

Public Law 97-214
97th Congress

An Act

To amend title 10, United States Code, to revise and codify the permanent provisions of law relating to military construction and military family housing.

July 12, 1982
[H.R. 6451]

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

Military Construction Codification Act.
10 USC 2801 note.

SHORT TITLE

SECTION 1. This Act may be cited as the "Military Construction Codification Act".

ENACTMENT OF MILITARY CONSTRUCTION CHAPTER IN TITLE 10 AND
TRANSFER OF RELATED PROVISIONS INTO THAT CHAPTER

SEC. 2. (a) Title 10, United States Code, is amended by adding at the end of subtitle A the following new chapter:

**"CHAPTER 169—MILITARY CONSTRUCTION AND
MILITARY FAMILY HOUSING**

Subchapter	Sec.
"I. Military Construction.....	2801
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"SUBCHAPTER I—MILITARY CONSTRUCTION

- "Sec.
"2801. Scope of chapter; definitions.
"2802. Military construction projects.
"2803. Emergency construction.
"2804. Contingency construction.
"2805. Unspecified minor construction.
"2806. Contributions for North Atlantic Treaty Organization Infrastructure.
"2807. Architectural and engineering services and construction design.
"2808. Construction authority in the event of a declaration of war or national emergency.

"§ 2801. Scope of chapter; definitions

"(a) The term 'military construction' as used in this chapter or any other provision of law includes any construction, development, conversion, or extension of any kind carried out with respect to a military installation.

"(b) A military construction project includes all military construction work, or any contribution authorized by this chapter, necessary to produce a complete and usable facility or a complete and usable improvement to an existing facility (or to produce such portion of a complete and usable facility or improvement as is specifically authorized by law).

"(c) In this chapter:

"(1) 'Facility' means a building, structure, or other improvement to real property.

"(2) 'Military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department or, in the case of an activity in a foreign country, under the operational control of the Secretary of a military department or the Secretary of Defense.

"(3) 'Secretary concerned' includes the Secretary of Defense with respect to matters concerning the defense agencies.

"(4) 'Appropriate committees of Congress' means the Committees on Armed Services and on Appropriations of the Senate and House of Representatives.

"(d) This chapter does not apply to the Coast Guard or to civil works projects of the Army Corps of Engineers.

"§ 2802. Military construction projects

"(a) The Secretary of Defense and the Secretaries of the military departments may carry out such military construction projects as are authorized by law.

"(b) Authority provided by law to carry out a military construction project includes authority for—

"(1) surveys and site preparation;

"(2) acquisition, conversion, rehabilitation, and installation of facilities;

"(3) acquisition and installation of equipment and appurtenances integral to the project;

"(4) acquisition and installation of supporting facilities (including utilities) and appurtenances incident to the project; and

"(5) planning, supervision, administration, and overhead incident to the project.

"§ 2803. Emergency construction

"(a) Subject to subsections (b) and (c), the Secretary concerned may carry out a military construction project not otherwise authorized by law if the Secretary determines (1) that the project is vital to the national security, and (2) that the requirement for the project is so urgent that deferral of the project for inclusion in the next Military Construction Authorization Act would be inconsistent with national security.

"(b) When a decision is made to carry out a military construction project under this section, the Secretary concerned shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include (1) the justification for the project and the current estimate of the cost of the project, (2) the justification for carrying out the project under this section, and (3) a statement of the source of the funds to be used to carry out the project. The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees, or after each such committee has approved the project, if the committees approve the project before the end of that period.

"(c)(1) The maximum amount that the Secretary concerned may obligate in any fiscal year under this section is \$30,000,000.

"(2) A project carried out under this section shall be carried out within the total amount of funds appropriated for military construction that have not been obligated.

“§ 2804. Contingency construction

“(a) Within the amount appropriated for such purpose, the Secretary of Defense may carry out a military construction project not otherwise authorized by law, or may authorize the Secretary of a military department to carry out such a project, if the Secretary of Defense determines that deferral of the project for inclusion in the next Military Construction Authorization Act would be inconsistent with national security or national interest.

“(b) When a decision is made to carry out a military construction project under this section, the Secretary of Defense shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include (1) the justification for the project and the current estimate of the cost of the project, and (2) the justification for carrying out the project under this section. The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees, or after each such committee has approved the project, if the committees approve the project before the end of that period.

Report to congressional committees.

“§ 2805. Unspecified minor construction

“(a) Within the amount authorized by law for such purpose, the Secretary concerned may carry out minor military construction projects not otherwise authorized by law. A minor military construction project is a military construction project (1) that is for a single undertaking at a military installation, and (2) that has an approved cost equal to or less than the amount specified by law as the maximum amount for a minor military construction project.

“(b)(1) A minor military construction project costing more than 50 percent of the amount specified by law as the maximum amount for a minor military construction project may not be carried out under this section unless approved in advance by the Secretary concerned.

“(2) When a decision is made to carry out a minor military construction project to which paragraph (1) is applicable, the Secretary concerned shall notify in writing the appropriate committees of Congress of that decision, of the justification for the project, and of the estimated cost of the project. The project may then be carried out only (A) after the end of the 21-day period beginning on the date the notification is received by the committees, or (B) after each such committee approves the project, if the committees approve the project before the end of that period.

Notification to congressional committees.

“(3) A project for the relocation of any activity from one installation to another that involves 25 or more full-time civilian employees of the Department of Defense but that is not subject to paragraph (1) may not be carried out under the authority of this section until the appropriate committees of Congress have been notified by the Secretary concerned of the intent to carry out such relocation under the authority of this section.

“(c) Only funds authorized for minor construction projects may be used to accomplish unspecified minor construction projects, except that the Secretary concerned may spend from appropriations available for operation and maintenance amounts necessary to carry out an unspecified military construction project costing not more than 20 percent of the amount specified by law as the maximum amount for a minor military construction project.

"(d) Military family housing projects for construction of new housing units may not be carried out under the authority of this section.

"§ 2806. Contributions for North Atlantic Treaty Organization infrastructure

"(a) Within amounts authorized by law for such purpose, the Secretary of Defense may make contributions for the United States share of the cost of multilateral programs for the acquisition and construction of military facilities and installations (including international military headquarters) for the collective defense of the North Atlantic Treaty Area.

"(b) Funds may not be obligated or expended in connection with the North Atlantic Treaty Organization Infrastructure program in any year unless such funds have been authorized by law for such program.

"(c)(1) The Secretary may make contributions in excess of the amount appropriated for contribution under subsection (a) if the amount of the contribution in excess of that amount does not exceed 200 percent of the amount specified by law as the maximum amount for a minor military construction project.

"(2) If the Secretary determines that the amount appropriated for contribution under subsection (a) in any fiscal year must be exceeded by more than the amount authorized under paragraph (1), the Secretary may make contributions in excess of such amount, but not in excess of 125 percent of the amount appropriated (A) after submitting a report in writing to the appropriate committees of Congress on such increase, including a statement of the reasons for the increase and a statement of the source of the funds to be used for the increase, and (B) after either a period of 21 days has elapsed from the date of receipt of the report or after each such committee has indicated approval of the increased contribution.

