

Calendar No. 84

105TH CONGRESS
1ST Session

S. 924

[Report No. 105-29]

A BILL

To authorize appropriations for fiscal year 1998 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.

JUNE 17, 1997

Read twice and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

JUNE 17, 1997

Mr. THURMOND, from the Committee on Armed Services, reported the following original bill; which was read twice and placed on the calendar

A BILL

To authorize appropriations for fiscal year 1998 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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Defense Au-
3 thorization Act for Fiscal Year 1998”.

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

6 (a) DIVISIONS.—This Act is organized into three divi-
7 sions as follows:

8 (1) Division A—Department of Defense Au-
9 thorizations.

10 (2) Division B—Military Construction Author-
11 izations.

12 (3) Division C—Department of Energy Na-
13 tional Security Authorizations and Other Authoriza-
14 tions.

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

Sec. 1. Short title.

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. Reserve components.

Sec. 106. Defense Inspector General.

Sec. 107. Chemical Demilitarization Program.

Sec. 108. Defense health programs.

Sec. 109. Defense Export Loan Guarantee Program.

Subtitle B—Army Programs

- Sec. 111. Army helicopter modernization plan.
- Sec. 112. Multiyear procurement authority for AH-64D Longbow Apache fire control radar.

Subtitle C—Navy Programs

- Sec. 121. New attack submarine program.
- Sec. 122. Nuclear aircraft carrier program.
- Sec. 123. Exception to cost limitation for Seawolf submarine program.
- Sec. 124. Airborne self-protection jammer program.

Subtitle D—Air Force Programs

- Sec. 131. B-2 bomber aircraft program.

Subtitle E—Other Matters

- Sec. 141. Prohibition on use of funds for acquisition or alteration of private drydocks.
- Sec. 142. Replacement of engines on aircraft derived from Boeing 707 aircraft.
- Sec. 143. Exception to requirement for a particular determination for sales of manufactured articles or services of Army industrial facilities outside the United States.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

- Sec. 201. Authorization of appropriations.

Subtitle B—Program Requirements, Restrictions, and Limitations

- Sec. 211. Joint Strike Fighter program.
- Sec. 212. F-22 aircraft program.
- Sec. 213. High Altitude Endurance Unmanned Vehicle program.
- Sec. 214. Advanced Anti-Radiation Guided Missile program.
- Sec. 215. Federally funded research and development centers.
- Sec. 216. Goal for dual-use science and technology projects.
- Sec. 217. Transfers of authorizations for counterproliferation support program.
- Sec. 218. Kinetic Energy Tactical Anti-Satellite Technology program.
- Sec. 219. Clementine 2 Micro-Satellite development program.

Subtitle C—Ballistic Missile Defense Programs

- Sec. 221. National Missile Defense program.
- Sec. 222. Reversal of decision to transfer procurement funds from the Ballistic Missile Defense Organization.

Subtitle D—Other Matters

- Sec. 231. Manufacturing Technology program.
- Sec. 232. Use of major range and test facility installations by commercial entities.
- Sec. 233. Eligibility for the Defense Experimental Program to Stimulate Competitive Research.
- Sec. 234. Restructuring of National Oceanographic Partnership Program organizations.

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. Fisher House Trust Funds.

Subtitle B—Depot-Level Activities

- Sec. 311. Definition of depot-level maintenance and repair.
- Sec. 312. Restrictions on contracts for performance of depot-level maintenance and repair at certain facilities.
- Sec. 313. Core logistics functions of Department of Defense.
- Sec. 314. Percentage limitation on performance of depot-level maintenance of materiel.
- Sec. 315. Centers of Industrial and Technical Excellence.
- Sec. 316. Clarification of prohibition on management of depot employees by constraints on personnel levels.
- Sec. 317. Annual report on depot-level maintenance and repair.
- Sec. 318. Report on allocation of core logistics activities among Department of Defense facilities and private sector facilities.
- Sec. 319. Review of use of temporary duty assignments for ship repair and maintenance.
- Sec. 320. Repeal of a conditional repeal of certain depot-level maintenance and repair laws and a related reporting requirement.
- Sec. 321. Extension of authority for naval shipyards and aviation depots to engage in defense-related production and services.

Subtitle C—Environmental Provisions

- Sec. 331. Clarification of authority relating to storage and disposal of non-defense toxic and hazardous materials on Department of Defense property.
- Sec. 332. Annual report on payments and activities in response to fines and penalties assessed under environmental laws.
- Sec. 333. Annual report on environmental activities of the Department of Defense overseas.
- Sec. 334. Membership terms for Strategic Environmental Research and Development Program Scientific Advisory Board.
- Sec. 335. Additional information on agreements for agency services in support of environmental technology certification.
- Sec. 336. Risk assessments under the Defense Environmental Restoration Program.
- Sec. 337. Recovery and sharing of costs of environmental restoration at Department of Defense sites.
- Sec. 338. Pilot program for the sale of air pollution emission reduction incentives.
- Sec. 339. Tagging system for identification of hydrocarbon fuels used by the Department of Defense.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

- Sec. 351. Funding sources for construction and improvement of commissary store facilities.
- Sec. 352. Integration of military exchange services.

Subtitle E—Other Matters

- Sec. 361. Advance billings for working-capital funds.
- Sec. 362. Center for Excellence in Disaster Management and Humanitarian Assistance.
- Sec. 363. Administrative actions adversely affecting military training or other readiness activities.
- Sec. 364. Financial assistance to support additional duties assigned to Army National Guard.
- Sec. 365. Sale of excess, obsolete, or unserviceable ammunition and ammunition components.
- Sec. 366. Inventory management.
- Sec. 367. Warranty claims recovery pilot program.
- Sec. 368. Adjustment and diversification assistance to enhance increased performance of military family support services by private sector sources.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

- Sec. 401. End strengths for active forces.
- Sec. 402. Permanent end strength levels to support two major regional contingencies.

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.

Subtitle C—Authorization of Appropriations

- Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Personnel Management

- Sec. 501. Officers excluded from consideration by promotion board.
- Sec. 502. Increase in the maximum number of officers allowed to be frocked to the grade of O–6.
- Sec. 503. Availability of Navy chaplains on retired list or of retirement age to serve as Chief or Deputy Chief of Chaplains of the Navy.
- Sec. 504. Period of recall service of certain retirees.

Subtitle B—Matters Relating to Reserve Components

- Sec. 511. Termination of Ready Reserve Mobilization Income Insurance Program.
- Sec. 512. Discharge or retirement of reserve officers in an inactive status.
- Sec. 513. Retention of military technicians in grade of Brigadier General after mandatory separation date.
- Sec. 514. Federal status of service by National Guard members as honor guards at funerals of veterans.

Subtitle C—Education and Training Programs

- Sec. 521. Service academies foreign exchange study program.
- Sec. 522. Programs of higher education of the Community College of the Air Force.
- Sec. 523. Preservation of entitlement to educational assistance of members of the Selected Reserve serving on active duty in support of a contingency operation.
- Sec. 524. Repeal of certain staffing and safety requirements for the Army Ranger Training Brigade.

Subtitle D—Decorations and Awards

- Sec. 531. Clarification of eligibility of members of Ready Reserve for award of service Medal for Heroism.
- Sec. 532. Waiver of time limitations for award of certain decorations to specified persons.
- Sec. 533. One-year extension of period for receipt of recommendations for decorations and awards for certain military intelligence personnel.
- Sec. 534. Eligibility of certain World War II military organizations for award of unit decorations.

Subtitle E—Military Personnel Voting Rights

- Sec. 541. Short title.
- Sec. 542. Guarantee of residency.
- Sec. 543. State responsibility to guarantee military voting rights.

Subtitle F—Other Matters

- Sec. 551. Sense of Congress regarding study of matters relating to gender equity in the Armed Forces.
- Sec. 552. Commission on Gender Integration in the Military.
- Sec. 553. Sexual harassment investigations and reports.
- Sec. 554. Requirement for exemplary conduct by commanding officers and other authorities.
- Sec. 555. Participation of Department of Defense personnel in management of non-federal entities.
- Sec. 556. Technical correction to cross reference in ROPMA provision relating to position vacancy promotion.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay

- Sec. 601. Military pay raise for fiscal year 1998.

Subtitle B—Subsistence, Housing, and Other Allowances

PART I—REFORM OF BASIC ALLOWANCE FOR SUBSISTENCE

- Sec. 611. Revised entitlement and rates.
- Sec. 612. Transitional basic allowance for subsistence.
- Sec. 613. Effective date and termination of transitional authority.

PART II—REFORM OF HOUSING AND RELATED ALLOWANCES

- Sec. 616. Entitlement to basic allowance for housing.

- Sec. 617. Rates of basic allowance for housing.
- Sec. 618. Dislocation allowance.
- Sec. 619. Family separation and station allowances.
- Sec. 620. Other conforming amendments.
- Sec. 621. Clerical amendment.
- Sec. 622. Effective date.

PART III—OTHER AMENDMENTS RELATING TO ALLOWANCES

- Sec. 626. Revision of authority to adjust compensation necessitated by reform of subsistence and housing allowances.
- Sec. 627. Deadline for payment of Ready Reserve muster duty allowance.

Subtitle C—Bonuses and Special and Incentive Pays

- Sec. 631. One-year extension of certain bonuses and special pay authorities for reserve forces.
- Sec. 632. One-year extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
- Sec. 633. One-year extension of authorities relating to payment of other bonuses and special pays.
- Sec. 634. Increased amounts for aviation career incentive pay.
- Sec. 635. Aviation continuation pay.
- Sec. 636. Eligibility of dental officers for the multiyear retention bonus provided for medical officers.
- Sec. 637. Increased special pay for dental officers.
- Sec. 638. Modification of Selected Reserve reenlistment bonus authority.
- Sec. 639. Modification of authority to pay bonuses for enlistments by prior service personnel in critical skills in the Selected Reserve.
- Sec. 640. Increased special pay and bonuses for nuclear qualified officers.
- Sec. 641. Authority to pay bonuses in lieu of special pay for enlisted members extending duty at designated locations overseas.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

- Sec. 651. One-year opportunity to discontinue participation in Survivor Benefit Plan.
- Sec. 652. Time for changing survivor benefit coverage from former spouse to spouse.
- Sec. 653. Paid-up coverage under Survivor Benefit Plan.
- Sec. 654. Annuities for certain military surviving spouses.

Subtitle E—Other Matters

- Sec. 661. Eligibility of Reserves for benefits for illness, injury, or death incurred or aggravated in line of duty.
- Sec. 662. Travel and transportation allowances for dependents before approval of a member's court-martial sentence.
- Sec. 663. Eligibility of members of the uniformed services for reimbursement of adoption expenses.

TITLE VII—HEALTH CARE PROVISIONS

- Sec. 701. Waiver of deductibles, copayments, and annual fees for members assigned to certain duty locations far from sources of care.

- Sec. 702. Payment for emergency health care overseas for military and civilian personnel of the On-Site Inspection Agency.
- Sec. 703. Disclosures of cautionary information on prescription medications.
- Sec. 704. Health care services for certain Reserves who served in Southwest Asia during the Persian Gulf War.
- Sec. 705. Collection of dental insurance premiums.
- Sec. 706. Dental insurance plan coverage for retirees of uniformed service in the Public Health Service and NOAA.
- Sec. 707. Prosthetic devices for dependents.

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

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

- Sec. 801. Streamlined approval requirements for contracts under international agreements.
- Sec. 802. Restriction on undefinitized contract actions.
- Sec. 803. Expansion of authority to cross fiscal years to all severable service contracts not exceeding a year.
- Sec. 804. Limitation on allowability of compensation for certain contractor personnel.
- Sec. 805. Increased price limitation on purchases of right-hand drive vehicles.
- Sec. 806. Conversion of defense capability preservation authority to Navy shipbuilding capability preservation authority.
- Sec. 807. Elimination of certification requirement for grants.
- Sec. 808. Repeal of limitation on adjustment of shipbuilding contracts.

Subtitle B—Contract Provisions

- Sec. 811. Contractor guarantees of major systems.
- Sec. 812. Vesting of title in the United States under contracts paid under progress payment arrangements or similar arrangements.

Subtitle C—Acquisition Assistance Programs

- Sec. 821. Procurement technical assistance programs.
- Sec. 822. One-year extension of Pilot Mentor-Protege Program.
- Sec. 823. Test program for negotiation of comprehensive subcontracting plans.
- Sec. 824. Price preference for small and disadvantaged businesses.

Subtitle D—Administrative Provisions

- Sec. 831. Retention of expired funds during the pendency of contract litigation.
- Sec. 832. Protection of certain information from disclosure.
- Sec. 833. Content of limited selected acquisition reports.
- Sec. 834. Unit cost reports.
- Sec. 835. Central Department of Defense point of contact for contracting information.

Subtitle E—Other Matters

- Sec. 841. Defense business combinations.
- Sec. 842. Lease of nonexcess property of Defense Agencies.
- Sec. 843. Promotion rate for officers in an Acquisition Corps.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

- Sec. 901. Principal duty of Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.
- Sec. 902. Professional military education schools.
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TITLE X—GENERAL PROVISIONS

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- Sec. 1001. Transfer authority.
- Sec. 1002. Authority for obligation of certain unauthorized fiscal year 1997 defense appropriations.
- Sec. 1003. Authorization of prior emergency supplemental appropriations for fiscal year 1997.
- Sec. 1004. Increased transfer authority for fiscal year 1996 authorizations.
- Sec. 1005. Biennial financial management strategic plan.
- Sec. 1006. Revision of authority for Fisher House Trust Funds.
- Sec. 1007. Availability of certain fiscal year 1991 funds for payment of contract claim.
- Sec. 1008. Estimates and requests for procurement and military construction for the reserve components.

Subtitle B—Naval Vessels and Shipyards

- Sec. 1011. Long-term charter of vessel for surveillance towed array sensor program.
- Sec. 1012. Procedures for sale of vessels stricken from the Naval Vessel Register.
- Sec. 1013. Transfers of naval vessels to certain foreign countries.

Subtitle C—Counter-Drug Activities

- Sec. 1021. Authority to provide additional support for counter-drug activities of Mexico.
- Sec. 1022. Authority to provide additional support for counter-drug activities of Peru and Colombia.

Subtitle D—Reports and Studies

- Sec. 1031. Repeal of reporting requirements.
- Sec. 1032. Common measurement of operations and personnel tempo.
- Sec. 1033. Report on overseas deployment.
- Sec. 1034. Report on military readiness requirements of the Armed Forces.
- Sec. 1035. Assessment of cyclical readiness posture of the Armed Forces.
- Sec. 1036. Overseas infrastructure requirements.
- Sec. 1037. Report on aircraft inventory.
- Sec. 1038. Disposal of excess materials.
- Sec. 1039. Review of former spouse protections.
- Sec. 1040. Completion of GAO reports for Congress.

Subtitle E—Other Matters

- Sec. 1051. Psychotherapist-patient privilege in the Military Rules of Evidence.
- Sec. 1052. National Guard Civilian Youth Opportunities Pilot Program.

- Sec. 1053. Protection of Armed Forces personnel during peace operations.
- Sec. 1054. Limitation on retirement or dismantlement of strategic nuclear delivery systems.
- Sec. 1055. Acceptance and use of landing fees for use of overseas military airfields by civil aircraft.
- Sec. 1056. One-year extension of international nonproliferation initiative.
- Sec. 1057. Arms control implementation and assistance for facilities subject to inspection under the Chemical Weapons Convention.
- Sec. 1058. Sense of Senate regarding the relationship between environmental laws and United States' obligations under the Chemical Weapons Convention.
- Sec. 1059. Sense of Congress regarding funding for reserve component modernization not requested in the annual budget request.
- Sec. 1060. Authority of Secretary of Defense to settle claims relating to pay, allowances, and other benefits
- Sec. 1061. Coordination of access of commanders and deployed units to intelligence collected and analyzed by the intelligence community.
- Sec. 1062. Protection of imagery, imagery intelligence, and geospatial information and data.
- Sec. 1063. Protection of air safety information voluntarily provided by a charter air carrier.
- Sec. 1064. Sustainment and operation of Global Positioning System.
- Sec. 1065. Law enforcement authority for special agents of the Defense Criminal Investigative Service.
- Sec. 1066. Repeal of requirement for continued operation of the Naval Academy dairy farm.
- Sec. 1067. POW/MIA intelligence analysis cell.
- Sec. 1068. Protection of employees from retaliation for certain disclosures of classified information.
- Sec. 1069. Applicability of certain pay authorities to members of the Commission on Servicemembers and Veterans Transition Assistance.
- Sec. 1070. Transfer of B-17 aircraft to museum.
- Sec. 1071. Five-year extension of aviation insurance program.
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- Sec. 1073. Naturalization of foreign nationals who served honorably in the Armed Forces of the United States.
- Sec. 1074. Designation of Bob Hope as honorary veteran.

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- Sec. 1101. Use of prohibited constraints to manage Department of Defense personnel.
- Sec. 1102. Employment of civilian faculty at the Marine Corps University.
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- Sec. 1105. Rate of pay of Department of Defense overseas teacher upon transfer to General Schedule position.
- Sec. 1106. Naturalization of employees of the George C. Marshall European Center for Security Studies.

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- Sec. 2001. Short title.

TITLE XXI—ARMY

- Sec. 2101. Authorized Army construction and land acquisition projects.
- Sec. 2102. Family housing.
- Sec. 2103. Improvements to military family housing units.
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- Sec. 2105. Authority to use certain prior year funds to construct a heliport at Fort Irwin, California.

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- 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. Authorization of military construction project at Pascagoula Naval Station, Mississippi, for which funds have been appropriated.

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. 2305. Authorization of military construction project at McConnell Air Force Base, Kansas, for which funds have been appropriated.

TITLE XXIV—DEFENSE AGENCIES

- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
- Sec. 2402. Military housing planning and design.
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- Sec. 2404. Energy conservation projects.
- Sec. 2405. Authorization of appropriations, Defense Agencies.
- Sec. 2406. Clarification of authority relating to fiscal year 1997 project at Naval Station, Pearl Harbor, Hawaii.
- Sec. 2407. Authority to use prior year funds to carry out certain Defense Agency military construction projects.
- Sec. 2408. Modification of authority to carry out fiscal year 1995 projects.
- Sec. 2409. Availability of funds for fiscal year 1995 project relating to relocatable over-the-horizon radar, Naval Station Roosevelt Roads, Puerto Rico.

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

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

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

- Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
- Sec. 2602. Authorization of Army National Guard construction project, aviation support facility, Hilo, Hawaii, for which funds have been appropriated.

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 1995 projects.
- Sec. 2703. Extension of authorizations of certain fiscal year 1994 projects.
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- Sec. 2706. Effective date.

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- Sec. 2802. Sale of utility systems of the military departments.
- Sec. 2803. Administrative expenses for certain real property transactions.
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- Sec. 2811. Modification of authority for disposal of certain real property, Fort Belvoir, Virginia.
- Sec. 2812. Correction of land conveyance authority, Army Reserve Center, Anderson, South Carolina.
- Sec. 2813. Land conveyance, Hawthorne Army Ammunition Depot, Mineral County, Nevada.
- Sec. 2814. Long-term lease of property, Naples, Italy.
- Sec. 2815. Land conveyance, Topsham Annex, Naval Air Station, Brunswick, Maine.
- Sec. 2816. Land conveyance, Naval Weapons Industrial Reserve Plant No. 464, Oyster Bay, New York.
- Sec. 2817. Land conveyance, Charleston Family Housing Complex, Bangor, Maine.
- Sec. 2818. Land conveyance, Ellsworth Air Force Base, South Dakota.

Subtitle C—Other Matters

- Sec. 2831. Disposition of proceeds of sale of Air Force Plant No. 78, Brigham City, Utah.

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

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- Sec. 3101. Weapons activities.
- Sec. 3102. Environmental restoration and waste management.
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- Sec. 3104. Defense environmental management privatization.
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- Sec. 3121. Reprogramming.
- Sec. 3122. Limits on general plant projects.
- Sec. 3123. Limits on construction projects.
- Sec. 3124. Fund transfer authority.
- Sec. 3125. Authority for conceptual and construction design.
- Sec. 3126. Authority for emergency planning, design, and construction activities.
- Sec. 3127. Funds available for all national security programs of the Department of Energy.
- Sec. 3128. Availability of funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

- Sec. 3131. Defense environmental management privatization projects.
- Sec. 3132. International cooperative stockpile stewardship programs.
- Sec. 3133. Modernization of enduring nuclear weapons complex.
- Sec. 3134. Tritium production.
- Sec. 3135. Processing, treatment, and disposition of spent nuclear fuel rods and other legacy nuclear materials at the Savannah River Site.
- Sec. 3136. Limitations on use of funds for laboratory directed research and development purposes.
- Sec. 3137. Permanent authority for transfers of defense environmental management funds.
- Sec. 3138. Prohibition on recovery of certain additional costs for environmental response actions associated with the Formerly Utilized Site Remedial Action Project program.

Subtitle D—Other Matters

- Sec. 3151. Administration of certain Department of Energy activities.
- Sec. 3152. Modification and extension of authority relating to appointment of certain scientific, engineering, and technical personnel.
- Sec. 3153. Annual report on plan and program for stewardship, management, and certification of warheads in the nuclear weapons stockpile.
- Sec. 3154. Submittal of biennial waste management reports.
- Sec. 3155. Repeal of obsolete reporting requirements.
- Sec. 3156. Commission on safeguarding and security of nuclear weapons and materials at Department of Energy facilities.
- Sec. 3157. Modification of authority on commission on maintaining United States nuclear weapons expertise.
- Sec. 3158. Land transfer, Bandelier National Monument.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

- Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

- Sec. 3301. Definitions.
- Sec. 3302. Authorized uses of stockpile funds.
- Sec. 3303. Authority to dispose of certain materials in National Defense Stockpile.
- Sec. 3304. Return of surplus platinum from the Department of the Treasury.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. Authorization of appropriations.
- Sec. 3402. Leasing of certain oil shale reserves.
- Sec. 3403. Repeal of requirement to assign Navy officers to Office of Naval Petroleum and Oil Shale Reserves.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Expenditures From Revolving Fund

- Sec. 3501. Short title.
- Sec. 3502. Authorization of expenditures.
- Sec. 3503. Purchase of vehicles.
- Sec. 3504. Expenditures only in accordance with treaties.

Subtitle B—Facilitation of Panama Canal Transition

- Sec. 3511. Short title; references.
- Sec. 3512. Definitions relating to Canal transition.

PART I—TRANSITION MATTERS RELATING TO COMMISSION OFFICERS AND EMPLOYEES

- Sec. 3521. Authority for the Administrator of the Commission to accept appointment as the Administrator of the Panama Canal Authority.
- Sec. 3522. Post-Canal transfer personnel authorities.
- Sec. 3523. Enhanced authority of Commission to establish compensation of Commission officers and employees.
- Sec. 3524. Travel, transportation, and subsistence expenses for Commission personnel no longer subject to Federal Travel Regulation.
- Sec. 3525. Enhanced recruitment and retention authorities.
- Sec. 3526. Transition separation incentive payments.
- Sec. 3527. Labor-management relations.
- Sec. 3528. Availability of Panama Canal Revolving Fund for severance pay for certain employees separated by Panama Canal Authority after Canal Transfer Date.

PART II—TRANSITION MATTERS RELATING TO OPERATION AND ADMINISTRATION OF CANAL

- Sec. 3541. Establishment of procurement system and board of contract appeals.
- Sec. 3542. Transactions with the Panama Canal Authority.
- Sec. 3543. Time limitations on filing of claims for damages.
- Sec. 3544. Tolls for small vessels.
- Sec. 3545. Date of actuarial evaluation of FECA liability.
- Sec. 3546. Notaries public.
- Sec. 3547. Commercial services.
- Sec. 3548. Transfer from President to Commission of certain regulatory functions relating to employment classification appeals.
- Sec. 3549. Enhanced printing authority.
- Sec. 3550. Technical and conforming amendments.

1 **SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.**

2 For purposes of this Act, the term “congressional de-
3 fense committees” means—

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

6 (2) the Committee on National Security and the
7 Committee on Appropriations of the House of Rep-
8 resentatives.

9 **DIVISION A—DEPARTMENT OF**
10 **DEFENSE AUTHORIZATIONS**
11 **TITLE I—PROCUREMENT**
12 **Subtitle A—Authorization of**
13 **Appropriations**

14 **SEC. 101. ARMY.**

15 Funds are hereby authorized to be appropriated for
16 fiscal year 1998 for procurement for the Army as follows:

17 (1) For aircraft, \$1,394,459,000.

18 (2) For missiles, \$1,223,851,000.

19 (3) For weapons and tracked combat vehicles,
20 \$1,179,107,000.

21 (4) For ammunition, \$1,043,202,000.

22 (5) For other procurement, \$2,918,730,000.

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

24 (a) NAVY.—Funds are hereby authorized to be appro-
25 priated for fiscal year 1998 for procurement for the Navy
26 as follows:

1 (1) For aircraft, \$6,482,265,000.

2 (2) For weapons, including missiles and tor-
3 pedoes, \$1,200,393,000.

4 (3) For shipbuilding and conversion,
5 \$8,593,358,000.

6 (4) For ammunition for the Navy and Marine
7 Corps, \$369,797,000.

8 (5) For other procurement, \$3,177,700,000.

9 (b) MARINE CORPS.—Funds are hereby authorized to
10 be appropriated for fiscal year 1998 for procurement for
11 the Marine Corps in the amount of \$554,806,000.

12 **SEC. 103. AIR FORCE.**

13 Funds are hereby authorized to be appropriated for
14 fiscal year 1998 for procurement for the Air Force as
15 follows:

16 (1) For aircraft, \$6,048,915,000.

17 (2) For missiles, \$2,411,241,000.

18 (3) For ammunition, \$420,784,000.

19 (4) For other procurement, \$6,798,453,000.

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

21 Funds are hereby authorized to be appropriated for
22 fiscal year 1998 for Defense-wide procurement in the
23 amount of \$1,749,285,000.

1 **SEC. 105. RESERVE COMPONENTS.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 1998 for procurement of aircraft, vehicles, com-
4 munications equipment, and other equipment for the re-
5 serve components of the Armed Forces as follows:

6 (1) For the Army National Guard,
7 \$100,000,000.

8 (2) For the Air National Guard, \$186,300,000.

9 (3) For the Army Reserve, \$40,000,000.

10 (4) For the Naval Reserve, \$40,000,000.

11 (5) For the Air Force Reserve, \$246,700,000.

12 (6) For the Marine Corps Reserve,
13 \$40,000,000.

14 **SEC. 106. DEFENSE INSPECTOR GENERAL.**

15 Funds are hereby authorized to be appropriated for
16 fiscal year 1998 for procurement for the Inspector General
17 of the Department of Defense in the amount of
18 \$1,800,000.

19 **SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.**

20 There is are hereby authorized to be appropriated for
21 fiscal year 1998 the amount of \$614,700,000 for—

22 (1) the destruction of lethal chemical agents
23 and munitions in accordance with section 1412 of
24 the Department of Defense Authorization Act, 1986
25 (50 U.S.C. 1521); and

1 (2) the destruction of chemical warfare materiel
2 of the United States that is not covered by section
3 1412 of such Act.

4 **SEC. 108. DEFENSE HEALTH PROGRAMS.**

5 Funds are hereby authorized to be appropriated for
6 fiscal year 1998 for the Department of Defense for pro-
7 curement for carrying out health care programs, projects,
8 and activities of the Department of Defense in the total
9 amount of \$274,068,000.

10 **SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.**

11 Funds are hereby authorized to be appropriated for
12 fiscal year 1998 for the Department of Defense for carry-
13 ing out the Defense Export Loan Guarantee Program es-
14 tablished under section 2540 of title 10, United States
15 Code, in the total amount of \$1,231,000.

16 **Subtitle B—Army Programs**

17 **SEC. 111. ARMY HELICOPTER MODERNIZATION PLAN.**

18 (a) LIMITATION.—Not more than 25 percent of the
19 amounts authorized to be appropriated pursuant to sec-
20 tion 101(1), 105(1), or 105(3) for modifications or up-
21 grades of helicopters may be obligated before the date that
22 is 30 days after the Secretary of the Army submits to the
23 congressional defense committees a comprehensive plan
24 for the modernization of the Army's helicopter fleet.

1 (b) CONTENT OF PLAN.—The plan required by sub-
2 section (a) shall, at a minimum, contain the following:

3 (1) A detailed assessment of the Army’s present
4 and future helicopter requirements and present and
5 future helicopter inventory, including number of air-
6 craft, age of aircraft, availability of spare parts,
7 flight hour costs, roles and functions assigned to the
8 fleet as a whole and to its individual types of air-
9 craft, and the mix of active component aircraft and
10 reserve component aircraft in the fleet.

11 (2) Estimates and analysis of requirements and
12 funding proposed for procurement of new aircraft.

13 (3) An analysis of the requirements for and
14 funding proposed for extended service plans or serv-
15 ice life extension plans for fleet aircraft.

16 (4) A plan for retiring aircraft no longer re-
17 quired or capable of performing assigned functions,
18 including a discussion of opportunities to eliminate
19 older aircraft models and to focus future funding on
20 current or future generation aircraft.

21 (5) The implications of the plan for the defense
22 industrial base.

23 (c) FUNDING IN FUTURE-YEARS DEFENSE PRO-
24 GRAM.—The Secretary of the Army shall include in the
25 plan required by subsection (a) a certification that the

1 plan is to be funded in the future-years defense program
 2 submitted to Congress in 1998 pursuant to section 221(a)
 3 of title 10, United States Code.

4 **SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR AH-**
 5 **64D LONGBOW APACHE FIRE CONTROL**
 6 **RADAR.**

7 Beginning with the fiscal year 1998 program year,
 8 the Secretary of the Army may, in accordance with section
 9 2306b of title 10, United States Code, enter into a
 10 multiyear procurement contract for the procurement of
 11 the AH-64D Longbow Apache fire control radar.

12 **Subtitle C—Navy Programs**

13 **SEC. 121. NEW ATTACK SUBMARINE PROGRAM.**

14 (a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—
 15 Of the amounts authorized to be appropriated by section
 16 102(a)(3) for fiscal year 1998, \$2,599,800,000 is available
 17 for the New Attack Submarine Program.

18 (b) CONTRACT AUTHORITY.—(1) The Secretary of
 19 the Navy may enter into a contract for the procurement
 20 of four submarines under the New Attack Submarine
 21 program.

22 (2) Any contract entered into under paragraph (1)—
 23 (A) shall, notwithstanding section 2304(k) of
 24 title 10, United States Code, be awarded to one of
 25 the two eligible shipbuilders as the prime contractor

1 on the condition that the prime contractor enter into
2 one or more subcontracts (under such prime con-
3 tract) with the other of the two eligible shipbuilders
4 as contemplated in the New Attack Submarine
5 Team Agreement; and

6 (B) shall provide for—

7 (i) construction of the first submarine in
8 fiscal year 1998; and

9 (ii) advance construction and advance pro-
10 curement of materiel for the second, third, and
11 fourth submarines in fiscal year 1998.

12 (3) The following shipbuilders are eligible for a con-
13 tract under this subsection:

14 (A) The Electric Boat Corporation.

15 (B) The Newport News Shipbuilding and Dry-
16 dock Company.

17 (4) In paragraph (2)(A), the term “New Attack Sub-
18 marine Team Agreement” means the agreement known as
19 the Team Agreement between Electric Boat Corporation
20 and Newport News Shipbuilding and Drydock Company,
21 dated February 25, 1997, that was submitted to Congress
22 by the Secretary of the Navy on March 31, 1997.

23 (c) LIMITATION OF LIABILITY.—If a contract entered
24 into under this section is terminated, the United States
25 shall not be liable for termination costs in excess of the

1 total amount appropriated for the New Attack Submarine
2 program.

3 (d) REPEALS OF SUPERSEDED PROVISIONS OF PRE-
4 VIOUS DEFENSE AUTHORIZATION LAWS.—(1) Section
5 131 of the National Defense Authorization Act for Fiscal
6 Year 1996 (Public Law 104–106; 110 Stat. 206) is
7 amended—

8 (A) in subsection (a)(1)(B)—

9 (i) in clause (i), by striking out “, which
10 shall be built by Electric Boat Division”; and

11 (ii) in clause (ii), by striking out “, which
12 shall be built by Newport News Shipbuilding”;
13 and

14 (B) in subsection (b), by striking out paragraph
15 (1).

16 (2) Section 121 of the National Defense Authoriza-
17 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
18 Stat. 2441) is amended—

19 (A) in subsection (a)—

20 (i) in paragraph (1)(B), by striking out “to
21 be built by Electric Boat Division”; and

22 (ii) in paragraph (1)(C), by striking out
23 “to be built by Newport News Shipbuilding”;
24

25 (B) in subsection (d), by striking out paragraph
(2);

1 (C) in subsection (e), by striking out paragraph
2 (1); and

3 (D) in subsection (g), by striking out “the com-
4 mittees specified in subsection (e)(1)” in paragraphs
5 (3) and(4) and inserting in lieu thereof “the Com-
6 mittee on Armed Services of the Senate and the
7 Committee on National Security of the House of
8 Representatives”.

9 (e) INAPPLICABILITY OF SUPERSEDED ASPECTS OF
10 ATTACK SUBMARINE DEVELOPMENT PLAN.—The Sec-
11 retary of Defense and the Secretary of the Navy are not
12 required to carry out the portions of the program plan
13 submitted under subsection (c) of section 131 of the Na-
14 tional Defense Authorization Act for Fiscal Year 1996
15 that are included in the plan pursuant to subparagraphs
16 (A), (B), and (E) of paragraph (2) of such subsection.

17 **SEC. 122. NUCLEAR AIRCRAFT CARRIER PROGRAM.**

18 (a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—
19 Of the amounts authorized to be appropriated by section
20 102(a)(3) for fiscal year 1998, \$345,000,000 is available
21 for the procurement and construction of nuclear and non-
22 nuclear components for the CVN–77 nuclear aircraft car-
23 rier program. The Secretary of the Navy is authorized to
24 enter into a contract or contracts with the shipbuilder for
25 the procurement and construction of such components.

1 (b) AMOUNTS AUTHORIZED FROM RDT&E AC-
2 COUNT.—Of the amounts authorized to be appropriated
3 by section 201(2) for fiscal year 1998, \$35,000,000 is
4 available for research, development, test, and evaluation
5 of technologies that have potential for use in the CVN-
6 77 nuclear aircraft carrier program.

7 **SEC. 123. EXCEPTION TO COST LIMITATION FOR SEAWOLF**
8 **SUBMARINE PROGRAM.**

9 In the application of the limitation in section 133(a)
10 of the National Defense Authorization Act for Fiscal Year
11 1996 (Public Law 104–106; 110 Stat. 211), there shall
12 not be taken into account \$745,700,000 of the amounts
13 that were obligated or expended for procurement of
14 Seawolf class submarines before the date of the enactment
15 of this Act (that amount being the total of amounts of
16 funds appropriated for fiscal years 1990, 1991, and 1992
17 for the procurement of Seawolf class submarines that have
18 been obligated or expended for procurement under the
19 SSN–23, SSN–24, and SSN–25 Seawolf class submarine
20 programs, which have been canceled since the limitation
21 took effect).

22 **SEC. 124. AIRBORNE SELF-PROTECTION JAMMER PRO-**
23 **GRAM.**

24 (a) LIMITATION ON RESUMPTION OF SERIAL PRO-
25 Duction.—Serial production of the airborne self-protec-

1 tion jammer may not be resumed until the Director of
2 Operational Test and Evaluation of the Department of
3 Defense has certified in writing to Congress that—

4 (1) the capabilities of the airborne self-protec-
5 tion jammer exceed the capabilities of the integrated
6 defensive electronics countermeasure system that is
7 under development for use in F/A–18E/F aircraft;

8 (2) the units of the airborne self-protection
9 jammer to be produced are to be used in F/A–18E/
10 F aircraft; and

11 (3) the deficiencies in the airborne self-protec-
12 tion jammer noted by the Director before the date
13 of the enactment of this Act have been eliminated.

14 (b) LIMITATION ON OBLIGATION OF FUNDS.—No
15 funds authorized to be appropriated by this or any other
16 Act may be obligated for serial production of the airborne
17 self-protection jammer until the Secretary of Defense has
18 certified in writing to Congress that funding is pro-
19 grammed for serial production of the airborne self-protec-
20 tion jammer in the future-years defense program.

21 **Subtitle D—Air Force Programs**

22 **SEC. 131. B-2 BOMBER AIRCRAFT PROGRAM.**

23 (a) PROHIBITION.—None of the funds authorized to
24 be appropriated in this or any other Act may be used—

1 (1) to procure any additional B–2 bomber air-
2 craft; or

3 (2) to maintain any part of the bomber indus-
4 trial base solely for the purpose of preserving the op-
5 tion to procure additional B–2 bomber aircraft in
6 the future.

7 (b) EXCEPTIONS.—The prohibition in subsection (a)
8 does not apply to—

9 (1) any B–2 bomber aircraft that is covered by
10 a contract for the production of that aircraft as of
11 the date of the enactment of this Act; or

12 (2) any part of the bomber industrial base that
13 is necessary for producing all B–2 bomber aircraft
14 referred to in paragraph (1), but only for so long as
15 is necessary to complete the production of such air-
16 craft.

17 **Subtitle E—Other Matters**

18 **SEC. 141. PROHIBITION ON USE OF FUNDS FOR ACQUISI-** 19 **TION OR ALTERATION OF PRIVATE DRY-** 20 **DOCKS.**

21 None of the funds authorized to be appropriated by
22 this or any other Act may be used, directly or indirectly,
23 to purchase, lease, upgrade, or modify privately-owned
24 drydocks.

1 **SEC. 142. REPLACEMENT OF ENGINES ON AIRCRAFT DE-**
2 **RIVED FROM BOEING 707 AIRCRAFT.**

3 (a) ANALYSIS REQUIRED.—The Under Secretary of
4 Defense for Acquisition and Technology shall submit to
5 the Committee on Armed Services of the Senate and the
6 Committee on National Security of the House of Rep-
7 resentatives an analysis of the requirements of the Depart-
8 ment of Defense for replacing engines on the aircraft of
9 the department that are derived from the Boeing 707 air-
10 craft and the costs of meeting the requirements.

11 (b) CONTENT.—The analysis shall include the
12 following:

13 (1) The number of aircraft described in sub-
14 section (a) that are in the inventory of the Depart-
15 ment of Defense and the number of such aircraft
16 that are projected to be in the inventory of the de-
17 partment in 5 years, in 10 years, and in 15 years.

18 (2) For each type of such aircraft, the esti-
19 mated cost of operating the aircraft for each fiscal
20 year after fiscal year 1997 and before fiscal year
21 2015, taking into account historical patterns of
22 usage and projected support costs.

23 (3) For each type of such aircraft, the esti-
24 mated costs and the benefits of replacing the engines
25 on the aircraft, analyzed on the basis of the experi-
26 ence under the limited program for replacing the en-

1 gines on RC-135 aircraft that was undertaken dur-
 2 ing fiscal years 1995, 1996, and 1997.

3 (4) The estimated total cost of replacing the en-
 4 gines pursuant to a program that provides for re-
 5 placement of the engines on all of the aircraft of one
 6 type before undertaking the replacement of the en-
 7 gines on the aircraft of another type, with a higher
 8 priority being given in turn to each type of aircraft
 9 in which the replacement of the engines is expected
 10 to yield the anticipated benefits of replacement
 11 faster.

12 (5) Various plans for replacement of engines
 13 that the Under Secretary considers best on the basis
 14 of costs and benefits.

15 (c) SUBMISSION DEADLINE.—The Under Secretary
 16 shall submit the report under this section not later than
 17 March 1, 1998.

18 **SEC. 143. EXCEPTION TO REQUIREMENT FOR A PARTICU-**
 19 **LAR DETERMINATION FOR SALES OF MANU-**
 20 **FACTURED ARTICLES OR SERVICES OF ARMY**
 21 **INDUSTRIAL FACILITIES OUTSIDE THE UNIT-**
 22 **ED STATES.**

23 Section 4543 of title 10, United States Code, is
 24 amended—

1 (1) in subsection (a)(5), by inserting “, except
2 in the case of a sale described in subsection (b),”
3 after “the Secretary of the Army determines”;

4 (2) by redesignating subsections (b), (c), and
5 (d) as subsections (c), (d), and (e), respectively; and

6 (3) by inserting after subsection (a) the follow-
7 ing new subsection (b):

8 “(b) EXCEPTION TO REQUIREMENT FOR A PARTICU-
9 LAR DETERMINATION.—A determination described in sub-
10 section (a)(5) is not necessary under the regulations in
11 the case of—

12 “(1) a sale of articles to be incorporated into a
13 weapon system being procured by the Department of
14 Defense; or

15 “(2) a sale of services to be used in the manu-
16 facture of a weapon system being procured by the
17 Department of Defense.”.

1 **TITLE II—RESEARCH, DEVELOP-**
 2 **MENT, TEST, AND EVALUA-**
 3 **TION**

4 **Subtitle A—Authorization of**
 5 **Appropriations**

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

7 Funds are hereby authorized to be appropriated for
 8 fiscal year 1998 for the use of the Department of Defense
 9 for research, development, test, and evaluation as follows:

10 (1) For the Army, \$4,750,462,000.

11 (2) For the Navy, \$7,812,972,000.

12 (3) For the Air Force, \$14,302,264,000.

13 (4) For Defense-wide activities,
 14 \$10,072,347,000, of which—

15 (A) \$268,183,000 is authorized for the ac-
 16 tivities of the Director, Test and Evaluation;
 17 and

18 (B) \$31,384,000 is authorized for the Di-
 19 rector of Operational Test and Evaluation.

20 **Subtitle B—Program Require-**
 21 **ments, Restrictions, and Limita-**
 22 **tions**

23 **SEC. 211. JOINT STRIKE FIGHTER PROGRAM.**

24 (a) REPORT.—Not later than February 15, 1998, the
 25 Secretary of Defense shall submit to the congressional de-

1 fense committees a report on the options for the sequence
2 in which the variants of the joint strike fighter are to be
3 produced and fielded.

4 (b) CONTENT OF REPORT.—The report shall contain
5 the following:

6 (1) A review of the plan for production under
7 the Joint Strike Fighter program that was used by
8 the Department of Defense for developing the fund-
9 ing estimates for the fiscal year 1999 budget request
10 for the Department of Defense.

11 (2) An estimate of the costs, and an analysis of
12 the costs and benefits, of producing the joint strike
13 fighter variants in a sequence that provides for field-
14 ing of the naval variant of the aircraft first.

15 (3) A comparison of the costs and benefits of
16 the various options for the sequence for fielding the
17 variants of the joint strike fighter that the Secretary
18 of Defense considers likely to be the options from
19 among which a sequence for fielding is selected, in-
20 cluding a discussion of the effects that selection of
21 each such option would have on the costs and rates
22 of production of the units of F/A–18E/F and F–22
23 aircraft that are in production when the Joint Strike
24 Fighter Program proceeds into production.

1 (c) LIMITATION ON USE OF FUNDS PENDING SUB-
2 MISSION OF REPORT.—Not more than 90 percent of the
3 total amount authorized to be appropriated under this Act
4 for the Joint Strike Fighter Program may be obligated
5 until the date that is 30 days after the date on which the
6 congressional defense committees receive the report re-
7 quired under this section.

8 (d) FISCAL YEAR 1998 BUDGET DEFINED.—In this
9 section, the term “fiscal year 1999 budget request for the
10 Department of Defense” means the budget estimates for
11 the Department of Defense for fiscal year 1999 that were
12 submitted to Congress by the Secretary of Defense in con-
13 nection with the submission of the budget for fiscal year
14 1998 to Congress under section 1105 of title 31, United
15 States Code.

16 **SEC. 212. F-22 AIRCRAFT PROGRAM.**

17 (a) LIMITATION ON TOTAL COST OF ENGINEERING
18 AND MANUFACTURING DEVELOPMENT.—The total
19 amount obligated or expended for engineering and manu-
20 facturing development under the F-22 aircraft program
21 may not exceed \$18,688,000,000.

22 (b) LIMITATION ON OBLIGATION OF FUNDS.—Of the
23 total amount authorized to be appropriated for the F-22
24 aircraft program for a fiscal year, not more than 90 per-

1 cent of the amount may be obligated until the Comptroller
2 General submits to Congress—

3 (1) the report required to be submitted in that
4 fiscal year under subsection (c); and

5 (2) a certification that the Comptroller General
6 has had access to sufficient information to make in-
7 formed judgments on the matters covered by the re-
8 port.

9 (c) ANNUAL GAO REVIEW.—(1) Not later than De-
10 cember 1 of each year, the Comptroller General shall re-
11 view the F-22 aircraft program and submit to Congress
12 a report on the results of the review. The Comptroller
13 General shall also submit to Congress for each report a
14 certification regarding whether the Comptroller General
15 has had access to sufficient information to make informed
16 judgments on the matters covered by the report.

17 (2) The report submitted on the program each year
18 shall include the following:

19 (A) The extent to which engineering and manu-
20 facturing development under the program is meeting
21 the goals established for engineering and manufac-
22 turing development under the program.

23 (B) The status of costs, testing, and modifica-
24 tions.

1 (C) The plan for engineering and manufactur-
2 ing development (leading to production) under the
3 program for the fiscal year that begins in the follow-
4 ing year.

5 (D) A conclusion regarding whether the plan
6 referred to in subparagraph (C) can be successfully
7 carried out consistent with the limitation in sub-
8 section (a).

9 (E) A conclusion regarding whether engineering
10 and manufacturing development (leading to produc-
11 tion) under the program is likely to be completed at
12 a total cost not in excess of the amount specified in
13 subsection (a).

14 (3) The Comptroller General shall submit the first
15 report under this subsection not later than December 1,
16 1997. No report is required under this subsection after
17 engineering and manufacturing development under the
18 program has been completed.

19 (d) REQUIREMENT TO SUPPORT ANNUAL GAO RE-
20 VIEW.—The Secretary of the Air Force and the prime con-
21 tractor under the F-22 aircraft program shall provide the
22 Comptroller General with such information on the pro-
23 gram as the Comptroller considers necessary to carry out
24 the responsibilities under subsection (c).

1 **SEC. 213. HIGH ALTITUDE ENDURANCE UNMANNED VEHI-**
2 **CLE PROGRAM.**

3 (a) LIMITATION ON TOTAL COST OF ADVANCED
4 CONCEPT TECHNOLOGY DEMONSTRATION.—(1) The total
5 amount obligated or expended for advanced concept tech-
6 nology demonstration under the High Altitude Endurance
7 Unmanned Vehicle Program through fiscal year 2003 may
8 not exceed \$476,826,000.

9 (2) The total amount obligated or expended in fiscal
10 year 1999, 2000, 2001, or 2002 for advanced concept
11 technology demonstration under the High Altitude Endur-
12 ance Unmanned Vehicle Program may not exceed the
13 amount specified for that fiscal year, as follows:

14 (A) In fiscal year 1999, not more than
15 \$167,864,000.

16 (B) In fiscal year 2000, not more than
17 \$31,374,000.

18 (C) In fiscal year 2001, not more than
19 \$19,106,000.

20 (D) In fiscal year 2002, not more than
21 \$20,866,000.

22 (b) LIMITATION ON ACQUISITION.—No high altitude
23 endurance unmanned vehicle may be acquired after the
24 date of the enactment of this Act until 50 percent of the
25 testing programmed in the test and evaluation master plan

1 (as of such date) for the high altitude endurance un-
2 manned vehicle has been completed.

3 (c) LIMITATION ON PROCEEDING.—The High Alti-
4 tude Endurance Unmanned Vehicle Program may not pro-
5 ceed beyond advanced concept technology demonstration
6 until the Comptroller General has certified to Congress
7 that the high altitude endurance unmanned vehicles can
8 be produced under the program at an average unit cost
9 that does not exceed \$10,000,000 (the so-called fly away
10 price) in fiscal year 1994 constant dollars.

11 (d) GAO REVIEW.—(1) The Comptroller General
12 shall review the High Altitude Endurance Unmanned Ve-
13 hicle Program for purposes of making the certification
14 under subsection (c).

15 (2) The Secretary of Defense and the prime contrac-
16 tors under the High Altitude Endurance Unmanned Vehi-
17 cle Program shall provide the Comptroller General with
18 such information on the program as the Comptroller con-
19 siders necessary to make the determinations required for
20 the certification under subsection (c).

21 **SEC. 214. ADVANCED ANTI-RADIATION GUIDED MISSILE**
22 **PROGRAM.**

23 To the extent provided in appropriations Acts, the
24 Secretary of the Navy may use not more than
25 \$25,000,000 of the amount appropriated for the Navy for

1 fiscal year 1997 for research, development, test, evaluation
2 for the Advanced Anti-Radiation Guided Missile Program
3 in order to fund fiscal year 1998 research, development,
4 test, and evaluation programs of the Navy that have a
5 higher priority than such program.

6 **SEC. 215. FEDERALLY FUNDED RESEARCH AND DEVELOP-**
7 **MENT CENTERS.**

8 (a) LIMITATION ON STAFF YEARS FUNDED.—Not
9 more than 6,006 staff years of technical effort (staff
10 years) may be funded for federally funded research and
11 development centers out of the funds authorized to be ap-
12 propriated for the Department of Defense for fiscal year
13 1998.

14 (b) ALLOCATIONS AMONG CENTERS.—(1) Not later
15 than 60 days after the date of the enactment of this Act,
16 the Secretary of Defense shall submit to the congressional
17 defense committees a report that specifies the number of
18 staff years of technical effort that is to be allocated (for
19 funding as described in subsection (a)) to each defense
20 federally funded research and development center for fis-
21 cal year 1998.

22 (2) After the submission of the report on allocation
23 of staff years of technical effort under paragraph (1), the
24 Secretary of Defense may not reallocate more than 5 per-
25 cent of the staff years of technical effort allocated to a

1 federally funded research and development center for fis-
2 cal year 1998 from that center to other federally funded
3 research and development centers until 30 days after the
4 date on which the Secretary has submitted a justification
5 for the reallocation to the congressional defense commit-
6 tees.

7 (c) FISCAL YEAR 1999 ALLOCATION.—(1) The Sec-
8 retary of Defense shall submit to the congressional defense
9 committees a report that specifies the number of staff
10 years of technical effort that is to be allocated to each
11 federally funded research and development center for fis-
12 cal year 1999 for funding out of the funds authorized to
13 be appropriated for the Department of Defense for that
14 fiscal year.

15 (2) The report shall be submitted at the same time
16 that the President submits the budget for fiscal year 1999
17 to Congress under section 1105 of title 31, United States
18 Code.

19 (c) STAFF YEAR DEFINED.—In this section, the term
20 “staff year of technical effort” means 1,810 hours of paid
21 effort by direct and consultant labor performing profes-
22 sional-level technical work primarily in the fields of studies
23 and analysis, system engineering and integration, systems
24 planning, program and policy planning and analyses, and
25 basic and applied research.

1 **SEC. 216. GOAL FOR DUAL-USE SCIENCE AND TECHNOLOGY**
2 **PROJECTS.**

3 (a) GOALS.—(1) Subject to paragraph (3), it shall
4 be the objective of the Secretary of each military depart-
5 ment to obligate for dual-use projects in each fiscal year
6 referred to in paragraph (2), out of the total amount au-
7 thorized to be appropriated for such fiscal year for new
8 projects initiated under the applied research programs of
9 the military department, the percent of such amount that
10 is specified for that fiscal year in paragraph (2).

11 (2) The objectives for fiscal years under paragraph
12 (1) are as follows:

13 (A) For fiscal year 1998, 5 percent.

14 (B) For fiscal year 1999, 7 percent.

15 (C) For fiscal year 2000, 10 percent.

16 (3) The Secretary of Defense may establish for a
17 military department for a fiscal year an objective different
18 from the objective set forth in paragraph (2) if the Sec-
19 retary—

20 (A) determines that compelling national secu-
21 rity considerations require the establishment of the
22 different objective; and

23 (2) notifies Congress of the determination and
24 the reasons for the determination.

25 (b) DESIGNATION OF OFFICIAL FOR DUAL-USE PRO-
26 GRAMS.—(1) The Secretary of Defense shall designate a

1 senior official in the Office of the Secretary of Defense
2 to carry out responsibilities for dual-use programs under
3 this subsection. The designated official shall report di-
4 rectly to the Under Secretary of Defense for Acquisition
5 and Technology.

6 (2) The primary responsibilities of the designated of-
7 ficial shall include developing policy and overseeing the es-
8 tablishment of, and adherence to, procedures for ensuring
9 that dual-use programs are initiated and administered ef-
10 fectively and that applicable commercial technologies are
11 integrated into current and future military systems.

12 (3) In carrying out the responsibilities, the des-
13 ignated official shall ensure that—

14 (A) dual-use projects are consistent with the
15 joint warfighting science and technology plan re-
16 ferred to in section 270 of the National Defense Au-
17 thorization Act for Fiscal Year 1997 (Public Law
18 104–201; 10 U.S.C. 2501 note); and

19 (B) the dual-use projects of the military depart-
20 ments and defense agencies of the Department of
21 Defense are coordinated and avoid unnecessary du-
22 plication.

23 (c) FINANCIAL COMMITMENT OF NON-FEDERAL
24 GOVERNMENT PARTICIPANTS.—The total amount of
25 funds provided by a military department for a dual-use

1 project entered into by the Secretary of that department
2 shall not exceed 50 percent of the total cost of the project.
3 The Secretary may consider in-kind contributions by non-
4 Federal participants for dual-use projects for the purpose
5 of calculating the share of project costs that has been or
6 is being undertaken by such participants only to the extent
7 provided in regulations issued pursuant to section
8 2511(c)(2) of title 10, United States Code.

9 (d) USE OF COMPETITIVE PROCEDURES.—Funds ob-
10 ligated for a dual-use project may be counted toward meet-
11 ing an objective under subsection (a) only if the funds are
12 obligated for a contract, grant, cooperative agreement, or
13 other transaction that was entered into through the use
14 of competitive procedures.

15 (e) REPORT.—(1) Not later than January 31 of each
16 of 1998, 1999, and 2000, the Secretary of Defense shall
17 submit a report to the congressional defense committees
18 on the progress made by the Department of Defense in
19 meeting the objectives set forth in subsection (a) during
20 the preceding fiscal year.

21 (2) The report for a fiscal year shall contain, at a
22 minimum, the following:

23 (A) The aggregate value of all contracts,
24 grants, cooperative agreements, or other trans-
25 actions entered into during the fiscal year for which

1 funding is counted toward meeting an objective
2 under this section, expressed in relationship to the
3 total amount appropriated for the applied research
4 programs in the Department of Defense for that fis-
5 cal year.

6 (B) For each military department, the value of
7 all contracts, grants, cooperative agreements, or
8 other transactions entered into during the fiscal year
9 for which funding is counted toward meeting an ob-
10 jective under this section, expressed in relationship
11 to the total amount appropriated for the applied re-
12 search program of the military department for that
13 fiscal year.

14 (C) A summary of the cost-sharing arrange-
15 ments in dual-use projects that were initiated during
16 the fiscal year and are counted toward reaching an
17 objective under this section.

18 (D) A description of the regulations, directives,
19 or other procedures that have been issued by the
20 Secretary of Defense or the Secretary of a military
21 department to increase the percentage of the total
22 value of the dual-use projects undertaken to meet or
23 exceed an objective under this section.

24 (E) Any recommended legislation to facilitate
25 achievement of objectives under this section.

1 (f) REPEAL OF SUPERSEDED AUTHORITY.—Section
 2 203 of the National Defense Authorization Act for Fiscal
 3 Year 1997 (Public Law 104–201; 110 Stat. 2451) is re-
 4 pealed.

5 (g) DEFINITIONS.—In this section:

6 (1) The term “applied research program”
 7 means a program of a military department which is
 8 funded under the 6.2 Research, Development, Test
 9 and Evaluation account of that department.

10 (2) The term “dual-use project” means a
 11 project under a program of a military department or
 12 a defense agency under which research or develop-
 13 ment of a dual-use technology is carried out and the
 14 costs of which are shared by the Department of De-
 15 fense and non-Government entities.

16 **SEC. 217. TRANSFERS OF AUTHORIZATIONS FOR**
 17 **COUNTERPROLIFERATION SUPPORT PRO-**
 18 **GRAM.**

19 (a) IN GENERAL.—In addition to the transfer author-
 20 ity provided in section 1001, upon determination by the
 21 Secretary of Defense that such action is necessary in the
 22 national interest, the Secretary may transfer amounts of
 23 authorizations made available to the Department of De-
 24 fense in this division for fiscal year 1998 to
 25 counterproliferation programs, projects, and activities

1 identified as areas for progress by the
2 Counterproliferation Program Review Committee estab-
3 lished by section 1605 of the National Defense Authoriza-
4 tion Act for Fiscal Year 1994 (22 U.S.C. 2751 note).
5 Amounts of authorizations so transferred shall be merged
6 with and be available for the same purposes as the author-
7 ization to which transferred.

8 (b) LIMITATIONS.—(1) The total amount of author-
9 izations transferred under the authority of this section
10 may not exceed \$50,000,000.

