph:

"(4) In the case of an officer who is subject to discharge or release from active duty under a law or regulation requiring that an officer who has failed of selection for promotion to the next higher grade for the second time be discharged or released from active duty and who, after such second failure of selection for promotion, is selected for, and declines, continuation on active duty—

"(A) if the period of time for which the officer was selected for continuation on active duty is less than the amount of service that would be required to qualify the officer for retirement, the officer's discharge or release from active duty shall be considered to be involuntary for purposes of paragraph (1)(A); and

"(B) if the period of time for which the officer was selected for continuation on active duty is equal to or more than the amount of service that would be required to qualify the officer for retirement, the officer's discharge or release from active duty shall not be considered to be involuntary for the purposes of paragraph (1)(A).".

(c) EFFECTIVE DATE.—Paragraph (4) of section 1174(a) of title 10, United States Code, as added by subsection (a), and paragraph (4) of section 1174(c) of such title, as added by subsection (b), shall apply with respect to any offer of selective continuation on active duty that is declined on or after the date of the enactment of this Act.

Subtitle B—Reserve Component Personnel Policy

SEC. 521. EXEMPTION FROM ACTIVE-DUTY LIST FOR RESERVE OFFICERS ON ACTIVE DUTY FOR A PERIOD OF THREE YEARS OR LESS.

Section 641(1) of title 10, United States Code, is amended—

(1) by redesignating subparagraphs (D) through (G) as subparagraphs (E) through (H), respectively; and

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

"(D) on the reserve active-status list who are on active duty under section 12301(d) of this title, other than as provided in subparagraph (C), under a call or order to active duty specifying a period of three years or less;".

SEC. 522. TERMINATION OF APPLICATION REQUIREMENT FOR CONSIDERATION OF OFFICERS FOR CONTINUATION ON THE RESERVE ACTIVE-STATUS LIST.

Section 14701(a)(1) of title 10, United States Code, is amended by striking "Upon application, a reserve officer" and inserting "A reserve officer".

SEC. 523. AUTHORITY TO RETAIN AIR FORCE RESERVE OFFICERS IN ALL MEDICAL SPECIALTIES UNTIL SPECIFIED AGE.

Section 14703(a)(3) of title 10, United States Code, is amended by striking "veterinary officer" and all that follows through the period and inserting "Air Force nurse, Medical Service Corps officer, biomedical sciences officer, or chaplain.".

SEC. 524. AUTHORITY FOR PROVISION OF LEGAL SERVICES TO RESERVE COMPONENT MEMBERS FOLLOWING RELEASE FROM ACTIVE DUTY.

(a) LEGAL SERVICES.—Section 1044(a) 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):

"(4) Members of reserve components not covered by paragraph (1) or (2) following release from active duty under a call or order to active duty for more than 30 days issued under a mobilization authority (as determined by the Secretary of Defense), for a period of time, prescribed by the Secretary of Defense, that begins on the date of the release and is not less than twice the length of the period served on active duty under that call or order to active duty.".

(b) DEPENDENTS.—Paragraph (5) of such section, as redesignated by subsection (a)(1), is amended by striking "and (3)" and inserting "(3), and (4)".

(c) IMPLEMENTING REGULATIONS.—Regulations to implement the amendments made by this section shall be prescribed not later than 180 days after the date of the enactment of this Act.

SEC. 525. EXTENSION OF INVOLUNTARY CIVIL SERVICE RETIREMENT DATE FOR CERTAIN RESERVE TECHNICIANS.

(a) MANDATORY RETIREMENT NOT APPLICABLE UNTIL AGE 60.—Section 10218 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting "and is age 60 or older at that time" after "unreduced annuity" in paragraph (2);

(B) by inserting "or is under age 60 at that time" after "unreduced annuity" in paragraph (3)(A); and

(C) by inserting "and becoming 60 years of age" after "unreduced annuity" in paragraph (3)(B)(ii)(I); and

(2) in subsection (b)—

(A) by inserting "and is age 60 or older" after "unreduced annuity" in paragraph (1);

(B) by inserting "or is under age 60" after "unreduced annuity" in paragraph (2)(A); and

(C) by inserting "and becoming 60 years of age" after "unreduced annuity" in paragraph (2)(B)(ii)(I).

(b) TRANSITION PROVISION.—(1) An individual who before the date of the enactment of this Act was involuntarily separated or retired from employment as an Army Reserve or Air Force Reserve technician under section 10218 of title 10, United States Code, and who would not have been so separated if the provisions of subsection (c) of that section, as amended by subsection (a), had been in effect at the time of such separation may, with the approval of the Secretary concerned, be reinstated to the technician status held by that individual immediately before that separation. The effective date of any such reinstatement is the date the employee resumes technician status.

(2) The authority under paragraph (1) applies only to reinstatement for which an application is received by the Secretary concerned before the end of the one-year period beginning on the date of the enactment of this Act.

Subtitle C—Education and Training

SEC. 531. ELIGIBILITY OF CHILDREN OF RESERVES FOR PRESIDENTIAL APPOINTMENT TO SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4342(b)(1) of title 10, United States Code, is amended—

(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and

(2) by inserting after subparagraph (B) the following:

"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or

"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".

(b) UNITED STATES NAVAL ACADEMY.—Section 6954(b)(1) of such title is amended—

(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and

(2) by inserting after subparagraph (B) the following:

"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or

"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9342(b)(1) of such title is amended—

(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and

(2) by inserting after subparagraph (B) the following:

"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or

"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".

SEC. 532. SELECTION OF FOREIGN STUDENTS TO RECEIVE INSTRUCTION AT SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4344(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary of the Army shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".

(b) UNITED STATES NAVAL ACADEMY.—Section 6957(a) of such title is amended by adding at the end the following new paragraph:

"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary of the Navy shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9344(a) of such title is amended by adding at the end the following new paragraph:

"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary of the Air Force shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to academic years that begin after October 1, 2000.

SEC. 533. REVISION OF COLLEGE TUITION ASSISTANCE PROGRAM FOR MEMBERS OF MARINE CORPS PLATOON LEADERS CLASS PROGRAM.

(a) ELIGIBILITY OF OFFICERS.—Section 16401 of title 10, United States Code, is amended—

(1) in subsection (a), by striking "enlisted" in the matter preceding paragraph (1); and

(2) in subsection (b)(1)—

(A) by striking "an enlisted member" in the matter preceding subparagraph (A) and inserting "a member"; and

(B) by striking "an officer candidate in" in subparagraph (A) and inserting "a member of".

(b) REPEAL OF AGE LIMITATIONS.—Subsection (b) of such section is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (B);

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(C) in subparagraph (C), as so redesignated, by striking "paragraph (3)" and inserting "paragraph (2)";

(2) by striking paragraph (2);

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

(4) in paragraph (2), as so redesignated, by striking "paragraph (1)(D)" and inserting "paragraph (1)(C)".

(c) CANDIDATES FOR LAW DEGREES.—Subsection (a)(2) of such section is amended by striking "three" and inserting "four".

(d) SANCTIONS; EXCEPTIONS.—Subsection (f) of such section is amended—

(1) in paragraph (1)—

(A) by striking "A member who" and inserting "An enlisted member who";

(B) by inserting "and an officer who receives financial assistance under this section may be required to repay the full amount of financial assistance," after "for more than four years,"; and

(C) by inserting "or, if already a commissioned officer in the Marine Corps, refuses to accept an assignment on active duty when offered" in subparagraph (A) after "when offered"; and

(2) by striking paragraph (2) and inserting the following:

"(2) The Secretary of the Navy may waive the requirements of paragraph (1) in the case of a person who—

"(A) becomes unqualified to serve on active duty as an officer due to a circumstance not within the control of the person;

"(B) is not physically qualified for appointment under section 532 of this title and later is determined by the Secretary of the Navy under section 505 of this title to be unqualified for service as an enlisted member of the Marine Corps due to a physical or medical condition that was not the result of misconduct or grossly negligent conduct; or

"(C) fails to complete the military or academic requirements of the Marine Corps Platoon Leaders Class program due to a circumstance not within the control of the person.".

(e) CLARIFICATION OF SERVICE EXCLUDED IN COMPUTATION OF CREDITABLE SERVICE AS A MARINE CORPS OFFICER.—(1) Section 205(f) of title 37, United States Code, is amended by striking "that the officer performed concurrently as a member" and inserting "that the officer performed concurrently as an enlisted member".

(2) Such section is further amended by striking "section 12209" and inserting "section 12203".

(f) AMENDMENTS OF HEADINGS.—(1) The heading of section 16401 of title 10, United States Code, is amended to read as follows:

"§ 16401. Marine Corps Platoon Leaders Class: college tuition assistance program".

(2) The heading for subsection (a) of such section is amended by striking "FOR FINANCIAL ASSISTANCE PROGRAM".

(g) CLERICAL AMENDMENT.—The item relating to such section in the table of chapters at the beginning of chapter 1611 of title 10, United States Code, is amended to read as follows:

"16401. Marine Corps Platoon Leaders Class: college tuition assistance program.".

SEC. 534. REVIEW OF ALLOCATION OF JUNIOR RESERVE OFFICERS TRAINING CORPS UNITS AMONG THE SERVICES.

(a) REALLOCATION OF JROTC UNITS.—Not later than March 31, 2001, the Secretary of Defense shall—

(1) review the allocation among the military departments of the statutory maximum number of Junior Reserve Officers' Training Corps (JROTC) units; and

(2) redistribute the allocation of those units planned (as of the date of the enactment of this Act) for fiscal years 2001 through 2006 so as to increase the number of units for a military department that proposes to more quickly eliminate the current waiting list for such units and to commit the necessary resources for that purpose.

(b) PROPOSAL FOR INCREASE IN STATUTORY MAXIMUM.—If, based on the review under subsection (a) and the redistribution of the allocation of JROTC units under that subsection, the Secretary determines that an increase in the statutory maximum number of such units is warranted, the Secretary shall include a proposal for such an increase in the budget proposal of the Department of Defense for fiscal year 2002.

SEC. 535. AUTHORITY FOR NAVAL POSTGRADUATE SCHOOL TO ENROLL CERTAIN DEFENSE INDUSTRY CIVILIANS IN SPECIFIED PROGRAMS RELATING TO DEFENSE PRODUCT DEVELOPMENT.

(a) IN GENERAL.—(1) Chapter 605 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7049. Defense industry civilians: admission to defense product development program

"(a) AUTHORITY FOR ADMISSION.—The Secretary of the Navy may permit eligible defense industry employees to receive instruction at the Naval Postgraduate School in accordance with this section. Any such defense industry employee may only be enrolled in, and may only be provided instruction in, a program leading to a master's degree in a curriculum related to defense product development. No more than 10 such defense industry employees may be enrolled at any one time. Upon successful completion of the course of instruction in which enrolled, any such defense industry employee may be awarded an appropriate degree under section 7048 of this title.

"(b) ELIGIBLE DEFENSE INDUSTRY EMPLOYEES.—For purposes of this section, an eligible defense industry employee is an individual employed by a private firm that is engaged in providing to the Department of Defense significant and substantial defense-related systems, products, or services. A defense industry employee admitted for instruction at the school remains eligible for such instruction only so long as that person remains employed by the same firm.

"(c) ANNUAL CERTIFICATION BY THE SECRETARY OF THE NAVY.—Defense industry employees may receive instruction at the school during any academic year only if, before the start of that academic year, the Secretary of the Navy determines, and certifies to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, that providing instruction to defense industry employees under this section during that year—

"(1) will further the military mission of the school;

"(2) will enhance the ability of the Department of Defense and defense-oriented private sector contractors engaged in the design and development of defense systems to reduce the product and project lead times required to bring such systems to initial operational capability; and

"(3) will be done on a space-available basis and not require an increase in the size of the faculty of the school, an increase in the course offerings of the school, or an increase in the laboratory facilities or other infrastructure of the school.

"(d) PROGRAM REQUIREMENTS.—The Secretary of the Navy shall ensure that—

"(1) the curriculum for the defense product development program in which defense industry employees may be enrolled under this section is not readily available through other schools and concentrates on defense product development functions that are conducted by military organizations and defense contractors working in close cooperation; and

"(2) the course offerings at the school continue to be determined solely by the needs of the Department of Defense.

"(e) TUITION.—The Superintendent of the school shall charge tuition for students enrolled under this section at a rate not less than the rate charged for employees of the United States outside the Department of the Navy.

"(f) STANDARDS OF CONDUCT.—While receiving instruction at the school, students enrolled under this section, to the extent practicable, are subject to the same regulations governing academic performance, attendance, norms of behavior, and enrollment as apply to Government civilian employees receiving instruction at the school.

"(g) USE OF FUNDS.—Amounts received by the school for instruction of students enrolled under this section shall be retained by the school to defray the costs of such instruction. The source, and the disposition, of such funds shall be specifically identified in records of the school.".

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

"7049. Defense industry civilians: admission to defense product development program.".

(b) PROGRAM EVALUATION AND REPORT.—(1) Before the start of the fourth year of instruction, but no earlier than the start of the third year of instruction, of defense industry employees at the Naval Postgraduate School under section 7049 of title 10, United States Code, as added by subsection (a), the Secretary of the Navy shall conduct an evaluation of the admission of such students under that section. The evaluation shall include the following:

(A) An assessment of whether the authority for instruction of nongovernment civilians at the school has resulted in a discernible benefit for the Government.

(B) Determination of whether the receipt and disposition of funds received by the school as tuition for instruction of such civilians at the school have been properly identified in records of the school.

(C) A summary of the disposition and uses made of those funds.

(D) An assessment of whether instruction of such civilians at the school is in the best interests of the Government.

(2) Not later than 30 days after completing the evaluation referred to in paragraph (1), the Secretary of the Navy shall submit to the Secretary of Defense a report on the program under such section. The report shall include—

(A) the results of the evaluation under paragraph (1);

(B) the Secretary's conclusions and recommendation with respect to continuing to allow nongovernment civilians to receive instruction at the Naval Postgraduate School as part of a program related to defense product development; and

(C) any proposals for legislative changes recommended by the Secretary.

(3) Not later than 60 days after receiving the report of the Secretary of the Navy under paragraph (2), the Secretary of Defense shall submit the report, together with any comments that the Secretary considers appropriate, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

Subtitle D—Decorations, Awards, and Commendations

SEC. 541. LIMITATION ON AWARD OF BRONZE STAR TO MEMBERS IN RECEIPT OF IMMINENT DANGER PAY.

(a) IN GENERAL.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1133. Bronze Star: limitation to members receiving imminent danger pay

"The decoration known as the 'Bronze Star' may only be awarded to a member of the armed forces who is in receipt of special pay under section 310 of title 37 at the time of the events for which the decoration is to be awarded or who receives such pay as a result of those events.".

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

"1133. Bronze star: limitation to members receiving imminent danger pay.".

SEC. 542. CONSIDERATION OF PROPOSALS FOR POSTHUMOUS OR HONORARY PROMOTIONS OR APPOINTMENTS OF MEMBERS OR FORMER MEMBERS OF THE ARMED FORCES AND OTHER QUALIFIED PERSONS.

(a) IN GENERAL.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1563. Consideration of proposals for posthumous and honorary promotions and appointments: procedures for review and recommendation

"(a) REVIEW BY SECRETARY CONCERNED.—Upon request of a Member of Congress, the Secretary concerned shall review a proposal for the posthumous or honorary promotion or appointment of a member or former member of the armed forces, or any other person considered qualified, that is not otherwise authorized by law. Based upon such review, the Secretary shall make a determination as to the merits of approving the posthumous or honorary promotion or appointment and the other determinations necessary to comply with subsection (b).

"(b) NOTICE OF RESULTS OF REVIEW.—Upon making a determination under subsection (a) as to the merits of approving the posthumous or honorary promotion or appointment, the Secretary concerned shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives and to the requesting Member of Congress notice in writing of one of the following:

"(1) The posthumous or honorary promotion or appointment does not warrant approval on the merits.

"(2) The posthumous or honorary promotion or appointment warrants approval and authorization by law for the promotion or appointment is recommended.

"(3) The posthumous or honorary promotion or appointment warrants approval on the merits and has been recommended to the President as an exception to policy.

"(4) The posthumous or honorary promotion or appointment warrants approval on the merits and authorization by law for the promotion or appointment is required but is not recommended.

A notice under paragraph (1) or (4) shall be accompanied by a statement of the reasons for the decision of the Secretary.

"(c) DEFINITION.—In this section, the term 'Member of Congress' means—

"(1) a Senator; or

"(2) a Representative in, or a Delegate or Resident Commissioner to, Congress.".

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

"1563. Consideration of proposals for posthumous and honorary promotions and appointments: procedures for review and recommendation.".

SEC. 543. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

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

(b) SILVER STAR.—Subsection (a) applies to the award of the Silver Star to Louis Rickler, of Rochester, New York, for gallantry in action from August 18 to November 18, 1918, while serving as a member of the Army.

(c) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 5, 1999, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 544. ADDITION OF CERTAIN INFORMATION TO MARKERS ON GRAVES CONTAINING REMAINS OF CERTAIN UNKNOWNS FROM THE U.S.S. ARIZONA WHO DIED IN THE JAPANESE ATTACK ON PEARL HARBOR ON DECEMBER 7, 1941.

(a) INFORMATION TO BE PROVIDED SECRETARY OF VETERANS AFFAIRS.—The Secretary of the Army shall provide to the Secretary of Veterans Affairs certain information, as specified in subsection (b), pertaining to the remains of certain unknown persons that are interred in the National Memorial Cemetery of the Pacific, Honolulu, Hawaii. The Secretary of Veterans Affairs shall add to the inscriptions on the markers on the graves containing those remains the information provided.

(b) INFORMATION TO BE ADDED.—The information to be added to grave markers under subsection (a)—

(1) shall be determined by the Secretary of the Army, based on a review of the information that, as of the date of the enactment of this Act, has been authenticated by the director of the Naval Historical Center, Washington, D.C., pertaining to the interment of remains of certain unknown casualties from the U.S.S. ARIZONA who died as a result of the Japanese attack on Pearl Harbor on December 7, 1941; and

(2) shall, at a minimum, indicate that the interred remains are from the U.S.S. ARIZONA.

(c) LIMITATION OF SCOPE OF SECTION.—This section does not impose any requirement on the Secretary of the Army to undertake a review of any information pertaining to the interred remains of any unknown person other than as provided in subsection (b).

SEC. 545. SENSE OF CONGRESS ON THE COURT-MARTIAL CONVICTION OF CAPTAIN CHARLES BUTLER McVAY, COMMANDER OF THE U.S.S. INDIANAPOLIS, AND ON THE COURAGEOUS SERVICE OF THE CREW OF THAT VESSEL.

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

(1) Shortly after midnight on the morning of July 30, 1945, during the closing days of World War II, the United States Navy heavy cruiser U.S.S. Indianapolis (CA–35) was torpedoed and sunk by the Japanese submarine I–58 in what became the worst sea disaster in the history of the United States Navy.

(2) Although approximately 900 of the ship's crew of 1,196 survived the actual sinking, only 316 of those courageous sailors survived when rescued after four and a half days adrift in

the open sea, the remainder having perishing from battle wounds, drowning, predatory shark attacks, exposure to the elements, and lack of food and potable water.

(3) Rescue for the remaining 316 sailors came only when they were spotted by chance by Navy Lieutenant Wilbur C. Gwinn while flying a routine naval air patrol mission.

(4) After the end of World War II, the commanding officer of the U.S.S. Indianapolis, Captain Charles Butler McVay, III, who was rescued with the other survivors, was court-martialed for "suffering a vessel to be hazarded through negligence" by failing to zigzag (a naval tactic employed to help evade submarine attacks) and was convicted even though—

(A) the choice to zigzag was left to Captain McVay's discretion in his orders; and

(B) Motchisura Hashimoto, the commander of the Japanese submarine that sank the U.S.S. Indianapolis, and Glynn R. Donaho, a United States Navy submarine commander highly decorated for his service during World War II, both testified at Captain McVay's court-martial trial that the Japanese submarine could have sunk the U.S.S. Indianapolis whether or not it had been zigzagging, an assertion that has since been reaffirmed in a letter to the Chairman of the Committee on Armed Services of the Senate dated November 24, 1999.

(5) Although not argued by Captain McVay's defense counsel in the court-martial trial, poor visibility on the night of the sinking (as attested in surviving crew members' handwritten accounts recently discovered at the National Archives) justified Captain McVay's choice not to zigzag as that choice was consistent with the applicable Navy directives in force in 1945, which stated that, "During thick weather and at night, except on very clear nights or during bright moonlight, vessels normally cease zig-zagging.".

(6) Before the U.S.S. Indianapolis sailed from Guam on what became her final voyage, Naval officials failed to provide Captain McVay with available support that was critical to the safety of the U.S.S. Indianapolis and her crew by—

(A) disapproving a request made by Captain McVay for a destroyer escort for the U.S.S. Indianapolis across the Philippine Sea as being "not necessary";

(B) not informing Captain McVay that naval intelligence sources, through signal intelligence (the Japanese code having been broken earlier in World War II), had become aware that the Japanese submarine I–58 was operating in the area of the U.S.S. Indianapolis' course (as disclosed in evidence presented in a hearing of the Committee on Armed Services of the Senate conducted September 14, 1999); and

(C) not informing Captain McVay of the sinking of the destroyer escort U.S.S. Underhill by a Japanese submarine within range of the course of the U.S.S. Indianapolis four days before the U.S.S. Indianapolis departed Guam for the Philippine Islands.

(7) Captain McVay's court-martial initially was opposed by his immediate command superiors, Fleet Admiral Chester Nimitz (CINCPAC) and Vice Admiral Raymond Spruance of the 5th fleet, for whom the U.S.S. Indianapolis had served

as flagship, but, despite their recommendations, Secretary of the Navy James Forrestal ordered the court-martial, largely on the basis of the recommendation of Fleet Admiral Ernest King, Chief of Naval Operations.

(8) There is no explanation on the public record for the overruling by Secretary Forrestal of the recommendations made by Admirals Nimitz and Spruance.

(9) Captain McVay was the only commander of a United States Navy vessel lost in combat to enemy action during World War II who was subjected to a court-martial trial for such a loss, even though several hundred United States Navy ships were lost in combat to enemy action during World War II.

(10) The survivors of the U.S.S. Indianapolis overwhelmingly conclude that Captain McVay was not at fault in the loss of the U.S.S. Indianapolis and have dedicated their lives to vindicating their Captain McVay.

(11) Although promoted to the grade of rear admiral in accordance with then-applicable law upon retirement from the Navy in 1949, Captain McVay never recovered from the stigma of his post-war court-martial and in 1968, tragically, took his own life.

(12) Charles Butler McVay, III—

(A) was a graduate of the United States Naval Academy;

(B) was an exemplary career naval officer with an outstanding record (including participation in the amphibious invasions of North Africa, the assault on Iwo Jima, and the assault on Okinawa where the U.S.S. Indianapolis under his command survived a fierce kamikaze attack);

(C) was a recipient of the Silver Star earned for courage under fire during the Solomon Islands campaign; and

(D) with the crew of the U.S.S. Indianapolis, had so thoroughly demonstrated proficiency in naval warfare that the Navy entrusted him and the crew of the U.S.S. Indianapolis with transporting to the Pacific theater components necessary for assembling the atomic bombs that were exploded over Hiroshima and Nagasaki to end the war with Japan (delivery of such components to the island of Tinian having been accomplished on July 25, 1945).

(b) SENSE OF CONGRESS CONCERNING CHARLES BUTLER MCVAY, III.—With respect to the sinking of the U.S.S. Indianapolis (CA–35) on July 30, 1945, and the subsequent court-martial conviction of the ship's commanding officer, Captain Charles Butler McVay, III, arising from that sinking, it is the sense of Congress, based on the review of evidence by the Senate and the House of Representatives—

(1) that, in light of the remission by the Secretary of the Navy of the sentence of the court-martial and the restoration of Captain McVay to active duty by the Chief of Naval Operations, Fleet Admiral Chester Nimitz, the American people should now recognize Captain McVay's lack of culpability for the tragic loss of the U.S.S. Indianapolis and the lives of the men who died as a result of the sinking of that vessel; and

(2) that, in light of the fact that certain exculpatory information was not available to the court-martial board and that Captain McVay's conviction resulted therefrom, Captain

McVay's military record should now reflect that he is exonerated for the loss of the U.S.S. Indianapolis and so many of her crew.

(c) UNIT CITATION FOR FINAL CREW OF U.S.S. INDIANAPOLIS.—The Secretary of the Navy should award a Navy Unit Commendation to the U.S.S. Indianapolis (CA–35) and her final crew.

SEC. 546. POSTHUMOUS ADVANCEMENT ON RETIRED LIST OF REAR ADMIRAL HUSBAND E. KIMMEL AND MAJOR GENERAL WALTER C. SHORT, SENIOR OFFICERS IN COMMAND IN HAWAII ON DECEMBER 7, 1941.

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

(1) The late Rear Admiral Husband E. Kimmel, while serving in the temporary grade of admiral, was the Commander in Chief of the United States Fleet and the Commander in Chief, United States Pacific Fleet, at the time of the Japanese attack on Pearl Harbor, Hawaii, on December 7, 1941, with an excellent and unassailable record throughout his career in the United States Navy before that date.

(2) The late Major General Walter C. Short, while serving in the temporary grade of lieutenant general, was the Commander of the United States Army Hawaiian Department, at the time of the Japanese attack on Pearl Harbor, Hawaii, on December 7, 1941, with an excellent and unassailable record throughout his career in the United States Army before that date.

(3) Numerous investigations following the attack on Pearl Harbor have documented that Admiral Kimmel and Lieutenant General Short were not provided necessary and critical intelligence that was available, that foretold of war with Japan, that warned of imminent attack, and that would have alerted them to prepare for the attack, including such essential communiques as the Japanese Pearl Harbor Bomb Plot message of September 24, 1941, and the message sent from the Imperial Japanese Foreign Ministry to the Japanese Ambassador in the United States from December 6 to 7, 1941, known as the Fourteen-Part Message.

(4) On December 16, 1941, Admiral Kimmel and Lieutenant General Short were relieved of their commands and returned to their permanent grades of rear admiral and major general, respectively.

(5) Admiral William Harrison Standley, who served as a member of the investigating commission known as the Roberts Commission that accused Admiral Kimmel and Lieutenant General Short of "dereliction of duty" only six weeks after the attack on Pearl Harbor, later disavowed the report, maintaining that "these two officers were martyred" and "if they had been brought to trial, both would have been cleared of the charge".

(6) On October 19, 1944, a Naval Court of Inquiry—

(A) exonerated Admiral Kimmel on the grounds that his military decisions and the disposition of his forces at the time of the December 7, 1941, attack on Pearl Harbor were proper "by virtue of the information that Admiral Kimmel had at hand which indicated neither the probability nor the imminence of an air attack on Pearl Harbor";

(B) criticized the higher command for not sharing with Admiral Kimmel "during the very critical period of November 26 to December 7, 1941, important information . . . regarding the Japanese situation"; and

(C) concluded that the Japanese attack and its outcome was attributable to no serious fault on the part of anyone in the naval service.

(7) On June 15, 1944, an investigation conducted by Admiral T. C. Hart at the direction of the Secretary of the Navy produced evidence, subsequently confirmed, that essential intelligence concerning Japanese intentions and war plans was available in Washington but was not shared with Admiral Kimmel.

(8) On October 20, 1944, the Army Pearl Harbor Board of Investigation determined that—

(A) Lieutenant General Short had not been kept "fully advised of the growing tenseness of the Japanese situation which indicated an increasing necessity for better preparation for war";

(B) detailed information and intelligence about Japanese intentions and war plans were available in "abundance" but were not shared with the Lieutenant General Short's Hawaii command; and

(C) Lieutenant General Short was not provided "on the evening of December 6th and the early morning of December 7th, the critical information indicating an almost immediate break with Japan, though there was ample time to have accomplished this".

(9) The reports by both the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation were kept secret, and Rear Admiral Kimmel and Major General Short were denied their requests to defend themselves through trial by court-martial.

(10) The joint committee of Congress that was established to investigate the conduct of Admiral Kimmel and Lieutenant General Short completed, on May 31, 1946, a 1,075-page report which included the conclusions of the committee that the two officers had not been guilty of dereliction of duty.

(11) On April 27, 1954, the Chief of Naval Personnel, Admiral J. L. Holloway, Jr., recommended that Rear Admiral Kimmel be advanced in rank in accordance with the provisions of the Officer Personnel Act of 1947.

(12) On November 13, 1991, a majority of the members of the Board for the Correction of Military Records of the Department of the Army found that Major General Short "was unjustly held responsible for the Pearl Harbor disaster" and that "it would be equitable and just" to advance him to the rank of lieutenant general on the retired list.

(13) In October 1994, the Chief of Naval Operations, Admiral Carlisle Trost, withdrew his 1988 recommendation against the advancement of Rear Admiral Kimmel and recommended that his case be reopened.

(14) Although the Dorn Report, a report on the results of a Department of Defense study that was issued on December 15, 1995, did not provide support for an advancement of Rear Admiral Kimmel or Major General Short in grade, it did set forth as a conclusion of the study that "responsibility for the

Pearl Harbor disaster should not fall solely on the shoulders of Admiral Kimmel and Lieutenant General Short, it should be broadly shared".

(15) The Dorn Report found—

(A) that "Army and Navy officials in Washington were privy to intercepted Japanese diplomatic communications . . . which provided crucial confirmation of the imminence of war";

(B) that "the evidence of the handling of these messages in Washington reveals some ineptitude, some unwarranted assumptions and misestimations, limited coordination, ambiguous language, and lack of clarification and followup at higher levels"; and

(C) that "together, these characteristics resulted in failure . . . to appreciate fully and to convey to the commanders in Hawaii the sense of focus and urgency that these intercepts should have engendered".

(16) On July 21, 1997, Vice Admiral David C. Richardson (United States Navy, retired) responded to the Dorn Report with his own study which confirmed findings of the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation and established, among other facts, that the war effort in 1941 was undermined by a restrictive intelligence distribution policy, and the degree to which the commanders of the United States forces in Hawaii were not alerted about the impending attack on Hawaii was directly attributable to the withholding of intelligence from Admiral Kimmel and Lieutenant General Short.

(17) The Officer Personnel Act of 1947, in establishing a promotion system for the Navy and the Army, provided a legal basis for the President to honor any officer of the Armed Forces of the United States who served his country as a senior commander during World War II with a placement of that officer, with the advice and consent of the Senate, on the retired list with the highest grade held while on the active duty list.

(18) Rear Admiral Kimmel and Major General Short are the only two officers eligible for advancement under the Officer Personnel Act of 1947 as senior World War II commanders who were excluded from the list of retired officers presented for advancement on the retired lists to their highest wartime grades under that Act.

(19) This singular exclusion of those two officers from advancement on the retired list serves only to perpetuate the myth that the senior commanders in Hawaii were derelict in their duty and responsible for the success of the attack on Pearl Harbor, a distinct and unacceptable expression of dishonor toward two of the finest officers who have served in the Armed Forces of the United States.

(20) Major General Walter Short died on September 23, 1949, and Rear Admiral Husband Kimmel died on May 14, 1968, without the honor of having been returned to their wartime grades as were their fellow commanders of World War II.

(21) The Veterans of Foreign Wars, the Pearl Harbor Survivors Association, the Admiral Nimitz Foundation, the Naval Academy Alumni Association, the Retired Officers Association,

and the Pearl Harbor Commemorative Committee, and other associations and numerous retired military officers have called for the rehabilitation of the reputations and honor of Admiral Kimmel and Lieutenant General Short through their posthumous advancement on the retired lists to their highest wartime grades.

(b) ADVANCEMENT OF REAR ADMIRAL KIMMEL AND MAJOR GENERAL SHORT ON RETIRED LISTS.—(1) The President is requested—

(A) to advance the late Rear Admiral Husband E. Kimmel, United States Navy (retired), to the grade of admiral on the retired list of the Navy; and

(B) to advance the late Major General Walter C. Short, United States Army (retired), to the grade of lieutenant general on the retired list of the Army.

(2) Any advancement in grade on a retired list requested under paragraph (1) shall not increase or change the compensation or benefits from the United States to which any person is now or may in the future be entitled based upon the military service of the officer advanced.

(c) SENSE OF CONGRESS REGARDING THE PROFESSIONAL PERFORMANCE OF ADMIRAL KIMMEL AND LIEUTENANT GENERAL SHORT.—It is the sense of Congress—

(1) that the late Rear Admiral Husband E. Kimmel performed his duties as Commander in Chief, United States Pacific Fleet, competently and professionally and, therefore, that the losses incurred by the United States in the attacks on the naval base at Pearl Harbor, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by then Admiral Kimmel; and

(2) that the late Major General Walter C. Short performed his duties as Commanding General, Hawaiian Department, competently and professionally and, therefore, that the losses incurred by the United States in the attacks on Hickam Army Air Field and Schofield Barracks, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by then Lieutenant General Short.

SEC. 547. COMMENDATION OF CITIZENS OF REMY, FRANCE, FOR WORLD WAR II ACTIONS.

(a) FINDINGS.—The Congress finds the following:

(1) On August 2, 1944, a squadron of P–51s from the United States 364th Fighter Group strafed a German munitions train in Remy, France.

(2) The resulting explosion killed Lieutenant Houston Braly, one of the attacking pilots, and destroyed much of the village of Remy, including seven stained glass windows in the 13th century church.

(3) Despite threats of reprisals from the occupying German authorities, the citizens of Remy recovered Lieutenant Braly's body from the wreckage, buried his body with dignity and honor in the church's cemetery, and decorated the grave site daily with fresh flowers.

(4) On Armistice Day, 1995, the village of Remy renamed the crossroads near the site of Lieutenant Braly's death in his honor.

(5) The surviving members of the 364th Fighter Group desire to express their gratitude to the brave citizens of Remy.

(6) To express their gratitude, the surviving members of the 364th Fighter Group have organized a nonprofit corporation to raise funds, through its project "Windows for Remy", to restore the church's stained glass windows.

(b) COMMENDATION AND RECOGNITION.—The Congress commends the bravery and honor of the citizens of Remy, France, for their actions with respect to the American fighter pilot Lieutenant Houston Braly during and after August 1944, and recognizes the efforts of the surviving members of the United States 364th Fighter Group to raise funds to restore the stained glass windows of Remy's 13th century church.

SEC. 548. AUTHORITY FOR AWARD OF THE MEDAL OF HONOR TO WILLIAM H. PITSENBARGER FOR VALOR DURING THE VIETNAM WAR.

(a) WAIVER OF TIME LIMITATIONS.—Notwithstanding the period of limitations specified in section 8744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the Air Force, the President may award the Medal of Honor under section 8741 of that title, posthumously, to William H. Pitsenbarger of Piqua, Ohio, for the acts of valor referred to in subsection (b).

(b) ACTION DEFINED.—The acts of valor referred to in subsection (a) are the actions of William H. Pitsenbarger on April 11, 1966, as an Air Force pararescue crew member, serving in the grade of Airman First Class at Cam My, Republic of Vietnam, with Detachment 6, 38th Aerospace Rescue and Recovery Helicopter Squadron, in support of the combat mission known as "Operations Abilene".

Subtitle E—Military Justice and Legal Assistance Matters

SEC. 551. RECOGNITION BY STATES OF MILITARY TESTAMENTARY INSTRUMENTS.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1044c the following new section:

"§ 1044d. Military testamentary instruments: requirement for recognition by States

"(a) TESTAMENTARY INSTRUMENTS TO BE GIVEN LEGAL EFFECT.—A military testamentary instrument—

"(1) is exempt from any requirement of form, formality, or recording before probate that is provided for testamentary instruments under the laws of a State; and

"(2) has the same legal effect as a testamentary instrument prepared and executed in accordance with the laws of the State in which it is presented for probate.

"(b) MILITARY TESTAMENTARY INSTRUMENTS.—For purposes of this section, a military testamentary instrument is an instrument that is prepared with testamentary intent in accordance with regulations prescribed under this section and that—

"(1) is executed in accordance with subsection (c) by (or on behalf of) a person, as a testator, who is eligible for military legal assistance;

"(2) makes a disposition of property of the testator; and

"(3) takes effect upon the death of the testator.

"(c) REQUIREMENTS FOR EXECUTION OF MILITARY TESTAMENTARY INSTRUMENTS.—An instrument is valid as a military testamentary instrument only if—

"(1) the instrument is executed by the testator (or, if the testator is unable to execute the instrument personally, the instrument is executed in the presence of, by the direction of, and on behalf of the testator);

"(2) the instrument is executed in the presence of a military legal assistance counsel acting as presiding attorney;

"(3) the instrument is executed in the presence of at least two disinterested witnesses (in addition to the presiding attorney), each of whom attests to witnessing the testator's execution of the instrument by signing it; and

"(4) the instrument is executed in accordance with such additional requirements as may be provided in regulations prescribed under this section.

"(d) SELF-PROVING MILITARY TESTAMENTARY INSTRUMENTS.—(1) If the document setting forth a military testamentary instrument meets the requirements of paragraph (2), then the signature of a person on the document as the testator, an attesting witness, a notary, or the presiding attorney, together with a written representation of the person's status as such and the person's military grade (if any) or other title, is prima facie evidence of the following:

"(A) That the signature is genuine.

"(B) That the signatory had the represented status and title at the time of the execution of the will.

"(C) That the signature was executed in compliance with the procedures required under the regulations prescribed under subsection (f).

"(2) A document setting forth a military testamentary instrument meets the requirements of this paragraph if it includes (or has attached to it), in a form and content required under the regulations prescribed under subsection (f), each of the following:

"(A) A certificate, executed by the testator, that includes the testator's acknowledgment of the testamentary instrument.

"(B) An affidavit, executed by each witness signing the testamentary instrument, that attests to the circumstances under which the testamentary instrument was executed.

"(C) A notarization, including a certificate of any administration of an oath required under the regulations, that is signed by the notary or other official administering the oath.

"(e) STATEMENT TO BE INCLUDED.—(1) Under regulations prescribed under this section, each military testamentary instrument shall contain a statement that sets forth the provisions of subsection (a).

"(2) Paragraph (1) shall not be construed to make inapplicable the provisions of subsection (a) to a testamentary instrument that does not include a statement described in that paragraph.

"(f) REGULATIONS.—Regulations for the purposes of this section shall be prescribed jointly by the Secretary of Defense and by the Secretary of Transportation with respect to the Coast Guard

when it is not operating as a service in the Department of the Navy.

"(g) DEFINITIONS.—In this section:

"(1) The term 'person eligible for military legal assistance' means a person who is eligible for legal assistance under section 1044 of this title.

"(2) The term 'military legal assistance counsel' means—

"(A) a judge advocate (as defined in section 801(13) of this title); or

"(B) a civilian attorney serving as a legal assistance officer under the provisions of section 1044 of this title.

"(3) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and each possession of the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1044c the following new item:

"1044d. Military testamentary instruments: requirement for recognition by States.".

SEC. 552. POLICY CONCERNING RIGHTS OF INDIVIDUALS WHOSE NAMES HAVE BEEN ENTERED INTO DEPARTMENT OF DEFENSE OFFICIAL CRIMINAL INVESTIGATIVE REPORTS.

(a) POLICY REQUIREMENT.—The Secretary of Defense shall establish a policy creating a uniform process within the Department of Defense that—

(1) affords any individual who, in connection with the investigation of a reported crime, is designated (by name or by any other identifying information) as a suspect in the case in any official investigative report, or in a central index for potential retrieval and analysis by law enforcement organizations, an opportunity to obtain a review of that designation; and

(2) requires the expungement of the name and other identifying information of any such individual from such report or index in any case in which it is determined the entry of such identifying information on that individual was made contrary to Department of Defense requirements.

(b) EFFECTIVE DATE.—The policy required by subsection (a) shall be established not later than 120 days after the date of the enactment of this Act.

SEC. 553. LIMITATION ON SECRETARIAL AUTHORITY TO GRANT CLEMENCY FOR MILITARY PRISONERS SERVING SENTENCE OF CONFINEMENT FOR LIFE WITHOUT ELIGIBILITY FOR PAROLE.

(a) LIMITATION.—Section 874(a) of title 10, United States Code (article 74(a) of the Uniform Code of Military Justice), is amended by adding at the end the following new sentence: "However, in the case of a sentence of confinement for life without eligibility for parole, after the sentence is ordered executed, the authority of the Secretary concerned under the preceding sentence (1) may not be delegated, and (2) may be exercised only after the service of a period of confinement of not less than 20 years.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall not apply with respect to a sentence of confinement for life

without eligibility for parole that is adjudged for an offense committed before the date of the enactment of this Act.

SEC. 554. AUTHORITY FOR CIVILIAN SPECIAL AGENTS OF MILITARY DEPARTMENT CRIMINAL INVESTIGATIVE ORGANIZATIONS TO EXECUTE WARRANTS AND MAKE ARRESTS.

(a) DEPARTMENT OF THE ARMY.—(1) Chapter 373 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4027. Civilian special agents of the Criminal Investigation Command: authority to execute warrants and make arrests

"(a) AUTHORITY.—The Secretary of the Army may authorize any Department of the Army civilian employee described in subsection (b) to have the same authority to execute and serve warrants and other processes issued under the authority of the United States and to make arrests without a warrant as may be authorized under section 1585a of this title for special agents of the Defense Criminal Investigative Service.

"(b) AGENTS TO HAVE AUTHORITY.—Subsection (a) applies to any employee of the Department of the Army who is a special agent of the Army Criminal Investigation Command (or a successor to that command) whose duties include conducting, supervising, or coordinating investigations of criminal activity in programs and operations of the Department of the Army.

"(c) GUIDELINES FOR EXERCISE OF AUTHORITY.—The authority provided under subsection (a) shall be exercised in accordance with guidelines prescribed by the Secretary of the Army and approved by the Secretary of Defense and the Attorney General and any other applicable guidelines prescribed by the Secretary of the Army, the Secretary of Defense, or the Attorney General.".

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

"4027. Civilian special agents of the Criminal Investigation Command: authority to execute warrants and make arrests.".

(b) DEPARTMENT OF THE NAVY.—(1) Chapter 643 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7480. Special agents of the Naval Criminal Investigative Service: authority to execute warrants and make arrests

"(a) AUTHORITY.—The Secretary of the Navy may authorize any Department of the Navy civilian employee described in subsection (b) to have the same authority to execute and serve warrants and other processes issued under the authority of the United States and to make arrests without a warrant as may be authorized under section 1585a of this title for special agents of the Defense Criminal Investigative Service.

"(b) AGENTS TO HAVE AUTHORITY.—Subsection (a) applies to any employee of the Department of the Navy who is a special agent of the Naval Criminal Investigative Service (or any successor to that service) whose duties include conducting, supervising, or coordinating investigations of criminal activity in programs and operations of the Department of the Navy.

"(c) GUIDELINES FOR EXERCISE OF AUTHORITY.—The authority provided under subsection (a) shall be exercised in accordance with guidelines prescribed by the Secretary of the Navy and approved by the Secretary of Defense and the Attorney General and any other applicable guidelines prescribed by the Secretary of the Navy, the Secretary of Defense, or the Attorney General.".

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

"7480. Special agents of the Naval Criminal Investigative Service: authority to execute warrants and make arrests.".

(c) DEPARTMENT OF THE AIR FORCE.—(1) Chapter 873 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9027. Civilian special agents of the Office of Special Investigations: authority to execute warrants and make arrests

"(a) AUTHORITY.—The Secretary of the Air Force may authorize any Department of the Air Force civilian employee described in subsection (b) to have the same authority to execute and serve warrants and other processes issued under the authority of the United States and to make arrests without a warrant as may be authorized under section 1585a of this title for special agents of the Defense Criminal Investigative Service.

"(b) AGENTS TO HAVE AUTHORITY.—Subsection (a) applies to any employee of the Department of the Air Force who is a special agent of the Air Force Office of Special Investigations (or a successor to that office) whose duties include conducting, supervising, or coordinating investigations of criminal activity in programs and operations of the Department of the Air Force.

"(c) GUIDELINES FOR EXERCISE OF AUTHORITY.—The authority provided under subsection (a) shall be exercised in accordance with guidelines prescribed by the Secretary of the Air Force and approved by the Secretary of Defense and the Attorney General and any other applicable guidelines prescribed by the Secretary of the Air Force, the Secretary of Defense, or the Attorney General.".

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

"9027. Civilian special agents of the Office of Special Investigations: authority to execute warrants and make arrests.".

SEC. 555. REQUIREMENT FOR VERBATIM RECORD IN CERTAIN SPECIAL COURT-MARTIAL CASES.

(a) WHEN REQUIRED.—Subsection (c)(1)(B) of section 854 of title 10, United States Code (article 54 of the Uniform Code of Military Justice), is amended by inserting after "bad-conduct discharge" the following: ", confinement for more than six months, or forfeiture of pay for more than six months".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of April 1, 2000, and shall apply with respect to charges referred on or after that date to trial by special court-martial.

SEC. 556. COMMEMORATION OF THE 50TH ANNIVERSARY OF THE UNIFORM CODE OF MILITARY JUSTICE.

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

(1) The American military justice system predates the United States itself, having had a continuous existence since the enactment of the first American Articles of War by the Continental Congress in 1775.

(2) Pursuant to article I of the Constitution, which explicitly empowers Congress "To make Rules for the Government and Regulation of the land and naval Forces", Congress enacted the Articles of War and an Act to Govern the Navy, which were revised on several occasions between the ratification of the Constitution and the end of World War II.

(3) Dissatisfaction with the administration of military justice during World War I and World War II (including dissatisfaction arising from separate systems of justice for the Army and for the Navy and Marine Corps) led both to significant statutory reforms in the Articles of War and to the convening of a committee, under Department of Defense auspices, to draft a single code of military justice applicable uniformly to all of the Armed Forces.

(4) The committee, chaired by Professor Edmund M. Morgan of Harvard Law School, made recommendations that formed the basis of bills introduced in Congress to establish such a uniform code of military justice.

(5) After lengthy hearings and debate on the congressional proposals, the Uniform Code of Military Justice was enacted into law on May 5, 1950, when President Harry S Truman signed the legislation.

(6) President Truman then issued a revised Manual for Courts-Martial implementing the new code, and the code became effective on May 31, 1951.

(7) One of the greatest innovations of the Uniform Code of Military Justice (now codified as chapter 47 of title 10, United States Code) was the establishment of a civilian court of appeals within the military justice system. That court, the United States Court of Military Appeals (now the United States Court of Appeals for the Armed Forces), held its first session on July 25, 1951.

(8) Congress enacted major revisions of the Uniform Code of Military Justice in 1968 and 1983 and, in addition, has amended the code from time to time over the years as practice under the code indicated a need for updating the substance or procedure of the law of military justice.

(9) The evolution of the system of military justice under the Uniform Code of Military Justice may be traced in the decisions of the Courts of Criminal Appeals of each of the Armed Forces and the decisions of the United States Court of Appeals for the Armed Forces. These courts have produced a unique body of jurisprudence upon which commanders and judge advocates rely in the performance of their duties.

(10) It is altogether fitting that the 50th anniversary of the Uniform Code of Military Justice be duly commemorated.

(b) COMMEMORATION.—The Congress—

(1) requests the President to issue a proclamation commemorating the 50th anniversary of the Uniform Code of Military Justice; and

(2) calls upon the Department of Defense, the Armed Forces, and the United States Court of Appeals for the Armed Forces and interested organizations and members of the bar

and the public to commemorate the occasion of that anniversary with ceremonies and activities befitting its importance.

Subtitle F—Matters Relating to Recruiting

SEC. 561. ARMY RECRUITING PILOT PROGRAMS.

(a) REQUIREMENT FOR PROGRAMS.—The Secretary of the Army shall carry out pilot programs to test various recruiting approaches under this section for the following purposes:

(1) To assess the effectiveness of the recruiting approaches for creating enhanced opportunities for recruiters to make direct, personal contact with potential recruits.

(2) To improve the overall effectiveness and efficiency of Army recruiting activities.

(b) OUTREACH THROUGH MOTOR SPORTS.—(1) One of the pilot programs shall be a pilot program of public outreach that associates the Army with motor sports competitions to achieve the objectives set forth in paragraph (2).

(2) The events and activities undertaken under the pilot program shall be designed to provide opportunities for Army recruiters to make direct, personal contact with high school students to achieve the following objectives:

(A) To increase enlistments by students graduating from high school.

(B) To reduce attrition in the Delayed Entry Program of the Army by sustaining the personal commitment of students who have elected delayed entry into the Army under the program.

(3) Under the pilot program, the Secretary of the Army shall provide for the following:

(A) For Army recruiters or other Army personnel—

(i) to organize Army sponsored career day events in association with national motor sports competitions; and

(ii) to arrange for or encourage attendance at the competitions by high school students, teachers, guidance counselors, and administrators of high schools located near the competitions.

(B) For Army recruiters and other soldiers to attend national motor sports competitions—

(i) to display exhibits depicting the contemporary Army and career opportunities in the Army; and

(ii) to discuss those opportunities with potential recruits.

(C) For the Army to sponsor a motor sports racing team as part of an integrated program of recruitment and publicity for the Army.

(D) For the Army to sponsor motor sports competitions for high school students at which recruiters meet with potential recruits.

(E) For Army recruiters or other Army personnel to compile in an Internet accessible database the names, addresses, telephone numbers, and electronic mail addresses of persons who are identified as potential recruits through activities under the pilot program.

(F) Any other activities associated with motor sports competition that the Secretary determines appropriate for Army recruitment purposes.

(c) OUTREACH AT VOCATIONAL SCHOOLS AND COMMUNITY COLLEGES.—(1) One of the pilot programs shall be a pilot program under which Army recruiters are assigned, as their primary responsibility, at postsecondary vocational institutions and community colleges for the purpose of recruiting students graduating from those institutions and colleges, recent graduates of those institutions and colleges, and students withdrawing from enrollments in those institutions and colleges.

(2) The Secretary of the Army shall select the institutions and colleges to be invited to participate in the pilot program.

(3) The conduct of the pilot program at an institution or college shall be subject to an agreement which the Secretary shall enter into with the governing body or authorized official of the institution or college, as the case may be.

(4) Under the pilot program, the Secretary shall provide for the following:

(A) For Army recruiters to be placed in postsecondary vocational institutions and community colleges to serve as a resource for guidance counselors and to recruit for the Army.

(B) For Army recruiters to recruit from among students and graduates described in paragraph (1).

(C) For the use of telemarketing, direct mail, interactive voice response systems, and Internet website capabilities to assist the recruiters in the postsecondary vocational institutions and community colleges.

(D) For any other activities that the Secretary determines appropriate for recruitment activities in postsecondary vocational institutions and community colleges.

(5) In this subsection, the term "postsecondary vocational institution" has the meaning given the term in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).

(d) CONTRACT RECRUITING INITIATIVES.—(1) One of the pilot programs shall be a program that expands in accordance with this subsection the scope of the Army's contract recruiting initiatives that are ongoing as of the date of the enactment of this Act. Under the pilot program, the Secretary of the Army shall select at least 10 recruiting companies to apply the initiatives in efforts to recruit personnel for the Army.

(2) Under the pilot program, the Secretary shall provide for the following:

(A) For replacement of the Regular Army recruiters by contract recruiters in the 10 recruiting companies selected under paragraph (1).

(B) For operation of the 10 companies under the same rules and chain of command as the other Army recruiting companies.

(C) For use of the offices, facilities, and equipment of the 10 companies by the contract recruiters.

(D) For reversion to performance of the recruiting activities by Regular Army soldiers in the 10 companies upon termination of the pilot program.

(E) For any other uses of contractor personnel for Army recruiting activities that the Secretary determines appropriate.

(e) DURATION OF PILOT PROGRAMS.—The pilot programs required by this section shall be carried out during the period beginning on October 1, 2000, and, subject to subsection (f), ending on December 31, 2005.

(f) AUTHORITY TO EXPAND OR EXTEND PILOT PROGRAMS.—The Secretary may expand the scope of any of the pilot programs (under subsection (b)(3)(F), (c)(4)(D), (d)(2)(E), or otherwise) or extend the period for any of the pilot programs. Before doing so in the case of a pilot program, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a written notification of the expansion of the pilot program (together with the scope of the expansion) or the continuation of the pilot program (together with the period of the extension), as the case may be.

(g) REPORTS.—Not later than February 1, 2006, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and the House of Representatives a separate report on each of the pilot programs carried out under this section. The report on a pilot program shall include the following:

(1) The Secretary's assessment of the value of the actions taken in the administration of the pilot program for increasing the effectiveness and efficiency of Army recruiting.

(2) Any recommendations for legislation or other action that the Secretary considers appropriate to increase the effectiveness and efficiency of Army recruiting.

SEC. 562. ENHANCEMENT OF RECRUITMENT MARKET RESEARCH AND ADVERTISING PROGRAMS.

Section 503(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

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

"(2) The Secretary of Defense shall act on a continuing basis to enhance the effectiveness of recruitment programs of the Department of Defense (including programs conducted jointly and programs conducted by the separate armed forces) through an aggressive program of advertising and market research targeted at prospective recruits for the armed forces and those who may influence prospective recruits. Subchapter I of chapter 35 of title 44 shall not apply to actions taken as part of that program.".

SEC. 563. ACCESS TO SECONDARY SCHOOLS FOR MILITARY RECRUITING PURPOSES.

(a) REQUIREMENT FOR ACCESS.—Subsection (c) of section 503 of title 10, United States Code, is amended to read as follows:

"(c) ACCESS TO SECONDARY SCHOOLS.—(1) Each local educational agency shall (except as provided under paragraph (5)) provide to the Department of Defense, upon a request made for military recruiting purposes, the same access to secondary school students, and to directory information concerning such students, as is provided generally to post-secondary educational institutions or to prospective employers of those students.

"(2) If a local educational agency denies a request by the Department of Defense for recruiting access, the Secretary of Defense, in cooperation with the Secretary of the military department concerned, shall designate an officer in a grade not below the grade of colonel or, in the case of the Navy, captain, or a senior executive of that military department to meet with representatives of that local educational agency in person, at the offices of that agency,

for the purpose of arranging for recruiting access. The designated officer or senior executive shall seek to have that meeting within 120 days of the date of the denial of the request for recruiting access.

"(3) If, after a meeting under paragraph (2) with representatives of a local educational agency that has denied a request for recruiting access or (if the educational agency declines a request for the meeting) after the end of such 120-day period, the Secretary of Defense determines that the agency continues to deny recruiting access, the Secretary shall transmit to the chief executive of the State in which the agency is located a notification of the denial of recruiting access and a request for assistance in obtaining that access. The notification shall be transmitted within 60 days after the date of the determination. The Secretary shall provide to the Secretary of Education a copy of such notification and any other communication between the Secretary and that chief executive with respect to such access.

"(4) If a local educational agency continues to deny recruiting access one year after the date of the transmittal of a notification regarding that agency under paragraph (3), the Secretary—

"(A) shall determine whether the agency denies recruiting access to at least two of the armed forces (other than the Coast Guard when it is not operating as a service in the Navy); and

"(B) upon making an affirmative determination under subparagraph (A), shall transmit a notification of the denial of recruiting access to—

"(i) the specified congressional committees;

"(ii) the Senators of the State in which the local educational agency is located; and

"(iii) the member of the House of Representatives who represents the district in which the local educational agency is located.

"(5) The requirements of this subsection do not apply to—

"(A) a local educational agency with respect to access to secondary school students or access to directory information concerning such students for any period during which there is in effect a policy of that agency, established by majority vote of the governing body of the agency, to deny recruiting access to those students or to that directory information, respectively; or

"(B) a private secondary school which maintains a religious objection to service in the armed forces and which objection is verifiable through the corporate or other organizational documents or materials of that school.

"(6) In this subsection:

"(A) The term 'local educational agency' means—

"(i) a local educational agency, within the meaning of that term in section 14101(18) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(18)); and

"(ii) a private secondary school.

"(B) The term 'recruiting access' means access requested as described in paragraph (1).

"(C) The term 'senior executive' has the meaning given that term in section 3132(a)(3) of title 5.

"(D) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

"(E) The term 'specified congressional committees' means the following:

"(i) The Committee on Armed Services and the Committee on Health, Education, Labor, and Pensions of the Senate.

"(ii) The Committee on Armed Services and the Committee on Education and the Workforce of the House of Representatives.

"(F) The term 'member of the House of Representatives' includes a Delegate or Resident Commissioner to Congress.".

(b) DEFINITION OF DIRECTORY INFORMATION.—Such section is further amended—

(1) by striking paragraph (7) of subsection (b); and

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

"(d) DIRECTORY INFORMATION DEFINED.—In this section, the term 'directory information' has the meaning given that term in subsection (a)(5)(A) of section 444 of the General Education Provisions Act (20 U.S.C. 1232g).".

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "RECRUITING CAMPAIGNS.—" after "(a)"; and

(2) in subsection (b), by inserting "COMPILATION OF DIRECTORY INFORMATION.—" after "(b)".

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

SEC. 564. PILOT PROGRAM TO ENHANCE MILITARY RECRUITING BY IMPROVING MILITARY AWARENESS OF SCHOOL COUNSELORS AND EDUCATORS.

(a) IN GENERAL.—The Secretary of Defense shall conduct a pilot program to determine if cooperation with military recruiters by local educational agencies and by institutions of higher education could be enhanced by improving the understanding of school counselors and educators about military recruiting and military career opportunities. The pilot program shall be conducted during a three-year period beginning not later than 180 days after the date of the enactment of this Act.

(b) CONDUCT OF PILOT PROGRAM THROUGH PARTICIPATION IN INTERACTIVE INTERNET SITE.—(1) The pilot program shall be conducted by means of participation by the Department of Defense in a qualifying interactive Internet site.

(2) For purposes of this section, a qualifying interactive Internet site is an Internet site in existence as of the date of the enactment of this Act that is designed to provide to employees of local educational agencies and institutions of higher education participating in the Internet site—

(A) systems for communicating;

(B) resources for individual professional development;

(C) resources to enhance individual on-the-job effectiveness; and

(D) resources to improve organizational effectiveness.

(3) Participation in an Internet site by the Department of Defense for purposes of this section shall include—

(A) funding;

(B) assistance; and

(C) access by other Internet site participants to Department of Defense aptitude testing programs, career development information, and other resources, in addition to information on military recruiting and career opportunities.

(c) REPORT.—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 providing the Secretary's findings and conclusions on the pilot program not later than 180 days after the end of the three-year program period.

Subtitle G—Other Matters

SEC. 571. EXTENSION TO END OF CALENDAR YEAR OF EXPIRATION DATE FOR CERTAIN FORCE DRAWDOWN TRANSITION AUTHORITIES.

(a) EARLY RETIREMENT AUTHORITY FOR ACTIVE FORCE MEMBERS.—Section 4403 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1293 note) is amended—

(1) in subsection (a), by striking "through fiscal year 1999" and inserting "during the active force drawdown period"; and

(2) in subsection (i), by striking "October 1, 2001" and inserting "December 31, 2001".

(b) SSB AND VSI.—Sections 1174a(h)(1) and 1175(d)(3) of title 10, United States Code, are amended by striking "September 30, 2001" and inserting "December 31, 2001".

(c) SELECTIVE EARLY RETIREMENT BOARDS.—Section 638a(a) of such title is amended by striking "September 30, 2001" and inserting "December 31, 2001".

(d) TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370 of such title is amended by striking "September 30, 2001" in subsections (a)(2)(A) and (d)(5) and inserting "December 31, 2001".

(e) MINIMUM COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT AS AN OFFICER.—Sections 3911(b), 6323(a)(2), and 8911(b) of such title are amended by striking "September 30, 2001" and inserting "December 31, 2001".

(f) TRAVEL, TRANSPORTATION, AND STORAGE BENEFITS.—Sections 404(c)(1)(C), 404(f)(2)(B)(v), 406(a)(2)(B)(v), and 406(g)(1)(C) of title 37, United States Code, and section 503(c)(1) of the National Defense Authorization Act for Fiscal Year 1991 (37 U.S.C. 406 note) are amended by striking "September 30, 2001" and inserting "December 31, 2001".

(g) EDUCATIONAL LEAVE FOR PUBLIC AND COMMUNITY SERVICE.—Section 4463(f) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143a note) is amended by striking "September 30, 2001" and inserting "December 31, 2001".

(h) TRANSITIONAL HEALTH BENEFITS.—Subsections (a)(1), (c)(1), and (e) of section 1145 of title 10, United States Code, are amended by striking "September 30, 2001" and inserting "December 31, 2001".

(i) TRANSITIONAL COMMISSARY AND EXCHANGE BENEFITS.—Section 1146 of such title is amended by striking "September 30, 2001" both places it appears and inserting "December 31, 2001".

(j) TRANSITIONAL USE OF MILITARY HOUSING.—Paragraphs (1) and (2) of section 1147(a) of such title are amended by striking "September 30, 2001" and inserting "December 31, 2001".

(k) CONTINUED ENROLLMENT OF DEPENDENTS IN DEFENSE DEPENDENTS' EDUCATION SYSTEM.—Section 1407(c)(1) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(c)(1)) is amended by striking "September 30, 2001" and inserting "December 31, 2001".

(l) FORCE REDUCTION TRANSITION PERIOD DEFINED FOR CERTAIN GUARD AND RESERVE BENEFITS.—Section 4411 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 12681 note) is amended by striking "September 30, 2001" and inserting "December 31, 2001".

(m) TEMPORARY SPECIAL AUTHORITY FOR FORCE REDUCTION PERIOD RETIREMENTS.—Section 4416(b)(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 12681 note) is amended by striking "October 1, 2001" and inserting "the end of the force reduction period".

(n) RETIRED PAY FOR NON-REGULAR SERVICE.—(1) Section 12731(f) of title 10, United States Code, is amended by striking "September 30, 2001" and inserting "December 31, 2001".

(2) Section 12731a of such title is amended—

(A) in subsection (a)(1)(B), by striking "October 1, 2001" and inserting "the end of the period described in subsection (b)"; and

(B) in subsection (b), by striking "October 1, 2001" and inserting "December 31, 2001".

(o) AFFILIATION WITH GUARD AND RESERVE UNITS; WAIVER OF CERTAIN LIMITATIONS.—Section 1150(a) of such title is amended by striking "September 30, 2001" and inserting "December 31, 2001".

(p) RESERVE MONTGOMERY GI BILL.—Section 16133(b)(1)(B) of such title is amended by striking "September 30, 2001" and inserting "December 31, 2001".

SEC. 572. VOLUNTARY SEPARATION INCENTIVE.

(a) AUTHORITY FOR TERMINATION UPON ENTITLEMENT TO RETIRED PAY.—Section 1175(e)(3) of title 10, United States Code, is amended—

(1) inserting "(A)" after "(3)"; and

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

"(B) If a member is receiving simultaneous voluntary separation incentive payments and retired or retainer pay, the member may elect to terminate the receipt of voluntary separation incentive payments. Any such election is permanent and irrevocable. The rate of monthly recoupment from retired or retainer pay of voluntary separation incentive payments received after such an election shall be reduced by a percentage that is equal to a fraction with a denominator equal to the number of months that the voluntary separation incentive payments were scheduled to be paid and a numerator equal to the number of months that would not be paid as a result of the member's decision to terminate the voluntary separation incentive.".

(b) EFFECTIVE DATE.—Subparagraph (B) of section 1175(e)(3) of title 10, United States Code, as added by subsection (a), shall apply with respect to decisions by members to terminate voluntary separation incentive payments under section 1175 of title 10, United States Code, to be effective after September 30, 2000.

SEC. 573. CONGRESSIONAL REVIEW PERIOD FOR ASSIGNMENT OF WOMEN TO DUTY ON SUBMARINES AND FOR ANY PROPOSED RECONFIGURATION OR DESIGN OF SUBMARINES TO ACCOMMODATE FEMALE CREW MEMBERS.

(a) IN GENERAL.—(1) Chapter 555 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6035. Female members: congressional review period for assignment to duty on submarines or for reconfiguration of submarines

"(a) No change in the Department of the Navy policy limiting service on submarines to males, as in effect on May 10, 2000, may take effect until—

"(1) the Secretary of Defense submits to Congress written notice of the proposed change; and

"(2) a period of 30 days of continuous session of Congress (excluding any day on which either House of Congress is not in session) expires following the date on which the notice is received.

"(b) No funds available to the Department of the Navy may be expended to reconfigure any existing submarine, or to design any new submarine, to accommodate female crew members until—

"(1) the Secretary of Defense submits to Congress written notice of the proposed reconfiguration or design; and

"(2) a period of 30 days of continuous session of Congress (excluding any day on which either House of Congress is not in session) expires following the date on which the notice is received.

"(c) For purposes of this section, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die.".

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

"6035. Female members: congressional review period for assignment to duty on submarines or for reconfiguration of submarines.".

(b) CONFORMING AMENDMENT.—Section 542(a)(1) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 113 note) is amended by inserting "or by section 6035 of title 10, United States Code" after "Except in a case covered by subsection (b)".

SEC. 574. MANAGEMENT AND PER DIEM REQUIREMENTS FOR MEMBERS SUBJECT TO LENGTHY OR NUMEROUS DEPLOYMENTS.

(a) APPROVING AUTHORITY FOR LENGTHY DEPLOYMENTS OF MEMBERS.—Subsection (a) of section 991 of title 10, United States Code, is amended—

(1) by striking "unless an officer" in the second sentence of paragraph (1) and all that follows through the period at the end of that sentence and inserting a period and the following: "However, the member may be deployed, or continued

in a deployment, without regard to the preceding sentence if such deployment, or continued deployment, is approved—

"(A) in the case of a member who is assigned to a combatant command in a position under the operational control of the officer in that combatant command who is the service component commander for the members of that member's armed force in that combatant command, by that officer; and

"(B) in the case of a member not assigned as described in subparagraph (A), by the service chief of that member's armed force (or, if so designated by that service chief, by an officer of the same armed force on active duty who is in the grade of general or admiral or who is the personnel chief for that armed force).''; and

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

"(3) In paragraph (1)(B), the term 'service chief' means the Chief of Staff of the Army, the Chief of Naval Operations, the Chief of Staff of the Air Force, or the Commandant of the Marine Corps.''.

(b) CLARIFICATION OF DEFINITION OF DEPLOYMENT.—Subsection (b) of such section is amended—

(1) in paragraph (1), by inserting "or homeport, as the case may be" before the period at the end;

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

(3) by inserting after paragraph (1) the following new paragraph (2):

"(2) In the case of a member of a reserve component performing active service, the member shall be considered deployed or in a deployment for the purposes of paragraph (1) on any day on which, pursuant to orders that do not establish a permanent change of station, the member is performing the active service at a location that—

"(A) is not the member's permanent training site; and

"(B) is—

"(i) at least 100 miles from the member's permanent residence; or

"(ii) a lesser distance from the member's permanent residence that, under the circumstances applicable to the member's travel, is a distance that requires at least three hours of travel to traverse.''; and

(4) in paragraph (3), as redesignated by paragraph (2) of this subsection—

(A) by striking "or" at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B) and inserting "; or"; and

(C) by adding at the end the following new subparagraph:

"(C) unavailable solely because of—

"(i) a hospitalization of the member at the member's permanent duty station or homeport or in the immediate vicinity of the member's permanent residence; or

"(ii) a disciplinary action taken against the member.''.

(c) ASSOCIATED PER DIEM ALLOWANCE.—Section 435 of title 37, United States Code (as added to that title effective October 1, 2001, by section 586(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 638)) is amended—

(1) in subsection (a), by striking "251 days or more out of the preceding 365 days" and inserting "401 or more days out of the preceding 730 days"; and

(2) in subsection (b), by striking "prescribed under paragraph (3)" and inserting "prescribed under paragraph (4)".

(d) REVIEW OF MANAGEMENT OF DEPLOYMENTS OF INDIVIDUAL MEMBERS.—Not later than March 31, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the administration of section 991 of title 10, United States Code, during fiscal year 2001. The report shall include—

(1) a discussion of the experience in tracking and recording the deployments of members of the Armed Forces; and

(2) any recommendations for revision of such section that the Secretary considers appropriate.

(e) EFFECTIVE DATE.—If this Act is enacted before October 1, 2000, the amendments made by subsections (a) and (b) shall take effect on October 1, 2000, immediately after the amendment made by section 586(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 637) adding section 991 of title 10, United States Code, to such title.

SEC. 575. PAY IN LIEU OF ALLOWANCE FOR FUNERAL HONORS DUTY.

(a) COMPENSATION AT RATE FOR INACTIVE-DUTY TRAINING.—(1) Section 115(b)(2) of title 32, United States Code, is amended to read as follows:

"(2) as directed by the Secretary concerned, either—

"(A) the allowance under section 435 of title 37; or

"(B) compensation under section 206 of title 37.".

(2) Section 12503(b)(2) of title 10, United States Code, is amended to read as follows:

"(2) as directed by the Secretary concerned, either—

"(A) the allowance under section 435 of title 37; or

"(B) compensation under section 206 of title 37.".

(b) CONFORMING REPEAL.—Section 435 of title 37, United States Code, is amended by striking subsection (c).

(c) APPLICABILITY.—The amendments made by this section shall apply with respect to funeral honors duty performed on or after October 1, 2000.

SEC. 576. TEST OF ABILITY OF RESERVE COMPONENT INTELLIGENCE UNITS AND PERSONNEL TO MEET CURRENT AND EMERGING DEFENSE INTELLIGENCE NEEDS.

(a) TEST PROGRAM REQUIRED.—(1) Beginning not later than June 1, 2001, the Secretary of Defense shall conduct a three-year test program of reserve component intelligence units and personnel. The purpose of the test program shall be—

(A) to determine the most effective peacetime structure and operational employment of reserve component intelligence assets for meeting current and future Department of Defense peacetime operational intelligence requirements; and

(B) to establish a means to coordinate and transition that peacetime intelligence operational support network into use for meeting wartime requirements.

(2) The test program shall be carried out using the Joint Reserve Intelligence Program and appropriate reserve component intelligence units and personnel.

(3) In conducting the test program, the Secretary of Defense shall expand the current Joint Reserve Intelligence Program as needed to meet the objectives of the test program.

(b) OVERSIGHT PANEL.—The Secretary shall establish an oversight panel to structure the test program so as to achieve the objectives of the test program, ensure proper funding for the test program, and oversee the conduct and evaluation of the test program. The panel members shall include—

(1) the Assistant Secretary of Defense for Command, Control, Communications and Intelligence;

(2) the Assistant Secretary of Defense for Reserve Affairs; and

(3) representatives from the Defense Intelligence Agency, the Army, Navy, Air Force, and Marine Corps, the Joint Staff, and the combatant commands.

(c) TEST PROGRAM OBJECTIVES.—The test program shall have the following objectives:

(1) To identify the range of peacetime roles and missions that are appropriate for reserve component intelligence units and personnel, including the following missions: counterdrug, counterintelligence, counterterrorism, information operations, information warfare, and other emerging threats.

(2) To recommend a process for justifying and validating reserve component intelligence force structure and manpower to support the peacetime roles and missions identified under paragraph (1) and to establish a means to coordinate and transition that peacetime operational support network and structure into wartime requirements.

(3) To provide, pursuant to paragraphs (1) and (2), the basis for new or revised intelligence and reserve component policy guidelines for the peacetime use, organization, management, infrastructure, and funding of reserve component intelligence units and personnel.

(4) To determine the most effective structure, organization, manning, and management of Joint Reserve Intelligence Centers to enable them to be both reserve training facilities and virtual collaborative production facilities in support of Department of Defense peacetime operational intelligence requirements.

(5) To determine the most effective uses of technology for virtual collaborative intelligence operational support during peacetime and wartime.

(6) To determine personnel and career management initiatives or modifications that are required to improve the recruiting and retention of personnel in the reserve component intelligence specialties and occupational skills.

(7) To identify and make recommendations for the elimination of statutory prohibitions and barriers to using reserve component intelligence units and individuals to carry out peacetime operational requirements.

(d) REPORTS.—The Secretary of Defense shall submit to Congress—

(1) interim reports on the status of the test program not later than July 1, 2002, and July 1, 2003; and

(2) a final report, with such recommendations for changes as the Secretary considers necessary, not later than December 1, 2004.

SEC. 577. NATIONAL GUARD CHALLENGE PROGRAM.

(a) RESPONSIBILITY OF SECRETARY OF DEFENSE.—Subsection (a) of section 509 of title 32, United States Code, is amended by striking ", acting through the Chief of the National Guard Bureau,".

(b) SOURCES OF FEDERAL SUPPORT.—Subsection (b) of such section is amended—

(1) by inserting "(1)" before "The Secretary of Defense";

(2) by striking ", except that Federal expenditures under the program may not exceed $62,500,000 for any fiscal year"; and

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

"(2) The Secretary shall carry out the National Guard Challenge Program using—

"(A) funds appropriated directly to the Secretary of Defense for the program, except that the amount of funds appropriated directly to the Secretary and expended for the program in a fiscal year may not exceed $62,500,000; and

"(B) nondefense funds made available or transferred to the Secretary of Defense by other Federal agencies to support the program.

"(3) Federal funds made available or transferred to the Secretary of Defense under paragraph (2)(B) by other Federal agencies to support the National Guard Challenge Program may be expended for the program in excess of the fiscal year limitation specified in paragraph (2)(A).".

(c) REGULATIONS.—Such section is further amended by adding at the end the following new subsection:

"(m) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out the National Guard Challenge Program. The regulations shall address at a minimum the following:

"(1) The terms to be included in the program agreements required by subsection (c).

"(2) The qualifications for persons to participate in the program, as required by subsection (e).

"(3) The benefits authorized for program participants, as required by subsection (f).

"(4) The status of National Guard personnel assigned to duty in support of the program under subsection (g).

"(5) The conditions for the use of National Guard facilities and equipment to carry out the program, as required by subsection (h).

"(6) The status of program participants, as described in subsection (i).

"(7) The procedures to be used by the Secretary when communicating with States about the program.".

(d) CONFORMING AMENDMENT.—Section 2033 of title 10, United States Code, is amended by striking "appropriated for" and inserting "appropriated directly to the Secretary of Defense for".

SEC. 578. STUDY OF USE OF CIVILIAN CONTRACTOR PILOTS FOR OPERATIONAL SUPPORT MISSIONS.

(a) STUDY.—The Secretary of Defense shall conduct a study to determine the feasibility and cost, as well as the advantages and disadvantages, of using civilian contractor personnel as pilots and other air crew members to fly nonmilitary Government aircraft (referred to as "operational support aircraft") to perform non-combat

personnel transportation missions worldwide. In carrying out the study, the Secretary shall consider the views and recommendations of the Chairman of the Joint Chiefs and the other members of the Joint Chiefs of Staff.

(b) MATTERS TO BE INCLUDED.—The study shall, at a minimum—

(1) determine whether use of civilian contractor personnel as pilots and other air crew members for such operational support missions would be a cost effective means of freeing for duty in units with combat and combat support missions those military pilots and other personnel who now perform such operational support missions; and

(2) the effect on retention of military pilots and other personnel if they are no longer required to fly operational support missions.

(c) SUBMISSION OF REPORT.—The Secretary shall submit a report containing the results of the study to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives not later than six months after the date of the enactment of this Act.

SEC. 579. REIMBURSEMENT FOR EXPENSES INCURRED BY MEMBERS IN CONNECTION WITH CANCELLATION OF LEAVE ON SHORT NOTICE.

(a) REIMBURSEMENT AUTHORIZED.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1053 the following new section:

"§ 1053a. Expenses incurred in connection with leave canceled due to contingency operations: reimbursement

"(a) AUTHORIZATION TO REIMBURSE.—The Secretary concerned may reimburse a member of the armed forces under the jurisdiction of the Secretary for travel and related expenses (to the extent not otherwise reimbursable under law) incurred by the member as a result of the cancellation of previously approved leave when the leave is canceled in connection with the member's participation in a contingency operation and the cancellation occurs within 48 hours of the time the leave would have commenced.

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations to establish the criteria for the applicability of subsection (a).

"(c) CONCLUSIVENESS OF SETTLEMENT.—The settlement of an application for reimbursement under subsection (a) is final and conclusive.".

(b) EFFECTIVE DATE.—Section 1053a of title 10, United States Code, as added by subsection (a), shall apply with respect to any travel and related expenses incurred by a member in connection with leave canceled after the date of the enactment of this Act.

(c) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading of section 1052 of such title is amended to read as follows:

"§ 1052. Adoption expenses: reimbursement".

(2) The heading of section 1053 of such title is amended to read as follows:

"§ 1053. Financial institution charges incurred because of Government error in direct deposit of pay: reimbursement".

(3) The table of sections at the beginning of chapter 53 of such title is amended by striking the items relating to sections 1052 and 1053 and inserting the following:

"1052. Adoption expenses: reimbursement.
"1053. Financial institution charges incurred because of Government error in direct deposit of pay: reimbursement.
"1053a. Expenses incurred in connection with leave canceled due to contingency operations: reimbursement.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

SUBTITLE A—PAY AND ALLOWANCES

Sec. 601. Increase in basic pay for fiscal year 2001.
Sec. 602. Additional restructuring of basic pay rates for enlisted members.
Sec. 603. Revised method for calculation of basic allowance for subsistence.
Sec. 604. Family subsistence supplemental allowance for low-income members of the Armed Forces.
Sec. 605. Basic allowance for housing.
Sec. 606. Additional amount available for fiscal year 2001 increase in basic allowance for housing inside the United States.
Sec. 607. Equitable treatment of junior enlisted members in computation of basic allowance for housing.
Sec. 608. Eligibility of members in grade E–4 to receive basic allowance for housing while on sea duty.
Sec. 609. Personal money allowance for senior enlisted members of the Armed Forces.
Sec. 610. Increased uniform allowances for officers.
Sec. 611. Cabinet-level authority to prescribe requirements and allowance for clothing of enlisted members.
Sec. 612. Increase in monthly subsistence allowance for members of precommissioning programs.

SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS

Sec. 621. Extension of certain bonuses and special pay authorities for reserve forces.
Sec. 622. Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 623. Extension of authorities relating to payment of other bonuses and special pays.
Sec. 624. Revision of enlistment bonus authority.
Sec. 625. Consistency of authorities for special pay for reserve medical and dental officers.
Sec. 626. Elimination of required congressional notification before implementation of certain special pay authority.
Sec. 627. Special pay for physician assistants of the Coast Guard.
Sec. 628. Authorization of special pay and accession bonus for pharmacy officers.
Sec. 629. Correction of references to Air Force veterinarians.
Sec. 630. Career sea pay.
Sec. 631. Increased maximum rate of special duty assignment pay.
Sec. 632. Entitlement of members of the National Guard and other reserves not on active duty to receive special duty assignment pay.
Sec. 633. Authorization of retention bonus for members of the Armed Forces qualified in a critical military skill.
Sec. 634. Entitlement of active duty officers of the Public Health Service Corps to special pays and bonuses of health professional officers of the Armed Forces.

SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES

Sec. 641. Advance payments for temporary lodging of members and dependents.
Sec. 642. Additional transportation allowance regarding baggage and household effects.

Sec. 643. Incentive for shipping and storing household goods in less than average weights.
Sec. 644. Equitable dislocation allowances for junior enlisted members.
Sec. 645. Authority to reimburse military recruiters, Senior ROTC cadre, and military entrance processing personnel for certain parking expenses.
Sec. 646. Expansion of funded student travel for dependents.

SUBTITLE D—RETIREMENT AND SURVIVOR BENEFIT MATTERS

Sec. 651. Exception to high-36 month retired pay computation for members retired following a disciplinary reduction in grade.
Sec. 652. Increase in maximum number of Reserve retirement points that may be credited in any year.
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Sec. 654. Same treatment for Federal judges as for other Federal officials regarding payment of military retired pay.
Sec. 655. Reserve component Survivor Benefit Plan spousal consent requirement.
Sec. 656. Sense of Congress on increasing Survivor Benefit Plan annuities for surviving spouses age 62 or older.
Sec. 657. Revision to special compensation authority to repeal exclusion of uniformed services retirees in receipt of disability retired pay.

SUBTITLE E—OTHER MATTERS

Sec. 661. Participation in Thrift Savings Plan.
Sec. 662. Determinations of income eligibility for special supplemental food program.
Sec. 663. Billeting services for reserve members traveling for inactive-duty training.
Sec. 664. Settlement of claims for payments for unused accrued leave and for retired pay.
Sec. 665. Additional benefits and protections for personnel incurring injury, illness, or disease in the performance of funeral honors duty.
Sec. 666. Authority for extension of deadline for filing claims associated with capture and internment of certain persons by North Vietnam.
Sec. 667. Back pay for members of the Navy and Marine Corps selected for promotion while interned as prisoners of war during World War II.
Sec. 668. Sense of Congress concerning funding for reserve components.

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2001.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2001 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, 2001, the rates of monthly basic pay for members of the uniformed services are increased by 3.7 percent.

SEC. 602. ADDITIONAL RESTRUCTURING OF BASIC PAY RATES FOR ENLISTED MEMBERS.

(a) MINIMUM PAY INCREASES FOR MID-LEVEL ENLISTED GRADES.—(1) Subject to paragraph (2), effective on July 1, 2001, the rates of monthly basic pay for enlisted members of the Armed Forces in the pay grades E–7, E–6, and E–5 shall be as follows:

ENLISTED MEMBERS

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

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E–7	1,831.20	1,999.20	2,075.10	2,149.80	2,228.10
E–6	1,575.00	1,740.30	1,817.40	1,891.80	1,969.80
E–5	1,381.80	1,549.20	1,623.90	1,701.00	1,779.30
	Over 8	Over 10	Over 12	Over 14	Over 16
E–7	2,362.20	2,437.80	2,512.80	2,588.10	2,666.10
E–6	2,097.30	2,174.10	2,248.80	2,325.00	2,379.60
E–5	1,888.50	1,962.90	2,040.30	2,040.30	2,040.30
	Over 18	Over 20	Over 22	Over 24	Over 26
E–7	2,742.00	2,817.90	2,949.60	3,034.80	3,250.50
E–6	2,421.30	2,421.30	2,421.30	2,421.30	2,421.30
E–5	2,040.30	2,040.30	2,040.30	2,040.30	2,040.30

(2) The amounts specified in the table in paragraph (1) are subject to such revision as the Secretary of Defense and the Secretary of Transportation may prescribe under subsection (b)(1)(A).

(b) SECRETARIAL AUTHORITY TO FURTHER REVISE.—(1) To ensure the efficient and effective operation of the military pay system, the Secretary of Defense, and the Secretary of Transportation with regard to the Coast Guard, may—

(A) further increase any of the amounts specified in the table in subsection (a) for enlisted members of the Armed Forces in the pay grades E–7, E–6, and E–5; and

(B) increase any of the amounts specified for other enlisted members in the table under the heading "ENLISTED MEMBERS" in section 601(c) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 648), as adjusted on January 1, 2001, pursuant to section 601(b) of this Act.

(2) The revisions in monthly basic pay made by the Secretary of Defense and the Secretary of Transportation under paragraph (1) shall take effect on July 1, 2001, but only if the Secretaries also comply with paragraph (3).

(3) If the Secretary of Defense or the Secretary of Transportation exercises the authority provided by paragraph (1), the Secretaries shall include, in the budget justification materials submitted to Congress in support of the President's budget submitted under section 1105 of title 31, United States Code, for fiscal year 2002—

(A) a revised pay table for enlisted members of the Armed Forces to reflect the increases in monthly basic pay to take effect on July 1, 2001; and

(B) a description of the various increases made and the reasons therefor.

SEC. 603. REVISED METHOD FOR CALCULATION OF BASIC ALLOWANCE FOR SUBSISTENCE.

(a) ANNUAL REVISION OF RATE.—Subsection (b) of section 402 of title 37, United States Code, is amended—

(1) in paragraph (1), by striking "The monthly rate" and inserting "Through December 31, 2001, the monthly rate";

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

(3) by inserting after paragraph (1) the following new paragraph:

"(2) On and after January 1, 2002, the monthly rate of basic allowance for subsistence to be in effect for an enlisted member for a year (beginning on January 1 of that year) shall be equal to the sum of—

"(A) the monthly rate of basic allowance for subsistence that was in effect for an enlisted member for the preceding year; plus

"(B) the product of the monthly rate under subparagraph (A) and the percentage increase in the monthly cost of a liberal food plan for a male in the United States who is between 20 and 50 years of age over the preceding fiscal year, as determined by the Secretary of Agriculture each October 1.".

(b) CONFORMING AMENDMENT.—Subsection (d)(1) of such section is amended by striking "established under subsection (b)(1)" and inserting "in effect under paragraph (1) or (2) of subsection (b)".

(c) EARLY TERMINATION OF BAS TRANSITIONAL AUTHORITY.—Effective October 1, 2001, subsections (c) through (f) of section 602 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 37 U.S.C. 402 note) are repealed.

SEC. 604. FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE FOR LOW-INCOME MEMBERS OF THE ARMED FORCES.

(a) SUPPLEMENTAL ALLOWANCE REQUIRED.—(1) Chapter 7 of title 37, United States Code, is amended by inserting after section 402 the following new section:

"§ 402a. Supplemental subsistence allowance for low-income members with dependents

"(a) SUPPLEMENTAL ALLOWANCE REQUIRED.—(1) The Secretary concerned shall increase the basic allowance for subsistence to which a member of the armed forces described in subsection (b) is otherwise entitled under section 402 of this title by an amount (in this section referred to as the 'supplemental subsistence allowance') designed to remove the member's household from eligibility for benefits under the food stamp program.

"(2) The supplemental subsistence allowance may not exceed $500 per month. In establishing the amount of the supplemental subsistence allowance to be paid an eligible member under this paragraph, the Secretary shall take into consideration the amount of the basic allowance for housing that the member receives under section 403 of this title or would otherwise receive under such section, in the case of a member who is not entitled to that allowance as a result of assignment to quarters of the United States or a housing facility under the jurisdiction of a uniformed service.

"(3) In the case of a member described in subsection (b) who establishes to the satisfaction of the Secretary concerned that the allotment of the member's household under the food stamp program, calculated in the absence of the supplemental subsistence allowance, would exceed the amount established by the Secretary concerned under paragraph (2), the amount of the supplemental subsistence allowance for the member shall be equal to the lesser of the following:

"(A) The value of that allotment.

"(B) $500.

"(b) MEMBERS ENTITLED TO ALLOWANCE.—(1) Subject to subsection (d), a member of the armed forces is entitled to receive the supplemental subsistence allowance if the Secretary concerned determines that the member's income, together with the income of the rest of the member's household (if any), is within the highest income standard of eligibility, as then in effect under section 5(c) of the Food Stamp Act of 1977 (7 U.S.C. 2014(c)) and without regard to paragraph (1) of such section, for participation in the food stamp program.

"(2) In determining whether a member meets the eligibility criteria under paragraph (1), the Secretary—

"(A) shall not take into consideration the amount of the supplemental subsistence allowance payable under this section; but

"(B) shall take into consideration the amount of the basic allowance for housing that the member receives under section 403 of this title or would otherwise receive under such section, in the case of a member who is not entitled to that allowance as a result of assignment to quarters of the United States or a housing facility under the jurisdiction of a uniformed service.

"(c) APPLICATION FOR ALLOWANCE.—To request the supplemental subsistence allowance, a member shall submit an application to the Secretary concerned in such form and containing such information as the Secretary concerned may prescribe. A member applying for the supplemental subsistence allowance shall furnish such evidence regarding the member's satisfaction of the eligibility criteria under subsection (b) as the Secretary concerned may require.

"(d) EFFECTIVE PERIOD.—The entitlement of a member to receive the supplemental subsistence allowance terminates upon the occurrence of any of the following events, even though the member continues to meet the eligibility criteria described in subsection (b):

"(1) Payment of the supplemental subsistence allowance for 12 consecutive months.

"(2) Promotion of the member to a higher grade.

"(3) Transfer of the member in a permanent change of station.

"(e) REAPPLICATION.—Upon the termination of the effective period of the supplemental subsistence allowance for a member, or in anticipation of the imminent termination of the allowance, a member may reapply for the allowance under subsection (c), and the Secretary concerned shall approve the application and resume payment of the allowance to the member, if the member continues to meet, or once again meets, the eligibility criteria described in subsection (b).

"(f) REPORTING REQUIREMENT.—Not later than March 1 of each year after 2001, the Secretary of Defense shall submit to Congress a report specifying the number of members of the armed forces who received, at any time during the preceding year, the supplemental subsistence allowance. In preparing the report, the Secretary of Defense shall consult with the Secretary of Transportation. No report is required under this subsection after March 1, 2006.

"(g) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' means—

"(A) the Secretary of Defense; and

"(B) the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy.

"(2) The terms 'allotment' and 'household' have the meanings given those terms in section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012).

"(3) The term 'food stamp program' means the program established pursuant to section 4 of the Food Stamp Act of 1977 (7 U.S.C. 2013).

"(h) TERMINATION OF AUTHORITY.—No supplemental subsistence allowance may be provided under this section after September 30, 2006.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 402 the following:

"402a. Supplemental subsistence allowance for low-income members with dependents.".

(b) EFFECTIVE DATE.—Section 402a of title 37, United States Code, as added by subsection (a), shall take effect on the first day of the first month that begins not less than 180 days after the date of the enactment of this Act.

SEC. 605. BASIC ALLOWANCE FOR HOUSING.

(a) CALCULATION OF RATES.—Subsection (b) of section 403 of title 37, United States Code, is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraph (1) as paragraph (2); and

(3) by inserting after the subsection heading the following:

"(1) The Secretary of Defense shall prescribe the rates of the basic allowance for housing that are applicable for the various military housing areas in the United States. The rates for an area shall be based on the costs of adequate housing determined for the area under paragraph (2).".

(b) MINIMUM ANNUAL AMOUNT AVAILABLE FOR HOUSING ALLOWANCES.—Subsection (b) of such section is further amended—

(1) by striking paragraphs (3) and (5); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) The total amount that may be paid for a fiscal year for the basic allowance for housing under this subsection may not be less than the product of—

"(A) the total amount authorized to be paid for such allowance for the preceding fiscal year; and

"(B) a fraction—

"(i) the numerator of which is the index of the national average monthly cost of housing for June of the preceding fiscal year; and

"(ii) the denominator of which is the index of the national average monthly cost of housing for June of the second preceding fiscal year.".

(c) LIMITATIONS ON REDUCTION IN MEMBER'S ALLOWANCE.—(1) Paragraph (6) of such subsection is amended by striking ", changes in the national average monthly cost of housing,".

(2) Paragraph (7) of such subsection is amended by striking "without dependents".

(d) ALLOWANCE WHEN DEPENDENTS ARE UNABLE TO ACCOMPANY MEMBERS.—Subsection (d) of such section is amended by striking paragraph (3) and inserting the following new paragraph:

"(3) If a member with dependents is assigned to duty in an area that is different from the area in which the member's dependents reside, the member is entitled to a basic allowance for housing as provided in subsection (b) or (c), whichever applies to the member, subject to the following:

"(A) If the member's assignment to duty in that area, or the circumstances of that assignment, require the member's dependents to reside in a different area, as determined by the Secretary concerned, the amount of the basic allowance for housing for the member shall be based on the area in which the dependents reside or the member's last duty station, whichever the Secretary concerned determines to be most equitable.

"(B) If the member's assignment to duty in that area is under the conditions of a low-cost or no-cost permanent change of station or permanent change of assignment, the amount of the basic allowance for housing for the member shall be based on the member's last duty station if the Secretary concerned determines that it would be inequitable to base the allowance on the cost of housing in the area to which the member is reassigned.".

(e) EXTENSION OF TRANSITION PERIOD.—Section 603(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 37 U.S.C. 403 note) is amended by striking "six years" and inserting "eight years".

(f) EFFECTIVE DATE; APPLICATION.—(1) The amendments made by this section shall take effect on October 1, 2000.

(2) In the case of the amendment made by subsection (c)(2), the amendment shall apply with respect to pay periods beginning on and after October 1, 2000, for a member of the uniformed services covered by the provision of law so amended regardless of the date on which the member was first reassigned to duty under the conditions of a low-cost or no-cost permanent change of station or permanent change of assignment.

(3) In the case of the amendment made by subsection (d), the amendment shall apply with respect to pay periods beginning on and after October 1, 2000, for a member of the uniformed services covered by the provision of law so amended regardless of the date on which the member was first assigned to duty in an area that is different from the area in which the member's dependents reside.

SEC. 606. ADDITIONAL AMOUNT AVAILABLE FOR FISCAL YEAR 2001 INCREASE IN BASIC ALLOWANCE FOR HOUSING INSIDE THE UNITED STATES.

In addition to the amount determined by the Secretary of Defense under section 403(b)(3) of title 37, United States Code, as amended by section 605(b), to be the total amount to be paid during fiscal year 2001 for the basic allowance for housing for military housing areas inside the United States, $30,000,000 of the amount authorized to be appropriated by section 421 for military personnel shall be used by the Secretary to further increase the total amount available for the basic allowance for housing for military housing areas inside the United States.

SEC. 607. EQUITABLE TREATMENT OF JUNIOR ENLISTED MEMBERS IN COMPUTATION OF BASIC ALLOWANCE FOR HOUSING.

(a) DETERMINATION OF COSTS OF ADEQUATE HOUSING.—Paragraph (2) of subsection (b) of section 403 of title 37, United States Code, as redesignated by section 605(a)(2), is amended by adding at the end the following new sentence: "After June 30, 2001, the Secretary may not differentiate between members with dependents in pay grades E–1 through E–4 in determining what constitutes adequate housing for members.".

(b) SINGLE RATE; MINIMUM.—Subsection (b) of such section, as amended by section 605(b)(1), is amended by inserting after paragraph (4) the following new paragraph:

"(5) On and after July 1, 2001, the Secretary of Defense shall establish a single monthly rate for members of the uniformed services with dependents in pay grades E–1 through E–4 in the same military housing area. The rate shall be consistent with the rates paid to members in pay grades other than pay grades E–1 through E–4 and shall be based on the following:

"(A) The average cost of a two-bedroom apartment in that military housing area.

"(B) One-half of the difference between the average cost of a two-bedroom townhouse in that area and the amount determined in subparagraph (A).".

SEC. 608. ELIGIBILITY OF MEMBERS IN GRADE E–4 TO RECEIVE BASIC ALLOWANCE FOR HOUSING WHILE ON SEA DUTY.

(a) PAYMENT AUTHORIZED.—Subsection (f)(2)(B) of section 403 of title 37, United States Code, is amended—

(1) by striking "E–5" in the first sentence and inserting "E–4 or E–5"; and

(2) by striking "grade E–5" in the second sentence and inserting "grades E–4 and E–5".

(b) CONFORMING AMENDMENT.—Subsection (m)(1)(B) of such section is amended by striking "E–4" and inserting "E–3".

SEC. 609. PERSONAL MONEY ALLOWANCE FOR SENIOR ENLISTED MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—Section 414 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(c) ALLOWANCE FOR SENIOR ENLISTED MEMBERS.—In addition to other pay or allowances authorized by this title, a noncommissioned officer is entitled to a personal money allowance of $2,000 a year while serving as the Sergeant Major of the Army, the Master Chief Petty Officer of the Navy, the Chief Master Sergeant of the Air Force, the Sergeant Major of the Marine Corps, or the Master Chief Petty Officer of the Coast Guard.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "ALLOWANCE FOR OFFICERS SERVING IN CERTAIN RANKS OR POSITIONS.—" after "(a)"; and

(2) in subsection (b), by inserting "ALLOWANCE FOR CERTAIN NAVAL OFFICERS.—" after "(b)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

SEC. 610. INCREASED UNIFORM ALLOWANCES FOR OFFICERS.

(a) INITIAL ALLOWANCE.—Section 415(a) of title 37, United States Code, is amended by striking "$200" and inserting "$400".

(b) ADDITIONAL ALLOWANCE.—Section 416(a) of such title is amended by striking "$100" and inserting "$200".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

SEC. 611. CABINET-LEVEL AUTHORITY TO PRESCRIBE REQUIREMENTS AND ALLOWANCE FOR CLOTHING OF ENLISTED MEMBERS.

Section 418 of title 37, United States Code, is amended—

(1) in subsection (a), by striking "The President" and inserting "The Secretary of Defense and the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy,"; and

(2) in subsection (b), by striking "the President" and inserting "the Secretary of Defense".

SEC. 612. INCREASE IN MONTHLY SUBSISTENCE ALLOWANCE FOR MEMBERS OF PRECOMMISSIONING PROGRAMS.

(a) PAY RATES FOR CADETS AND MIDSHIPMEN.—Section 203(c) of title 37, United States Code, is amended by striking "at the rate of $600.00." and inserting "at the monthly rate equal to 35 percent of the basic pay of a commissioned officer in the pay grade O–1 with less than two years of service.".

(b) SUBSISTENCE ALLOWANCE RATES.—Subsection (a) of section 209 of such title is amended—

(1) by inserting "(1)" before "Except";

(2) by striking "subsistence allowance of $200 a month" and inserting "monthly subsistence allowance at a rate prescribed under paragraph (2)";

(3) by striking "Subsistence" and inserting the following: "(3) A subsistence"; and

(4) by inserting after the first sentence the following:

"(2) The Secretary of Defense shall prescribe by regulation the monthly rates for subsistence allowances provided under this section. The rate may not be less than $250 per month, but may not exceed $674 per month.".

(c) CONFORMING AND STYLISTIC AMENDMENTS.—Section 209 of such title is further amended—

(1) in subsection (a), by inserting "SENIOR ROTC MEMBERS IN ADVANCED TRAINING.—" after "(a)";

(2) in subsection (b)—

(A) by inserting "SENIOR ROTC MEMBERS APPOINTED IN RESERVES.—" after "(b)"; and

(B) by striking "in the amount provided in subsection (a)" and inserting "at a rate prescribed under subsection (a)";

(3) in subsection (c), by inserting "PAY WHILE ATTENDING TRAINING OR PRACTICE CRUISE.—" after "(c)" the first place it appears; and

(4) in subsection (d)—

(A) by inserting "MEMBERS OF MARINE CORPS OFFICER CANDIDATE PROGRAM.—" after "(d)"; and

(B) by striking "the same rate as that prescribed by subsection (a)," and inserting "a monthly rate prescribed under subsection (a)".

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect October 1, 2001.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 621. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking "January 1, 2001" and inserting "January 1, 2002".

SEC. 622. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

SEC. 623. EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking "December 31, 2000," and inserting "December 31, 2001,".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(c) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(d) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(e) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

SEC. 624. REVISION OF ENLISTMENT BONUS AUTHORITY.

(a) BONUS AUTHORIZED.—(1) Title 37, United States Code, is amended by inserting after section 308i the following new section:

"§ 309. Special pay: enlistment bonus

"(a) BONUS AUTHORIZED; BONUS AMOUNT.—A person who enlists in an armed force for a period of at least 2 years may be paid a bonus in an amount not to exceed $20,000. The bonus may be paid in a single lump sum or in periodic installments.

"(b) REPAYMENT OF BONUS.—(1) A member of the armed forces who voluntarily, or because of the member's misconduct, does not complete the term of enlistment for which a bonus was paid under this section, or a member who is not technically qualified in the skill for which the bonus was paid, if any (other than a member who is not qualified because of injury, illness, or other impairment not the result of the member's misconduct), shall refund to the United States that percentage of the bonus that the unexpired part of member's enlistment is of the total enlistment 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 enlistment for which a bonus was paid under this section does not discharge the person receiving the bonus from the debt arising under paragraph (1).

"(c) RELATION TO PROHIBITION ON BOUNTIES.—The enlistment bonus authorized by this section is not a bounty for purposes of section 514(a) of title 10.

"(d) 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 Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

"(e) DURATION OF AUTHORITY.—No bonus shall be paid under this section with respect to any enlistment in the armed forces made after December 31, 2001.".

(2) The table of sections at the beginning of chapter 5 of such title is amended by inserting after the item relating to section 308i the following new item:

"309. Special pay: enlistment bonus.".

(b) REPEAL OF SUPERSEDED ENLISTMENT BONUS AUTHORITIES.—(1) Sections 308a and 308f of title 37, United States Code, are repealed.

(2) The table of sections at the beginning of chapter 5 of such title is amended by striking the items relating to such sections.

(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall take effect on October 1, 2000, and apply with respect to enlistments in the Armed Forces made on or after that date.

(2) The amendments made by subsection (b) shall take effect on October 1, 2000. The repeal of sections 308a and 308f of title 37, United States Code, by such subsection shall not affect the validity or terms of any bonus provided under such sections for enlistments in the Armed Forces made before that date.

SEC. 625. CONSISTENCY OF AUTHORITIES FOR SPECIAL PAY FOR RESERVE MEDICAL AND DENTAL OFFICERS.

(a) CONSISTENT DESCRIPTIONS OF ACTIVE DUTY.—Section 302(h)(1) of title 37, United States Code, is amended by inserting before the period at the end the following: ", including active duty in the form of annual training, active duty for training, and active duty for special work".

(b) RELATION TO OTHER SPECIAL PAY AUTHORITIES.—Subsection (d) of section 302f of such title is amended to read as follows:

"(d) SPECIAL RULE FOR RESERVE MEDICAL AND DENTAL OFFICERS.—While a reserve medical or dental officer receives a special pay under section 302 or 302b of this title by reason of subsection (a), the officer shall not be entitled to special pay under section 302(h) or 302b(h) of this title.".

SEC. 626. ELIMINATION OF REQUIRED CONGRESSIONAL NOTIFICATION BEFORE IMPLEMENTATION OF CERTAIN SPECIAL PAY AUTHORITY.

(a) RETENTION SPECIAL PAY FOR OPTOMETRISTS.—(1) Section 302a(b)(1) of title 37, United States Code, is amended by striking "an officer described in paragraph (2) may be paid" and inserting "the Secretary concerned may pay an officer described in paragraph (2) a".

(2) Section 617 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 302a note) is amended by striking subsection (b).

(b) SPECIAL PAY FOR OFFICERS IN NURSING SPECIALTIES.—(1) Section 302e(b)(2)(A) of title 37, United States Code, is amended by striking "the Secretary" and inserting "the Secretary of the military department concerned".

(2) Section 614 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 302e note) is amended by striking subsection (c).

SEC. 627. SPECIAL PAY FOR PHYSICIAN ASSISTANTS OF THE COAST GUARD.

Section 302c(d)(1) of title 37, United States Code, is amended by inserting after "nurse," the following: "an officer of the Coast Guard or Coast Guard Reserve designated as a physician assistant,".

SEC. 628. AUTHORIZATION OF SPECIAL PAY AND ACCESSION BONUS FOR PHARMACY OFFICERS.

(a) AUTHORIZATION OF SPECIAL PAY AND BONUS.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302h the following new sections:

"§ 302i. Special pay: pharmacy officers

"(a) ARMY, NAVY, AND AIR FORCE PHARMACY OFFICERS.—Under regulations prescribed pursuant to section 303a of this title, the Secretary of the military department concerned may, subject to subsection (c), pay special pay at the rates specified in subsection (d) to an officer who—

"(1) is a pharmacy officer in the Medical Service Corps of the Army or Navy or the Biomedical Sciences Corps of the Air Force; and

"(2) is on active duty under a call or order to active duty for a period of not less than one year.

"(b) PUBLIC HEALTH SERVICE CORPS.—Subject to subsection (c), the Secretary of Health and Human Services may pay special pay at the rates specified in subsection (d) to an officer who—

"(1) is an officer in the Regular or Reserve Corps of the Public Health Service and is designated as a pharmacy officer; and

"(2) is on active duty under a call or order to active duty for a period of not less than one year.

"(c) LIMITATION.—Special pay may not be paid under this section to an officer serving in a pay grade above pay grade O–6.

"(d) RATE OF SPECIAL PAY.—The rate of special pay paid to an officer under subsection (a) or (b) is as follows:

"(1) $3,000 per year, if the officer is undergoing pharmacy internship training or has less than 3 years of creditable service.

"(2) $7,000 per year, if the officer has at least 3 but less than 6 years of creditable service and is not undergoing pharmacy internship training.

"(3) $7,000 per year, if the officer has at least 6 but less than 8 years of creditable service.

"(4) $12,000 per year, if the officer has at least 8 but less than 12 years of creditable service.

"(5) $10,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(6) $9,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(7) $8,000 per year, if the officer has 18 or more years of creditable service.