"§ 2807. Architectural and engineering services and construction design

"(a) Within amounts appropriated for such purposes, the Secretary concerned may obtain architectural and engineering services and may carry out construction design in connection with military construction projects not otherwise authorized by law. Amounts available for such purposes may be used for construction management of projects that are funded by foreign governments directly or through international organizations and for which elements of the armed forces of the United States are the primary user.

"(b) In the case of architectural and engineering services and construction design to be undertaken under subsection (a) for which the estimated cost exceeds the maximum amount specified by law for the purposes of this section, the Secretary concerned shall notify the appropriate committees of Congress of the scope of the proposed project and the estimated cost of such services not less than 21 days before the initial obligation of funds for such services.

"(c) If the Secretary concerned determines that the amount authorized for activities under subsection (a) in any fiscal year must be increased the Secretary may proceed with activities at such higher level (1) after submitting a report in writing to the appropriate committees of Congress on such increase, including a statement of the reasons for the increase and a statement of the source of funds to be used for the increase, and (2) after either a period of 21

Report to congressional committees.

Notification to congressional committees.

Report to congressional committees.

days has elapsed from the date of receipt of the report or after each such committee has indicated approval of the increased level of activity.

“§ 2808. Construction authority in the event of a declaration of war or national emergency

“(a) In the event of a declaration of war or the declaration by the President of a national emergency in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.) that requires use of the armed forces, the Secretary of Defense, without regard to any other provision of law, may undertake military construction projects, and may authorize the Secretaries of the military departments to undertake military construction projects, not otherwise authorized by law that are necessary to support such use of the armed forces. Such projects may be undertaken only within the total amount of funds that have been appropriated for military construction, including funds appropriated for family housing, that have not been obligated.

“(b) When a decision is made to undertake military construction projects authorized by this section, the Secretary of Defense shall notify the appropriate committees of Congress of the decision and of the estimated cost of the construction projects, including the cost of any real estate action pertaining to those construction projects.

“(c) The authority described in subsection (a) shall terminate with respect to any war or national emergency at the end of the war or national emergency.

Notification to congressional committees.

Termination.

“SUBCHAPTER II—MILITARY FAMILY HOUSING

“Sec.

“2821. Requirement for authorization of appropriations for construction and acquisition of military family housing.

“2822. Requirement for authorization of number of family housing units.

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“2830. Occupancy of substandard family housing units.

“2831. Military family housing management account.

“2832. Homeowners assistance program.

“§ 2821. Requirement for authorization of appropriations for construction and acquisition of military family housing

“(a) Except as provided in subsection (b), funds may not be appropriated for the construction, acquisition, leasing, addition, extension, expansion, alteration, relocation, or operation and maintenance of family housing under the jurisdiction of the Department of Defense unless the appropriation of such funds has been authorized by law.

“(b) In addition to the funds authorized to be appropriated by law in any fiscal year for the purposes described in subsection (a), there are authorized to be appropriated such additional sums as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds appropriated for the purposes described in such paragraph.

Additional authorization.

"(c) Amounts authorized by law for construction of military family housing units include amounts for (1) site preparation (including demolition), (2) installation of utilities, (3) ancillary supporting facilities, (4) shades, screens, ranges, refrigerators, and all other equipment and fixtures installed in such units, and (5) construction supervision, inspection, and overhead.

"§ 2822. Requirement for authorization of number of family housing units

"(a) Except as otherwise provided in subsection (b) or as otherwise authorized by law, the Secretary concerned may not construct or acquire military family housing units unless the number of units to be constructed or acquired has been specifically authorized by law.

"(b) Subsection (a) does not apply to the following:

"(1) Housing units acquired under section 404 of the Housing Amendments of 1955 (42 U.S.C. 1594a).

"(2) Housing units leased under section 2828 of this title.

"(3) Housing units acquired under the Homeowners Assistance Program referred to in section 2833 of this title.

"§ 2823. Determination of availability of suitable alternative housing for acquisition in lieu of construction of new family housing

"(a) Before entering into a contract for the construction of family housing units authorized by law to be constructed at a location within the United States, the Secretary concerned shall consult in writing with the Secretary of Housing and Urban Development as to the availability of suitable alternative housing at such location. The Secretary of Housing and Urban Development shall advise the Secretary concerned in writing as to the availability of such housing. If the Secretary of Housing and Urban Development does not advise the Secretary concerned as to the availability of such housing within 21 days of the date on which the request for such advice is made, the Secretary concerned may enter into a contract for the proposed construction.

"(b) If the Secretary concerned and the Secretary of Housing and Urban Development disagree with respect to the availability of suitable alternative housing at any location, the Secretary concerned shall notify the appropriate committees of Congress, in writing, of the disagreement, of the Secretary's decision to proceed with the construction, and of the justification for proceeding with the construction. A contract for construction of family housing units at such location may not then be entered into until the end of the 21-day period beginning on the date such committees receive the notification.

"(c) If the Secretary concerned and the Secretary of Housing and Urban Development agree that suitable alternative housing is available at a location at which military family housing units are authorized to be constructed, the Secretary may not proceed with such construction.

"(d) The Secretary of Defense shall prescribe regulations to define what constitutes suitable alternative housing for the purposes of this section.

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Notification to congressional committees.

Regulations.

“§ 2824. Authorization for acquisition of existing family housing in lieu of construction

“(a) In lieu of constructing any family housing units authorized by law to be constructed, the Secretary concerned may acquire sole interest in existing family housing units that are privately owned or that are held by the Department of Housing and Urban Development, except that in foreign countries the Secretary concerned may acquire less than sole interest in existing family housing units.

“(b) When authority provided by law to construct military family housing units is used to acquire existing family housing units under subsection (a), the authority includes authority to acquire interests in land.

“(c) The net floor area of a family housing unit acquired under the authority of this section may not exceed the applicable limitation specified in section 2826 of this title.

“(d) Family housing units may not be acquired under this section through the exercise of eminent domain authority.

Land interests.

Infra.

“§ 2825. Improvements to family housing units

“(a)(1) Authority provided by law to improve existing military family housing units and ancillary family housing support facilities is authority to make alterations, additions, expansions, and extensions.

“(2) In this section, ‘improvement’ includes rehabilitation of a housing unit and maintenance or repair work to be accomplished concurrently with an improvement project.

“(b)(1) Funds may not be expended for the improvement of any single family housing unit, or for the improvement of two or more housing units that are to be converted into or are to be used as a single family housing unit, if the cost per unit of such improvement will exceed an amount specified by law for such purpose multiplied by the area construction cost index as developed by the Department of Defense for the location concerned at the time of contract award.