11 (2) The authority provided by this section to transfer
12 authorizations—

13 (A) may only be used to provide authority for
14 items that have a higher priority than the items
15 from which authority is transferred; and

16 (B) may not be used to provide authority for an
17 item that has been denied authorization by Con-
18 gress.

19 (c) EFFECT OF TRANSFERS ON ACCOUNTS.—A
20 transfer made from one account to another under the au-
21 thority of this section shall be deemed to increase the
22 amount authorized for the account to which the amount
23 is transferred by an amount equal to the amount trans-
24 ferred.

1 (d) CONGRESSIONAL NOTIFICATION.—The Secretary
2 of Defense shall promptly notify Congress of transfers
3 made under the authority of this section.

4 **SEC. 218. KINETIC ENERGY TACTICAL ANTI-SATELLITE**
5 **TECHNOLOGY PROGRAM.**

6 (a) FUNDING.—Of the funds authorized to be appro-
7 priated under section 201(4), \$80,000,000 shall be avail-
8 able for the kinetic energy tactical anti-satellite technology
9 program.

10 (b) LIMITATION.—None of the funds authorized to
11 be appropriated to the Department of Defense for fiscal
12 year 1998 for program element 65104D, relating to tech-
13 nical studies and analyses, may be obligated or expended
14 until the funds specified in subsection (a) have been re-
15 leased to the program manager of the tactical kinetic en-
16 ergy anti-satellite technology program for implementation
17 of that program.

18 **SEC. 219. CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT**
19 **PROGRAM.**

20 (a) FUNDING.—Of the amount authorized to be ap-
21 propriated under section 201(3), \$50,000,000 shall be
22 available for the Clementine 2 micro-satellite near-earth
23 asteroid interception mission.

24 (b) LIMITATION.—Of the funds authorized to be ap-
25 propriated pursuant to this Act in program element

1 64480F for the Global Positioning System Block IIF sat-
 2 ellite system, not more than \$35,000,000 may be obligated
 3 until the Secretary of Defense certifies to Congress that
 4 the Secretary has made available for obligation the funds
 5 appropriated pursuant to subsection (a) for the purpose
 6 specified in that subsection.

7 **Subtitle C—Ballistic Missile** 8 **Defense Programs**

9 **SEC. 221. NATIONAL MISSILE DEFENSE PROGRAM.**

10 (a) PROGRAM STRUCTURE.—To preserve the option
 11 of achieving an initial operational capability in fiscal year
 12 2003, the Secretary of Defense shall ensure that the Na-
 13 tional Missile Defense Program is structured and pro-
 14 grammed for funding so as to support a test, in fiscal year
 15 1999, of an integrated national missile defense system
 16 that is representative of the national missile defense sys-
 17 tem architecture that could achieve initial operational ca-
 18 pability in fiscal year 2003.

19 (b) ELEMENTS OF NMD SYSTEM.—The national
 20 missile defense system architecture specified in subsection
 21 (a) shall consist of the following elements:

22 (1) An interceptor system that optimizes defen-
 23 sive coverage of the continental United States, Alas-
 24 ka, and Hawaii against limited ballistic missile at-

1 tack (whether accidental, unauthorized, or delib-
2 erate).

3 (2) Ground-based radars.

4 (3) Space-based sensors.

5 (4) Battle management, command, control, and
6 communications (BM/C3).

7 (c) PLAN FOR NMD SYSTEM DEVELOPMENT AND
8 DEPLOYMENT.—Not later than February 15, 1998, the
9 Secretary of Defense shall submit to the congressional de-
10 fense committees a plan for the development and deploy-
11 ment of a national missile defense system that could
12 achieve initial operational capability in fiscal year 2003.
13 The plan shall include the following matters:

14 (1) A detailed description of the system archi-
15 tecture selected for development.

16 (2) A discussion of the justification for the se-
17 lection of that particular architecture.

18 (3) The Secretary's estimate of the amounts of
19 the appropriations that would be necessary for re-
20 search, development, test, evaluation, and for pro-
21 curement for each of fiscal years 1999 through 2003
22 in order to achieve an initial operational capability
23 of the system architecture in fiscal year 2003.

24 (4) For each activity necessary for the develop-
25 ment and deployment of the national missile defense

1 system architecture selected by the Secretary that
2 would at some point conflict with the terms of the
3 ABM Treaty, if any—

4 (A) a description of the activity;

5 (B) a description of the point at which the
6 activity would conflict with the terms of the
7 ABM Treaty;

8 (C) the legal analysis justifying the Sec-
9 retary's determination regarding the point at
10 which the activity would conflict with the terms
11 of the ABM Treaty; and

12 (D) an estimate of the time at which such
13 point would be reached in order to achieve a
14 test of an integrated missile defense system in
15 fiscal year 1999 and initial operational capabil-
16 ity of such a system in fiscal year 2003.

17 (d) FUNDING FOR FISCAL YEAR 1998.—Of the funds
18 authorized to be appropriated under section 201(4),
19 \$978,091,000 shall be available for the national missile
20 defense program.

21 (e) ABM TREATY DEFINED.—In this section, the
22 term “ABM Treaty” means the Treaty Between the Unit-
23 ed States of America and the Union of Soviet Socialist
24 Republics on the Limitation of Anti-Ballistic Missile Sys-
25 tems, signed at Moscow on May 26, 1972, and includes

1 the Protocol to that treaty, signed at Moscow on July 3,
2 1974.

3 **SEC. 222. REVERSAL OF DECISION TO TRANSFER PROCURE-**
4 **MENT FUNDS FROM THE BALLISTIC MISSILE**
5 **DEFENSE ORGANIZATION.**

6 (a) TRANSFERS REQUIRED.—The Secretary of De-
7 fense shall—

8 (1) transfer to appropriations available to the
9 Ballistic Missile Defense Organization for procure-
10 ment for fiscal year 1998 the amounts that were
11 transferred to accounts of the Army, Navy, Air
12 Force, and Marine Corps pursuant to Program
13 Budget Decision 224C3, signed by the Under Sec-
14 retary of Defense (Comptroller) on December 23,
15 1996; and

16 (2) ensure that, in the future-years defense pro-
17 gram, the procurement funding covered by that pro-
18 gram budget decision is programmed for appropria-
19 tions accounts of the Ballistic Missile Defense Orga-
20 nization rather than appropriations accounts of the
21 Armed Forces.

22 (b) RELATIONSHIP TO OTHER TRANSFER AUTHOR-
23 ITY.—The transfer authority provided in subsection (a) is
24 in addition to the transfer authority provided in section
25 1001.

1 **Subtitle D—Other Matters**

2 **SEC. 231. MANUFACTURING TECHNOLOGY PROGRAM.**

3 Section 2525(c)(2) of title 10, United States Code,
4 is amended to read as follows:

5 “(2) In order to promote increased dissemination and
6 use of manufacturing technology throughout the national
7 defense technology and industrial base, the Secretary shall
8 seek, to the maximum extent practicable, the participation
9 of manufacturers of manufacturing equipment in the
10 projects under the program.”.

11 **SEC. 232. USE OF MAJOR RANGE AND TEST FACILITY IN-** 12 **STALLATIONS BY COMMERCIAL ENTITIES.**

13 (a) EXTENSION OF AUTHORITY.—Subsection (g) of
14 section 2681 of title 10, United States Code, is amended
15 by striking out “1998” and inserting in lieu thereof
16 “2001”.

17 (b) ADDITIONAL REPORTING REQUIREMENT.—Sub-
18 section (h) of such section is amended—

19 (1) by striking out “REPORT.—” and inserting
20 in lieu thereof “REPORTS.—(1)”; and

21 (2) by adding at the end the following:

22 “(2) Not later than February 15, 1998, the Secretary
23 of Defense shall submit to the Committee on Armed Serv-
24 ices of the Senate and the Committee on National Security
25 of the House of Representatives a report identifying exist-

1 ing and proposed procedures to ensure that the use of
 2 Major Range and Test Facility Installations by commer-
 3 cial entities does not compete with private sector test and
 4 evaluation services.”.

5 (c) REPEAL OF REPORTING REQUIREMENTS WHEN
 6 EXECUTED.—Effective on October 1, 1998, subsection (h)
 7 of such section is repealed.

8 **SEC. 233. ELIGIBILITY FOR THE DEFENSE EXPERIMENTAL**
 9 **PROGRAM TO STIMULATE COMPETITIVE RE-**
 10 **SEARCH.**

11 Section 257 of the National Defense Authorization
 12 Act for Fiscal Year 1995 (10 U.S.C. 2358 note) is amend-
 13 ed by adding at the end the following:

14 “(f) STATE DEFINED.—In this section, the term
 15 ‘State’ means a State of the United States, the District
 16 of Columbia, Puerto Rico, Guam, the Virgin Islands of
 17 the United States, American Samoa, and the Common-
 18 wealth of the Northern Mariana Islands.”.

19 **SEC. 234. RESTRUCTURING OF NATIONAL OCEANOGRAPHIC**
 20 **PARTNERSHIP PROGRAM ORGANIZATIONS.**

21 (a) NATIONAL OCEAN RESEARCH LEADERSHIP
 22 COUNCIL.—Section 7902 of title 10, United States Code,
 23 is amended—

24 (1) in subsection (b)—

1 (A) by striking out paragraphs (11), (14),
 2 (15), (16) and (17); and

3 (B) by redesignating paragraphs (12) and
 4 (13) as paragraphs (11) and (12), respectively;
 5 (2) by striking out subsection (d); and

6 (3) by redesignating subsections (e), (f), (g),
 7 (h), and (i) as subsections (d), (e), (f), (g), and (h),
 8 respectively.

9 (b) OCEAN RESEARCH ADVISORY PANEL.—(1) Sec-
 10 tion 7903(a) of such title is amended by striking out “gov-
 11 ernment, academia, and industry” and inserting in lieu
 12 thereof “State governments, academia, and ocean indus-
 13 tries”.

14 (2) Section 282(c) of the National Defense Author-
 15 ization Act for Fiscal Year 1997 (Public Law 104–201;
 16 110 Stat. 2473) is amended by striking out “January 1,
 17 1997” and inserting in lieu thereof “January 1, 1998”.

18 (c) CONFORMING AMENDMENTS.—Section 282 of the
 19 National Defense Authorization Act for Fiscal Year 1997
 20 is amended—

21 (1) by striking out subsection (b); and

22 (2) by redesignating subsections (c), (d), (e),
 23 and (f) as subsections (b), (c), (d), and (e), respec-
 24 tively.

1 (d) EFFECTIVE DATE.—The amendments made by
 2 subsection (a) and (b) shall be effective as of September
 3 23, 1996, as if included in section 282 of Public
 4 Law 104–201.

5 **TITLE III—OPERATION AND** 6 **MAINTENANCE**

7 **Subtitle A—Authorization of** 8 **Appropriations**

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

10 Funds are hereby authorized to be appropriated for
 11 fiscal year 1998 for the use of the Armed Forces and other
 12 activities and agencies of the Department of Defense for
 13 expenses, not otherwise provided for, for operation and
 14 maintenance, in amounts as follows:

15 (1) For the Army, \$17,194,284,000.

16 (2) For the Navy, \$21,681,330,000.

17 (3) For the Marine Corps, \$2,379,445,000.

18 (4) For the Air Force, \$18,861,685,000.

19 (5) For Defense-wide activities,
 20 \$10,280,838,000.

21 (6) For the Army Reserve, \$1,212,891,000.

22 (7) For the Naval Reserve, \$834,711,000.

23 (8) For the Marine Corps Reserve,
 24 \$110,366,000.

25 (9) For the Air Force Reserve, \$1,624,420,000.

1 (10) For the Army National Guard,
2 \$2,288,932,000.

3 (11) For the Air National Guard,
4 \$2,991,219,000.

5 (12) For the Defense Inspector General,
6 \$136,580,000.

7 (13) For the United States Court of Appeals
8 for the Armed Forces, \$6,952,000.

9 (14) For Environmental Restoration, Army,
10 \$350,337,000.

11 (15) For Environmental Restoration, Navy,
12 \$257,500,000.

13 (16) For Environmental Restoration, Air Force,
14 \$351,900,000.

15 (17) For Environmental Restoration, Defense-
16 Wide, \$25,900,000.

17 (18) For Environmental Restoration, Formerly
18 Used Defense Sites, \$188,300,000.

19 (19) For Overseas Contingency Operations,
20 \$1,467,500,000.

21 (20) For Drug Interdiction and Counter-drug
22 Activities, Defense-wide, \$660,882,000.

23 (21) For Medical Programs, Defense,
24 \$9,954,782,000.

1 (22) For Former Soviet Union Threat Reduc-
2 tion programs, \$322,000,000.

3 (23) For Overseas Humanitarian Demining and
4 CINC Initiative activities, \$40,130,000.

5 (24) For the Kaho'olawe Island Conveyance,
6 Remediation, and Environmental Restoration Trust
7 Fund, \$10,000,000.

8 **SEC. 302. WORKING-CAPITAL FUNDS.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 1998 for the use of the Armed Forces and other
11 activities and agencies of the Department of Defense for
12 providing capital for working-capital and revolving funds
13 in amounts as follows:

14 (1) For the Defense Working-Capital Fund,
15 \$33,400,000.

16 (2) For the National Defense Sealift Fund,
17 \$516,126,000.

18 (3) For the Military Commissary Fund,
19 \$938,552,000.

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

21 There is hereby authorized to be appropriated for fis-
22 cal year 1998 from the Armed Forces Retirement Home
23 Trust Fund the sum of \$79,977,000 for the operation of
24 the Armed Forces Retirement Home, including the United
25 States Soldiers' and Airmen's Home and the Naval Home.

1 **SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCK-**
 2 **PILE TRANSACTION FUND.**

3 (a) TRANSFER AUTHORITY.—To the extent provided
 4 in appropriations Acts, not more than \$150,000,000 is au-
 5 thorized to be transferred from the National Defense
 6 Stockpile Transaction Fund to operation and maintenance
 7 accounts for fiscal year 1998 in amounts as follows:

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

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

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

11 (b) TREATMENT OF TRANSFERS.—Amounts trans-
 12 ferred under this section—

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

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

19 (c) RELATIONSHIP TO OTHER TRANSFER AUTHOR-
 20 ITY.—The transfer authority provided in this section is in
 21 addition to the transfer authority provided in section
 22 1001.

23 **SEC. 305. FISHER HOUSE TRUST FUNDS.**

24 Funds are hereby authorized to be appropriated for
 25 fiscal year 1998, out of funds in Fisher House Trust
 26 Funds not otherwise appropriated, for the operation and

1 maintenance of Fisher houses described in section 2221(d)
 2 of title 10, United States Code, as follows:

3 (1) The Fisher House Trust Fund, Department
 4 of the Army, \$150,000 for Fisher houses that are lo-
 5 cated in proximity to medical treatment facilities of
 6 the Army.

7 (2) The Fisher House Trust Fund, Department
 8 of the Navy, \$150,000 for Fisher houses that are lo-
 9 cated in proximity to medical treatment facilities of
 10 the Navy.

11 **Subtitle B—Depot-Level Activities**

12 **SEC. 311. DEFINITION OF DEPOT-LEVEL MAINTENANCE** 13 **AND REPAIR.**

14 (a) DEPOT-LEVEL MAINTENANCE AND REPAIR DE-
 15 FINED.—Chapter 146 of title 10, United States Code, is
 16 amended by inserting before section 2461 the following
 17 new section:

18 **“§ 2460. Definition of depot-level maintenance and** 19 **repair**

20 “(a) IN GENERAL.—In this chapter, the term ‘depot-
 21 level maintenance and repair’ means materiel maintenance
 22 or repair requiring the overhaul or rebuilding of parts, as-
 23 semblies, or subassemblies, and the testing and reclama-
 24 tion of equipment as necessary, regardless of the source
 25 of funds for the maintenance or repair. The term includes

1 all aspects of software maintenance and such portions of
 2 interim contractor support, contractor logistics support, or
 3 any similar contractor support for the performance of
 4 services that are described in the preceding sentence.

5 “(b) EXCEPTION.—The term does not include the
 6 following:

7 “(1) Ship modernization activities that were not
 8 considered to be depot-level maintenance and repair
 9 activities under regulations of the Department of
 10 Defense in effect on March 30, 1997.

11 “(2) A procurement of a modification or up-
 12 grade of a major weapon system.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
 14 at the beginning of such chapter is amended by inserting
 15 before the item relating to section 2461 the following new
 16 item:

“2460. Definition of depot-level maintenance and repair.”.

17 **SEC. 312. RESTRICTIONS ON CONTRACTS FOR PERFORM-**
 18 **ANCE OF DEPOT-LEVEL MAINTENANCE AND**
 19 **REPAIR AT CERTAIN FACILITIES.**

20 Section 2469 of title 10, United States Code, is
 21 amended—

22 (1) in subsections (a) and (b), by striking out
 23 “or repair” and inserting in lieu thereof “and re-
 24 pair”; and

1 (2) by adding at the end the following new sub-
2 section:

3 “(d) RESTRICTION ON CONTRACTS AT CERTAIN
4 FACILITIES.—

5 “(1) RESTRICTION.—The Secretary of Defense
6 may not enter into any contract for the performance
7 of depot-level maintenance and repair of weapon sys-
8 tems or other military equipment of the Department
9 of Defense, or for the performance of management
10 functions related to depot-level maintenance and re-
11 pair of such systems or equipment, at any military
12 installation of the Air Force where a depot-level
13 maintenance and repair facility was approved in
14 1995 for closure or realignment under the Defense
15 Base Closure and Realignment Act of 1990 (part A
16 of title XXIX of Public Law 101–510; 10 U.S.C.
17 2687 note). In the preceding sentence, the term
18 ‘military installation of the Air Force’ includes a
19 former military installation closed or realigned under
20 the Act that was a military installation of the Air
21 Force when it was approved for closure or realign-
22 ment under the Act.

23 “(2) EXCEPTION.—Paragraph (1) shall not
24 apply with respect to an installation or former in-
25 stallation described in such paragraph if the Sec-

1 retary of Defense certifies to Congress, not later
2 than 45 days before entering into a contract for per-
3 formance of depot-level maintenance and repair at
4 the installation or former installation, that—

5 “(A) not less than 75 percent of the capac-
6 ity at each of the depot-level maintenance and
7 repair activities of the Air Force is being uti-
8 lized on an ongoing basis to perform industrial
9 operations in support of the depot-level mainte-
10 nance and repair of weapon systems and other
11 military equipment of the Department of
12 Defense;

13 “(B) the Secretary has determined, on the
14 basis of a detailed analysis (which the Secretary
15 shall submit to Congress with the certification),
16 that the total amount of the costs of the pro-
17 posed contract to the Government, both recur-
18 ring and nonrecurring and including any costs
19 associated with planning for and executing the
20 proposed contract, would be less than the costs
21 that would otherwise be incurred if the depot-
22 level maintenance and repair to be performed
23 under the contract were performed using equip-
24 ment and facilities of the Department of
25 Defense;

1 “(C) all of the information upon which the
2 Secretary determined that the total costs to the
3 Government would be less under the contract is
4 available for examination; and

5 “(D) none of the depot-level maintenance
6 and repair to be performed under the contract
7 was considered, before July 1, 1995, to be a
8 core logistics capability of the Air Force pursu-
9 ant to section 2464 of this title.

10 “(3) CAPACITY OF DEPOT-LEVEL ACTIVITIES.—
11 For purposes of paragraph (2)(A), the capacity of
12 depot-level maintenance and repair activities shall be
13 considered to be the same as the maximum potential
14 capacity identified by the Defense Base Closure and
15 Realignment Commission for purposes of the selec-
16 tion in 1995 of military installations for closure or
17 realignment under the Defense Base Closure and
18 Realignment Act of 1990, without regard to any lim-
19 itation on the maximum number of Federal employ-
20 ees (expressed as full time equivalent employees or
21 otherwise) in effect after 1995, Federal employment
22 levels after 1995, or the actual availability of equip-
23 ment to support depot-level maintenance and repair
24 after 1995.

1 “(4) GAO REVIEW.—At the same time that the
 2 Secretary submits the certification and analysis to
 3 Congress under paragraph (2), the Secretary shall
 4 submit a copy of the certification and analysis to the
 5 Comptroller General. The Comptroller General shall
 6 review the analysis and the information referred to
 7 in subparagraph (C) of paragraph (2) and, not later
 8 than 30 days after Congress receives the certifi-
 9 cation, submit to Congress a report containing a
 10 statement regarding whether the Comptroller Gen-
 11 eral concurs with the determination of the Secretary
 12 included in the certification pursuant to subpara-
 13 graph (B) of that paragraph.

14 “(5) APPLICATION.—This subsection shall
 15 apply with respect to any contract described in para-
 16 graph (1) that is entered into, or proposed to be en-
 17 tered into, after January 1, 1997.”.

18 **SEC. 313. CORE LOGISTICS FUNCTIONS OF DEPARTMENT**
 19 **OF DEFENSE.**

20 Section 2464(a) of title 10, United States Code, is
 21 amended—

22 (1) in paragraph (1), by striking out “a logis-
 23 tics capability (including personnel, equipment, and
 24 facilities)” and inserting in lieu thereof “a core lo-
 25 gistics capability that is Government-owned and

1 Government-operated (including Federal Govern-
2 ment personnel and Government-owned and Govern-
3 ment-operated equipment and facilities)”;

4 (2) in paragraph (2)—

5 (A) by inserting “core” before “logistics”;

6 and

7 (B) by adding at the end the following:

8 “Each year, the Secretary of Defense shall sub-
9 mit to Congress a report describing each logis-
10 tics capability that the Secretary identifies as a
11 core logistics capability.”; and

12 (3) by adding at the end the following new
13 paragraphs:

14 “(3) Those core logistics activities identified under
15 paragraphs (1) and (2) shall include the capability, facili-
16 ties, and equipment to maintain and repair the types of
17 weapon systems and other military equipment (except sys-
18 tems and equipment under special access programs and
19 aircraft carriers) that are identified by the Secretary, in
20 consultation with the Joint Chiefs of Staff, as necessary
21 to enable the armed forces to fulfill the contingency plans
22 prepared under the responsibility of the Chairman of the
23 Joint Chiefs of Staff set forth in section 153(a)(3) of this
24 title.

1 “(4) The Secretary of Defense shall require the per-
2 formance of core logistics functions identified under para-
3 graphs (1), (2), and (3) at Government-owned, Govern-
4 ment-operated facilities of the Department of Defense (in-
5 cluding Government-owned, Government-operated facili-
6 ties of a military department) and shall assign such facili-
7 ties the minimum workloads necessary to ensure cost effi-
8 ciency and technical proficiency in peacetime while pre-
9 serving the surge capacity and reconstitution capabilities
10 necessary to support fully the contingency plans referred
11 to in paragraph (3).”.

12 **SEC. 314. PERCENTAGE LIMITATION ON PERFORMANCE OF**
13 **DEPOT-LEVEL MAINTENANCE OF MATERIEL.**

14 (a) PERFORMANCE IN NON-GOVERNMENT FACILI-
15 TIES.—Subsection (a) of section 2466 of title 10, United
16 States Code, is amended to read as follows:

17 “(a) PERCENTAGE LIMITATION.—(1) Except as pro-
18 vided in paragraph (2), not more than 50 percent of the
19 funds made available in a fiscal year to a military depart-
20 ment or a Defense Agency for depot-level maintenance and
21 repair workload may be used to contract for the perform-
22 ance of such workload in facilities other than Government-
23 owned, Government-operated facilities.

1 “(2) In the administration of paragraph (1) for fiscal
2 years ending before October 1, 1998, the percentage speci-
3 fied in that paragraph shall be deemed to be 40 percent.”.

4 (b) TREATMENT OF PERFORMANCE BY PUBLIC-PRI-
5 VATE PARTNERSHIP.—Such section is further amended by
6 inserting after subsection (a), as amended by subsection
7 (a), the following:

8 “(b) TREATMENT OF PERFORMANCE BY PUBLIC-PRI-
9 VATE PARTNERSHIP.—For the purposes of subsection (a),
10 any performance of a depot-level maintenance and repair
11 workload by a public-private partnership formed under
12 section 2474(b) of this title shall be treated as perform-
13 ance of the workload in a Government-owned, Govern-
14 ment-operated facility.”.

15 **SEC. 315. CENTERS OF INDUSTRIAL AND TECHNICAL**
16 **EXCELLENCE.**

17 (a) DESIGNATION AND PURPOSE.—(1) Chapter 146
18 of title 10, United States Code, is amended by adding at
19 the end the following new section:

20 **“§ 2474. Centers of Industrial and Technical**
21 **Excellence: designation; public-private**
22 **partnerships**

23 “(a) DESIGNATION.—(1) The Secretary of Defense
24 shall designate each depot-level activity of the military de-
25 partments and the Defense Agencies (other than facilities

1 recommended for closure or major realignment under the
2 Defense Base Closure and Realignment Act of 1990 (part
3 A of title XXIX of Public Law 101–510; 10 U.S.C. 2687
4 note)) as a Center of Industrial and Technical Excellence
5 in the recognized core competencies of the activity.

6 “(2) The Secretary shall establish a policy to encour-
7 age the Secretary of each military department and the
8 head of each Defense Agency to reengineer industrial
9 processes and adopt best-business practices at their depot-
10 level activities in connection with their core competency
11 requirements, so as to serve as recognized leaders in their
12 core competencies throughout the Department of Defense
13 and in the national technology and industrial base (as de-
14 fined in section 2491(1) of this title).

15 “(b) PUBLIC-PRIVATE PARTNERSHIPS.—The Sec-
16 retary of Defense shall enable Centers of Industrial and
17 Technical Excellence to form public-private partnerships
18 for the performance of depot-level maintenance and repair
19 at such centers and shall encourage the use of such part-
20 nerships to maximize the utilization of the capacity at
21 such Centers.

22 “(c) ADDITIONAL WORK.—The policy required under
23 subsection (a) shall include measures to enable a private
24 sector entity that enters into a partnership arrangement
25 under subsection (b) or leases excess equipment and facili-

1 ties at a Center of Industrial and Technical Excellence
 2 pursuant to section 2471 of this title to perform additional
 3 work at the Center, subject to the limitations outlined in
 4 subsection (b) of such section, outside of the types of work
 5 normally assigned to the Center.”.

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

“2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships.”.

9 (b) REPORTING REQUIREMENT.—Not later than
 10 March 1, 1998, the Secretary of Defense shall submit to
 11 Congress a report describing the policies established by
 12 the Secretary pursuant to section 2474 of title 10, United
 13 States Code (as added by subsection (a)), to carry out that
 14 section.

15 **SEC. 316. CLARIFICATION OF PROHIBITION ON MANAGE-**
 16 **MENT OF DEPOT EMPLOYEES BY CON-**
 17 **STRAINTS ON PERSONNEL LEVELS.**

18 Section 2472(a) of title 10, United States Code, is
 19 amended by striking out the first sentence and inserting
 20 in lieu thereof the following: “The civilian employees of
 21 the Department of Defense, including the civilian employ-
 22 ees of the military departments and the Defense Agencies,
 23 who perform, or are involved in the performance of, depot-
 24 level maintenance and repair workloads may not be man-

1 aged on the basis of any constraint or limitation in terms
 2 of man years, end strength, full-time equivalent positions,
 3 or maximum number of employees.”.

4 **SEC. 317. ANNUAL REPORT ON DEPOT-LEVEL MAINTENANCE AND REPAIR.**
 5

6 Subsection (e) of section 2466 of title 10, United
 7 States Code, is amended to read as follows:

8 “(e) REPORT.—(1) Not later than February 1 of each
 9 year, the Secretary of Defense shall submit to Congress
 10 a report identifying, for each military department and De-
 11 fense Agency—

12 “(A) the percentage of the funds referred to in
 13 subsection (a) that were used during the preceding
 14 fiscal year for performance of depot-level mainte-
 15 nance and repair workloads in Government-owned,
 16 Government-operated facilities; and

17 “(B) the percentage of the funds referred to in
 18 subsection (a) that were used during the preceding
 19 fiscal year to contract for the performance of depot-
 20 level maintenance and repair workloads in facilities
 21 that are not owned and operated by the Federal
 22 Government.

23 “(2) Not later than 90 days after the date on which
 24 the Secretary submits the annual report under paragraph
 25 (1), the Comptroller General shall submit to the Commit-

tees on Armed Services and on Appropriations of the Senate and the Committees on National Security and on Appropriations of the House of Representatives the Comptroller's views on whether the Department of Defense has complied with the requirements of subsection (a) for the fiscal year covered by the report.".

**SEC. 318. REPORT ON ALLOCATION OF CORE LOGISTICS
ACTIVITIES AMONG DEPARTMENT OF DEFENSE FACILITIES AND PRIVATE SECTOR FACILITIES.**

(a) REPORT.—Not later than May 31, 1998, the Secretary of Defense shall submit to Congress a report on the allocation among facilities of the Department of Defense and facilities in the private sector of the logistics activities that are necessary to maintain and repair the weapon systems and other military equipment identified by the Secretary, in consultation with the Joint Chiefs of Staff, as being necessary to enable the Armed Forces to conduct a strategic or major theater war.

(b) ELEMENTS.—The report under subsection (a) shall set forth the following:

(1) The systems or equipment identified under subsection (a) that must be maintained and repaired in Government-owned, Government-operated facilities, using personnel and equipment of the Depart-

1 ment, as a result of the Secretary's determination
2 that—

3 (A) the work involves unique or valuable
4 workforce skills that should be maintained in
5 the public sector in the national interest;

6 (B) the base of private sector sources hav-
7 ing the capability to perform the workloads in-
8 cludes industry sectors that are vulnerable to
9 work stoppages;

10 (C) the private sector sources having the
11 capability to perform the workloads have insuf-
12 ficient workforce levels or skills to perform the
13 depot-level maintenance and repair workloads—

14 (i) in the quantity necessary, or as
15 rapidly as the Secretary considers nec-
16 essary, to enable the armed forces to fulfill
17 the national military strategy; or

18 (ii) without a significant disruption or
19 delay in the maintenance and repair of
20 equipment;

21 (D) the need for performance of workloads
22 is too infrequent, cyclical, or variable to sustain
23 a reliable base of private sector sources having
24 the workforce levels or skills to perform the
25 workloads;

1 (E) the market conditions or workloads are
2 insufficient to ensure that the price of private
3 sector performance of the workloads can be con-
4 trolled through competition or other means;

5 (F) private sector sources are not ade-
6 quately responsive to the requirements of the
7 Department for rapid, cost-effective, and flexi-
8 ble response to surge requirements or other
9 contingency situations, including changes in the
10 mix or priority of previously scheduled work-
11 loads and reassignment of employees to dif-
12 ferent workloads without the requirement for
13 additional contractual negotiations;

14 (G) private sector sources are less willing
15 to assume responsibility for performing the
16 workload as a result of the possibility of direct
17 military or terrorist attack; or

18 (H) private sector sources cannot maintain
19 continuity of workforce expertise as a result of
20 high rates of employee turnover.

21 (2) The systems or equipment identified under
22 subsection (a) that must be maintained and repaired
23 in Government-owned facilities, whether Government
24 operated or contractor-operated, as a result of the
25 Secretary's determination that—

1 (A) the work involves facilities, tech-
2 nologies, or equipment that are unique and suf-
3 ficiently valuable that the facilities, tech-
4 nologies, or equipment must be maintained in
5 the public sector in the national interest;

6 (B) the private sector sources having the
7 capability to perform the workloads have insuf-
8 ficient facilities, technology, or equipment to
9 perform the depot-level maintenance and repair
10 workloads—

11 (i) in the quantity necessary, or as
12 rapidly as the Secretary considers nec-
13 essary, to enable the armed forces to fulfill
14 the national military strategy; or

15 (ii) without a significant disruption or
16 delay in the maintenance and repair of
17 equipment; or

18 (C) the need for performance of workloads
19 is too infrequent, cyclical, or variable to sustain
20 a reliable base of private sector sources having
21 the facilities, technology, or equipment to per-
22 form the workloads.

23 (3) The systems or equipment identified under
24 subsection (a) that may be maintained and repaired
25 in private sector facilities.

1 (4) The approximate percentage of the total
2 maintenance and repair workload of the Department
3 of Defense necessary for the systems and equipment
4 identified under subsection (a) that would be per-
5 formed at Department of Defense facilities, and at
6 private sector facilities, as a result of the determina-
7 tions made for purposes of paragraphs (1), (2), and
8 (3).

9 **SEC. 319. REVIEW OF USE OF TEMPORARY DUTY ASSIGN-**
10 **MENTS FOR SHIP REPAIR AND**
11 **MAINTENANCE.**

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

14 (1) In order to reduce the time that the crew
15 of a naval vessel is away from the homeport of the
16 vessel, the Navy seeks to perform ship repair and
17 maintenance of the vessel at the homeport of the
18 vessel whenever it takes six months or less to accom-
19 plish the work involved.

20 (2) At the same time, the Navy seeks to distrib-
21 ute ship repair and maintenance work among the
22 Navy shipyards (known as to “level load”) in order
23 to more fully utilize personnel resources.

24 (3) During periods when a Navy shipyard is not
25 utilized to its capacity, the Navy sometimes sends

1 workers at the shipyard, on a temporary duty basis,
2 to perform ship repairs and maintenance at a home-
3 port not having a Navy shipyard.

4 (4) This practice is a more efficient use of civil-
5 ian employees who might otherwise not be fully em-
6 ployed on work assigned to Navy shipyards.

7 (b) GAO REVIEW AND REPORT.—(1) The Comptrol-
8 ler General of the United States shall review the Navy's
9 practice of using temporary duty assignments of personnel
10 to perform ship maintenance and repair work at
11 homeports not having Navy shipyards. The review shall
12 include the following:

13 (A) An assessment of the rationale, conditions,
14 and factors supporting the Navy's practice.

15 (B) A determination of whether the practice is
16 cost-effective.

17 (C) The factors affecting future requirements
18 for, and the adherence to, the practice, together with
19 an assessment of the factors.

20 (2) Not later than May 1, 1998, the Comptroller Gen-
21 eral shall submit a report on the review to the Committee
22 on Armed Services of the Senate and the Committee on
23 National Security of the House of Representatives.

1 **SEC. 320. REPEAL OF A CONDITIONAL REPEAL OF CERTAIN**
 2 **DEPOT-LEVEL MAINTENANCE AND REPAIR**
 3 **LAWS AND A RELATED REPORTING**
 4 **REQUIREMENT.**

5 Section 311 of the National Defense Authorization
 6 Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.
 7 247; 10 U.S.C. 2464 note) is amended by striking out sub-
 8 sections (f) and (g).

9 **SEC. 321. EXTENSION OF AUTHORITY FOR NAVAL SHIP-**
 10 **YARDS AND AVIATION DEPOTS TO ENGAGE IN**
 11 **DEFENSE-RELATED PRODUCTION AND**
 12 **SERVICES.**

13 Section 1425(e) of the National Defense Authoriza-
 14 tion Act for Fiscal Year 1991 (Public Law 101–510; 104
 15 Stat. 1684) is amended by striking out “September 30,
 16 1997” and inserting in lieu thereof “September 30,
 17 1998”.

18 **Subtitle C—Environmental**
 19 **Provisions**

20 **SEC. 331. CLARIFICATION OF AUTHORITY RELATING TO**
 21 **STORAGE AND DISPOSAL OF NONDEFENSE**
 22 **TOXIC AND HAZARDOUS MATERIALS ON DE-**
 23 **PARTMENT OF DEFENSE PROPERTY.**

24 (a) MATERIALS OF MEMBERS AND DEPENDENTS.—
 25 Subsection (a)(1) of section 2692 of title 10, United
 26 States Code, is amended by inserting “or by a member

1 of the armed forces (or a dependent of a member) living
 2 on the installation” before the period at the end.

3 (b) STORAGE OF MATERIALS CONNECTED WITH
 4 COMPATIBLE USE.—Subsection (b)(8) of such section is
 5 amended—

6 (1) by striking out “by a private person”;

7 (2) by striking out “by that private person of
 8 an industrial-type” and inserting in lieu thereof “of
 9 a”; and

10 (3) by striking out “; and” and inserting in lieu
 11 thereof “, including a space launch facility located
 12 on a Department of Defense installation or other
 13 land controlled by the United States and a Depart-
 14 ment of Defense facility for testing materiel or train-
 15 ing personnel;”.

16 (c) TREATMENT AND DISPOSAL OF MATERIALS CON-
 17 NECTED WITH COMPATIBLE USE.—Subsection (b)(9) of
 18 such section is amended—

19 (1) by striking out “by a private person”;

20 (2) by striking out “commercial use by that
 21 person of an industrial-type” and inserting in lieu
 22 thereof “use of a”;

23 (3) by striking out “with that person” and in-
 24 serting in lieu thereof “with the prospective user”;
 25 and

1 (4) in subparagraph (B), by striking out “for
 2 that person’s” and inserting in lieu thereof “for the
 3 prospective user’s”.

4 (d) ADDITIONAL AUTHORITY.—Subsection (b) of
 5 such section is further amended—

6 (1) by striking out the period at the end of
 7 paragraph (9) and inserting in lieu thereof “; and”;
 8 and

9 (2) by adding at the end the following:

10 “(10) the storage of materials that will be used
 11 in connection with an activity of the Department of
 12 Defense or in connection with a service performed
 13 for the benefit of the Department of Defense or the
 14 disposal of materials that have been used in such
 15 connection.”.

16 **SEC. 332. ANNUAL REPORT ON PAYMENTS AND ACTIVITIES**
 17 **IN RESPONSE TO FINES AND PENALTIES AS-**
 18 **SESSED UNDER ENVIRONMENTAL LAWS.**

19 (a) ANNUAL REPORTS.—Section 2706(b)(2) of title
 20 10, United States Code, is amended by adding at the end
 21 the following:

22 “(H) A statement of the fines and pen-
 23 alties imposed or assessed against the Depart-
 24 ment of Defense under Federal, State, or local
 25 environmental law during the fiscal year preced-

1 ing the fiscal year in which the report is sub-
2 mitted, which statement sets forth—

3 “(i) each Federal environmental stat-
4 ute under which a fine or penalty was im-
5 posed or assessed during the fiscal year;

6 “(ii) with respect to each such
7 statute—

8 “(I) the aggregate amount of
9 fines and penalties imposed or as-
10 sessed during the fiscal year;

11 “(II) the aggregate amount of
12 fines and penalties paid during the
13 fiscal year;

14 “(III) the total amount required
15 to meet commitments to environ-
16 mental enforcement authorities under
17 agreements entered into by the De-
18 partment of Defense during the fiscal
19 year for supplemental environmental
20 projects agreed to in lieu of the pay-
21 ment of fines or penalties; and

22 “(IV) the number of fines and
23 penalties imposed or assessed during
24 the fiscal year that were—

25 “(aa) \$10,000 or less;

1 “(bb) more than \$10,000,
2 but not more than \$50,000;

3 “(cc) more than \$50,000,
4 but not more than \$100,000; and

5 “(dd) more than \$100,000;
6 and

7 “(iii) with respect to each fine or pen-
8 alty set forth under clause (ii)(IV)(dd)—

9 “(I) the installation or facility to
10 which the fine or penalty applies; and

11 “(II) the agency that imposed or
12 assessed the fine or penalty.”.

13 (b) REPORT IN FISCAL YEAR 1998.—The statement
14 submitted by the Secretary of Defense under subpara-
15 graph (H) of section 2706(b)(2) of title 10, United States
16 Code, as added by subsection (a), in 1998 shall, to the
17 maximum extent practicable, include the information re-
18 quired by that subparagraph for each of fiscal years 1994
19 through 1997.

20 **SEC. 333. ANNUAL REPORT ON ENVIRONMENTAL ACTIVI-**
21 **TIES OF THE DEPARTMENT OF DEFENSE**
22 **OVERSEAS.**

23 Section 2706 of title 10, United States Code, is
24 amended—

1 (1) by redesignating subsection (d) as sub-
2 section (e); and

3 (2) by inserting after subsection (c) the follow-
4 ing new subsection (d):

5 “(d) REPORT ON ENVIRONMENTAL ACTIVITIES
6 OVERSEAS.—(1) The Secretary of Defense shall submit
7 to Congress each year, not later than 30 days after the
8 date on which the President submits to Congress the
9 budget for a fiscal year, a report on the environmental
10 activities of the Department of Defense overseas.

11 “(2) Each such report shall include the following:

12 “(A) A statement of the funding levels and full-
13 time personnel required for the Department of De-
14 fense to comply during such fiscal year with each re-
15 quirement under a treaty, law, contract, or other
16 agreement for environmental restoration or compli-
17 ance activities.

18 “(B) A statement of the funds to be expended
19 by the Department of Defense during such fiscal
20 year in carrying out other activities relating to the
21 environment overseas, including conferences, meet-
22 ings, and studies for pilot programs and travel relat-
23 ed to such activities.”.

1 **SEC. 334. MEMBERSHIP TERMS FOR STRATEGIC ENVIRON-**
2 **MENTAL RESEARCH AND DEVELOPMENT**
3 **PROGRAM SCIENTIFIC ADVISORY BOARD.**

4 (a) TERMS.—Section 2904(b)(4) of title 10, United
5 States Code, is amended by striking out “three” and in-
6 serting in lieu thereof “not less than two or more than
7 four”.

8 (b) APPLICABILITY.—The amendment made by sub-
9 section (a) shall apply to appointments to the Strategic
10 Environmental Research and Development Program Sci-
11 entific Advisory Board made before, on, or after the date
12 of enactment of this Act.

13 **SEC. 335. ADDITIONAL INFORMATION ON AGREEMENTS**
14 **FOR AGENCY SERVICES IN SUPPORT OF**
15 **ENVIRONMENTAL TECHNOLOGY CERTIFI-**
16 **CATION.**

17 (a) ADDITIONAL INFORMATION.—Subsection (d) of
18 section 327 of the National Defense Authorization Act for
19 Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2483;
20 10 U.S.C. 2702 note) is amended by adding at the end
21 the following:

22 “(5) A statement of the funding that will be re-
23 quired to meet commitments made to State and local
24 governments under agreements entered into during
25 the fiscal year preceding the fiscal year in which the
26 report is submitted.

1 “(6) A description of any cost-sharing arrange-
2 ment under any cooperative agreement entered into
3 under this section.”.

4 (b) GUIDELINES FOR REIMBURSEMENT AND COST-
5 SHARING.—Not later than 90 days after the date of enact-
6 ment of this Act, the Secretary of Defense shall submit
7 to Congress a report setting forth the guidelines estab-
8 lished by the Secretary for reimbursement of State and
9 local governments, and for cost-sharing between the De-
10 partment of Defense, such governments, and vendors,
11 under agreements entered into under such section 327.

12 **SEC. 336. RISK ASSESSMENTS UNDER THE DEFENSE ENVI-**
13 **RONMENTAL RESTORATION PROGRAM.**

14 (a) IN GENERAL.—In carrying out risk assessments
15 as part of the evaluation of facilities of the Department
16 of Defense for purposes of allocating funds and establish-
17 ing priorities for environmental restoration projects at
18 such facilities under the Defense Environmental Restora-
19 tion Program, the Secretary of Defense shall—

20 (1) utilize a risk assessment method that meets
21 the requirements in subsection (b); and

22 (2) ensure the uniform and consistent utiliza-
23 tion of the risk assessment method in all evaluations
24 of facilities under the program.

1 (b) RISK ASSESSMENT METHOD.—The risk assess-
2 ment method utilized under subsection (a) shall—

3 (1) take into account as a separate factor of
4 risk—

5 (A) the extent to which the contamination
6 level of a particular contaminant exceeds the
7 permissible contamination level for the
8 contaminant;

9 (B) the existence and extent of any popu-
10 lation (including human populations and natu-
11 ral populations) potentially affected by the con-
12 taminant; and

13 (C) the existence and nature of any mecha-
14 nism that would cause the population to be af-
15 fected by the contaminant; and

16 (2) provide appropriately for the significance of
17 any such factor in the final determination of risk.

18 (c) DEFENSE ENVIRONMENTAL RESTORATION PRO-
19 GRAM DEFINED.—In this section, the term “Defense En-
20 vironmental Restoration Program” means the program of
21 environmental restoration carried out under chapter 160
22 of title 10, United States Code.

1 **SEC. 337. RECOVERY AND SHARING OF COSTS OF ENVIRON-**
2 **MENTAL RESTORATION AT DEPARTMENT OF**
3 **DEFENSE SITES.**

4 (a) GUIDELINES.—

5 (1) IN GENERAL.—The Secretary of Defense
6 shall prescribe in regulations guidelines concerning
7 the cost-recovery and cost-sharing activities of the
8 military departments and defense agencies.

9 (2) COVERED MATTERS.—The guidelines pre-
10 scribed under paragraph (1) shall—

11 (A) establish uniform requirements relat-
12 ing to cost-recovery and cost-sharing activities
13 for the military departments and defense
14 agencies;

15 (B) require the Secretaries of the military
16 departments and the heads of the defense agen-
17 cies to obtain all appropriate data regarding ac-
18 tivities of contractors of the Department or
19 other private parties responsible for environ-
20 mental contamination at Department sites that
21 is relevant for purposes of cost-recovery and
22 cost-sharing activities;

23 (C) require the Secretaries of the military
24 departments and the heads of the defense agen-
25 cies to use consistent methods in estimating the
26 costs of environmental restoration at sites

1 under the jurisdiction of such departments and
2 agencies for purposes of reports to Congress on
3 such costs;

4 (D) require the Secretaries of the military
5 departments to reduce the amounts requested
6 for environmental restoration activities of such
7 departments for a fiscal year by the amounts
8 anticipated to be recovered in the preceding fis-
9 cal year as a result of cost-recovery and cost-
10 sharing activities; and

11 (E) resolve any unresolved issues regarding
12 the crediting of amounts recovered as a result
13 of such activities under section 2703(d) of title
14 10, United States Code.

15 (b) IMPLEMENTATION OF GUIDELINES.—The Sec-
16 retary shall take appropriate actions to ensure the imple-
17 mentation of the guidelines prescribed under subsection
18 (a), including appropriate requirements to—

19 (1) identify contractors of the Department and
20 other private parties responsible for environmental
21 contamination at Department sites;

22 (2) review the activities of contractors of the
23 Department and other private parties in order to
24 identify negligence or other misconduct in such ac-
25 tivities that would preclude Department indemnifica-

1 tion for the costs of environmental restoration relat-
 2 ing to such contamination or justify the recovery or
 3 sharing of costs associated with such restoration;

4 (3) obtain data as provided for under sub-
 5 section (a)(2)(B); and

6 (4) pursue cost-recovery and cost-sharing activi-
 7 ties where appropriate.

8 (c) DEFINITION.—In this section, the term “cost-re-
 9 covery and-cost sharing activities” means activities
 10 concerning—

11 (1) the recovery of the costs of environmental
 12 restoration at Department sites from contractors of
 13 the Department and other private parties that con-
 14 tribute to environmental contamination at such sites;
 15 and

16 (2) the sharing of the costs of such restoration
 17 with such contractors and parties.

18 **SEC. 338. PILOT PROGRAM FOR THE SALE OF AIR POLLU-**
 19 **TION EMISSION REDUCTION INCENTIVES.**

20 (a) AUTHORITY.—(1) The Secretary of Defense may,
 21 in consultation with the Administrator of General Serv-
 22 ices, carry out a pilot program to assess the feasibility and
 23 advisability of the sale of economic incentives for the re-
 24 duction of emission of air pollutants attributable to a facil-
 25 ity of a military department.

1 (2) The Secretary may carry out the pilot program
2 during the period beginning on October 1, 1997, and end-
3 ing on September 30, 1999.

4 (b) INCENTIVES AVAILABLE FOR SALE.—(1) Under
5 the pilot program, the Secretary may sell economic incen-
6 tives for the reduction of emission of air pollutants attrib-
7 utable to a facility of a military department only if such
8 incentives are not otherwise required for the activities or
9 operations of the military department.

10 (2) The Secretary may not, under the pilot program,
11 sell economic incentives attributable to the closure or re-
12 alignment of a military installation under a base closure
13 law.

14 (3) If the Secretary determines that additional sales
15 of economic incentives are likely to result in amounts
16 available for allocation under subsection (c)(2) in a fiscal
17 year in excess of the limitation set forth in subparagraph
18 (B) of that subsection, the Secretary shall not carry out
19 such additional sales in that fiscal year.

20 (c) USE OF PROCEEDS.—(1) The proceeds of sale of
21 economic incentives attributable to a facility of a military
22 department shall be credited to the funds available to the
23 facility for the costs of identifying, quantifying, or valuing
24 economic incentives for the reduction of emission of air
25 pollutants. The amount credited shall be equal to the cost

1 incurred in identifying, quantifying, or valuing the eco-
2 nomic incentives sold.

3 (2)(A)(i) If after crediting under paragraph (1) a bal-
4 ance remains, the amount of such balance shall be avail-
5 able to the Department of Defense for allocation by the
6 Secretary to the military departments for programs,
7 projects, and activities necessary for compliance with Fed-
8 eral environmental laws, including the purchase of eco-
9 nomic incentives for the reduction of emission of air
10 pollutants.

11 (ii) To the extent practicable, amounts allocated to
12 the military departments under this subparagraph shall
13 be made available to the facilities that generated the eco-
14 nomic incentives providing the basis for the amounts.

15 (B) The total amount allocated under this paragraph
16 in a fiscal year from sales of economic incentives may not
17 equal or exceed \$500,000.

18 (3) If after crediting under paragraph (1) a balance
19 remains in excess of an amount equal to the limitation
20 set forth in paragraph (2)(B), the amount of the excess
21 shall be covered over into the Treasury as miscellaneous
22 receipts.

23 (4) Funds credited under paragraph (1) or allocated
24 under paragraph (2) shall be merged with the funds to
25 which credited or allocated, as the case may be, and shall

1 be available for the same purposes and for the same period
2 as the funds with which merged.

3 (d) DEFINITIONS.—In this section:

4 (1) The term “base closure law” means the
5 following:

6 (A) Section 2687 of title 10, United States
7 Code.

8 (B) Title II of the Defense Authorization
9 Amendments and Base Closure and Realignment
10 Act (Public Law 100–526; 10 U.S.C.
11 2687 note).

12 (C) The Defense Base Closure and Re-
13 alignment Act of 1990 (part A of title XXIX of
14 Public Law 101–510; 10 U.S.C. 2687 note).

15 (2) The term “economic incentives for the re-
16 duction of emission of air pollutants” means any
17 transferable economic incentives (including market-
18 able permits and emission rights) necessary or ap-
19 propriate to meet air quality requirements under the
20 Clean Air Act (42 U.S.C. 7401 et seq.).

1 **SEC. 339. TAGGING SYSTEM FOR IDENTIFICATION OF HY-**
2 **DROCARBON FUELS USED BY THE DEPART-**
3 **MENT OF DEFENSE.**

4 (a) **AUTHORITY TO CONDUCT PILOT PROGRAM.—**

5 The Secretary of Defense may conduct a pilot program
6 using existing technology to determine—

7 (1) the feasibility of tagging hydrocarbon fuels
8 used by the Department of Defense for the purposes
9 of analyzing and identifying such fuels;

10 (2) the deterrent effect of such tagging on the
11 theft and misuse of fuels purchased by the Depart-
12 ment; and

13 (3) the extent to which such tagging assists in
14 determining the source of surface and underground
15 pollution in locations having separate fuel storage
16 facilities of the Department and of civilian
17 companies.

18 (b) **SYSTEM ELEMENTS.—**The tagging system under
19 the pilot program shall have the following characteristics:

20 (1) The tagging system does not harm the
21 environment.

22 (2) Each chemical used in the tagging system
23 is—

24 (A) approved for use under the Toxic Sub-
25 stances Control Act (15 U.S.C. 2601 et seq.);
26 and

1 (B) substantially similar to the fuel to
2 which added, as determined in accordance with
3 criteria established by the Environmental Pro-
4 tection Agency for the introduction of additives
5 into hydrocarbon fuels.

6 (3) The tagging system permits a determination
7 if a tag is present and a determination if the con-
8 centration of a tag has changed in order to facilitate
9 identification of tagged fuels and detection of dilu-
10 tion of tagged fuels.

11 (4) The tagging system does not impair or de-
12 grade the suitability of tagged fuels for their in-
13 tended use.

14 (c) REPORT.—Not later than 30 days after the com-
15 pletion of the pilot program, the Secretary shall submit
16 to Congress a report setting forth the results of the pilot
17 program and including any recommendations for legisla-
18 tion relating to the tagging of hydrocarbon fuels by the
19 Department that the Secretary considers appropriate.

20 (d) FUNDING.—Of the amounts authorized to be ap-
21 propriated under section 301(5) for operation and mainte-
22 nance for defense-wide activities, not more than
23 \$5,000,000 shall be available for the pilot program.

1 **Subtitle D—Commissaries and Non-**
 2 **appropriated Fund Instrumen-**
 3 **talities**

4 **SEC. 351. FUNDING SOURCES FOR CONSTRUCTION AND IM-**
 5 **PROVEMENT OF COMMISSARY STORE**
 6 **FACILITIES.**

7 (a) ADDITIONAL FUNDING SOURCES.—Section 2685
 8 of title 10, United States Code, is amended—

- 9 (1) by redesignating subsections (b), (c), and
 10 (d) as subsections (c), (d), and (e), respectively; and
 11 (2) by inserting after subsection (a) the follow-
 12 ing new subsection (b):

13 “(b) FUNDS FOR CONSTRUCTION AND IMPROVE-
 14 MENTS.—Revenues received by the Department of De-
 15 fense from the following sources or activities of com-
 16 missary store facilities shall be available for the purposes
 17 set forth in subsections (c), (d), and (e):

- 18 “(1) Adjustments or surcharges authorized by
 19 subsection (a).
 20 “(2) Sale of recyclable materials.
 21 “(3) Sale of excess property.
 22 “(4) License fees.
 23 “(5) Royalties.

1 “(6) Fees paid by sources of products in order
 2 to obtain favorable display of the products for resale,
 3 known as business related management fees.

4 “(7) Products offered for sale in commissaries
 5 under consignment with exchanges, as designated by
 6 the Secretary of Defense.”.

7 **SEC. 352. INTEGRATION OF MILITARY EXCHANGE**
 8 **SERVICES.**

9 (a) INTEGRATION REQUIRED.—The Secretaries of
 10 the military departments shall integrate the military ex-
 11 change services, including the managing organizations of
 12 the military exchange services, not later than September
 13 30, 2000.

14 (b) SUBMISSION OF PLAN TO CONGRESS.—Not later
 15 than 180 days after the date of the enactment of this Act,
 16 the Secretaries of the military departments shall submit
 17 to the Committee on Armed Services of the Senate and
 18 the Committee on National Security of the House of Rep-
 19 resentatives the plan for achieving the integration required
 20 by subsection (a).

21 **Subtitle E—Other Matters**

22 **SEC. 361. ADVANCE BILLINGS FOR WORKING-CAPITAL**
 23 **FUNDS.**

24 (a) RESTRICTION.—Section 2208 of title 10, United
 25 States Code, is amended—

1 (1) by redesignating subsection (k) as sub-
2 section (l); and

3 (2) by inserting after subsection (j) the follow-
4 ing new subsection (k):

5 “(k)(1) An advance billing of a customer for a work-
6 ing-capital fund is prohibited except as provided in para-
7 graph (2).

8 “(2) An advance billing of a customer for a working-
9 capital fund is authorized if—

10 “(A) the Secretary of Defense has submitted to
11 the Committees on Armed Services and on Appro-
12 priations of the Senate and the Committees on Na-
13 tional Security and on Appropriations of the House
14 of Representatives a notification of the advance bill-
15 ing; and

16 “(B) in the case of an advance billing in an
17 amount that exceeds \$50,000,000, thirty days have
18 elapsed since the date of the notification.

19 “(3) A notification of an advance billing of a cus-
20 tomer for a working-capital fund that is submitted under
21 paragraph (2) shall include the following:

22 “(A) The reasons for the advance billing.

23 “(B) An analysis of the effects of the advance
24 billing on military readiness.

1 “(C) An analysis of the effects of the advance
2 billing on the customer.

3 “(4) The Secretary of Defense may waive the applica-
4 bility of this subsection—

5 “(A) during a period war or national emer-
6 gency; or

7 “(B) to the extent that the Secretary deter-
8 mines necessary to support a contingency operation.

9 “(5) The Secretary of Defense shall submit to the
10 committees referred to in paragraph (2) a report on ad-
11 vance billings for all working-capital funds whenever the
12 aggregate amount of the advance billings for all working-
13 capital funds not covered by a notification under that
14 paragraph or a report previously submitted under this
15 paragraph exceeds \$50,000,000. The report shall be sub-
16 mitted not later than 30 days after the end of the month
17 in which the aggregate amount first reaches \$50,000,000.
18 The report shall include, for each customer covered by the
19 report, a discussion of the matters described in paragraph
20 (3).

21 “(6) In this subsection:

22 “(A) The term ‘advance billing’, with respect to
23 a working-capital fund, means a billing of a cus-
24 tomer by the fund, or a requirement for a customer
25 to reimburse or otherwise credit the fund, for the

1 cost of goods or services provided (or for other ex-
 2 penses incurred) on behalf of the customer that is
 3 rendered or imposed before the customer receives the
 4 goods or before the services have been performed.