"§ 302j. Special pay: accession bonus for pharmacy officers

"(a) ACCESSION BONUS AUTHORIZED.—A person who is a graduate of an accredited pharmacy school and who, during the period beginning on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 and ending on September 30, 2004, executes a written agreement described in subsection (c) to accept a commission as an officer of a uniformed service and remain on active duty for a period of not less than 4 years may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(b) LIMITATION ON AMOUNT OF BONUS.—The amount of an accession bonus under subsection (a) may not exceed $30,000.

"(c) LIMITATION ON ELIGIBILITY FOR BONUS.—A person may not be paid a bonus under subsection (a) if—

"(1) the person, in exchange for an agreement to accept an appointment as a warrant or commissioned officer, received financial assistance from the Department of Defense or the Department of Health and Human Services to pursue a course of study in pharmacy; or

"(2) the Secretary concerned determines that the person is not qualified to become and remain licensed as a pharmacist.

"(d) AGREEMENT.—The agreement referred to in subsection (a) shall provide that, consistent with the needs of the uniformed service concerned, the person executing the agreement shall be assigned to duty, for the period of obligated service covered by the agreement, as a pharmacy officer in the Medical Service Corps of the Army or Navy, a biomedical sciences officer in the Air Force designated as a pharmacy officer, or a pharmacy officer of the Public Health Service.

"(e) REPAYMENT.—(1) An officer who receives a payment under subsection (a) and who fails to become and remain licensed as a pharmacist during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

"(2) An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under subsection (a) shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

"(3) An obligation to reimburse the United States under paragraph (1) or (2) is for all purposes a debt owed to the United States.

"(4) 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 such agreement or this subsection. This paragraph applies to any case commenced under title 11 after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.".

(b) ADMINISTRATION.—Section 303a of title 37, United States Code, is amended by striking "302h" each place it appears and inserting "302j".

(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 302h the following new items:

"302i. Special pay: pharmacy officers.
"302j. Special pay: accession bonus for pharmacy officers.".

SEC. 629. CORRECTION OF REFERENCES TO AIR FORCE VETERINARIANS.

Section 303(a) of title 37, United States Code, is amended—

(1) in paragraph (1)(B), by striking "who is designated as a veterinary officer" and inserting "who is an officer in the Biomedical Sciences Corps and holds a degree in veterinary medicine"; and

(2) in paragraph (2), by striking subparagraph (B) and inserting the following:

"(B) of a reserve component of the Air Force, of the Army or the Air Force without specification of component, or of the National Guard, who—

"(i) is designated as a veterinary officer; or

"(ii) is an officer in the Biomedical Sciences Corps of the Air Force and holds a degree in veterinary medicine; or".

SEC. 630. CAREER SEA PAY.

(a) REFORM OF AUTHORITIES.—Section 305a of title 37, United States Code, is amended—

(1) in subsection (a), by striking "(a) Under regulations prescribed by the President, a member" and inserting "(a) AVAILABILITY OF SPECIAL PAY.—A member";

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

(3) by striking subsections (b) and (c) and inserting the following new subsections:

"(b) RATES; MAXIMUM.—The Secretary concerned shall prescribe the monthly rates for special pay applicable to members of each armed force under the Secretary's jurisdiction. No monthly rate may exceed $750.

"(c) PREMIUM.—A member of a uniformed service entitled to career sea pay under this section who has served 36 consecutive months of sea duty is also entitled to a career sea pay premium for the thirty-seventh consecutive month and each subsequent consecutive month of sea duty served by such member. The monthly amount of the premium shall be prescribed by the Secretary concerned, but may not exceed $350.

"(d) REGULATIONS.—The Secretary concerned shall prescribe regulations for the administration of this section for the armed force or armed forces under the jurisdiction of the Secretary. The entitlements under this section shall be subject to the regulations.".

(b) STYLISTIC AMENDMENT.—Subsection (e) of such section, as redesignated by subsection (a)(2), is amended by inserting before "(1)" in paragraph (1) the following: "DEFINITION OF SEA DUTY.—".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

SEC. 631. INCREASED MAXIMUM RATE OF SPECIAL DUTY ASSIGNMENT PAY.

Section 307(a) of title 37, United States Code, is amended—

(1) by striking "$275" and inserting "$600"; and

(2) by striking the second sentence.

SEC. 632. ENTITLEMENT OF MEMBERS OF THE NATIONAL GUARD AND OTHER RESERVES NOT ON ACTIVE DUTY TO RECEIVE SPECIAL DUTY ASSIGNMENT PAY.

(a) AUTHORITY.—Section 307 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) Under regulations prescribed by the Secretary concerned and to the extent provided for by appropriations, when an enlisted member of the National Guard or a reserve component of a uniformed service who is entitled to compensation under section 206 of this title performs duty for which a member described in subsection (a) is entitled to special pay under such subsection, the member of the National Guard or reserve component is entitled

to an increase in compensation equal to 1/30 of the monthly special duty assignment pay prescribed by the Secretary concerned for the performance of that same duty by members described in subsection (a).

"(2) A member of the National Guard or a reserve component entitled to an increase in compensation under paragraph (1) is entitled to the increase—

"(A) for each regular period of instruction, or period of appropriate duty, at which the member is engaged for at least two hours, including that performed on a Sunday or holiday; or

"(B) for the performance of such other equivalent training, instruction, duty, or appropriate duties, as the Secretary may prescribe under section 206(a) of this title.

"(3) This subsection does not apply to a member of the National Guard or a reserve component who is entitled to basic pay under section 204 of this title.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 2000.

SEC. 633. AUTHORIZATION OF RETENTION BONUS FOR MEMBERS OF THE ARMED FORCES QUALIFIED IN A CRITICAL MILITARY SKILL.

(a) BONUS AUTHORIZED.—(1) Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 323. Special pay: retention incentives for members qualified in a critical military skill

"(a) RETENTION BONUS AUTHORIZED.—An officer or enlisted member of the armed forces who is serving on active duty and is qualified in a designated critical military skill may be paid a retention bonus as provided in this section if—

"(1) in the case of an officer, the member executes a written agreement to remain on active duty for at least 1 year; or

"(2) in the case of an enlisted member, the member reenlists or voluntarily extends the member's enlistment for a period of at least 1 year.

"(b) DESIGNATION OF CRITICAL SKILLS.—(1) A designated critical military skill referred to in subsection (a) is a military skill designated as critical by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.

"(2) The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall notify Congress, in advance, of each military skill to be designated by the Secretary as critical for purposes of this section. The notice shall be submitted at least 90 days before any bonus with regard to that critical skill is offered under subsection (a) and shall include a discussion of the necessity for the bonus, the amount and method of payment of the bonus, and the retention results that the bonus is expected to achieve.

"(c) PAYMENT METHODS.—A bonus under this section may be paid in a single lump sum or in periodic installments.

"(d) MAXIMUM BONUS AMOUNT.—A member may enter into an agreement under this section, or reenlist or voluntarily extend the member's enlistment, more than once to receive a bonus under

this section. However, a member may not receive a total of more than $200,000 in payments under this section.

"(e) CERTAIN MEMBERS INELIGIBLE.—A retention bonus may not be provided under subsection (a) to a member of the armed forces who—

"(1) has completed more than 25 years of active duty; or

"(2) will complete the member's twenty-fifth year of active duty before the end of the period of active duty for which the bonus is being offered.

"(f) RELATIONSHIP TO OTHER INCENTIVES.—A retention bonus paid under this section is in addition to any other pay and allowances to which a member is entitled.

"(g) REPAYMENT OF BONUS.—(1) If an officer who has entered into a written agreement under subsection (a) fails to complete the total period of active duty specified in the agreement, or an enlisted member who voluntarily or because of misconduct does not complete the term of enlistment for which a bonus was paid under this section, the Secretary of Defense, and the Secretary of Transportation with respect to members of the Coast Guard when it is not operating as a service in the Navy, may require the member to repay the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, all sums paid under this section.

"(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 a written agreement entered into under subsection (a) does not discharge the member from a debt arising under paragraph (2).

"(h) ANNUAL REPORT.—Not later than February 15 of each year, the Secretary of Defense and the Secretary of Transportation shall submit to Congress a report—

"(1) analyzing the effect, during the preceding fiscal year, of the provision of bonuses under this section on the retention of members qualified in the critical military skills for which the bonuses were offered; and

"(2) describing the intentions of the Secretary regarding the continued use of the bonus authority during the current and next fiscal years.

"(i) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section with respect to any reenlistment, or voluntary extension of an enlistment, in the armed forces entered into after December 31, 2001, and no agreement under this section may be entered into after that date.".

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

"323. Special pay: retention incentives for members qualified in a critical military skill.".

(b) EFFECTIVE DATE.—Section 323 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2000.

SEC. 634. ENTITLEMENT OF ACTIVE DUTY OFFICERS OF THE PUBLIC HEALTH SERVICE CORPS TO SPECIAL PAYS AND BONUSES OF HEALTH PROFESSIONAL OFFICERS OF THE ARMED FORCES.

(a) IN GENERAL.—Section 303a of title 37, United States Code, is amended—

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

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

"(b)(1) Except as provided in paragraph (2) or as otherwise provided under a provision of this chapter, a commissioned officer in the Regular or Reserve Corps of the Public Health Service is entitled to special pay under a provision of this chapter in the same amounts, and under the same terms and conditions, as a commissioned officer of the armed forces is entitled to special pay under that provision.

"(2) A commissioned medical officer in the Regular or Reserve Corps of the Public Health Service (other than an officer serving in the Indian Health Service) may not receive additional special pay under section 302(a)(4) of this title for any period during which the officer is providing obligated service under the following provisions of law:

"(A) Section 338B of the Public Health Service Act (42 U.S.C. 254l–1).

"(B) Section 225(e) of the Public Health Service Act, as that section was in effect before October 1, 1977.

"(C) Section 752 of the Public Health Service Act, as that section was in effect between October 1, 1977, and August 13, 1981.".

(b) REPEAL OF SUPERSEDED PROVISIONS.—Section 208(a) of the Public Health Service Act (42 U.S.C. 210(a)) is amended—

(1) by striking paragraphs (2) and (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) For provisions relating to the receipt of special pay by commissioned officers of the Regular and Reserve Corps while on active duty, see section 303a(b) of title 37, United States Code.".

Subtitle C—Travel and Transportation Allowances

SEC. 641. ADVANCE PAYMENTS FOR TEMPORARY LODGING OF MEMBERS AND DEPENDENTS.

(a) SUBSISTENCE EXPENSES.— Section 404a of title 37, United States Code, is amended—

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

(2) by striking subsection (a) and inserting the following:

"(a) PAYMENT OR REIMBURSEMENT OF SUBSISTENCE EXPENSES.—(1) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service who is ordered to make a change of permanent station described in paragraph (2) shall be paid or reimbursed for subsistence expenses of the member and the member's dependents for the period (subject to subsection (c)) for which

the member and dependents occupy temporary quarters incident to that change of permanent station.

"(2) Paragraph (1) applies to the following:

"(A) A permanent change of station from any duty station to a duty station in the United States (other than Hawaii or Alaska).

"(B) A permanent change of station from a duty station in the United States (other than Hawaii or Alaska) to a duty station outside the United States or in Hawaii or Alaska.

"(C) In the case of an enlisted member who is reporting to the member's first permanent duty station, the change from the member's home of record or initial technical school to that first permanent duty station.

"(b) PAYMENT IN ADVANCE.—The Secretary concerned may make any payment for subsistence expenses to a member under this section in advance of the member actually incurring the expenses. The amount of an advance payment made to a member shall be computed on the basis of the Secretary's determination of the average number of days that members and their dependents occupy temporary quarters under the circumstances applicable to the member and the member's dependents.

"(c) MAXIMUM PAYMENT PERIOD.—(1) In the case of a change of permanent station described in subparagraph (A) or (C) of subsection (a)(2), the period for which subsistence expenses are to be paid or reimbursed under this section may not exceed 10 days.

"(2) In the case of a change of permanent station described in subsection (a)(2)(B)—

"(A) the period for which such expenses are to be paid or reimbursed under this section may not exceed five days; and

"(B) such payment or reimbursement may be provided only for expenses incurred before leaving the United States (other than Hawaii or Alaska).".

(b) PER DIEM.—Section 405 of such title is amended to read as follows:

"§ 405. Travel and transportation allowances: per diem while on duty outside the United States or in Hawaii or Alaska

"(a) PER DIEM AUTHORIZED.—Without regard to the monetary limitation of this title, the Secretary concerned may pay a per diem to a member of the uniformed services who is on duty outside of the United States or in Hawaii or Alaska, whether or not the member is in a travel status. The Secretary may pay the per diem in advance of the accrual of the per diem.

"(b) DETERMINATION OF PER DIEM.—In determining the per diem to be paid under this section, the Secretary concerned shall consider all elements of the cost of living to members of the uniformed services under the Secretary's jurisdiction and their dependents, including the cost of quarters, subsistence, and other necessary incidental expenses. However, dependents may not be considered in determining the per diem allowance for a member in a travel status.

"(c) TREATMENT OF HOUSING COST AND ALLOWANCE.—Housing cost and allowance may be disregarded in prescribing a station cost of living allowance under this section.".

(c) STYLISTIC AMENDMENTS.—Section 404a of such title is further amended—

(1) in subsection (d), as redesignated by subsection (a), by striking "(d)" and inserting "(d) DAILY SUBSISTENCE RATES.—"; and

(2) in subsection (e), as redesignated by subsection (a), by striking "(e)" and inserting "(e) MAXIMUM DAILY PAYMENT.—".

SEC. 642. ADDITIONAL TRANSPORTATION ALLOWANCE REGARDING BAGGAGE AND HOUSEHOLD EFFECTS.

(a) PET QUARANTINE FEES.—Section 406(a)(1) of title 37, United States Code, is amended by adding at the end the following new sentence: "The Secretary concerned may also reimburse the member for mandatory pet quarantine fees for household pets, but not to exceed $275 per change of station, when the member incurs the fees incident to such change of station.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 2000.

SEC. 643. INCENTIVE FOR SHIPPING AND STORING HOUSEHOLD GOODS IN LESS THAN AVERAGE WEIGHTS.

Section 406(b)(1) of title 37, United States Code, is amended by adding at the end the following new subparagraph:

"(G) Under regulations prescribed by the Secretary of Defense, the Secretary concerned may pay a member a share (determined pursuant to such regulations) of the savings resulting to the United States when the total weights of the member's baggage and household effects shipped and stored under subparagraph (A) are less than the average weights of the baggage and household effects that are shipped and stored, respectively, by other members in the same grade and with the same dependents status as the member in connection with changes of station that are comparable to the member's change of station. The total savings shall be equal to the difference between the cost of shipping and cost of storing such average weights of baggage and household effects, respectively, and the corresponding costs associated with the weights of the member's baggage and household effects. For the administration of this subparagraph, the Secretary of Defense shall annually determine the average weights of baggage and household effects shipped and stored in connection with a change of temporary or permanent station.".

SEC. 644. EQUITABLE DISLOCATION ALLOWANCES FOR JUNIOR ENLISTED MEMBERS.

Section 407(c)(1) of title 37, United States Code, is amended by inserting before the period at the end the following: ", except that the Secretary concerned may not differentiate between members with dependents in pay grades E–1 through E–5".

SEC. 645. AUTHORITY TO REIMBURSE MILITARY RECRUITERS, SENIOR ROTC CADRE, AND MILITARY ENTRANCE PROCESSING PERSONNEL FOR CERTAIN PARKING EXPENSES.

(a) REIMBURSEMENT AUTHORITY.—Chapter 7 of title 37, United States Code, is amended by inserting after section 411h the following new section:

"§ 411i. Travel and transportation allowances: parking expenses

"(a) REIMBURSEMENT AUTHORITY.—Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may reimburse eligible Department of Defense personnel for expenses incurred after October 1, 2001, for parking a privately owned vehicle at a place of duty described in subsection (b).

"(b) ELIGIBILITY.—A member of the Army, Navy, Air Force, or Marine Corps or an employee of the Department of Defense may be reimbursed under subsection (a) for parking expenses while—

"(1) assigned to duty as a recruiter for any of the armed forces;

"(2) assigned to duty at a military entrance processing facility of the armed forces; or

"(3) detailed for instructional and administrative duties at any institution where a unit of the Senior Reserve Officers' Training Corps is maintained.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 411h the following new item:

"411i. Travel and transportation allowances: parking expenses.".

SEC. 646. EXPANSION OF FUNDED STUDENT TRAVEL FOR DEPENDENTS.

Section 430 of title 37, United States Code, is amended—

(1) in subsections (a)(3) and (b)(1), by striking "for the purpose of obtaining a secondary or undergraduate college education" and inserting "for the purpose of obtaining a formal education"; and

(2) in subsection (f)—

(A) by striking "In this section, the term" and inserting the following:

"In this section:

"(1) The term"; and

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

"(2) The term 'formal education' means the following:

"(A) A secondary education.

"(B) An undergraduate college education.

"(C) A graduate education pursued on a full-time basis at an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).

"(D) Vocational education pursued on a full-time basis at a post-secondary vocational institution (as defined in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c))).".

Subtitle D—Retirement and Survivor Benefit Matters

SEC. 651. EXCEPTION TO HIGH-36 MONTH RETIRED PAY COMPUTATION FOR MEMBERS RETIRED FOLLOWING A DISCIPLINARY REDUCTION IN GRADE.

Section 1407 of title 10, United States Code, is amended—

(1) in subsection (b), by striking "The retired pay base" and inserting "Except as provided in subsection (f), the retired pay base"; and

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

"(f) EXCEPTION FOR ENLISTED MEMBERS REDUCED IN GRADE AND OFFICERS WHO DO NOT SERVE SATISFACTORILY IN HIGHEST GRADE HELD.—

"(1) COMPUTATION BASED ON PRE-HIGH-THREE RULES.—In the case of a member or former member described in paragraph (2), the retired pay base or retainer pay base is determined under section 1406 of this title in the same manner as if the member or former member first became a member of a uniformed service before September 8, 1980.

"(2) AFFECTED MEMBERS.—A member or former member referred to in paragraph (1) is a member or former member who by reason of conduct occurring after the date of the enactment of this subsection—

"(A) in the case of a member retired in an enlisted grade or transferred to the Fleet Reserve or Fleet Marine Corps Reserve, was at any time reduced in grade as the result of a court-martial sentence, nonjudicial punishment, or an administrative action, unless the member was subsequently promoted to a higher enlisted grade or appointed to a commissioned or warrant grade; and

"(B) in the case of an officer, is retired in a grade lower than the highest grade in which served by reason of denial of a determination or certification under section 1370 of this title that the officer served on active duty satisfactorily in that grade.

"(3) SPECIAL RULE FOR ENLISTED MEMBERS.—In the case of a member who retires within three years after having been reduced in grade as described in paragraph (2)(A), who retires in an enlisted grade that is lower than the grade from which reduced, and who would be subject to paragraph (1) but for a subsequent promotion to a higher enlisted grade or a subsequent appointment to a warrant or commissioned grade, the rates of basic pay used in the computation of the member's high-36 average for the period of the member's service in a grade higher than the grade in which retired shall be the rates of pay that would apply if the member had been serving for that period in the grade in which retired.".

SEC. 652. INCREASE IN MAXIMUM NUMBER OF RESERVE RETIREMENT POINTS THAT MAY BE CREDITED IN ANY YEAR.

Section 12733(3) of title 10, United States Code, is amended by striking "but not more than" and all that follows and inserting "but not more than—

"(A) 60 days in any one year of service before the year of service that includes September 23, 1996;

"(B) 75 days in the year of service that includes September 23, 1996, and in any subsequent year of service before the year of service that includes the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001; and

"(C) 90 days in the year of service that includes the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 and in any subsequent year of service.".

SEC. 653. RETIREMENT FROM ACTIVE RESERVE SERVICE AFTER REGULAR RETIREMENT.

(a) CONVERSION TO RESERVE RETIREMENT.—(1) Chapter 1223 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 12741. Retirement from active reserve service performed after regular retirement

"(a) ELECTION OF RESERVE RETIRED PAY.—A person who, after becoming entitled to retired or retainer pay under chapter 65, 367, 571, or 867 of this title, serves in an active status in a reserve component is entitled to retired pay under this chapter if—

"(1) the person would, but for paragraphs (3) and (4) of section 12731(a) of this title, otherwise be entitled to retired pay under this chapter;

"(2) the person elects under this section to received retired pay under this chapter; and

"(3) the person's service in an active status after having become entitled to retired or retainer pay under that chapter is determined by the Secretary concerned to have been satisfactory.

"(b) ACTIONS TO EFFECTUATE ELECTION.—As of the effective date of an election made by a person under subsection (a), the Secretary concerned shall—

"(1) terminate the person's entitlement to retired or retainer pay under the applicable chapter of this title referred to in subsection (a); and

"(2) in the case of a reserve commissioned officer, transfer the officer to the Retired Reserve.

"(c) TIME AND FORM OF ELECTION.—An election under subsection (b) shall be made within such time and in such form as the Secretary concerned requires.

"(d) EFFECTIVE DATE OF ELECTION.—An election made by a person under subsection (b) shall be effective—

"(1) except as provided in paragraph (2)(B), as of the date on which the person attains 60 years of age, if the Secretary concerned receives the election in accordance with this section within 180 days after that date; or

"(2) on the first day of the first month that begins after the date on which the Secretary concerned receives the election in accordance with this section, if—

"(A) the date of the receipt of the election is more than 180 days after the date on which the person attains 60 years of age; or

"(B) the person retires from service in an active status within that 180-day period.".

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

"12741. Retirement from active reserve service performed after regular retirement.".

(b) EFFECTIVE DATE.—Section 12741 of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act and shall apply with respect to retired pay payable for months beginning on or after that effective date.

SEC. 654. SAME TREATMENT FOR FEDERAL JUDGES AS FOR OTHER FEDERAL OFFICIALS REGARDING PAYMENT OF MILITARY RETIRED PAY.

(a) ARTICLE III JUDGES.—(1) Section 371 of title 28, United States Code, is amended—

(A) by striking subsection (e); and

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

(2) Subsection (b) of such section is amended by striking "subsection (f)" each place it appears and inserting "subsection (e)".

(b) JUDGES OF UNITED STATES COURT OF FEDERAL CLAIMS.—(1) Section 180 of title 28, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 7 of such title is amended by striking the item relating to section 180.

(c) RETROACTIVE EFFECTIVE DATE.—The amendments made by this section shall take effect as of October 1, 1999.

SEC. 655. RESERVE COMPONENT SURVIVOR BENEFIT PLAN SPOUSAL CONSENT REQUIREMENT.

(a) ELIGIBLE PARTICIPANTS.—Subsection (a)(2)(B) of section 1448 of title 10, United States Code, is amended to read as follows:

"(B) RESERVE-COMPONENT ANNUITY PARTICIPANTS.—A person who (i) is eligible to participate in the Plan under paragraph (1)(B), and (ii) is married or has a dependent child when he is notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, unless the person elects (with his spouse's concurrence, if required under paragraph (3)) not to participate in the Plan before the end of the 90-day period beginning on the date on which he receives that notification.".

(b) SUBSEQUENT ELECTION TO PARTICIPATE.—Subsection (a)(3)(B) of such section is amended—

(1) by striking "who elects to provide" and inserting "who is eligible to provide";

(2) by redesignating clauses (i) and (ii) as clauses (iii) and (iv), respectively; and

(3) by inserting before clause (iii) (as so redesignated) the following new clauses:

"(i) not to participate in the Plan;

"(ii) to designate under subsection (e)(2) the effective date for commencement of annuity payments under the Plan in the event that the member dies before becoming 60 years of age to be the 60th anniversary of the member's birth (rather than the day after the date of the member's death);".

(c) CONFORMING AMENDMENTS.—Subchapter II of chapter 73 of such title is further amended—

(1) in section 1448(a)(2), by striking "described in clauses (i) and (ii)" in the sentence following subparagraph (B) (as amended by subsection (a)) and all that follows through "that clause" and inserting "who elects under subparagraph (B) not to participate in the Plan";

(2) in section 1448(a)(4)—

(A) by striking "not to participate in the Plan" in subparagraph (A); and

(B) by striking "to participate in the Plan" in subparagraph (B);

(3) in section 1448(e), by striking "a person electing to participate" and all that follows through "making such election" and inserting "a person is required to make a designation under this subsection, the person"; and

(4) in section 1450(j)(1), by striking "An annuity" and all that follows through the period and inserting "A reserve-component annuity shall be effective in accordance with the designation made under section 1448(e) of this title by the person providing the annuity.".

(d) EFFECTIVE DATE.—The amendments made by this section apply only with respect to a notification under section 12731(d) of title 10, United States Code, made after January 1, 2001, that a member of a reserve component has completed the years of service required for eligibility for reserve-component retired pay.

SEC. 656. SENSE OF CONGRESS ON INCREASING SURVIVOR BENEFIT PLAN ANNUITIES FOR SURVIVING SPOUSES AGE 62 OR OLDER.

(a) SENSE OF CONGRESS.—It is the sense of Congress that, subject to the requirements and limitations of congressional budget procedures relating to the enactment of new (or increased) entitlement authority, there should be enacted legislation that increases the annuities provided under the Survivor Benefit Plan program for surviving spouses who are 62 years of age or older in order to reduce (and eventually eliminate) the different levels of annuities under that program for surviving spouses who are under age 62 and those who are 62 years of age and older.

(b) SURVIVOR BENEFIT PLAN.—For purposes of this section, the term "Survivor Benefit Plan program" means the program of annuities for survivors of members of the uniformed services provided under subchapter II of chapter 73 of title 10, United States Code.

SEC. 657. REVISION TO SPECIAL COMPENSATION AUTHORITY TO REPEAL EXCLUSION OF UNIFORMED SERVICES RETIREES IN RECEIPT OF DISABILITY RETIRED PAY.

(a) ELIGIBILITY FOR CHAPTER 61 RETIREES.—Section 1413(c) of title 10, United States Code, is amended by striking "(other than a member who is retired under chapter 61 of this title)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001, and shall apply to months that begin on or after that date. No benefit may be paid under section 1413 of title 10, United States Code, to any person by reason of the amendment made by subsection (a) for any period before that date.

Subtitle E—Other Matters

SEC. 661. PARTICIPATION IN THRIFT SAVINGS PLAN.

(a) EFFECTIVE DATE OF AUTHORITY TO PARTICIPATE.—Section 663 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 673; 5 U.S.C. 8440 note) is amended to read as follows:

"SEC. 663. EFFECTIVE DATE.

"(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect 180 days after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

"(b) POSTPONEMENT AUTHORITY.—(1) The Secretary of Defense may postpone by up to 180 days after the date that would otherwise apply under subsection (a)—

"(A) the date as of which the amendments made by this subtitle shall take effect; or

"(B) the date as of which section 211(a)(2) of title 37, United States Code (as added by this subtitle) shall take effect.

"(2) Postponement authority under this subsection may be exercised only to the extent that the failure to do so would prevent the Federal Retirement Thrift Investment Board from being able to provide timely and accurate services to investors or would place an excessive burden on the administrative capacity of the Board to accommodate participants in the Thrift Savings Plan, as determined by the Secretary of Defense after consultation with the Executive Director (appointed by the Board).

"(3) Paragraph (1) includes the authority to postpone the effective date of the amendments made by this subtitle (apart from section 211(a)(2) of title 37, United States Code), and the effective date of such section 211(a)(2), by different lengths of time.

"(4) The Secretary shall notify the congressional defense committees, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate of any determination made under this subsection.".

(b) REGULATIONS.—Section 661(b) of such Act (113 Stat. 672; 5 U.S.C. 8440e note) is amended by striking "the date on which" and all that follows through "later," and inserting "the 180th day after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001,".

(c) CONFORMING AMENDMENT.—Section 8440e(b)(2)(B)(i) of title 5, United States Code, is amended by striking "as of" and all that follows through "thereof)" and inserting "as of the effective date that applies with respect to such individual under section 663 of the National Defense Authorization Act for Fiscal Year 2000".

SEC. 662. DETERMINATIONS OF INCOME ELIGIBILITY FOR SPECIAL SUPPLEMENTAL FOOD PROGRAM.

Section 1060a(c)(1)(B) of title 10, United States Code, is amended by striking the second sentence and inserting the following new sentence: "In the application of such criterion, the Secretary shall exclude from income any basic allowance for housing as permitted under section 17(d)(2)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(B)).".

SEC. 663. BILLETING SERVICES FOR RESERVE MEMBERS TRAVELING FOR INACTIVE-DUTY TRAINING.

(a) IN GENERAL.—(1) Chapter 1217 of title 10, United States Code, is amended by inserting after section 12603 the following new section:

"§ 12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training

"(a) AUTHORITY FOR BILLETING ON SAME BASIS AS ACTIVE DUTY MEMBERS TRAVELING UNDER ORDERS.—The Secretary of Defense shall prescribe regulations authorizing a Reserve traveling to inactive-duty training at a location more than 50 miles from that Reserve's residence to be eligible for billeting in Department of Defense facilities on the same basis and to the same extent as a member of the armed forces on active duty who is traveling under orders away from the member's permanent duty station.

"(b) PROOF OF REASON FOR TRAVEL.—The Secretary shall include in the regulations the means for confirming a Reserve's eligibility for billeting under subsection (a).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 12603 the following new item:

"12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training.".

(b) EFFECTIVE DATE.—Section 12604 of title 10, United States Code, as added by subsection (a), shall apply with respect to periods of inactive-duty training beginning more than 180 days after the date of the enactment of this Act.

SEC. 664. SETTLEMENT OF CLAIMS FOR PAYMENTS FOR UNUSED ACCRUED LEAVE AND FOR RETIRED PAY.

(a) CLAIMS FOR PAYMENTS FOR UNUSED ACCRUED LEAVE.—Subsection (a)(1)(A) of section 3702 of title 31, United States Code, is amended by inserting "payments for unused accrued leave," after "transportation,".

(b) WAIVER OF TIME LIMITATIONS.—Subsection (e)(1) of such section is amended by striking "claim for pay or allowances provided under title 37" and inserting "claim for pay, allowances, or payment for unused accrued leave under title 37 or a claim for retired pay under title 10".

SEC. 665. ADDITIONAL BENEFITS AND PROTECTIONS FOR PERSONNEL INCURRING INJURY, ILLNESS, OR DISEASE IN THE PERFORMANCE OF FUNERAL HONORS DUTY.

(a) INCAPACITATION PAY.—Section 204 of title 37, United States Code, is amended—

(1) in subsection (g)(1)—

(A) by striking "or" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; or"; and

(C) by adding at the end the following:

"(E) in line of duty while—

"(i) serving on funeral honors duty under section 12503 of title 10 or section 115 of title 32;

"(ii) traveling to or from the place at which the duty was to be performed; or

"(iii) remaining overnight at or in the vicinity of that place immediately before so serving, if the place is outside reasonable commuting distance from the member's residence."; and

(2) in subsection (h)(1)—

(A) by striking "or" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; or"; and

(C) by adding at the end the following:

"(E) in line of duty while—

"(i) serving on funeral honors duty under section 12503 of title 10 or section 115 of title 32;

"(ii) traveling to or from the place at which the duty was to be performed; or

"(iii) remaining overnight at or in the vicinity of that place immediately before so serving, if the place is outside reasonable commuting distance from the member's residence.".

(b) TORT CLAIMS.—Section 2671 of title 28, United States Code, is amended by inserting "115," in the second paragraph after "members of the National Guard while engaged in training or duty under section".

(c) APPLICABILITY.—(1) The amendments made by subsection (a) shall apply with respect to months beginning on or after the date of the enactment of this Act.

(2) The amendment made by subsection (b) shall apply with respect to acts and omissions occurring before, on, or after the date of the enactment of this Act.

SEC. 666. AUTHORITY FOR EXTENSION OF DEADLINE FOR FILING CLAIMS ASSOCIATED WITH CAPTURE AND INTERNMENT OF CERTAIN PERSONS BY NORTH VIETNAM.

Section 657(d)(1) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by adding at the end the following new sentence: "The Secretary may, in the case of any claim under this section, extend the time limitation under the preceding sentence by up to 18 months if the Secretary determines that such an extension in the case of that claim is necessary to prevent an injustice or that failure of the claimant to file the claim within that time limitation is due to excusable neglect.".

SEC. 667. BACK PAY FOR MEMBERS OF THE NAVY AND MARINE CORPS SELECTED FOR PROMOTION WHILE INTERNED AS PRISONERS OF WAR DURING WORLD WAR II.

(a) ENTITLEMENT OF FORMER PRISONERS OF WAR.—Upon receipt of a claim made in accordance with this section, the Secretary of the Navy shall pay, from any appropriation currently available to the Secretary, back pay to any person who, by reason of being interned as a prisoner of war while serving as a member of the Navy or the Marine Corps during World War II, was not available to accept a promotion for which the person had been selected.

(b) PAYMENT TO SURVIVING SPOUSE OF DECEASED FORMER MEMBER.—In the case of a person described in subsection (a) who is deceased, the back pay for that person under this section shall be paid to the living surviving spouse of that person, if any. If there is no living surviving spouse, no claim may be paid under this section with respect to that person.

(c) AMOUNT OF BACK PAY.—(1) The amount of back pay payable to or for a person described in subsection (a) is the amount equal to the difference between—

(A) the total amount of basic pay that would have been paid to that person for service in the Navy or the Marine Corps for the back-pay computation period if the person had been promoted to the grade to which selected to be promoted; and

(B) the total amount of basic pay that was actually paid to or for that person for such service for the back-pay computation period.

(2) For purposes of paragraph (1), the back-pay computation period for a person covered by subsection (a) is the period—

(A) beginning on the date (as determined by the Secretary of the Navy) as of when that person's promotion would have been effective for pay purposes but for the person's internment as a prisoner of war; and

(B) ending on the earliest of—

(i) the date of the person's discharge or release from active duty;

(ii) the date on which the person's promotion to that grade in fact became effective for pay purposes; and

(iii) the end of World War II.

(d) TIME LIMITATIONS.—(1) To be eligible for a payment under this section, a claimant must file a claim for such payment with the Secretary of the Navy within two years after the effective date of the regulations prescribed to carry out this section.

(2) Not later than 18 months after receiving a claim for payment under this section, the Secretary shall determine the eligibility of the claimant for payment of the claim. Subject to subsection (f), if the Secretary determines that the claimant is eligible for the payment, the Secretary shall promptly pay the claim.

(e) REGULATIONS.—Not later than six months after the date of the enactment of this Act, the Secretary of the Navy shall prescribe regulations to carry out this section. Such regulations shall include procedures by which persons may submit claims for payment under this section.

(f) LIMITATION ON DISBURSEMENT.—(1) Notwithstanding any power of attorney, assignment of interest, contract, or other agreement, the actual disbursement of a payment of back pay under this section may be made only to a person who is eligible for the payment under subsection (a) or (b).

(2) In the case of a claim approved for payment but not disbursed as a result of paragraph (1), the Secretary shall hold the funds in trust for the person in an interest bearing account until such time as the person makes an election under such paragraph.

(g) ATTORNEY FEES.—Notwithstanding any contract, the representative of a person may not receive, for services rendered in connection with the claim of, or with respect to, a person under this section, more than 10 percent of the amount of a payment made under this section on that claim.

(h) OUTREACH.—The Secretary of the Navy shall take such actions as are necessary to ensure that the benefits and eligibility for benefits under this section are widely publicized by means designed to provide actual notice of the availability of the benefits in a timely manner to the maximum number of eligible persons practicable.

(i) DEFINITION.—In this section, the term "World War II" has the meaning given that term in section 101(8) of title 38, United States Code.

SEC. 668. SENSE OF CONGRESS CONCERNING FUNDING FOR RESERVE COMPONENTS.

It is the sense of Congress that it is in the national interest for the President, in the President's Budget for each fiscal year, to provide funds for the reserve components of the Armed Forces at a level sufficient to ensure that the reserve components are able to meet the requirements, including training requirements, specified for them in the National Military Strategy.

TITLE VII—HEALTH CARE PROVISIONS

SUBTITLE A—HEALTH CARE SERVICES

Sec. 701. Provision of domiciliary and custodial care for CHAMPUS beneficiaries and certain former CHAMPUS beneficiaries.
Sec. 702. Chiropractic health care for members on active duty.
Sec. 703. School-required physical examinations for certain minor dependents.
Sec. 704. Two-year extension of dental and medical benefits for surviving dependents of certain deceased members.
Sec. 705. Two-year extension of authority for use of contract physicians at military entrance processing stations and elsewhere outside medical treatment facilities.
Sec. 706. Medical and dental care for Medal of Honor recipients.

SUBTITLE B—SENIOR HEALTH CARE

Sec. 711. Implementation of TRICARE senior pharmacy program.
Sec. 712. Conditions for eligibility for CHAMPUS and TRICARE upon the attainment of age 65; expansion and modification of medicare subvention project.
Sec. 713. Accrual funding for health care for medicare-eligible retirees and dependents.

SUBTITLE C—TRICARE PROGRAM

Sec. 721. Improvement of access to health care under the TRICARE program.
Sec. 722. Additional beneficiaries under TRICARE Prime Remote program in the continental United States.
Sec. 723. Modernization of TRICARE business practices and increase of use of military treatment facilities.
Sec. 724. Extension of TRICARE managed care support contracts.
Sec. 725. Report on protections against health care providers seeking direct reimbursement from members of the uniformed services.
Sec. 726. Voluntary termination of enrollment in TRICARE retiree dental program.
Sec. 727. Claims processing improvements.
Sec. 728. Prior authorizations for certain referrals and nonavailability-of-health-care statements.

SUBTITLE D—DEMONSTRATION PROJECTS

Sec. 731. Demonstration project for expanded access to mental health counselors.
Sec. 732. Teleradiology demonstration project.
Sec. 733. Health care management demonstration program.

SUBTITLE E—JOINT INITIATIVES WITH DEPARTMENT OF VETERANS AFFAIRS

Sec. 741. VA-DOD sharing agreements for health services.
Sec. 742. Processes for patient safety in military and veterans health care systems.
Sec. 743. Cooperation in developing pharmaceutical identification technology.

SUBTITLE F—OTHER MATTERS

Sec. 751. Management of anthrax vaccine immunization program.
Sec. 752. Elimination of copayments for immediate family.
Sec. 753. Medical informatics.
Sec. 754. Patient care reporting and management system.
Sec. 755. Augmentation of Army Medical Department by detailing Reserve officers of the Public Health Service.

Sec. 756. Privacy of Department of Defense medical records.
Sec. 757. Authority to establish special locality-based reimbursement rates; reports.
Sec. 758. Reimbursement for certain travel expenses.
Sec. 759. Reduction of cap on payments.
Sec. 760. Training in health care management and administration.
Sec. 761. Studies on feasibility of sharing biomedical research facility.
Sec. 762. Study on comparability of coverage for physical, speech, and occupational therapies.

Subtitle A—Health Care Services

SEC. 701. PROVISION OF DOMICILIARY AND CUSTODIAL CARE FOR CHAMPUS BENEFICIARIES AND CERTAIN FORMER CHAMPUS BENEFICIARIES.

(a) CONTINUATION OF CARE FOR CERTAIN CHAMPUS BENEFICIARIES.—Section 703(a)(1) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 682; 10 U.S.C. 1077 note) is amended by inserting before the period at the end the following: "or by the prohibition in section 1086(d)(1) of such title".

(b) REIMBURSEMENT FOR SERVICES PROVIDED.—Section 703(a) of such Act is further amended by adding at the end the following new paragraph:

"(4) The Secretary may provide payment for domiciliary or custodial care services provided to an eligible beneficiary for which payment was discontinued by reason of section 1086(d) of title 10, United States Code, and subsequently reestablished under other legal authority. Such payment is authorized for the period beginning on the date of discontinuation of payment for domiciliary or custodial care services and ending on the date of reestablishment of payment for such services.".

(c) COST LIMITATION FOR INDIVIDUAL CASE MANAGEMENT PROGRAM.—(1) Section 1079(a)(17) of title 10, United States Code, is amended—

(A) by inserting "(A)" after "(17)"; and

(B) by adding at the end the following:

"(B) The total amount expended under subparagraph (A) for a fiscal year may not exceed $100,000,000.".

(2) Section 703 of the National Defense Authorization Act for Fiscal Year 2000 is further amended by adding at the end the following:

"(e) COST LIMITATION.—The total amount paid for services for eligible beneficiaries under subsection (a) for a fiscal year (together with the costs of administering the authority under that subsection) shall be included in the expenditures limited by section 1079(a)(17)(B) of title 10, United States Code.".

(3) The amendments made by paragraphs (1) and (2) shall apply to fiscal years after fiscal year 1999.

(d) STUDY REQUIRED.—(1) Not later than the date that is three months after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study to evaluate the coordination and effectiveness of the supplemental disability health care programs of the Department of Defense, the Program for Persons with Disabilities and the Individual Case Management Program for Persons with Disabilities, as such programs relate to other elements of the TRICARE program in meeting the health care needs of disabled dependents of members of the Armed Forces on active duty. The Comptroller General shall examine—

(A) the number of such dependents who receive services under the Program for Persons with Disabilities, and the number of beneficiaries receiving care under the Individual Case Management Program for Persons with Disabilities, and a description of the patterns of use and expenditures for services provided under such programs;

(B) the effectiveness of the existing system for coordinating the provision of services under the TRICARE program and the supplemental disability programs of the Department of Defense, including the comprehensiveness of services and the cost effectiveness of providing services;

(C) the extent to which the monthly maximum benefit imposed under current law under the Program for Persons with Disabilities affects the ability of beneficiaries to obtain needed health care services;

(D) the number of beneficiaries who are receiving services that supplement services to the TRICARE program under the Program for Persons with Disabilities and the Individual Case Management Program for Persons with Disabilities; and

(E) the extent to which costs or lack of coverage for health care services for disabled dependents of members of the Armed Forces on active duty under existing military health care programs has caused increased enrollment of such dependents in medicaid programs.

(2) Not later than April 16, 2001, the Comptroller General shall submit to Congress a report on the results of the study under this section, including recommendations for legislative or administrative changes for providing a comprehensive, efficient, and complete system of health care services for disabled dependents of members of the Armed Forces on active duty.

SEC. 702. CHIROPRACTIC HEALTH CARE FOR MEMBERS ON ACTIVE DUTY.

(a) PLAN REQUIRED.—(1) Not later than March 31, 2001, the Secretary of Defense shall complete development of a plan to provide chiropractic health care services and benefits, as a permanent part of the Defense Health Program (including the TRICARE program), for all members of the uniformed services who are entitled to care under section 1074(a) of title 10, United States Code.

(2) The plan shall provide for the following:

(A) Access, at designated military medical treatment facilities, to the scope of chiropractic services as determined by the Secretary, which includes, at a minimum, care for neuromusculoskeletal conditions typical among military personnel on active duty.

(B) A detailed analysis of the projected costs of fully integrating chiropractic health care services into the military health care system.

(C) An examination of the proposed military medical treatment facilities at which such services would be provided.

(D) An examination of the military readiness requirements for chiropractors who would provide such services.

(E) An examination of any other relevant factors that the Secretary considers appropriate.

(F) Phased-in implementation of the plan over a 5-year period, beginning on October 1, 2001.

(b) CONSULTATION REQUIREMENTS.—The Secretary of Defense shall consult with the other administering Secretaries described in section 1073 of title 10, United States Code, and the oversight advisory committee established under section 731 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 1092 note) regarding the following:

(1) The development and implementation of the plan required under subsection (a).

(2) Each report that the Secretary is required to submit to Congress regarding the plan.

(3) The selection of the military medical treatment facilities at which the chiropractic services described in subsection (a)(2)(A) are to be provided.

(c) CONTINUATION OF CURRENT SERVICES.—Until the plan required under subsection (a) is implemented, the Secretary shall continue to furnish the same level of chiropractic health care services and benefits under the Defense Health Program that is provided during fiscal year 2000 at military medical treatment facilities that provide such services and benefits.

(d) REPORT REQUIRED.—Not later than January 31, 2001, the Secretary of Defense shall submit a report on the plan required under subsection (a), together with appropriate appendices and attachments, to the Committees on Armed Services of the Senate and the House of Representatives.

(e) GAO REPORTS.—The Comptroller General shall monitor the development and implementation of the plan required under subsection (a), including the administration of services and benefits under the plan, and periodically submit to the committees referred to in subsection (d) written reports on such development and implementation.

SEC. 703. SCHOOL-REQUIRED PHYSICAL EXAMINATIONS FOR CERTAIN MINOR DEPENDENTS.

Section 1076 of title 10, United States Code, is amended by adding at the end the following:

"(f)(1) The administering Secretaries shall furnish an eligible dependent a physical examination that is required by a school in connection with the enrollment of the dependent as a student in that school.

"(2) A dependent is eligible for a physical examination under paragraph (1) if the dependent—

"(A) is entitled to receive medical care under subsection (a) or is authorized to receive medical care under subsection (b); and

"(B) is at least 5 years of age and less than 12 years of age.

"(3) Nothing in paragraph (2) may be construed to prohibit the furnishing of a school-required physical examination to any dependent who, except for not satisfying the age requirement under that paragraph, would otherwise be eligible for a physical examination required to be furnished under this subsection.".

SEC. 704. TWO-YEAR EXTENSION OF DENTAL AND MEDICAL BENEFITS FOR SURVIVING DEPENDENTS OF CERTAIN DECEASED MEMBERS.

(a) DENTAL BENEFITS.—Section 1076a(k)(2) of title 10, United States Code, is amended by striking "one-year period" and inserting "three-year period".

(b) MEDICAL BENEFITS.—Section 1079(g) of title 10, United States Code, is amended by striking "one-year period" in the second sentence and inserting "three-year period".

SEC. 705. TWO-YEAR EXTENSION OF AUTHORITY FOR USE OF CONTRACT PHYSICIANS AT MILITARY ENTRANCE PROCESSING STATIONS AND ELSEWHERE OUTSIDE MEDICAL TREATMENT FACILITIES.

Section 1091(a)(2) of title 10, United States Code, is amended by striking "December 31, 2000" in the second sentence and inserting "December 31, 2002".

SEC. 706. MEDICAL AND DENTAL CARE FOR MEDAL OF HONOR RECIPIENTS.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074g the following new section:

"§ 1074h. Medical and dental care: medal of honor recipients; dependents

"(a) MEDAL OF HONOR RECIPIENTS.—A former member of the armed forces who is a Medal of Honor recipient and who is not otherwise entitled to medical and dental benefits under this chapter may, upon request, be given medical and dental care provided by the administering Secretaries in the same manner as if entitled to retired pay.

"(b) IMMEDIATE DEPENDENTS.—A person who is an immediate dependent of a Medal of Honor recipient and who is not otherwise entitled to medical and dental benefits under this chapter may, upon request, be given medical and dental care provided by the administering Secretaries in the same manner as if the Medal of Honor recipient were, or (if deceased) was at the time of death, entitled to retired pay.

"(c) DEFINITIONS.—In this section:

"(1) The term 'Medal of Honor recipient' means a person who has been awarded a medal of honor under section 3741, 6241, or 8741 of this title or section 491 of title 14.

"(2) The term 'immediate dependent' means a dependent described in subparagraph (A), (B), (C), or (D) of section 1072(2) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074g the following new item:

"1074h. Medical and dental care: medal of honor recipients; dependents.".

(b) EFFECTIVE DATE.—Section 1074h of title 10, United States Code, shall apply with respect to medical and dental care provided on or after the date of the enactment of this Act.

Subtitle B—Senior Health Care

SEC. 711. IMPLEMENTATION OF TRICARE SENIOR PHARMACY PROGRAM.

(a) EXPANSION OF TRICARE SENIOR PHARMACY PROGRAM.—Section 723 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2068; 10 U.S.C. 1073 note) is amended—

(1) in subsection (a)—

(A) by striking "October 1, 1999" and inserting "April 1, 2001"; and

(B) by striking "who reside in an area selected under subsection (f)";

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

"(b) PROGRAM REQUIREMENTS.—The same coverage for pharmacy services and the same requirements for cost sharing and reimbursement as are applicable under section 1086 of title 10, United States Code, shall apply with respect to the program required by subsection (a).";

(3) in subsection (d)—

(A) by striking "December 31, 2000" and inserting "December 31, 2001"; and

(B) by striking "December 31, 2002" and inserting "December 31, 2003";

(4) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (B), by inserting "and" after the semicolon;

(ii) in subparagraph (C), by striking "; and" and inserting a period; and

(iii) by striking subparagraph (D); and

(B) in paragraph (2), by striking "at the time" and all that follows through "facility" and inserting ", before April 1, 2001, has attained the age of 65 and did not enroll in the program described in such paragraph"; and

(5) by striking subsection (f).

(b) TERMINATION OF DEMONSTRATION PROJECT AND RETAIL PHARMACY NETWORK REQUIREMENTS.—Section 702 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1079 note) is amended by adding at the end the following:

"(h) TERMINATION.—This section shall cease to apply to the Secretary of Defense on the date after the implementation of section 711 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 that the Secretary determines appropriate, with a view to minimizing instability with respect to the provision of pharmacy benefits, but in no case later than the date that is one year after the date of the enactment of such Act.".

SEC. 712. CONDITIONS FOR ELIGIBILITY FOR CHAMPUS AND TRICARE UPON THE ATTAINMENT OF AGE 65; EXPANSION AND MODIFICATION OF MEDICARE SUBVENTION PROJECT.

(a) ELIGIBILITY OF MEDICARE ELIGIBLE PERSONS.—(1) Section 1086(d) of title 10, United States Code, is amended—

(A) by striking paragraph (2) and inserting the following:

"(2) The prohibition contained in paragraph (1) shall not apply to a person referred to in subsection (c) who—

"(A) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.); and

"(B) in the case of a person under 65 years of age, is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)) or section 226A(a) of such Act (42 U.S.C. 426–1(a)).";

and

(B) in paragraph (4), by striking "paragraph (1) who satisfy only the criteria specified in subparagraphs (A) and (B) of paragraph (2), but not subparagraph (C) of such paragraph," and inserting "subparagraph (B) of paragraph (2) who do not satisfy the condition specified in subparagraph (A) of such paragraph".

(2) Subsection (a)(4)(A) of section 1896 of the Social Security Act (42 U.S.C. 1395ggg) is amended to read as follows:

"(A) is eligible for health benefits under section 1086 of such title by reason of subsection (c)(1) of such section;".

(3) The amendments made by paragraphs (1) and (2) shall take effect on October 1, 2001.

(b) 1-YEAR EXTENSION OF MEDICARE SUBVENTION PROJECT.—Section 1896 of the Social Security Act (42 U.S.C. 1395ggg) is amended—

(1) in subsection (b)(4), by striking "3-year period" and inserting "4-year period"; and

(2) in subsection (i)(4)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) $70,000,000 for calendar year 2001.".

(c) FURTHER EXTENSION OF MEDICARE SUBVENTION PROJECT.—(1) Subsection (b)(4) of section 1896 of the Social Security Act (42 U.S.C. 1395ggg) is amended by striking the period at the end and inserting the following: ", except that the administering Secretaries may negotiate and (subject to section 701(f) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001) enter into a new or revised agreement under paragraph (1)(A) to continue the project after the end of such period. If the project is so continued, the administering Secretaries may terminate the agreement under which the program operates after providing notice to Congress in accordance with subsection (k)(2)(B)(v).".

(2) Such section is further amended—

(A) in the heading, by striking "DEMONSTRATION PROJECT" and inserting "PROGRAM";

(B) by amending paragraph (2) of subsection (a) to read as follows:

"(2) PROGRAM.—The term 'program' means the program carried out under this section.";

(C) by striking "DEMONSTRATION PROJECT" and "demonstration project" and "project" each place each appears and inserting "PROGRAM", "program", and "program" respectively ; and

(D) by striking "DEMONSTRATION" in the heading of subsection (j)(1).

(3) Subsection (i)(4) of such section is amended to read as follows:

"(4) CAP ON AMOUNT.—The maximum aggregate expenditures from the trust funds under this subsection pursuant to the agreement entered into between the administering Secretaries under subsection (b) for a fiscal year (before fiscal year 2006) shall not exceed the amount agreed by the Secretaries to be the amount that would have been expended from the trust funds on beneficiaries who enroll in the program, had the program not been established, plus the following:

"(A) $35,000,000 for fiscal year 2002.
"(B) $55,000,000 for fiscal year 2003.
"(C) $75,000,000 for fiscal year 2004.
"(D) $100,000,000 for fiscal year 2005.".

(d) AUTHORIZING PROGRAM EXPANSION AND MODIFICATIONS.—(1) Paragraph (2) of subsection (b) of such section 1896 is amended to read as follows:

"(2) LOCATION OF SITES.—Subject to subsection (k)(2)(B), the program shall be conducted in any site that is designated jointly by the administering Secretaries.".

(2) Subsection (d)(2) of such section is amended by inserting ", or (subject to subsection (k)(2)(B)) such comparable requirements as are included in the agreement under subsection (b)(1)(A)" after "the following areas".

(3) Subsection (i) of such section is amended—

(A) in paragraph (2), by inserting "subject to paragraph (4)," after "paragraph (1)"; and

(B) by striking paragraph (4) and inserting the following:

"(4) MODIFICATION OF PAYMENT METHODOLOGY.—The administering Secretaries may, subject to subsection (k)(2)(B), modify the payment methodology provided under paragraphs (1) and (2) so long as the amount of the reimbursement provided to the Secretary of Defense fully reimburses the Department of Defense for its cost of providing services under the program but does not exceed an amount that is estimated to be equivalent to the amount that otherwise would have been expended under this title for such services if provided other than under the program (not including amounts described in paragraph (2)). Such limiting amount may be based for any site on the amount that would be payable to Medicare+Choice organizations under part C for the area of the site or the amounts that would be payable under parts A and B.".

(e) CHANGE IN REPORTS.—Paragraph (2) of subsection (k) of such section 1896 is amended to read as follows:

"(2) REPORTS ON PROGRAM OPERATION AND CHANGES.—

"(A) ANNUAL REPORT.—The administering Secretaries shall submit to the Committees on Armed Services and Finance of the Senate and the Committees on Armed Services and Ways and Means of the House of Representatives an annual report on the program and its impact on costs and the provision of health services under this title and title 10, United States Code.

"(B) BEFORE MAKING CERTAIN PROGRAM CHANGES.—The administering Secretaries shall submit to such Committees a report at least 60 days before—

"(i) changing the designation of a site under subsection (b)(2);

"(ii) applying comparable requirements under subsection (d)(2);

"(iii) making significant changes in payment methodology or amounts under subsection (i)(4);

"(iv) making other significant changes in the operation of the program; or

"(v) terminating the agreement under the second sentence of subsection (b)(4).

"(C) EXPLANATION.—Each report under subparagraph (B) shall include justifications for the changes or termination to which the report refers.".

(f) CONDITIONAL EFFECTIVE DATE.—(1) Upon negotiating an agreement under the amendment made by subsection (c)(1), the Secretary of Defense and the Secretary of Health and Human Services shall jointly transmit a notification of the proposed agreement to the Committee on Armed Services and the Committee on Finance of the Senate and the Committee on Armed Services and the Committee on Ways and Means of the House of Representatives, and shall include with the transmittal a copy of the proposed agreement and all related agreements and supporting documents.

(2) Such proposed agreement shall take effect, and the amendments made by subsections (c)(2), (c)(3), (d), and (e) shall take effect, on such date as is provided for in such agreement and in an Act enacted after the date of the enactment of this Act.

SEC. 713. ACCRUAL FUNDING FOR HEALTH CARE FOR MEDICARE-ELIGIBLE RETIREES AND DEPENDENTS.

(a) ESTABLISHMENT OF FUND.—(1) Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 55 the following new chapter:

"CHAPTER 56—DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND

"Sec.
"1111. Establishment and purpose of Fund; definitions.
"1112. Assets of Fund.
"1113. Payments from the Fund.
"1114. Board of Actuaries.
"1115. Determination of contributions to the Fund.
"1116. Payments into the Fund.
"1117. Investment of assets of Fund.

"§ 1111. Establishment and purpose of Fund; definitions

"(a) There is established on the books of the Treasury a fund to be known as the Department of Defense Medicare-Eligible Retiree Health Care Fund (hereafter in this chapter referred to as the 'Fund'), which shall be administered by the Secretary of the Treasury. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis liabilities of the Department of Defense under Department of Defense retiree health care programs for medicare-eligible beneficiaries.

"(b) In this chapter:

"(1) The term 'Department of Defense retiree health care programs for medicare-eligible beneficiaries' means the provisions of this title or any other provision of law creating entitlement to health care for a medicare-eligible member or former member of the uniformed services entitled to retired or retainer pay, or a medicare-eligible dependent of a member or former member of the uniformed services entitled to retired or retainer pay.

"(2) The term 'medicare-eligible' means entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

"(3) The term 'dependent' means a dependent (as such term is defined in section 1072 of this title) described in section 1076(b)(1) of this title.

"§ 1112. Assets of Fund

"There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under section 1116 of this title.

"(2) Any amount appropriated to the Fund.

"(3) Any return on investment of the assets of the Fund.

"§ 1113. Payments from the Fund

"(a) There shall be paid from the Fund amounts payable for Department of Defense retiree health care programs for medicare-eligible beneficiaries.

"(b) The assets of the Fund are hereby made available for payments under subsection (a).

"§ 1114. Board of Actuaries

"(a)(1) There is established in the Department of Defense a Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries (hereafter in this chapter referred to as the 'Board'). The Board shall consist of three members who shall be appointed by the Secretary of Defense from among qualified professional actuaries who are members of the Society of Actuaries.

"(2)(A) Except as provided in subparagraph (B), the members of the Board shall serve for a term of 15 years, except that a member of the Board appointed to fill a vacancy occurring before the end of the term for which his predecessor was appointed shall only serve until the end of such term. A member may serve after the end of his term until his successor has taken office. A member of the Board may be removed by the Secretary of Defense for misconduct or failure to perform functions vested in the Board, and for no other reason.

"(B) Of the members of the Board who are first appointed under this paragraph, one each shall be appointed for terms ending five, ten, and 15 years, respectively, after the date of appointment, as designated by the Secretary of Defense at the time of appointment.

"(3) A member of the Board who is not otherwise an employee of the United States is entitled to receive pay at the daily equivalent of the annual rate of basic pay of the highest rate of basic pay under the General Schedule of subchapter III of chapter 53 of title 5, for each day the member is engaged in the performance of duties vested in the Board, and is entitled to travel expenses, including a per diem allowance, in accordance with section 5703 of title 5.

"(b) The Board shall report to the Secretary of Defense annually on the actuarial status of the Fund and shall furnish its advice and opinion on matters referred to it by the Secretary.

"(c) The Board shall review valuations of the Fund under section 1115(c) of this title and shall report periodically, not less than once every four years, to the President and Congress on the status of the Fund. The Board shall include in such reports recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the Fund on a sound actuarial basis.

"§ 1115. Determination of contributions to the Fund

"(a) The Board shall determine the amount that is the present value (as of October 1, 2002) of future benefits payable from the Fund that are attributable to service in the uniformed services performed before October 1, 2002. That amount is the original unfunded liability of the Fund. The Board shall determine the period of time over which the original unfunded liability should be liquidated and shall determine an amortization schedule for the liquidation of such liability over that period. Contributions to the Fund for the liquidation of the original unfunded liability in accordance with such schedule shall be made as provided in section 1116(b) of this title.

"(b)(1) The Secretary of Defense shall determine each year, in sufficient time for inclusion in budget requests for the following fiscal year, the total amount of Department of Defense contributions to be made to the Fund during that fiscal year under section 1116(a) of this title. That amount shall be the sum of the following:

"(A) The product of—

"(i) the current estimate of the value of the single level dollar amount to be determined under subsection (c)(1)(A) at the time of the next actuarial valuation under subsection (c); and

"(ii) the expected average force strength during that fiscal year for members of the uniformed services on active duty (other than active duty for training) and full-time National Guard duty (other than full-time National Guard duty for training only).

"(B) The product of—

"(i) the current estimate of the value of the single level dollar amount to be determined under subsection (c)(1)(B) at the time of the next actuarial valuation under subsection (c); and

"(ii) the expected average force strength during that fiscal year for members of the Ready Reserve of the uniformed services (other than members on full-time National Guard duty other than for training) who are not otherwise described in subparagraph (A)(ii).

"(2) The amount determined under paragraph (1) for any fiscal year is the amount needed to be appropriated to the Department of Defense for that fiscal year for payments to be made to the Fund during that year under section 1116(a) of this title. The President shall include not less than the full amount so determined in the budget transmitted to Congress for that fiscal year under section 1105 of title 31. The President may comment and make recommendations concerning any such amount.

"(c)(1) Not less often than every four years, the Secretary of Defense shall carry out an actuarial valuation of the Fund. Each such actuarial valuation shall include—

"(A) a determination (using the aggregate entry-age normal cost method) of a single level dollar amount for members of the uniformed services on active duty (other than active duty for training) or full-time National Guard duty (other than full-time National Guard duty for training only); and

"(B) a determination (using the aggregate entry-age normal cost method) of a single level dollar amount for members of the Ready Reserve of the uniformed services and other than

members on full-time National Guard duty other than for training) who are not otherwise described by subparagraph (A). Such single level dollar amounts shall be used for the purposes of subsection (b) and section 1116(a) of this title.

"(2) If at the time of any such valuation there has been a change in benefits under the Department of Defense retiree health care programs for medicare-eligible beneficiaries that has been made since the last such valuation and such change in benefits increases or decreases the present value of amounts payable from the Fund, the Secretary of Defense shall determine an amortization methodology and schedule for the amortization of the cumulative unfunded liability (or actuarial gain to the Fund) created by such change and any previous such changes so that the present value of the sum of the amortization payments (or reductions in payments that would otherwise be made) equals the cumulative increase (or decrease) in the present value of such amounts.

"(3) If at the time of any such valuation the Secretary of Defense determines that, based upon changes in actuarial assumptions since the last valuation, there has been an actuarial gain or loss to the Fund, the Secretary shall determine an amortization methodology and schedule for the amortization of the cumulative gain or loss to the Fund created by such change in assumptions and any previous such changes in assumptions through an increase or decrease in the payments that would otherwise be made to the Fund.

"(4) If at the time of any such valuation the Secretary of Defense determines that, based upon the Fund's actuarial experience (other than resulting from changes in benefits or actuarial assumptions) since the last valuation, there has been an actuarial gain or loss to the Fund, the Secretary shall determine an amortization methodology and schedule for the amortization of the cumulative gain or loss to the Fund created by such actuarial experience and any previous actuarial experience through an increase or decrease in the payments that would otherwise be made to the Fund.

"(5) Contributions to the Fund in accordance with amortization schedules under paragraphs (2), (3), and (4) shall be made as provided in section 1116(b) of this title.

"(d) All determinations under this section shall be made using methods and assumptions approved by the Board of Actuaries (including assumptions of interest rates and medical inflation) and in accordance with generally accepted actuarial principles and practices.

"(e) The Secretary of Defense shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"§ 1116. Payments into the Fund

"(a) The Secretary of Defense shall pay into the Fund at the end of each month as the Department of Defense contribution to the Fund for that month the amount that is the sum of the following:

"(1) The product of—

"(A) the monthly dollar amount determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 1115(c)(1)(A) of this title (except

that any statutory change in the Department of Defense retiree health care programs for medicare-eligible beneficiaries that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total end strength for that month for members of the uniformed services on active duty (other than active duty for training) and full-time National Guard duty (other than full-time National Guard duty for training only).

"(2) The product of—

"(A) the level monthly dollar amount determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 1115(c)(1)(B) of this title (except that any statutory change in the Department of Defense retiree health care programs for medicare-eligible beneficiaries that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total end strength for that month for members of the Ready Reserve of the uniformed services other than members on full-time National Guard duty other than for training) who are not otherwise described in paragraph (1)(B). Amounts paid into the Fund under this subsection shall be paid from funds available for the Defense Health Program.

"(b)(1) At the beginning of each fiscal year the Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount certified to the Secretary by the Secretary of Defense under paragraph (3). Such payment shall be the contribution to the Fund for that fiscal year required by sections 1115(a) and 1115(c) of this title.

"(2) At the beginning of each fiscal year the Secretary of Defense shall determine the sum of the following:

"(A) The amount of the payment for that year under the amortization schedule determined by the Board of Actuaries under section 1115(a) of this title for the amortization of the original unfunded liability of the Fund.

"(B) The amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary of Defense under section 1115(c)(2) of this title for the amortization of any cumulative unfunded liability (or any gain) to the Fund resulting from changes in benefits.

"(C) The amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary of Defense under section 1115(c)(3) of this title for the amortization of any cumulative actuarial gain or loss to the Fund resulting from actuarial assumption changes.

"(D) The amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary of Defense under section 111(c)(4) of this title for the amortization of any cumulative actuarial gain or loss to the Fund resulting from actuarial experience.

"(3) The Secretary of Defense shall promptly certify the amount determined under paragraph (2) each year to the Secretary of the Treasury.

"§ 1117. Investment of assets of Fund

"The Secretary of the Treasury shall invest such portion of the Fund as is not in the judgment of the Secretary of Defense required to meet current withdrawals. Such investments shall be in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary of Defense, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Fund.".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of title 10, United States Code, are amended by inserting after the item relating to chapter 55 the following new item:

"56. Department of Defense Medicare-Eligible Retiree Health Care Fund ..... 1111.".

(b) DELAYED EFFECTIVE DATES FOR CERTAIN PROVISIONS.—(1) Sections 1113 and 1116 of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 2002.

(2) Section 1115 of such title (as added by such subsection) shall take effect on October 1, 2001.

Subtitle C—TRICARE Program

SEC. 721. IMPROVEMENT OF ACCESS TO HEALTH CARE UNDER THE TRICARE PROGRAM.

(a) WAIVER OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.—In the case of a covered beneficiary under chapter 55 of title 10, United States Code, who is enrolled in TRICARE Standard, the Secretary of Defense may not require with regard to authorized health care services (other than mental health services) under any new contract for the provision of health care services under such chapter that the beneficiary—

(1) obtain a nonavailability statement or preauthorization from a military medical treatment facility in order to receive the services from a civilian provider; or

(2) obtain a nonavailability statement for care in specialized treatment facilities outside the 200-mile radius of a military medical treatment facility.

(b) NOTICE.—The Secretary may require that the covered beneficiary inform the primary care manager of the beneficiary of any health care received from a civilian provider or in a specialized treatment facility.

(c) EXCEPTIONS.—Subsection (a) shall not apply if—

(1) the Secretary demonstrates significant costs would be avoided by performing specific procedures at the affected military medical treatment facilities;

(2) the Secretary determines that a specific procedure must be provided at the affected military medical treatment facility to ensure the proficiency levels of the practitioners at the facility; or

(3) the lack of nonavailability statement data would significantly interfere with TRICARE contract administration.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 2001.

SEC. 722. ADDITIONAL BENEFICIARIES UNDER TRICARE PRIME REMOTE PROGRAM IN THE CONTINENTAL UNITED STATES.

(a) COVERAGE OF OTHER UNIFORMED SERVICES.—(1) Section 1074(c) of title 10, United States Code, is amended—

(A) by striking "armed forces" each place it appears, except in paragraph (3)(A), and inserting "uniformed services";

(B) in paragraph (1), by inserting after "military department" in the first sentence the following: ", the Department of Transportation (with respect to the Coast Guard when it is not operating as a service in the Navy), or the Department of Health and Human Services (with respect to the National Oceanic and Atmospheric Administration and the Public Health Service)";

(C) in paragraph (2), by adding at the end the following: "(C) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this paragraph."; and

(D) in paragraph (3)(A), by striking "The Secretary of Defense may not require a member of the armed forces described in subparagraph (B)" and inserting "A member of the uniformed services described in subparagraph (B) may not be required".

(2)(A) Subsections (b), (c), and (d)(3) of section 731 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1811; 10 U.S.C. 1074 note) are amended by striking "Armed Forces" and inserting "uniformed services".

(B) Subsection (b) of such section is further amended by adding at the end the following:

"(4) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this subsection.".

(C) Subsection (f) of such section is amended by adding at the end the following:

"(3) The terms 'uniformed services' and 'administering Secretaries' have the meanings given those terms in section 1072 of title 10, United States Code.".

(3) Section 706(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 684) is amended by striking "Armed Forces" and inserting "uniformed services (as defined in section 1072(1) of title 10, United States Code)".

(b) COVERAGE OF IMMEDIATE FAMILY.—(1) Section 1079 of title 10, United States Code, is amended by adding at the end the following:

"(p)(1) Subject to such exceptions as the Secretary of Defense considers necessary, coverage for medical care under this section for the dependents referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title who are residing with the member, and standards with respect to timely access to such care, shall be comparable to coverage for medical care and standards for timely access to such care under the managed care option of the TRICARE program known as TRICARE Prime.

"(2) The Secretary of Defense shall enter into arrangements with contractors under the TRICARE program or with other appropriate contractors for the timely and efficient processing of claims under this subsection.

"(3) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this subsection.".

(2) Section 731(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1811; 10 U.S.C. 1074 note) is amended—

(A) in paragraph (1), by adding at the end the following: "A dependent of the member, as described in subparagraph (A), (D), or (I) of section 1072(2) of title 10, United States Code, who is residing with the member shall have the same entitlement to care and to waiver of charges as the member."; and

(B) in paragraph (2), by inserting "or dependent of the member, as the case may be," after "(2) A member".

(c) EFFECTIVE DATES; APPLICABILITY.—(1) The amendments made by subsections (a)(1) and (b)(1) shall take effect on October 1, 2001.

(2) The amendments made by subsection (a)(2), with respect to members of the uniformed services, and the amendments made by subsection (b)(2), with respect to dependents of members, shall take effect on the date of the enactment of this Act and shall expire with respect to a member or the dependents of a member, respectively, on the later of the following:

(A) The date that is one year after the date of the enactment of this Act.

(B) The date on which the policies required by the amendments made by subsection (a)(1) or (b)(1) are implemented with respect to the coverage of medical care for and provision of such care to the member or dependents, respectively.

(3) Section 731(b)(3) of Public Law 105–85 does not apply to a member of the Coast Guard, the National Oceanic and Atmospheric Administration, or the Commissioned Corps of the Public Health Service, or to a dependent of a member of a uniformed service.

SEC. 723. MODERNIZATION OF TRICARE BUSINESS PRACTICES AND INCREASE OF USE OF MILITARY TREATMENT FACILITIES.

(a) REQUIREMENT TO IMPLEMENT INTERNET-BASED SYSTEM.—Not later than October 1, 2001, the Secretary of Defense shall implement a system to simplify and make accessible through the use of the Internet, through commercially available systems and products, critical administrative processes within the military health care system and the TRICARE program. The purposes of the system shall be to enhance efficiency, improve service, and achieve commercially recognized standards of performance.

(b) ELEMENTS OF SYSTEM.—The system required by subsection (a)—

(1) shall comply with patient confidentiality and security requirements, and incorporate data requirements, that are currently widely used by insurers under medicare and commercial insurers;

(2) shall be designed to achieve improvements with respect to—

(A) the availability and scheduling of appointments;
(B) the filing, processing, and payment of claims;
(C) marketing and information initiatives;
(D) the continuation of enrollments without expiration;
(E) the portability of enrollments nationwide;

(F) education of beneficiaries regarding the military health care system and the TRICARE program; and

(G) education of health care providers regarding such system and program; and

(3) may be implemented through a contractor under TRICARE Prime.

(c) AREAS OF IMPLEMENTATION.—The Secretary shall implement the system required by subsection (a) in at least one region under the TRICARE program.

(d) PLAN FOR IMPROVED PORTABILITY OF BENEFITS.—Not later than March 15, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan to provide portability and reciprocity of benefits for all enrollees under the TRICARE program throughout all TRICARE regions.

(e) INCREASE OF USE OF MILITARY MEDICAL TREATMENT FACILITIES.—The Secretary shall initiate a program to maximize the use of military medical treatment facilities by improving the efficiency of health care operations in such facilities.

(f) DEFINITION.—In this section the term "TRICARE program" has the meaning given such term in section 1072 of title 10, United States Code.

SEC. 724. EXTENSION OF TRICARE MANAGED CARE SUPPORT CONTRACTS.

(a) AUTHORITY.—Notwithstanding any other provision of law and subject to subsection (b), any TRICARE managed care support contract in effect, or in the final stages of acquisition, on September 30, 1999, may be extended for four years.

(b) CONDITIONS.—Any extension of a contract under subsection (a)—

(1) may be made only if the Secretary of Defense determines that it is in the best interest of the United States to do so; and

(2) shall be based on the price in the final best and final offer for the last year of the existing contract as adjusted for inflation and other factors mutually agreed to by the contractor and the Federal Government.

SEC. 725. REPORT ON PROTECTIONS AGAINST HEALTH CARE PROVIDERS SEEKING DIRECT REIMBURSEMENT FROM MEMBERS OF THE UNIFORMED SERVICES.

Not later than January 31, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report recommending practices to discourage or prohibit health care providers under the TRICARE program, and individuals or entities working on behalf of such providers, from seeking direct reimbursement from members of the uniformed services or their dependents for health care received by such members or dependents.

SEC. 726. VOLUNTARY TERMINATION OF ENROLLMENT IN TRICARE RETIREE DENTAL PROGRAM.

(a) PROCEDURES.—Section 1076c of title 10, United States Code, is amended—

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

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

"(i) VOLUNTARY DISENROLLMENT.—(1) With respect to enrollment in the dental insurance plan established under subsection (a), the Secretary of Defense—

"(A) shall allow for a period of up to 30 days at the beginning of the prescribed minimum enrollment period during which an enrollee may disenroll; and

"(B) shall provide for limited circumstances under which disenrollment shall be permitted during the prescribed enrollment period, without jeopardizing the fiscal integrity of the dental program.

"(2) The circumstances described in paragraph (1)(B) shall include—

"(A) a case in which a retired member, surviving spouse, or dependent of a retired member who is also a Federal employee is assigned to a location outside the jurisdiction of the dental insurance plan established under subsection (a) that prevents utilization of dental benefits under the plan;

"(B) a case in which a retired member, surviving spouse, or dependent of a retired member is prevented by a serious medical condition from being able to obtain benefits under the plan;

"(C) a case in which severe financial hardship would result; and

"(D) any other circumstances which the Secretary considers appropriate.

"(3) The Secretary shall establish procedures for timely decisions on requests for disenrollment under this section and for appeal to the TRICARE Management Activity of adverse decisions.".

(b) CLARIFYING AMENDMENT.—The heading for subsection (f) is amended by striking "TERMINATION" and inserting "REQUIRED TERMINATIONS".

SEC. 727. CLAIMS PROCESSING IMPROVEMENTS.

Beginning on the date of the enactment of this Act, the Secretary of Defense shall, to the maximum extent practicable, take all necessary actions to implement the following improvements with respect to processing of claims under the TRICARE program:

(1) Use of the TRICARE encounter data information system rather than the health care service record in maintaining information on covered beneficiaries under chapter 55 of title 10, United States Code.

(2) Elimination of all delays in payment of claims to health care providers that may result from the development of the health care service record or TRICARE encounter data information.

(3) Requiring all health care providers under the TRICARE program that the Secretary determines are high-volume providers to submit claims electronically.

(4) Processing 50 percent of all claims by health care providers and institutions under the TRICARE program by electronic means.

(5) Authorizing managed care support contractors under the TRICARE program to require providers to access information on the status of claims through the use of telephone automated voice response units.

SEC. 728. PRIOR AUTHORIZATIONS FOR CERTAIN REFERRALS AND NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS.

(a) PROHIBITION REGARDING PRIOR AUTHORIZATION FOR REFERRALS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1095e the following new section:

"§ 1095f. TRICARE program: referrals for specialty health care

"The Secretary of Defense shall ensure that no contract for managed care support under the TRICARE program includes any requirement that a managed care support contractor require a primary care or specialty care provider to obtain prior authorization before referring a patient to a specialty care provider that is part of the network of health care providers or institutions of the contractor.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1095e the following new item:

"1095f. TRICARE program: referrals for specialty health care.".

(b) REPORT.—Not later than February 1, 2001, the Comptroller General shall submit to Congress a report on the financial and management implications of eliminating the requirement to obtain nonavailability-of-health-care statements under section 1080 of title 10, United States Code.

(c) EFFECTIVE DATE.—Section 1095f of title 10, United States Code, as added by subsection (a), shall apply with respect to a TRICARE managed care support contract entered into by the Department of Defense after the date of the enactment of this Act.

Subtitle D—Demonstration Projects

SEC. 731. DEMONSTRATION PROJECT FOR EXPANDED ACCESS TO MENTAL HEALTH COUNSELORS.

(a) REQUIREMENT TO CONDUCT DEMONSTRATION PROJECT.—The Secretary of Defense shall conduct a demonstration project under which licensed and certified professional mental health counselors who meet eligibility requirements for participation as providers under the Civilian Health and Medical Program of the Uniformed Services (hereafter in this section referred to as "CHAMPUS") or the TRICARE program may provide services to covered beneficiaries under chapter 55 of title 10, United States Code, without referral by physicians or adherence to supervision requirements.

(b) DURATION AND LOCATION OF PROJECT.—The Secretary shall conduct the demonstration project required by subsection (a)—

(1) during the 2-year period beginning October 1, 2001; and

(2) in one established TRICARE region.

(c) REGULATIONS.—The Secretary shall prescribe regulations regarding participation in the demonstration project required by subsection (a).

(d) PLAN FOR PROJECT.—Not later than March 31, 2001, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan to carry out the demonstration project. The plan shall include, but not be limited to, a description of the following:

(1) The TRICARE region in which the project will be conducted.

(2) The estimated funds required to carry out the demonstration project.

(3) The criteria for determining which professional mental health counselors will be authorized to participate under the demonstration project.

(4) The plan of action, including critical milestone dates, for carrying out the demonstration project.

(e) REPORT.—Not later than February 1, 2003, the Secretary shall submit to Congress a report on the demonstration project carried out under this section. The report shall include the following:

(1) A description of the extent to which expenditures for reimbursement of licensed or certified professional mental health counselors change as a result of allowing the independent practice of such counselors.

(2) Data on utilization and reimbursement regarding non-physician mental health professionals other than licensed or certified professional mental health counselors under CHAMPUS and the TRICARE program.

(3) Data on utilization and reimbursement regarding physicians who make referrals to, and supervise, mental health counselors.

(4) A description of the administrative costs incurred as a result of the requirement for documentation of referral to mental health counselors and supervision activities for such counselors.

(5) For each of the categories described in paragraphs (1) through (4), a comparison of data for a 1-year period for the area in which the demonstration project is being implemented with corresponding data for a similar area in which the demonstration project is not being implemented.

(6) A description of the ways in which allowing for independent reimbursement of licensed or certified professional mental health counselors affects the confidentiality of mental health and substance abuse services for covered beneficiaries under CHAMPUS and the TRICARE program.

(7) A description of the effect, if any, of changing reimbursement policies on the health and treatment of covered beneficiaries under CHAMPUS and the TRICARE program, including a comparison of the treatment outcomes of covered beneficiaries who receive mental health services from licensed or certified professional mental health counselors acting under physician referral and supervision, other non-physician mental health providers recognized under CHAMPUS and the TRICARE program, and physicians, with treatment outcomes under the demonstration project allowing independent practice of professional counselors on the same basis as other non-physician mental health providers.

(8) The effect of policies of the Department of Defense on the willingness of licensed or certified professional mental health counselors to participate as health care providers in CHAMPUS and the TRICARE program.

(9) Any policy requests or recommendations regarding mental health counselors made by health care plans and managed care organizations participating in CHAMPUS or the TRICARE program.

SEC. 732. TELERADIOLOGY DEMONSTRATION PROJECT.

(a) AUTHORITY TO CONDUCT PROJECT.—(1) The Secretary of Defense may conduct a demonstration project for the purposes of increasing efficiency of operations with respect to teleradiology at military medical treatment facilities, supporting remote clinics, and increasing coordination with respect to teleradiology between such facilities and clinics. Under the project, a military medical treatment facility and each clinic supported by such facility shall be linked by a digital radiology network through which digital radiology X-rays may be sent electronically from clinics to the military medical treatment facility.

(2) The demonstration project may be conducted at several multispecialty tertiary-care military medical treatment facilities affiliated with a university medical school. One of such facilities shall be supported by at least 5 geographically dispersed remote clinics of the Departments of the Army, Navy, and Air Force, and clinics of the Department of Veterans Affairs and the Coast Guard. Another of such facilities shall be in an underserved rural geographic region served under established telemedicine contracts between the Department of Defense, the Department of Veterans Affairs, and a local university.

(b) DURATION OF PROJECT.—The Secretary shall conduct the project during the 2-year period beginning on the date of the enactment of this Act.

SEC. 733. HEALTH CARE MANAGEMENT DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a demonstration program on health care management to explore opportunities for improving the planning, programming, budgeting systems, and management of the Department of Defense health care system.

(b) TEST MODELS.—Under the demonstration program, the Secretary shall test the use of the following planning and management models:

(1) A health care simulation model for studying alternative delivery policies, processes, organizations, and technologies.

(2) A health care simulation model for studying long term disease management.

(c) DEMONSTRATION SITES.—The Secretary shall test each model separately at one or more sites.

(d) PERIOD FOR PROGRAM.—The demonstration program shall begin not later than 180 days after the date of the enactment of this Act and shall terminate on December 31, 2001.

(e) REPORTS.—The Secretary of Defense shall submit a report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than March 15, 2002. The report shall include the Secretary's assessment of the value of incorporating the use of the tested planning and management models throughout the planning, programming, budgeting systems, and management of the Department of Defense health care system.

(f) FUNDING.—Of the amount authorized to be appropriated under section 301(22), $6,000,000 shall be available for the demonstration program under this section.

Subtitle E—Joint Initiatives With Department of Veterans Affairs

SEC. 741. VA-DOD SHARING AGREEMENTS FOR HEALTH SERVICES.

(a) PRIMACY OF SHARING AGREEMENTS.—The Secretary of Defense shall—

(1) give full force and effect to any agreement into which the Secretary or the Secretary of a military department entered under section 8111 of title 38, United States Code, or under section 1535 of title 31, United States Code, which was in effect on September 30, 1999; and

(2) ensure that the Secretary of the military department concerned directly reimburses the Secretary of Veterans Affairs for any services or resources provided under such agreement in accordance with the terms of such agreement, including terms providing for reimbursement from funds available for that military department.

(b) MODIFICATION OR TERMINATION.—Any agreement described in subsection (a) shall remain in effect in accordance with such subsection unless, during the 12-month period following the date of the enactment of this Act, such agreement is modified or terminated in accordance with the terms of such agreement.

SEC. 742. PROCESSES FOR PATIENT SAFETY IN MILITARY AND VETERANS HEALTH CARE SYSTEMS.

(a) ERROR TRACKING PROCESS.—The Secretary of Defense shall implement a centralized process for reporting, compilation, and analysis of errors in the provision of health care under the defense health program that endanger patients beyond the normal risks associated with the care and treatment of such patients. To the extent practicable, that process shall emulate the system established by the Secretary of Veterans Affairs for reporting, compilation, and analysis of errors in the provision of health care under the Department of Veterans Affairs health care system that endanger patients beyond such risks.

(b) SHARING OF INFORMATION.—The Secretary of Defense and the Secretary of Veterans Affairs—

(1) shall share information regarding the designs of systems or protocols established to reduce errors in the provision of health care described in subsection (a); and

(2) shall develop such protocols as the Secretaries consider necessary for the establishment and administration of effective processes for the reporting, compilation, and analysis of such errors.

SEC. 743. COOPERATION IN DEVELOPING PHARMACEUTICAL IDENTIFICATION TECHNOLOGY.

The Secretary of Defense and the Secretary of Veterans Affairs shall cooperate in developing systems for the use of bar codes for the identification of pharmaceuticals in the health care programs of the Department of Defense and the Department of Veterans Affairs. In any case in which a common pharmaceutical is used in such programs, the bar codes for those pharmaceuticals shall, to the maximum extent practicable, be identical.

Subtitle F—Other Matters

SEC. 751. MANAGEMENT OF ANTHRAX VACCINE IMMUNIZATION PROGRAM.

(a) SYSTEM AND PROCEDURES FOR TRACKING SEPARATIONS.—(1) Chapter 59 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1178. System and procedures for tracking separations resulting from refusal to participate in anthrax vaccine immunization program

"(a) REQUIREMENT TO ESTABLISH SYSTEM.—The Secretary of each military department shall establish a system for tracking, recording, and reporting separations of members of the armed forces under the Secretary's jurisdiction that result from procedures initiated as a result of a refusal to participate in the anthrax vaccine immunization program.

"(b) REPORT.—The Secretary of Defense shall consolidate the information recorded under the system described in subsection (a) and shall submit to the Committees on Armed Services of the Senate and the House of Representatives not later than April 1 of each year a report on such information. Each such report shall include a description of—

"(1) the number of members separated, categorized by military department, grade, and active-duty or reserve status; and

"(2) any other information determined appropriate by the Secretary.".

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

"1178. System and procedures for tracking separations resulting from refusal to participate in anthrax vaccine immunization program.".

(b) PROCEDURES FOR EXEMPTIONS; MONITORING ADVERSE REACTIONS.—(1) Chapter 55 of such title is amended by adding at the end the following new section:

"§ 1110. Anthrax vaccine immunization program; procedures for exemptions and monitoring reactions

"(a) PROCEDURES FOR MEDICAL AND ADMINISTRATIVE EXEMPTIONS.—(1) The Secretary of Defense shall establish uniform procedures under which members of the armed forces may be exempted from participating in the anthrax vaccine immunization program for either administrative or medical reasons.

"(2) The Secretaries of the military departments shall provide for notification of all members of the armed forces of the procedures established pursuant to paragraph (1).

"(b) SYSTEM FOR MONITORING ADVERSE REACTIONS.—(1) The Secretary shall establish a system for monitoring adverse reactions of members of the armed forces to the anthrax vaccine. That system shall include the following:

"(A) Independent review of Vaccine Adverse Event Reporting System reports.

"(B) Periodic surveys of personnel to whom the vaccine is administered.

"(C) A continuing longitudinal study of a pre-identified group of members of the armed forces (including men and women and members from all services).

"(D) Active surveillance of a sample of members to whom the anthrax vaccine has been administered that is sufficient to identify, at the earliest opportunity, any patterns of adverse reactions, the discovery of which might be delayed by reliance solely on the Vaccine Adverse Event Reporting System.

"(2) The Secretary may extend or expand any ongoing or planned study or analysis of trends in adverse reactions of members of the armed forces to the anthrax vaccine in order to meet any of the requirements in paragraph (1).

"(3) The Secretary shall establish guidelines under which members of the armed forces who are determined by an independent expert panel to be experiencing unexplained adverse reactions may obtain access to a Department of Defense Center of Excellence treatment facility for expedited treatment and follow up.".

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

"1110. Anthrax vaccine immunization program; procedures for exemptions and monitoring reactions.".

(c) EMERGENCY ESSENTIAL EMPLOYEES.—(1) Chapter 81 of such title is amended by inserting after section 1580 the following new section:

"§ 1580a. Emergency essential employees: notification of required participation in anthrax vaccine immunization program

"The Secretary of Defense shall—

"(1) prescribe regulations for the purpose of ensuring that any civilian employee of the Department of Defense who is determined to be an emergency essential employee and who is required to participate in the anthrax vaccine immunization program is notified of the requirement to participate in the program and the consequences of a decision not to participate; and

"(2) ensure that any individual who is being considered for a position as such an employee is notified of the obligation to participate in the program before being offered employment in such position.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1580 the following new item:

"1580a. Emergency essential employees: notification of required participation in anthrax vaccine immunization program.".

(d) COMPTROLLER GENERAL REPORT.—(1) Not later than April 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the effect of the Department of Defense anthrax vaccine immunization program on the recruitment and retention of active duty and reserve military personnel and civilian personnel of the Department of Defense. The study shall cover the period beginning on the date of the enactment of this Act and ending on December 31, 2001.

(2) The Comptroller General shall include in the report required by paragraph (1) a description of any personnel actions (including

transfer, termination, or reassignment of any personnel) taken as a result of the refusal of any civilian employee of the Department of Defense to participate in the anthrax vaccine immunization program.

(e) DEADLINES FOR ESTABLISHMENT AND IMPLEMENTATION.—The Secretary of Defense shall—

(1) not later than April 1, 2001, establish the uniform procedures for exemption from participation in the anthrax vaccine immunization program of the Department of Defense required under subsection (a) of section 1110 of title 10, United States Code (as added by subsection (b));

(2) not later than July 1, 2001, establish the system for monitoring adverse reactions of members of the Armed Forces to the anthrax vaccine required under subsection (b)(1) of such section;

(3) not later than April 1, 2001, establish the guidelines under which members of the Armed Forces may obtain access to a Department of Defense Center of Excellence treatment facility for expedited treatment and follow up required under subsection (b)(3) of such section; and

(4) not later than July 1, 2001, prescribe the regulations regarding emergency essential employees of the Department of Defense required under subsection (a) of section 1580a of such title (as added by subsection(c)).

SEC. 752. ELIMINATION OF COPAYMENTS FOR IMMEDIATE FAMILY.

(a) NO COPAYMENT FOR IMMEDIATE FAMILY.—Section 1097a of title 10, United States Code, is amended—

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

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

"(e) NO COPAYMENT FOR IMMEDIATE FAMILY.—No copayment shall be charged a member for care provided under TRICARE Prime to a dependent of a member of the uniformed services described in subparagraph (A), (D), or (I) of section 1072 of this title.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 180 days after the date of the enactment of this Act, and shall apply with respect to care provided on or after that date.

SEC. 753. MEDICAL INFORMATICS.

(a) ADDITIONAL MATTERS FOR ANNUAL REPORT ON MEDICAL INFORMATICS ADVISORY COMMITTEE.—Section 723(d)(5) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 697; 10 U.S.C. 1071 note) is amended to read as follows:

"(5) The Secretary of Defense shall submit to Congress an annual report on medical informatics. The report shall include a discussion of the following matters:

"(A) The activities of the Committee.

"(B) The coordination of development, deployment, and maintenance of health care informatics systems within the Federal Government, and between the Federal Government and the private sector.

"(C) The progress or growth occurring in medical informatics.

"(D) How the TRICARE program and the Department of Veterans Affairs health care system can use the advancement of knowledge in medical informatics to raise the standards of health care and treatment and the expectations for improving health care and treatment.".

(b) LIMITATION ON FISCAL YEAR 2001 FUNDING FOR PHARMACEUTICALS-RELATED MEDICAL INFORMATICS.—Of the funds authorized to be appropriated under section 301(22), any amounts used for pharmaceuticals-related informatics may be used only for the following:

(1) Commencement of the implementation of a new computerized medical record, including an automated entry order system for pharmaceuticals and an infrastructure network that is compliant with the provisions enacted in the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 110 Stat. 1936), to make all relevant clinical information on beneficiaries under the Defense Health Program available when needed.

(2) An integrated pharmacy system under the Defense Health Program that creates a single profile for all pharmaceuticals for such beneficiaries prescribed at military medical treatment facilities or private pharmacies that are part of the Department of Defense pharmacy network.

SEC. 754. PATIENT CARE REPORTING AND MANAGEMENT SYSTEM.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a patient care error reporting and management system.

(b) PURPOSES OF SYSTEM.—The purposes of the system are as follows:

(1) To study the occurrences of errors in the patient care provided under chapter 55 of title 10, United States Code.

(2) To identify the systemic factors that are associated with such occurrences.

(3) To provide for action to be taken to correct the identified systemic factors.

(c) REQUIREMENTS FOR SYSTEM.—The patient care error reporting and management system shall include the following:

(1) A hospital-level patient safety center, within the quality assurance department of each health care organization of the Department of Defense, to collect, assess, and report on the nature and frequency of errors related to patient care.

(2) For each health care organization of the Department of Defense and for the entire Defense health program, patient safety standards that are necessary for the development of a full understanding of patient safety issues in each such organization and the entire program, including the nature and types of errors and the systemic causes of the errors.

(3) Establishment of a Department of Defense Patient Safety Center within the Armed Forces Institute of Pathology, which shall have the following missions:

(A) To analyze information on patient care errors that is submitted to the Center by each military health care organization.

(B) To develop action plans for addressing patterns of patient care errors.

(C) To execute those action plans to mitigate and control errors in patient care with a goal of ensuring that

the health care organizations of the Department of Defense provide highly reliable patient care with virtually no error.

(D) To provide, through the Assistant Secretary of Defense for Health Affairs, to the Agency for Healthcare Research and Quality of the Department of Health and Human Services any reports that the Assistant Secretary determines appropriate.

(E) To review and integrate processes for reducing errors associated with patient care and for enhancing patient safety.

(F) To contract with a qualified and objective external organization to manage the national patient safety database of the Department of Defense.

(d) MEDTEAMS PROGRAM.—The Secretary shall expand the health care team coordination program to integrate that program into all Department of Defense health care operations. In carrying out this subsection, the Secretary shall take the following actions:

(1) Establish not less than two Centers of Excellence for the development, validation, proliferation, and sustainment of the health care team coordination program, one of which shall support all fixed military health care organizations, the other of which shall support all combat casualty care organizations.

(2) Deploy the program to all fixed and combat casualty care organizations of each of the Armed Forces, at the rate of not less than 10 organizations in each fiscal year.

(3) Expand the scope of the health care team coordination program from a focus on emergency department care to a coverage that includes care in all major medical specialties, at the rate of not less than one specialty in each fiscal year.

(4) Continue research and development investments to improve communication, coordination, and team work in the provision of health care.

(e) CONSULTATION.—The Secretary shall consult with the other administering Secretaries (as defined in section 1072(3) of title 10, United States Code) in carrying out this section.

SEC. 755. AUGMENTATION OF ARMY MEDICAL DEPARTMENT BY DETAILING RESERVE OFFICERS OF THE PUBLIC HEALTH SERVICE.

(a) AUTHORITY.—The Secretary of the Army and the Secretary of Health and Human Services may jointly conduct a program to augment the Army Medical Department by exercising any authorities provided to those officials in law for the detailing of reserve commissioned officers of the Public Health Service not in an active status to the Army Medical Department for that purpose.

(b) AGREEMENT.—The Secretary of the Army and the Secretary of Health and Human Services shall enter into an agreement governing any program conducted under subsection (a).

(c) ASSESSMENT.—(1) The Secretary of the Army shall review the laws providing the authorities described in subsection (a) and assess the adequacy of those laws for authorizing—

(A) the Secretary of Health and Human Services to detail reserve commissioned officers of the Public Health Service not in an active status to the Army Medical Department to augment that department; and

(B) the Secretary of the Army to accept the detail of such officers for that purpose.

(2) The Secretary shall complete the review and assessment under paragraph (1) not later than 90 days after the date of the enactment of this Act.

(d) REPORT TO CONGRESS.—Not later than March 1, 2001, the Secretary of the Army shall submit a report on the results of the review and assessment under subsection (c) to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following:

(1) The findings resulting from the review and assessment.

(2) Any proposal for legislation that the Secretary recommends to strengthen the authority of the Secretary of Health and Human Services and the authority of the Secretary of the Army to take the actions described in subparagraphs (A) and (B), respectively, of subsection (c)(1).

(e) CONSULTATION REQUIREMENT.—The Secretary of the Army shall consult with the Secretary of Health and Human Services in carrying out the review and assessment under subsection (c) and in preparing the report (including making recommendations) under subsection (d).

SEC. 756. PRIVACY OF DEPARTMENT OF DEFENSE MEDICAL RECORDS.

(a) COMPREHENSIVE PLAN.—Not later than April 1, 2001, the Secretary of Defense shall submit to Congress a comprehensive plan to improve privacy protections for medical records maintained by the Department of Defense. Such plan shall be consistent with the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 42 U.S.C. 1320d–2 note).

(b) INTERIM REGULATIONS.—(1) Notwithstanding any other provision of law, the Secretary shall prescribe interim regulations, pending full implementation of the comprehensive plan described in subsection (a), to improve privacy protections for medical records maintained by the Department of Defense.

(2) The regulations prescribed under paragraph (1) shall provide maximum protections for privacy consistent with such actions that the Secretary determines are necessary for purposes of national security, law enforcement, patient treatment, public health reporting, accreditation and licensure review activities, external peer review and other quality assurance program activities, payment for health care services, fraud and abuse prevention, judicial and administrative proceedings, research consistent with regulations on Governmentwide protection of human subjects, Department of Veterans Affairs benefit programs, and any other purposes identified by the Secretary for the responsible management of the military health care system.

SEC. 757. AUTHORITY TO ESTABLISH SPECIAL LOCALITY-BASED REIMBURSEMENT RATES; REPORTS.

(a) IN GENERAL.—Section 1079(h) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) To assure access to care for all covered beneficiaries, the Secretary of Defense, in consultation with the other administering Secretaries, shall designate specific rates for reimbursement for services in certain localities if the Secretary determines that without payment of such rates access to health care services would be severely impaired. Such a determination shall be based on consideration of the number of providers in a locality who provide the

services, the number of such providers who are CHAMPUS participating providers, the number of covered beneficiaries under CHAMPUS in the locality, the availability of military providers in the location or a nearby location, and any other factors determined to be relevant by the Secretary.".

(b) REPORTS.—(1) Not later than March 31, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives and the General Accounting Office a report on actions taken to carry out section 1079(h)(5) of title 10, United States Code (as added by subsection (a)) and section 1097b of such title.

(2) Not later than May 1, 2001, the Comptroller General shall submit to Congress a report analyzing the utility of—

(A) increased reimbursement authorities with respect to ensuring the availability of network providers and nonnetwork providers under the TRICARE program to covered beneficiaries under chapter 55 of such title; and

(B) requiring a reimbursement limitation of 70 percent of usual and customary rates rather than 115 percent of maximum allowable charges under the Civilian Health and Medical Program of the Uniformed Services.

(3)(A) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the extent to which physicians are choosing not to participate in contracts for the furnishing of health care in rural States under chapter 55 of title 10, United States Code. The report shall include the following:

(i) The number of physicians in rural States who are withdrawing from participation, or otherwise refusing to participate, in the health care contracts.

(ii) The reasons for the withdrawals and refusals.

(iii) The actions that the Secretary of Defense can take to encourage more physicians to participate in the health care contracts.

(iv) Any recommendations for legislation that the Secretary considers necessary to encourage more physicians to participate in the health care contracts.

(B) In this paragraph, the term "rural State" means a State that has, on average, as determined by the Bureau of the Census in the latest decennial census—

(i) fewer than 76 residents per square mile; and

(ii) fewer than 211 actively practicing physicians (not counting physicians employed by the United States) per 100,000 residents.

SEC. 758. REIMBURSEMENT FOR CERTAIN TRAVEL EXPENSES.

(a) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074h (as added by section 706) the following new section:

"§ 1074i. Reimbursement for certain travel expenses

"In any case in which a covered beneficiary is referred by a primary care physician to a specialty care provider who provides services more than 100 miles from the location in which the primary

care provider provides services to the covered beneficiary, the Secretary shall provide reimbursement for reasonable travel expenses for the covered beneficiary.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074g the following new item:

"1074i. Reimbursement for certain travel expenses.".

SEC. 759. REDUCTION OF CAP ON PAYMENTS.

Section 1086(b)(4) of title 10, United States Code, is amended by striking "$7,500" and inserting "$3,000".

SEC. 760. TRAINING IN HEALTH CARE MANAGEMENT AND ADMINISTRATION.

(a) EXPANSION OF PROGRAM.—Section 715(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 375; 10 U.S.C. 1073 note) is amended—

(1) in the matter preceding paragraph (1), by striking "Not later than six months after the date of the enactment of this Act, the" and inserting "The";

(2) in paragraph (1)—

(A) by inserting ", deputy commander, and managed care coordinator" after "commander"; and

(B) by inserting ", and any other person," after "Defense"; and

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

"(b) LIMITATION ON ASSIGNMENT UNTIL COMPLETION OF TRAINING.—No person may be assigned as the commander, deputy commander, or managed care coordinator of a military medical treatment facility or as a TRICARE lead agent or senior member of the staff of a TRICARE lead agent office until the Secretary of the military department concerned submits a certification to the Secretary of Defense that such person has completed the training described in subsection (a).".

(b) REPORT REQUIREMENT.—(1) Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on progress in meeting the requirements of section 715 of such Act (as amended by subsection (a)) by implementing a professional educational program to provide appropriate training in health care management and administration.

(2) The report required by paragraph (1) shall include the following:

(A) A survey of professional civilian certifications and credentials which demonstrate achievement of the requirements of such section.

(B) A description of the continuing education activities required to obtain initial certification and periodic required recertification.

(C) A description of the prominence of such credentials or certifications among senior civilian health care executives.

(c) APPLICABILITY.—The amendments made by subsection (a) to section 715 of such Act—

(1) shall apply to a deputy commander, a managed care coordinator of a military medical treatment facility, or a lead agent for coordinating the delivery of health care by military and civilian providers under the TRICARE program, who is

assigned to such position on or after the date that is one year after the date of the enactment of this Act; and

(2) may apply, in the discretion of the Secretary of Defense, to a deputy commander, a managed care coordinator of such a facility, or a lead agent for coordinating the delivery of such health care, who is assigned to such position before the date that is one year after the date of the enactment of this Act.

SEC. 761. STUDIES ON FEASIBILITY OF SHARING BIOMEDICAL RESEARCH FACILITY.

(a) STUDIES REQUIRED.—(1) The Secretary of the Army shall conduct a study on the feasibility of the Tripler Army Medical Center, Hawaii, sharing a biomedical research facility with the Department of Veterans Affairs and the School of Medicine at the University of Hawaii for the purpose of making more efficient use of funding for biomedical research.

(2) The Secretary of the Air Force shall conduct a study on the feasibility of the Little Rock Medical Facility, Arkansas, sharing a biomedical research facility with the Department of Veterans Affairs and the School of Medicine at the University of Arkansas for the purpose of making more efficient use of funding for biomedical research.

(3) The biomedical research facilities described in paragraphs (1) and (2) would include a clinical research center and facilities for educational, academic, and laboratory research.

(b) REPORTS.—Not later than March 1, 2001—

(1) the Secretary of the Army shall submit to the Committees on Armed Services of the House of Representatives and the Senate a report on the study conducted under subsection (a)(1); and

(2) the Secretary of the Air Force shall submit to such committees a report on the study conducted under subsection (a)(2).

SEC. 762. STUDY ON COMPARABILITY OF COVERAGE FOR PHYSICAL, SPEECH, AND OCCUPATIONAL THERAPIES.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study comparing coverage and reimbursement for covered beneficiaries under chapter 55 of title 10, United States Code, for physical, speech, and occupational therapies under the TRICARE program and the Civilian Health and Medical Program of the Uniformed Services to coverage and reimbursement for such therapies by insurers under Medicare and the Federal Employees Health Benefits Program. The study shall examine the following:

(1) Types of services covered.

(2) Whether prior authorization is required to receive such services.

(3) Reimbursement limits for services covered.

(4) Whether services are covered on both an inpatient and outpatient basis.

(b) REPORT.—Not later than March 31, 2001, the Secretary shall submit a report on the findings of the study conducted under this section to the Committees on Armed Services of the Senate and the House of Representatives.

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

SUBTITLE A—AMENDMENTS TO GENERAL CONTRACTING AUTHORITIES, PROCEDURES, AND LIMITATIONS

Sec. 801. Department of Defense acquisition pilot programs.
Sec. 802. Multiyear services contracts.
Sec. 803. Clarification and extension of authority to carry out certain prototype projects.
Sec. 804. Clarification of authority of Comptroller General to review records of participants in certain prototype projects.
Sec. 805. Extension of time period of limitation on procurement of ball bearings and roller bearings.
Sec. 806. Reporting requirements relating to multiyear contracts.
Sec. 807. Eligibility of small business concerns owned and controlled by women for assistance under the mentor-protege program.
Sec. 808. Qualifications required for employment and assignment in contracting positions.
Sec. 809. Revision of authority for solutions-based contracting pilot program.
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SUBTITLE B—INFORMATION TECHNOLOGY

Sec. 811. Acquisition and management of information technology.
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SUBTITLE C—OTHER ACQUISITION-RELATED MATTERS

Sec. 821. Improvements in procurements of services.
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Sec. 823. Repeal of prohibition on use of Department of Defense funds for procurement of nuclear-capable shipyard crane from a foreign source.
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Sec. 825. Compliance with existing law regarding purchases of equipment and products.
Sec. 826. Requirement to disregard certain agreements in awarding contracts for the purchase of firearms or ammunition.