“(2) In determining the applicability of the limitation contained in paragraph (1), there shall be included as part of the cost of the improvement the cost of repairs undertaken in connection with the improvement and any cost in connection with (A) the furnishing of electricity, gas, water and sewage disposal, (B) the construction or repair of roads and walks, and (C) grading and drainage work.

“(c) This section does not apply to projects authorized for restoration or replacement of housing units that have been damaged or destroyed.

“Improvement.”

Limitations.

“§ 2826. Limitations on space by pay grade

“(a) In the construction, acquisition, and improvement of military family housing units, the following are the space limitations for the applicable numbers of bedrooms permitted for each pay grade:

Pay grade	Number of bedrooms	Net floor area (square feet)
0-7 and above	4	2,100
0-6	4	1,700
0-4 and 0-5	4	1,550
.....	3	1,400
0-1 through 0-3; W-1 through W-4; and E-7 through E-9	5	1,550

Pay grade	Number of bedrooms	Net floor area (square feet)
	4	1,450
	3	1,350
	2	950
E-1 through E-6	5	1,550
	4	1,350
	3	1,200
	2	950

"(b) The applicable maximum net floor area prescribed by subsection (a) may be increased by 10 percent for the housing unit of an officer holding a special command position (as designated by the Secretary of Defense), for the housing unit of the commanding officer of a military installation, and for the senior noncommissioned officer of a military installation.

"(c) The maximum net floor area prescribed by subsection (a) may be increased in any case by 5 percent if the Secretary concerned determines that the increase is in the best interest of the Government (1) to permit award of a turnkey construction contract to the contractor offering the most satisfactory proposal, or (2) to permit purchase, lease, or conversion of housing units. An increase in the maximum net floor area of a housing unit under subsection (b) when combined with an increase in the maximum net floor area of such unit under this subsection may not exceed 10 percent of the otherwise applicable limitation prescribed by subsection (a).

Waiver.

"(d)(1) The Secretary concerned may waive the provisions of subsection (a) with respect to a family housing unit leased in a foreign country if a suitable family housing unit within the applicable maximum net floor area prescribed by such subsection cannot be obtained.

"(2) Subsection (a) does not apply to family housing units in foreign countries constructed or acquired by the Secretary of State for occupancy by members of the armed forces.

Civilian personnel.

"(e) The maximum net floor areas prescribed by this section apply to family housing provided to civilian personnel based upon civilian pay scale comparability with military pay grades, as determined by the Secretary of Defense.

"Net floor area."

"(f) In this section, 'net floor area' means the total number of square feet of the floor space inside the exterior walls of a structure, 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.

"§ 2827. Relocation of military family housing units

"(a) Subject to subsection (b), the Secretary concerned may relocate existing military family housing units from any location where the number of such units exceeds requirements for military family housing to any military installation where there is a housing shortage.

Notification to congressional committees.

"(b) A contract to carry out a relocation of military family housing units under subsection (a) may not be awarded until (1) the Secretary concerned has notified the appropriate committees of Congress of the proposed new locations of the housing units to be relocated and the estimated cost of and source of funds for the relocation, and

(2) a period of 21 days has elapsed after the notification has been received by those committees.

“§ 2828. Leasing of military family housing

“(a)(1) Subject to paragraph (2), the Secretary of the military department concerned may lease housing facilities at or near a military installation in the United States, Puerto Rico, or Guam for assignment, without rental charge, as family housing to members of the Armed Forces and for assignment, with fair market rental charge, as family housing to civilian employees of the Department of Defense stationed at such installation.

“(2) A lease may only be made under paragraph (1) if the Secretary concerned finds that there is a shortage of adequate housing at or near such military installation and that—

Conditions.

“(A) the requirement for such housing is temporary;

“(B) leasing would be more cost effective than construction or acquisition of new housing;

“(C) family housing is required for personnel attending service school academic courses on permanent change of station orders;

“(D) construction of family housing at such installation has been authorized by law but is not yet completed; or

“(E) a military construction authorization bill pending in Congress includes a request for authorization of construction of family housing at such installation.

“(b)(1) Not more than 10,000 family housing units may be leased at any one time under subsection (a).

“(2) Except as provided in paragraph (3), expenditures for the rental of housing units under subsection (a) (including the cost of utilities, maintenance, and operation) may not exceed the amount specified by law as the maximum annual domestic family housing unit lease amount.

“(3) Not more than 500 housing units may be leased under subsection (a) for which the expenditure for the rental of such units (including the cost of utilities, maintenance, and operation) exceeds the maximum annual domestic family housing unit lease amount but does not exceed 120 percent of that amount.

“(c) The Secretary concerned may lease housing facilities in foreign countries for assignment, without rental charge, as family housing to members of the Armed Forces and for assignment, with or without rental charge, as family housing to civilian employees of the Department of Defense—

Foreign housing facilities; conditions.

“(1) under circumstances specified in clause (A), (B), (D), or (E) of subsection (a)(2);

“(2) for incumbents of special command positions (as determined by the Secretary of Defense);

“(3) in countries where excessive costs of housing or other lease terms would cause undue hardship on Department of Defense personnel; and

“(4) in countries that prohibit leases by individual military or civilian personnel of the United States.

“(d) Leases of housing units in foreign countries under subsection (c) for assignment as family housing may be for any period not in excess of ten years, and the costs of such leases for any year may be paid out of annual appropriations for that year.

Leasing period, limitation.

“(e)(1) Expenditures for the rental of family housing in foreign countries (including the costs of utilities, maintenance, and oper-

Maximum lease amount.

Waiver.

ation) may not exceed the amount specified by law as the maximum annual foreign family housing unit lease amount. That maximum lease amount may be waived by Secretary concerned with respect to not more than a total of 200 such units that are leased for incumbents of special positions or for personnel assigned to Defense Attache Offices or that are leased in countries where excessive costs of housing would cause undue hardship on Department of Defense personnel.

"(2) The maximum number of family housing units that may be leased in foreign countries under this section at any one time shall be specified by law.

Notification to congressional committees.

"(f) A lease for family housing facilities, or for real property related to family housing facilities, in a foreign country for which the average estimated annual rental during the term of the lease exceeds the amount specified by law for such purpose may not be made under this section until (1) the Secretary concerned provides to the appropriate committees of Congress written notification of the facts concerning the proposed lease, and (2) a period of 21 days elapses after the notification is received by those committees.

"§ 2829. Multi-year contracts for supplies and services

"The Secretary concerned may make contracts for periods of up to four years for supplies and services for the management, maintenance, and operation of military family housing and may pay the costs of such contracts for each year out of annual appropriations for that year.

"§ 2830. Occupancy of substandard family housing units

"(a)(1) A member of the uniformed services with dependents may, without loss of the member's basic allowance for quarters, occupy a substandard family housing unit under the jurisdiction of the Secretary of a military department.