5 “(B) The term ‘customer’ means a requisition-
 6 ing component or agency.”.

7 (b) REPORTS ON ADVANCE BILLINGS FOR THE
 8 DBOF.—Section 2216a(d)(3) of title 10, United States
 9 Code, is amended—

10 (1) in subparagraph (B)(ii), by striking out
 11 “\$100,000,000” and inserting in lieu thereof
 12 “\$50,000,000”; and

13 (2) by adding at the end the following:

14 “(D) A report required under subparagraph (B)(ii)
 15 shall be submitted not later than 30 days after the end
 16 of the month in which the aggregate amount referred to
 17 in that subparagraph reaches the amount specified in that
 18 subparagraph.”.

19 (c) FISCAL YEAR 1998 LIMITATION.—(1) The total
 20 amount of advance billings for Department of Defense
 21 working-capital funds and the Defense Business Oper-
 22 ations Fund for fiscal year 1998 may not exceed
 23 \$1,000,000,000.

24 (2) In paragraph (1), the term “advance billing”,
 25 with respect to the working-capital funds of the Depart-

1 ment of Defense and the Defense Business Operations
 2 Fund, has the same meaning as is provided with respect
 3 to working-capital funds in section 2208(k)(6) of title 10,
 4 United States Code (as amended by subsection (a)).

5 **SEC. 362. CENTER FOR EXCELLENCE IN DISASTER MAN-**
 6 **AGEMENT AND HUMANITARIAN ASSISTANCE.**

7 (a) ESTABLISHMENT.—The Secretary of Defense
 8 may operate a Center for Excellence in Disaster Manage-
 9 ment and Humanitarian Assistance at Tripler Army Medi-
 10 cal Center, Hawaii.

11 (b) MISSIONS.—The Secretary of Defense shall speci-
 12 fy the missions of the Center. The missions shall include
 13 the following:

14 (1) To provide and facilitate education, train-
 15 ing, and research in civil-military operations, par-
 16 ticularly operations that require international disas-
 17 ter management and humanitarian assistance and
 18 operations that require interagency coordination.

19 (2) To make available high-quality disaster
 20 management and humanitarian assistance in re-
 21 sponse to disasters.

22 (3) To provide and facilitate education, train-
 23 ing, interagency coordination, and research on the
 24 following additional matters:

1 (A) Management of the consequences of
2 nuclear, biological, and chemical events.

3 (B) Management of the consequences of
4 terrorism.

5 (C) Appropriate roles for the reserve com-
6 ponents in the management of such con-
7 sequences and in disaster management and hu-
8 manitarian assistance in response to natural
9 disasters.

10 (D) Meeting requirements for information
11 in connection with regional and global disasters,
12 including use of advanced communications tech-
13 nology as a virtual library.

14 (E) Tropical medicine, particularly in rela-
15 tion to the medical readiness requirements of
16 the Department of Defense.

17 (4) To develop a repository of disaster risk indi-
18 cators for the Asia-Pacific region.

19 (c) JOINT OPERATION WITH EDUCATIONAL INSTITU-
20 TION AUTHORIZED.—The Secretary may enter into an
21 agreement with appropriate officials of an institution of
22 higher education to provide for joint operation of the Cen-
23 ter. Any such agreement shall provide for the institution
24 to furnish necessary administrative services for the Cen-
25 ter, including administration and allocation of funds.

1 (d) ACCEPTANCE OF FUNDS.—(1) Except as pro-
2 vided in paragraph (2), the Secretary of Defense may, on
3 behalf of the Center, accept funds for use to defray the
4 costs of the Center or to enhance the operation of the Cen-
5 ter from any agency of the Federal Government, any State
6 or local government, any foreign government, any founda-
7 tion or other charitable organization (including any that
8 is organized or operates under the laws of a foreign coun-
9 try), or any other private source in the United States or
10 a foreign country.

11 (2)(A) The Secretary may not accept a gift or dona-
12 tion under paragraph (1) if the acceptance of the gift or
13 donation, as the case may be, would compromise or appear
14 to compromise—

15 (i) the ability of the Department of Defense, or
16 any employee of the Department, to carry out any
17 responsibility or duty of the Department in a fair
18 and objective manner; or

19 (ii) the integrity of any program of the Depart-
20 ment of Defense or of any official involved in such
21 a program.

22 (B) The Secretary shall prescribe written guidance
23 setting forth the criteria to be used in determining wheth-
24 er or not the acceptance of a foreign gift or donation
25 would have a result described in subparagraph (A).

1 (3) Funds accepted by the Secretary under para-
 2 graph (1) shall be credited to appropriations available to
 3 the Department of Defense for the Center. Funds so cred-
 4 ited shall be merged with the appropriations to which cred-
 5 ited and shall be available for the Center for the same
 6 purposes and the same period as the appropriations with
 7 which merged.

8 (e) FUNDING FOR FISCAL YEAR 1998.—Of the funds
 9 authorized to be appropriated under section 301,
 10 \$5,000,000 shall be available for the Center for Excellence
 11 in Disaster Management and Humanitarian Assistance.

12 **SEC. 363. ADMINISTRATIVE ACTIONS ADVERSELY AFFECT-**
 13 **ING MILITARY TRAINING OR OTHER READI-**
 14 **NESS ACTIVITIES.**

15 (a) CONGRESSIONAL NOTIFICATION.—Chapter 101
 16 of title 10, United States Code, is amended by adding at
 17 the end the following:

18 **“§ 2014. Administrative actions adversely affecting**
 19 **military training or other readiness**
 20 **activities**

21 “(a) CONGRESSIONAL NOTIFICATION.—Whenever an
 22 official of an Executive agency takes or proposes to take
 23 an administrative action that, as determined by the Sec-
 24 retary of Defense in consultation with the Chairman of
 25 the Joint Chiefs of Staff, affects training or any other

1 readiness activity in a manner that has or would have a
2 significant adverse effect on the military readiness of any
3 of the armed forces or a critical component thereof, the
4 Secretary shall submit a written notification of the action
5 and each significant adverse effect to the Committee on
6 Armed Services of the Senate and the Committee on Na-
7 tional Security of the House of Representatives and, at
8 the same time, shall transmit a copy of the notification
9 to the President and to the head of the Executive agency
10 taking or proposing to take the administrative action.

11 “(b) NOTIFICATION TO BE PROMPT.—(1) Subject to
12 paragraph (2), the Secretary shall submit a written notifi-
13 cation of an administrative action or proposed administra-
14 tive action required by subsection (a) as soon as the Sec-
15 retary becomes aware of the action or proposed action.

16 “(2) The Secretary shall prescribe policies and proce-
17 dures to ensure that the Secretary receives information on
18 an administrative action or proposed administrative action
19 described in subsection (a) promptly after Department of
20 Defense personnel receive notice of such an action or pro-
21 posed action.

22 “(c) EFFECT OF NOTIFICATION ON ADMINISTRATIVE
23 ACTION.—Upon the submission of a notification to com-
24 mittees of Congress under subsection (a), the administra-
25 tive action covered by the notification shall, notwithstand-

1 ing any other provision of law, cease to be effective or not
 2 become effective, as the case may be, with respect to the
 3 Department of Defense until the date that is 30 days after
 4 the date of the notification, except that the President may
 5 direct that the administrative action take effect with re-
 6 spect to the Department of Defense earlier than that date.
 7 The President may not delegate the authority provided in
 8 the preceding sentence.

9 “(d) DEFINITIONS.—In this section, the term ‘Execu-
 10 tive agency’ has the meaning given such term in section
 11 105 of title 5 other than the General Accounting Office.”.

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

“2014. Administrative actions adversely affecting military training or other
 readiness activities.”.

15 **SEC. 364. FINANCIAL ASSISTANCE TO SUPPORT ADDI-**
 16 **TIONAL DUTIES ASSIGNED TO ARMY**
 17 **NATIONAL GUARD.**

18 (a) AUTHORITY.—Chapter 1 of title 32, United
 19 States Code, is amended by adding at the end the
 20 following:

1 **“§ 113. Federal financial assistance for support of ad-**
2 **ditional duties assigned to the Army**
3 **National Guard**

4 “(a) **AUTHORITY.**—The Secretary of the Army may
5 provide financial assistance to a State to support activities
6 carried out by the Army National Guard of the State in
7 the performance of duties that the Secretary has assigned,
8 with the consent of the Chief of the National Guard Bu-
9 reau, to the Army National Guard of the State. The Sec-
10 retary shall determine the amount of the assistance that
11 is appropriate for the purpose.

12 “(b) **COVERED ACTIVITIES.**—Activities supported
13 under this section may include only those activities that
14 are carried out by the Army National Guard in the per-
15 formance of responsibilities of the Secretary under para-
16 graphs (6), (10), and (11) of section 3013(b) of title 10.

17 “(c) **DISBURSEMENT THROUGH NATIONAL GUARD**
18 **BUREAU.**—The Secretary shall disburse any contribution
19 under this section through the Chief of the National
20 Guard Bureau.

21 “(d) **AVAILABILITY OF FUNDS.**—Funds appropriated
22 for the Army for a fiscal year are available for providing
23 financial assistance under this section in support of activi-
24 ties carried out by the Army National Guard during that
25 fiscal year.”.

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

“113. Federal financial assistance for support of additional duties assigned to
 the Army National Guard.”.

4 **SEC. 365. SALE OF EXCESS, OBSOLETE, OR UNSERVICEABLE**
 5 **AMMUNITION AND AMMUNITION COMPO-**
 6 **NENTS.**

7 (a) AUTHORITY.—Chapter 443 of title 10, United
 8 States Code, is amended by adding at the end the follow-
 9 ing new section:

10 **“§ 4687. Sale of excess, obsolete, or unserviceable am-**
 11 **munition and ammunition components**

12 “(a) AUTHORITY TO SELL OUTSIDE DoD.—The
 13 Secretary of the Army may sell ammunition or ammuni-
 14 tion components that are excess, obsolete, or unserviceable
 15 and have not been demilitarized to a person eligible under
 16 subsection (c) if—

17 “(1) the purchaser enters into an agreement, in
 18 advance, with the Secretary—

19 “(A) to demilitarize the ammunition or
 20 components; and

21 “(B) to reclaim, recycle, or reuse the com-
 22 ponent parts or materials; or

23 “(2) the Secretary, or an official of the Depart-
 24 ment of the Army designated by the Secretary, ap-

1 proves the use of the ammunition or components
2 proposed by the purchaser as being consistent with
3 the public interest.

4 “(b) METHOD OF SALE.—The Secretary shall use
5 competitive procedures to sell ammunition and ammuni-
6 tion components under this section, except that the Sec-
7 retary may negotiate a sale in any case in which the Sec-
8 retary determines that there is only one potential buyer
9 of the items being offered for sale.

10 “(c) ELIGIBLE PURCHASERS.—A purchaser of ex-
11 cess, obsolete, or unserviceable ammunition or ammunition
12 components under this section shall be a licensed manu-
13 facturer (as defined in section 921(10) of title 18) that,
14 as determined by the Secretary, has a capability to modify,
15 reclaim, transport, and either store or sell the ammunition
16 or ammunition components purchased.

17 “(d) HOLD HARMLESS AGREEMENT.—The Secretary
18 shall require a purchaser of ammunition or ammunition
19 components under this section to agree to hold harmless
20 and indemnify the United States from any claim for dam-
21 ages for death, injury, or other loss resulting from a use
22 of the ammunition or ammunition components, except in
23 a case of willful misconduct or gross negligence of a rep-
24 resentative of the United States.

1 “(e) VERIFICATION OF DEMILITARIZATION.—The
 2 Secretary shall establish procedures for ensuring that a
 3 purchaser of ammunition or ammunition components
 4 under this section demilitarizes the ammunition or ammu-
 5 nition components in accordance with any agreement to
 6 do so under subsection (a)(1). The procedures shall in-
 7 clude on-site verification of demilitarization activities.

8 “(f) CONSIDERATION.—The Secretary may accept
 9 ammunition, ammunition components, or ammunition de-
 10 militarization services as consideration for ammunition or
 11 ammunition components sold under this section. The fair
 12 market value of any such consideration shall be equal to
 13 or exceed the fair market value or, if higher, the sale price
 14 of the ammunition or ammunition components sold.

15 “(g) DISPOSITION OF FUNDS.—Amounts received as
 16 proceeds of sale of ammunition or ammunition compo-
 17 nents under this section in any fiscal year shall—

18 “(1) be credited to an appropriation available
 19 for such fiscal year for the acquisition of ammuni-
 20 tion or ammunition components or to an appropria-
 21 tion available for such fiscal year for the demili-
 22 tarization of excess, obsolete, or unserviceable am-
 23 munition or ammunition components; and

1 “(2) shall be available for the same period and
2 for the same purposes as the appropriation to which
3 credited.

4 “(h) RELATIONSHIP TO ARMS EXPORT CONTROL
5 ACT.—Nothing in this section shall be construed to affect
6 the applicability of section 38 of the Arms Export Control
7 Act (22 U.S.C. 2778) to sales of ammunition or ammuni-
8 tion components on the United States Munitions List.

9 “(i) DEFINITIONS.—In this section:

10 “(1) The term ‘excess, obsolete, or unservice-
11 able’, with respect to ammunition or ammunition
12 components, means that the ammunition or ammu-
13 nition components are no longer necessary for war
14 reserves or for support of training of the Army or
15 production of ammunition or ammunition
16 components.

17 “(2) The term ‘demilitarize’, with respect to
18 ammunition or ammunition components—

19 “(A) means to destroy the military offen-
20 sive or defensive advantages inherent in the am-
21 munition or ammunition components; and

22 “(B) includes any mutilation, scrapping,
23 melting, burning, or alteration that prevents the
24 use of the ammunition or ammunition compo-
25 nents for the military purposes for which the

1 ammunition or ammunition components was de-
2 signed or for a lethal purpose.”.

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

“4687. Sale of excess, obsolete, or unserviceable ammunition and ammunition
components.”.

6 **SEC. 366. INVENTORY MANAGEMENT.**

7 (a) SCHEDULE FOR IMPLEMENTATION OF BEST IN-
8 VENTORY PRACTICES AT DEFENSE LOGISTICS AGENCY.—
9 (1) The Director of the Defense Logistics Agency shall
10 develop and submit to Congress a schedule for implement-
11 ing within the agency, for the supplies and equipment de-
12 scribed in paragraph (2), inventory practices identified by
13 the Director as being the best commercial inventory prac-
14 tices for such supplies and equipment consistent with mili-
15 tary requirements. The schedule shall provide for the im-
16 plementation of such practices to be completed not later
17 than three years after date of the enactment of this Act.

18 (2) The inventory practices shall apply to the acquisi-
19 tion and distribution of medical supplies, subsistence sup-
20 plies, clothing and textiles, commercially available elec-
21 tronics, construction supplies, and industrial supplies.

22 (b) TIME FOR SUBMISSION OF SCHEDULE TO CON-
23 GRESS.—The schedule required by this section shall be

1 submitted not later than 180 days after the date of the
2 enactment of this Act.

3 **SEC. 367. WARRANTY CLAIMS RECOVERY PILOT PROGRAM.**

4 (a) PILOT PROGRAM REQUIRED.—The Secretary of
5 Defense may carry out a pilot program to use commercial
6 sources of services to improve the collection of Department
7 of Defense claims under aircraft engine warranties.

8 (b) CONTRACTS.—Exercising authority provided in
9 section 3718 of title 31, United States Code, the Secretary
10 of Defense may enter into contracts under the pilot pro-
11 gram to provide for the following services:

12 (1) Collection services.

13 (2) Determination of amounts owed the Depart-
14 ment of Defense for repair of aircraft engines for
15 conditions covered by warranties.

16 (3) Identification and location of the sources of
17 information that are relevant to collection of Depart-
18 ment of Defense claims under aircraft engine war-
19 ranties, including electronic data bases and docu-
20 ment filing systems maintained by the Department
21 of Defense or by the manufacturers and suppliers of
22 the aircraft engines.

23 (4) Services to define the elements necessary
24 for an effective training program to enhance and im-
25 prove the performance of Department of Defense

1 personnel in collecting and organizing documents
2 and other information that are necessary for effi-
3 cient filing, processing, and collection of Department
4 of Defense claims under aircraft engine warranties.

5 (c) CONTRACTOR FEE.—Under authority provided in
6 section 3718(d) of title 31, United States Code, a contract
7 entered into under the pilot program shall provide for the
8 contractor to be paid, out of the amount recovered by the
9 contractor under program, such percentages of the
10 amount recovered as the Secretary of Defense determines
11 appropriate.

12 (d) RETENTION OF RECOVERED FUNDS.—Subject to
13 any obligation to pay a fee under subsection (c), any
14 amount collected for the Department of Defense under the
15 pilot program for a repair of an aircraft engine for a con-
16 dition covered by a warranty shall be credited to an appro-
17 priation available for repair of aircraft engines for the fis-
18 cal year in which collected and shall be available for the
19 same purposes and same period as the appropriation to
20 which credited.

21 (e) REGULATIONS.—The Secretary of Defense shall
22 prescribe regulations to carry out this section.

23 (f) TERMINATION OF AUTHORITY.—The pilot pro-
24 gram shall terminate at the end of September 30, 1999,

1 and contracts entered into under this section shall termi-
 2 nate not later than that date.

3 (g) REPORT.—Not later than January 1, 2000, the
 4 Secretary of Defense shall submit to Congress a report
 5 on the pilot program. The report shall include the
 6 following:

7 (1) The number of contracts entered into under
 8 the program.

9 (2) The extent to which the services provided
 10 under the contracts resulted in financial benefits for
 11 the Federal Government.

12 (3) Any additional comments and recommenda-
 13 tions that the Secretary considers appropriate re-
 14 garding use of commercial sources of services for
 15 collection of Department of Defense claims under
 16 aircraft engine warranties.

17 **SEC. 368. ADJUSTMENT AND DIVERSIFICATION ASSIST-**
 18 **ANCE TO ENHANCE INCREASED PERFORM-**
 19 **ANCE OF MILITARY FAMILY SUPPORT SERV-**
 20 **ICES BY PRIVATE SECTOR SOURCES.**

21 Section 2391(b)(5) of title 10, United States Code,
 22 is amended by adding at the end the following:

23 “(C) The Secretary of Defense may also make grants,
 24 conclude cooperative agreements, and supplement other
 25 Federal funds in order to assist a State or local govern-

1 ment to enhance that government’s capabilities to support
 2 efforts of the Department of Defense to privatize, contract
 3 for, or diversify the performance of military family support
 4 services in cases in which the capability of the department
 5 to provide such services is adversely affected by an action
 6 described in paragraph (1).”.

7 **TITLE IV—MILITARY**
 8 **PERSONNEL AUTHORIZATIONS**
 9 **Subtitle A—Active Forces**

10 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

11 The Armed Forces are authorized strengths for active
 12 duty personnel as of September 30, 1998, as follows:

13 (1) The Army, 485,000, of whom not more
 14 than 80,300 shall be officers.

15 (2) The Navy, 390,802, of whom not more than
 16 55,695 shall be officers.

17 (3) The Marine Corps, 174,000, of whom not
 18 more than 17,978 shall be officers.

19 (4) The Air Force, 371,577, of whom not more
 20 than 72,732 shall be officers.

21 **SEC. 402. PERMANENT END STRENGTH LEVELS TO**
 22 **SUPPORT TWO MAJOR REGIONAL**
 23 **CONTINGENCIES.**

24 (a) REPEAL.—Section 691 of title 10, United States
 25 Code, is repealed.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of chapter 39 of such title is amended
 3 by striking out the item relating to section 691.

4 **Subtitle B—Reserve Forces**

5 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

6 (a) FISCAL YEAR 1998.—The Armed Forces are au-
 7 thorized strengths for Selected Reserve personnel of the
 8 reserve components as of September 30, 1998, as follows:

9 (1) The Army National Guard of the United
 10 States, 361,516.

11 (2) The Army Reserve, 208,000.

12 (3) The Naval Reserve, 94,294.

13 (4) The Marine Corps Reserve, 42,000.

14 (5) The Air National Guard of the United
 15 States, 107,377.

16 (6) The Air Force Reserve, 73,431.

17 (7) The Coast Guard Reserve, 8,000.

18 (b) ADJUSTMENTS.—The end strengths prescribed by
 19 subsection (a) for the Selected Reserve of any reserve com-
 20 ponent for a fiscal year shall be proportionately reduced
 21 by—

22 (1) the total authorized strength of units orga-
 23 nized to serve as units of the Selected Reserve of
 24 such component which are on active duty (other
 25 than for training) at the end of the fiscal year, and

1 (2) the total number of individual members not
 2 in units organized to serve as units of the Selected
 3 Reserve of such component who are on active duty
 4 (other than for training or for unsatisfactory partici-
 5 pation in training) without their consent at the end
 6 of the fiscal year.

7 Whenever such units or such individual members are re-
 8 leased from active duty during any fiscal year, the end
 9 strength prescribed for such fiscal year for the Selected
 10 Reserve of such reserve component shall be proportion-
 11 ately increased by the total authorized strengths of such
 12 units and by the total number of such individual members.

13 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
 14 **DUTY IN SUPPORT OF THE RESERVES.**

15 Within the end strengths prescribed in section
 16 411(a), the reserve components of the Armed Forces are
 17 authorized, as of September 30, 1998, the following num-
 18 ber of Reserves to be serving on full-time active duty or
 19 full-time duty, in the case of members of the National
 20 Guard, for the purpose of organizing, administering, re-
 21 cruiting, instructing, or training the reserve components:

22 (1) The Army National Guard of the United
 23 States, 22,310.

24 (2) The Army Reserve, 11,500.

25 (3) The Naval Reserve, 16,136.

1 (4) The Marine Corps Reserve, 2,559.

2 (5) The Air National Guard of the United
3 States, 10,616.

4 (6) The Air Force Reserve, 963.

5 **Subtitle C—Authorization of**
6 **Appropriations**

7 **SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-**
8 **TARY PERSONNEL.**

9 There is hereby authorized to be appropriated to the
10 Department of Defense for military personnel for fiscal
11 year 1998 a total of \$69,264,962,000. The authorization
12 in the preceding sentence supersedes any other authoriza-
13 tion of appropriations (definite or indefinite) for such pur-
14 pose for fiscal year 1998.

15 **TITLE V—MILITARY PERSONNEL**
16 **POLICY**

17 **Subtitle A—Personnel Management**

18 **SEC. 501. OFFICERS EXCLUDED FROM CONSIDERATION BY**
19 **PROMOTION BOARD.**

20 (a) ACTIVE COMPONENT OFFICERS.—Section 619(d)
21 of title 10, United States Code, is amended by striking
22 out paragraph (1) and inserting in lieu thereof the follow-
23 ing:

24 “(1) an officer whose name is on—

1 “(A) a promotion list for that grade as a
 2 result of his selection for promotion to that
 3 grade by an earlier selection board convened
 4 under that section; or

5 “(B) a list of names of officers rec-
 6 ommended for promotion to that grade that is
 7 set forth in a report of such a board, while the
 8 report is pending action under section 618 of
 9 this title”.

10 (b) RESERVE COMPONENT OFFICERS.—Section
 11 14301(c) of such title is amended by striking out para-
 12 graph (1) and inserting in lieu thereof the following:

13 “(1) an officer whose name is on—

14 “(A) a promotion list for that grade as a
 15 result of recommendation for promotion to that
 16 grade by an earlier selection board convened
 17 under that section or section 14502 of this title
 18 or under chapter 36 of this title; or

19 “(B) a list of names of officers rec-
 20 ommended for promotion to that grade that is
 21 set forth in a report of such a board, while the
 22 report is pending action under section 618,
 23 14110, or 14111 of this title;”.

24 (c) EFFECTIVE DATE.—The amendments made by
 25 this section shall take effect on the date of the enactment

1 of this Act and shall apply with respect to each selection
 2 board that is convened under section 611(a), 14101(a),
 3 or 14502 of title 10, United States Code, on or after such
 4 date.

5 **SEC. 502. INCREASE IN THE MAXIMUM NUMBER OF OFFI-**
 6 **CERS ALLOWED TO BE FROCKED TO THE**
 7 **GRADE OF O-6.**

8 Paragraph (2) of section 777(d) of title 10, United
 9 States Code, is amended to read as follows:

10 “(2) The number of officers of an armed force on
 11 the active-duty list who are authorized as described in sub-
 12 section (a) to wear the insignia for a grade to which a
 13 limitation on total number applies under section 523(a)
 14 of this title for a fiscal year may not exceed—

15 “(A) in the case of the grade of major, lieuten-
 16 ant colonel, lieutenant commander, or commander, 1
 17 percent of the total number provided for the officers
 18 in that grade in that armed force in the administra-
 19 tion of the limitation under that section for that fis-
 20 cal year; and

21 “(B) in the case of the grade of colonel or cap-
 22 tain, 2 percent of the total number provided for the
 23 officers in that grade in that armed force in the ad-
 24 ministration of the limitation under that section for
 25 that fiscal year.”.

1 **SEC. 503. AVAILABILITY OF NAVY CHAPLAINS ON RETIRED**
 2 **LIST OR OF RETIREMENT AGE TO SERVE AS**
 3 **CHIEF OR DEPUTY CHIEF OF CHAPLAINS OF**
 4 **THE NAVY.**

5 (a) ELIGIBILITY OF OFFICERS ON RETIRED LIST.—

6 (1) Section 5142(b) of title 10, United States Code, is
 7 amended by striking out “, who are not on the retired
 8 list,” in the second sentence.

9 (2) Section 5142a of such title is amended by striking
 10 out “, who is not on the retired list,”.

11 (b) AUTHORITY TO DEFER RETIREMENT.—(1)
 12 Chapter 573 of title 10, United States Code, is amended
 13 by adding at the end the following new section:

14 **“§ 6411. Chief and Deputy Chief of Chaplains:**
 15 **deferment of retirement for age**

16 “The Secretary of the Navy may defer the retirement
 17 under section 1251(a) of this title of an officer of the
 18 Chaplain Corps if during the period of the deferment the
 19 officer will be serving as the Chief of Chaplains or the
 20 Deputy Chief of Chaplains. A deferment under this sub-
 21 section may not extend beyond the first day of the month
 22 following the month in which the officer becomes 68 years
 23 of age.”.

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

“6411. Chief and Deputy Chief of Chaplains: deferment of retirement for age.”.

1 **SEC. 504. PERIOD OF RECALL SERVICE OF CERTAIN RETIR-**
2 **EES.**

3 (a) INAPPLICABILITY OF LIMITATION TO CERTAIN
4 OFFICERS.—Section 688(e) of title 10, United States
5 Code, is amended—

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

7 (2) by adding at the end the following:

8 “(2) In the administration of paragraph (1), the fol-
9 lowing officers shall not be counted:

10 “(A) A chaplain who is assigned to duty as a
11 chaplain for the period of active duty to which or-
12 dered.

13 “(B) A health care professional (as character-
14 ized by the Secretary concerned) who is assigned to
15 duty as a health care professional for the period of
16 the active duty to which ordered.

17 “(C) Any officer assigned to duty with the
18 American Battle Monuments Commission for the pe-
19 riod of active duty to which ordered.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall take effect on September 30, 1997,
22 immediately after the amendment made by section 521(a)
23 of Public Law 104–201 (110 Stat. 2515) takes effect.

1 **Subtitle B—Matters Relating to**
2 **Reserve Components**

3 **SEC. 511. TERMINATION OF READY RESERVE MOBILIZA-**
4 **TION INCOME INSURANCE PROGRAM.**

5 (a) TERMINATION.—(1) Chapter 1214 of title 10,
6 United States Code, is amended by adding at the end the
7 following;

8 **“§ 12533. Termination of program authority**

9 “(a) BENEFITS NOT TO ACCRUE.—No benefits ac-
10 crue under the insurance program for active duty per-
11 formed on or after the program termination date.

12 “(b) SERVICE NOT INSURED.—The insurance pro-
13 gram does not apply with respect to any order of a mem-
14 ber of the Ready Reserve into covered service that becomes
15 effective on or after the program termination date.

16 “(c) CESSATION OF ACTIVITIES.—No person may be
17 enrolled, and no premium may be collected, under the in-
18 surance program on or after the program termination
19 date.

20 “(d) PROGRAM TERMINATION DATE.—For the pur-
21 poses of this section, the term ‘program termination date’
22 is the date of the enactment of the National Defense Au-
23 thorization Act for Fiscal Year 1998.”.

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

“12533. Termination of program authority.”.

3 (b) PAYMENT OF BENEFITS.—The Secretary of De-
4 fense shall pay in full all benefits that have accrued to
5 members of the Armed Forces under the Ready Reserve
6 Mobilization Income Insurance Program before the date
7 of the enactment of this Act. A refund of premiums to
8 a beneficiary under subsection (c) may not reduce the ben-
9 efits payable to the beneficiary under this subsection.

10 (c) REFUND OF PREMIUMS.—Not later than 180
11 days after the date of the enactment of this Act, the Sec-
12 retary of Defense shall refund premiums paid under the
13 Ready Reserve Mobilization Income Insurance Program to
14 the persons who paid the premiums, as follows:

15 (1) In the case of a person for whom no pay-
16 ment of benefits has accrued under the program, all
17 premiums.

18 (2) In the case of a person who has accrued
19 benefits under the program, the premiums (including
20 any portion of a premium) that the person has paid
21 for periods (including any portion of a period) for
22 which no benefits accrued to the person under the
23 program.

24 (d) STUDY AND REPORT.—Not later than June 1,
25 1998, the Secretary of Defense shall—

1 (1) carry out a study to determine—

2 (A) the reasons for the fiscal deficiencies
3 in the Ready Reserve Mobilization Income In-
4 surance Program that make it necessary to ap-
5 propriate \$72,000,000 or more to pay benefits
6 (including benefits in arrears) and other pro-
7 gram costs; and

8 (B) whether there is a need for such a pro-
9 gram; and

10 (2) submit to Congress a report containing—

11 (A) the Secretary's determinations; and

12 (B) if the Secretary determines that there
13 is a need for a Ready Reserve mobilization in-
14 come insurance program, the Secretary's rec-
15 ommendations for improving the program under
16 chapter 1214 of title 10, United States Code.

17 **SEC. 512. DISCHARGE OR RETIREMENT OF RESERVE OFFI-**
18 **CERS IN AN INACTIVE STATUS.**

19 Section 12683(b)(1) of title 10, United States Code,
20 is amended to read as follows:

21 “(1) to—

22 “(A) a separation under section 12684,
23 14901, or 14907 of this title; or

24 “(B) a separation of a reserve officer in an
25 inactive status in the Standby Reserve who is

1 not qualified for transfer to the Retired Reserve
 2 or, if qualified, does not apply for transfer to
 3 the Retired Reserve;”.

4 **SEC. 513. RETENTION OF MILITARY TECHNICIANS IN**
 5 **GRADE OF BRIGADIER GENERAL AFTER MAN-**
 6 **DATORY SEPARATION DATE.**

7 (a) RETENTION TO AGE 60.—Section 14702(a) of
 8 title 10, United States Code, is amended—

9 (1) by striking out “section 14506 or 14507”
 10 and inserting in lie thereof “section 14506, 14507,
 11 or 14508(a)”; and

12 (2) by striking out “or colonel” and inserting in
 13 lieu thereof “colonel, or brigadier general”.

14 (b) RELATIONSHIP TO OTHER RETENTION AUTHOR-
 15 ITY.—Section 14508(c) of such title is amended by adding
 16 at the end the following: “For the purposes of the preced-
 17 ing sentence, a retention of a reserve officer under section
 18 14702 of this title shall not be construed as being a reten-
 19 tion of that officer under this subsection.”.

20 **SEC. 514. FEDERAL STATUS OF SERVICE BY NATIONAL**
 21 **GUARD MEMBERS AS HONOR GUARDS AT FU-**
 22 **NERALS OF VETERANS.**

23 (a) IN GENERAL.—(1) Chapter 1 of title 32, United
 24 States Code, as amended by section 364, is further amend-
 25 ed by adding at the end the following new section:

1 **“§ 114. Honor guard functions at funerals for veter-**
2 **ans**

3 “Subject to such restrictions as may be prescribed by
4 the Secretary concerned, the performance of honor guard
5 functions by members of the National Guard at funerals
6 for veterans of the armed forces may be treated by the
7 Secretary concerned as a Federal function for which ap-
8 propriated funds may be used. Any such performance of
9 honor guard functions at funerals may not be considered
10 to be a period of drill or training otherwise required.”.

11 (2) The table of sections at the beginning of such
12 chapter, as amended by section 364, is further amended
13 by adding at the end the following new item:

 “114. Honor guard functions at funerals for veterans.”.

14 (b) FUNDING FOR FISCAL YEAR 1997.—Section 114
15 of title 32, United States Code, as added by subsection
16 (a), does not authorize additional appropriations for fiscal
17 year 1997. Any expenses of the National Guard that are
18 incurred by reason of such section during fiscal year 1997
19 may be paid from existing appropriations available for the
20 National Guard.

1 **Subtitle C—Education and**
2 **Training Programs**

3 **SEC. 521. SERVICE ACADEMIES FOREIGN EXCHANGE STUDY**
4 **PROGRAM.**

5 (a) UNITED STATES MILITARY ACADEMY.—(1)
6 Chapter 403 of title 10, United States Code, is amended
7 by inserting after section 4344 the following new section:
8 **“§ 4345. Exchange program with foreign military**
9 **academies**

10 “(a) AGREEMENT AUTHORIZED.—The Secretary of
11 the Army may enter into an agreement with an official
12 of a foreign government authorized to act for that foreign
13 government to carry out a military academy foreign ex-
14 change study program.

15 “(b) TERMS OF AGREEMENT.—(1) An agreement
16 with a foreign government under this section shall provide
17 for the following:

18 “(A) That, on an exchange basis, the Secretary
19 provide students of military academies of the foreign
20 government with instruction at the Academy and the
21 foreign government provide cadets of the Academy
22 with instruction at military academies of the foreign
23 government.

24 “(B) That the number of cadets of the Acad-
25 emy provided instruction under the exchange pro-

1 gram and the number of students of military acad-
2 emies of the foreign government provided instruction
3 at the Academy under the exchange program during
4 an academic year be equal.

5 “(C) That the duration of the period of ex-
6 change study for each student not exceed one aca-
7 demic semester (or an equivalent academic period of
8 a host foreign military academy).

9 “(2) An agreement with a foreign government under
10 this section may provide for the Secretary to provide a
11 student of a military academy of the foreign government
12 with quarters, subsistence, transportation, clothing, health
13 care, and other services during the period of the student’s
14 exchange study at the Academy to the same extent that
15 the foreign government provides comparable support and
16 services to cadets of the Academy during the period of
17 the cadets’ exchange study at a military academy of the
18 foreign government.

19 “(c) MAXIMUM NUMBER.—Under the exchange pro-
20 gram not more than a total of 24 cadets of the Academy
21 may be receiving instruction at military academies of for-
22 eign governments under the program at any time, and not
23 more than a total of 24 students of military academies
24 of foreign governments may be receiving instruction at the
25 Academy at any time.

1 “(d) FOREIGN STUDENTS NOT TO RECEIVE PAY
2 AND ALLOWANCES.—A student of a foreign military acad-
3 emy provided instruction at the Academy under the ex-
4 change program is not, by virtue of participation in the
5 exchange program, entitled to the pay, allowances, and
6 emoluments of a cadet appointed from the United States.

7 “(e) SPECIAL RULES FOR FOREIGN MILITARY ACAD-
8 EMY STUDENTS.—(1) Foreign military academy students
9 receiving instruction at the Academy under the exchange
10 program are in addition to—

11 “(A) the number of persons from foreign coun-
12 tries who are receiving instruction at the Academy
13 under section 4344 of this title; and

14 “(B) the authorized strength of the cadets of
15 the Academy under section 4342 of this title.

16 “(2) Subsections (c) and (d) of section 9344 of this
17 title apply to students of military academies of foreign
18 governments while the students are participating in the
19 exchange program under this section.

20 “(f) REGULATIONS.—The Secretary shall prescribe
21 regulations to carry out the military academy foreign ex-
22 change study program under this section. The regulations
23 may, subject to subsection (e)(2), include eligibility cri-
24 teria and methods for selection of students to participate
25 in the exchange program.”.

1 (2) The table of sections at the beginning of such
 2 chapter is amended by inserting after the item relating
 3 to section 4344 the following new item:

“4345. Exchange program with foreign military academies.”.

4 (b) UNITED STATES NAVAL ACADEMY.—(1) Chapter
 5 603 of title 10, United States Code, is amended by insert-
 6 ing after section 6957 the following new section:

7 **“§ 6957a. Exchange program with foreign military**
 8 **academies**

9 “(a) AGREEMENT AUTHORIZED.—The Secretary of
 10 the Navy may enter into an agreement with an official
 11 of a foreign government authorized to act for that foreign
 12 government to carry out a military academy foreign ex-
 13 change study program.

14 “(b) TERMS OF AGREEMENT.—(1) An agreement
 15 with a foreign government under this section shall provide
 16 for the following:

17 “(A) That, on an exchange basis, the Secretary
 18 provide students of military academies of the foreign
 19 government with instruction at the Naval Academy
 20 and the foreign government provide midshipmen of
 21 the Academy with instruction at military academies
 22 of the foreign government.

23 “(B) That the number of midshipmen of the
 24 Naval Academy provided instruction under the ex-
 25 change program and the number of students of mili-

1 tary academies of the foreign government provided
2 instruction at the Naval Academy under the ex-
3 change program during an academic year be equal.

4 “(C) That the duration of the period of ex-
5 change study for each student not exceed one aca-
6 demic semester (or an equivalent academic period of
7 a host foreign military academy).

8 “(2) An agreement with a foreign government under
9 this section may provide for the Secretary to provide a
10 student of a military academy of the foreign government
11 with quarters, subsistence, transportation, clothing, health
12 care, and other services during the period of the student’s
13 exchange study at the Naval Academy to the same extent
14 that the foreign government provides comparable support
15 and services to midshipmen of the Naval Academy during
16 the period of the cadets’ exchange study at a military
17 academy of the foreign government.

18 “(c) MAXIMUM NUMBER.—Under the exchange pro-
19 gram not more than a total of 24 midshipmen of the Naval
20 Academy may be receiving instruction at military acad-
21 emies of foreign governments under the program at any
22 time, and not more than a total of 24 students of military
23 academies of foreign governments may be receiving in-
24 struction at the Naval Academy at any time.

1 “(d) FOREIGN STUDENTS NOT TO RECEIVE PAY
2 AND ALLOWANCES.—A student of a foreign military acad-
3 emy provided instruction at the Naval Academy under the
4 exchange program is not, by virtue of participation in the
5 exchange program, entitled to the pay, allowances, and
6 emoluments of a midshipman appointed from the United
7 States.

8 “(e) SPECIAL RULES FOR FOREIGN MILITARY ACAD-
9 EMY STUDENTS.—(1) Foreign military academy students
10 receiving instruction at the Naval Academy under the ex-
11 change program are in addition to—

12 “(A) the number of persons from foreign coun-
13 tries who are receiving instruction at the Naval
14 Academy under section 6957 of this title; and

15 “(B) the authorized strength of the midshipmen
16 under section 6954 of this title.

17 “(2) Section 6957(c) of this title applies to students
18 of military academies of foreign governments while the
19 students are participating in the exchange program under
20 this section.

21 “(f) REGULATIONS.—The Secretary shall prescribe
22 regulations to carry out the military academy foreign ex-
23 change study program under this section. The regulations
24 may, subject to subsection (e)(2), include eligibility cri-

1 teria and methods for selection of students to participate
2 in the exchange program.”.

3 (2) The table of sections at the beginning of such
4 chapter is amended by inserting after the item relating
5 to section 6957 the following new item:

“6957a. Exchange program with foreign military academies.”.

6 (c) UNITED STATES AIR FORCE ACADEMY.—(1)
7 Chapter 903 of title 10, United States Code, is amended
8 by inserting after section 9344 the following new section:

9 **“§ 9345. Exchange program with foreign military**
10 **academies**

11 “(a) AGREEMENT AUTHORIZED.—The Secretary of
12 the Air Force may enter into an agreement with an official
13 of a foreign government authorized to act for that foreign
14 government to carry out a military academy foreign ex-
15 change study program.

16 “(b) TERMS OF AGREEMENT.—(1) An agreement
17 with a foreign government under this section shall provide
18 for the following:

19 “(A) That, on an exchange basis, the Secretary
20 provide students of military academies of the foreign
21 government with instruction at the Air Force Acad-
22 emy and the foreign government provide Air Force
23 Cadets of the Academy with instruction at military
24 academies of the foreign government.

1 “(B) That the number of Air Force Cadets of
2 the Academy provided instruction under the ex-
3 change program and the number of students of mili-
4 tary academies of the foreign government provided
5 instruction at the Academy under the exchange pro-
6 gram during an academic year be equal.

7 “(C) That the duration of the period of ex-
8 change study for each student not exceed one aca-
9 demic semester (or an equivalent academic period of
10 a host foreign military academy).

11 “(2) An agreement with a foreign government under
12 this section may provide for the Secretary to provide a
13 student of a military academy of the foreign government
14 with quarters, subsistence, transportation, clothing, health
15 care, and other services during the period of the student’s
16 exchange study at the Academy to the same extent that
17 the foreign government provides comparable support and
18 services to Air Force Cadets of the Academy during the
19 period of the cadets’ exchange study at a military academy
20 of the foreign government.

21 “(c) MAXIMUM NUMBER.—Under the exchange pro-
22 gram not more than a total of 24 Air Force Cadets of
23 the Academy may be receiving instruction at military
24 academies of foreign governments under the program at
25 any time, and not more than a total of 24 students of

1 military academies of foreign governments may be receiv-
2 ing instruction at the Academy at any time.

3 “(d) FOREIGN STUDENTS NOT TO RECEIVE PAY
4 AND ALLOWANCES.—A student of a foreign military acad-
5 emy provided instruction at the Academy under the ex-
6 change program is not, by virtue of participation in the
7 exchange program, entitled to the pay, allowances, and
8 emoluments of a cadet appointed from the United States.

9 “(e) SPECIAL RULES FOR FOREIGN MILITARY ACAD-
10 EMY STUDENTS.—(1) Foreign military academy students
11 receiving instruction at the Academy under the exchange
12 program are in addition to—

13 “(A) the number of persons from foreign coun-
14 tries who are receiving instruction at the Academy
15 under section 9344 of this title; and

16 “(B) the authorized strength of the Air Force
17 Cadets of the Academy under section 9342 of this
18 title.

19 “(2) Subsections (c) and (d) of section 9344 of this
20 title apply to students of military academies of foreign
21 governments while the students are participating in the
22 exchange program under this section.

23 “(f) REGULATIONS.—The Secretary shall prescribe
24 regulations to carry out the military academy foreign ex-
25 change study program under this section. The regulations

1 may, subject to subsection (e)(2), include eligibility cri-
 2 teria and methods for selection of students to participate
 3 in the exchange program.”.

4 (2) The table of sections at the beginning of such
 5 chapter is amended by inserting after the item relating
 6 to section 9344 the following new item:

“9345. Exchange program with foreign military academies.”.

7 **SEC. 522. PROGRAMS OF HIGHER EDUCATION OF THE COM-**
 8 **MUNITY COLLEGE OF THE AIR FORCE.**

9 (a) PROGRAMS FOR INSTRUCTORS AT AIR FORCE
 10 TRAINING SCHOOLS.—Section 9315 of title 10, United
 11 States Code, is amended—

12 (1) in subsection (b), by striking out “(b) Sub-
 13 ject to subsection (c)” and inserting in lieu thereof
 14 “(b) CONFERMENT OF DEGREE.—(1) Subject to
 15 paragraph (2)”;

16 (2) by redesignating subsection (c) as para-
 17 graph (2) and in such paragraph, as so redesign-
 18 nated—

19 (A) by striking out “(1) the” and inserting
 20 in lieu thereof “(A) the”; and

21 (B) by striking out “(2) the” and inserting
 22 in lieu thereof “(B) the”;

23 (3) in subsection (a)—

24 (A) by inserting after “(a)” the following:

25 “ESTABLISHMENT AND MISSION.—”; and

1 (B) in paragraph (1), by striking out “Air
2 Force” and inserting in lieu thereof “armed
3 forces described in subsection (b)”; and
4 (4) by inserting after subsection (a) the follow-
5 ing new subsection (b):

6 “(b) MEMBERS ELIGIBLE FOR PROGRAMS.—Subject
7 to such other eligibility requirements as the Secretary con-
8 cerned may prescribe, the following members of the armed
9 forces are eligible to participate in programs of higher
10 education referred to in subsection (a)(1):

11 “(1) An enlisted member of the Army, Navy, or
12 Air Force who is serving as an instructor at an Air
13 Force training school.

14 “(2) Any other enlisted member of the Air
15 Force.”.

16 (b) RETROACTIVE APPLICABILITY.—Subsection (b)
17 of section 9315 of such title, as added by subsection
18 (a)(4), shall apply with respect to programs of higher edu-
19 cation of the Community College of the Air Force as of
20 March 31, 1996.

1 **SEC. 523. PRESERVATION OF ENTITLEMENT TO EDU-**
 2 **CATIONAL ASSISTANCE OF MEMBERS OF THE**
 3 **SELECTED RESERVE SERVING ON ACTIVE**
 4 **DUTY IN SUPPORT OF A CONTINGENCY OPER-**
 5 **ATION.**

6 (a) PRESERVATION OF EDUCATIONAL ASSIST-
 7 ANCE.—Section 16131(c)(3)(B)(i) of title 10, United
 8 States Code, is amended by striking out “, in connection
 9 with the Persian Gulf War,”.

10 (b) EXTENSION OF 10-YEAR PERIOD OF AVAILABIL-
 11 ITY.—Section 16133(b)(4) of such title is amended—

12 (1) by striking out “(A)”;

13 (2) by striking out “, during the Persian Gulf
 14 War,”;

15 (3) by redesignating clauses (i) and (ii) as sub-
 16 paragraphs (A) and (B), respectively; and

17 (4) by striking out “(B) For the purposes” and
 18 all that follows through “title 38.”.

19 **SEC. 524. REPEAL OF CERTAIN STAFFING AND SAFETY RE-**
 20 **QUIREMENTS FOR THE ARMY RANGER**
 21 **TRAINING BRIGADE.**

22 (a) IN GENERAL.—(1) Section 4303 of title 10, Unit-
 23 ed States Code, is repealed.

24 (2) The table of sections at the beginning of chapter
 25 401 of such title is amended by striking out the item relat-
 26 ing to section 4303.

1 (b) REPEAL OF RELATED PROVISION.—Section 562
 2 of Public Law 104–106 (110 Stat. 323) is repealed.

3 **Subtitle D—Decorations and**
 4 **Awards**

5 **SEC. 531. CLARIFICATION OF ELIGIBILITY OF MEMBERS OF**
 6 **READY RESERVE FOR AWARD OF SERVICE**
 7 **MEDAL FOR HEROISM.**

8 (a) SOLDIER’S MEDAL.—Section 3750(a) of title 10,
 9 United States Code, is amended—

10 (1) by inserting “(1)” after “(a)”; and

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

13 “(2) The authority in paragraph (1) includes author-
 14 ity to award the medal to a member of the Ready Reserve
 15 who was not in a duty status defined in section 101(d)
 16 of this title when the member distinguished himself by her-
 17 oism.”.

18 (b) NAVY AND MARINE CORPS MEDAL.—Section
 19 6246 of such title is amended—

20 (1) by designating the text of the section as
 21 subsection (a); and

22 (2) by adding at the end the following new sub-
 23 section:

24 “(b) The authority in subsection (a) includes author-
 25 ity to award the medal to a member of the Ready Reserve

1 who was not in a duty status defined in section 101(d)
 2 of this title when the member distinguished himself by her-
 3 oism.”.

4 (c) AIRMAN’S MEDAL.—Section 8750(a) of such title
 5 is amended—

6 (1) by inserting “(1)” after “(a)”; and

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

9 “(2) The authority in paragraph (1) includes author-
 10 ity to award the medal to a member of the Ready Reserve
 11 who was not in a duty status defined in section 101(d)
 12 of this title when the member distinguished himself by her-
 13 oism.”.

14 **SEC. 532. WAIVER OF TIME LIMITATIONS FOR AWARD OF**
 15 **CERTAIN DECORATIONS TO SPECIFIED PER-**
 16 **SONS.**

17 (a) WAIVER OF TIME LIMITATION.—Any limitation
 18 established by law or policy for the time within which a
 19 recommendation for the award of a military decoration or
 20 award must be submitted shall not apply in the case of
 21 awards of decorations described in subsections (b), (c),
 22 and (d), the award of each such decoration having been
 23 determined by the Secretary of the military department
 24 concerned to be warranted in accordance with section
 25 1130 of title 10, United States Code.

1 (b) SILVER STAR MEDAL.—Subsection (a) applies to
2 the award of the Silver Star Medal as follows:

3 (1) To Joseph M. Moll, Jr. of Milford, New
4 Jersey, for service during World War II.

5 (2) To Philip Yolinsky of Hollywood, Florida,
6 for service during the Korean Conflict.

7 (c) NAVY AND MARINE CORPS MEDAL.—Subsection
8 (a) applies to the award of the Navy and Marine Corps
9 Medal to Gary A. Gruenwald of Damascus, Maryland, for
10 service in Tunisia in October 1977.

11 (d) DISTINGUISHED FLYING CROSS.—Subsection (a)
12 applies to awards of the Distinguished Flying Cross for
13 service during World War II or Korea (including multiple
14 awards to the same individual) in the case of each individ-
15 ual concerning whom the Secretary of the Navy (or an
16 officer of the Navy acting on behalf of the Secretary) sub-
17 mitted to the Committee on National Security of the
18 House of Representatives and the Committee on Armed
19 Services of the Senate, before the date of the enactment
20 of this Act, a notice as provided in section 1130(b) of title
21 10, United States Code, that the award of the Distin-
22 guished Flying Cross to that individual is warranted and
23 that a waiver of time restrictions prescribed by law for
24 recommendation for such award is recommended.

1 **SEC. 533. ONE-YEAR EXTENSION OF PERIOD FOR RECEIPT**
2 **OF RECOMMENDATIONS FOR DECORATIONS**
3 **AND AWARDS FOR CERTAIN MILITARY INTEL-**
4 **LIGENCE PERSONNEL.**

5 Section 523(b)(1) of the National Defense Authoriza-
6 tion Act for Fiscal Year 1996 (Public Law 104–106; 110
7 Stat. 311; 10 U.S.C. 1130 note) is amended by striking
8 out “during the one-year period beginning on the date of
9 the enactment of this Act” and inserting in lieu thereof
10 “after February 9, 1996, and before February 10, 1998”.

11 **SEC. 534. ELIGIBILITY OF CERTAIN WORLD WAR II MILI-**
12 **TARY ORGANIZATIONS FOR AWARD OF UNIT**
13 **DECORATIONS.**

14 (a) **AUTHORITY.**—A unit decoration may be awarded
15 for any unit or other organization of the Armed Forces
16 of the United States, such as the Military Intelligence
17 Service of the Army, that (1) supported the planning or
18 execution of combat operations during World War II pri-
19 marily through unit personnel who were attached to other
20 units of the Armed Forces or of other allied armed forces,
21 and (2) is not otherwise eligible for award of the decora-
22 tion by reason of not usually having been deployed as a
23 unit in support of such operations.

24 (b) **TIME FOR SUBMISSION OF RECOMMENDATION.**—
25 Any recommendation for award of a unit decoration under
26 subsection (a) shall be submitted to the Secretary con-

cerned (as defined in section 101(a)(9) of title 10, United States Code), or to such other official as the Secretary concerned may designate, not later than 2 years after the date of the enactment of this Act.

Subtitle E—Military Personnel Voting Rights

SEC. 541. SHORT TITLE.

This subtitle may be cited as the “Military Voting Rights Act of 1997”.

SEC. 542. GUARANTEE OF RESIDENCY.

Article VII of the Soldiers’ and Sailors’ Civil Relief Act of 1940 (50 U.S.C. App. 590 et seq.) is amended by adding at the end the following:

“SEC. 704. (a) For purposes of voting for an office of the United States or of a State, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

“(1) be deemed to have lost a residence or domicile in that State;

“(2) be deemed to have acquired a residence or domicile in any other State; or

“(3) be deemed to have become resident in or a resident of any other State.

“(b) In this section, the term ‘State’ includes a territory or possession of the United States, a political subdivi-

1 sion of a State, territory, or possession, and the District
2 of Columbia.”.

3 **SEC. 543. STATE RESPONSIBILITY TO GUARANTEE MILI-**
4 **TARY VOTING RIGHTS.**

5 (a) REGISTRATION AND BALLOTING.—Section 102 of
6 the Uniformed and Overseas Absentee Voting Act (42
7 U.S.C. 1973ff–1) is amended—

8 (1) by inserting “(a) ELECTIONS FOR FEDERAL
9 OFFICES.—” before “Each State shall—”; and

10 (2) by adding at the end the following:

11 “(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—
12 Each State shall—

13 “(1) permit absent uniformed services voters to
14 use absentee registration procedures and to vote by
15 absentee ballot in general, special, primary, and run-
16 off elections for State and local offices; and

17 “(2) accept and process, with respect to any
18 election described in paragraph (1), any otherwise
19 valid voter registration application from an absent
20 uniformed services voter if the application is received
21 by the appropriate State election official not less
22 than 30 days before the election.”.

23 (b) CONFORMING AMENDMENT.—The heading for
24 title I of such Act is amended by striking out **“FOR**
25 **FEDERAL OFFICE”**.

Subtitle F—Other Matters

SEC. 551. SENSE OF CONGRESS REGARDING STUDY OF MATTERS RELATING TO GENDER EQUITY IN THE ARMED FORCES.

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

(1) In the all-volunteer force, women play an integral role in the Armed Forces.

(2) With increasing numbers of women in the Armed Forces, questions arise concerning inequalities, and perceived inequalities, between the treatment of men and women in the Armed Forces.

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

(1) conduct a study on any inequality, or perception of inequality, in the treatment of men and women in the Armed Forces that arises out of the statutes and regulations governing the Armed Forces; and

(2) submit to Congress a report on the study not later than one year after the date of enactment of this Act.

1 **SEC. 552. COMMISSION ON GENDER INTEGRATION IN THE**
2 **MILITARY.**

3 (a) **ESTABLISHMENT.**—There is established a com-
4 mission to be known as the Commission on Gender Inte-
5 gration in the Military.

6 (b) **MEMBERSHIP.**—

7 (1) **IN GENERAL.**—The commission shall be
8 composed of 11 members appointed from among pri-
9 vate citizens of the United States who have appro-
10 priate and diverse experiences, expertise, and histori-
11 cal perspectives on training, organizational, legal,
12 management, military, and gender integration mat-
13 ters.

14 (2) **SPECIFIC QUALIFICATIONS.**—Of the 11
15 members, at least two shall be appointed from
16 among persons who have superior academic creden-
17 tials, at least four shall be appointed from among
18 former members and retired members of the Armed
19 Forces, and at least two shall be appointed from
20 among members of the reserve components of the
21 Armed Forces.

22 (c) **APPOINTMENTS.**—

23 (1) **AUTHORITY.**—The President pro tempore of
24 the Senate shall appoint the members in consulta-
25 tion with the chairman of the Committee on Armed
26 Services, who shall recommend six persons for ap-

1 pointment, and the ranking member of the Commit-
2 tee on Armed Services, who shall recommend five
3 persons for appointment. The appointments shall be
4 made not later than 45 days after the date of the
5 enactment of this Act.

6 (2) PERIOD OF APPOINTMENT.—Members shall
7 be appointed for the life of the commission.

8 (3) VACANCIES.—A vacancy in the membership
9 shall not affect the commission's powers, but shall
10 be filled in the same manner as the original appoint-
11 ment.

12 (d) MEETINGS.—

13 (1) INITIAL MEETING.—The Commission shall
14 hold its first meeting not later than 30 days after
15 the date on which all members have been appointed.

16 (2) WHEN CALLED.—The Commission shall
17 meet upon the call of the chairman.

18 (3) QUORUM.—A majority of the members of
19 the Commission shall constitute a quorum, but a
20 lesser number may hold meetings.

21 (e) CHAIRMAN AND VICE CHAIRMAN.—The Commis-
22 sion shall select a chairman and a vice chairman from
23 among its members.

24 (f) AUTHORITY OF INDIVIDUALS TO ACT FOR COM-
25 MISSION.—Any member or agent of the Commission may,

1 if authorized, by the Commission, take any action which
2 the Commission is authorized to take under this title.

3 (g) DUTIES.—The Commission shall—

4 (1) review the current practices of the Armed
5 Forces, relevant studies, and private sector training
6 concepts pertaining to gender-integrated training;

7 (2) review the laws, regulations, policies, direc-
8 tives, and practices that govern personal relation-
9 ships between men and women in the armed forces
10 and personal relationships between members of the
11 armed forces and non-military personnel of the op-
12 posite sex;

13 (3) assess the extent to which the laws, regula-
14 tions, policies, and directives have been applied con-
15 sistently throughout the Armed Forces without re-
16 gard to the armed force, grade, or rank of the indi-
17 viduals involved;

18 (4) provide an independent assessment of the
19 reports of the independent panel, the Department of
20 Defense task force, and the review of existing guid-
21 ance on adultery announced by the Secretary of De-
22 fense; and

23 (5) examine the experiences, policies, and prac-
24 tices of the armed forces of other industrialized na-
25 tions regarding gender-integrated training.