SUBTITLE D—STUDIES AND REPORTS

Sec. 831. Study on impact of foreign sourcing of systems on long-term military readiness and related industrial infrastructure.
Sec. 832. Study of policies and procedures for transfer of commercial activities.
Sec. 833. Study and report on practice of contract bundling in military construction contracts.
Sec. 834. Requirement to conduct study on contract bundling.

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

SEC. 801. DEPARTMENT OF DEFENSE ACQUISITION PILOT PROGRAMS.

(a) EXTENSION OF AUTHORITY.—Section 5064(d)(2) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3361; 10 U.S.C. 2430 note) is amended by striking "45 days after the date of the enactment of this Act and ends on

September 30, 1998" and inserting "on October 13, 1994, and ends on October 1, 2007".

(b) EXPANSION OF JDAM PROGRAM.—Section 5064(a)(2) of such Act is amended by striking "1000-pound and 2000-pound bombs" and inserting "500-pound, 1000-pound, and 2000-pound bombs".

(c) REPORT REQUIRED.—(1) Not later than January 1, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the House of Representatives and the Senate a report on the acquisition pilot programs of the Department of Defense. The report shall describe, for each acquisition program identified in section 5064(a) of the Federal Acquisition Streamlining Act of 1994, the following:

(A) Each quantitative measure and goal established for each item described in paragraph (2), which of such goals have been achieved, and the extent to which the use of the authorities in section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2430 note) and section 5064 of the Federal Acquisition Streamlining Act of 1994 was a factor in achieving each of such goals.

(B) Recommended revisions to statutes or the Federal Acquisition Regulation as a result of participation in the pilot program.

(C) Any innovative business practices developed as a result of participation in the pilot program, whether such business practices could be applied to other acquisition programs, and any impediments to application of such practices to other programs.

(D) Technological changes to the program, and to what extent those changes affected the items in paragraph (2).

(E) Any other information determined appropriate by the Secretary.

(2) The items under this paragraph are, with respect to defense acquisition programs, the following:

(A) The acquisition management costs.

(B) The unit cost of the items procured.

(C) The acquisition cycle.

(D) The total cost of carrying out the contract.

(E) Staffing necessary to carry out the program.

SEC. 802. MULTIYEAR SERVICES CONTRACTS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2306b the following:

"§ 2306c. Multiyear contracts: acquisition of services

"(a) AUTHORITY.—Subject to subsections (d) and (e), the head of an agency may enter into contracts for periods of not more than five years for services described in subsection (b), and for items of supply related to such services, for which funds would otherwise be available for obligation only within the fiscal year for which appropriated whenever the head of the agency finds that—

"(1) there will be a continuing requirement for the services consonant with current plans for the proposed contract period;

"(2) the furnishing of such services will require a substantial initial investment in plant or equipment, or the incurrence of substantial contingent liabilities for the assembly, training, or transportation of a specialized work force; and

"(3) the use of such a contract will promote the best interests of the United States by encouraging effective competition and promoting economies in operation.

"(b) COVERED SERVICES.—The authority under subsection (a) applies to the following types of services:

"(1) Operation, maintenance, and support of facilities and installations.

"(2) Maintenance or modification of aircraft, ships, vehicles, and other highly complex military equipment.

"(3) Specialized training necessitating high quality instructor skills (for example, pilot and air crew members; foreign language training).

"(4) Base services (for example, ground maintenance; in-plane refueling; bus transportation; refuse collection and disposal).

"(c) APPLICABLE PRINCIPLES.—In entering into multiyear contracts for services under the authority of this section, the head of the agency shall be guided by the following principles:

"(1) The portion of the cost of any plant or equipment amortized as a cost of contract performance should not exceed the ratio between the period of contract performance and the anticipated useful commercial life of such plant or equipment. Useful commercial life, for this purpose, means the commercial utility of the facilities rather than the physical life thereof, with due consideration given to such factors as location of facilities, specialized nature thereof, and obsolescence.

"(2) Consideration shall be given to the desirability of obtaining an option to renew the contract for a reasonable period not to exceed three years, at prices not to include charges for plant, equipment and other nonrecurring costs, already amortized.

"(3) Consideration shall be given to the desirability of reserving in the agency the right, upon payment of the unamortized portion of the cost of the plant or equipment, to take title thereto under appropriate circumstances.

"(d) RESTRICTIONS APPLICABLE GENERALLY.—(1) The head of an agency may not initiate under this section a contract for services that includes an unfunded contingent liability in excess of $20,000,000 unless the committees of Congress named in paragraph (5) are notified of the proposed contract at least 30 days in advance of the award of the proposed contract.

"(2) The head of an agency may not initiate a multiyear contract for services under this section if the value of the multiyear contract would exceed $500,000,000 unless authority for the contract is specifically provided by law.

"(3) The head of an agency may not terminate a multiyear procurement contract for services until 10 days after the date on which notice of the proposed termination is provided to the committees of Congress named in paragraph (5).

"(4) Before any contract described in subsection (a) that contains a clause setting forth a cancellation ceiling in excess of $100,000,000 may be awarded, the head of the agency concerned shall give written notification of the proposed contract and of the proposed cancellation ceiling for that contract to the committees of Congress named in paragraph (5), and such contract may not then be awarded until the end of a period of 30 days beginning on the date of such notification.

"(5) The committees of Congress referred to in paragraphs (1), (3), and (4) are as follows:

"(A) The Committee on Armed Services and the Committee on Appropriations of the Senate.

"(B) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

"(e) CANCELLATION OR TERMINATION FOR INSUFFICIENT FUNDING AFTER FIRST YEAR.—In the event that funds are not made available for the continuation of a multiyear contract for services into a subsequent fiscal year, the contract shall be canceled or terminated, and the costs of cancellation or termination may be paid from—

"(1) appropriations originally available for the performance of the contract concerned;

"(2) appropriations currently available for procurement of the type of services concerned, and not otherwise obligated; or

"(3) funds appropriated for those payments.

"(f) MULTIYEAR CONTRACT DEFINED.—For the purposes of this section, a multiyear contract is a contract for the purchase of services for more than one, but not more than five, program years. Such a contract may provide that performance under the contract during the second and subsequent years of the contract is contingent upon the appropriation of funds and (if it does so provide) may provide for a cancellation payment to be made to the contractor if such appropriations are not made.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2306b the following:

"2306c. Multiyear contracts: acquisition of services.".

(b) REFERENCE TO RELOCATED AUTHORITY.—Subsection (g) of section 2306 of such title is amended to read as follows:

"(g) Multiyear contracting authority for the acquisition of services is provided in section 2306c of this title.".

(c) CONFORMING AMENDMENT.—Section 2306b(k) of title 10, United States Code, is amended by striking "or services".

(d) APPLICABILITY.—Section 2306c of title 10, United States Code (as added by subsection (a)), shall apply with respect to contracts for which solicitations of offers are issued after the date of the enactment of this Act.

SEC. 803. CLARIFICATION AND EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

(a) AMENDMENTS TO AUTHORITY.—Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended—

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

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

"(d) APPROPRIATE USE OF AUTHORITY.—(1) The Secretary of Defense shall ensure that no official of an agency enters into a transaction (other than a contract, grant, or cooperative agreement) for a prototype project under the authority of this section unless—

"(A) there is at least one nontraditional defense contractor participating to a significant extent in the prototype project; or

"(B) no nontraditional defense contractor is participating to a significant extent in the prototype project, but at least one of the following circumstances exists:

"(i) At least one third of the total cost of the prototype project is to be paid out of funds provided by parties to the transaction other than the Federal Government.

"(ii) The senior procurement executive for the agency (as designated for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)) determines in writing that exceptional circumstances justify the use of a transaction that provides for innovative business arrangements or structures that would not be feasible or appropriate under a contract.

"(2)(A) Except as provided in subparagraph (B), the amounts counted for the purposes of this subsection as being provided, or to be provided, by a party to a transaction with respect to a prototype project that is entered into under this section other than the Federal Government do not include costs that were incurred before the date on which the transaction becomes effective.

"(B) Costs that were incurred for a prototype project by a party after the beginning of negotiations resulting in a transaction (other than a contract, grant, or cooperative agreement) with respect to the project before the date on which the transaction becomes effective may be counted for purposes of this subsection as being provided, or to be provided, by the party to the transaction if and to the extent that the official responsible for entering into the transaction determines in writing that—

"(i) the party incurred the costs in anticipation of entering into the transaction; and

"(ii) it was appropriate for the party to incur the costs before the transaction became effective in order to ensure the successful implementation of the transaction.

"(e) NONTRADITIONAL DEFENSE CONTRACTOR DEFINED.—In this section, the term 'nontraditional defense contractor' means an entity that has not, for a period of at least one year prior to the date that a transaction (other than a contract, grant, or cooperative agreement) for a prototype project under the authority of this section is entered into, entered into or performed with respect to—

"(1) any contract that is subject to full coverage under the cost accounting standards prescribed pursuant to section 26 of the Office of Federal Procurement Policy Act (41 U.S.C. 422) and the regulations implementing such section; or

"(2) any other contract in excess of $500,000 to carry out prototype projects or to perform basic, applied, or advanced research projects for a Federal agency, that is subject to the Federal Acquisition Regulation.".

(b) EXTENSION OF AUTHORITY.—Subsection (f) of such section, as redesignated by subsection (a)(1), is amended by striking "September 30, 2001" and inserting "September 30, 2004".

SEC. 804. CLARIFICATION OF AUTHORITY OF COMPTROLLER GENERAL TO REVIEW RECORDS OF PARTICIPANTS IN CERTAIN PROTOTYPE PROJECTS.

(a) COMPTROLLER GENERAL REVIEW.—Section 845(c) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3)(A) The right provided to the Comptroller General in a clause of an agreement under paragraph (1) is limited as provided in subparagraph (B) in the case of a party to the agreement, an entity that participates in the performance of the agreement, or a subordinate element of that party or entity if the only agreements or other transactions that the party, entity, or subordinate element entered into with Government entities in the year prior to the date of that agreement are cooperative agreements or transactions that were entered into under this section or section 2371 of title 10, United States Code.

"(B) The only records of a party, other entity, or subordinate element referred to in subparagraph (A) that the Comptroller General may examine in the exercise of the right referred to in that subparagraph are records of the same type as the records that the Government has had the right to examine under the audit access clauses of the previous agreements or transactions referred to in such subparagraph that were entered into by that particular party, entity, or subordinate element.".

SEC. 805. EXTENSION OF TIME PERIOD OF LIMITATION ON PROCUREMENT OF BALL BEARINGS AND ROLLER BEARINGS.

Section 2534(c)(3) of title 10, United States Code, is amended by striking "October 1, 2000" and inserting "October 1, 2005".

SEC. 806. REPORTING REQUIREMENTS RELATING TO MULTIYEAR CONTRACTS.

Section 2306b(l) of title 10, United States Code, is amended—

(1) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking "The head of an agency" and all that follows through "following information" and inserting "Not later than the date of the submission of the President's budget request under section 1105 of title 31, the Secretary of Defense shall submit a report to the congressional defense committees each year, providing the following information with respect to each multiyear contract (and each extension of an existing multiyear contract) entered into, or planned to be entered into, by the head of an agency during the current or preceding year"; and

(B) in subparagraph (B), by striking "in effect immediately before the contract (or contract extension) is entered into" and inserting "in effect at the time the report is submitted";

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

(3) by inserting after paragraph (4) the following new paragraph (5):

"(5) The head of an agency may not enter into a multiyear contract (or extend an existing multiyear contract), the value of which would exceed $500,000,000 (when entered into or when extended, as the case may be), until the Secretary of Defense submits to the congressional defense committees a report containing the information described in paragraph (4) with respect to the contract (or contract extension).".

SEC. 807. ELIGIBILITY OF SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY WOMEN FOR ASSISTANCE UNDER THE MENTOR-PROTEGE PROGRAM.

Section 831(m)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note) is amended—

(1) by striking "or" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; or"; and

(3) by adding at the end the following:

"(E) a small business concern owned and controlled by women, as defined in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).".

SEC. 808. QUALIFICATIONS REQUIRED FOR EMPLOYMENT AND ASSIGNMENT IN CONTRACTING POSITIONS.

(a) APPLICABILITY OF REQUIREMENTS TO MEMBERS OF THE ARMED FORCES.—Section 1724 of title 10, United States Code, is amended in the first sentence of subsection (d)—

(1) by striking "employee of" and inserting "employee or member of"; and

(2) by striking "employee possesses" and inserting "employee or member possesses".

(b) MANDATORY ACADEMIC QUALIFICATIONS.—(1) Subsection (a)(3) of such section is amended—

(A) by inserting "and" before "(B)"; and

(B) by striking ", or (C)" and all that follows through "listed in subparagraph (B)".

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

"(b) GS–1102 SERIES POSITIONS AND SIMILAR MILITARY POSITIONS.—The Secretary of Defense shall require that a person meet the requirements set forth in paragraph (3) of subsection (a), but not the other requirements set forth in that subsection, in order to qualify to serve in a position in the Department of Defense in—

"(1) the GS–1102 occupational series; or

"(2) a similar occupational specialty if the position is to be filled by a member of the armed forces.".

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

"(c) EXCEPTION.—The requirements imposed under subsection (a) or (b) shall not apply to a person for the purpose of qualifying to serve in a position in which the person is serving on September 30, 2000.".

(d) DELETION OF UNNECESSARY CROSS REFERENCES.—Subsection (a) of such section is amended by striking "(except as provided in subsections (c) and (d))" in the matter preceding paragraph (1).

(e) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on October 1, 2000, and shall apply to appointments and assignments to contracting positions made on or after that date.

SEC. 809. REVISION OF AUTHORITY FOR SOLUTIONS-BASED CONTRACTING PILOT PROGRAM.

(a) PILOT PROJECTS UNDER THE PROGRAM.—Section 5312 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1492) is amended—

(1) in subsection (a), by striking "subsection (d)(2)" and inserting "subsection (d)"; and

(2) by striking subsection (d) and inserting the following:

"(d) PILOT PROGRAM PROJECTS.—The Administrator shall authorize to be carried out under the pilot program—

"(1) not more than 10 projects, each of which has an estimated cost of at least $25,000,000 and not more than $100,000,000; and

"(2) not more than 10 projects for small business concerns, each of which has an estimated cost of at least $1,000,000 and not more than $5,000,000.".

(b) ELIMINATION OF REQUIREMENT FOR FEDERAL FUNDING OF PROGRAM DEFINITION PHASE.—Subsection (c)(9)(B) of such section is amended by striking "program definition phase (funded, in the case of the source ultimately awarded the contract, by the Federal Government)—" and inserting "program definition phase—".

SEC. 810. PROCUREMENT NOTICE OF CONTRACTING OPPORTUNITIES THROUGH ELECTRONIC MEANS.

(a) PUBLICATION BY ELECTRONIC MEANS.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published—

"(i) by electronic means that meets the requirements for accessibility under paragraph (7); or

"(ii) by the Secretary of Commerce in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) by adding at the end the following:

"(7) A publication of a notice of solicitation by electronic means meets the requirements for accessibility under this paragraph if the notice is electronically accessible in a form that allows convenient and universal user access through the single Government-wide point of entry designated in the Federal Acquisition Regulation.".

(b) WAITING PERIOD FOR ISSUANCE OF SOLICITATION.—Paragraph (3) of such subsection is amended—

(1) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(2) in subparagraph (A), by striking "by the Secretary of Commerce".

(c) CONFORMING AMENDMENTS TO SMALL BUSINESS ACT.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published—

"(i) by electronic means that meet the accessibility requirements under section 18(a)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(7)); or

"(ii) by the Secretary of Commerce in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(B) in subparagraph (A), by striking "by the Secretary of Commerce".

(d) PERIODIC REPORTS ON IMPLEMENTATION OF ELECTRONIC COMMERCE IN FEDERAL PROCUREMENT.—Section 30(e) of the Office of Federal Procurement Policy Act (41 U.S.C. 426(e)) is amended—

(1) in the first sentence, by striking "Not later than March 1, 1998, and every year afterward through 2003" and inserting "Not later than March 1 of each even-numbered year through 2004"; and

(2) in paragraph (4)—

(A) by striking "Beginning with the report submitted on March 1, 1999, an" and inserting "An"; and

(B) by striking "calendar year" and inserting "two fiscal years".

(e) EFFECTIVE DATE; APPLICABILITY.—The amendments made by this section shall take effect on October 1, 2000. The amendments made by subsections (a), (b), and (c) shall apply with respect to solicitations issued on or after that date.

Subtitle B—Information Technology

SEC. 811. ACQUISITION AND MANAGEMENT OF INFORMATION TECHNOLOGY.

(a) RESPONSIBILITY OF DOD CHIEF INFORMATION OFFICER RELATING TO MISSION CRITICAL AND MISSION ESSENTIAL INFORMATION TECHNOLOGY SYSTEMS.—Section 2223(a) of title 10, United States Code, is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting "; and"; and

(3) by adding at the end the following:

"(5) maintain a consolidated inventory of Department of Defense mission critical and mission essential information systems, identify interfaces between those systems and other information systems, and develop and maintain contingency plans for responding to a disruption in the operation of any of those information systems.".

(b) MINIMUM PLANNING REQUIREMENTS FOR THE ACQUISITION OF INFORMATION TECHNOLOGY SYSTEMS.—(1) Not later than 60 days after the date of the enactment of this Act, Department of Defense Directive 5000.1 shall be revised to establish minimum planning requirements for the acquisition of information technology systems.

(2) The revised directive required by (1) shall—

(A) include definitions of the terms "mission critical information system" and "mission essential information system";

(B) prohibit the award of any contract for the acquisition of a mission critical or mission essential information technology system until—

(i) the system has been registered with the Chief Information Officer of the Department of Defense;

(ii) the Chief Information Officer has received all information on the system that is required under the directive to be provided to that official; and

(iii) the Chief Information Officer has determined that there is in place for the system an appropriate information assurance strategy; and

(C) require that, in the case of each system registered pursuant to subparagraph (B)(i), the information required under subparagraph (B)(ii) to be submitted as part of the registration shall be updated on not less than a quarterly basis.

(c) MILESTONE APPROVAL FOR MAJOR AUTOMATED INFORMATION SYSTEMS.—The revised directive required by subsection (b) shall prohibit Milestone I approval, Milestone II approval, or Milestone III approval (or the equivalent) of a major automated information system within the Department of Defense until the Chief Information Officer has determined that—

(1) the system is being developed in accordance with the requirements of division E of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.);

(2) appropriate actions have been taken with respect to the system in the areas of business process reengineering, analysis of alternatives, economic analysis, and performance measures; and

(3) the system has been registered as described in subsection (b)(2)(B).

(d) NOTICE OF REDESIGNATION OF SYSTEMS.—(1) Whenever during fiscal year 2001, 2002, or 2003 the Chief Information Officer designates a system previously designated as a major automated information system to be in a designation category other than a major automated information system, the Chief Information Officer shall notify the congressional defense committees of that designation. The notice shall be provided not later than 30 days after the date of that designation. Any such notice shall include the rationale for the decision to make the designation and a description of the program management oversight that will be implemented for the system so designated.

(2) Not later than 60 days after the date of the enactment of this Act, the Chief Information Officer shall submit to the congressional defense committees a report specifying each information system of the Department of Defense previously designated as a major automated information system that is currently designated in a designation category other than a major automated information system including designation as a "special interest major technology initiative". The report shall include for each such system the information specified in the third sentence of paragraph (1).

(e) ANNUAL IMPLEMENTATION REPORT.—(1) The Secretary of Defense shall submit to the congressional defense committees, not later than April 1 of each of fiscal years 2001, 2002, and 2003,

a report on the implementation of the requirements of this section during the preceding fiscal year.

(2) The report for a fiscal year under paragraph (1) shall include, at a minimum, for each major automated information system that was approved during such preceding fiscal year under Department of Defense Directive 5000.1 (as revised pursuant to subsection (b)), the following:

(A) The funding baseline.

(B) The milestone schedule.

(C) The actions that have been taken to ensure compliance with the requirements of this section and the directive.

(3) The first report shall include, in addition to the information required by paragraph (2), an explanation of the manner in which the responsible officials within the Department of Defense have addressed, or intend to address, the following acquisition issues for each major automated information system planned to be acquired after that fiscal year:

(A) Requirements definition.

(B) Presentation of a business case analysis, including an analysis of alternatives and a calculation of return on investment.

(C) Performance measurement.

(D) Test and evaluation.

(E) Interoperability.

(F) Cost, schedule, and performance baselines.

(G) Information assurance.

(H) Incremental fielding and implementation.

(I) Risk mitigation.

(J) The role of integrated product teams.

(K) Issues arising from implementation of the Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance Plan required by Department of Defense Directive 5000.1 and Chairman of the Joint Chiefs of Staff Instruction 3170.01.

(L) Oversight, including the Chief Information Officer's oversight of decision reviews.

(f) DEFINITIONS.—In this section:

(1) The term "Chief Information Officer" means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term "information technology system" has the meaning given the term "information technology" in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

(3) The term "major automated information system" has the meaning given that term in Department of Defense Directive 5000.1.

SEC. 812. TRACKING AND MANAGEMENT OF INFORMATION TECHNOLOGY PURCHASES.

(a) IN GENERAL.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2225. Information technology purchases: tracking and management

"(a) COLLECTION OF DATA REQUIRED.—To improve tracking and management of information technology products and services by

the Department of Defense, the Secretary of Defense shall provide for the collection of the data described in subsection (b) for each purchase of such products or services made by a military department or Defense Agency in excess of the simplified acquisition threshold, regardless of whether such a purchase is made in the form of a contract, task order, delivery order, military interdepartmental purchase request, or any other form of interagency agreement.

"(b) DATA TO BE COLLECTED.—The data required to be collected under subsection (a) includes the following:

"(1) The products or services purchased.

"(2) Whether the products or services are categorized as commercially available off-the-shelf items, other commercial items, nondevelopmental items other than commercial items, other noncommercial items, or services.

"(3) The total dollar amount of the purchase.

"(4) The form of contracting action used to make the purchase.

"(5) In the case of a purchase made through an agency other than the Department of Defense—

"(A) the agency through which the purchase is made; and

"(B) the reasons for making the purchase through that agency.

"(6) The type of pricing used to make the purchase (whether fixed price or another type of pricing).

"(7) The extent of competition provided in making the purchase.

"(8) A statement regarding whether the purchase was made from—

"(A) a small business concern;

"(B) a small business concern owned and controlled by socially and economically disadvantaged individuals; or

"(C) a small business concern owned and controlled by women.

"(9) A statement regarding whether the purchase was made in compliance with the planning requirements under sections 5122 and 5123 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1422, 1423).

"(c) RESPONSIBILITY TO ENSURE FAIRNESS OF CERTAIN PRICES.—The head of each contracting activity in the Department of Defense shall have responsibility for ensuring the fairness and reasonableness of unit prices paid by the contracting activity for information technology products and services that are frequently purchased commercially available off-the-shelf items.

"(d) LIMITATION ON CERTAIN PURCHASES.—No purchase of information technology products or services in excess of the simplified acquisition threshold shall be made for the Department of Defense from a Federal agency outside the Department of Defense unless—

"(1) the purchase data is collected in accordance with subsection (a); or

"(2)(A) in the case of a purchase by a Defense Agency, the purchase is approved by the Under Secretary of Defense for Acquisition, Technology, and Logistics; or

"(B) in the case of a purchase by a military department, the purchase is approved by the senior procurement executive of the military department.

"(e) ANNUAL REPORT.—Not later than March 15 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing a summary of the data collected in accordance with subsection (a).

"(f) DEFINITIONS.—In this section:

"(1) The term 'senior procurement executive', with respect to a military department, means the official designated as the senior procurement executive for the military department for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

"(2) The term 'simplified acquisition threshold' has the meaning given the term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

"(3) The term 'small business concern' means a business concern that meets the applicable size standards prescribed pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

"(4) The term 'small business concern owned and controlled by socially and economically disadvantaged individuals' has the meaning given that term in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).

"(5) The term 'small business concern owned and controlled by women' has the meaning given that term in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).".

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

"2225. Information technology purchases: tracking and management.".

(b) TIME FOR IMPLEMENTATION; APPLICABILITY.—(1) The Secretary of Defense shall collect data as required under section 2225 of title 10, United States Code (as added by subsection (a)) for all contractual actions covered by such section entered into on or after the date that is one year after the date of the enactment of this Act.

(2) Subsection (d) of such section shall apply with respect to purchases described in that subsection for which solicitations of offers are issued on or after the date that is one year after the date of the enactment of this Act.

(c) GAO REPORT.—Not later than 15 months after the date of the enactment of this Act, the Comptroller General shall submit to the congressional defense committees a report on the collection of data under such section 2225. The report shall include the Comptroller General's assessment of the extent to which the collection of data meets the requirements of that section.

SEC. 813. APPROPRIATE USE OF REQUIREMENTS REGARDING EXPERIENCE AND EDUCATION OF CONTRACTOR PERSONNEL IN THE PROCUREMENT OF INFORMATION TECHNOLOGY SERVICES.

(a) AMENDMENT OF THE FEDERAL ACQUISITION REGULATION.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy

Act (41 U.S.C. 405 and 421) shall be amended to address the use, in the procurement of information technology services, of requirements regarding the experience and education of contractor personnel.

(b) CONTENT OF AMENDMENT.—The amendment issued pursuant to subsection (a) shall, at a minimum, provide that solicitations for the procurement of information technology services shall not set forth any minimum experience or educational requirement for proposed contractor personnel in order for a bidder to be eligible for award of a contract unless—

(1) the contracting officer first determines that the needs of the executive agency cannot be met without any such requirement; or

(2) the needs of the executive agency require the use of a type of contract other than a performance-based contract.

(c) GAO REPORT.—Not later than one year after the date on which the regulations required by subsection (a) are published in the Federal Register, the Comptroller General shall submit to Congress an evaluation of—

(1) executive agency compliance with the regulations; and

(2) conformance of the regulations with existing law, together with any recommendations that the Comptroller General considers appropriate.

(d) DEFINITIONS.—In this section:

(1) The term "executive agency" has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

(2) The term "information technology" has the meaning given that term in section 5002(3) of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401(3)).

(3) The term "performance-based", with respect to a contract, means that the contract includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

SEC. 814. NAVY-MARINE CORPS INTRANET.

(a) LIMITATION.—None of the funds authorized to be appropriated for the Department of the Navy may be obligated or expended to carry out a Navy-Marine Corps Intranet contract before—

(1) the Comptroller of the Department of Defense and the Director of the Office of Management and Budget—

(A) have reviewed—

(i) the Report to Congress on the Navy-Marine Corps Intranet submitted by the Department of the Navy on June 30, 2000; and

(ii) the Business Case Analysis Supplement for the Report to Congress on the Navy-Marine Corps Intranet submitted by the Department of the Navy on July 15, 2000; and

(B) have provided their written comments to the Secretary of the Navy and the Chief of Naval Operations; and

(2) the Secretary of the Navy and the Chief of Naval Operations have submitted to Congress a joint certification that they have reviewed the business case for the contract

and the comments provided by the Comptroller of the Department of Defense and the Director of the Office of Management and Budget and that they have determined that the implementation of the contract is in the best interest of the Department of the Navy.

(b) PHASED IMPLEMENTATION.—(1) Upon the submission of the certification under subsection (a)(2), the Secretary of the Navy may commence a phased implementation of a Navy-Marine Corps Intranet contract.

(2) Not more than 15 percent of the total number of work stations to be provided under the Navy-Marine Corps Intranet program may be provided in the first increment of implementation of the Navy-Marine Corps Intranet contract.

(3) No work stations in excess of the number permitted by paragraph (2) may be provided under the program until—

(A) the Secretary of the Navy has conducted operational testing and cost review of the increment covered by that paragraph;

(B) the Chief Information Officer of the Department of Defense has certified to the Secretary of the Navy that the results of the operational testing of the Intranet are acceptable;

(C) the Comptroller of the Department of Defense has certified to the Secretary of the Navy that the cost review provides a reliable basis for forecasting the cost impact of continued implementation; and

(D) the Secretary of the Navy and the Chief of Naval Operations have submitted to Congress a joint certification that they have reviewed the certifications submitted under subparagraphs (B) and (C) and have determined that the continued implementation of the contract is in the best interest of the Department of the Navy.

(4) No increment of the Navy-Marine Corps Intranet that is implemented during fiscal year 2001 may include any activities of the Marine Corps, the naval shipyards, or the naval aviation depots. Funds available for fiscal year 2001 for activities of the Marine Corps, the naval shipyards, or the naval aviation depots may not be expended for any contract for the Navy-Marine Corps Intranet.

(c) PROHIBITION ON INCREASE OF RATES CHARGED.—The Secretary of the Navy shall ensure that rates charged by a working capital funded industrial facility of the Department of the Navy for goods or services provided by such facility are not increased during fiscal year 2001 for the purpose of funding the Navy-Marine Corps Intranet contract.

(d) APPLICABILITY OF STATUTORY AND REGULATORY REQUIREMENTS.—The acquisition of a Navy-Marine Corps Intranet shall be managed by the Department of the Navy in accordance with the requirements of—

(1) the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106), including the requirement for utilizing modular contracting in accordance with section 38 of the Office of Federal Procurement Policy Act (41 U.S.C. 434); and

(2) Department of Defense Directives 5000.1 and 5000.2–R and all other directives, regulations, and management controls that are applicable to major investments in information technology and related services.

(e) IMPACT ON FEDERAL EMPLOYEES.—The Secretary shall mitigate any adverse impact of the implementation of the Navy-Marine Corps Intranet on civilian employees of the Department of the Navy who, as of the date of the enactment of this Act, are performing functions that are included in the scope of the Navy-Marine Corps Intranet program by—

(1) developing a comprehensive plan for the transition of such employees to the performance of other functions within the Department of the Navy;

(2) taking full advantage of transition authorities available for the benefit of employees;

(3) encouraging the retraining of employees who express a desire to qualify for reassignment to the performance of other functions within the Department of the Navy; and

(4) including a provision in the Navy-Marine Corps Intranet contract that requires the contractor to provide a preference for hiring employees of the Department of the Navy who, as of the date of the enactment of this Act, are performing functions that are included in the scope of the contract.

(f) NAVY-MARINE CORPS INTRANET CONTRACT DEFINED.—In this section, the term "Navy-Marine Corps Intranet contract" means a contract providing for a long-term arrangement of the Department of the Navy with the commercial sector that imposes on the contractor a responsibility for, and transfers to the contractor the risk of, providing and managing the significant majority of desktop, server, infrastructure, and communication assets and services of the Department of the Navy.

SEC. 815. SENSE OF CONGRESS REGARDING INFORMATION TECHNOLOGY SYSTEMS FOR GUARD AND RESERVE COMPONENTS.

It is the sense of Congress—

(1) that the Secretary of Defense should take appropriate steps to provide for upgrading information technology systems of the reserve components to ensure that those systems are capable, as required for mission purposes, of communicating with other relevant information technology systems of the military department concerned and of the Department of Defense in general; and

(2) that the Secretary of each military department should ensure that communications systems for the reserve components under the Secretary's jurisdiction receive appropriate funding for information technology systems in order to achieve the capability referred to in paragraph (1).

SUBTITLE C—OTHER ACQUISITION-RELATED MATTERS

SEC. 821. IMPROVEMENTS IN PROCUREMENTS OF SERVICES.

(a) PREFERENCE FOR PERFORMANCE-BASED SERVICE CONTRACTING.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 405 and 421) shall be revised to establish a preference for use of contracts and task orders for the purchase of services in the following order of precedence:

(1) A performance-based contract or performance-based task order that contains firm fixed prices for the specific tasks to be performed.

(2) Any other performance-based contract or performance-based task order.

(3) Any contract or task order that is not a performance-based contract or a performance-based task order.

(b) INCENTIVE FOR USE OF PERFORMANCE-BASED SERVICE CONTRACTS.—(1) A Department of Defense performance-based service contract or performance-based task order may be treated as a contract for the procurement of commercial items if—

(A) the contract or task order is valued at $5,000,000 or less;

(B) the contract or task order sets forth specifically each task to be performed and, for each task—

(i) defines the task in measurable, mission-related terms;

(ii) identifies the specific end products or output to be achieved; and

(iii) contains a firm fixed price; and

(C) the source of the services provides similar services contemporaneously to the general public under terms and conditions similar to those offered to the Federal Government.

(2) The special simplified procedures provided in the Federal Acquisition Regulation pursuant to section 2304(g)(1)(B) of title 10, United States Code, shall not apply to a performance-based service contract or performance-based task order that is treated as a contract for the procurement of commercial items under paragraph (1).

(3) Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall submit a report on the implementation of this subsection to the congressional defense committees.

(4) The authority under this subsection shall not apply to contracts entered into or task orders issued more than 3 years after the date of the enactment of this Act.

(c) CENTERS OF EXCELLENCE IN SERVICE CONTRACTING.—Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall establish at least one center of excellence in contracting for services. Each center of excellence shall assist the acquisition community by identifying, and serving as a clearinghouse for, best practices in contracting for services in the public and private sectors.

(d) ENHANCED TRAINING IN SERVICE CONTRACTING.—(1) The Secretary of Defense shall ensure that classes focusing specifically on contracting for services are offered by the Defense Acquisition University and the Defense Systems Management College and are otherwise available to contracting personnel throughout the Department of Defense.

(2) The Secretary of each military department and the head of each Defense Agency shall ensure that the personnel of the department or agency, as the case may be, who are responsible for the awarding and management of contracts for services receive appropriate training that is focused specifically on contracting for services.

(e) DEFINITIONS.—In this section:

(1) The term "performance-based", with respect to a contract, a task order, or contracting, means that the contract, task order, or contracting, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

(2) The term "commercial item" has the meaning given the term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

(3) The term "Defense Agency" has the meaning given the term in section 101(a)(11) of title 10, United States Code.

SEC. 822. FINANCIAL ANALYSIS OF USE OF DUAL RATES FOR QUANTIFYING OVERHEAD COSTS AT ARMY AMMUNITION PLANTS.

(a) REQUIREMENT FOR ANALYSIS.—The Secretary of the Army shall carry out a financial analysis of the costs that would be incurred and the benefits that would be derived from the implementation of a policy of using—

(1) one set of rates for quantifying the overhead costs associated with Government-owned ammunition plants of the Department of the Army when allocating those costs to contractors operating the plants; and

(2) another set of rates for quantifying the overhead costs to be allocated to the operation of such plants by employees of the United States.

(b) REPORT.—Not later than February 15, 2001, the Secretary shall submit to the congressional defense committees a report on the results of the analysis carried out under subsection (a). The report shall include the following:

(1) The costs and benefits identified in the analysis under subsection (a).

(2) The risks to the United States of implementing a dual-rate policy described in subsection (a).

(3) The effects that a use of dual rates under such a policy would have on the defense industrial base of the United States.

SEC. 823. REPEAL OF PROHIBITION ON USE OF DEPARTMENT OF DEFENSE FUNDS FOR PROCUREMENT OF NUCLEAR-CAPABLE SHIPYARD CRANE FROM A FOREIGN SOURCE.

Section 8093 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1253), is amended by striking subsection (d), relating to a prohibition on the use of Department of Defense funds to procure a nuclear-capable shipyard crane from a foreign source.

SEC. 824. EXTENSION OF WAIVER PERIOD FOR LIVE-FIRE SURVIVABILITY TESTING FOR MH–47E AND MH–60K HELICOPTER MODIFICATION PROGRAMS.

(a) EXISTING WAIVER PERIOD NOT APPLICABLE.—Section 2366(c)(1) of title 10, United States Code, shall not apply with respect to survivability and lethality tests for the MH–47E and MH–60K helicopter modification programs. Except as provided in the previous sentence, the provisions and requirements in section 2366(c) of such title shall apply with respect to such programs, and the certification required by subsection (b) shall comply with the requirements in paragraph (3) of such section.

(b) EXTENDED PERIOD FOR WAIVER.—With respect to the MH–47E and MH–60K helicopter modification programs, the Secretary of Defense may waive the application of the survivability and lethality tests described in section 2366(a) of title 10, United States Code, if the Secretary, before full materiel release of the MH–47E and MH–60K helicopters for operational use, certifies to Congress that live-fire testing of the programs would be unreasonably expensive and impracticable.

(c) CONFORMING AMENDMENT.—Section 142(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2338) is amended by striking "and survivability testing" in paragraphs (1) and (2).

SEC. 825. COMPLIANCE WITH EXISTING LAW REGARDING PURCHASES OF EQUIPMENT AND PRODUCTS.

(a) SENSE OF CONGRESS REGARDING PURCHASE BY THE DEPARTMENT OF DEFENSE OF EQUIPMENT AND PRODUCTS.—It is the sense of Congress that any entity of the Department of Defense, in expending funds authorized by this Act for the purchase of equipment or products, should fully comply with the Buy American Act (41 U.S.C. 10a et seq.) and section 2533 of title 10, United States Code.

(b) DEBARMENT OF PERSONS CONVICTED OF FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription, or another inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

SEC. 826. REQUIREMENT TO DISREGARD CERTAIN AGREEMENTS IN AWARDING CONTRACTS FOR THE PURCHASE OF FIREARMS OR AMMUNITION.

In accordance with the requirements contained in the amendments enacted in the Competition in Contracting Act of 1984 (title VII of division B of Public Law 98–369; 98 Stat. 1175), the Secretary of Defense may not, in awarding a contract for the purchase of firearms or ammunition, take into account whether a manufacturer or vendor of firearms or ammunition is a party to an agreement under which the manufacturer or vendor agrees to adopt limitations with respect to importing, manufacturing, or dealing in firearms or ammunition in the commercial market.

Subtitle D—Studies and Reports

SEC. 831. STUDY ON IMPACT OF FOREIGN SOURCING OF SYSTEMS ON LONG-TERM MILITARY READINESS AND RELATED INDUSTRIAL INFRASTRUCTURE.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study analyzing in detail—

(1) the amount and sources of parts, components, and materials of the systems described in subsection (b) that are obtained from foreign sources;

(2) the impact of obtaining such parts, components, and materials from foreign sources on the long-term readiness of

the Armed Forces and on the economic viability of the national technology and industrial base;

(3) the impact on military readiness that would result from the loss of the ability to obtain parts, components, and materials identified pursuant to paragraph (1) from foreign sources; and

(4) the availability of domestic sources for parts, components, and materials identified as being obtained from foreign sources pursuant to paragraph (1).

(b) SYSTEMS.—The systems referred to in subsection (a) are the following:

(1) AH–64D Apache helicopter.
(2) F/A–18 E/F aircraft.
(3) M1A2 Abrams tank.
(4) AIM–120 AMRAAM missile.
(5) Patriot missile ground station.
(6) Hellfire missile.

(c) SOURCE OF INFORMATION.—The Secretary shall collect information to be analyzed under the study from prime contractors and first and second tier subcontractors.

(d) REPORT REQUIRED.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study required by this section.

(e) DEFINITIONS.—In this section:

(1) The term "domestic source" means a person or organization that falls within the term "national technology and industrial base", as defined in section 2500(1) of title 10, United States Code.

(2) The term "foreign source" means a person or organization that does not fall within the meaning of the term "national technology and industrial base", as defined in such section.

(3) The term "national technology and industrial base" has the meaning given that term in such section.

SEC. 832. STUDY OF POLICIES AND PROCEDURES FOR TRANSFER OF COMMERCIAL ACTIVITIES.

(a) GAO-CONVENED PANEL.—The Comptroller General shall convene a panel of experts to study the policies and procedures governing the transfer of commercial activities for the Federal Government from Government personnel to a Federal contractor, including—

(1) procedures for determining whether functions should continue to be performed by Government personnel;

(2) procedures for comparing the costs of performance of functions by Government personnel and the costs of performance of such functions by Federal contractors;

(3) implementation by the Department of Defense of the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note); and

(4) procedures of the Department of Defense for public-private competitions pursuant to the Office of Management and Budget Circular A–76.

(b) COMPOSITION OF PANEL.—(1) The Comptroller General shall appoint highly qualified and knowledgeable persons to serve on the panel and shall ensure that the following entities receive fair representation on the panel:

(A) The Department of Defense.

(B) Persons in private industry.
(C) Federal labor organizations.
(D) The Office of Management and Budget.

(2) For the purposes of the requirement for fair representation under paragraph (1), persons serving on the panel under subparagraph (C) of that paragraph shall not be counted as persons serving on the panel under subparagraph (A), (B), or (D) of that paragraph.

(c) CHAIRMAN.—The Comptroller General, or an individual within the General Accounting Office designated by the Comptroller General, shall be the chairman of the panel.

(d) PARTICIPATION BY OTHER INTERESTED PARTIES.—The chairman shall ensure that all interested parties, including individuals who are not represented on the panel who are officers or employees of the United States, persons in private industry, or representatives of Federal labor organizations, have the opportunity to submit information and views on the matters being studied by the panel.

(e) INFORMATION FROM AGENCIES.—The panel may request directly from any department or agency of the United States any information that the panel considers necessary to carry out a meaningful study of the policies and procedures described in subsection (a), including the Office of Management and Budget Circular A–76 process. To the extent consistent with applicable laws and regulations, the head of such department or agency shall furnish the requested information to the panel.

(f) REPORT.—Not later than May 1, 2002, the Comptroller General shall submit the report of the panel on the results of the study to Congress, including recommended changes with respect to implementation of policies and enactment of legislation.

(g) DEFINITION.—In this section, the term "Federal labor organization" has the meaning given the term "labor organization" in section 7103(a)(4) of title 5, United States Code.

SEC. 833. STUDY AND REPORT ON PRACTICE OF CONTRACT BUNDLING IN MILITARY CONSTRUCTION CONTRACTS.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study regarding the use of the practice known as "contract bundling" with respect to military construction contracts.

(b) REPORT.—Not later than February 1, 2001, 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 study conducted under subsection (a).

SEC. 834. REQUIREMENT TO CONDUCT STUDY ON CONTRACT BUNDLING.

(a) IN GENERAL.—The Secretary of Defense shall conduct a comprehensive study on the practice known as "contract bundling" by the Department of Defense, and the effects of such practice on small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, small business concerns owned and controlled by women, and historically underutilized business zones (as such terms are used in the Small Business Act (15 U.S.C. 631 et seq.)).

(b) DEADLINE.—The Secretary shall submit the results of the study to the Committees on Armed Services and Small Business of the Senate and the House of Representatives before submission of the budget request of the Department of Defense for fiscal year 2002.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SUBTITLE A—DUTIES AND FUNCTIONS OF DEPARTMENT OF DEFENSE OFFICERS

Sec. 901. Overall supervision of Department of Defense activities for combating terrorism.
Sec. 902. Change of title of certain positions in the Headquarters, Marine Corps.
Sec. 903. Clarification of scope of Inspector General authorities under military whistleblower law.
Sec. 904. Policy to ensure conduct of science and technology programs so as to foster the transition of science and technology to higher levels of research, development, test, and evaluation.
Sec. 905. Additional components of Chairman of the Joint Chiefs of staff annual report on combatant command requirements.

SUBTITLE B—DEPARTMENT OF DEFENSE ORGANIZATIONS

Sec. 911. Western Hemisphere Institute for Security Cooperation.
Sec. 912. Department of Defense regional centers for security studies.
Sec. 913. Change in name of Armed Forces Staff College to Joint Forces Staff College.
Sec. 914. Special authority for administration of Navy Fisher Houses.
Sec. 915. Supervisory control of Armed Forces Retirement Home board by Secretary of Defense.
Sec. 916. Semiannual report on Joint Requirements Oversight Council reform initiative.
Sec. 917. Comptroller General review of operations of Defense Logistics Agency.
Sec. 918. Comptroller General review of operations of Defense Information Systems Agency.

SUBTITLE C—INFORMATION SECURITY

Sec. 921. Institute for Defense Computer Security and Information Protection.
Sec. 922. Information security scholarship program.

SUBTITLE D—REPORTS

Sec. 931. Date of submittal of reports on shortfalls in equipment procurement and military construction for the reserve components in future-years defense programs.
Sec. 932. Report on number of personnel assigned to legislative liaison functions.
Sec. 933. Joint report on establishment of national collaborative information analysis capability.
Sec. 934. Network centric warfare.
Sec. 935. Report on Air Force Institute of Technology.

SUBTITLE E—OTHER MATTERS

Sec. 941. Flexibility in implementation of limitation on major Department of Defense headquarters activities personnel.
Sec. 942. Consolidation of certain Navy gift funds.
Sec. 943. Temporary authority to dispose of a gift previously accepted for the Naval Academy.

Subtitle A—Duties and Functions of Department of Defense Officers

SEC. 901. OVERALL SUPERVISION OF DEPARTMENT OF DEFENSE ACTIVITIES FOR COMBATING TERRORISM.

Section 138(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(6)(A) One of the Assistant Secretaries, as designated by the Secretary of Defense from among those Assistant Secretaries with responsibilities that include responsibilities related to combating terrorism, shall have, among that Assistant Secretary's duties, the duty to provide overall direction and supervision for policy, program

planning and execution, and allocation and use of resources for the activities of the Department of Defense for combating terrorism, including antiterrorism activities, counterterrorism activities, terrorism consequences management activities, and terrorism-related intelligence support activities.

"(B) The Assistant Secretary designated under subparagraph (A) shall be the principal civilian adviser to the Secretary of Defense on combating terrorism and (after the Secretary and Deputy Secretary) shall be the principal official within the senior management of the Department of Defense responsible for combating terrorism.

"(C) If the Secretary of Defense designates under subparagraph (A) an Assistant Secretary other than the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict, then the responsibilities of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict related to combating terrorism shall be exercised subject to subparagraph (B).".

SEC. 902. CHANGE OF TITLE OF CERTAIN POSITIONS IN THE HEADQUARTERS, MARINE CORPS.

(a) INSTITUTION OF POSITIONS AS DEPUTY COMMANDANTS.—Section 5041(b) of title 10, United States Code, is amended—

(1) by striking paragraphs (3) through (5) and inserting the following:

"(3) The Deputy Commandants."; and

(2) by redesignating paragraphs (6) and (7) as paragraphs (4) and (5), respectively.

(b) DESIGNATION OF DEPUTY COMMANDANTS.—(1) Section 5045 of such title is amended to read as follows:

"§ 5045. Deputy Commandants

"There are in the Headquarters, Marine Corps, not more than five Deputy Commandants, detailed by the Secretary of the Navy from officers on the active-duty list of the Marine Corps.".

(2) The item relating to section 5045 in the table of sections at the beginning of chapter 506 of such title is amended to read as follows:

"5045. Deputy Commandants.".

(c) CONFORMING AMENDMENT.—Section 1502(7)(D) of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 401) is amended to read as follows:

"(D) the Deputy Commandant of the Marine Corps with responsibility for personnel matters.".

SEC. 903. CLARIFICATION OF SCOPE OF INSPECTOR GENERAL AUTHORITIES UNDER MILITARY WHISTLEBLOWER LAW.

(a) CLARIFICATION OF RESPONSIBILITIES.—Subsection (c)(3)(A) of section 1034 of title 10, United States Code, is amended by inserting ", in accordance with regulations prescribed under subsection (h)," after "shall expeditiously determine".

(b) REDEFINITION OF INSPECTOR GENERAL.—Subsection (i)(2) of such section is amended—

(1) by inserting "any of" in the matter preceding subparagraph (A) after "means";

(2) by striking subparagraphs (C), (D), (E), (F) and (G); and

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

"(C) Any officer of the armed forces or employee of the Department of Defense who is assigned or detailed to serve as an Inspector General at any level in the Department of Defense.".

SEC. 904. POLICY TO ENSURE CONDUCT OF SCIENCE AND TECHNOLOGY PROGRAMS SO AS TO FOSTER THE TRANSITION OF SCIENCE AND TECHNOLOGY TO HIGHER LEVELS OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

(a) IN GENERAL.—(1) Chapter 139 of title 10, United States Code, is amended by inserting after section 2358 the following new section:

"§ 2359. Science and technology programs to be conducted so as to foster the transition of science and technology to higher levels of research, development, test, and evaluation

"(a) POLICY.—Each official specified in subsection (b) shall ensure that the management and conduct of the science and technology programs under the authority of that official are carried out in a manner that will foster the transition of science and technology to higher levels of research, development, test, and evaluation.

"(b) COVERED OFFICIALS.—Subsection (a) applies to the following officials of the Department of Defense:

"(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

"(2) The Secretary of each military department.

"(3) The Director of the Defense Advanced Research Projects Agency.

"(4) The directors and heads of other offices and agencies of the Department of Defense with assigned research, development, test, and evaluation responsibilities.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2358 the following new item:

"2359. Science and technology programs to be conducted so as to foster the transition of science and technology to higher levels of research, development, test, and evaluation.".

(b) OFFICE OF NAVAL RESEARCH.—Section 5022(b) of title 10, United States Code, is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

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

"(4) the execution of, and management responsibility for, programs for which funds are provided in the basic and applied research and advanced technology categories of the Department of the Navy research, development, test, and evaluation budget in such a manner that will foster the transition of science and technology to higher levels of research, development, test, and evaluation.".

SEC. 905. ADDITIONAL COMPONENTS OF CHAIRMAN OF THE JOINT CHIEFS OF STAFF ANNUAL REPORT ON COMBATANT COMMAND REQUIREMENTS.

(a) ADDITIONAL COMPONENTS.—Section 153(d)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraphs:

"(C) A description of the extent to which the most recent future-years defense program (under section 221 of this title) addresses the requirements on the consolidated lists.

"(D) A description of the funding proposed in the President's budget for the next fiscal year, and for the subsequent fiscal years covered by the most recent future-years defense program, to address each deficiency in readiness identified during the joint readiness review conducted under section 117 of this title for the first quarter of the current fiscal year.".

(b) TIME FOR SUBMISSION.—Such section is further amended by striking "Not later than August 15 of each year," and inserting "At or about the time that the budget is submitted to Congress for a fiscal year under section 1105(a) of title 31,".

Subtitle B—Department of Defense Organizations

SEC. 911. WESTERN HEMISPHERE INSTITUTE FOR SECURITY COOPERATION.

(a) IN GENERAL.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2166. Western Hemisphere Institute for Security Cooperation

"(a) ESTABLISHMENT AND ADMINISTRATION.—(1) The Secretary of Defense may operate an education and training facility for the purpose set forth in subsection (b). The facility shall be known as the 'Western Hemisphere Institute for Security Cooperation'.

"(2) The Secretary may designate the Secretary of a military department as the Department of Defense executive agent for carrying out the responsibilities of the Secretary of Defense under this section.

"(b) PURPOSE.—The purpose of the Institute is to provide professional education and training to eligible personnel of nations of the Western Hemisphere within the context of the democratic principles set forth in the Charter of the Organization of American States (such charter being a treaty to which the United States is a party), while fostering mutual knowledge, transparency, confidence, and cooperation among the participating nations and promoting democratic values, respect for human rights, and knowledge and understanding of United States customs and traditions.

"(c) ELIGIBLE PERSONNEL.—(1) Subject to paragraph (2), personnel of nations of the Western Hemisphere are eligible for education and training at the Institute as follows:

"(A) Military personnel.

"(B) Law enforcement personnel.

"(C) Civilian personnel.

"(2) The Secretary of State shall be consulted in the selection of foreign personnel for education or training at the Institute.

"(d) CURRICULUM.—(1) The curriculum of the Institute shall include mandatory instruction for each student, for at least 8 hours, on human rights, the rule of law, due process, civilian control of the military, and the role of the military in a democratic society.

"(2) The curriculum may include instruction and other educational and training activities on the following:

"(A) Leadership development.

"(B) Counterdrug operations.

"(C) Peace support operations.

"(D) Disaster relief.

"(E) Any other matter that the Secretary determines appropriate.

"(e) BOARD OF VISITORS.—(1) There shall be a Board of Visitors for the Institute. The Board shall be composed of the following:

"(A) The chairman and ranking minority member of the Committee on Armed Services of the Senate, or a designee of either of them.

"(B) The chairman and ranking minority member of the Committee on Armed Services of the House of Representatives, or a designee of either of them.

"(C) Six persons designated by the Secretary of Defense including, to the extent practicable, persons from academia and the religious and human rights communities.

"(D) One person designated by the Secretary of State.

"(E) The senior military officer responsible for training and doctrine for the Army or, if the Secretary of the Navy or the Secretary of the Air Force is designated as the executive agent of the Secretary of Defense under subsection (a)(2), the senior military officer responsible for training and doctrine for the Navy or Marine Corps or for the Air Force, respectively, or a designee of the senior military officer concerned.

"(F) The commander of the unified combatant command having geographic responsibility for Latin America, or a designee of that officer.

"(2) A vacancy in a position on the Board shall be filled in the same manner as the position was originally filled.

"(3) The Board shall meet at least once each year.

"(4)(A) The Board shall inquire into the curriculum, instruction, physical equipment, fiscal affairs, and academic methods of the Institute, other matters relating to the Institute that the Board decides to consider, and any other matter that the Secretary of Defense determines appropriate.

"(B) The Board shall review the curriculum of the Institute to determine whether—

"(i) the curriculum complies with applicable United States laws and regulations;

"(ii) the curriculum is consistent with United States policy goals toward Latin America and the Caribbean;

"(iii) the curriculum adheres to current United States doctrine; and

"(iv) the instruction under the curriculum appropriately emphasizes the matters specified in subsection (d)(1).

"(5) Not later than 60 days after its annual meeting, the Board shall submit to the Secretary of Defense a written report of its activities and of its views and recommendations pertaining to the Institute.

"(6) Members of the Board shall not be compensated by reason of service on the Board.

"(7) With the approval of the Secretary of Defense, the Board may accept and use the services of voluntary and uncompensated advisers appropriate to the duties of the Board without regard to section 1342 of title 31.

"(8) Members of the Board and advisers whose services are accepted under paragraph (7) shall be allowed travel and transportation expenses, including per diem in lieu of subsistence, while away from their homes or regular places of business in the performance of services for the Board. Allowances under this paragraph shall be computed—

"(A) in the case of members of the Board who are officers or employees of the United States, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5; and

"(B) in the case of other members of the Board and advisers, as authorized under section 5703 of title 5 for employees serving without pay.

"(9) The Federal Advisory Committee Act (5 U.S.C. App. 2), other than section 14 (relating to termination after two years), shall apply to the Board.

"(f) FIXED COSTS.—The fixed costs of operating and maintaining the Institute for a fiscal year may be paid from—

"(1) any funds available for that fiscal year for operation and maintenance for the executive agent designated under subsection (a)(2); or

"(2) if no executive agent is designated under subsection (a)(2), any funds available for that fiscal year for the Department of Defense for operation and maintenance for Defense-wide activities.

"(g) TUITION.—Tuition fees charged for persons who attend the Institute may not include the fixed costs of operating and maintaining the Institute.

"(h) ANNUAL REPORT.—Not later than March 15 of each year, the Secretary of Defense shall submit to Congress a detailed report on the activities of the Institute during the preceding year. The report shall be prepared in consultation with the Secretary of State.".

(b) REPEAL OF AUTHORITY FOR UNITED STATES ARMY SCHOOL OF THE AMERICAS.—Section 4415 of title 10, United States Code, is repealed.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 108 of title 10, United States Code, is amended by inserting after the item relating to section 2165 the following new item:

"2166. Western Hemisphere Institute for Security Cooperation.".

(2) The table of sections at the beginning of chapter 407 of such title is amended by striking the item relating to section 4415.

SEC. 912. DEPARTMENT OF DEFENSE REGIONAL CENTERS FOR SECURITY STUDIES.

(a) REQUIREMENT FOR ANNUAL REPORT.—(1) Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 184. Department of Defense regional centers for security studies

"(a) ADVANCE NOTIFICATION TO CONGRESS OF THE ESTABLISHMENT OF NEW REGIONAL CENTERS.—After the date of the enactment of this section, a regional center for security studies may not be established in the Department of Defense until—

"(1) the Secretary of Defense submits to Congress a notification of the intent of the Secretary to establish the center, including a description of the mission and functions of the proposed center and a justification for the proposed center; and

"(2) a period of 90 days has elapsed after the date on which that notification is submitted.

"(b) REQUIREMENT FOR ANNUAL REPORT.—Not later than February 1 of each year, 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 operation of the Department of Defense regional centers for security studies during the preceding fiscal year. The annual report shall include, for each regional center, the following information:

"(1) The status and objectives of the center.

"(2) The budget of the center, including the costs of operating the center.

"(3) A description of the extent of the international participation in the programs of the center, including the costs incurred by the United States for the participation of each foreign nation.

"(4) A description of the foreign gifts and donations, if any, accepted under any of the following provisions of law:

"(A) Section 2611 of this title.

"(B) Section 1306 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2892).

"(C) Section 1065 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2653; 10 U.S.C. 113 note).

"(c) REGIONAL CENTER FOR SECURITY STUDIES DEFINED.—For the purposes of this section, a regional center for security studies is any center within the Department of Defense that—

"(1) is operated, and designated as such, by the Secretary of Defense for the study of security issues relating to a specified geographic region of the world; and

"(2) serves as a forum for bilateral and multilateral communication and military and civilian exchanges with nations in that region.".

(2) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end the following new item:

"184. Department of Defense regional centers for security studies.".

(b) FIRST ANNUAL REPORT.—In the first annual report on Department of Defense regional centers for security studies under section 184(b) of title 10, United States Code (as added by subsection (a)), to be submitted not later than February 1, 2001, the Secretary of Defense shall include any recommendation for legislation that the Secretary considers appropriate for the operation of Department

of Defense regional centers for security studies, together with a detailed justification for the recommended legislation.

SEC. 913. CHANGE IN NAME OF ARMED FORCES STAFF COLLEGE TO JOINT FORCES STAFF COLLEGE.

(a) CHANGE IN NAME.—The Armed Forces Staff College of the Department of Defense is hereby renamed the "Joint Forces Staff College".

(b) CONFORMING AMENDMENT.—Section 2165(b)(3) of title 10, United States Code, is amended by striking "Armed Forces Staff College" and inserting "Joint Forces Staff College".

(c) REFERENCES.—Any reference to the Armed Forces Staff College in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Joint Forces Staff College.

SEC. 914. SPECIAL AUTHORITY FOR ADMINISTRATION OF NAVY FISHER HOUSES.

(a) BASE OPERATING SUPPORT.—Section 2493 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) SPECIAL AUTHORITY FOR NAVY.—The Secretary of the Navy shall provide base operating support for Fisher Houses associated with health care facilities of the Navy. The level of the support shall be equivalent to the base operating support that the Secretary provides for morale, welfare, and recreation category B community activities (as defined in regulations, prescribed by the Secretary, that govern morale, welfare, and recreation activities associated with Navy installations).".

(b) SAVINGS PROVISIONS FOR CERTAIN NAVY EMPLOYEES.—(1) The Secretary of the Navy may continue to employ, and pay out of appropriated funds, any employee of the Navy in the competitive service who, as of October 17, 1998, was employed by the Navy in a position at a Fisher House administered by the Navy, but only for so long as the employee is continuously employed in that position.

(2) After a person vacates a position in which the person was continued to be employed under the authority of paragraph (1), a person employed in that position shall be employed as an employee of a nonappropriated fund instrumentality of the United States and may not be paid for services in that position out of appropriated funds.

(3) In this subsection:

(A) The term "Fisher House" has the meaning given the term in section 2493(a)(1) of title 10, United States Code.

(B) The term "competitive service" has the meaning given the term in section 2102 of title 5, United States Code.

(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall be effective as of October 17, 1998, as if included in section 2493 of title 10, United States Code, as enacted by section 906(a) of Public Law 105–261.

(2) Subsection (b) applies with respect to the pay period that includes October 17, 1998, and subsequent pay periods.

SEC. 915. SUPERVISORY CONTROL OF ARMED FORCES RETIREMENT HOME BOARD BY SECRETARY OF DEFENSE.

The Armed Forces Retirement Home Act of 1991 (title XV of Public Law 101–510; 24 U.S.C. 401 et seq.) is amended by inserting after section 1523 the following new section:

"SEC. 1524. CONDITIONAL SUPERVISORY CONTROL OF RETIREMENT HOME BOARD BY SECRETARY OF DEFENSE.

"(a) APPLICABILITY.—This section shall apply only when the deduction authorized by section 1007(i)(1) of title 37, United States Code, to be made from the monthly pay of certain members of the armed forces is equal to $1.00 for each enlisted member, warrant officer, and limited duty officer of the armed forces on active duty.

"(b) BOARD AUTHORITY SUBJECT TO SECRETARY'S CONTROL.—The Retirement Home Board shall be subject to the authority, direction, and control of the Secretary of Defense in the performance of the Board's duties under section 1516.

"(c) APPOINTMENT OF BOARD MEMBERS.—When an appointment of a member of the Retirement Home Board under section 1515 is not made by the Secretary of Defense, the appointment shall be subject to the approval of the Secretary of Defense.

"(d) TERMS OF BOARD MEMBERS.—(1) Notwithstanding section 1515(e)(3), only the Secretary of Defense may appoint a member of the Retirement Home Board for a second consecutive term.

"(2) The Secretary of Defense may terminate the appointment of a member of the Retirement Home Board at the pleasure of the Secretary.

"(e) RESPONSIBILITY OF CHAIRMAN TO THE SECRETARY.—Notwithstanding section 1515(d)(1)(B), the chairman of the Retirement Home Board shall be responsible to the Secretary of Defense, but not to the Secretaries of the military departments, for direction and management of the Retirement Home or each facility maintained as a separate facility of the Retirement Home.".

SEC. 916. SEMIANNUAL REPORT ON JOINT REQUIREMENTS OVERSIGHT COUNCIL REFORM INITIATIVE.

(a) SEMIANNUAL REPORT.—The Chairman of the Joints Chiefs of Staff shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a series of five semiannual reports, as prescribed by subsection (b), on the activities of the Joint Requirements Oversight Council. The principal focus of each such report shall be on the progress made on the initiative of the Chairman to reform and refocus the Joint Requirements Oversight Council.

(b) SUBMISSION OF REPORTS.—Reports under this section shall be submitted not later than March 1, 2001, September 1, 2001, March 1, 2002, September 1, 2002, and March 1, 2003. Each report shall cover the half of a fiscal year that ends five months before the date on which the report is due.

(c) CONTENT.—In the case of any report under this section after the first such report, if any matter to be included is unchanged from the preceding report, that matter may be included by reference to the preceding report. Each such report shall include, to the extent practicable, the following:

(1) A listing of each of the capability areas designated by the Chairman of the Joints Chiefs of Staff as being within

the principal domain of the Joint Requirements Oversight Council and a justification for each such designation.

(2) A listing of the joint requirements developed, considered, or approved within each of the capability areas listed pursuant to paragraph (1).

(3) A listing and explanation of the decisions made by the Joint Requirements Oversight Council and, to the extent appropriate, a listing of each of the recommendations to the Council made by the commander of the United States Joint Forces Command.

(4) An assessment of—

(A) the progress made in shifting the Joint Requirements Oversight Council to having a more strategic focus on future war fighting requirements;

(B) the progress made on integration of requirements; and

(C) the progress made on development of overarching common architectures for defense information systems to ensure that common defense information systems are fully interoperable.

(5) A description of any actions that have been taken to improve the Joint Requirements Oversight Council.

SEC. 917. COMPTROLLER GENERAL REVIEW OF OPERATIONS OF DEFENSE LOGISTICS AGENCY.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall review the operations of the Defense Logistics Agency—

(1) to assess—

(A) the efficiency of those operations;

(B) the effectiveness of those operations in meeting customer requirements; and

(C) the flexibility of those operations to adopt best business practices; and

(2) to identify alternative approaches for improving the operations of that agency.

(b) REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives one or more reports setting forth the Comptroller General's findings resulting from the review under subsection (a).

SEC. 918. COMPTROLLER GENERAL REVIEW OF OPERATIONS OF DEFENSE INFORMATION SYSTEMS AGENCY.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall review the operations of the Defense Information Systems Agency—

(1) to assess—

(A) the efficiency of those operations;

(B) the effectiveness of those operations in meeting customer requirements; and

(C) the flexibility of those operations to adopt best business practices; and

(2) to identify alternative approaches for improving the operations of that agency.

(b) REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives one or more reports

setting forth the Comptroller General's findings resulting from the review under subsection (a).

Subtitle C—Information Security

SEC. 921. INSTITUTE FOR DEFENSE COMPUTER SECURITY AND INFORMATION PROTECTION.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish an Institute for Defense Computer Security and Information Protection.

(b) MISSION.—The Secretary shall require the institute—

(1) to conduct research and technology development that is relevant to foreseeable computer and network security requirements and information assurance requirements of the Department of Defense with a principal focus on areas not being carried out by other organizations in the private or public sector; and

(2) to facilitate the exchange of information regarding cyberthreats, technology, tools, and other relevant issues.

(c) CONTRACTOR OPERATION.—The Secretary shall enter into a contract with a not-for-profit entity, or a consortium of not-for-profit entities, to organize and operate the institute. The Secretary shall use competitive procedures for the selection of the contractor to the extent determined necessary by the Secretary.

(d) FUNDING.—Of the amount authorized to be appropriated by section 301(5), $5,000,000 shall be available for the Institute for Defense Computer Security and Information Protection.

(e) REPORT.—Not later than April 1, 2001, the Secretary shall submit to the congressional defense committees the Secretary's plan for implementing this section.

SEC. 922. INFORMATION SECURITY SCHOLARSHIP PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—(1) Part III of subtitle A of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 112—INFORMATION SECURITY SCHOLARSHIP PROGRAM

"Sec.
"2200. Programs; purpose.
"2200a. Scholarship program.
"2200b. Grant program.
"2200c. Centers of Academic Excellence in Information Assurance Education.
"2200d. Regulations.
"2200e. Definitions.
"2200f. Inapplicability to Coast Guard.

"§ 2200. Programs; purpose

"(a) IN GENERAL.—To encourage the recruitment and retention of Department of Defense personnel who have the computer and network security skills necessary to meet Department of Defense information assurance requirements, the Secretary of Defense may carry out programs in accordance with this chapter to provide financial support for education in disciplines relevant to those requirements at institutions of higher education.

"(b) TYPES OF PROGRAMS.—The programs authorized under this chapter are as follows:

"(1) Scholarships for pursuit of programs of education in information assurance at institutions of higher education.

"(2) Grants to institutions of higher education.

"§ 2200a. Scholarship program

"(a) AUTHORITY.—The Secretary of Defense may, subject to subsection (g), provide financial assistance in accordance with this section to a person—

"(1) who is pursuing an associate, baccalaureate, or advanced degree, or a certification, in an information assurance discipline referred to in section 2200(a) of this title at an institution of higher education; and

"(2) who enters into an agreement with the Secretary as described in subsection (b).

"(b) SERVICE AGREEMENT FOR SCHOLARSHIP RECIPIENTS.—(1) To receive financial assistance under this section—

"(A) a member of the armed forces shall enter into an agreement to serve on active duty in the member's armed force for the period of obligated service determined under paragraph (2);

"(B) an employee of the Department of Defense shall enter into an agreement to continue in the employment of the department for the period of obligated service determined under paragraph (2); and

"(C) a person not referred to in subparagraph (A) or (B) shall enter into an agreement—

"(i) to enlist or accept a commission in one of the armed forces and to serve on active duty in that armed force for the period of obligated service determined under paragraph (2); or

"(ii) to accept and continue employment in the Department of Defense for the period of obligated service determined under paragraph (2).

"(2) For the purposes of this subsection, the period of obligated service for a recipient of financial assistance under this section shall be the period determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for the financial assistance and otherwise to achieve the goals set forth in section 2200(a) of this title. In no event may the period of service required of a recipient be less than the period equal to three-fourths of the total period of pursuit of a degree for which the Secretary agrees to provide the recipient with financial assistance under this section. The period of obligated service is in addition to any other period for which the recipient is obligated to serve on active duty or in the civil service, as the case may be.

"(3) An agreement entered into under this section by a person pursuing an academic degree shall include terms that provide the following:

"(A) That the period of obligated service begins on a date after the award of the degree that is determined under the regulations prescribed under section 2200d of this title.

"(B) That the person will maintain satisfactory academic progress, as determined in accordance with those regulations, and that failure to maintain such progress constitutes grounds for termination of the financial assistance for the person under this section.

"(C) Any other terms and conditions that the Secretary of Defense determines appropriate for carrying out this section.

"(c) AMOUNT OF ASSISTANCE.—The amount of the financial assistance provided for a person under this section shall be the amount determined by the Secretary of Defense as being necessary to pay all educational expenses incurred by that person, including tuition, fees, cost of books, laboratory expenses, and expenses of room and board. The expenses paid, however, shall be limited to those educational expenses normally incurred by students at the institution of higher education involved.

"(d) USE OF ASSISTANCE FOR SUPPORT OF INTERNSHIPS.—The financial assistance for a person under this section may also be provided to support internship activities of the person at the Department of Defense in periods between the academic years leading to the degree for which assistance is provided the person under this section.

"(e) REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) A person who voluntarily terminates service before the end of the period of obligated service required under an agreement entered into under subsection (b) shall refund to the United States an amount determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for financial assistance and otherwise to achieve the goals set forth in section 2200(a) of this title.

"(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

"(3) The Secretary of Defense may waive, in whole or in part, a refund 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.

"(f) EFFECT OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or under subsection (e).

"(g) ALLOCATION OF FUNDING.—Not less than 50 percent of the amount available for financial assistance under this section for a fiscal year shall be available only for providing financial assistance for the pursuit of degrees referred to in subsection (a) at institutions of higher education that have established, improved, or are administering programs of education in information assurance under the grant program established in section 2200b of this title, as determined by the Secretary of Defense.

"§ 2200b. Grant program

"(a) AUTHORITY.—The Secretary of Defense may provide grants of financial assistance to institutions of higher education to support the establishment, improvement, or administration of programs of education in information assurance disciplines referred to in section 2200(a) of this title.

"(b) PURPOSES.—The proceeds of grants under this section may be used by an institution of higher education for the following purposes:

"(1) Faculty development.

"(2) Curriculum development.

"(3) Laboratory improvements.

"(4) Faculty research in information security.

"§ 2200c. Centers of Academic Excellence in Information Assurance Education

"In the selection of a recipient for the award of a scholarship or grant under this chapter, consideration shall be given to whether—

"(1) in the case of a scholarship, the institution at which the recipient pursues a degree is a Center of Academic Excellence in Information Assurance Education; and

"(2) in the case of a grant, the recipient is a Center of Academic Excellence in Information Assurance Education.

"§ 2200d. Regulations

"The Secretary of Defense shall prescribe regulations for the administration of this chapter.

"§ 2200e. Definitions

"In this chapter:

"(1) The term 'information assurance' includes the following:

"(A) Computer security.

"(B) Network security.

"(C) Any other information technology that the Secretary of Defense considers related to information assurance.

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

"(3) The term 'Center of Academic Excellence in Information Assurance Education' means an institution of higher education that is designated by the Director of the National Security Agency as a Center of Academic Excellence in Information Assurance Education.

"§ 2200f. Inapplicability to Coast Guard

"This chapter does not apply to the Coast Guard when it is not operating as a service in the Navy.".

(2) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and the beginning of part III of such subtitle are amended by inserting after the item relating to chapter 111 the following new item:

"112. Information Security Scholarship Program ..... 2200".

(b) FUNDING.—Of the amount authorized to be appropriated by section 301(5), $15,000,000 shall be available for carrying out chapter 112 of title 10, United States Code (as added by subsection (a)).

(c) REPORT.—Not later than April 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a plan for implementing the programs under chapter 112 of title 10, United States Code.

Subtitle D—Reports

SEC. 931. DATE OF SUBMITTAL OF REPORTS ON SHORTFALLS IN EQUIPMENT PROCUREMENT AND MILITARY CONSTRUCTION FOR THE RESERVE COMPONENTS IN FUTURE-YEARS DEFENSE PROGRAMS.

Section 10543(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) A report required under paragraph (1) for a fiscal year shall be submitted not later than 15 days after the date on which the President submits to Congress the budget for such fiscal year under section 1105(a) of title 31.".

SEC. 932. REPORT ON NUMBER OF PERSONNEL ASSIGNED TO LEGISLATIVE LIAISON FUNCTIONS.

(a) REPORT.—Not later than December 1, 2000, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report setting forth the number of personnel of the Department of Defense performing legislative liaison functions as of April 1, 2000.

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

(1) The number of military and civilian personnel of the Department of Defense assigned to full-time legislative liaison functions, shown by organizational entity and by pay grade.

(2) The number of military and civilian personnel of the Department not covered by paragraph (1) (other than personnel described in subsection (e)) who perform legislative liaison functions as part of their assigned duties, shown by organizational entity and by pay grade.

(c) LEGISLATIVE LIAISON FUNCTIONS.—For purposes of this section, a legislative liaison function is a function (regardless of how characterized within the Department of Defense) that has been established or designated to principally provide advice, information, and assistance to the legislative branch on Department of Defense policies, plans, and programs.

(d) ORGANIZATIONAL ENTITIES.—The display of information under subsection (b) by organizational entity shall be for the Department of Defense and for each military department as a whole and separately for each organization at the level of major command or Defense Agency or higher.

(e) PERSONNEL NOT COVERED.—Subsection (b)(2) does not apply to civilian officers appointed by the President, by and with the advice and consent of the Senate, or to general or flag officers.

SEC. 933. JOINT REPORT ON ESTABLISHMENT OF NATIONAL COLLABORATIVE INFORMATION ANALYSIS CAPABILITY.

(a) REPORT.—Not later than March 1, 2000, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees and the congressional intelligence committees a joint report assessing alternatives for the establishment of a national collaborative information analysis capability. The report shall include the following:

(1) An assessment of alternative architectures to establish a national collaborative information analysis capability to conduct data mining and profiling of information from a wide array of electronic data sources.

(2) Identification, from among the various architectures assessed under paragraph (1), of the preferred architecture and a detailed description of that architecture and of a program to acquire and implement the capability that would be provided through that architecture.

(3) A detailed explanation of how the personal information resulting from the data mining and profiling capability developed under the preferred architecture will be employed consistent with the requirements of section 552a of title 5, United States Code.

(b) COMPLETION AND USE OF ARMY LAND INFORMATION WARFARE ACTIVITY.—The Secretary of Defense—

(1) shall ensure that the data mining, profiling, and analysis capability of the Army's Land Information Warfare Activity is completed and is fully operational as soon as possible; and

(2) shall make appropriate use of that capability to provide support to all appropriate national defense components.

SEC. 934. NETWORK CENTRIC WARFARE.

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

(1) Joint Vision 2020 set the goal for the Department of Defense to pursue information superiority in order that joint forces may possess superior knowledge and attain decision superiority during operations across the spectrum of conflict.

(2) One concept being pursued to attain information superiority is known as Network Centric Warfare. The concept of Network Centric Warfare links sensors, communications systems and weapons systems in an interconnected grid that allows for a seamless information flow to warfighters, policy makers, and support personnel.

(3) The Joint Staff, the Defense Agencies, and the military departments are all pursuing various concepts related to Network Centric Warfare.

(b) GOAL.—It shall be the goal of Department of Defense to fully coordinate various efforts being pursued by the Joint Staff, the Defense Agencies, and the military departments as they develop the concept of Network Centric Warfare.

(c) REPORT ON NETWORK CENTRIC WARFARE.—(1) The Secretary of Defense shall submit to the congressional defense committees a report on the development and implementation of network centric warfare concepts within the Department of Defense. The report shall be prepared in consultation with the Chairman of the Joint Chiefs of Staff.

(2) The report shall include the following:

(A) A clear definition and terminology to describe the set of operational concepts referred to as "network centric warfare".

(B) An identification and description of the current and planned activities by the Office of the Secretary of Defense, the Joint Chiefs of Staff, and the United States Joint Forces Command relating to network centric warfare.

(C) A discussion of how the concept of network centric warfare is related to the strategy of transformation as outlined

in the document entitled "Joint Vision 2020", along with the advantages and disadvantages of pursing that concept.

(D) A discussion on how the Department is implementing the concepts of network centric warfare as it relates to information superiority and decision superiority articulated in "Joint Vision 2020.".

(E) An identification and description of the current and planned activities of each of the Armed Forces relating to network centric warfare.

(F) A discussion on how the Department plans to attain a fully integrated, joint command, control, communications, computers, intelligence, surveillance, and reconnaissance (C^4ISR) capability.

(G) A description of the joint requirements under development that will lead to the acquisition of technologies for enabling network centric warfare and whether those joint requirements are modifying existing service requirements and vision statements.

(H) A discussion of how Department of Defense activities to establish a joint network centric capability are coordinated with other departments and agencies of the United States and with United States allies.

(I) A discussion of the coordination of the science and technology investments of the military departments and Defense Agencies in the development of future joint network centric warfare capabilities.

(J) The methodology being used to measure progress toward stated goals.

(d) STUDY ON THE USE OF JOINT EXPERIMENTATION FOR DEVELOPING NETWORK CENTRIC WARFARE CONCEPTS.—(1) The Secretary of Defense shall conduct a study on the present and future use of the joint experimentation program of the Department of Defense in the development of network centric warfare concepts.

(2) The Secretary shall submit to the congressional defense committees a report on the results of the study. The report shall include the following:

(A) A survey of and description of how experimentation under the joint experimentation at United States Joint Forces Command is being used for evaluating emerging concepts in network centric warfare.

(B) A survey of and description of how experimentation under the joint experimentation of each of the armed services are being used for evaluating emerging concepts in network centric warfare.

(C) A description of any emerging concepts and recommendations developed by those experiments, with special emphasis on force structure implications.

(3) The Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall designate the Commander in Chief of the United States Joint Forces Command to carry out the study and prepare the report required under this subsection.

(e) TIME FOR SUBMISSION OF REPORTS.—Each report required under this section shall be submitted not later than March 1, 2001.

SEC. 935. REPORT ON AIR FORCE INSTITUTE OF TECHNOLOGY.

(a) REPORT REQUIRED.—Not later than September 30, 2001, the Secretary of the Air Force 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 roles and missions, organizational structure, funding, and operations of the Air Force Institute of Technology as projected through 2010.

(b) MATTERS TO BE INCLUDED.—The report shall provide—

(1) a statement of the Institute's roles and missions through 2010 in meeting the critical scientific and educational requirements of the Air Force;

(2) a statement of the strategic priorities for the Institute in meeting long-term core science and technology educational needs of the Air Force; and

(3) a plan for the near-term increase in the production by the Institute of masters and doctoral degree graduates.

(c) RECOMMENDATIONS TO BE PROVIDED.—Based on the matters determined for purposes of subsection (b), the report shall include recommendations of the Secretary of the Air Force with respect to the following:

(1) The grade of the Commandant of the Institute.

(2) The chain of command of the Commandant within the Air Force.

(3) The employment and compensation of civilian professors at the Institute.

(4) The processes for the identification of requirements for personnel with advanced degrees within the Air Force and identification and selection of candidates for annual enrollment at the Institute.

(5) Postgraduation opportunities within the Air Force for graduates of the Institute.

(6) The policies and practices regarding the admission to the Institute of—

(A) officers of the Army, Navy, Marine Corps, and Coast Guard;

(B) employees of the Department of the Army, Department of the Navy, and Department of Transportation;

(C) personnel of the military forces of foreign countries;

(D) enlisted members of the Armed Forces; and

(E) other persons eligible for admission.

(7) Near- and long-term funding of the institute.

(8) Opportunities for cooperation, collaboration, and joint endeavors with other military and civilian scientific and technical educational institutions for the production of qualified personnel to meet Department of Defense scientific and technical requirements.

(d) CONSULTATION.—The report shall be prepared in consultation with the Chief of Staff of the Air Force and the Commander of the Air Force Materiel Command.

Subtitle E—Other Matters

SEC. 941. FLEXIBILITY IN IMPLEMENTATION OF LIMITATION ON MAJOR DEPARTMENT OF DEFENSE HEADQUARTERS ACTIVITIES PERSONNEL.

Section 130a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) FLEXIBILITY.—(1) If during fiscal year 2001 or fiscal year 2002 the Secretary of Defense determines, and certifies to Congress, that the limitation under subsection (a), or a limitation under subsection (b), would adversely affect United States national security, the Secretary may take any of the following actions:

"(A) Increase the percentage specified in subsection (b)(1) by such amount as the Secretary determines necessary or waive the limitation under that subsection.

"(B) Increase the percentage specified in subsection (b)(2) by such amount as the Secretary determines necessary, not to exceed a cumulative increase of 7.5 percentage points.

"(C) Increase the percentage specified in subsection (a) by such amount as the Secretary determines necessary, not to exceed a cumulative increase of 7.5 percentage points.

"(2) Any certification under paragraph (1) shall include notice of the specific waiver or increases made pursuant to the authority provided in that paragraph.".

SEC. 942. CONSOLIDATION OF CERTAIN NAVY GIFT FUNDS.

(a) MERGER OF NAVAL HISTORICAL CENTER FUND INTO DEPARTMENT OF THE NAVY GENERAL GIFT FUND.—(1) The Secretary of the Navy shall transfer all amounts in the Naval Historical Center Fund maintained under section 7222 of title 10, United States Code, to the Department of the Navy General Gift Fund maintained under section 2601 of such title. Upon completing the transfer, the Secretary shall close the Naval Historical Center Fund.

(2) Amounts transferred to the Department of the Navy General Gift Fund under this subsection shall be merged with other amounts in that Fund and shall be available for the purposes for which amounts in that Fund are available.

(b) CONSOLIDATION OF NAVAL ACADEMY GENERAL GIFT FUND AND NAVAL ACADEMY MUSEUM FUND.—(1) The Secretary of the Navy shall transfer all amounts in the United States Naval Academy Museum Fund established by section 6974 of title 10, United States Code, to the gift fund maintained for the benefit and use of the United States Naval Academy under section 6973 of such title. Upon completing the transfer, the Secretary shall close the United States Naval Academy Museum Fund.

(2) Amounts transferred under this subsection shall be merged with other amounts in the gift fund to which transferred and shall be available for the purposes for which amounts in that gift fund are available.

(c) CONSOLIDATION AND REVISION OF AUTHORITIES FOR ACCEPTANCE OF GIFTS, BEQUESTS, AND LOANS FOR THE UNITED STATES NAVAL ACADEMY.—(1) Subsection (a) of section 6973 of title 10, United States Code, is amended—

(A) in the first sentence—

(i) by striking "gifts and bequests of personal property" and inserting "any gift or bequest of personal property,

and may accept, hold, and administer any loan of personal property other than money, that is"; and

(ii) by inserting "or the Naval Academy Museum, its collection, or its services" before the period at the end;

(B) in the second sentence, by striking "'United States Naval Academy general gift fund'" and inserting "'United States Naval Academy Gift and Museum Fund'"; and

(C) in the third sentence, by inserting "(including the Naval Academy Museum)" after "the Naval Academy".

(2) Such section is further amended—

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

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

"(b) The Secretary shall prescribe written guidelines to be used for determinations of whether the acceptance of money, any personal property, or any loan of personal property under subsection (a) would reflect unfavorably on the ability of the Department of the Navy or any officer or employee of the Department of the Navy to carry out responsibilities or duties in a fair and objective manner, or would compromise either the integrity or the appearance of the integrity of any program of the Department of the Navy or any officer or employee of the Department of the Navy who is involved in any such program.".

(3) Subsection (d) of such section, as redesignated by paragraph (2)(A), is amended by striking "United States Naval Academy general gift fund" both places it appears and inserting "United States Naval Academy Gift and Museum Fund".

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

"§ 6973. Gifts, bequests, and loans of property: acceptance for benefit and use of Naval Academy".

(d) REFERENCES TO CLOSED GIFT FUNDS.—(1) Section 6974 of title 10, United States Code, is amended to read as follows:

"§ 6974. United States Naval Academy Museum Fund: references to Fund

"Any reference in a law, regulation, document, paper, or other record of the United States to the United States Naval Academy Museum Fund formerly maintained under this section shall be deemed to refer to the United States Naval Academy Gift and Museum Fund maintained under section 6973 of this title.".

(2) Section 7222 of such title is amended to read as follows:

"§ 7222. Naval Historical Center Fund: references to Fund

"Any reference in a law, regulation, document, paper, or other record of the United States to the Naval Historical Center Fund formerly maintained under this section shall be deemed to refer to the Department of the Navy General Gift Fund maintained under section 2601 of this title.".

(e) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 603 of title 10, United States Code, is amended by striking the items relating to sections 6973 and 6974 and inserting the following:

"6973. Gifts, bequests, and loans of property: acceptance for benefit and use of Naval Academy.
"6974. United States Naval Academy Museum Fund: references to Fund.".

(2) The item relating to section 7222 of such title in the table of sections at the beginning of chapter 631 of such title is amended to read as follows:

"7222. Naval Historical Center Fund: references to Fund.".

SEC. 943. TEMPORARY AUTHORITY TO DISPOSE OF A GIFT PREVIOUSLY ACCEPTED FOR THE NAVAL ACADEMY.

Notwithstanding section 6973 of title 10, United States Code, during fiscal year 2001 the Secretary of the Navy may dispose of a gift accepted before the date of the enactment of this Act for the United States Naval Academy by disbursing from the United States Naval Academy general gift fund to an entity designated by the donor of the gift the amount equal to the current cash value of that gift.

TITLE X—GENERAL PROVISIONS

SUBTITLE A—FINANCIAL MATTERS

Sec. 1001. Transfer authority.
Sec. 1002. Incorporation of classified annex.
Sec. 1003. Authorization of emergency supplemental appropriations for fiscal year 2000.
Sec. 1004. United States contribution to NATO common-funded budgets in fiscal year 2001.
Sec. 1005. Limitation on funds for Bosnia and Kosovo peacekeeping operations for fiscal year 2001.
Sec. 1006. Requirement for prompt payment of contract vouchers.
Sec. 1007. Plan for prompt recording of obligations of funds for contractual transactions.
Sec. 1008. Electronic submission and processing of claims for contract payments.
Sec. 1009. Administrative offsets for overpayment of transportation costs.
Sec. 1010. Interest penalties for late payment of interim payments due under Government service contracts.

SUBTITLE B—NAVAL VESSELS AND SHIPYARDS

Sec. 1011. Revisions to national defense features program.
Sec. 1012. Sense of Congress on the naming of the CVN–77 aircraft carrier.
Sec. 1013. Authority to transfer naval vessels to certain foreign countries.
Sec. 1014. Authority to consent to retransfer of alternative former naval vessel by Government of Greece.

SUBTITLE C—COUNTER-DRUG ACTIVITIES

Sec. 1021. Extension of authority to provide support for counter-drug activities of Colombia.
Sec. 1022. Report on Department of Defense expenditures to support foreign counter-drug activities.
Sec. 1023. Recommendations on expansion of support for counter-drug activities.
Sec. 1024. Review of riverine counter-drug program.
Sec. 1025. Report on tethered aerostat radar system.
Sec. 1026. Sense of Congress regarding use of Armed Forces for counter-drug and counter-terrorism activities.

SUBTITLE D—COUNTERTERRORISM AND DOMESTIC PREPAREDNESS

Sec. 1031. Preparedness of military installation first responders for incidents involving weapons of mass destruction.
Sec. 1032. Additional weapons of mass destruction civil support teams.
Sec. 1033. Authority to provide loan guarantees to improve domestic preparedness to combat cyberterrorism.
Sec. 1034. Report on the status of domestic preparedness against the threat of biological terrorism.
Sec. 1035. Report on strategy, policies, and programs to combat domestic terrorism.

SUBTITLE E—STRATEGIC FORCES

Sec. 1041. Revised nuclear posture review.

Sec. 1042. Plan for the long-term sustainment and modernization of United States strategic nuclear forces.
Sec. 1043. Modification of scope of waiver authority for limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1044. Report on the defeat of hardened and deeply buried targets.
Sec. 1045. Sense of Congress on the maintenance of the strategic nuclear triad.

SUBTITLE F—MISCELLANEOUS REPORTING REQUIREMENTS

Sec. 1051. Management review of working-capital fund activities.
Sec. 1052. Report on submarine rescue support vessels.
Sec. 1053. Report on Federal Government progress in developing information assurance strategies.
Sec. 1054. Department of Defense process for decisionmaking in cases of false claims.

SUBTITLE G—GOVERNMENT INFORMATION SECURITY REFORM

Sec. 1061. Coordination of Federal information policy.
Sec. 1062. Responsibilities of certain agencies.
Sec. 1063. Relationship of Defense Information Assurance Program to Government-wide information security program.
Sec. 1064. Technical and conforming amendments.
Sec. 1065. Effective date.

SUBTITLE H—SECURITY MATTERS

Sec. 1071. Limitation on granting of security clearances.
Sec. 1072. Process for prioritizing background investigations for security clearances for Department of Defense personnel and defense contractor personnel.
Sec. 1073. Authority to withhold certain sensitive information from public disclosure.
Sec. 1074. Expansion of authority to exempt geodetic products of the Department of Defense from public disclosure.
Sec. 1075. Expenditures for declassification activities.
Sec. 1076. Enhanced access to criminal history record information for national security and other purposes.
Sec. 1077. Two-year extension of authority to engage in commercial activities as security for intelligence collection activities.
Sec. 1078. Coordination of nuclear weapons secrecy policies and consideration of health of workers at former Department of Defense nuclear facilities.

SUBTITLE I—OTHER MATTERS

Sec. 1081. Funds for administrative expenses under Defense Export Loan Guarantee program.
Sec. 1082. Transit pass program for Department of Defense personnel in poor air quality areas.
Sec. 1083. Transfer of Vietnam era TA–4 aircraft to nonprofit foundation.
Sec. 1084. Transfer of 19th century cannon to museum.
Sec. 1085. Fees for providing historical information to the public.
Sec. 1086. Grants to American Red Cross for Armed Forces emergency services.
Sec. 1087. Technical and clerical amendments.
Sec. 1088. Maximum size of parcel post packages transported overseas for Armed Forces post offices.
Sec. 1089. Sense of Congress regarding tax treatment of members receiving special pay for duty subject to hostile fire or imminent danger.
Sec. 1090. Organization and management of Civil Air Patrol.
Sec. 1091. Additional duties for Commission to Assess United States National Security Space Management and Organization.
Sec. 1092. Commission on the Future of the United States Aerospace Industry.
Sec. 1093. Drug addiction treatment.

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2001 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) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by 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. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the committee of conference to accompany the conference report on the bill H.R. 4205 of the One Hundred Sixth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2000.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 2000 in the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in the Emergency Supplemental Act, 2000 (division B of Public Law 106–246) or in title IX of the Department of Defense Appropriations Act, 2001 (Public Law 106–259).

SEC. 1004. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2001.

(a) FISCAL YEAR 2001 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2001 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 2000, of funds appropriated for fiscal years before fiscal year 2001 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), $743,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $181,981,000 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.

SEC. 1005. LIMITATION ON FUNDS FOR BOSNIA AND KOSOVO PEACEKEEPING OPERATIONS FOR FISCAL YEAR 2001.

(a) LIMITATION.—Of the amounts authorized to be appropriated by section 301(24) for the Overseas Contingency Operations Transfer Fund—

(1) no more than $1,387,800,000 may be obligated for incremental costs of the Armed Forces for Bosnia peacekeeping operations; and

(2) no more than $1,650,400,000 may be obligated for incremental costs of the Armed Forces for Kosovo peacekeeping operations.

(b) PRESIDENTIAL WAIVER.—The President may waive the limitation in subsection (a)(1), or the limitation in subsection (a)(2), after submitting to Congress the following:

(1) The President's written certification that the waiver is necessary in the national security interests of the United States.

(2) The President's written certification that exercising the waiver will not adversely affect the readiness of United States military forces.

(3) A report setting forth the following:

(A) The reasons that the waiver is necessary in the national security interests of the United States.

(B) The specific reasons that additional funding is required for the continued presence of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be, for fiscal year 2001.

(C) A discussion of the impact on the military readiness of United States Armed Forces of the continuing deployment of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be.

(4) A supplemental appropriations request for the Department of Defense for such amounts as are necessary for the additional fiscal year 2001 costs associated with United States military forces participating in, or supporting, Bosnia or Kosovo peacekeeping operations.

(c) PEACEKEEPING OPERATIONS DEFINED.—For the purposes of this section:

(1) The term "Bosnia peacekeeping operations" has the meaning given such term in section 1004(e) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2112).

(2) The term "Kosovo peacekeeping operations"—

(A) means the operation designated as Operation Joint Guardian and any other operation involving the participation of any of the Armed Forces in peacekeeping or peace enforcement activities in and around Kosovo; and

(B) includes, with respect to Operation Joint Guardian or any such other operation, each activity that is directly related to the support of the operation.

SEC. 1006. REQUIREMENT FOR PROMPT PAYMENT OF CONTRACT VOUCHERS.

(a) REQUIREMENT.—(1) Chapter 131 of title 10, United States Code, is amended by adding after section 2225, as added by section 812(a)(1), the following new section:

"§ 2226. Contracted property and services: prompt payment of vouchers

"(a) REQUIREMENT.—Of the contract vouchers that are received by the Defense Finance and Accounting Service by means of the mechanization of contract administration services system, the number of such vouchers that remain unpaid for more than 30 days as of the last day of each month may not exceed 5 percent of the total number of the contract vouchers so received that remain unpaid on that day.

"(b) CONTRACT VOUCHER DEFINED.—In this section, the term 'contract voucher' means a voucher or invoice for the payment to a contractor for services, commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))), or other deliverable items provided by the contractor under a contract funded by the Department of Defense.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2225, as added by section 812(a)(2), the following new item:

"2226. Contracted property and services: prompt payment of vouchers.".

(b) EFFECTIVE DATE.—Section 2226 of title 10, United States Code (as added by subsection (a)), shall take effect on December 1, 2000.

(c) CONDITIONAL REQUIREMENT FOR REPORT.—(1) If for any month of the noncompliance reporting period the requirement in section 2226 of title 10, United States Code (as added by subsection (a)), is not met, 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 magnitude of the unpaid contract vouchers. The report for a month shall be submitted not later than 30 days after the end of that month.

(2) A report for a month under paragraph (1) shall include information current as of the last day of the month as follows:

(A) The number of the vouchers received by the Defense Finance and Accounting Service by means of the mechanization of contract administration services system during each month.

(B) The number of the vouchers so received, whenever received by the Defense Finance and Accounting Service, that remain unpaid for each of the following periods:

(i) Over 30 days and not more than 60 days.

(ii) Over 60 days and not more than 90 days.

(iii) More than 90 days.

(C) The number of the vouchers so received that remain unpaid for the major categories of procurements, as defined by the Secretary of Defense.

(D) The corrective actions that are necessary, and those that are being taken, to ensure compliance with the requirement in subsection (a).

(3) For purposes of this subsection:

(A) The term "noncompliance reporting period" means the period beginning on December 1, 2000, and ending on November 30, 2004.

(B) The term "contract voucher" has the meaning given that term in section 2226(b) of title 10, United States Code (as added by subsection (a)).

SEC. 1007. PLAN FOR PROMPT RECORDING OF OBLIGATIONS OF FUNDS FOR CONTRACTUAL TRANSACTIONS.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than November 15, 2000, a plan for ensuring that each obligation of the Department of Defense under a transaction described in subsection (c) be recorded in the appropriate financial administration systems of the Department of Defense not later than 10 days after the date on which the obligation is incurred.

(b) CONTENT OF PLAN.—The plan under subsection (a) shall provide for the following:

(1) The recording of obligations in accordance with requirements that apply uniformly throughout the Department of Defense, including requirements for the recording of detailed data on each such obligation.

(2) A system of accounting classification reference numbers for the recording of obligations that applies uniformly throughout the Department of Defense.

(3) A discussion of how the plan is to be implemented, including a schedule for implementation.

(c) COVERED TRANSACTIONS.—The plan shall apply to each obligation under any of the following transactions of the Department of Defense:

(1) A contract.

(2) A grant.

(3) A cooperative agreement.

(4) A transaction authorized under section 2371 of title 10, United States Code.

SEC. 1008. ELECTRONIC SUBMISSION AND PROCESSING OF CLAIMS FOR CONTRACT PAYMENTS.

(a) REQUIREMENTS.—(1) Chapter 131 of title 10, United States Code, is amended by adding after section 2226, as added by section 1006(a)(1), the following new section:

"§ 2227. Electronic submission and processing of claims for contract payments

"(a) SUBMISSION OF CLAIMS.—The Secretary of Defense shall require that any claim for payment under a Department of Defense contract shall be submitted to the Department of Defense in electronic form.

"(b) PROCESSING.—A contracting officer, contract administrator, certifying official, or other officer or employee of the Department of Defense who receives a claim for payment in electronic form in accordance with subsection (a) and is required to transmit the claim to any other officer or employee of the Department of Defense for processing under procedures of the department shall transmit the claim and any additional documentation necessary to support the determination and payment of the claim to such other officer or employee electronically.

"(c) WAIVER AUTHORITY.—If the Secretary of Defense determines that the requirement for using electronic means for submitting claims under subsection (a), or for transmitting claims and supporting documentation under subsection (b), is unduly burdensome in any category of cases, the Secretary may exempt the cases in that category from the application of the requirement.

"(d) IMPLEMENTATION OF REQUIREMENTS.—In implementing subsections (a) and (b), the Secretary of Defense shall provide for the following:

"(1) Policies, requirements, and procedures for using electronic means for the submission of claims for payment to the Department of Defense and for the transmission, between Department of Defense officials, of claims for payment received in electronic form, together with supporting documentation (such as receiving reports, contracts and contract modifications, and required certifications).

"(2) The format in which information can be accepted by the corporate database of the Defense Finance and Accounting Service.

"(3) The requirements to be included in contracts regarding the electronic submission of claims for payment by contractors.

"(e) CLAIM FOR PAYMENT DEFINED.—In this section, the term 'claim for payment' means an invoice or any other demand or request for payment.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2226, as added by section 1006(a)(2), the following new item:

"2227. Electronic submission and processing of claims for contract payments.".

(b) IMPLEMENTATION PLAN.—Not later than March 30, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan for the implementation of the requirements imposed under section 2227 of title 10, United States Code (as added by subsection (a)). The plan shall provide for each of the matters specified in subsection (d) of that section.

(c) APPLICABILITY.—(1) Subject to paragraph (2), the Secretary of Defense shall apply section 2227 of title 10, United States Code (as added by subsection (a)), with respect to contracts for which solicitations of offers are issued after June 30, 2001.

(2)(A) The Secretary may delay the implementation of section 2227 to a date after June 30, 2001, upon a finding that it is impracticable to implement that section until that later date. In no event, however, may the implementation be delayed to a date after October 1, 2002.

(B) Upon determining to delay the implementation of such section 2227 to a later date under subparagraph (A), the Secretary shall promptly publish a notice of the delay in the Federal Register. The notice shall include a specification of the later date on which the implementation of that section is to begin. Not later than 30 days before the later implementation date, the Secretary shall publish in the Federal Register another notice that such section is being implemented beginning on that date.

SEC. 1009. ADMINISTRATIVE OFFSETS FOR OVERPAYMENT OF TRANSPORTATION COSTS.

(a) OFFSETS FOR OVERPAYMENTS OR LIQUIDATED DAMAGES.—(1) Section 2636 of title 10, United States Code, is amended to read as follows:

"§ 2636. Deductions from amounts due carriers

"(a) AMOUNTS FOR LOSS OR DAMAGE.—An amount deducted from an amount due a carrier shall be credited as follows:

"(1) If deducted because of loss of or damage to material in transit for a military department, the amount shall be credited to the proper appropriation, account, or fund from which the same or similar material may be replaced.

"(2) If deducted as an administrative offset for an overpayment previously made to the carrier under any Department of Defense contract for transportation services or as liquidated damages due under any such contract, the amount shall be credited to the appropriation or account from which payments for the transportation services were made.

"(b) SIMPLIFIED OFFSET FOR COLLECTION OF CLAIMS NOT IN EXCESS OF THE SIMPLIFIED ACQUISITION THRESHOLD.—(1) In any case in which the total amount of a claim for the recovery of overpayments or liquidated damages under a contract described in subsection (a)(2) does not exceed the simplified acquisition threshold, the Secretary of Defense or the Secretary concerned, in exercising the authority to collect the claim by administrative offset under

section 3716 of title 31, may apply paragraphs (2) and (3) of subsection (a) of that section with respect to that collection after (rather than before) the claim is so collected.

"(2) Regulations prescribed by the Secretary of Defense under subsection (b) of section 3716 of title 31—

"(A) shall include provisions to carry out paragraph (1); and

"(B) shall provide the carrier for a claim subject to paragraph (1) with an opportunity to offer an alternative method of repaying the claim (rather than by administrative offset) if the collection of the claim by administrative offset has not already been made.

"(3) In this subsection, the term 'simplified acquisition threshold' has the meaning given that term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).".

(2) The item relating to such section in the table of sections at the beginning of chapter 157 of such title is amended to read as follows:

"2636. Deductions from amounts due carriers.".

(b) EFFECTIVE DATE.—Subsections (a)(2) and (b) of section 2636 of title 10, United States Code, as added by subsection (a)(1), shall apply with respect to contracts entered into after the date of the enactment of this Act.

SEC. 1010. INTEREST PENALTIES FOR LATE PAYMENT OF INTERIM PAYMENTS DUE UNDER GOVERNMENT SERVICE CONTRACTS.

(a) PROMPT PAYMENT REQUIREMENT FOR INTERIM PAYMENTS.—Under regulations prescribed under subsection (c), the head of an agency acquiring services from a business concern under a cost reimbursement contract requiring interim payments who does not pay the concern a required interim payment by the date that is 30 days after the date of the receipt of a proper invoice shall pay an interest penalty to the concern on the amount of the payment due. The interest shall be computed as provided in section 3902(a) of title 31, United States Code.

(b) REGULATIONS.—The Director of the Office of Management and Budget shall prescribe regulations to carry out this section. Such regulations shall be prescribed as part of the regulations prescribed under section 3903 of title 31, United States Code.

(c) INCORPORATION OF CERTAIN PROVISIONS OF LAW.—The provisions of chapter 39 of title 31, United States Code, shall apply to this section in the same manner as if this section were enacted as part of such chapter.

(d) EFFECTIVE DATE.—Subsection (a) shall take effect on December 15, 2000. No interest shall accrue by reason of that subsection for any period before that date.

Subtitle B—Naval Vessels and Shipyards

SEC. 1011. REVISIONS TO NATIONAL DEFENSE FEATURES PROGRAM.

Section 2218(k) of title 10, United States Code, is amended—

(1) by adding at the end of paragraph (1) the following new sentence: "As consideration for a contract with the head of an agency under this subsection, the company entering into the contract shall agree with the Secretary of Defense to make

any vessel covered by the contract available to the Secretary, fully crewed and ready for sea, at any time at any port determined by the Secretary, and for whatever duration the Secretary determines necessary.";

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

"(E) Payments of such sums as the Government would otherwise expend, if the vessel were placed in the Ready Reserve Fleet, for maintaining the vessel in the status designated as 'ROS–4 status' in the Ready Reserve Fleet for 25 years."; and

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

"(6) The head of an agency may not enter into a contract under paragraph (1) that would provide for payments to the contractor as authorized in paragraph (2)(E) until notice of the proposed contract is submitted to the congressional defense committees and a period of 90 days has elapsed.".

SEC. 1012. SENSE OF CONGRESS ON THE NAMING OF THE CVN–77 AIRCRAFT CARRIER.

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

(1) Over the last three decades Congress has authorized and appropriated funds for a total of 10 Nimitz class aircraft carriers.

(2) The last vessel in the Nimitz class of aircraft carriers, CVN–77, is currently under construction and will be delivered in 2008.

(3) The first nine vessels in this class bear the following proud names:

(A) U.S.S. Nimitz (CVN–68).
(B) U.S.S. Dwight D. Eisenhower (CVN–69).
(C) U.S.S. Carl Vinson (CVN–70).
(D) U.S.S. Theodore Roosevelt (CVN–71).
(E) U.S.S. Abraham Lincoln (CVN–72).
(F) U.S.S. George Washington (CVN–73).
(G) U.S.S. John C. Stennis (CVN–74).
(H) U.S.S. Harry S. Truman (CVN–75).
(I) U.S.S. Ronald Reagan (CVN–76).