"(2) Occupancy of a family housing unit under paragraph (1) shall be subject to a charge against the member's basic allowance for quarters in the amount of the fair rental value of the housing unit. However, such a charge may not be made in an amount in excess of 75 percent of the amount of such allowance.

"(b) Subject to regulations prescribed by the Secretary of Defense, the Secretary of a military department may lease substandard family housing units to members of any of the uniformed services for occupancy by such members.

"Uniformed services."

"(c) In this section, 'uniformed services' means the armed forces and the commissioned corps of the Public Health Service and of the National Oceanic and Atmospheric Administration.

"§ 2831. Military family housing management account

"(a) There is on the books of the Treasury an account known as the Department of Defense Military Family Housing Management Account (hereinafter in this section referred to as the 'account'). The account shall be used for the management and administration of funds appropriated or otherwise made available to the Department of Defense for military family housing programs.

Transfer of funds.

"(b) The account shall be administered as a single account. There shall be transferred into the account—

"(1) appropriations made for the purpose of, or which are available for, the payment of costs arising in connection with the construction, acquisition, leasing, relocation, operation and

maintenance, and disposal of military family housing, including the cost of principal and interest charges, and insurance premiums, arising in connection with the acquisition of such housing, and mortgage insurance premiums payable under section 222(c) of the National Housing Act (12 U.S.C. 1715m(c));

"(2) proceeds from the rental of family housing and mobile home facilities under the control of a military department, reimbursements from the occupants of such facilities for services rendered (including utility costs), funds obtained from individuals as a result of losses, damages, or destruction to such facilities caused by the abuse or negligence of such individuals, and reimbursements from other Government agencies for expenditures from the account; and

"(3) proceeds of the handling and the disposal of family housing of a military department (including related land and improvements), whether carried out by a military department or any other Federal agency, but less those expenses payable pursuant to section 204(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(b)).

"(c) Amounts in the account shall remain available until spent.

"(d) The Secretary concerned may make obligations against the account, in such amounts as may be specified from time to time in appropriation Acts, for the purpose of defraying, in the manner and to the extent authorized by law, the costs referred to in subsection (b).

"§ 2832. Homeowners assistance program

"The Secretary of Defense may exercise the authority provided in section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374).

"SUBCHAPTER III—ADMINISTRATION OF MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

"Sec.

"2851. Supervision of military construction projects.

"2852. Military construction projects: waiver of certain restrictions.

"2853. Authorized cost variations.

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"2855. Law applicable to contracts for architectural and engineering services and construction design.

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"2858. Limitation on the use of funds for expediting a construction project.

"2859. Transmission of annual military construction authorization request.

"2860. Availability of appropriations for five years.

"2861. Annual report to Congress.

"§ 2851. Supervision of military construction projects

"(a) Each contract entered into by the United States in connection with a military construction project or a military family housing project shall be carried out under the direction and supervision of the Secretary of the Army (acting through the Chief of Engineers), the Secretary of the Navy (acting through the Commander of the Naval Facilities Engineering Command), or such other department or Government agency as the Secretary of Defense approves to assure the most efficient, expeditious, and cost-effective completion of the project.

"(b) A military construction project for an activity or agency of the Department of Defense (other than a military department) financed from appropriations for military functions of the Department of Defense shall be accomplished by or through a military department designated by the Secretary of Defense.

"§ 2852. Military construction projects: waiver of certain restrictions

"(a) The Secretary of Defense and the Secretaries of the military departments may carry out authorized military construction projects and authorized military family housing projects without regard to section 3648 of the Revised Statutes (31 U.S.C. 529).

"(b) Authority to carry out a military construction project or a military family housing project on land not owned by the United States may be exercised (1) before title to the land on which the project is to be carried out is approved under section 355 of the Revised Statutes (40 U.S.C. 255), and (2) even though the land is held temporarily.

"§ 2853. Authorized cost variations

"(a)(1) Except as provided in paragraph (2), the cost authorized for a military construction project (other than a project for which the approved amount is less than the amount specified by law as the maximum amount for a minor military construction project) may be increased by not more than 25 percent of the amount appropriated for the project by Congress or 200 percent of the amount specified by law as the maximum amount for a minor military construction project, whichever is lesser, if the Secretary concerned determines (A) that such an increase is required for the sole purpose of meeting unusual variations in cost, and (B) that such variations in cost could not have been reasonably anticipated at the time the project was originally approved by Congress.

"(2) A military construction project (other than a project for which the approved amount is less than the amount specified by law as the maximum amount for a minor military construction project) may not be placed under contract if, based upon bids received—

"(A) the scope of work for the project, as approved by Congress, is proposed to be reduced by more than 25 percent; or

"(B) the current working estimate of the cost of the project exceeds the amount appropriated for the project by more than (i) 25 percent, or (ii) 200 percent of the amount specified by law as the maximum amount for a minor military construction project, whichever is lesser,

until subsection (d) is complied with.

"(b) If the amount approved for a project is less than the amount specified by law as the maximum amount for a minor military construction project, that approved amount may be increased to more than such maximum amount if the Secretary concerned determines (1) that such an increase is required for the sole purpose of meeting unusual variations in cost, and (2) that such variations in cost could not have been reasonably anticipated at the time the project was originally approved. However, if, based upon bids received, the current working estimate of the cost of such a project is more than such maximum amount and is more than 125 percent of the original approved amount for the project, the project may not be placed under contract until subsection (d) is complied with.

“(c) The amount authorized by law for the cost of authorized construction and acquisition of a military family housing project may be increased above the amount appropriated for such project if the Secretary determines (1) that the increase is required for the sole purpose of meeting unforeseen variations in cost, and (2) that such variations in cost could not have been reasonably anticipated at the time the project was originally approved by Congress. However, such amount may not be increased by more than 25 percent until subsection (d) is complied with.

“(d) The limitation on reduction in scope of work in subsection (a), and the limitations on cost increases in subsections (a), (b), and (c), do not apply if—

“(1) the reduction in scope of work or the increase in cost, as the case may be, is approved by the Secretary concerned;

“(2) a written notification of the facts relating to the proposed reduced scope of work or increased cost (including a statement of the reasons therefor) is submitted by the Secretary concerned to the appropriate committees of Congress; and

“(3) either 21 days have elapsed from the date of the submission of the notification under clause (2) or each of the appropriate committees of Congress has indicated approval of the proposed reduced scope of work or increased cost.

“(e) After a contract for a project has been entered into, the Secretary concerned may carry out such project in an amount above the amount appropriated for such project by Congress in order to meet the costs of change orders or contractor claims. In the case of a contract to be carried out above the amount appropriated for which there has not been a cost variation under subsection (a), (b), (c), or (d), the Secretary concerned shall promptly report to the appropriate committees of Congress on the revised cost for the project and the reasons for the revised cost if the total cost under the contract exceeds the amount appropriated for the project by more than 25 percent. In the case of a contract to be carried out above the amount appropriated for which there has been a cost variation under subsection (a), (b), (c), or (d), the Secretary concerned shall promptly report to the appropriate committees of Congress on the revised cost for the project and the reasons for the revised cost, regardless of the amount by which the revised cost exceeds the amount approved for the project by the modification under subsection (a), (b), (c), or (d).