1 (h) REPORTS.—

2 (1) INITIAL REPORT.—Not later than April 15,
3 1998, the Commission shall submit to the Commit-
4 tee on Armed Services of the Senate an initial report
5 setting forth the activities, findings, and rec-
6 ommendations of the Commission. The report shall
7 include any recommendations for congressional ac-
8 tion and administrative action that the Commission
9 considers appropriate.

10 (2) FINAL REPORT.—Not later than September
11 16, 1998, the Commission shall submit to the Com-
12 mittee on Armed Services a final report setting forth
13 the activities, findings, and recommendations of the
14 Commission, including any recommendations for
15 congressional action and administrative action that
16 the Commission considers appropriate.

17 (i) POWERS.—

18 (1) HEARINGS, ET CETERA.—The Commission
19 may hold such hearings, sit and act at such times
20 and places, take such testimony, and receive such
21 evidence as the Commission considers advisable to
22 carry out its duties.

23 (2) INFORMATION FROM FEDERAL AGENCIES.—
24 The Commission may secure directly from the De-
25 partment of Defense and any other department or

1 agency of the Federal Government such information
2 as the Commission considers necessary to carry out
3 its duties. Upon the request of the chairman of the
4 Commission, the head of a department or agency
5 shall furnish the requested information expeditiously
6 to the Commission.

7 (3) POSTAL SERVICES.— The Commission may
8 use the United States mails in the same manner and
9 under the same conditions as other departments and
10 agencies of the Federal Government.

11 (j) ADMINISTRATIVE SUPPORT.—The Secretary of
12 Defense shall, upon the request of the chairman of the
13 Commission, furnish the Commission any administrative
14 and support services that the Commission may require.

15 (k) COMMISSION PERSONNEL MATTERS.—

16 (1) COMPENSATION OF MEMBERS.—Each mem-
17 ber of the Commission may be compensated at a
18 rate equal to the daily equivalent of the annual rate
19 of basic pay prescribed for level IV of the Executive
20 Schedule under section 5315 of title 5, United
21 States Code, for each day (including travel time)
22 during which such member is engaged in performing
23 the duties of the Commission.

24 (2) TRAVEL ON MILITARY CONVEYANCES.—
25 Members and personnel of the Commission may

1 travel on aircraft, vehicles, or other conveyances of
2 the Armed Forces when travel is necessary in the
3 performance of a duty of the Commission except
4 when the cost of commercial transportation is less
5 expensive.

6 (3) TRAVEL EXPENSES.—The members of the
7 Commission may be allowed travel expenses, includ-
8 ing per diem in lieu of subsistence, at rates author-
9 ized for employees of agencies under subchapter I of
10 chapter 57 of title 5, United States Code, while
11 away from their homes or regular places of business
12 in the performance of services for the Commission.

13 (4) STAFF.—The chairman of the Commission
14 may, without regard to civil service laws and regula-
15 tions, appoint and terminate an executive director
16 and up to three additional staff members as nec-
17 essary to enable the Commission to perform its du-
18 ties. The chairman of the Commission may fix the
19 compensation of the executive director and other
20 personnel without regard to the provisions of chapter
21 51, and subchapter III of chapter 53, of title 5,
22 United States Code, relating to classification of posi-
23 tions and General Schedule pay rates, except that
24 the rate of pay may not exceed the rate payable for

1 level V of the executive schedule under section 5316
2 of such title.

3 (5) DETAIL OF GOVERNMENT EMPLOYEES.—

4 Upon the request of the chairman of the Commis-
5 sion, the head of any department or agency of the
6 Federal Government may detail, without reimburse-
7 ment, any personnel of the department or agency to
8 the Commission to assist in carrying out its duties.
9 A detail of an employee shall be without interruption
10 or loss of civil service status or privilege.

11 (6) TEMPORARY AND INTERMITTENT SERV-

12 ICES.—The chairman of the Commission may pro-
13 cure temporary and intermittent services under sec-
14 tion 3109(b) of title 5, United States Code, at rates
15 for individuals that do not exceed the daily equiva-
16 lent of the annual rate of basic pay prescribed for
17 level IV of the Executive Schedule under section
18 5315 of such title.

19 (l) TERMINATION.—The Commission shall terminate
20 90 days after the date on which it submits the final report
21 under subsection (h)(2).

22 (m) FUNDING.—

23 (1) FROM DEPARTMENT OF DEFENSE APPRO-
24 PRIATIONS.—Upon the request of the chairman of
25 the Commission, the Secretary of Defense shall

1 make available to the Commission, out of funds ap-
2 propriated for the Department of Defense, such
3 amounts as the Commission may require to carry
4 out its duties.

5 (2) PERIOD OF AVAILABILITY.—Funds made
6 available to the Commission shall remain available,
7 without fiscal year limitation, until the date on
8 which the Commission terminates.

9 **SEC. 553. SEXUAL HARASSMENT INVESTIGATIONS AND RE-**
10 **PORTS.**

11 (a) INVESTIGATIONS.—Any commanding officer or
12 officer in charge of a unit, vessel, facility, or area who
13 receives from a member of the command or a civilian em-
14 ployee under the supervision of the officer a complaint al-
15 leging sexual harassment by a member of the Armed
16 Forces or a civilian employee of the Department of De-
17 fense shall, to the extent practicable—

18 (1) within 72 hours after receipt of the com-
19 plaint—

20 (A) forward the complaint or a detailed de-
21 scription of the allegation to the next superior
22 officer in the chain of command who is author-
23 ized to convene a general court-martial;

24 (B) commence, or cause the commence-
25 ment of, an investigation of the complaint; and

1 (C) advise the complainant of the com-
2 mencement of the investigation;

3 (2) ensure that the investigation of the com-
4 plaint is completed not later than 14 days after the
5 investigation is commenced; and

6 (3) either—

7 (A) submit a final report on the results of
8 the investigation, including any action taken as
9 a result of the investigation, to the next supe-
10 rior officer referred to in paragraph (1) within
11 20 days after the investigation is commenced;
12 or

13 (B) submit a report on the progress made
14 in completing the investigation to the next su-
15 perior officer referred to in paragraph (1) with-
16 in 20 days after the investigation is commenced
17 and every 14 days thereafter until the investiga-
18 tion is completed and, upon completion of the
19 investigation, then submit a final report on the
20 results of the investigation, including any action
21 taken as a result of the investigation, to that
22 next superior officer.

23 (b) REPORTS.—(1) Not later than January 1 of each
24 of 1998 and 1999, each officer receiving any complaint
25 forwarded in accordance with subsection (a) during the

1 preceding year shall submit to the Secretary of the mili-
2 tary department concerned a report on all such complaints
3 and the investigations of such complaints (including the
4 results of the investigations, in cases of investigations
5 completed during such preceding year).

6 (2)(A) Not later than March 1 of each of 1998 and
7 1999, each Secretary receiving a report under paragraph
8 (1) for a year shall submit to the Secretary of Defense
9 a report on all such reports so received.

10 (B) Not later than the April 1 following receipt of
11 a report for a year under subparagraph (A), the Secretary
12 of Defense shall transmit to Congress all such reports re-
13 ceived for the year under subparagraph (A) together with
14 the Secretary's assessment of each such report.

15 (c) SEXUAL HARASSMENT DEFINED.—In this sec-
16 tion, the term “sexual harassment” means—

17 (1) a form of sex discrimination that—

18 (A) involves unwelcome sexual advances,
19 requests for sexual favors, and other verbal or
20 physical conduct of a sexual nature when—

21 (i) submission to such conduct is
22 made either explicitly or implicitly a term
23 or condition of a person's job, pay, or ca-
24 reer;

1 (ii) submission to or rejection of such
2 conduct by a person is used as a basis for
3 career or employment decisions affecting
4 that person; or

5 (iii) such conduct has the purpose or
6 effect of unreasonably interfering with an
7 individual's work performance or creates
8 an intimidating, hostile, or offensive work-
9 ing environment; and

10 (B) is so severe or pervasive that a reason-
11 able person would perceive, and the victim does
12 perceive, the work environment as hostile or of-
13 fensive;

14 (2) any use or condonation, by any person in a
15 supervisory or command position, of any form of
16 sexual behavior to control, influence, or affect the
17 career, pay, or job of a member of the Armed Forces
18 or a civilian employee of the Department of Defense;
19 and

20 (3) any deliberate or repeated unwelcome verbal
21 comment, gesture, or physical contact of a sexual
22 nature in the workplace by any member of the
23 Armed Forces or civilian employee of the Depart-
24 ment of Defense.

1 **SEC. 554. REQUIREMENT FOR EXEMPLARY CONDUCT BY**
2 **COMMANDING OFFICERS AND OTHER AU-**
3 **THORITIES.**

4 (a) ARMY.—(1) Chapter 345 of title 10, United
5 States Code, is amended by adding at the end:

6 **“§ 3583. Requirement of exemplary conduct**

7 “All commanding officers and others in authority in
8 the Army are required to show in themselves a good exam-
9 ple of virtue, honor, patriotism, and subordination; to be
10 vigilant in inspecting the conduct of all persons who are
11 placed under their command; to guard against and sup-
12 press all dissolute and immoral practices, and to correct,
13 according to the laws and regulations of the Army, all per-
14 sons who are guilty of them; and to take all necessary and
15 proper measures, under the laws, regulations, and customs
16 of the Army, to promote and safeguard the morale, the
17 physical well-being, and the general welfare of the officers
18 and enlisted persons under their command or charge.”.

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

“3583. Requirement of exemplary conduct.”.

21 (b) AIR FORCE.—(1) Chapter 845 of title 10, United
22 States Code, is amended by adding at the end the follow-
23 ing:

1 **“§ 8583. Requirement of exemplary conduct**

2 “All commanding officers and others in authority in
 3 the Air Force are required to show in themselves a good
 4 example of virtue, honor, patriotism, and subordination;
 5 to be vigilant in inspecting the conduct of all persons who
 6 are placed under their command; to guard against and
 7 suppress all dissolute and immoral practices, and to cor-
 8 rect, according to the laws and regulations of the Air
 9 Force, all persons who are guilty of them; and to take
 10 all necessary and proper measures, under the laws, regula-
 11 tions, and customs of the Air Force, to promote and safe-
 12 guard the morale, the physical well-being, and the general
 13 welfare of the officers and enlisted persons under their
 14 command or charge.”.

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

“8583. Requirement of exemplary conduct.”.

17 **SEC. 555. PARTICIPATION OF DEPARTMENT OF DEFENSE**

18 **PERSONNEL IN MANAGEMENT OF NON-FED-**
 19 **ERAL ENTITIES.**

20 (a) **AUTHORITY.**—Chapter 53 of title 10, United
 21 States Code, is amended by inserting after section 1060a
 22 the following new section:

1 **“§ 1060b. Participation in management of non-Fed-**
 2 **eral entities: members of the armed**
 3 **forces; civilian employees**

4 “(a) AUTHORITY TO PERMIT PARTICIPATION.—The
 5 Secretary concerned may authorize a member of the
 6 armed forces, a civilian officer or employee of the Depart-
 7 ment of Defense, or a civilian officer or civilian employee
 8 of the Coast Guard—

9 “(1) to serve as a director, officer, or trustee of
 10 a military welfare society or other entity described in
 11 subsection (c); or

12 “(2) to participate in any other capacity in the
 13 management of such a society or entity.

14 “(b) COMPENSATION PROHIBITED.—Compensation
 15 may not be accepted for service or participation authorized
 16 under subsection (a).

17 “(c) COVERED ENTITIES.—This section applies with
 18 respect to the following entities:

19 “(1) MILITARY WELFARE SOCIETIES.—The fol-
 20 lowing military welfare societies:

21 “(A) The Army Emergency Relief.

22 “(B) The Air Force Aid Society.

23 “(C) The Navy-Marine Corps Relief Soci-
 24 ety.

25 “(D) The Coast Guard Mutual Assistance.

1 “(2) OTHER ENTITIES.—Each of the following
2 additional entities that is not operated for profit:

3 “(A) Any athletic conference, or other en-
4 tity, that regulates and supports the athletics
5 programs of the United States Military Acad-
6 emy, the United States Naval Academy, the
7 United States Air Force Academy, or the Unit-
8 ed States Coast Guard Academy.

9 “(B) Any entity that regulates inter-
10 national athletic competitions.

11 “(C) Any regional educational accrediting
12 agency, or other entity, that accredits the acad-
13 emies referred to in subparagraph (A) or ac-
14 credits any other school of the armed forces.

15 “(D) Any health care association, profes-
16 sional society, or other entity that regulates and
17 supports standards and policies applicable to
18 the provision of health care by or for the De-
19 partment of Defense.

20 “(d) SECRETARY OF DEFENSE AS SECRETARY CON-
21 CERNED.—In this section, the term ‘Secretary concerned’
22 includes the Secretary of Defense with respect to civilian
23 officers and employees of the Department of Defense who
24 are not officers or employees of a military department.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by inserting
 3 after the item relating to section 1060a the following new
 4 item:

“1060b. Participation in management of non-Federal entities: members of the
 armed forces; civilian employees.”.

5 **SEC. 556. TECHNICAL CORRECTION TO CROSS REFERENCE**
 6 **IN ROPMA PROVISION RELATING TO POSI-**
 7 **TION VACANCY PROMOTION.**

8 Section 14317(d) of title 10, United States Code, is
 9 amended by striking out “section 14314” in the first sen-
 10 tence and inserting in lieu thereof “section 14315”.

11 **TITLE VI—COMPENSATION AND**
 12 **OTHER PERSONNEL BENEFITS**
 13 **Subtitle A—Pay**

14 **SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1998.**

15 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any
 16 adjustment required by section 1009 of title 37, United
 17 States Code, in elements of compensation of members of
 18 the uniformed services to become effective during fiscal
 19 year 1998 shall not be made.

20 (b) INCREASE IN BASIC PAY.—Effective on January
 21 1, 1998, the rates of basic pay of members of the uni-
 22 formed services are increased by 2.8 percent.

**Subtitle B—Subsistence, Housing,
and Other Allowances**

**PART I—REFORM OF BASIC ALLOWANCE FOR
SUBSISTENCE**

SEC. 611. REVISED ENTITLEMENT AND RATES.

(a) UNIVERSAL ENTITLEMENT TO BAS EXCEPT
DURING BASIC TRAINING.—

(1) IN GENERAL.—Section 402 of title 37,
United States Code, is amended by striking out sub-
sections (b) and (c).

(2) EXCEPTION.—Subsection (a) of such sec-
tion is amended by adding at the end the following:
“However, an enlisted member is not entitled to the
basic allowance for subsistence during basic
training.”.

(b) RATES BASED ON FOOD COSTS.—Such section,
as amended by subsection (a), is further amended by in-
serting after subsection (a) the following new subsection
(b):

“(b) RATES OF BAS.—(1) The monthly rate of basic
allowance for subsistence in effect for an enlisted member
for a year (beginning on January 1 of the year) shall be
the amount that is halfway between the following amounts
that are determined by the Secretary of Agriculture as of
October 1 of the preceding year:

1 “(A) The amount equal to the monthly cost of
2 a moderate-cost food plan for a male in the United
3 States who is between 20 and 50 years of age.

4 “(B) The amount equal to the monthly cost of
5 a liberal food plan for a male in the United States
6 who is between 20 and 50 years of age.

7 “(2) The monthly rate of basic allowance for subsist-
8 ence in effect for an officer for a year (beginning on Janu-
9 ary 1 of the year) shall be the amount equal to the month-
10 ly rate of basic allowance for subsistence in effect for offi-
11 cers for the preceding year, increased by the same percent-
12 age by which the rate of basic allowance for subsistence
13 for enlisted members for the preceding year is increased
14 effective on such January 1.”.

15 (c) CONTINUATION OF ADVANCE PAYMENT AUTHOR-
16 ITY.—Such section is further amended by inserting after
17 subsection (b), as added by subsection (b) of this section,
18 the following new subsection (c):

19 “(c) ADVANCE PAYMENT.—The allowance to an en-
20 listed member may be paid in advance for a period of not
21 more than three months.”.

22 (d) FLEXIBILITY TO MANAGE DEMAND FOR DINING
23 AND MESSING SERVICES.—Such section is further amend-
24 ed by striking out subsection (e) and inserting in lieu
25 thereof the following new subsection (e):

1 “(e) POLICIES ON USE OF DINING AND MESSING FA-
 2 CILITIES.—The Secretary of Defense, in consultation with
 3 the Secretaries concerned, shall prescribe policies regard-
 4 ing use of dining and field messing facilities of the uni-
 5 formed services.”.

6 (e) REGULATIONS.—Such section is further amended
 7 by adding after subsection (e), as added by subsection (d)
 8 of this section, the following:

9 “(f) REGULATIONS.—(1) The Secretary of Defense
 10 shall prescribe regulations for the administration of this
 11 section. Before prescribing the regulations, the Secretary
 12 shall consult with each Secretary concerned.

13 “(2) The regulations shall include the rates of basic
 14 allowance for subsistence.”.

15 (f) STYLISTIC AND CONFORMING AMENDMENTS.—

16 (1) SUBSECTION HEADINGS.—Such section is
 17 amended—

18 (A) in subsection (a), by inserting “ENTI-
 19 TLEMENT.—” after “(a)”; and

20 (B) in subsection (d), by inserting “COAST
 21 GUARD.—” after “(d)”.

22 (2) TRAVEL STATUS EXCEPTION TO ENTITLE-
 23 MENT.—Section 404 of title 37, United States Code,
 24 is amended—

25 (A) by striking out subsection (g); and

1 (B) by redesignating subsections (h), (i),
 2 (j), and (k) as subsections (g), (h), (i), and (j),
 3 respectively.

4 **SEC. 612. TRANSITIONAL BASIC ALLOWANCE FOR**
 5 **SUBSISTENCE.**

6 (a) BAS TRANSITION PERIOD.—For the purposes of
 7 this section, the BAS transition period is the period begin-
 8 ning on the effective date of this part and ending on the
 9 date that this section ceases to be effective under section
 10 613(b).

11 (b) TRANSITIONAL AUTHORITY.—Notwithstanding
 12 section 402 of title 37, United States Code (as amended
 13 by section 611), during the BAS transition period—

14 (1) the basic allowance for subsistence shall not
 15 be paid under that section for that period;

16 (2) a member of the uniformed services is enti-
 17 tled to the basic allowance for subsistence only as
 18 provided in subsection (c);

19 (3) an enlisted member of the uniformed serv-
 20 ices may be paid a partial basic allowance for sub-
 21 sistence as provided in subsection (d); and

22 (4) the rates of the basic allowance for subsist-
 23 ence are those determined under subsection (e).

24 (c) TRANSITIONAL ENTITLEMENT TO BAS.—

25 (1) ENLISTED MEMBERS.—

1 (A) TYPES OF ENTITLEMENT.—An en-
2 listed member is entitled to the basic allowance
3 for subsistence, on a daily basis, of one of the
4 following types—

5 (i) when rations in kind are not avail-
6 able;

7 (ii) when permission to mess sepa-
8 rately is granted; and

9 (iii) when assigned to duty under
10 emergency conditions where no messing fa-
11 cilities of the United States are available.

12 (B) OTHER ENTITLEMENT CIRCUM-
13 STANCES.—An enlisted member is entitled to
14 the allowance while on an authorized leave of
15 absence, while confined in a hospital, or while
16 performing travel under orders away from the
17 member's designated post of duty other than
18 field duty or sea duty (as defined in regulations
19 prescribed by the Secretary of Defense). For
20 purposes of the preceding sentence, a member
21 shall not be considered to be performing travel
22 under orders away from his designated post of
23 duty if such member—

24 (i) is an enlisted member serving his
25 first tour of active duty;

1 (ii) has not actually reported to a per-
2 manent duty station pursuant to orders di-
3 recting such assignment; and

4 (iii) is not actually traveling between
5 stations pursuant to orders directing a
6 change of station.

7 (C) ADVANCE PAYMENT.—The allowance
8 to an enlisted member, when authorized, may
9 be paid in advance for a period of not more
10 than three months.

11 (2) OFFICERS.—An officer of a uniformed serv-
12 ice who is entitled to basic pay is, at all times, enti-
13 tled to the basic allowances for subsistence. An avia-
14 tion cadet of the Navy, Air Force, Marine Corps, or
15 Coast Guard is entitled to the same basic allowance
16 for subsistence as is provided for an officer of the
17 Navy, Air Force, Marine Corps, or Coast Guard,
18 respectively.

19 (d) TRANSITIONAL AUTHORITY FOR PARTIAL
20 BAS.—

21 (1) ENLISTED MEMBERS FURNISHED SUBSIST-
22 ENCE IN KIND.—The Secretary of Defense may pro-
23 vide in regulations for an enlisted member of a uni-
24 formed service to be paid a partial basic allowance
25 for subsistence when—

1 (A) rations in kind are available to the
2 member;

3 (B) the member is not granted permission
4 to mess separately; or

5 (C) the member is assigned to duty under
6 emergency conditions where messing facilities of
7 the United States are available.

8 (2) MONTHLY PAYMENT.—Any partial basic al-
9 lowance for subsistence authorized under paragraph
10 (1) shall be paid on a monthly basis.

11 (e) TRANSITIONAL RATES.—

12 (1) FULL BAS FOR OFFICERS.—The rate of
13 basic allowance for subsistence that is payable to of-
14 ficers of the uniformed services for a year shall be
15 the amount that is equal to 101 percent of the rate
16 of basic allowance for subsistence that was payable
17 to officers of the uniformed services for the preced-
18 ing year.

19 (2) FULL BAS FOR ENLISTED MEMBERS.—The
20 rate of basic allowance for subsistence that is pay-
21 able to an enlisted member of the uniformed services
22 for a year shall be the higher of—

23 (A) the amount that is equal to 101 per-
24 cent of the rate of basic allowance for subsist-
25 ence that was in effect for similarly situated en-

1 listed members of the uniformed services for the
 2 preceding year; or

3 (B) the daily equivalent of what, except for
 4 subsection (b), would otherwise be the monthly
 5 rate of basic allowance for subsistence for en-
 6 listed members under section 402(b)(1) of title
 7 37, United States Code (as added by section
 8 611(b)).

9 (3) PARTIAL BAS FOR ENLISTED MEMBERS.—

10 The rate of any partial basic allowance for subsist-
 11 ence paid under subsection (d) for a member for a
 12 year shall be equal to the lower of—

13 (A) the amount equal to the excess, if any,
 14 of—

15 (i) the amount equal to the monthly
 16 equivalent of the rate of basic allowance
 17 for subsistence that was in effect for the
 18 preceding year for enlisted members of the
 19 uniformed services above grade E-1 (when
 20 permission to mess separately is granted),
 21 increased by the same percent by which
 22 the rates of basic pay for members of the
 23 uniformed services were increased for the
 24 year over those in effect for such preceding
 25 year, over

(ii) the amount equal to 101 percent of the monthly equivalent of the rate of basic allowance for subsistence that was in effect for the previous year for enlisted members of the uniformed services above grade E-1 (when permission to mess separately is granted); or

(B) the amount equal to the excess of—

(i) the amount that, except for subsection (b), would otherwise be the monthly rate of basic allowance for subsistence for enlisted members under section 402(b)(1) of title 37, United States Code, over

(ii) the amount equal to the monthly equivalent of the value of a daily ration, as determined by the Under Secretary of Defense (Comptroller) as of October 1 of the preceding year.

SEC. 613. EFFECTIVE DATE AND TERMINATION OF TRANSITIONAL AUTHORITY.

(a) **EFFECTIVE DATE.**—This part and the amendments made by section 611 shall take effect on January 1, 1998.

13 **PART II—REFORM OF HOUSING AND RELATED**
14 **ALLOWANCES**

(a) REDESIGNATION OF BAQ.—Section 403 of title 37, United States Code, is amended by striking out “basic allowance for quarters” each place it appears, except in subsections (f) and (m), and inserting in lieu thereof “basic allowance for housing”.

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1 (c) TEMPORARY HOUSING ALLOWANCE WHILE IN
2 TRAVEL OR LEAVE STATUS.—Subsection (f) of such sec-
3 tion is amended to read as follows:

4 “(f) TEMPORARY HOUSING ALLOWANCE WHILE IN
5 TRAVEL OR LEAVE STATUS.—A member of a uniformed
6 service who is in pay grade above E–4 (four or more years
7 of service) or above is entitled to a temporary housing al-
8 lowance (at a rate determined under section 403a of this
9 title) while the member is in a travel or leave status be-
10 tween permanent duty stations, including time granted as
11 delay en route or proceed time, when the member is not
12 assigned to quarters of the United States.”.

13 (d) DETERMINATIONS NECESSARY FOR ADMINISTER-
14 ING AUTHORITY FOR ALL MEMBERS.—Subsection (h) of
15 such section is amended by striking out “enlisted” each
16 place it appears.

17 (e) ENTITLEMENT OF MEMBERS NOT ENTITLED TO
18 PAY.—Subsection (i) of such section is amended by strik-
19 ing out “enlisted”.

20 (f) TEMPORARY HOUSING AND ALLOWANCE FOR
21 SURVIVORS OF ACTIVE DUTY MEMBERS.—

22 (1) CONTINUATION OF OCCUPANCY.—Para-
23 graph (1) of subsection (l) of such section is amend-
24 ed by striking out “in line of duty” and inserting in
25 lieu thereof “on active duty”.

1 (2) ALLOWANCE.—Paragraph (2) of such sub-
2 section is amended to read as follows:

3 “(2)(A) The Secretary concerned may pay a basic al-
4 lowance for housing (at the rate determined under section
5 403a of this title) to the dependents of a member of the
6 uniformed services who dies while on active duty and
7 whose dependents—

8 “(i) are not occupying a housing facility under
9 the jurisdiction of a uniformed service on the date
10 of the member’s death;

11 “(ii) are occupying such housing on a rental
12 basis on such date; or

13 “(iii) vacate such housing sooner than 180 days
14 after the date of the member’s death.

15 “(B) The payment of the allowance under this sub-
16 section shall terminate 180 days after the date of the
17 member’s death.”.

18 (g) ENTITLEMENT OF MEMBER PAYING CHILD SUP-
19 PORT.—Subsection (m) of such section is amended to read
20 as follows:

21 “(m) MEMBERS PAYING CHILD SUPPORT.—(1) A
22 member of a uniformed service with dependents may not
23 be paid a basic allowance for housing at the with depend-
24 ents rate solely by reason of the payment of child support
25 by the member if—

1 “(A) the member is assigned to a housing facil-
2 ity under the jurisdiction of a uniformed service; or

3 “(B) the member is in a pay grade above E-
4 4, is assigned to sea duty, and elects not to occupy
5 assigned quarters for unaccompanied personnel.

6 “(2) A member of a uniformed service assigned to
7 quarters of the United States or a housing facility under
8 the jurisdiction of a uniformed service who is not other-
9 wise authorized a basic allowance for housing and who
10 pays child support is entitled to the basic allowance for
11 housing differential (at the rate applicable under section
12 403a of this title) to the members’ pay grade except for
13 months for which the amount payable for the child support
14 is less than the rate of the differential. Payment of a basic
15 allowance for housing differential does not affect any enti-
16 tlement of the member to a partial allowance for quarters
17 under subsection (o).”.

18 (h) REPLACEMENT OF VHA BY BASIC ALLOWANCE
19 FOR HOUSING.—

20 (1) MEMBERS NOT ACCOMPANIED BY DEPEND-
21 ENTS OUTSIDE CONUS.—Such section is further
22 amended by adding at the end the following:

23 “(n) MEMBERS NOT ACCOMPANIED BY DEPENDENTS
24 OUTSIDE CONUS.—(1) A member of a uniformed service
25 with dependents who is assigned to an unaccompanied

1 tour of duty outside the continental United States is eligi-
2 ble for a basic allowance for housing as provided in
3 paragraph (2).

4 “(2)(A) For any period during which the dependents
5 of a member referred to in paragraph (1) reside in the
6 United States where, if the member were residing with
7 them, the member would be entitled to receive a basic al-
8 lowance for housing, the member is entitled to a basic al-
9 lowance for housing at the rate applicable under section
10 403a of this title to the member’s pay grade and the loca-
11 tion of the residence of the member’s dependents.

12 “(B) A member referred to in paragraph (1) may be
13 paid a basic allowance for housing at the rate applicable
14 under section 403a of this title to the members’s pay
15 grade and location.

16 “(3) Payment of a basic allowance for housing to a
17 member under paragraph (2)(B) shall be in addition to
18 any allowance or per diem to which the member otherwise
19 may be entitled under this title.”.

20 (2) MEMBERS NOT ACCOMPANIED BY DEPEND-
21 ENTS INSIDE CONUS.—Paragraph (2) of section
22 403a(a) of title 37, United States Code, is trans-
23 ferred to the end of section 403 of such title and,
24 as transferred, is amended—

1 (A) by striking out “(2)” and inserting in
2 lieu thereof “(o) MEMBERS NOT ACCOMPANIED
3 BY DEPENDENTS INSIDE CONUS.—”;

4 (B) by striking out “variable housing al-
5 lowance” each place it appears and inserting in
6 lieu thereof “basic allowance for housing”;

7 (C) by striking out “(under regulations
8 prescribed under subsection (e))” in the matter
9 following subparagraph (B) and inserting in
10 lieu thereof “(under regulations prescribed by
11 the Secretary of Defense)”; and

12 (D) by redesignating subparagraphs (A)
13 and (B) as paragraphs (1) and (2), respectively.

14 (3) REPEAL OF VHA ALLOWANCE.—Section
15 403a of title 37, United States Code, is repealed.

16 (i) MEMBERS WITHOUT DEPENDENTS.—Section 403
17 of such title, as amended by subsection (f), is further
18 amended by adding at the end the following:

19 “(p) PARTIAL ALLOWANCE FOR MEMBERS WITHOUT
20 DEPENDENTS.—A member of a uniformed service without
21 dependents who is not entitled to receive a basic allowance
22 for housing under subsection (b) or (c) is entitled to a
23 partial allowance for quarters determined under section
24 403a of this title.”.

1 (j) STYLISTIC AMENDMENTS.—Section 403 of title
 2 37, United States Code, as amended by this section, is
 3 further amended—

4 (1) in subsection (a), by striking out “(a)(1)”
 5 and inserting in lieu thereof “(a) GENERAL
 6 ENTITLEMENT.—(1)”;

7 (2) in subsection (b), by striking out “(b)(1)”
 8 and inserting in lieu thereof “(b) MEMBERS AS-
 9 SIGNED TO QUARTERS.—(1)”;

10 (3) in subsection (c), by striking out “(c)(1)”
 11 and inserting in lieu thereof “(c) INELIGIBILITY
 12 DURING INITIAL FIELD DUTY OR SEA DUTY.—
 13 (1)”;

14 (4) in subsection (d), by striking out “(d)(1)”
 15 and inserting in lieu thereof “(d) PROHIBITED
 16 GROUNDS FOR DENIAL.—(1)”;

17 (5) in subsection (e), by inserting “RENTAL OF
 18 PUBLIC QUARTERS.—” after “(e)”;

19 (6) in subsection (g), by inserting “AVIATION
 20 CADETS.—” after “(g)”;

21 (7) in subsection (h), by inserting “NECESSARY
 22 DETERMINATIONS.—” after “(h)”;

23 (8) in subsection (i), by inserting “ENTITLE-
 24 MENT OF MEMBER NOT ENTITLED TO PAY.—”
 25 after “(i)”;

1 (9) in subsection (j), by striking out “(j)(1)”
 2 and inserting in lieu thereof “(j) ADMINISTRATIVE
 3 AUTHORITY.—(1)”;

4 (10) in subsection (k), by inserting “PARKING
 5 FACILITIES NOT CONSIDERED QUARTERS.—” after
 6 “(k)”;

7 (11) in subsection (l), by striking out “(l)(1)”
 8 and inserting in lieu thereof “(l) DEPENDENTS OF
 9 MEMBERS DYING ON ACTIVE DUTY.—(1)”.

10 (k) SECTION HEADING.—The heading of section 403
 11 of title 37, United States Code, is amended to read as
 12 follows:

13 **“§ 403. Basic allowance for housing: eligibility”.**

14 **SEC. 617. RATES OF BASIC ALLOWANCE FOR HOUSING.**

15 Chapter 7 of title 37, United States Code, is amended
 16 by inserting after section 403 the following new section
 17 403a:

18 **“§ 403a. Basic allowance for housing: rates**

19 **“(a) RATES PRESCRIBED BY SECRETARY OF DE-**
 20 **FENSE.—**The Secretary of Defense shall prescribe month-
 21 ly rates of basic allowance for housing payable under sec-
 22 tion 403 of this title. The Secretary shall specify the rates,
 23 by pay grade and dependency status, for each geographic
 24 area defined in accordance with subsection (b).

1 “(b) GEOGRAPHIC BASIS FOR RATES.—(1) The Sec-
2 retary shall define the areas within the United States and
3 the areas outside the United States for which rates of
4 basic allowance for housing are separately specified.

5 “(2) For each area within the United States that is
6 defined under paragraph (1), the Secretary shall deter-
7 mine the costs of housing in that area that the Secretary
8 considers adequate for civilians residents of that area
9 whose relevant circumstances the Secretary considers as
10 being comparable to those of members of the uniformed
11 services.

12 “(3) For each area outside the United States defined
13 under paragraph (1), the Secretary shall determine the
14 costs of housing in that area that the Secretary considers
15 adequate for members of the uniformed services.

16 “(c) RATES WITHIN THE UNITED STATES.—(1) Sub-
17 ject to paragraph (2), the monthly rate of basic allowance
18 for housing for members of the uniformed services of a
19 particular grade and dependency status for an area within
20 the United States shall be the amount equal to the excess
21 of—

22 “(A) the monthly cost of housing determined
23 applicable for members of that grade and depend-
24 ency status for that area under subsection (b), over

1 “(B) the amount equal to 15 percent of the av-
2 erage of the monthly costs of housing determined
3 applicable for members of the uniformed services of
4 that grade and dependency status for all areas of
5 the United States under subsection (b).

6 “(2) The rates of basic allowance for housing deter-
7 mined under paragraph (1) shall be reduced as necessary
8 to comply with subsection (g).

9 “(d) RATES OUTSIDE THE UNITED STATES.—The
10 monthly rate of basic allowance for housing for members
11 of the uniformed services of a particular grade and de-
12 pendency status for an area outside the United States
13 shall be an amount appropriate for members of the uni-
14 formed services of that grade and dependency status for
15 that area, as determined by the Secretary on the basis
16 of the costs of housing in that area.

17 “(e) ADJUSTMENTS WHEN RATES OF BASIC PAY IN-
18 CREASED.—The Secretary of Defense shall periodically re-
19 determine the housing costs for areas under subsection (b)
20 and adjust the rates of basic allowance for housing as ap-
21 propriate on the basis of the redetermination of costs. The
22 effective date of any adjustment in rates of basic allowance
23 for housing for an area as a result of such a redetermina-
24 tion shall be the same date as the effective date of the

1 next increase in rates of basic pay for members of the uni-
2 formed services after the redetermination.

3 “(f) SAVINGS OF RATE.—The rate of basic allowance
4 for housing payable to a particular member for an area
5 within the United States may not be reduced during a con-
6 tinuous period of eligibility of the member to receive a
7 basic allowance for housing for that area by reason of—

8 “(1) a general reduction of rates of basic allow-
9 ance for housing for members of the same grade and
10 dependency status for the area taking effect during
11 the period; or

12 “(2) a promotion of the member during the
13 period.

14 “(g) FISCAL YEAR LIMITATION ON TOTAL ALLOW-
15 ANCES PAID FOR HOUSING INSIDE THE UNITED
16 STATES.—(1) The total amount that may be paid for a
17 fiscal year for the basic allowance for housing for areas
18 within the United States by authorized members of the
19 uniformed services by section 403 of this title is the prod-
20 uct of—

21 “(A) the total amount authorized to be paid for
22 the allowance for such areas for the preceding fiscal
23 year (as adjusted under paragraph (2)); and

24 “(B) the fraction—

1 “(i) the numerator of which is the average
2 of the costs of housing determined by the Sec-
3 retary under subsection (b)(2) for the areas of
4 the United States for June of the preceding fis-
5 cal year; and

6 “(ii) the denominator of which is the aver-
7 age of the costs of housing determined by the
8 Secretary under subsection (b)(2) for the areas
9 of the United States for June of the fiscal year
10 before the preceding fiscal year.

11 “(2) In making a determination under paragraph (1)
12 for a fiscal year, the Secretary shall adjust the amount
13 authorized to be paid for the preceding fiscal year for the
14 basic allowance for housing to reflect changes (during the
15 fiscal year for which the determination is made) in the
16 number, grade distribution, and dependency status of
17 members of the uniformed services entitled to the basic
18 allowance for housing from the number of such members
19 during such preceding fiscal year.

20 “(h) MEMBERS EN ROUTE BETWEEN PERMANENT
21 DUTY STATIONS.—The Secretary of Defense shall pre-
22 scribe in regulations the rate of the temporary housing
23 allowance to which a member is entitled under section
24 403(f) of this title while the member is in a travel or leave
25 status between permanent duty stations.

1 “(i) SURVIVORS OF MEMBERS DYING ON ACTIVE
2 DUTY.— The rate of the basic allowance for housing pay-
3 able to dependents of a deceased member under section
4 403(l)(2) of this title shall be the rate that is payable for
5 members of the same grade and dependency status as the
6 deceased member for the area where the dependents are
7 residing.

8 “(j) MEMBERS PAYING CHILD SUPPORT.—(1) The
9 basic allowance for housing differential to which a member
10 is entitled under section 403(m)(2) of this title is the
11 amount equal to the excess of—

12 “(A) the rate of the basic allowance for quar-
13 ters (with dependents) for the member’s pay grade,
14 as such rate was in effect on December 31, 1997,
15 under section 403 of this title (as such section was
16 in effect on such date), over

17 “(B) the rate of the basic allowance for quar-
18 ters (without dependents) for the member’s pay
19 grade, as such rate was in effect on December 31,
20 1997, under section 403 of this title (as such section
21 was in effect on that date).

22 “(2) Whenever the rates of basic pay for members
23 of the uniformed services are increased, the monthly
24 amount of the basic allowance for housing differential
25 shall be increased by the average percent increase in the

1 rates of basic pay. The effective date of the increase shall
 2 be the same date as the effective date in the increase in
 3 the rates of basic pay.

4 “(k) PARTIAL ALLOWANCE FOR QUARTERS.—The
 5 rate of the partial allowance for quarters to which a mem-
 6 ber without dependents is entitled under section 403(p)
 7 of this title is the partial rate of basic allowance for quar-
 8 ters for the member’s pay grade as such partial rate was
 9 in effect on December 31, 1997, under section 1009(c)(2)
 10 of this title (as such section was in effect on such date).”.

11 **SEC. 618. DISLOCATION ALLOWANCE.**

12 (a) AMOUNT.—Section 407 of title 37, United States
 13 Code, is amended—

14 (1) in subsection (a), by striking out “equal to
 15 the basic allowance for quarters for two and one-half
 16 months as provided for the member’s pay grade and
 17 dependency status in section 403 of this title” in the
 18 matter preceding paragraph (1) and inserting in lieu
 19 thereof “determined under subsection (g)”;

20 (2) in subsection (b), by striking out “equal to
 21 the basic allowance for quarters for two months as
 22 provided for a member’s pay grade and dependency
 23 status in section 403 of this title” and inserting in
 24 lieu thereof “determined under subsection (g)”;

25 (3) by adding at the end the following:

1 “(g) AMOUNT.—(1) The dislocation allowance pay-
 2 able to a member under subsection (a) shall be the amount
 3 equal to 160 percent of the monthly national average cost
 4 of housing determined for members of the same grade and
 5 dependency status as the member.

6 “(2) The dislocation allowance payable to a member
 7 under subsection (b) shall be the amount equal to 130 per-
 8 cent of the monthly national average cost of housing deter-
 9 mined for members of the same grade and dependency sta-
 10 tus as the member.

11 “(3) In this section, the term ‘monthly national aver-
 12 age cost of housing’, with respect to members of a particu-
 13 lar grade and dependency status, means the average of
 14 the monthly costs of housing that the Secretary deter-
 15 mines adequate for members of that grade and depend-
 16 ency status for all areas in the United States under section
 17 403a(b)(2) of this title.”.

18 (b) STYLISTIC AMENDMENTS.—Such section is
 19 amended—

20 (1) in subsection (a), by inserting “FIRST AL-
 21 LOWANCE.—” after “(a)”;

22 (2) in subsection (b), by inserting “SECOND
 23 ALLOWANCE.—” after “(b)”;

24 (3) in subsection (c), by inserting “ONE AL-
 25 LOWANCE PER FISCAL YEAR.—” after “(c)”;

1 (4) in subsection (d), by inserting “No ENTI-
 2 TLEMENT FOR FIRST AND LAST MOVES.—” after
 3 “(d)”;

4 (5) in subsection (e), by inserting “WHEN
 5 MEMBER WITH DEPENDENTS CONSIDERED MEM-
 6 BER WITHOUT DEPENDENTS.—” after “(e)”; and

7 (6) in subsection (f), by inserting “PAYMENT IN
 8 ADVANCE.—” after “(f)”.

9 **SEC. 619. FAMILY SEPARATION AND STATION**
 10 **ALLOWANCES.**

11 (a) FAMILY SEPARATION ALLOWANCE.—

12 (1) REPEAL OF AUTHORITY FOR ALLOWANCE
 13 EQUAL TO BAQ.—Section 427 of title 37, United
 14 States Code, is amended by striking out subsection
 15 (a).

16 (2) CONFORMING AMENDMENTS.—Subsection
 17 (b) of such section is amended—

18 (A) by striking out “(b) ADDITIONAL SEP-
 19 ARATION ALLOWANCE.—”;

20 (B) by redesignating paragraphs (1), (2),
 21 (3), (4), and (5), as subsections (a), (b), (c),
 22 (d), and (e), respectively;

23 (C) in subsection (a), as so redesignated—

24 (i) by inserting “ENTITLEMENT.—”
 25 after “(a)”;

1 (ii) by striking out “, including sub-
2 section (a),”; and

3 (iii) by redesignating subparagraphs
4 (A), (B), (C), and (D) as paragraphs (1),
5 (2), (3), and (4), respectively;

6 (D) in subsection (b), as redesignated by
7 paragraph (2)—

8 (i) by inserting “EFFECTIVE DATE
9 FOR SEPARATION DUE TO CRUISE OR
10 TEMPORARY DUTY.—” after “(b)”;

11 (ii) by striking out “subsection by vir-
12 tue of duty described in subparagraph (B)
13 or (C) of paragraph (1)” and inserting in
14 lieu thereof “section by virtue of duty de-
15 scribed in paragraph (2) or (3) of sub-
16 section (a)”;

17 (iii) by redesignating subparagraphs
18 (A) and (B) as paragraphs (1) and (2), re-
19 spectively; and

20 (iv) in paragraph (2), as so redesign-
21 nated—

22 (I) by striking out “subsection”
23 and inserting in lieu thereof “sec-
24 tion”; and

1 (II) by striking out “subpara-
2 graphs” and inserting in lieu thereof
3 “paragraphs”;

4 (E) in subsection (c), as redesignated by
5 paragraph (2)—

6 (i) by inserting “ENTITLEMENT
7 WHEN NO RESIDENCE OR HOUSEHOLD
8 MAINTAINED FOR DEPENDENTS.—” after
9 “(c)”; and

10 (ii) by striking out “subsection” and
11 inserting in lieu thereof “section”;

12 (F) in subsection (d), as redesignated by
13 paragraph (2)—

14 (i) by inserting “EFFECT OF ELEC-
15 TION OF UNACCOMPANIED TOUR.—” after
16 “(d)”; and

17 (ii) by striking out “paragraph (1)(A)
18 of this subsection” and inserting in lieu
19 thereof “subsection (a)(1)”; and

20 (G) in subsection (e), as redesignated by
21 paragraph (2)—

22 (i) by inserting “ENTITLEMENT
23 WHILE DEPENDENT ENTITLED TO BASIC
24 PAY.—” after “(e)”; and

1 (ii) by striking out “paragraph
2 (1)(D)” each place it appears and insert-
3 ing in lieu thereof “subsection (a)(4)”.

4 (b) STATION ALLOWANCE.—

5 (1) REPEAL OF AUTHORITY.—Section 405 of
6 title 37, United States Code, is amended by striking
7 out subsection (b).

8 (2) CONFORMING AMENDMENT.—Such section
9 is further amended by redesignating subsections (c)
10 and (d) as subsections (b) and (c), respectively.

11 **SEC. 620. OTHER CONFORMING AMENDMENTS.**

12 (a) DEFINITION OF REGULAR MILITARY COMPENSA-
13 TION.—Section 101(25) of title 37, United States Code,
14 is amended by striking out “basic allowance for quarters
15 (including any variable housing allowance or station allow-
16 ance)” and inserting in lieu thereof “basic allowance for
17 housing.”.

18 (b) ALLOWANCES WHILE PARTICIPATING IN INTER-
19 NATIONAL SPORTS.—Section 420(c) of such title is
20 amended by striking out “quarters” and inserting in lieu
21 thereof “housing”.

22 (c) PAYMENTS TO MISSING PERSONS.—Section
23 551(3)(D) of such title is amended by striking out “quar-
24 ters” and inserting in lieu thereof “housing”.

1 (d) PAYMENT DATE.—Section 1014(a) of such title
 2 is amended by striking out “basic allowance for quarters”
 3 and inserting in lieu thereof “basic allowance for
 4 housing”.

5 (e) OCCUPANCY OF SUBSTANDARD FAMILY HOUS-
 6 ING.—Section 2830(a) of title 10, United States Code, is
 7 amended by striking out “basic allowance for quarters”
 8 each place it appears and inserting in lieu thereof “basic
 9 allowance for housing”.

10 **SEC. 621. CLERICAL AMENDMENT.**

11 The table of sections at the beginning of chapter 7
 12 of title 37, United States Code, is amended by striking
 13 out the items relating to section 403 and 403a and insert-
 14 ing in lieu thereof the following:

“403. Basic allowance for housing: eligibility.
 “403a. Basic allowance for housing: rates.”.

15 **SEC. 622. EFFECTIVE DATE.**

16 This part and the amendments made by this part
 17 shall take effect on January 1, 1998.

18 **PART III—OTHER AMENDMENTS RELATING TO**
 19 **ALLOWANCES**

20 **SEC. 626. REVISION OF AUTHORITY TO ADJUST COMPENSA-**
 21 **TION NECESSITATED BY REFORM OF SUB-**
 22 **SISTENCE AND HOUSING ALLOWANCES.**

23 (a) CONFORMING REPEAL OF AUTHORITY RELATING
 24 TO BAS AND BAQ.—

1 (1) IN GENERAL.—Section 1009 of title 37,
2 United States Code, is amended to read as follows:

3 **“§ 1009. Adjustments of monthly basic pay**

4 “(a) ADJUSTMENT REQUIRED.—Whenever the Gen-
5 eral Schedule of compensation for Federal classified em-
6 ployees as contained in section 5332 of title 5 is adjusted
7 upward, the President shall immediately make an upward
8 adjustment in the monthly basic pay authorized members
9 of the uniformed services by section 203(a) of this title.

10 “(b) EFFECTIVENESS OF ADJUSTMENT.—An adjust-
11 ment under this section shall—

12 “(1) have the force and effect of law; and

13 “(2) carry the same effective date as that ap-
14 plying to the compensation adjustments provided
15 General Schedule employees.

16 “(c) EQUAL PERCENTAGE INCREASE FOR ALL MEM-
17 BERS.—Subject to subsection (d), an adjustment under
18 this section shall provide all eligible members with an in-
19 crease in the monthly basic pay which is of the same per-
20 centage as the overall average percentage increase in the
21 General Schedule rates of basic pay for civilian employees.

22 “(d) ALLOCATION OF INCREASE AMONG PAY
23 GRADES AND YEARS-OF-SERVICE.—(1) Subject to para-
24 graph (2), whenever the President determines such action
25 to be in the best interest of the Government, he may allo-

1 cate the overall percentage increase in the monthly basic
2 pay under subsection (a) among such pay grade and years-
3 of-service categories as he considers appropriate.

4 “(2) In making any allocation of an overall percent-
5 age increase in basic pay under paragraph (1)—

6 “(A) the amount of the increase in basic pay
7 for any given pay grade and years-of-service cat-
8 egory after any allocation made under this sub-
9 section may not be less than 75 percent of the
10 amount of the increase in the monthly basic pay that
11 would otherwise have been effective with respect to
12 such pay grade and years-of-service category under
13 subsection (c); and

14 “(B) the percentage increase in the monthly
15 basic pay in the case of any member of the uni-
16 formed services with four years or less service may
17 not exceed the overall percentage increase in the
18 General Schedule rates of basic pay for civilian
19 employees.

20 “(e) NOTICE OF ALLOCATIONS.—Whenever the
21 President plans to exercise his authority under subsection
22 (d) with respect to any anticipated increase in the monthly
23 basic pay of members of the uniformed services, he shall
24 advise Congress, at the earliest practicable time prior to

1 the effective date of such increase, regarding the proposed
 2 allocation of such increase.

3 “(f) QUADRENNIAL ASSESSMENT OF ALLOCA-
 4 TIONS.—The allocations of increases made under this sec-
 5 tion shall be assessed in conjunction with the quadrennial
 6 review of military compensation required by section
 7 1008(b) of this title.”.

8 (2) CLERICAL AMENDMENT.—The item relating
 9 to such section in the table of sections at the begin-
 10 ning of chapter 19 of such title is amended to read
 11 as follows:

“1009. Adjustments of monthly basic pay.”.

12 (b) EFFECTIVE DATE.—The amendments made by
 13 subsection (a) shall take effect on January 1, 1998.

14 **SEC. 627. DEADLINE FOR PAYMENT OF READY RESERVE**
 15 **MUSTER DUTY ALLOWANCE.**

16 Section 433(c) of title 37, United States Code, is
 17 amended by striking out “and shall” in the first sentence
 18 and all that follows in that sentence and inserting in lieu
 19 thereof a period and the following: “The allowance shall
 20 be paid to the member before, on, or after the date on
 21 which the muster duty is performed, but not later than
 22 30 days after that date.”.

1 **Subtitle C—Bonuses and Special**
2 **and Incentive Pays**

3 **SEC. 631. ONE-YEAR EXTENSION OF CERTAIN BONUSES**
4 **AND SPECIAL PAY AUTHORITIES FOR RE-**
5 **SERVE FORCES.**

6 (a) SPECIAL PAY FOR CRITICALLY SHORT WARTIME
7 HEALTH SPECIALISTS.—Section 302g(f) of title 37, Unit-
8 ed States Code, is amended by striking out “September
9 30, 1998” and inserting in lieu thereof “September 30,
10 1999”.

11 (b) SELECTED RESERVE REENLISTMENT BONUS.—
12 Section 308b(f) of title 37, United States Code, is amend-
13 ed by striking out “September 30, 1998” and inserting
14 in lieu thereof “September 30, 1999”.

15 (c) SELECTED RESERVE ENLISTMENT BONUS.—Sec-
16 tion 308c(e) of title 37, United States Code, is amended
17 by striking out “September 30, 1998” and inserting in
18 lieu thereof “September 30, 1999”.

19 (d) SPECIAL PAY FOR ENLISTED MEMBERS AS-
20 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section
21 308d(c) of title 37, United States Code, is amended by
22 striking out “September 30, 1998” and inserting in lieu
23 thereof “September 30, 1999”.

24 (e) SELECTED RESERVE AFFILIATION BONUS.—Sec-
25 tion 308e(e) of title 37, United States Code, is amended

1 by striking out “September 30, 1998” and inserting in
 2 lieu thereof “September 30, 1999”.

3 (f) READY RESERVE ENLISTMENT AND REENLIST-
 4 MENT BONUS.—Section 308h(g) of title 37, United States
 5 Code, is amended by striking out “September 30, 1998”
 6 and inserting in lieu thereof “September 30, 1999”.

7 (g) PRIOR SERVICE ENLISTMENT BONUS.—Section
 8 308i(i) of title 37, United States Code, is amended by
 9 striking out “September 30, 1998” and inserting in lieu
 10 thereof “September 30, 1999”.

11 (h) REPAYMENT OF EDUCATION LOANS FOR CER-
 12 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-
 13 LECTED RESERVE.—Section 16302(d) of title 10, United
 14 States Code, is amended by striking out “October 1,
 15 1998” and inserting in lieu thereof “October 1, 1999”.

16 **SEC. 632. ONE-YEAR EXTENSION OF CERTAIN BONUSES**
 17 **AND SPECIAL PAY AUTHORITIES FOR NURSE**
 18 **OFFICER CANDIDATES, REGISTERED NURSES,**
 19 **AND NURSE ANESTHETISTS.**

20 (a) NURSE OFFICER CANDIDATE ACCESSION PRO-
 21 GRAM.—Section 2130a(a)(1) of title 10, United States
 22 Code, is amended by striking out “September 30, 1998”
 23 and inserting in lieu thereof “September 30, 1999”.

24 (b) ACCESSION BONUS FOR REGISTERED NURSES.—
 25 Section 302d(a)(1) of title 37, United States Code, is

1 amended by striking out “September 30, 1998” and in-
2 serting in lieu thereof “September 30, 1999”.

3 (c) INCENTIVE SPECIAL PAY FOR NURSE ANES-
4 THETISTS.—Section 302e(a)(1) of title 37, United States
5 Code, is amended by striking out “September 30, 1998”
6 and inserting in lieu thereof “September 30, 1999”.

7 **SEC. 633. ONE-YEAR EXTENSION OF AUTHORITIES RELAT-**
8 **ING TO PAYMENT OF OTHER BONUSES AND**
9 **SPECIAL PAYS.**

10 (a) REENLISTMENT BONUS FOR ACTIVE MEM-
11 BERS.—Section 308(g) of title 37, United States Code, is
12 amended by striking out “September 30, 1998” and in-
13 serting in lieu thereof “September 30, 1999”.

14 (b) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—
15 Sections 308a(c) and 308f(c) of title 37, United States
16 Code, are each amended by striking out “September 30,
17 1998” and inserting in lieu thereof “September 30,
18 1999”.

19 (c) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFI-
20 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section
21 312(e) of title 37, United States Code, is amended by
22 striking out “September 30, 1998” and inserting in lieu
23 thereof “September 30, 1999”.

24 (d) NUCLEAR CAREER ACCESSION BONUS.—Section
25 312b(c) of title 37, United States Code, is amended by

1 striking out “September 30, 1998” and inserting in lieu
2 thereof “September 30, 1999”.

3 (e) NUCLEAR CAREER ANNUAL INCENTIVE
4 BONUS.—Section 312c(d) of title 37, United States Code,
5 is amended by striking out “October 1, 1998” and insert-
6 ing in lieu thereof “October 1, 1999”.

7 **SEC. 634. INCREASED AMOUNTS FOR AVIATION CAREER IN-**
8 **CENTIVE PAY.**

9 (a) AMOUNTS.—The table in subsection (b)(1) of sec-
10 tion 301a(b)(1) of title 37, United States Code, is
11 amended—

12 (1) by inserting at the end of phase I of the
13 table the following:

“Over 14 840”;

14 and

15 (2) by striking out phase II of the table and in-
16 serting in lieu thereof the following:

“PHASE II

“Years of service as an officer:	“Monthly rate
“Over 22	\$585
“Over 23	495
“Over 24	385
“Over 25	250”.

17 (b) EFFECTIVE DATE AND APPLICABILITY.—The
18 amendments made by subsection (a) shall take effect on
19 October 1, 1998, and shall apply with respect to months
20 beginning on or after that date.

1 **SEC. 635. AVIATION CONTINUATION PAY.**

2 (a) EXTENSION OF AUTHORITY.—Subsection (a) of
3 section 301b of title 37, United States Code, is amended
4 by striking out “1998” and inserting in lieu thereof
5 “2005”.

6 (b) BONUS AMOUNTS.—Subsection (c) of such sec-
7 tion is amended—

8 (1) in paragraph (1), by striking out “\$12,000”
9 and inserting in lieu thereof “\$25,000”; and

10 (2) in paragraph (2), by striking out “\$6,000”
11 and inserting in lieu thereof “\$12,000”.

12 (c) DEFINITION OF AVIATION SPECIALTY.—Sub-
13 section (j)(2) of such section is amended by inserting “spe-
14 cific” before “community”.

15 (d) CONTENT OF ANNUAL REPORT.—Subsection
16 (i)(1) of such section is amended—

17 (1) by inserting “and” at the end of subpara-
18 graph (A);

19 (2) by striking out the semicolon and “and” at
20 the end of subparagraph (B) and inserting in lieu
21 thereof a period; and

22 (3) by striking out subparagraph (C).

23 (e) EFFECTIVE DATES AND APPLICABILITY.—(1)
24 Except as provided in paragraphs (1) and (2), the amend-
25 ments made by this section shall take effect on the date
26 of the enactment of this Act.