(4) It is appropriate for Congress to recommend to the President, as Commander in Chief of the Armed Forces, an appropriate name for the final vessel in the Nimitz class of aircraft carriers.

(5) Over the last 25 years the vessels in the Nimitz class of aircraft carriers have served as one of the principal means of United States diplomacy and as one of the principal means for the defense of the United States and its allies around the world.

(6) The name bestowed upon the aircraft carrier CVN–77 should embody the American spirit and provide a lasting symbol of the American commitment to freedom.

(7) The name "Lexington" has been a symbol of freedom from the first battle of the American Revolution.

(8) The two aircraft carriers previously named U.S.S. Lexington (the CV–2 and the CV–16) served the Nation for 64 years, served in World War II, and earned a total of 13 battle stars.

(9) One of those honored vessels, the CV–2, was lost at the Battle of the Coral Sea on May 8, 1942.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the CVN–77 aircraft carrier should be named the "U.S.S. Lexington"—

(1) in order to honor the men and women who served in the Armed Forces of the United States during World War II and the incalculable number of United States citizens on the home front during that war who mobilized in the name of freedom; and

(2) as a special tribute to the 16,000,000 veterans of the Armed Forces who served on land, sea, and air during World War II (of whom fewer than 6,000,000 remain alive today) and a lasting symbol of their commitment to freedom as they pass on having proudly taken their place in history.

SEC. 1013. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) TRANSFERS BY GRANT.—The President is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) BRAZIL.—To the Government of Brazil—

(A) the THOMASTON class dock landing ships ALAMO (LSD 33) and HERMITAGE (LSD 34); and

(B) the GARCIA class frigates BRADLEY (FF 1041), DAVIDSON (FF 1045), SAMPLE (FF 1048) and ALBERT DAVID (FF 1050).

(2) GREECE.—To the Government of Greece, the KNOX class frigates VREELAND (FF 1068) and TRIPPE (FF 1075).

(b) TRANSFERS ON A COMBINED LEASE-SALE BASIS.—(1) The President is authorized to transfer vessels to foreign countries on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761) and in accordance with subsection (c) as follows:

(A) CHILE.—To the Government of Chile, the OLIVER HAZARD PERRY class guided missile frigates WADSWORTH (FFG 9), and ESTOCIN (FFG 15).

(B) TURKEY.—To the Government of Turkey, the OLIVER HAZARD PERRY class guided missile frigates JOHN A. MOORE (FFG 19) and FLATLEY (FFG 21).

(2) The authority provided under paragraph (1)(B) is in addition to the authority provided under section 1018(a)(9) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 745) for the transfer of those vessels to the Government of Turkey on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(c) CONDITIONS RELATING TO COMBINED LEASE-SALE TRANSFERS.—A transfer of a vessel on a combined lease-sale basis authorized by subsection (b) shall be made in accordance with the following requirements:

(1) The President may initially transfer the vessel by lease, with lease payments suspended for the term of the lease, if the country entering into the lease for the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the vessel.

(2) The President may not deliver to the purchasing country title to the vessel until the purchase price of the vessel under such a foreign military sales agreement is paid in full.

(3) Upon payment of the purchase price in full under such a sales agreement and delivery of title to the recipient country, the President shall terminate the lease.

(4) If the purchasing country fails to make full payment of the purchase price in accordance with the sales agreement by the date required under the sales agreement—

(A) the sales agreement shall be immediately terminated;

(B) the suspension of lease payments under the lease shall be vacated; and

(C) the United States shall be entitled to retain all funds received on or before the date of the termination under the sales agreement, up to the amount of the lease payments due and payable under the lease and all other costs required by the lease to be paid to that date.

(5) If a sales agreement is terminated pursuant to paragraph (4), the United States shall not be required to pay any interest to the recipient country on any amount paid to the United States by the recipient country under the sales agreement and not retained by the United States under the lease.

(d) AUTHORIZATION OF APPROPRIATIONS FOR COSTS OF LEASE-SALE TRANSFERS.—There is hereby authorized to be appropriated into the Defense Vessels Transfer Program Account such sums as may be necessary for paying the costs (as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of the lease-sale transfers authorized by subsection (b). Amounts so appropriated shall be available only for the purpose of paying those costs.

(e) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(f) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1))) in the case of a transfer authorized to be made on a grant basis under subsection (a).

(g) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(h) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

(i) COORDINATION OF PROVISIONS.—(1) If the Security Assistance Act of 2000 is enacted before this Act, the provisions of this section shall not take effect.

(2) If the Security Assistance Act of 2000 is enacted after this Act, this section shall cease to be in effect upon the enactment of that Act.

SEC. 1014. AUTHORITY TO CONSENT TO RETRANSFER OF ALTERNATIVE FORMER NAVAL VESSEL BY GOVERNMENT OF GREECE.

(a) AUTHORITY FOR RETRANSFER OF ALTERNATIVE VESSEL.—Section 1012 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 740) is amended—

(1) in subsection (a), by inserting after "HS Rodos (ex-USS BOWMAN COUNTY (LST 391))" the following: ", LST 325, or any other former United States LST previously transferred to the Government of Greece that is excess to the needs of that government"; and

(2) in subsection (b)(1), by inserting "retransferred under subsection (a)" after "the vessel".

(b) REPEAL.—Section 1305 of the Arms Control, Nonproliferation, and Security Assistance Act of 1999 (113 Stat. 1501A–511) is repealed.

Subtitle C—Counter-Drug Activities

SEC. 1021. EXTENSION OF AUTHORITY TO PROVIDE SUPPORT FOR COUNTER-DRUG ACTIVITIES OF COLOMBIA.

(a) EXTENSION OF AUTHORITY.—Section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881) is amended—

(1) in subsection (a), by striking "during fiscal years 1998 through 2002,"; and

(2) in subsection (b)—

(A) in paragraph (1), by inserting before the period at the end the following: ", for fiscal years 1998 through 2002"; and

(B) in paragraph (2), by inserting before the period at the end the following: ", for fiscal years 1998 through 2006".

(b) MAXIMUM ANNUAL AMOUNT OF SUPPORT.—Subsection (e)(2) of such section is amended by striking "2002" and inserting "2006".

SEC. 1022. REPORT ON DEPARTMENT OF DEFENSE EXPENDITURES TO SUPPORT FOREIGN COUNTER-DRUG ACTIVITIES.

Not later than January 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report detailing the expenditure of funds by the Secretary during fiscal year 2000 in direct or indirect support of the counter-drug activities of foreign governments. The report shall include the following for each foreign government:

(1) The total amount of assistance provided to, or expended on behalf of, the foreign government.

(2) A description of the types of counter-drug activities conducted using the assistance.

(3) An explanation of the legal authority under which the assistance was provided.

SEC. 1023. RECOMMENDATIONS ON EXPANSION OF SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) REQUIREMENT FOR SUBMITTAL OF RECOMMENDATIONS.—Not later than February 1, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives the recommendations of the Secretary regarding whether expanded support for counter-drug activities should be authorized under section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881) for the region that includes the countries that are covered by that authority on the date of the enactment of this Act.

(b) CONTENT OF SUBMISSION.—The submission under subsection (a) shall include the following:

(1) What, if any, additional countries should be covered.

(2) What, if any, additional support should be provided to covered countries, together with the reasons for recommending the additional support.

(3) For each country recommended under paragraph (1), a plan for providing support, including the counter-drug activities proposed to be supported.

SEC. 1024. REVIEW OF RIVERINE COUNTER-DRUG PROGRAM.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall review the riverine counter-drug program supported under section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881).

(b) REPORT.—Not later than February 1, 2001, the Secretary shall submit a report on the riverine counter-drug program to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include, for each country receiving support under the riverine counter-drug program, the following:

(1) The Assistant Secretary's assessment of the effectiveness of the program.

(2) A recommendation regarding which of the Armed Forces, units of the Armed Forces, or other organizations within the Department of Defense should be responsible for managing the program.

(c) DELEGATION OF AUTHORITY.—The Secretary shall require the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict to carry out the responsibilities under this section.

SEC. 1025. REPORT ON TETHERED AEROSTAT RADAR SYSTEM.

(a) REPORT REQUIRED.—Not later than May 1, 2001, The Secretary of Defense shall submit to Congress a report on the status of the Tethered Aerostat Radar System used to conduct counter-drug detection and monitoring and border security and air sovereignty operations. The report shall include the following:

(1) The status and operational availability of each of the existing sites of the Tethered Aerostat Radar System.

(2) A discussion of any plans to close, during the next 5 years, currently operational sites, including a review of the justification for each proposed closure.

(3) A review of the requirements of other agencies, especially the United States Customs Service, for data derived from the Tethered Aerostat Radar System.

(4) An assessment of the value of the Tethered Aerostat Radar System in the conduct of counter-drug detection and

monitoring and border security and air sovereignty operations compared to other surveillance systems available for such operations.

(5) The costs associated with the planned standardization of the Tethered Aerostat Radar System and the Secretary's analysis of that standardization.

(b) CONSULTATION.—The Secretary of Defense shall prepare the report in consultation with the Secretary of the Treasury.

SEC. 1026. SENSE OF CONGRESS REGARDING USE OF ARMED FORCES FOR COUNTER-DRUG AND COUNTER-TERRORISM ACTIVITIES.

It is the sense of Congress that the President should be able to use members of the Army, Navy, Air Force, and Marine Corps to assist law enforcement agencies, to the full extent consistent with section 1385 of title 18, United States Code (commonly known as the Posse Comitatus Act), section 375 of title 10, United States Code, and other applicable law, in preventing the entry into the United States of terrorists and drug traffickers, weapons of mass destruction, components of weapons of mass destruction, and prohibited narcotics and drugs.

Subtitle D—Counterterrorism and Domestic Preparedness

SEC. 1031. PREPAREDNESS OF MILITARY INSTALLATION FIRST RESPONDERS FOR INCIDENTS INVOLVING WEAPONS OF MASS DESTRUCTION.

(a) REQUIREMENT FOR REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the program of the Department of Defense to ensure the preparedness of the first responders of the Department of Defense for incidents involving weapons of mass destruction on installations of the Department of Defense.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A detailed description of the overall preparedness program.

(2) A detailed description of the deficiencies in the preparedness of Department of Defense installations to respond to an incident involving a weapon of mass destruction, together with a discussion of the actions planned to be taken by the Department of Defense to correct the deficiencies.

(3) The schedule and costs associated with the implementation of the preparedness program.

(4) The Department's plan for coordinating the preparedness program with responders in the communities in the localities of the installations.

(5) The Department's plan for promoting the interoperability of the equipment used by the installation first responders referred to in subsection (a) with the equipment used by the first responders in those communities.

(c) FORM OF REPORT.—The report shall be submitted in an unclassified form, but may include a classified annex.

(d) DEFINITIONS.—In this section:

(1) The term "first responder" means an organization responsible for responding to an incident involving a weapon of mass destruction.

(2) The term "weapon of mass destruction" has the meaning given that term in section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).

SEC. 1032. ADDITIONAL WEAPONS OF MASS DESTRUCTION CIVIL SUPPORT TEAMS.

During fiscal year 2001, the Secretary of Defense shall establish five additional teams designated as Weapons of Mass Destruction Civil Support Teams (for a total of 32 such teams).

SEC. 1033. AUTHORITY TO PROVIDE LOAN GUARANTEES TO IMPROVE DOMESTIC PREPAREDNESS TO COMBAT CYBERTERRORISM.

(a) ESTABLISHMENT OF PROGRAM.—(1) Chapter 148 of title 10, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER VII—CRITICAL INFRASTRUCTURE PROTECTION LOAN GUARANTEES

"Sec.
"2541. Establishment of loan guarantee program.
"2541a. Fees charged and collected.
"2541b. Administration.
"2541c. Transferability, additional limitations, and definition.
"2541d. Reports.

"§ 2541. Establishment of loan guarantee program

"(a) ESTABLISHMENT.—In order to meet the national security objectives in section 2501(a) of this title, the Secretary of Defense shall establish a program under which the Secretary may issue guarantees assuring lenders against losses of principal or interest, or both principal and interest, for loans made to qualified commercial firms to fund, in whole or in part, any of the following activities:

"(1) The improvement of the protection of the critical infrastructure of the commercial firms.

"(2) The refinancing of improvements previously made to the protection of the critical infrastructure of the commercial firms.

"(b) QUALIFIED COMMERCIAL FIRMS.—For purposes of this section, a qualified commercial firm is a company or other business entity (including a consortium of such companies or other business entities, as determined by the Secretary) that the Secretary determines—

"(1) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States;

"(2) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business of a parent company that is incorporated in a country the government of which—

"(A) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations or agreements; and

"(B) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States;

"(3) provides technology products or services critical to the operations of the Department of Defense;

"(4) meets standards of prevention of cyberterrorism applicable to the Department of Defense; and

"(5) agrees to submit the report required under section 2541d of this title.

"(c) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under this section may not exceed $10,000,000, with respect to all borrowers.

"(d) GOALS AND STANDARDS.—The Secretary shall prescribe regulations setting forth goals for the use of the loan guarantees provided under this section and standards for evaluating whether those goals are met by each entity receiving such loan guarantees.

"(e) AUTHORITY SUBJECT TO PROVISIONS OF APPROPRIATIONS.—The Secretary may guarantee a loan under this subchapter only to such extent or in such amounts as may be provided in advance in appropriations Acts.

"§ 2541a. Fees charged and collected

"(a) FEE REQUIRED.—The Secretary of Defense shall assess a fee for providing a loan guarantee under this subchapter.

"(b) AMOUNT OF FEE.—The amount of the fee shall be not less than 75 percent of the amount incurred by the Secretary to provide the loan guarantee.

"(c) SPECIAL ACCOUNT.—(1) Such fees shall be credited to a special account in the Treasury.

"(2) Amounts in the special account shall be available, to the extent and in amounts provided in appropriations Acts, for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under this subchapter.

"(3)(A) If for any fiscal year amounts in the special account established under paragraph (1) are not available (or are not anticipated to be available) in a sufficient amount for administrative expenses of the Department of Defense for that fiscal year that are directly attributable to the administration of the program under this subchapter, the Secretary may use amounts currently available for operations and maintenance for Defense-wide activities, not to exceed $500,000 in any fiscal year, for those expenses.

"(B) The Secretary shall, from funds in the special account established under paragraph (1), replenish operations and maintenance accounts for amounts expended under subparagraph (A).

"§ 2541b. Administration

"(a) AGREEMENTS REQUIRED.—The Secretary of Defense may enter into one or more agreements, each with an appropriate Federal or private entity, under which such entity may, under this subchapter—

"(1) process applications for loan guarantees;

"(2) administer repayment of loans; and

"(3) provide any other services to the Secretary to administer this subchapter.

"(b) TREATMENT OF COSTS.—The costs of such agreements shall be considered, for purposes of the special account established under

section 2541a(c), to be costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under this subchapter.

"§ 2541c. Transferability, additional limitations, and definition

"The following provisions of subtitle VI of this chapter apply to guarantees issued under this subtitle:

"(1) Section 2540a, relating to transferability of guarantees.

"(2) Subsections (b) and (c) of section 2540b, providing limitations.

"(3) Section 2540d(2), providing a definition of the term 'cost'.

"§ 2541d. Reports

"(a) REPORT BY COMMERCIAL FIRMS TO SECRETARY OF DEFENSE.—The Secretary of Defense shall require each qualified commercial firm for which a loan is guaranteed under this subchapter to submit to the Secretary a report on the improvements financed or refinanced with the loan. The report shall include an assessment of the value of the improvements for the protection of the critical infrastructure of that commercial firm. The Secretary shall prescribe the time for submitting the report.

"(b) ANNUAL REPORT BY SECRETARY OF DEFENSE TO CONGRESS.—Not later than March 1 of each year in which guarantees are made under this subchapter, the Secretary of Defense shall submit to Congress a report on the loan guarantee program under this subchapter. The report shall include the following:

"(1) The amounts of the loans for which guarantees were issued during the year preceding the year of the report.

"(2) The success of the program in improving the protection of the critical infrastructure of the commercial firms covered by the guarantees.

"(3) The relationship of the loan guarantee program to the critical infrastructure protection program of the Department of Defense, together with an assessment of the extent to which the loan guarantee program supports the critical infrastructure protection program.

"(4) Any other information on the loan guarantee program that the Secretary considers appropriate to include in the report.".

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

"VII. Critical Infrastructure Protection Loan Guarantees ..... 2541".

(b) REDESIGNATION OF DISPLACED SECTIONS.—(1) Sections 2541 through 2554 of chapter 152 of title 10, United States Code, are redesignated as sections 2551 through 2564, respectively.

(2) The items in the table of sections at the beginning of chapter 152 of such title are revised to reflect the redesignations made by paragraph (1).

(c) CONFORMING AMENDMENTS.—(1) Subsection (c)(3)(C) of section 2561 of such title, as redesignated by subsection (b), is amended by striking "section 2547" and inserting "section 2557".

(2) Subsection (b) of section 2562 of such title, as so redesignated, is amended by striking "section 2547" and inserting "section 2557".

(3) Section 7300 of such title is amended by striking "section 2553" and inserting "section 2563".

SEC. 1034. REPORT ON THE STATUS OF DOMESTIC PREPAREDNESS AGAINST THE THREAT OF BIOLOGICAL TERRORISM.

(a) REPORT REQUIRED.—Not later than March 31, 2001, the President shall submit to Congress a report on domestic preparedness against the threat of biological terrorism.

(b) REPORT ELEMENTS.—The report shall address the following:

(1) The current state of United States preparedness to defend against a biologic attack.

(2) The roles that various Federal agencies currently play, and should play, in preparing for, and defending against, such an attack.

(3) The roles that State and local agencies and public health facilities currently play, and should play, in preparing for, and defending against, such an attack.

(4) The advisability of establishing an intergovernmental task force to assist in preparations for such an attack.

(5) The potential role of advanced communications systems in aiding domestic preparedness against such an attack.

(6) The potential for additional research and development in biotechnology to aid domestic preparedness against such an attack.

(7) Other measures that should be taken to aid domestic preparedness against such an attack.

(8) The financial resources necessary to support efforts for domestic preparedness against such an attack.

(9) The deficiencies and vulnerabilities in the United States public health system for dealing with the consequences of a biological terrorist attack on the United States, and current plans to address those deficiencies and vulnerabilities.

(c) INTELLIGENCE ESTIMATE.—(1) Not later than March 1, 2001, the Secretary of Defense shall submit to Congress an intelligence estimate, prepared in consultation with the Director of Central Intelligence, containing—

(A) an assessment of the threat to the United States posed by a terrorist using a biological weapon; and

(B) an assessment of the relative consequences of an attack against the United States by a terrorist using a biological weapon compared with the consequences of an attack against the United States by a terrorist using a weapon that is a weapon of mass destruction other than a biological weapon or that is a conventional weapon.

(2) The intelligence estimate submitted under paragraph (1) shall include a comparison of—

(A) the likelihood of the threat of a terrorist attack against the United States through the use of a biological weapon, with

(B) the likelihood of the threat of a terrorist attack against the United States through the use of a weapon that is a weapon of mass destruction other than a biological weapon or that is a conventional weapon.

SEC. 1035. REPORT ON STRATEGY, POLICIES, AND PROGRAMS TO COMBAT DOMESTIC TERRORISM.

Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit

to the Committees on Armed Services of the Senate and the House of Representatives a report on the strategy, policies, and programs of the United States for combating domestic terrorism, and in particular domestic terrorism involving weapons of mass destruction. The report shall document the progress and problems experienced by the Federal Government in organizing and preparing to respond to domestic terrorist incidents.

Subtitle E—Strategic Forces

SEC. 1041. REVISED NUCLEAR POSTURE REVIEW.

(a) REQUIREMENT FOR COMPREHENSIVE REVIEW.—In order to clarify United States nuclear deterrence policy and strategy for the near term, the Secretary of Defense shall conduct a comprehensive review of the nuclear posture of the United States for the next 5 to 10 years. The Secretary shall conduct the review in consultation with the Secretary of Energy.

(b) ELEMENTS OF REVIEW.—The nuclear posture review shall include the following elements:

(1) The role of nuclear forces in United States military strategy, planning, and programming.

(2) The policy requirements and objectives for the United States to maintain a safe, reliable, and credible nuclear deterrence posture.

(3) The relationship among United States nuclear deterrence policy, targeting strategy, and arms control objectives.

(4) The levels and composition of the nuclear delivery systems that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying existing systems.

(5) The nuclear weapons complex that will be required for implementing the United States national and military strategy, including any plans to modernize or modify the complex.

(6) The active and inactive nuclear weapons stockpile that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying warheads.

(c) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress, in unclassified and classified forms as necessary, a report on the results of the nuclear posture review conducted under this section. The report shall be submitted concurrently with the Quadrennial Defense Review report due in December 2001.

(d) SENSE OF CONGRESS.—It is the sense of Congress that the nuclear posture review conducted under this section should be used as the basis for establishing future United States arms control objectives and negotiating positions.

SEC. 1042. PLAN FOR THE LONG-TERM SUSTAINMENT AND MODERNIZATION OF UNITED STATES STRATEGIC NUCLEAR FORCES.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense, in consultation with the Secretary of Energy, shall develop a long-range plan for the sustainment and modernization of United States strategic nuclear forces to counter emerging threats and satisfy the evolving requirements of deterrence.

(b) ELEMENTS OF PLAN.—The plan specified under subsection (a) shall include the Secretary's plans, if any, for the sustainment and modernization of the following:

(1) Land-based and sea-based strategic ballistic missiles, including any plans for developing replacements for the Minuteman III intercontinental ballistic missile and the Trident II sea-launched ballistic missile and plans for common ballistic missile technology development.

(2) Strategic nuclear bombers, including any plans for a B–2 follow-on, a B–52 replacement, and any new air-launched weapon systems.

(3) Appropriate warheads to outfit the strategic nuclear delivery systems referred to in paragraphs (1) and (2) to satisfy evolving military requirements.

(c) SUBMITTAL OF PLAN.—The plan specified under subsection (a) shall be submitted to Congress not later than April 15, 2001. The plan shall be submitted in unclassified and classified forms, as necessary.

SEC. 1043. MODIFICATION OF SCOPE OF WAIVER AUTHORITY FOR LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

Section 1302(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948), as amended by section 1501(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 806), is further amended by striking "the application of the limitation in effect under paragraph (1)(B) or (3) of subsection (a), as the case may be," and inserting "the application of the limitation in effect under subsection (a) to a strategic nuclear delivery system".

SEC. 1044. REPORT ON THE DEFEAT OF HARDENED AND DEEPLY BURIED TARGETS.

(a) STUDY.—The Secretary of Defense shall, in conjunction with the Secretary of Energy, conduct a study relating to the defeat of hardened and deeply buried targets. Under the study, the Secretaries shall—

(1) review—

(A) the requirements of the United States to defeat hardened and deeply buried targets and stockpiles of chemical and biological agents and related capabilities; and

(B) current and future plans to meet those requirements;

(2) determine if those plans adequately address all such requirements;

(3) identify potential future hardened and deeply buried targets and other related targets;

(4) determine what resources and research and development efforts are needed to defeat the targets identified under paragraph (3) as well as other requirements to defeat stockpiles of chemical and biological agents and related capabilities;

(5) assess both current and future options to defeat hardened and deeply buried targets as well as concepts to defeat stockpiles of chemical and biological agents and related capabilities; and

(6) determine the capability and cost of each option assessed under paragraph (5).

(b) CONDUCT OF ASSESSMENTS.—In conducting the study under subsection (a), the Secretaries may, in order to perform the assessments required by paragraph (5) of that subsection, conduct any limited research and development that may be necessary to perform those assessments.

(c) REPORT.—(1) Not later than July 1, 2001, 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 results of the study conducted under subsection (a). The report shall be prepared in conjunction with the Secretary of Energy.

(2) The report under paragraph (1) shall be submitted in unclassified form, together with a classified annex if necessary.

SEC. 1045. SENSE OF CONGRESS ON THE MAINTENANCE OF THE STRATEGIC NUCLEAR TRIAD.

It is the sense of Congress that, in light of the potential for further arms control agreements with the Russian Federation limiting strategic forces—

(1) it is in the national interest of the United States to maintain a robust and balanced triad of strategic nuclear delivery vehicles, including (A) long-range bombers, (B) land-based intercontinental ballistic missiles (ICBMs), and (C) ballistic missile submarines; and

(2) reductions to United States conventional bomber capability are not in the national interest of the United States.

Subtitle F—Miscellaneous Reporting Requirements

SEC. 1051. MANAGEMENT REVIEW OF WORKING-CAPITAL FUND ACTIVITIES.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall conduct a review of the working-capital fund activities of the Department of Defense to identify any potential changes in current management processes or policies that, if made, would result in a more efficient and economical operation of those activities.

(b) REVIEW TO INCLUDE CARRYOVER POLICY.—The review shall include a review of practices under the Department of Defense policy that authorizes funds available for working-capital fund activities for one fiscal year to be obligated for work to be performed at such activities within the first 90 days of the next fiscal year (known as "carryover"). On the basis of the review, the Comptroller General shall determine the following:

(1) The extent to which the working-capital fund activities of the Department of Defense have complied with the 90-day carryover policy.

(2) The reasons for the carryover authority under the policy to apply to as much as a 90-day quantity of work.

(3) Whether applying the carryover authority to not more than a 30-day quantity of work would be sufficient to ensure uninterrupted operations at the working-capital fund activities early in a fiscal year.

(4) What, if any, savings could be achieved by restricting the carryover authority so as to apply to a 30-day quantity of work.

SEC. 1052. REPORT ON SUBMARINE RESCUE SUPPORT VESSELS.

(a) REQUIREMENT.—The Secretary of the Navy shall submit to Congress, together with the submission of the budget of the President for fiscal year 2002 under section 1105 of title 31, United States Code, a report on the plan of the Navy for providing for submarine rescue support vessels through fiscal year 2007.

(b) CONTENT.—The report shall include a discussion of the following:

(1) The requirement for submarine rescue support vessels through fiscal year 2007, including experience in changing from the provision of such vessels from dedicated platforms to the provision of such vessels through vessel of opportunity services and charter vessels.

(2) The resources required, the risks to submariners, and the operational impacts of the following:

(A) Chartering submarine rescue support vessels for terms of up to five years, with options to extend the charters for two additional five-year periods.

(B) Providing submarine rescue support vessels using vessel of opportunity services.

(C) Providing submarine rescue support services through other means considered by the Navy.

SEC. 1053. REPORT ON FEDERAL GOVERNMENT PROGRESS IN DEVELOPING INFORMATION ASSURANCE STRATEGIES.

Not later than January 15, 2001, the President shall submit to Congress a comprehensive report detailing the specific steps taken by the Federal Government as of the date of the report to develop critical infrastructure assurance strategies as outlined by Presidential Decision Directive No. 63 (PDD–63). The report shall include the following:

(1) A detailed summary of the progress of each Federal agency in developing an internal information assurance plan.

(2) The progress of Federal agencies in establishing partnerships with relevant private sector industries to address critical infrastructure vulnerabilities.

SEC. 1054. DEPARTMENT OF DEFENSE PROCESS FOR DECISIONMAKING IN CASES OF FALSE CLAIMS.

Not later than February 1, 2001, the Secretary of Defense shall submit to Congress a report describing the policies and procedures for Department of Defense decisionmaking on issues arising under sections 3729 through 3733 of title 31, United States Code, in cases of claims submitted to the Department of Defense that are suspected or alleged to be false. The report shall include a discussion of any changes that have been made in the policies and procedures since January 1, 2000, and how such procedures are being implemented.

Subtitle G—Government Information Security Reform

SEC. 1061. COORDINATION OF FEDERAL INFORMATION POLICY.

Chapter 35 of title 44, United States Code, is amended by inserting at the end the following new subchapter:

"SUBCHAPTER II—INFORMATION SECURITY

"§ 3531. Purposes

"The purposes of this subchapter are the following:

"(1) To provide a comprehensive framework for establishing and ensuring the effectiveness of controls over information resources that support Federal operations and assets.

"(2)(A) To recognize the highly networked nature of the Federal computing environment including the need for Federal Government interoperability and, in the implementation of improved security management measures, assure that opportunities for interoperability are not adversely affected.

"(B) To provide effective governmentwide management and oversight of the related information security risks, including coordination of information security efforts throughout the civilian, national security, and law enforcement communities.

"(3) To provide for development and maintenance of minimum controls required to protect Federal information and information systems.

"(4) To provide a mechanism for improved oversight of Federal agency information security programs.

"§ 3532. Definitions

"(a) Except as provided under subsection (b), the definitions under section 3502 shall apply to this subchapter.

"(b) In this subchapter:

"(1) The term 'information technology' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

"(2) The term 'mission critical system' means any telecommunications or information system used or operated by an agency or by a contractor of an agency, or other organization on behalf of an agency, that—

"(A) is defined as a national security system under section 5142 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1452);

"(B) is protected at all times by procedures established for information which has been specifically authorized under criteria established by an Executive order or an Act of Congress to be classified in the interest of national defense or foreign policy; or

"(C) processes any information, the loss, misuse, disclosure, or unauthorized access to or modification of, would have a debilitating impact on the mission of an agency.

"§ 3533. Authority and functions of the Director

"(a)(1) The Director shall establish governmentwide policies for the management of programs that—

"(A) support the cost-effective security of Federal information systems by promoting security as an integral component of each agency's business operations; and

"(B) include information technology architectures as defined under section 5125 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1425).

"(2) Policies under this subsection shall—

"(A) be founded on a continuing risk management cycle that recognizes the need to—

"(i) identify, assess, and understand risk; and

"(ii) determine security needs commensurate with the level of risk;

"(B) implement controls that adequately address the risk;

"(C) promote continuing awareness of information security risk; and

"(D) continually monitor and evaluate policy and control effectiveness of information security practices.

"(b) The authority under subsection (a) includes the authority to—

"(1) oversee and develop policies, principles, standards, and guidelines for the handling of Federal information and information resources to improve the efficiency and effectiveness of governmental operations, including principles, policies, and guidelines for the implementation of agency responsibilities under applicable law for ensuring the privacy, confidentiality, and security of Federal information;

"(2) consistent with the standards and guidelines promulgated under section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441) and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 1441 note; Public Law 100–235; 101 Stat. 1729), require Federal agencies to identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency;

"(3) direct the heads of agencies to—

"(A) identify, use, and share best security practices;

"(B) develop an agencywide information security plan;

"(C) incorporate information security principles and practices throughout the life cycles of the agency's information systems; and

"(D) ensure that the agency's information security plan is practiced throughout all life cycles of the agency's information systems;

"(4) oversee the development and implementation of standards and guidelines relating to security controls for Federal computer systems by the Secretary of Commerce through the National Institute of Standards and Technology under section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441) and section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3);

"(5) oversee and coordinate compliance with this section in a manner consistent with—

"(A) sections 552 and 552a of title 5;

"(B) sections 20 and 21 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3 and 278g–4);

"(C) section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441);

"(D) sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 1441 note; Public Law 100–235; 101 Stat. 1729); and

"(E) related information management laws; and

"(6) take any authorized action under section 5113(b)(5) of the Clinger-Cohen Act of 1996 (40 U.S.C. 1413(b)(5)) that the Director considers appropriate, including any action involving the budgetary process or appropriations management process, to enforce accountability of the head of an agency for information resources management, including the requirements of this subchapter, and for the investments made by the agency in information technology, including—

"(A) recommending a reduction or an increase in any amount for information resources that the head of the agency proposes for the budget submitted to Congress under section 1105(a) of title 31;

"(B) reducing or otherwise adjusting apportionments and reapportionments of appropriations for information resources; and

"(C) using other authorized administrative controls over appropriations to restrict the availability of funds for information resources.

"(c) The authorities of the Director under this section (other than the authority described in subsection (b)(6))—

"(1) shall be delegated to the Secretary of Defense, the Director of Central Intelligence, and another agency head as designated by the President in the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2);

"(2) shall be delegated to the Secretary of Defense in the case of systems described under subparagraph (C) of section 3532(b)(2) that are operated by the Department of Defense, a contractor of the Department of Defense, or another entity on behalf of the Department of Defense; and

"(3) in the case of all other Federal information systems, may be delegated only to the Deputy Director for Management of the Office of Management and Budget.

"§ 3534. Federal agency responsibilities

"(a) The head of each agency shall—

"(1) be responsible for—

"(A) adequately ensuring the integrity, confidentiality, authenticity, availability, and nonrepudiation of information and information systems supporting agency operations and assets;

"(B) developing and implementing information security policies, procedures, and control techniques sufficient to afford security protections commensurate with the risk and magnitude of the harm resulting from unauthorized disclosure, disruption, modification, or destruction of information collected or maintained by or for the agency; and

"(C) ensuring that the agency's information security plan is practiced throughout the life cycle of each agency system;

"(2) ensure that appropriate senior agency officials are responsible for—

"(A) assessing the information security risks associated with the operations and assets for programs and systems over which such officials have control;

"(B) determining the levels of information security appropriate to protect such operations and assets; and

"(C) periodically testing and evaluating information security controls and techniques;

"(3) delegate to the agency Chief Information Officer established under section 3506, or a comparable official in an agency not covered by such section, the authority to administer all functions under this subchapter including—

"(A) designating a senior agency information security official who shall report to the Chief Information Officer or a comparable official;

"(B) developing and maintaining an agencywide information security program as required under subsection (b);

"(C) ensuring that the agency effectively implements and maintains information security policies, procedures, and control techniques;

"(D) training and overseeing personnel with significant responsibilities for information security with respect to such responsibilities; and

"(E) assisting senior agency officials concerning responsibilities under paragraph (2);

"(4) ensure that the agency has trained personnel sufficient to assist the agency in complying with the requirements of this subchapter and related policies, procedures, standards, and guidelines; and

"(5) ensure that the agency Chief Information Officer, in coordination with senior agency officials, periodically—

"(A)(i) evaluates the effectiveness of the agency information security program, including testing control techniques; and

"(ii) implements appropriate remedial actions based on that evaluation; and

"(B) reports to the agency head on—

"(i) the results of such tests and evaluations; and

"(ii) the progress of remedial actions.

"(b)(1) Each agency shall develop and implement an agencywide information security program to provide information security for the operations and assets of the agency, including operations and assets provided or managed by another agency.

"(2) Each program under this subsection shall include—

"(A) periodic risk assessments that consider internal and external threats to—

"(i) the integrity, confidentiality, and availability of systems; and

"(ii) data supporting critical operations and assets;

"(B) policies and procedures that—

"(i) are based on the risk assessments required under subparagraph (A) that cost-effectively reduce information security risks to an acceptable level; and

"(ii) ensure compliance with—

"(I) the requirements of this subchapter;

"(II) policies and procedures as may be prescribed by the Director; and

"(III) any other applicable requirements;

"(C) security awareness training to inform personnel of—

"(i) information security risks associated with the activities of personnel; and

"(ii) responsibilities of personnel in complying with agency policies and procedures designed to reduce such risks;

"(D) periodic management testing and evaluation of the effectiveness of information security policies and procedures;

"(E) a process for ensuring remedial action to address any significant deficiencies; and

"(F) procedures for detecting, reporting, and responding to security incidents, including—

"(i) mitigating risks associated with such incidents before substantial damage occurs;

"(ii) notifying and consulting with law enforcement officials and other offices and authorities;

"(iii) notifying and consulting with an office designated by the Administrator of General Services within the General Services Administration; and

"(iv) notifying and consulting with an office designated by the Secretary of Defense, the Director of Central Intelligence, and another agency head as designated by the President for incidents involving systems described under subparagraphs (A) and (B) of section 3532(b)(2).

"(3) Each program under this subsection is subject to the approval of the Director and is required to be reviewed at least annually by agency program officials in consultation with the Chief Information Officer. In the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2), the Director shall delegate approval authority under this paragraph to the Secretary of Defense, the Director of Central Intelligence, and another agency head as designated by the President.

"(c)(1) Each agency shall examine the adequacy and effectiveness of information security policies, procedures, and practices in plans and reports relating to—

"(A) annual agency budgets;

"(B) information resources management under subchapter I of this chapter;

"(C) performance and results based management under the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.);

"(D) program performance under sections 1105 and 1115 through 1119 of title 31, and sections 2801 through 2805 of title 39; and

"(E) financial management under—

"(i) chapter 9 of title 31, United States Code, and the Chief Financial Officers Act of 1990 (31 U.S.C. 501 note; Public Law 101–576) (and the amendments made by that Act);

"(ii) the Federal Financial Management Improvement Act of 1996 (31 U.S.C. 3512 note) (and the amendments made by that Act); and

"(iii) the internal controls conducted under section 3512 of title 31.

"(2) Any significant deficiency in a policy, procedure, or practice identified under paragraph (1) shall be reported as a material

weakness in reporting required under the applicable provision of law under paragraph (1).

"(d)(1) In addition to the requirements of subsection (c), each agency, in consultation with the Chief Information Officer, shall include as part of the performance plan required under section 1115 of title 31 a description of—

"(A) the time periods; and

"(B) the resources, including budget, staffing, and training, which are necessary to implement the program required under subsection (b)(1).

"(2) The description under paragraph (1) shall be based on the risk assessment required under subsection (b)(2)(A).

"§ 3535. Annual independent evaluation

"(a)(1) Each year each agency shall have performed an independent evaluation of the information security program and practices of that agency.

"(2) Each evaluation by an agency under this section shall include—

"(A) testing of the effectiveness of information security control techniques for an appropriate subset of the agency's information systems; and

"(B) an assessment (made on the basis of the results of the testing) of the compliance with—

"(i) the requirements of this subchapter; and

"(ii) related information security policies, procedures, standards, and guidelines.

"(3) The Inspector General or the independent evaluator performing an evaluation under this section may use an audit, evaluation, or report relating to programs or practices of the applicable agency.

"(b)(1)(A) Subject to subparagraph (B), for agencies with Inspectors General appointed under the Inspector General Act of 1978 (5 U.S.C. App.) or any other law, the annual evaluation required under this section or, in the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2), an audit of the annual evaluation required under this section, shall be performed by the Inspector General or by an independent evaluator, as determined by the Inspector General of the agency.

"(B) For systems described under subparagraphs (A) and (B) of section 3532(b)(2), the evaluation required under this section shall be performed only by an entity designated by the Secretary of Defense, the Director of Central Intelligence, or another agency head as designated by the President.

"(2) For any agency to which paragraph (1) does not apply, the head of the agency shall contract with an independent evaluator to perform the evaluation.

"(c) Each year, not later than the anniversary of the date of the enactment of this subchapter, the applicable agency head shall submit to the Director—

"(1) the results of each evaluation required under this section, other than an evaluation of a system described under subparagraph (A) or (B) of section 3532(b)(2); and

"(2) the results of each audit of an evaluation required under this section of a system described under subparagraph (A) or (B) of section 3532(b)(2).

"(d)(1) The Director shall submit to Congress each year a report summarizing the materials received from agencies pursuant to subsection (c) in that year.

"(2) Evaluations and audits of evaluations of systems under the authority and control of the Director of Central Intelligence and evaluations and audits of evaluation of National Foreign Intelligence Programs systems under the authority and control of the Secretary of Defense shall be made available only to the appropriate oversight committees of Congress, in accordance with applicable laws.

"(e) Agencies and evaluators shall take appropriate actions to ensure the protection of information, the disclosure of which may adversely affect information security. Such protections shall be commensurate with the risk and comply with all applicable laws.

"§ 3536. Expiration

"This subchapter shall not be in effect after the date that is two years after the date on which this subchapter takes effect.".

SEC. 1062. RESPONSIBILITIES OF CERTAIN AGENCIES.

(a) DEPARTMENT OF COMMERCE.—Notwithstanding section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) and except as provided under subsection (b), the Secretary of Commerce, through the National Institute of Standards and Technology and with technical assistance from the National Security Agency, as required or when requested, shall—

(1) develop, issue, review, and update standards and guidance for the security of Federal information systems, including development of methods and techniques for security systems and validation programs;

(2) develop, issue, review, and update guidelines for training in computer security awareness and accepted computer security practices, with assistance from the Office of Personnel Management;

(3) provide agencies with guidance for security planning to assist in the development of applications and system security plans for such agencies;

(4) provide guidance and assistance to agencies concerning cost-effective controls when interconnecting with other systems; and

(5) evaluate information technologies to assess security vulnerabilities and alert Federal agencies of such vulnerabilities as soon as those vulnerabilities are known.

(b) DEPARTMENT OF DEFENSE AND THE INTELLIGENCE COMMUNITY.—

(1) IN GENERAL.—Notwithstanding any other provision of this subtitle (including any amendment made by this subtitle)—

(A) the Secretary of Defense, the Director of Central Intelligence, and another agency head as designated by the President, shall, consistent with their respective authorities—

(i) develop and issue information security policies, standards, and guidelines for systems described under subparagraphs (A) and (B) of section 3532(b)(2) of title 44, United States Code (as added by section 1061 of this Act), that provide more stringent protection, to

the maximum extent practicable, than the policies, principles, standards, and guidelines required under section 3533 of such title (as added by such section 1061); and

(ii) ensure the implementation of the information security policies, principles, standards, and guidelines described under clause (i); and

(B) the Secretary of Defense shall, consistent with his authority—

(i) develop and issue information security policies, standards, and guidelines for systems described under subparagraph (C) of section 3532(b)(2) of title 44, United States Code (as added by section 1061 of this Act), that are operated by the Department of Defense, a contractor of the Department of Defense, or another entity on behalf of the Department of Defense that provide more stringent protection, to the maximum extent practicable, than the policies, principles, standards, and guidelines required under section 3533 of such title (as added by such section 1061); and

(ii) ensure the implementation of the information security policies, principles, standards, and guidelines described under clause (i).

(2) MEASURES ADDRESSED.—The policies, principles, standards, and guidelines developed by the Secretary of Defense and the Director of Central Intelligence under paragraph (1) shall address the full range of information assurance measures needed to protect and defend Federal information and information systems by ensuring their integrity, confidentiality, authenticity, availability, and nonrepudiation.

(c) DEPARTMENT OF JUSTICE.—The Attorney General shall review and update guidance to agencies on—

(1) legal remedies regarding security incidents and ways to report to and work with law enforcement agencies concerning such incidents; and

(2) lawful uses of security techniques and technologies.

(d) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall—

(1) review and update General Services Administration guidance to agencies on addressing security considerations when acquiring information technology; and

(2) assist agencies in—

(A) fulfilling agency responsibilities under section 3534(b)(2)(F) of title 44, United States Code (as added by section 1061 of this Act); and

(B) the acquisition of cost-effective security products, services, and incident response capabilities.

(e) OFFICE OF PERSONNEL MANAGEMENT.—The Director of the Office of Personnel Management shall—

(1) review and update Office of Personnel Management regulations concerning computer security training for Federal civilian employees;

(2) assist the Department of Commerce in updating and maintaining guidelines for training in computer security awareness and computer security best practices; and

(3) work with the National Science Foundation and other agencies on personnel and training initiatives (including scholarships and fellowships, as authorized by law) as necessary to ensure that the Federal Government—

(A) has adequate sources of continuing information security education and training available for employees; and

(B) has an adequate supply of qualified information security professionals to meet agency needs.

(f) INFORMATION SECURITY POLICIES, PRINCIPLES, STANDARDS, AND GUIDELINES.—

(1) ADOPTION OF POLICIES, PRINCIPLES, STANDARDS, AND GUIDELINES OF OTHER AGENCIES.—The policies, principles, standards, and guidelines developed under subsection (b) by the Secretary of Defense, the Director of Central Intelligence, and another agency head as designated by the President may be adopted, to the extent that such policies are consistent with policies and guidance developed by the Director of the Office of Management and Budget and the Secretary of Commerce—

(A) by the Director of the Office of Management and Budget, as appropriate, for application to the mission critical systems of all agencies; or

(B) by an agency head, as appropriate, for application to the mission critical systems of that agency.

(2) DEVELOPMENT OF MORE STRINGENT POLICIES, PRINCIPLES, STANDARDS, AND GUIDELINES.—To the extent that such policies are consistent with policies and guidance developed by the Director of the Office of Management and Budget and the Secretary of Commerce, an agency may develop and implement information security policies, principles, standards, and guidelines that provide more stringent protection than those required under section 3533 of title 44, United States Code (as added by section 1061 of this Act), or subsection (a) of this section.

(g) ATOMIC ENERGY ACT OF 1954.—Nothing in this subtitle (including any amendment made by this subtitle) shall supersede any requirement made by, or under, the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.). Restricted Data or Formerly Restricted Data shall be handled, protected, classified, downgraded, and declassified in conformity with the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

SEC. 1063. RELATIONSHIP OF DEFENSE INFORMATION ASSURANCE PROGRAM TO GOVERNMENT-WIDE INFORMATION SECURITY PROGRAM.

(a) CONSISTENCY OF REQUIREMENTS.—Subsection (b) of section 2224 of title 10, United States Code, is amended—

(1) by striking "(b) OBJECTIVES OF THE PROGRAM.—" and inserting "(b) OBJECTIVES AND MINIMUM REQUIREMENTS.—(1)"; and

(2) by adding at the end the following:

"(2) The program shall at a minimum meet the requirements of sections 3534 and 3535 of title 44.".

(b) ADDITION TO ANNUAL REPORT.—Subsection (e) of such section is amended by adding at the end the following new paragraph:

"(7) A summary of the actions taken in the administration of sections 3534 and 3535 of title 44 within the Department of Defense.".

SEC. 1064. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TABLE OF SECTIONS.—Chapter 35 of title 44, United States Code, is amended—

(1) in the table of sections—

(A) by inserting after the chapter heading the following:

"SUBCHAPTER I—FEDERAL INFORMATION POLICY";

and

(B) by inserting after the item relating to section 3520 the following:

"SUBCHAPTER II—INFORMATION SECURITY

"Sec.
"3531. Purposes.
"3532. Definitions.
"3533. Authority and functions of the Director.
"3534. Federal agency responsibilities.
"3535. Annual independent evaluation.
"3536. Expiration.";

and

(2) by inserting before section 3501 the following:

"SUBCHAPTER I—FEDERAL INFORMATION POLICY".

(b) REFERENCES TO CHAPTER 35.—Sections 3501 through 3520 of title 44, United States Code, are amended by striking "chapter" each place it appears and inserting "subchapter", except in section 3507(i)(1) of such title.

SEC. 1065. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect 30 days after the date of the enactment of this Act.

Subtitle H—Security Matters

SEC. 1071. LIMITATION ON GRANTING OF SECURITY CLEARANCES.

(a) IN GENERAL.—Chapter 49 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 986. Security clearances: limitations

"(a) PROHIBITION.—After the date of the enactment of this section, the Department of Defense may not grant or renew a security clearance for a person to whom this section applies who is described in subsection (c).

"(b) COVERED PERSONS.—This section applies to the following persons:

"(1) An officer or employee of the Department of Defense.

"(2) A member of the Army, Navy, Air Force, or Marine Corps who is on active duty or is in an active status.

"(3) An officer or employee of a contractor of the Department of Defense.

"(c) PERSONS DISQUALIFIED FROM BEING GRANTED SECURITY CLEARANCES.—A person is described in this subsection if any of the following applies to that person:

"(1) The person has been convicted in any court of the United States of a crime and sentenced to imprisonment for a term exceeding one year.

"(2) The person is an unlawful user of, or is addicted to, a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

"(3) The person is mentally incompetent, as determined by a mental health professional approved by the Department of Defense.

"(4) The person has been discharged or dismissed from the Armed Forces under dishonorable conditions.

"(d) WAIVER AUTHORITY.—In a meritorious case, the Secretary of Defense or the Secretary of the military department concerned may authorize an exception to the prohibition in subsection (a) for a person described in paragraph (1) or (4) of subsection (c). The authority under the preceding sentence may not be delegated.

"(e) ANNUAL REPORT.—Not later than February 1 each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report identifying each waiver issued under subsection (d) during the preceding year with an explanation for each case of the disqualifying factor in subsection (c) that applied, and the reason for the waiver of the disqualification.".

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

"986. Security clearances: limitations.".

SEC. 1072. PROCESS FOR PRIORITIZING BACKGROUND INVESTIGATIONS FOR SECURITY CLEARANCES FOR DEPARTMENT OF DEFENSE PERSONNEL AND DEFENSE CONTRACTOR PERSONNEL.

(a) ESTABLISHMENT OF PROCESS.—Chapter 80 of title 10, United States Code, is amended by adding after section 1563, as added by section 542(a), the following new section:

"§ 1564. Security clearance investigations

"(a) EXPEDITED PROCESS.—The Secretary of Defense shall prescribe a process for expediting the completion of the background investigations necessary for granting security clearances for Department of Defense personnel and Department of Defense contractor personnel who are engaged in sensitive duties that are critical to the national security.

"(b) REQUIRED FEATURES.—The process developed under subsection (a) shall provide for the following:

"(1) Quantification of the requirements for background investigations necessary for grants of security clearances for Department of Defense personnel and Department of Defense contractor personnel.

"(2) Categorization of personnel on the basis of the degree of sensitivity of their duties and the extent to which those duties are critical to the national security.

"(3) Prioritization of the processing of background investigations on the basis of the categories of personnel determined under paragraph (2).

"(c) ANNUAL REVIEW.—The Secretary shall conduct an annual review of the process prescribed under subsection (a) and shall

revise that process as determined necessary in relation to ongoing Department of Defense missions.

"(d) CONSULTATION REQUIREMENT.—The Secretary shall consult with the Secretaries of the military departments and the heads of Defense Agencies in carrying out this section.

"(e) SENSITIVE DUTIES.—For the purposes of this section, it is not necessary for the performance of duties to involve classified activities or classified matters in order for the duties to be considered sensitive and critical to the national security.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 1563, as added by section 542(b), the following new item:

"1564. Security clearance investigations.".

(c) DEADLINE FOR PRESCRIBING PROCESS FOR PRIORITIZING BACKGROUND INVESTIGATIONS FOR SECURITY CLEARANCES.—The process required by section 1564(a) of title 10, United States Code, as added by subsection (a), for expediting the completion of the background investigations necessary for granting security clearances for certain persons shall be prescribed not later than January 1, 2001.

SEC. 1073. AUTHORITY TO WITHHOLD CERTAIN SENSITIVE INFORMATION FROM PUBLIC DISCLOSURE.

(a) IN GENERAL.—Chapter 3 of title 10, United States Code, is amended by inserting after section 130b the following new section:

"§ 130c. Nondisclosure of information: certain sensitive information of foreign governments and international organizations

"(a) EXEMPTION FROM DISCLOSURE.—The national security official concerned (as defined in subsection (h)) may withhold from public disclosure otherwise required by law sensitive information of foreign governments in accordance with this section.

"(b) INFORMATION ELIGIBLE FOR EXEMPTION.—For the purposes of this section, information is sensitive information of a foreign government only if the national security official concerned makes each of the following determinations with respect to the information:

"(1) That the information was provided by, otherwise made available by, or produced in cooperation with, a foreign government or international organization.

"(2) That the foreign government or international organization is withholding the information from public disclosure (relying for that determination on the written representation of the foreign government or international organization to that effect).

"(3) That any of the following conditions are met:

"(A) The foreign government or international organization requests, in writing, that the information be withheld.

"(B) The information was provided or made available to the United States Government on the condition that it not be released to the public.

"(C) The information is an item of information, or is in a category of information, that the national security official concerned has specified in regulations prescribed under subsection (f) as being information the release of

which would have an adverse effect on the ability of the United States Government to obtain the same or similar information in the future.

"(c) INFORMATION OF OTHER AGENCIES.—If the national security official concerned provides to the head of another agency sensitive information of a foreign government, as determined by that national security official under subsection (b), and informs the head of the other agency of that determination, then the head of the other agency shall withhold the information from any public disclosure unless that national security official specifically authorizes the disclosure.

"(d) LIMITATIONS.—(1) If a request for disclosure covers any sensitive information of a foreign government (as described in subsection (b)) that came into the possession or under the control of the United States Government before the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 and more than 25 years before the request is received by an agency, the information may be withheld only as set forth in paragraph (3).

"(2)(A) If a request for disclosure covers any sensitive information of a foreign government (as described in subsection (b)) that came into the possession or under the control of the United States Government on or after the date referred to in paragraph (1), the authority to withhold the information under this section is subject to the provisions of subparagraphs (B) and (C).

"(B) Information referred to in subparagraph (A) may not be withheld under this section after—

"(i) the date that is specified by a foreign government or international organization in a request or expression of a condition described in paragraph (1) or (2) of subsection (b) that is made by the foreign government or international organization concerning the information; or

"(ii) if there are more than one such foreign governments or international organizations, the latest date so specified by any of them.

"(C) If no date is applicable under subparagraph (B) to a request referred to in subparagraph (A) and the information referred to in that subparagraph came into possession or under the control of the United States more than 10 years before the date on which the request is received by an agency, the information may be withheld under this section only as set forth in paragraph (3).

"(3) Information referred to in paragraph (1) or (2)(C) may be withheld under this section in the case of a request for disclosure only if, upon the notification of each foreign government and international organization concerned in accordance with the regulations prescribed under subsection (g)(2), any such government or organization requests in writing that the information not be disclosed for an additional period stated in the request of that government or organization. After the national security official concerned considers the request of the foreign government or international organization, the official shall designate a later date as the date after which the information is not to be withheld under this section. The later date may be extended in accordance with a later request of any such foreign government or international organization under this paragraph.

"(e) INFORMATION PROTECTED UNDER OTHER AUTHORITY.—This section does not apply to information or matters that are specifically

required in the interest of national defense or foreign policy to be protected against unauthorized disclosure under criteria established by an Executive order and are classified, properly, at the confidential, secret, or top secret level pursuant to such Executive order.

"(f) DISCLOSURES NOT AFFECTED.—Nothing in this section shall be construed to authorize any official to withhold, or to authorize the withholding of, information from the following:

"(1) Congress.

"(2) The Comptroller General, unless the information relates to activities that the President designates as foreign intelligence or counterintelligence activities.

"(g) REGULATIONS.—(1) The national security officials referred to in subsection (h)(1) shall each prescribe regulations to carry out this section. The regulations shall include criteria for making the determinations required under subsection (b). The regulations may provide for controls on access to and use of, and special markings and specific safeguards for, a category or categories of information subject to this section.

"(2) The regulations shall include procedures for notifying and consulting with each foreign government or international organization concerned about requests for disclosure of information to which this section applies.

"(h) DEFINITIONS.—In this section:

"(1) The term 'national security official concerned' means the following:

"(A) The Secretary of Defense, with respect to information of concern to the Department of Defense, as determined by the Secretary.

"(B) The Secretary of Transportation, with respect to information of concern to the Coast Guard, as determined by the Secretary, but only while the Coast Guard is not operating as a service in the Navy.

"(C) The Secretary of Energy, with respect to information concerning the national security programs of the Department of Energy, as determined by the Secretary.

"(2) The term 'agency' has the meaning given that term in section 552(f) of title 5.

"(3) The term 'international organization' means the following:

"(A) A public international organization designated pursuant to section 1 of the International Organizations Immunities Act (59 Stat. 669; 22 U.S.C. 288) as being entitled to enjoy the privileges, exemptions, and immunities provided in such Act.

"(B) A public international organization created pursuant to a treaty or other international agreement as an instrument through or by which two or more foreign governments engage in some aspect of their conduct of international affairs.

"(C) An official mission, except a United States mission, to a public international organization referred to in subparagraph (A) or (B).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 130b the following new item:

"130c. Nondisclosure of information: certain sensitive information of foreign governments and international organizations.".

SEC. 1074. EXPANSION OF AUTHORITY TO EXEMPT GEODETIC PRODUCTS OF THE DEPARTMENT OF DEFENSE FROM PUBLIC DISCLOSURE.

Section 455(b)(1)(C) of title 10, United States Code, is amended by striking "or reveal military operational or contingency plans" and inserting ", reveal military operational or contingency plans, or reveal, jeopardize, or compromise military or intelligence capabilities".

SEC. 1075. EXPENDITURES FOR DECLASSIFICATION ACTIVITIES.

(a) IDENTIFICATION IN BUDGET MATERIALS OF AMOUNTS FOR DECLASSIFICATION ACTIVITIES.—Section 230 of title 10, United States Code, is amended—

(1) by striking ", as a budgetary line item,"; and

(2) by adding at the end the following new sentence: "Identification of such amounts in such budget justification materials shall be in a single display that shows the total amount for the Department of Defense and the amount for each military department and Defense Agency.".

(b) LIMITATION ON EXPENDITURES.—The total amount expended by the Department of Defense during fiscal year 2001 to carry out declassification activities under the provisions of sections 3.4, 3.5, and 3.6 of Executive Order 12958 (50 U.S.C. 435 note) and for special searches (including costs for document search, copying, and review and imagery analysis) may not exceed $30,000,000.

(c) COMPILATION AND ORGANIZATION OF RECORDS.—The Department of Defense may not be required, when conducting a special search, to compile or organize records that have already been declassified and placed into the public domain.

(d) SPECIAL SEARCHES.—For the purpose of this section, the term "special search" means the response of the Department of Defense to any of the following:

(1) A statutory requirement to conduct a declassification review on a specified set of agency records.

(2) An Executive order to conduct a declassification review on a specified set of agency records.

(3) An order from the President or an official with delegated authority from the President to conduct a declassification review on a specified set of agency records.

SEC. 1076. ENHANCED ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FOR NATIONAL SECURITY AND OTHER PURPOSES.

(a) COVERAGE OF DEPARTMENT OF TRANSPORTATION.—Section 9101 of title 5, United States Code, is amended—

(1) by adding at the end of subsection (a) the following new paragraph:

"(6) The term 'covered agency' means any of the following:

"(A) The Department of Defense.

"(B) The Department of State.

"(C) The Department of Transportation.

"(D) The Office of Personnel Management.

"(E) The Central Intelligence Agency.

"(F) The Federal Bureau of Investigation.";

(2) in subsection (b)(1)—

(A) by striking "by the Department of Defense" and all that follows through "Federal Bureau of Investigation" and inserting "by the head of a covered agency"; and

(B) by striking "such department, office, agency, or bureau" and inserting "that covered agency"; and

(3) in subsection (c), by striking "The Department of Defense" and all that follows through "Federal Bureau of Investigation" and inserting "A covered agency".

(b) REPEAL OF EXPIRED PROVISION.—Subsection (b) of such section is amended by striking paragraph (3).

(c) EXPANDED PURPOSES FOR ACCESS TO CRIMINAL HISTORY INFORMATION.—Subsection (b) of such section is further amended—

(1) by redesignating paragraph (2) as paragraph (4);

(2) in the first sentence of paragraph (1)—

(A) by inserting "any of the following:" after "eligibility for"; and

(B) by striking "(A) access to classified information" and all that follows through the end of the sentence and inserting the following:

"(A) Access to classified information.

"(B) Assignment to or retention in sensitive national security duties.

"(C) Acceptance or retention in the armed forces.

"(D) Appointment, retention, or assignment to a position of public trust or a critical or sensitive position while either employed by the Government or performing a Government contract.";

(3) by designating the second sentence of paragraph (1) as paragraph (2); and

(4) by designating the third sentence of paragraph (1) as paragraph (3) and in that sentence by striking ", nor shall" and all that follows through the end of the sentence and inserting a period.

(d) USE OF AUTOMATED INFORMATION DELIVERY SYSTEMS.—Such section is further amended—

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

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

"(e)(1) Automated information delivery systems shall be used to provide criminal history record information to a covered agency under subsection (b) whenever available.

"(2) Fees, if any, charged for automated access through such systems may not exceed the reasonable cost of providing such access.

"(3) The criminal justice agency providing the criminal history record information through such systems may not limit disclosure on the basis that the repository is accessed from outside the State.

"(4) Information provided through such systems shall be the full and complete criminal history record.

"(5) Criminal justice agencies shall accept and respond to requests for criminal history record information through such systems with printed or photocopied records when requested.".

(e) TECHNICAL AMENDMENTS.—Subsection (a) of such section is amended—

(1) in paragraph (1), by striking "includes" and all that follows through "thereof which" and inserting "means (A) any Federal, State, or local court, and (B) any Federal, State, or local agency, or any subunit thereof, which"; and

(2) in paragraph (4)—

(A) by inserting "the Commonwealth of" before "the Northern Mariana Islands"; and

(B) by striking "the Trust Territory of the Pacific Islands,".

(f) CONFORMING AMENDMENTS.—(1)(A) The heading for chapter 91 of title 5, United States Code, is amended to read as follows:

"CHAPTER 91—ACCESS TO CRIMINAL HISTORY RECORDS FOR NATIONAL SECURITY AND OTHER PURPOSES".

(B) The item relating to chapter 91 in the table of chapters at the beginning of part III of such title is amended to read as follows:

"91. Access to Criminal History Records for National Security and Other Purposes ..... 9101".

(2)(A) The heading of section 9101 of such title is amended to read as follows:

"§ 9101. Access to criminal history records for national security and other purposes".

(B) The item relating to that section in the table of sections at the beginning of chapter 91 of such title is amended to read as follows:

"9101. Access to criminal history records for national security and other purposes.".

(g) REPEAL OF SUPERSEDED PROVISION.—(1) Section 520a of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 31 of such title is amended by striking the item relating to section 520a.

SEC. 1077. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.

Section 431(a) of title 10, United States Code, is amended in the second sentence by striking "December 31, 2000" and inserting "December 31, 2002".

SEC. 1078. COORDINATION OF NUCLEAR WEAPONS SECRECY POLICIES AND CONSIDERATION OF HEALTH OF WORKERS AT FORMER DEPARTMENT OF DEFENSE NUCLEAR FACILITIES.

(a) REVIEW OF SECRECY POLICIES.—(1) The Secretary of Defense shall review classification and security policies of the Department of Defense in order to ensure that, within appropriate national security constraints, those policies do not prevent or discourage former defense nuclear weapons facility employees who may have been exposed to radioactive or other hazardous substances associated with nuclear weapons from discussing such exposures with appropriate health care providers and with other appropriate officials.

(2) The policies reviewed under paragraph (1) shall include the policy to neither confirm nor deny the presence of nuclear

weapons as that policy is applied to former defense nuclear weapons facilities.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "former defense nuclear weapons facility employees" means employees and former employees of the Department of Defense who are or were employed at a site that, as of the date of the enactment of this Act, is a former defense nuclear weapons facility.

(2) The term "former defense nuclear weapons facility" means a current or former Department of Defense site in the United States which at one time was a defense nuclear weapons facility but which no longer contains nuclear weapons or materials and otherwise is no longer used for such purpose.

(3) The term "defense nuclear weapons facility" means a Department of Defense site in the United States at which nuclear weapons or materials are stored, assembled, disassembled, or maintained.

(c) NOTIFICATION OF AFFECTED EMPLOYEES.—(1) The Secretary of Defense shall seek to identify individuals—

(A) who are former defense nuclear weapons facility employees; and

(B) who, while employed at a defense nuclear weapons facility, may have been exposed to radioactive or hazardous substances associated with nuclear weapons.

(2) Upon identification of any individual under paragraph (1), the Secretary of Defense shall notify that individual, by mail or other individual means, of any such exposure to radioactive or hazardous substances associated with nuclear weapons that has been identified by the Secretary. The notification shall include an explanation of how (or the degree to which) that individual can discuss any such exposure with a health care provider who does not hold a security clearance without violating security or classification procedures and, if necessary, provide guidance to facilitate the ability of that individual to contact a health care provider with appropriate security clearances or otherwise to discuss such exposures with other officials who are determined by the Secretary of Defense to be appropriate.

(d) REPORT.—Not later than May 1, 2001, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report setting forth—

(1) the results of the review conducted under subsection (a), including any changes made or recommendations for legislation; and

(2) the status of the notifications required by subsection (b) and an anticipated date by which the identification and notification of individuals under that subsection will be completed.

(e) CONSULTATION WITH SECRETARY OF ENERGY.—The Secretary of Defense shall carry out the review under subsection (a) and the identification of individuals under subsection (b), and shall prepare the report under subsection (c), in consultation with the Secretary of Energy.

Subtitle I—Other Matters

SEC. 1081. FUNDS FOR ADMINISTRATIVE EXPENSES UNDER DEFENSE EXPORT LOAN GUARANTEE PROGRAM.

(a) AUTHORITY TO USE OPERATION AND MAINTENANCE FUNDS ON AN INTERIM BASIS.—Section 2540c(d) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "FEES.—"; and

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

"(2)(A) If for any fiscal year amounts in the special account established under paragraph (1) are not available (or are not anticipated to be available) in a sufficient amount for administrative expenses of the Department of Defense for that fiscal year that are directly attributable to the administration of the program under this subchapter, the Secretary may use amounts currently available for operations and maintenance for Defense-wide activities, not to exceed $500,000 in any fiscal year, for those expenses.

"(B) The Secretary shall, from funds in the special account established under paragraph (1), replenish operations and maintenance accounts for amounts expended under subparagraph (A) as soon as the Secretary determines practicable.".

(b) EFFECTIVE DATE.—Paragraph (2) of section 2540c(d) of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2000.

(c) LIMITATION PENDING SUBMISSION OF REPORT.—The Secretary of Defense may not exercise the authority provided by paragraph (2) of section 2540c(d) of title 10, United States Code, as added by subsection (a), until the Secretary submits to Congress a report on the operation of the Defense Export Loan Guarantee Program under subchapter V of chapter 148 of title 10, United States Code. The report shall include the following:

(1) A discussion of the effectiveness of the loan guarantee program in furthering the sale of United States defense articles, defense services, and design and construction services to nations that are specified in section 2540(b) of such title, to include a comparison of the loan guarantee program with other United States Government programs that are intended to contribute to the sale of United States defense articles, defense services, and design and construction services and other comparisons the Secretary determines to be appropriate.

(2) A discussion of the requirements and resources (including personnel and funds) for continued administration of the loan guarantee program by the Defense Department, to include—

(A) an itemization of the requirements necessary and resources available (or that could be made available) to administer the loan guarantee program for each of the following entities: the Defense Security Cooperation Agency, the Department of Defense International Cooperation Office, and other Defense Department agencies, offices, or activities as the Secretary may specify; and

(B) for each such activity, agency, or office, a comparison of the use of Defense Department personnel exclusively to administer, manage, and oversee the program with the use of contracted commercial entities to administer and manage the program.

(3) Any legislative recommendations that the Secretary believes could improve the effectiveness of the program.

(4) A determination made by the Secretary of Defense indicating which Defense Department agency, office, or other activity should administer, manage, and oversee the loan guarantee program to increase sales of United States defense articles, defense services, and design and construction services, such determination to be made based on the information and analysis provided in the report.

SEC. 1082. TRANSIT PASS PROGRAM FOR DEPARTMENT OF DEFENSE PERSONNEL IN POOR AIR QUALITY AREAS.

(a) IN GENERAL.—(1) Chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2259. Transit pass program: personnel in poor air quality areas

"(a) ESTABLISHMENT OF PROGRAM.—To encourage Department of Defense personnel assigned to duty, or employed, in poor air quality areas to use means other than single-occupancy motor vehicles to commute to or from the location of their duty assignments, the Secretary of Defense shall exercise the authority provided in section 7905 of title 5 to establish a program to provide a transit pass benefit under subsection (b)(2)(A) of that section for members of the Army, Navy, Air Force, and Marine Corps who are assigned to duty, and to Department of Defense civilian officers and employees who are employed, in a poor air quality area.

"(b) POOR AIR QUALITY AREAS.—In this section, the term 'poor air quality area' means an area—

"(1) that is subject to the national ambient air quality standards promulgated by the Administrator of the Environmental Protection Agency under section 109 of the Clean Air Act (42 U.S.C. 7409); and

"(2) that, as determined by the Administrator of the Environmental Protection Agency, is a nonattainment area with respect to any of those standards.".

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

"2259. Transit pass program: personnel in poor air quality areas.".

(b) TIME FOR IMPLEMENTATION.—The Secretary of Defense shall prescribe the effective date for the transit pass program required under section 2259 of title 10, United States Code, as added by subsection (a). The effective date so prescribed may not be later than the first day of the first month that begins on or after the date that is 180 days after the date of the enactment of this Act.

SEC. 1083. TRANSFER OF VIETNAM ERA TA–4 AIRCRAFT TO NONPROFIT FOUNDATION.

(a) AUTHORITY TO CONVEY.—The Secretary of the Navy may convey, without consideration, to the nonprofit Collings Foundation of Stow, Massachusetts (in this section referred to as the "foundation"), all right, title, and interest of the United States in and to one surplus TA–4 aircraft that is flyable or that can be readily

restored to flyable condition. The conveyance shall be made by means of a conditional deed of gift.

(b) CONDITION OF AIRCRAFT.—(1) The Secretary may not convey ownership of an aircraft under subsection (a) until the Secretary determines that the foundation has altered the aircraft in such manner as the Secretary determines necessary to ensure that the aircraft does not have any capability for use as a platform for launching or releasing munitions or any other combat capability that it was designed to have. The foundation shall complete any such alteration within one year after the date of the enactment of this Act.

(2) The Secretary is not required to repair or alter the condition of the aircraft before conveying ownership of the aircraft.

(c) REVERTER UPON BREACH OF CONDITIONS.—The Secretary shall include in the instrument of conveyance of the aircraft—

(1) a condition that the foundation not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary;

(2) a condition that the foundation operate and maintain the aircraft in compliance with all applicable limitations and maintenance requirements imposed by the Administrator of the Federal Aviation Administration; and

(3) a condition that if the Secretary determines at any time that the foundation has conveyed an ownership interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, or has failed to comply with the condition set forth in paragraph (2), all right, title, and interest in and to the aircraft, including any repair or alteration of the aircraft, shall revert to the United States, and the United States shall have the right of immediate possession of the aircraft.

(d) CONVEYANCE AT NO COST TO THE UNITED STATES.—The conveyance of the aircraft under subsection (a) shall be made at no cost to the United States. Any costs associated with the conveyance, costs of determining compliance with subsection (b), and costs of operation and maintenance of the aircraft conveyed shall be borne by the foundation.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

(f) CLARIFICATION OF LIABILITY.—Notwithstanding any other provision of law, upon the conveyance of ownership of a TA–4 aircraft to the foundation under subsection (a), the United States shall not be liable for any death, injury, loss, or damage that results from any use of that aircraft by any person other than the United States.

SEC. 1084. TRANSFER OF 19TH CENTURY CANNON TO MUSEUM.

(a) DONATION REQUIRED.—The Secretary of the Army shall convey, without consideration, to the Friends of the Cannonball House, Incorporated (in this section referred to as the "recipient"), which is a nonprofit corporation that operates the Cannonball House Museum in Macon, Georgia, all right, title, and interest of the United States in and to a 12-pounder Napoleon cannon bearing the following markings:

(1) On the top "CS".

(2) On the face of the muzzle: "Macon Arsenal, 1864/No.41/1164 ET".

(3) On the right trunnion: "Macon Arsenal GEO/1864/No.41/WT.1164/E.T.".

(b) ADDITIONAL TERMS AND CONDITIONS ON CONVEYANCE.—The Secretary of the Army shall include in the instrument of conveyance of the cannon under subsection (a)—

(1) a condition that the recipient not convey any ownership interest in, or transfer possession of, the cannon to any other party without the prior approval of the Secretary; and

(2) a condition that if the Secretary determines at any time that the recipient has conveyed an ownership interest in, or transferred possession of, the cannon to any other party without the prior approval of the Secretary, all right, title, and interest in and to the cannon shall revert to the United States, and the United States shall have the right of immediate possession of the cannon.

(c) RELATIONSHIP TO OTHER LAW.—The conveyance required under this section may be carried out without regard to the Act entitled "An Act for the preservation of American antiquities", approved June 8, 1906 (16 U.S.C. 431 et seq.), popularly referred to as the "Antiquities Act of 1906".

(d) ACQUISITION OF REPLACEMENT MACON CANNON.—If the Secretary of the Army determines that the Army's inventory of Civil War era cannons should include an additional cannon documented as having been manufactured in Macon, Georgia, to replace the cannon conveyed under subsection (a), the Secretary may acquire such a cannon by donation or purchase with funds made available for this purpose.

SEC. 1085. FEES FOR PROVIDING HISTORICAL INFORMATION TO THE PUBLIC.

(a) ARMY.—(1) Chapter 437 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4595. Army Military History Institute: fee for providing historical information to the public

"(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Army may charge a person a fee for providing the person with information from the United States Army Military History Institute that is requested by that person.

"(b) EXCEPTIONS.—A fee may not be charged under this section—

"(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

"(2) for a release of information under section 552 of title 5.

"(c) LIMITATION ON AMOUNT.—A fee charged for providing information under this section may not exceed the cost of providing the information.

"(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from the United States Army Military History Institute during that fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'United States Army Military History Institute' means the archive for historical records and materials of the Army that the Secretary of the Army designates as the primary archive for such records and materials.

"(2) The terms 'officer of the United States' and 'employee of the United States' have the meanings given the terms 'officer' and 'employee', respectively, in sections 2104 and 2105, respectively, of title 5.".

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

"4595. Army Military History Institute: fee for providing historical information to the public.".

(b) NAVY.—(1) Chapter 649 of such title is amended by adding at the end the following new section:

"§ 7582. Naval and Marine Corps Historical Centers: fee for providing historical information to the public

"(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Navy may charge a person a fee for providing the person with information from the United States Naval Historical Center or the Marine Corps Historical Center that is requested by that person.

"(b) EXCEPTIONS.—A fee may not be charged under this section—

"(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

"(2) for a release of information under section 552 of title 5.

"(c) LIMITATION ON AMOUNT.—A fee charged for providing information under this section may not exceed the cost of providing the information.

"(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information from the United States Naval Historical Center or the Marine Corps Historical Center in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from that historical center during that fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'United States Naval Historical Center' means the archive for historical records and materials of the Navy that the Secretary of the Navy designates as the primary archive for such records and materials.

"(2) The term 'Marine Corps Historical Center' means the archive for historical records and materials of the Marine Corps that the Secretary of the Navy designates as the primary archive for such records and materials.

"(3) The terms 'officer of the United States' and 'employee of the United States' have the meanings given the terms 'officer' and 'employee', respectively, in sections 2104 and 2105, respectively, of title 5.".

(2) The heading of such chapter is amended by striking "**RELATED**".

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

"7582. Naval and Marine Corps Historical Centers: fee for providing historical information to the public.".

(B) The item relating to such chapter in the tables of chapters at the beginning of subtitle C of such title and the beginning of part IV of such subtitle is amended by striking out "Related".

(c) AIR FORCE.—(1) Chapter 937 of such title is amended by adding at the end the following new section:

"§ 9594. Air Force Military History Institute: fee for providing historical information to the public

"(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Air Force may charge a person a fee for providing the person with information from the United States Air Force Military History Institute that is requested by that person.

"(b) EXCEPTIONS.—A fee may not be charged under this section—

"(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

"(2) for a release of information under section 552 of title 5.

"(c) LIMITATION ON AMOUNT.—A fee charged for providing information under this section may not exceed the cost of providing the information.

"(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from the United States Air Force Military History Institute during that fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'United States Air Force Military History Institute' means the archive for historical records and materials of the Air Force that the Secretary of the Air Force designates as the primary archive for such records and materials.

"(2) The terms 'officer of the United States' and 'employee of the United States' have the meanings given the terms 'officer' and 'employee', respectively, in sections 2104 and 2105, respectively, of title 5.".

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

"9594. Air Force Military History Institute: fee for providing historical information to the public.".

SEC. 1086. GRANTS TO AMERICAN RED CROSS FOR ARMED FORCES EMERGENCY SERVICES.

(a) GRANTS AUTHORIZED.—Subject to subsection (b), the Secretary of Defense may make a grant to the American Red Cross in an amount not to exceed $9,400,000 in each of fiscal years 2001, 2002, and 2003 for the support of the Armed Forces Emergency Services program of the American Red Cross.

(b) MATCHING REQUIREMENT.—The grant under subsection (a) for a fiscal year may not be made until after the American Red Cross Incorporated, certifies to the Secretary of Defense that the American Red Cross will expend for the Armed Forces Emergency

Services program for that fiscal year funds, derived from non-Federal sources, in a total amount that equals or exceeds the amount of the grant.

SEC. 1087. TECHNICAL AND CLERICAL AMENDMENTS.

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

(1) Section 180(d) is amended by striking "section 5376" and inserting "section 5315".

(2) Section 628(c)(2) is amended by striking "section" in the second sentence after "rather than the provisions of" and inserting "sections".

(3) Section 702(b)(2) is amended by striking "section 230(c)" and inserting "section 203(c)".

(4) Section 706(c) is amended—

(A) by striking "(1)" after "(c)"; and

(B) by striking paragraph (2).

(5) Section 1074g is amended—

(A) in subsection (a)(6), by striking "as part of the regulations established" and inserting "in the regulations prescribed";

(B) in subsection (a)(7), by striking "not included on the uniform formulary, but," and inserting "that are not included on the uniform formulary but that are";

(C) in subsection (b)(1), by striking "required by" in the last sentence and inserting "prescribed under";

(D) in subsection (d)(2), by striking "Not later than" and all that follows through "utilize" and inserting "Effective not later than April 5, 2000, the Secretary shall use";

(E) in subsection (e)—

(i) by striking "Not later than April 1, 2000, the" and inserting "The"; and

(ii) by inserting "in" before "the TRICARE" and before "the national";

(F) in subsection (f)—

(i) by striking "As used in this section—" and inserting "In this section:";

(ii) by striking "the" at the beginning of paragraphs (1) and (2) and inserting "The"; and

(iii) by striking "; and" at the end of paragraph (1) and inserting a period; and

(G) in subsection (g), by striking "promulgate" and inserting "prescribe".

(6) Section 1076c(b)(5)(C) is amended by striking "pursuant to subsection (i)(2) of such section".

(7) Section 1095d(b) is amended by striking "subparagraphs" and inserting "subparagraph".

(8) Section 1109(b) is amended by striking "(1)" before "The Secretaries".

(9) Section 1142(b)(4) is amended by striking "sections 1151, 1152, and 1153 of this title" and inserting "sections 1152 and 1153 of this title and the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9301 et seq.)".

(10) Section 1448(b)(3)(E)(ii) is amended by striking the second comma after "October 16, 1998".

(11) Section 1598 is amended—

(A) in subsection (d)(2), by inserting "as in effect on October 4, 1999," after "of this title," both places it appears; and

(B) in subsection (f), by inserting ", as in effect on October 4, 1999," after "of this title".

(12) Section 2113(f) is amended—

(A) by striking paragraph (2);

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

(C) by designating the penultimate sentence and the last sentence of paragraph (1) as paragraphs (2) and (3), respectively.

(13) Section 2401(b)(1)(B) is amended by striking "Committees on Appropriations" and inserting "Committee on Appropriations".

(14) Section 2410j is amended—

(A) in subsection (f)(2), by inserting "as in effect on October 4, 1999," after "of this title," both places it appears; and

(B) in subsection (h), by inserting ", as in effect on October 4, 1999," after "of this title".

(15) Section 2688 is amended by redesignating subsections (i) and (j) as subsections (h) and (i), respectively.

(16) Section 2814(k) is amended by inserting "and" after "Balanced Budget".

(17) Sections 4357(e)(5), 6975(e)(5), and 9356(e)(5) are amended by inserting a close parenthesis after "80b–2)".

(18) Section 5143(c)(2) is amended by striking "has a grade" and inserting "has the grade of".

(19) Section 5144(c)(2) is amended by striking "has a grade" and inserting "has the grade of".

(20) Section 10218 is amended—

(A) in subsections (a)(1), (b)(1), (b)(2)(A), and (b)(2)(B)(ii), by striking "the date of the enactment of this section" each place it appears and inserting "October 5, 1999,";

(B) in subsections (a)(3)(B)(i) and (b)(2)(B)(i), by striking "the end of the one-year period beginning on the date of the enactment of this subsection" and inserting "October 5, 2000";

(C) in subsection (b)(1), by striking "six months after the date of the enactment of this section" and inserting "April 5, 2000"; and

(D) in subsection (b)(3), by striking "within six months of the date of the enactment of this section" and inserting "during the period beginning on October 5, 1999, and ending on April 5, 2000,".

(21) Section 12552 is amended by inserting a period at the end.

(22) Section 18233a(b) is amended—

(A) in paragraph (1), by striking "section 2805(c)(1)" and inserting "section 2805(c)(1)(A)"; and

(B) in paragraph (2), by striking "section 2805(c)(2)" and inserting "section 2805(c)(1)(B)".

(b) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended as follows:

(1) Section 301b(j)(2) is amended by striking "section 301a(a)(6)(A)" and inserting "section 301a(a)(6)(B)".

(2) Section 403(f)(3) is amended by striking "regulation" and inserting "regulations".

(3) Section 404(b)(2) is amended by striking "section 402(e)" and inserting "section 403(f)(3)".

(4) The section 435 added by section 586(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 638) is redesignated as section 436, and the item relating to that section in the table of sections at the beginning of chapter 7 is revised to conform to such redesignation.

(5) Section 1012 is amended by striking "section 402(b)(3)" and inserting "section 402(e)".

(c) PUBLIC LAW 106–65.—(1) Effective as of October 5, 1999, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 512 et seq) is amended as follows:

(A) Section 578 is amended—

(i) in subsection (j) (113 Stat. 630), by striking "Chapter 4" and inserting "Chapter 7"; and

(ii) in subsection (k)(4) (113 Stat. 631), by striking "chapter 4" and inserting "chapter 7".

(B) Section 586(c)(2) (113 Stat. 639) is amended by striking "relating to section 434" and inserting "added by section 578(k)(4)".

(C) Section 601(c) (113 Stat. 645; 37 U.S.C. 1009 note) is amended—

(i) in the first table, relating to commissioned officers, by striking "$12,441.00" in footnote 2 and inserting "$12,488.70"; and

(ii) in the fourth table, relating to enlisted members, by striking "$4,701.00" in footnote 2 and inserting "$4,719.00".

(D) Section 657(a)(1)(A) (113 Stat. 668; 10 U.S.C. 1450 note) is amended by striking "August 21, 1983" and inserting "August 19, 1983".

(2) In the case of any former spouse to whom paragraph (3) of section 1450(f) of title 10, United States Code, applies by reason of the amendment made by paragraph (1)(D), the provisions of subsection (b) of section 657 of the National Defense Authorization Act for Fiscal Year 2000 shall be applied by using the date of the enactment of this Act, rather than the date of the enactment of that Act.

(d) PUBLIC LAW 105–261.—Effective as of October 17, 1998, and as if included therein as enacted, the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1920 et seq.) is amended as follows:

(1) Section 142 (112 Stat. 1943; 50 U.S.C. 1521 note) is amended—

(A) in subsection (e), by striking "1521(f))" and inserting "1521 note)"; and

(B) by redesignating the second subsection (f) as subsection (g).

(2) Section 503(b)(1) (112 Stat. 2003) is amended by inserting "its" after "record of" in the first quoted matter therein.

(3) Section 645(b) (112 Stat. 2050) is amended by striking "a member" and inserting "member" in the quoted matter therein.

(4) Section 701 (112 Stat. 2056) is amended—

(A) in subsection (a), by inserting "(1)" before "Section 1076a(b)(2)"; and

(B) in subsection (b), by inserting "of such title" after "1076a".

(5) Section 802(b) (112 Stat. 2081) is amended by striking "Administrative" in the first quoted matter therein and inserting "Administration".

(6) Section 1101(e)(2)(C) (112 Stat. 2140; 5 U.S.C. 3104 note) is amended by striking "subsection (c)(1)" and inserting "subsection (c)(2)".

(7) Section 1405(k)(2) (112 Stat. 2170; 50 U.S.C. 2301 note) is amended by striking "subchapter" and inserting "chapter".

(e) PUBLIC LAW 105–85.—The National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) is amended as follows:

(1) Section 602(d)(1)(A) (111 Stat. 1773; 37 U.S.C. 402 note) is amended by striking "of" the first place it appears in the matter preceding clause (i).

(2) Section 1221(a)(3) (22 U.S.C. 1928 note), as amended by section 1233(a)(2)(A) of Public Law 105–261 (112 Stat. 2156), is amended by striking the second close parenthesis after "relief efforts".

(f) TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended as follows:

(1) Section 3329 is amended—

(A) in subsection (a), by striking "such term" and inserting "the term 'military technician (dual status)'"; and

(B) in subsection (b), by striking "section 1332 of title 10" and inserting "section 12732 of title 10".

(2) Section 5531 is amended by striking "sections 5532 and" in the matter preceding paragraph (1) and inserting "section".

(3) Section 8116(a)(4) is amended by striking ", subject to" and all that follows through "United States Code".

(4) Section 8339(g) is amended by striking "the application of the limitation in section 5532 of this title, or" in the third sentence.

(5) Section 8344(h)(1) is amended by inserting "(as in effect before the repeal of that section by section 651(a) of Public Law 106–65)" after "section 5532(f)(2) of this title".

(g) OTHER LAWS.—

(1) Section 834(e) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (15 U.S.C. 637 note) is amended by striking the second period after "2005".

(2) Section 2905(b)(4) 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 by transferring subparagraph (G) so as to appear immediately before subparagraph (H), as added by section 2821(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 853).

(3) Section 686(b) of title 14, United States Code, is amended—

(A) in paragraph (1), by striking "section 403(b)" and inserting "section 403(e)"; and

(B) in paragraph (2), by striking "a basic allowance for quarters under section 403 of title 37, and, if in a high housing cost area, a variable housing allowance under section 403a of that title" and inserting "a basic allowance for housing under section 403 of title 37".

(4) Chapter 701 of title 36, United States Code, relating to the Federal charter of the Fleet Reserve Association, is amended in sections 70102(a) and 70108(a) by striking "Delaware" and inserting "Pennsylvania".

(5) Section 7426 of title 38, United States Code, is amended by striking subsection (c).

(6) The item relating to chapter 112 in the table of chapters at the beginning of subtitle II of title 46, United States Code, is amended by revising the second and third words so that the initial letter of each of those words is lower case.

(7) Section 405(f)(6)(B) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1999 (as contained in section 101(f) of division A of Public Law 105–277; 112 Stat. 2681–430), is amended by striking "Act of title" in the first quoted matter therein and inserting "Act or title".

(8) Section 1403(c)(6) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 922(c)(6)) is amended by striking "the" before "Assistant Secretary of Defense".

(9) Effective as of October 5, 1999, section 224 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2274(b)) is amended by striking "$500,000" and inserting "$50,000".

(h) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

SEC. 1088. MAXIMUM SIZE OF PARCEL POST PACKAGES TRANSPORTED OVERSEAS FOR ARMED FORCES POST OFFICES.

Section 3401(b) of title 39, United States Code, is amended by striking "100 inches in length and girth combined" in paragraphs (2) and (3) and inserting "the maximum size allowed by the Postal Service for fourth class parcel post (known as 'Standard Mail (B)')".

SEC. 1089. SENSE OF CONGRESS REGARDING TAX TREATMENT OF MEMBERS RECEIVING SPECIAL PAY FOR DUTY SUBJECT TO HOSTILE FIRE OR IMMINENT DANGER.

It is the sense of Congress that members of the Armed Forces who receive special pay under section 310 of title 37, United States Code, for duty subject to hostile fire or imminent danger should receive the same treatment under Federal income tax laws as members serving in combat zones.

SEC. 1090. ORGANIZATION AND MANAGEMENT OF CIVIL AIR PATROL.

(a) IN GENERAL.—Chapter 909 of title 10, United States Code, is amended to read as follows:

"CHAPTER 909—CIVIL AIR PATROL

"Sec.
"9441. Status as federally chartered corporation; purposes.

"9442. Status as volunteer civilian auxiliary of the Air Force.
"9443. Activities performed as federally chartered nonprofit corporation.
"9444. Activities performed as auxiliary of the Air Force.
"9445. Funds appropriated for the Civil Air Patrol.
"9446. Miscellaneous personnel authorities.
"9447. Board of Governors.
"9448. Regulations.

"§ 9441. Status as federally chartered corporation; purposes

"(a) STATUS.—(1) The Civil Air Patrol is a nonprofit corporation that is federally chartered under section 40301 of title 36.

"(2) Except as provided in section 9442(b)(2) of this title, the Civil Air Patrol is not an instrumentality of the Federal Government for any purpose.

"(b) PURPOSES.—The purposes of the Civil Air Patrol are set forth in section 40302 of title 36.

"§ 9442. Status as volunteer civilian auxiliary of the Air Force

"(a) VOLUNTEER CIVILIAN AUXILIARY.—The Civil Air Patrol is a volunteer civilian auxiliary of the Air Force when the services of the Civil Air Patrol are used by any department or agency in any branch of the Federal Government.

"(b) USE BY AIR FORCE.—(1) The Secretary of the Air Force may use the services of the Civil Air Patrol to fulfill the noncombat programs and missions of the Department of the Air Force.

"(2) The Civil Air Patrol shall be deemed to be an instrumentality of the United States with respect to any act or omission of the Civil Air Patrol, including any member of the Civil Air Patrol, in carrying out a mission assigned by the Secretary of the Air Force.

"§ 9443. Activities performed as federally chartered nonprofit corporation

"(a) USE OF FEDERALLY PROVIDED RESOURCES.—In its status as a federally chartered nonprofit corporation, the Civil Air Patrol may use equipment, supplies, and other resources, including aircraft, motor vehicles, computers, and communications equipment, provided to the Civil Air Patrol by a department or agency of the Federal Government or acquired by or for the Civil Air Patrol with appropriated funds (or with funds of the Civil Air Patrol, but reimbursed from appropriated funds)—

"(1) to provide assistance requested by State or local governmental authorities to perform disaster relief missions and activities, other emergency missions and activities, and nonemergency missions and activities; and

"(2) to fulfill its other purposes set forth in section 40302 of title 36.

"(b) USE SUBJECT TO APPLICABLE LAWS.—The use of equipment, supplies, or other resources under subsection (a) is subject to the laws and regulations that govern the use by nonprofit corporations of federally provided assets or of assets purchased with appropriated funds, as the case may be.

"(c) AUTHORITY NOT CONTINGENT ON REIMBURSEMENT.—The authority for the Civil Air Patrol to provide assistance under subsection (a)(1) is not contingent on the Civil Air Patrol being reimbursed for the cost of providing the assistance. If the Civil Air Patrol elects to require reimbursement for the provision of assistance under such subsection, the Civil Air Patrol may establish

the reimbursement rate at a rate less than the rates charged by private sector sources for equivalent services.

"(d) LIABILITY INSURANCE.—The Secretary of the Air Force may provide the Civil Air Patrol with funds for paying the cost of liability insurance to cover missions and activities carried out under this section.

"§ 9444. Activities performed as auxiliary of the Air Force

"(a) AIR FORCE SUPPORT FOR ACTIVITIES.—The Secretary of the Air Force may furnish to the Civil Air Patrol in accordance with this section any equipment, supplies, and other resources that the Secretary determines necessary to enable the Civil Air Patrol to fulfill the missions assigned by the Secretary to the Civil Air Patrol as an auxiliary of the Air Force.

"(b) FORMS OF AIR FORCE SUPPORT.—The Secretary of the Air Force may, under subsection (a)—

"(1) give, lend, or sell to the Civil Air Patrol without regard to the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.)—

"(A) major items of equipment (including aircraft, motor vehicles, computers, and communications equipment) that are excess to the military departments; and

"(B) necessary related supplies and training aids that are excess to the military departments;

"(2) permit the use, with or without charge, of services and facilities of the Air Force;

"(3) furnish supplies (including fuel, lubricants, and other items required for vehicle and aircraft operations) or provide funds for the acquisition of supplies;

"(4) establish, maintain, and supply liaison officers of the Air Force at the national, regional, State, and territorial headquarters of the Civil Air Patrol;

"(5) detail or assign any member of the Air Force or any officer, employee, or contractor of the Department of the Air Force to any liaison office at the national, regional, State, or territorial headquarters of the Civil Air Patrol;

"(6) detail any member of the Air Force or any officer, employee, or contractor of the Department of the Air Force to any unit or installation of the Civil Air Patrol to assist in the training programs of the Civil Air Patrol;

"(7) authorize the payment of travel expenses and allowances, at rates not to exceed those paid to employees of the United States under subchapter I of chapter 57 of title 5, to members of the Civil Air Patrol while the members are carrying out programs or missions specifically assigned by the Air Force;

"(8) provide funds for the national headquarters of the Civil Air Patrol, including—

"(A) funds for the payment of staff compensation and benefits, administrative expenses, travel, per diem and allowances, rent, utilities, other operational expenses of the national headquarters; and

"(B) to the extent considered necessary by the Secretary of the Air Force to fulfill Air Force requirements, funds for the payment of compensation and benefits for key staff at regional, State, or territorial headquarters;

"(9) authorize the payment of expenses of placing into serviceable condition, improving, and maintaining equipment (including aircraft, motor vehicles, computers, and communications equipment) owned or leased by the Civil Air Patrol;

"(10) provide funds for the lease or purchase of items of equipment that the Secretary determines necessary for the Civil Air Patrol;

"(11) support the Civil Air Patrol cadet program by furnishing—

"(A) articles of the Air Force uniform to cadets without cost; and

"(B) any other support that the Secretary of the Air Force determines is consistent with Air Force missions and objectives; and

"(12) provide support, including appropriated funds, for the Civil Air Patrol aerospace education program to the extent that the Secretary of the Air Force determines appropriate for furthering the fulfillment of Air Force missions and objectives.

"(c) ASSISTANCE BY OTHER AGENCIES.—(1) The Secretary of the Air Force may arrange for the use by the Civil Air Patrol of such facilities and services under the jurisdiction of the Secretary of the Army, the Secretary of the Navy, or the head of any other department or agency of the United States as the Secretary of the Air Force considers to be needed by the Civil Air Patrol to carry out its mission.

"(2) An arrangement for use of facilities or services of a military department or other department or agency under this subsection shall be subject to the agreement of the Secretary of the military department or head of the other department or agency, as the case may be.

"(3) Each arrangement under this subsection shall be made in accordance with regulations prescribed under section 9448 of this title.

"§ 9445. Funds appropriated for the Civil Air Patrol

"Funds appropriated for the Civil Air Patrol shall be available only for the exclusive use of the Civil Air Patrol.

"§ 9446. Miscellaneous personnel authorities

"(a) USE OF RETIRED AIR FORCE PERSONNEL.—(1) Upon the request of a person retired from service in the Air Force, the Secretary of the Air Force may enter into a personal services contract with that person providing for the person to serve as an administrator or liaison officer for the Civil Air Patrol. The qualifications of a person to provide the services shall be determined and approved in accordance with regulations prescribed under section 9448 of this title.

"(2) To the extent provided in a contract under paragraph (1), a person providing services under the contract may accept services on behalf of the Air Force.

"(3) A person, while providing services under a contract authorized under paragraph (1), may not be considered to be on active duty or inactive-duty training for any purpose.

"(b) USE OF CIVIL AIR PATROL CHAPLAINS.—The Secretary of the Air Force may use the services of Civil Air Patrol chaplains in support of the Air Force active duty and reserve component

forces to the extent and under conditions that the Secretary determines appropriate.

"§ 9447. Board of Governors

"(a) GOVERNING BODY.—The Board of Governors of the Civil Air Patrol is the governing body of the Civil Air Patrol.

"(b) COMPOSITION.—The Board of Governors is composed of 11 members as follows:

"(1) Four members appointed by the Secretary of the Air Force, who may be active or retired officers of the Air Force (including reserve components of the Air Force), employees of the United States, or private citizens.

"(2) Four members of the Civil Air Patrol, selected in accordance with the constitution and bylaws of the Civil Air Patrol.

"(3) Three members appointed or selected as provided in subsection (c) from among personnel of any Federal Government agencies, public corporations, nonprofit associations, and other organizations that have an interest and expertise in civil aviation and the Civil Air Patrol mission.

"(c) APPOINTMENTS FROM INTERESTED ORGANIZATIONS.—(1) Subject to paragraph (2), the members of the Board of Governors referred to in subsection (b)(3) shall be appointed jointly by the Secretary of the Air Force and the National Commander of the Civil Air Patrol.

"(2) Any vacancy in the position of a member referred to in paragraph (1) that is not filled under that paragraph within 90 days shall be filled by majority vote of the other members of the Board.

"(d) CHAIRMAN.—The Chairman of the Board of Governors shall be chosen by the members of the Board of Governors from among the members of the Board referred to in paragraphs (1) and (2) of subsection (b) and shall serve for a term of two years. The position of Chairman shall be held on a rotating basis between members of the Board appointed by the Secretary of the Air Force under paragraph (1) of subsection (b) and members of the Board selected under paragraph (2) of that subsection.

"(e) POWERS.—(1) The Board of Governors shall, subject to paragraphs (2) and (3), exercise the powers granted to the Civil Air Patrol under section 40304 of title 36.

"(2) Any exercise by the Board of the power to amend the constitution or bylaws of the Civil Air Patrol or to adopt a new constitution or bylaws shall be subject to approval by a majority of the members of the Board.

"(3) Neither the Board of Governors nor any other component of the Civil Air Patrol may modify or terminate any requirement or authority set forth in this section.

"(f) PERSONAL LIABILITY FOR BREACH OF A FIDUCIARY DUTY.—(1) Subject to paragraph (2), the Board of Governors may take such action as is necessary to limit the personal liability of a member of the Board of Governors to the Civil Air Patrol, or to any of its members, for monetary damages for a breach of fiduciary duty while serving as a member of the Board.

"(2) The Board may not limit the liability of a member of the Board of Governors to the Civil Air Patrol, or to any of its members, for monetary damages for any of the following:

"(A) A breach of the member's duty of loyalty to the Civil Air Patrol or its members.

"(B) Any act or omission that is not in good faith or that involves intentional misconduct or a knowing violation of law.

"(C) Participation in any transaction from which the member directly or indirectly derives an improper personal benefit.

"(3) Nothing in this subsection shall be construed as rendering section 207 or 208 of title 18 inapplicable in any respect to a member of the Board of Governors who is a member of the Air Force on active duty, an officer on a retired list of the Air Force, or an employee of the United States.

"(g) PERSONAL LIABILITY FOR BREACH OF A FIDUCIARY DUTY.—(1) Except as provided in paragraph (2), no member of the Board of Governors or officer of the Civil Air Patrol shall be personally liable for damages for any injury or death or loss or damage of property resulting from a tortious act or omission of an employee or member of the Civil Air Patrol.

"(2) Paragraph (1) does not apply to a member of the Board of Governors or officer of the Civil Air Patrol for a tortious act or omission in which the member or officer, as the case may be, was personally involved, whether in breach of a civil duty or in commission of a criminal offense.

"(3) Nothing in this subsection shall be construed to restrict the applicability of common law protections and rights that a member of the Board of Governors or officer of the Civil Air Patrol may have.

"(4) The protections provided under this subsection are in addition to the protections provided under subsection (f).

"§ 9448. Regulations

"(a) AUTHORITY.—The Secretary of the Air Force shall prescribe regulations for the administration of this chapter.

"(b) REQUIRED REGULATIONS.—The regulations shall include the following:

"(1) Regulations governing the conduct of the activities of the Civil Air Patrol when it is performing its duties as a volunteer civilian auxiliary of the Air Force under section 9442 of this title.

"(2) Regulations for providing support by the Air Force and for arranging assistance by other agencies under section 9444 of this title.

"(3) Regulations governing the qualifications of retired Air Force personnel to serve as an administrator or liaison officer for the Civil Air Patrol under a personal services contract entered into under section 9446(a) of this title.

"(c) APPROVAL BY SECRETARY OF DEFENSE.—The regulations required by subsection (b)(2) shall be subject to the approval of the Secretary of Defense.".

(b) CONFORMING AMENDMENTS.—(1) Section 40302 of title 36, United States Code, is amended—

(A) by striking "to—" in the matter preceding paragraph (1) and inserting "as follows:";

(B) by inserting "To" after the paragraph designation in each of paragraphs (1), (2), (3), and (4);

(C) by striking the semicolon at the end of paragraphs (1)(B) and (2) and inserting a period;

(D) by striking "; and" at the end of paragraph (3) and inserting a period; and

(E) by adding at the end the following:

"(5) To assist the Department of the Air Force in fulfilling its noncombat programs and missions.".

(2)(A) Section 40303 of such title is amended—

(i) by inserting "(a) MEMBERSHIP.—" before "Eligibility"; and

(ii) by adding at the end the following:

"(b) GOVERNING BODY.—The Civil Air Patrol has a Board of Governors. The composition and responsibilities of the Board of Governors are set forth in section 9447 of title 10.".

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

"§ 40303. Membership and governing body".

(C) The item relating to such section in the table of sections at the beginning of chapter 403 of title 36, United States Code, is amended to read as follows:

"40303. Membership and governing body.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 120 days after the date of the enactment of this Act.

SEC. 1091. ADDITIONAL DUTIES FOR COMMISSION TO ASSESS UNITED STATES NATIONAL SECURITY SPACE MANAGEMENT AND ORGANIZATION.

Section 1622(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 814; 10 U.S.C. 111 note) is amended by adding at the end the following new paragraph:

"(6) The advisability of—

"(A) various actions to eliminate the de facto requirement that specified officers in the United States Space Command be flight rated that results from the dual assignment of officers to that command and to one or more other commands in positions in which such officers are expressly required to be flight rated;

"(B) the establishment of a requirement that, as a condition of the assignment of a general or flag officer to the United States Space Command, the officer have experience in space, missile, or information operations that was gained through either acquisition or operational experience; and

"(C) rotating the command of the United States Space Command among the Armed Forces.".

SEC. 1092. COMMISSION ON THE FUTURE OF THE UNITED STATES AEROSPACE INDUSTRY.

(a) ESTABLISHMENT.—There is established a commission to be known as the "Commission on the Future of the United States Aerospace Industry" (in this section referred to as the "Commission").

(b) MEMBERSHIP.—(1) The Commission shall be composed of 12 members appointed, not later than March 1, 2001, as follows:

(A) Up to six members shall be appointed by the President.

(B) Two members shall be appointed by the Speaker of the House of Representatives.

(C) Two members shall be appointed by the majority leader of the Senate.

(D) One member shall be appointed by the minority leader of the Senate.

(E) One member shall be appointed by the minority leader of the House of Representatives.

(2) The members of the Commission shall be appointed from among persons with extensive experience and national reputations in aerospace manufacturing, economics, finance, national security, international trade, or foreign policy and persons who are representative of labor organizations associated with the aerospace industry.

(3) Members shall be appointed for the life of the Commission. A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(4) The President shall designate one member of the Commission to serve as the chairman of the Commission.

(5) The Commission shall meet at the call of the chairman. A majority of the members shall constitute a quorum, but a lesser number may hold hearings.

(c) DUTIES.—(1) The Commission shall—

(A) study the issues associated with the future of the United States aerospace industry in the global economy, particularly in relationship to United States national security; and

(B) assess the future importance of the domestic aerospace industry for the economic and national security of the United States.

(2) In order to fulfill its responsibilities, the Commission shall study the following:

(A) The budget process of the United States Government, particularly with a view to assessing the adequacy of projected budgets of the Federal departments and agencies for aerospace research and development and procurement.

(B) The acquisition process of the Government, particularly with a view to assessing—

(i) the adequacy of the current acquisition process of Federal departments and agencies; and

(ii) the procedures for developing and fielding aerospace systems incorporating new technologies in a timely fashion.

(C) The policies, procedures, and methods for the financing and payment of Government contracts.

(D) Statutes and regulations governing international trade and the export of technology, particularly with a view to assessing—

(i) the extent to which the current system for controlling the export of aerospace goods, services, and technologies reflects an adequate balance between the need to protect national security and the need to ensure unhindered access to the global marketplace; and

(ii) the adequacy of United States and multilateral trade laws and policies for maintaining the international competitiveness of the United States aerospace industry.

(E) Policies governing taxation, particularly with a view to assessing the impact of current tax laws and practices on the international competitiveness of the aerospace industry.

(F) Programs for the maintenance of the national space launch infrastructure, particularly with a view to assessing

the adequacy of current and projected programs for maintaining the national space launch infrastructure.

(G) Programs for the support of science and engineering education, including current programs for supporting aerospace science and engineering efforts at institutions of higher learning, with a view to determining the adequacy of those programs.

(d) REPORT.—(1) Not later than March 1, 2002, the Commission shall submit a report on its activities to the President and Congress.

(2) The report shall include the following:

(A) The Commission's findings and conclusions.