Reports to congressional committees.

“§ 2854. Restoration or replacement of damaged or destroyed facilities

“(a) Subject to subsection (b), the Secretary concerned may repair, restore, or replace a facility under his jurisdiction, including a family housing facility, that has been damaged or destroyed.

“(b) When a decision is made to carry out construction under this section and the cost of the repair, restoration, or replacement is greater than the maximum amount for a minor construction project, the Secretary concerned shall notify in writing the appropriate committees of Congress of that decision, of the justification for the project, of the current estimate of the cost of the project, of the source of funds for the project, and of the justification for carrying out the project under this section. The project may then be carried out only (1) after the end of the 21-day period beginning on the date the notification is received by such committees, or (2) after each such committee has approved the project, if the committees approve the project before the end of that period.

Notification of congressional committees.

"§ 2855. Law applicable to contracts for architectural and engineering services and construction design

"Contracts for architectural and engineering services and construction design in connection with a military construction project or a military family housing project shall be awarded in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.).

"§ 2856. Limitations on barracks space by pay grade

Regulations.

"(a) The Secretary of Defense shall prescribe regulations establishing the maximum allowable net square feet per occupant for new permanent barracks construction. Such regulations shall be uniform for the armed forces under the jurisdiction of the Secretary of a military department.

Submittal to congressional committees.

"(b) Before taking effect, any regulations under this section, and any modifications to such regulations, shall be submitted to the appropriate committees of Congress. Such regulations (including any modifications to such regulations) may not then take effect until 21 days after being received by such committees.

"§ 2857. Use of solar energy systems

"(a) The Secretary of Defense shall encourage the use of solar energy systems as a source of energy for military construction projects (including military family housing projects) where use of solar energy would be practical and economically feasible.

"(b)(1) The Secretary concerned shall require that the design of all new facilities (including family housing) shall include consideration of solar energy systems in those cases in which use of solar energy has the potential for significant savings of fossil-fuel-derived energy.

"(2) The Secretary concerned shall require that contracts for construction resulting from such design include a requirement that solar energy systems be installed if such systems can be shown to be cost effective.

"(c)(1) For the purposes of this section, a solar energy system for a facility shall be considered to be cost effective if the difference between (A) the original investment cost of the energy system for the facility with a solar energy system, and (B) the original investment cost of the energy system for the facility without a solar energy system can be recovered over the expected life of the facility.

"(2) A determination under paragraph (1) of whether a cost-differential can be recovered over the expected life of a facility shall be made using accepted life-cycle costing procedures and shall include—

"(A) the use of all capital expenses and all operating and maintenance expenses associated with the energy system with and without a solar energy system over the expected life of the facility or during a period of 25 years, whichever is shorter;

"(B) the use of fossil fuel costs (and a rate of cost growth for fossil fuel costs) as determined by the Secretary of Defense; and

"(C) the use of a discount rate of 7 percent per year for all expenses of the energy system.

"(3) For the purpose of any life-cycle cost analysis under this subsection, the original investment cost of the solar energy system shall be reduced by 10 percent to reflect an allowance for an investment cost credit.

“(d) In order to equip a military construction project (including a military family housing project) with solar heating equipment, solar cooling equipment, or both solar heating and solar cooling equipment, or with a passive solar energy system, the Secretary concerned may authorize an increase in any otherwise applicable limitation with respect to the number of square feet or the cost per square foot of the project by such amount as may be necessary for such purpose. Any such increase under this subsection shall be in addition to any other administrative increase in cost per square foot or variation in floor area authorized by law.

“§ 2858. Limitation on the use of funds for expediting a construction project

“Funds appropriated for military construction (including military family housing) may not be expended for additional costs involved in expediting a construction project unless the Secretary concerned (1) certifies that expenditures for such costs are necessary to protect the national interest, and (2) establishes a reasonable completion date for the project. In establishing such a completion date, the Secretary shall take into consideration the urgency of the requirement for completion of the project, the type and location of the project, the climatic and seasonal conditions affecting the construction involved, and the application of economical construction practices.

“§ 2859. Transmission of annual military construction authorization request

“The Secretary of Defense shall transmit to Congress the annual request for military construction authorization for a fiscal year during the first 10 days after the President transmits to Congress the Budget for that fiscal year pursuant to section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11).

“§ 2860. Availability of appropriations for five years

“(a) Subject to the provisions of appropriation Acts and except as otherwise provided under subsection (b), any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of the fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project (1) are obligated from funds available for military construction projects, and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

“(b) Should a requirement develop to obligate funds for a military construction project after the end of the fourth fiscal year after the fiscal year for which such funds were appropriated, such obligation may be made after the end of the 21-day period beginning on the date on which the appropriate committees of Congress receive notification of the need for such obligation and the reasons therefor.

Notification to congressional committees.

“§ 2861. Annual report to Congress

“(a) The Secretary of Defense shall submit a report to the appropriate committees of Congress each year with respect to military construction activities and military family housing activities. Each such report shall be submitted at the same time that the annual request for military construction authorization is submitted for that

year. Except where otherwise provided in this section, information required by this section to be provided in the report shall be provided for the two most recent fiscal years and for the fiscal year for which the budget request is made.

"(b) Each report under subsection (a) shall include the following:

"(1) A statement of the construction status and a fiscal summary of the military construction projects undertaken under, and the amounts authorized and appropriated for, contingency construction under section 2804 of this title.

Ante, p. 155.

"(2) Information to enable the committees to evaluate the relationships between budget requests for appropriations for unspecified minor construction projects under section 2805 of this title and obligations of appropriated funds for projects under such section. Such information shall include comparisons of budget requests and obligations using military construction appropriations and using operations and maintenance appropriations, maintenance and repair backlog, and obligations for maintenance and repair.

"(3) Information to enable the committees to monitor trends in construction started using funds contributed by the United States under section 2806 of this title to the North Atlantic Treaty Organization Infrastructure program and the status of recapments under that program.

Ante, p. 156.

"(4) Information to enable the committees to evaluate trends in contracting for architect and engineering services and construction design, and trends in accomplishing design of construction projects by Government employees, under the authority of section 2807 of this title.

Ante, p. 156.

"(5) Information to enable the committees to evaluate trends in supervision, inspection, and overhead costs for the dollar amount of military construction accomplished during a fiscal year by a military construction department or agency under the authority of section 2851 of this title.

Ante, p. 163.

"(6) A summary of military construction projects (other than a military construction project for an amount less than the amount specified by law as the maximum amount for a minor military construction project) placed under contract during the preceding fiscal year with respect to which a cost variation or scope reduction report was supplied to the appropriate committees of Congress under section 2853 of this title. There shall also be included an analysis to indicate whether the cost variation was the result of a lack of competition, quality of plans and specifications, or quality of budget estimates, or of other factors.