1 (2) The amendment made by subsection (b) shall take
 2 effect on October 1, 1997, and shall apply with respect
 3 to agreements accepted under subsection (a) of section
 4 301b of title 37, United States Code, on or after that date.

5 (3) The amendment made by subsection (c) shall take
 6 effect as of October 1, 1996, and shall apply with respect
 7 to agreements accepted under subsection (a) of section
 8 301b of title 37, United States Code, on or after that date.

9 **SEC. 636. ELIGIBILITY OF DENTAL OFFICERS FOR THE**
 10 **MULTIYEAR RETENTION BONUS PROVIDED**
 11 **FOR MEDICAL OFFICERS.**

12 (a) ADDITION OF DENTAL OFFICERS.—Section 301d
 13 of title 37, United States Code, is amended—

14 (1) in subsection (a)(1), by inserting “or den-
 15 tal” after “medical”; and

16 (2) in subsection (b)—

17 (A) in paragraph (1)—

18 (i) by inserting “or Dental Corps”
 19 after “Medical Corps”; and

20 (ii) by inserting “or dental” after
 21 “medical”; and

22 (B) in paragraph (3), by inserting “or den-
 23 tal” after “medical”.

1 (b) CONFORMING AMENDMENT AND RELATED CLER-
 2 ICAL AMENDMENT.—(1) The heading of such section is
 3 amended to read as follows:

4 **“§ 301d. Multiyear retention bonus: medical and den-**
 5 **tal officers of the armed forces”.**

6 (2) The item relating to such section in the table of
 7 sections at the beginning of chapter 5 of title 37, United
 8 States Code, is amended to read as follows:

“301d. Multiyear retention bonus: medical and dental officers of the armed
 forces.”.

9 (c) EFFECTIVE DATE.—The amendments made by
 10 this section shall take effect on October 1, 1997, and apply
 11 to agreements accepted under section 301d of title 37,
 12 United States Code, on or after that date.

13 **SEC. 637. INCREASED SPECIAL PAY FOR DENTAL OFFICERS.**

14 (a) VARIABLE SPECIAL PAY FOR OFFICERS BELOW
 15 GRADE O–7.—Paragraph (2) of section 302b(a) of title
 16 37, United States Code, is amended by striking out sub-
 17 paragraphs (C), (D), (E), and (F), and inserting in lieu
 18 thereof the following:

19 “(C) \$4,000 per year, if the officer has at least
 20 six but less than 8 years of creditable service.

21 “(D) \$12,000 per year, if the officer has at
 22 least 8 but less than 12 years of creditable service.

23 “(E) \$10,000 per year, if the officer has at
 24 least 12 but less than 14 years of creditable service.

1 “(F) \$9,000 per year, if the officer has at least
2 14 but less than 18 years of creditable service.

3 “(G) \$8,000 per year, 18 or more years of cred-
4 itable service.”.

5 (b) VARIABLE SPECIAL PAY FOR OFFICERS ABOVE
6 GRADE O-6.—Paragraph (3) of such section is amended
7 by striking out “\$1,000” and inserting in lieu thereof
8 “\$7,000”.

9 (c) ADDITIONAL SPECIAL PAY.—Paragraph (4) of
10 such section is amended—

11 (1) in subparagraph (B), by striking out “14”
12 and inserting in lieu thereof “10”; and

13 (2) by striking out subparagraphs (C) and (D)
14 and inserting in lieu thereof the following:

15 “(C) \$15,000 per year, if the officer has 10 or
16 more years of creditable service.”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall take effect on October 1, 1997, and shall
19 apply with respect to months beginning on or after that
20 date.

21 **SEC. 638. MODIFICATION OF SELECTED RESERVE REEN-**
22 **LISTMENT BONUS AUTHORITY.**

23 (a) ELIGIBILITY OF MEMBERS WITH UP TO 14
24 YEARS OF TOTAL SERVICE.—Subsection (a) of section
25 308b of title 37, United States Code, is amended by strik-

1 ing out “ten years” in paragraph (1) and inserting in lieu
2 thereof “14 years”.

3 (b) TWO-BONUS AUTHORITY FOR CONSECUTIVE 3-
4 YEAR ENLISTMENTS.—Such subsection is further
5 amended—

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

8 (2) by inserting “AUTHORITY AND ELIGIBILITY
9 REQUIREMENTS.—(1)” after “(a)”;

10 (3) by striking out “a bonus as provided in sub-
11 section (b)” before the period at the end and insert-
12 ing in lieu thereof “a bonus or bonuses in accord-
13 ance with this section”; and

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

16 “(2) If a person eligible to receive a bonus under this
17 section by reason of an enlistment for a period of three
18 years so elects on or before the date of the enlistment,
19 the Secretary concerned may pay the person—

20 “(A) a bonus for that enlistment; and

21 “(B) an additional bonus for a later voluntary
22 extension of the enlistment, or a subsequent con-
23 secutive enlistment, for a period of at least three
24 years if—

1 “(i) on the date of the expiration of the en-
2 listment for which the first bonus was paid, or
3 the date on which, but for an extension of the
4 enlistment, the enlistment would otherwise ex-
5 pire, as the case may be, the person satisfies
6 the eligibility requirements set forth in para-
7 graph (1) and the eligibility requirements for
8 reenlisting or extending the enlistment; and

9 “(ii) the extension of the enlistment or the
10 subsequent consecutive enlistment, as the case
11 may be, is in a critical military skill designated
12 for such a bonus by the Secretary concerned.”.

13 (c) BONUS AMOUNTS.—Subsection (b) of such sec-
14 tion is amended to read as follows:

15 “(b) BONUS AMOUNTS.—(1) In the case of a member
16 who enlists for a period of six years, the bonus to be paid
17 under subsection (a) shall be a total amount not to exceed
18 \$5,000.

19 “(2) In the case of a member who enlists for a period
20 of three years, the bonus to be paid under subsection (a)
21 shall be as follows:

22 “(A) If the member does not make an election
23 authorized under subsection (a)(2), the total amount
24 of the bonus shall be an amount not to exceed
25 \$2,500.

1 “(B) If the member makes an election under
2 subsection (a)(2) to be paid a bonus for the enlist-
3 ment and an additional bonus for a later extension
4 of the enlistment or for a subsequent consecutive
5 enlistment—

6 “(i) the total amount of the first bonus
7 shall be an amount not to exceed \$2,000; and

8 “(ii) the total amount of the additional
9 bonus shall be an amount not to exceed
10 \$2,500.”.

11 (d) DISBURSEMENT OF BONUS.—Subsection (c) of
12 such section is amended to read as follows:

13 “(c) DISBURSEMENT OF BONUS.—(1) Any bonus
14 payable under this section shall be disbursed in one initial
15 payment of an amount not to exceed one-half of the total
16 amount of the bonus and subsequent periodic partial pay-
17 ments of the balance of the bonus. The Secretary con-
18 cerned shall prescribe the amount of each partial payment
19 and the schedule for making the partial payments.

20 “(2) Payment of any additional bonus under sub-
21 section (a)(2)(B) for an extension of an enlistment or a
22 subsequent consecutive enlistment shall begin on or after
23 the date referred to in clause (i) of that subsection.”.

24 (e) SUBSECTION HEADINGS.—Such section is further
25 amended—

1 (1) in subsection (d), by inserting “REFUND
2 FOR UNSATISFACTORY SERVICE.—” after “(d)”;

3 (2) in subsection (e), by inserting “REGULA-
4 TIONS.—” after “(e)”;

5 (3) in subsection (f), by inserting “TERMI-
6 NATION OF AUTHORITY.—” after “(f)”.

7 (f) EFFECTIVE DATE.—The amendments made by
8 this section shall take effect on October 1, 1997, and apply
9 to enlistments in the Armed Forces on or after that date.

10 **SEC. 639. MODIFICATION OF AUTHORITY TO PAY BONUSES**
11 **FOR ENLISTMENTS BY PRIOR SERVICE PER-**
12 **SONNEL IN CRITICAL SKILLS IN THE SE-**
13 **LECTED RESERVE.**

14 (a) REORGANIZATION OF SECTION.—Section 308i of
15 title 37, United States Code, is amended—

16 (1) by redesignating subsections (e), (f), and
17 (g) as paragraphs (2), (3), and (4), respectively, of
18 subsection (d);

19 (2) by redesignating subsections (b), (c), (d),
20 (h), and (i) as subsections (c), (e), (f), (g), and (h),
21 respectively; and

22 (3) by redesignating paragraph (2) of sub-
23 section (a) as subsection (b) and in subsection (b),
24 as so redesignated, by redesignating subparagraphs

1 (A), (B), (C), and (D) as paragraphs (1), (2), (3),
2 and (4), respectively.

3 (b) TWO-BONUS AUTHORITY FOR CONSECUTIVE 3-
4 YEAR ENLISTMENTS.—Subsection (a) of such section is
5 amended by inserting after paragraph (1) the following
6 new paragraph (2):

7 “(2) If a person eligible to receive a bonus under this
8 section by reason of an enlistment for a period of three
9 years so elects on or before the date of the enlistment,
10 the Secretary concerned may pay the person—

11 “(A) a bonus for that enlistment; and

12 “(B) an additional bonus for a later extension
13 of the enlistment, or a subsequent consecutive enlist-
14 ment, for a period of at least three years if—

15 “(i) on the date of the expiration of the en-
16 listment for which the first bonus was paid, or
17 the date on which, but for an extension of the
18 enlistment, the enlistment would otherwise ex-
19 pire, the person satisfies the eligibility require-
20 ments set forth in subsection (b) and the eligi-
21 bility requirements for reenlisting or extending
22 the enlistment, as the case may be; and

23 “(ii) the extension of the enlistment or the
24 subsequent consecutive enlistment, as the case

1 may be, is in a critical military skill designated
2 for such a bonus by the Secretary concerned.”.

3 (c) ELIGIBILITY OF FORMER MEMBERS WITH UP TO
4 14 YEARS OF PRIOR SERVICE.—Subsection (b) of such
5 section, as redesignated by subsection (a)(3), is amended
6 by striking out “10 years” and inserting in lieu thereof
7 “14 years”.

8 (d) BONUS AMOUNTS.—Subsection (c) of such sec-
9 tion, as redesignated by subsection (a)(2), is amended to
10 read as follows:

11 “(c) BONUS AMOUNTS.—(1) In the case of a member
12 who enlists for a period of six years, the bonus to be paid
13 under subsection (a) shall be a total amount not to exceed
14 \$5,000.

15 “(2) In the case of a member who enlists for a period
16 of three years, the bonus to be paid under subsection (a)
17 shall be as follows:

18 “(A) If the member does not make an election
19 authorized under subsection (a)(2), the total amount
20 of the bonus shall be an amount not to exceed
21 \$2,500.

22 “(B) If the member makes an election under
23 subsection (a)(2) to be paid a bonus for the enlist-
24 ment and an additional bonus for a later extension

1 of the enlistment or for a subsequent consecutive en-
 2 listment—

3 “(i) the total amount of the first bonus
 4 shall be an amount not to exceed \$2,000; and

5 “(ii) the total amount of the additional
 6 bonus shall be an amount not to exceed
 7 \$2,500.”.

8 (e) DISBURSEMENT OF BONUS.—Such section is
 9 amended by inserting after subsection (c), as redesignated
 10 by subsection (a)(2) and amended by subsection (d), the
 11 following new subsection (d):

12 “(d) DISBURSEMENT OF BONUS.—(1) Any bonus
 13 payable under this section shall be disbursed in one initial
 14 payment of an amount not to exceed one-half of the total
 15 amount of the bonus and subsequent periodic partial pay-
 16 ments of the balance of the bonus. The Secretary con-
 17 cerned shall prescribe the amount of each partial payment
 18 and the schedule for making the partial payments.

19 “(2) Payment of any additional bonus under sub-
 20 section (a)(2)(B) for an extension of an enlistment or a
 21 subsequent consecutive enlistment shall begin on or after
 22 the date referred to in clause (i) of that subsection.”.

23 (f) CONFORMING AMENDMENTS.—(1) Subsection
 24 (a)(1) of such section is amended by striking out “para-
 25 graph (2) may be paid a bonus as prescribed in subsection

1 (b)” and inserting in lieu thereof “subsection (b) may be
2 paid a bonus or bonuses in accordance with this section”.

3 (2) Subsection (e) of such section, as redesignated by
4 subsection (a)(2), is amended by striking out “may not
5 be paid more than one bonus under this section and”.

6 (3) Subsection (f) of such section, as redesignated by
7 subsection (a)(2), is amended—

8 (A) by inserting “REFUND FOR UNSATISFAC-
9 TORY SERVICE.—(1)” after “(f)”;

10 (B) in paragraphs (2) and (4), as redesignated
11 by subsection (a)(1), by striking out “subsection
12 (d)” and inserting in lieu thereof “paragraph (1)”;
13 and

14 (C) in paragraph (3), as redesignated by sub-
15 section (a)(1)—

16 (i) by striking out “subsection (h)” and in-
17 serting in lieu thereof “subsection (g)”;

18 (ii) by striking out “subsection (d)” and
19 inserting in lieu thereof “paragraph (1)”.

20 (g) SUBSECTION HEADINGS.—Such section, as
21 amended by subsections (a) through (f), is further
22 amended—

23 (1) in subsection (a), by inserting “AUTHOR-
24 ITY.—” after “(a)”;

1 (2) in subsection (b), by inserting “ELIGI-
2 BILITY.—” after “(b)”;

3 (3) in subsection (e), by inserting “LIMITA-
4 TION.—” after “(e)”;

5 (4) in subsection (g), by inserting “REGULA-
6 TIONS.—” after “(g)”; and

7 (5) in subsection (h), by inserting “TERMI-
8 NATION OF AUTHORITY.—” after “(h)”.

9 (h) EFFECTIVE DATE.—The amendments made by
10 this section shall take effect on October 1, 1997, and apply
11 to enlistments in the Armed Forces on or after that date.

12 **SEC. 640. INCREASED SPECIAL PAY AND BONUSES FOR NU-**
13 **CLEAR QUALIFIED OFFICERS.**

14 (a) SPECIAL PAY FOR OFFICERS EXTENDING PE-
15 RIOD OF ACTIVE SERVICE.—Subsection (a) of section 312
16 of title 37, United States Code, is amended by striking
17 out “\$12,000” and inserting in lieu thereof “\$15,000”.

18 (b) NUCLEAR CAREER ACCESSION BONUS.—Sub-
19 section (a)(1) of section 312b of title 37, United States
20 Code, is amended by striking out “\$8,000” and inserting
21 in lieu thereof “\$10,000”.

22 (c) NUCLEAR CAREER ANNUAL INCENTIVE BO-
23 NUSES.—Section 312c of title 37, United States Code, is
24 amended—

1 (1) in subsection (a)(1), by striking out
 2 “\$10,000” and inserting in lieu thereof “\$12,000”;
 3 and

4 (2) in subsection (b)(1), by striking out
 5 “\$4,500” and inserting in lieu thereof “\$5,500”.

6 (d) EFFECTIVE DATE.—(1) The amendments made
 7 by this section shall take effect on October 1, 1997.

8 (2) The amendments made by subsections (a) and (b)
 9 shall apply with respect to agreements accepted under sec-
 10 tions 312(a) and 312b(a), respectively, of title 37, United
 11 States Code, on or after the effective date of the
 12 amendments.

13 **SEC. 641. AUTHORITY TO PAY BONUSES IN LIEU OF SPE-**
 14 **CIAL PAY FOR ENLISTED MEMBERS EXTEND-**
 15 **ING DUTY AT DESIGNATED LOCATIONS OVER-**
 16 **SEAS.**

17 (a) PAYMENT FLEXIBILITY.—Section 314 of title 37,
 18 United States Code, is amended—

19 (1) in subsection (a), by striking out “at a
 20 rate” and all that follows through “Secretary con-
 21 cerned”;

22 (2) by redesignating subsection (b) as sub-
 23 section (c); and

24 (3) by inserting after subsection (a) the follow-
 25 ing new subsection (b):

1 “(b) PAYMENT SCHEDULE AND RATES.—At the elec-
 2 tion of the Secretary concerned, the Secretary may pay
 3 the special pay to which a member is entitled under sub-
 4 section (a)—

5 “(1) in monthly installments in an amount pre-
 6 scribed by the Secretary, but not to exceed \$80 each;
 7 or

8 “(2) as an annual bonus in an amount pre-
 9 scribed by the Secretary, but not to exceed \$2,000
 10 per year.”.

11 (b) PROHIBITION OF CONCURRENT RECEIPT WITH
 12 REST AND RECUPERATIVE ABSENCE OR TRANSPOR-
 13 TATION.—Subsection (c) of such section, as redesignated
 14 by subsection (a)(2), is amended—

15 (1) by inserting “CONCURRENT RECEIPT OF
 16 BENEFITS PROHIBITED.—(1)” after “(c)”; and

17 (2) by adding at the end the following:

18 “(2)(A) In the case of a member entitled to an annual
 19 bonus for a 12-month period under subsection (b)(2), the
 20 amount of the annual bonus shall be reduced by the per-
 21 cent determined by dividing 12 into the number of months
 22 in the period that the member is authorized rest and recu-
 23 perative absence or transportation. For the purposes of
 24 the preceding sentence, a member shall be treated as hav-
 25 ing been authorized rest and recuperative absence or

1 transportation for a full month if rest and recuperative
2 absence or transportation is authorized for the member
3 for any part of the month.

4 “(B) The Secretary concerned shall recoup by collec-
5 tion from a member any amount of an annual bonus paid
6 under subsection (b)(2) to the member for a 12-month pe-
7 riod that exceeds the amount of the bonus to which the
8 member is entitled for the period by reason of an author-
9 ization of rest and recuperative absence or transportation
10 for the member during that period that was not taken into
11 account in computing the amount of the entitlement.”.

12 (c) REPAYMENT.—Such section is further amended
13 by adding at the end the following:

14 “(d) REFUND FOR FAILURE TO COMPLETE TOUR OF
15 DUTY.—(1) A member who, having entered into a written
16 agreement to extend a tour of duty for a period under
17 subsection (a), receives a bonus payment under subsection
18 (b)(2) for a 12-month period covered by the agreement
19 and ceases during that 12-month period to perform the
20 agreed tour of duty shall refund to the United States the
21 unearned portion of the bonus. The unearned portion of
22 the bonus is the amount by which the amount of the bonus
23 paid to the member exceeds the amount determined by
24 multiplying the amount of the bonus paid by the percent
25 determined by dividing 12 into the number of full months

1 during which the member performed the duty in the 12-
2 month period.

3 “(2) The Secretary concerned may waive the obliga-
4 tion of a member to reimburse the United States under
5 paragraph (1) if the Secretary determines that conditions
6 and circumstances warrant the waiver.

7 “(e) TREATMENT OF REIMBURSEMENT OBLIGA-
8 TIONS.—(1) An obligation to reimburse the United States
9 imposed under subsection (c)(2)(B) or (d) is for all pur-
10 poses a debt owed to the United States.

11 “(2) A discharge in bankruptcy under title 11 that
12 is entered less than 5 years after the termination of a writ-
13 ten agreement entered into under subsection (a) does not
14 discharge the member signing the agreement from a debt
15 referred to in paragraph (1). This paragraph applies to
16 any case commenced under title 11 on or after October
17 1, 1997.”.

18 (d) STYLISTIC AMENDMENT.—Subsection (a) of such
19 section is amended by inserting “AUTHORITY.—” after
20 “(a)”.

21 (e) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect on October 1, 1997, and apply
23 to agreements accepted under section 314 of title 37,
24 United States Code, on or after that date.

1 **Subtitle D—Retired Pay, Survivor**
 2 **Benefits, and Related Matters**

3 **SEC. 651. ONE-YEAR OPPORTUNITY TO DISCONTINUE PAR-**
 4 **TICIPATION IN SURVIVOR BENEFIT PLAN.**

5 (a) ELECTION TO DISCONTINUE WITHIN ONE YEAR
 6 AFTER SECOND ANNIVERSARY OF COMMENCEMENT OF
 7 PAYMENT OF RETIRED PAY.—(1) Subchapter II of chap-
 8 ter 73 of title 10, United States Code, is amended by in-
 9 serting after section 1448 the following:

10 **“§ 1448a. Election to discontinue participation: one-**
 11 **year opportunity after second anniver-**
 12 **sary of commencement of payment of re-**
 13 **tired pay**

14 “(a) AUTHORITY.—A participant in the Plan may,
 15 subject to the provisions of this section, elect to dis-
 16 continue participation in the Plan at any time during the
 17 1-year period beginning on the second anniversary of the
 18 date on which payment of retired pay to the participant
 19 commences.

20 “(b) CONCURRENCE OF SPOUSE.—(1) A married
 21 participant may not make an election under subsection (a)
 22 without the concurrence of the participant’s spouse, except
 23 that the participant may make such an election without
 24 the concurrence of the person’s spouse if the person estab-
 25 lishes to the satisfaction of the Secretary concerned that

1 one of the conditions described in section 1448(a)(3)(C)
2 of this title exists.

3 “(2) The concurrence of a spouse under paragraph
4 (1) shall be made in such written form and shall contain
5 such information as may be required under regulations
6 prescribed by the Secretary of Defense.

7 “(c) LIMITATION ON ELECTION WHEN FORMER
8 SPOUSE COVERAGE IN EFFECT.—The limitation set forth
9 in section 1450(f)(2) of this title shall apply to an election
10 to discontinue participation in the Plan under subsection
11 (a).

12 “(d) WITHDRAWAL OF ELECTION TO DIS-
13 CONTINUE.—Section 1448(b)(1)(D) of this title shall
14 apply to an election under subsection (a).

15 “(e) CONSEQUENCES OF DISCONTINUATION.—Sec-
16 tion 1448(b)(1)(E) of this title shall apply to an election
17 under subsection (a).

18 “(f) NOTICE TO EFFECTED BENEFICIARIES.—The
19 Secretary concerned shall notify any former spouse or
20 other natural person previously designated under section
21 1448(b) of this title of any election to discontinue partici-
22 pation under subsection (a).

23 “(g) EFFECTIVE DATE OF ELECTION.—An election
24 authorized under this section is effective as of the first

1 day of the first calendar month following the month in
 2 which the election is received by the Secretary concerned.

3 “(h) INAPPLICABILITY OF IRREVOCABILITY PROVI-
 4 SIONS.—Paragraphs (4)(B) and (5)(C) of section 1448(a)
 5 of this title do not apply to prevent an election under sub-
 6 section (a).”.

7 (2) The table of sections at the beginning of such sub-
 8 chapter is amended by inserting after the item relating
 9 to section 1448 the following:

“1448a. Election to discontinue participation: one-year opportunity after second
 anniversary of commencement of payment of retired pay.”.

10 (b) TRANSITION PROVISION.—Notwithstanding the
 11 limitation on the time for making an election under section
 12 1448a of title 10, United States Code (as added by sub-
 13 section (a)), that is specified in subsection (a) of such sec-
 14 tion, a participant in the Survivor Benefit Plan under sub-
 15 chapter II of chapter 73 of such title may make an election
 16 in accordance with that section within one year after the
 17 effective date of the section if the second anniversary of
 18 the commencement of payment of retired pay to the par-
 19 ticipant precedes that effective date.

20 (c) EFFECTIVE DATE.—Section 1448a of title 10,
 21 United States Code, as added by subsection (a), shall take
 22 effect 180 days after the date of the enactment of this
 23 Act.

1 **SEC. 652. TIME FOR CHANGING SURVIVOR BENEFIT COV-**
 2 **ERAGE FROM FORMER SPOUSE TO SPOUSE.**

3 Section 1450(f)(1)(C) of title 10, United States Code,
 4 is amended by adding at the end the following: “Notwith-
 5 standing the preceding sentence, a change of election
 6 under this subsection to provide an annuity to a spouse
 7 instead of a former spouse may (subject to paragraph (2))
 8 be made at any time without regard to the time limitation
 9 in section 1448(a)(5)(B) of this title.”.

10 **SEC. 653. PAID-UP COVERAGE UNDER SURVIVOR BENEFIT**
 11 **PLAN.**

12 Section 1452 of title 10, United States Code, is
 13 amended by adding at the end the following new sub-
 14 section:

15 “(j) COVERAGE PAID UP AT 30 YEARS OR AGE 70.—
 16 (1) Coverage of a survivor of a member under the Plan
 17 shall be considered paid up as of the end of the earlier
 18 of—

19 “(A) the 360th month in which the member’s
 20 retired pay has been reduced under this section; or
 21 “(B) the month in which the member attains
 22 70 years of age.

23 “(2) The retired pay of a member shall not be re-
 24 duced under this section to provide coverage of a survivor
 25 under the Plan after the month when the coverage is con-
 26 sidered paid up under paragraph (1).”.

1 **SEC. 654. ANNUITIES FOR CERTAIN MILITARY SURVIVING**
2 **SPOUSES.**

3 (a) SURVIVOR ANNUITY.—(1) The Secretary con-
4 cerned shall pay an annuity to the qualified surviving
5 spouse of each member of the uniformed services who—

6 (A) died before March 21, 1974, and was enti-
7 tled to retired or retainer pay on the date of death;
8 or

9 (B) was a member of a reserve component of
10 the Armed Forces during the period beginning on
11 September 21, 1972, and ending on October 1,
12 1978, and at the time of his death would have been
13 entitled to retired pay under chapter 67 of title 10,
14 United States Code (as in effect before December 1,
15 1994), but for the fact that he was under 60 years
16 of age.

17 (2) A qualified surviving spouse for purposes of this
18 section is a surviving spouse who has not remarried and
19 who is not eligible for an annuity under section 4 of Public
20 Law 92–425 (10 U.S.C. 1448 note).

21 (b) AMOUNT OF ANNUITY.—(1) An annuity under
22 this section shall be paid at the rate of \$165 per month,
23 as adjusted from time to time under paragraph (3).

24 (2) An annuity paid to a surviving spouse under this
25 section shall be reduced by the amount of any dependency
26 and indemnity compensation (DIC) to which the surviving

1 spouse is entitled under section 1311(a) of title 38, United
2 States Code.

3 (3) Whenever after the date of the enactment of this
4 Act retired or retainer pay is increased under section
5 1401a(b)(2) of title 10, United States Code, each annuity
6 that is payable under this section shall be increased at
7 the same time and by the same total percent. The amount
8 of the increase shall be based on the amount of the month-
9 ly annuity payable before any reduction under this section.

10 (c) APPLICATION REQUIRED.—No benefit shall be
11 paid to any person under this section unless an application
12 for such benefit is filed with the Secretary concerned by
13 or on behalf of such person.

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

15 (1) The terms “uniformed services” and “Sec-
16 retary concerned” have the meanings given such
17 terms in section 101 of title 37, United States Code.

18 (2) The term “surviving spouse” has the mean-
19 ing given the terms “widow” and “widower” in para-
20 graphs (3) and (4) of section 1447 of title 10, Unit-
21 ed States Code.

22 (e) PROSPECTIVE APPLICABILITY.—(1) Annuities
23 under this section shall be paid for months beginning after
24 the month in which this Act is enacted.

1 (2) No benefit shall accrue to any person by reason
 2 of the enactment of this section for any period before the
 3 first month that begins after the month in which this Act
 4 is enacted.

5 (f) EXPIRATION OF AUTHORITY.—The authority to
 6 pay annuities under this section shall expire on September
 7 30, 2001.

8 **Subtitle E—Other Matters**

9 **SEC. 661. ELIGIBILITY OF RESERVES FOR BENEFITS FOR** 10 **ILLNESS, INJURY, OR DEATH INCURRED OR** 11 **AGGRAVATED IN LINE OF DUTY.**

12 (a) PAY AND ALLOWANCES.—(1) Section 204 of title
 13 37, United States Code, is amended—

14 (A) in subsection (g)(1)(D), by inserting after
 15 “while remaining overnight,” the following: “imme-
 16 diately before the commencement of inactive-duty
 17 training or”; and

18 (B) in subsection (h)(1)(D), by inserting after
 19 “while remaining overnight,” the following: “imme-
 20 diately before the commencement of inactive-duty
 21 training or”.

22 (2) Section 206(a)(3)(C) of such title is amended by
 23 inserting after “while remaining overnight,” the following:
 24 “immediately before the commencement of inactive-duty
 25 training or”.

1 (b) MEDICAL AND DENTAL CARE.—(1) Section
2 1074a(a)(3) of title 10, United States Code, is amended
3 by inserting after “while remaining overnight,” the follow-
4 ing: “immediately before the commencement of inactive-
5 duty training or”.

6 (2) Section 1076(a)(2) of title 10, United States
7 Code, is amended—

8 (A) by striking out “or” at the end of subpara-
9 graph (A);

10 (B) by striking out the period at the end of
11 subparagraph (B)(ii) and inserting in lieu thereof “;
12 or”; and

13 (C) by adding at the end the following:

14 “(C) who incurs or aggravates an injury, ill-
15 ness, or disease in the line of duty while serving on
16 active duty under a call or order to active duty for
17 a period of 30 days or less, if the call or order is
18 modified to extend the period of active duty of the
19 member to be more than 30 days.”.

20 (c) ELIGIBILITY FOR DISABILITY RETIREMENT OR
21 SEPARATION.—(1) Section 1204(2) of title 10, United
22 States Code, is amended to read as follows:

23 “(2) the disability is a result of an injury, ill-
24 ness, or disease incurred or aggravated—

1 “(A) in line of duty while performing ac-
2 tive duty or inactive-duty training;

3 “(B) while traveling directly to or from the
4 place at which such duty is performed; or

5 “(C) while remaining overnight, imme-
6 diately before the commencement of inactive-
7 duty training or between successive periods of
8 inactive-duty training, at or in the vicinity of
9 the site of the inactive-duty training, if the site
10 of the inactive-duty training is outside reason-
11 able commuting distance of the member’s resi-
12 dence;”.

13 (2) Section 1206 of title 10, United States Code, is
14 amended—

15 (A) by redesignating paragraphs (2), (3), and
16 (4) as paragraphs (3), (4), and (5), respectively, and

17 (B) by inserting after paragraph (1) the follow-
18 ing new paragraph:

19 “(2) the disability is a result of an injury, ill-
20 ness, or disease incurred or aggravated—

21 “(A) in line of duty while performing ac-
22 tive duty or inactive-duty training;

23 “(B) while traveling directly to or from the
24 place at which such duty is performed; or

1 “(C) while remaining overnight, imme-
 2 diately before the commencement of inactive-
 3 duty training or between successive periods of
 4 inactive-duty training, at or in the vicinity of
 5 the site of the inactive-duty training, if the site
 6 of the inactive-duty training is outside reason-
 7 able commuting distance of the member’s
 8 residence;”.

9 (d) RECOVERY, CARE, AND DISPOSITION OF RE-
 10 MAINS.—Section 1481(a)(2)(D) of title 10, United States
 11 Code, is amended by inserting after “while remaining
 12 overnight,” the following: “immediately before the com-
 13 mencement of inactive-duty training or”.

14 (e) CONFORMING AMENDMENTS AND RELATED
 15 CLERICAL AMENDMENTS.—(1) The heading of section
 16 1204 of title 10, United States Code, is amended to read
 17 as follows:

18 **“§ 1204. Members on active duty for 30 days or less or**
 19 **on inactive-duty training: retirement”.**

20 (2) The heading of section 1206 of such title is
 21 amended to read as follows:

22 **“§ 1206. Members on active duty for 30 days or less or**
 23 **on inactive-duty training: separation”.**

24 (3) The table of sections at the beginning of chapter
 25 61 of such title is amended—

1 (A) by striking out the item relating to section
 2 1204 and inserting in lieu thereof the following:

“1204. Members on active duty for 30 days or less or on inactive-duty training:
 retirement.”;

3 and

4 (B) by striking out the item relating to section
 5 1206 and inserting in lieu thereof the following:

“1206. Members on active duty for 30 days or less or on inactive-duty training:
 separation.”.

6 (f) PROSPECTIVE APPLICABILITY.—No benefit shall
 7 accrue under an amendment made by this section for any
 8 period before the date of the enactment of this Act.

9 **SEC. 662. TRAVEL AND TRANSPORTATION ALLOWANCES**
 10 **FOR DEPENDENTS BEFORE APPROVAL OF A**
 11 **MEMBER’S COURT-MARTIAL SENTENCE.**

12 Section 406(h)(2)(C) of title 37, United States Code,
 13 is amended by inserting before the period at the end of
 14 the matter following clause (iii) the following: “or action
 15 on the sentence is pending under that section”.

16 **SEC. 663. ELIGIBILITY OF MEMBERS OF THE UNIFORMED**
 17 **SERVICES FOR REIMBURSEMENT OF ADOPTI-**
 18 **ON EXPENSES.**

19 (a) PUBLIC HEALTH SERVICE.—Section 221(a) of
 20 the Public Health Service Act (42 U.S.C. 213a(a)) is
 21 amended by adding at the end the following:

22 “(16) Section 1052, Reimbursement for adop-
 23 tion expenses.”.

1 (b) NATIONAL OCEANIC AND ATMOSPHERIC ADMIN-
 2 ISTRATION.—Section 3(a) of the Act entitled “An Act to
 3 revise, codify, and enact into law, title 10 of the United
 4 States Code, entitled ‘Armed Forces’, and title 32 of the
 5 United States Code, entitled ‘National Guard’ ”, approved
 6 August 10, 1956 (33 U.S.C. 857a(a)), is amended by add-
 7 ing at the end the following:

8 “(16) Section 1052, Reimbursement for adop-
 9 tion expenses.”.

10 (c) PROSPECTIVE APPLICABILITY.—The amendments
 11 made by this section shall take effect on the date of the
 12 enactment of this Act and apply to adoptions completed
 13 on or after such date.

14 **TITLE VII—HEALTH CARE** 15 **PROVISIONS**

16 **SEC. 701. WAIVER OF DEDUCTIBLES, COPAYMENTS, AND**
 17 **ANNUAL FEES FOR MEMBERS ASSIGNED TO**
 18 **CERTAIN DUTY LOCATIONS FAR FROM**
 19 **SOURCES OF CARE.**

20 (a) AUTHORITY.—Chapter 55 of title 10, United
 21 States Code, is amended by adding at the end the follow-
 22 ing:

1 **“§ 1107. Waiver of deductibles, copayments, and an-**
 2 **nual fees for members assigned to certain**
 3 **duty locations far from sources of care**

4 “(a) **AUTHORITY.**—The administering Secretaries
 5 shall prescribe in regulations—

6 “(1) authority for members of the armed forces
 7 referred to in subsection (b) to receive care under
 8 the Civilian Health and Medical Program of the
 9 Uniformed Services; and

10 “(2) policies and procedures for waiving an obli-
 11 gation for such members to pay a deductible, copay-
 12 ment, or annual fee that would otherwise be applica-
 13 ble under that program for care provided to the
 14 members under the program.

15 “(b) **ELIGIBILITY.**—The regulations may be applied
 16 to a member of the uniformed services on active duty
 17 who—

18 “(1) is assigned to—

19 “(A) permanent duty as a recruiter;

20 “(B) permanent duty at an educational in-
 21 stitution to instruct, administer a program of
 22 instruction, or provide administrative services in
 23 support of a program of instruction for the Re-
 24 serve Officers’ Training Corps;

1 “(C) permanent duty as a full-time adviser
2 to a unit of a reserve component of the armed
3 forces; or

4 “(D) any other permanent duty designated
5 by the administering Secretary concerned for
6 purposes of the regulations; and

7 “(2) pursuant to such assignment, resides at a
8 location that is more than 50 miles, or one hour of
9 driving time, from—

10 “(A) the nearest health care facility of the
11 uniformed services adequate to provide the
12 needed care under this chapter; and

13 “(B) the nearest source of the needed care
14 that is available to the member under the
15 TRICARE Prime plan.

16 “(c) PAYMENT OF COSTS.—Deductibles, copayments,
17 and annual fees not payable by a member by reason of
18 a waiver granted under the regulations shall be paid out
19 of funds available to the Department of Defense for the
20 defense health program.

21 “(d) DEFINITIONS.—In this section:

22 “(1) The term ‘TRICARE Prime plan’ means
23 a plan under the TRICARE program that provides
24 for voluntary enrollment for health care to be fur-
25 nished in a manner similar to the manner in which

1 health care is furnished by health maintenance orga-
 2 nizations.

3 “(2) The term ‘TRICARE program’ means the
 4 managed health care program that is established by
 5 the Secretary of Defense under the authority of this
 6 chapter, principally section 1097 of this title, and in-
 7 cludes the competitive selection of contractors to fi-
 8 nancially underwrite the delivery of health care serv-
 9 ices under the Civilian Health and Medical Program
 10 of the Uniformed Services.”.

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

“1107. Waiver of deductibles, copayments, and annual fees for members as-
 signed to certain duty locations far from sources of care.”.

14 **SEC. 702. PAYMENT FOR EMERGENCY HEALTH CARE OVER-**
 15 **SEAS FOR MILITARY AND CIVILIAN PERSON-**
 16 **NEL OF THE ON-SITE INSPECTION AGENCY.**

17 (a) PAYMENT OF COSTS.—The Secretary of Defense
 18 may pay the costs of any emergency health care that—

19 (1) is needed by a member of the Armed
 20 Forces, civilian employee of the Department of De-
 21 fense, or civilian employee of a contractor while the
 22 person is performing temporary or permanent duty
 23 with the On-Site Inspection Agency outside the
 24 United States; and

1 (2) is furnished to such person during fiscal
2 year 1998 by a source outside the United States.

3 (b) FUNDING.—Funds authorized to be appropriated
4 for the expenses of the On-Site Inspection Agency for fis-
5 cal year 1998 by this Act shall be available to cover pay-
6 ments for emergency health care under subsection (a).

7 **SEC. 703. DISCLOSURES OF CAUTIONARY INFORMATION ON**
8 **PRESCRIPTION MEDICATIONS.**

9 (a) REQUIREMENT FOR REGULATIONS.—Not later
10 than 180 days after the date of the enactment of this Act,
11 the administering Secretaries referred to in section
12 1073(3) of title 10, United States Code, shall prescribe
13 regulations that require each source dispensing a prescrip-
14 tion medication to a person under chapter 55 of such title
15 to furnish to that person, with the medication, written
16 cautionary information on the medication.

17 (b) INFORMATION TO BE DISCLOSED.—Information
18 required to be disclosed about a medication under the reg-
19 ulations shall include appropriate cautions about usage of
20 the medication, including possible side effects and poten-
21 tially hazardous interactions with foods.

22 (c) FORM OF INFORMATION.—The regulations shall
23 require that information be furnished in a form that, to
24 the maximum extent practicable, is easily read and under-
25 stood.

1 (d) COVERED SOURCES.—The regulations shall apply
2 to the following:

3 (1) Pharmacies and any other dispensers of
4 prescription medications in medical facilities of the
5 uniformed services.

6 (2) Sources of prescription medications under
7 any mail order pharmaceuticals program provided by
8 any of the administering Secretaries under chapter
9 55 of title 10, United States Code.

10 (3) Pharmacies paid under the Civilian Health
11 and Medical Program of the Uniformed Services (in-
12 cluding the TRICARE program).

13 (4) Pharmacies, and any other pharmaceutical
14 dispensers, of designated providers referred to in
15 section 721(5) of the National Defense Authoriza-
16 tion Act for Fiscal Year 1997 (Public Law 104–201;
17 110 Stat. 2593; 10 U.S.C. 1073 note).

18 **SEC. 704. HEALTH CARE SERVICES FOR CERTAIN RE-**
19 **SERVES WHO SERVED IN SOUTHWEST ASIA**
20 **DURING THE PERSIAN GULF WAR.**

21 (a) REQUIREMENT.—A member of the Armed Forces
22 described in subsection (b) shall be entitled to medical and
23 dental care under chapter 55 of title 10, United States
24 Code, for a symptom or illness described in subsection
25 (b)(2) to the same extent and under the same conditions

1 (other than the requirement to be on active duty) as is
2 a member of a uniformed service who is entitled under
3 section 1074(a) of such title to medical and dental care
4 under such chapter. The Secretary shall provide such care
5 free of charge to the member.

6 (b) COVERED MEMBERS.—Subsection (a) applies to
7 any member of a reserve component of the Armed Forces
8 who—

9 (1) is a Persian Gulf veteran;

10 (2) registers a symptom or illness in the Per-
11 sian Gulf War Veterans Health Surveillance System
12 of the Department of Defense that is presumed
13 under section 721(d) of the National Defense Au-
14 thorization Act for Fiscal Year 1995 (Public Law
15 103–337; 108 Stat. 2805; 10 U.S.C. 1074 note) to
16 be a result of such service; and

17 (3) is not otherwise entitled to medical and den-
18 tal care under section 1074(a) of title 10, United
19 States Code.

20 (c) DEFINITION.—In this section, the term “Persian
21 Gulf veteran” has the same meaning as in section 721(i)
22 of the National Defense Authorization Act for Fiscal Year
23 1995 (Public Law 103–337; 108 Stat. 2807; 10 U.S.C.
24 1074 note).

1 **SEC. 705. COLLECTION OF DENTAL INSURANCE PREMIUMS.**

2 (a) **SELECTED RESERVE DENTAL INSURANCE.**—

3 Paragraph (3) of section 1076b(b) of title 10, United
4 States Code, is amended to read as follows:

5 “(3) The Secretary of Defense shall establish proce-
6 dures for the collection of the member’s share of the pre-
7 mium for coverage by the dental insurance plan. To the
8 extent that the Secretary determines practicable, a mem-
9 ber’s share may be deducted and withheld from the basic
10 pay payable to the member for inactive duty training and
11 from the basic pay payable to the member for active
12 duty.”.

13 (b) **RETIREE DENTAL INSURANCE.**—Paragraph (2)
14 of section 1076c(c) of title 10, United States Code, is
15 amended by striking out “(2) The amount of the pre-
16 miums” and inserting in lieu thereof “(2) The Secretary
17 of Defense shall establish procedures for the collection of
18 the premiums charged for coverage by the dental insur-
19 ance plan. To the extent that the Secretary determines
20 practicable, the premiums”.

21 **SEC. 706. DENTAL INSURANCE PLAN COVERAGE FOR RE-**
22 **TIREES OF UNIFORMED SERVICE IN THE**
23 **PUBLIC HEALTH SERVICE AND NOAA.**

24 (a) **OFFICIALS RESPONSIBLE.**—Subsection (a) of sec-
25 tion 1076c of title 10, United States Code, is amended

1 by striking out “Secretary of Defense” and inserting in
2 lieu thereof “administering Secretaries”.

3 (b) ELIGIBILITY.—Subsection (b)(1) of such section
4 is amended by striking out “Armed Forces” and inserting
5 in lieu thereof “uniformed services”.

6 **SEC. 707. PROSTHETIC DEVICES FOR DEPENDENTS.**

7 (a) EXPANDED AUTHORITY.—Section 1077(a) of
8 title 10, United States Code, is amended by adding at the
9 end the following:

10 “(15) Artificial limbs, voice prostheses, and ar-
11 tificial eyes.

12 “(16) Any prosthetic device not named in para-
13 graph (15) that is determined under regulations pre-
14 scribed by the Secretary of Defense to be necessary
15 because of one or more significant impairments re-
16 sulting from trauma, congenital anomaly, or dis-
17 ease.”.

18 (b) CONFORMING AMENDMENT.—Paragraph (2) of
19 subsection (b) of such section is amended to read as fol-
20 lows:

21 “(2) Hearing aids, orthopedic footwear, and
22 spectacles, except that such items may be sold, at
23 the cost to the United States, to dependents outside
24 the United States and at stations inside the United

1 States where adequate civilian facilities are unavail-
 2 able.”.

3 **TITLE VIII—ACQUISITION POL-**
 4 **ICY, ACQUISITION MANAGE-**
 5 **MENT, AND RELATED MAT-**
 6 **TERS**

7 **Subtitle A—Amendments to Gen-**
 8 **eral Contracting Authorities,**
 9 **Procedures, and Limitations**

10 **SEC. 801. STREAMLINED APPROVAL REQUIREMENTS FOR**
 11 **CONTRACTS UNDER INTERNATIONAL AGREE-**
 12 **MENTS.**

13 Section 2304(f)(2)(E) of title 10, United States
 14 Code, is amended by striking out “and such document is
 15 approved by the competition advocate for the procuring
 16 activity”.

17 **SEC. 802. RESTRICTION ON UNDEFINITIZED CONTRACT AC-**
 18 **TIONS.**

19 (a) **APPLICABILITY OF WAIVER AUTHORITY TO HU-**
 20 **MANITARIAN OR PEACEKEEPING OPERATIONS.**—Section
 21 2326(b)(4) of title 10, United States Code, is amended
 22 to read as follows:

23 “(4) The head of an agency may waive the provisions
 24 of this subsection with respect to a contract of that agency
 25 if that head of an agency determines that the waiver is

1 necessary in order to support any of the following oper-
 2 ations:

3 “(A) A contingency operation.

4 “(B) A humanitarian or peacekeeping oper-
 5 ation.”.

6 (b) HUMANITARIAN OR PEACEKEEPING OPERATION
 7 DEFINED.—Section 2302(7) of such title is amended—

8 (1) by striking out “(7)(A)” and inserting in
 9 lieu thereof “(7)”; and

10 (2) by striking out “(B) In subparagraph (A),
 11 the” and inserting in lieu thereof “(8) The”.

12 **SEC. 803. EXPANSION OF AUTHORITY TO CROSS FISCAL**
 13 **YEARS TO ALL SEVERABLE SERVICE CON-**
 14 **TRACTS NOT EXCEEDING A YEAR.**

15 (a) EXPANDED AUTHORITY.—Section 2410a of title
 16 10, United States Code, is amended to read as follows:

17 **“§ 2410a. Severable service contracts for periods**
 18 **crossing fiscal years**

19 “(a) AUTHORITY.—The Secretary of Defense or the
 20 Secretary of a military department may enter into a con-
 21 tract for procurement of severable services for a period
 22 that begins in one fiscal year and ends in the next fiscal
 23 year if (without regard to any option to extend the period
 24 of the contract) the contract period does not exceed one
 25 year.

1 “(b) OBLIGATION OF FUNDS.—Funds made available
2 for a fiscal year may be obligated for the total amount
3 of a contract entered into under the authority of sub-
4 section (a).”.

5 (b) CLERICAL AMENDMENT.—The item relating to
6 such section in the table of sections at the beginning of
7 chapter 141 of such title is amended to read as follows:

“2410a. Severable service contracts for periods crossing fiscal years.”.

8 **SEC. 804. LIMITATION ON ALLOWABILITY OF COMPENSA-**
9 **TION FOR CERTAIN CONTRACTOR PERSON-**
10 **NEL.**

11 (a) CERTAIN COMPENSATION NOT ALLOWABLE AS
12 COSTS UNDER DEFENSE CONTRACTS.—(1) Subsection
13 (e)(1) of section 2324 of title 10, United States Code, is
14 amended by adding at the end the following:

15 “(P) Costs of compensation of senior executives
16 of contractors for a fiscal year, to the extent that
17 such compensation exceeds the benchmark com-
18 pensation amount determined applicable for the fis-
19 cal year by the Administrator for Federal Procure-
20 ment Policy under section 39 of the Office of Fed-
21 eral Procurement Policy Act (41 U.S.C. 435).”.

22 (2) Subsection (l) of such section is amended by add-
23 ing at the end the following:

24 “(4) The term ‘compensation’, for a fiscal year,
25 means the total amount of wages, salary, bonuses

1 and deferred compensation for the fiscal year,
2 whether paid, earned, or otherwise accruing, as re-
3 corded in an employer's cost accounting records for
4 the fiscal year.

5 “(5) The term ‘senior executive’, with respect to
6 a contractor, means—

7 “(A) the chief executive officer of the con-
8 tractor or any individual acting in a similar ca-
9 pacity for the contractor;

10 “(B) the five most highly compensated em-
11 ployees in management positions of the contrac-
12 tor other than the chief executive officer; and

13 “(C) in the case of a contractor that has
14 components managed by personnel who report
15 on the operations of the components directly to
16 officers of the contractor, the five most highly
17 compensated individuals in management posi-
18 tions at each such component.”.

19 (b) CERTAIN COMPENSATION NOT ALLOWABLE AS
20 COSTS UNDER NON-DEFENSE CONTRACTS.—(1) Sub-
21 section (e)(1) of section 306 of the Federal Property and
22 Administrative Services Act of 1949 (41 U.S.C. 256) is
23 amended by adding at the end the following:

24 “(P) Costs of compensation of senior executives
25 of contractors for a fiscal year, to the extent that

1 such compensation exceeds the benchmark com-
2 pensation amount determined applicable for the fis-
3 cal year by the Administrator for Federal Procure-
4 ment Policy under section 39 of the Office of Fed-
5 eral Procurement Policy Act (41 U.S.C. 435).”.

6 (2) Such section is further amended by adding at the
7 end the following:

8 “(m) OTHER DEFINITIONS.—In this section:

9 “(1) The term ‘compensation’, for a fiscal year,
10 means the total amount of wages, salary, bonuses
11 and deferred compensation for the fiscal year,
12 whether paid, earned, or otherwise accruing, as re-
13 corded in an employer’s cost accounting records for
14 the fiscal year.

15 “(2) The term ‘senior executive’, with respect to
16 a contractor, means—

17 “(A) the chief executive officer of the con-
18 tractor or any individual acting in a similar ca-
19 pacity for the contractor;

20 “(B) the five most highly compensated em-
21 ployees in management positions of the contrac-
22 tor other than the chief executive officer; and

23 “(C) in the case of a contractor that has
24 components managed by personnel who report
25 on the operations of the components directly to

1 officers of the contractor, the five most highly
 2 compensated individuals in management posi-
 3 tions at each such component.”.

4 (c) LEVELS OF COMPENSATION NOT ALLOWABLE.—

5 (1) The Office of Federal Procurement Policy Act (41
 6 U.S.C. 401 et seq.) is amended by adding at the end the
 7 following:

8 **“SEC. 39. LEVELS OF COMPENSATION OF CERTAIN CON-**
 9 **TRACTOR PERSONNEL NOT ALLOWABLE AS**
 10 **COSTS UNDER CERTAIN CONTRACTS.**

11 “(a) DETERMINATION REQUIRED.—For purposes of
 12 section 2324(e)(1)(P) of title 10, United States Code, and
 13 section 306(e)(1)(P) of the Federal Property and Admin-
 14 istrative Services Act of 1949 (41 U.S.C. 256(e)(1)(P)),
 15 the Administrator shall review commercially available sur-
 16 veys of executive compensation and, on the basis of the
 17 results of the review, determine a benchmark compensa-
 18 tion amount to apply for each fiscal year. In making deter-
 19 minations under this subsection the Administrator shall
 20 consult with the Director of the Defense Contract Audit
 21 Agency and such other officials of executive agencies as
 22 the Administrator considers appropriate.

23 “(b) BENCHMARK COMPENSATION AMOUNT.—The
 24 benchmark compensation amount applicable for a fiscal
 25 year is the median amount of the compensation provided

1 for all senior executives of all benchmark corporations for
2 the most recent year for which data is available at the
3 time the determination under subsection (a) is made.

4 “(c) DEFINITIONS.—In this section:

5 “(1) The term ‘compensation’, for a year,
6 means the total amount of wages, salary, bonuses
7 and deferred compensation for the year, whether
8 paid, earned, or otherwise accruing, as recorded in
9 an employer’s cost accounting records for the year.

10 “(2) The term ‘senior executive’, with respect to
11 a corporation, means—

12 “(A) the chief executive officer of the cor-
13 poration or any individual acting in a similar
14 capacity for the corporation;

15 “(B) the five most highly compensated em-
16 ployees in management positions of the corpora-
17 tion other than the chief executive officer; and

18 “(C) in the case of a corporation that has
19 components managed by personnel who report
20 on the operations of the components directly to
21 officers of the corporation, the five most highly
22 compensated individuals in management posi-
23 tions at each such component.

24 “(3) The term ‘benchmark corporation’, with
25 respect to a year, means a publicly-owned United

1 States corporation that has annual sales in excess of
2 \$50,000,000 for the year.

3 “(4) The term ‘publicly-owned United States
4 corporation’ means a corporation organized under
5 the laws of a State of the United States, the District
6 of Columbia, the Commonwealth of Puerto Rico, or
7 a possession of the United States the voting stock of
8 which is publicly traded.”.

9 (2) The table of sections in section 1(b) of such Act
10 is amended by adding at the end the following:

“Sec. 39. Levels of compensation of certain contractor personnel not allowable
as costs under certain contracts.”.

11 (d) REGULATIONS.—Regulations implementing the
12 amendments made by this section shall be published in
13 the Federal Register not later than the effective date of
14 the amendments under subsection (e).

15 (e) EFFECTIVE DATE.—(1) The amendments made
16 by this section shall take effect on the date that is 90
17 days after the date of the enactment of this Act and shall
18 apply with respect to payments that become due from the
19 United States after that date under covered contracts en-
20 tered into before, on, or after that date.

21 (2) In paragraph (1), the term “covered contract”
22 has the meaning given such term in section 2324(l) of title
23 10, United States Code, and section 306(l) of the Federal

1 Property and Administrative Services Act of 1949 (41
2 U.S.C. 256(l)).

3 **SEC. 805. INCREASED PRICE LIMITATION ON PURCHASES**
4 **OF RIGHT-HAND DRIVE VEHICLES.**

5 Section 2253(a)(2) of title 10, United States Code,
6 is amended by striking out “\$12,000” and inserting in
7 lieu thereof “\$30,000”.

8 **SEC. 806. CONVERSION OF DEFENSE CAPABILITY PRESER-**
9 **VATION AUTHORITY TO NAVY SHIPBUILDING**
10 **CAPABILITY PRESERVATION AUTHORITY.**

11 (a) AUTHORITY OF SECRETARY OF THE NAVY.—Sec-
12 tion 808 of the National Defense Authorization Act for
13 Fiscal Year 1996 (Public Law 104–106; 110 Stat. 393;
14 10 U.S.C. 2501) is amended—

15 (1) in subsection (a), by striking out “Secretary
16 of Defense” and inserting in lieu thereof “Secretary
17 of the Navy”; and

18 (2) in subsection (b)(2), by striking out “Sec-
19 retary of Defense if the Secretary of Defense” and
20 inserting in lieu thereof “Secretary of the Navy if
21 the Secretary”.

22 (b) NAME OF AGREEMENTS.—Subsection (a) of such
23 section is amended—

24 (1) by striking out “DEFENSE CAPABILITY
25 PRESERVATION AGREEMENT.—” and inserting in

1 lieu thereof “SHIPBUILDING CAPABILITY PRESERVA-
2 TION AGREEMENT.—”; and

3 (2) by striking out “‘defense capability preser-
4 vation agreement’” and inserting in lieu thereof
5 “‘shipbuilding capability preservation agreement’”.

6 (c) SCOPE OF AUTHORITY.—(1) The first sentence
7 of subsection (a) of such section is amended—

8 (A) by striking out “defense contractor” and in-
9 serting in lieu thereof “shipbuilder”; and

10 (B) by adding at the end the following “to the
11 shipbuilder under a Navy contract for the construc-
12 tion of a ship”.

13 (2) Subsection (b)(1)(A) of such section is amended
14 by striking out “defense contract” and inserting in lieu
15 thereof “contract for the construction of a ship for the
16 Navy”.

17 (d) MAXIMUM AMOUNT OF ALLOCABLE INDIRECT
18 COSTS.—Subsection (b)(1)(C) of such section is amend-
19 ed—

20 (1) by striking out “in any year of” and insert-
21 ing in lieu thereof “covered by”; and

22 (2) by striking out “that year” and inserting in
23 lieu thereof “the period covered by the agreement”.

1 (e) APPLICABILITY.—Such section is further amend-
 2 ed by striking out subsections (c), (d), and (e) and insert-
 3 ing in lieu thereof the following:

4 “(c) APPLICABILITY.—(1) An agreement entered into
 5 with a shipbuilder under subsection (a) shall apply to each
 6 of the following Navy contracts with the shipbuilder:

7 “(A) A contract that is in effect on the date on
 8 which the agreement is entered into.

9 “(B) A contract that is awarded during the
 10 term of the agreement.

11 “(2) In a shipbuilding capability preservation agree-
 12 ment applicable to a shipbuilder, the Secretary may agree
 13 to apply the cost reimbursement rules set forth in sub-
 14 section (b) to allocations of indirect costs to private sector
 15 work performed by the shipbuilder only with respect to
 16 costs that the shipbuilder incurred on or after the date
 17 of the enactment of the National Defense Authorization
 18 Act for Fiscal Year 1998 under a contract between the
 19 shipbuilder and a private sector customer of the ship-
 20 builder that became effective on or after January 26,
 21 1996.”.

22 (f) IMPLEMENTATION AND REPORT.—Such section is
 23 further amended adding at the end the following:

24 “(d) IMPLEMENTATION.—Not later than 30 days
 25 after the date of the enactment of the National Defense

1 Authorization Act for Fiscal Year 1998, the Secretary of
 2 the Navy shall establish application procedures and proce-
 3 dures for expeditious consideration of shipbuilding capa-
 4 bility preservation agreements as authorized by this sec-
 5 tion.