(B) The Commission's recommendations for actions by Federal departments and agencies to support the maintenance of a robust aerospace industry in the United States in the 21st century and any recommendations for statutory and regulatory changes to support the implementation of the Commission's findings.

(C) A discussion of the appropriate means for implementing the Commission's recommendations.

(e) ADMINISTRATIVE REQUIREMENTS AND AUTHORITIES.—(1) The Director of the Office of Management and Budget shall ensure that the Commission is provided such administrative services, facilities, staff, and other support services as may be necessary. Any expenses of the Commission shall be paid from funds available to the Director.

(2) The Commission may hold hearings, sit and act at times and places, take testimony, and receive evidence that the Commission considers advisable to carry out the purposes of this section.

(3) The Commission may request directly from any department or agency of the United States any information that the Commission considers necessary to carry out the provisions of this section. To the extent consistent with applicable requirements of law and regulations, the head of such department or agency shall furnish such information to the Commission.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) COMMISSION PERSONNEL MATTERS.—(1) Members of the Commission shall serve without additional compensation for their service on the Commission, except that members appointed from among private citizens may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in Government service under subchapter I of chapter 57 of title 5, United States Code, while away from their homes and places of business in the performance of services for the Commission.

(2) The chairman of the Commission may appoint staff of the Commission, request the detail of Federal employees, and accept temporary and intermittent services in accordance with section 3161 of title 5, United States Code (as added by section 1101 of this Act).

(g) TERMINATION.—The Commission shall terminate 30 days after the date of the submission of its report under subsection (d).

SEC. 1093. DRUG ADDICTION TREATMENT.

(a) IN GENERAL.—Section 303(g) of the Controlled Substances Act (21 U.S.C. 823(g)) is amended—

(1) in paragraph (2), by striking "(A) security" and inserting "(i) security", and by striking "(B) the maintenance" and inserting "(ii) the maintenance";

(2) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(3) by inserting "(1)" after "(g)";

(4) by striking "Practitioners who dispense" and inserting "Except as provided in paragraph (2), practitioners who dispense"; and

(5) by adding at the end the following paragraph:

"(2)(A) Subject to subparagraphs (D) and (J), the requirements of paragraph (1) are waived in the case of the dispensing (including the prescribing), by a practitioner, of narcotic drugs in schedule III, IV, or V or combinations of such drugs if the practitioner meets the conditions specified in subparagraph (B) and the narcotic drugs or combinations of such drugs meet the conditions specified in subparagraph (C).

"(B) For purposes of subparagraph (A), the conditions specified in this subparagraph with respect to a practitioner are that, before the initial dispensing of narcotic drugs in schedule III, IV, or V or combinations of such drugs to patients for maintenance or detoxification treatment, the practitioner submit to the Secretary a notification of the intent of the practitioner to begin dispensing the drugs or combinations for such purpose, and that the notification contain the following certifications by the practitioner:

"(i) The practitioner is a qualifying physician (as defined in subparagraph (G)).

"(ii) With respect to patients to whom the practitioner will provide such drugs or combinations of drugs, the practitioner has the capacity to refer the patients for appropriate counseling and other appropriate ancillary services.

"(iii) In any case in which the practitioner is not in a group practice, the total number of such patients of the practitioner at any one time will not exceed the applicable number. For purposes of this clause, the applicable number is 30, except that the Secretary may by regulation change such total number.

"(iv) In any case in which the practitioner is in a group practice, the total number of such patients of the group practice at any one time will not exceed the applicable number. For purposes of this clause, the applicable number is 30, except that the Secretary may by regulation change such total number, and the Secretary for such purposes may by regulation establish different categories on the basis of the number of practitioners in a group practice and establish for the various categories different numerical limitations on the number of such patients that the group practice may have.

"(C) For purposes of subparagraph (A), the conditions specified in this subparagraph with respect to narcotic drugs in schedule III, IV, or V or combinations of such drugs are as follows:

"(i) The drugs or combinations of drugs have, under the Federal Food, Drug, and Cosmetic Act or section 351 of the Public Health Service Act, been approved for use in maintenance or detoxification treatment.

"(ii) The drugs or combinations of drugs have not been the subject of an adverse determination. For purposes of this clause, an adverse determination is a determination published

in the Federal Register and made by the Secretary, after consultation with the Attorney General, that the use of the drugs or combinations of drugs for maintenance or detoxification treatment requires additional standards respecting the qualifications of practitioners to provide such treatment, or requires standards respecting the quantities of the drugs that may be provided for unsupervised use.

"(D)(i) A waiver under subparagraph (A) with respect to a practitioner is not in effect unless (in addition to conditions under subparagraphs (B) and (C)) the following conditions are met:

"(I) The notification under subparagraph (B) is in writing and states the name of the practitioner.

"(II) The notification identifies the registration issued for the practitioner pursuant to subsection (f).

"(III) If the practitioner is a member of a group practice, the notification states the names of the other practitioners in the practice and identifies the registrations issued for the other practitioners pursuant to subsection (f).

"(ii) Upon receiving a notification under subparagraph (B), the Attorney General shall assign the practitioner involved an identification number under this paragraph for inclusion with the registration issued for the practitioner pursuant to subsection (f). The identification number so assigned shall be appropriate to preserve the confidentiality of patients for whom the practitioner has dispensed narcotic drugs under a waiver under subparagraph (A).

"(iii) Not later than 45 days after the date on which the Secretary receives a notification under subparagraph (B), the Secretary shall make a determination of whether the practitioner involved meets all requirements for a waiver under subparagraph (B). If the Secretary fails to make such determination by the end of such 45-day period, the Attorney General shall assign the physician an identification number described in clause (ii) at the end of such period.

"(E)(i) If a practitioner is not registered under paragraph (1) and, in violation of the conditions specified in subparagraphs (B) through (D), dispenses narcotic drugs in schedule III, IV, or V or combinations of such drugs for maintenance treatment or detoxification treatment, the Attorney General may, for purposes of section 304(a)(4), consider the practitioner to have committed an act that renders the registration of the practitioner pursuant to subsection (f) to be inconsistent with the public interest.

"(ii)(I) Upon the expiration of 45 days from the date on which the Secretary receives a notification under subparagraph (B), a practitioner who in good faith submits a notification under subparagraph (B) and reasonably believes that the conditions specified in subparagraphs (B) through (D) have been met shall, in dispensing narcotic drugs in schedule III, IV, or V or combinations of such drugs for maintenance treatment or detoxification treatment, be considered to have a waiver under subparagraph (A) until notified otherwise by the Secretary, except that such a practitioner may commence to prescribe or dispense such narcotic drugs for such purposes prior to the expiration of such 45-day period if it facilitates the treatment of an individual patient and both the Secretary and the Attorney General are notified by the practitioner of the intent to commence prescribing or dispensing such narcotic drugs.

"(II) For purposes of subclause (I), the publication in the Federal Register of an adverse determination by the Secretary pursuant

to subparagraph (C)(ii) shall (with respect to the narcotic drug or combination involved) be considered to be a notification provided by the Secretary to practitioners, effective upon the expiration of the 30-day period beginning on the date on which the adverse determination is so published.

"(F)(i) With respect to the dispensing of narcotic drugs in schedule III, IV, or V or combinations of such drugs to patients for maintenance or detoxification treatment, a practitioner may, in his or her discretion, dispense such drugs or combinations for such treatment under a registration under paragraph (1) or a waiver under subparagraph (A) (subject to meeting the applicable conditions).

"(ii) This paragraph may not be construed as having any legal effect on the conditions for obtaining a registration under paragraph (1), including with respect to the number of patients who may be served under such a registration.

"(G) For purposes of this paragraph:

"(i) The term 'group practice' has the meaning given such term in section 1877(h)(4) of the Social Security Act.

"(ii) The term 'qualifying physician' means a physician who is licensed under State law and who meets one or more of the following conditions:

"(I) The physician holds a subspecialty board certification in addiction psychiatry from the American Board of Medical Specialties.

"(II) The physician holds an addiction certification from the American Society of Addiction Medicine.

"(III) The physician holds a subspecialty board certification in addiction medicine from the American Osteopathic Association.

"(IV) The physician has, with respect to the treatment and management of opiate-dependent patients, completed not less than eight hours of training (through classroom situations, seminars at professional society meetings, electronic communications, or otherwise) that is provided by the American Society of Addiction Medicine, the American Academy of Addiction Psychiatry, the American Medical Association, the American Osteopathic Association, the American Psychiatric Association, or any other organization that the Secretary determines is appropriate for purposes of this subclause.

"(V) The physician has participated as an investigator in one or more clinical trials leading to the approval of a narcotic drug in schedule III, IV, or V for maintenance or detoxification treatment, as demonstrated by a statement submitted to the Secretary by the sponsor of such approved drug.

"(VI) The physician has such other training or experience as the State medical licensing board (of the State in which the physician will provide maintenance or detoxification treatment) considers to demonstrate the ability of the physician to treat and manage opiate-dependent patients.

"(VII) The physician has such other training or experience as the Secretary considers to demonstrate the ability of the physician to treat and manage opiate-dependent patients. Any criteria of the Secretary under this subclause

shall be established by regulation. Any such criteria are effective only for 3 years after the date on which the criteria are promulgated, but may be extended for such additional discrete 3-year periods as the Secretary considers appropriate for purposes of this subclause. Such an extension of criteria may only be effectuated through a statement published in the Federal Register by the Secretary during the 30-day period preceding the end of the 3-year period involved.

"(H)(i) In consultation with the Administrator of the Drug Enforcement Administration, the Administrator of the Substance Abuse and Mental Health Services Administration, the Director of the National Institute on Drug Abuse, and the Commissioner of Food and Drugs, the Secretary shall issue regulations (through notice and comment rulemaking) or issue practice guidelines to address the following:

"(I) Approval of additional credentialing bodies and the responsibilities of additional credentialing bodies.

"(II) Additional exemptions from the requirements of this paragraph and any regulations under this paragraph.

Nothing in such regulations or practice guidelines may authorize any Federal official or employee to exercise supervision or control over the practice of medicine or the manner in which medical services are provided.

"(ii) Not later than 120 days after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, the Secretary shall issue a treatment improvement protocol containing best practice guidelines for the treatment and maintenance of opiate-dependent patients. The Secretary shall develop the protocol in consultation with the Director of the National Institute on Drug Abuse, the Administrator of the Drug Enforcement Administration, the Commissioner of Food and Drugs, the Administrator of the Substance Abuse and Mental Health Services Administration, and other substance abuse disorder professionals. The protocol shall be guided by science.

"(I) During the 3-year period beginning on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, a State may not preclude a practitioner from dispensing or prescribing drugs in schedule III, IV, or V or combinations of such drugs, to patients for maintenance or detoxification treatment in accordance with this paragraph unless, before the expiration of that 3-year period, the State enacts a law prohibiting a practitioner from dispensing such drugs or combinations of drug.

"(J)(i) This paragraph takes effect on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, and remains in effect thereafter except as provided in clause (iii) (relating to a decision by the Secretary or the Attorney General that this paragraph should not remain in effect).

"(ii) For purposes relating to clause (iii), the Secretary and the Attorney General may, during the 3-year period beginning on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, make determinations in accordance with the following:

"(I) The Secretary may make a determination of whether treatments provided under waivers under subparagraph (A)

have been effective forms of maintenance treatment and detoxification treatment in clinical settings; may make a determination of whether such waivers have significantly increased (relative to the beginning of such period) the availability of maintenance treatment and detoxification treatment; and may make a determination of whether such waivers have adverse consequences for the public health.

"(II) The Attorney General may make a determination of the extent to which there have been violations of the numerical limitations established under subparagraph (B) for the number of individuals to whom a practitioner may provide treatment; may make a determination of whether waivers under subparagraph (A) have increased (relative to the beginning of such period) the extent to which narcotic drugs in schedule III, IV, or V or combinations of such drugs are being dispensed or possessed in violation of this Act; and may make a determination of whether such waivers have adverse consequences for the public health.

"(iii) If, before the expiration of the period specified in clause (ii), the Secretary or the Attorney General publishes in the Federal Register a decision, made on the basis of determinations under such clause, that this paragraph should not remain in effect, this paragraph ceases to be in effect 60 days after the date on which the decision is so published. The Secretary shall in making any such decision consult with the Attorney General, and shall in publishing the decision in the Federal Register include any comments received from the Attorney General for inclusion in the publication. The Attorney General shall in making any such decision consult with the Secretary, and shall in publishing the decision in the Federal Register include any comments received from the Secretary for inclusion in the publication.".

(b) CONFORMING AMENDMENTS.—Section 304 of the Controlled Substances Act (21 U.S.C. 824) is amended—

(1) in subsection (a), in the matter after and below paragraph (5), by striking "section 303(g)" each place such term appears and inserting "section 303(g)(1)"; and

(2) in subsection (d), by striking "section 303(g)" and inserting "section 303(g)(1)".

(c) ADDITIONAL AUTHORIZATION OF APPROPRIATIONS.—For the purpose of assisting the Secretary of Health and Human Services with the additional duties established for the Secretary pursuant to the amendments made by this section, there are authorized to be appropriated, in addition to other authorizations of appropriations that are available for such purpose, such sums as may be necessary for each of fiscal years 2001 through 2003.

(d) COORDINATION OF PROVISIONS.—(1) If the Drug Addiction Treatment Act of 2000 is enacted before this Act, the provisions of this section shall not take effect.

(2) If the Drug Addiction Treatment Act of 2000 is enacted after this Act, the amendments made by this section shall be deemed for all purposes to have been made by section 3502 of that Act and this section shall cease to be in effect as of that enactment.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

SUBTITLE A—CIVILIAN PERSONNEL MANAGEMENT GENERALLY

Sec. 1101. Employment and compensation of employees for temporary organizations established by law or Executive order.
Sec. 1102. Assistive technology accommodations program.
Sec. 1103. Extension of authority for voluntary separations in reductions in force.
Sec. 1104. Electronic maintenance of performance appraisal systems.
Sec. 1105. Study on civilian personnel services.

SUBTITLE B—DEMONSTRATION AND PILOT PROGRAMS

Sec. 1111. Pilot program for reengineering the equal employment opportunity complaint process.
Sec. 1112. Work safety demonstration program.
Sec. 1113. Extension, expansion, and revision of authority for experimental personnel program for scientific and technical personnel.
Sec. 1114. Clarification of personnel management authority under personnel demonstration project.

SUBTITLE C—EDUCATIONAL ASSISTANCE

Sec. 1121. Restructuring the restriction on degree training.
Sec. 1122. Student loan repayment programs.
Sec. 1123. Extension of authority for tuition reimbursement and training for civilian employees in the defense acquisition workforce.

SUBTITLE D—OTHER BENEFITS

Sec. 1131. Additional special pay for foreign language proficiency beneficial for United States national security interests.
Sec. 1132. Approval authority for cash awards in excess of $10,000.
Sec. 1133. Leave for crews of certain vessels.
Sec. 1134. Life insurance for emergency essential Department of Defense employees.

SUBTITLE E—INTELLIGENCE CIVILIAN PERSONNEL

Sec. 1141. Expansion of defense civilian intelligence personnel system positions.
Sec. 1142. Increase in number of positions authorized for the Defense Intelligence Senior Executive Service.

SUBTITLE F—VOLUNTARY SEPARATION INCENTIVE PAY AND EARLY RETIREMENT AUTHORITY

Sec. 1151. Extension, revision, and expansion of authorities for use of voluntary separation incentive pay and voluntary early retirement.
Sec. 1152. Department of Defense employee voluntary early retirement authority.
Sec. 1153. Limitations.

Subtitle A—Civilian Personnel Management Generally

SEC. 1101. EMPLOYMENT AND COMPENSATION OF EMPLOYEES FOR TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER.

(a) IN GENERAL.—Chapter 31 of title 5, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER IV—TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER

"§ 3161. Employment and compensation of employees

"(a) DEFINITION OF TEMPORARY ORGANIZATION.—For the purposes of this subchapter, the term 'temporary organization' means a commission, committee, board, or other organization that—

"(1) is established by law or Executive order for a specific period not in excess of three years for the purpose of performing a specific study or other project; and

"(2) is terminated upon the completion of the study or project or upon the occurrence of a condition related to the completion of the study or project.

"(b) EMPLOYMENT AUTHORITY.—(1) Notwithstanding the provisions of chapter 51 of this title, the head of a temporary organization may appoint persons to positions of employment in a temporary organization in such numbers and with such skills as are necessary for the performance of the functions required of a temporary organization.

"(2) The period of an appointment under paragraph (1) may not exceed three years, except that under regulations prescribed by the Office of Personnel Management the period of appointment may be extended for up to an additional two years.

"(3) The positions of employment in a temporary organization are in the excepted service of the civil service.

"(c) DETAIL AUTHORITY.—Upon the request of the head of a temporary organization, the head of any department or agency of the Government may detail, on a nonreimbursable basis, any personnel of the department or agency to that organization to assist in carrying out its duties.

"(d) COMPENSATION.—(1) The rate of basic pay for an employee appointed under subsection (b) shall be established under regulations prescribed by the Office of Personnel Management without regard to the provisions of chapter 51 and subchapter III of chapter 53 of this title.

"(2) The rate of basic pay for the chairman, a member, an executive director, a staff director, or another executive level position of a temporary organization may not exceed the maximum rate of basic pay established for the Senior Executive Service under section 5382 of this title.

"(3) Except as provided in paragraph (4), the rate of basic pay for other positions in a temporary organization may not exceed the maximum rate of basic pay for grade GS–15 of the General Schedule under section 5332 of this title.

"(4) The rate of basic pay for a senior staff position of a temporary organization may, in a case determined by the head of the temporary organization as exceptional, exceed the maximum rate of basic pay authorized under paragraph (3), but may not exceed the maximum rate of basic pay authorized for an executive level position under paragraph (2).

"(5) In this subsection, the term 'basic pay' includes locality pay provided for under section 5304 of this title.

"(e) TRAVEL EXPENSES.—An employee of a temporary organization, whether employed on a full-time or part-time basis, may be allowed travel and transportation expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of this title, while traveling away from the employee's regular place of business in the performance of services for the temporary organization.

"(f) BENEFITS.—An employee appointed under subsection (b) shall be afforded the same benefits and entitlements as are provided temporary employees under this title.

"(g) RETURN RIGHTS.—An employee serving under a career or career conditional appointment or the equivalent in an agency

who transfers to or converts to an appointment in a temporary organization with the consent of the head of the agency is entitled to be returned to the employee's former position or a position of like seniority, status, and pay without grade or pay retention in the agency if the employee—

"(1) is being separated from the temporary organization for reasons other than misconduct, neglect of duty, or malfeasance; and

"(2) applies for return not later than 30 days before the earlier of—

"(A) the date of the termination of the employment in the temporary organization; or

"(B) the date of the termination of the temporary organization.

"(h) TEMPORARY AND INTERMITTENT SERVICES.—The head of a temporary organization may procure for the organization temporary and intermittent services under section 3109(b) of this title.

"(i) ACCEPTANCE OF VOLUNTEER SERVICES.—(1) The head of a temporary organization may accept volunteer services appropriate to the duties of the organization without regard to section 1342 of title 31.

"(2) Donors of voluntary services accepted for a temporary organization under this subsection may include the following:

"(A) Advisors.

"(B) Experts.

"(C) Members of the commission, committee, board, or other temporary organization, as the case may be.

"(D) A person performing services in any other capacity determined appropriate by the head of the temporary organization.

"(3) The head of the temporary organization—

"(A) shall ensure that each person performing voluntary services accepted under this subsection is notified of the scope of the voluntary services accepted;

"(B) shall supervise the volunteer to the same extent as employees receiving compensation for similar services; and

"(C) shall ensure that the volunteer has appropriate credentials or is otherwise qualified to perform in each capacity for which the volunteer's services are accepted.

"(4) A person providing volunteer services accepted under this subsection shall be considered an employee of the Federal Government in the performance of those services for the purposes of the following provisions of law:

"(A) Chapter 81 of this title, relating to compensation for work-related injuries.

"(B) Chapter 171 of title 28, relating to tort claims.

"(C) Chapter 11 of title 18, relating to conflicts of interest.".

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

"SUBCHAPTER IV—TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER

"Sec.

"3161. Employment and compensation of employees.".

SEC. 1102. ASSISTIVE TECHNOLOGY ACCOMMODATIONS PROGRAM.

(a) AUTHORITY TO PROVIDE TECHNOLOGY, DEVICES, AND SERVICES.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1581 the following new section:

"§ 1582. Assistive technology, assistive technology devices, and assistive technology services

"(a) AUTHORITY.—The Secretary of Defense may provide assistive technology, assistive technology devices, and assistive technology services to the following:

"(1) Department of Defense employees with disabilities.

"(2) Organizations within the Department that have requirements to make programs or facilities accessible to, and usable by, persons with disabilities.

"(3) Any other department or agency of the Federal Government, upon the request of the head of that department or agency, for its employees with disabilities or for satisfying a requirement to make its programs or facilities accessible to, and usable by, persons with disabilities.

"(b) DEFINITIONS.—In this section, the terms 'assistive technology', 'assistive technology device', 'assistive technology service', and 'disability' have the meanings given those terms in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1581 the following new item:

"1582. Assistive technology, assistive technology devices, and assistive technology services.".

SEC. 1103. EXTENSION OF AUTHORITY FOR VOLUNTARY SEPARATIONS IN REDUCTIONS IN FORCE.

Section 3502(f)(5) of title 5, United States Code, is amended by striking "September 30, 2001" and inserting "September 30, 2005".

SEC. 1104. ELECTRONIC MAINTENANCE OF PERFORMANCE APPRAISAL SYSTEMS.

Section 4302 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(c) In accordance with regulations which the Office shall prescribe, the head of an agency may administer and maintain a performance appraisal system electronically.".

SEC. 1105. STUDY ON CIVILIAN PERSONNEL SERVICES.

(a) STUDY REQUIRED.—The Secretary of Defense shall assess the manner in which personnel services are provided for civilian personnel in the Department of Defense and determine whether—

(1) administration of such services should continue to be centralized in individual military services and Defense Agencies or whether such services should be centralized within designated geographical areas to provide services to all Department of Defense elements;

(2) offices that perform such services should be established to perform specific functions rather than cover an established geographical area;

(3) processes and functions of civilian personnel offices should be reengineered to provide greater efficiency and better

service to management and employees of the Department of Defense; and

(4) efficiencies could be gained by public-private competition of the delivery of any of the personnel services for civilian personnel of the Department of Defense.

(b) REPORT.—Not later than January 1, 2002, the Secretary of Defense shall submit a report on the study, including recommendations, to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the Secretary's assessment of the items described in subsection (a), and, if appropriate, a proposal for a demonstration program to test the concepts developed under the study. The Secretary may also include any recommendations for legislation or other actions that the Secretary considers appropriate to increase the effectiveness and efficiency of the delivery of personnel services with respect to civilian personnel of the Department of Defense.

Subtitle B—Demonstration and Pilot Programs

SEC. 1111. PILOT PROGRAM FOR REENGINEERING THE EQUAL EMPLOYMENT OPPORTUNITY COMPLAINT PROCESS.

(a) PILOT PROGRAM.—(1) The Secretary of Defense shall carry out a pilot program to improve processes for the resolution of equal employment opportunity complaints by civilian employees of the Department of Defense. Complaints processed under the pilot program shall be subject to the procedural requirements established for the pilot program and shall not be subject to the procedural requirements of part 1614 of title 29 of the Code of Federal Regulations or other regulations, directives, or regulatory restrictions prescribed by the Equal Employment Opportunity Commission.

(2) The pilot program shall include procedures to reduce processing time and eliminate redundancy with respect to processes for the resolution of equal employment opportunity complaints, reinforce local management and chain-of-command accountability, and provide the parties involved with early opportunity for resolution.

(3) The Secretary may carry out the pilot program for a period of three years, beginning on January 1, 2001.

(4)(A) Participation in the pilot program shall be voluntary on the part of the complainant. Complainants who participate in the pilot program shall retain the right to appeal a final agency decision to the Equal Employment Opportunity Commission and to file suit in district court. The Equal Employment Opportunity Commission shall not reverse a final agency decision on the grounds that the agency did not comply with the regulatory requirements promulgated by the Commission.

(B) Subparagraph (A) shall apply to all cases—

(i) pending as of January 1, 2001, before the Equal Employment Opportunity Commission involving a civilian employee who filed a complaint under the pilot program of the Department of the Navy to improve processes for the resolution of equal employment opportunity complaints; and

(ii) hereinafter filed with the Commission under the pilot program established by this section.

(5) The pilot program shall be carried out in at least one military department and two Defense Agencies.

(b) REPORT.—Not later than 90 days following the end of the first and last full or partial fiscal years during which the pilot program is implemented, the Comptroller General shall submit to Congress a report on the pilot program. Such report shall contain the following:

(1) A description of the processes tested by the pilot program.

(2) The results of such testing.

(3) Recommendations for changes to the processes for the resolution of equal employment opportunity complaints as a result of such pilot program.

(4) A comparison of the processes used, and results obtained, under the pilot program to traditional and alternative dispute resolution processes used in the government or private industry.

SEC. 1112. WORK SAFETY DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a defense employees work safety demonstration program.

(b) PRIVATE SECTOR WORK SAFETY MODELS.—Under the demonstration program, the Secretary shall—

(1) adopt for use in the workplace of civilian employees of the Department of Defense such work safety models used by employers in the private sector that the Secretary considers as being representative of the best work safety practices in use by private sector employers; and

(2) determine whether the use of those practices in the Department of Defense improves the work safety record of Department of Defense employees.

(c) SITES.—(1) The Secretary shall carry out the demonstration program—

(A) at not fewer than two installations of each of the Armed Forces (other than the Coast Guard), for employees of the military department concerned; and

(B) in at least two Defense Agencies (as defined in section 101(a)(11) of title 10, United States Code).

(2) The Secretary shall select the installations and Defense Agencies from among the installations and Defense Agencies listed in the Federal Worker 2000 Presidential Initiative.

(d) PERIOD FOR PROGRAM.—The demonstration program shall begin not later than 180 days after the date of the enactment of this Act and shall terminate on September 30, 2002.

(e) REPORTS.—(1) The Secretary of Defense shall submit an interim report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than December 1, 2001. The interim report shall contain, at a minimum, for each site of the demonstration program the following:

(A) A baseline assessment of the lost workday injury rate.

(B) A comparison of the lost workday injury rate for fiscal year 2000 with the lost workday injury rate for fiscal year 1999.

(C) The direct and indirect costs associated with all lost workday injuries.

(2) The Secretary of Defense shall submit a final report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than December 1, 2002. The final report shall contain, at a minimum, for each site of the demonstration program the following:

(A) The Secretary's determination on the issue described in subsection (b)(2).

(B) A comparison of the lost workday injury rate under the program with the baseline assessment of the lost workday injury rate.

(C) The lost workday injury rate for fiscal year 2002.

(D) A comparison of the direct and indirect costs associated with all lost workday injuries for fiscal year 2002 with the direct and indirect costs associated with all lost workday injuries for fiscal year 2001.

(f) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $5,000,000 shall be available for the demonstration program under this section.

SEC. 1113. EXTENSION, EXPANSION, AND REVISION OF AUTHORITY FOR EXPERIMENTAL PERSONNEL PROGRAM FOR SCIENTIFIC AND TECHNICAL PERSONNEL.

(a) EXTENSION OF PROGRAM.—Section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2139; 5 U.S.C. 3104 note) is amended—

(1) in subsection (a), by striking "the 5-year period beginning on the date of the enactment of this Act" and inserting "the program period specified in subsection (e)(1)";

(2) in subsection (e), by striking paragraph (1) and inserting the following:

"(1) The period for carrying out the program authorized under this section begins on October 17, 1998, and ends on October 16, 2005."; and

(3) in subsection (f), by striking "on the day before the termination of the program" and inserting "on the last day of the program period specified in subsection (e)(1)".

(b) EXPANSION OF SCOPE.—Subsection (a) of such section, as amended by subsection (a)(1) of this section, is further amended by inserting before the period at the end the following: "and research and development projects administered by laboratories designated for the program by the Secretary from among the laboratories of each of the military departments".

(c) LIMITATION ON NUMBER OF APPOINTMENTS.—Subsection (b)(1) of such section is amended to read as follows:

"(1) without regard to any provision of title 5, United States Code, governing the appointment of employees in the civil service, appoint scientists and engineers from outside the civil service and uniformed services (as such terms are defined in section 2101 of such title) to—

"(A) not more than 40 scientific and engineering positions in the Defense Advanced Research Projects Agency;

"(B) not more than 40 scientific and engineering positions in the designated laboratories of each of the military services; and

"(C) not more than a total of 10 scientific and engineering positions in the National Imagery and Mapping Agency and the National Security Agency;".

(d) RATES OF PAY FOR APPOINTEES.—Subsection (b)(2) of such section is amended by inserting after "United States Code," the following: "as increased by locality-based comparability payments under section 5304 of such title,".

(e) COMMENSURATE EXTENSION OF REQUIREMENT FOR ANNUAL REPORT.—Subsection (g) of such section is amended by striking "2004" and inserting "2006".

(f) AMENDMENT OF SECTION HEADING.—The heading for such section is amended to read as follows:

"SEC. 1101. EXPERIMENTAL PERSONNEL PROGRAM FOR SCIENTIFIC AND TECHNICAL PERSONNEL.".

SEC. 1114. CLARIFICATION OF PERSONNEL MANAGEMENT AUTHORITY UNDER PERSONNEL DEMONSTRATION PROJECT.

(a) ELIMINATION OF REQUIREMENT FOR OPM REVIEW AND APPROVAL.—Section 342 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2721) is amended—

(1) in subsection (b)(1), by striking ", with the approval of the Director of the Office of Personnel Management,"; and

(2) in subsection (b)(3)—

(A) by striking "and" at the end of subparagraph (A);

(B) by striking "section 4703." and inserting "section 4703; and" at the end of subparagraph (B); and

(C) by inserting at the end the following new subparagraph (C):

"(C) the Secretary shall exercise the authorities granted to the Office of Personnel Management under such section 4703.".

(b) INCREASE IN LEVEL OF AUTHORIZED PAY.—Section 342(b) of such Act is further amended by adding at the end the following new paragraph:

"(5) The limitations in section 5373 of title 5, United States Code, do not apply to the authority of the Secretary under this section to prescribe salary schedules and other related benefits.".

Subtitle C—Educational Assistance

SEC. 1121. RESTRUCTURING THE RESTRICTION ON DEGREE TRAINING.

Section 4107 of title 5, United States Code, is amended—

(1) in subsection (a), by striking "subsection (b)" and inserting "subsections (b) and (c)";

(2) in subsection (b)(1), by striking "subsection (a)" and inserting "subsection (a) or (c)"; and

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

"(c) With respect to an employee of the Department of Defense—

"(1) this chapter does not authorize, except as provided in subsection (b) of this section, the selection and assignment of the employee for training, or the payment or reimbursement of the costs of training, for—

"(A) the purpose of providing an opportunity to the employee to obtain an academic degree in order to qualify

for appointment to a particular position for which the academic degree is a basic requirement; or

"(B) the sole purpose of providing an opportunity to the employee to obtain one or more academic degrees, unless such opportunity is part of a planned, systematic, and coordinated program of professional development endorsed by the Department of Defense; and

"(2) any course of post-secondary education delivered through classroom, electronic, or other means shall be administered or conducted by an institution recognized under standards implemented by a national or regional accrediting body, except in a case in which such standards do not exist or the use of such standards would not be appropriate.".

SEC. 1122. STUDENT LOAN REPAYMENT PROGRAMS.

(a) COVERED STUDENT LOANS.—Section 5379(a)(1)(B) of title 5, United States Code, is amended—

(1) in clause (i), by inserting "(20 U.S.C. 1071 et seq.)" before the semicolon;

(2) in clause (ii), by striking "part E of title IV of the Higher Education Act of 1965" and inserting "part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq., 1087aa et seq.)"; and

(3) in clause (iii), by striking "part C of title VII of Public Health Service Act or under part B of title VIII of such Act" and inserting "part A of title VII of the Public Health Service Act (42 U.S.C. 292 et seq.) or under part E of title VIII of such Act (42 U.S.C. 297a et seq.)".

(b) PERSONNEL COVERED.—(1) Section 5379(a)(2) of title 5, United States Code, is amended to read as follows:

"(2) An employee shall be ineligible for benefits under this section if the employee occupies a position that is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character.".

(2) Section 5379(b)(1) of title 5, United States Code, is amended by striking "professional, technical, or administrative".

(c) REGULATIONS.—(1) Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Personnel Management shall issue proposed regulations under section 5379(g) of title 5, United States Code. The Director shall provide for a period of not less than 60 days for public comment on the regulations.

(2) Not later than 240 days after the date of the enactment of this Act, the Director shall issue final regulations.

(d) ANNUAL REPORTS.—Section 5379 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) Each head of an agency shall maintain, and annually submit to the Director of the Office of Personnel Management, information with respect to the agency on—

"(A) the number of Federal employees selected to receive benefits under this section;

"(B) the job classifications for the recipients; and

"(C) the cost to the Federal Government of providing the benefits.

"(2) The Director of the Office of Personnel Management shall prepare, and annually submit to Congress, a report containing the information submitted under paragraph (1), and information

identifying the agencies that have provided benefits under this section.".

SEC. 1123. EXTENSION OF AUTHORITY FOR TUITION REIMBURSEMENT AND TRAINING FOR CIVILIAN EMPLOYEES IN THE DEFENSE ACQUISITION WORKFORCE.

Section 1745(a)(2) of title 10, United States Code, is amended by striking "September 30, 2001" and inserting "September 30, 2010".

Subtitle D—Other Benefits

SEC. 1131. ADDITIONAL SPECIAL PAY FOR FOREIGN LANGUAGE PROFICIENCY BENEFICIAL FOR UNITED STATES NATIONAL SECURITY INTERESTS.

(a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1596 the following new section:

"§ 1596a. Foreign language proficiency: special pay for proficiency beneficial for other national security interests

"(a) AUTHORITY.—The Secretary of Defense may pay special pay under this section to an employee of the Department of Defense who—

"(1) has been certified by the Secretary to be proficient in a foreign language identified by the Secretary as being a language in which proficiency by civilian personnel of the Department is necessary because of national security interests;

"(2) is assigned duties requiring proficiency in that foreign language during a contingency operation supported by the armed forces; and

"(3) is not receiving special pay under section 1596 of this title.

"(b) RATE.—The rate of special pay for an employee under this section shall be prescribed by the Secretary, but may not exceed five percent of the employee's rate of basic pay.

"(c) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—Special pay under this section is in addition to any other pay or allowances to which the employee is entitled.

"(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.".

(b) AMENDMENT TO DISTINGUISH OTHER FOREIGN LANGUAGE PROFICIENCY SPECIAL PAY.—The heading for section 1596 of title 10, United States Code, is amended to read as follows:

"§ 1596. Foreign language proficiency: special pay for proficiency beneficial for intelligence interests".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by striking the item relating to section 1596 and inserting the following new items:

"1596. Foreign language proficiency: special pay for proficiency beneficial for intelligence interests.

"1596a. Foreign language proficiency: special pay for proficiency beneficial for other national security interests.".

SEC. 1132. APPROVAL AUTHORITY FOR CASH AWARDS IN EXCESS OF $10,000.

Section 4502 of title 5, United States Code, is amended by adding at the end the following:

"(f) The Secretary of Defense may grant a cash award under subsection (b) of this section without regard to the requirements for certification and approval provided in that subsection.".

SEC. 1133. LEAVE FOR CREWS OF CERTAIN VESSELS.

Section 6305(c)(2) of title 5, United States Code, is amended to read as follows:

"(2) may not be made the basis for a lump-sum payment, except that civil service mariners of the Military Sealift Command on temporary promotion aboard ship may be paid the difference between their temporary and permanent rates of pay for leave accrued under this section and section 6303 and not otherwise used during the temporary promotion upon the expiration or termination of the temporary promotion; and".

SEC. 1134. LIFE INSURANCE FOR EMERGENCY ESSENTIAL DEPARTMENT OF DEFENSE EMPLOYEES.

(a) IN GENERAL.—Section 8702 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(c) Notwithstanding a notice previously given under subsection (b), an employee of the Department of Defense who is designated as an emergency essential employee under section 1580 of title 10 shall be insured if the employee, within 60 days after the date of the designation, elects to be insured under a policy of insurance under this chapter. An election under the preceding sentence shall be effective when provided to the Office in writing, in the form prescribed by the Office, within such 60-day period.".

(b) APPLICABILITY.—For purposes of section 8702(c) of title 5, United States Code (as added by subsection (a)), an employee of the Department of Defense who is designated as an emergency essential employee under section 1580 of title 10, United States Code, before the date of the enactment of this Act shall be deemed to be so designated on the date of the enactment of this Act.

Subtitle E—Intelligence Civilian Personnel

SEC. 1141. EXPANSION OF DEFENSE CIVILIAN INTELLIGENCE PERSONNEL SYSTEM POSITIONS.

(a) AUTHORITY FOR SENIOR DOD INTELLIGENCE POSITIONS THROUGHOUT DEPARTMENT OF DEFENSE.—Section 1601(a)(1) of title 10, United States Code, is amended—

(1) by striking "in the intelligence components of the Department of Defense and the military departments" and inserting "in the Department of Defense"; and

(2) by striking "of those components and departments" and inserting "of the Department".

(b) CONFORMING AMENDMENT FOR PERSONS ELIGIBLE FOR POSTEMPLOYMENT ASSISTANCE.—Section 1611 of such title is amended—

(1) in subsection (a)(1), by striking "an intelligence component of the Department of Defense" and inserting "a defense intelligence position";

(2) in subsection (b)—

(A) by striking "sensitive position in an intelligence component of the Department of Defense" in the matter preceding paragraph (1) and inserting "sensitive defense intelligence position"; and

(B) by striking "with the intelligence component" in paragraphs (1) and (2) and inserting "in a defense intelligence position";

(3) in subsection (d), by striking "an intelligence component of the Department of Defense" and inserting "in a defense intelligence position"; and

(4) by striking subsection (f).

(c) CONFORMING AMENDMENT FOR DEFINITION OF DEFENSE INTELLIGENCE POSITION.—Section 1614(1) of such title is amended by striking "of an intelligence component of the Department of Defense or of a military department" and inserting "of the Department of Defense".

SEC. 1142. INCREASE IN NUMBER OF POSITIONS AUTHORIZED FOR THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.

Section 1606(a) of title 10, United States Code, is amended by striking "492" and inserting "517".

Subtitle F—Voluntary Separation Incentive Pay and Early Retirement Authority

SEC. 1151. EXTENSION, REVISION, AND EXPANSION OF AUTHORITIES FOR USE OF VOLUNTARY SEPARATION INCENTIVE PAY AND VOLUNTARY EARLY RETIREMENT.

(a) REVISION AND ADDITION OF PURPOSES FOR DEPARTMENT OF DEFENSE VSIP.—Subsection (b) of section 5597 of title 5, United States Code, is amended by inserting after "transfer of function," the following: "workforce restructuring (to meet mission needs, achieve one or more strength reductions, correct skill imbalances, or reduce the number of high-grade, managerial, or supervisory positions),".

(b) ELIGIBILITY.—Subsection (c) of such section is amended—

(1) in paragraph (2), by inserting "objective and nonpersonal" after "similar"; and

(2) by adding at the end the following:

"A determination of which employees are within the scope of an offer of separation pay shall be made only on the basis of consistent and well-documented application of the relevant criteria.".

(c) INSTALLMENT PAYMENTS.—Subsection (d) of such section is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) shall be paid in a lump-sum or in installments;";

(2) by striking "and" at the end of paragraph (3);

(3) by striking the period at the end of paragraph (4) and inserting "; and"; and

(4) by adding at the end the following:

"(5) if paid in installments, shall cease to be paid upon the recipient's acceptance of employment by the Federal Government, or commencement of work under a personal services contract, as described in subsection (g)(1).".

(d) APPLICABILITY OF REPAYMENT REQUIREMENT TO REEMPLOYMENT UNDER PERSONAL SERVICES CONTRACTS.—Subsection (g)(1) of such section is amended by inserting after "employment with the Government of the United States" the following: ", or who commences work for an agency of the United States through a personal services contract with the United States,".

SEC. 1152. DEPARTMENT OF DEFENSE EMPLOYEE VOLUNTARY EARLY RETIREMENT AUTHORITY.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8336 of title 5, United States Code, is amended—

(1) in subsection (d)(2), by inserting "except in the case of an employee who is separated from the service under a program carried out under subsection (o)," after "(2)"; and

(2) by adding at the end the following:

"(o)(1) The Secretary of Defense may, during fiscal years 2002 and 2003, carry out a program under which an employee of the Department of Defense may be separated from the service entitled to an immediate annuity under this subchapter if the employee—

"(A) has—

"(i) completed 25 years of service; or

"(ii) become 50 years of age and completed 20 years of service; and

"(B) is eligible for the annuity under paragraph (2) or (3).

"(2)(A) For the purposes of paragraph (1), an employee referred to in that paragraph is eligible for an immediate annuity under this paragraph if the employee—

"(i) is separated from the service involuntarily other than for cause; and

"(ii) has not declined a reasonable offer of another position in the Department of Defense for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area.

"(B) For the purposes of paragraph (2)(A)(i), a separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function may not be considered to be a removal for cause.

"(3) For the purposes of paragraph (1), an employee referred to in that paragraph is eligible for an immediate annuity under this paragraph if the employee satisfies all of the following conditions:

"(A) The employee is separated from the service voluntarily during a period in which the organization within the Department of Defense in which the employee is serving is undergoing a major organizational adjustment.

"(B) The employee has been employed continuously by the Department of Defense for more than 30 days before the date on which the head of the employee's organization requests the determinations required under subparagraph (A).

"(C) The employee is serving under an appointment that is not limited by time.

"(D) The employee is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

"(E) The employee is within the scope of an offer of voluntary early retirement, as defined on the basis of one or more of the following objective criteria:

"(i) One or more organizational units.

"(ii) One or more occupational groups, series, or levels.

"(iii) One or more geographical locations.

"(iv) Any other similar objective and nonpersonal criteria that the Office of Personnel Management determines appropriate.

"(4) Under regulations prescribed by the Office of Personnel Management, the determinations of whether an employee meets—

"(A) the requirements of subparagraph (A) of paragraph (3) shall be made by the Office, upon the request of the Secretary of Defense; and

"(B) the requirements of subparagraph (E) of such paragraph shall be made by the Secretary of Defense.

"(5) A determination of which employees are within the scope of an offer of early retirement shall be made only on the basis of consistent and well-documented application of the relevant criteria.

"(6) In this subsection, the term 'major organizational adjustment' means any of the following:

"(A) A major reorganization.

"(B) A major reduction in force.

"(C) A major transfer of function.

"(D) A workforce restructuring—

"(i) to meet mission needs;

"(ii) to achieve one or more reductions in strength;

"(iii) to correct skill imbalances; or

"(iv) to reduce the number of high-grade, managerial, supervisory, or similar positions.".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8414 of such title is amended—

(1) in subsection (b)(1)(B), by inserting "except in the case of an employee who is separated from the service under a program carried out under subsection (d)," after "(B)"; and

(2) by adding at the end the following:

"(d)(1) The Secretary of Defense may, during fiscal years 2002 and 2003, carry out a program under which an employee of the Department of Defense may be separated from the service entitled to an immediate annuity under this subchapter if the employee—

"(A) has—

"(i) completed 25 years of service; or

"(ii) become 50 years of age and completed 20 years of service; and

"(B) is eligible for the annuity under paragraph (2) or (3).

"(2)(A) For the purposes of paragraph (1), an employee referred to in that paragraph is eligible for an immediate annuity under this paragraph if the employee—

"(i) is separated from the service involuntarily other than for cause; and

"(ii) has not declined a reasonable offer of another position in the Department of Defense for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area.

"(B) For the purposes of paragraph (2)(A)(i), a separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function may not be considered to be a removal for cause.

"(3) For the purposes of paragraph (1), an employee referred to in that paragraph is eligible for an immediate annuity under this paragraph if the employee satisfies all of the following conditions:

"(A) The employee is separated from the service voluntarily during a period in which the organization within the Department of Defense in which the employee is serving is undergoing a major organizational adjustment.

"(B) The employee has been employed continuously by the Department of Defense for more than 30 days before the date on which the head of the employee's organization requests the determinations required under subparagraph (A).

"(C) The employee is serving under an appointment that is not limited by time.

"(D) The employee is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

"(E) The employee is within the scope of an offer of voluntary early retirement, as defined on the basis of one or more of the following objective criteria:

"(i) One or more organizational units.

"(ii) One or more occupational groups, series, or levels.

"(iii) One or more geographical locations.

"(iv) Any other similar objective and nonpersonal criteria that the Office of Personnel Management determines appropriate.

"(4) Under regulations prescribed by the Office of Personnel Management, the determinations of whether an employee meets—

"(A) the requirements of subparagraph (A) of paragraph (3) shall be made by the Office upon the request of the Secretary of Defense; and

"(B) the requirements of subparagraph (E) of such paragraph shall be made by the Secretary of Defense.

"(5) A determination of which employees are within the scope of an offer of early retirement shall be made only on the basis of consistent and well-documented application of the relevant criteria.

"(6) In this subsection, the term 'major organizational adjustment' means any of the following:

"(A) A major reorganization.

"(B) A major reduction in force.

"(C) A major transfer of function.

"(D) A workforce restructuring—

"(i) to meet mission needs;

"(ii) to achieve one or more reductions in strength;

"(iii) to correct skill imbalances; or

"(iv) to reduce the number of high-grade, managerial, supervisory, or similar positions.".

(c) CONFORMING AMENDMENTS.—(1) Section 8339(h) of such title is amended by striking out "or (j)" in the first sentence and inserting "(j), or (o)".

(2) Section 8464(a)(1)(A)(i) of such title is amended by striking out "or (b)(1)(B)" and ", (b)(1)(B), or (d)".

SEC. 1153. LIMITATIONS.

(a) FISCAL YEAR 2001 LIMITATIONS ON VSIP.—Section 5597 of title 5, United States Code, as amended by section 1151, is further amended by adding at the end the following new subsection:

"(i)(1) Notwithstanding any other provision of this section, during fiscal year 2001, separation pay may be offered under the program carried out under this section with respect to workforce restructuring only to persons who, upon separation, are entitled to an immediate annuity under section 8336, 8412, or 8414 of this title and are otherwise eligible for the separation pay under this section.

"(2) In the administration of the program under this section during fiscal year 2001, the Secretary shall ensure that not more than 1,000 employees are, as a result of workforce restructuring, separated from service in that fiscal year entitled to separation pay under this section.

"(3) Separation pay may not be offered as a result of workforce restructuring under the program carried out under this section after fiscal year 2003.".

(b) LIMITATIONS FOR FISCAL YEARS 2002 AND 2003 ON VSIP AND VERA.—(1) Subject to paragraph (2), the Secretary of Defense shall ensure that, in each of fiscal years 2002 and 2003, not more than 4,000 employees of the Department of Defense are, as a result of workforce restructuring, separated from service entitled to one or more of the following benefits:

(A) Voluntary separation incentive pay under section 5597 of title 5, United States Code.

(B) Immediate annuity under section 8336(o) or 8414(d) of such title.

(2) Notwithstanding sections 5597(e), 8336(o), and 8414(d) of title 5, United States Code, the Secretary of Defense may carry out the programs authorized in those sections during fiscal years 2002 and 2003 with respect to workforce restructuring only to the extent provided in a law enacted by the One Hundred Seventh Congress.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SUBTITLE A—MATTERS RELATED TO ARMS CONTROL

Sec. 1201. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.
Sec. 1202. Support of consultations on Arab and Israeli arms control and regional security issues.
Sec. 1203. Furnishing of nuclear test monitoring equipment to foreign governments.
Sec. 1204. Additional matters for annual report on transfers of militarily sensitive technology to countries and entities of concern.

SUBTITLE B—MATTERS RELATING TO THE BALKANS

Sec. 1211. Annual report assessing effect of continued operations in the Balkans region on readiness to execute the national military strategy.
Sec. 1212. Situation in the Balkans.
Sec. 1213. Semiannual report on Kosovo peacekeeping.

SUBTITLE C—NORTH ATLANTIC TREATY ORGANIZATION AND UNITED STATES FORCES IN EUROPE

Sec. 1221. NATO fair burdensharing.
Sec. 1222. Repeal of restriction preventing cooperative airlift support through acquisition and cross-servicing agreements.
Sec. 1223. GAO study on the benefits and costs of United States military engagement in Europe.

SUBTITLE D—OTHER MATTERS

Sec. 1231. Joint data exchange center with Russian Federation on early warning systems and notification of ballistic missile launches.
Sec. 1232. Report on sharing and exchange of ballistic missile launch early warning data.
Sec. 1233. Annual report of Communist Chinese military companies operating in the United States.
Sec. 1234. Adjustment of composite theoretical performance levels of high performance computers.
Sec. 1235. Increased authority to provide health care services as humanitarian and civic assistance.
Sec. 1236. Sense of Congress regarding the use of children as soldiers.
Sec. 1237. Sense of Congress regarding undersea rescue and recovery.
Sec. 1238. United States-China Security Review Commission.

Subtitle A—Matters Related to Arms Control

SEC. 1201. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2001—The total amount of the assistance for fiscal year 2001 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed $15,000,000.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking "2000" and inserting "2001".

SEC. 1202. SUPPORT OF CONSULTATIONS ON ARAB AND ISRAELI ARMS CONTROL AND REGIONAL SECURITY ISSUES.

Of the amount authorized to be appropriated by section 301(5), up to $1,000,000 is available for the support of programs to promote formal and informal region-wide consultations among Arab, Israeli, and United States officials and experts on arms control and security issues concerning the Middle East region.

SEC. 1203. FURNISHING OF NUCLEAR TEST MONITORING EQUIPMENT TO FOREIGN GOVERNMENTS.

(a) IN GENERAL.—Chapter 152 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2555. Nuclear test monitoring equipment: furnishing to foreign governments

"(a) AUTHORITY TO CONVEY OR PROVIDE NUCLEAR TEST MONITORING EQUIPMENT.—Subject to subsection (b), the Secretary of Defense may—

"(1) convey or otherwise provide to a foreign government (A) equipment for the monitoring of nuclear test explosions, and (B) associated equipment; and

"(2) as part of any such conveyance or provision of equipment, install such equipment on foreign territory or in international waters.

"(b) AGREEMENT REQUIRED.—Nuclear test explosion monitoring equipment may be conveyed or otherwise provided under subsection (a) only pursuant to the terms of an agreement between the United States and the foreign government receiving the equipment in which the recipient foreign government agrees—

"(1) to provide the United States with timely access to the data produced, collected, or generated by the equipment;

"(2) to permit the Secretary of Defense to take such measures as the Secretary considers necessary to inspect, test, maintain, repair, or replace that equipment, including access for purposes of such measures; and

"(3) to return such equipment to the United States (or allow the United States to recover such equipment) if either party determines that the agreement no longer serves its interests.

"(c) REPORT.—Promptly after entering into any agreement under subsection (b), the Secretary of Defense shall submit to Congress a report on the agreement. The report shall identify the country with which the agreement was made, the anticipated costs to the United States to be incurred under the agreement, and the national interest of the United States that is furthered by the agreement.

"(d) LIMITATION ON DELEGATION.—The Secretary of Defense may delegate the authority of the Secretary to carry out this section only to the Secretary of the Air Force. Such a delegation may be redelegated.".

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

"2555. Nuclear test monitoring equipment: furnishing to foreign governments.".

SEC. 1204. ADDITIONAL MATTERS FOR ANNUAL REPORT ON TRANSFERS OF MILITARILY SENSITIVE TECHNOLOGY TO COUNTRIES AND ENTITIES OF CONCERN.

Section 1402(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 798) is amended by adding at the end the following new paragraph:

"(4) The status of the implementation or other disposition of recommendations included in reports of audits by Inspectors General that have been set forth in a previous annual report under this section pursuant to paragraph (3).".

Subtitle B—Matters Relating to the Balkans

SEC. 1211. ANNUAL REPORT ASSESSING EFFECT OF CONTINUED OPERATIONS IN THE BALKANS REGION ON READINESS TO EXECUTE THE NATIONAL MILITARY STRATEGY.

Section 1035 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 753) is amended—

(1) in subsection (a), by striking "Not later than 180 days after the date of the enactment of this Act," and inserting

"Not later than April 1 each year (but subject to subsection (e)),";

(2) in subsection (b), by striking "The report" in the matter preceding paragraph (1) and inserting "Each report";

(3) in subsection (d), by striking "the report" and inserting "a report"; and

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

"(e) TERMINATION WHEN UNITED STATES MILITARY OPERATIONS END.—(1) No report is required under this section after United States military operations in the Balkans region have ended.

"(2) After the requirement for an annual report under this section is terminated by operation of paragraph (1), but not later than the latest date on which the next annual report under this section would, except for paragraph (1), otherwise be due, the Secretary of Defense shall transmit to Congress a notification of the termination of the reporting requirement.".

SEC. 1212. SITUATION IN THE BALKANS.

(a) ESTABLISHMENT OF NATO BENCHMARKS FOR WITHDRAWAL OF FORCES FROM KOSOVO.—The President shall develop, not later than May 31, 2001, militarily significant benchmarks for conditions that would achieve a sustainable peace in Kosovo and ultimately allow for the withdrawal of the United States military presence in Kosovo. Congress urges the President to seek concurrence among member nations of the North Atlantic Treaty Organization in the development of those benchmarks.

(b) COMPREHENSIVE POLITICAL-MILITARY STRATEGY.—(1) The President—

(A) shall develop a comprehensive political-military strategy for addressing the political, economic, humanitarian, and military issues in the Balkans; and

(B) shall establish near-term, mid-term, and long-term objectives in the region.

(2) In developing that strategy and those objectives, the President shall take into consideration—

(A) the benchmarks relating to Kosovo developed as described in subsection (a); and

(B) the benchmarks relating to Bosnia that were detailed in the report accompanying the certification by the President to Congress on March 3, 1998 (printed as House Document 105–223), with respect to the continued presence of United States Armed Forces, after June 30, 1998, in Bosnia and Herzegovina, submitted to Congress pursuant to section 7 of title I of the 1998 Supplemental Appropriations and Rescissions Act (Public Law 105–174; 112 Stat. 63).

(3) That strategy and those objectives shall be developed in consultation with appropriate regional and international entities.

(c) SEMIANNUAL REPORT ON BENCHMARKS.—Not later than June 30, 2001, and every six months thereafter, the President shall submit to Congress a report on the progress made in achieving the benchmarks developed pursuant to subsection (a). The President may submit a single report covering these benchmarks and the benchmarks relating to Bosnia referred to in subsection (b)(2)(B).

(d) SEMIANNUAL REPORT ON COMPREHENSIVE STRATEGY.—Not later than June 30, 2001, and every six months thereafter so long as United States forces are in the Balkans, the President shall submit to Congress a report on the progress being made

in developing and implementing a comprehensive political-military strategy as described in subsection (b)(1)(A).

SEC. 1213. SEMIANNUAL REPORT ON KOSOVO PEACEKEEPING.

(a) REQUIREMENT FOR PERIODIC REPORT.—The President shall submit to the specified congressional committees a semiannual report on the contributions of European nations and organizations to the peacekeeping operations in Kosovo. The first such report shall be submitted not later than December 1, 2000.

(b) CONTENT OF REPORT.—Each report shall contain detailed information on the following:

(1) The commitments and pledges made by the European Commission, the member nations of the European Union, and the European member nations of the North Atlantic Treaty Organization for—

(A) reconstruction assistance in Kosovo;

(B) humanitarian assistance in Kosovo;

(C) the Kosovo Consolidated Budget;

(D) police (including special police) for the United Nations international police force for Kosovo; and

(E) military personnel for peacekeeping operations in Kosovo.

(2) The amount of the assistance that has been provided in each category, and the number of police and military personnel that have been deployed to Kosovo, by each organization or nation referred to in paragraph (1).

(3) The full range of commitments and responsibilities that have been undertaken for Kosovo by the United Nations, the European Union, and the Organization for Security and Cooperation in Europe (OSCE), the progress made by those organizations in fulfilling those commitments and responsibilities, an assessment of the tasks that remain to be accomplished, and an anticipated schedule for completing those tasks.

(d) SPECIFIED CONGRESSIONAL COMMITTEES.—In the section, the term "specified congressional committees" means—

(1) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

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

Subtitle C—North Atlantic Treaty Organization and United States Forces in Europe

SEC. 1221. NATO FAIR BURDENSHARING.

(a) REPORT ON COSTS OF OPERATION ALLIED FORCE.—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 costs to the United States of the 78-day air campaign known as Operation Allied Force conducted against the Federal Republic of Yugoslavia during the period from March 24 through June 9, 1999. The report shall include the following:

(1) The costs of ordnance expended, fuel consumed, and personnel.

(2) The estimated cost of the reduced service life of United States aircraft and other systems participating in the operation.

(b) REPORT ON BURDENSHARING OF FUTURE NATO OPERATIONS.—Whenever the North Atlantic Treaty Organization undertakes a military operation, 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 describing—

(1) the contributions to that operation made by each of the member nations of the North Atlantic Treaty Organization during that operation; and

(2) the contributions that each of the member nations of the North Atlantic Treaty Organization are making or have pledged to make during any follow-on operation.

(c) TIME FOR SUBMISSION OF REPORT.—A report under subsection (b) shall be submitted not later than 90 days after the completion of the military operation.

(d) APPLICABILITY.—Subsection (b) shall apply only with respect to military operations begun after the date of the enactment of this Act.

SEC. 1222. REPEAL OF RESTRICTION PREVENTING COOPERATIVE AIRLIFT SUPPORT THROUGH ACQUISITION AND CROSS-SERVICING AGREEMENTS.

Section 2350c of title 10, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsection (e) as subsection (d).

SEC. 1223. GAO STUDY ON THE BENEFITS AND COSTS OF UNITED STATES MILITARY ENGAGEMENT IN EUROPE.

(a) COMPTROLLER GENERAL STUDY.—The Comptroller General shall conduct a study assessing the benefits and costs to the United States and United States national security interests of the engagement of United States forces in Europe and of United States military strategies used to shape the international security environment in Europe.

(b) MATTERS TO BE INCLUDED.—The study shall include an assessment of the following matters:

(1) The benefits and costs to the United States of having forces stationed in Europe and assigned to areas of regional conflict such as Bosnia and Kosovo.

(2) The benefits and costs associated with stationing United States forces in Europe and with assigning those forces to areas of regional conflict, including an analysis of the benefits and costs of deploying United States forces with the forces of European allies.

(3) The amount and type of the following kinds of contributions to European security made by European allies in 1999 and 2000:

(A) Financial contributions.

(B) Contributions of military personnel and units.

(C) Contributions of nonmilitary personnel, such as medical personnel, police officers, judicial officers, and other civic officials.

(D) Contributions, including contributions in kind, for humanitarian and reconstruction assistance and infrastructure building or activities that contribute to regional stability, whether in lieu of or in addition to military-related contributions.

(4) The extent to which a forward United States military presence compensates for existing shortfalls of air and sea lift capability in the event of regional conflict in Europe or the Middle East.

(c) REPORT.—The Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the results of the study not later than December 1, 2001.

Subtitle D—Other Matters

SEC. 1231. JOINT DATA EXCHANGE CENTER WITH RUSSIAN FEDERATION ON EARLY WARNING SYSTEMS AND NOTIFICATION OF BALLISTIC MISSILE LAUNCHES.

(a) AUTHORITY.—The Secretary of Defense is authorized to establish, in conjunction with the Government of the Russian Federation, a United States-Russian Federation joint center for the exchange of data from systems to provide early warning of launches of ballistic missiles and for notification of launches of such missiles.

(b) SPECIFIC ACTIONS.—The actions that the Secretary undertakes for the establishment of the center may include—

(1) subject to subsection (d), participating in the renovation of a mutually agreed upon facility to be made available by the Russian Federation; and

(2) the furnishing of such equipment and supplies as may be necessary to begin the operation of the center.

(c) REPORT REQUIRED.—(1) Not later than 30 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 plans for the joint data exchange center.

(2) The report shall include the following:

(A) A detailed explanation as to why the particular facility intended to house the center was chosen.

(B) An estimate of the total cost of renovating that facility for use by the center.

(C) A description of the manner by which the United States proposes to meet its share of the costs of such renovation.

(d) LIMITATION.—(1) The Secretary of Defense may participate under subsection (b) in the renovation of the facility identified in the report under subsection (c) only if the United States and the Russian Federation enter into a cost-sharing arrangement that provides for an equal sharing between the two nations of the cost of establishing the center, including the costs of renovating and operating the facility.

(2) Not more than $4,000,000 of funds appropriated for fiscal year 2001 may be obligated or expended after the date of the enactment of this Act by the Secretary of Defense for the renovation of such facility until 30 days after the date on which the Secretary submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives

a copy of a written agreement between the United States and the Russian Federation that provides details of the cost-sharing arrangement specified in paragraph (1), in accordance with the Memorandum of Agreement between the two nations signed in Moscow in June 2000.

SEC. 1232. REPORT ON SHARING AND EXCHANGE OF BALLISTIC MISSILE LAUNCH EARLY WARNING DATA.

Not later than March 15, 2001, 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 current and planned activities of the Department of Defense with respect to the sharing and exchange with other countries of early warning data concerning ballistic missile launches. The report shall include the Secretary's assessment of the benefits and risks of sharing such data with other countries on a bilateral or multilateral basis.

SEC. 1233. ANNUAL REPORT OF COMMUNIST CHINESE MILITARY COMPANIES OPERATING IN THE UNITED STATES.

Section 1237(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (50 U.S.C. 1701 note) is amended—

(1) by striking "PUBLICATION" in the subsection heading and inserting "REPORTING"; and

(2) by striking paragraphs (1) and (2) and inserting the following:

"(1) INITIAL DETERMINATION AND REPORTING.—Not later than March 1, 2001, the Secretary of Defense shall make a determination of those persons operating directly or indirectly in the United States or any of its territories and possessions that are Communist Chinese military companies and shall submit a list of those persons in classified and unclassified form to the following:

"(A) The Committee on Armed Services of the House of Representatives.

"(B) The Committee on Armed Services of the Senate.

"(C) The Secretary of State.

"(D) The Secretary of the Treasury.

"(E) The Attorney General.

"(F) The Secretary of Commerce.

"(G) The Secretary of Energy.

"(H) The Director of Central Intelligence.

"(2) ANNUAL REVISIONS TO THE LIST.—The Secretary of Defense shall make additions or deletions to the list submitted under paragraph (1) on an annual basis based on the latest information available and shall submit the updated list not later than February 1, each year to the committees and officers specified in paragraph (1).".

SEC. 1234. ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS OF HIGH PERFORMANCE COMPUTERS.

(a) LAYOVER PERIOD FOR NEW PERFORMANCE LEVELS.—Section 1211 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—

(1) in the second sentence of subsection (d), by striking "180" and inserting "60"; and

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

"(h) CALCULATION OF 60-DAY PERIOD.—The 60-day period referred to in subsection (d) shall be calculated by excluding the days on which either House of Congress is not in session because of an adjournment of the Congress sine die.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any new composite theoretical performance level established for purposes of section 1211(a) of the National Defense Authorization Act for Fiscal Year 1998 that is submitted by the President pursuant to section 1211(d) of that Act on or after the date of the enactment of this Act.

SEC. 1235. INCREASED AUTHORITY TO PROVIDE HEALTH CARE SERVICES AS HUMANITARIAN AND CIVIC ASSISTANCE.

Section 401(e)(1) of title 10, United States Code, is amended by striking "rural areas of a country" and inserting "areas of a country that are rural or are underserved by medical, dental, and veterinary professionals, respectively".

SEC. 1236. SENSE OF CONGRESS REGARDING THE USE OF CHILDREN AS SOLDIERS.

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

(1) In the year 2000, approximately 300,000 individuals under the age of 18 are participating in armed conflict in more than 30 countries worldwide.

(2) Many children participating in armed conflict in various countries around the world are forcibly conscripted through kidnapping or coercion, while others join military units due to economic necessity, to avenge the loss of a family member, or for their own personal safety.

(3) Many military commanders frequently force child soldiers to commit gruesome acts of ritual killings or torture against their enemies, including against other children.

(4) Many military commanders separate children from their families in order to foster dependence on military units and leaders, leaving children vulnerable to manipulation, deep traumatization, and in need of psychological counseling and rehabilitation.

(5) Child soldiers are exposed to hazardous conditions and risk physical injuries, sexually transmitted diseases, malnutrition, deformed backs and shoulders from carrying overweight loads, and respiratory and skin infections.

(6) Many young female soldiers face the additional psychological and physical horrors of rape and sexual abuse, being enslaved for sexual purposes by militia commanders, and forced to endure severe social stigma should they return home.

(7) Children in northern Uganda continue to be kidnapped by the Lords Resistance Army (LRA), which is supported and funded by the Government of Sudan and which has committed and continues to commit gross human rights violations in Uganda.

(8) Children in Sri Lanka have been forcibly recruited by the opposition Tamil Tigers movement and forced to kill or be killed in the armed conflict in that country.

(9) An estimated 7,000 child soldiers have been involved in the conflict in Sierra Leone, some as young as age 10, with many being forced to commit extrajudicial executions, torture, rape, and amputations for the rebel Revolutionary United Front.

(10) On January 21, 2000, in Geneva, a United Nations Working Group, including representatives from more than 80 governments including the United States, reached consensus on an international agreement, referred to in this case as an "optional protocol", on the use of child soldiers.

(11) This optional protocol, upon entry into force, will—

(A) raise the international minimum age for conscription and will require governments to take all feasible measures to ensure that members of their armed forces under age 18 do not participate directly in combat;

(B) prohibit the recruitment and use in armed conflict of persons under the age of 18 by nongovernmental armed forces;

(C) encourage governments to raise the minimum legal age for voluntary recruits above the current standard of 15; and

(D) commit governments to support the demobilization and rehabilitation of child soldiers and, when possible, to allocate resources to this purpose.

(12) On October 29, 1998, United Nations Secretary General Kofi Annan set minimum age requirements for United Nations peacekeeping personnel that are made available by member nations of the United Nations.

(13) The United Nations Under-Secretary General for Peace-keeping, Bernard Miyet, announced in the Fourth Committee of the General Assembly that contributing governments of member nations were asked not to send civilian police and military observers under the age of 25 and that troops in national contingents should preferably be at least 21 years of age but in no case should they be younger than 18 years of age.

(14) On August 25, 1999, the United Nations Security Council unanimously passed Resolution 1261 (1999) condemning the use of children in armed conflicts.

(15) In addressing the Security Council on August 26, 1999, the Special Representative of the Secretary General for Children and Armed Conflict, Olara Otunnu, urged the adoption of a global three-pronged approach to combatting the use of children in armed conflict that would—

(A) first, raise the age limit for recruitment and participation in armed conflict from the present age of 15 to the age of 18;

(B) second, increase international pressure on armed groups which currently abuse children; and

(C) third, address the political, social, and economic factors that create an environment in which children are induced by appeal of ideology or by socio-economic collapse to become child soldiers.

(16) The United States delegation to the United Nations working group relating to child soldiers, which included representatives from the Department of Defense, supported the Geneva agreement on the optional protocol.

(17) On May 25, 2000, the United Nations General Assembly unanimously adopted the optional protocol on the use of child soldiers.

(18) The optional protocol was opened for signature on June 5, 2000.

(19) The President signed the optional protocol on behalf of the United States on July 5, 2000.

(b) CONGRESSIONAL STATEMENTS ON CHILD SOLDIERS.—Congress joins the international community in—

(1) condemning the use of children as soldiers by governmental and nongovernmental armed forces worldwide; and

(2) welcoming the optional protocol on the use of child soldiers adopted by the United Nations General Assembly on May 25, 2000, as a critical first step in ending the use of children as soldiers.

(c) SENSE OF CONGRESS ON FURTHER ACTIONS.—It is the sense of Congress that—

(1) it is essential that the President consult closely with the Senate with the objective of building support for ratification by the United States of the optional protocol and that the Senate move forward as expeditiously as possible;

(2) the United States should provide assistance, through a new fund to be established by law, for the rehabilitation and reintegration into their respective civilian societies of child soldiers of other nations; and

(3) the President, acting through the Secretaries of State and Defense and other appropriate officials, should undertake all possible efforts to persuade and encourage other governments to ratify and endorse the optional protocol on the use of child soldiers.

SEC. 1237. SENSE OF CONGRESS REGARDING UNDERSEA RESCUE AND RECOVERY.

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

(1) The tragic loss in August 2000 of the Russian submarine Kursk resulted in the death of all 118 members of the submarine's crew.

(2) The Kursk is the third vessel of the submarine fleet of the Russian Federation and its predecessor, the Union of Soviet Socialist Republics, to be lost in an accident at sea with considerable loss of life of the officers and crews of those submarines.

(3) The United States submarines USS Thresher and USS Scorpion, with their officers and crews, were also lost at sea in tragic accidents, in 1963 and 1968, respectively.

(4) The United States, the Russian Federation, and other maritime nations possess extensive capabilities consisting of naval and research vessels and other assets that could be used to respond to accidents or incidents involving submarines or other undersea vessels.

(5) The United States Navy has rescue agreements with the navies of 14 countries from Europe, the Western Pacific, and the Americas, but not including the Russian Federation, and exercises regularly to train crews and practice submarine rescue procedures with the navies of participating nations.

(b) EXPRESSION OF SYMPATHY.—Congress expresses its sympathy and the sympathy of the American people to the people of the Russian Federation and joins the Russian people in mourning the death of the crewmen of the submarine Kursk.

(c) SENSE OF CONGRESS CONCERNING INTERNATIONAL COOPERATION.—It is the sense of Congress that when undersea accidents or incidents involving submarines or other undersea vessels occur,

it is in the best interests of all nations to work together to respond promptly to the accident or incident, rescue and recover the crew of the vessel, minimize the loss of life, and prevent damage to the oceans.

(d) ESTABLISHMENT OF PLAN FOR RESPONDING TO UNDERSEA ACCIDENTS OR INCIDENTS.—Congress urges the President of the United States and the President of the Russian Federation, in coordination with the leaders of other maritime nations that possess undersea naval and research vessels and undersea rescue capabilities, to cooperate in establishing a plan for—

(1) responding to accidents or incidents involving submarines or other undersea vessels; and

(2) rescue and recovery of the crew of the vessels involved in such accidents or incidents.

SEC. 1238. UNITED STATES-CHINA SECURITY REVIEW COMMISSION.

(a) PURPOSES.—The purposes of this section are as follows:

(1) To establish the United States-China Security Review Commission to review the national security implications of trade and economic ties between the United States and the People's Republic of China.

(2) To facilitate the assumption by the United States-China Security Review Commission of its duties regarding the review referred to in paragraph (1) by providing for the transfer to that Commission of staff, materials, and infrastructure (including leased premises) of the Trade Deficit Review Commission that are appropriate for the review upon the submittal of the final report of the Trade Deficit Review Commission.

(b) ESTABLISHMENT OF UNITED STATES-CHINA SECURITY REVIEW COMMISSION.—

(1) IN GENERAL.—There is hereby established a commission to be known as the United States-China Security Review Commission (in this section referred to as the "Commission").

(2) PURPOSE.—The purpose of the Commission is to monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China.

(3) MEMBERSHIP.—The Commission shall be composed of 12 members, who shall be appointed in the same manner provided for the appointment of members of the Trade Deficit Review Commission under section 127(c)(3) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note), except that—

(A) appointment of members by the Speaker of the House of Representatives shall be made after consultation with the chairman of the Committee on Armed Services of the House of Representatives, in addition to consultation with the chairman of the Committee on Ways and Means of the House of Representatives provided for under clause (iii) of subparagraph (A) of that section;

(B) appointment of members by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate shall be made after consultation with the chairman of the Committee on Armed Services of the Senate, in addition to consultation with the chairman of the Committee on Finance of the Senate provided for under clause (i) of that subparagraph;

(C) appointment of members by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate shall be made after consultation with the ranking minority member of the Committee on Armed Services of the Senate, in addition to consultation with the ranking minority member of the Committee on Finance of the Senate provided for under clause (ii) of that subparagraph;

(D) appointment of members by the minority leader of the House of Representatives shall be made after consultation with the ranking minority member of the Committee on Armed Services of the House of Representatives, in addition to consultation with the ranking minority member of the Committee on Ways and Means of the House of Representatives provided for under clause (iv) of that subparagraph;

(E) persons appointed to the Commission shall have expertise in national security matters and United States-China relations, in addition to the expertise provided for under subparagraph (B)(i)(I) of that section;

(F) members shall be appointed to the Commission not later than 30 days after the date on which each new Congress convenes;

(G) members of the Commission may be reappointed for additional terms of service as members of the Commission; and

(H) members of the Trade Deficit Review Commission as of the date of the enactment of this Act shall serve as members of the Commission until such time as members are first appointed to the Commission under this paragraph.

(4) RETENTION OF SUPPORT.—The Commission shall retain and make use of such staff, materials, and infrastructure (including leased premises) of the Trade Deficit Review Commission as the Commission determines, in the judgment of the members of the Commission, are required to facilitate the ready commencement of activities of the Commission under subsection (c) or to carry out such activities after the commencement of such activities.

(5) CHAIRMAN AND VICE CHAIRMAN.—The members of the Commission shall select a Chairman and Vice Chairman of the Commission from among the members of the Commission.

(6) MEETINGS.—

(A) MEETINGS.—The Commission shall meet at the call of the Chairman of the Commission.

(B) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business of the Commission.

(7) VOTING.—Each member of the Commission shall be entitled to one vote, which shall be equal to the vote of every other member of the Commission.

(c) DUTIES.—

(1) ANNUAL REPORT.—Not later than March 1 each year (beginning in 2002), the Commission shall submit to Congress a report, in both unclassified and classified form, regarding the national security implications and impact of the bilateral trade and economic relationship between the United States

and the People's Republic of China. The report shall include a full analysis, along with conclusions and recommendations for legislative and administrative actions, if any, of the national security implications for the United States of the trade and current balances with the People's Republic of China in goods and services, financial transactions, and technology transfers. The Commission shall also take into account patterns of trade and transfers through third countries to the extent practicable.

(2) CONTENTS OF REPORT.—Each report under paragraph (1) shall include, at a minimum, a full discussion of the following:

(A) The portion of trade in goods and services with the United States that the People's Republic of China dedicates to military systems or systems of a dual nature that could be used for military purposes.

(B) The acquisition by the People's Republic of China of advanced military or dual-use technologies from the United States by trade (including procurement) and other technology transfers, especially those transfers, if any, that contribute to the proliferation of weapons of mass destruction or their delivery systems, or that undermine international agreements or United States laws with respect to nonproliferation.

(C) Any transfers, other than those identified under subparagraph (B), to the military systems of the People's Republic of China made by United States firms and United States-based multinational corporations.

(D) An analysis of the statements and writing of the People's Republic of China officials and officially-sanctioned writings that bear on the intentions, if any, of the Government of the People's Republic of China regarding the pursuit of military competition with, and leverage over, or cooperation with, the United States and the Asian allies of the United States.

(E) The military actions taken by the Government of the People's Republic of China during the preceding year that bear on the national security of the United States and the regional stability of the Asian allies of the United States.

(F) The effects, if any, on the national security interests of the United States of the use by the People's Republic of China of financial transactions and capital flow and currency manipulations.

(G) Any action taken by the Government of the People's Republic of China in the context of the World Trade Organization that is adverse or favorable to the United States national security interests.

(H) Patterns of trade and investment between the People's Republic of China and its major trading partners, other than the United States, that appear to be substantively different from trade and investment patterns with the United States and whether the differences have any national security implications for the United States.

(I) The extent to which the trade surplus of the People's Republic of China with the United States enhances the military budget of the People's Republic of China.

(J) An overall assessment of the state of the security challenges presented by the People's Republic of China to the United States and whether the security challenges are increasing or decreasing from previous years.

(3) RECOMMENDATIONS OF REPORT.—Each report under paragraph (1) shall also include recommendations for action by Congress or the President, or both, including specific recommendations for the United States to invoke Article XXI (relating to security exceptions) of the General Agreement on Tariffs and Trade 1994 with respect to the People's Republic of China, as a result of any adverse impact on the national security interests of the United States.

(d) HEARINGS.—

(1) IN GENERAL.—The Commission or, at its direction, any panel or member of the Commission, may for the purpose of carrying out the provisions of this section, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(2) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its duties under this section, except the provision of intelligence information to the Commission shall be made with due regard for the protection from unauthorized disclosure of classified information relating to sensitive intelligence sources and methods or other exceptionally sensitive matters, under procedures approved by the Director of Central Intelligence.

(3) SECURITY.—The Office of Senate Security shall—

(A) provide classified storage and meeting and hearing spaces, when necessary, for the Commission; and

(B) assist members and staff of the Commission in obtaining security clearances.

(4) SECURITY CLEARANCES.—All members of the Commission and appropriate staff shall be sworn and hold appropriate security clearances.

(e) COMMISSION PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Members of the Commission shall be compensated in the same manner provided for the compensation of members of the Trade Deficit Review Commission under section 127(g)(1) and section 127(g)(6) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note).

(2) TRAVEL EXPENSES.—Travel expenses of the Commission shall be allowed in the same manner provided for the allowance of the travel expenses of the Trade Deficit Review Commission under section 127(g)(2) of the Trade Deficit Review Commission Act.

(3) STAFF.—An executive director and other additional personnel for the Commission shall be appointed, compensated, and terminated in the same manner provided for the appointment, compensation, and termination of the executive director and other personnel of the Trade Deficit Review Commission under section 127(g)(3) and section 127(g)(6) of the Trade Deficit Review Commission Act.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Federal Government employees may be detailed to the Commission in the same manner provided for the detail of Federal Government employees to the Trade Deficit Review Commission under section 127(g)(4) of the Trade Deficit Review Commission Act.

(5) FOREIGN TRAVEL FOR OFFICIAL PURPOSES.—Foreign travel for official purposes by members and staff of the Commission may be authorized by either the Chairman or the Vice Chairman of the Commission.

(6) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services for the Commission in the same manner provided for the procurement of temporary and intermittent services for the Trade Deficit Review Commission under section 127(g)(5) of the Trade Deficit Review Commission Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to the Commission for fiscal year 2001, and for each fiscal year thereafter, such sums as may be necessary to enable the Commission to carry out its functions under this section.

(2) AVAILABILITY.—Amounts appropriated to the Commission shall remain available until expended.

(g) FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(h) EFFECTIVE DATE.—This section shall take effect on the first day of the 107th Congress.

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. Prohibition on use of funds for elimination of conventional weapons.
Sec. 1304. Limitations on use of funds for fissile material storage facility.
Sec. 1305. Limitation on use of funds to support warhead dismantlement processing.
Sec. 1306. Agreement on nuclear weapons storage sites.
Sec. 1307. Limitation on use of funds for construction of fossil fuel energy plants; report.
Sec. 1308. Reports on activities and assistance under Cooperative Threat Reduction programs.
Sec. 1309. Russian chemical weapons elimination.
Sec. 1310. Limitation on use of funds for elimination of weapons grade plutonium program.
Sec. 1311. Report on audits of 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 2001 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term "fiscal year 2001 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 $443,400,000 authorized to be appropriated to the Department of Defense for fiscal year 2001 in section 301(23) for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $177,800,000.

(2) For strategic nuclear arms elimination in Ukraine, $29,100,000.

(3) For activities to support warhead dismantlement processing in Russia, $9,300,000.

(4) For weapons transportation security in Russia, $14,000,000.

(5) For planning, design, and construction of a storage facility for Russian fissile material, $57,400,000.

(6) For weapons storage security in Russia, $89,700,000.

(7) For development of a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium at Russian reactors, $32,100,000.

(8) For biological weapons proliferation prevention activities in the former Soviet Union, $12,000,000.

(9) For activities designated as Other Assessments/ Administrative Support, $13,000,000.

(10) For defense and military contacts, $9,000,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2001 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (10) 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 2001 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 2001 for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such 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 the purposes stated in any of paragraph (4), (5), (7), (9), or (10) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

SEC. 1303. PROHIBITION ON USE OF FUNDS FOR ELIMINATION OF CONVENTIONAL WEAPONS.

No fiscal year 2001 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs for any other fiscal year, may be obligated or expended for elimination of conventional weapons or the delivery vehicles primarily intended to deliver such weapons.

SEC. 1304. LIMITATIONS ON USE OF FUNDS FOR FISSILE MATERIAL STORAGE FACILITY.

(a) LIMITATIONS.—No fiscal year 2001 Cooperative Threat Reduction funds may be used—

(1) for construction of a second wing for the storage facility for Russian fissile material referred to in section 1302(a)(5); or

(2) for design or planning with respect to such facility until 15 days after the date that the Secretary of Defense submits to Congress notification that Russia and the United States have signed a written transparency agreement that provides for verification that material stored at the facility is of weapons origin.

(b) ESTABLISHMENT OF FUNDING CAP FOR FIRST WING OF STORAGE FACILITY.—Out of funds authorized to be appropriated for Cooperative Threat Reduction programs for fiscal year 2001 or any other fiscal year, not more than $412,600,000 may be used for planning, design, or construction of the first wing for the storage facility for Russian fissile material referred to in section 1302(a)(5).

SEC. 1305. LIMITATION ON USE OF FUNDS TO SUPPORT WARHEAD DISMANTLEMENT PROCESSING.

No fiscal year 2001 Cooperative Threat Reduction funds may be used for activities to support warhead dismantlement processing in Russia until 15 days after the date that the Secretary of Defense submits to Congress notification that the United States has reached an agreement with Russia, which shall provide for appropriate transparency measures, regarding assistance by the United States with respect to such processing.

SEC. 1306. AGREEMENT ON NUCLEAR WEAPONS STORAGE SITES.

The Secretary of Defense shall seek to enter into an agreement with Russia regarding procedures to allow the United States appropriate access to nuclear weapons storage sites for which assistance under Cooperative Threat Reduction programs is provided.

SEC. 1307. LIMITATION ON USE OF FUNDS FOR CONSTRUCTION OF FOSSIL FUEL ENERGY PLANTS; REPORT.

(a) IN GENERAL.—No fiscal year 2001 Cooperative Threat Reduction funds may be used for the construction of a fossil fuel energy plant intended to provide power to local communities that already receive power from nuclear energy plants that produce plutonium.

(b) REPORT.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to Congress a report detailing options for assisting Russia in the development of alternative energy sources to the three plutonium production reactors remaining in operation in Russia. The report shall include—

(1) an assessment of the costs of building fossil fuel plants in Russia to replace the existing plutonium production reactors; and

(2) an identification of funding sources, other than Cooperative Threat Reduction funds, that could possibly be used for the construction of such plants in the event that the option to use fossil fuel energy is chosen as part of a plan to shut down Russia's nuclear plutonium production reactors at Seversk and Zelenogorsk.

SEC. 1308. REPORTS ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) ANNUAL REPORT.—In any year in which the budget of the President under section 1105 of title 31, United States Code, for the fiscal year beginning in such year requests funds for the Department of Defense for assistance or activities under Cooperative Threat Reduction programs with the states of the former Soviet Union, the Secretary of Defense shall submit to Congress a report on activities and assistance during the preceding fiscal year under Cooperative Threat Reduction programs setting forth the matters in subsection (c).

(b) DEADLINE FOR REPORT.—The report under subsection (a) shall be submitted not later than the first Monday in February of a year.

(c) MATTERS TO BE INCLUDED.—The report under subsection (a) in a year shall set forth the following:

(1) An estimate of the total amount that will be required to be expended by the United States in order to achieve the objectives of the Cooperative Threat Reduction programs.

(2) A five-year plan setting forth the amount of funds and other resources proposed to be provided by the United States for Cooperative Threat Reduction programs over the term of the plan, including the purpose for which such funds and resources will be used, and to provide guidance for the preparation of annual budget submissions with respect to Cooperative Threat Reduction programs.

(3) A description of the Cooperative Threat Reduction activities carried out during the fiscal year ending in the year preceding the year of the report, including—

(A) the amounts notified, obligated, and expended for such activities and the purposes for which such amounts were notified, obligated, and expended for such fiscal year and cumulatively for Cooperative Threat Reduction programs;

(B) a description of the participation, if any, of each department and agency of the United States Government in such activities;

(C) a description of such activities, including the forms of assistance provided;

(D) a description of the United States private sector participation in the portion of such activities that were supported by the obligation and expenditure of funds for Cooperative Threat Reduction programs; and

(E) such other information as the Secretary of Defense considers appropriate to inform Congress fully of the operation of Cooperative Threat Reduction programs and activities, including with respect to proposed demilitarization or conversion projects, information on the progress toward demilitarization of facilities and the conversion of the demilitarized facilities to civilian activities.

(4) A description of the audits, examinations, and other efforts, such as on-site inspections, conducted by the United States during the fiscal year ending in the year preceding the year of the report to ensure that assistance provided under Cooperative Threat Reduction programs is fully accounted for and that such assistance is being used for its intended purpose, including—

(A) if such assistance consisted of equipment, a description of the current location of such equipment and the current condition of such equipment;

(B) if such assistance consisted of contracts or other services, a description of the status of such contracts or services and the methods used to ensure that such contracts and services are being used for their intended purpose;

(C) a determination whether the assistance described in subparagraphs (A) and (B) has been used for its intended purpose; and

(D) a description of the audits, examinations, and other efforts planned to be carried out during the fiscal year beginning in the year of the report to ensure that Cooperative Threat Reduction assistance provided during such fiscal year is fully accounted for and is used for its intended purpose.

(5) A current description of the tactical nuclear weapons arsenal of Russia, including—

(A) an estimate of the current types, numbers, yields, viability, locations, and deployment status of the nuclear warheads in that arsenal;

(B) an assessment of the strategic relevance of such warheads;

(C) an assessment of the current and projected threat of theft, sale, or unauthorized use of such warheads; and

(D) a summary of past, current, and planned United States efforts to work cooperatively with Russia to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile materials.

(d) INPUT OF DCI.—The Director of Central Intelligence shall submit to the Secretary of Defense the views of the Director on any matters covered by subsection (c)(5) in a report under subsection (a). Such views shall be included in such report as a classified annex to such report.

(e) COMPTROLLER GENERAL ASSESSMENT.—Not later than 90 days after the date on which a report is submitted to Congress under subsection (a), the Comptroller General shall submit to Congress a report setting forth the Comptroller General's assessment of the information described in paragraphs (2) and (4) of subsection (c).

(f) FIRST REPORT.—The first report submitted under subsection (a) shall be submitted in 2001.

(g) REPEAL OF SUPERSEDED REPORTING REQUIREMENTS.—(1) The following provisions of law are repealed:

(A) Section 1207 of the Cooperative Threat Reduction Act of 1994 (title XII of Public Law 103–160; 107 Stat. 1782; 22 U.S.C. 5956), relating to semiannual reports on Cooperative Threat Reduction.

(B) Section 1203 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2882), relating to a report accounting for United States assistance for Cooperative Threat Reduction.

(C) Section 1206 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 22 U.S.C. 5955 note), relating to accounting for United States assistance for Cooperative Threat Reduction.

(D) Section 1307 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 795), relating to a limitation on use of funds for Cooperative Threat Reduction pending submittal of a multiyear plan.

(2) Effective on the date the Secretary of Defense submits to Congress an updated version of the multiyear plan for fiscal year 2001 as described in subsection (h), section 1205 of the National Defense Authorization Act for Fiscal Year 1995 (108 Stat. 2883; 10 U.S.C. 5952 note), relating to multiyear planning and Allied support for Cooperative Threat Reduction, is repealed.

(3) Section 1312 of the National Defense Authorization Act for Fiscal Year 2000 (113 Stat. 796; 22 U.S.C. 5955 note), relating to Russian nonstrategic nuclear arms, is amended—

(A) by striking "(a) SENSE OF CONGRESS.—"; and

(B) by striking subsections (b) and (c).

(h) LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF MULTIYEAR PLAN.—Not more than 10 percent of fiscal year 2001 Cooperative Threat Reduction funds may be obligated or expended until the Secretary of Defense submits to Congress an updated version of the multiyear plan for fiscal year 2001 required to be submitted under section 1205 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 22 U.S.C. 5952 note).

(i) REPORT ON RUSSIAN NONSTRATEGIC NUCLEAR ARMS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the following regarding Russia's arsenal of tactical nuclear warheads:

(1) Estimates regarding current types, numbers, yields, viability, locations, and deployment status of the warheads.

(2) An assessment of the strategic relevance of the warheads.

(3) An assessment of the current and projected threat of theft, sale, or unauthorized use of the warheads.

(4) A summary of past, current, and planned United States efforts to work cooperatively with Russia to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile material.

SEC. 1309. RUSSIAN CHEMICAL WEAPONS ELIMINATION.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the international community should, when practicable, assist Russia in eliminating its chemical weapons stockpile in accordance with Russia's obligations under the Chemical Weapons Convention, and that the level of such assistance should be based on—

(1) full and accurate disclosure by Russia of the size of its existing chemical weapons stockpile;

(2) a demonstrated annual commitment by Russia to allocate at least $25,000,000 to chemical weapons elimination;

(3) development by Russia of a practical plan for destroying its stockpile of nerve agents;

(4) enactment of a law by Russia that provides for the elimination of all nerve agents at a single site; and

(5) an agreement by Russia to destroy its chemical weapons production facilities at Volgograd and Novocheboksark.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report that identifies—

(1) the amount spent by Russia for chemical weapons elimination during fiscal year 2000;

(2) the specific assistance being provided to Russia by the international community for the safe storage and elimination of Russia's stockpile of nerve agents, including those nerve agents located at the Shchuch'ye depot;

(3) the countries providing the assistance identified in paragraph (2); and

(4) the value of the assistance that the international community has already provided and has committed to provide in future years for the purpose described in paragraph (2).

(c) CHEMICAL WEAPONS CONVENTION DEFINED.—In this section, the term "Chemical Weapons Convention" means the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, opened for signature on January 13, 1993.

SEC. 1310. LIMITATION ON USE OF FUNDS FOR ELIMINATION OF WEAPONS GRADE PLUTONIUM PROGRAM.

Of the amounts authorized to be appropriated by this Act for fiscal year 2001 for the Elimination of Weapons Grade Plutonium Program, not more than 50 percent of such amounts may be obligated or expended for the program in fiscal year 2001 until 30 days after the date on which the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report on an agreement between the United States Government and the Government of the Russian Federation regarding a new option selected for the shut down or conversion of the reactors of the Russian Federation that produce weapons grade plutonium, including—

(1) the new date on which such reactors will cease production of weapons grade plutonium under such agreement by reason of the shut down or conversion of such reactors; and

(2) any cost-sharing arrangements between the United States Government and the Government of the Russian Federation in undertaking activities under such agreement.

SEC. 1311. REPORT ON AUDITS OF COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than March 31, 2001, the Comptroller General shall submit to Congress a report examining the procedures and mechanisms with respect to audits by the Department of Defense of the use of funds for Cooperative Threat Reduction programs. The report shall examine the following:

(1) Whether the audits being conducted by the Department of Defense are producing necessary information regarding whether assistance under such programs, including equipment provided and services furnished, is being used as intended.

(2) Whether the audit procedures of the Department of Defense are adequate, including whether random samplings are used.

TITLE XIV—COMMISSION TO ASSESS THE THREAT TO THE UNITED STATES FROM ELECTROMAGNETIC PULSE (EMP) ATTACK

Sec. 1401. Establishment of commission.
Sec. 1402. Duties of commission.
Sec. 1403. Reports.
Sec. 1404. Powers.
Sec. 1405. Commission procedures.
Sec. 1406. Personnel matters.
Sec. 1407. Miscellaneous administrative provisions.
Sec. 1408. Funding.
Sec. 1409. Termination of the commission.

SEC. 1401. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Commission to Assess the Threat to the United States from Electromagnetic Pulse Attack" (hereafter in this title referred to as the "Commission").

(b) COMPOSITION.—The Commission shall be composed of nine members. Seven of the members shall be appointed by the Secretary of Defense and two of the members shall be appointed by the Director of the Federal Emergency Management Agency. In selecting individuals for appointment to the Commission, the Secretary of Defense shall consult with the chairmen and ranking minority members of the Committees on Armed Services of the Senate and House of Representatives.

(c) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in the scientific, technical, and military aspects of electromagnetic pulse (hereafter in this title referred to as "EMP") effects resulting from the detonation of a nuclear weapon or weapons at high altitude, sometimes referred to as high-altitude electromagnetic pulse effects (HEMP).

(d) CHAIRMAN OF COMMISSION.—The Secretary of Defense shall designate one of the members of the Commission to serve as chairman of the Commission.

(e) 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.

(f) SECURITY CLEARANCES.—All members of the Commission shall hold appropriate security clearances.

(g) INITIAL ORGANIZATION REQUIREMENTS.—All appointments to the Commission shall be made not later than 90 days after the date of the enactment of this Act. The Commission shall convene its first meeting not later than 60 days after the date as of which all members of the Commission have been appointed.

SEC. 1402. DUTIES OF COMMISSION.

(a) REVIEW OF EMP THREAT.—The Commission shall assess—

(1) the nature and magnitude of potential high-altitude EMP threats to the United States from all potentially hostile states or non-state actors that have or could acquire nuclear weapons and ballistic missiles enabling them to perform a high-altitude EMP attack against the United States within the next 15 years;

(2) the vulnerability of United States military and especially civilian systems to an EMP attack, giving special attention to vulnerability of the civilian infrastructure as a matter of emergency preparedness;

(3) the capability of the United States to repair and recover from damage inflicted on United States military and civilian systems by an EMP attack; and

(4) the feasibility and cost of hardening select military and civilian systems against EMP attack.

(b) RECOMMENDATION.—The Commission shall recommend any steps it believes should be taken by the United States to better protect its military and civilian systems from EMP attack.

(c) COOPERATION FROM GOVERNMENT OFFICIALS.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense, the Director of the Federal Emergency Management Agency, and any other United States Government official serving in the Department of Defense or Armed Forces in providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

SEC. 1403. REPORTS.

(a) COMMISSION REPORT.—The Commission shall, not later than one year after the date of its first meeting, submit to Congress, the Secretary of Defense, and the Director of the Federal Emergency Management Agency a report on the Commission's findings and conclusions.

(b) SECRETARY OF DEFENSE REPORT.—Not later than one year after the date of the Commission's report under subsection (a), the Secretary of Defense shall submit to Congress a report—

(1) commenting on the Commission's findings and conclusions;

(2) describing political-military scenarios that could possibly lead to an EMP attack against the United States;

(3) evaluating the relative likelihood of an EMP attack against the United States compared to other threats involving nuclear weapons; and

(4) explaining what actions, if any, the Secretary intends to take to implement the recommendations of the Commission and the Secretary's reasons for doing so.

SEC. 1404. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this title, hold hearings, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this title.

SEC. 1405. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum other than for the purpose of holding hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(c) COMMISSION.—The Commission may establish panels composed of less than full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any agent or member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

SEC. 1406. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such

title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS–15 of the General Schedule.

(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, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 1407. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Secretary of Defense shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 1408. FUNDING.

Funds for activities of the Commission shall be provided from amounts appropriated for the Department of Defense for operation and maintenance for Defense-wide activities for fiscal year 2001. Upon receipt of a written certification from the Chairman of the Commission specifying the funds required for the activities of the Commission, the Secretary of Defense shall promptly disburse to the Commission, from such amounts, the funds required by the Commission as stated in such certification.

SEC. 1409. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its report under section 1403(a).

TITLE XV—NAVY ACTIVITIES ON THE ISLAND OF VIEQUES, PUERTO RICO

Sec. 1501. Assistance for economic growth on Vieques.
Sec. 1502. Conveyance of Naval Ammunition Support Detachment, Vieques Island.
Sec. 1503. Determination regarding continuation of Navy training.
Sec. 1504. Actions if training is approved.
Sec. 1505. Requirements if training is not approved or mandate for referendum is vitiated.
Sec. 1506. Certain properties exempt from conveyance or transfer.
Sec. 1507. Moratorium on improvements at Fort Buchanan.
Sec. 1508. Transfer and management of Conservation Zones.

SEC. 1501. ASSISTANCE FOR ECONOMIC GROWTH ON VIEQUES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Defense for fiscal year 2000, $40,000,000 to be used to provide economic assistance for the people and communities of the island of Vieques, Puerto Rico, in accordance with the terms and conditions of the Vieques supplemental appropriation.

(b) TRANSFER AUTHORITY.—The Secretary of Defense may transfer amounts of authorizations made available to the Department of Defense in subsection (a) to any agency or office of the United States Government in order to implement the projects for which the Vieques supplemental appropriation is made available. The transfer authority under this section is in addition to any transfer authority provided in Public Law 106–65 or any other Act.

(c) NOTICE TO CONGRESS.—The advance notice required by the Vieques supplemental appropriation of each proposed transfer shall also be submitted to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

(d) DEFINITION.—In this section, the term "Vieques supplemental appropriation" means the paragraph under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" in chapter 1 of title I of the Emergency Supplemental Act, 2000 (division B of Public Law 106–246; 114 Stat. 525).

SEC. 1502. CONVEYANCE OF NAVAL AMMUNITION SUPPORT DETACHMENT, VIEQUES ISLAND.

(a) CONVEYANCE REQUIRED.—

(1) PROPERTY TO BE CONVEYED.—The Secretary of the Navy shall convey, without consideration, to the Municipality of Vieques, Puerto Rico, all right, title, and interest of the United States in and to the land constituting the Naval Ammunition Support Detachment located on the western end of the island of Vieques, Puerto Rico, except for—

(A) the property that is exempt from conveyance under section 1506;

(B) the property that is required to be transferred to the Secretary of the Interior under section 1508(a); and

(C) any property that is conveyed pursuant to section 1508(b).

(2) TIME FOR CONVEYANCE.—The Secretary of the Navy shall complete the conveyance required by paragraph (1) not later than May 1, 2001.

(b) DESCRIPTION OF PROPERTY.—The Secretary of the Navy, in consultation with the Secretary of the Interior on issues relating to natural resource protection under section 1508, shall determine the exact acreage and legal description of the property required to be conveyed pursuant to subsection (a), including the legal description of any easements, rights of way, and other interests that are retained pursuant to section 1506.

(c) ENVIRONMENTAL RESTORATION.—

(1) OBJECTIVE OF CONVEYANCE.—An important objective of the conveyance required by this section is to promote timely redevelopment of the conveyed property in a manner that enhances employment opportunities and economic redevelopment, consistent with all applicable environmental requirements and in full consultation with the Governor of Puerto Rico, for the benefit of the residents of the island of Vieques.

(2) CONVEYANCE DESPITE RESPONSE NEED.—If the Secretary of the Navy, by May 1, 2001, is unable to provide the covenant required by subparagraph (A)(ii)(I) of section 120(h)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(3)) with respect to the property to be conveyed, the Secretary shall still complete

the conveyance by that date, as required by subsection (a)(2). The Secretary shall remain responsible for completing all response actions required under such Act. Upon completion of such response actions, the Secretary shall execute and deliver to the transferee the warranty referred to in subparagraph (C)(iii) of such section. The completion of the response actions shall not be delayed on account of the conveyance.

(3) CONTINUED NAVY RESPONSIBILITY.—Consistent with existing Navy and legal requirements, the Secretary of the Navy shall remain responsible for the environmental condition of the property, and neither the Commonwealth of Puerto Rico nor the Municipality of Vieques shall be responsible for such condition existing at the time of the conveyance.

(4) SAVINGS CLAUSE.—All response actions with respect to the property to be conveyed shall take place in compliance with current law.

(d) CONTROL OF CONVEYED PROPERTY.—The government of the Municipality of Vieques, acting through the elected officials of that government, shall have the power to administer, manage, and control the property conveyed under subsection (a) in any manner determined by the government of the Municipality of Vieques as being most advantageous to the majority of the residents of the island of Vieques (consistent with the laws of the United States).

(e) INDEMNIFICATION.—

(1) ENTITIES AND PERSONS COVERED; EXTENT.—(A) Except as provided in subparagraph (C), and subject to paragraph (2), the Secretary of Defense shall hold harmless, defend, and indemnify in full the persons and entities described in subparagraph (B) from and against any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to property or economic loss) that results from, or is in any manner predicated upon, the release or threatened release (after the conveyance is made under subsection (a)) of any hazardous substance or pollutant or contaminant as a result of Department of Defense activities at those parts of the Naval Ammunition Support Detachment conveyed pursuant to subsection (a).

(B) The persons and entities described in this paragraph are the following:

(i) The Commonwealth of Puerto Rico (including any officer, agent, or employee of the Commonwealth of Puerto Rico).

(ii) The Municipality of Vieques, Puerto Rico, and any other political subdivision of the Commonwealth of Puerto Rico that acquires such ownership or control (including any officer, agent, or employee of that Municipality or other political subdivision).

(iii) Any other person or entity that acquires such ownership or control.

(iv) Any successor, assignee, transferee, lender, or lessee of a person or entity described in clauses (i) through (iii).

(C) To the extent the persons and entities described in subparagraph (B) contributed to any such release or threatened release, subparagraph (A) shall not apply.

(2) CONDITIONS ON INDEMNIFICATION.—No indemnification may be afforded under this subsection unless the person or entity making a claim for indemnification—

(A) notifies the Secretary of Defense in writing within two years after such claim accrues or begins action within six months after the date of mailing, by certified or registered mail, of notice of final denial of the claim by the Secretary of Defense;

(B) furnishes to the Secretary of Defense copies of pertinent papers the entity receives;

(C) furnishes evidence of proof of any claim, loss, or damage covered by this subsection; and

(D) provides, upon request by the Secretary of Defense, access to the records and personnel of the entity for purposes of defending or settling the claim or action.

(3) RESPONSIBILITIES OF SECRETARY OF DEFENSE.—(A) In any case in which the Secretary of Defense determines that the Department of Defense may be required to make indemnification payments to a person under this subsection for any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage referred to in paragraph (1)(A), the Secretary may settle or defend, on behalf of that person, the claim for personal injury or property damage.

(B) In any case described in subparagraph (A), if the person to whom the Department of Defense may be required to make indemnification payments does not allow the Secretary of Defense to settle or defend the claim, the person may not be afforded indemnification with respect to that claim under this subsection.

(4) ACCRUAL OF ACTION.—For purposes of paragraph (2)(A), the date on which a claim accrues is the date on which the plaintiff knew (or reasonably should have known) that the personal injury or property damage referred to in paragraph (1) was caused or contributed to by the release or threatened release of a hazardous substance or pollutant or contaminant as a result of Department of Defense activities at any part of the Naval Ammunition Support Detachment conveyed pursuant to subsection (a).

(5) RELATIONSHIP TO OTHER LAWS.—Nothing in this subsection shall be construed as affecting or modifying in any way subsection 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

(6) DEFINITIONS.—In this subsection, the terms "hazardous substance", "release", and "pollutant or contaminant" have the meanings given such terms under paragraphs (9), (14), (22), and (33) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

SEC. 1503. DETERMINATION REGARDING CONTINUATION OF NAVY TRAINING.

(a) REFERENDUM.—

(1) REQUIREMENT.—Except as provided in paragraph (2), the President shall provide for a referendum to be conducted on the island of Vieques, Puerto Rico, to determine by a majority

of the votes cast in the referendum by the Vieques electorate whether the people of Vieques approve or disapprove of the continuation of the conduct of live-fire training, and any other types of training, by the Armed Forces at the Navy's training sites on the island under the conditions described in subsection (d).

(2) EXCEPTION.—If the Chief of Naval Operations and the Commandant of the Marine Corps jointly submit to the congressional defense committees, after the date of the enactment of this Act and before the date set forth in subsection (c), their certification that the Vieques Naval Training Range is no longer needed for training by the Navy and the Marine Corps, then the requirement for a referendum under paragraph (1) shall cease to be effective on the date on which the certification is submitted.

(b) PROHIBITION OF OTHER PROPOSITIONS.—In the referendum under this section, no proposition or option may be presented as an alternative to the propositions of approval and of disapproval of the continuation of the conduct of training as described in subsection (a)(1).

(c) TIME FOR REFERENDUM.—The referendum required under this section shall be held on May 1, 2001, or within 270 days before such date or 270 days after such date. The Secretary of the Navy shall publicize the date set for the referendum 90 days before that date.