Ante, p. 164.

"(7) Information to enable the committees to evaluate the use of the authority provided under section 2858 to expedite a military construction project when such expediting is required to protect the national interest.

Ante, p. 167.

"(8) Information in sufficient detail to enable the committees to monitor trends in design, construction, performance goals, and progress.

"(9) With respect to each contract awarded during the preceding fiscal year on other than a competitive basis to the lowest responsible bidder, the name of the contractor, the original amount of the contract, and the reason for the award of the contract on other than a competitive basis."

(b) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of title 10, United States Code, are amended by adding at the end thereof the following:

"169. Military Construction and Military Family Housing..... 2801".

AMENDMENTS RELATING TO FACILITIES FOR RESERVE COMPONENTS

SEC. 3. (a) Subsection (f) of section 2233 of title 10, United States Code, is amended to read as follows:

"(f)(1) Authority provided by law to construct, expand, rehabilitate, convert, or equip any facility under this section includes authority to expend funds for surveys, administration, overhead, planning, and supervision incident to any such activity.

"(2) Authority to acquire real property under this section includes authority to make surveys and to acquire interests in land (including temporary interests) by purchase, gift, exchange of Government-owned land, or otherwise."

Real property,
acquisition.

(b)(1) Chapter 133 of such title is amended by adding at the end thereof the following new section:

"§ 2239. Waiver of certain restrictions

"(a) The Secretary of Defense and the Secretary of each military department may make expenditures and contributions under section 2233 of this title without regard to section 3648 of the Revised Statutes (31 U.S.C. 529).

"(b) Authority provided by law to place permanent or temporary improvements on lands under section 2233 of this title may be exercised (1) before title to the land on which the improvement is located (or is to be located) is approved under section 355 of the Revised Statutes (40 U.S.C. 255), and (2) even though the land is held temporarily."

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

"2239. Waiver of certain restrictions."

(c)(1) Section 2233a of such title is amended to read as follows:

"§ 2233a. Limitation on certain projects; authority to carry out small projects with operation and maintenance funds

"(a)(1) Except as provided in paragraph (2), an expenditure or contribution in an amount in excess of \$200,000 may not be made under section 2233 of this title for any facility until the Secretary of Defense has notified the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of the location, nature, and estimated cost of the facility and a period of 21 days has passed after receipt of such notification.

Notification to
congressional
committees.
10 USC 2233.

"(2) Paragraph (1) does not apply to expenditures or contributions for the following:

"(A) Facilities acquired by lease.

"(B) A project for a facility that has been authorized by Congress, if the location and purpose of the facility are the same as when authorized and if, based upon bids received—

"(i) the scope of work of the project, as approved by Congress, is not proposed to be reduced by more than 25 percent; and

"(ii) the current working estimate of the cost of the project does not exceed the amount approved for the project

by more than (I) 25 percent, or (II) 200 percent of the amount specified by law as the maximum amount for a minor military construction project, whichever is lesser.

10 USC 2233.

“(b) Under such regulations as the Secretary of Defense may prescribe, a project authorized under section 2233(a) of this title that costs \$50,000 or less may be carried out with funds available for operations and maintenance.”.

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

“2233a. Limitation on certain projects; authority to carry out small projects with operation and maintenance funds.”.

10 USC 2232.

(d)(1) Clause (1) of section 2232 of such title is amended to read as follows:

“State.”

“(1) ‘State’ means any of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and each territory and possession of the United States and includes political subdivisions and military units thereof and tax-supported agencies therein.”.

10 USC 2233,
2236, 2237.

(2) Sections 2233(a)(2), 2233(a)(3), 2233(a)(4), 2233(a)(6), 2236(c), 2236(d), and 2237(b) of such title are amended by striking out “or Territory, Puerto Rico, or the District of Columbia”.

(3) Subsections (a) and (b) of section 2236 of such title are amended by striking out “or Territory, Puerto Rico, or the District of Columbia, whichever is concerned.”.

10 USC 2238.

(4) Section 2238 of such title is amended by striking out “or Territory” and all that follows and inserting in lieu thereof “or, in the case of the District of Columbia, the commanding general of the National Guard of the District of Columbia.”.

(e)(1) Clause (5) of section 2233(a) of such title is amended to read as follows:

“(5) contribute to any State amounts for the acquisition, construction, expansion, rehabilitation, and conversion by such State of such additional facilities as the Secretary determines to be required because of the failure of existing facilities to meet the purposes of this chapter; and”.

(2) Section 2236(b) of such title is amended by inserting “or (5)” after “2233(a)(4)”.

REQUIREMENT FOR CERTAIN NEW ANNUAL AUTHORIZATIONS OF APPROPRIATIONS RELATING TO MILITARY CONSTRUCTION

SEC. 4. Section 138(f)(1) of title 10, United States Code, is amended by striking out “but excludes” and all that follows and inserting in lieu thereof the following: “, any activity to which section 2807 of this title applies, any activity to which chapter 133 of this title applies, and advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23. Such term does not include any activity to which section 2821 or 2854 of this title applies.”.

Ante, p. 156.
10 USC 2231
et seq.

Ante, pp. 157,
165.

ACQUISITION OF REAL PROPERTY; COST VARIATIONS

SEC. 5. Section 2676 of title 10, United States Code, is amended—
(1) by inserting “(a)” before “No military department”; and
(2) by adding at the end the following:

"(b) Authority provided the Secretary of a military department by law to acquire an interest in real property (including a temporary interest) includes authority—

"(1) to make surveys; and

"(2) to acquire the interest in real property by gift, purchase, exchange of real property owned by the United States, or otherwise.

"(c)(1) Except as provided in paragraph (2), the cost authorized for a land acquisition project may be increased by not more than 25 percent of the amount appropriated for the project by Congress or 200 percent of the amount specified by law as the maximum amount for a minor military construction project, whichever is lesser, if the Secretary concerned determines (A) that such an increase is required for the sole purpose of meeting unusual variations in cost, and (B) that such variations in cost could not have been reasonably anticipated at the time the project was originally approved by Congress.

Cost increase;
limitation.

"(2) A land acquisition project may not be placed under contract if, based upon the agreed price for the land—

"(A) the scope of the acquisition, as approved by Congress, is proposed to be reduced by more than 25 percent; or

"(B) the agreed price for the land exceeds the amount appropriated for the project by more than (i) 25 percent, or (ii) 200 percent of the amount specified by law as the maximum amount for a minor military construction project, whichever is lesser, until subsection (d) is complied with.