6 “(e) REPORT.—Not later than February 15, 1998,
 7 the Secretary of the Navy shall submit to the congres-
 8 sional defense committees a report on applications for
 9 shipbuilding capability preservation agreements. The re-
 10 port shall contain the number of the applications received,
 11 the number of the applications approved, and a discussion
 12 of the reasons for disapproval of any applications dis-
 13 approved.”.

14 (g) SECTION HEADING.—The heading for such sec-
 15 tion is amended by striking out “**DEFENSE**” and inserting
 16 in lieu thereof “**CERTAIN**”.

17 **SEC. 807. ELIMINATION OF CERTIFICATION REQUIREMENT**
 18 **FOR GRANTS.**

19 Section 5153 of the Drug-Free Workplace Act of
 20 1988 (Public Law 100–690; 102 Stat. 4306; 41 U.S.C.
 21 702) is amended—

22 (1) in subsection (a)—

23 (A) in paragraph (1), by striking out “has
 24 certified to the granting agency that it will”
 25 and inserting in lieu thereof “agrees to”; and

1 (B) in paragraph (2), by striking out “cer-
 2 tifies to the agency” and inserting in lieu there-
 3 of “agrees”; and
 4 (2) in subsection (b)(1)—
 5 (A) by striking out subparagraph (A);
 6 (B) by redesignating subparagraphs (B)
 7 and (C) as subparagraphs (A) and (B), respec-
 8 tively; and
 9 (C) in subparagraph (A), as so redesign-
 10 nated, by striking out “such certification by
 11 failing to carry out”.

12 **SEC. 808. REPEAL OF LIMITATION ON ADJUSTMENT OF**
 13 **SHIPBUILDING CONTRACTS.**

14 (a) REPEAL.—(1) Section 2405 of title 10, United
 15 States Code, is repealed.

16 (2) The table of sections at the beginning of chapter
 17 141 of such title is amended by striking out the item relat-
 18 ing to section 2405.

19 (b) APPLICABILITY.—(1) Except as provided in para-
 20 graph (2), the amendments made by subsection (a) shall
 21 apply to claims, requests for equitable adjustment, and de-
 22 mands for payment under shipbuilding contracts that have
 23 been or are submitted before, on, or after the date of the
 24 enactment of this Act.

1 (2) Section 2405 of title 10, United States Code, as
 2 in effect immediately before the date of the enactment of
 3 this Act, shall continue to apply to a contractor's claim,
 4 request for equitable adjustment, or demand for payment
 5 under a shipbuilding contract that was submitted before
 6 such date if—

7 (A) a contracting officer denied the claim, re-
 8 quest, or demand, and the period for appealing the
 9 decision to a court or board under the Contract Dis-
 10 puts Act of 1978 expired before such date;

11 (B) a court or board of contract appeals consid-
 12 ering the claim, request, or demand (including any
 13 appeal of a decision of a contracting officer to deny
 14 or dismiss the claim, request, or demand) denied the
 15 claim, request, or demand (or the appeal), and the
 16 action of the court or board became final and
 17 unappealable before such date; or

18 (C) the contractor released or releases the
 19 claim, request, or demand.

20 **Subtitle B—Contract Provisions**

21 **SEC. 811. CONTRACTOR GUARANTEES OF MAJOR SYSTEMS.**

22 (a) REVISION OF REQUIREMENT.—Section 2403 of
 23 title 10, United States Code, is amended to read as fol-
 24 lows:

1 **“§ 2403. Major systems: contractor guarantees**

2 “(a) GUARANTEE REQUIRED.—In any case in which
3 the head of an agency determines that it is appropriate
4 and cost effective to do so in entering into a contract for
5 the production of a major system, the head of an agency
6 shall, except as provided in subsection (b), require the
7 prime contractor to provide the United States with a writ-
8 ten guarantee that—

9 “(1) the item provided under the contract will
10 conform to the design and manufacturing require-
11 ments specifically delineated in the production con-
12 tract (or in any amendment to that contract);

13 “(2) the item provided under the contract will
14 be free from all defects in materials and workman-
15 ship at the time it is delivered to the United States;

16 “(3) the item provided under the contract will
17 conform to the essential performance requirements
18 of the item as specifically delineated in the produc-
19 tion contract (or in any amendment to that con-
20 tract); and

21 “(4) if the item provided under the contract
22 fails to meet a guarantee required under paragraph
23 (1), (2), or (3), the contractor will, at the election
24 of the Secretary of Defense or as otherwise provided
25 in the contract—

1 “(A) promptly take such corrective action
2 as may be necessary to correct the failure at no
3 additional cost to the United States; or

4 “(B) pay costs reasonably incurred by the
5 United States in taking such corrective action.

6 “(b) EXCEPTION.—The head of an agency may not
7 require a prime contractor under subsection (a) to provide
8 a guarantee for a major system, or for a component of
9 a major system, that is furnished by the United States.

10 “(c) DEFINITIONS.—In this section:

11 “(1) The term ‘prime contractor’ means a party
12 that enters into an agreement directly with the Unit-
13 ed States to furnish part or all of a major system.

14 “(2) The term ‘design and manufacturing re-
15 quirements’ means structural and engineering plans
16 and manufacturing particulars, including precise
17 measurements, tolerances, materials, and finished
18 product tests for the major system being produced.

19 “(3) The term ‘essential performance require-
20 ments’, with respect to a major system, means the
21 operating capabilities or maintenance and reliability
22 characteristics of the system that are determined by
23 the Secretary of Defense to be necessary for the sys-
24 tem to fulfill the military requirement for which the
25 system is designed.

1 “(4) The term ‘component’ means any constitu-
2 ent element of a major system.

3 “(5) The term ‘head of an agency’ has the
4 meaning given that term in section 2302 of this
5 title.”.

6 (b) CLERICAL AMENDMENT.—The item relating to
7 such section in the table of sections at the beginning of
8 chapter 141 of such title is amended to read as follows:
 “2403. Major systems: contractor guarantees.”.

9 **SEC. 812. VESTING OF TITLE IN THE UNITED STATES**
10 **UNDER CONTRACTS PAID UNDER PROGRESS**
11 **PAYMENT ARRANGEMENTS OR SIMILAR AR-**
12 **RANGEMENTS.**

13 Section 2307 of title 10, United States Code, is
14 amended—

15 (1) by redesignating subsection (h) as sub-
16 section (i); and

17 (2) by inserting after subsection (g) the follow-
18 ing new subsection (h):

19 “(h) VESTING OF TITLE IN THE UNITED STATES.—
20 If a contract paid by a method authorized under sub-
21 section (a)(1) provides for title to property to vest in the
22 United States, the title to the property shall vest in ac-
23 cordance with the terms of the contract, regardless of any
24 security interest in the property that is asserted before
25 or after the contract is entered into.”.

1 **Subtitle C—Acquisition Assistance**
2 **Programs**

3 **SEC. 821. PROCUREMENT TECHNICAL ASSISTANCE PRO-**
4 **GRAMS.**

5 (a) **FUNDING.**—Of the amount authorized to be ap-
6 propriated under section 301(5), \$12,000,000 shall be
7 available for carrying out the provisions of chapter 142
8 of title 10, United States Code.

9 (b) **SPECIFIC PROGRAMS.**—Of the amounts made
10 available pursuant to subsection (a), \$600,000 shall be
11 available for fiscal year 1998 for the purpose of carrying
12 out programs sponsored by eligible entities referred to in
13 subparagraph (D) of section 2411(1) of title 10, United
14 States Code, that provide procurement technical assist-
15 ance in distressed areas referred to in subparagraph (B)
16 of section 2411(2) of such title. If there is an insufficient
17 number of satisfactory proposals for cooperative agree-
18 ments in such distressed areas to allow effective use of
19 the funds made available in accordance with this sub-
20 section in such areas, the funds shall be allocated among
21 the Defense Contract Administration Services regions in
22 accordance with section 2415 of such title.

1 **SEC. 822. ONE-YEAR EXTENSION OF PILOT MENTOR-PRO-**
 2 **TEGE PROGRAM.**

3 Section 831(j) of the National Defense Authorization
 4 Act for Fiscal Year 1991 (10 U.S.C. 2302 note) is amend-
 5 ed—

6 (1) in paragraph (1), by striking out “1998”
 7 and inserting in lieu thereof “1999”;

8 (2) in paragraph (2), by striking out “1999”
 9 and inserting in lieu thereof “2000”; and

10 (3) in paragraph (3), by striking out “1999”
 11 and inserting in lieu thereof “2000”.

12 **SEC. 823. TEST PROGRAM FOR NEGOTIATION OF COM-**
 13 **PREHENSIVE SUBCONTRACTING PLANS.**

14 (a) CONTENT OF SUBCONTRACTING PLANS.—Sub-
 15 section (b)(2) of section 834 of the National Defense Au-
 16 thorization Act for Fiscal Years 1990 and 1991 (Public
 17 Law 101–189; 15 U.S.C. 637 note) is amended—

18 (1) by striking out “plan—” and inserting in
 19 lieu thereof “plan of a contractor—”;

20 (2) by striking out subparagraph (A);

21 (3) by redesignating subparagraph (B) as sub-
 22 paragraph (A) and by striking out the period at the
 23 end of such subparagraph and inserting in lieu
 24 thereof “; and”; and

25 (4) by adding at the end the following:

1 “(B) shall cover each Department of Defense
 2 contract that is entered into by the contractor and
 3 each subcontract that is entered into by the contrac-
 4 tor as the subcontractor under a Department of De-
 5 fense contract.”.

6 (b) EXTENSION OF PROGRAM.—Subsection (e) of
 7 such section is amended by striking out “September 30,
 8 1998” in the second sentence and inserting in lieu thereof
 9 “September 30, 2000.”.

10 **SEC. 824. PRICE PREFERENCE FOR SMALL AND DISADVAN-**
 11 **TAGED BUSINESSES.**

12 Section 2323(e)(3) of title 10, United States Code,
 13 is amended by—

14 (1) inserting “(A)” after “(3)”;

15 (2) inserting “, except as provided in (B),”
 16 after “the head of an agency may” in the first sen-
 17 tence; and

18 (3) adding at the end the following:

19 “(B) The Secretary of Defense may not exercise the
 20 authority under subparagraph (A) to enter into a contract
 21 for a price exceeding fair market cost in any fiscal year
 22 following a fiscal year in which the Department of Defense
 23 attained the 5 percent goal required by subsection (a).”.

Subtitle D—Administrative Provisions

SEC. 831. RETENTION OF EXPIRED FUNDS DURING THE PENDENCY OF CONTRACT LITIGATION.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2410m. Retention of amounts collected from contractor during the pendency of contract dispute

“(a) RETENTION OF FUNDS.—Notwithstanding sections 1552(a) and 3302(b) of title 31, any amount, including interest, collected from a contractor as a result of a claim made by an executive agency under the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.), shall remain available in accordance with this section to pay—

“(1) any settlement of the claim by the parties;

“(2) any judgment rendered in the contractor’s favor on an appeal of the decision on that claim to the Armed Services Board of Contract Appeals under section 7 of such Act (41 U.S.C. 606); or

“(3) any judgment rendered in the contractor’s favor in an action on that claim in a court of the United States.

1 “(b) PERIOD OF AVAILABILITY.—(1) The period of
2 availability of an amount under subsection (a), in connec-
3 tion with a claim—

4 “(A) expires 180 days after the expiration of
5 the period for bringing an action on that claim in
6 the United States Court of Federal Claims under
7 section 10(a) of the Contract Disputes Act of 1978
8 (41 U.S.C. 609(a)) if, within that 180-day period—

9 “(i) no appeal on the claim is commenced
10 at the Armed Services Board of Contract Ap-
11 peals under section 7 of the Contract Disputes
12 Act of 1978; and

13 “(ii) no action on the claim is commenced
14 in a court of the United States; or

15 “(B) if not expiring under subparagraph (A),
16 expires—

17 “(i) in the case of a settlement of the
18 claim, 180 days after the date of the settle-
19 ment; or

20 “(ii) in the case of a judgment rendered on
21 the claim in an appeal to the Armed Services
22 Board of Contract Appeals under section 7 of
23 the Contract Disputes Act of 1978 or an action
24 in a court of the United States, 180 days after

1 the date on which the judgment becomes final
2 and not appealable.

3 “(2) While available under this section, an amount
4 may be obligated or expended only for the purpose de-
5 scribed in subsection (a).

6 “(3) Upon the expiration of the period of availability
7 of an amount under paragraph (1), the amount shall be
8 deposited in the Treasury as miscellaneous receipts.

9 “(c) REPORTING REQUIREMENT.—Each year, the
10 Under Secretary of Defense (Comptroller) shall submit to
11 Congress a report on the amounts, if any, that are avail-
12 able for obligation pursuant to this section. The report
13 shall include, at a minimum, the following:

14 “(1) The total amount available for obligation.

15 “(2) The total amount collected from contrac-
16 tors during the year preceding the year in which the
17 report is submitted.

18 “(3) The total amount disbursed in such pre-
19 ceding year and a description of the purpose for
20 each disbursement.

21 “(4) The total amount returned to the Treasury
22 in such preceding year.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 at the beginning of chapter 141 of title 10, United States

1 Code, is amended by adding at the end the following new
 2 item:

“2410m. Retention of amounts collected from contractor during the pendency
 of contract dispute.”.

3 **SEC. 832. PROTECTION OF CERTAIN INFORMATION FROM**
 4 **DISCLOSURE.**

5 Section 2371 of title 10, United States Code, is
 6 amended by inserting after subsection (h) the following:

7 “(i) PROTECTION OF CERTAIN INFORMATION FROM
 8 DISCLOSURE.—(1) Disclosure of information described in
 9 paragraph (2) is not required, and may not be compelled,
 10 under section 552 of title 5 for five years after the date
 11 on which the information is received by the Department
 12 of Defense.

13 “(2)(A) Paragraph (1) applies to information de-
 14 scribed in subparagraph (B) that is in the records of the
 15 Department of Defense if the information was submitted
 16 to the department in a competitive or noncompetitive proc-
 17 ess having the potential for resulting in an award, to the
 18 party submitting the information, of a cooperative agree-
 19 ment that includes a clause described in subsection (d)
 20 or another transaction authorized under subsection (a).

21 “(B) The information referred to in subparagraph
 22 (A) is the following:

23 “(i) A proposal, proposal abstract, and support-
 24 ing documents.

1 “(ii) A business plan submitted on a confiden-
2 tial basis.

3 “(iii) Technical information submitted on a con-
4 fidential basis.”.

5 **SEC. 833. CONTENT OF LIMITED SELECTED ACQUISITION**
6 **REPORTS.**

7 Section 2432(h)(2) of title 10, United States Code,
8 is amended—

9 (1) by striking out subparagraph (D); and

10 (2) by redesignating subparagraphs (E) and
11 (F) as subparagraphs (D) and (E), respectively.

12 **SEC. 834. UNIT COST REPORTS.**

13 (a) IMMEDIATE REPORT REQUIRED ONLY FOR PRE-
14 VIOUSLY UNREPORTED INCREASED COSTS.—Subsection
15 (c) of section 2433 of title 10, United States Code, is
16 amended by striking out “during the current fiscal year
17 (other than the last quarterly unit cost report under sub-
18 section (b) for the preceding fiscal year)” in the matter
19 following paragraph (3).

20 (b) IMMEDIATE REPORT NOT REQUIRED FOR COST
21 VARIANCES OR SCHEDULE VARIANCES OF MAJOR CON-
22 TRACTS.—Subsection (c) of such section is further amend-
23 ed—

24 (1) by inserting “or” at the end of paragraph
25 (1);

1 (2) by striking out “or” at the end of para-
2 graph (2); and

3 (3) by striking out paragraph (3).

4 (c) CONGRESSIONAL NOTIFICATION OF INCREASED
5 COST NOT CONDITIONED ON DISCOVERY SINCE BEGIN-
6 NING OF FISCAL YEAR.—Subsection (d)(3) of such section
7 is amended by striking out “(for the first time since the
8 beginning of the current fiscal year)” in the first sentence.

9 **SEC. 835. CENTRAL DEPARTMENT OF DEFENSE POINT OF**
10 **CONTACT FOR CONTRACTING INFORMATION.**

11 (a) DESIGNATION OF OFFICIAL.—The Under Sec-
12 retary of Defense for Acquisition and Technology shall
13 designate an official within the Office of the Under Sec-
14 retary of Defense for Acquisition and Technology to serve
15 as a central point of contact for persons seeking informa-
16 tion described in subsection (b).

17 (b) AVAILABLE INFORMATION.—Upon request, the
18 official designated under subsection (a) shall provide infor-
19 mation on the following:

20 (1) How and where to submit unsolicited pro-
21 posals for research, development, test, and evalua-
22 tion or for furnishing property or services to the De-
23 partment of Defense.

1 (2) Department of Defense solicitations for of-
 2 fers that are open for response and the procedures
 3 for responding to the solicitations.

4 (3) Procedures for being included on any list of
 5 approved suppliers used by the Department of De-
 6 fense.

7 (c) AVAILABILITY OF INFORMATION.—The official
 8 designated under subsection (a) shall use a variety of
 9 means for making the information described in subsection
 10 (b) readily available to potential contractors for the De-
 11 partment of Defense. The means shall include the estab-
 12 lishment of one or more toll-free automated telephone
 13 lines, posting of information about the services of the offi-
 14 cial on generally accessible computer communications net-
 15 works, and advertising.

16 **Subtitle E—Other Matters**

17 **SEC. 841. DEFENSE BUSINESS COMBINATIONS.**

18 (a) EXTENSION OF REQUIREMENT FOR REPORTS ON
 19 PAYMENT OF RESTRUCTURING COSTS.—Section 818(e) of
 20 the National Defense Authorization Act for Fiscal Year
 21 1995 (Public Law 103–337; 108 Stat. 1821; 10 U.S.C.
 22 2324 note) is amended by striking out “1995, 1996, and
 23 1997” and inserting in lieu thereof “1997, 1998, and
 24 1999”.

1 (b) SECRETARY OF DEFENSE REPORTS.—Not later
2 than March 1 in each of the years 1998, 1999, and 2000,
3 the Secretary of Defense shall submit to the congressional
4 defense committees a report on effects on competition re-
5 sulting from any business combinations of major defense
6 contractors that took place during the year preceding the
7 year of the report. The report shall include, for each busi-
8 ness combination reviewed by the Department pursuant
9 to Department of Defense Directive 5000.62, the follow-
10 ing:

11 (1) An assessment of any potentially adverse ef-
12 fects that the business combination could have on
13 competition for Department of Defense contracts
14 (including potential horizontal effects, vertical ef-
15 fects, and organizational conflicts of interest), the
16 national technology and industrial base, or innova-
17 tion in the defense industry.

18 (2) The actions taken to mitigate the poten-
19 tially adverse effects.

20 (c) GAO REPORTS.—(1) Not later than December 1,
21 1997, the Comptroller General shall—

22 (A) in consultation with appropriate officials in
23 the Department of Defense—

1 (i) identify major market areas adversely
2 affected by business combinations of defense
3 contractors since January 1, 1990; and

4 (ii) develop a methodology for determining
5 the beneficial impact of business combinations
6 of defense contractors on the prices paid on
7 particular defense contracts; and

8 (B) submit to the congressional defense com-
9 mittees a report describing, for each major market
10 area identified pursuant to subparagraph (A)(i), the
11 changes in numbers of businesses competing for
12 major defense contracts since January 1, 1990.

13 (2) Not later than December 1, 1998, the Comptrol-
14 ler General shall submit to the congressional defense com-
15 mittees a report containing the following:

16 (A) Updated information on—

17 (i) restructuring costs of business combina-
18 tions paid by the Department of Defense pursu-
19 ant to certifications under section 818 of the
20 National Defense Authorization Act for Fiscal
21 Year 1995, and

22 (ii) savings realized by the Department of
23 Defense as a result of the business combina-
24 tions for which the payment of restructuring
25 costs was so certified.

1 (B) An assessment of the beneficial impact of
 2 business combinations of defense contractors on the
 3 prices paid on a meaningful sample of defense con-
 4 tracts, determined in accordance with the methodol-
 5 ogy developed pursuant to paragraph (1)(A)(ii).

6 (C) Any recommendations that the Comptroller
 7 General considers appropriate.

8 (d) BUSINESS COMBINATION DEFINED.—In this sec-
 9 tion, the term “business combination” has the meaning
 10 given that term in section 818(f) of the National Defense
 11 Authorization Act for Fiscal Year 1995 (108 Stat. 2822;
 12 10 U.S.C. 2324 note).

13 **SEC. 842. LEASE OF NONEXCESS PROPERTY OF DEFENSE**
 14 **AGENCIES.**

15 (a) AUTHORITY.—Chapter 159 of title 10, United
 16 States Code, is amended by inserting after section 2667
 17 the following:

18 **“§ 2667a. Leases: non-excess property of Defense**
 19 **Agencies**

20 “(a) AUTHORITY.—Whenever the Director of a De-
 21 fense Agency considers it advantageous to the United
 22 States, he may lease to such lessee and upon such terms
 23 as he considers will promote the national defense or to
 24 be in the public interest, personal property that is—

25 “(1) under the control of the Defense Agency;

1 “(2) not for the time needed for public use; and

2 “(3) not excess property, as defined by section
3 3 of the Federal Property and Administrative Serv-
4 ices Act of 1949 (40 U.S.C. 472).

5 “(b) LIMITATION, TERMS, AND CONDITIONS.—A
6 lease under subsection (a)—

7 “(1) may not be for more than five years unless
8 the Director of the Defense Agency concerned deter-
9 mines that a lease for a longer period will promote
10 the national defense or be in the public interest;

11 “(2) may give the lessee the first right to buy
12 the property if the lease is revoked to allow the
13 United States to sell the property under any other
14 provision of law;

15 “(3) shall permit the Director to revoke the
16 lease at any time, unless he determines that the
17 omission of such a provision will promote the na-
18 tional defense or be in the public interest; and

19 “(4) may provide, notwithstanding any other
20 provision of law, for the improvement, maintenance,
21 protection, repair, restoration, or replacement by the
22 lessee, of the property leased as the payment of part
23 or all of the consideration for the lease.

24 “(c) DISPOSITION OF MONEY RENT.—Money rentals
25 received pursuant to leases entered into by the Director

1 of a Defense Agency under subsection (a) shall be depos-
 2 ited in a special account in the Treasury established for
 3 such Defense Agency. Amounts in a Defense Agency's spe-
 4 cial account shall be available, to the extent provided in
 5 appropriations Acts, solely for the maintenance, repair,
 6 restoration, or replacement of the leased property.”.

7 (b) CONFORMING AMENDMENT.—The heading of sec-
 8 tion 2667 of such title is amended to read as follows:

9 **“§ 2667. Leases: non-excess property of military de-**
 10 **partments”.**

11 (c) CLERICAL AMENDMENT.—The table of sections
 12 at the beginning of chapter 159 of such title is amended
 13 by striking out the item relating to section 2667 and in-
 14 serting in lieu thereof the following:

“2667. Leases: non-excess property of military departments.

“2667a. Leases: non-excess property of Defense Agencies.”.

15 **SEC. 843. PROMOTION RATE FOR OFFICERS IN AN ACQUISI-**
 16 **TION CORPS.**

17 (a) REVIEW OF ACQUISITION CORPS PROMOTION SE-
 18 LECTIONS.—Upon the approval of the President or his
 19 designee of the report of a selection board convened under
 20 section 611(a) of title 10, United States Code, which con-
 21 sidered members of an Acquisition Corps of a military de-
 22 partment for promotion to a grade above O–4, the Sec-
 23 retary of the military department shall submit a copy of

1 the report to the Under Secretary of Defense for Acquisi-
 2 tion and Technology for review.

3 (b) REPORTING REQUIREMENT.—Not later than
 4 January 31 of each year, the Under Secretary of Defense
 5 for Acquisition and Technology shall submit to the Com-
 6 mittee on Armed Services of the Senate and the Commit-
 7 tee on National Security of the House of Representatives
 8 a report containing the Under Secretary’s assessment of
 9 the extent to which each military department is complying
 10 with the requirement set forth in section 1731(b) of title
 11 10, United States Code.

12 (c) TERMINATION OF REQUIREMENTS.—This section
 13 shall cease to be effective on October 1, 2000.

14 **TITLE IX—DEPARTMENT OF DE-**
 15 **FENSE ORGANIZATION AND**
 16 **MANAGEMENT**

17 **SEC. 901. PRINCIPAL DUTY OF ASSISTANT SECRETARY OF**
 18 **DEFENSE FOR SPECIAL OPERATIONS AND**
 19 **LOW INTENSITY CONFLICT.**

20 Section 138(b)(4) of title 10, United States Code, is
 21 amended by striking out “of special operations activities
 22 (as defined in section 167(j) of this title) and” and insert-
 23 ing in lieu thereof “of the performance of the responsibil-
 24 ities of the commander of the special operations command

1 under subsections (e)(4) and (f) of section 167 of this title
2 and of”.

3 **SEC. 902. PROFESSIONAL MILITARY EDUCATION SCHOOLS.**

4 (a) COMPONENT INSTITUTIONS OF THE NATIONAL
5 DEFENSE UNIVERSITY.—(1) Chapter 108 of title 10,
6 United States Code, is amended by adding at the end the
7 following:

8 **“§ 2165. National Defense University**

9 “(a) IN GENERAL.—There is a National Defense
10 University in the Department of Defense.

11 “(b) COMPONENT INSTITUTIONS.—The university in-
12 cludes the following institutions:

13 “(1) The National War College.

14 “(2) The Industrial College of the Armed
15 Forces.

16 “(3) The Armed Forces Staff College.

17 “(4) The Institute for National Strategic Stud-
18 ies.

19 “(5) The Information Resources Management
20 College.”.

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

“2165. National Defense University.”.

23 (b) MARINE CORPS UNIVERSITY AS PROFESSIONAL
24 MILITARY EDUCATION SCHOOL.—Subsection (d) of sec-
25 tion 2162 of such title is amended to read as follows:

1 “(d) PROFESSIONAL MILITARY EDUCATION
2 SCHOOLS.—This section applies to the following profes-
3 sional military education schools:

4 “(1) The National Defense University.

5 “(2) The Army War College.

6 “(3) The College of Naval Warfare.

7 “(4) The Air War College.

8 “(5) The United States Army Command and
9 General Staff College.

10 “(6) The College of Naval Command and Staff.

11 “(7) The Air Command and Staff College.

12 “(8) The Marine Corps University.”.

13 (c) REPEAL OF DUPLICATIVE DEFINITION.—Section
14 1595(d) of title 10, United States Code, is amended—

15 (1) in paragraph (1), by striking out “(1)”; and

16 (2) by striking out paragraph (2).

17 **SEC. 903. USE OF CINC INITIATIVE FUND FOR FORCE PRO-**
18 **TECTION.**

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

21 “(9) Force protection.”.

22 **SEC. 904. TRANSFER OF TIARA PROGRAMS.**

23 (a) TRANSFER OF FUNCTIONS.—The Secretary of
24 Defense shall transfer—

1 (1) the responsibilities of the Tactical Intel-
2 ligence and Related Activities (TIARA) aggregation
3 for the conduct of programs referred to in sub-
4 section (b) to officials of elements of the military de-
5 partments not in the intelligence community; and

6 (2) the funds available within the Tactical In-
7 telligence and Related Activities aggregation for
8 such programs to accounts of the military depart-
9 ments that are available for non-intelligence pro-
10 grams of the military departments.

11 (b) COVERED PROGRAMS.—Subsection (a) applies to
12 the following programs:

13 (1) Targeting or target acquisition programs,
14 including the Joint Surveillance and Target Attack
15 Radar System, and the Advanced Deployable Sys-
16 tem.

17 (2) Tactical Warning and Attack Assessment
18 programs, including the Defense Support Program,
19 the Space-Based Infrared Program, and early warn-
20 ing radars.

21 (3) Tactical communications systems, including
22 the Joint Tactical Terminal.

23 (c) INTELLIGENCE COMMUNITY DEFINED.—In this
24 section, the term “intelligence community” has the mean-

1 ing given the term in section 3 of the National Security
 2 Act of 1947 (50 U.S.C. 401a).

3 **TITLE X—GENERAL PROVISIONS**

4 **Subtitle A—Financial Matters**

5 **SEC. 1001. TRANSFER AUTHORITY.**

6 (a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—

7 (1) Upon determination by the Secretary of Defense that
 8 such action is necessary in the national interest, the Sec-
 9 retary may transfer amounts of authorizations made avail-
 10 able to the Department of Defense in this division for fis-
 11 cal year 1998 between any such authorizations for that
 12 fiscal year (or any subdivisions thereof). Amounts of au-
 13 thorizations so transferred shall be merged with and be
 14 available for the same purposes as the authorization to
 15 which transferred.

16 (2) The total amount of authorizations that the Sec-
 17 retary of Defense may transfer under the authority of this
 18 section may not exceed \$2,500,000,000.

19 (b) LIMITATIONS.—The authority provided by this
 20 section to transfer authorizations—

21 (1) may only be used to provide authority for
 22 items that have a higher priority than the items
 23 from which authority is transferred; and

1 (2) may not be used to provide authority for an
2 item that has been denied authorization by Con-
3 gress.

4 (c) EFFECT ON AUTHORIZATION AMOUNTS.—A
5 transfer made from one account to another under the au-
6 thority of this section shall be deemed to increase the
7 amount authorized for the account to which the amount
8 is transferred by an amount equal to the amount trans-
9 ferred.

10 (d) NOTICE TO CONGRESS.—The Secretary shall
11 promptly notify Congress of each transfer made under
12 subsection (a).

13 **SEC. 1002. AUTHORITY FOR OBLIGATION OF CERTAIN UN-**
14 **AUTHORIZED FISCAL YEAR 1997 DEFENSE AP-**
15 **PROPRIATIONS.**

16 (a) AUTHORITY.—The amounts described in sub-
17 section (b) may be obligated and expended for programs,
18 projects, and activities of the Department of Defense in
19 accordance with fiscal year 1997 defense appropriations.

20 (b) COVERED AMOUNTS.—The amounts referred to
21 in subsection (a) are the amounts provided for programs,
22 projects, and activities of the Department of Defense in
23 fiscal year 1997 defense appropriations that are in excess
24 of the amounts provided for such programs, projects, and
25 activities in fiscal year 1997 defense authorizations.

1 (c) DEFINITIONS.—For the purposes of this section:

2 (1) FISCAL YEAR 1997 DEFENSE APPROPRIA-
 3 TIONS.—The term “fiscal year 1997 defense appro-
 4 priations” means amounts appropriated or otherwise
 5 made available to the Department of Defense for fis-
 6 cal year 1997 in the Department of Defense Appro-
 7 priations Act, 1997 (section 101(b) of Public Law
 8 104–208).

9 (2) FISCAL YEAR 1997 DEFENSE AUTHORIZA-
 10 TIONS.—The term “fiscal year 1997 defense author-
 11 izations” means amounts authorized to be appro-
 12 priated for the Department of Defense for fiscal
 13 year 1997 in the National Defense Authorization
 14 Act for Fiscal Year 1997 (Public Law 104–201).

15 **SEC. 1003. AUTHORIZATION OF PRIOR EMERGENCY SUP-**
 16 **PLEMENTAL APPROPRIATIONS FOR FISCAL**
 17 **YEAR 1997.**

18 Amounts authorized to be appropriated to the De-
 19 partment of Defense for fiscal year 1997 in the National
 20 Defense Authorization Act for Fiscal Year 1997 (Public
 21 Law 104–201) are hereby adjusted, with respect to any
 22 such authorized amount, by the amount by which appro-
 23 priations pursuant to such authorization were increased
 24 (by a supplemental appropriation) or decreased (by a re-
 25 scission), or both, in the 1997 Emergency Supplemental

1 Appropriations Act for Recovery from Natural Disasters,
2 and for Overseas Peacekeeping Efforts, Including Those
3 in Bosnia (Public Law 105–18).

4 **SEC. 1004. INCREASED TRANSFER AUTHORITY FOR FISCAL**
5 **YEAR 1996 AUTHORIZATIONS.**

6 Section 1001(a) of the National Defense Authoriza-
7 tion Act for Fiscal Year 1996 (Public Law 104–106; 110
8 Stat. 414) is amended by striking out “\$2,000,000,000”
9 and inserting in lieu thereof “\$3,100,000,000”.

10 **SEC. 1005. BIENNIAL FINANCIAL MANAGEMENT STRATEGIC**
11 **PLAN.**

12 (a) BIENNIAL PLAN.—(1) Chapter 23 of title 10,
13 United States Code, is amended by adding at the end the
14 following:

15 **“§ 483. Biennial financial management strategic plan**

16 “(a) PLAN REQUIRED.—Not later than September
17 30 of each even-numbered year, the Secretary of Defense
18 shall submit to Congress a strategic plan to improve the
19 financial management within the Department of Defense.
20 The strategic plan shall address all aspects of financial
21 management within the Department of Defense, including
22 the finance systems, accounting systems, and feeder sys-
23 tems that support financial functions.

24 “(b) DEFINITIONS.—In this section, the term ‘feeder
25 system’ means an automated or manual system that pro-

1 vides input to a financial management or accounting sys-
2 tem.”.

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

“483. Biennial financial management strategic plan.”.

5 (b) FIRST SUBMISSION.—The Secretary of Defense
6 shall submit the first financial management strategic plan
7 under section 483 of title 10, United States Code (as
8 added by subsection (a)), not later than September 30,
9 1998.

10 (c) CONTENT OF FIRST PLAN.—(1) At a minimum,
11 the first financial management strategic plan shall include
12 the following:

13 (A) The costs and benefits of integrating the fi-
14 nance and accounting systems of the Department of
15 Defense, and the feasibility of doing so.

16 (B) Problems with the accuracy of data in-
17 cluded in the finance systems, accounting systems,
18 or feeder systems that support financial functions of
19 the Department of Defense and the actions that can
20 be taken to address the problems.

21 (C) Weaknesses in the internal controls of the
22 systems and the actions that can be taken to ad-
23 dress the weaknesses.

24 (D) Actions that can be taken to eliminate neg-
25 ative unliquidated obligations, unmatched disburse-

1 ments, and in-transit disbursements, and to avoid
2 such disbursements in the future.

3 (E) The status of the efforts being undertaken
4 in the department to consolidate and eliminate—

5 (i) redundant or unneeded finance systems;

6 and

7 (ii) redundant or unneeded accounting sys-
8 tems.

9 (F) The consolidation or elimination of redun-
10 dant personnel systems, acquisition systems, asset
11 accounting systems, time and attendance systems,
12 and other feeder systems of the department.

13 (G) The integration of the feeder systems of the
14 department with the finance and accounting systems
15 of the department.

16 (H) Problems with the organization or perform-
17 ance of the Operating Locations and Service Centers
18 of the Defense Finance and Accounting Service, and
19 the actions that can be taken to address those prob-
20 lems.

21 (I) The costs and benefits of reorganizing the
22 Operating Locations and Service Centers of the De-
23 fense Finance and Accounting Service according to
24 function, and the feasibility of doing so.

1 (J) The costs and benefits of contracting for
 2 private sector performance of specific functions per-
 3 formed by the Defense Finance and Accounting
 4 Service, and the feasibility of doing so.

5 (K) The costs and benefits of increasing the use
 6 of electronic fund transfer as a method of payment,
 7 and the feasibility of doing so.

8 (L) Any other changes in the financial manage-
 9 ment structure of the department or revisions of the
 10 department's financial processes and business prac-
 11 tices that the Secretary of Defense considers nec-
 12 essary to improve financial management in the de-
 13 partment.

14 (2) For the problems and actions identified in the
 15 plan, the Secretary shall include in the plan statements
 16 of objectives, performance measures, and schedules, and
 17 shall specify the individual and organizational responsibil-
 18 ities.

19 (3) In this subsection, the term “feeder system” has
 20 the meaning given the term in section 483(b) of title 10,
 21 United States Code, as added by subsection (a).

22 **SEC. 1006. REVISION OF AUTHORITY FOR FISHER HOUSE**
 23 **TRUST FUNDS.**

24 (a) CORRECTION TO ELIMINATE USE OF TERM AS-
 25 SOCIATED WITH FUNDING AUTHORITIES.—Section

1 2221(c) of title 10, United States Code, is amended by
 2 striking out “or maintenance” each place it appears.

3 (b) CORPUS OF AIR FORCE TRUST FUND.—Section
 4 914(b) of Public Law 104–106 (110 Stat. 412) is amend-
 5 ed by striking out paragraph (2) and inserting in lieu
 6 thereof the following:

7 “(2) The Secretary of the Air Force shall deposit in
 8 the Fisher House Trust Fund, Department of the Air
 9 Force, an amount that the Secretary determines appro-
 10 priate to establish the corpus of the fund.”.

11 **SEC. 1007. AVAILABILITY OF CERTAIN FISCAL YEAR 1991**
 12 **FUNDS FOR PAYMENT OF CONTRACT CLAIM.**

13 (a) AUTHORITY.—The Secretary of the Army may re-
 14 imburse the fund provided by section 1304 of title 31,
 15 United States Code, out of funds appropriated for the
 16 Army for fiscal year 1991 for other procurement (BLIN
 17 105125 (Special Programs)), for any judgment against
 18 the United States that is rendered in the case *Appeal of*
 19 *McDonnell Douglas Company*, Armed Services Board of
 20 Contract Appeals Number 48029.

21 (b) CONDITIONS FOR PAYMENT.—(1) Subject to
 22 paragraph (2), any reimbursement out of funds referred
 23 to in subsection (a) shall be made before October 1, 1998.

24 (2) No reimbursement out of funds referred to in
 25 subsection (a) may be made before the date that is 30

1 days after the date on which the Secretary of the Army
2 submits to the congressional defense committees a notifi-
3 cation of the intent to make the reimbursement.

4 **SEC. 1008. ESTIMATES AND REQUESTS FOR PROCUREMENT**
5 **AND MILITARY CONSTRUCTION FOR THE RE-**
6 **SERVE COMPONENTS.**

7 (a) DETAILED PRESENTATION IN FUTURE-YEARS
8 DEFENSE PROGRAM.—Section 10543 of title 10, United
9 States Code, is amended—

10 (1) by inserting “(a) IN GENERAL.—” before
11 “The Secretary of Defense”; and

12 (2) by adding at the end the following:

13 “(b) ASSOCIATED ANNEXES.—The associated an-
14 nexes of the future-years defense program shall specify,
15 at the same level of detail as is set forth in the annexes
16 for the active components, the amount requested for—

17 “(1) procurement of each item of equipment to
18 be procured for each reserve component; and

19 “(2) each military construction project to be
20 carried out for each reserve component, together
21 with the location of the project.

22 “(c) REPORT.—(1) If the aggregate of the amounts
23 specified in paragraphs (1) and (2) of subsection (b) for
24 a fiscal year is less than the amount equal to 90 percent
25 of the average authorized amount applicable for that fiscal

1 year under paragraph (2), the Secretary of Defense shall
2 submit to Congress a report specifying for each reserve
3 component the additional items of equipment that would
4 be procured, and the additional military construction
5 projects that would be carried out, if that aggregate
6 amount were an amount equal to such average authorized
7 amount. The report shall be at the same level of detail
8 as is required by subsection (b).

9 “(2) In this subsection, the term ‘average authorized
10 amount’, with respect to a fiscal year, means the average
11 of—

12 “(A) the aggregate of the amounts authorized
13 to be appropriated for the preceding fiscal year for
14 the procurement of items of equipment, and for mili-
15 tary construction, for the reserve components; and

16 “(B) the aggregate of the amounts authorized
17 to be appropriated for the fiscal year preceding the
18 fiscal year referred to in subparagraph (A) for the
19 procurement of items of equipment, and for military
20 construction, for the reserve components.”.

21 (b) PROHIBITION.—The level of detail provided for
22 procurement and military construction in the future-years
23 defense programs for fiscal years after fiscal year 1998
24 may not be less than the level of detail provided for pro-

1 curement and military construction in the future-years de-
 2 fense program for fiscal year 1998.

3 **Subtitle B—Naval Vessels and** 4 **Shipyards**

5 **SEC. 1011. LONG-TERM CHARTER OF VESSEL FOR SURVEIL-** 6 **LANCE TOWED ARRAY SENSOR PROGRAM.**

7 The Secretary of the Navy is authorized to enter into
 8 a long-term charter, in accordance with section 2401 of
 9 title 10, United States Code, for a vessel to support the
 10 Surveillance Towed Array Sensor (SURTASS) Program
 11 through fiscal year 2004.

12 **SEC. 1012. PROCEDURES FOR SALE OF VESSELS STRICKEN** 13 **FROM THE NAVAL VESSEL REGISTER.**

14 Section 7305(c) of title 10, United States Code, is
 15 amended to read as follows:

16 “(c) PROCEDURES FOR SALE.—(1) A vessel stricken
 17 from the Naval Vessel Register and not subject to disposal
 18 under any other law may be sold under this section.

19 “(2) In such a case, the Secretary may—

20 “(A) sell the vessel to the highest acceptable
 21 bidder, regardless of the appraised value of the ves-
 22 sel, after publicly advertising the sale of the vessel
 23 for a period of not less than 30 days; or

24 “(B) subject to paragraph (3), sell the vessel by
 25 competitive negotiation to the acceptable offeror who

1 submits the offer that is most advantageous to the
2 United States (taking into account price and such
3 other factors as the Secretary determines appro-
4 priate).

5 “(3) Before entering into negotiations to sell a vessel
6 under paragraph (2)(B), the Secretary shall publish notice
7 of the intention to do so in the Commerce Business Daily
8 sufficiently in advance of initiating the negotiations that
9 all interested parties are given a reasonable opportunity
10 to prepare and submit proposals. The Secretary shall af-
11 ford an opportunity to participate in the negotiations to
12 all acceptable offerors submitting proposals that the Sec-
13 retary considers as having the potential to be the most
14 advantageous to the United States (taking into account
15 price and such other factors as the Secretary determines
16 appropriate).”.

17 **SEC. 1013. TRANSFERS OF NAVAL VESSELS TO CERTAIN**
18 **FOREIGN COUNTRIES.**

19 (a) TRANSFERS BY SALE.—The Secretary of the
20 Navy is authorized to transfer vessels to foreign countries
21 on a sale basis under section 21 of the Arms Export Con-
22 trol Act (22 U.S.C. 2761) as follows:

23 (1) To the Government of Brazil, the sub-
24 marine tender Holland (AS 32) of the Hunley class.

1 (2) To the Government of Chile, the oiler Isher-
2 wood (T-AO 191) of the Kaiser class.

3 (3) To the Government of Egypt:

4 (A) The following frigates of the Knox
5 class:

6 (i) The Paul (FF 1080).

7 (ii) The Miller (FF 1091).

8 (iii) The Jesse L. Brown (FFT 1089).

9 (iv) The Moinester (FFT 1097).

10 (B) The following frigates of the Oliver
11 Hazard Perry class:

12 (i) The Fahrion (FFG 22).

13 (ii) The Lewis B. Puller (FFG 23).

14 (4) To the Government of Israel, the tank land-
15 ing ship Peoria (LST 1183) of the Newport class.

16 (5) To the Government of Malaysia, the tank
17 landing ship Barbour County (LST 1195) of the
18 Newport class.

19 (6) To the Government of Mexico, the frigate
20 Roark (FF 1053) of the Knox class.

21 (7) To the Taipei Economic and Cultural Rep-
22 resentative Office in the United States (the Taiwan
23 instrumentality that is designated pursuant to sec-
24 tion 10(a) of the Taiwan Relations Act), the follow-
25 ing frigates of the Knox class:

1 (A) The Whipple (FF 1062).

2 (B) The Downes (FF 1070).

3 (8) To the Government of Thailand, the tank
4 landing ship Schenectady (LST 1185) of the New-
5 port class.

6 (b) COSTS OF TRANSFERS.—Any expense incurred by
7 the United States in connection with a transfer authorized
8 by subsection (a) shall be charged to the recipient.

9 (c) REPAIR AND REFURBISHMENT IN UNITED
10 STATES SHIPYARDS.—To the maximum extent prac-
11 ticable, the Secretary of the Navy shall require, as a condi-
12 tion of the transfer of a vessel under this section, that
13 the country to which the vessel is transferred have such
14 repair or refurbishment of the vessel as is needed, before
15 the vessel joins the naval forces of that country, performed
16 at a shipyard located in the United States, including a
17 United States Navy shipyard.

18 (d) EXPIRATION OF AUTHORITY.—The authority to
19 transfer a vessel under subsection (a) shall expire at the
20 end of the 2-year period beginning on the date of the en-
21 actment of this Act.

Subtitle C—Counter-Drug Activities

SEC. 1021. AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES OF MEXICO.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 1031 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2637), is amended by striking out “fiscal year 1997” and inserting in lieu thereof “fiscal years 1997 and 1998”.

(b) EXTENSION OF FUNDING AUTHORIZATION.—Subsection (d) of such section is amended by inserting “for fiscal years 1997 and 1998” after “shall be available”.

SEC. 1022. AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES OF PERU AND COLOMBIA.

(a) AUTHORITY TO PROVIDE ADDITIONAL SUPPORT.—Subject to subsection (f), during fiscal years 1998 through 2002, the Secretary of Defense may provide either or both of the governments named in subsection (b) with the support described in subsection (c) for the counter-drug activities of that government. The support provided to a government under the authority of this subsection shall be in addition to support provided to that government under any other provision of law.

1 (b) GOVERNMENTS ELIGIBLE TO RECEIVE SUP-
2 PORT.—The governments referred to in subsection (a) are
3 as follows:

4 (1) The Government of Peru.

5 (2) The Government of Colombia.

6 (c) TYPES OF SUPPORT.—The authority under sub-
7 section (a) is limited to the provision of the following types
8 of support:

9 (1) The transfer of nonlethal protective and
10 utility personnel equipment.

11 (2) The transfer of the following nonlethal spe-
12 cialized equipment:

13 (A) Navigation equipment.

14 (B) Secure and nonsecure communications
15 equipment.

16 (C) Photo equipment.

17 (D) Radar equipment.

18 (E) Night vision systems.

19 (F) Repair equipment and parts for equip-
20 ment referred to in subparagraphs (A), (B),
21 (C), (D), and (E).

22 (3) The transfer of nonlethal components, ac-
23 cessories, attachments, parts (including ground sup-
24 port equipment), firmware, and software for aircraft
25 or patrol boats, and related repair equipment.

1 (4) The transfer of riverine patrol boats.

2 (5) The maintenance and repair of equipment
3 of a government named in subsection (b) that is
4 used for counter-narcotics activities.

5 (d) APPLICABILITY OF OTHER SUPPORT AUTHORI-
6 TIES.—Except as otherwise provided in this section, the
7 provisions of section 1004 of the National Defense Au-
8 thorization Act for Fiscal Year 1991 (Public Law 101–
9 510; 10 U.S.C. 374 note) shall apply to the provision of
10 support to a government under this section.

11 (e) FUNDING.—Of the amounts authorized to be ap-
12 propriated under section 301(20) for fiscal year 1998 for
13 drug interdiction and counter-drug activities, not more
14 than \$30,000,000 shall be available in that fiscal year for
15 the provision of support under this section.

16 (f) LIMITATIONS.—(1) The Secretary may not obli-
17 gate or expend funds to provide a government with sup-
18 port under this section until 15 days after the date on
19 which the Secretary submits to the committees referred
20 to in paragraph (2) a written certification of the following:

21 (A) That the provision of support to that gov-
22 ernment under this section will not adversely affect
23 the military preparedness of the United States
24 Armed Forces.

1 (B) That the equipment and materiel provided
2 as support will be used only by officials and employ-
3 ees of that government who have undergone back-
4 ground investigations by that government and have
5 been approved by that government to perform
6 counter-drug activities on the basis of the back-
7 ground investigations.

8 (C) That such government has certified to the
9 Secretary that—

10 (i) the equipment and materiel provided as
11 support will be used only by the officials and
12 employees referred to in subparagraph (B);

13 (ii) none of the equipment or materiel will
14 be transferred (by sale, gift, or otherwise) to
15 any person or entity not authorized by the
16 United States to receive the equipment or mate-
17 riel; and

18 (iii) the equipment and materiel will be
19 used only for the purposes intended by the
20 United States Government.

21 (D) That the government to receive the support
22 has implemented, to the satisfaction of the Sec-
23 retary, a system that will provide an accounting and
24 inventory of the equipment and materiel provided as
25 support.

1 (E) That the departments, agencies, and instru-
2 mentalities of that government will grant United
3 States Government personnel access to any of the
4 equipment or materiel provided as support, or to any
5 of the records relating to such equipment or mate-
6 riel, under terms and conditions similar to the terms
7 and conditions imposed with respect to such access
8 under section 505(a)(3) of the Foreign Assistance
9 Act of 1961 (22 U.S.C. 2314(a)(3)).

10 (F) That the government to receive the support
11 will provide security with respect to the equipment
12 and materiel provided as support that is substan-
13 tially the same degree of security that the United
14 States Government would provide with respect to
15 such equipment and materiel.

16 (G) That the government to receive the support
17 will permit continuous observation and review by
18 United States Government personnel of the use of
19 the equipment and materiel provided as support
20 under terms and conditions similar to the terms and
21 conditions imposed with respect to such observation
22 and review under section 505(a)(3) of the Foreign
23 Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

24 (2) The committees referred to in this paragraph are
25 the following:

1 (A) The Committee on Armed Services and the
2 Committee on Foreign Relations of the Senate.

3 (B) The Committee on National Security and
4 the Committee on International Relations of the
5 House of Representatives.

6 **Subtitle D—Reports and Studies**

7 **SEC. 1031. REPEAL OF REPORTING REQUIREMENTS.**

8 (a) REPORTS REQUIRED BY TITLE 10.—

9 (1) ACHIEVEMENT OF COST, PERFORMANCE,
10 AND SCHEDULE GOALS FOR NONMAJOR ACQUISITION
11 PROGRAMS.—Section 2220(b) of title 10, United
12 States Code, is amended by striking out “and
13 nonmajor” in the first sentence.

14 (2) CONVERSION OF CERTAIN HEATING SYS-
15 TEMS.—Section 2690(b) of title 10, United States
16 Code, is amended by striking out “unless the Sec-
17 retary—” and all that follows and inserting in lieu
18 thereof the following: “unless the Secretary deter-
19 mines that the conversion (1) is required by the gov-
20 ernment of the country in which the facility is lo-
21 cated, or (2) is cost effective over the life cycle of
22 the facility.”.

23 (3) AVAILABILITY OF SUITABLE ALTERNATIVE
24 HOUSING.—Section 2823 of title 10, United States
25 Code, is amended—

1 (A) by striking out subsection (b); and

2 (B) by redesignating subsections (c) and

3 (d) as subsections (b) and (c), respectively.

4 (b) REPORTS REQUIRED BY DEFENSE AUTHORIZA-
5 TION AND APPROPRIATIONS ACTS.—

6 (1) OVERSEAS BASING COSTS.—Section 8125 of
7 the Department of Defense Appropriations Act,
8 1989 (Public Law 100–463; 102 Stat. 2270–41; 10
9 U.S.C. 113 note) is amended—

10 (A) by striking out subsection (g); and

11 (B) in subsection (h), by striking out “sub-
12 sections (f) and (g)” and inserting in lieu there-
13 of “subsection (f)”.

14 (2) STRETCHOUT OF MAJOR DEFENSE ACQUISSI-
15 TION PROGRAMS.—Section 117 of the National De-
16 fense Authorization Act, Fiscal Year 1989 (Public
17 Law 100–456; 102 Stat. 1933; 10 U.S.C. 2431
18 note) is repealed.

19 (c) REPORTS REQUIRED BY OTHER LAW.—Section
20 25 of the Office of Federal Procurement Policy Act (41
21 U.S.C. 421) is amended by striking out subsection (g),
22 relating to the annual report on development of procure-
23 ment regulations.

1 **SEC. 1032. COMMON MEASUREMENT OF OPERATIONS TEM-**
2 **POS AND PERSONNEL TEMPOS.**

3 (a) MEANS FOR MEASUREMENT.—The Chairman of
4 the Joint Chiefs of Staff shall, in consultation with the
5 other members of the Joint Chiefs of Staff and to the
6 maximum extent practicable, develop a common means of
7 measuring the operations tempo (OPTEMPO) and the
8 personnel tempo (PERSTEMPO) of each of the Armed
9 Forces.

10 (b) PERSTEMPO MEASUREMENT.—The measurement
11 of personnel tempo shall include a means of identifying
12 the rate of deployment for individuals in addition to the
13 rate of deployment for units.

14 **SEC. 1033. REPORT ON OVERSEAS DEPLOYMENT.**

15 (a) REPORT.—Not later than 90 days after the date
16 of the enactment of this Act, the Secretary of Defense
17 shall submit to Congress a report on the deployment over-
18 seas of personnel of the Armed Forces. The report shall
19 describe the deployment as of June 30, 1996, and June
20 30, 1997.

21 (b) ELEMENTS.—The report under subsection (a)
22 shall set forth the following:

23 (1) The number of personnel who were deployed
24 overseas pursuant to a permanent duty assignment
25 on each date specified in that subsection in aggre-
26 gate and by country or ocean to which deployed.

1 (2) The number of personnel who were deployed
2 overseas pursuant to a temporary duty assignment
3 on each date, including—

4 (A) the number engaged in training with
5 units of a single military department;

6 (B) the number engaged in United States
7 military joint exercises; and

8 (C) the number engaged in training with
9 allied units.

10 (3) The number of personnel deployed overseas
11 on each date who were engaged in contingency oper-
12 ations (including peacekeeping or humanitarian as-
13 sistance missions) or other activities.

14 **SEC. 1034. REPORT ON MILITARY READINESS REQUIRE-**
15 **MENTS OF THE ARMED FORCES.**

16 (a) REQUIREMENT FOR REPORT.—Not later than
17 January 31, 1998, the Chairman of the Joint Chiefs of
18 Staff shall submit to the congressional defense committees
19 a report on the military readiness requirements of the ac-
20 tive and reserve components of the Armed Forces (includ-
21 ing combat units, combat support units, and combat serv-
22 ice support units) prepared by the officers referred to in
23 subsection (b). The report shall assess such requirements
24 under a tiered readiness and response system that cat-
25 egorizes a given unit according to the likelihood that it

1 will be required to respond to a military conflict and the
2 time in which it will be required to respond.

3 (b) PREPARATION BY JCS AND COMMANDERS OF
4 UNIFIED COMMANDS.—The report required by subsection
5 (a) shall be prepared jointly by the Chairman of the Joint
6 Chiefs of Staff, the Chief of Staff of the Army, the Chief
7 of Naval Operations, the Chief of Staff of the Air Force,
8 the Commandant of the Marine Corps, the commander of
9 the Special Operations Command, and the commanders of
10 the other unified commands.

11 (c) ASSESSMENT SCENARIO.—The report shall assess
12 readiness requirements in a scenario that is based on the
13 following assumptions:

14 (1) That the Armed Forces of the United
15 States must, be capable of—

16 (A) fighting and winning, in concert with
17 allies, two major theater wars nearly simulta-
18 neously; and

19 (B) deterring or defeating a strategic at-
20 tack on the United States.

21 (2) That the forces available for deployment are
22 the forces included in the force structure rec-
23 ommended in the Quadrennial Defense Review, in-
24 cluding all other planned force enhancements.

1 (d) ASSESSMENT ELEMENTS.—(1) The report shall
2 identify, by unit type, all major units of the active and
3 reserve components of the Armed Forces and assess the
4 readiness requirements of the units. Each identified unit
5 shall be categorized within one of the following classifica-
6 tions:

7 (A) Forward-deployed and crisis response
8 forces, or “Tier I” forces, that possess limited inter-
9 nal sustainment capability and do not require imme-
10 diate access to regional air bases or ports or over-
11 flight rights, including the following:

12 (i) Force units that are deployed in rota-
13 tion at sea or on land outside the United
14 States.

15 (ii) Combat-ready crises response forces
16 that are capable of mobilizing and deploying
17 within 10 days after receipt of orders.

18 (iii) Forces that are supported by
19 prepositioning equipment afloat or are capable
20 of being inserted into a theater upon the cap-
21 ture of a port or airfield by forcible entry
22 forces.

23 (B) Combat-ready follow-on forces, or “Tier II”
24 forces, that can be mobilized and deployed to a thea-

1 ter within approximately 60 days after receipt of or-
2 ders.

3 (C) Combat-ready conflict resolution forces, or
4 “Tier III” forces, that can be mobilized and de-
5 ployed to a theater within approximately 180 days
6 after receipt of orders.

7 (D) All other active and reserve component
8 force units which are not categorized within a classi-
9 fication described in subparagraph (A), (B), or (C).
10 (2) For the purposes of paragraph (1), the following
11 units are major units:

12 (A) In the case of the Army or Marine Corps,
13 a brigade and a battalion.

14 (B) In the case of the Navy, a squadron of air-
15 craft, a ship, and a squadron of ships.

16 (C) In the case of the Air Force, a squadron of
17 aircraft.

18 (e) PROJECTION OF SAVINGS FOR USE FOR MOD-
19 ERNIZATION.—The report shall include a projection for
20 fiscal years 1998 through 2003 of the amounts of the sav-
21 ings in operation and maintenance funding that—

22 (1) could be derived by each of the Armed
23 Forces by placing as many units as is practicable
24 into the lower readiness categories among the tiers;
25 and

1 (2) could be made available for force mod-
2 ernization.