(d) REQUIRED TRAINING CONDITIONS.—For the purposes of the referendum under this section, the conditions for the continuation of the conduct of training are those that are proposed by the Secretary of the Navy and publicized on the island of Vieques in connection with, and for a reasonable period in advance of, the referendum. The conditions shall include the following:

(1) LIVE-FIRE TRAINING.—A condition that the training may include live-fire training.

(2) MAXIMUM ANNUAL DAYS OF USE.—A condition that the training may be conducted on not more than 90 days each year.

(e) PROCLAMATION OF OUTCOME.—Promptly after the referendum is completed under this section, the President shall determine, and issue a proclamation declaring, the outcome of the referendum. The President's determination shall be final, and the outcome of the referendum (as so determined) shall be binding.

(f) VIEQUES ELECTORATE DEFINED.—

(1) REGISTERED VOTERS.—In this section, the term "Vieques electorate", with respect to a referendum under this section, means the residents of the island of Vieques, Puerto Rico, who, on both dates specified in paragraph (2), are registered to vote in a general election held for casting ballots for the election of the Resident Commissioner of the Commonwealth of Puerto Rico.

(2) REGISTRATION DATES.—The dates referred to in paragraph (1) are as follows:

(A) November 7, 2000.

(B) The date that is 180 days before the date of the referendum under this section.

SEC. 1504. ACTIONS IF TRAINING IS APPROVED.

(a) CONDITION FOR EFFECTIVENESS.—This section shall take effect on the date on which the President issues a proclamation under subsection (e) of section 1503 declaring that the continuation of the conduct of training (including live-fire training) by the Armed Forces at the Navy's training sites on the island of Vieques, Puerto Rico, under the conditions described in subsection (d) of such section, has been approved in the referendum conducted under such section.

(b) AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL ECONOMIC ASSISTANCE.—There is authorized to be appropriated to the President $50,000,000 to provide economic assistance for the people and communities of the island of Vieques. This authorization of appropriations is in addition to the amount authorized to appropriated to provide economic assistance under section 1501.

(c) TRAINING RANGE TO REMAIN OPEN.—The Vieques Naval Training Range shall remain available for the use of the Armed Forces, including for live-fire training.

SEC. 1505. REQUIREMENTS IF TRAINING IS NOT APPROVED OR MANDATE FOR REFERENDUM IS VITIATED.

(a) CONDITIONS FOR EFFECTIVENESS.—This section shall take effect on the date on which either of the following occurs:

(1) The President issues a proclamation under subsection (e) of section 1503 declaring that the continuation of the conduct of training (including live-fire training) by the Armed Forces at the Navy's training sites on the island of Vieques, Puerto Rico, under the conditions described in subsection (d) of such section, has not been approved in the referendum conducted under such section.

(2) The requirement for a referendum under section 1503 ceases to be effective pursuant to subsection (a)(2) of such section.

(b) ACTIONS REQUIRED OF SECRETARY OF DEFENSE.—

(1) TERMINATION OF OPERATION.—Not later than May 1, 2003, the Secretary of Defense shall—

(A) terminate all Navy and Marine Corps training operations on the island of Vieques; and

(B) terminate all Navy and Marine Corps operations at Naval Station Roosevelt Roads, Puerto Rico, that are related exclusively to the use of the training range on the island of Vieques by the Navy and the Marine Corps.

(2) RELOCATION OF UNITS.—The Secretary of Defense may relocate the units of the Armed Forces (other than those of the reserve components) and activities of the Department of Defense (including nonappropriated fund activities) at Fort Buchanan, Puerto Rico, to Naval Station Roosevelt Roads, Puerto Rico, to ensure maximum utilization of capacity.

(3) CLOSURE OF INSTALLATIONS AND FACILITIES.—The Secretary of Defense shall close the Department of Defense installations and facilities on the island of Vieques, other than properties exempt from conveyance and transfer under section 1506.

(c) ACTIONS REQUIRED OF SECRETARY OF THE NAVY.—The Secretary of the Navy shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior—

(1) the Live Impact Area on the island of Vieques;

(2) all Department of Defense real properties on the eastern side of the island that are identified as conservation zones; and

(3) all other Department of Defense real properties on the eastern side of the island.

(d) ACTIONS REQUIRED OF SECRETARY OF THE INTERIOR.—

(1) RETENTION AND ADMINISTRATION.—The Secretary of the Interior shall retain, and may not dispose of any of, the properties transferred under paragraphs (2) and (3) of subsection (c) and shall administer such properties as wildlife refuges under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.) pending the enactment of a law that addresses the disposition of such properties.

(2) RESPONSIBILITY FOR LIVE IMPACT AREA.—Upon a termination of Navy and Marine Corps training operations on the island of Vieques under subsection (b)(1), the Secretary of the Interior shall assume responsibility for the administration of the Live Impact Area, administer that area as a wilderness area under the Wilderness Act (16 U.S.C. 1131 et seq.), and deny public access to the area.

(3) LIVE IMPACT AREA DEFINED.—In this section, the term "Live Impact Area" means the parcel of real property, consisting of approximately 900 acres (more or less), on the island of Vieques that is designated by the Secretary of the Navy for targeting by live ordnance in the training of forces of the Navy and Marine Corps.

(e) GAO REVIEW.—

(1) REQUIREMENT FOR REVIEW.—The Comptroller General shall review the requirement for the continued use of Fort Buchanan, Puerto Rico, by active Army forces and shall submit to the congressional defense committees a report containing—

(A) the findings resulting from the review; and

(B) recommendations regarding the closure of Fort Buchanan and the consolidation of units of the Armed Forces to Naval Station Roosevelt Roads, Puerto Rico.

(2) TIME FOR SUBMITTAL OF REPORT.—The Comptroller General shall submit the report under paragraph (1) not later than one year after the date on which the referendum under section 1503 is conducted or one year after the date on which a certification is submitted to the congressional defense committees under subsection (a)(2) of such section, as the case may be.

SEC. 1506. CERTAIN PROPERTIES EXEMPT FROM CONVEYANCE OR TRANSFER.

(a) EXEMPT PROPERTY.—The Department of Defense properties and property interests described in subsection (b) may not be conveyed or transferred out of the Department of Defense under this title.

(b) PROPERTIES DESCRIBED.—The exemption under subsection (a) applies to the following Department of Defense properties and property interests on the island of Vieques, Puerto Rico:

(1) ROTHR SITE.—The site for relocatable over-the-horizon radar.

(2) TELECOMMUNICATIONS SITES.—The Mount Pirata telecommunications sites.

(3) ASSOCIATED INTERESTS.—Any easements, rights-of-way, and other interests in property that the Secretary of the Navy determines necessary for—

(A) ensuring access to the properties referred to in paragraphs (1) and (2);

(B) providing utilities for such properties;

(C) ensuring the security of such properties; and

(D) ensuring effective maintenance and operations on such properties.

(4) REMEDIATION ACTIVITIES.—Any easements, rights-of-way, and other interests in property that the Secretary of the Navy determines necessary for protecting human health and the environment in the discharge of the Secretary's responsibilities for environmental remediation under section 1502(c), until such time as these responsibilities are completed.

SEC. 1507. MORATORIUM ON IMPROVEMENTS AT FORT BUCHANAN.

(a) IN GENERAL.—Except as provided in subsection (b), no acquisition, construction, conversion, rehabilitation, extension, or improvement of any facility at Fort Buchanan, Puerto Rico, may be initiated or continued on or after the date of the enactment of this Act.

(b) EXCEPTIONS.—The prohibition in subsection (a) does not apply to the following:

(1) Actions necessary to maintain the existing facilities (including utilities) at Fort Buchanan.

(2) The construction of reserve component and non-appropriated fund facilities authorized before the date of the enactment of this Act.

(c) TERMINATION.—This section shall cease to be effective upon the issuance of a proclamation described in section 1504(a) or the enactment of a law, after the date of the enactment of this Act, that authorizes any acquisition, construction, conversion, rehabilitation, extension, or improvement of any facility at Fort Buchanan, Puerto Rico.

SEC. 1508. TRANSFER AND MANAGEMENT OF CONSERVATION ZONES.

(a) TRANSFER TO SECRETARY OF THE INTERIOR.—

(1) TRANSFER REQUIRED.—Except as provided in section 1506, the Secretary of the Navy shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior all Department of Defense real properties on the western end of the Vieques Island, consisting of a total of approximately 3,100 acres, that are designated as Conservation Zones in section IV of the 1983 Memorandum of Understanding between the Commonwealth of Puerto Rico and the Secretary of the Navy.

(2) TIME FOR TRANSFER.—The Secretary of the Navy shall complete the transfer required by paragraph (1) not later than May 1, 2001.

(b) CONVEYANCE TO CONSERVATION TRUST.—

(1) CONVEYANCE REQUIRED.—Except as provided in section 1506 and subject to paragraph (2), the Secretary of the Navy shall convey, without consideration, to the Puerto Rico Conservation Trust the additional Conservation Zones, consisting of a total of approximately 800 acres, identified in Alternative 1 in the Draft Environmental Assessment for the proposed transfer of Naval Ammunition Support Detachment property,

Vieques, Puerto Rico, prepared by the Department of the Navy, as described in the Federal Register of August 28, 2000 (65 Fed. Reg. 52100).

(2) TIME FOR CONVEYANCE.—The Secretary of the Navy shall complete the conveyance required by paragraph (1) not later than May 1, 2001, except that paragraph (1) shall apply only to those portions of the lands described in such paragraph that the Commonwealth of Puerto Rico, the Secretary of the Interior, and the Puerto Rico Conservation Trust mutually agree, before that date, to—

(A) include in the cooperative agreement under subsection (d)(2); and

(B) manage under standards consistent with the standards in subsection (c) applicable to the lands transferred under subsection (a).

(c) ADMINISTRATION OF PROPERTIES AS WILDLIFE REFUGES.—The Secretary of the Interior shall administer as wildlife refuges under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.) the Conservation Zones transferred to the Secretary under subsection (a).

(d) COOPERATIVE AGREEMENT.—

(1) REQUIRED; PARTIES.—The Secretary of the Interior shall manage the Conservation Zones transferred under subsection (a) pursuant to a cooperative agreement among the Commonwealth of Puerto Rico, the Puerto Rico Conservation Trust, and the Secretary of the Interior.

(2) INCLUSION OF ADJACENT AREAS.—Areas adjacent to the Conservation Zones transferred under subsection (a) shall be considered for inclusion under the cooperative agreement. Subject to the mutual agreement of the Commonwealth of Puerto Rico, the Secretary of the Interior, and the Puerto Rico Conservation Trust, such adjacent areas may be included under the cooperative agreement, except that the total acreage so included under this paragraph may not exceed 800 acres. This determination of inclusion of lands shall be incorporated into the cooperative agreement process as set forth in paragraph (4).

(3) SEA GRASS AREA.—The Sea Grass Area west of Mosquito Pier, as identified in the 1983 Memorandum of Understanding between the Commonwealth of Puerto Rico and the Secretary of the Navy, shall be included in the cooperative agreement to be protected under the laws of the United States and the laws of the Commonwealth of Puerto Rico.

(4) MANAGEMENT PURPOSES.—All lands covered by the cooperative agreement shall be managed to protect and preserve the natural resources of the lands in perpetuity. The Commonwealth of Puerto Rico, the Puerto Rico Conservation Trust, and the Secretary of the Interior shall follow all applicable Federal environmental laws during the creation and any subsequent amendment of the cooperative agreement, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), and the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(5) COMPLETION AND IMPLEMENTATION.—The cooperative agreement shall be completed not later than May 1, 2001. The Secretary of the Interior shall implement the terms and

conditions of the cooperative agreement, which can only be amended by agreement of the Commonwealth of Puerto Rico, the Puerto Rico Conservation Trust, and the Secretary of the Interior.

TITLE XVI—GI BILL EDUCATIONAL ASSISTANCE AND VETERANS CLAIMS ASSISTANCE

SUBTITLE A—VETERANS EDUCATION BENEFITS

Sec. 1601. Additional opportunity for certain VEAP participants to enroll in basic educational assistance under Montgomery GI Bill.
Sec. 1602. Modification of authority to pay tuition for off-duty training and education.

SUBTITLE B—VETERANS CLAIMS ASSISTANCE

Sec. 1611. Clarification of Department of Veterans Affairs duty to assist.

Subtitle A—Veterans Education Benefits

SEC. 1601. ADDITIONAL OPPORTUNITY FOR CERTAIN VEAP PARTICIPANTS TO ENROLL IN BASIC EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL.

(a) SPECIAL ENROLLMENT PERIOD.—Section 3018C of title 38, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) A qualified individual (described in paragraph (2)) may make an irrevocable election under this subsection, during the one-year period beginning on the date of the enactment of this subsection, to become entitled to basic educational assistance under this chapter. Such an election shall be made in the same manner as elections made under subsection (a)(5).

"(2) A qualified individual referred to in paragraph (1) is an individual who meets each of the following requirements:

"(A) The individual was a participant in the educational benefits program under chapter 32 of this title on or before October 9, 1996.

"(B) The individual has continuously served on active duty since October 9, 1996 (excluding the periods referred to in section 3202(1)(C) of this title), through at least April, 1, 2000.

"(C) The individual meets the requirements of subsection (a)(3).

"(D) The individual, when discharged or released from active duty, is discharged or released therefrom with an honorable discharge.

"(3)(A) Subject to the succeeding provisions of this paragraph, with respect to a qualified individual who makes an election under paragraph (1) to become entitled to basic education assistance under this chapter—

"(i) the basic pay of the qualified individual shall be reduced (in a manner determined by the Secretary concerned) until the total amount by which such basic pay is reduced is $2,700; and

"(ii) to the extent that basic pay is not so reduced before the qualified individual's discharge or release from active duty

as specified in subsection (a)(4), at the election of the qualified individual—

"(I) the Secretary concerned shall collect from the qualified individual, or

"(II) the Secretary concerned shall reduce the retired or retainer pay of the qualified individual by,

an amount equal to the difference between $2,700 and the total amount of reductions under clause (i), which shall be paid into the Treasury of the United States as miscellaneous receipts.

"(B)(i) The Secretary concerned shall provide for an 18-month period, beginning on the date the qualified individual makes an election under paragraph (1), for the qualified individual to pay that Secretary the amount due under subparagraph (A).

"(ii) Nothing in clause (i) shall be construed as modifying the period of eligibility for and entitlement to basic education assistance under this chapter applicable under section 3031 of this title.

"(C) The provisions of subsection (c) shall apply to individuals making elections under this subsection in the same manner as they applied to individuals making elections under subsection (a)(5).

"(4) With respect to qualified individuals referred to in paragraph (3)(A)(ii), no amount of educational assistance allowance under this chapter shall be paid to the qualified individual until the earlier of the date on which—

"(A) the Secretary concerned collects the applicable amount under subparagraph (I) of such paragraph, or

"(B) the retired or retainer pay of the qualified individual is first reduced under subparagraph (II) of such paragraph.

"(5) The Secretary, in conjunction with the Secretary of Defense, shall provide for notice to participants in the educational benefits program under chapter 32 of this title of the opportunity under this section to elect to become entitled to basic educational assistance under this chapter.".

(b) CONFORMING AMENDMENT.—Section 3018C(b) of such title is amended by striking "subsection (a)" and inserting "subsection (a) or (e)".

SEC. 1602. MODIFICATION OF AUTHORITY TO PAY TUITION FOR OFF-DUTY TRAINING AND EDUCATION.

(a) AUTHORITY TO PAY ALL CHARGES.—Section 2007 of title 10, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) Subject to subsection (b), the Secretary of a military department may pay all or a portion of the charges of an educational institution for the tuition or expenses of a member of the armed forces enrolled in such educational institution for education or training during the member's off-duty periods.

"(b) In the case of a commissioned officer on active duty, the Secretary of the military department concerned may not pay charges under subsection (a) unless the officer agrees to remain on active duty for a period of at least two years after the completion of the training or education for which the charges are paid."; and

(2) in subsection (d)—

(A) by striking "(within the limits set forth in subsection (a))" in the matter preceding paragraph (1); and

(B) in paragraph (3), by striking "subsection (a)(3)" and inserting "subsection (b)".

(b) USE OF ENTITLEMENT TO ASSISTANCE UNDER MONTGOMERY GI BILL FOR PAYMENT OF CHARGES.—(1) That section is further amended by adding at the end the following new subsection:

"(e)(1) A member of the armed forces who is entitled to basic educational assistance under chapter 30 of title 38 may use such entitlement for purposes of paying any portion of the charges described in subsection (a) or (c) that are not paid for by the Secretary of the military department concerned under such subsection.

"(2) The use of entitlement under paragraph (1) shall be governed by the provisions of section 3014(b) of title 38.".

(2) Section 3014 of title 38, United States Code, is amended—

(A) by inserting "(a)" before "The Secretary"; and

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

"(b)(1) In the case of an individual entitled to basic educational assistance who is pursuing education or training described in subsection (a) or (c) of section 2007 of title 10, the Secretary shall, at the election of the individual, pay the individual a basic educational assistance allowance to meet all or a portion of the charges of the educational institution for the education or training that are not paid by the Secretary of the military department concerned under such subsection.

"(2)(A) The amount of the basic educational assistance allowance payable to an individual under this subsection for a month shall be the amount of the basic educational assistance allowance to which the individual would be entitled for the month under section 3015 of this title (without regard to subsection (g) of that section) were payment made under that section instead of under this subsection.

"(B) The maximum number of months for which an individual may be paid a basic educational assistance allowance under paragraph (1) is 36.".

(3) Section 3015 of title 38, United States Code, is amended—

(A) by striking "subsection (g)" each place it appears in subsections (a) and (b);

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

(C) by inserting after subsection (f) the following new subsection (g):

"(g) In the case of an individual who has been paid a basic educational assistance allowance under section 3014(b) of this title, the rate of the basic educational assistance allowance applicable to the individual under this section shall be the rate otherwise applicable to the individual under this section reduced by an amount equal to—

"(1) the aggregate amount of such allowances paid the individual under such section 3014(b); divided by

"(2) 36.".

Subtitle B—Veterans Claims Assistance

SEC. 1611. CLARIFICATION OF DEPARTMENT OF VETERANS AFFAIRS DUTY TO ASSIST.

(a) IN GENERAL.—Section 5107 of title 38, United States Code, is amended to read as follows:

"§ 5107 Assistance to claimants; benefit of the doubt; burden of proof

"(a) The Secretary shall assist a claimant in developing all facts pertinent to a claim for benefits under this title. Such assistance shall include requesting information as described in section 5106 of this title. The Secretary shall provide a medical examination when such examination may substantiate entitlement to the benefits sought. The Secretary may decide a claim without providing assistance under this subsection when no reasonable possibility exists that such assistance will aid in the establishment of entitlement.

"(b) The Secretary shall consider all evidence and material of record in a case before the Department with respect to benefits under laws administered by the Secretary and shall give the claimant the benefit of the doubt when there is an approximate balance of positive and negative evidence regarding any issue material to the determination of the matter.

"(c) Except when otherwise provided by this title or by the Secretary in accordance with the provisions of this title, a person who submits a claim for benefits under a law administered by the Secretary shall have the burden of proof.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 51 of that title is amended by striking the item relating to section 5017 and inserting the following new item:

"5107 Assistance to claimants; benefit of the doubt; burden of proof.".

TITLE XVII—ASSISTANCE TO FIREFIGHTERS

Sec. 1701. Firefighter assistance.
Sec. 1702. Volunteer fire assistance program.
Sec. 1703. Burn research.
Sec. 1704. Study and demonstration projects regarding cases of hepatitis C among certain emergency response employees.
Sec. 1705. Report on progress on spectrum sharing.
Sec. 1706. Sale or donation of excess defense property to assist firefighting agencies.
Sec. 1707. Identification of defense technologies suitable for use, or conversion for use, in providing fire and emergency medical services.

SEC. 1701. FIREFIGHTER ASSISTANCE.

(a) IN GENERAL.—The Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) is amended by adding at the end the following new section:

"SEC. 33. FIREFIGHTER ASSISTANCE.

"(a) DEFINITION OF FIREFIGHTING PERSONNEL.—In this section, the term 'firefighting personnel' means individuals, including volunteers, who are firefighters, officers of fire departments, or emergency medical service personnel of fire departments.

"(b) ASSISTANCE PROGRAM.—

"(1) AUTHORITY.—In accordance with this section, the Director may—

"(A) make grants on a competitive basis directly to fire departments of a State, in consultation with the chief executive of the State, for the purpose of protecting the health and safety of the public and firefighting personnel against fire and fire-related hazards; and

"(B) provide assistance for fire prevention programs in accordance with paragraph (4).

"(2) OFFICE FOR ADMINISTRATION OF ASSISTANCE.—

"(A) ESTABLISHMENT.—Before providing assistance under paragraph (1), the Director shall establish an office in the Federal Emergency Management Agency to administer the assistance under this section.

"(B) INCLUDED DUTIES.—The duties of the office shall include the following:

"(i) RECIPIENT SELECTION CRITERIA.—To establish specific criteria for the selection of recipients of the assistance under this section.

"(ii) GRANT-WRITING ASSISTANCE.—To provide grant-writing assistance to applicants.

"(3) USE OF FIRE DEPARTMENT GRANT FUNDS.—The Director may make a grant under paragraph (1)(A) only if the applicant for the grant agrees to use the grant funds—

"(A) to hire additional firefighting personnel;

"(B) to train firefighting personnel in firefighting, emergency response, arson prevention and detection, or the handling of hazardous materials, or to train firefighting personnel to provide any of the training described in this subparagraph;

"(C) to fund the creation of rapid intervention teams to protect firefighting personnel at the scenes of fires and other emergencies;

"(D) to certify fire inspectors;

"(E) to establish wellness and fitness programs for firefighting personnel to ensure that the firefighting personnel can carry out their duties;

"(F) to fund emergency medical services provided by fire departments;

"(G) to acquire additional firefighting vehicles, including fire trucks;

"(H) to acquire additional firefighting equipment, including equipment for communications and monitoring;

"(I) to acquire personal protective equipment required for firefighting personnel by the Occupational Safety and Health Administration, and other personal protective equipment for firefighting personnel;

"(J) to modify fire stations, fire training facilities, and other facilities to protect the health and safety of firefighting personnel;

"(K) to enforce fire codes;

"(L) to fund fire prevention programs;

"(M) to educate the public about arson prevention and detection; or

"(N) to provide incentives for the recruitment and retention of volunteer firefighting personnel for volunteer firefighting departments and other firefighting departments that utilize volunteers.

"(4) FIRE PREVENTION PROGRAMS.—

"(A) IN GENERAL.—For each fiscal year, the Director shall use not less than 5 percent of the funds made available under subsection (e)—

"(i) to make grants to fire departments for the purpose described in paragraph (3)(L); and

"(ii) to make grants to, or enter into contracts or cooperative agreements with, national, State, local, or community organizations that are recognized for their experience and expertise with respect to fire prevention or fire safety programs and activities, for the purpose of carrying out fire prevention programs.

"(B) PRIORITY.—In selecting organizations described in subparagraph (A)(ii) to receive assistance under this paragraph, the Director shall give priority to organizations that focus on prevention of injuries to children from fire.

"(5) APPLICATION.—The Director may provide assistance to a fire department or organization under this subsection only if the fire department or organization seeking the assistance submits to the Director an application that meets the following requirements:

"(A) FORM.—The application shall be in such form as the Director may require.

"(B) INFORMATION.—The application shall include the following information:

"(i) FINANCIAL NEED.—Information that demonstrates the financial need of the applicant for the assistance for which applied.

"(ii) COST-BENEFIT ANALYSIS.—An analysis of the costs and benefits, with respect to public safety, of the use of the assistance.

"(iii) REPORTING SYSTEMS DATA.—An agreement to provide information to the national fire incident reporting system for the period covered by the assistance.

"(iv) OTHER INFORMATION.—Any other information that the Director may require.

"(6) MATCHING REQUIREMENT.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Director may provide assistance under this subsection only if the applicant for the assistance agrees to match with an equal amount of non-Federal funds 30 percent of the assistance received under this subsection for any fiscal year.

"(B) REQUIREMENT FOR SMALL COMMUNITY ORGANIZATIONS.—In the case of an applicant whose personnel serve jurisdictions of 50,000 or fewer residents, the percent applied under the matching requirement of subparagraph (A) shall be 10 percent.

"(7) MAINTENANCE OF EXPENDITURES.—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to maintain in the fiscal year for which the assistance will be received the applicant's aggregate expenditures for the uses described in paragraph (3) or (4) at or above the average level of such expenditures in the two fiscal years preceding the fiscal year for which the assistance will be received.

"(8) REPORT TO THE DIRECTOR.—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to submit to the Director a report, including a description of how the assistance was used, with respect to each fiscal year for which the assistance was received.

"(9) VARIETY OF FIRE DEPARTMENT GRANT RECIPIENTS.—The Director shall ensure that grants under paragraph (1)(A)

for a fiscal year are made to a variety of fire departments, including, to the extent that there are eligible applicants—

"(A) paid, volunteer, and combination fire departments;

"(B) fire departments located in communities of varying sizes; and

"(C) fire departments located in urban, suburban, and rural communities.

"(10) GRANT LIMITATIONS.—

"(A) RECIPIENT LIMITATION.—A grant recipient under this section may not receive more than $750,000 under this section for any fiscal year.

"(B) LIMITATION ON EXPENDITURES FOR FIREFIGHTING VEHICLES.—Not more than 25 percent of the funds appropriated to provide grants under this section for a fiscal year may be used to assist grant recipients to purchase vehicles, as authorized by paragraph (3)(G).

"(11) RESERVATION OF GRANT FUNDS FOR VOLUNTEER DEPARTMENTS.—In making grants to firefighting departments, the Director shall ensure that those firefighting departments that have either all-volunteer forces of firefighting personnel or combined forces of volunteer and professional firefighting personnel receive a proportion of the total grant funding that is not less than the proportion of the United States population that those firefighting departments protect.

"(c) AUDITS.—A recipient of a grant under this section shall be subject to audits to ensure that the grant proceeds are expended for the intended purposes and that the grant recipient complies with the requirements of paragraphs (6) and (7) of subsection (b).

"(d) STATE DEFINED.—In this section, the term 'State' includes the District of Columbia and the Commonwealth of Puerto Rico.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purposes of this section amounts as follows:

"(1) $100,000,000 for fiscal year 2001.

"(2) $300,000,000 for fiscal year 2002.".

(b) STUDY ON NEED FOR FEDERAL ASSISTANCE TO STATE AND LOCAL COMMUNITIES TO FUND FIREFIGHTING AND EMERGENCY RESPONSE ACTIVITIES.—

(1) REQUIREMENT FOR STUDY.—The Director of the Federal Emergency Management Agency shall conduct a study in conjunction with the National Fire Protection Association to—

(A) define the current role and activities associated with the fire services;

(B) determine the adequacy of current levels of funding; and

(C) provide a needs assessment to identify shortfalls.

(2) TIME FOR COMPLETION OF STUDY; REPORT.—The Director shall complete the study under paragraph (1), and submit a report on the results of the study to Congress, within 18 months after the date of the enactment of this Act.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Federal Emergency Management Agency $300,000 for fiscal year 2001 to carry out the study required by paragraph (1).

SEC. 1702. VOLUNTEER FIRE ASSISTANCE PROGRAM.

(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Agriculture for carrying out paragraphs (1) through (3) of section 10(b) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2106(b)(1)–(3)) amounts as follows:

(1) $10,000,000 for fiscal year 2001.

(2) $20,000,000 for fiscal year 2002.

(b) REPORT.—

(1) IN GENERAL.—The Secretary of Agriculture shall submit a report to Congress on the results of the assistance provided under the provisions of law for which funds are authorized for appropriations under subsection (a).

(2) CONTENT.—The report shall contain the following:

(A) A list of the organizations that received funds authorized for appropriations under subsection (a) and the purpose for which those organizations were provided the funds.

(B) Efforts taken to ensure that potential recipients are provided with information necessary to develop an effective application.

(C) The Secretary's assessment regarding the appropriate level of funding that should be provided annually through the assistance program.

(D) The Secretary's assessment regarding the appropriate purposes for such assistance.

(E) Any other information the Secretary determines necessary.

(3) SUBMISSION DATE.—The report shall be submitted not later than February 1, 2002.

SEC. 1703. BURN RESEARCH.

(a) OFFICE.—The Director of the Federal Emergency Management Agency shall establish an office in the Agency to establish specific criteria of grant recipients and to administer grants under this section.

(b) SAFETY ORGANIZATION GRANTS.—The Director may make grants, on a competitive basis, to safety organizations that have experience in conducting burn safety programs for the purpose of assisting those organizations in conducting burn prevention programs or augmenting existing burn prevention programs.

(c) HOSPITAL GRANTS.—The Director may make grants, on a competitive basis, to hospitals that serve as regional burn centers to conduct acute burn care research.

(d) OTHER GRANTS.—The Director may make grants, on a competitive basis, to governmental and nongovernmental entities to provide after-burn treatment and counseling to individuals that are burn victims.

(e) REPORT.—

(1) IN GENERAL.—The Director of the Federal Emergency Management Agency shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the results of the grants provided under this section.

(2) CONTENT.—The report shall contain the following:

(A) A list of the organizations, hospitals, or other entities to which the grants were provided and the purpose for which those entities were provided grants.

(B) Efforts taken to ensure that potential grant applicants are provided with information necessary to develop an effective application.

(C) The Director's assessment regarding the appropriate level of funding that should be provided annually through the grant program.

(D) The Director's assessment regarding the appropriate purposes for such grants.

(E) Any other information the Director determines necessary.

(3) SUBMISSION DATE.—The report shall be submitted not later than February 1, 2002.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purposes of this section amounts as follows:

(1) $10,000,000 for fiscal year 2001.

(2) $20,000,000 for fiscal year 2002.

SEC. 1704. STUDY AND DEMONSTRATION PROJECTS REGARDING CASES OF HEPATITIS C AMONG CERTAIN EMERGENCY RESPONSE EMPLOYEES.

(a) STUDY REGARDING PREVALENCE AMONG CERTAIN EMERGENCY RESPONSE EMPLOYEES.—

(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary"), in consultation with the Secretary of Labor, shall conduct a study to determine—

(A) an estimate of the prevalence of hepatitis C among designated emergency response employees in the United States; and

(B) the likely means through which such employees become infected with such disease in the course of performing their duties as such employees.

(2) DESIGNATED EMERGENCY RESPONSE EMPLOYEES.—For purposes of this section, the term "designated emergency response employees" means firefighters, paramedics, and emergency medical technicians who are employees or volunteers of units of local government.

(3) DATE CERTAIN FOR COMPLETION; REPORT TO CONGRESS.—The Secretary shall commence the study under paragraph (1) not later than 90 days after the date of the enactment of this Act. Not later than one year after such date, the Secretary shall complete the study and submit to the Congress a report describing the findings of the study.

(b) DEMONSTRATION PROJECTS REGARDING TRAINING AND TREATMENT.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Labor, shall make grants to qualifying local governments for the purpose of carrying out demonstration projects that (directly or through arrangements with nonprofit private entities) carry out each of the following activities:

(A) Training designated emergency response employees in minimizing the risk of infection with hepatitis C in performing their duties as such employees.

(B) Testing such employees for infection with the disease.

(C) Treating the employees for the disease.

(2) QUALIFYING LOCAL GOVERNMENTS.—For purposes of this section, the term "qualifying local government" means a unit of local government whose population of designated emergency response employees has a prevalence of hepatitis C that is not less than 200 percent of the national average for the prevalence of such disease in such populations.

(3) CONFIDENTIALITY.—A grant may be made under paragraph (1) only if the qualifying local government involved agrees to ensure that information regarding the testing or treatment of designated emergency response employees pursuant to the grant is maintained confidentially in a manner not inconsistent with applicable law.

(4) EVALUATIONS.—The Secretary shall provide for an evaluation of each demonstration project under paragraph (1) in order to determine the extent to which the project has been effective in carry out the activities described in such paragraph.

(5) REPORT TO CONGRESS.—Not later than 180 days after the date on which all grants under paragraph (1) have been expended, the Secretary shall submit to Congress a report providing—

(A) a summary of evaluations under paragraph (4); and

(B) the recommendations of the Secretary for administrative or legislative initiatives regarding the activities described in paragraph (1).

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated to the Department of Health and Human Services and the Department of Labor $10,000,000 for fiscal year 2001.

SEC. 1705. REPORT ON PROGRESS ON SPECTRUM SHARING.

(a) STUDY REQUIRED.—The Secretary of Defense, in consultation with the Attorney General and the Secretary of Commerce, shall provide for the conduct of an engineering study to identify—

(1) any portion of the 138–144 megahertz band that the Department of Defense can share in various geographic regions with public safety radio services;

(2) any measures required to prevent harmful interference between Department of Defense systems and the public safety systems proposed for operation on those frequencies; and

(3) a reasonable schedule for implementation of such sharing of frequencies.

(b) SUBMISSION OF INTERIM REPORT.—Within one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives an interim report on the progress of the study conducted pursuant to subsection (a).

(c) REPORT.—Not later than January 1, 2002, the Secretary of Commerce and the Chairman of the Federal Communications Commission shall jointly submit a report to Congress on alternative frequencies available for use by public safety systems.

SEC. 1706. SALE OR DONATION OF EXCESS DEFENSE PROPERTY TO ASSIST FIREFIGHTING AGENCIES.

(a) TRANSFER AUTHORIZED.—Chapter 153 of title 10, United States Code, is amended by inserting after section 2576a the following new section:

"§ 2576b. Excess personal property: sale or donation to assist firefighting agencies

"(a) TRANSFER AUTHORIZED.—Subject to subsection (b), the Secretary of Defense may transfer to a firefighting agency in a State any personal property of the Department of Defense that the Secretary determines is—

"(1) excess to the needs of the Department of Defense; and

"(2) suitable for use in providing fire and emergency medical services, including personal protective equipment and equipment for communication and monitoring.

"(b) CONDITIONS FOR TRANSFER.—The Secretary of Defense may transfer personal property under this section only if—

"(1) the property is drawn from existing stocks of the Department of Defense;

"(2) the recipient firefighting agency accepts the property on an as-is, where-is basis;

"(3) the transfer is made without the expenditure of any funds available to the Department of Defense for the procurement of defense equipment; and

"(4) all costs incurred subsequent to the transfer of the property are borne or reimbursed by the recipient.

"(c) CONSIDERATION.—Subject to subsection (b)(4), the Secretary may transfer personal property under this section without charge to the recipient firefighting agency.

"(d) DEFINITIONS.—In this section:

"(1) STATE.—The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States.

"(2) FIREFIGHTING AGENCY.—The term 'firefighting agency' means any volunteer, paid, or combined departments that provide fire and emergency medical services.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2576a the following new item:

"2576b. Excess personal property: sale or donation to assist firefighting agencies.".

SEC. 1707. IDENTIFICATION OF DEFENSE TECHNOLOGIES SUITABLE FOR USE, OR CONVERSION FOR USE, IN PROVIDING FIRE AND EMERGENCY MEDICAL SERVICES.

(a) APPOINTMENT OF TASK FORCE; PURPOSE.—The Secretary of Defense shall appoint a task force consisting of representatives from the Department of Defense and each of the seven major fire organizations identified in subsection (b) to identify defense technologies and equipment that—

(1) can be readily put to civilian use by fire service and the emergency response agencies; and

(2) can be transferred to these agencies using the authority provided by section 2576b of title 10, United States Code, as added by section 1706 of this Act.

(b) PARTICIPATING MAJOR FIRE ORGANIZATIONS.—Members of the task force shall be appointed from each of the following:

(1) The International Association of Fire Chiefs.
(2) The International Association of Fire Fighters.
(3) The National Volunteer Fire Council.
(4) The International Association of Arson Investigators.
(5) The International Society of Fire Service Instructors.
(6) The National Association of State Fire Marshals.
(7) The National Fire Protection Association.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Defense for activities of the task force $1,000,000 for fiscal year 2001.

TITLE XVIII—IMPACT AID

Sec. 1801. Short title.
Sec. 1802. Purpose.
Sec. 1803. Payments relating to Federal acquisition of real property.
Sec. 1804. Payments for eligible federally connected children.
Sec. 1805. Maximum amount of basic support payments.
Sec. 1806. Basic support payments for heavily impacted local educational agencies.
Sec. 1807. Basic support payments for local educational agencies affected by removal of Federal property.
Sec. 1808. Additional payments for local educational agencies with high concentrations of children with severe disabilities.
Sec. 1809. Application for payments under sections 8002 and 8003.
Sec. 1810. Payments for sudden and substantial increases in attendance of military dependents.
Sec. 1811. Construction.
Sec. 1812. State consideration of payments in providing State aid.
Sec. 1813. Federal administration.
Sec. 1814. Administrative hearings and judicial review.
Sec. 1815. Forgiveness of overpayments.
Sec. 1816. Definitions.
Sec. 1817. Authorization of appropriations.
Sec. 1818. Effective date.

SEC. 1801. SHORT TITLE.

This title may be cited as the "Impact Aid Reauthorization Act of 2000".

SEC. 1802. PURPOSE.

Section 8001 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701) is amended—

(1) in the matter preceding paragraph (1)—

(A) by inserting after "educational services to federally connected children" the following: "in a manner that promotes control by local educational agencies with little or no Federal or State involvement"; and

(B) by inserting after "certain activities of the Federal Government" the following: ", such as activities to fulfill the responsibilities of the Federal Government with respect to Indian tribes and activities under section 514 of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 574),";

(2) in paragraph (4), by adding "or" at the end;

(3) by striking paragraph (5);

(4) by redesignating paragraph (6) as paragraph (5); and

(5) in paragraph (5) (as redesignated), by inserting before the period at the end the following: "and because of the difficulty of raising local revenue through bond referendums for capital projects due to the inability to tax Federal property".

SEC. 1803. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

(a) FISCAL YEAR REQUIREMENT.—Section 8002(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(a)) is amended in the matter preceding paragraph (1) by striking "1999" and inserting "2003".

(b) AMOUNT.—

(1) PROHIBITION ON REDUCTION IN AMOUNT OF PAYMENT.—Section 8002(b)(1)(A)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(b)(1)(A)(i)) is amended—

(A) by striking "(i) The amount" and inserting "(i)(I) Subject to subclauses (II) and (III), the amount";

(B) by striking ", except that" and all that follows through "Federal property"; and

(C) by adding at the end the following:

"(II) Except as provided in subclause (III), the Secretary may not reduce the amount of a payment under this section to a local educational agency for a fiscal year by (aa) the amount equal to the amount of revenue, if any, the agency received during the previous fiscal year from activities conducted on Federal property eligible under this section and located in a school district served by the agency, including amounts received from any Federal department or agency (other than the Department of Education) from such activities, by reason of receipt of such revenue, or (bb) any other amount by reason of receipt of such revenue.

"(III) If the amount equal to the sum of (aa) the proposed payment under this section to a local educational agency for a fiscal year and (bb) the amount of revenue described in subclause (II)(aa) received by the agency during the previous fiscal year, exceeds the maximum amount the agency is eligible to receive under this section for the fiscal year involved, then the Secretary shall reduce the amount of the proposed payment under this section by an amount equal to such excess amount.".

(2) INSUFFICIENT FUNDS.—Section 8002(b)(1)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(b)(1)(B)) is amended by striking "shall ratably reduce the payment to each eligible local educational agency" and inserting "shall calculate the payment for each eligible local educational agency in accordance with subsection (h)".

(3) MAXIMUM AMOUNT.—Section 8002(b)(1)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(b)(1)(C)) is amended by adding at the end before the period the following: ", or the maximum amount that such agency is eligible to receive for such fiscal year under this section, whichever is greater".

(c) PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—Section 8002(h) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(h)) is amended to read as follows:

"(h) PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—For any fiscal year for which the amount appropriated under section 8014(a) is insufficient to pay to each eligible local educational agency the full amount determined under subsection (b), the Secretary shall make payments to each local educational agency under this section as follows:

"(1) FOUNDATION PAYMENTS FOR PRE-1995 RECIPIENTS.—

"(A) IN GENERAL.—The Secretary shall first make a foundation payment to each local educational agency that is eligible to receive a payment under this section for the fiscal year involved and was eligible to receive a payment under section 2 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994) for any of the fiscal years 1989 through 1994.

"(B) AMOUNT.—The amount of a payment under subparagraph (A) for a local educational agency shall be equal to 38 percent of the local educational agency's maximum entitlement amount under section 2 of the Act of September 30, 1950, for fiscal year 1994 (or if the local educational agency was not eligible to receive a payment under such section 2 for fiscal year 1994, the local educational agency's maximum entitlement amount under such section 2 for the most recent fiscal year preceding 1994).

"(C) INSUFFICIENT APPROPRIATIONS.—If the amount appropriated under section 8014(a) is insufficient to pay the full amount determined under this paragraph for all eligible local educational agencies for the fiscal year, then the Secretary shall ratably reduce the payment to each local educational agency under this paragraph.

"(2) PAYMENTS FOR 1995 RECIPIENTS.—

"(A) IN GENERAL.—From any amounts remaining after making payments under paragraph (1) for the fiscal year involved, the Secretary shall make a payment to each eligible local educational agency that received a payment under this section for fiscal year 1995.

"(B) AMOUNT.—The amount of a payment under subparagraph (A) for a local educational agency shall be determined as follows:

"(i) Calculate the difference between the amount appropriated to carry out this section for fiscal year 1995 and the total amount of foundation payments made under paragraph (1) for the fiscal year.

"(ii) Determine the percentage share for each local educational agency that received a payment under this section for fiscal year 1995 by dividing the assessed value of the Federal property of the local educational agency for fiscal year 1995 determined in accordance with subsection (b)(3), by the total eligible national assessed value of the eligible Federal property of all such local educational agencies for fiscal year 1995, as so determined.

"(iii) Multiply the percentage share described in clause (ii) for the local educational agency by the amount determined under clause (i).

"(3) SUBSECTION (i) RECIPIENTS.—From any funds remaining after making payments under paragraphs (1) and (2) for the fiscal year involved, the Secretary shall make payments in accordance with subsection (i).

"(4) REMAINING FUNDS.—From any funds remaining after making payments under paragraphs (1), (2), and (3) for the fiscal year involved—

"(A) the Secretary shall make a payment to each local educational agency that received a foundation payment under paragraph (1) for the fiscal year involved in an amount that bears the same relation to 25 percent of the remainder as the amount the local educational agency received under paragraph (1) for the fiscal year involved bears to the amount all local educational agencies received under paragraph (1) for the fiscal year involved; and

"(B) the Secretary shall make a payment to each local educational agency that is eligible to receive a payment under this section for the fiscal year involved in an amount that bears the same relation to 75 percent of the remainder as a percentage share determined for the local educational agency (in the same manner as percentage shares are determined for local educational agencies under paragraph (2)(B)(ii)) bears to the percentage share determined (in the same manner) for all local educational agencies eligible to receive a payment under this section for the fiscal year involved, except that for the purpose of calculating a local educational agency's assessed value of the Federal property, data from the most current fiscal year shall be used.".

(d) SPECIAL PAYMENTS.—

(1) IN GENERAL.—Section 8002(i)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(i)(1)) is amended to read as follows:

"(1) IN GENERAL.—For any fiscal year beginning with fiscal year 2000 for which the amount appropriated to carry out this section exceeds the amount so appropriated for fiscal year 1996 and for which subsection (b)(1)(B) applies, the Secretary shall use the remainder described in subsection (h)(3) for the fiscal year involved (not to exceed the amount equal to the difference between (A) the amount appropriated to carry out this section for fiscal year 1997 and (B) the amount appropriated to carry out this section for fiscal year 1996) to increase the payment that would otherwise be made under this section to not more than 50 percent of the maximum amount determined under subsection (b) for any local educational agency described in paragraph (2).".

(2) CONFORMING AMENDMENT.—The heading of section 8002(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(i)) is amended by striking "PRIORITY" and inserting "SPECIAL".

(e) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—Section 8002(j)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(j)(2)) is amended—

(1) by striking "(A) A local educational agency" and inserting "A local educational agency";

(2) by redesignating clauses (i) through (v) as subparagraphs (A) through (E), respectively; and

(3) in subparagraph (C) (as redesignated), by adding at the end before the semicolon the following: "and, at the time at which the agency is applying for a payment under this subsection, the agency does not have a military installation located within its geographic boundaries".

(f) PRIOR YEAR DATA.—Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702) is amended by adding at the end the following:

"(l) PRIOR YEAR DATA.—Notwithstanding any other provision of this section, in determining the eligibility of a local educational agency for a payment under subsection (b) or (h)(4)(B) of this section for a fiscal year, and in calculating the amount of such payment, the Secretary—

"(1) shall use data from the prior fiscal year with respect to the Federal property involved, including data with respect to the assessed value of the property and the real property tax rate for current expenditures levied against or imputed to the property; and

"(2) shall use data from the second prior fiscal year with respect to determining the amount of revenue referred to in subsection (b)(1)(A)(i).".

(g) ELIGIBILITY.—Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702), as amended by this section, is further amended by adding at the end the following:

"(m) ELIGIBILITY.—

"(1) OLD FEDERAL PROPERTY.—Except as provided in paragraph (2), a local educational agency that is eligible to receive a payment under this section for Federal property acquired by the Federal Government, before the date of the enactment of the Impact Aid Reauthorization Act of 2000, shall be eligible to receive the payment only if the local educational agency submits an application for a payment under this section not later than 5 years after the date of the enactment of such Act.

"(2) COMBINED FEDERAL PROPERTY.—A local educational agency that is eligible to receive a payment under this section for Federal property acquired by the Federal Government before the date of the enactment of the Impact Aid Reauthorization Act of 2000 shall be eligible to receive the payment if—

"(A) the Federal property, when combined with other Federal property in the school district served by the local educational agency acquired by the Federal Government after the date of the enactment of such Act, meets the requirements of subsection (a); and

"(B) the local educational agency submits an application for a payment under this section not later than 5 years after the date of acquisition of the Federal property acquired after the date of the enactment of such Act.

"(3) NEW FEDERAL PROPERTY.—A local educational agency that is eligible to receive a payment under this section for Federal property acquired by the Federal Government after the date of the enactment of the Impact Aid Reauthorization Act of 2000 shall be eligible to receive the payment only if the local educational agency submits an application for a payment under this section not later than 5 years after the date of acquisition.".

SEC. 1804. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(a) GENERAL AMENDMENTS.—Section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) is amended—

(1) in subsection (a)(2)—

(A) by redesignating subparagraph (E) as subparagraph (F);

(B) in subparagraph (D), by striking "subparagraphs (D) and (E) of paragraph (1) by a factor of .10" and inserting "subparagraph (D) of paragraph (1) by a factor of .20"; and

(C) by inserting after subparagraph (D) the following:

"(E) Multiply the number of children described in subparagraph (E) of paragraph (1) by a factor of .10.";

(2) in subsection (b)(1), by adding at the end the following:

"(D) DATA.—If satisfactory data from the third preceding fiscal year are not available for any of the expenditures described in clause (i) or (ii) of subparagraph (C), the Secretary shall use data from the most recent fiscal year for which data that are satisfactory to the Secretary are available.

"(E) SPECIAL RULE.—For purposes of determining the comparable local contribution rate under subparagraph (C)(iii) for a local educational agency described in section 222.39(c)(3) of title 34, Code of Federal Regulations, that had its comparable local contribution rate for fiscal year 1998 calculated pursuant to section 222.39 of title 34, Code of Federal Regulations, the Secretary shall determine such comparable local contribution rate as the rate upon which payments under this subsection for fiscal year 2000 were made to the local educational agency adjusted by the percentage increase or decrease in the per pupil expenditure in the State serving the local educational agency calculated on the basis of the second most recent preceding school year compared to the third most recent preceding school year for which school year data are available."; and

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

"(e) HOLD HARMLESS.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), the total amount the Secretary shall pay a local educational agency under subsection (b)—

"(A) for fiscal year 2001 shall not be less than 85 percent of the total amount that the local educational agency received under subsections (b) and (f) for fiscal year 2000; and

"(B) for fiscal year 2002 shall not be less than 70 percent of the total amount that the local educational agency received under subsections (b) and (f) for fiscal year 2000.

"(2) MAXIMUM AMOUNT.—The total amount provided to a local educational agency under subparagraph (A) or (B) of paragraph (1) for a fiscal year shall not exceed the maximum basic support payment amount for such agency determined under paragraph (1) or (2) of subsection (b), as the case may be.

"(3) RATABLE REDUCTIONS.—

"(A) IN GENERAL.—If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraph (1) for such year, then the Secretary shall ratably reduce the payments to all such agencies for such year.

"(B) ADDITIONAL FUNDS.—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.".

(b) MILITARY INSTALLATION AND INDIAN HOUSING UNDERGOING RENOVATION OR REBUILDING.—

(1) IN GENERAL.—Section 8003(a)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)) is amended—

(A) in the heading—

(i) by inserting "AND INDIAN" after "MILITARY INSTALLATION"; and

(ii) by inserting "OR REBUILDING" after "RENOVATION";

(B) by striking "For purposes" and inserting the following:

"(A) IN GENERAL.—(i) For purposes";

(C) in subparagraph (A)(i) (as designated by subparagraph (B)), by inserting "or rebuilding" after "undergoing renovation"; and

(D) by adding at the end the following:

"(ii) For purposes of computing the amount of a payment for a local educational agency that received a payment for children that resided on Indian lands in accordance with paragraph (1)(C) for the fiscal year prior to the fiscal year for which the local educational agency is making an application, the Secretary shall consider such children to be children described in paragraph (1)(C) if the Secretary determines, on the basis of a certification provided to the Secretary by a designated representative of the Secretary of the Interior or the Secretary of Housing and Urban Development, that such children would have resided in housing on Indian lands in accordance with paragraph (1)(C) except that such housing was undergoing renovation or rebuilding on the date for which the Secretary determines the number of children under paragraph (1).

"(B) LIMITATIONS.—(i)(I) Children described in paragraph (1)(D)(i) may be deemed to be children described in paragraph (1)(B) with respect to housing on Federal property undergoing renovation or rebuilding in accordance with subparagraph (A)(i) for a period not to exceed 3 fiscal years.

"(II) The number of children described in paragraph (1)(D)(i) who are deemed to be children described in paragraph (1)(B) with respect to housing on Federal property undergoing renovation or rebuilding in accordance with subparagraph (A)(i) for any fiscal year may not exceed the maximum number of children who are expected to occupy that housing upon completion of the renovation or rebuilding.

"(ii)(I) Children that resided on Indian lands in accordance with paragraph (1)(C) for the fiscal year prior to the fiscal year for which the local educational agency is making an application may be deemed to be children described in paragraph (1)(C) with respect to housing on

Indian lands undergoing renovation or rebuilding in accordance with subparagraph (A)(ii) for a period not to exceed 3 fiscal years.

"(II) The number of children that resided on Indian lands in accordance with paragraph (1)(C) for the fiscal year prior to the fiscal year for which the local educational agency is making an application who are deemed to be children described in paragraph (1)(C) with respect to housing on Indian lands undergoing renovation or rebuilding in accordance with subparagraph (A)(ii) for any fiscal year may not exceed the maximum number of children who are expected to occupy that housing upon completion of the renovation or rebuilding.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply with respect to payments to a local educational agency for fiscal years beginning before, on, or after the date of the enactment of this Act.

(c) MILITARY "BUILD TO LEASE" PROGRAM HOUSING.—Section 8003(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)) is amended by adding at the end the following:

"(5) MILITARY 'BUILD TO LEASE' PROGRAM HOUSING.—

"(A) IN GENERAL.—For purposes of computing the amount of payment for a local educational agency for children identified under paragraph (1), the Secretary shall consider children residing in housing initially acquired or constructed under the former section 2828(g) of title 10, United States Code (commonly known as the 'Build to Lease' program), as added by section 801 of the Military Construction Authorization Act, 1984, to be children described under paragraph (1)(B) if the property described is within the fenced security perimeter of the military facility upon which such housing is situated.

"(B) ADDITIONAL REQUIREMENTS.—If the property described in subparagraph (A) is not owned by the Federal Government, is subject to taxation by a State or political subdivision of a State, and thereby generates revenues for a local educational agency that is applying to receive a payment under this section, then the Secretary—

"(i) shall require the local educational agency to provide certification from an appropriate official of the Department of Defense that the property is being used to provide military housing; and

"(ii) shall reduce the amount of the payment under this section by an amount equal to the amount of revenue from such taxation received in the second preceding fiscal year by such local educational agency, unless the amount of such revenue was taken into account by the State for such second preceding fiscal year and already resulted in a reduction in the amount of State aid paid to such local educational agency.".

SEC. 1805. MAXIMUM AMOUNT OF BASIC SUPPORT PAYMENTS.

Section 8003(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(1)), as amended by this Act, is further amended by adding at the end the following:

"(F) INCREASE IN LOCAL CONTRIBUTION RATE DUE TO UNUSUAL GEOGRAPHIC FACTORS.—If the current expenditures in those local educational agencies which the Secretary has determined to be generally comparable to the local educational agency for which a computation is made under subparagraph (C) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in such agency, a level of education equivalent to that maintained in such other agencies, then the Secretary shall increase the local contribution rate for such agency under subparagraph (C)(iii) by such an amount which the Secretary determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. The amount of any such supplementary payment may not exceed the per-pupil share (computed with regard to all children in average daily attendance), as determined by the Secretary, of the increased current expenditures necessitated by such unusual geographic factors.".

SEC. 1806. BASIC SUPPORT PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—Section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)) is amended—

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

(2) by inserting after paragraph (1) the following:

"(2) BASIC SUPPORT PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—(i) From the amount appropriated under section 8014(b) for a fiscal year, the Secretary is authorized to make basic support payments to eligible heavily impacted local educational agencies with children described in subsection (a).

"(ii) A local educational agency that receives a basic support payment under this paragraph for a fiscal year shall not be eligible to receive a basic support payment under paragraph (1) for that fiscal year.

"(B) ELIGIBILITY FOR CONTINUING HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

"(i) IN GENERAL.—A heavily impacted local educational agency is eligible to receive a basic support payment under subparagraph (A) with respect to a number of children determined under subsection (a)(1) if the agency—

(I) received an additional assistance payment under subsection (f) (as such subsection was in effect on the day before the date of the enactment of the Impact Aid Reauthorization Act of 2000) for fiscal year 2000; and

"(II)(aa) is a local educational agency whose boundaries are the same as a Federal military installation;

"(bb) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency which

is not less than 35 percent, has a per-pupil expenditure that is less than the average per-pupil expenditure of the State in which the agency is located or the average per-pupil expenditure of all States (whichever average per-pupil expenditure is greater), except that a local educational agency with a total student enrollment of less than 350 students shall be deemed to have satisfied such per-pupil expenditure requirement, and has a tax rate for general fund purposes which is not less than 95 percent of the average tax rate for general fund purposes of local educational agencies in the State;

"(cc) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency which is not less than 30 percent, and has a tax rate for general fund purposes which is not less than 125 percent of the average tax rate for general fund purposes for comparable local educational agencies in the State;

"(dd) has a total student enrollment of not less than 25,000 students, of which not less than 50 percent are children described in subsection (a)(1) and not less than 6,000 of such children are children described in subparagraphs (A) and (B) of subsection (a)(1); or

"(ee) meets the requirements of subsection (f)(2) applying the data requirements of subsection (f)(4) (as such subsections were in effect on the day before the date of the enactment of the Impact Aid Reauthorization Act of 2000).

"(ii) LOSS OF ELIGIBILITY.—A heavily impacted local educational agency that met the requirements of clause (i) for a fiscal year shall be ineligible to receive a basic support payment under subparagraph (A) if the agency fails to meet the requirements of clause (i) for a subsequent fiscal year, except that such agency shall continue to receive a basic support payment under this paragraph for the fiscal year for which the ineligibility determination is made.

"(iii) RESUMPTION OF ELIGIBILITY.—A heavily impacted local educational agency described in clause (i) that becomes ineligible under such clause for 1 or more fiscal years may resume eligibility for a basic support payment under this paragraph for a subsequent fiscal year only if the agency meets the requirements of clause (i) for that subsequent fiscal year, except that such agency shall not receive a basic support payment under this paragraph until the fiscal year succeeding the fiscal year for which the eligibility determination is made.

"(C) ELIGIBILITY FOR NEW HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

"(i) IN GENERAL.—A heavily impacted local educational agency that did not receive an additional

assistance payment under subsection (f) (as such subsection was in effect on the day before the date of the enactment of the Impact Aid Reauthorization Act of 2000) for fiscal year 2000 is eligible to receive a basic support payment under subparagraph (A) for fiscal year 2002 and any subsequent fiscal year with respect to a number of children determined under subsection (a)(1) only if the agency is a local educational agency whose boundaries are the same as a Federal military installation, or the agency—

"(I) has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency that—

"(aa) is not less than 50 percent if such agency receives a payment on behalf of children described in subparagraphs (F) and (G) of such subsection; or

"(bb) is not less than 40 percent if such agency does not receive a payment on behalf of such children;

"(II)(aa) for a local educational agency that has a total student enrollment of 350 or more students, has a per-pupil expenditure that is less than the average per-pupil expenditure of the State in which the agency is located; or

"(bb) for a local educational agency that has a total student enrollment of less than 350 students, has a per-pupil expenditure that is less than the average per-pupil expenditure of a comparable local educational agency in the State in which the agency is located; and

"(III) has a tax rate for general fund purposes that is at least 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State.

"(ii) RESUMPTION OF ELIGIBILITY.—A heavily impacted local educational agency described in clause (i) that becomes ineligible under such clause for 1 or more fiscal years may resume eligibility for a basic support payment under this paragraph for a subsequent fiscal year only if the agency is a local educational agency whose boundaries are the same as a Federal military installation, or meets the requirements of clause (i), for that subsequent fiscal year, except that such agency shall continue to receive a basic support payment under this paragraph for the fiscal year for which the ineligibility determination is made.

"(iii) APPLICATION.—With respect to the first fiscal year for which a heavily impacted local educational agency described in clause (i) applies for a basic support payment under subparagraph (A), or with respect to the first fiscal year for which a heavily impacted local educational agency applies for a basic support payment under subparagraph (A) after becoming ineligible under clause (i) for 1 or more preceding fiscal

years, the agency shall apply for such payment at least 1 year prior to the start of that first fiscal year.

"(D) MAXIMUM AMOUNT FOR REGULAR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—(i) Except as provided in subparagraph (E), the maximum amount that a heavily impacted local educational agency is eligible to receive under this paragraph for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2) and subject to clause (ii), multiplied by the greater of—

"(I) four-fifths of the average per-pupil expenditure of the State in which the local educational agency is located for the third fiscal year preceding the fiscal year for which the determination is made; or

"(II) four-fifths of the average per-pupil expenditure of all of the States for the third fiscal year preceding the fiscal year for which the determination is made.

"(ii)(I) For a local educational agency with respect to which 35 percent or more of the total student enrollment of the schools of the agency are children described in subparagraph (D) or (E) (or a combination thereof) of subsection (a)(1), the Secretary shall calculate the weighted student units of such children for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 0.55.

"(II) For a local educational agency that has an enrollment of 100 or fewer children described in subsection (a)(1), the Secretary shall calculate the total number of weighted student units for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 1.75.

"(III) For a local educational agency that has an enrollment of more than 100 but not more than 750 children described in subsection (a)(1), the Secretary shall calculate the total number of weighted student units for purposes of subsection (a)(2) by multiplying the number of such children by a factor of 1.25.

"(E) MAXIMUM AMOUNT FOR LARGE HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—(i)(I) Subject to clause (ii), the maximum amount that a heavily impacted local educational agency described in subclause (II) is eligible to receive under this paragraph for any fiscal year shall be determined in accordance with the formula described in paragraph (1)(C).

"(II) A heavily impacted local educational agency described in this subclause is a local educational agency that has a total student enrollment of not less than 25,000 students, of which not less than 50 percent are children described in subsection (a)(1) and not less than 6,000 of such children are children described in subparagraphs (A) and (B) of subsection (a)(1).

"(ii) For purposes of calculating the maximum amount described in clause (i), the factor used in determining the weighted student units under subsection (a)(2) with respect to children described in subparagraphs (A) and (B) of subsection (a)(1) shall be 1.35.

"(F) DATA.—For purposes of providing assistance under this paragraph the Secretary shall use student, revenue,

expenditure, and tax data from the third fiscal year preceding the fiscal year for which the local educational agency is applying for assistance under this paragraph.".

(b) PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—Section 8003(b)(3) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(3)) (as so redesignated) is amended—

(1) in subparagraph (A), by striking "paragraph (1)" and inserting "paragraphs (1) and (2)";

(2) in subparagraph (B)—

(A) in the heading, by inserting after "PAYMENTS" the following: "IN LIEU OF PAYMENTS UNDER PARAGRAPH (1)";

(B) in clause (i)—

(i) in the matter preceding subclause (I), by inserting before "by multiplying" the following: "in lieu of basic support payments under paragraph (1)"; and

(ii) in subclause (II), by striking "(not including amounts received under subsection (f))"; and

(C) by adding at the end the following:

"(iv) In the case of a local educational agency that has a total student enrollment of fewer than 1,000 students and that has a per-pupil expenditure that is less than the average per-pupil expenditure of the State in which the agency is located, the total percentage used to calculate threshold payments under clause (i) shall not be less than 40 percent.";

(3) by redesignating subparagraph (C) as subparagraph (D);

(4) by inserting after subparagraph (B) the following:

"(C) LEARNING OPPORTUNITY THRESHOLD PAYMENTS IN LIEU OF PAYMENTS UNDER PARAGRAPH (2).—For fiscal years described in subparagraph (A), the learning opportunity threshold payment in lieu of basic support payments under paragraph (2) shall be equal to the amount obtained under subparagraph (D) or (E) of paragraph (2), as the case may be."; and

(5) in subparagraph (D) (as so redesignated), by striking "computation made under subparagraph (B)" and inserting "computations made under subparagraphs (B) and (C)".

(c) CONFORMING AMENDMENTS.—Section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) is amended—

(1) in the matter preceding subparagraph (A) of subsection (a)(1), by striking "subsection (b), (d), or (f)" and inserting "subsection (b) or (d)";

(2) in subsection (b)—

(A) in paragraph (1)(C), in the matter preceding clause (i), by striking "this subsection" and inserting "this paragraph"; and

(B) in paragraph (4) (as so redesignated)—

(i) in subparagraph (A), by striking "paragraphs (1)(B), (1)(C), and (2) of this subsection" and inserting "subparagraphs (B) and (C) of paragraph (1) or subparagraphs (B) through (D) of paragraph (2), as the case may be, paragraph (3) of this subsection"; and

(ii) in subparagraph (B)—

(I) by inserting after "paragraph (1)(C)" the following: "or subparagraph (D) or (E) of paragraph (2), as the case may be,"; and

(II) by striking "paragraph (2)(B)" and inserting "subparagraph (B) or (C) of paragraph (3), as the case may be,";

(3) in subsection (c)(1), by striking "paragraph (2) and subsection (f)" and inserting "subsections (b)(1)(D), (b)(2), and paragraph (2)";

(4) by striking subsection (f); and

(5) in subsection (h), by striking "section 6" and all that follows through "1994)" and inserting "section 386 of the National Defense Authorization Act for Fiscal Year 1993".

SEC. 1807. BASIC SUPPORT PAYMENTS FOR LOCAL EDUCATIONAL AGENCIES AFFECTED BY REMOVAL OF FEDERAL PROPERTY.

Section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)), as amended by this Act, is further amended by adding at the end the following:

"(5) LOCAL EDUCATIONAL AGENCIES AFFECTED BY REMOVAL OF FEDERAL PROPERTY.—

"(A) IN GENERAL.—In computing the amount of a basic support payment under this subsection for a fiscal year for a local educational agency described in subparagraph (B), the Secretary shall meet the additional requirements described in subparagraph (C).

"(B) LOCAL EDUCATIONAL AGENCY DESCRIBED.—A local educational agency described in this subparagraph is a local educational agency with respect to which Federal property (i) located within the boundaries of the agency, and (ii) on which one or more children reside who are receiving a free public education at a school of the agency, is transferred by the Federal Government to another entity in any fiscal year beginning on or after the date of the enactment of the Impact Aid Reauthorization Act of 2000 so that the property is subject to taxation by the State or a political subdivision of the State.

"(C) ADDITIONAL REQUIREMENTS.—The additional requirements described in this subparagraph are the following:

"(i) For each fiscal year beginning after the date on which the Federal property is transferred, a child described in subparagraph (B) who continues to reside on such property and who continues to receive a free public education at a school of the agency shall be deemed to be a child who resides on Federal property for purposes of computing under the applicable subparagraph of subsection (a)(1) the amount that the agency is eligible to receive under this subsection.

"(ii)(I) For the third fiscal year beginning after the date on which the Federal property is transferred, and for each fiscal year thereafter, the Secretary shall, after computing the amount that the agency is otherwise eligible to receive under this subsection for the fiscal year involved, deduct from such amount an amount equal to the revenue received by the agency

for the immediately preceding fiscal year as a result of the taxable status of the former Federal property.

"(II) For purposes of determining the amount of revenue to be deducted in accordance with subclause (I), the local educational agency—

"(aa) shall provide for a review and certification of such amount by an appropriate local tax authority; and

"(bb) shall submit to the Secretary a report containing the amount certified under item (aa).".

SEC. 1808. ADDITIONAL PAYMENTS FOR LOCAL EDUCATIONAL AGENCIES WITH HIGH CONCENTRATIONS OF CHILDREN WITH SEVERE DISABILITIES.

(a) REPEAL.—Subsection (g) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(g)) is repealed.

(b) CONFORMING AMENDMENTS.—(1) Section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) is amended by redesignating subsections (h) and (i) as subsections (f) and (g), respectively.

(2) Section 426 of the General Education Provisions Act (20 U.S.C. 1228) is amended by striking "subsections (d) and (g) of section 8003 of such Act" and inserting "section 8003(d) of such Act".

SEC. 1809. APPLICATION FOR PAYMENTS UNDER SECTIONS 8002 AND 8003.

Section 8005(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7705(d)) is amended—

(1) in paragraph (2), by inserting after "not more than 60 days after a deadline established under subsection (c)" the following: ", or not more than 60 days after the date on which the Secretary sends written notice to the local educational agency pursuant to paragraph (3)(A), as the case may be,"; and

(2) in paragraph (3) to read as follows:

"(3) LATE APPLICATIONS.—

"(A) NOTICE.—The Secretary shall, as soon as practicable after the deadline established under subsection (c), provide to each local educational agency that applied for a payment under section 8002 or 8003 for the prior fiscal year, and with respect to which the Secretary has not received an application for a payment under either such section (as the case may be) for the fiscal year in question, written notice of the failure to comply with the deadline and instruction to ensure that the application is filed not later than 60 days after the date on which the Secretary sends the notice.

"(B) ACCEPTANCE AND APPROVAL OF LATE APPLICATIONS.—The Secretary shall not accept or approve any application of a local educational agency that is filed more than 60 days after the date on which the Secretary sends written notice to the local educational agency pursuant to subparagraph (A).".

SEC. 1810. PAYMENTS FOR SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE OF MILITARY DEPENDENTS.

Section 8006 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7706) is repealed.

SEC. 1811. CONSTRUCTION.

Section 8007 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7707) is amended to read as follows:

"SEC. 8007. CONSTRUCTION.

"(a) CONSTRUCTION PAYMENTS AUTHORIZED.—

"(1) IN GENERAL.—From 40 percent of the amount appropriated for each fiscal year under section 8014(e), the Secretary shall make payments in accordance with this subsection to each local educational agency that receives a basic support payment under section 8003(b) for that fiscal year.

"(2) ADDITIONAL REQUIREMENTS.—A local educational agency that receives a basic support payment under section 8003(b)(1) shall also meet at least one of the following requirements:

"(A) The number of children determined under section 8003(a)(1)(C) for the agency for the preceding school year constituted at least 50 percent of the total student enrollment in the schools of the agency during the preceding school year.

"(B) The number of children determined under subparagraphs (B) and (D)(i) of section 8003(a)(1) for the agency for the preceding school year constituted at least 50 percent of the total student enrollment in the schools of the agency during the preceding school year.

"(3) AMOUNT OF PAYMENTS.—

"(A) LOCAL EDUCATIONAL AGENCIES IMPACTED BY MILITARY DEPENDENT CHILDREN.—The amount of a payment to each local educational agency described in this subsection that is impacted by military dependent children for a fiscal year shall be equal to—

"(i)(II) 20 percent of the amount appropriated under section 8014(e) for such fiscal year; divided by

"(II) the total number of weighted student units of children described in subparagraphs (B) and (D)(i) of section 8003(a)(1) for all local educational agencies described in this subsection (as calculated under section 8003(a)(2)), including the number of weighted student units of such children attending a school facility described in section 8008(a) if the Secretary does not provide assistance for the school facility under that section for the prior fiscal year; multiplied by

"(ii) the total number of such weighted student units for the agency.

"(B) LOCAL EDUCATIONAL AGENCIES IMPACTED BY CHILDREN WHO RESIDE ON INDIAN LANDS.—The amount of a payment to each local educational agency described in this subsection that is impacted by children who reside on Indian lands for a fiscal year shall be equal to—

"(i)(I) 20 percent of the amount appropriated under section 8014(e) for such fiscal year; divided by

"(II) the total number of weighted student units of children described in section 8003(a)(1)(C) for all local educational agencies described in this subsection (as calculated under section 8003(a)(2)); multiplied by

"(ii) the total number of such weighted student units for the agency.

"(4) USE OF FUNDS.—Any local educational agency that receives funds under this subsection shall use such funds for construction, as defined in section 8013(3).

"(b) SCHOOL FACILITY MODERNIZATION GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From 60 percent of the amount appropriated for each fiscal year under section 8014(e), the Secretary shall award grants in accordance with this subsection to eligible local educational agencies to enable the local educational agencies to carry out modernization of school facilities.

"(2) ELIGIBILITY REQUIREMENTS.—A local educational agency is eligible to receive funds under this subsection only if—

"(A) such agency (or in the case of a local educational agency that does not have the authority to tax or issue bonds, such agency's fiscal agent) has no capacity to issue bonds or is at such agency's limit in bonded indebtedness for the purposes of generating funds for capital expenditures, except that a local educational agency that is eligible to receive funds under section 8003(b)(2) shall be deemed to meet the requirements of this subparagraph; and

"(B)(i) such agency received assistance under section 8002(a) for the fiscal year and has an assessed value of taxable property per student in the school district that is less than the average of the assessed value of taxable property per student in the State in which the local educational agency is located; or

"(ii) such agency received assistance under subsection (a) for the fiscal year and has a school facility emergency, as determined by the Secretary, that poses a health or safety hazard to the students and school personnel assigned to the school facility.

"(3) AWARD CRITERIA.—In awarding grants under this subsection the Secretary shall consider one or more of the following factors:

"(A) The extent to which the local educational agency lacks the fiscal capacity to undertake the modernization project without Federal assistance.

"(B) The extent to which property in the local educational agency is nontaxable due to the presence of the Federal Government.

"(C) The extent to which the local educational agency serves high numbers or percentages of children described in subparagraphs (A), (B), (C), and (D) of section 8003(a)(1).

"(D) The need for modernization to meet—

"(i) the threat that the condition of the school facility poses to the health, safety, and well-being of students;

"(ii) overcrowding conditions as evidenced by the use of trailers and portable buildings and the potential for future overcrowding because of increased enrollment; and

"(iii) facility needs resulting from actions of the Federal Government.

"(E) The age of the school facility to be modernized.

"(4) OTHER AWARD PROVISIONS.—

"(A) FEDERAL SHARE.—The Federal funds provided under this subsection to a local educational agency described in subparagraph (C) shall not exceed 50 percent of the total cost of the project to be assisted under this subsection. A local educational agency may use in-kind contributions to meet the matching requirement of the preceding sentence.

"(B) MAXIMUM GRANT.—A local educational agency described in subparagraph (C) may not receive a grant under this subsection in an amount that exceeds $3,000,000 during any 5-year period.

"(C) LOCAL EDUCATIONAL AGENCY DESCRIBED.—A local educational agency described in this subparagraph is a local educational agency that has the authority to issue bonds but is at such agency's limit in bonded indebtedness for the purposes of generating funds for capital expenditures.

"(5) APPLICATIONS.—A local educational agency that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall contain—

"(A) documentation certifying such agency's lack of bonding capacity;

"(B) a listing of the school facilities to be modernized, including the number and percentage of children determined under section 8003(a)(1) in average daily attendance in each school facility;

"(C) a description of the ownership of the property on which the current school facility is located or on which the planned school facility will be located;

"(D) a description of any school facility deficiency that poses a health or safety hazard to the occupants of the school facility and a description of how that deficiency will be repaired;

"(E) a description of the modernization to be supported with funds provided under this subsection;

"(F) a cost estimate of the proposed modernization; and

"(G) such other information and assurances as the Secretary may reasonably require.

"(6) EMERGENCY GRANTS.—

"(A) APPLICATIONS.—Each local educational agency described in paragraph (2)(B)(ii) that desires a grant under this subsection shall include in the application submitted under paragraph (5) a signed statement from an appropriate local official certifying that a health or safety deficiency exists.

"(B) PRIORITY.—If the Secretary receives more than one application from local educational agencies described in paragraph (2)(B)(ii) for grants under this subsection for any fiscal year, the Secretary shall give priority to local educational agencies based on the severity of the

emergency, as determined by the Secretary, and when the application was received.

"(C) ALLOCATION; REPORTING REQUIREMENT.—

"(i) ALLOCATION.—In awarding grants under this subsection to local educational agencies described in paragraph (2)(B)(ii), the Secretary shall consider all applications received from local educational agencies that meet the requirement of subsection (a)(2)(A) and local educational agencies that meet the requirement of subsection (a)(2)(B).

"(ii) REPORTING REQUIREMENT.—

"(I) IN GENERAL.—Not later than January 1 of each year, the Secretary shall prepare and submit to the appropriate congressional committees a report that contains a justification for each grant awarded under this subsection for the prior fiscal year.

"(II) DEFINITION.—In this clause, the term 'appropriate congressional committees' means the Committee on Appropriations and the Committee on Education and the Workforce of the House of Representatives and the Committee on Appropriations and the Committee on Health, Education, Labor and Pensions of the Senate.

"(D) CONSIDERATION FOR FOLLOWING YEAR.—A local educational agency described in paragraph (2)(B)(ii) that applies for a grant under this subsection for any fiscal year and does not receive the grant shall have the application for the grant considered for the following fiscal year, subject to the priority described in subparagraph (B).

"(7) SUPPLEMENT NOT SUPPLANT.—An eligible local educational agency shall use funds received under this subsection only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the modernization of school facilities used for educational purposes, and not to supplant such funds.".

SEC. 1812. STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

Section 8009 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7709) is amended—

(1) in subsection (a)(1), by striking "or under" and all that follows through "of 1994)";

(2) by amending subsection (b)(1) to read as follows:

"(1) IN GENERAL.—A State may reduce State aid to a local educational agency that receives a payment under section 8002 or 8003(b) (except the amount calculated in excess of 1.0 under section 8003(a)(2)(B)) for any fiscal year if the Secretary determines, and certifies under subsection (c)(3)(A), that the State has in effect a program of State aid that equalizes expenditures for free public education among local educational agencies in the State."; and

(3) in subsection (d)—

(A) in paragraph (1)—

(i) in the matter proceeding subparagraph (A), by striking "or under" and all that follows through "of 1994)"; and

(ii) in subparagraph (B), by striking "or under" and all that follows through "of 1994)"; and

(B) in paragraph (2), by striking "or under" and all that follows through "of 1994)".

SEC. 1813. FEDERAL ADMINISTRATION.

Section 8010(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7710(c)) is amended—

(1) by striking paragraph (1);

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

(3) in paragraph (2) (as redesignated)—

(A) in subparagraph (D), by striking "section 5(d)(2) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) or"; and

(B) in subparagraph (E)—

(i) by striking "1994" and inserting "1999";

(ii) by striking "(or such section's predecessor authority)"; and

(iii) by striking "paragraph (2)" and inserting "paragraph (1)".

SEC. 1814. ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW.

(a) ADMINISTRATIVE HEARINGS.—

(1) IN GENERAL.—Section 8011(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7711) is amended by adding at the end before the period the following: "if the local educational agency or State, as the case may be, submits to the Secretary a request for the hearing not later than 60 days after the date of the action of the Secretary under this title".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to an action of the Secretary under title VIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701 et seq.) initiated on or after the date of the enactment of this Act.

(b) JUDICIAL REVIEW OF SECRETARIAL ACTION.—Section 8011(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7711(b)(1)) is amended by striking "60 days" and inserting "30 working days (as determined by the local educational agency or State)".

SEC. 1815. FORGIVENESS OF OVERPAYMENTS.

The matter preceding paragraph (1) of section 8012 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7712) is amended by striking "under the Act" and all that follows through "of 1994)" and inserting "under this title's predecessor authorities".

SEC. 1816. DEFINITIONS.

Section 8013 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713) is amended—

(1) in paragraph (5)—

(A) in subparagraph (A)(iii)—

(I) in subclause (I), by striking "or" after the semicolon; and

(II) by adding at the end the following:

"(III) used for affordable housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996; or"; and

(B) in subparagraph (F)(i), by striking "the mutual" and all that follows through "1937" and inserting "or authorized by the Native American Housing Assistance and Self-Determination Act of 1996";

(2) in paragraph (8)(B), by striking "all States" and inserting "the 50 States and the District of Columbia";

(3) by redesignating paragraphs (11) and (12) as paragraphs (12) and (13), respectively; and

(4) by inserting after paragraph (10) the following:

"(11) MODERNIZATION.—The term 'modernization' means repair, renovation, alteration, or construction, including—

"(A) the concurrent installation of equipment; and

"(B) the complete or partial replacement of an existing school facility, but only if such replacement is less expensive and more cost-effective than repair, renovation, or alteration of the school facility.".

SEC. 1817. AUTHORIZATION OF APPROPRIATIONS.

(a) PAYMENTS FOR FEDERAL ACQUISITION OF REAL PROPERTY.—Section 8014(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714(a)) is amended—

(1) by striking "$16,750,000 for fiscal year 1995" and inserting "$32,000,000 for fiscal year 2000"; and

(2) by striking "four" and inserting "three".

(b) BASIC PAYMENTS.—Section 8014(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714(b)) is amended—

(1) by striking "subsections (b) and (f) of section 8003" and inserting "section 8003(b)";

(2) by striking "$775,000,000 for fiscal year 1995" and inserting "$809,400,000 for fiscal year 2000";

(3) by striking "four" and inserting "three"; and

(4) by striking ", of which 6 percent" and all that follows and inserting a period.

(c) PAYMENTS FOR CHILDREN WITH DISABILITIES.—Section 8014(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714(c)) is amended—

(1) by striking "$45,000,000 for fiscal year 1995" and inserting "$50,000,000 for fiscal year 2000"; and

(2) by striking "four" and inserting "three".

(d) PAYMENTS FOR INCREASES IN MILITARY CHILDREN.—Subsection (d) of section 8014 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714) is repealed.

(e) CONSTRUCTION.—Section 8014(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714(e)) is amended—

(1) by striking "$25,000,000 for fiscal year 1995" and inserting "$10,052,000 for fiscal year 2000"; and

(2) by striking "four" and inserting "three".

(f) FACILITIES MAINTENANCE.—Section 8014(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714(f)) is amended—

(1) by striking "$2,000,000 for fiscal year 1995" and inserting "$5,000,000 for fiscal year 2000"; and

(2) by striking "four" and inserting "three".

(g) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—Section 8014(g) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714(g)) is amended—

(1) in the heading, by striking "FEDERAL PROPERTY LOCAL EDUCATIONAL AGENCIES" and inserting "LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION"; and

(2) by striking "such sums as are necessary beginning in fiscal year 1998 and for each succeeding fiscal year" and inserting "$1,500,000 for fiscal year 2000 and such sums as may be necessary for each of the three succeeding fiscal years".

SEC. 1818. EFFECTIVE DATE.

This title, and the amendments made by this title, shall take effect on October 1, 2000, or the date of the enactment of this Act, whichever occurs later.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2001".

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 2000 projects.
Sec. 2106. Modification of authority to carry out certain fiscal year 1999 projects.
Sec. 2107. Modification of authority to carry out fiscal year 1998 project.
Sec. 2108. Authority to accept funds for realignment of certain military construction project, Fort Campbell, Kentucky.

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 and 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	Redstone Arsenal	$39,000,000
Alaska	Fort Richardson	$3,000,000
Arizona	Fort Huachuca	$4,600,000
Arkansas	Pine Bluff Arsenal	$2,750,000
California	Fort Irwin	$31,000,000
	Presidio, Monterey	$2,600,000
Georgia	Fort Benning	$15,800,000
	Fort Gordon	$2,600,000
Hawaii	Pohakoula Training Facility	$32,000,000
	Schofield Barracks	$43,800,000

Army: Inside the United States—Continued

State	Installation or location	Amount
Kansas	Fort Riley	$22,000,000
Kentucky	Fort Knox	$550,000
Maryland	Fort Meade	$19,000,000
Missouri	Fort Leonard Wood	$65,400,000
New Jersey	Picatinny Arsenal	$5,600,000
New York	Fort Drum	$18,000,000
North Carolina	Fort Bragg	$222,200,000
	Sunny Point Army Terminal	$2,300,000
Ohio	Columbus	$1,832,000
Pennsylvania	Carlisle Barracks	$10,500,000
	New Cumberland Army Depot	$3,700,000
Texas	Fort Bliss	$26,000,000
	Fort Hood	$36,492,000
	Red River Army Depot	$800,000
Virginia	Fort Evans	$4,450,000
	Total:	$615,974,000

(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 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	Area Support Group, Bamberg	$11,650,000
	Area Support Group, Darmstadt	$11,300,000
	Kaiserslautern	$3,400,000
	Mannheim	$4,050,000
Korea	Camp Carroll	$10,000,000
	Camp Hovey	$30,200,000
	Camp Humphreys	$14,200,000
	Camp Page	$19,500,000
	Yongpyong	$11,850,000
Puerto Rico	Fort Buchanan	$3,700,000
	Total:	$119,850,000

(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 the installation and location, and in the amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation	Amount
Unspecified Worldwide	Classified Location	$11,000,000

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) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State or Country	Installation or location	Purpose	Amount
Alaska	Fort Wainwright	75 Units	$24,000,000
Arizona	Fort Huachuca	110 Units	$16,224,000
California	Fort Irwin	24 Units	$4,700,000
Hawaii	Schofield Barracks	72 Units	$15,500,000
Kentucky	Fort Campbell	184 Units	$27,800,000
Maryland	Fort Detrick	48 Units	$5,600,000
Missouri	Fort Leonard Wood	24 Units	$4,150,000
North Carolina	Fort Bragg	160 Units	$22,000,000
South Carolina	Fort Jackson	1 Unit	$250,000
Texas	Fort Bliss	64 Units	$10,200,000
Virginia	Fort Lee	52 Units	$8,600,000
Korea	Camp Humphreys	60 Units	$21,800,000
Puerto Rico	Fort Buchanan	31 Units	$5,000,000
	Total:		$165,824,000

(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 $6,542,000.

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 $63,590,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,925,344,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $419,374,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $119,850,000.

(3) For a military construction project at an unspecified worldwide location authorized by section 2101(c), $11,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $20,700,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $109,306,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $235,956,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $971,704,000.

(7) For the construction of phase 1C of a barracks complex, Infantry Drive, Fort Riley, Kansas, authorized by section 2101(a) of the Military Construction Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182), $10,000,000.

(8) For the construction of a railhead facility, Fort Hood, Texas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (112 Stat. 2182), as amended by section 2106 of this Act, $9,800,000.

(9) For the construction of a chemical defense qualification facility, Pine Bluff Arsenal, Arkansas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 825), $2,592,000.

(10) For the construction of phase 1B of a barracks complex, Wilson Street, Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 825), $22,400,000.

(11) For the construction of phase 2B of a barracks complex, Tagaytay Street, Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 825), $3,108,000.

(12) For the construction of phase 2 of a tactical equipment shop, Fort Sill, Oklahoma, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 825), $10,100,000.

(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 variations authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $22,600,000 (the balance of the amount authorized under section 2101(a) for the construction of a Basic Training Complex at Fort Leonard Wood, Missouri);

(3) $10,000,000 (the balance of the amount authorized under section 2101(a) for construction of a Multipurpose Digital Training Range at Fort Hood, Texas);

(4) $34,000,000 (the balance of the amount authorized under section 2101(a) for construction of phase I of a barracks complex, Longstreet Road, Fort Bragg, North Carolina);

(5) $104,000,000 (the balance of the amount authorized under section 2101(a) for the construction phase I of a barracks complex, Bunter Road, Fort Bragg, North Carolina);

(6) $6,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a battle simulation center at Fort Drum, New York); and

(7) $20,000,000 (the balance of the amount authorized under section 2101(a) for the construction of Saddle Access Road, Pohakuloa Training Facility, Hawaii).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (12) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $635,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $19,911,000 which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) CONSTRUCTION PROJECTS INSIDE THE UNITED STATES.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 825) is amended—

(1) in the item relating to Fort Stewart, Georgia, by striking "$71,700,000" in the amount column and inserting "$25,700,000";

(2) by striking the item relating to Fort Riley, Kansas;

(3) in the item relating to CONUS Various, by striking "$36,400,000" in the amount column and inserting "$138,900,000"; and

(4) by striking the amount identified as the total in the amount column and inserting "$1,059,250,000".

(b) UNSPECIFIED MINOR CONSTRUCTION PROJECTS.—Subsection (a)(3) of section 2104 of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 826) is amended by striking "$9,500,000" and inserting "$14,600,000".

(c) CONFORMING AMENDMENTS.—Section 2104 of the Military Construction Authorization Act for Fiscal Year 2000 is further amended—

(1) in the matter preceding subsection (a), by striking "$2,353,231,000" and inserting "$2,358,331,000"; and

(2) in subsection (b), by striking paragraph (7) and inserting the following new paragraph:

"(7) $102,500,000 (the balance of the amount authorized under section 2101(a) for Army construction and land acquisition projects covered under the item relating to CONUS Various, as amended by section 2105 of the Military Construction Authorization Act for Fiscal Year 2001).

SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) MODIFICATION.—The table in section 2101 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182) is amended—

(1) in the item relating to Fort Hood, Texas, by striking "$32,500,000" in the amount column and inserting "$45,300,000";

(2) in the item relating to Fort Riley, Kansas, by striking "$41,000,000" in the amount column and inserting "$44,500,000"; and

(3) by striking the amount identified as the total in the amount column and inserting "$785,081,000".

(b) CONFORMING AMENDMENTS.—Section 2104 of that Act (112 Stat. 2184) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "$2,098,713,000" and inserting "$2,111,513,000"; and

(B) in paragraph (1), by striking "$609,781,000" and inserting "$622,581,000"; and

(2) in subsection (b)(7), by striking "$24,500,000" and inserting "$28,000,000".

SEC. 2107. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1998 PROJECT.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1967), as amended by section 2105(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2185), is amended—

(1) in the item relating to Hunter Army Airfield, Fort Stewart, Georgia, by striking "$54,000,000" in the amount column and inserting "$57,500,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$606,250,000".

(b) CONFORMING AMENDMENT.—Section 2104(b)(5) of the Military Construction Authorization Act for Fiscal Year 1998 (111 Stat. 1969) is amended by striking "$42,500,000" and inserting "$46,000,000".

SEC. 2108. AUTHORITY TO ACCEPT FUNDS FOR REALIGNMENT OF CERTAIN MILITARY CONSTRUCTION PROJECT, FORT CAMPBELL, KENTUCKY.

(a) AUTHORITY TO ACCEPT FUNDS.—(1) The Secretary of the Army may accept funds from the Federal Highway Administration or the Commonwealth of Kentucky for purposes of funding all costs associated with the realignment of the military construction project involving a rail connector located at Fort Campbell, Kentucky, as authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2763).

(2) Any funds accepted under paragraph (1) shall be credited to the account of the Department of the Army from which the costs of the realignment of the military construction project described in that paragraph are to be paid.

(b) USE OF FUNDS.—(1) The Secretary may use funds accepted under subsection (a) for any costs associated with the realignment of the military construction project described in that subsection in addition to any amounts authorized and appropriated for the military construction project.

(2) For purposes of paragraph (1), the costs associated with the realignment of the military construction project described in subsection (a) include redesign costs, additional construction costs, additional costs due to construction delays related to the realignment, and additional real estate costs.

(3) Funds accepted under subsection (a) shall remain available for use under paragraph (1) until expended.

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 fiscal year 1997 project at Marine Corps Combat Development Command, Quantico, Virginia.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	$8,200,000
	Navy Detachment, Camp Navajo	$2,940,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	$23,870,000
	Marine Corps Air Station, Miramar	$13,740,000
	Marine Corps Base, Camp Pendleton	$8,100,000
	Marine Corps Logistics Base, Barstow	$6,660,000
	Naval Air Station, Lemoore	$12,050,000
	Naval Air Warfare Center Weapons Division, Point Mugu	$11,400,000
	Naval Aviation Depot, North Island	$4,340,000
	Naval Facility, San Clemente Island	$8,860,000
	Naval Postgraduate School, Monterey	$5,280,000
	Naval Ship Weapons Systems Engineering Station, Port Hueneme	$10,200,000
	Naval Station, San Diego	$53,200,000
Connecticut	Naval Submarine Base, New London	$3,100,000
CONUS Various	CONUS Various	$11,500,000
District of Columbia	Marine Corps Barracks	$24,597,000
	Naval District, Washington	$2,450,000
	Naval Research Laboratory, Washington	$12,390,000
Florida	Naval Air Station, Whiting Field	$5,130,000
	Naval Surface Warfare Center Wastal Systems Station, Panama City	$9,960,000
	Naval Station, Mayport	$6,830,000
	Naval Surface Warfare Center Detachment, Ft. Lauderdale	$3,570,000
Georgia	Marine Corps Logistics Base, Albany	$1,100,000
	Navy Supply Corps School, Athens	$2,950,000
	Trident Refit Facility, Kings Bay	$5,200,000
Hawaii	Fleet Industrial Supply Center, Pearl Harbor	$12,000,000
	Naval Undersea Weapons Station Detachment, Lualualei	$2,100,000
	Marine Corps Air Station, Kaneohe	$18,400,000
	Naval Station, Pearl Harbor	$37,600,000
Illinois	Naval Training Center, Great Lakes	$121,400,000
Maine	Naval Air Station, Brunswick	$2,450,000
	Naval Shipyard, Portsmouth	$4,960,000
Maryland	Naval Explosive Ordinance Disposal Technology Center, Indian Head	$6,430,000
	Naval Air Station, Patuxent River	$8,240,000
Mississippi	Naval Air Station, Meridian	$4,700,000
	Naval Oceanographic Office, Stennis Space Center	$6,950,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Nevada	Naval Air Station, Fallon	$6,280,000
New Jersey	Naval Weapons Station, Earle	$2,420,000
North Carolina	Marine Corps Air Station, Cherry Point	$8,480,000
	Marine Corps Air Station, New River	$3,400,000
	Marine Corps Base, Camp Lejeune	$45,870,000
	Naval Aviation Depot, Cherry Point	$7,540,000
Pennsylvania	Naval Surface Warfare Center Shipyard Systems Engineering Station, Philadelphia	$10,680,000
Rhode Island	Naval Undersea Warfare Center Division, Newport	$4,150,000
South Carolina	Marine Corps Air Station, Beaufort	$3,140,000
	Marine Corps Recruit Depot, Parris Island	$2,660,000
Texas	Naval Air Station, Corpus Christi	$4,850,000
	Naval Air Station, Kingsville	$2,670,000
	Naval Station, Ingleside	$2,420,000
Virginia	AEGIS Combat Systems Center, Wallops Island	$3,300,000
	Marine Corps Combat Development Command, Quantico	$8,590,000
	Naval Air Station, Norfolk	$31,450,000
	Naval Air Station, Oceana	$5,250,000
	Naval Amphibious Base, Little Creek	$2,830,000
	Naval Shipyard, Norfolk, Portsmouth	$16,100,000
	Naval Station, Norfolk	$4,700,000
	Naval Surface Warfare Center, Dahlgren	$30,700,000
Washington	Naval Shipyard, Bremerton, Puget Sound	$100,740,000
	Naval Station, Bremerton	$11,930,000
	Naval Station, Everett	$5,500,000
	Naval Submarine Base, Bangor	$4,600,000
	Strategic Weapons Facility Pacific, Bremerton	$1,400,000
	Total:	$811,497,000

(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 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
Bahrain	Administrative Support Unit	$19,400,000
Italy	Naval Air Station, Sigonella	$32,969,000
	Naval Support Activity, Naples	$15,000,000
Various Locations	Host Nation Infrastructure Support	$142,000
	Total:	$67,511,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section

2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or location	Purpose	Amount
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	79 Units	$13,923,000
	Naval Air Station, Lemoore	260 Units	$47,871,000
Hawaii	Commander Naval Base, Pearl Harbor	112 Units	$23,654,000
	Commander Naval Base, Pearl Harbor	62 Units	$14,237,000
	Commander Naval Base, Pearl Harbor	98 Units	$22,230,000
	Marine Corps Air Station, Kaneohe Bay	84 Units	$21,910,000
Louisiana	Naval Air Station, New Orleans	34 Units	$5,000,000
Maine	Naval Air Station, Brunswick	168 Units	$18,722,000
Mississippi	Naval Construction Battalion Center, Gulfport	157 Units	$20,700,000
Washington	Naval Air Station, Whidbey Island	98 Units	$16,873,000
		Total:	$205,120,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $19,958,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $193,077,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,227,995,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $750,257,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $67,511,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,659,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $73,335,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $418,155,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $882,638,000.

(6) For construction of a berthing wharf at Naval Air Station, North Island, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828), $12,800,000.

(7) For construction of the Commander-in-Chief Headquarters, Pacific Command, Camp H.M. Smith, Hawaii, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000, $35,600,000.

(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—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $17,500,000 (the balance of the amount authorized under section 2201(a) for repair of a pier at Naval Station, San Diego, California);

(3) $24,460,000 (the balance of the amount authorized under section 2201(a) for replacement of a pier at Naval Shipyard, Bremerton, Puget Sound, Washington); and

(4) $10,280,000 (the balance of the amount authorized under section 2201(a) for construction of an industrial skills center at Naval Shipyard, Bremerton, Puget Sound, Washington).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (7) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $2,889,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States;

(2) $20,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes; and

(3) $1,071,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing support outside the United States.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1997 PROJECT AT MARINE CORPS COMBAT DEVELOPMENT COMMAND, QUANTICO, VIRGINIA.

The Secretary of the Navy may carry out a military construction project involving infrastructure development at the Marine Corps Combat Development Command, Quantico, Virginia, in the amount

of $8,900,000, using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2769) for a military construction project involving a sanitary landfill at that installation, as authorized by section 2201(a) of that Act (110 Stat. 2767) and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 842) and section 2703 of this Act.

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 and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$3,825,000
Alaska	Cape Romanzof	$3,900,000
	Eielson Air Force Base	$40,990,000
	Elmendorf Air Force Base	$35,186,000
Arizona	Davis-Monthan Air Force Base	$7,900,000
Arkansas	Little Rock Air Force Base	$18,319,000
California	Beale Air Force Base	$10,099,000
	Los Angeles Air Force Base	$6,580,000
	Vandenberg Air Force Base	$4,650,000
Colorado	Buckley Air National Guard Base	$2,750,000
	Peterson Air Force Base	$22,396,000
	Schriever Air Force Base	$8,450,000
	United States Air Force Academy	$18,960,000
CONUS Classified	Classified Location	$1,810,000
District of Columbia	Bolling Air Force Base	$4,520,000
Florida	Eglin Air Force Base	$8,940,000
	Eglin Auxiliary Field 9	$7,960,000
	Patrick Air Force Base	$12,970,000
	Tyndall Air Force Base	$31,495,000
Georgia	Fort Stewart/Hunter Army Air Field	$4,920,000
	Moody Air Force Base	$11,318,000
	Robins Air Force Base	$15,857,000
Hawaii	Hickam Air Force Base	$4,620,000
Idaho	Mountain Home Air Force Base	$10,125,000
Illinois	Scott Air Force Base	$3,830,000
Kansas	McConnell Air Force Base	$11,864,000
Louisiana	Barksdale Air Force Base	20,464,000
Massachusetts	Hanscom Air Force Base	$12,000,000
Mississippi	Columbus Air Force Base	$4,828,000
	Keesler Air Force Base	$15,040,000
Missouri	Whiteman Air Force Base	$12,050,000
Montana	Malmstrom Air Force Base	$11,179,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
New Jersey	McGuire Air Force Base	$29,772,000
New Mexico	Cannon Air Force Base	$4,934,000
	Holloman Air Force Base	$18,380,000
	Kirtland Air Force Base	$7,350,000
North Carolina	Pope Air Force Base	$24,570,000
	Seymour Johnson Air Force Base	$7,141,000
Ohio	Wright-Patterson Air Force Base	$37,508,000
Oklahoma	Altus Air Force Base	$2,939,000
	Tinker Air Force Base	,895,000
	Vance Air Force Base	$10,504,000
South Carolina	Charleston Air Force Base	$22,238,000
	Shaw Air Force Base	$8,102,000
South Dakota	Ellsworth Air Force Base	$10,290,000
Texas	Dyess Air Force Base	$24,988,000
	Lackland Air Force Base	$10,330,000
	Laughlin Air Force Base	$11,973,000
	Sheppard Air Force Base	$6,450,000
Utah	Hill Air Force Base	$28,050,000
Virginia	Langley Air Force Base	$19,650,000
Washington	Fairchild Air Force Base	$7,926,000
	McChord Air Force Base	$10,250,000
Wyoming	F.E. Warren Air Force Base	$25,720,000
	Total:	$745,755,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Diego Garcia	Diego Garcia	$5,475,000
Italy	Aviano Air Base	$8,000,000
Korea	Kunsan Air Base	$6,400,000
	Osan Air Base	$21,948,000
Spain	Naval Station, Rota	$5,052,000
Turkey	Incirlik Air Base	$1,000,000
	Total:	$47,875,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation or location	Purpose	Amount
California	Edwards Air Force Base	57 Units	$9,870,000

Air Force: Family Housing—Continued

State	Installation or location	Purpose	Amount
	Travis Air Force Base	64 Units	$9,870,000
District of Columbia	Bolling Air Force Base.	136 Units	$17,137,000
Idaho	Mountain Home Air Force Base	119 Units	$10,598,000
Nevada	Nellis Air Force Base	26 Units	$5,000,000
North Dakota	Cavalier Air Force Station	2 Units	$443,000
	Minot Air Force Base	134 Units	$19,097,000
		Total:	$72,015,000

(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 $12,760,000.

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 $174,046,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,943,069,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $736,355,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $47,875,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,350,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $74,628,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $258,821,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $826,271,000.

(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—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $9,400,000 (the balance of the amount authorized under section 2301(a) for the construction of an air freight terminal and base supply complex at McGuire Air Force Base, New Jersey).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $12,231,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

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. 2404. Modification of authority to carry out certain fiscal year 1990 project.

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 and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization	Aberdeen Proving Ground	$3,100,000
Defense Education Activity	Camp Lejeune, North Carolina	$5,914,000
	Laurel Bay, South Carolina	$804,000
Defense Logistics Agency	Defense Distribution Depot Susquehanna, New Cumberland, Pennsylvania	$17,700,000
	Defense Fuel Support Point, Cherry Point, North Carolina	$5,700,000
	Defense Fuel Support Point, MacDill Air Force Base, Florida	$16,956,000
	Defense Fuel Support Point, McConnell Air Force Base, Kansas	$11,000,000
	Defense Fuel Support Point, Naval Air Station, Fallon, Nevada	$5,000,000
	Defense Fuel Support Point, North Island, California	$5,900,000
	Defense Fuel Support Point, Oceana Naval Air Station, Virginia	$2,000,000
	Defense Fuel Support Point, Patuxent River, Maryland	$8,300,000
	Defense Fuel Support Point, Twentynine Palms, California	$2,200,000
	Defense Supply Center, Richmond, Virginia	$4,500,000
National Security Agency	Fort Meade, Maryland	$4,228,000
Special Operations Command	Eglin Auxiliary Field 9, Florida	$23,204,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Fleet Combat Training Center, Dam Neck, Virginia	$5,500,000
	Fort Bragg, North Carolina	$8,600,000
	Fort Campbell, Kentucky	$16,300,000
	Naval Air Station, North Island, California	$1,350,000
	Naval Air Station, Oceana, Virginia	$3,400,000
	Naval Amphibious Base, Coronado, California	$4,300,000
	Naval Amphibious Base, Little Creek, Virginia	$5,400,000
	Pearl Harbor, Hawaii	$9,900,000
TRICARE Management Activity	Edwards Air Force Base, California	$17,900,000
	Marine Corps Base, Camp Pendleton, California	$14,150,000
	Eglin Air Force Base, Florida	$37,600,000
	Fort Drum, New York	$1,400,000
	Patrick Air Force Base, Florida	$2,700,000
	Tyndall Air Force Base, Florida	$7,700,000
	William Beaumont Medical Center, Texas	$4,200,000
	Total:	$256,906,000

(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 and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Education Activity	Hanau, Germany	$2,030,000
	Hohenfels, Germany	$13,774,000
	Osan, Korea	$892,000
	Royal Air Force, Feltwell, United Kingdom	$1,800,000
	Royal Air Force, Lakenheath, United Kingdom	$5,650,000
	Schweinfurt, Germany	$1,750,000
	Seoul, Korea	$2,451,000
	Sigonella, Italy	$3,450,000
	Taegu, Korea	$806,000
	Wuerzburg, Germany	$2,635,000
Defense Finance and Accounting Service	Kleber Kaserne, Germany	$7,500,000
Defense Logistics Agency	Defense Fuel Support Point, Andersen Air Force Base, Guam	$36,000,000
	Defense Fuel Support Point, Marine Corps Air Station, Iwakuni, Japan	$22,400,000
	Defense Fuel Support Point, Misawa Air Base, Japan	$26,400,000
	Defense Fuel Support Point, Royal Air Force, Mildenhall, United Kingdom	$10,000,000

Defense Agencies: Outside the United States—Continued

Agency	Installation or location	Amount
	Defense Fuel Support Point, Sigonella, Italy	$16,300,000
Defense Threat Reduction Agency	Darmstadt, Germany	$2,450,000
Special Operations Command	Roosevelt Roads, Puerto Rico	$1,241,000
	Taegu, Korea	$1,450,000
TRICARE Management Agency	Kitzingen, Germany	$1,400,000
	Wiesbaden Air Base, Germany	$7,187,000
	Total:	$167,566,000

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(3), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations, and in the amounts, set forth in the following table:

Defense Agencies: Unspecified Worldwide

Location	Installation	Amount
Unspecified Worldwide ...	Unspecified Worldwide	$451,135,000

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(7), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $15,000,000.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,883,902,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $256,906,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $167,566,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2401(c), $85,095,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $17,390,000.

(5) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $6,000,000.

(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $77,505,000.

(7) For energy conservation projects authorized by section 2402 of this Act, $15,000,000.

(8) 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), $1,024,369,000.

(9) For military family housing functions, for support of military housing (including functions described in section 2833 of title 10, United States Code), $44,886,000 of which not more than $38,478,000 may be obligated or expended for the leasing of military family housing units worldwide.

(10) For the construction of an ammunition demilitarization facility, Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), $43,600,000.

(11) For the construction of phase 6 of an ammunition demilitarization facility, Umatilla Army Depot, Oregon, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995, as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996, section 2408 of the Military Construction Authorization Act for Fiscal Year 1998, and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999, $9,400,000.

(12) For the construction of phase 2 of an ammunition demilitarization facility, Pueblo Army Depot, Colorado, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839), $10,700,000.

(13) For the construction of phase 3 of an ammunition demilitarization facility, Newport Army Depot, Indiana, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (112 Stat. 2193), $54,400,000.

(14) For the construction of phase 3 of an ammunition demilitarization facility, Aberdeen Proving Ground, Maryland, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999, $45,700,000.