"(d) The limitations on reduction in scope or increase in cost of a land acquisition in subsection (c) do not apply if the reduction in scope or the increase in cost, as the case may be, is approved by the Secretary concerned and a written notification of the facts relating to the proposed reduced scope or increased cost (including a statement of the reasons therefor) is submitted by the Secretary concerned to the appropriate committees of Congress. A contract for the acquisition may then be awarded only (1) after a period of 21 days elapses from the date the notification is received by the committees, or (2) upon the approval of those committees, if before the end of that period each such committee approves the proposed reduced scope or increased cost."

Notification of
congressional
committees.

CODIFICATION OF OTHER PERMANENT PROVISIONS OF LAW

SEC. 6. (a)(1) Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2394. Contracts for energy or fuel for military installations

"(a) Subject to subsection (c), the Secretary of a military department may enter into contracts for periods of up to 30 years—

"(1) under section 2689 of this title; and

"(2) for the provision and operation of energy production facilities on real property under the Secretary's jurisdiction or on private property and the purchase of energy produced from such facilities.

"(b) A contract may be made under subsection (a) only—

"(1) after the approval of the proposed contract by the Secretary of Defense; and

"(2) after the Committees on Armed Services and on Appropriations of the Senate and House of Representatives have been

Post, p. 173.

Notification to
congressional
committees.

notified of the terms of the proposed contract, including the dollar amount of the contract and the amount of energy or fuel to be delivered to the Government under the contract.

"(d) The costs of contracts under this section for any year may be paid from annual appropriations for that year."

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

"2394. Contracts for energy or fuel for military installations."

(b)(1) Chapter 153 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2577. Disposal of recyclable materials"

Regulations.

"(a)(1) The Secretary of Defense shall prescribe regulations to provide for the sale of recyclable materials held by a military department or defense agency and for the operation of recycling programs at military installations. Such regulations shall include procedures for the designation by the Secretary of a military department (or by the Secretary of Defense with respect to facilities of a defense agency) of military installations that have established a qualifying recycling program for the purposes of subsection (b)(2).

"(2) Any sale of recyclable materials by the Secretary of Defense or Secretary of a military department shall be in accordance with the procedures in section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) for the sale of surplus property.

"(b)(1) Proceeds from the sale of recyclable materials at an installation shall be credited to funds available for operations and maintenance at that installation in amounts sufficient to cover the costs of operations, maintenance, and overhead for processing recyclable materials at the installation (including the cost of any equipment purchased for recycling purposes).

Limitation.

"(2) If after such funds are credited a balance remains available to a military installation and such installation has a qualifying recycling program (as determined by the Secretary of the military department concerned or the Secretary of Defense), not more than 50 percent of that balance may be used at the installation for projects for pollution abatement, energy conservation, and occupational safety and health activities. A project may not be carried out under the preceding sentence for an amount greater than 50 percent of the amount established by law as the maximum amount for a minor construction project.

Transfer of funds.

"(3) The remaining balance available to a military installation may be transferred to the nonappropriated morale and welfare account of the installation to be used for any morale or welfare activity.

"(c) If the balance available to a military installation under this section at the end of any fiscal year is in excess of \$2,000,000, the amount of that excess shall be covered into the Treasury as miscellaneous receipts."

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

"2577. Disposal of recyclable materials."

(c)(1) Chapter 159 of title 10, United States Code, is amended by adding at the end thereof the following new sections:

“§ 2689. Development of geothermal energy on military lands

“The Secretary of a military department may develop, or authorize the development of, any geothermal energy resource within lands under the Secretary’s jurisdiction, including public lands, for the use or benefit of the Department of Defense if that development is in the public interest, as determined by the Secretary concerned, and will not deter commercial development and use of other portions of such resource if offered for leasing.

“§ 2690. Restriction on fuel sources for new heating systems

“(a) Except as provided in subsection (b), a new heating system that requires a heat input rate of fifty million British thermal units per hour or more and that uses oil or gas (or a derivative of oil or gas) as fuel may not be constructed on lands under the jurisdiction of a military department.

“(b) The Secretary of the military department concerned may waive the provisions of subsection (a) in rare and unusual cases, but such a waiver may not become effective until after the Secretary has notified the appropriate committees of Congress in writing of the waiver.

Waiver.

“(c) The Secretary of the military department concerned may not provide service for a new heating system in increments in order to avoid the prohibition contained in subsection (a).”

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

“2689. Development of sources of energy on or for military installations.

“2690. Restriction on fuel sources for new heating systems.”

REPEALER

SEC. 7. The following provisions of law are repealed:

(1) Sections 2212, 2661, 2673, 2674, 2678, 2681, 2684, 2686, 2688, 4774, and 9774 of title 10, United States Code.

(2) Section 504 of the Act entitled “An Act to authorize certain construction at military and naval installations, and for other purposes”, approved September 28, 1951 (31 U.S.C. 723).

(3) Sections 103 and 406(a) of the Act entitled “An Act to authorize certain construction at military installations, and for other purposes”, approved August 30, 1957 (42 U.S.C. 1594h and 1594i).

(4) Section 420 of the Military Construction Act of 1959 (Public Law 86-149; 73 Stat. 324).

7 USC 1704b.

(5) Sections 501, 503, and 507 of the Act entitled “An Act to authorize certain construction at military installations, and for other purposes”, approved July 27, 1962 (42 U.S.C. 1594a-1, 1594h-1, and 1594a-2).

(6) Section 507 of the Military Construction Authorization Act, 1964 (42 U.S.C. 1594k).

(7) Sections 610 and 611 of the Military Construction Authorization Act, 1966 (Public Law 89-188; 79 Stat. 818).

10 USC 1077 note, 2662 note.

(8) Sections 610 and 612 of the Military Construction Authorization Act, 1967 (Public Law 89-568; 50 U.S.C. App. 2287; 31 U.S.C. 723a).

(9) Section 610(a) of the Military Construction Authorization Act, 1968 (42 U.S.C. 1594h-2).

(10) Section 807 of the Military Construction Authorization Act, 1969 (Public Law 90-408; 82 Stat. 392).

(11) Section 512 of the Military Construction Authorization Act, 1970 (Public Law 91-142; 83 Stat. 313).

(12) Section 508 of the Military Construction Authorization Act, 1971 (Public Law 91-511; 84 Stat. 1220).

(13) Section 508 of the Military Construction Authorization Act, 1973 (42 U.S.C. 1594j-1).

(14) Sections 509 and 612 of the Military Construction Authorization Act, 1975 (Public Law 93-552; 88 Stat. 1759, 1765).

(15) Section 613 of the Military Construction Authorization Act, 1978 (Public Law 95-82; 91 Stat. 380).

(16) Section 803 of the Military Construction Authorization Act, 1979 (Public Law 95-356; 30 U.S.C. 1002a).

(17) Sections 505 and 808 of the Military Construction Authorization Act, 1981 (Public Law 96-418; 94 Stat. 1765, 1778).

(18) Section 903 of the Military Construction Authorization Act, 1982 (Public Law 97-99; 95 Stat. 1382).