3 (f) FORM OF REPORT.—The report under this section
4 shall be submitted in unclassified form but may contain
5 a classified annex.

6 (g) PLANNED FORCE ENHANCEMENT DEFINED.—In
7 this section, the term “planned force enhancement”, with
8 respect to the force structure recommended in the Quad-
9 rennial Defense Review, means any future improvement
10 in the capability of the force (including current strategic
11 and future improvement in strategic lift capability) that
12 is assumed in the development of the recommendation for
13 the force structure set forth in the Quadrennial Defense
14 Review.

15 **SEC. 1035. ASSESSMENT OF CYCLICAL READINESS POS-**
16 **TURE OF THE ARMED FORCES.**

17 (a) REQUIREMENT.—(1) Not later than 120 days
18 after the date of enactment of this Act, the Secretary of
19 Defense shall submit to the Committee on Armed Services
20 of the Senate and the Committee on National Security of
21 the House of Representatives a report on the readiness
22 posture of the Armed Forces described in subsection (b).

23 (2) The Secretary shall prepare the report required
24 under paragraph (1) with the assistance of the Joint
25 Chiefs of Staff. In providing such assistance, the Chair-

1 man of the Joint Chiefs of Staff shall consult with the
2 Chief of the National Guard Bureau.

3 (b) READINESS POSTURE.—(1) The readiness pos-
4 ture to be covered by the report under subsection (a) is
5 a readiness posture for units of the Armed Forces, or for
6 designated units of the Armed Forces, that provides for
7 a rotation of such units between a state of high readiness
8 and a state of low readiness.

9 (2) As part of the evaluation of the readiness posture
10 described in paragraph (1), the report shall address in
11 particular a readiness posture that—

12 (A) establishes within the Armed Forces two
13 equivalent forces each structured so as to be capable
14 of fighting and winning a major theater war; and

15 (B) provides for an alternating rotation of such
16 forces between a state of high readiness and a state
17 of low readiness.

18 (3) The evaluation of the readiness posture described
19 in paragraph (2) shall be based upon assumptions permit-
20 ting comparison with the existing force structure as fol-
21 lows:

22 (A) That there are assembled from among the
23 units of the Armed Forces two equivalent forces
24 each structured so as to be capable of fighting and
25 winning a major theater war.

1 (B) That each force referred to in subpara-
2 graph (A) includes—

3 (i) four active Army divisions, including
4 one mechanized division, one armored division,
5 one light infantry division, and one division
6 combining airborne units and air assault units,
7 and appropriate support and service support
8 units for such divisions;

9 (ii) six divisions (or division equivalents) of
10 the Army National Guard or the Army Reserve
11 that are essentially equivalent in structure, and
12 appropriate support and service support units
13 for such divisions;

14 (iii) six aircraft carrier battle groups;

15 (iv) six active Air Force fighter wings (or
16 fighter wing equivalents);

17 (v) four Air Force reserve fighter wings (or
18 fighter wing equivalents); and

19 (vi) one active Marine Corps expeditionary
20 force.

21 (C) That each force may be supplemented by
22 critical units or units in short supply, including
23 heavy bomber units, strategic lift units, and aerial
24 reconnaissance units, that are not subject to the
25 readiness rotation otherwise assumed for purposes of

1 the evaluation or are subject to the rotation on a
2 modified basis.

3 (D) That units of the Armed Forces not as-
4 signed to a force are available for operations other
5 than those essential to fight and win a major theater
6 war, including peace operations.

7 (E) That the state of readiness of each force al-
8 ternates between a state of high readiness and a
9 state of low readiness on a frequency determined by
10 the Secretary (but not more often than once every
11 6 months) and with only one force at a given state
12 of readiness at any one time.

13 (F) That, during the period of state of high
14 readiness of a force, any operations or activities (in-
15 cluding leave and education and training of person-
16 nel) that detract from the near-term wartime readi-
17 ness of the force are temporary and their effects on
18 such state of readiness minimized.

19 (G) That units are assigned overseas during the
20 period of state of high readiness of the force to
21 which the units are assigned primarily on a tem-
22 porary duty basis.

23 (H) That, during the period of high readiness
24 of a force, the operational war plans for the force in-
25 corporate the divisions (or division equivalents) of

1 the Army Reserve or Army National Guard assigned
2 to the force in a manner such that one such division
3 (or division equivalent) is, on a rotating basis for
4 such divisions (or division equivalents) during the
5 period, maintained in a high state of readiness and
6 dedicated as the first reserve combat division to be
7 transferred overseas in the event of a major theater
8 war.

9 (c) REPORT ELEMENTS.—The report under this sec-
10 tion shall include the following elements for the readiness
11 posture described in subsection (b)(2):

12 (1) An estimate of the range of cost savings
13 achievable over the long term as a result of imple-
14 menting the readiness posture, including—

15 (A) the savings achievable from reduced
16 training levels and readiness levels during peri-
17 ods in which a force referred to in subsection
18 (b)(3)(A) is in a state of low readiness; and

19 (B) the savings achievable from reductions
20 in costs of infrastructure overseas as a result of
21 reduced permanent change of station rotations.

22 (2) An assessment of the potential risks associ-
23 ated with a lower readiness status for units assigned
24 to a force in a state of low readiness under the read-
25 iness posture, including the risks associated with the

1 delayed availability of such units overseas in the
2 event of two nearly simultaneous major theater
3 wars.

4 (3) An assessment of the potential risks associ-
5 ated with requiring the forces under the readiness
6 posture to fight a major war in any theater world-
7 wide.

8 (4) An assessment of the modifications of the
9 current force structure of the Armed Forces that are
10 necessary to achieve the range of cost savings esti-
11 mated under paragraph (1), including the extent of
12 the diminishment, if any, of the military capabilities
13 of the Armed Forces as a result of the modifications.

14 (5) An assessment whether or not the risks of
15 diminished military capability associated with imple-
16 mentation of the readiness posture exceed the risks
17 of diminished military capability associated with the
18 modifications of the current force structure nec-
19 essary to achieve cost savings equivalent to the best
20 case for cost savings resulting from the implementa-
21 tion of the readiness posture.

22 (d) FORM OF REPORT.—The report under this sec-
23 tion shall be submitted in unclassified form, but may con-
24 tain a classified annex.

25 (e) DEFINITIONS.—In this section:

1 (1) The term “state of high readiness”, in the
2 case of a military force, means the capability to mo-
3 bilize first-to-arrive units of the force within 18
4 hours and last-to-arrive units within 120 days of a
5 particular event.

6 (2) The term “state of low readiness”, in the
7 case of a military force, means the capability to mo-
8 bilize first-to-arrive units within 90 days and last-to-
9 arrive units within 180 days of a particular event.

10 **SEC. 1036. OVERSEAS INFRASTRUCTURE REQUIREMENTS.**

11 (a) FINDINGS.—Congress makes the following find-
12 ings:

13 (1) United States military forces have been
14 withdrawn from the Philippines.

15 (2) United States military forces are to be with-
16 drawn from Panama by 2000.

17 (3) There continues to be local opposition to the
18 continued presence of United States military forces
19 in Okinawa.

20 (4) The Quadrennial Defense Review lists “the
21 loss of U.S. access to critical facilities and lines of
22 communication in key regions” as one of the so-
23 called “wild card” scenarios covered in the review.

24 (5) The National Defense Panel states that
25 “U.S. forces’ long-term access to forward bases, to

1 include air bases, ports, and logistics facilities, can-
2 not be assumed”.

3 (b) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—

5 (1) the President should develop alternatives to
6 the current arrangement for forward basing of the
7 Armed Forces outside the United States, including
8 alternatives to the existing infrastructure for for-
9 ward basing of forces and alternatives to the existing
10 international agreements that provide for basing of
11 United States forces in foreign countries; and

12 (2) because the Pacific Rim continues to
13 emerge as a region of significant economic and mili-
14 tary importance to the United States, a continued
15 presence of the Armed Forces in that region is vital
16 to the capability of the United States to timely pro-
17 tect its interests in the region.

18 (c) REPORT REQUIRED.—Not later than March 31,
19 1998, the Secretary of Defense shall submit to the Com-
20 mittee on Armed Services of the Senate and the Commit-
21 tee on National Security of the House of Representatives
22 a report on the overseas infrastructure requirements of the
23 Armed Forces.

24 (d) CONTENT.—The report shall contain the follow-
25 ing:

1 (1) The quantity and types of forces that the
2 United States must station in each region of the
3 world in order to support the current national mili-
4 tary strategy of the United States.

5 (2) The quantity and types of forces that the
6 United States will need to station in each region of
7 the world in order to meet the expected or potential
8 future threats to the national security interests of
9 the United States.

10 (3) The requirements for access to, and use of,
11 air space and ground maneuver areas in each such
12 region for training for the quantity and types of
13 forces identified for the region pursuant to para-
14 graphs (1) and (2).

15 (4) A list of the international agreements, cur-
16 rently in force, that the United States has entered
17 into with foreign countries regarding the basing of
18 United States forces in those countries and the
19 dates on which the agreements expire.

20 (5) A discussion of any anticipated political op-
21 position or other opposition to the renewal of any of
22 those international agreements.

23 (6) A discussion of future overseas basing re-
24 quirements for United States forces, taking into ac-

1 count expected changes in national security strategy,
2 national security environment, and weapons systems.

3 (7) The expected costs of maintaining the over-
4 seas infrastructure for foreign based forces of the
5 United States, including the costs of constructing
6 any new facilities that will be necessary overseas to
7 meet emerging requirements relating to the national
8 security interests of the United States.

9 (e) FORM OF REPORT.—The report may be submit-
10 ted in a classified or unclassified form.

11 **SEC. 1037. REPORT ON AIRCRAFT INVENTORY.**

12 (a) REPORT.—Not later than January 30, 1998, the
13 Under Secretary of Defense (Comptroller) shall submit to
14 the Committee on Armed Services of the Senate and the
15 Committee on National Security of the House of Rep-
16 resentatives a report on the aircraft in the inventory of
17 the Department of Defense.

18 (b) CONTENT.—The report shall set forth, for each
19 type of aircraft provided for in the future-years defense
20 program submitted to Congress in 1998, the following in-
21 formation:

22 (1) The total number of aircraft in the inven-
23 tory.

1 (2) The total number of the aircraft in the in-
2 ventory that are active, stated in the following cat-
3 egories:

4 (A) Primary aircraft (with a subcategory
5 for mission aircraft, a subcategory for training
6 aircraft, a subcategory for dedicated test air-
7 craft, and other appropriate subcategories).

8 (B) Backup aircraft.

9 (C) Attrition and reconstitution reserve
10 aircraft.

11 (3) The total number of the aircraft in the in-
12 ventory that are inactive, stated in the following cat-
13 egories:

14 (A) Bailment aircraft.

15 (B) Drone aircraft.

16 (C) Aircraft for sale or other transfer to
17 foreign governments.

18 (D) Leased or loaned aircraft.

19 (E) Aircraft for maintenance training.

20 (F) Aircraft for reclamation.

21 (G) Aircraft in storage.

22 (4) The aircraft inventory requirements ap-
23 proved by the Joint Chiefs of Staff.

1 **SEC. 1038. DISPOSAL OF EXCESS MATERIALS.**

2 (a) REPORT.—Not later than January 31, 1998, the
3 Secretary shall submit to Congress a report on the actions
4 that have been taken or are planned to be taken within
5 the Department of Defense to address problems with the
6 sale or other disposal of excess materials.

7 (b) REQUIRED CONTENT.— At a minimum, the re-
8 port shall address the following issues:

9 (1) Whether any change is needed in the proc-
10 ess of coding military equipment for demilitarization
11 during the acquisition process.

12 (2) Whether any change is needed to improve
13 methods used for the demilitarization of specific
14 types of military equipment.

15 (3) Whether any change is needed in the pen-
16 alties that are applicable to Federal Government em-
17 ployees or contractor employees who fail to comply
18 with rules or procedures applicable to the demili-
19 tarization of excess materials.

20 (4) Whether provision has been made for suffi-
21 cient supervision and oversight of the demilitariza-
22 tion of excess materials by purchasers of the mate-
23 rials.

24 (5) Whether any additional controls are needed
25 to prevent the inappropriate transfer of excess mate-
26 rials overseas.

1 (6) Whether the Department should—

2 (A) identify categories of materials that
3 are particularly vulnerable to improper use; and

4 (B) provide for enhanced review of the sale
5 or other disposal of such materials.

6 (7) Whether legislation is necessary to establish
7 appropriate mechanisms, including repurchase, for
8 the recovery of equipment that is sold or otherwise
9 disposed of without appropriate action having been
10 taken to demilitarize the equipment or to provide for
11 demilitarization of the equipment.

12 **SEC. 1039. REVIEW OF FORMER SPOUSE PROTECTIONS.**

13 (a) REQUIREMENT.—The Secretary of Defense shall
14 carry out a comprehensive review and comparison of—

15 (1) the protections and benefits afforded under
16 Federal law to former spouses of members and
17 former members of the uniformed services by reason
18 of their status as former spouses of such personnel;
19 and

20 (2) the protections and benefits afforded under
21 Federal law to former spouses of employees and
22 former employees of the Federal Government by rea-
23 son of their status as former spouses of such person-
24 nel.

1 (b) MATTERS TO BE REVIEWED.—The review under
2 subsection (a) shall include the following:

3 (1) In the case of former spouses of members
4 and former members of the uniformed services, the
5 following:

6 (A) All provisions of law (principally those
7 originally enacted in the Uniformed Services
8 Former Spouses' Protection Act (title X of
9 Public Law 97–252)) that—

10 (i) establish, provide for the enforce-
11 ment of, or otherwise protect interests of
12 former spouses of members and former
13 members of the uniformed services in re-
14 tired or retainer pay of members and
15 former members; and

16 (ii) provide other benefits for former
17 spouses of members and former members.

18 (B) The experience of the uniformed serv-
19 ices in administering such provisions of law.

20 (C) The experience of former spouses and
21 members and former members of the uniformed
22 services in the administration of such provisions
23 of law.

1 (2) In the case of former spouses of employees
2 and former employees of the Federal Government,
3 the following:

4 (A) All provisions of law that—

5 (i) establish, provide for the enforce-
6 ment of, or otherwise protect interests of
7 former spouses of employees and former
8 employees of the Federal Government in
9 annuities of employees and former employ-
10 ees under Federal employees' retirement
11 systems; and

12 (ii) provide other benefits for former
13 spouses of employees and former employ-
14 ees.

15 (B) The experience of the Office of Person-
16 nel Management and other agencies of the Fed-
17 eral Government in administering such provi-
18 sions of law.

19 (C) The experience of former spouses and
20 employees and former employees of the Federal
21 Government in the administration of such pro-
22 visions of law.

23 (c) SAMPLING AUTHORIZED.—The Secretary may
24 use sampling in carrying out the review under this section.

1 (d) REPORT.—Not later than September 30, 1999,
2 the Secretary shall submit a report on the results of the
3 review and comparison to the Committee on Armed Serv-
4 ices of the Senate and the Committee on National Security
5 of the House of Representatives. The report shall include
6 any recommendation for legislation that the Secretary con-
7 siderers appropriate.

8 **SEC. 1040. COMPLETION OF GAO REPORTS FOR CONGRESS.**

9 (a) PRIORITY.—(1) Subchapter II of chapter 7 of
10 title 31, United States Code, is amended by adding at the
11 end the following:

12 **“§ 721. Priority for completion of certain audits, eval-
13 uations, other reviews, and reports**

14 “(a) PRIORITY.—The Comptroller General may com-
15 mence an audit, evaluation, other review, or report in a
16 fiscal year only after the Comptroller General certifies in
17 writing to Congress during such fiscal year that the Gen-
18 eral Accounting Office has completed all audits, evalua-
19 tions, other reviews, and reports that were requested of
20 that office by Congress before the date of the certification.

21 “(b) EXCEPTIONS.—The restriction in subsection (a)
22 does not apply to the commencement of an audit, evalua-
23 tion, other review, or report that is required by law or
24 requested by Congress.

1 “(c) SOURCE, FORM, AND DATE OF CONGRESSIONAL
2 REQUESTS.—For the purposes of this section—

3 “(1) an audit, evaluation, other review, or re-
4 port is requested by Congress if the request for the
5 audit, evaluation, other review, or report is made in
6 writing by the Chairman of a committee of Con-
7 gress, the Chairman of a subcommittee of such a
8 committee, or any other member of Congress; and

9 “(2) the date on which the General Accounting
10 Office receives such a request shall be considered the
11 date of the request.”.

12 (2) The chapter analysis at the beginning of such
13 chapter is amended by inserting after the item relating
14 to section 720 the following:

“721. Priority for completion of certain audits, evaluations, other reviews, and reports.”.

15 (b) ANNUAL REPORT ON CONGRESSIONAL AND NON-
16 CONGRESSIONAL ACTIVITIES.—(1) Section 719(b) of title
17 31, United States Code, is amended by adding at the end
18 the following:

19 “(3)(A) The report under subsection (a) shall in-
20 clude, for the latest fiscal year ending before the date of
21 the report, the amount and cost of the work that the Gen-
22 eral Accounting Office performed during the fiscal year
23 for the following:

1 “(i) Audits, evaluations, other reviews, and re-
2 ports requested by the Chairman of a committee of
3 Congress, the Chairman of a subcommittee of such
4 a committee, or any other member of Congress.

5 “(ii) Audits, evaluations, other reviews, and re-
6 ports not described in clause (i) and not required by
7 law to be performed by the General Accounting Of-
8 fice.

9 “(B) In the report, amounts of work referred to in
10 subparagraph (A) shall be expressed as hours of labor.”.

11 (2) Paragraph (1) of such section is amended—

12 (A) by striking out “and” at the end of sub-
13 paragraph (B);

14 (B) by striking out the period at the end of
15 subparagraph (C) and inserting in lieu thereof “;
16 and”; and

17 (C) by adding at the end the following:

18 “(D) the matters required by paragraph (3).”.

19 (c) APPLICABILITY.—(1) Section 721 of title 31,
20 United States Code (as added by subsection (a)), shall
21 apply to the commencement of audits, evaluations, other
22 reviews, and reports by the General Accounting Office
23 after the later of—

24 (A) September 30, 1997; or

25 (B) the date of the enactment of this Act.

1 (2) The amendments made by subsection (b) shall
2 apply with respect to reports submitted under section
3 719(a) of title 31, United States Code, after December
4 31, 1997.

5 **Subtitle E—Other Matters**

6 **SEC. 1051. PSYCHOTHERAPIST-PATIENT PRIVILEGE IN THE** 7 **MILITARY RULES OF EVIDENCE.**

8 (a) REQUIREMENT FOR PROPOSED RULE.—The Sec-
9 retary of Defense shall submit to the President, for consid-
10 eration for promulgation under article 36 of the Uniform
11 Code of Military Justice (10 U.S.C. 836), a recommended
12 amendment to the Military Rules of Evidence that recog-
13 nizes an evidentiary privilege regarding disclosure by a
14 psychotherapist of confidential communications between a
15 patient and the psychotherapist.

16 (b) APPLICABILITY OF PRIVILEGE.—The rec-
17 ommended amendment shall include a provision that ap-
18 plies the privilege to—

19 (1) patients who are not subject to the Uniform
20 Code of Military Justice; and

21 (2) any patients subject to the Uniform Code of
22 Military Justice that the Secretary determines it ap-
23 propriate for the privilege to cover.

24 (c) SCOPE OF PRIVILEGE.—The evidentiary privilege
25 recommended pursuant to subsection (a) shall be similar

1 in scope to the psychotherapist-patient privilege recog-
 2 nized under Rule 501 of the Federal Rules of Evidence,
 3 subject to such exceptions and limitations as the Secretary
 4 determines appropriate on the bases of law, public policy,
 5 and military necessity.

6 (d) DEADLINE FOR RECOMMENDATION.—The Sec-
 7 retary shall submit the recommendation under subsection
 8 (a) on or before the later of the following dates:

9 (1) The date that is 90 days after the date of
 10 the enactment of this Act.

11 (2) January 1, 1998.

12 **SEC. 1052. NATIONAL GUARD CIVILIAN YOUTH OPPORTUNI-**
 13 **TIES PILOT PROGRAM.**

14 (a) EXTENSION OF PILOT PROGRAM AUTHORITY FOR
 15 CURRENT NUMBER OF PROGRAMS.—Subsection (a) of
 16 section 1091 of the National Defense Authorization Act
 17 for Fiscal Year 1993 (Public Law 102–484; 32 U.S.C.
 18 501 note) is amended—

19 (1) by striking out “During fiscal years 1993
 20 through 1995” and inserting in lieu thereof “(1)
 21 During fiscal years 1993 through 1998”; and

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

24 “(2) In fiscal years after fiscal year 1995, the number
 25 of programs carried out under subsection (d) as part of

1 the pilot program may not exceed the number of such pro-
 2 grams as of September 30, 1995.”.

3 (b) FISCAL RESTRICTIONS.—(1) Section 1091 of
 4 such Act is amended by striking out subsection (k) and
 5 inserting in lieu thereof the following:

6 “(k) FISCAL RESTRICTIONS.—(1) The Federal Gov-
 7 ernment’s share of the total cost of carrying out a pro-
 8 gram in a State as part of the pilot program in any fiscal
 9 year after fiscal year 1997 may not exceed 50 percent of
 10 that total cost.

11 “(2) The total amount expended for carrying out the
 12 program during a fiscal year may not exceed
 13 \$20,000,000.”.

14 (2) Subsection (d)(3) of such section is amended by
 15 inserting “, subject to subsection (k)(1),” after “provide
 16 funds”.

17 (c) CONFORMING REPEAL.—Section 573 of the Na-
 18 tional Defense Authorization Act for Fiscal Year 1996
 19 (Public Law 104–106; 110 Stat. 355; 32 U.S.C. 501 note)
 20 is repealed.

21 **SEC. 1053. PROTECTION OF ARMED FORCES PERSONNEL**
 22 **DURING PEACE OPERATIONS.**

23 (a) PROTECTION OF PERSONNEL.—

24 (1) IN GENERAL.—The Secretary of Defense
 25 shall take appropriate actions to ensure that units of

1 the Armed Forces (including Army units, Marine
2 Corps units, Air Force units, and support units for
3 such units) engaged in peace operations have ade-
4 quate troop protection equipment for such oper-
5 ations.

6 (2) SPECIFIC ACTIONS.—In taking such actions,
7 the Secretary shall—

8 (A) identify the additional troop protection
9 equipment, if any, required to equip a division
10 equivalent with adequate troop protection
11 equipment for peace operations;

12 (B) establish procedures to facilitate the
13 exchange of troop protection equipment among
14 the units of the Armed Forces; and

15 (C) designate within the Department of
16 Defense an individual responsible for—

17 (i) ensuring the proper allocation of
18 troop protection equipment among the
19 units of the Armed Forces engaged in
20 peace operations; and

21 (ii) monitoring the availability, status
22 or condition, and location of such equip-
23 ment.

1 (b) REPORT.—Not later than March 1, 1998, the
 2 Secretary shall submit to Congress a report on the actions
 3 taken by the Secretary under subsection (a).

4 (c) TROOP PROTECTION EQUIPMENT DEFINED.—In
 5 this section, the term “troop protection equipment” means
 6 the equipment required by units of the Armed Forces to
 7 defend against any hostile threat that is likely during a
 8 peace operation, including an attack by a hostile crowd,
 9 small arms fire, mines, and a terrorist bombing attack.

10 **SEC. 1054. LIMITATION ON RETIREMENT OR DISMANTLE-**
 11 **MENT OF STRATEGIC NUCLEAR DELIVERY**
 12 **SYSTEMS.**

13 (a) FUNDING LIMITATION.—Funds available to the
 14 Department of Defense may not be obligated or expended
 15 during fiscal year 1998 for retiring or dismantling, or for
 16 preparing to retire or dismantle, any of the following stra-
 17 tegic nuclear delivery systems below the specified levels:

18 (1) 71 B–52H bomber aircraft.

19 (2) 18 Trident ballistic missile submarines.

20 (3) 500 Minuteman III intercontinental ballistic
 21 missiles.

22 (4) 50 Peacekeeper intercontinental ballistic
 23 missiles.

24 (b) WAIVER AUTHORITY.—If the START II Treaty
 25 enters into force during fiscal year 1997 or fiscal year

1 1998, the Secretary of Defense may waive the application
2 of the limitation under subsection (a) to the extent that
3 the Secretary determines necessary in order to implement
4 the treaty.

5 (c) FUNDING LIMITATION ON EARLY DEACTIVA-
6 TION.—(1) If the limitation under subsection (a) ceases
7 to apply by reason of a waiver under subsection (b), funds
8 available to the Department of Defense may nevertheless
9 not be obligated or expended during fiscal year 1998 to
10 implement any agreement or understanding to undertake
11 substantial early deactivation of a strategic nuclear deliv-
12 ery system specified in subsection (a) until 30 days after
13 the date on which the President submits to Congress a
14 report concerning such actions.

15 (2) For purposes of this subsection, a substantial
16 early deactivation is an action during fiscal year 1998 to
17 deactivate a substantial number of strategic nuclear deliv-
18 ery systems specified in subsection (a) by—

19 (A) removing nuclear warheads from those sys-
20 tems; or

21 (B) taking other steps to remove those systems
22 from combat status.

23 (3) A report under this subsection shall include the
24 following:

1 (A) The text of any understanding or agree-
2 ment between the United States and the Russian
3 Federation concerning substantial early deactivation
4 of strategic nuclear delivery systems under the
5 START II Treaty.

6 (B) The plan of the Department of Defense for
7 implementing the agreement.

8 (C) An assessment of the Secretary of Defense
9 of the adequacy of the provisions contained in the
10 agreement for monitoring and verifying compliance
11 of Russia with the terms of the agreement.

12 (D) A determination by the President as to
13 whether the deactivations to occur under the agree-
14 ment will be carried out in a symmetrical, reciprocal,
15 or equivalent manner.

16 (E) An assessment by the President of the ef-
17 fect of the proposed early deactivation on the stabil-
18 ity of the strategic balance and relative strategic nu-
19 clear capabilities of the United States and the Rus-
20 sian Federation at various stages during deactiva-
21 tion and upon completion.

22 (d) CONTINGENCY PLAN FOR SUSTAINMENT OF SYS-
23 TEMS.—(1) Not later than February 15, 1998, the Sec-
24 retary of Defense shall submit to the congressional defense
25 committees a plan for the sustainment beyond October 1,

1 1999, of United States strategic nuclear delivery systems
2 and alternative Strategic Arms Reduction Treaty force
3 structures in the event that a strategic arms reduction
4 agreement subsequent to the Strategic Arms Reduction
5 Treaty does not enter into force before 2004.

6 (2) The plan shall include a discussion of the follow-
7 ing matters:

8 (A) The actions that are necessary to sustain
9 the United States strategic nuclear delivery systems,
10 distinguishing between the actions that are planned
11 for and funded in the future-years defense program
12 and the actions that are not planned for and funded
13 in the future-years defense program.

14 (B) The funding necessary to implement the
15 plan, indicating the extent to which the necessary
16 funding is provided for in the future-years defense
17 program and the extent to which the necessary fund-
18 ing is not provided for in the future-years defense
19 program.

20 (e) START TREATIES DEFINED.—In this section:

21 (1) The term “Strategic Arms Reduction Trea-
22 ty” means the Treaty Between the United States of
23 America and the United Soviet Socialist Republics
24 on the Reduction and Limitation of Strategic Offen-
25 sive Arms (START), signed at Moscow on July 31,

1 1991, including related annexes on agreed state-
2 ments and definitions, protocols, and memorandum
3 of understanding.

4 (2) The term “START II Treaty” means the
5 Treaty Between the United States of America and
6 the Russian Federation on Further Reduction and
7 Limitation of Strategic Offensive Arms, signed at
8 Moscow on January 3, 1993, including the following
9 protocols and memorandum of understanding, all
10 such documents being integral parts of and collec-
11 tively referred to as the “START II Treaty” (con-
12 tained in Treaty Document 103–1):

13 (A) The Protocol on Procedures Governing
14 Elimination of Heavy ICBMs and on Proce-
15 dures Governing Conversion of Silo Launchers
16 of Heavy ICBMs Relating to the Treaty Be-
17 tween the United States of America and the
18 Russian Federation on Further Reduction and
19 Limitation of Strategic Offensive Arms (also
20 known as the “Elimination and Conversion Pro-
21 tocol”).

22 (B) The Protocol on Exhibitions and In-
23 spections of Heavy Bombers Relating to the
24 Treaty Between the United States and the Rus-
25 sian Federation on Further Reduction and

1 Limitation of Strategic Offensive Arms (also
2 known as the “Exhibitions and Inspections Pro-
3 tocol”).

4 (C) The Memorandum of Understanding
5 on Warhead Attribution and Heavy Bomber
6 Data Relating to the Treaty Between the Unit-
7 ed States of America and the Russian Federa-
8 tion on Further Reduction and Limitation of
9 Strategic Offensive Arms (also known as the
10 “Memorandum on Attribution”).

11 **SEC. 1055. ACCEPTANCE AND USE OF LANDING FEES FOR**
12 **USE OF OVERSEAS MILITARY AIRFIELDS BY**
13 **CIVIL AIRCRAFT.**

14 (a) **AUTHORITY.**—Section 2350j of title 10, United
15 States Code, is amended—

16 (1) by redesignating subsections (f) and (g) as
17 subsections (g) and (h), and

18 (2) by inserting after subsection (e) the follow-
19 ing new subsection (f):

20 “(f) **PAYMENTS FOR CIVIL USE OF MILITARY AIR-**
21 **FIELDS.**—The authority under subsection (a) includes au-
22 thority for the Secretary of a military department to ac-
23 cept payments of landing fees for use of a military airfield
24 by civil aircraft that are prescribed pursuant to an agree-
25 ment that is entered into with the government of the coun-

1 try in which the airfield is located. Payments received
 2 under this subsection in a fiscal year shall be credited to
 3 the appropriation that is available for the fiscal year for
 4 the operation and maintenance of the military airfield,
 5 shall be merged with amounts in the appropriation to
 6 which credited, and shall be available for the same period
 7 and purposes as the appropriation is available.”.

8 (b) CONFORMING AMENDMENTS.—(1) Subsection (b)
 9 of such section is amended by striking out “Any” at the
 10 beginning of the second sentence and inserting in lieu
 11 thereof “Except as provided in subsection (f), any”.

12 (2) Subsection (c) of such section is amended by
 13 striking out “Contributions” in the matter preceding para-
 14 graph (1), and inserting in lieu thereof “Except as pro-
 15 vided in subsection (f), contributions”.

16 **SEC. 1056. ONE-YEAR EXTENSION OF INTERNATIONAL NON-**
 17 **PROLIFERATION INITIATIVE.**

18 (a) ONE-YEAR EXTENSION.—Subsection (f) of sec-
 19 tion 1505 of the Weapons of Mass Destruction Control
 20 Act of 1992 (title XV of the National Defense Authoriza-
 21 tion Act for Fiscal Year 1993; 22 U.S.C. 5859a) is
 22 amended by striking out “1997” and inserting in lieu
 23 thereof “1998”.

24 (b) LIMITATIONS ON AMOUNT OF ASSISTANCE FOR
 25 ADDITIONAL FISCAL YEARS.—Subsection (d)(3) of such

1 section is amended by striking out “or \$15,000,000 for
 2 fiscal year 1997” and inserting in lieu thereof
 3 “\$15,000,000 for fiscal year 1997, or \$15,000,000 for fis-
 4 cal year 1998”.

5 **SEC. 1057. ARMS CONTROL IMPLEMENTATION AND ASSIST-**
 6 **ANCE FOR FACILITIES SUBJECT TO INSPEC-**
 7 **TION UNDER THE CHEMICAL WEAPONS CON-**
 8 **VENTION.**

9 (a) ASSISTANCE AUTHORIZED.—The On-Site Inspec-
 10 tion Agency of the Department of Defense may provide
 11 technical assistance, on a reimbursable basis (in accord-
 12 ance with subsection (b)), to a facility that is subject to
 13 a routine or challenge inspection under the Chemical
 14 Weapons Convention upon the request of the owner or op-
 15 erator of the facility.

16 (b) REIMBURSEMENT REQUIREMENT.—The United
 17 States National Authority shall reimburse the On-Site In-
 18 spection Agency for costs incurred by the agency in pro-
 19 viding assistance under subsection (a).

20 (c) DEFINITIONS.—In this section:

21 (1) The terms “Chemical Weapons Convention”
 22 and “Convention” mean the Convention on the Pro-
 23 hibition of the Development, Production, Stockpiling
 24 and Use of Chemical Weapons and on Their De-

1 struction, opened for signature on January 13,
2 1993.

3 (2) The term “facility that is subject to a rou-
4 tine inspection” means a declared facility, as defined
5 in paragraph 15 of part X of the Annex on Imple-
6 mentation and Verification of the Convention.

7 (3) The term “challenge inspection” means an
8 inspection conducted under Article IX of the Con-
9 vention.

10 (4) The term “United States National Author-
11 ity” means the United States National Authority es-
12 tablished or designated pursuant to Article VII,
13 paragraph 4, of the Chemical Weapons Convention.

14 **SEC. 1058. SENSE OF SENATE REGARDING THE RELATION-**
15 **SHIP BETWEEN ENVIRONMENTAL LAWS AND**
16 **UNITED STATES’ OBLIGATIONS UNDER THE**
17 **CHEMICAL WEAPONS CONVENTION.**

18 (a) FINDINGS.—The Senate makes the following
19 findings:

20 (1) The Chemical Weapons Convention requires
21 the destruction of the United States’ stockpile of le-
22 thal chemical agents and munitions within 10 years
23 after the Convention’s entry into force (or 2007).

24 (2) The President possesses substantial powers
25 under existing law to ensure that the technologies

1 necessary to destroy the stockpile are developed, that
2 the facilities necessary to destroy the stockpile are
3 constructed, and that Federal, State, and local envi-
4 ronmental laws and regulations do not impair the
5 ability of the United States to comply with its obli-
6 gations under the Convention.

7 (b) SENSE OF SENATE.—It is the sense of the Senate
8 that the President—

9 (1) should use the authority granted the Presi-
10 dent under existing law to ensure that the United
11 States is able to construct and operate the facilities
12 necessary to destroy the United States’ stockpile of
13 lethal chemical agents and munitions within the time
14 allowed by the Chemical Weapons Convention; and

15 (2) while carrying out the United States’ obli-
16 gations under the Convention, should encourage ne-
17 gotiations between appropriate Federal Government
18 officials and officials of the State and local govern-
19 ments concerned to attempt to meet their concerns
20 about the actions being taken to carry out those ob-
21 ligations.

22 (c) CHEMICAL WEAPONS CONVENTION DEFINED.—
23 In this section, the terms “Chemical Weapons Conven-
24 tion” and “Convention” mean the Convention on the Pro-
25 hibition of the Development, Production, Stockpiling and

1 Use of Chemical Weapons and on Their Destruction,
2 opened for signature on January 13, 1993.

3 **SEC. 1059. SENSE OF CONGRESS REGARDING FUNDING FOR**
4 **RESERVE COMPONENT MODERNIZATION NOT**
5 **REQUESTED IN THE ANNUAL BUDGET RE-**
6 **QUEST.**

7 (a) LIMITATION.—It is the sense of Congress that,
8 to the maximum extent practicable, Congress should con-
9 sider authorizing appropriations for reserve component
10 modernization activities not included in the budget request
11 of the Department of Defense for a fiscal year only if—

12 (1) there is a Joint Requirements Oversight
13 Council validated requirement for the equipment;

14 (2) the equipment is included for reserve com-
15 ponent modernization in the modernization plan of
16 the military department concerned and is incor-
17 porated into the future-years defense program;

18 (3) the equipment is consistent with the use of
19 reserve component forces;

20 (4) the equipment is necessary in the national
21 security interests of the United States; and

22 (5) the funds can be obligated in the fiscal year.

23 (b) VIEWS OF THE CHAIRMAN, JOINT CHIEFS OF
24 STAFF.—It is further the sense of Congress that, in apply-
25 ing the criteria set forth in subsection (a), Congress

1 should obtain the views of the Chairman of the Joint
2 Chiefs of Staff, including views on whether funds for
3 equipment not included in the budget request are appro-
4 priate for the employment of reserve component forces in
5 Department of Defense warfighting plans.

6 **SEC. 1060. AUTHORITY OF SECRETARY OF DEFENSE TO**
7 **SETTLE CLAIMS RELATING TO PAY, ALLOW-**
8 **ANCES, AND OTHER BENEFITS.**

9 (a) **AUTHORITY TO WAIVE TIME LIMITATIONS.**—
10 Paragraph (1) of section 3702(e) of title 31, United States
11 Code, is amended by striking out “Comptroller General”
12 and inserting in lieu thereof “Secretary of Defense”.

13 (b) **APPROPRIATION TO BE CHARGED.**—Paragraph
14 (2) of such section is amended by striking out “shall be
15 subject to the availability of appropriations for payment
16 of that particular claim” and inserting in lieu thereof
17 “shall be made from an appropriation that is available,
18 for the fiscal year in which the payment is made, for the
19 same purpose as the appropriation to which the obligation
20 claimed would have been charged if the obligation had
21 been timely paid”.

1 **SEC. 1061. COORDINATION OF ACCESS OF COMMANDERS**
2 **AND DEPLOYED UNITS TO INTELLIGENCE**
3 **COLLECTED AND ANALYZED BY THE INTEL-**
4 **LIGENCE COMMUNITY.**

5 (a) FINDINGS.—Congress makes the following find-
6 ings:

7 (1) Coordination of operational intelligence sup-
8 port for the commanders of the combatant com-
9 mands and deployed units of the Armed Forces has
10 proven to be inadequate.

11 (2) Procedures used to reconcile information
12 among various intelligence community and Depart-
13 ment of Defense data bases proved to be inadequate
14 and, being inadequate, diminished the usefulness of
15 that information and preclude commanders and
16 planners within the Armed Forces from fully benefit-
17 ing from key information that should have been
18 available to them.

19 (3) Excessive compartmentalization of respon-
20 sibilities and information within the Department of
21 Defense and the other elements of the intelligence
22 community resulted in inaccurate analysis of impor-
23 tant intelligence material.

24 (4) Excessive restrictions on the distribution of
25 information within the executive branch disadvan-

1 tagged units of the Armed Forces that would have
2 benefited most from the information.

3 (5) Procedures used in the Department of De-
4 fense to ensure that critical intelligence information
5 is provided to the right combat units in a timely
6 manner failed during the Persian Gulf War and, as
7 a result, information about potential chemical weap-
8 ons storage locations did not reach the units that
9 eventually destroyed those storage areas.

10 (6) A recent, detailed review of the events lead-
11 ing to and following the destruction of chemical
12 weapons by members of the Armed Forces at
13 Khamisiyah, Iraq, during the Persian Gulf War has
14 revealed a number of inadequacies in the way the
15 Department of Defense and the other elements of
16 the intelligence community handled, distributed, re-
17 corded, and stored intelligence information about the
18 threat of exposure of United States forces to chemi-
19 cal weapons and the toxic agents in those weapons.

20 (7) The inadequacy of procedures for recording
21 the receipt of, and reaction to, intelligence reports
22 provided by the intelligence community to combat
23 units of the Armed Forces during the Persian Gulf
24 War has caused it to be impossible to analyze the
25 failures in transmission of intelligence-related infor-

1 mation on the location of chemical weapons at
2 Khamisiyah, Iraq, that resulted in the demolition of
3 chemical weapons by members of the Armed Forces
4 unaware of the hazards to which they were exposed.

5 (b) REPORTING REQUIREMENT.—Not later than
6 March 1, 1998, the Secretary of Defense shall submit to
7 Congress a report that identifies the specific actions that
8 have been taken or are being taken to ensure that there
9 is adequate coordination of operational intelligence sup-
10 port for the commanders of the combatant commands and
11 deployed units of the Armed Forces.

12 (c) DEFINITION OF INTELLIGENCE COMMUNITY.—In
13 this section, the term “intelligence community” has the
14 meaning given the term in section 3 of the National Secu-
15 rity Act of 1947 (50 U.S.C. 401a).

16 **SEC. 1062. PROTECTION OF IMAGERY, IMAGERY INTEL-**
17 **LIGENCE, AND GEOSPATIAL INFORMATION**
18 **AND DATA.**

19 (a) PROTECTION OF INFORMATION ON CAPABILI-
20 TIES.—Paragraph (1)(B) of section 455(b) of title 10,
21 United States Code, is amended by inserting “, or capa-
22 bilities,” after “methods”.

23 (b) PRODUCTS PROTECTED.—(1) Paragraph (2) of
24 such section is amended to read as follows:

1 “(2) In this subsection, the term ‘geodetic product’
 2 means imagery, imagery intelligence, or geospatial infor-
 3 mation, as those terms are defined in section 467 of this
 4 title.”.

5 (2) Section 467(4)(C) of title 10, United States Code,
 6 is amended to read as follows:

7 “(C) maps, charts, geodetic data, and re-
 8 lated products.”.

9 **SEC. 1063. PROTECTION OF AIR SAFETY INFORMATION**
 10 **VOLUNTARILY PROVIDED BY A CHARTER AIR**
 11 **CARRIER.**

12 Section 2640 of title 10, United States Code, is
 13 amended—

14 (1) by redesignating subsections (h) and (i) as
 15 subsections (i) and (j), respectively; and

16 (2) by inserting after subsection (g) the follow-
 17 ing new subsection (h):

18 “(h) PROTECTION OF VOLUNTARILY SUBMITTED AIR
 19 SAFETY INFORMATION.—(1) Subject to paragraph (2),
 20 the appropriate official may deny a request made under
 21 any other provision of law for public disclosure of safety-
 22 related information that has been provided voluntarily by
 23 an air carrier to the Secretary of Defense for the purposes
 24 of this section, notwithstanding the provision of law under
 25 which the request is made.

1 “(2) The appropriate official may exercise authority
2 to deny a request for disclosure of information under para-
3 graph (1) if the official first determines that—

4 “(A) the disclosure of the information as re-
5 quested would inhibit an air carrier from voluntarily
6 disclosing, in the future, safety-related information
7 for the purposes of this section or for other air safe-
8 ty purposes involving the Department of Defense or
9 another Federal agency; and

10 “(B) the receipt of such information generally
11 enhances the fulfillment of responsibilities under this
12 section or other air safety responsibilities involving
13 the Department of Defense or another Federal agen-
14 cy.

15 “(3) For the purposes of this section, the appropriate
16 official for exercising authority under paragraph (1) is—

17 “(A) the Secretary of Defense, in the case of a
18 request for disclosure of information that is directed
19 to the Department of Defense; or

20 “(B) the head of another Federal agency, in the
21 case of a request that is directed to that Federal
22 agency regarding information described in paragraph
23 (1) that the Federal agency has received from the
24 Department of Defense.”.

1 **SEC. 1064. SUSTAINMENT AND OPERATION OF GLOBAL PO-**
2 **SITIONING SYSTEM.**

3 (a) FINDINGS.—Congress makes the following find-
4 ings:

5 (1) The Global Positioning System, with its
6 multiple uses, makes significant contributions to the
7 attainment of the national security and foreign pol-
8 icy goals of the United States, the safety and effi-
9 ciency of international transportation, and the eco-
10 nomic growth, trade, and productivity of the United
11 States.

12 (2) The infrastructure for the Global Position-
13 ing System, including both space and ground seg-
14 ments of the infrastructure, is vital to the effective-
15 ness of United States and allied military forces and
16 to the protection of the national security interests of
17 the United States.

18 (3) In addition to having military uses, the
19 Global Positioning System has essential civil, com-
20 mercial, and scientific uses.

21 (4) Driven by the increasing demand of civil,
22 commercial, and scientific users of the Global Posi-
23 tioning System—

24 (A) there has emerged in the United
25 States a new commercial industry to provide
26 Global Positioning System equipment and relat-

1 ed services to the many and varied users of the
2 system; and

3 (B) there have been rapid technical ad-
4 vancements in Global Positioning System equip-
5 ment and services that have contributed signifi-
6 cantly to reductions in the cost of the Global
7 Positioning System and increases in the tech-
8 nical capabilities and availability of the system
9 for military uses.

10 (5) It is in the national interest of the United
11 States for the United States—

12 (A) to support continuation of the mul-
13 tiple-use character of the Global Positioning
14 System;

15 (B) to promote broader acceptance and use
16 of the Global Positioning System and the tech-
17 nological standards that facilitate expanded use
18 of the system for civil purposes;

19 (C) to coordinate with other countries to
20 ensure—

21 (i) efficient management of the elec-
22 tromagnetic spectrum utilized for the Glob-
23 al Positioning System; and

1 (ii) protection of that spectrum in
2 order to prevent disruption of, and inter-
3 ference with, signals from the system; and
4 (D) to encourage open access in all inter-
5 national markets to the Global Positioning Sys-
6 tem and supporting equipment, services, and
7 techniques.

8 (b) SUSTAINMENT AND OPERATION FOR MILITARY
9 PURPOSES.—The Secretary of Defense shall—

10 (1) provide for the sustainment of the Global
11 Positioning System capabilities, and the operation of
12 basic Global Positioning System services, that are
13 beneficial for the national security interests of Unit-
14 ed States;

15 (2) develop appropriate measures for preventing
16 hostile use of the Global Positioning System that
17 make it unnecessary to use the selective availability
18 feature of the system continuously and do not hinder
19 the use of the Global Positioning System by the
20 United States and its allies for military purposes;
21 and

22 (3) ensure that United States military forces
23 have the capability to use the Global Positioning
24 System effectively despite hostile attempts to prevent
25 the use of the system by such forces.

1 (c) SUSTAINMENT AND OPERATION FOR CIVILIAN
2 PURPOSES.—The Secretary of Defense shall—

3 (1) provide for the sustainment and operation
4 of basic Global Positioning System services for
5 peaceful civil, commercial, and scientific uses on a
6 continuous worldwide basis free of direct user fees;

7 (2) provide for the sustainment and operation
8 of basic Global Positioning System services in order
9 to meet the performance requirements of the Fed-
10 eral Radionavigation Plan jointly issued by the Sec-
11 retary of Defense and the Secretary of Transpor-
12 tation;

13 (3) coordinate with the Secretary of Transpor-
14 tation regarding the development and implementa-
15 tion by the Federal Government of augmentations to
16 the basic Global Positioning System that achieve or
17 enhance uses of the system in support of transpor-
18 tation;

19 (4) coordinate with the Secretary of Commerce,
20 the United States Trade Representative, and other
21 appropriate officials to facilitate the development of
22 new and expanded civil uses for the Global Position-
23 ing System; and

24 (5) develop measures for preventing hostile use
25 of the Global Positioning System in a particular area

1 without hindering peaceful civil use of the system
2 elsewhere.

3 (d) FEDERAL RADIONAVIGATION PLAN.—The Sec-
4 retary of Defense and the Secretary of Transportation
5 shall continue to prepare the Federal Radionavigation
6 Plan every two years as originally provided for in the
7 International Maritime Satellite Telecommunications Act
8 (title V of the Communications Satellite Act of 1962; 47
9 U.S.C. 751 et seq.).

10 (e) INTERNATIONAL COOPERATION.—Congress urges
11 the President to promote the security of the United States
12 and its allies, the public safety, and commercial interests
13 by—

14 (1) undertaking a coordinated effort within the
15 executive branch to seek to establish the Global Po-
16 sitioning System, and augmentations to the system,
17 as a worldwide resource;

18 (2) seeking to enter into international agree-
19 ments to establish signal and service standards that
20 protect the Global Positioning System from disrup-
21 tion and interference; and

22 (3) undertaking efforts to eliminate any bar-
23 riers to, and other restrictions of foreign govern-
24 ments on, peaceful uses of the Global Positioning
25 System.

1 (f) PROHIBITION OF SUPPORT OF FOREIGN SYS-
2 TEM.—None of the funds authorized to be appropriated
3 under this Act may be used to support the operation and
4 maintenance or enhancement of any satellite navigation
5 system operated by a foreign country.

6 (g) REPORT.—(1) Not later than 30 days after the
7 end of each even numbered fiscal year (beginning with fis-
8 cal year 1998), the Secretary of Defense shall submit to
9 the Committees on Armed Services and on Appropriations
10 on the Senate and the Committees on National Security
11 and on Appropriations of the House of Representatives a
12 report on the Global Positioning System. The report shall
13 include a discussion of the following matters:

14 (A) The operational status of the Global Posi-
15 tioning System.

16 (B) The capability of the system to satisfy ef-
17 fectively—

18 (i) the military requirements for the sys-
19 tem that are current as of the date of the re-
20 port; and

21 (ii) the performance requirements of the
22 Federal Radionavigation Plan.

23 (C) The most recent determination by the
24 President regarding continued use of the selective
25 availability feature of the Global Positioning System

1 and the expected date of any change or elimination
2 of use of that feature.

3 (D) The status of cooperative activities under-
4 taken by the United States with the governments of
5 other countries concerning the capability of the
6 Global Positioning System or any augmentation of
7 the system to satisfy civil, commercial, scientific, and
8 military requirements, including a discussion of the
9 status and results of activities undertaken under any
10 regional international agreement.

11 (E) Any progress made toward establishing the
12 Global Positioning System as an international stand-
13 ard for consistency of navigational service.

14 (F) Any progress made toward protecting the
15 Global Positioning System from disruption and in-
16 terference.

17 (G) The effects of use of the Global Positioning
18 System on national security, regional security, and
19 the economic competitiveness of United States in-
20 dustry, including the Global Positioning System
21 equipment and service industry and user industries.

22 (2) In preparing the parts of the report required
23 under subparagraphs (D), (E), (F), and (G) of paragraph
24 (1), the Secretary of Defense shall consult with the Sec-

1 retary of Commerce, Secretary of Transportation, and
 2 Secretary of Labor.

3 (h) BASIC GLOBAL POSITIONING SYSTEM SERVICES
 4 DEFINED.—In this section, the term “basic global posi-
 5 tioning system services” means the following components
 6 of the Global Positioning System that are operated and
 7 maintained by the Department of Defense:

8 (1) The constellation of satellites.

9 (2) The navigation payloads that produce the
 10 Global Positioning System signals.

11 (3) The ground stations, data links, and associ-
 12 ated command and control facilities.

13 **SEC. 1065. LAW ENFORCEMENT AUTHORITY FOR SPECIAL**
 14 **AGENTS OF THE DEFENSE CRIMINAL INVES-**
 15 **TIGATIVE SERVICE.**

16 (a) AUTHORITY.—Chapter 81 of title 10, United
 17 States Code, is amended by inserting after section 1585
 18 the following new section:

19 **“§ 1585a. Special agents of the Defense Criminal In-**
 20 **vestigative Service: law enforcement au-**
 21 **thority**

22 “(a) AUTHORITY.—A special agent of the Defense
 23 Criminal Investigative Service designated under sub-
 24 section (b) has the following authority:

25 “(1) To carry firearms.

1 “(2) To execute and serve any warrant or other
2 process issued under the authority of the United
3 States.

4 “(3) To make arrests without warrant for—

5 “(A) any offense against the United States
6 committed in the agent’s presence; or

7 “(B) any felony cognizable under the laws
8 of the United States if the agent has probable
9 cause to believe that the person to be arrested
10 has committed or is committing the felony.

11 “(b) DESIGNATION OF AGENTS TO HAVE AUTHOR-
12 ITY.—The Secretary of Defense may designate to have the
13 authority provided under subsection (a) any special agent
14 of the Defense Criminal Investigative Service whose duties
15 include conducting, supervising, or coordinating investiga-
16 tions of criminal activity in programs and operations of
17 the Department of Defense.

18 “(c) GUIDELINES ON EXERCISE OF AUTHORITY.—
19 The authority provided under subsection (a) shall be exer-
20 cised in accordance with guidelines prescribed by the In-
21 specter General of the Department of Defense and ap-
22 proved by the Attorney General, and any other applicable
23 guidelines prescribed by the Secretary of Defense or the
24 Attorney General.”.

1 (b) CONFORMING AMENDMENT.—The table of sec-
 2 tions at the beginning of such chapter is amended by in-
 3 serting after the item relating to section 1585 the follow-
 4 ing:

“1585a. Special agents of the Defense Criminal Investigative Service: law en-
 forcement authority.”.

5 **SEC. 1066. REPEAL OF REQUIREMENT FOR CONTINUED OP-**
 6 **ERATION OF THE NAVAL ACADEMY DAIRY**
 7 **FARM.**

8 (a) REPEAL.—Section 810 of the Military Construc-
 9 tion Authorization Act, 1968 (Public Law 90–110; 81
 10 Stat. 309) is amended—

11 (1) by striking out subsection (a); and

12 (2) in subsection (b), by striking out “nor
 13 shall” and all that follows through “Act of Con-
 14 gress”.

15 (b) CONFORMING AMENDMENTS.—(1) Section
 16 6971(b)(5) of title 10, United States Code, is amended
 17 by inserting “(if any)” before the period at the end.

18 (2) Section 2105(b) of title 5, United States Code,
 19 is amended by inserting “(if any)” after “Academy dairy”.

20 **SEC. 1067. POW/MIA INTELLIGENCE ANALYSIS CELL.**

21 (a) ESTABLISHMENT OF INTELLIGENCE CELL.—The
 22 Director of Central Intelligence, in consultation with the
 23 Secretary of Defense, shall establish a POW/MIA Intel-
 24 ligence Analysis Cell to provide analytical support on

1 POW/MIA matters to all departments and agencies of the
2 Federal Government involved with such matters. The Di-
3 rector of Central Intelligence shall oversee the functions
4 of the POW/MIA Intelligence Analysis Cell and determine
5 its structure and location.

6 (b) PREPARATION OF NATIONAL INTELLIGENCE ES-
7 TIMATE.—The POW/MIA Intelligence Analysis Cell shall
8 be the primary source of support for the Director in the
9 preparation of the Special National Intelligence Estimate
10 on POW/MIA matters that was directed by the Assistant
11 to the President for National Security Affairs in accord-
12 ance with the letter on that subject that the Assistant to
13 the President transmitted to the Majority Leader of the
14 Senate on April 10, 1997.

15 (c) CONSOLIDATION OF INTELLIGENCE COLLECTION
16 REQUIREMENTS.—All intelligence collection requirements
17 for the intelligence community regarding POW/MIA mat-
18 ters shall be consolidated within the POW/MIA Intel-
19 ligence Analysis Cell.

20 (d) DEFINITIONS.—In this section:

21 (1) The term “POW/MIA matters” means mat-
22 ters concerning prisoners of war and members of the
23 Armed Forces who are missing in action.

1 (2) The term “intelligence community” has the
2 meaning given the term in section 3 of the National
3 Security Act of 1947 (50 U.S.C. 401a).

4 **SEC. 1068. PROTECTION OF EMPLOYEES FROM RETALIA-**
5 **TION FOR CERTAIN DISCLOSURES OF CLASSI-**
6 **FIED INFORMATION.**

7 (a) DISCLOSURES TO OFFICIALS CLEARED FOR AC-
8 CESS.—Section 2302(b) of title 5, United States Code, is
9 amended—

10 (1) in paragraph (8)—

11 (A) by striking out “or” at the end of sub-
12 paragraph (A);

13 (B) by inserting “or” at the end of sub-
14 paragraph (B)(ii); and

15 (C) by adding at the end the following:

16 “(C) a disclosure by an employee or appli-
17 cant of information required by law or Execu-
18 tive order to be kept secret in the interest of
19 national defense or the conduct of foreign af-
20 fairs which the employee or applicant reason-
21 ably believes to provide direct and specific evi-
22 dence of—

23 “(i) a violation of any law, rule, or
24 regulation,

1 “(ii) gross mismanagement, a gross
2 waste of funds, abuse of authority, or a
3 substantial and specific danger to public
4 health or safety, or

5 “(iii) a false statement to Congress on
6 an issue of material fact,

7 if the disclosure is made to a member of a com-
8 mittee of Congress having a primary respon-
9 sibility for oversight of a department, agency,
10 or element of the Federal Government to which
11 the disclosed information relates, to any other
12 Member of Congress who is authorized to re-
13 ceive information of the type disclosed, or to an
14 employee of the executive branch or Congress
15 who has the appropriate security clearance for
16 access to the information disclosed;” and

17 (2) by striking out the matter following para-
18 graph (11).

19 (b) DISSEMINATION OF INFORMATION ON NEW PRO-
20 TECTION.—Not later than 30 days after the date of the
21 enactment of this Act, the President shall—

22 (1) take such action as is necessary to ensure
23 that employees of the executive branch having access
24 to classified information receive notice that the dis-
25 closure of such information to Congress is not pro-

1 hibited by law, executive order, or regulation, and is
 2 not otherwise contrary to public policy when the in-
 3 formation is disclosed under the circumstances de-
 4 scribed in subparagraph (C) of section 2302(b)(8) of
 5 title 5, United States Code (as added by subsection
 6 (a)); and

7 (2) submit to Congress a report on the actions
 8 taken to carry out paragraph (1).