(15) For construction of a replacement hospital at Fort Wainwright, Alaska, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 836), $44,000,000.

(16) For the construction of the Ammunition Demilitarization Support Phase 2, Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Act for Fiscal Year 2000, $8,500,000.

(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 variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $366,040,000 (the balance of the amount authorized under section 2401(c) for construction of National Missile Defense Initial Deployment Facilities, Unspecified Worldwide locations).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (16) of subsection (a) is the sum of the amounts authorized to be appropriated by such paragraphs, reduced by—

(1) $7,115,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $20,000,000, which represents the combination of project savings in military construction for chemical demilitarization resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2404. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1990 PROJECT.

(a) MODIFICATION.—Section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), is amended in the item relating to Portsmouth Naval Hospital, Virginia, by striking "$351,354,000" and inserting "$359,854,000".

(b) CONFORMING AMENDMENT.—Section 2405(b)(2) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991, as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1999, is amended by striking "$342,854,000" and inserting "$351,354,000".

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

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

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

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

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, 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 $172,000,000.

TITLE XXVI—GUARD AND RESERVE FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Authority to contribute to construction of airport tower, Cheyenne Airport, Cheyenne, Wyoming.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 2000, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $266,531,000; and

(B) for the Army Reserve, $108,738,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $62,073,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $194,929,000; and

(B) for the Air Force Reserve, $36,591,000.

SEC. 2602. AUTHORITY TO CONTRIBUTE TO CONSTRUCTION OF AIRPORT TOWER, CHEYENNE AIRPORT, CHEYENNE, WYOMING.

The Secretary of the Air Force may use up to $1,450,000 of the amounts appropriated pursuant to the authorization of appropriations in section 2601(3)(A) to make a contribution to the Cheyenne Airport Authority, consistent with applicable agreements, to the costs of construction of a new airport tower at Cheyenne Airport, Cheyenne, Wyoming.

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 1998 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1997 projects.
Sec. 2704. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2003; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004.

(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, 2003; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2004 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 1998 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1984), authorizations set forth in the tables in subsection (b), as provided in section 2102, 2202, or 2302 of that Act, shall remain in effect until October 1, 2001, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2002, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1998 Project Authorizations

State	Installation or location	Project	Amount
Maryland	Fort Meade	Family Housing Construction (56 units)	$7,900,000
Texas	Fort Hood	Family Housing Construction (130 units)	$18,800,000

Navy: Extension of 1998 Project Authorizations

State	Installation or location	Project	Amount
California	Naval Complex, San Diego	Replacement Family Housing Construction (94 units)	$13,500,000
California	Marine Corps Air Station, Miramar	Family Housing Construction (166 units)	$28,881,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	Replacement Family Housing Construction (132 units)	$23,891,000

Navy: Extension of 1998 Project Authorizations—Continued

State	Installation or location	Project	Amount
Louisiana	Naval Complex, New Orleans	Replacement Family Housing Construction (100 units)	$11,930,000
Texas	Naval Air Station, Corpus Christi	Family Housing Construction (212 units)	$22,250,000
Washington	Naval Air Station, Whidbey Island	Replacement Family Housing Construction (102 units)	$16,000,000

Air Force: Extension of 1998 Project Authorizations

State	Installation or location	Project	Amount
Georgia	Robins Air Force Base	Replace Family Housing (60 units)	$6,800,000
Idaho	Mountain Home Air Force Base	Replace Family Housing (60 units)	$11,032,000
New Mexico	Kirtland Air Force Base	Replace Family Housing (180 units)	$20,900,000
Texas	Dyess Air Force Base	Construct Family Housing (70 units)	$10,503,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1997 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2782), authorizations set forth in the tables in subsection (b), as provided in section 2201, 2202, or 2601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 842), shall remain in effect until October 1, 2001, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2002, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Navy: Extension of 1997 Project Authorizations

State	Installation or location	Project	Amount
Florida	Navy Station, Mayport	Family Housing Construction (100 units)	$10,000,000
North Carolina	Marine Corps Base, Camp Lejuene	Family Housing Construction (94 units)	$10,110,000
South Carolina	Marine Corps Air Station, Beaufort	Family Housing Construction (140 units)	$14,000,000
Texas	Naval Complex, Corpus Christi	Family Housing Replacement (104 units)	$11,675,000
	Naval Air Station, Kingsville	Family Housing Replacement (48 units)	$7,550,000
Virginia	Marine Corps Combat Development Command, Quantico	Sanitary landfill	$8,900,000
Washington	Naval Station, Everett	Family Housing Construction (100 units)	$15,015,000

Army National Guard: Extension of 1997 Project Authorization

State	Installation or location	Project	Amount
Mississippi	Camp Shelby	Multipurpose Range Complex (Phase II)	$5,000,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 2000; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

Sec. 2801. Joint use military construction projects.
Sec. 2802. Exclusion of certain costs from determination of applicability of limitation on use of funds for improvement of family housing.
Sec. 2803. Revision of space limitations for military family housing.
Sec. 2804. Modification of lease authority for high-cost military family housing.
Sec. 2805. Provision of utilities and services under alternative authority for acquisition and improvement of military housing.
Sec. 2806. Extension of alternative authority for acquisition and improvement of military housing.
Sec. 2807. Expansion of definition of armory to include readiness centers.

SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION

Sec. 2811. Increase in threshold for notice and wait requirements for real property transactions.
Sec. 2812. Enhancement of authority of military departments to lease non-excess property.
Sec. 2813. Conveyance authority regarding utility systems of military departments.
Sec. 2814. Permanent conveyance authority to improve property management.

SUBTITLE C—DEFENSE BASE CLOSURE AND REALIGNMENT

Sec. 2821. Scope of agreements to transfer property to redevelopment authorities without consideration under the base closure laws.

SUBTITLE D—LAND CONVEYANCES

PART I—ARMY CONVEYANCES

Sec. 2831. Transfer of jurisdiction, Rock Island Arsenal, Illinois.
Sec. 2832. Land conveyance, Army Reserve Center, Galesburg, Illinois.
Sec. 2833. Land conveyance, Charles Melvin Price Support Center, Illinois.
Sec. 2834. Land conveyance, Fort Riley, Kansas.
Sec. 2835. Land conveyance, Fort Polk, Louisiana.
Sec. 2836. Land conveyance, Army Reserve Center, Winona, Minnesota.
Sec. 2837. Land conveyance, Fort Dix, New Jersey.
Sec. 2838. Land conveyance, Nike Site 43, Elrama, Pennsylvania.
Sec. 2839. Land exchange, Army Reserve Local Training Center, Chattanooga, Tennessee.
Sec. 2840. Land exchange, Fort Hood, Texas.
Sec. 2841. Land conveyance, Fort Pickett, Virginia.
Sec. 2842. Land conveyance, Fort Lawton, Washington.
Sec. 2843. Land conveyance, Vancouver Barracks, Washington.

PART II—NAVY CONVEYANCES

Sec. 2846. Modification of land conveyance, Marine Corps Air Station, El Toro, California.
Sec. 2847. Modification of authority for Oxnard Harbor District, Port Hueneme, California, to use certain Navy property.
Sec. 2848. Transfer of jurisdiction, Marine Corps Air Station, Miramar, California.
Sec. 2849. Land exchange, Marine Corps Recruit Depot, San Diego, California.
Sec. 2850. Lease of property, Naval Air Station, Pensacola, Florida.
Sec. 2851. Land conveyance, Naval Reserve Center, Tampa, Florida.
Sec. 2852. Modification of land conveyance, Defense Fuel Supply Point, Casco Bay, Maine.
Sec. 2853. Land conveyance, Naval Computer and Telecommunications Station, Cutler, Maine.
Sec. 2854. Modification of land conveyance authority, former Naval Training Center, Bainbridge, Cecil County, Maryland.
Sec. 2855. Land conveyance, Marine Corps Base, Camp Lejeune, North Carolina.
Sec. 2856. Land exchange, Naval Air Reserve Center, Columbus, Ohio.
Sec. 2857. Land conveyance, Naval Station, Bremerton, Washington.

PART III—AIR FORCE CONVEYANCES

Sec. 2861. Land conveyance, Los Angeles Air Force Base, California.
Sec. 2862. Land conveyance, Point Arena Air Force Station, California.
Sec. 2863. Land conveyance, Lowry Air Force Base, Colorado.
Sec. 2864. Land conveyance, Wright-Patterson Air Force Base, Ohio.
Sec. 2865. Modification of land conveyance, Ellsworth Air Force Base, South Dakota.
Sec. 2866. Land conveyance, Mukilteo Tank Farm, Everett, Washington.

PART IV—OTHER CONVEYANCES

Sec. 2871. Land conveyance, Army and Air Force Exchange Service property, Farmers Branch, Texas.
Sec. 2872. Land conveyance, former National Ground Intelligence Center, Charlottesville, Virginia.

SUBTITLE E—OTHER MATTERS

Sec. 2881. Relation of easement authority to leased parkland, Marine Corps Base, Camp Pendleton, California.
Sec. 2882. Extension of demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.
Sec. 2883. Acceptance and use of gifts for construction of third building at United States Air Force Museum, Wright-Patterson Air Force Base, Ohio.

Sec. 2884. Development of Marine Corps Heritage Center at Marine Corps Base, Quantico, Virginia.
Sec. 2885. Activities relating to greenbelt at Fallon Naval Air Station, Nevada.
Sec. 2886. Establishment of World War II memorial on Guam.
Sec. 2887. Naming of Army missile testing range at Kwajalein Atoll as the Ronald Reagan Ballistic Missile Defense Test Site at Kwajalein Atoll.
Sec. 2888. Designation of building at Fort Belvoir, Virginia, in honor of Andrew T. McNamara.
Sec. 2889. Designation of Balboa Naval Hospital, San Diego, California, in honor of Bob Wilson, a former member of the House of Representatives.
Sec. 2890. Sense of Congress regarding importance of expansion of National Training Center, Fort Irwin, California.
Sec. 2891. Sense of Congress regarding land transfers at Melrose Range, New Mexico, and Yakima Training Center, Washington.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. JOINT USE MILITARY CONSTRUCTION PROJECTS.

(a) SENSE OF CONGRESS ON JOINT USE PROJECTS.—It is the sense of Congress that when the Secretary of Defense assists the President in preparing the budget for the Department of Defense for a fiscal year for submission to Congress under section 1105 of title 31, United States Code, the Secretary of Defense should—

(1) seek to identify military construction projects that are suitable as joint use military construction projects;

(2) specify in the budget for the fiscal year the military construction projects that are identified under paragraph (1); and

(3) give priority in the budget for the fiscal year to the military construction projects specified under paragraph (2).

(b) ANNUAL EVALUATION OF JOINT USE PROJECTS.—(1) Subchapter I of chapter 169 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2815. Joint use military construction projects: annual evaluation

"(a) JOINT USE MILITARY CONSTRUCTION PROJECT DEFINED.—In this section, the term 'joint use military construction project' means a military construction project for a facility intended to be used by—

"(1) both the active and a reserve component of a single armed force; or

"(2) two or more components (whether active or reserve components) of the armed forces.

"(b) ANNUAL EVALUATION.—In the case of the budget submitted under section 1105 of title 31 for fiscal year 2003 and each fiscal year thereafter, the Secretary of Defense shall include in the budget justification materials submitted to Congress in support of the budget a certification by each Secretary concerned that, in evaluating military construction projects for inclusion in the budget for that fiscal year, the Secretary concerned evaluated the feasibility of carrying out the projects as joint use military construction projects.".

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

"2815. Joint use military construction projects: annual evaluation.".

SEC. 2802. EXCLUSION OF CERTAIN COSTS FROM DETERMINATION OF APPLICABILITY OF LIMITATION ON USE OF FUNDS FOR IMPROVEMENT OF FAMILY HOUSING.

Section 2825(b) of title 10, United States Code, is amended—

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

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) In determining the applicability of the limitation contained in paragraph (1), the Secretary concerned shall not include as part of the cost of the improvement of the unit or units concerned the following:

"(A) The cost of the installation of communications, security, or antiterrorism equipment required by an occupant of the unit or units to perform duties assigned to the occupant as a member of the armed forces.

"(B) The cost of the maintenance or repair of equipment described in subparagraph (A) installed for the purpose specified in such subparagraph.".

SEC. 2803. REVISION OF SPACE LIMITATIONS FOR MILITARY FAMILY HOUSING.

(a) IN GENERAL.—(1) Section 2826 of title 10, United States Code, is amended to read as follows:

"§ 2826. Military family housing: local comparability of room patterns and floor areas

"(a) LOCAL COMPARABILITY.—In the construction, acquisition, and improvement of military family housing, the Secretary concerned shall ensure that the room patterns and floor areas of military family housing in a particular locality (as designated by the Secretary concerned for purposes of this section) are similar to room patterns and floor areas of similar housing in the private sector in that locality.

"(b) REQUESTS FOR AUTHORITY FOR MILITARY FAMILY HOUSING.—(1) In submitting to Congress a request for authority to carry out the construction, acquisition, or improvement of military family housing, the Secretary concerned shall include in the request information on the net floor area of each unit of military family housing to be constructed, acquired, or improved under the authority.

"(2) In this subsection, the term 'net floor area', in the case of a military family housing unit, means the total number of square feet of the floor space inside the exterior walls of the unit, excluding the floor area of an unfinished basement, an unfinished attic, a utility space, a garage, a carport, an open or insect-screened porch, a stairwell, and any space used for a solar-energy system.".

(2) The table of sections at the beginning of subchapter II of chapter 169 of that title is amended by striking the item relating to section 2826 and inserting the following new item:

"2826. Military family housing: local comparability of room patterns and floor areas.".

(b) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall take effect on October 1, 2001, but the Secretary of Defense shall anticipate the requirements of section 2826 of title 10, United States Code, as added by such subsection, when preparing the

budget request for new construction, acquisition, or improvement of military family housing for fiscal year 2002.

(2) Section 2826 of title 10, United States Code, as in effect on September 30, 2001, shall continue to apply with respect to the construction, acquisition, or improvement of military family housing commenced on or before that date.

SEC. 2804. MODIFICATION OF LEASE AUTHORITY FOR HIGH-COST MILITARY FAMILY HOUSING.

(a) LEASES FOR UNITED STATES SOUTHERN COMMAND.—Paragraph (4) of section 2828(b) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(4)";

(2) by striking the second sentence; and

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

"(B) The amount of all leases under this paragraph may not exceed $280,000 per year, as adjusted from time to time under paragraph (6).

"(C) The term of any lease under this paragraph may not exceed 5 years.".

(b) ANNUAL ADJUSTMENT OF MAXIMUM LEASE AMOUNTS.—Such section is further amended by striking paragraph (5) and inserting the following new paragraphs:

"(5) At the beginning of each fiscal year, the Secretary concerned shall adjust the maximum lease amount provided for leases under paragraphs (2) and (3) for the previous fiscal year by the percentage (if any) by which the national average monthly cost of housing (as calculated for purposes of determining rates of basic allowance for housing under section 403 of title 37) for the preceding fiscal year exceeds the national average monthly cost of housing (as so calculated) for the fiscal year before such preceding fiscal year.

"(6) At the beginning of each fiscal year, the Secretary of the Army shall adjust the maximum aggregate amount for leases under paragraph (4) for the previous fiscal year by the percentage (if any) by which the annual average cost of housing for the Miami Military Housing Area (as calculated for purposes of determining rates of basic allowance for housing under section 403 of title 37) for the preceding fiscal year exceeds the annual average cost of housing for the Miami Military Housing Area (as so calculated) for the fiscal year before such preceding fiscal year.".

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

(1) in paragraph (2), by inserting after "per year" the following: ", as adjusted from time to under paragraph (5)"; and

(2) in paragraph (3), by striking "$12,000 per unit per year but does not exceed $14,000 per unit per year" and inserting "the maximum amount per unit per year in effect under paragraph (2) but does not exceed $14,000 per unit per year, as adjusted from time to time under paragraph (5)".

SEC. 2805. PROVISION OF UTILITIES AND SERVICES UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) AUTHORITY TO FURNISH ON REIMBURSABLE BASIS.—Subchapter IV of chapter 169 of title 10, United States Code, is amended by inserting after section 2872 the following new section:

"§ 2872a. Utilities and services

"(a) AUTHORITY TO FURNISH.—The Secretary concerned may furnish utilities and services referred to in subsection (b) in connection with any military housing acquired or constructed pursuant to the exercise of any authority or combination of authorities under this subchapter if the military housing is located on a military installation.

"(b) COVERED UTILITIES AND SERVICES.—The utilities and services that may be furnished under subsection (a) are the following:

"(1) Electric power.
"(2) Steam.
"(3) Compressed air.
"(4) Water.
"(5) Sewage and garbage disposal.
"(6) Natural gas.
"(7) Pest control.
"(8) Snow and ice removal.
"(9) Mechanical refrigeration.
"(10) Telecommunications service.

"(c) REIMBURSEMENT.—(1) The Secretary concerned shall be reimbursed for any utilities or services furnished under subsection (a).

"(2) The amount of any cash payment received under paragraph (1) shall be credited to the appropriation or working capital account from which the cost of furnishing the utilities or services concerned was paid. Amounts so credited to an appropriation or account shall be merged with funds in such appropriation or account, and shall be available to the same extent, and subject to the same terms and conditions, as such funds.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2872 the following new item:

"2872a. Utilities and services.".

SEC. 2806. EXTENSION OF ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

Section 2885 of title 10, United States Code, is amended by striking "February 10, 2001" and inserting "December 31, 2004".

SEC. 2807. EXPANSION OF DEFINITION OF ARMORY TO INCLUDE READINESS CENTERS.

(a) DEFINITION.—Section 18232(3) of title 10, United States Code, is amended—

(1) in the first sentence, by striking "The term 'armory' means" and inserting "The terms 'armory' and 'readiness center' mean"; and

(2) in the second sentence, by striking "It includes" and inserting "Such terms include".

(b) CONFORMING AMENDMENTS.—(1) Section 18232(2) of such title is amended by striking "armory or other structure" and inserting "armory, readiness center, or other structure".

(2) Section 18236(b) of such title by inserting "or readiness center" after "armory".

Subtitle B—Real Property and Facilities Administration

SEC. 2811. INCREASE IN THRESHOLD FOR NOTICE AND WAIT REQUIREMENTS FOR REAL PROPERTY TRANSACTIONS.

(a) INCREASED THRESHOLD.—Section 2662 of title 10, United States Code, is amended by striking "$200,000" each place it appears and inserting "$500,000".

(b) REFERENCE TO SIMPLIFIED ACQUISITION THRESHOLD.—Subsection (b) of such section is amended by striking "under section 2304(g) of this title" and inserting "specified in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)),".

SEC. 2812. ENHANCEMENT OF AUTHORITY OF MILITARY DEPARTMENTS TO LEASE NON-EXCESS PROPERTY.

(a) PROPERTY AVAILABLE FOR LEASE.—Subsection (a) of section 2667 of title 10, United States Code, is amended—

(1) by inserting "and" at the end of paragraph (1);

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) ACCEPTANCE OF IN-KIND CONSIDERATION.—Such section is further amended—

(1) in subsection (b)(5)—

(A) by striking "improvement, maintenance, protection, repair, or restoration," and inserting "alteration, repair, or improvement,"; and

(B) by striking ", or of the entire unit or installation where a substantial part of it is leased,";

(2) by transferring subsection (c) to the end of the section and redesignating such subsection, as so transferred, as subsection (i);

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

"(c)(1) In addition to any in-kind consideration accepted under subsection (b)(5), in-kind consideration accepted with respect to a lease under this section may include the following:

"(A) Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities under the control of the Secretary concerned.

"(B) Construction of new facilities for the Secretary concerned.

"(C) Provision of facilities for use by the Secretary concerned.

"(D) Facilities operation support for the Secretary concerned.

"(E) Provision of such other services relating to activities that will occur on the leased property as the Secretary concerned considers appropriate.

"(2) In-kind consideration under paragraph (1) may be accepted at any property or facilities under the control of the Secretary concerned that are selected for that purpose by the Secretary concerned.

"(3) Sections 2662 and 2802 of this title shall not apply to any new facilities whose construction is accepted as in-kind consideration under this subsection.

"(4) In the case of a lease for which all or part of the consideration proposed to be accepted by the Secretary concerned under this subsection is in-kind consideration with a value in excess of $500,000, the Secretary concerned may not enter into the lease until 30 days after the date on which a report on the facts of the lease is submitted to the congressional defense committees."; and

(4) in subsection (f)—

(A) by striking paragraph (4); and

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

(c) USE OF PROCEEDS.—Subsection (d)(1) of such section is amended to read as follows:

"(d)(1)(A) The Secretary of a military department shall deposit in a special account in the Treasury established for such military department the following:

"(i) All money rentals received pursuant to leases entered into by that Secretary under this section.

"(ii) All proceeds received pursuant to the granting of easements by that Secretary under sections 2668 and 2669 of this title.

"(iii) All proceeds received by that Secretary from authorizing the temporary use of other property under the control of that military department.

"(B) Subparagraph (A) does not apply to the following proceeds:

"(i) Amounts paid for utilities and services furnished lessees by the Secretary of a military department pursuant to leases entered into under this section.

"(ii) Money rentals referred to in paragraph (4) or (5).

"(C) Subject to subparagraphs (D) and (E), the proceeds deposited in the special account of a military department pursuant to subparagraph (A) shall be available to the Secretary of that military department, in such amounts as provided in appropriation Acts, for the following:

"(i) Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities.

"(ii) Construction or acquisition of new facilities.

"(iii) Lease of facilities.

"(iv) Facilities operation support.

"(D) At least 50 percent of the proceeds deposited in the special account of a military department under subparagraph (A) shall be available for activities described in subparagraph (C) only at the military installation where the proceeds were derived.

"(E) The Secretary concerned may not expend under subparagraph (C) an amount in excess of $500,000 at a single installation until 30 days after the date on which a report on the facts of the proposed expenditure is submitted to the congressional defense committees.".

(d) CONGRESSIONAL NOTIFICATION.—Subsection (d)(3) of such section is amended—

(1) in the matter preceding subparagraph (A), by striking "As part" and all that follows through "Secretary of Defense" and inserting "Not later than March 15 each year, the Secretary of Defense shall submit to the congressional defense committees a report which"; and

(2) in subparagraph (A), by striking "request" and inserting "report".

(e) DEFINITIONS.—Subsection (h) of such section is amended to read as follows:

"(h) In this section:

"(1) The term 'congressional defense committees' means:

"(A) The Committee on Armed Services and the Committee on Appropriations of the Senate.

"(B) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

"(2) The term 'base closure law' means the following:

"(A) Section 2687 of this title.

"(B) 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).

"(C) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

"(3) The term 'military installation' has the meaning given such term in section 2687(e)(1) of this title.".

(f) CONFORMING AMENDMENTS.—(1) Section 2668 of such title is amended by adding at the end the following new subsection:

"(e) Subsection (d) of section 2667 of this title shall apply with respect to proceeds received by the Secretary of a military department in connection with an easement granted under this section in the same manner as such subsection applies to money rentals received pursuant to leases entered into by that Secretary under such section.".

(2) Section 2669 of such title is amended by adding at the end the following new subsection:

"(e) Subsection (d) of section 2667 of this title shall apply with respect to proceeds received by the Secretary of a military department in connection with an easement granted under this section in the same manner as such subsection applies to money rentals received pursuant to leases entered into by that Secretary under such section.".

SEC. 2813. CONVEYANCE AUTHORITY REGARDING UTILITY SYSTEMS OF MILITARY DEPARTMENTS.

(a) SELECTION OF CONVEYEE.—Subsection (b) of section 2688 of title 10, United States Code, is amended—

(1) by inserting "(1)" before "If more than one"; and

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

"(2) Notwithstanding paragraph (1), the Secretary concerned may use procedures other than competitive procedures, but only in accordance with subsections (c) through (f) of section 2304 of this title, to select the conveyee of a utility system (or part of a utility system) under subsection (a).

"(3) With respect to the solicitation process used in connection with the conveyance of a utility system (or part of a utility system) under subsection (a), the Secretary concerned shall ensure that the process is conducted in a manner consistent with the laws and regulations of the State in which the utility system is located to the extent necessary to ensure that all interested regulated and unregulated utility companies and other interested entities receive an opportunity to acquire and operate the utility system to be conveyed.".

(b) APPLICABILITY OF REGULATORY REQUIREMENTS.—Subsection (f) of such section is amended—

(1) by inserting "(1)" before "The Secretary"; and

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

"(2) The Secretary concerned shall require in any contract for the conveyance of a utility system (or part of a utility system) under subsection (a) that the conveyee manage and operate the utility system in a manner consistent with applicable Federal and State regulations pertaining to health, safety, fire, and environmental requirements.".

SEC. 2814. PERMANENT CONVEYANCE AUTHORITY TO IMPROVE PROPERTY MANAGEMENT.

Section 203(p)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Administrator may exercise the authority under subparagraph (A) with respect to such surplus real and related property needed by the transferee or grantee for—

"(i) law enforcement purposes, as determined by the Attorney General; or

"(ii) emergency management response purposes, including fire and rescue services, as determined by the Director of the Federal Emergency Management Agency.".

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. SCOPE OF AGREEMENTS TO TRANSFER PROPERTY TO REDEVELOPMENT AUTHORITIES WITHOUT CONSIDERATION UNDER THE BASE CLOSURE LAWS.

(a) 1990 LAW.—Section 2905(b)(4)(B)(i) 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 by striking "the transfer" and inserting "the initial transfer of property".

(b) 1988 LAW.—Section 204(b)(4)(B)(i) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by striking "the transfer" and inserting "the initial transfer of property".

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2831. TRANSFER OF JURISDICTION, ROCK ISLAND ARSENAL, ILLINOIS.

(a) TRANSFER AUTHORIZED.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property, including any improvements thereon, consisting of approximately 23 acres and comprising a portion of the Rock Island Arsenal, Illinois.

(b) USE OF LAND.—The Secretary of Veterans Affairs shall include the real property transferred under subsection (a) in the Rock Island National Cemetery and use the transferred property

as a national cemetery under chapter 24 of title 38, United States Code.

(c) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the Secretary of Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Army considers appropriate to protect the interests of the United States.

SEC. 2832. LAND CONVEYANCE, ARMY RESERVE CENTER, GALESBURG, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Knox County, Illinois (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, in Galesburg, Illinois, consisting of approximately 4.65 acres and containing an Army Reserve Center for the purpose of permitting the County to use the parcel for municipal office space.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(c) 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. 2833. LAND CONVEYANCE, CHARLES MELVIN PRICE SUPPORT CENTER, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Army may convey to the Tri-City Regional Port District of Granite City, Illinois (in this section referred to as the "Port 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 752 acres and known as the Charles Melvin Price Support Center, for the purpose of permitting the Port District to use the parcel for development of a port facility and for other public purposes.

(2) The property to be conveyed under paragraph (1) shall include 158 units of military family housing at the Charles Melvin Price Support Center for the purpose of permitting the Port District to use the housing to provide affordable housing, but only if the Port District agrees to provide members of the Armed Forces first priority in leasing the housing at a rental rate not to exceed the member's basic allowance for housing.

(3) The Secretary of the Army may include as part of the conveyance under paragraph (1) personal property of the Army at the Charles Melvin Price Support Center that the Secretary of Transportation recommends is appropriate for the development or operation of the port facility and the Secretary of the Army agrees is excess to the needs of the Army.

(b) INTERIM LEASE.—Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary of the Army may lease the property to the Port District.

(c) CONSIDERATION.—(1) The conveyance under subsection (a) shall be made without consideration as a public benefit conveyance for port development if the Secretary of the Army determines that the Port District satisfies the criteria specified in section 203(q) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(q)) and regulations prescribed to implement such section. If the Secretary determines that the Port District fails to qualify for a public benefit conveyance, but still desires to acquire the property, the Port District shall pay to the United States an amount equal to the fair market value of the property to be conveyed. The fair market value of the property shall be determined by the Secretary of the Army.

(2) The Secretary of the Army may accept as consideration for a lease of the property under subsection (b) an amount that is less than fair market value if the Secretary determines that the public interest will be served as a result of the lease.

(d) ARMY RESERVE ACTIVITIES.—(1) Notwithstanding the total acreage of the parcel authorized for conveyance under subsection (a), the Secretary of the Army may retain up to 50 acres of the parcel for use by the Army Reserve. The acreage selected for retention shall be mutually agreeable to the Secretary and the Port District.

(2) At such time as the Secretary of the Army determines that the property retained under this subsection is no longer needed for Army Reserve activities, the Secretary shall convey the property to the Port District. The consideration for the conveyance shall be determined in the manner provided in subsection (c).

(e) FEDERAL LEASE OF FACILITIES.—(1) As a condition for the conveyance under subsection (a), the Secretary of the Army may require that the Port District lease to the Department of Defense or any other Federal agency facilities for use by the agency on the property being conveyed. Any lease under this subsection shall be made under terms and conditions satisfactory to the Secretary and the Port District.

(2) The agency leasing a facility under this subsection shall provide for the maintenance of the facility or pay the Port District to maintain the facility. Maintenance of the leased facilities performed by the Port District shall be to the reasonable satisfaction of the United States, or as required by all applicable Federal, State, and local laws and ordinances.

(3) At the end of a lease under this subsection, the facility covered by the lease shall revert to the Port District.

(f) FLOOD CONTROL EASEMENT.—The Port District shall grant to the Secretary of the Army an easement on the property conveyed under subsection (a) for the purpose of permitting the Secretary to implement and maintain flood control projects. The Secretary of the Army, acting through the Corps of Engineers, shall be responsible for the maintenance of any flood control project built on the property pursuant to the easement.

(g) 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 of the Army and the Port District. The cost of such survey shall be borne by the Port District.

(h) ADDITIONAL TERMS.—The Secretary of the Army may require such additional terms and conditions in connection with the conveyance as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2834. LAND CONVEYANCE, FORT RILEY, KANSAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the State of Kansas (in this section referred to as the "State"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 70 acres at Fort Riley Military Reservation, Fort Riley, Kansas. The preferred site is adjacent to the Fort Riley Military Reservation boundary, along the north side of Huebner Road across from the First Territorial Capitol of Kansas Historical Site Museum.

(b) CONDITIONS OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the conditions that—

(1) the State use the property conveyed solely for purposes of establishing and maintaining a State-operated veterans cemetery; and

(2) all costs associated with the conveyance, including the cost of relocating water and electric utilities should the Secretary determine that such relocations are necessary, be borne by the State.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary and the Director of the Kansas Commission on Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance required by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. LAND CONVEYANCE, FORT POLK, LOUISIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the State of Louisiana (in this section referred to as the "State"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 200 acres at Fort Polk, Louisiana, for the purpose of permitting the State to establish a State-run cemetery for veterans.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the State.

(c) 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. 2836. LAND CONVEYANCE, ARMY RESERVE CENTER, WINONA, MINNESOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Winona State University Foundation of Winona, Minnesota (in this section referred to as the "Foundation"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, in Winona, Minnesota, containing an Army Reserve Center

for the purpose of permitting the Foundation to use the parcel for educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Foundation.

(c) 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. 2837. LAND CONVEYANCE, FORT DIX, NEW JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Pemberton Township, New Jersey (in this section referred to as the "Township"), all right, title, and interest of the United States in and to a parcel of real property at Fort Dix, New Jersey, consisting of approximately 2 acres and containing a parking lot inadvertently constructed on the parcel by the Township.

(b) CONDITIONS OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the conditions that—

(1) the Township accept the property as is; and

(2) the Township assume responsibility for any environmental restoration or remediation required with respect to the property under applicable law.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Township.

(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. 2838. LAND CONVEYANCE, NIKE SITE 43, ELRAMA, PENNSYLVANIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Board of Supervisors of Union Township, Pennsylvania (in this section referred to as the "Township"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, in Elrama, Pennsylvania, consisting of approximately 160 acres, which is known as Nike Site 43 and was more recently used by the Pennsylvania Army National Guard, for the purpose of permitting the Township to use the parcel for municipal storage and other public purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Township.

(c) 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. 2839. LAND CONVEYANCE, ARMY RESERVE LOCAL TRAINING CENTER, CHATTANOOGA, TENNESSEE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Medal of Honor Museum,

Inc., a nonprofit corporation organized in the State of Tennessee (in this section referred to as the "Corporation"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 15 acres at the Army Reserve Local Training Center located on Bonny Oaks Drive, Chattanooga, Tennessee, for the purpose of permitting the Corporation to develop and use the parcel as a museum and for other educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Corporation.

(c) 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. 2840. LAND EXCHANGE, FORT HOOD, TEXAS.

(a) EXCHANGE AUTHORIZED.—The Secretary of the Army may convey to the City of Copperas Cove, Texas (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 100 acres at Fort Hood, Texas, in exchange for the City's conveyance to the Secretary of all right, title, and interest of the City in and to one or more parcels of real property that are acceptable to the Secretary and consist of a total of approximately 300 acres.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property to be exchanged under subsection (a) shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the City.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the exchange under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2841. LAND CONVEYANCE, FORT PICKETT, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, 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 a parcel of real property, including any improvements thereon, consisting of approximately 700 acres at Fort Pickett, Virginia, for the purpose of permitting the Commonwealth to develop and operate a public safety training facility.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Commonwealth.

(c) 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, FORT LAWTON, WASHINGTON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Seattle, Washington (in this section referred to as the "City"), all right, title, and interest

of the United States in and to the real property at Fort Lawton, Washington, consisting of Area 500 and Government Way from 36th Avenue to Area 500, for purposes of the inclusion of the property in Discovery Park, Seattle, Washington.

(b) 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. The cost of the survey shall be borne by the City.

(c) 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, VANCOUVER BARRACKS, WASHINGTON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Vancouver, Washington (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, encompassing 19 structures at Vancouver Barracks, Washington, which are identified by the Army using numbers between 602 and 676, and are known as the west barracks.

(b) PURPOSE.—The purpose of the conveyance authorized by subsection (a) shall be to include the property described in that subsection in the Vancouver National Historic Reserve, Washington.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance authorized by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2846. MODIFICATION OF LAND CONVEYANCE, MARINE CORPS AIR STATION, EL TORO, CALIFORNIA.

(a) USE OF CONSIDERATION.—Subsection (a)(2) of section 2811 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1650) is amended by striking "of additional military family housing units at Marine Corps Air Station, Tustin, California." and inserting "and repair of roads and development of Aerial Port of Embarkation facilities at Marine Corps Air Station, Miramar, California.".

(b) CONFORMING AMENDMENT.—The section heading of such section is amended by striking ", **AND CONSTRUCTION OF FAMILY HOUSING AT MARINE CORPS AIR STATION, TUSTIN, CALIFORNIA**".

SEC. 2847. MODIFICATION OF AUTHORITY FOR OXNARD HARBOR DISTRICT, PORT HUENEME, CALIFORNIA, TO USE CERTAIN NAVY PROPERTY.

(a) ADDITIONAL RESTRICTIONS ON JOINT USE.—Subsection (c) of section 2843 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3067) is amended to read as follows:

"(c) RESTRICTIONS ON USE.—The District's use of the property covered by an agreement under subsection (a) is subject to the following conditions:

"(1) The District shall suspend operations under the agreement upon notification by the commanding officer of the Center that the property is needed to support mission essential naval vessel support requirements or Navy contingency operations, including combat missions, natural disasters, and humanitarian missions.

"(2) The District shall use the property covered by the agreement in a manner consistent with Navy operations at the Center, including cooperating with the Navy for the purpose of assisting the Navy to meet its through-put requirements at the Center for the expeditious movement of military cargo.

"(3) The commanding officer of the Center may require the District to remove any of its personal property at the Center that the commanding officer determines may interfere with military operations at the Center. If the District cannot expeditiously remove the property, the commanding officer may provide for the removal of the property at District expense.".

(b) CONSIDERATION.—Subsection (d) of such section is amended to read as follows:

"(d) CONSIDERATION.—(1) As consideration for the use of the property covered by an agreement under subsection (a), the District shall pay to the Navy an amount that is mutually agreeable to the parties to the agreement, taking into account the nature and extent of the District's use of the property.

"(2) The Secretary may accept in-kind consideration under paragraph (1), including consideration in the form of—

"(A) the District's maintenance, preservation, improvement, protection, repair, or restoration of all or any portion of the property covered by the agreement;

"(B) the construction of new facilities, the modification of existing facilities, or the replacement of facilities vacated by the Navy on account of the agreement; and

"(C) covering the cost of relocation of the operations of the Navy from the vacated facilities to the replacement facilities.

"(3) All cash consideration received under paragraph (1) shall be deposited in the special account in the Treasury established for the Navy under section 2667(d) of title 10, United States Code. The amounts deposited in the special account pursuant to this paragraph shall be available, as provided in appropriation Acts, for general supervision, administration, overhead expenses, and Center operations and for the maintenance preservation, improvement, protection, repair, or restoration of property at the Center.".

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

(1) by striking subsection (f); and

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

SEC. 2848. TRANSFER OF JURISDICTION, MARINE CORPS AIR STATION, MIRAMAR, CALIFORNIA.

(a) TRANSFER AUTHORIZED.—The Secretary of the Navy may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior a parcel of real property, including

any improvements thereon, consisting of approximately 250 acres and known as the Teacup Parcel, which comprises a portion of the Marine Corps Air Station, Miramar, California.

(b) USE OF LAND.—The Secretary of the Interior shall include the real property transferred under subsection (a) in the Vernal Pool Unit of the San Diego National Wildlife Refuge and administer the property for the conservation of fish and wildlife. All current and future military aviation and related activities at the Marine Corps Air Station, Miramar, are deemed to be compatible with the refuge purposes for which the property is transferred, and with any secondary uses that may be established on the transferred property.

(c) CONDITION ON TRANSFER.—The transfer authorized under subsection (a) shall be subject to the condition that the Secretary of the Interior make the transferred property available to the Secretary of the Navy for any habitat restoration or preservation project that may be required for mitigation of military activities occurring at the Marine Corps Air Station, Miramar, unless the Secretary of the Interior determines that the project will adversely affect the property's sensitive wildlife and habitat resource values.

(d) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of the survey shall be borne by the Secretary of the Interior.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Navy considers appropriate to protect the interests of the United States.

SEC. 2849. LAND EXCHANGE, MARINE CORPS RECRUIT DEPOT, SAN DIEGO, CALIFORNIA.

(a) EXCHANGE AUTHORIZED.—The Secretary of the Navy may convey to the San Diego Unified Port District of San Diego, California (in this section referred to as the "Port District"), all right, title, and interest of the United States in and to three parcels of real property, including any improvements thereon, consisting of approximately 44.5 acres and comprising a portion of the Marine Corps Recruit Depot, San Diego, California, in exchange for the Port District's—

(1) conveyance to the Secretary of all right, title, and interest of Port District in and to a parcel of real property that is acceptable to the Secretary and contiguous to the Marine Corps Recruit Depot; and

(2) construction of suitable replacement facilities and necessary supporting structures on the parcel or other property comprising the Marine Corps Recruit Depot, as determined necessary by the Secretary.

(b) TIME FOR CONVEYANCE.—The Secretary may not make the conveyance to the Port District authorized by subsection (a) until the Secretary determines that the replacement facilities have been constructed and are ready for occupancy.

(c) ADMINISTRATIVE EXPENSES.—The Port District shall reimburse the Secretary for administrative expenses incurred by the Secretary in carrying out the exchange under subsection (a),

including expenses related to the planning, design, survey, environmental compliance, and supervision and inspection of construction of the replacement facilities. Section 2695(c) of title 10, United States Code, shall apply to the amounts received by the Secretary.

(d) CONSTRUCTION SCHEDULE.—The Port District shall construct the replacement facilities pursuant to such schedule and in such a manner so as to not interrupt or adversely affect the capability of the Marine Corps Recruit Depot to accomplish its mission.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property to be exchanged under subsection (a) shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the Port District.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the exchange under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2850. LEASE OF PROPERTY, NAVAL AIR STATION, PENSACOLA, FLORIDA.

(a) AUTHORITY TO LEASE.—The Secretary of the Navy may lease, without consideration, to the Naval Aviation Museum Foundation (in this section referred to as the "Foundation") real property improvements constructed by the Foundation at the National Museum of Naval Aviation at Naval Air Station, Pensacola, Florida, for the purpose of permitting the Foundation to operate a National Flight Academy to encourage and assist American young people to develop an interest in naval aviation and to preserve and enhance the image and heritage of naval aviation.

(b) CONSTRUCTION.—The Foundation shall be solely responsible for the design and construction of the real property improvements referred to in subsection (a). Upon completion, the improvements shall be donated to and become the property of the United States, subject to the terms of the lease under subsection (a).

(c) TERM OF LEASE.—(1) The lease authorized by subsection (a) may be for a term of up to 50 years, with an option to renew for an additional 50 years.

(2) In the event that the National Flight Academy ceases operation for a period in excess of 1 year during the leasehold period, or any extension thereof, the lease shall immediately terminate without cost or future liability to the United States.

(d) USE BY NAVY.—The Secretary may use all or a portion of the leased property when the National Flight Academy is not in session or whenever the use of the property would not conflict with operation of the Academy. The Foundation shall permit such use at no cost to the Navy.

(e) MAINTENANCE AND REPAIR.—The Foundation shall be solely responsible during the leasehold period, and any extension thereof, for the operation, maintenance, and repair or replacement of the real property improvements authorized for lease under this section.

(f) ASSISTANCE.—(1) Subject to subsection (e), the Secretary may assist the Foundation in implementing the National Flight Academy by furnishing facilities, utilities, maintenance, and other services within the boundaries of Naval Air Station, Pensacola. The Secretary may require the Foundation to reimburse the Secretary for the facilities, utilities, maintenance, or other services

so provided or may provide the facilities, utilities, maintenance, or other services without reimbursement by the Foundation.

(2) Any assistance provided the Foundation pursuant to paragraph (1) may be terminated by the Secretary without notice, cause, or liability to the United States.

(g) 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.

SEC. 2851. LAND CONVEYANCE, NAVAL RESERVE CENTER, TAMPA, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the Tampa Port Authority of Tampa, Florida (in this section referred to as the "Port Authority"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 2.18 acres and comprising the Naval Reserve Center, Tampa, Florida, for the purpose of permitting the Port Authority to use the parcel to facilitate the expansion of the Port of Tampa.

(b) CONDITIONS OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) The Port Authority will accept the Naval Reserve Center as is.

(2) The Port Authority will provide a replacement facility for the Naval Reserve Center on a site of comparable size and consisting of comparable improvements on port property or other public land acceptable to the Secretary. In the event that a federally owned site acceptable to the Secretary is not available for the construction of the replacement facility, the Port Authority will provide a site for the replacement facility acceptable to the Secretary and convey it in fee title to the United States.

(3) The Port Authority will procure all necessary funding and the planning and design necessary to construct a replacement facility that is fully operational and satisfies the Base Facilities Requirements plan, as provided by the Naval Reserve.

(4) The Port Authority will bear all reasonable costs that the Navy may incur in the relocating to the replacement facility.

(c) TIME FOR CONVEYANCE.—The Secretary may not make the conveyance authorized under subsection (a) until all of the conditions specified in subsection (b) have been met to the satisfaction of the Secretary.

(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. The cost of the survey shall be borne by the Port Authority.

(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. 2852. MODIFICATION OF LAND CONVEYANCE, DEFENSE FUEL SUPPLY POINT, CASCO BAY, MAINE.

Section 2839 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3065) is amended—

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

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

"(c) REPLACEMENT OF REMOVED ELECTRIC UTILITY SERVICE.—(1) The Secretary of Defense shall replace the electric utility service removed during the course of environmental remediation carried out with respect to the property to be conveyed under subsection (a), including the procurement and installation of electrical cables, switch cabinets, and transformers associated with the service.

"(2) As part of the replacement of the electric utility service under paragraph (1), the Secretary of Defense may, at the request of the Town, improve the electric utility service and install telecommunications service. The Secretary shall determine, in consultation with the Town, the additional costs that would be associated with the improvement of the electric utility service and the installation of telecommunications service under this paragraph, and the Town shall be responsible for the payment of such costs.".

SEC. 2853. LAND CONVEYANCE, NAVAL COMPUTER AND TELECOMMUNICATIONS STATION, CUTLER, MAINE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the State of Maine, any political subdivision of the State of Maine, or any tax-supported agency in the State of Maine, all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 263 acres located in Washington County, Maine, and known as the Naval Computer and Telecommunications Station, Cutler, Maine.

(b) REIMBURSEMENT FOR ENVIRONMENTAL AND OTHER ASSESSMENTS.—(1) The Secretary may require the recipient of the property conveyed under this section to reimburse the Secretary for the costs incurred by the Secretary for any environmental assessments and other studies and analyses carried out by the Secretary with respect to the property to be conveyed under this section before the conveyance of the property under this section.

(2) The amount of any reimbursement required under paragraph (1) shall be determined by the Secretary and may not exceed the cost of the assessments, studies, and analyses for which reimbursement is required under that paragraph.

(3) Section 2695(c) of title 10, United States Code, shall apply to the amounts received by the Secretary.

(c) LEASE OF PROPERTY PENDING CONVEYANCE.—(1) Pending the conveyance by deed of the property authorized to be conveyed by subsection (a), the Secretary may enter into one or more leases of the property.

(2) The Secretary shall deposit any amounts paid under a lease under paragraph (1) in the appropriation or account providing funds for the protection, maintenance, or repair of the property, or for the provision of utility services for the property. Amounts so deposited shall be merged with funds in the appropriation or account in which deposited, and shall be available for the same purposes, and subject to the same conditions and limitations, as the funds with which merged.

(d) 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. The cost of the survey shall be borne by the recipient of the property.

(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. 2854. MODIFICATION OF LAND CONVEYANCE AUTHORITY, FORMER NAVAL TRAINING CENTER, BAINBRIDGE, CECIL COUNTY, MARYLAND.

Section 1 of Public Law 99–596 (100 Stat. 3349) is amended—

(1) in subsection (a), by striking "subsections (b) through (f)" and inserting "subsections (b) through (e)";

(2) by striking subsection (b) and inserting the following new subsection:

"(b) CONSIDERATION.—(1) In the event of the transfer of the property under subsection (a) to the State of Maryland, the transfer shall be with consideration or without consideration from the State of Maryland, at the election of the Secretary.

"(2) If the Secretary elects to receive consideration from the State of Maryland under paragraph (1), the Secretary may reduce the amount of consideration to be received from the State of Maryland under that paragraph by an amount equal to the cost, estimated as of the time of the transfer of the property under this section, of the restoration of the historic buildings on the property. The total amount of the reduction of consideration under this paragraph may not exceed $500,000.";

(3) by striking subsection (d); and

(4) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

SEC. 2855. LAND CONVEYANCE, MARINE CORPS BASE, CAMP LEJEUNE, NORTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the City of Jacksonville, North Carolina (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, that is currently leased to Norfolk Southern Corporation and consists of approximately 50 acres, known as the railroad right-of-way, lying within the City between Highway 24 and Highway 17, at the Marine Corps Base, Camp Lejeune, North Carolina, for the purpose of permitting the City to develop the parcel for initial use as a bike/green way trail.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall reimburse the Secretary (in such amounts as the Secretary may determine) for the expenses incurred by the Secretary in making the conveyance, including costs related to planning, design, surveys, environmental assessment and compliance, supervision and inspection of construction, severing and realigning utility systems, and other prudent and necessary actions. Section 2695(c) of title 10, United States Code, shall apply to the amounts received by the Secretary.

(c) CONDITION OF CONVEYANCE.—The Secretary may retain such easements, rights-of-way, and other interests in the property to be conveyed under subsection (a) and impose such restrictions on the use of the conveyed property as the Secretary considers necessary to ensure the effective security, maintenance, and operations

of the Marine Corps Base, Camp Lejeune, North Carolina, and to protect human health and the environment.

(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. 2856. LAND EXCHANGE, NAVAL AIR RESERVE CENTER, COLUMBUS, OHIO.

(a) EXCHANGE AUTHORIZED.—The Secretary of the Navy may convey to the Rickenbacker Port Authority of Columbus, Ohio (in this section referred to as the "Authority"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 24 acres comprising the civilian facilities of the Naval Air Reserve at Rickenbacker International Airport in Franklin County, Ohio, in exchange for the Authority's conveyance to the Secretary of all right, title, and interest of the Authority in and to a parcel of real property consisting of approximately 10 to 15 acres acceptable to the Secretary at Rickenbacker International Airport.

(b) USE OF ACQUIRED PROPERTY.—The Secretary shall use the real property acquired from the Authority in the exchange as the site for a replacement facility that will house both the Naval Air Reserve Center at Rickenbacker International Airport and the Naval and Marine Corps Reserve Center currently located in Columbus, Ohio.

(c) TIME FOR CONVEYANCE.—The Secretary may not make the conveyance to the Authority authorized by subsection (a) until the Secretary determines that the replacement facility described in subsection (b) has been constructed and is ready for occupancy.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property to be exchanged under subsection (a) shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the Authority.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the exchange under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2857. LAND CONVEYANCE, NAVAL STATION, BREMERTON, WASHINGTON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the City of Bremerton, Washington (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 45.8 acres and comprising the former East Park Transient Family Accommodations, which was an off-site housing facility for Naval Station, Bremerton, Washington.

(b) CONSIDERATION.—(1) The conveyance under subsection (a) may be made without consideration to the extent the real property to be conveyed will be used by the City, directly or through an agreement with a public or private entity, for public health, public safety, education, affordable housing, or public recreation.

(2) If the City intends to use a portion of the conveyed property for a purpose not specified in paragraph (1), the City shall pay to the United States an amount equal to the fair market value of that portion of the property. The fair market value shall be determined by an appraisal acceptable to the Secretary.

(c) ADMINISTRATIVE EXPENSES.—The City shall reimburse the Secretary for administrative expenses incurred by the Secretary in carrying out the conveyance under subsection (a), including expenses related to planning, design, survey, environmental compliance, and other prudent and necessary actions. Section 2695(c) of title 10, United States Code, shall apply to the amounts received by the Secretary.

(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.

PART III—AIR FORCE CONVEYANCES

SEC. 2861. LAND CONVEYANCE, LOS ANGELES AIR FORCE BASE, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, by sale or lease upon such terms as the Secretary considers appropriate, all or any portion of the following parcels of real property, including any improvements thereon, at Los Angeles Air Force Base, California:

(1) Approximately 42 acres in El Segundo, California, commonly known as Area A.

(2) Approximately 52 acres in El Segundo, California, commonly known as Area B.

(3) Approximately 13 acres in Hawthorne, California, commonly known as the Lawndale Annex.

(4) Approximately 3.7 acres in Sun Valley, California, commonly known as the Armed Forces Radio and Television Service Broadcast Center.

(b) CONSIDERATION.—As consideration for the conveyance of real property under subsection (a), the recipient of the property shall provide for the design and construction on real property acceptable to the Secretary of one or more facilities to consolidate the mission and support functions at Los Angeles Air Force Base. Any such facility must comply with the seismic and safety design standards for Los Angeles County, California, in effect at the time the Secretary takes possession of the facility.

(c) LEASEBACK AUTHORITY.—If the fair market value of a facility to be provided as consideration for the conveyance of real property under subsection (a) exceeds the fair market value of the conveyed property, the Secretary may enter into a lease for the facility for a period not to exceed 10 years. Rental payments under the lease shall be established at the rate necessary to permit the lessor to recover, by the end of the lease term, the difference between the fair market value of a facility and the fair market value of the conveyed property. At the end of the lease, all right, title, and interest in the facility shall vest in the United States.

(d) APPRAISAL OF PROPERTY.—The Secretary shall obtain an appraisal of the fair market value of all property and facilities to be sold, leased, or acquired under this section. An appraisal shall be made by a qualified appraiser familiar with the type of property to be appraised. The Secretary shall consider the appraisals in determining whether a proposed conveyance accomplishes the purpose of this section and is in the interest of the United States. Appraisal reports shall not be released outside of the Federal Government, other than to the other party to a conveyance.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of real property to be conveyed under subsection (a) or acquired under subsection (b) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the property.

(f) EXEMPTION.—Section 2696 of title 10, United States Code, does not apply to the conveyance authorized by subsection (a).

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance under subsection (a) or a lease under subsection (c) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2862. LAND CONVEYANCE, POINT ARENA AIR FORCE STATION, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to Mendocino County, 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, consisting of approximately 82 acres at the Point Arena Air Force Station, California, for the purpose of permitting the County to use the parcel for municipal and other public purposes.

(b) CONDITIONS OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the County—

(1) use the conveyed property, directly or through an agreement with a public or private entity, for municipal and other public purposes;

(2) convey the property to an appropriate public or private entity that will use the conveyed property for such purposes; or

(3) convey the property by sale or exchange and—

(A) if conveyed by exchange, use the property acquired in the exchange for such purposes; or

(B) if conveyed by sale, use the proceeds to acquire property that will be used for such purposes.

(c) CONSIDERATION.—If the Secretary determines at any time that the County, or a public or private entity to which the property is reconveyed as authorized by paragraph (2) of subsection (b), has failed to comply with the conditions specified in such subsection, the County shall pay the United States an amount equal to the fair market value of the property conveyed under subsection (a), as determined by an appraisal satisfactory to the Secretary.

(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. The cost of the survey shall be borne by the County.

(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. 2863. LAND CONVEYANCE, LOWRY AIR FORCE BASE, COLORADO.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, or lease upon such terms as the Secretary considers appropriate, to the Lowry Redevelopment Authority (in this section referred to as the "Authority") all right, title, and interest of the United States in and to seven parcels of real property, including any improvements thereon, consisting of approximately 23 acres at the former Lowry Air Force Base, Colorado, for the purpose of permitting the Authority to use the property in furtherance of economic development and other public purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of real property to be conveyed or leased under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Authority.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance or lease under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2864. LAND CONVEYANCE, WRIGHT-PATTERSON AIR FORCE BASE, OHIO.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to Greene County, Ohio (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, consisting of approximately 92 acres comprising the communications test annex at Wright-Patterson Air Force Base, Ohio, for the purpose of permitting the County to use the parcel for recreational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(c) 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. 2865. MODIFICATION OF LAND CONVEYANCE, ELLSWORTH AIR FORCE BASE, SOUTH DAKOTA.

(a) CHANGE IN RECIPIENT.—Subsection (a) of section 2863 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 2010) is amended by striking "Greater Box Elder Area Economic Development Corporation, Box Elder, South Dakota (in this section referred to as the 'Corporation')" and inserting "West River Foundation for Economic and Community Development, Sturgis, South Dakota (in this section referred to as the 'Foundation')".

(b) CONFORMING AMENDMENTS.—Such section is further amended by striking "Corporation" each place it appears in subsections (c) and (e) and inserting "Foundation".

SEC. 2866. LAND CONVEYANCE, MUKILTEO TANK FARM, EVERETT, WASHINGTON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Port of Everett, Washington (in this section referred to as the "Port"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 22 acres and known as the Mukilteo Tank Farm for the purpose of permitting the Port to use the parcel for the development and operation of a port facility and for other public purposes.

(b) PERSONAL PROPERTY.—The Secretary of the Air Force may include as part of the conveyance authorized by subsection (a) any personal property at the Mukilteo Tank Farm that is excess to the needs of the Air Force if the Secretary of Transportation determines that such personal property is appropriate for the development or operation of the Mukilteo Tank Farm as a port facility.

(c) INTERIM LEASE.—(1) Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary of the Air Force may lease all or part of the real property to the Port if the Secretary determines that the real property is suitable for lease and the lease of the property under this subsection will not interfere with any environmental remediation activities or schedules under applicable law or agreements.

(2) The determination under paragraph (1) whether the lease of the real property will interfere with environmental remediation activities or schedules referred to in that paragraph shall be based upon an environmental baseline survey conducted in accordance with applicable Air Force regulations and policy.

(3) Except as provided by paragraph (4), as consideration for the lease under this subsection, the Port shall pay the Secretary an amount equal to the fair market of the lease, as determined by the Secretary.

(4) The amount of consideration paid by the Port for the lease under this subsection may be an amount, as determined by the Secretary, less than the fair market value of the lease if the Secretary determines that—

(A) the public interest will be served by an amount of consideration for the lease that is less than the fair market value of the lease; and

(B) payment of an amount equal to the fair market value of the lease is unobtainable.

(d) 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 of the Air Force and the Port.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force, in consultation with the Secretary of Transportation, may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary of the Air Force considers appropriate to protect the interests of the United States.

PART IV—OTHER CONVEYANCES

SEC. 2871. LAND CONVEYANCE, ARMY AND AIR FORCE EXCHANGE SERVICE PROPERTY, FARMERS BRANCH, TEXAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of Defense may authorize the Army and Air Force Exchange Service, which is a nonappropriated fund instrumentality of the United States, to sell all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 2727 LBJ Freeway in Farmers Branch, Texas.

(b) CONSIDERATION.—As consideration for conveyance under subsection (a), the purchaser shall pay, in a single lump sum payment, an amount equal to the fair market value of the real property conveyed, as determined by the Secretary. The payment shall be handled in the manner provided in section 204(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(c)).

(c) CONGRESSIONAL REPORT.—Within 30 days after the sale of the property under subsection (a), the Secretary shall submit to Congress a report detailing the particulars of the sale.

(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. The cost of the survey shall be borne by the purchaser.

(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. 2872. LAND CONVEYANCE, FORMER NATIONAL GROUND INTELLIGENCE CENTER, CHARLOTTESVILLE, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—The Administrator of General Services may convey, without consideration, to the City of Charlottesville, Virginia (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, formerly occupied by the National Ground Intelligence Center and known as the Jefferson Street Property, for the purpose of permitting the City to use the parcel, directly or through an agreement with a public or private entity, for economic development purposes.

(b) AUTHORITY TO CONVEY WITHOUT CONSIDERATION.—The conveyance authorized by subsection (a) may be made without consideration if the Administrator determines that conveyance on that basis would be in the best interests of the United States.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Administrator makes the conveyance authorized by subsection (a), if the Administrator determines that the conveyed real property is not being used in accordance with the purpose specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, may upon the election of the Administrator revert to the United States, and upon such reversion the United States shall have the right of immediate entry onto the property.

(d) LIMITATION ON CERTAIN SUBSEQUENT CONVEYANCES.—(1) Subject to paragraph (2), if at any time after the Administrator makes the conveyance authorized by subsection (a) the City conveys any portion of the parcel conveyed under that subsection to a

private entity, the City shall pay to the United States an amount equal to—

(A) the fair market value (as determined by the Administrator) of the portion conveyed at the time of the conveyance; less

(B) the cost of any improvements to the property made by the City.

(2) Paragraph (1) applies to a conveyance described in such paragraph only if the Administrator makes the conveyance authorized by subsection (a) without consideration.

(3) The Administrator shall deposit any amounts paid the United States under this subsection into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)). Any amounts so deposited shall be available to the Administrator for real property management and related activities as provided for under paragraph (2) of such section.

(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 Administrator. The cost of the survey shall be borne by the City.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

Subtitle E—Other Matters

SEC. 2881. RELATION OF EASEMENT AUTHORITY TO LEASED PARKLAND, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

Section 2851 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2219) is amended by adding at the end the following new subsection:

"(f) EXEMPTION FOR CERTAIN LEASED LANDS.—(1) Section 303 of title 49, and section 138 of title 23, United States Code, shall not apply to any approval by the Secretary of Transportation of the use by State Route 241 of parkland within Camp Pendleton that is leased by the State of California, where the lease reserved to the United States the right to establish rights-of-way.

"(2) The Agency shall be responsible for the implementation of any measures required by the Secretary of Transportation to mitigate the impact of the Agency's use of parkland within Camp Pendleton for State Route 241. With the exception of those mitigation measures directly related to park functions, the measures shall be located outside the boundaries of Camp Pendleton. The required mitigation measures related to park functions shall be implemented in accordance with the terms of the lease referred to in paragraph (1).".

SEC. 2882. EXTENSION OF DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

Section 816(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2820), as added

by section 2873 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2225), is amended by striking "2000" and inserting "2001".

SEC. 2883. ACCEPTANCE AND USE OF GIFTS FOR CONSTRUCTION OF THIRD BUILDING AT UNITED STATES AIR FORCE MUSEUM, WRIGHT-PATTERSON AIR FORCE BASE, OHIO.

(a) ACCEPTANCE AUTHORIZED.—The Secretary of the Air Force may accept from the Air Force Museum Foundation, a private nonprofit foundation, gifts in the form of cash, Treasury instruments, or comparable United States Government securities for the purpose of paying the costs of design and construction of a third building for the United States Air Force Museum at Wright-Patterson Air Force Base, Ohio. The terms of the gift may specify that all or a part of the amount of the gift be utilized solely for purposes of the design and construction of a particular portion of the building.

(b) DEPOSIT IN ESCROW ACCOUNT.—The Secretary, acting through the Comptroller of the Air Force Materiel Command, shall deposit the amount of any cash, instruments, or securities accepted as a gift under subsection (a) in an escrow account established for that purpose.

(c) INVESTMENT.—Amounts in the escrow account under subsection (b) not required to meet current requirements of the account shall be invested in public debt securities with maturities suitable to the needs of the account, as determined by the Comptroller of the Air Force Materiel Command, and bearing interest at rates that take into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the account.

(d) UTILIZATION.—(1) Amounts in the escrow account under subsection (b), including any income on investments of such amounts under subsection (c), that are attributable to a particular portion of the building described in subsection (a) shall be utilized by the Comptroller of the Air Force Materiel Command to pay the costs of the design and construction of such portion of the building, including progress payments for such design and construction.

(2) Subject to paragraph (3), amounts shall be payable under paragraph (1) upon receipt by the Comptroller of the Air Force Materiel Command of a notification from an appropriate officer or employee of the Corps of Engineers that such amounts are required for the timely payment of an invoice or claim for the performance of design or construction activities for which such amounts are payable under paragraph (1).

(3) The Comptroller of the Air Force Materiel Command shall, to the maximum extent practicable consistent with good business practice, limit payment of amounts from the account in order to maximize the return on investment of amounts in the account.

(e) LIMITATION ON CONTRACTS.—The Corps of Engineers may not enter into a contract for the design or construction of a particular portion of the building described in subsection (a) until amounts in the escrow account under subsection (b), including any income on investments of such amounts under subsection (c), that are attributable to such portion of the building are sufficient to cover the amount of such contract.

(f) LIQUIDATION OF ESCROW ACCOUNT.—Upon final payment of all invoices and claims associated with the design and construction of the building described in subsection (a), the Secretary of the Air Force shall terminate the escrow account under subsection (b). Any amounts in the account upon final payment of invoices and claims shall be available to the Secretary for such purposes as the Secretary considers appropriate.

SEC. 2884. DEVELOPMENT OF MARINE CORPS HERITAGE CENTER AT MARINE CORPS BASE, QUANTICO, VIRGINIA.

(a) AUTHORITY TO ENTER INTO JOINT VENTURE FOR DEVELOPMENT.—The Secretary of the Navy may enter into a joint venture with the Marine Corps Heritage Foundation, a not-for-profit entity, for the design and construction of a multipurpose facility to be used for historical displays for public viewing, curation, and storage of artifacts, research facilities, classrooms, offices, and associated activities consistent with the mission of the Marine Corps University. The facility shall be known as the Marine Corps Heritage Center.

(b) AUTHORITY TO ACCEPT CERTAIN LAND.—(1) The Secretary may, if the Secretary determines it to be necessary for the facility described in subsection (a), accept without compensation any portion of the land known as Locust Shade Park which is now offered by the Park Authority of the County of Prince William, Virginia, as a potential site for the facility.

(2) The Park Authority may convey the land described in paragraph (1) to the Secretary under this section without regard to any limitation on its use, or requirement for its replacement upon conveyance, under section 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8(f)(3)) or under any other provision of law.

(c) DESIGN AND CONSTRUCTION.—For each phase of development of the facility described in subsection (a), the Secretary may—

(1) permit the Marine Corps Heritage Foundation to contract for the design, construction, or both of such phase of development; or

(2) accept funds from the Marine Corps Heritage Foundation for the design, construction, or both of such phase of development.

(d) ACCEPTANCE AUTHORITY.—Upon completion of construction of any phase of development of the facility described in subsection (a) by the Marine Corps Heritage Foundation to the satisfaction of the Secretary, and the satisfaction of any financial obligations incident thereto by the Marine Corps Heritage Foundation, the facility shall become the property of the Department of the Navy with all right, title, and interest in and to facility being in the United States.

(e) LEASE OF FACILITY.—(1) The Secretary may lease, under such terms and conditions as the Secretary considers appropriate for the joint venture authorized by subsection (a), portions of the facility developed under that subsection to the Marine Corps Heritage Foundation for use in generating revenue for activities of the facility and for such administrative purposes as may be necessary for support of the facility.

(2) The amount of consideration paid the Secretary by the Marine Corps Heritage Foundation for the lease under paragraph

(1) may not exceed an amount equal to the actual cost (as determined by the Secretary) of the operation of the facility.

(3) Notwithstanding any other provision of law, the Secretary shall use amounts paid under paragraph (2) to cover the costs of operation of the facility.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the joint venture authorized by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2885. ACTIVITIES RELATING TO THE GREENBELT AT FALLON NAVAL AIR STATION, NEVADA.

(a) IN GENERAL.—The Secretary of the Navy shall, in consultation with the Secretary of the Army acting through the Chief of Engineers, carry out appropriate activities after examination of the potential environmental and flight safety ramifications for irrigation that has been eliminated, or will be eliminated, for the greenbelt at Fallon Naval Air Station, Nevada. Any activities carried out under the preceding sentence shall be consistent with aircrew safety at Fallon Naval Air Station.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated for operation and maintenance for the Navy such sums as may be necessary to carry out the activities required by subsection (a).

SEC. 2886. ESTABLISHMENT OF WORLD WAR II MEMORIAL ON GUAM.

(a) ESTABLISHMENT REQUIRED.—The Secretary of Defense shall establish on Federal lands near the Fena Caves in Guam a suitable memorial intended to honor those Guamanian civilians who were killed during the occupation of Guam during World War II and to commemorate the liberation of Guam by the United States Armed Forces in 1944.

(b) MAINTENANCE OF MEMORIAL.—The Secretary of Defense shall be responsible for the maintenance of the memorial established pursuant to subsection (a).

(c) CONSULTATION.—In designing and building the memorial and selecting the specific location for the memorial, the Secretary of Defense shall consult with the American Battle Monuments Commission established under chapter 21 of title 36, United States Code.

SEC. 2887. NAMING OF ARMY MISSILE TESTING RANGE AT KWAJALEIN ATOLL AS THE RONALD REAGAN BALLISTIC MISSILE DEFENSE TEST SITE AT KWAJALEIN ATOLL.

The United States Army missile testing range located at Kwajalein Atoll in the Marshall Islands shall after the date of the enactment of this Act be known and designated as the "Ronald Reagan Ballistic Missile Defense Test Site at Kwajalein Atoll". Any reference to that range in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Ronald Reagan Ballistic Missile Defense Test Site at Kwajalein Atoll.

SEC. 2888. DESIGNATION OF BUILDING AT FORT BELVOIR, VIRGINIA, IN HONOR OF ANDREW T. MCNAMARA.

The building at 8725 John J. Kingman Road, Fort Belvoir, Virginia, shall be known and designated as the "Andrew T. McNamara Building". Any reference to that building in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Andrew T. McNamara Building.

SEC. 2889. DESIGNATION OF BALBOA NAVAL HOSPITAL, SAN DIEGO, CALIFORNIA, IN HONOR OF BOB WILSON, A FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES.

The Balboa Naval Hospital in San Diego, California, shall be known and designated as the "Bob Wilson Naval Hospital". Any reference to the Balboa Naval Hospital in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Bob Wilson Naval Hospital.

SEC. 2890. SENSE OF CONGRESS REGARDING IMPORTANCE OF EXPANSION OF NATIONAL TRAINING CENTER, FORT IRWIN, CALIFORNIA.

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

(1) The National Training Center at Fort Irwin, California, is the Army's premier warfare training center.

(2) The National Training Center was cited by General Norman Schwarzkopf as being instrumental to the success of the allied victory in the Persian Gulf conflict.

(3) The National Training Center gives a military unit the opportunity to use high-tech equipment and confront realistic opposing forces in order to accurately discover the unit's strengths and weaknesses.

(4) The current size of the National Training Center is insufficient in light of the advanced equipment and technology required for modern warfare training.

(5) The expansion of the National Training Center to include additional lands would permit military units and members of the Armed Forces to adequately prepare for future conflicts and various warfare scenarios they may encounter throughout the world.

(6) Additional lands for the expansion of the National Training Center are presently available in the California desert.

(7) The expansion of the National Training Center is a top priority of the Army and the Office of the Secretary of Defense.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the prompt expansion of the National Training Center is vital to the national security interests of the United States.

SEC. 2891. SENSE OF CONGRESS REGARDING LAND TRANSFERS AT MELROSE RANGE, NEW MEXICO, AND YAKIMA TRAINING CENTER, WASHINGTON.

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

(1) The Secretary of the Air Force seeks the transfer of 6,713 acres of public domain land within the Melrose Range, New Mexico, from the Department of the Interior to the Department of the Air Force for the continued use of these lands as a military range.

(2) The Secretary of the Army seeks the transfer of 6,640 acres of public domain land within the Yakima Training Center, Washington, from the Department of the Interior to the Department of the Army for military training purposes.

(3) The transfers provide the Department of the Air Force and the Department of the Army with complete land management control of these public domain lands to allow for effective land management, minimize safety concerns, and ensure meaningful training.

(4) The Department of the Interior concurs with the land transfers at Melrose Range and Yakima Training Center.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the land transfers at Melrose Range, New Mexico, and Yakima Training Center, Washington, will support military training, safety, and land management concerns on the lands subject to transfer.

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

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Sec. 3133. Reprogramming of funds available for infrastructure upgrades or maintenance in certain accounts of the National Nuclear Security Administration.
Sec. 3134. Adjustment of composite theoretical performance levels for post-shipment verification reports on advanced supercomputer sales to certain foreign nations.
Sec. 3135. Modification of counterintelligence polygraph program.
Sec. 3136. Employee incentives for employees at closure project facilities.
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Sec. 3138. Contingent limitation on use of certain funds pending certifications of compliance with Formerly Utilized Sites Remedial Action Program funding prohibition.
Sec. 3139. Conceptual design for Subsurface Geosciences Laboratory at Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho.

Sec. 3140. Report on National Ignition Facility, Lawrence Livermore National Laboratory, Livermore, California.
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Sec. 3142. Report on tank waste remediation system, Hanford Reservation, Richland, Washington.

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Sec. 3152. Membership of Under Secretary for Nuclear Security on the Joint Nuclear Weapons Council.
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Sec. 3154. Required contents of future-years nuclear security program.
Sec. 3155. Future-years nuclear security program for fiscal year 2001.
Sec. 3156. Engineering and manufacturing research, development, and demonstration by plant managers of certain nuclear weapons production plants.
Sec. 3157. Prohibition on individuals engaging in concurrent service or duties within National Nuclear Security Administration and outside that Administration but within Department of Energy.
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Sec. 3163. Study and report related to improving mission effectiveness, partnerships, and technology transfer at national security laboratories and nuclear weapons production facilities.
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Sec. 3194. Form of certifications regarding the safety or reliability of the nuclear weapons stockpile.
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Sec. 3196. Cooperative research and development agreements for government-owned, contractor-operated laboratories.
Sec. 3197. Office of Arctic Energy.

Subtitle A—National Security Programs Authorizations

SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for the activities of the National

Nuclear Security Administration in carrying out programs necessary for national security in the amount of $6,422,356,000, to be allocated as follows:

(1) WEAPONS ACTIVITIES.—For weapons activities, $4,840,289,000, to be allocated as follows:

(A) For stewardship, $4,505,545,000, to be allocated as follows:

(i) For directed stockpile work, $862,603,000.

(ii) For campaigns, $2,054,014,000, to be allocated as follows:

(I) For operation and maintenance, $1,639,682,000.

(II) For construction, $414,332,000, to be allocated as follows:

Project 01–D–101, distributed information systems laboratory, Sandia National Laboratories, Livermore, California, $2,300,000.

Project 00–D–103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, $5,000,000.

Project 00–D–105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, $56,000,000.

Project 00–D–107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,700,000.

Project 98–D–125, tritium extraction facility, Savannah River Plant, Aiken, South Carolina, $75,000,000.

Project 98–D–126, accelerator production of tritium, various locations, $25,000,000.

Project 97–D–102, dual-axis radiographic hydrotest facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $35,232,000.

Project 96–D–111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, $209,100,000.

(iii) For readiness in technical base and facilities, $1,588,928,000, to be allocated as follows:

(I) For operation and maintenance, $1,429,087,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $159,841,000, to be allocated as follows:

Project 01–D–103, preliminary project design and engineering, various locations, $14,500,000.

Project 01–D–124, highly enriched uranium (HEU) materials storage facility, Y–12 Plant, Oak Ridge, Tennessee, $17,800,000.

Project 01–D–126, weapons evaluation test laboratory, Pantex Plant, Amarillo, Texas, $3,000,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $5,000,000.

Project 99–D–104, protection of real property (roof reconstruction, phase II), Lawrence Livermore National Laboratory, Livermore, California, $2,800,000.

Project 99–D–106, model validation and system certification center, Sandia National Laboratories, Albuquerque, New Mexico, $5,200,000.

Project 99–D–108, renovate existing roadways, Nevada Test Site, Nevada, $2,000,000.

Project 99–D–125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, $13,000,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City Plant, Kansas City, Missouri, $23,765,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant, Amarillo, Texas, $4,998,000.

Project 99–D–132, stockpile management restructuring initiative, nuclear material safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $18,043,000.

Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Plant, Aiken, South Carolina, $30,767,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $2,918,000.

Project 95–D–102, chemistry and metallurgy research (CMR) upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $13,337,000.

Project 88–D–123, security enhancements, Pantex Plant, Amarillo, Texas, $2,713,000.

(B) For secure transportation asset, $115,673,000, to be allocated as follows:

(i) For operation and maintenance, $79,357,000.

(ii) For program direction, $36,316,000.

(C) For program direction, $219,071,000.

(2) DEFENSE NUCLEAR NONPROLIFERATION.—For other nuclear security activities, $877,467,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $252,990,000, to be allocated as follows:

(i) For operation and maintenance, $245,990,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects

authorized in prior years, and land acquisition related thereto), $7,000,000, to be allocated as follows:

Project 00–D–192, nonproliferation and international security center (NISC), Los Alamos National Laboratory, Los Alamos, New Mexico, $7,000,000.

(B) For arms control, $320,560,000, to be allocated as follows:

(i) For arms control operations, $285,370,000.

(ii) For highly enriched uranium transparency implementation, $15,190,000.

(iii) For international nuclear safety, $20,000,000.

(C) For fissile materials control and disposition, $252,449,000, to be allocated as follows:

(i) For operation and maintenance, $175,517,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $76,932,000, to be allocated as follows:

Project 01–D–407, highly enriched uranium blend-down, Savannah River Site, Aiken, South Carolina, $27,932,000.

Project 00–D–142, immobilization and associated processing facility (Title I and II design), Savannah River Site, Aiken, South Carolina, $3,000,000.

Project 99–D–141, pit disassembly and conversion facility (Title I and II design), Savannah River Site, Aiken, South Carolina, $20,000,000.

Project 99–D–143, mixed oxide fuel fabrication facility (Title I and II design), Savannah River Site, Aiken, South Carolina, $26,000,000.

(D) For program direction, $51,468,000.

(3) NAVAL REACTORS.—For naval reactors, $694,600,000, to be allocated as follows:

(A) For naval reactors development, $673,200,000, to be allocated as follows:

(i) For operation and maintenance, $644,500,000.

(ii) For general plant projects, $11,400,000.

(iii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $17,300,000, to be allocated as follows:

Project 01–D–200, major office replacement building, Schenectady, New York, $1,300,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $16,000,000.

(B) For program direction, $21,400,000.

(4) OFFICE OF ADMINISTRATOR FOR NUCLEAR SECURITY.—For the Office of the Administrator for Nuclear Security, for program direction, $10,000,000.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for environmental restoration and waste management activities in carrying out programs necessary for national security in the amount of $6,058,009,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7277n), $1,082,297,000.

(2) SITE/PROJECT COMPLETION.—For site completion and project completion in carrying out environmental management activities necessary for national security programs, $941,719,000, to be allocated as follows:

(A) For operation and maintenance, $900,175,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $41,544,000, to be allocated as follows:

Project 01–D–402, Intec cathodic protection system expansion, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $500,000.

Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $7,714,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $4,300,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $1,690,000.

Project 97–D–470, regulatory monitoring and bioassay laboratory, Savannah River Site, Aiken, South Carolina, $3,949,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $12,512,000.

Project 92–D–140, F&H canyon exhaust upgrades, Savannah River Site, Aiken, South Carolina, $8,879,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $2,000,000.

(3) POST–2006 COMPLETION.—For post–2006 completion in carrying out environmental restoration and waste management activities necessary for national security programs, $3,432,457,000, to be allocated as follows:

(A) For operation and maintenance, $2,691,106,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $27,212,000, to be allocated as follows:

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $27,212,000.

(C) For the Office of River Protection in carrying out environmental restoration and waste management activities necessary for national security programs, $714,139,000, to be allocated as follows:

(i) For operation and maintenance, $309,619,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $404,520,000, to be allocated as follows:

Project 01–D–416, Tank Waste Remediation System privatization phase I, Richland, Washington, $332,000,000.

Project 01–D–403, immobilized high-level waste interim storage facility, Richland, Washington, $1,300,000.

Project 99–D–403, privatization phase I infrastructure support, Richland, Washington, $7,812,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $46,023,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $17,385,000.

(4) SCIENCE AND TECHNOLOGY DEVELOPMENT.—For science and technology development in carrying out environmental restoration and waste management activities necessary for national security programs, $246,548,000.

(5) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs, $354,988,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (1) through (5) of that subsection, reduced by $84,317,000, to be derived from offsets and use of prior year balances.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for other defense activities in carrying out programs necessary for national security in the amount of $543,822,000, to be allocated as follows:

(1) INTELLIGENCE.—For intelligence, $38,059,000, to be allocated as follows:

(A) For operation and maintenance, $36,059,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $2,000,000, to be allocated as follows:

Project 01–D–800, Sensitive compartmented information facility, Lawrence Livermore National Laboratory, Livermore, California, $2,000,000.

(2) COUNTERINTELLIGENCE.—For counterintelligence, $45,200,000.

(3) SECURITY AND EMERGENCY OPERATIONS.—For security and emergency operations, $284,076,000, to be allocated as follows:

(A) For nuclear safeguards and security, $124,409,000.

(B) For security investigations, $33,000,000.

(C) For emergency management, $37,300,000.

(D) For program direction, $89,367,000.

(4) INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE.—For independent oversight and performance assurance, $14,937,000.

(5) ENVIRONMENT, SAFETY, AND HEALTH.—For the Office of Environment, Safety, and Health, $134,050,000, to be allocated as follows:

(A) For environment, safety, and health (defense), $86,446,000.

(B) For the Energy Employees Occupational Illness Compensation initiative, $25,000,000.

(C) For program direction, $22,604,000.

(6) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, $24,500,000, to be allocated as follows:

(A) For worker and community transition, $21,500,000.

(B) For program direction, $3,000,000.

(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $3,000,000.

(b) ADJUSTMENTS.—The amount authorized to be appropriated pursuant to subsection (a)(3)(B) is reduced by $20,000,000 to reflect an offset provided by user organizations for security investigations.

SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $90,092,000, to be allocated as follows:

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $25,092,000.

Project 97–PVT–2, advanced mixed waste treatment project, Idaho Falls, Idaho, $65,000,000.

(b) EXPLANATION OF ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a) is the sum of the amounts authorized to be appropriated for the projects in that subsection reduced by $90,092,000 for use of prior year balances of funds for defense environmental management privatization.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 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 $112,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, authorized by 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) does not apply to a construction project with a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same time period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than 5 percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than 5 percent by a transfer under such paragraph.

(c) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may be used only to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committees on Armed Services of the Senate and House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT OF CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for that design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making those activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2002.

SEC. 3129. TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the

manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project.

(b) LIMITATIONS.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term "program or project" means, with respect to a field office of the Department of Energy, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102.

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term "defense environmental management funds" means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 2000, and ending on September 30, 2001.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. FUNDING FOR TERMINATION COSTS OF RIVER PROTECTION PROJECT, RICHLAND, WASHINGTON.

The Secretary of Energy may not use appropriated funds to establish a reserve for the payment of any costs of termination of any contract relating to the River Protection Project, Richland, Washington (as designated by section 3141), that is terminated

after the date of the enactment of this Act. Such costs may be paid from—

(1) appropriations originally available for the performance of the contract concerned;

(2) appropriations currently available for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs, and not otherwise obligated; or

(3) funds appropriated specifically for the payment of such costs.

SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL NUCLEAR SECURITY ADMINISTRATION AND BALLISTIC MISSILE DEFENSE ORGANIZATION.

(a) JOINTLY FUNDED PROJECTS.—The Secretary of Energy and the Secretary of Defense shall modify the memorandum of understanding for the use of the national laboratories for ballistic missile defense programs, entered into under section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034; 10 U.S.C. 2431 note), to provide for jointly funded projects.

(b) REQUIREMENTS FOR PROJECTS.—The projects referred to in subsection (a) shall—

(1) be carried out by the National Nuclear Security Administration and the Ballistic Missile Defense Organization; and

(2) contribute to sustaining—

(A) the expertise necessary for the viability of such laboratories; and

(B) the capabilities required to sustain the nuclear stockpile.

(c) PARTICIPATION BY NNSA IN CERTAIN BMDO ACTIVITIES.—The Administrator for Nuclear Security and the Director of the Ballistic Missile Defense Organization shall implement mechanisms that increase the cooperative relationship between those organizations. Those mechanisms may include participation by personnel of the National Nuclear Security Administration in the following activities of the Ballistic Missile Defense Organization:

(1) Peer reviews of technical efforts.

(2) Activities of so-called "red teams".

SEC. 3133. REPROGRAMMING OF FUNDS AVAILABLE FOR INFRASTRUCTURE UPGRADES OR MAINTENANCE IN CERTAIN ACCOUNTS OF THE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) LIMITATION.—(1) Except as provided in paragraph (2), the Secretary of Energy may not use amounts appropriated or otherwise made available to the Secretary for fiscal year 2001 for the purpose of infrastructure upgrades or maintenance in an account specified in subsection (b) for any other purpose.

(2) Paragraph (1) does not apply to a particular amount for the purpose of a particular infrastructure upgrade or maintenance project if the Secretary—

(A) determines that that project is not needed by reason of a change to, or cancellation of, a program for which that project was intended to be used; and

(B) submits to the congressional defense committees the report referred to in subsection (c) and a period of 45 days

elapses after the date on which such committees receive such report.

(b) COVERED ACCOUNTS.—An account referred to in subsection (a) is any Construction account or Readiness in Technical Base and Facilities account within any National Nuclear Security Administration budget account.

(c) REPORT.—(1) The report referred to in subsection (a)(2)(B) is a report containing a full and complete statement of—

(A) the determination of the Secretary under subsection (a)(2)(A); and

(B) the action proposed to be taken with the particular amount concerned and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 45-day period under subsection (a)(2)(B), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain.

(d) COORDINATION WITH GENERAL REPROGRAMMING REPORT.—If the Secretary, in accordance with this section, submits a report referred to in subsection (c) for the use of a particular amount, that report shall be treated, for purposes of section 3121, as the report referred to in subsection (b) of that section for that use of that amount.

SEC. 3134. ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS FOR POST-SHIPMENT VERIFICATION REPORTS ON ADVANCED SUPERCOMPUTER SALES TO CERTAIN FOREIGN NATIONS.

Section 3157 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended by adding at the end the following new subsection:

"(e) ADJUSTMENT OF PERFORMANCE LEVELS.—Whenever a new composite theoretical performance level is established under section 1211(d), that level shall apply for the purposes of subsection (a) of this section in lieu of the level set forth in subsection (a).".

SEC. 3135. MODIFICATION OF COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) COVERED PERSONS.—Subsection (b) of section 3154 of the Department of Energy Facilities Safeguards, Security, and Counterintelligence Enhancement Act of 1999 (subtitle D of title XXXI of Public Law 106–65; 113 Stat. 941; 42 U.S.C. 7383h) is amended to read as follows:

"(b) COVERED PERSONS.—(1) Subject to paragraph (2), for purposes of this section, a covered person is one of the following:

"(A) An officer or employee of the Department.

"(B) An expert or consultant under contract to the Department.

"(C) An officer or employee of a contractor of the Department.

"(D) An individual assigned or detailed to the Department.

"(E) An applicant for a position in the Department.

"(2) A person described in paragraph (1) is a covered person for purposes of this section only if the position of the person, or for which the person is applying, under that paragraph is a position in one of the categories of positions listed in section 709.4(a) of title 10, Code of Federal Regulations.".

(b) HIGH-RISK PROGRAMS.—Subsection (c) of that section is amended to read as follows:

"(c) HIGH-RISK PROGRAMS.—For purposes of this section, high-risk programs are the following:

"(1) Programs using information known as Sensitive Compartmented Information.

"(2) The programs known as Special Access Programs and Personnel Security and Assurance Programs.

"(3) Any other program or position category specified in section 709.4(a) of title 10, Code of Federal Regulations.".

(c) AUTHORITY TO WAIVE EXAMINATION REQUIREMENT.—Subsection (d) of that section is amended—

(1) by inserting "(1)" before "The Secretary"; and

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

"(2) Subject to paragraph (3), the Secretary may, after consultation with appropriate security personnel, waive the applicability of paragraph (1) to a covered person—

"(A) if—

"(i) the Secretary determines that the waiver is important to the national security interests of the United States;

"(ii) the covered person has an active security clearance; and

"(iii) the covered person acknowledges in a signed writing that the capacity of the covered person to perform duties under a high-risk program after the expiration of the waiver is conditional upon meeting the requirements of paragraph (1) within the effective period of the waiver;

"(B) if another Federal agency certifies to the Secretary that the covered person has completed successfully a full-scope or counterintelligence-scope polygraph examination during the 5-year period ending on the date of the certification; or

"(C) if the Secretary determines, after consultation with the covered person and appropriate medical personnel, that the treatment of a medical or psychological condition of the covered person should preclude the administration of the examination.

"(3)(A) The Secretary may not commence the exercise of the authority under paragraph (2) to waive the applicability of paragraph (1) to any covered persons until 15 days after the date on which the Secretary submits to the appropriate committees of Congress a report setting forth the criteria to be used by the Secretary for determining when a waiver under paragraph (2)(A) is important to the national security interests of the United States. The criteria shall not include the need to maintain the scientific vitality of the laboratory. The criteria shall include an assessment of counterintelligence risks and programmatic impacts.

"(B) Any waiver under paragraph (2)(A) shall be effective for not more than 120 days, and a person who is subject to a waiver under paragraph (2)(A) may not ever be subject to another waiver under paragraph (2)(A).

"(C) Any waiver under paragraph (2)(C) shall be effective for the duration of the treatment on which such waiver is based.

"(4) The Secretary shall submit to the appropriate committees of Congress on a semi-annual basis a report on any determinations made under paragraph (2)(A) during the 6-month period ending on the date of such report. The report shall include a national

security justification for each waiver resulting from such determinations.

"(5) In this subsection, the term 'appropriate committees of Congress' means the following:

"(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

"(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

"(6) It is the sense of Congress that the waiver authority in paragraph (2) not be used by the Secretary to exempt from the applicability of paragraph (1) any covered persons in the highest risk categories, such as persons who have access to the most sensitive weapons design information and other highly sensitive programs, including special access programs.

"(7) The authority under paragraph (2) to waive the applicability of paragraph (1) to a covered person shall expire on September 30, 2002.".

(d) SCOPE OF COUNTERINTELLIGENCE POLYGRAPH EXAMINATION.—Subsection (f) of that section is amended—

(1) by inserting "terrorism," after "sabotage,"; and

(2) by inserting "deliberate damage to or malicious misuse of a United States Government information or defense system," before "and".

SEC. 3136. EMPLOYEE INCENTIVES FOR EMPLOYEES AT CLOSURE PROJECT FACILITIES.

(a) AUTHORITY TO PROVIDE INCENTIVES.—Notwithstanding any other provision of law, the Secretary of Energy may provide to any eligible employee of the Department of Energy one or more of the incentives described in subsection (d).

(b) ELIGIBLE EMPLOYEES.—An individual is an eligible employee of the Department of Energy for purposes of this section if the individual—

(1) has worked continuously at a closure facility for at least two years;

(2) is an employee (as that term is defined in section 2105(a) of title 5, United States Code);

(3) has a fully satisfactory or equivalent performance rating during the most recent performance period and is not subject to an adverse notice regarding conduct; and

(4) meets any other requirement or condition under subsection (d) for the incentive which is provided the employee under this section.

(c) CLOSURE FACILITY DEFINED.—For purposes of this section, the term "closure facility" means a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n).

(d) INCENTIVES.—The incentives that the Secretary may provide under this section are the following:

(1) The right to accumulate annual leave provided by section 6303 of title 5, United States Code, for use in succeeding years until it totals not more than 90 days, or not more than 720 hours based on a standard work week, at the beginning of the first full biweekly pay period, or corresponding period

for an employee who is not paid on the basis of biweekly pay periods, occurring in a year, except that—

(A) any annual leave that remains unused when an employee transfers to a position in a department or agency of the Federal Government shall be liquidated upon the transfer by payment to the employee of a lump sum for leave in excess of 30 days, or in excess of 240 hours based on a standard work week; and

(B) upon separation from service, annual leave accumulated under this paragraph shall be treated as any other accumulated annual leave is treated.

(2) The right to be paid a retention allowance in a lump sum in compliance with paragraphs (1) and (2) of section 5754(b) of title 5, United States Code, if the employee meets the requirements of section 5754(a) of that title, except that the retention allowance may exceed 25 percent, but may not be more than 30 percent, of the employee's rate of basic pay.

(e) AGREEMENT.—An eligible employee of the Department of Energy provided an incentive under this section shall enter into an agreement with the Secretary to remain employed at the closure facility at which the employee is employed as of the date of the agreement until a specific date or for a specific period of time.

(f) VIOLATION OF AGREEMENT.—(1) Except as provided under paragraph (3), an eligible employee of the Department of Energy who violates an agreement under subsection (e), or is dismissed for cause, shall forfeit eligibility for any incentives under this section as of the date of the violation or dismissal, as the case may be.

(2) Except as provided under paragraph (3), an eligible employee of the Department of Energy who is paid a retention allowance under subsection (d)(2) and who violates an agreement under subsection (e), or is dismissed for cause, before the end of the period or date of employment agreed upon under such agreement shall refund to the United States an amount that bears the same ratio to the aggregate amount so paid to or received by the employee as the unserved part of such employment bears to the total period of employment agreed upon under such agreement.

(3) The Secretary may waive the applicability of paragraph (1) or (2) to an employee otherwise covered by such paragraph if the Secretary determines that there is good and sufficient reason for the waiver.

(g) REPORT.—The Secretary shall include in each report on a closure project under section 3143(h) of the National Defense Authorization Act for Fiscal Year 1997 a report on the incentives, if any, provided under this section with respect to the project for the period covered by such report.

(h) AUTHORITY WITH RESPECT TO HEALTH COVERAGE.—Section 8905a(d)(5)(A) of title 5, United States Code (as added by section 1106 of the Veterans Millennium Health Care and Benefits Act (Public Law 106–117; 113 Stat. 1598)), is amended by inserting after "readjustment" the following: ", or a voluntary or involuntary separation from a Department of Energy position at a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n)".

(i) AUTHORITY WITH RESPECT TO VOLUNTARY SEPARATIONS.—(1) The Secretary may—

(A) separate from service any employee at a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n) who volunteers to be separated under this subparagraph even though the employee is not otherwise subject to separation due to a reduction in force; and

(B) for each employee voluntarily separated under subparagraph (A), retain an employee in a similar position who would otherwise be separated due to a reduction in force.

(2) The separation of an employee under paragraph (1)(A) shall be treated as an involuntary separation due to a reduction in force.

(3) An employee with critical knowledge and skills (as defined by the Secretary) may not participate in a voluntary separation under paragraph (1)(A) if the Secretary determines that such participation would impair the performance of the mission of the Department of Energy.

(j) TERMINATION.—The authority to provide incentives under this section terminates on March 31, 2007.

SEC. 3137. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

(a) CONTINUATION.—The Secretary of Energy shall continue operations and maintain a high state of readiness at the F–canyon and H–canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide technical staff necessary to operate and so maintain such facilities.

(b) LIMITATION ON USE OF FUNDS FOR DECOMMISSIONING OF F–CANYON FACILITY.—No amounts authorized to be appropriated or otherwise made available for the Department of Energy by this or any other Act may be obligated or expended for purposes of commencing the decommissioning of the F–canyon facility at the Savannah River Site until the Secretary and the Defense Nuclear Facilities Safety Board jointly submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives the following:

(1) A certification that all materials present in the F–canyon facility as of the date of the certification are safely stabilized.

(2) A certification whether or not the requirements applicable to the F–canyon facility to meet the future needs of the United States for fissile materials disposition can be met through full use of the H–canyon facility at the Savannah River Site.

(3) If the certification required by paragraph (2) is that such requirements cannot be met through such use of the H–canyon facility—

(A) an identification by the Secretary of each such requirement that cannot be met through such use of the H–canyon facility; and

(B) for each requirement identified in subparagraph (A), the reasons why that requirement cannot be met through such use of the H–canyon facility and a description of the alternative capability for fissile materials disposition that is needed to meet that requirement.

(c) PLAN FOR TRANSFER OF LONG-TERM CHEMICAL SEPARATION ACTIVITIES.—Not later than February 15, 2001, 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 plan for the transfer of all long-term chemical separation activities at the Savannah River Site from the F–canyon facility to the H–canyon facility commencing in fiscal year 2002.

SEC. 3138. CONTINGENT LIMITATION ON USE OF CERTAIN FUNDS PENDING CERTIFICATIONS OF COMPLIANCE WITH FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM FUNDING PROHIBITION.

(a) CONTINGENT LIMITATION ON AVAILABILITY OF FUNDS FOR CERTAIN TRAVEL EXPENSES.—Effective November 1, 2001, but subject to subsection (b), no funds authorized to be appropriated or otherwise made available by this or any other Act for the Department of Energy or the Department of the Army may be obligated or expended for travel by—

(1) the Secretary of Energy or any officer or employee of the Office of the Secretary of Energy; or

(2) the Chief of Engineers.

(b) EFFECTIVE DATE.—The limitation in subsection (a) shall not take effect if before November 1, 2001, both of the following certifications are submitted to the congressional defense committees:

(1) A certification by the Secretary of Energy that the Department of Energy is in compliance with the requirements of section 3131 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 925; 10 U.S.C. 2701 note).

(2) A certification by the Chief of Engineers that the Corps of Engineers is in compliance with the requirements of that section.

(c) TERMINATION.—If the limitation in subsection (a) takes effect, the limitation shall cease to be in effect when both certifications referred to in subsection (b) have been submitted to the congressional defense committees.

SEC. 3139. CONCEPTUAL DESIGN FOR SUBSURFACE GEOSCIENCES LABORATORY AT IDAHO NATIONAL ENGINEERING AND ENVIRONMENTAL LABORATORY, IDAHO FALLS, IDAHO.

(a) AUTHORIZATION.—Of the amounts authorized to be appropriated by paragraphs (2) and (3) of section 3102(a), not more than $400,000 may be available to the Secretary of Energy for purposes of carrying out a conceptual design for a Subsurface Geosciences Laboratory at Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho.

(b) LIMITATION.—None of the funds authorized to be appropriated by subsection (a) may be obligated until 60 days after the date on which the Secretary submits the report required by subsection (c).

(c) REPORT.—The Secretary of Energy shall submit to the congressional defense committees a report on the proposed Subsurface Geosciences Laboratory. The report shall include the following:

(1) Whether there is a need to conduct mesoscale experiments to meet long-term clean-up requirements at Department of Energy sites.

(2) The possibility of using or modifying an existing structure or facility to house a new capability for conducting mesoscale experiments.

(3) The estimated construction cost of the facility.

(4) The estimated annual operating cost of the facility.

(5) How the facility will use, integrate, and support the technical expertise, capabilities, and requirements at other Department of Energy and non-Department of Energy facilities.

(6) An analysis of costs, savings, and benefits which are unique to the Idaho National Engineering and Environmental Laboratory.

SEC. 3140. REPORT ON NATIONAL IGNITION FACILITY, LAWRENCE LIVERMORE NATIONAL LABORATORY, LIVERMORE, CALIFORNIA.

(a) NEW BASELINE.—(1) Not more than 50 percent of the funds available for the national ignition facility (Project 96–D–111) may be obligated or expended until the Administrator for Nuclear Security submits to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a new baseline plan for the completion of the national ignition facility.

(2) The report shall include—

(A) the funding required for completion of the facility, set forth in detail, year by year; and

(B) projected dates for the completion of program milestones, including the date on which the first laser beams are expected to become operational.

(b) COMPTROLLER GENERAL REVIEW OF NIF PROGRAM.—(1) The Comptroller General shall conduct a thorough review of the national ignition facility program.

(2) Not later than March 31, 2001, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the review conducted under paragraph (1). The report shall include the following:

(A) An analysis of—

(i) the role of the national ignition facility in ensuring the safety and reliability of the nuclear stockpile of the United States;

(ii) the relationship of the national ignition facility program to other significant programs to sustain the nuclear stockpile of the United States; and

(iii) the potential effect of delays in the national ignition facility program, and of a failure to complete significant program objectives of the program, on the other significant programs to sustain the nuclear stockpile of the United States, such as the Accelerated Strategic Computing Initiative Program.

(B) A detailed description and analysis of the funds spent as of the date of the report on the national ignition facility program.

(C) An assessment whether the new baseline plan for the national ignition facility program submitted under subsection (a) includes clear goals for that program, adequate and sustainable funding, and achievable milestones for that program.

SEC. 3141. RIVER PROTECTION PROJECT, RICHLAND, WASHINGTON.

(a) REDESIGNATION OF PROJECT.—The tank waste remediation system environmental project, Richland, Washington, including all

programs relating to the retrieval and treatment of tank waste at the site at Hanford, Washington, under the management of the Office of River Protection, shall be known and designated as the "River Protection Project". Any reference to that project in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the River Protection Project.

(b) MANAGEMENT AND RESPONSIBILITY OF OFFICE OF RIVER PROTECTION.—Subsection (b) of section 3139 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2250) is amended—

(1) in paragraph (2), by striking "managing all aspects of the" and all that follows through the period and inserting "managing, consistent with the policy direction established by the Department, all aspects of the River Protection Project, Richland, Washington."; and

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

"(3)(A) The Assistant Secretary of Energy for Environmental Management shall delegate in writing responsibility for the management of the River Protection Project, Richland, Washington, to the head of the Office.

"(B) Such delegation shall include, at a minimum, authorities for contracting, financial management, safety, and general program management that are equivalent to the authorities of managers of other operations offices of the Department of Energy.

"(C) The head of the Office shall, to the maximum extent possible, coordinate all activities of the Office with the manager of the Richland Operations Office of the Department of Energy.".

(c) DEPARTMENT RESPONSIBILITIES.—Subsection (c) of such section is amended—

(1) by striking "manager" and inserting "head"; and

(2) by striking "to manage" and all that follows through the period and inserting "to carry out the responsibilities specified in subsection (b)(2).".

(d) REPORTING TO CONGRESS.—Subsection (d) of such section is amended to read as follows:

"(d) REPORT.—The Assistant Secretary of Energy for Environmental Management shall submit 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 after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, a copy of the delegation of authority required by subsection (b)(3).".

SEC. 3142. REPORT ON TANK WASTE REMEDIATION SYSTEM, HANFORD RESERVATION, RICHLAND, WASHINGTON.

Not later than December 15, 2000, the Secretary of Energy shall submit to Congress a report on the Tank Waste Remediation System project, Hanford Reservation, Richland, Washington. The report shall include the following:

(1) A proposed plan for processing and stabilizing all nuclear waste located in the Hanford Tank Farm.

(2) A proposed schedule for carrying out that proposed plan.

(3) The total estimated cost of carrying out that proposed plan.

(4) A description of any alternative options to that proposed plan and a description of the costs and benefits of each such option.

(5) A description of the volumes and characteristics of any wastes or materials that are not to be treated during phase 1(B) of the project.

(6) A plan for developing, demonstrating, and implementing advanced vitrification system technologies that can be used to treat and stabilize any out-of-specification wastes or materials (such as polychlorinated biphenyls) that cannot be treated and stabilized with the technologies that are to be used during phase 1(B) of the project.

Subtitle D—Matters Relating to Management of National Nuclear Security Administration

SEC. 3151. TERM OF OFFICE OF PERSON FIRST APPOINTED AS UNDER SECRETARY FOR NUCLEAR SECURITY OF THE DEPARTMENT OF ENERGY.

(a) LENGTH OF TERM.—The term of office as Under Secretary for Nuclear Security of the Department of Energy of the person first appointed to that position shall be three years.

(b) EXCLUSIVE REASONS FOR REMOVAL.—The exclusive reasons for removal from office as Under Secretary for Nuclear Security of the person described in subsection (a) shall be inefficiency, neglect of duty, or malfeasance in office.

(c) POSITION DESCRIBED.—The position of Under Secretary for Nuclear Security of the Department of Energy referred to in this section is the position established by subsection (c) of section 202 of the Department of Energy Organization Act (42 U.S.C. 7132), as added by section 3202 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 954).

SEC. 3152. MEMBERSHIP OF UNDER SECRETARY FOR NUCLEAR SECURITY ON THE JOINT NUCLEAR WEAPONS COUNCIL.

(a) MEMBERSHIP.—Section 179 of title 10, United States Code, is amended—

(1) in subsection (a), by striking paragraph (3) and inserting the following new paragraph (3):

"(3) The Under Secretary for Nuclear Security of the Department of Energy."; and

(2) in subsection (b)(2), by striking "the representative designated under subsection (a)(3)" and inserting "the Under Secretary for Nuclear Security of the Department of Energy".

(b) CONFORMING AMENDMENT.—Section 3212 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 957; 50 U.S.C. 2402) is amended by adding at the end the following new subsection:

"(e) MEMBERSHIP ON JOINT NUCLEAR WEAPONS COUNCIL.—The Administrator serves as a member of the Joint Nuclear Weapons Council under section 179 of title 10, United States Code.".

SEC. 3153. ORGANIZATION PLAN FOR FIELD OFFICES OF THE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) PLAN REQUIRED.—Not later than May 1, 2001, the Administrator for Nuclear Security shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a plan for assigning roles and responsibilities to and among the headquarters and field organizational units of the National Nuclear Security Administration.

(b) PLAN ELEMENTS.—The plan shall include the following:

(1) A general description of the organizational structure of the administrative functions of the National Nuclear Security Administration under the plan, including the authorities and responsibilities to be vested in the units of the headquarters, operations offices, and area offices of the Administration.

(2) A description of any downsizing, elimination, or consolidation of units of the headquarters, operations offices, and area offices of the Administration that may be necessary to enhance the efficiency of the Administration.

(3) A description of the modifications of staffing levels of the headquarters, operations offices, and area offices of the Administration, including any reductions in force, employment of additional personnel, or realignments of personnel, that are necessary to implement the plan.

(4) A schedule for the implementation of the plan.

(c) INCLUDED FACILITIES.—The plan shall address any administrative units in the National Nuclear Security Administration, including units in and under the following:

(1) The Department of Energy Headquarters, Washington, District of Columbia, metropolitan area.

(2) The Albuquerque Operations Office, Albuquerque, New Mexico.

(3) The Nevada Operations Office, Las Vegas, Nevada.

(4) The Oak Ridge Operations Office, Oak Ridge, Tennessee.

(5) The Oakland Operations Office, Oakland, California.

(6) The Savannah River Operations Office, Aiken, South Carolina.

(7) The Los Alamos Area Office, Los Alamos, New Mexico.

(8) The Kirtland Area Office, Albuquerque, New Mexico.

(9) The Amarillo Area Office, Amarillo, Texas.

(10) The Kansas City Area Office, Kansas City, Missouri.

SEC. 3154. REQUIRED CONTENTS OF FUTURE-YEARS NUCLEAR SECURITY PROGRAM.