30 USC 1002a
note.

42 USC 1594h-3.

10 USC 140 note.

AMENDMENTS TO SECTION OF TITLE 10 GOVERNING LEASES IN FOREIGN COUNTRIES

SEC. 8. (a) Subsection (a) of section 2675 of title 10, United States Code, is amended to read as follows:

"(a) The Secretary of a military department may acquire by lease in foreign countries structures and real property relating to structures that are needed for military purposes other than for military family housing. A lease under this section may be for a period of up to five years, and the rental for each yearly period may be paid from funds appropriated to that military department for that year."

(b) Subsection (b) of such section is amended—

(1) by striking out "or any other provision of law"; and

(2) by striking out ", family housing facilities,".

(c) Subsections (c) and (d) of such section are repealed.

SAVINGS PROVISIONS

7 USC 1704c.

SEC. 9. (a) The Secretary of Defense shall pay to the Commodity Credit Corporation an amount not to exceed \$6,000,000 per year until the amount due for foreign currencies used for housing constructed or acquired under title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721-1726) has been liquidated.

42 USC 1594k
note.

(b) The Secretary of Defense may continue in effect any agreement guaranteeing rental returns to builders or other sponsors of family housing in foreign countries that was made under section 507 of the Military Construction Authorization Act, 1964 (42 U.S.C. 1594k), before the effective date of this Act and may exercise any option of the United States in any such agreement that has not been exercised before such date.

TECHNICAL AND CLERICAL AMENDMENTS

SEC. 10. (a)(1) The table of sections at the beginning of chapter 131 of title 10, United States Code, is amended by striking out the item relating to section 2212.

Ante, p. 173.

(2) Section 2233(e) of such title is amended by striking out "advance planning, construction design, and architectural services" and inserting in lieu thereof "architectural and engineering services and construction design". 10 USC 2233.

(3) Section 2388(c) of title 10, United States Code, is amended by striking out "section 4774(d) or 9774(d) of this title, section 529 of title 31, or section 259 or 267 of title 40," and inserting in lieu thereof "section 3648 of the Revised Statutes (31 U.S.C. 529)".

(4) The table of sections at the beginning of chapter 159 of such title is amended by striking out the items relating to sections 2661, 2673, 2674, 2678, 2681, 2684, 2686, and 2688. Ante, p. 173.

(5)(A) Section 2677 of such title is amended by striking out "per centum" in subsection (b) and inserting in lieu thereof "percent". 10 USC 2677.

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

"§ 2677. Options: property required for military construction projects"

(C) The item relating to such section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2677. Options: property required for military construction projects."

(6) Section 2775(c) of such title is amended by striking out "family" and all that follows through "1594a-1)" and inserting in lieu thereof "Military Family Housing Management Account provided for in section 2831 of this title". 10 USC 2775.

(7) Section 2682 of such title is amended by striking out "construction" and all that follows through "extension" and inserting in lieu thereof "maintenance and repair". 10 USC 2682.

(8) Section 2687(d)(1) of such title is amended by striking out the matter preceding clause (A) and inserting in lieu thereof the following: 10 USC 2687.

"(1) 'Military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department—". "Military installation."

(9)(A) The table of sections at the beginning of chapter 449 of such title is amended by striking out the item relating to section 4774. Ante, p. 173.

(B) The table of sections at the beginning of chapter 949 of such title is amended by striking out the item relating to section 9774. Ante, p. 173.

(b)(1) Section 305(a) of the Defense Housing and Community Facilities and Services Act of 1951 (42 U.S.C. 1592d(a)) is amended by striking out "sections 1136 and" and inserting in lieu thereof "section".

(2) Section 402(7) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5042(7)) is amended by striking out "(without regard to the provisions of section 4774(d) of title 10, United States Code)".

(3) Section 3 of the Act entitled "An Act to assist in the internal development of the Virgin Islands by the undertaking of useful projects therein, and for other purposes", approved December 20, 1944 (48 U.S.C. 1409b), is amended—

(A) by striking out "secs. 1136, as amended, and" and inserting in lieu thereof "section"; and

(B) by striking out "sections 355, as amended, and 1136, as amended," and inserting in lieu thereof "section 355".

(4) The Act entitled "An Act to authorize the Secretary of the Air Force to establish land-based air warning and control installations for the national security, and for other purposes", approved March 30, 1949 (50 U.S.C. 491), is amended by striking out "sections 1136,

58 Stat. 829.
48 USC 1409b
and note.

63 Stat. 17.
50 USC 491 and
note.

3648, 3734, Revised Statutes" and inserting in lieu thereof "section 3648 of the Revised Statutes (31 U.S.C. 529)".

(5) Section 40 of the Act of August 10, 1956 (31 U.S.C. 649c), is amended by striking out "and the construction of public works".

**INITIAL ESTABLISHMENT OF CERTAIN AMOUNTS REQUIRED TO BE
SPECIFIED BY LAW**

10 USC 2828
note.

SEC. 11. During the period beginning on October 1, 1982, and ending on the date of the enactment of the Military Construction Authorization Act for fiscal year 1984 or October 1, 1983, whichever is later, the following amounts apply:

Ante, p. 155.

(1) The maximum amount for an unspecified minor military construction project under section 2805 of title 10, United States Code, is \$1,000,000.

Ante, p. 156.

(2) The amount of a contract for architectural and engineering services or construction design that makes such a contract subject to the reporting requirement under section 2807 of title 10, United States Code, is \$300,000.

Ante, p. 159.

(3) The maximum amount per unit for an improvement project for family housing units under section 2825 of title 10, United States Code, is \$30,000.

Ante, p. 161.

(4) The maximum annual rental for a family housing unit leased in the United States, Puerto Rico, or Guam under section 2828(b) of title 10, United States Code, is \$6,000.

(5)(A) The maximum annual rental for a family housing unit leased in a foreign country under section 2828(c) of title 10, United States Code, is \$16,800.

(B) The maximum number of family housing units that may be leased at any one time in foreign countries under section 2828(c) of title 10, United States Code, is 29,000.

(6) The maximum rental per year for family housing facilities, or for real property related to family housing facilities, leased in a foreign country under section 2828(f) of title 10, United States Code, is \$250,000.

EFFECTIVE DATE

10 USC 2801
note.

SEC. 12. (a) Except as provided in subsection (b), the amendments made by this Act shall take effect on October 1, 1982, and shall apply to military construction projects, and to construction and acquisition of military family housing, authorized before, on, or after such date.

(b) The amendment made by section 4 shall apply with respect to funds appropriated for fiscal years beginning after September 30, 1983. *Ante*, p. 170.

Approved July 12, 1982.

LEGISLATIVE HISTORY—H.R. 6451 (S. 2645):

HOUSE REPORT No. 97-612 (Comm. on Armed Services).

SENATE REPORT No. 97-474 accompanying S. 2645 (Comm. on Armed Services).

CONGRESSIONAL RECORD, Vol. 128 (1982):

June 21, considered and passed House.

June 30, considered and passed Senate.