(a) CONTENTS REQUIRED.—Subsection (b) of section 3253 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 966; 50 U.S.C. 2453) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraph (2) as paragraph (4); and

(3) by inserting before paragraph (4) (as redesignated by paragraph (2)) the following new paragraphs:

"(1) A detailed description of the program elements (and the projects, activities, and construction projects associated with each such program element) during the applicable five-fiscal year period for at least each of the following:

"(A) For defense programs—

"(i) directed stockpile work;

"(ii) campaigns;
"(iii) readiness in technical base and facilities; and
"(iv) secure transportation asset.
"(B) For defense nuclear nonproliferation—
"(i) nonproliferation and verification, research, and development;
"(ii) arms control; and
"(iii) fissile materials disposition.
"(C) For naval reactors, naval reactors operations and maintenance.
"(2) A statement of proposed budget authority, estimated expenditures, and proposed appropriations necessary to support each program element specified pursuant to paragraph (1).
"(3) A detailed description of how the funds identified for each program element specified pursuant to paragraph (1) in the budget for the Administration for each fiscal year during that five-fiscal year period will help ensure that the nuclear weapons stockpile is safe and reliable, as determined in accordance with the criteria established under section 3158 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (42 U.S.C. 2121 note).".

(b) CONFORMING AMENDMENTS.—Such section is further amended—
(1) by striking subsection (c);
(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively; and
(3) in subsection (d), as so redesignated, by striking "subsection (d)" and inserting "subsection (c)".

SEC. 3155. FUTURE-YEARS NUCLEAR SECURITY PROGRAM FOR FISCAL YEAR 2001.

(a) PROGRAM REQUIRED.—(1) Without regard to any future-years nuclear security program submitted before the date of the enactment of this Act, the Administrator for Nuclear Security shall submit to the congressional defense committees a future-years nuclear security program (including associated annexes) for fiscal year 2001 and the five succeeding fiscal years.
(2) The program shall reflect the estimated expenditures and proposed appropriations included in the budget for fiscal year 2001 that was submitted to Congress under section 1105(a) of title 31, United States Code.

(b) PROGRAM DETAIL.—The level of detail of the program submitted under subsection (a) shall be equivalent to the level of detail in the Project Baseline Summary system of the Department of Energy, if practicable, but in no event below the following:
(1) In the case of directed stockpile work, detail as follows:
(A) Stockpile research and development.
(B) Stockpile maintenance.
(C) Stockpile evaluation.
(D) Dismantlement and disposal.
(E) Production support.
(F) Field engineering, training, and manuals.
(2) In the case of campaigns, detail as follows:
(A) Primary certification.
(B) Dynamic materials properties.
(C) Advanced radiography.

(D) Secondary certification and nuclear system margins.
(E) Enhanced surety.
(F) Weapons system engineering certification.
(G) Certification in hostile environments.
(H) Enhanced surveillance.
(I) Advanced design and production technologies.
(J) Inertial confinement fusion (ICF) ignition and high yield.
(K) Defense computing and modeling.
(L) Pit manufacturing readiness.
(M) Secondary readiness.
(N) High explosive readiness.
(O) Nonnuclear readiness.
(P) Materials readiness.
(Q) Tritium readiness.

(3) In the case of readiness in technical base and facilities, detail as follows:
(A) Operation of facilities.
(B) Program readiness.
(C) Special projects.
(D) Materials recycle and recovery.
(E) Containers.
(F) Storage.

(4) In the case of secure transportation assets, detail as follows:
(A) Operation and maintenance.
(B) Program direction relating to transportation.

(5) Program direction.
(6) Construction (listed by project number).
(7) In the case of safeguards and security, detail as follows:
(A) Operation and maintenance.
(B) Construction.

(c) DEADLINE FOR SUBMITTAL.—The future-years nuclear security program required by subsection (a) shall be submitted not later than November 1, 2000.

(d) LIMITATION ON USE OF FUNDS PENDING SUBMITTAL.—Not more than 65 percent of the funds appropriated pursuant to the authorization of appropriations in section 3101(a)(1)(C) or otherwise made available to the Department of Energy for fiscal year 2001 for program direction in carrying out weapons activities may be obligated or expended until 45 days after the date on which the Administrator for Nuclear Security submits to the congressional defense committees the program required by subsection (a).

SEC. 3156. ENGINEERING AND MANUFACTURING RESEARCH, DEVELOPMENT, AND DEMONSTRATION BY PLANT MANAGERS OF CERTAIN NUCLEAR WEAPONS PRODUCTION PLANTS.

(a) AUTHORITY FOR PROGRAMS AT NUCLEAR WEAPONS PRODUCTIONS FACILITIES.—The Administrator for Nuclear Security shall authorize the head of each nuclear weapons production facility to establish an Engineering and Manufacturing Research, Development, and Demonstration Program under this section.

(b) PROJECTS AND ACTIVITIES.—The projects and activities carried out through the program at a nuclear weapons production facility under this section shall support innovative or high-risk

design and manufacturing concepts and technologies with potentially high payoff for the nuclear weapons complex. Those projects and activities may include—

(1) replacement of obsolete or aging design and manufacturing technologies;

(2) development of innovative agile manufacturing techniques and processes; and

(3) training, recruitment, or retention of essential personnel in critical engineering and manufacturing disciplines.

(c) FUNDING.—The Administrator may authorize the head of each nuclear weapons production facility to obligate up to $3,000,000 of funds within the Advanced Design and Production Technologies Campaign available for such facility during fiscal year 2001 to carry out projects and activities of the program under this section at that facility.

(d) REPORT.—The Administrator for Nuclear Security shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, not later than September 15, 2001, a report describing, for each nuclear weapons production facility, each project or activity for which funds were obligated under the program, the criteria used in the selection of each such project or activity, the potential benefits of each such project or activity, and the Administrator's recommendation concerning whether the program should be continued.

(e) DEFINITION.—For purposes of this section, the term "nuclear weapons production facility" has the meaning given that term in section 3281(2) of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 968; 50 U.S.C. 2471(2)).

SEC. 3157. PROHIBITION ON INDIVIDUALS ENGAGING IN CONCURRENT SERVICE OR DUTIES WITHIN NATIONAL NUCLEAR SECURITY ADMINISTRATION AND OUTSIDE THAT ADMINISTRATION BUT WITHIN DEPARTMENT OF ENERGY.

Section 3213 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 958; 50 U.S.C. 2403) is amended—

(1) in subsection (a), by striking "Administration," and all that follows through "function of the";

(2) in subsection (b), by striking ", in carrying out any function of the Administration,"; and

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

"(d) PROHIBITION ON DUAL OFFICE HOLDING.—Except in accordance with sections 3212(a)(2) and 3216(a)(1):

"(1) An individual may not concurrently hold or carry out the responsibilities of—

"(A) a position within the Administration; and

"(B) a position within the Department of Energy not within the Administration.

"(2) No funds appropriated or otherwise made available for any fiscal year may be used to pay, to an individual who concurrently holds or carries out the responsibilities of a position specified in paragraph (1)(A) and a position specified in paragraph (1)(B), the basic pay, salary, or other compensation relating to any such position.".

SEC. 3158. ANNUAL PLAN FOR OBLIGATION OF FUNDS OF THE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) PLAN REQUIRED.—Section 3252 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 966; 50 U.S.C. 2452) is amended—

(1) by inserting "(a) PROCEDURES REQUIRED.—" before "The Administrator shall"; and

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

"(b) ANNUAL PLAN FOR OBLIGATION OF FUNDS.—(1) Each year, the Administrator shall prepare a plan for the obligation of the amounts that, in the President's budget submitted to Congress that year under section 1105(a) of title 31, United States Code, are proposed to be appropriated for the Administration for the fiscal year that begins in that year (in this section referred to as the 'budget year') and the two succeeding fiscal years.

"(2) For each program element and construction line item of the Administration, the plan shall provide the goal of the Administration for the obligation of those amounts for that element or item for each fiscal year of the plan, expressed as a percentage of the total amount proposed to be appropriated in that budget for that element or item.

"(c) SUBMISSION OF PLAN AND REPORT.—The Administrator shall submit to Congress each year, at or about the time that the President's budget is submitted to Congress under section 1105(a) of title 31, United States Code, each of the following:

"(1) The plan required by subsection (b) prepared with respect to that budget.

"(2) A report on the plans prepared with respect to the preceding years' budgets, which shall include, for each goal provided in those plans—

"(A) the assessment of the Administrator as to whether or not that goal was met; and

"(B) if that assessment is that the goal was not met—

"(i) the reasons why that goal was not met; and

"(ii) the plan of the Administrator for meeting or, if necessary, adjusting that goal.".

(b) EFFECTIVE DATE OF REQUIREMENT TO ASSESS PRIOR PLAN.—The first report submitted under paragraph (2) of subsection (c) of such section (as added by subsection (a)) shall be the report on the plan prepared with respect to the budget submitted in calendar year 2001.

(c) GAO REPORT.—Not later than March 15, 2001, the Comptroller General shall submit to the congressional defense committees an assessment of the adequacy of the planning, programming, and budgeting processes of the National Nuclear Security Administration.

SEC. 3159. AUTHORITY TO REORGANIZE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) REORGANIZATION AUTHORITY.—Section 3212 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 957; 50 U.S.C. 2402) is amended by adding at the end the following new subsection:

"(e) REORGANIZATION AUTHORITY.—Except as provided by subsections (b) and (c) of section 3291:

"(1) The Administrator may establish, abolish, alter, consolidate, or discontinue any organizational unit or component of the Administration, or transfer any function of the Administration.

"(2) Such authority does not apply to the abolition of organizational units or components established by law or the transfer of functions vested by law in any organizational unit or component.".

(b) CONFORMING AMENDMENTS.—Section 643 of the Department of Energy Organization Act (42 U.S.C. 7253) is amended—

(1) by striking "The Secretary" and inserting "(a) Except as provided in subsection (b), the Secretary"; and

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

"(b) The authority of the Secretary under subsection (a) does not apply to the National Nuclear Security Administration. The corresponding authority that applies to the Administration is set forth in section 3212(e) of the National Nuclear Security Administration Act.".

Subtitle E—National Laboratories Partnership Improvement

SEC. 3161. TECHNOLOGY INFRASTRUCTURE PILOT PROGRAM.

(a) ESTABLISHMENT.—The Administrator for Nuclear Security shall establish a Technology Infrastructure Pilot Program in accordance with this section.

(b) PURPOSE.—The purpose of the program shall be to explore new methods of collaboration and improvements in the management and effectiveness of collaborative programs carried out by the national security laboratories and nuclear weapons production facilities in partnership with private industry and institutions of higher education and to improve the ability of those laboratories and facilities to support missions of the Administration.

(c) FUNDING.—(1) Except as provided in paragraph (2), funding shall be available for the pilot program only to the extent of specific authorizations and appropriations enacted after the date of the enactment of this Act.

(2) From amounts available in fiscal years 2001 and 2002 for technology partnership programs of the Administration, the Administrator may allocate to carry out the pilot program not more than $5,000,000.

(d) PROJECT REQUIREMENTS.—A project may not be approved for the pilot program unless the project meets the following requirements:

(1) The participants in the project include—

(A) a national security laboratory or nuclear weapons production facility; and

(B) one or more of the following:

(i) A business.

(ii) An institution of higher education.

(iii) A nonprofit institution.

(iv) An agency of a State, local, or tribal government.

(2)(A) Not less than 50 percent of the costs of the project are to be provided by non-Federal sources.

(B)(i) The calculation of the amount of the costs of the project provided by non-Federal sources shall include cash, personnel, services, equipment, and other resources expended on the project.

(ii) No funds or other resources expended before the start of the project or outside the project's scope of work may be credited toward the costs provided by non-Federal sources to the project.

(3) The project (other than in the case of a project under which the participating laboratory or facility receives funding under this section) shall be competitively selected by that laboratory or facility using procedures determined to be appropriate by the Administrator.

(4) No Federal funds shall be made available under this section for—

(A) construction; or

(B) any project for more than five years.

(e) SELECTION CRITERIA.—(1) The projects selected for the pilot program shall—

(A) stimulate the development of technology expertise and capabilities in private industry and institutions of higher education that can support the nuclear weapons and nuclear nonproliferation missions of the national security laboratories and nuclear weapons production facilities on a continuing basis;

(B) improve the ability of those laboratories and facilities benefit from commercial research, technology, products, processes, and services that can support the nuclear weapons and nuclear nonproliferation missions of those laboratories and facilities on a continuing basis; and

(C) encourage the exchange of scientific and technological expertise between those laboratories and facilities and—

(i) institutions of higher education;

(ii) technology-related business concerns;

(iii) nonprofit institutions; and

(iv) agencies of State, tribal, or local governments; that can support the missions of those laboratories and facilities.

(2) The Administrator may authorize the provision of Federal funds for a project under this section only if the director of the laboratory or facility managing the project determines that the project is likely to improve the ability of that laboratory or facility to achieve technical success in meeting nuclear weapons and nuclear nonproliferation missions of the Administration.

(3) The Administrator shall require the director of the laboratory or facility to consider the following criteria in selecting a project to receive Federal funds:

(A) The potential of the project to succeed, based on its technical merit, team members, management approach, resources, and project plan.

(B) The potential of the project to promote the development of a commercially sustainable technology, determined by considering whether the project will derive sufficient demand for its products or services from the private sector to support the nuclear weapons and nuclear nonproliferation missions of the participating laboratory or facility on a continuing basis.

(C) The potential of the project to promote the use of commercial research, technology, products, processes, and services by the participating laboratory or facility to achieve its nuclear weapons and nuclear nonproliferation missions.

(D) The commitment shown by non-Federal organizations to the project, based primarily on the nature and amount of the financial and other resources they will risk on the project.

(E) The extent to which the project involves a wide variety and number of institutions of higher education, nonprofit institutions, and technology-related business concerns that can support the nuclear weapons and nuclear nonproliferation missions of the participating laboratory or facility on a continuing basis and that will make substantive contributions to achieving the goals of the project.

(F) The extent of participation in the project by agencies of State, tribal, or local governments that will make substantive contributions to achieving the goals of the project.

(G) The extent to which the project focuses on promoting the development of technology-related business concerns that are small business concerns or involves small business concerns substantively in the project.

(f) IMPLEMENTATION PLAN.—No funds may be allocated for the pilot program until 30 days after the date on which the Administrator submits to the congressional defense committees a plan for the implementation of the pilot program. The plan shall, at a minimum—

(1) identify the national security laboratories and nuclear weapons production facilities that have been designated by the Administrator to participate in the pilot program; and

(2) with respect to each laboratory or facility identified under paragraph (1)—

(A) identify the businesses, institutions of higher education, nonprofit institutions, and agencies of State, local, or tribal government that are expected to participate in the pilot program at that laboratory or facility;

(B) identify the technology areas to be addressed by the pilot program at that laboratory or facility and the manner in which the pilot program will support high-priority missions of that laboratory or facility on a continuing basis; and

(C) describe the management controls that have been put into place to ensure that the pilot program as conducted at that laboratory or facility is conducted in a cost-effective manner consistent with the objectives of the pilot program.

(g) REPORT ON IMPLEMENTATION.—(1) Not later than February 1, 2002, the Administrator shall submit to the congressional defense committees a report on the implementation and management of the pilot program. The report shall take into consideration the results of the pilot program to date and the views of the directors of the participating laboratories and facilities. The report shall include any recommendations the Administrator may have concerning the future of the pilot program.

(2) Not later than 30 days after the date on which the Administrator submits the report required by paragraph (1), the Comptroller General shall submit to the congressional defense committees a report containing the Comptroller General's assessment of that report.

SEC. 3162. REPORT ON SMALL BUSINESS PARTICIPATION IN NATIONAL NUCLEAR SECURITY ADMINISTRATION ACTIVITIES.

(a) REPORT REQUIRED.—Not later than February 15, 2001, the Administrator for Nuclear Security shall submit to the congressional defense committees a report on small business participation in the activities of the National Nuclear Security Administration.

(b) CONTENTS OF REPORT.—The report shall include the following:

(1) A description of the scope and nature of the efforts of the National Nuclear Security Administration as of the date of the enactment of this Act to encourage or increase participation of small business concerns in procurements, collaborative research, technology licensing, and technology transfer activities carried out by the national security laboratories or nuclear weapons production facilities.

(2) An assessment of the effectiveness of those efforts in securing products and services of value to those laboratories and facilities.

(3) Recommendations on how to improve those efforts.

(4) An identification of legislative changes required to implement those recommendations.

SEC. 3163. STUDY AND REPORT RELATED TO IMPROVING MISSION EFFECTIVENESS, PARTNERSHIPS, AND TECHNOLOGY TRANSFER AT NATIONAL SECURITY LABORATORIES AND NUCLEAR WEAPONS PRODUCTION FACILITIES.

(a) STUDY AND REPORT REQUIRED.—The Secretary of Energy shall direct the Secretary of Energy Advisory Board to study and to submit to the Secretary not later than one year after the date of the enactment of this Act a report regarding the following topics:

(1) The advantages and disadvantages of providing the Administrator for Nuclear Security with authority, notwithstanding the limitations otherwise imposed by the Federal Acquisition Regulation, to enter into transactions with public agencies, private organizations, or individuals on terms the Administrator considers appropriate to the furtherance of basic, applied, and advanced research functions. The Advisory Board shall consider, in its assessment of this authority, the management history of the Department of Energy and the effect of this authority on the National Nuclear Security Administration's use of contractors to operate the national security laboratories.

(2) The advantages and disadvantages of establishing and implementing policies and procedures to facilitate the transfer of scientific, technical, and professional personnel among national security laboratories and nuclear weapons production facilities.

(3) The advantages and disadvantages of making changes in—

(A) the indemnification requirements for patents or other intellectual property licensed from a national security laboratory or nuclear weapons production facility;

(B) the royalty and fee schedules and types of compensation that may be used for patents or other intellectual property licensed to a small business concern from a national security laboratory or nuclear weapons production facility;

(C) the licensing procedures and requirements for patents and other intellectual property;

(D) the rights given to a small business concern that has licensed a patent or other intellectual property from a national security laboratory or nuclear weapons production facility to bring suit against third parties infringing such intellectual property;

(E) the advance funding requirements for a small business concern funding a project at a national security laboratory or nuclear weapons production facility through a funds-in agreement;

(F) the intellectual property rights allocated to a business when it is funding a project at a national security laboratory or nuclear weapons production facility through a funds-in agreement; and

(G) policies on royalty payments to inventors employed by a contractor operating a national security laboratory or nuclear weapons production facility, including those for inventions made under a funds-in agreement.

(b) DEFINITION OF FUNDS-IN AGREEMENT.—For the purposes of this section, the term "funds-in agreement" means a contract between the Department and a non-Federal organization under which that organization pays the Department to provide a service or material not otherwise available in the domestic private sector.

(c) SUBMISSION TO CONGRESS.—Not later than one month after receiving the report under subsection (a), the Secretary shall submit to Congress that report, along with the Secretary's recommendations for action and proposals for legislation to implement the recommendations.

SEC. 3164. REPORT ON EFFECTIVENESS OF NATIONAL NUCLEAR SECURITY ADMINISTRATION TECHNOLOGY DEVELOPMENT PARTNERSHIPS WITH NON-FEDERAL ENTITIES.

(a) REPORT REQUIRED.—The Administrator for Nuclear Security shall submit to Congress, not later than March 1, 2001, a report on the efficiency and effectiveness with which the National Nuclear Security Administration and its laboratories and facilities carry out technology development activities in partnership with non-Federal entities, including cooperative research and development agreements. The report shall include an examination of the following matters with respect to the carrying out of those activities:

(1) Funding sources available to and used by the Administration.

(2) Types of legal instruments used by the Administration, and the extent to which they are used.

(3) Procedures used for selection of participants.

(4) Intellectual property licensing and royalty provisions.

(5) New technologies developed.

(6) The extent to which those new technologies have—

(A) commercial utility; and

(B) utility to the nuclear weapons and nuclear nonproliferation missions of the Administration.

(b) ADDITIONAL REQUIREMENTS FOR COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS.—(1) The report required by subsection (a) shall include a section providing the following with respect to cooperative research and development agreements:

(A) An assessment of the advantages and disadvantages of such agreements.

(B) Any recommendations of the Administrator regarding the use of such agreements by the Administration in the future, including any appropriate funding levels.

(C) Any recommendations of the Administrator regarding legislation to make such agreements more effective in supporting the Administration's core nuclear weapons and nuclear non-proliferation missions.

(2) In this subsection, the term "cooperative research and development agreement" has the meaning given such term in section 12(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1)).

(c) GAO REVIEW.—The Comptroller General shall submit to Congress, within 30 days after the submission of the report required by subsection (a), a report containing the Comptroller General's assessment of that report.

SEC. 3165. DEFINITIONS.

For purposes of this subtitle, the terms "national security laboratory" and "nuclear weapons production facility" have the meanings given such terms in section 3281 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 968; 50 U.S.C. 2471).

Subtitle F—Matters Relating to Defense Nuclear Nonproliferation

SEC. 3171. ANNUAL REPORT ON STATUS OF NUCLEAR MATERIALS PROTECTION, CONTROL, AND ACCOUNTING PROGRAM.

(a) REPORT REQUIRED.—Not later than January 1 of each year, 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 status of efforts during the preceding fiscal year under the Nuclear Materials Protection, Control, and Accounting Program of the Department of Energy to secure weapons-usable nuclear materials in Russia that have been identified as being at risk for theft or diversion.

(b) CONTENTS.—Each report under subsection (a) shall include the following:

(1) The number of buildings, including building locations, that received complete and integrated materials protection, control, and accounting systems for nuclear materials described in subsection (a) during the year covered by such report.

(2) The amounts of highly enriched uranium and plutonium in Russia that have been secured under systems described in paragraph (1) as of the date of such report.

(3) The amount of nuclear materials described in subsection (a) that continues to require securing under systems described in paragraph (1) as of the date of such report.

(4) A plan for actions to secure the nuclear materials identified in paragraph (3) under systems described in paragraph (1), including an estimate of the cost of such actions.

(5) The amounts expended through the fiscal year preceding the date of such report to secure nuclear materials described

in subsection (a) under systems described in paragraph (1), set forth by total amount and by amount per fiscal year.

(c) LIMITATION ON USE OF CERTAIN FUNDS.—(1) No amounts authorized to be appropriated for the Department of Energy by this Act or any other Act for purposes of the Nuclear Materials Protection, Control, and Accounting Program may be obligated or expended after September 30, 2000, for any project under the program at a site controlled by the Russian Ministry of Atomic Energy (MINATOM) in Russia until 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 the access policy established with respect to such project, including a certification that the access policy has been implemented.

(2) The access policy with respect to a project under this subsection shall—

(A) permit appropriate determinations by United States officials regarding security requirements, including security upgrades, for the project; and

(B) ensure verification by United States officials that Department of Energy assistance at the project is being used for the purposes intended.

SEC. 3172. NUCLEAR CITIES INITIATIVE.

(a) IN GENERAL.—(1) The Secretary of Energy may, in accordance with the provisions of this section, expand and enhance the activities of the Department of Energy under the Nuclear Cities Initiative.

(2) In this section, the term "Nuclear Cities Initiative" means the initiative arising pursuant to the joint statement dated July 24, 1998, signed by the Vice President of the United States and the Prime Minister of the Russian Federation and the agreement dated September 22, 1998, between the United States and the Russian Federation.

(b) FUNDING FOR FISCAL YEAR 2001.—There is hereby authorized to be appropriated for the Department of Energy for fiscal year 2001 $30,000,000 for purposes of the Nuclear Cities Initiative.

(c) LIMITATION PENDING SUBMISSION OF AGREEMENT.—No amount authorized to be appropriated or otherwise made available for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended to provide assistance under the Initiative for more than three nuclear cities in Russia and two serial production facilities in Russia until 30 days after the date on which the Secretary of Energy submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a copy of a written agreement between the United States Government and the Government of the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work.

(d) LIMITATION PENDING IMPLEMENTATION OF PROJECT REVIEW PROCEDURES.—(1) Not more than $8,750,000 of the amounts referred to in subsection (b) may be obligated or expended for purposes of the Initiative until the Secretary of Energy establishes and implements project review procedures for projects under the Initiative and submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House

of Representatives a report on the project review procedures so established and implemented.

(2) The project review procedures established under paragraph (1) shall ensure that any scientific, technical, or commercial project initiated under the Initiative—

(A) will not enhance the military or weapons of mass destruction capabilities of Russia;

(B) will not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;

(C) will be commercially viable; and

(D) will be carried out in conjunction with an appropriate commercial, industrial, or nonprofit entity as partner.

(e) LIMITATION PENDING CERTIFICATION AND REPORT.—No amount in excess of $17,500,000 authorized to be appropriated for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended for purposes of providing assistance under the Initiative until 30 days after the date on which the Secretary of Energy submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives the following:

(1) A copy of the written agreement between the United States and the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work within five years of the date of the agreement in exchange for receiving assistance through the Initiative.

(2) A certification by the Secretary—

(A) that project review procedures for all projects under the Initiative have been established and are being implemented; and

(B) that those procedures will ensure that any scientific, technical, or commercial project initiated under the Initiative—

(i) will not enhance the military or weapons of mass destruction capabilities of Russia;

(ii) will not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;

(iii) will be commercially viable within three years after the date of the initiation of the project; and

(iv) will be carried out in conjunction with an appropriate commercial, industrial, or other nonprofit entity as partner.

(3) A report setting forth the following:

(A) A description of the project review procedures process.

(B) A list of the projects under the Initiative that have been reviewed under such project review procedures.

(C) A description for each project listed under subparagraph (B) of the purpose, expected life-cycle costs, outyear budget costs, participants, commercial viability, expected time for income generation, and number of Russian jobs created.

(f) PLAN FOR RESTRUCTURING THE RUSSIAN NUCLEAR COMPLEX.—(1) The President, acting through the Secretary of Energy, is urged to enter into discussions with the Russian Federation

for purposes of the development by the Russian Federation of a plan to restructure the Russian nuclear complex in order to meet changes in the national security requirements of Russia by 2010.

(2) The plan under paragraph (1) should include the following:

(A) Mechanisms to consolidate the nuclear weapons production capacity in Russia to a capacity that is consistent with the obligations of Russia under current and future arms control agreements.

(B) Mechanisms to increase transparency regarding the restructuring of the Russian nuclear complex and weapons-surplus nuclear materials inventories in Russia to the levels of transparency for such matters in the United States, including the participation of Department of Energy officials with expertise in transparency of such matters.

(C) Measurable milestones that will permit the United States and the Russian Federation to monitor progress under the plan.

(g) ENCOURAGEMENT OF CAREERS IN NONPROLIFERATION.—(1) In carrying out actions under this section, the Secretary of Energy may carry out a program to encourage students in the United States and in the Russian Federation to pursue careers in areas relating to nonproliferation.

(2) Of the amounts made available under the Initiative for fiscal year 2001 in excess of $17,500,000, up to $2,000,000 shall be available for purposes of the program under paragraph (1).

(3) The Administrator for Nuclear Security shall notify the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives before any funds are expended pursuant to paragraph (2). Any such notification shall include—

(A) an identification of the amount to be expended under paragraph (2) during fiscal year 2001;

(B) the recipients of the funds; and

(C) specific information on the activities that will be conducted using those funds.

(h) DEFINITIONS.—In this section:

(1) The term "nuclear city" means any of the closed nuclear cities within the complex of the Russian Ministry of Atomic Energy as follows:

(A) Sarov (Arzamas–16).
(B) Zarechnyy (Penza–19).
(C) Novoural'sk (Sverdlovsk–44).
(D) Lesnoy (Sverdlovsk–45).
(E) Ozersk (Chelyabinsk–65).
(F) Snezhinsk (Chelyabinsk–70).
(G) Trechgornyy (Zlatoust–36).
(H) Seversk (Tomsk–7).
(I) Zheleznogorsk (Krasnoyarsk–26).
(J) Zelenogorsk (Krasnoyarsk–45).

(2) The term "Russian nuclear complex" means all of the nuclear cities.

(3) The term "serial production facilities" means the facilities in Russia that are located at the following cities:

(A) Avangard.
(B) Lesnoy (Sverdlovsk–45).
(C) Trechgornyy (Zlatoust–36).
(D) Zarechnyy (Penza–19).

SEC. 3173. DEPARTMENT OF ENERGY NONPROLIFERATION MONITORING.

(a) REPORT REQUIRED.—Not later than March 1, 2001, 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 efforts of the Department of Energy to ensure adequate oversight and accountability of the Department's nonproliferation programs in Russia and the potential costs and effects of the use of on-the-ground monitoring for the Department's significant nonproliferation programs in Russia. The report shall include the following:

(1) A detailed discussion of the current management and oversight mechanisms used to ensure that Federal funds are expended for the intended purposes of those programs and that the projects are achieving their intended objectives.

(2) An evaluation of whether those mechanisms are adequate.

(3) A discussion of whether there is a need for additional employees of the Department, or of contractors of the Department, to be stationed in Russia, or to visit nonproliferation project sites in Russia on a regular basis, to monitor the programs carried out at those sites, and an estimate of the practical considerations and costs of such monitoring.

(4) An identification of each nonproliferation program and each site at which an employee referred to in paragraph (3) would be placed to monitor that program.

(5) A description of the costs associated with continued on-the-ground monitoring of those programs, including the costs associated with placing those employees in Russia.

(6) Recommendations regarding the most cost-effective option for the Department to pursue to ensure that Federal funds for those programs are expended for the intended purposes of those programs.

(7) Any recommendations of the Secretary for further improvements in the oversight and accountability of those programs, including any proposed legislation.

(b) GAO REPORT.—Not later than April 15, 2001, the Comptroller General shall submit to the committees referred to in subsection (a) a report setting forth the assessment of the Comptroller General concerning the information contained in the report required by that subsection.

SEC. 3174. SENSE OF CONGRESS ON THE NEED FOR COORDINATION OF NONPROLIFERATION PROGRAMS.

It is the sense of Congress that there should be clear and effective coordination among—

(1) the Nuclear Cities Initiative;

(2) the Initiatives for Proliferation Prevention program;

(3) the Cooperative Threat Reduction programs;

(4) the Nuclear Materials Protection, Control, and Accounting Program; and

(5) the International Science and Technology Center program.

SEC. 3175. LIMITATION ON USE OF FUNDS FOR INTERNATIONAL NUCLEAR SAFETY PROGRAM.

Amounts authorized to be appropriated or otherwise made available by this title for the Department of Energy for fiscal year 2001 for the International Nuclear Safety Program in the former Soviet Union and Eastern Europe shall be available only for purposes of reactor safety upgrades and training relating to nuclear operator and reactor safety.

Subtitle G—Other Matters

SEC. 3191. EXTENSION OF AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

Section 3161(c)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 42 U.S.C. 7231 note) is amended by striking "September 30, 2000" and inserting "September 30, 2002".

SEC. 3192. BIENNIAL REPORT CONTAINING UPDATE ON NUCLEAR TEST READINESS POSTURES.

Section 3152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 623) is amended—

(1) by inserting "(a) REPORT.—" before "Not later than February 15, 1996,"; and

(2) by adding at the end the following:

"(b) BIENNIAL UPDATE REPORT.—(1) Not later than February 15 of each odd-numbered year, the Secretary shall submit to the congressional defense committees a report containing an update of the report required under subsection (a), as updated by any report previously submitted under this paragraph.

"(2) Each report under paragraph (1) shall include, as of the date of such report, the following:

"(A) A list and description of the workforce skills and capabilities that are essential to carry out underground nuclear tests at the Nevada Test Site.

"(B) A list and description of the infrastructure and physical plant that are essential to carry out underground nuclear tests at the Nevada Test Site.

"(C) A description of the readiness status of the skills and capabilities described in subparagraph (A) and of the infrastructure and physical plant described in subparagraph (B).

"(3) Each report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.".

SEC. 3193. FREQUENCY OF REPORTS ON INADVERTENT RELEASES OF RESTRICTED DATA AND FORMERLY RESTRICTED DATA.

(a) FREQUENCY OF REPORTS.—Section 3161(f)(2) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2261; 50 U.S.C. 435 note) is amended to read as follows:

"(2) The Secretary of Energy shall, on a quarterly basis, submit a report to the committees and Assistant to the President specified in subsection (d). The report shall state whether any inadvertent releases described in paragraph (1) occurred during the immediately preceding quarter and, if so, shall identify each such release.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) apply with respect to inadvertent releases of Restricted Data and Formerly Restricted Data that are discovered on or after the date of the enactment of this Act.

SEC. 3194. FORM OF CERTIFICATIONS REGARDING THE SAFETY OR RELIABILITY OF THE NUCLEAR WEAPONS STOCKPILE.

Any certification submitted to the President by the Secretary of Defense or the Secretary of Energy regarding confidence in the safety or reliability of a nuclear weapon type in the United States nuclear weapons stockpile shall be submitted in classified form only.

SEC. 3195. AUTHORITY TO PROVIDE CERTIFICATE OF COMMENDATION TO DEPARTMENT OF ENERGY AND CONTRACTOR EMPLOYEES FOR EXEMPLARY SERVICE IN STOCKPILE STEWARDSHIP AND SECURITY.

(a) AUTHORITY TO PRESENT CERTIFICATE OF COMMENDATION.—The Secretary of Energy may present a certificate of commendation to any current or former employee of the Department of Energy, and any current or former employee of a Department contractor, whose service to the Department in matters relating to stockpile stewardship and security assisted the Department in furthering the national security interests of the United States.

(b) CERTIFICATE.—The certificate of commendation presented to a current or former employee under subsection (a) shall include an appropriate citation of the service of the current or former employee described in that subsection, including a citation for dedication, intellect, and sacrifice in furthering the national security interests of the United States by maintaining a strong, safe, and viable United States nuclear deterrent during the Cold War or thereafter.

(c) DEPARTMENT OF ENERGY DEFINED.—For purposes of this section, the term "Department of Energy" includes any predecessor agency of the Department of Energy.

SEC. 3196. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS FOR GOVERNMENT-OWNED, CONTRACTOR-OPERATED LABORATORIES.

(a) STRATEGIC PLANS.—Subsection (a) of section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) is amended by striking "joint work statement," and inserting "joint work statement or, if permitted by the agency, in an agency-approved annual strategic plan,".

(b) EXPERIMENTAL FEDERAL WAIVERS.—Subsection (b) of that section is amended by adding at the end the following new paragraph:

"(6)(A) In the case of a laboratory that is part of the National Nuclear Security Administration, a designated official of that Administration may waive any license retained by the Government under paragraph (1)(A), (2), or (3)(D), in whole or in part and according to negotiated terms and conditions, if the designated official finds that the retention of the license by the Government would substantially inhibit the commercialization of an invention that would otherwise serve an important national security mission.

"(B) The authority to grant a waiver under subparagraph (A) shall expire on the date that is five years after the date of the enactment of the Floyd D. Spence National Defense Authorization

Act for Fiscal Year 2001. The expiration under the preceding sentence of authority to grant a waiver under subparagraph (A) shall not affect any waiver granted under that subparagraph before the expiration of such authority.

"(C) Not later than February 15 of each year, the Administrator for Nuclear Security shall submit to Congress a report on any waivers granted under this paragraph during the preceding year.".

(c) TIME REQUIRED FOR APPROVAL.—Subsection (c)(5) of that section is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) in subparagraph (C), as so redesignated—

(A) in clause (i)—

(i) by striking "with a small business firm"; and

(ii) by inserting "if" after "statement"; and

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

"(iv) Any agency that has contracted with a non-Federal entity to operate a laboratory may develop and provide to such laboratory one or more model cooperative research and development agreements for purposes of standardizing practices and procedures, resolving common legal issues, and enabling review of cooperative research and development agreements to be carried out in a routine and prompt manner.

"(v) A Federal agency may waive the requirements of clause (i) or (ii) under such circumstances as the agency considers appropriate.".

SEC. 3197. OFFICE OF ARCTIC ENERGY.

(a) ESTABLISHMENT.—The Secretary of Energy may establish within the Department of Energy an Office of Arctic Energy.

(b) PURPOSES.—The purposes of such office shall be as follows:

(1) To promote research, development, and deployment of electric power technology that is cost-effective and especially well suited to meet the needs of rural and remote regions of the United States, especially where permafrost is present or located nearby.

(2) To promote research, development, and deployment in such regions of—

(A) enhanced oil recovery technology, including heavy oil recovery, reinjection of carbon, and extended reach drilling technologies;

(B) gas-to-liquids technology and liquified natural gas (including associated transportation systems);

(C) small hydroelectric facilities, river turbines, and tidal power;

(D) natural gas hydrates, coal bed methane, and shallow bed natural gas; and

(E) alternative energy, including wind, geothermal, and fuel cells.

(c) LOCATION.—The Secretary shall locate such office at a university with expertise and experience in the matters specified in subsection (b).

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2001, $18,500,000 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 stockpile funds.
Sec. 3302. Increased receipts under prior disposal authority.
Sec. 3303. Disposal of titanium.

SEC. 3301. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2001, the National Defense Stockpile Manager may obligate up to $71,000,000 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. INCREASED RECEIPTS UNDER PRIOR DISPOSAL AUTHORITY.

Section 3303(a)(4) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2263; 50 U.S.C. 98d note) is amended by striking "$590,000,000" and inserting "$720,000,000".

SEC. 3303. DISPOSAL OF TITANIUM.

(a) DISPOSAL REQUIRED.—Notwithstanding any other provision of law, the President shall, by September 30, 2010, dispose of 30,000 short tons of titanium contained in the National Defense Stockpile.

(b) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), of the funds received as a result of the disposal of titanium under subsection (a), $6,000,000 shall be transferred to the American Battle Monuments Commission for deposit in the fund established under section 2113 of title 36, United States Code, for the World War II memorial authorized by section 1 of Public Law

103–32 (107 Stat. 90), and the remainder shall be deposited into the Treasury as miscellaneous receipts.

(c) WORLD WAR II MEMORIAL.—(1) The amount transferred to the American Battle Monuments Commission under subsection (b) shall be used to complete all necessary requirements for the design of, ground breaking for, construction of, maintenance of, and dedication of the World War II memorial. The Commission shall determine how the amount shall be apportioned among such purposes.

(2) Any funds not necessary for the purposes set forth in paragraph (1) shall be transferred to and deposited in the general fund of the Treasury.

(d) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding materials in the National Defense Stockpile.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Minimum price of petroleum sold from certain naval petroleum reserves.
Sec. 3402. Repeal of authority to contract for cooperative or unit plans affecting naval petroleum reserve numbered 1.
Sec. 3403. Disposal of Oil Shale Reserve Numbered 2.

SEC. 3401. MINIMUM PRICE OF PETROLEUM SOLD FROM CERTAIN NAVAL PETROLEUM RESERVES.

Section 7430(b)(2) of title 10, United States Code, is amended—

(1) in the matter before subparagraph (A), by striking "Naval Petroleum Reserves Numbered 1, 2, and 3" and inserting "Naval Petroleum Reserves Numbered 2 and 3"; and

(2) in subparagraph (A), by striking "90 percent of".

SEC. 3402. REPEAL OF AUTHORITY TO CONTRACT FOR COOPERATIVE OR UNIT PLANS AFFECTING NAVAL PETROLEUM RESERVE NUMBERED 1.

(a) REPEAL.—Section 7426 of title 10, United States Code, is repealed.

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) Section 7425 of such title is amended by striking "for—" and all that follows through "he may acquire" and inserting "for exchanges of land or agreements for conservation authorized by section 7424 of this title, the Secretary may acquire".

(2) Section 7428 of such title is amended by striking ", except a plan authorized by section 7426 of this title,".

(3) The table of sections at the beginning of chapter 641 of such title is amended by striking the item relating to section 7426.

(c) SAVINGS PROVISION.—The repeal of section 7426 of title 10, United States Code, shall not affect the validity of contracts that are in effect under such section on the day before the date of the enactment of this Act. No such contract may be extended or renewed on or after the date of the enactment of this Act.

SEC. 3403. DISPOSAL OF OIL SHALE RESERVE NUMBERED 2.

(a) TRANSFER TO INDIAN TRIBE.—Section 3405 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999

(10 U.S.C. 7420 note; Public Law 105–261) is amended to read as follows:

"SEC. 3405. DISPOSAL OF OIL SHALE RESERVE NUMBERED 2.

"(a) DEFINITIONS.—In this section:

"(1) NOSR–2.—The term 'NOSR–2' means Oil Shale Reserve Numbered 2, as identified on a map on file in the Office of the Secretary of the Interior.

"(2) MOAB SITE.—The term 'Moab site' means the Moab uranium milling site located approximately three miles northwest of Moab, Utah, and identified in the Final Environmental Impact Statement issued by the Nuclear Regulatory Commission in March 1996 in conjunction with Source Materials License No. SUA–917.

"(3) MAP.—The term 'map' means the map depicting the boundaries of NOSR–2, to be kept on file and available for public inspection in the offices of the Department of the Interior.

"(4) TRIBE.—The term 'Tribe' means the Ute Indian Tribe of the Uintah and Ouray Indian Reservation.

"(5) TRUSTEE.—The term 'Trustee' means the Trustee of the Moab Mill Reclamation Trust.

"(b) CONVEYANCE.—(1) Except as provided in paragraph (2) and subsection (e), all right, title, and interest of the United States in and to all Federal lands within the exterior boundaries of NOSR–2 (including surface and mineral rights) are hereby conveyed to the Tribe in fee simple. The Secretary of Energy shall execute and file in the appropriate office a deed or other instrument effectuating the conveyance made by this section.

"(2) The conveyance under paragraph (1) does not include the following:

"(A) The portion of the bed of Green River contained entirely within NOSR–2, as depicted on the map.

"(B) The land (including surface and mineral rights) to the west of the Green River within NOSR–2, as depicted on the map.

"(C) A ¼ mile scenic easement on the east side of the Green River within NOSR–2.

"(c) CONDITIONS ON CONVEYANCE.—(1) The conveyance under subsection (b) is subject to valid existing rights in effect on the day before the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

"(2) On completion of the conveyance under subsection (b), the United States relinquishes all management authority over the conveyed land, including tribal activities conducted on the land.

"(3) The land conveyed to the Tribe under subsection (b) shall not revert to the United States for management in trust status.

"(4) The reservation of the easement under subsection (b)(2)(C) shall not affect the right of the Tribe to use and maintain access to the Green River through the use of the road within the easement, as depicted on the map.

"(5) Each withdrawal that applies to NOSR–2 and that is in effect on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 is revoked to the extent that the withdrawal applies to NOSR–2.

"(6) Notwithstanding that the land conveyed to the Tribe under subsection (b) shall not be part of the reservation of the Tribe,

such land shall be deemed to be part of the reservation of the Tribe for the purposes of criminal and civil jurisdiction.

"(d) ADMINISTRATION OF UNCONVEYED LAND AND INTERESTS IN LAND.—(1) The land and interests in land excluded by subparagraphs (A) and (B) of subsection (b)(2) from conveyance under subsection (b) shall be administered by the Secretary of the Interior in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

"(2) Not later than three years after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, the Secretary of the Interior shall submit to Congress a land use plan for the management of the land and interests in land referred to in paragraph (1).

"(3) There are authorized to be appropriated to the Secretary of the Interior such sums as are necessary to carry out this subsection.

"(e) ROYALTY.—(1) Notwithstanding the conveyance under subsection (b), the United States retains a nine percent royalty interest in the value of any oil, gas, other hydrocarbons, and all other minerals that are produced, saved, and sold from the conveyed land during the period beginning on the date of the conveyance and ending on the date the Secretary of Energy releases the royalty interest under subsection (i).

"(2) The royalty payments shall be made by the Tribe or its designee to the Secretary of Energy during the period that the oil, gas, hydrocarbons, or minerals are being produced, saved, sold, or extracted. The Secretary of Energy shall retain and use the payments in the manner provided in subsection (i)(3).

"(3) The royalty interest retained by the United States under this subsection does not include any development, production, marketing, and operating expenses.

"(4) The Tribe shall submit to the Secretary of Energy and to Congress an annual report on resource development and other activities of the Tribe concerning the conveyance under subsection (b).

"(5) Not later than five years after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, and every five years thereafter, the Tribe shall obtain an audit of all resource development activities of the Tribe concerning the conveyance under subsection (b), as provided under chapter 75 of title 31, United States Code. The results of each audit under this paragraph shall be included in the next annual report submitted under paragraph (4).

"(f) RIVER MANAGEMENT.—(1) The Tribe shall manage, under Tribal jurisdiction and in accordance with ordinances adopted by the Tribe, land of the Tribe that is adjacent to, and within ¼ mile of, the Green River in a manner that—

"(A) maintains the protected status of the land; and

"(B) is consistent with the government-to-government agreement and in the memorandum of understanding dated February 11, 2000, as agreed to by the Tribe and the Secretary of the Interior.

"(2) An ordinance referred to in paragraph (1) shall not impair, limit, or otherwise restrict the management and use of any land that is not owned, controlled, or subject to the jurisdiction of the Tribe.

"(3) An ordinance adopted by the Tribe and referenced in the government-to-government agreement may not be repealed or amended without the written approval of both the Tribe and the Secretary of the Interior.

"(g) PLANT SPECIES.—(1) In accordance with a government-to-government agreement between the Tribe and the Secretary of the Interior, in a manner consistent with levels of legal protection in effect on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, the Tribe shall protect, under ordinances adopted by the Tribe, any plant species that is—

"(A) listed as an endangered species or threatened species under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); and

"(B) located or found on the NOSR–2 land conveyed to the Tribe.

"(2) The protection described in paragraph (1) shall be performed solely under tribal jurisdiction.

"(h) HORSES.—(1) The Tribe shall manage, protect, and assert control over any horse not owned by the Tribe or tribal members that is located or found on the NOSR–2 land conveyed to the Tribe in a manner that is consistent with Federal law governing the management, protection, and control of horses in effect on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

"(2) The management, control, and protection of horses described in paragraph (1) shall be performed solely—

"(A) under tribal jurisdiction; and

"(B) in accordance with a government-to-government agreement between the Tribe and the Secretary of the Interior.

"(i) REMEDIAL ACTION AT MOAB SITE.—(1)(A) The Secretary of Energy shall prepare a plan for remediation, including ground water restoration, of the Moab site in accordance with title I of the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7911 et seq.). The Secretary of Energy shall enter into arrangements with the National Academy of Sciences to obtain the technical advice, assistance, and recommendations of the National Academy of Sciences in objectively evaluating the costs, benefits, and risks associated with various remediation alternatives, including removal or treatment of radioactive or other hazardous materials at the site, ground water restoration, and long-term management of residual contaminants. If the Secretary prepares a remediation plan that is not consistent with the recommendations of the National Academy of Sciences, the Secretary shall submit to Congress a report explaining the reasons for deviation from the National Academy of Sciences' recommendations.

"(B) The remediation plan required by subparagraph (A) shall be completed not later than one year after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, and the Secretary of Energy shall commence remedial action at the Moab site as soon as practicable after the completion of the plan.

"(C) The license for the materials at the Moab site issued by the Nuclear Regulatory Commission shall terminate one year after the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, unless the Secretary of Energy determines that the license may be terminated earlier.

Until the license is terminated, the Trustee, subject to the availability of funds appropriated specifically for a purpose described in clauses (i) through (iii) or made available by the Trustee from the Moab Mill Reclamation Trust, may carry out—

"(i) interim measures to reduce or eliminate localized high ammonia concentrations in the Colorado River, identified by the United States Geological Survey in a report dated March 27, 2000;

"(ii) activities to dewater the mill tailings at the Moab site; and

"(iii) other activities related to the Moab site, subject to the authority of the Nuclear Regulatory Commission and in consultation with the Secretary of Energy.

"(D) As part of the remediation plan for the Moab site required by subparagraph (A), the Secretary of Energy shall develop, in consultation with the Trustee, the Nuclear Regulatory Commission, and the State of Utah, an efficient and legal means for transferring all responsibilities and title to the Moab site and all the materials therein from the Trustee to the Department of Energy.

"(2) The Secretary of Energy shall limit the amounts expended in carrying out the remedial action under paragraph (1) to—

"(A) amounts specifically appropriated for the remedial action in an appropriation Act; and

"(B) other amounts made available for the remedial action under this subsection.

"(3)(A) The royalty payments received by the Secretary of Energy under subsection (e) shall be available to the Secretary, without further appropriation, to carry out the remedial action under paragraph (1) until such time as the Secretary determines that all costs incurred by the United States to carry out the remedial action (other than costs associated with long-term monitoring) have been paid.

"(B) Upon making the determination referred to in subparagraph (A), the Secretary of Energy shall transfer all remaining royalty amounts to the general fund of the Treasury and release to the Tribe the royalty interest retained by the United States under subsection (e).

"(4)(A) Funds made available to the Department of Energy for national security activities shall not be used to carry out the remedial action under paragraph (1), except that the Secretary of Energy may use such funds for program direction directly related to the remedial action.

"(B) There are authorized to be appropriated to the Secretary of Energy to carry out the remedial action under paragraph (1) such sums as are necessary.

"(5) If the Moab site is sold after the date on which the Secretary of Energy completes the remedial action under paragraph (1), the seller shall pay to the Secretary of Energy, for deposit in the general fund of the Treasury, the portion of the sale price that the Secretary determines resulted from the enhancement of the value of the Moab site as a result of the remedial action. The enhanced value of the Moab site shall be equal to the difference between—

"(A) the fair market value of the Moab site on the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, based on information available on that date; and

"(B) the fair market value of the Moab site, as appraised on completion of the remedial action.".

(b) URANIUM MILL TAILINGS.—Section 102 of the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7912) is amended by adding at the end the following new subsection:

"(f) DESIGNATION OF MOAB SITE AS PROCESSING SITE.—

"(1) DESIGNATION.—Notwithstanding any other provision of law, the Moab uranium milling site (referred to in this subsection as the 'Moab site') located approximately three miles northwest of Moab, Utah, and identified in the Final Environmental Impact Statement issued by the Nuclear Regulatory Commission in March 1996 in conjunction with Source Materials License No. SUA–917, is designated as a processing site.

"(2) APPLICABILITY.—This title applies to the Moab site in the same manner and to the same extent as to other processing sites designated under subsection (a), except that—

"(A) sections 103, 104(b), 107(a), 112(a), and 115(a) of this title shall not apply; and

"(B) a reference in this title to the date of the enactment of this Act shall be treated as a reference to the date of the enactment of this subsection.

"(3) REMEDIATION.—Subject to the availability of appropriations for this purpose, the Secretary shall conduct remediation at the Moab site in a safe and environmentally sound manner that takes into consideration the remedial action plan prepared pursuant to section 3405(i) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (10 U.S.C. 7420 note; Public Law 105–261), including—

"(A) ground water restoration; and

"(B) the removal, to a site in the State of Utah, for permanent disposition and any necessary stabilization, of residual radioactive material and other contaminated material from the Moab site and the floodplain of the Colorado River.".

(c) CONFORMING AMENDMENT.—Section 3406 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (10 U.S.C. 7420 note; Public Law 105–261) is amended by adding at the end the following new subsection:

"(f) OIL SHALE RESERVE NUMBERED 2.—This section does not apply to the transfer of Oil Shale Reserve Numbered 2 under section 3405.".

TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2001.
Sec. 3502. Scrapping of National Defense Reserve Fleet vessels.
Sec. 3503. Authority to convey National Defense Reserve Fleet vessel, GLACIER.
Sec. 3504. Maritime intermodal research.
Sec. 3505. Maritime research and technology development.
Sec. 3506. Reporting of administered and oversight funds.

SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2001.

Funds are hereby authorized to be appropriated for fiscal year 2001, 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, $94,260,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $54,179,000, of which—

(A) $50,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $4,179,000 is for administrative expenses related to loan guarantee commitments under the program.

SEC. 3502. SCRAPPING OF NATIONAL DEFENSE RESERVE FLEET VESSELS.

(a) EXTENSION OF SCRAPPING AUTHORITY UNDER NATIONAL MARITIME HERITAGE ACT OF 1994.—Section 6(c)(1) of the National Maritime Heritage Act of 1994 (16 U.S.C. 5405(c)(1)) is amended—

(1) in subparagraph (A) by striking "2001" and inserting "2006"; and

(2) by striking subparagraph (B) and inserting the following:

"(B) in the manner that provides the best value to the Government, except in any case in which obtaining the best value would require towing a vessel and such towing poses a serious threat to the environment; and".

(b) SELECTION OF SCRAPPING FACILITIES.—The Secretary of Transportation may scrap obsolete vessels pursuant to section 6(c)(1) of the National Maritime Heritage Act of 1994 (16 U.S.C. 5405(c)(1)) through qualified scrapping facilities, using the most expeditious scrapping methodology and location practicable. Scrapping facilities shall be selected under that section on a best value basis consistent with the Federal Acquisition Regulation, as in effect on the date of the enactment of this Act, without any predisposition toward foreign or domestic facilities taking into consideration, among other things, the ability of facilities to scrap vessels—

(1) at least cost to the Government;

(2) in a timely manner;

(3) giving consideration to worker safety and the environment; and

(4) in a manner that minimizes the geographic distance that a vessel must be towed when towing a vessel poses a serious threat to the environment.

(c) LIMITATION ON SCRAPPING BEFORE PROGRAM.—

(1) IN GENERAL.—Until the report required by subsection (d)(1) is transmitted to the congressional committees referred to in that subsection, the Secretary may not proceed with the scrapping of any vessel in the National Defense Reserve Fleet except the following:

(A) DONNER.
(B) EXPORT COMMERCE.
(C) BUILDER.
(D) ALBERT E. WATTS.
(E) WAYNE VICTORY.
(F) MORMACDAWN.
(G) MORMACMOON.
(H) SANTA ELENA.
(I) SANTA ISABEL.
(J) SANTA CRUZ.

(K) PROTECTOR.
(L) LAUDERDALE.
(N) PVT. FRED C. MURPHY.
(M) BEAUJOLAIS.
(O) MEACHAM.
(P) NEACO.
(Q) WABASH.
(R) NEMASKET.
(S) MIRFAK.
(T) GEN. ALEX M. PATCH.
(U) ARTHUR M. HUDDELL.
(V) WASHINGTON.
(W) SUFFOLK COUNTY.
(X) CRANDALL.
(Y) CRILLEY.
(Z) RIGEL.
(AA) VEGA.
(BB) COMPASS ISLAND.
(CC) EXPORT CHALLENGER.
(DD) PRESERVER.
(EE) MARINE FIDDLER.
(FF) WOOD COUNTY.
(GG) CATAWBA VICTORY.
(HH) GEN. NELSON M. WALKER.
(II) LORAIN COUNTY.
(JJ) LYNCH.
(KK) MISSION SANTA YNEZ.
(LL) CALOOSAHATCHEE.
(MM) CANISTEO.

(2) PRIORITIZATION.—The Secretary shall exercise discretion to prioritize for scrapping those vessels identified in paragraph (1) that pose the most immediate threat to the environment.

(d) SCRAPPING PROGRAM FOR OBSOLETE NATIONAL DEFENSE RESERVE FLEET VESSELS.—

(1) DEVELOPMENT OF PROGRAM; REPORT.—The Secretary of Transportation, in consultation with the Secretary of the Navy and the Administrator of the Environmental Protection Agency, shall within 6 months after the date of the enactment of this Act—

(A) develop a program for the scrapping of obsolete National Defense Reserve Fleet vessels; and

(B) submit a report on the program to the Committee on Transportation and Infrastructure and the Committee on Resources of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committees on Armed Services of the House of Representatives and the Senate.

(2) CONTENTS OF REPORT.—The report shall include information concerning the initial determination of scrapping capacity, both domestically and abroad, appropriate proposed regulations to implement the program, funding and staffing requirements, milestone dates for the disposal of each obsolete vessel, and longterm cost estimates for the program.

(3) ALTERNATIVES.—In developing the program, the Secretary of Transportation, in consultation with the Secretary

of the Navy and the Administrator of the Environmental Protection Agency, shall consider all alternatives and available information, including—

(A) alternative scrapping sites;

(B) vessel donations;

(C) sinking of vessels in deep water;

(D) sinking vessels for development of artificial reefs;

(E) sales of vessels before they become obsolete;

(F) results from the Navy Ship Disposal Program under section 8124 of the Department of Defense Appropriations Act, 1999; and

(G) the Report of the Department of Defense's Interagency Panel on Ship Scrapping issued in April 1998.

(e) REPORT.—Not later than 1 year after the date of the enactment of this Act, 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 and the Committee on Resources of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committees on Armed Services of the House of Representatives and the Senate on the progress of the vessel scrapping program developed under subsection (d)(1) and on the progress of any other scrapping of obsolete Government-owned vessels.

(f) PRESIDENTIAL RECOMMENDATION.—The President shall transmit with the report required by subsection (d)(1) a recommendation on—

(1) whether it is necessary to amend the Toxic Substances Control Act (15 U.S.C. 2601 et seq.) or any other environmental statute or regulatory requirements relevant to the disposal of vessels described in section 6(c)(2) of the National Maritime Heritage Act of 1994 (16 U.S.C. 5405(c)(2)) by September 30, 2006; and

(2) any proposed changes to those requirements to carry out such disposals.

SEC. 3503. AUTHORITY TO CONVEY NATIONAL DEFENSE RESERVE FLEET VESSEL, GLACIER.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation (in this section referred to as "the Secretary") may, subject to subsection (b), convey all right, title, and interest of the United States Government in and to the vessel in the National Defense Reserve Fleet that was formerly the U.S.S. GLACIER (United States official number AGB–4) to the Glacier Society, Inc., a corporation established under the laws of the State of Connecticut that is located in Bridgeport, Connecticut (in this section referred to as the "recipient").

(b) TERMS OF CONVEYANCE.—

(1) REQUIRED CONDITIONS.—The Secretary may not convey a vessel under this section unless the recipient—

(A) agrees to use the vessel for the purpose of a monument to the accomplishments of members of the Armed Forces of the United States, civilians, scientists, and diplomats in exploration of the Arctic and the Antarctic;

(B) agrees that the vessel will not be used for commercial purposes;

(C) agrees to make the vessel available to the Government if the Secretary requires use of the vessel by the Government for war or national emergency;

(D) agrees to hold the Government harmless for any claims arising from exposure to asbestos, polychlorinated biphenyls, or lead paint after the conveyance of the vessel, except for claims arising from use of the vessel by the Government pursuant to the agreement under subparagraph (C); and

(E) provides sufficient evidence to the Secretary that it has available for use to restore the vessel, in the form of cash, liquid assets, or a written loan commitment, financial resources of at least $100,000.

(2) DELIVERY OF VESSEL.—If the Secretary conveys the vessel under this section, the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of conveyance;

(B) in its condition on that date; and

(C) at no cost to the United States Government.

(3) ADDITIONAL TERMS.—The Secretary may require such additional terms in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(c) OTHER UNNEEDED EQUIPMENT.—If the Secretary conveys the vessel under this section, the Secretary may also convey to the recipient any unneeded equipment from other vessels in the National Defense Reserve Fleet or Government storage facilities for use to restore the vessel to museum quality or to its original configuration (or both).

(d) RETENTION OF VESSEL IN NDRF.—The Secretary shall retain in the National Defense Reserve Fleet the vessel authorized to be conveyed under this section until the earlier of—

(1) 2 years after the date of the enactment of this Act; or

(2) the date of the conveyance of the vessel under this section.

SEC. 3504. MARITIME INTERMODAL RESEARCH.

Section 8 of Public Law 101–115 (46 U.S.C. App. 1121–2) is amended by adding at the end thereof the following:

"(f) UNIVERSITY TRANSPORTATION RESEARCH FUNDS.—

"(1) IN GENERAL.—The Secretary may make a grant under section 5505 of title 49, United States Code, to an institute designated under subsection (a) for maritime and maritime intermodal research under that section as if the institute were a university transportation center.

"(2) ADVICE AND CONSULTATION OF MARAD.—In making a grant under the authority of paragraph (1), the Secretary, through the Research and Special Programs Administration, shall advise the Maritime Administration concerning the availability of funds for the grants, and consult with the Administration on the making of the grants.".

SEC. 3505. MARITIME RESEARCH AND TECHNOLOGY DEVELOPMENT.

(a) IN GENERAL.—The Secretary of Transportation shall conduct a study of maritime research and technology development, and

report its findings and conclusions, together with any recommendations it finds appropriate, to the Congress within 9 months after the date of the enactment of this Act.

(b) REQUIRED AREAS OF STUDY.—The Secretary shall include the following items in the report required by subsection (a):

(1) The approximate dollar values appropriated by the Congress for each of the 5 fiscal years ending before the study is commenced for each of the following modes of transportation:

(A) Highway.
(B) Rail.
(C) Aviation.
(D) Public transit.
(E) Maritime.

(2) A description of how Federal funds appropriated for research in the different transportation modes are utilized.

(3) A summary and description of current research and technology development funds appropriated for each of those fiscal years for maritime research initiatives, with separate categories for funds provided to the Coast Guard for marine safety research purposes.

(4) A description of cooperative mechanisms that could be used to attract and leverage non-federal investments in United States maritime research and technology development and application programs, including the potential for the creation of maritime transportation research centers and the benefits of cooperating with existing surface transportation research centers.

(5) Proposals for research and technology development funding to facilitate the evolution of Maritime Transportation System.

(c) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized to be appropriated under section 3401 for operations and training, $100,000 is authorized to carry out this section.

SEC. 3506. REPORTING OF ADMINISTERED AND OVERSIGHT FUNDS.

The Maritime Administration, in its annual report to the Congress under section 208 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1118), and in its annual budget estimate submitted to the Congress, shall state separately the amount, source, intended use, and nature of any funds (other than funds appropriated to the Administration or to the Secretary of Transportation for use by the Administration) administered, or subject to oversight, by the Administration.

TITLE XXXVI—ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM

Sec. 3601. Short title.
Sec. 3602. Findings; sense of Congress.

SUBTITLE A—ESTABLISHMENT OF COMPENSATION PROGRAM AND COMPENSATION FUND

Sec. 3611. Establishment of Energy Employees Occupational Illness Compensation Program.
Sec. 3612. Establishment of Energy Employees Occupational Illness Compensation Fund.

Sec. 3613. Legislative proposal.
Sec. 3614. Authorization of appropriations.

SUBTITLE B—PROGRAM ADMINISTRATION

Sec. 3621. Definitions for program administration.
Sec. 3622. Expansion of list of beryllium vendors.
Sec. 3623. Exposure in the performance of duty.
Sec. 3624. Advisory Board on Radiation and Worker Health.
Sec. 3625. Responsibilities of Secretary of Health and Human Services.
Sec. 3626. Designation of additional members of Special Exposure Cohort.
Sec. 3627. Separate treatment of chronic silicosis.
Sec. 3628. Compensation and benefits to be provided.
Sec. 3629. Medical benefits.
Sec. 3630. Separate treatment of certain uranium employees.
Sec. 3631. Assistance for claimants and potential claimants.

SUBTITLE C—TREATMENT, COORDINATION, AND FORFEITURE OF COMPENSATION AND BENEFITS

Sec. 3641. Offset for certain payments.
Sec. 3642. Subrogation of the United States.
Sec. 3643. Payment in full settlement of claims.
Sec. 3644. Exclusivity of remedy against the United States and against contractors and subcontractors.
Sec. 3645. Election of remedy for beryllium employees and atomic weapons employees.
Sec. 3646. Certification of treatment of payments under other laws.
Sec. 3647. Claims not assignable or transferable; choice of remedies.
Sec. 3648. Attorney fees.
Sec. 3649. Certain claims not affected by awards of damages.
Sec. 3650. Forfeiture of benefits by convicted felons.
Sec. 3651. Coordination with other Federal radiation compensation laws.

SUBTITLE D—ASSISTANCE IN STATE WORKERS' COMPENSATION PROCEEDINGS

Sec. 3661. Agreements with States.

SEC. 3601. SHORT TITLE.

This title may be cited as the "Energy Employees Occupational Illness Compensation Program Act of 2000".

SEC. 3602. FINDINGS; SENSE OF CONGRESS.

(a) FINDINGS.—The Congress finds the following:

(1) Since World War II, Federal nuclear activities have been explicitly recognized under Federal law as activities that are ultra-hazardous. Nuclear weapons production and testing have involved unique dangers, including potential catastrophic nuclear accidents that private insurance carriers have not covered and recurring exposures to radioactive substances and beryllium that, even in small amounts, can cause medical harm.

(2) Since the inception of the nuclear weapons program and for several decades afterwards, a large number of nuclear weapons workers at sites of the Department of Energy and at sites of vendors who supplied the Cold War effort were put at risk without their knowledge and consent for reasons that, documents reveal, were driven by fears of adverse publicity, liability, and employee demands for hazardous duty pay.

(3) Many previously secret records have documented unmonitored exposures to radiation and beryllium and continuing problems at these sites across the Nation, at which the Department of Energy and its predecessor agencies have been, since World War II, self-regulating with respect to nuclear safety and occupational safety and health. No other hazardous Federal activity has been permitted to be carried out under such sweeping powers of self-regulation.

(4) The policy of the Department of Energy has been to litigate occupational illness claims, which has deterred workers

from filing workers' compensation claims and has imposed major financial burdens for such employees who have sought compensation. Contractors of the Department have been held harmless and the employees have been denied workers' compensation coverage for occupational disease.

(5) Over the past 20 years, more than two dozen scientific findings have emerged that indicate that certain of such employees are experiencing increased risks of dying from cancer and non-malignant diseases. Several of these studies have also established a correlation between excess diseases and exposure to radiation and beryllium.

(6) While linking exposure to occupational hazards with the development of occupational disease is sometimes difficult, scientific evidence supports the conclusion that occupational exposure to dust particles or vapor of beryllium can cause beryllium sensitivity and chronic beryllium disease. Furthermore, studies indicate than 98 percent of radiation-induced cancers within the nuclear weapons complex have occurred at dose levels below existing maximum safe thresholds.

(7) Existing information indicates that State workers' compensation programs do not provide a uniform means of ensuring adequate compensation for the types of occupational illnesses and diseases that relate to the employees at those sites.

(8) To ensure fairness and equity, the civilian men and women who, over the past 50 years, have performed duties uniquely related to the nuclear weapons production and testing programs of the Department of Energy and its predecessor agencies should have efficient, uniform, and adequate compensation for beryllium-related health conditions and radiation-related health conditions.

(9) On April 12, 2000, the Secretary of Energy announced that the Administration intended to seek compensation for individuals with a broad range of work-related illnesses throughout the Department of Energy's nuclear weapons complex.

(10) However, as of October 2, 2000, the Administration has failed to provide Congress with the necessary legislative and budget proposals to enact the promised compensation program.

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

(1) a program should be established to provide compensation to covered employees;

(2) a fund for payment of such compensation should be established on the books of the Treasury;

(3) payments from that fund should be made only after—

(A) the identification of employees of the Department of Energy (including its predecessor agencies), and of contractors of the Department, who may be members of the group of covered employees;

(B) the establishment of a process to receive and administer claims for compensation for disability or death of covered employees;

(C) the submittal by the President of a legislative proposal for compensation of such employees that includes the estimated annual budget resources for that compensation; and

(D) consideration by the Congress of the legislative proposal submitted by the President; and

(4) payments from that fund should commence not later than fiscal year 2002.

Subtitle A—Establishment of Compensation Program and Compensation Fund

SEC. 3611. ESTABLISHMENT OF ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) PROGRAM ESTABLISHED.—There is hereby established a program to be known as the "Energy Employees Occupational Illness Compensation Program" (in this title referred to as the "compensation program"). The President shall carry out the compensation program through one or more Federal agencies or officials, as designated by the President.

(b) PURPOSE OF PROGRAM.—The purpose of the compensation program is to provide for timely, uniform, and adequate compensation of covered employees and, where applicable, survivors of such employees, suffering from illnesses incurred by such employees in the performance of duty for the Department of Energy and certain of its contractors and subcontractors.

(c) ELIGIBILITY FOR COMPENSATION.—The eligibility of covered employees for compensation under the compensation program shall be determined in accordance with the provisions of subtitle B as may be modified by a law enacted after the date of the submittal of the proposal for legislation required by section 3613.

SEC. 3612. ESTABLISHMENT OF ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION FUND.

(a) ESTABLISHMENT.—There is hereby established on the books of the Treasury a fund to be known as the "Energy Employees Occupational Illness Compensation Fund" (in this title referred to as the "compensation fund").

(b) AMOUNTS IN COMPENSATION FUND.—The compensation fund shall consist of the following amounts:

(1) Amounts appropriated to the compensation fund pursuant to the authorization of appropriations in section 3614(b).

(2) Amounts transferred to the compensation fund under subsection (c).

(c) FINANCING OF COMPENSATION FUND.—Upon the exhaustion of amounts in the compensation fund attributable to the authorization of appropriations in section 3614(b), the Secretary of the Treasury shall transfer directly to the compensation fund from the General Fund of the Treasury, without further appropriation, such amounts as are further necessary to carry out the compensation program.

(d) USE OF COMPENSATION FUND.—Subject to subsection (e), amounts in the compensation fund shall be used to carry out the compensation program.

(e) ADMINISTRATIVE COSTS NOT PAID FROM COMPENSATION FUND.—No cost incurred in carrying out the compensation program, or in administering the compensation fund, shall be paid from the compensation fund or set off against or otherwise deducted from any payment to any individual under the compensation program.

(f) INVESTMENT OF AMOUNTS IN COMPENSATION FUND.—Amounts in the compensation fund shall be invested in accordance with section 9702 of title 31, United States Code, and any interest on, and proceeds from, any such investment shall be credited to and become a part of the compensation fund.

SEC. 3613. LEGISLATIVE PROPOSAL.

(a) LEGISLATIVE PROPOSAL REQUIRED.—Not later than March 15, 2001, the President shall submit to Congress a proposal for legislation to implement the compensation program. The proposal for legislation shall include, at a minimum, the specific recommendations (including draft legislation) of the President for the following:

(1) The types of compensation and benefits, including lost wages, medical benefits, and any lump-sum settlement payments, to be provided under the compensation program.

(2) Any adjustments or modifications necessary to appropriately administer the compensation program under subtitle B.

(3) Whether to expand the compensation program to include other illnesses associated with exposure to toxic substances.

(4) Whether to expand the class of individuals who are members of the Special Exposure Cohort (as defined in section 3621(14)).

(b) ASSESSMENT OF POTENTIAL COVERED EMPLOYEES AND REQUIRED AMOUNTS.—The President shall include with the proposal for legislation under subsection (a) the following:

(1) An estimate of the number of covered employees that the President determines were exposed in the performance of duty.

(2) An estimate, for each fiscal year of the compensation program, of the amounts to be required for compensation and benefits anticipated to be provided in such fiscal year under the compensation program.

SEC. 3614. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Pursuant to the authorization of appropriations in section 3103(a), $25,000,000 may be used for purposes of carrying out this title.

(b) COMPENSATION FUND.—There is hereby authorized to be appropriated $250,000,000 to the Energy Employees Occupational Illness Compensation Fund established by section 3612.

Subtitle B—Program Administration

SEC. 3621. DEFINITIONS FOR PROGRAM ADMINISTRATION.

In this title:

(1) The term "covered employee" means any of the following:

(A) A covered beryllium employee.

(B) A covered employee with cancer.

(C) To the extent provided in section 3627, a covered employee with chronic silicosis (as defined in that section).

(2) The term "atomic weapon" has the meaning given that term in section 11 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(d)).

(3) The term "atomic weapons employee" means an individual employed by an atomic weapons employer during a period when the employer was processing or producing, for the use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling.

(4) The term "atomic weapons employer" means an entity, other than the United States, that—

(A) processed or produced, for use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling; and

(B) is designated by the Secretary of Energy as an atomic weapons employer for purposes of the compensation program.

(5) The term "atomic weapons employer facility" means a facility, owned by an atomic weapons employer, that is or was used to process or produce, for use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining or milling.

(6) The term "beryllium vendor" means any of the following:

(A) Atomics International.

(B) Brush Wellman, Incorporated, and its predecessor, Brush Beryllium Company.

(C) General Atomics.

(D) General Electric Company.

(E) NGK Metals Corporation and its predecessors, Kawecki-Berylco, Cabot Corporation, BerylCo, and Beryllium Corporation of America.

(F) Nuclear Materials and Equipment Corporation.

(G) StarMet Corporation and its predecessor, Nuclear Metals, Incorporated.

(H) Wyman Gordan, Incorporated.

(I) Any other vendor, processor, or producer of beryllium or related products designated as a beryllium vendor for purposes of the compensation program under section 3622.

(7) The term "covered beryllium employee" means the following, if and only if the employee is determined to have been exposed to beryllium in the performance of duty in accordance with section 3623(a):

(A) A current or former employee (as that term is defined in section 8101(1) of title 5, United States Code) who may have been exposed to beryllium at a Department of Energy facility or at a facility owned, operated, or occupied by a beryllium vendor.

(B) A current or former employee of—

(i) any entity that contracted with the Department of Energy to provide management and operation, management and integration, or environmental remediation of a Department of Energy facility; or

(ii) any contractor or subcontractor that provided services, including construction and maintenance, at such a facility.

(C) A current or former employee of a beryllium vendor, or of a contractor or subcontractor of a beryllium vendor, during a period when the vendor was engaged in activities

related to the production or processing of beryllium for sale to, or use by, the Department of Energy.

(8) The term "covered beryllium illness" means any of the following:

(A) Beryllium sensitivity as established by an abnormal beryllium lymphocyte proliferation test performed on either blood or lung lavage cells.

(B) Established chronic beryllium disease.

(C) Any injury, illness, impairment, or disability sustained as a consequence of a covered beryllium illness referred to in subparagraph (A) or (B).

(9) The term "covered employee with cancer" means any of the following:

(A) An individual with a specified cancer who is a member of the Special Exposure Cohort, if and only if that individual contracted that specified cancer after beginning employment at a Department of Energy facility (in the case of a Department of Energy employee or Department of Energy contractor employee) or at an atomic weapons employer facility (in the case of an atomic weapons employee).

(B)(i) An individual with cancer specified in subclause (I), (II), or (III) of clause (ii), if and only if that individual is determined to have sustained that cancer in the performance of duty in accordance with section 3623(b).

(ii) Clause (i) applies to any of the following:

(I) A Department of Energy employee who contracted that cancer after beginning employment at a Department of Energy facility.

(II) A Department of Energy contractor employee who contracted that cancer after beginning employment at a Department of Energy facility.

(III) An atomic weapons employee who contracted that cancer after beginning employment at an atomic weapons employer facility.

(10) The term "Department of Energy" includes the predecessor agencies of the Department of Energy, including the Manhattan Engineering District.

(11) The term "Department of Energy contractor employee" means any of the following:

(A) An individual who is or was in residence at a Department of Energy facility as a researcher for one or more periods aggregating at least 24 months.

(B) An individual who is or was employed at a Department of Energy facility by—

(i) an entity that contracted with the Department of Energy to provide management and operating, management and integration, or environmental remediation at the facility; or

(ii) a contractor or subcontractor that provided services, including construction and maintenance, at the facility.

(12) The term "Department of Energy facility" means any building, structure, or premise, including the grounds upon which such building, structure, or premise is located—

(A) in which operations are, or have been, conducted by, or on behalf of, the Department of Energy (except

for buildings, structures, premises, grounds, or operations covered by Executive Order No. 12344, dated February 1, 1982 (42 U.S.C. 7158 note), pertaining to the Naval Nuclear Propulsion Program); and

(B) with regard to which the Department of Energy has or had—

(i) a proprietary interest; or

(ii) entered into a contract with an entity to provide management and operation, management and integration, environmental remediation services, construction, or maintenance services.

(13) The term "established chronic beryllium disease" means chronic beryllium disease as established by the following:

(A) For diagnoses on or after January 1, 1993, beryllium sensitivity (as established in accordance with paragraph (8)(A)), together with lung pathology consistent with chronic beryllium disease, including—

(i) a lung biopsy showing granulomas or a lymphocytic process consistent with chronic beryllium disease;

(ii) a computerized axial tomography scan showing changes consistent with chronic beryllium disease; or

(iii) pulmonary function or exercise testing showing pulmonary deficits consistent with chronic beryllium disease.

(B) For diagnoses before January 1, 1993, the presence of—

(i) occupational or environmental history, or epidemiologic evidence of beryllium exposure; and

(ii) any three of the following criteria:

(I) Characteristic chest radiographic (or computed tomography (CT)) abnormalities.

(II) Restrictive or obstructive lung physiology testing or diffusing lung capacity defect.

(III) Lung pathology consistent with chronic beryllium disease.

(IV) Clinical course consistent with a chronic respiratory disorder.

(V) Immunologic tests showing beryllium sensitivity (skin patch test or beryllium blood test preferred).

(14) The term "member of the Special Exposure Cohort" means a Department of Energy employee, Department of Energy contractor employee, or atomic weapons employee who meets any of the following requirements:

(A) The employee was so employed for a number of work days aggregating at least 250 work days before February 1, 1992, at a gaseous diffusion plant located in Paducah, Kentucky, Portsmouth, Ohio, or Oak Ridge, Tennessee, and, during such employment—

(i) was monitored through the use of dosimetry badges for exposure at the plant of the external parts of employee's body to radiation; or

(ii) worked in a job that had exposures comparable to a job that is or was monitored through the use of dosimetry badges.

(B) The employee was so employed before January 1, 1974, by the Department of Energy or a Department of Energy contractor or subcontractor on Amchitka Island, Alaska, and was exposed to ionizing radiation in the performance of duty related to the Long Shot, Milrow, or Cannikin underground nuclear tests.

(C)(i) Subject to clause (ii), the employee is an individual designated as a member of the Special Exposure Cohort by the President for purposes of the compensation program under section 3626.

(ii) A designation under clause (i) shall, unless Congress otherwise provides, take effect on the date that is 180 days after the date on which the President submits to Congress a report identifying the individuals covered by the designation and describing the criteria used in designating those individuals.

(15) The term "occupational illness" means a covered beryllium illness, cancer referred to in section 3621(9)(B), specified cancer, or chronic silicosis, as the case may be.

(16) The term "radiation" means ionizing radiation in the form of—

(A) alpha particles;

(B) beta particles;

(C) neutrons;

(D) gamma rays; or

(E) accelerated ions or subatomic particles from accelerator machines.

(17) The term "specified cancer" means any of the following:

(A) A specified disease, as that term is defined in section 4(b)(2) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note).

(B) Bone cancer.

(18) The term "survivor" means any individual or individuals eligible to receive compensation pursuant to section 8133 of title 5, United States Code.

SEC. 3622. EXPANSION OF LIST OF BERYLLIUM VENDORS.

Not later than December 31, 2002, the President may, in consultation with the Secretary of Energy, designate as a beryllium vendor for purposes of section 3621(6) any vendor, processor, or producer of beryllium or related products not previously listed under or designated for purposes of such section 3621(6) if the President finds that such vendor, processor, or producer has been engaged in activities related to the production or processing of beryllium for sale to, or use by, the Department of Energy in a manner similar to the entities listed in such section 3621(6).

SEC. 3623. EXPOSURE IN THE PERFORMANCE OF DUTY.

(a) BERYLLIUM.—A covered beryllium employee shall, in the absence of substantial evidence to the contrary, be determined to have been exposed to beryllium in the performance of duty for the purposes of the compensation program if, and only if, the covered beryllium employee was—

(1) employed at a Department of Energy facility; or

(2) present at a Department of Energy facility, or a facility owned and operated by a beryllium vendor, because of employment by the United States, a beryllium vendor, or a contractor or subcontractor of the Department of Energy,

during a period when beryllium dust, particles, or vapor may have been present at such facility.

(b) CANCER.—An individual with cancer specified in subclause (I), (II), or (III) of section 3621(9)(B)(ii) shall be determined to have sustained that cancer in the performance of duty for purposes of the compensation program if, and only if, the cancer specified in that subclause was at least as likely as not related to employment at the facility specified in that subclause, as determined in accordance with the guidelines established under subsection (c).

(c) GUIDELINES.—(1) For purposes of the compensation program, the President shall by regulation establish guidelines for making the determinations required by subsection (b).

(2) The President shall establish such guidelines after technical review by the Advisory Board on Radiation and Worker Health under section 3624.

(3) Such guidelines shall—

(A) be based on the radiation dose received by the employee (or a group of employees performing similar work) at such facility and the upper 99 percent confidence interval of the probability of causation in the radioepidemiological tables published under section 7(b) of the Orphan Drug Act (42 U.S.C. 241 note), as such tables may be updated under section 7(b)(3) of such Act from time to time;

(B) incorporate the methods established under subsection (d); and

(C) take into consideration the type of cancer, past health-related activities (such as smoking), information on the risk of developing a radiation-related cancer from workplace exposure, and other relevant factors.

(d) METHODS FOR RADIATION DOSE RECONSTRUCTIONS.—(1) The President shall, through any Federal agency (other than the Department of Energy) or official (other than the Secretary of Energy or any other official within the Department of Energy) that the President may designate, establish by regulation methods for arriving at reasonable estimates of the radiation doses received by an individual specified in subparagraph (B) of section 3621(9) at a facility specified in that subparagraph by each of the following employees:

(A) An employee who was not monitored for exposure to radiation at such facility.

(B) An employee who was monitored inadequately for exposure to radiation at such facility.

(C) An employee whose records of exposure to radiation at such facility are missing or incomplete.

(2) The President shall establish an independent review process using the Advisory Board on Radiation and Worker Health to—

(A) assess the methods established under paragraph (1); and

(B) verify a reasonable sample of the doses established under paragraph (1).

(e) INFORMATION ON RADIATION DOSES.—(1) The Secretary of Energy shall provide, to each covered employee with cancer specified in section 3621(9)(B), information specifying the estimated radiation dose of that employee during each employment specified in section 3621(9)(B), whether established by a dosimetry reading, by a method established under subsection (d), or by both a dosimetry reading and such method.

(2) The Secretary of Health and Human Services and the Secretary of Energy shall each make available to researchers and the general public information on the assumptions, methodology, and data used in establishing radiation doses under subsection (d). The actions taken under this paragraph shall be consistent with the protection of private medical records.

SEC. 3624. ADVISORY BOARD ON RADIATION AND WORKER HEALTH.

(a) ESTABLISHMENT.—(1) Not later than 120 days after the date of the enactment of this Act, the President shall establish and appoint an Advisory Board on Radiation and Worker Health (in this section referred to as the "Board").

(2) The President shall make appointments to the Board in consultation with organizations with expertise on worker health issues in order to ensure that the membership of the Board reflects a balance of scientific, medical, and worker perspectives.

(3) The President shall designate a Chair for the Board from among its members.

(b) DUTIES.—The Board shall advise the President on—

(1) the development of guidelines under section 3623(c);

(2) the scientific validity and quality of dose estimation and reconstruction efforts being performed for purposes of the compensation program; and

(3) such other matters related to radiation and worker health in Department of Energy facilities as the President considers appropriate.

(c) STAFF.—(1) The President shall appoint a staff to facilitate the work of the Board. The staff shall be headed by a Director who shall be appointed under subchapter VIII of chapter 33 of title 5, United States Code.

(2) The President may accept as staff of the Board personnel on detail from other Federal agencies. The detail of personnel under this paragraph may be on a nonreimbursable basis.

(d) EXPENSES.—Members of the Board, other than full-time employees of the United States, while attending meetings of the Board or while otherwise serving at the request of the President, while serving away from their homes or regular places of business, shall be allowed travel and meal expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.

SEC. 3625. RESPONSIBILITIES OF SECRETARY OF HEALTH AND HUMAN SERVICES.

The Secretary of Health and Human Services shall carry out that Secretary's responsibilities with respect to the compensation program with the assistance of the Director of the National Institute for Occupational Safety and Health.

SEC. 3626. DESIGNATION OF ADDITIONAL MEMBERS OF SPECIAL EXPOSURE COHORT.

(a) ADVICE ON ADDITIONAL MEMBERS.—(1) The Advisory Board on Radiation and Worker Health under section 3624 shall advise the President whether there is a class of employees at any Department of Energy facility who likely were exposed to radiation at that facility but for whom it is not feasible to estimate with sufficient accuracy the radiation dose they received.

(2) The advice of the Advisory Board on Radiation and Worker Health under paragraph (1) shall be based on exposure assessments by radiation health professionals, information provided by the Department of Energy, and such other information as the Advisory Board considers appropriate.

(3) The President shall request advice under paragraph (1) after consideration of petitions by classes of employees described in that paragraph for such advice. The President shall consider such petitions pursuant to procedures established by the President.

(b) DESIGNATION OF ADDITIONAL MEMBERS.—Subject to the provisions of section 3621(14)(C), the members of a class of employees at a Department of Energy facility may be treated as members of the Special Exposure Cohort for purposes of the compensation program if the President, upon recommendation of the Advisory Board on Radiation and Worker Health, determines that—

(1) it is not feasible to estimate with sufficient accuracy the radiation dose that the class received; and

(2) there is a reasonable likelihood that such radiation dose may have endangered the health of members of the class.

(c) ACCESS TO INFORMATION.—The Secretary of Energy shall provide, in accordance with law, the Secretary of Health and Human Services and the members and staff of the Advisory Board on Radiation and Worker Health access to relevant information on worker exposures, including access to Restricted Data (as defined in section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 3627. SEPARATE TREATMENT OF CHRONIC SILICOSIS.

(a) SENSE OF CONGRESS.—Congress finds that employees who worked in Department of Energy test sites and later contracted chronic silicosis should also be considered for inclusion in the compensation program. Recognizing that chronic silicosis resulting from exposure to silica is not a condition unique to the nuclear weapons industry, it is not the intent of Congress with this title to establish a precedent on the question of chronic silicosis as a compensable occupational disease. Consequently, it is the sense of Congress that a further determination by the President is appropriate before these workers are included in the compensation program.

(b) CERTIFICATION BY PRESIDENT.—A covered employee with chronic silicosis shall be treated as a covered employee (as defined in section 3621(1)) for the purposes of the compensation program required by section 3611 unless the President submits to Congress not later than 180 days after the date of the enactment of this Act the certification of the President that there is insufficient basis to include such employees. The President shall submit with the certification any recommendations about the compensation program with respect to covered employees with chronic silicosis as the President considers appropriate.

(c) EXPOSURE TO SILICA IN THE PERFORMANCE OF DUTY.—A covered employee shall, in the absence of substantial evidence to the contrary, be determined to have been exposed to silica in the performance of duty for the purposes of the compensation program if, and only if, the employee was present for a number of work days aggregating at least 250 work days during the mining of tunnels at a Department of Energy facility located in Nevada or Alaska for tests or experiments related to an atomic weapon.

(d) COVERED EMPLOYEE WITH CHRONIC SILICOSIS.—For purposes of this title, the term "covered employee with chronic silicosis" means a Department of Energy employee, or a Department of Energy contractor employee, with chronic silicosis who was exposed to silica in the performance of duty as determined under subsection (c).

(e) CHRONIC SILICOSIS.—For purposes of this title, the term "chronic silicosis" means a nonmalignant lung disease if—

(1) the initial occupational exposure to silica dust preceded the onset of silicosis by at least 10 years; and

(2) a written diagnosis of silicosis is made by a medical doctor and is accompanied by—

(A) a chest radiograph, interpreted by an individual certified by the National Institute for Occupational Safety and Health as a B reader, classifying the existence of pneumoconioses of category 1/1 or higher;

(B) results from a computer assisted tomograph or other imaging technique that are consistent with silicosis; or

(C) lung biopsy findings consistent with silicosis.

SEC. 3628. COMPENSATION AND BENEFITS TO BE PROVIDED.

(a) COMPENSATION PROVIDED.—(1) Except as provided in paragraph (2), a covered employee, or the survivor of that covered employee if the employee is deceased, shall receive compensation for the disability or death of that employee from that employee's occupational illness in the amount of $150,000.

(2) A covered employee shall, to the extent that employee's occupational illness is established beryllium sensitivity, receive beryllium sensitivity monitoring under subsection (c) in lieu of compensation under paragraph (1).

(b) MEDICAL BENEFITS.—A covered employee shall receive medical benefits under section 3629 for that employee's occupational illness.

(c) BERYLLIUM SENSITIVITY MONITORING.—An individual receiving beryllium sensitivity monitoring under this subsection shall receive the following:

(1) A thorough medical examination to confirm the nature and extent of the individual's established beryllium sensitivity.

(2) Regular medical examinations thereafter to determine whether that individual has developed established chronic beryllium disease.

(d) PAYMENT FROM COMPENSATION FUND.—The compensation provided under this section, when authorized or approved by the President, shall be paid from the compensation fund established under section 3612.

(e) SURVIVORS.—(1) Subject to the provisions of this section, if a covered employee dies before the effective date specified in subsection (f), whether or not the death is a result of that employee's occupational illness, a survivor of that employee may, on behalf of that survivor and any other survivors of that employee, receive the compensation provided for under this section.

(2) The right to receive compensation under this section shall be afforded to survivors in the same order of precedence as that set forth in section 8109 of title 5, United States Code.

(f) EFFECTIVE DATE.—This section shall take effect on July 31, 2001, unless Congress otherwise provides in an Act enacted before that date.

SEC. 3629. MEDICAL BENEFITS.

(a) MEDICAL BENEFITS PROVIDED.—The United States shall furnish, to an individual receiving medical benefits under this section for an illness, the services, appliances, and supplies prescribed or recommended by a qualified physician for that illness, which the President considers likely to cure, give relief, or reduce the degree or the period of that illness.

(b) PERSONS FURNISHING BENEFITS.—(1) These services, appliances, and supplies shall be furnished by or on the order of United States medical officers and hospitals, or, at the individual's option, by or on the order of physicians and hospitals designated or approved by the President.

(2) The individual may initially select a physician to provide medical services, appliances, and supplies under this section in accordance with such regulations and instructions as the President considers necessary.

(c) TRANSPORTATION AND EXPENSES.—The individual may be furnished necessary and reasonable transportation and expenses incident to the securing of such services, appliances, and supplies.

(d) COMMENCEMENT OF BENEFITS.—An individual receiving benefits under this section shall be furnished those benefits as of the date on which that individual submitted the claim for those benefits in accordance with this title.

(e) PAYMENT FROM COMPENSATION FUND.—The benefits provided under this section, when authorized or approved by the President, shall be paid from the compensation fund established under section 3612.

(f) EFFECTIVE DATE.—This section shall take effect on July 31, 2001, unless Congress otherwise provides in an Act enacted before that date.

SEC. 3630. SEPARATE TREATMENT OF CERTAIN URANIUM EMPLOYEES.

(a) COMPENSATION PROVIDED.—An individual who receives, or has received, $100,000 under section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) for a claim made under that Act (hereafter in this section referred to as a "covered uranium employee"), or the survivor of that covered uranium employee if the employee is deceased, shall receive compensation under this section in the amount of $50,000.

(b) MEDICAL BENEFITS.—A covered uranium employee shall receive medical benefits under section 3629 for the illness for which that employee received $100,000 under section 5 of that Act.

(c) COORDINATION WITH RECA.—The compensation and benefits provided in subsections (a) and (b) are separate from any compensation or benefits provided under that Act.

(d) PAYMENT FROM COMPENSATION FUND.—The compensation provided under this section, when authorized or approved by the President, shall be paid from the compensation fund established under section 3612.

(e) SURVIVORS.—(1) Subject to the provisions of this section, if a covered uranium employee dies before the effective date specified in subsection (g), whether or not the death is a result of the illness specified in subsection (b), a survivor of that employee

may, on behalf of that survivor and any other survivors of that employee, receive the compensation provided for under this section.

(2) The right to receive compensation under this section shall be afforded to survivors in the same order of precedence as that set forth in section 8109 of title 5, United States Code.

(f) PROCEDURES REQUIRED.—The President shall establish procedures to identify and notify each covered uranium employee, or the survivor of that covered uranium employee if that employee is deceased, of the availability of compensation and benefits under this section.

(g) EFFECTIVE DATE.—This section shall take effect on July 31, 2001, unless Congress otherwise provides in an Act enacted before that date.

SEC. 3631. ASSISTANCE FOR CLAIMANTS AND POTENTIAL CLAIMANTS.

(a) ASSISTANCE FOR CLAIMANTS.—The President shall, upon the receipt of a request for assistance from a claimant under the compensation program, provide assistance to the claimant in connection with the claim, including—

(1) assistance in securing medical testing and diagnostic services necessary to establish the existence of a covered beryllium illness, chronic silicosis, or cancer; and

(2) such other assistance as may be required to develop facts pertinent to the claim.

(b) ASSISTANCE FOR POTENTIAL CLAIMANTS.—The President shall take appropriate actions to inform and assist covered employees who are potential claimants under the compensation program, and other potential claimants under the compensation program, of the availability of compensation under the compensation program, including actions to—

(1) ensure the ready availability, in paper and electronic format, of forms necessary for making claims;

(2) provide such covered employees and other potential claimants with information and other support necessary for making claims, including—

(A) medical protocols for medical testing and diagnosis to establish the existence of a covered beryllium illness, chronic silicosis, or cancer; and

(B) lists of vendors approved for providing laboratory services related to such medical testing and diagnosis; and

(3) provide such additional assistance to such covered employees and other potential claimants as may be required for the development of facts pertinent to a claim.

(c) INFORMATION FROM BERYLLIUM VENDORS AND OTHER CONTRACTORS.—As part of the assistance program provided under subsections (a) and (b), and as permitted by law, the Secretary of Energy shall, upon the request of the President, require a beryllium vendor or other Department of Energy contractor or subcontractor to provide information relevant to a claim or potential claim under the compensation program to the President.

Subtitle C—Treatment, Coordination, and Forfeiture of Compensation and Benefits

SEC. 3641. OFFSET FOR CERTAIN PAYMENTS.

A payment of compensation to an individual, or to a survivor of that individual, under subtitle B shall be offset by the amount of any payment made pursuant to a final award or settlement on a claim (other than a claim for worker's compensation), against any person, that is based on injuries incurred by that individual on account of the exposure of a covered beryllium employee, covered employee with cancer, covered employee with chronic silicosis (as defined in section 3627), or covered uranium employee (as defined in section 3630), while so employed, to beryllium, radiation, silica, or radiation, respectively.

SEC. 3642. SUBROGATION OF THE UNITED STATES.

Upon payment of compensation under subtitle B, the United States is subrogated for the amount of the payment to a right or claim that the individual to whom the payment was made may have against any person on account of injuries referred to in section 3641.

SEC. 3643. PAYMENT IN FULL SETTLEMENT OF CLAIMS.

The acceptance by an individual of payment of compensation under subtitle B with respect to a covered employee shall be in full satisfaction of all claims of or on behalf of that individual against the United States, against a Department of Energy contractor or subcontractor, beryllium vendor, or atomic weapons employer, or against any person with respect to that person's performance of a contract with the United States, that arise out of an exposure referred to in section 3641.

SEC. 3644. EXCLUSIVITY OF REMEDY AGAINST THE UNITED STATES AND AGAINST CONTRACTORS AND SUBCONTRACTORS.

(a) IN GENERAL.—The liability of the United States or an instrumentality of the United States under this title with respect to a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death related thereto of a covered employee is exclusive and instead of all other liability—

(1) of—

(A) the United States;

(B) any instrumentality of the United States;

(C) a contractor that contracted with the Department of Energy to provide management and operation, management and integration, or environmental remediation of a Department of Energy facility (in its capacity as a contractor);

(D) a subcontractor that provided services, including construction, at a Department of Energy facility (in its capacity as a subcontractor); and

(E) an employee, agent, or assign of an entity specified in subparagraphs (A) through (D);

(2) to—

(A) the covered employee;

(B) the covered employee's legal representative, spouse, dependents, survivors, and next of kin; and

(C) any other person, including any third party as to whom the covered employee, or the covered employee's legal representative, spouse, dependents, survivors, or next of kin, has a cause of action relating to the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, otherwise entitled to recover damages from the United States, the instrumentality, the contractor, the subcontractor, or the employee, agent, or assign of one of them,

because of the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death in any proceeding or action including a direct judicial proceeding, a civil action, a proceeding in admiralty, or a proceeding under a tort liability statute or the common law.

(b) APPLICABILITY.—This section applies to all cases filed on or after the date of the enactment of this Act.

(c) WORKERS' COMPENSATION.—This section does not apply to an administrative or judicial proceeding under a Federal or State workers' compensation law.

SEC. 3645. ELECTION OF REMEDY FOR BERYLLIUM EMPLOYEES AND ATOMIC WEAPONS EMPLOYEES.

(a) ELECTION TO FILE SUIT.—If a tort case is filed after the date of the enactment of this Act, alleging a claim referred to in section 3643 against a beryllium vendor or atomic weapons employer, the plaintiff shall not be eligible for compensation or benefits under subtitle B unless the plaintiff files such case within the applicable time limits in subsection (b).

(b) APPLICABLE TIME LIMITS.—A case described in subsection (a) shall be filed not later than the later of—

(1) the date that is 30 months after the date of the enactment of this Act; or

(2) the date that is 30 months after the date the plaintiff first becomes aware that an illness covered by subtitle B of a covered employee may be connected to the exposure of the covered employee in the performance of duty.

(c) DISMISSAL OF CLAIMS.—Unless a case filed under subsection (a) is dismissed prior to the time limits in subsection (b), the plaintiff shall not be eligible for compensation under subtitle B.

(d) DISMISSAL OF PENDING SUIT.—If a tort case was filed on or before the date of the enactment of this Act, alleging a claim referred to in section 3643 against a beryllium vendor or atomic weapons employer, the plaintiff shall not be eligible for compensation or benefits under subtitle B unless the plaintiff dismisses such case not later than December 31, 2003.

(e) WORKERS' COMPENSATION.—This section does not apply to an administrative or judicial proceeding under a State or Federal workers' compensation law.

SEC. 3646. CERTIFICATION OF TREATMENT OF PAYMENTS UNDER OTHER LAWS.

Compensation or benefits provided to an individual under subtitle B—

(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering; and

(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section

3803(c)(2)(C) of title 31, United States Code, or the amount of such benefits.

SEC. 3647. CLAIMS NOT ASSIGNABLE OR TRANSFERABLE; CHOICE OF REMEDIES.

(a) CLAIMS NOT ASSIGNABLE OR TRANSFERABLE.—No claim cognizable under subtitle B shall be assignable or transferable.

(b) CHOICE OF REMEDIES.—No individual may receive more than one payment of compensation under subtitle B.

SEC. 3648. ATTORNEY FEES.

(a) GENERAL RULE.—Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual under subtitle B, more than that percentage specified in subsection (b) of a payment made under subtitle B on such claim.

(b) APPLICABLE PERCENTAGE LIMITATIONS.—The percentage referred to in subsection (a) is—

(1) 2 percent for the filing of an initial claim; and

(2) 10 percent with respect to any claim with respect to which a representative has made a contract for services before the date of the enactment of this Act.

(c) PENALTY.—Any such representative who violates this section shall be fined not more than $5,000.

SEC. 3649. CERTAIN CLAIMS NOT AFFECTED BY AWARDS OF DAMAGES.

A payment under subtitle B shall not be considered as any form of compensation or reimbursement for a loss for purposes of imposing liability on any individual receiving such payment, on the basis of such receipt, to repay any insurance carrier for insurance payments, or to repay any person on account of worker's compensation payments; and a payment under subtitle B shall not affect any claim against an insurance carrier with respect to insurance or against any person with respect to worker's compensation.

SEC. 3650. FORFEITURE OF BENEFITS BY CONVICTED FELONS.

(a) FORFEITURE OF COMPENSATION.—Any individual convicted of a violation of section 1920 of title 18, United States Code, or any other Federal or State criminal statute relating to fraud in the application for or receipt of any benefit under subtitle B or under any other Federal or State workers' compensation law, shall forfeit (as of the date of such conviction) any entitlement to any compensation or benefit under subtitle B such individual would otherwise be awarded for any injury, illness or death covered by subtitle B for which the time of injury was on or before the date of the conviction.

(b) INFORMATION.—Notwithstanding section 552a of title 5, United States Code, or any other Federal or State law, an agency of the United States, a State, or a political subdivision of a State shall make available to the President, upon written request from the President and if the President requires the information to carry out this section, the names and Social Security account numbers of individuals confined, for conviction of a felony, in a jail, prison, or other penal institution or correctional facility under the jurisdiction of that agency.

SEC. 3651. COORDINATION WITH OTHER FEDERAL RADIATION COMPENSATION LAWS.

Except in accordance with section 3630, an individual may not receive compensation or benefits under the compensation program for cancer and also receive compensation under the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) or section 1112(c) of title 38, United States Code.

Subtitle D—Assistance in State Workers' Compensation Proceedings

SEC. 3661. AGREEMENTS WITH STATES.

(a) AGREEMENTS AUTHORIZED.—The Secretary of Energy (hereafter in this section referred to as the "Secretary") may enter into agreements with the chief executive officer of a State to provide assistance to a Department of Energy contractor employee in filing a claim under the appropriate State workers' compensation system.

(b) PROCEDURE.—Pursuant to agreements under subsection (a), the Secretary may—

(1) establish procedures under which an individual may submit an application for review and assistance under this section; and

(2) review an application submitted under this section and determine whether the applicant submitted reasonable evidence that—

(A) the application was filed by or on behalf of a Department of Energy contractor employee or employee's estate; and

(B) the illness or death of the Department of Energy contractor employee may have been related to employment at a Department of Energy facility.

(c) SUBMITTAL OF APPLICATIONS TO PANELS.—If provided in an agreement under subsection (a), and if the Secretary determines that the applicant submitted reasonable evidence under subsection (b)(2), the Secretary shall submit the application to a physicians panel established under subsection (d). The Secretary shall assist the employee in obtaining additional evidence within the control of the Department of Energy and relevant to the panel's deliberations.

(d) COMPOSITION AND OPERATION OF PANELS.—(1) The Secretary shall inform the Secretary of Health and Human Services of the number of physicians panels the Secretary has determined to be appropriate to administer this section, the number of physicians needed for each panel, and the area of jurisdiction of each panel. The Secretary may determine to have only one panel.

(2)(A) The Secretary of Health and Human Services shall appoint panel members with experience and competency in diagnosing occupational illnesses under section 3109 of title 5, United States Code.

(B) Each member of a panel shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) the member is engaged in the work of a panel.

(3) A panel shall review an application submitted to it by the Secretary and determine, under guidelines established by the

Secretary, by regulation, whether the illness or death that is the subject of the application arose out of and in the course of employment by the Department of Energy and exposure to a toxic substance at a Department of Energy facility.

(4) At the request of a panel, the Secretary and a contractor who employed a Department of Energy contractor employee shall provide additional information relevant to the panel's deliberations. A panel may consult specialists in relevant fields as it determines necessary.

(5) Once a panel has made a determination under paragraph (3), it shall report to the Secretary its determination and the basis for the determination.

(6) A panel established under this subsection shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(e) ASSISTANCE.—If provided in an agreement under subsection (a)—

(1) the Secretary shall review a panel's determination made under subsection (d), information the panel considered in reaching its determination, any relevant new information not reasonably available at the time of the panel's deliberations, and the basis for the panel's determination;

(2) as a result of the review under paragraph (1), the Secretary shall accept the panel's determination in the absence of significant evidence to the contrary; and

(3) if the panel has made a positive determination under subsection (d) and the Secretary accepts the determination under paragraph (2), or the panel has made a negative determination under subsection (d) and the Secretary finds significant evidence to the contrary—

(A) the Secretary shall assist the applicant to file a claim under the appropriate State workers' compensation system based on the health condition that was the subject of the determination;

(B) the Secretary thereafter—

(i) may not contest such claim;

(ii) may not contest an award made regarding such claim; and

(iii) may, to the extent permitted by law, direct the Department of Energy contractor who employed the applicant not to contest such claim or such award, unless the Secretary finds significant new evidence to justify such contest; and

(C) any costs of contesting a claim or an award regarding the claim incurred by the contractor who employed the Department of Energy contractor employee who is the subject of the claim shall not be an allowable cost under a Department of Energy contract.

(f) INFORMATION.—At the request of the Secretary, a contractor who employed a Department of Energy contractor employee shall make available to the Secretary and the employee information relevant to deliberations under this section.

(g) GAO REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to Congress a report on the implementation by the Department of Energy of the provisions of this section and of the effectiveness of the program under this section in assisting Department of Energy contractor employees in obtaining compensation for occupational illness.

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