9 (c) **EFFECTIVE DATE AND APPLICABILITY.**—The
 10 amendments made by subsection (a) shall take effect on
 11 October 1, 1998, and shall apply to a taking, failing to
 12 take, or threat to take or fail to take a personnel action
 13 on or after such date because of a disclosure described
 14 in subparagraph (C) of section 2302(b)(8) of title 5, Unit-
 15 ed States Code (as added by subsection (a)), that is made
 16 before, on, or after such date.

17 **SEC. 1069. APPLICABILITY OF CERTAIN PAY AUTHORITIES**
 18 **TO MEMBERS OF THE COMMISSION ON**
 19 **SERVICEMEMBERS AND VETERANS TRANSI-**
 20 **TION ASSISTANCE.**

21 (a) **APPLICABILITY.**—Section 705(a) of the Veterans’
 22 Benefits Improvements Act of 1996 (Public Law 104–275;
 23 110 Stat. 3349; 38 U.S.C. 545 note) is amended—

24 (1) by inserting “(1)” before “Each member”;
 25 and

1 (2) by adding at the end the following:

2 “(2)(A) A member of the Commission who is an an-
3 nuitant otherwise covered by section 8344 or 8468 of title
4 5, United States Code, by reason of membership on the
5 Commission shall not be subject to the provisions of such
6 section with respect to such membership.

7 “(B) A member of the Commission who is a member
8 or former member of a uniformed service shall not be sub-
9 ject to the provisions of subsections (b) and (c) of section
10 5532 of such title with respect to membership on the Com-
11 mission.”.

12 (b) EFFECTIVE DATE.—The amendments made by
13 subsection (a) shall take effect as if included in the provi-
14 sions of section 705(a) of the Veterans’ Benefits Improve-
15 ments Act of 1996 to which such amendments relate.

16 **SEC. 1070. TRANSFER OF B-17 AIRCRAFT TO MUSEUM.**

17 (a) AUTHORITY.—The Secretary of the Air Force
18 may convey, without consideration, to the Planes of Fame
19 Museum, Chino, California (hereafter in this section re-
20 ferred to as the “museum”), all right, title, and interest
21 of the United States in and to the B-17 aircraft known
22 as the “Picadilly Lilly”, an aircraft that has been in the
23 possession of the museum since 1959.

24 (b) CONDITION OF AIRCRAFT.—Before conveying
25 ownership of the aircraft, the Secretary shall alter the air-

1 craft as necessary to ensure that the aircraft does not have
2 any capability for use as a platform for launching or re-
3 leasing munitions or any other combat capability that it
4 was designed to have. The Secretary is not required to
5 repair or alter the condition of the aircraft in any other
6 way before conveying the ownership.

7 (c) CONDITION FOR CONVEYANCE.—A conveyance of
8 ownership of the aircraft under this section shall be sub-
9 ject to the condition that the museum not convey any own-
10 ership interest in, or transfer possession of, the aircraft
11 to any other party without the advance approval of the
12 Secretary of the Air Force.

13 (d) REVERSION.—If the Secretary of the Air Force
14 determines at any time that the museum has conveyed an
15 ownership interest in, or transferred possession of, the air-
16 craft to any other party without the advance approval of
17 the Secretary, all right, title, and interest in and to the
18 aircraft, including any repairs or alterations of the air-
19 craft, shall revert to the United States, and the United
20 States shall have the right of immediate possession of the
21 aircraft.

22 (e) ADDITIONAL TERMS AND CONDITIONS.—The
23 Secretary of the Air Force may require such additional
24 terms and conditions in connection with the conveyance

1 under this section as the Secretary considers appropriate
2 to protect the interests of the United States.

3 (f) CLARIFICATION OF LIABILITY.—Notwithstanding
4 any other provision of law, the United States shall not
5 be liable for any death, injury, loss, or damages that result
6 from any use of the aircraft conveyed under this section
7 by any person other than the United States after the con-
8 veyance is complete.

9 **SEC. 1071. FIVE-YEAR EXTENSION OF AVIATION INSURANCE**
10 **PROGRAM.**

11 (a) EXTENSION.—Section 44310 of title 49, United
12 States Code, is amended by striking out “September 30,
13 1997” and inserting in lieu thereof “September 30,
14 2002”.

15 (b) EFFECTIVE DATE.—This section shall take effect
16 as of September 30, 1997.

17 **SEC. 1072. TREATMENT OF MILITARY FLIGHT OPERATIONS.**

18 No military flight operation (including a military
19 training flight), or designation of airspace for such an op-
20 eration, may be treated as a transportation program or
21 project for purposes of section 303(c) of title 49, United
22 States Code.

1 **SEC. 1073. NATURALIZATION OF FOREIGN NATIONALS WHO**
2 **SERVED HONORABLY IN THE ARMED FORCES**
3 **OF THE UNITED STATES.**

4 (a) IN GENERAL.—Section 329 of the Immigration
5 and Nationality Act (8 U.S.C. 1440) is amended—

6 (1) in subsection (a)(1)—

7 (A) by inserting “, reenlistment, extension
8 of enlistment,” after “at the time of enlist-
9 ment”; and

10 (B) by inserting “or on board a public ves-
11 sel owned or operated by the United States for
12 noncommercial service,” after “United States,
13 the Canal Zone, American Samoa, or Swains Is-
14 land,”; and

15 (2) by adding at the end the following new sub-
16 section:

17 “(d) WAIVER.—(1) For purposes of the naturaliza-
18 tion of natives of the Philippines under section 405 of the
19 Immigration Act of 1990 (8 U.S.C. 1440 note), notwith-
20 standing any other provision of law—

21 “(A) the processing of applications for natu-
22 ralization, filed in accordance with the provisions of
23 Section 405 of the Immigration Act of 1990 (Public
24 Law 101–649; 104 Stat. 5039), including necessary
25 interviews, may be conducted in the Philippines by

1 employees of the Service designated pursuant to sec-
2 tion 335(b) of this Act; and

3 “(B) oaths of allegiance for applications under
4 this subsection may be administered in the Phil-
5ippines by employees of the Service designated pur-
6suant to section 335(b) of this Act.

7 “(2) Paragraph (1) shall be effective only during the
8 period beginning February 3, 1996, and ending at the end
9 of February 2, 2006.”.

10 (b) EFFECTIVE DATES.—The amendments made by
11 subsection (a)(1) shall be effective for all enlistments, re-
12 enlistments, extensions of enlistment, or inductions of per-
13 sons occurring on or after January 1, 1990.

14 **SEC. 1074. DESIGNATION OF BOB HOPE AS HONORARY VET-**
15 **ERAN.**

16 (a) FINDINGS.—Congress makes the following find-
17 ings:

18 (1) The United States has never in its more
19 than 200 years of existence conferred honorary vet-
20 eran status on any person.

21 (2) Honorary veteran status is and should re-
22 main an extraordinary honor not lightly conferred
23 nor frequently granted.

24 (3) It is fitting and proper to confer that status
25 on Bob Hope.

1 (4) Bob Hope attempted to enlist in the Armed
2 Forces to serve his country during World War II but
3 was informed that the greatest service he could pro-
4 vide his country was as a civilian entertainer for the
5 troops.

6 (5) Since then, Bob Hope has travelled to visit
7 and entertain millions of members of the Armed
8 Forces of the United States throughout World War
9 II, the Korean Conflict, the Vietnam War, the Per-
10 sian Gulf War, and the Cold War, in Europe, Africa,
11 England, Wales, Ireland, Scotland, Sicily, the Aleu-
12 tian Islands, Pearl Harbor, Kwajalein Island, Guam,
13 Japan, Korea, Vietnam, Saudi Arabia, and many
14 other locations.

15 (6) Bob Hope frequently elected to stage his
16 shows in forward combat areas.

17 (7) Bob Hope richly deserves the more than
18 100 awards and citations that he has received from
19 government, military, and civic groups.

20 (8) Those awards include the American Con-
21 gressional Gold Medal, the Medal of Freedom, the
22 People to People Award, the Peabody Award, the
23 Jean Hersholdt Humanitarian Award, the Al Jolson
24 Award of the Veterans of Foreign Wars, the Medal

1 of Liberty, and the Distinguished Service Medals of
 2 each of the Armed Forces.

3 (9) Bob Hope has given unselfishly of himself
 4 for over half a century to be with American service
 5 members on foreign shores, has worked tirelessly to
 6 bring a spirit of humor and cheer to millions of mili-
 7 tary members during their loneliest moments, and
 8 has, thereby, extended to them for the American
 9 people a touch of home away from home.

10 (b) HONORARY DESIGNATION.—The elected rep-
 11 resentatives of the American people, expressing the grati-
 12 tude of the American people to Bob Hope for his years
 13 of unselfish service to the members of the Armed Forces
 14 of the United States, designate Bob Hope as an honorary
 15 veteran of the Armed Forces of the United States.

16 **TITLE XI—DEPARTMENT OF**
 17 **DEFENSE CIVILIAN PERSONNEL**

18 **SEC. 1101. USE OF PROHIBITED CONSTRAINTS TO MANAGE**

19 **DEPARTMENT OF DEFENSE PERSONNEL.**

20 Section 129 of title 10, United States Code, is
 21 amended by adding at the end the following:

22 “(f)(1) Not later than February 1 and August 1 of
 23 each year, the Secretary of each military department and
 24 the head of each Defense Agency shall submit to the Com-
 25 mittee on Armed Services of the Senate and the Commit-

tee on National Security of the House of Representative
a report on the management of the civilian workforce
under the jurisdiction of that official.

“(2) Each report of an official under paragraph (1)
shall contain the following:

“(A) The official’s certification that the civilian
workforce under the jurisdiction of the official is not
subject to any constraint or limitation in terms of
man years, end strength, full-time equivalent posi-
tions, or maximum number of employees, and that,
during the six months preceding the date on which
the report is due, such workforce has not been sub-
ject to any such constraint or limitation.

“(B) A description of how the civilian workforce
is managed.

“(C) A detailed description of the analytical
tools used to determine civilian workforce require-
ments during the six-month period referred to in
subparagraph (A).”.

**SEC. 1102. EMPLOYMENT OF CIVILIAN FACULTY AT THE
MARINE CORPS UNIVERSITY.**

(a) EXPANDED AUTHORITY.—Subsections (a) and
(c) of section 7478 of title 10, United States Code, are
amended by striking out “the Marine Corps Command

1 and Staff College” and inserting in lieu thereof “a school
2 of the Marine Corps University”.

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

5 **“§ 7478. Naval War College and Marine Corps Univer-**
6 **sity: civilian faculty members”.**

7 (2) The table of sections at the beginning of chapter
8 643 of such title is amended by striking out the item relat-
9 ing to section 7478 and inserting in lieu thereof the follow-
10 ing new item:

“7478. Naval War College and Marine Corps University: civilian faculty mem-
bers.”.

11 **SEC. 1103. EXTENSION AND REVISION OF VOLUNTARY SEP-**
12 **ARATION INCENTIVE PAY AUTHORITY.**

13 (a) REMITTANCE TO CSRS FUND.—Section 5597 of
14 title 5, United States Code, is amended by adding at the
15 end the following:

16 “(h)(1) In addition to any other payment that it is
17 required to make under subchapter III of chapter 83 or
18 chapter 84 of this title, the Department of Defense shall
19 remit to the Office of Personnel Management an amount
20 equal to 15 percent of the final basic pay of each covered
21 employee. The remittance shall be in place of any remit-
22 tance with respect to the employee that is otherwise re-
23 quired under section 4(a) of the Federal Workforce Re-
24 structuring Act of 1994 (5 U.S.C. 8331 note).

1 “(2) Amounts remitted under paragraph (1) shall be
2 deposited in the Treasury of the United States to the cred-
3 it of the Civil Service Retirement and Disability Fund.

4 “(3) For the purposes of this subsection—

5 “(A) the term ‘covered employee’ means an em-
6 ployee who is subject to subchapter III of chapter 83
7 or chapter 84 of this title and to whom a voluntary
8 separation incentive has been paid under this section
9 on the basis of a separation on or after October 1,
10 1997; and

11 “(B) the term ‘final basic pay’ has the meaning
12 given such term in section 4(a)(2) of the Federal
13 Workforce Restructuring Act of 1994 (5 U.S.C.
14 8331 note).”.

15 (b) EXTENSION OF AUTHORITY.—(1) Subsection (e)
16 of such section is amended by striking out “September
17 30, 1999” and inserting in lieu thereof “September 30,
18 2001”.

19 (2) Section 4436(d)(2) of the Defense Conversion,
20 Reinvestment, and Transition Assistance Act of 1992 (5
21 U.S.C. 8348 note) is amended by striking “January 1,
22 2000” and inserting in lieu thereof “January 1, 2002”.

1 **SEC. 1104. REPEAL OF DEADLINE FOR PLACEMENT CONSID-**
 2 **ERATION OF INVOLUNTARILY SEPARATED**
 3 **MILITARY RESERVE TECHNICIANS.**

4 Section 3329(b) of title 5, United States Code, is
 5 amended by striking out “a position described in sub-
 6 section (c) not later than 6 months after the date of the
 7 application”.

8 **SEC. 1105. RATE OF PAY OF DEPARTMENT OF DEFENSE**
 9 **OVERSEAS TEACHER UPON TRANSFER TO**
 10 **GENERAL SCHEDULE POSITION.**

11 (a) PREVENTION OF EXCESSIVE INCREASES.—Sec-
 12 tion 5334(d) of title 5, United States Code, is amended
 13 by striking out “20 percent” and all that follows and in-
 14 serting in lieu thereof “an amount determined under regu-
 15 lations which the Secretary of Defense shall prescribe for
 16 the determination of the yearly rate of pay of the position.
 17 The amount by which a rate of pay is increased under
 18 the regulations may not exceed the amount equal to 20
 19 percent of that rate of pay.”.

20 (b) EFFECTIVE DATE AND SAVINGS PROVISION.—(1)
 21 The amendment made by subsection (a) shall take effect
 22 180 days after the date of the enactment of this Act.

23 (2) In the case of a person who is employed in a
 24 teaching position referred to in section 5334(d) of title 5,
 25 United States Code, on the day before the effective date
 26 determined under paragraph (1), the rate of pay deter-

1 mined under such section (as in effect on that day) shall
2 not be reduced by reason of the amendment made by sub-
3 section (a) for so long as the person continues to serve
4 in that position or another such position without a break
5 in service on or after that day.

6 **SEC. 1106. NATURALIZATION OF EMPLOYEES OF THE**
7 **GEORGE C. MARSHALL EUROPEAN CENTER**
8 **FOR SECURITY STUDIES.**

9 (a) ELIGIBILITY WITHOUT PERMANENT RESI-
10 DENCE.—Subsection (a) of section 506 of the Intelligence
11 Authorization Act, Fiscal Year 1990 (Public Law 101–
12 193; 103 Stat. 1709; 8 U.S.C. 1430 note) is amended to
13 read as follows:

14 “(a) For purposes of subsection (c) of section 319
15 of the Immigration and Nationality Act (8 U.S.C. 1430),
16 the George C. Marshall European Center for Security
17 Studies, located in Garmisch, Federal Republic of Ger-
18 many, shall be considered to be an organization described
19 in clause (1) of such subsection. Notwithstanding clauses
20 (2) and (4) of such subsection and any other provision
21 of title III of the Immigration and Nationality Act, neither
22 prior admission to the United States for permanent resi-
23 dence nor presence in the United States at the time of
24 naturalization is required as a condition for the natu-

1 ralization (under the authority of such subsection) of a
 2 person employed by the Center.”.

3 (b) REFERENCE CORRECTION.—The section heading
 4 of such section is amended to read as follows:

5 “REQUIREMENTS FOR CITIZENSHIP FOR STAFF OF
 6 GEORGE C. MARSHALL EUROPEAN CENTER FOR SE-
 7 CURITY STUDIES”.

8 **DIVISION B—MILITARY CON-**
 9 **STRUCTION AUTHORIZA-**
 10 **TIONS**

11 **SEC. 2001. SHORT TITLE.**

12 This division may be cited as the “Military Construc-
 13 tion Authorization Act for Fiscal Year 1998”.

14 **TITLE XXI—ARMY**

15 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**
 16 **ACQUISITION PROJECTS.**

17 (a) INSIDE THE UNITED STATES.—Using amounts
 18 appropriated pursuant to the authorization of appropria-
 19 tions in section 2104(a)(1), the Secretary of the Army
 20 may acquire real property and carry out military construc-
 21 tion projects for the installations and locations inside the
 22 United States, and in the amounts, set forth in the follow-
 23 ing table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	\$27,000,000
Arizona	Fort Huachuca	\$20,000,000
California	Naval Weapons Station, Concord	\$23,000,000

Army: Inside the United States—Continued

State	Installation or location	Amount
Colorado	Fort Carson	\$7,300,000
Georgia	Fort Gordon	\$22,000,000
Hawaii	Schofield Barracks	\$44,000,000
Indiana	Crane Army Ammunition Activity	\$7,700,000
Kansas	Fort Leavenworth	\$63,000,000
	Fort Riley	\$25,800,000
Kentucky	Fort Campbell	\$53,600,000
	Fort Knox	\$7,200,000
North Carolina	Fort Bragg	\$6,500,000
South Carolina	Naval Weapons Station, Charleston	\$7,700,000
Texas	Fort Sam Houston	\$16,000,000
Virginia	Charlottesville	\$3,100,000
	Fort A.P. Hill	\$5,400,000
	Fort Myer	\$8,200,000
Washington	Fort Lewis	\$33,000,000
CONUS Classified	Classified Location	\$6,500,000
	Total:	\$387,000,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2104(a)(2), the Secretary of the Army
4 may acquire real property and carry out military construc-
5 tion projects for the locations outside the United States,
6 and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Katterbach Kaserne, Ansbach	\$22,000,000
	Kitzingen	\$4,365,000
	Tompkins Barracks, Heidelberg	\$8,800,000
	Rhine Ordnance Barracks, Military Support Group, Kaiserslautern.	\$6,000,000
Korea	Camp Casey	\$5,100,000
	Camp Castle	\$8,400,000
	Camp Humphreys	\$32,000,000
	Camp Red Cloud	\$23,600,000
	Camp Stanley	\$7,000,000
Various Overseas	Various Locations	\$37,000,000
Worldwide	Host Nation Support	\$20,000,000
	Total:	\$174,265,000

7 SEC. 2102. FAMILY HOUSING.

8 (a) CONSTRUCTION AND ACQUISITION.—Using
9 amounts appropriated pursuant to the authorization of ap-

1 appropriations in section 2104(a)(5)(A), the Secretary of the
 2 Army may construct or acquire family housing units (in-
 3 cluding land acquisition) at the installations, for the pur-
 4 poses, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation or loca- tion	Purpose	Amount
Alaska	Fort Richardson	52 Units	\$9,600,000
	Fort Wainwright	32 Units	\$8,300,000
Florida	Miami	8 Units	\$2,300,000
Hawaii	Schofield Barracks	132 Units	\$26,600,000
Kentucky	Fort Campbell	Family housing improve- ments.	\$8,500,000
Maryland	Fort Meade	56 Units	\$7,900,000
New York	United States Military Academy, West Point.	Whole neigh- borhood revi- talization.	\$5,400,000
North Carolina	Fort Bragg	174 Units	\$20,150,000
Texas	Fort Bliss	91 Units	\$12,900,000
	Fort Hood	130 Units	\$18,800,000
		Total:	\$120,450,000

5 (b) PLANNING AND DESIGN.—Using amounts appro-
 6 priated pursuant to the authorization of appropriations in
 7 section 2104(a)(5)(A), the Secretary of the Army may
 8 carry out architectural and engineering services and con-
 9 struction design activities with respect to the construction
 10 or improvement of family housing units in an amount not
 11 to exceed \$11,665,000.

12 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
 13 **UNITS.**

14 Subject to section 2825 of title 10, United States
 15 Code, and using amounts appropriated pursuant to the
 16 authorization of appropriations in section 2104(a)(5)(A),
 17 the Secretary of the Army may improve existing military

1 family housing units in an amount not to exceed
2 \$44,800,000.

3 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

4 (a) IN GENERAL.—Funds are hereby authorized to
5 be appropriated for fiscal years beginning after September
6 30, 1997, for military construction, land acquisition, and
7 military family housing functions of the Department of the
8 Army in the total amount of \$1,957,129,000 as follows:

9 (1) For military construction projects inside the
10 United States authorized by section 2101(a),
11 \$360,500,000.

12 (2) For the military construction projects out-
13 side the United States authorized by section
14 2101(b), \$174,265,000.

15 (3) For unspecified minor military construction
16 projects authorized by section 2805 of title 10, Unit-
17 ed States Code, \$6,000,000.

18 (4) For architectural and engineering services
19 and construction design under section 2807 of title
20 10, United States Code, \$50,512,000.

21 (5) For military family housing functions:

22 (A) For construction and acquisition, plan-
23 ning and design, and improvement of military
24 family housing and facilities, \$176,915,000.

1 (B) For support of military family housing
2 (including the functions described in section
3 2833 of title 10, United States Code),
4 \$1,148,937,000.

5 (6) For the construction of the National Range
6 Control Center, White Sands Missile Range, New
7 Mexico, authorized by section 2101(a) of the Mili-
8 tary Construction Authorization Act for Fiscal Year
9 1997 (division B of Public Law 104–201; 110 Stat.
10 2763), \$18,000,000.

11 (7) For the construction of the whole barracks
12 complex renewal, Fort Knox, Kentucky, authorized
13 by section 2101(a) of the Military Construction Au-
14 thorization Act for Fiscal Year 1997 (110 Stat.
15 2763), \$22,000,000.

16 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
17 PROJECTS.—Notwithstanding the cost variations author-
18 ized by section 2853 of title 10, United States Code, and
19 any other cost variation authorized by law, the total cost
20 of all projects carried out under section 2101 of this Act
21 may not exceed—

22 (1) the total amount authorized to be appro-
23 priated under paragraphs (1) and (2) of subsection
24 (a); and

1 (2) \$26,500,000 (the balance of the amount au-
2 thorized under section 2101(a) for the construction
3 of the United States Disciplinary Barracks, Fort
4 Leavenworth, Kansas).

5 **SEC. 2105. AUTHORITY TO USE CERTAIN PRIOR YEAR**
6 **FUNDS TO CONSTRUCT A HELIPORT AT FORT**
7 **IRWIN, CALIFORNIA.**

8 (a) **AUTHORITY TO USE FUNDS.**—Notwithstanding
9 any other provision of law and subject to subsection (b),
10 the Secretary of the Army may carry out a project to con-
11 struct a heliport at Fort Irwin, California, using the fol-
12 lowing amounts:

13 (1) Amounts appropriated pursuant to the au-
14 thorization of appropriations in section 2104(a)(1)
15 of the Military Construction Authorization Act for
16 Fiscal Year 1995 (division B of Public Law 103–
17 337; 108 Stat. 3029) for the military construction
18 project at Fort Irwin authorized by section 2101(a)
19 of that Act (108 Stat. 3027).

20 (2) Amounts appropriated pursuant to the au-
21 thorization of appropriations in section 2104(a)(1)
22 of the Military Construction Authorization Act for
23 Fiscal Year 1996 (division B of Public Law 104–
24 106; 110 Stat. 524) for the military construction

1 project at Fort Irwin authorized by section 2101(a)
 2 of that Act (110 Stat. 523).

3 (b) LIMITATION ON AVAILABILITY.—Unless funds
 4 available under subsection (a) are obligated for the project
 5 covered by that subsection by the later of the dates set
 6 forth in section 2701(a) of this Act, the authority in that
 7 subsection to use funds for the project shall expire on the
 8 later of such dates.

9 **TITLE XXII—NAVY**

10 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND** 11 **ACQUISITION PROJECTS.**

12 (a) INSIDE THE UNITED STATES.—Using amounts
 13 appropriated pursuant to the authorization of appropria-
 14 tions in section 2204(a)(1), the Secretary of the Navy may
 15 acquire real property and carry out military construction
 16 projects for the installations and locations inside the Unit-
 17 ed States, and in the amounts, set forth in the following
 18 table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Navy Detachment, Camp Navajo	\$11,426,000
	Marine Corps Air Station, Yuma	\$14,700,000
California	Marine Corps Air Station, Camp Pendle- ton.	\$14,020,000
	Marine Corps Air Station, Miramar	\$8,700,000
	Marine Corps Air-Ground Combat Cen- ter, Twentynine Palms.	\$3,810,000
	Marine Corps Base, Camp Pendleton	\$39,469,000
	Naval Air Facility, El Centro	\$11,000,000
	Naval Air Station, North Island	\$19,600,000
Connecticut	Naval Submarine Base, New London	\$23,560,000
Florida	Naval Air Station, Jacksonville	\$3,480,000
Hawaii	Honolulu (Fort DeRussy)	\$9,500,000
	Marine Corps Air Station, Kaneohe Bay	\$19,000,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	Naval Computer and Telecommunications Area, Master Station, Eastern Pacific, Honolulu.	\$3,900,000
	Naval Station, Pearl Harbor	\$25,000,000
Illinois	Naval Training Center, Great Lakes	\$41,220,000
Mississippi	Navy Combat Battalion Construction Base, Gulfport.	\$22,440,000
North Carolina	Marine Corps Air Station, Cherry Point	\$8,800,000
	Marine Corps Air Station, New River	\$19,900,000
Rhode Island	Naval Undersea Warfare Center Division, Newport.	\$8,900,000
South Carolina	Marine Corps Recruit Depot, Parris Island.	\$3,200,000
Virginia	Fleet Combat Training Center, Dam Neck.	\$7,000,000
	Naval Air Station, Norfolk	\$14,240,000
	Naval Air Station, Oceana	\$28,000,000
	Naval Amphibious Base, Little Creek	\$8,685,000
	Naval Station, Norfolk	\$64,970,000
	Naval Surface Warfare Center, Dahlgren	\$20,480,000
	Naval Weapons Station, Yorktown	\$11,257,000
	Norfolk Naval Shipyard, Portsmouth	\$9,500,000
Washington	Naval Air Station, Whidbey Island	\$1,100,000
	Puget Sound Naval Shipyard, Bremerton	\$4,400,000
	Total:	\$481,257,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the follow-
7 ing table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Administrative Support Unit, Bahrain	\$30,100,000
Guam	Naval Computer and Telecommunications Area, Master Station, Western Pacific.	\$4,050,000
Italy	Naval Air Station, Sigonella	\$21,440,000
	Naval Support Activity, Naples	\$8,200,000
Puerto Rico	Naval Station, Roosevelt Roads	\$9,500,000
United Kingdom	Joint Maritime Communications Center, Saint Mawgan.	\$2,330,000
	Total:	\$75,620,000

1 **SEC. 2202. FAMILY HOUSING.**

2 (a) CONSTRUCTION AND ACQUISITION.—Using
 3 amounts appropriated pursuant to the authorization of ap-
 4 propriations in section 2204(a)(5)(A), the Secretary of the
 5 Navy may construct or acquire family housing units (in-
 6 cluding land acquisition) at the installations, for the pur-
 7 poses, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
California	Marine Corps Air Sta- tion, Miramar.	166 Units	\$28,881,000
	Marine Corps Air- Ground Combat Cen- ter, Twentynine Palms.	132 Units	\$23,891,000
	Marine Corps Base, Camp Pendleton.	171 Units	\$22,518,000
	Naval Air Station, Lemoore.	128 Units	\$23,226,000
	North Carolina	Marine Corps Base, Camp Lejeune.	37 Units \$2,863,000
Texas	Naval Air Station, Cor- pus Christi.	57 Units	\$6,470,000
Washington	Naval Air Station, Whidbey Island.	198 Units	\$32,290,000
Total:			\$140,139,000

8 (b) PLANNING AND DESIGN.—Using amounts appro-
 9 priated pursuant to the authorization of appropriations in
 10 section 2204(a)(5)(A), the Secretary of the Navy may
 11 carry out architectural and engineering services and con-
 12 struction design activities with respect to the construction
 13 or improvement of military family housing units in an
 14 amount not to exceed \$15,850,000.

1 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 Subject to section 2825 of title 10, United States
4 Code, and using amounts appropriated pursuant to the
5 authorization of appropriations in section 2204(a)(5)(A),
6 the Secretary of the Navy may improve existing military
7 family housing units in an amount not to exceed
8 \$173,780,000.

9 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

10 (a) IN GENERAL.—Funds are hereby authorized to
11 be appropriated for fiscal years beginning after September
12 30, 1997, for military construction, land acquisition, and
13 military family housing functions of the Department of the
14 Navy in the total amount of \$1,916,887,000 as follows:

15 (1) For military construction projects inside the
16 United States authorized by section 2201(a),
17 \$448,637,000.

18 (2) For military construction projects outside
19 the United States authorized by section 2201(b),
20 \$75,620,000.

21 (3) For unspecified minor construction projects
22 authorized by section 2805 of title 10, United States
23 Code, \$9,960,000.

24 (4) For architectural and engineering services
25 and construction design under section 2807 of title
26 10, United States Code, \$47,597,000.

1 (5) For military family housing functions:

2 (A) For construction and acquisition, plan-
3 ning and design, and improvement of military
4 family housing and facilities, \$329,769,000.

5 (B) For support of military housing (in-
6 cluding functions described in section 2833 of
7 title 10, United States Code), \$976,504,000.

8 (6) For construction of a large anechoic cham-
9 ber facility at Patuxent River Naval Warfare Center,
10 Maryland, authorized by section 2201(a) of the Mili-
11 tary Construction Authorization Act for Fiscal Year
12 1993 (division B of Public Law 102–484; 106 Stat.
13 2590), \$9,000,000.

14 (7) For construction of a bachelor enlisted
15 quarters at Naval Hospital, Great Lakes, Illinois,
16 authorized by section 2201(a) of the Military Con-
17 struction Authorization Act for Fiscal Year 1997
18 (division B of Public Law 104–201; 110 Stat.
19 2766), \$5,200,000.

20 (8) For construction of a bachelor enlisted
21 quarters at Naval Station, Roosevelt Roads, Puerto
22 Rico, authorized by section 2201(b) of the Military
23 Construction Authorization Act for Fiscal Year 1997
24 (110 Stat. 2767), \$14,600,000.

1 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
2 PROJECTS.—Notwithstanding the cost variations author-
3 ized by section 2853 of title 10, United States Code, and
4 any other cost variation authorized by law, the total cost
5 of all projects carried out under section 2201 of this Act
6 may not exceed—

7 (1) the total amount authorized to be appro-
8 priated under paragraphs (1) and (2) of subsection
9 (a); and

10 (2) \$32,620,000 (the balance of the amount au-
11 thorized under section 2101(a) for the replacement
12 of the Berthing Pier at Naval Station, Norfolk, Vir-
13 ginia.

14 (c) ADJUSTMENT.—The total amount authorized to
15 be appropriated under paragraph (5) of subsection (a) is
16 the sum of the amounts authorized to be appropriated
17 under such paragraph, reduced by \$8,463,000 (the com-
18 bination of project savings resulting from favorable bids,
19 reduced overhead costs, and cancellations due to force
20 structure changes).

1 **SEC. 2205. AUTHORIZATION OF MILITARY CONSTRUCTION**
 2 **PROJECT AT PASCAGOULA NAVAL STATION,**
 3 **MISSISSIPPI, FOR WHICH FUNDS HAVE BEEN**
 4 **APPROPRIATED.**

5 (a) AUTHORIZATION.—The table in section 2201(a)
 6 of the Military Construction Authorization Act for Fiscal
 7 Year 1997 (division B of Public Law 104–201; 110 Stat.
 8 2766) is amended by striking out the item relating to
 9 Navy Project, Stennis Space Center, Mississippi, and in-
 10 serting in lieu thereof the following:

Mississippi	Naval Station Pascagoula	\$4,990,000
	Navy Project, Stennis Space Center	\$7,960,000

11 (b) CONFORMING AMENDMENTS.—Section 2204(a)
 12 of such Act (110 Stat. 2769) is amended—

13 (1) in the matter preceding paragraph (1), by
 14 striking out “\$2,213,731,000” and inserting in lieu
 15 thereof “\$2,218,721,000”; and

16 (2) in paragraph (1), by striking out
 17 “\$579,312,000” and inserting in lieu thereof
 18 “\$584,302,000”.

19 **TITLE XXIII—AIR FORCE**

20 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND**
 21 **LAND ACQUISITION PROJECTS.**

22 (a) INSIDE THE UNITED STATES.—Using amounts
 23 appropriated pursuant to the authorization of appropria-

tions 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	\$5,574,000
Alaska	Clear Air Force Station	\$67,069,000
	Elmendorf Air Force Base	\$6,100,000
	Eielson Air Force Base	\$13,764,000
	Indian Mountain Long Range Radar Site.	\$1,991,000
California	Edwards Air Force Base	\$2,887,000
	Vandenberg Air Force Base	\$26,876,000
Colorado	Buckley Air National Guard Base ...	\$6,718,000
	Falcon Air Force Station	\$10,551,000
	Peterson Air Force Base	\$4,081,000
	United States Air Force Academy ...	\$15,229,000
Florida	Eglin Auxiliary Field 9	\$6,470,000
	MacDill Air Force Base	\$1,543,000
Georgia	Moody Air Force Base	\$15,900,000
	Robins Air Force Base	\$18,663,000
Idaho	Mountain Home Air Force Base	\$30,669,000
Kansas	McConnell Air Force Base	\$19,219,000
Louisiana	Barksdale Air Force Base	\$19,410,000
Mississippi	Keesler Air Force Base	\$30,855,000
Missouri	Whiteman Air Force Base	\$17,419,000
Montana	Malmstrom Air Force Base	\$4,500,000
Nebraska	Offutt Air Force Base	\$6,900,000
Nevada	Nellis Air Force Base	\$5,900,000
New Jersey	McGuire Air Force Base	\$9,954,000
New Mexico	Cannon Air Force Base	\$2,900,000
	Kirtland Air Force Base	\$20,300,000
North Carolina	Pope Air Force Base	\$8,356,000
North Dakota	Grand Forks Air Force Base	\$8,560,000
	Minot Air Force Base	\$5,200,000
Ohio	Wright-Patterson Air Force Base	\$32,750,000
Oklahoma	Altus Air Force Base	\$11,000,000
	Tinker Air Force Base	\$9,655,000
	Vance Air Force Base	\$7,700,000
South Carolina	Shaw Air Force Base	\$6,072,000
South Dakota	Ellsworth Air Force Base	\$6,600,000
Tennessee	Arnold Air Force Base	\$10,750,000
Texas	Dyess Air Force Base	\$10,000,000
	Randolph Air Force Base	\$2,488,000
Utah	Hill Air Force Base	\$6,470,000
Virginia	Langley Air Force Base	\$4,031,000
Washington	Fairchild Air Force Base	\$24,016,000
	McChord Air Force Base	\$9,655,000
CONUS Classified	Classified Location	\$6,175,000
	Total:	\$540,920,000

(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
Germany	Spangdahlem Air Base	\$18,500,000
Italy	Aviano Air Base	\$15,220,000
Korea	Kunsan Air Base	\$10,325,000
Portugal	Lajes Field, Azores	\$4,800,000
United Kingdom	Royal Air Force, Lakenheath	\$11,400,000
Overseas Classified	Classified Location	\$29,100,000
Total:		\$89,345,000

8 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.	51 units	\$8,500,000
	Travis Air Force Base	70 units	\$9,714,000
	Vandenberg Air Force Base.	108 units	\$17,100,000
Delaware	Dover Air Force Base	Ancillary Facility.	\$831,000
District of Columbia	Bolling Air Force Base	46 units	\$5,100,000
Florida	MacDill Air Force Base	58 units	\$10,000,000
	Tyndall Air Force Base	32 units	\$4,200,000

Air Force: Family Housing—Continued

State	Installation or location	Purpose	Amount
Georgia	Robins Air Force Base	106 units	\$12,000,000
Idaho	Mountain Home Air Force Base.	60 units	\$11,032,000
Kansas	McConnell Air Force Base.	19 units	\$2,951,000
Mississippi	Columbus Air Force Base.	50 units	\$6,200,000
Montana	Keesler Air Force Base	40 units	\$5,000,000
	Malmstrom Air Force Base.	956 units	\$21,447,000
New Mexico	Kirtland Air Force Base.	180 units	\$20,900,000
North Dakota	Grand Forks Air Force Base.	42 units	\$7,936,000
South Carolina	Charleston Air Force Base.	Improve family housing area.	\$14,300,000
Texas	Dyess Air Force Base ..	70 units	\$10,503,000
	Goodfellow Air Force Base.	3 units	\$500,000
	Lackland Air Force Base.	50 units	\$7,400,000
Wyoming	F.E. Warren Air Force Base.	52 units	\$6,853,000
Total:			\$182,467,000

1 (b) PLANNING AND DESIGN.—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2304(a)(5)(A), the Secretary of the Air Force may
4 carry out architectural and engineering services and con-
5 struction design activities with respect to the construction
6 or improvement of military family housing units in an
7 amount not to exceed \$13,021,000.

8 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States
11 Code, and using amounts appropriated pursuant to the
12 authorization of appropriations in section 2304(a)(5)(A),
13 the Secretary of the Air Force may improve existing mili-

1 tary family housing units in an amount not to exceed
2 \$102,195,000.

3 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
4 **FORCE.**

5 (a) IN GENERAL.—Funds are hereby authorized to
6 be appropriated for fiscal years beginning after September
7 30, 1997, for military construction, land acquisition, and
8 military family housing functions of the Department of the
9 Air Force in the total amount of \$1,793,949,000 as fol-
10 lows:

11 (1) For military construction projects inside the
12 United States authorized by section 2301(a),
13 \$540,920,000.

14 (2) For military construction projects outside
15 the United States authorized by section 2301(b),
16 \$89,345,000.

17 (3) For unspecified minor construction projects
18 authorized by section 2805 of title 10, United States
19 Code, \$8,545,000.

20 (4) For architectural and engineering services
21 and construction design under section 2807 of title
22 10, United States Code, \$51,080,000.

23 (5) For military housing functions:

24 (A) For construction and acquisition, plan-
25 ning and design, planning improvement of mili-

1 tary family housing and facilities,
2 \$297,683,000.

3 (B) For support of military family housing
4 (including the functions described in section
5 2833 of title 10, United States Code),
6 \$830,234,000.

7 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
8 PROJECTS.—Notwithstanding the cost variations author-
9 ized by section 2853 of title 10, United States Code, and
10 any other cost variation authorized by law, the total cost
11 of all projects carried out under section 2301 of this Act
12 may not exceed the total amount authorized to be appro-
13 priated under paragraphs (1) and (2) of subsection (a).

14 (c) ADJUSTMENT.—The total amount authorized to
15 be appropriated pursuant to paragraphs (1) through (5)
16 of subsection (a) is the sum of the amounts authorized
17 to be appropriated in such paragraphs, reduced by
18 \$23,858,000 (the combination of project savings resulting
19 from favorable bids, reduced overhead costs, and cancella-
20 tions due to force structure changes).

1 **SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION**
 2 **PROJECT AT MCCONNELL AIR FORCE BASE,**
 3 **KANSAS, FOR WHICH FUNDS HAVE BEEN AP-**
 4 **PROPRIATED.**

5 (a) AUTHORIZATION.—The table in section 2301(a)
 6 of the Military Construction Authorization Act for Fiscal
 7 Year 1997 (division B of Public Law 104–201; 110 Stat.
 8 2771) is amended in the item relating to McConnell Air
 9 Force Base, Kansas, by striking out “\$19,130,000” in the
 10 amount column and inserting in lieu thereof
 11 “\$25,830,000”.

12 (b) CONFORMING AMENDMENT.—Section 2304 of
 13 such Act (110 Stat. 2774) is amended—

14 (1) in the matter preceding paragraph (1), by
 15 striking out “\$1,894,594,000” and inserting in lieu
 16 thereof “\$1,901,294,000”; and

17 (2) in paragraph (1), by striking out
 18 “\$603,834,000” and inserting in lieu thereof
 19 “\$610,534,000”.

20 **TITLE XXIV—DEFENSE**
 21 **AGENCIES**

22 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**
 23 **TION AND LAND ACQUISITION PROJECTS.**

24 (a) INSIDE THE UNITED STATES.—Using amounts
 25 appropriated pursuant to the authorization of appropria-
 26 tions in section 2405(a)(1), the Secretary of Defense may

- 1 acquire real property and carry out military construction
 2 projects for the installations and locations inside the Unit-
 3 ed States, and in the amounts, set forth in the following
 4 table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Defense Commissary Agency Defense Finance & Account- ing Service.	Fort Lee, Virginia	\$9,300,000
	Naval Station, Pearl Harbor, Hawaii	\$10,000,000
	Columbus Center, Ohio	\$9,722,000
	Naval Air Station, Millington, Ten- nessee	\$6,906,000
Defense Intelligence Agency ..	Naval Station, Norfolk, Virginia	\$12,800,000
	Redstone Arsenal, Alabama	\$32,700,000
	Bolling Air Force Base, District of Columbia	\$7,000,000
Defense Logistics Agency	Elmendorf Air Force Base, Alaska ..	\$21,700,000
	Naval Air Station, Jacksonville, Florida	\$9,800,000
	Westover Air Reserve Base, Massa- chusetts	\$4,700,000
	Defense Distribution New Cum- berland—DDSP, Pennsylvania	\$15,500,000
	Defense Distribution Depot— DDNV, Virginia	\$16,656,000
	Defense Fuel Support Point, Craney Island, Virginia	\$22,100,000
	Defense General Supply Center, Richmond, Virginia	\$5,200,000
	Defense Fuel Support Center, Truax Field, Wisconsin	\$4,500,000
	CONUS Various, CONUS Various ..	\$11,275,000
	Naval Station, San Diego, California ..	\$2,100,000
	Naval Submarine Base, New Lon- don, Connecticut	\$2,300,000
	Naval Air Station, Pensacola, Flor- ida	\$2,750,000
	Robins Air Force Base, Georgia	\$19,000,000
	Fort Campbell, Kentucky	\$13,600,000
	Fort Detrick, Maryland	\$4,650,000
Defense Medical Facility Of- fice.	McGuire Air Force Base, New Jer- sey	\$35,217,000
	Holloman Air Force Base, New Mexico	\$3,000,000
	Wright-Patterson Air Force Base, Ohio	\$2,750,000
	Lackland Air Force Base, Texas	\$3,000,000
	Hill Air Force Base, Utah	\$3,100,000
	Marine Corps Combat Development Command, Quantico, Virginia	\$19,000,000
	Naval Station, Everett, Washington ..	\$7,500,000
	Fort Meade, Maryland	\$29,800,000
	Naval Amphibious Base, North Is- land, California	\$7,400,000
	Eglin Auxiliary Field 3, Florida	\$11,200,000
	Hurlburt Field, Florida	\$2,450,000
	Fort Benning, Georgia	\$9,814,000
National Security Agency		
	Special Operations Command	

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Hunter Army Air Field, Fort Stewart, Georgia	\$2,500,000
	Naval Station, Pearl Harbor, Hawaii	\$7,400,000
	Mississippi Army Ammunition Plant, Mississippi	\$9,900,000
	Fort Bragg, North Carolina	\$9,800,000
	Total:	\$408,090,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2405(a)(2), the Secretary of Defense may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the follow-
7 ing table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Ballistic Missile Defense Organization. Defense Logistics Agency	Kwajalein Atoll	\$4,565,000
	Defense Fuel Support Point, Anderson Air Force Base, Guam	\$16,000,000
	Defense Fuel Supply Center, Moron Air Base, Spain	\$14,400,000
	Total:	\$34,965,000

8 **SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.**

9 Using amounts appropriated pursuant to the author-
10 ization of appropriations in section 2405(a)(13)(A), the
11 Secretary of Defense may carry out architectural and en-
12 gineering services and construction design activities with
13 respect to the construction or improvement of military
14 family housing units in an amount not to exceed \$50,000.

1 **SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 Subject to section 2825 of title 10, United States
4 Code, and using amounts appropriated pursuant to the
5 authorization of appropriation in section 2405(a)(13)(A),
6 the Secretary of Defense may improve existing military
7 family housing units in an amount not to exceed
8 \$4,950,000.

9 **SEC. 2404. ENERGY CONSERVATION PROJECTS.**

10 Using amounts appropriated pursuant to the author-
11 ization of appropriations in section 2405(a)(11), the Sec-
12 retary of Defense may carry out energy conservation
13 projects under section 2865 of title 10, United States
14 Code.

15 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DE-**
16 **FENSE AGENCIES.**

17 (a) IN GENERAL.—Funds are hereby authorized to
18 be appropriated for fiscal years beginning after September
19 30, 1997, for military construction, land acquisition, and
20 military family housing functions of the Department of
21 Defense (other than the military departments), in the total
22 amount of \$2,778,531,000 as follows:

23 (1) For military construction projects inside the
24 United States authorized by section 2401(a),
25 \$408,090,000.

1 (2) For military construction projects outside
2 the United States authorized by section 2401(b),
3 \$34,965,000.

4 (3) For military construction projects at Annis-
5 ton Army Depot, Alabama, authorized by section
6 2101(a) of the Military Construction Authorization
7 Act for Fiscal Year 1993 (division B of Public Law
8 102-484; 106 Stat. 2587), \$9,900,000.

9 (4) For military construction projects at Walter
10 Reed Army Institute of Research, Maryland, hospital
11 replacement, authorized by section 2401(a) of the
12 Military Construction Authorization Act for Fiscal
13 Year 1993 (106 Stat. 2599), \$20,000,000.

14 (5) For military construction projects at
15 Umatilla Army Depot, Oregon, authorized by section
16 2401(a) of the Military Construction Authorization
17 Act for Fiscal Year 1995 (division B of Public Law
18 103-337; 108 Stat. 3040), as amended by section
19 2407 of the Military Construction Authorization Act
20 for Fiscal Year 1996 (division B of Public Law 104-
21 106; 110 Stat. 539) and section 2408(2) of this Act,
22 \$57,427,000.

23 (6) For military construction projects at the
24 Defense Finance and Accounting Service, Columbus,
25 Ohio, authorized by section 2401(a) of the Military

1 Construction Authorization Act of Fiscal Year 1996
2 (110 Stat. 535), \$14,200,000.

3 (7) For military construction projects at Ports-
4 mouth Naval Hospital, Virginia authorized by sec-
5 tion 2401(a) of the Military Construction Authoriza-
6 tion Act for Fiscal Years 1990 and 1991 (division
7 B of Public Law 101–189; 103 Stat. 1640),
8 \$34,600,000.

9 (8) For contingency construction projects of the
10 Secretary of Defense under section 2804 of title 10,
11 United States Code, \$9,844,000.

12 (9) For unspecified minor construction projects
13 under section 2805 of title 10, United States Code,
14 \$34,457,000.

15 (10) For architectural and engineering services
16 and construction design under section 2807 of title
17 10, United States Code, \$31,520,000.

18 (11) For energy conservation projects author-
19 ized by section 2404 of this Act, \$25,000,000.

20 (12) For base closure and realignment activities
21 as authorized by the Defense Base Closure and Re-
22 alignment Act of 1990 (part A of title XXIX of
23 Public Law 101–510; 10 U.S.C. 2687 note),
24 \$2,060,854,000.

25 (13) For military family housing functions:

1 (A) For improvement and planning of mili-
 2 tary family housing and facilities, \$4,950,000.

3 (B) For support of military housing (in-
 4 cluding functions described in section 2833 of
 5 title 10, United States Code), \$32,724,000, of
 6 which not more than \$27,673,000 may be obli-
 7 gated or expended for the leasing of military
 8 family housing units worldwide.

9 (b) LIMITATION OF TOTAL COST OF CONSTRUCTION
 10 PROJECTS.—Notwithstanding the cost variation author-
 11 ized by section 2853 of title 10, United States Code, and
 12 any other cost variations authorized by law, the total cost
 13 of all projects carried out under section 2401 of this Act
 14 may not exceed the total amount authorized to be appro-
 15 priated under paragraphs (1) and (2) of subsection (a).

16 **SEC. 2406. CLARIFICATION OF AUTHORITY RELATING TO**
 17 **FISCAL YEAR 1997 PROJECT AT NAVAL STA-**
 18 **TION, PEARL HARBOR, HAWAII.**

19 The table in section 2401(a) of the Military Construc-
 20 tion Authorization Act for Fiscal Year 1997 (division B
 21 of Public Law 104–201; 110 Stat. 2775) is amended in
 22 the item relating to Special Operations Command, Naval
 23 Station, Ford Island, Pearl Harbor, Hawaii, in the instal-
 24 lation or location column by striking out “Naval Station,
 25 Ford Island, Pearl Harbor, Hawaii” and inserting in lieu

1 thereof “Naval Station, Pearl City Peninsula, Pearl Har-
2 bor, Hawaii”.

3 **SEC. 2407. AUTHORITY TO USE PRIOR YEAR FUNDS TO**
4 **CARRY OUT CERTAIN DEFENSE AGENCY MILI-**
5 **TARY CONSTRUCTION PROJECTS.**

6 (a) **AUTHORITY TO USE FUNDS.**—Notwithstanding
7 any other provision of law and subject to subsection (c),
8 the Secretary of Defense may carry out the military con-
9 struction projects referred to in subsection (b), in the
10 amounts specified in that subsection, using amounts ap-
11 propriated pursuant to the authorization of appropriations
12 in section 2405(a)(1) of the Military Construction Author-
13 ization Act for Fiscal Year 1995 (division B of Public Law
14 103–337; 108 Stat. 3042) for the military construction
15 project authorized at McClellan Air Force Base, Califor-
16 nia, by section 2401 of that Act (108 Stat. 3041).

17 (b) **COVERED PROJECTS.**—Funds available under
18 subsection (a) may be used for military construction
19 projects as follows:

20 (1) Construction of an addition to the
21 Aeromedical Clinic at Anderson Air Base, Guam,
22 \$3,700,000.

23 (2) Construction of an occupational health clin-
24 ic facility at Tinker Air Force Base, Oklahoma,
25 \$6,500,000.

1 (c) LIMITATION ON AVAILABILITY.—Unless funds
 2 available under subsection (a) are obligated for a project
 3 referred to in subsection (b) by the later of the dates set
 4 forth in section 2701(a), the authority in subsection (a)
 5 to use such funds for the project shall expire on the later
 6 of such dates.

7 **SEC. 2408. MODIFICATION OF AUTHORITY TO CARRY OUT**
 8 **FISCAL YEAR 1995 PROJECTS.**

9 The table in section 2401 of the Military Construc-
 10 tion Authorization Act for Fiscal Year 1995 (division B
 11 of Public Law 103–337; 108 Stat. 3040), as amended by
 12 section 2407 of the Military Construction Authorization
 13 Act for Fiscal Year 1996 (division B of Public Law 104–
 14 106; 110 Stat. 539), under the agency heading relating
 15 to Chemical Weapons and Munitions Destruction, is
 16 amended—

17 (1) in the item relating to Pine Bluff Arsenal,
 18 Arkansas, by striking out “\$115,000,000” in the
 19 amount column and inserting in lieu thereof
 20 “\$134,000,000”; and

21 (2) in the item relating to Umatilla Army
 22 Depot, Oregon, by striking out “\$186,000,000” in
 23 the amount column and inserting in lieu thereof
 24 “\$187,000,000”.

1 **SEC. 2409. AVAILABILITY OF FUNDS FOR FISCAL YEAR 1995**
2 **PROJECT RELATING TO RELOCATABLE OVER-**
3 **THE-HORIZON RADAR, NAVAL STATION ROO-**
4 **SEVELT ROADS, PUERTO RICO.**

5 (a) AVAILABILITY OF FUNDS.—Notwithstanding any
6 other provision of law and except as provided in subsection
7 (b), funds appropriated under the heading “DRUG INTER-
8 DICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE” in
9 title VI of the Department of Defense Appropriations Act,
10 1995 (Public Law 103–335; 108 Stat. 2615) for the con-
11 struction of a relocatable over-the-horizon radar at Naval
12 Station Roosevelt Roads, Puerto Rico, shall be available
13 for that purpose until the later of—

14 (1) October 1, 1998; or

15 (2) the date of enactment of an Act authorizing
16 funds for military construction for fiscal year 1999.

17 (b) EXCEPTION.—Subsection (a) shall not apply to
18 the use of funds covered by that subsection for the purpose
19 specified in that subsection if such funds are obligated be-
20 fore the later of the dates specified in that subsection.

1 **TITLE XXV—NORTH ATLANTIC**
2 **TREATY ORGANIZATION SE-**
3 **CURITY INVESTMENT PRO-**
4 **GRAM**

5 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**
6 **ACQUISITION PROJECTS.**

7 The Secretary of Defense may make contributions for
8 the North Atlantic Treaty Organization Security Invest-
9 ment program as provided in section 2806 of title 10,
10 United States Code, in an amount not to exceed the sum
11 of the amount authorized to be appropriated for this pur-
12 pose in section 2502 and the amount collected from the
13 North Atlantic Treaty Organization as a result of con-
14 struction previously financed by the United States.

15 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

16 Funds are hereby authorized to be appropriated for
17 fiscal years beginning after September 30, 1997, for con-
18 tributions by the Secretary of Defense under section 2806
19 of title 10, United States Code, for the share of the United
20 States of the cost of projects for the North Atlantic Treaty
21 Organization Security Investment program authorized by
22 section 2501, in the amount of \$152,600,000.

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

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1997, 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, \$155,416,000; and

(B) for the Army Reserve, \$87,640,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, \$21,213,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, \$193,269,000; and

(B) for the Air Force Reserve, \$34,580,000.

1 **SEC. 2602. AUTHORIZATION OF ARMY NATIONAL GUARD**
 2 **CONSTRUCTION PROJECT, AVIATION SUP-**
 3 **PORT FACILITY, HILO, HAWAII, FOR WHICH**
 4 **FUNDS HAVE BEEN APPROPRIATED.**

5 Section 2601(1)(A) of the Military Construction Au-
 6 thorization Act for Fiscal Year 1997 (division B of Public
 7 Law 104–201; 110 Stat. 2780) is amended by striking
 8 out “\$59,194,000” and inserting in lieu thereof
 9 “\$65,094,000”.

10 **TITLE XXVII—EXPIRATION AND** 11 **EXTENSION OF AUTHORIZA-** 12 **TIONS**

13 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
 14 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
 15 **LAW.**

16 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE
 17 YEARS.—Except as provided in subsection (b), all author-
 18 izations contained in titles XXI through XXVI for military
 19 construction projects, land acquisition, family housing
 20 projects and facilities, and contributions to the North At-
 21 lantic Treaty Organization Security Investment program
 22 (and authorizations of appropriations therefor) shall ex-
 23 pire on the later of—

24 (1) October 1, 2000; or

1 (2) the date for the enactment of an Act au-
 2 thorizing funds for military construction for fiscal
 3 year 2001.

4 (b) EXCEPTION.—Subsection (a) shall not apply to
 5 authorizations for military construction projects, land ac-
 6 quisition, family housing projects and facilities, and con-
 7 tributions to the North Atlantic Treaty Organization Se-
 8 curity Investment program (and authorizations of appro-
 9 priations therefor), for which appropriated funds have
 10 been obligated before the later of—

11 (1) October 1, 2000; or

12 (2) the date of the enactment of an Act author-
 13 izing funds for fiscal year 2001 for military con-
 14 struction projects, land acquisition, family housing
 15 projects and facilities, or contributions to the North
 16 Atlantic Treaty Organization Security Investment
 17 program.

18 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 19 **FISCAL YEAR 1995 PROJECTS.**

20 (a) EXTENSIONS.—Notwithstanding section 2701 of
 21 the Military Construction Authorization Act for Fiscal
 22 Year 1995 (division B of Public Law 103–337; 108 Stat.
 23 3046), authorizations for the projects set forth in the ta-
 24 bles in subsection (b), as provided in section 2101, 2201,
 25 2202, 2301, 2302, 2401, or 2601 of that Act, shall remain

1 in effect until October 1, 1998, or the date of the enact-
 2 ment of an Act authorizing funds for military construction
 3 for fiscal year 1999, whichever is later.

4 (b) TABLES.—The tables referred to in subsection (a)
 5 are as follows:

Army: Extension of 1995 Project Authorization

State	Installation or location	Project	Amount
California	Fort Irwin	National Training Center Airfield Phase I.	\$10,000,000

Navy: Extension of 1995 Project Authorizations

State	Installation or location	Project	Amount
Maryland	Indian Head Naval Surface Warfare Center.	Upgrade Power Plant.	\$4,000,000
	Indian Head Naval Surface Warfare Center.	Denitrification/Acid Mixing Facility.	\$6,400,000
Virginia	Norfolk Marine Corps Security Force Battalion Atlantic.	Bachelor Enlisted Quarters.	\$6,480,000
Washington	Naval Station, Everett.	Housing Office	\$780,000
CONUS Classified ...	Classified Location	Aircraft Fire and Rescue and Vehicle Maintenance Facilities.	\$2,200,000

Air Force: Extension of 1995 Project Authorizations

State	Installation or location	Project	Amount
California	Beale Air Force Base.	Consolidated Support Center.	\$10,400,000
	Los Angeles Air Force Station.	Family Housing (50 units).	\$8,962,000
North Carolina	Pope Air Force Base.	Combat Control Team Facility.	\$2,450,000
	Pope Air Force Base.	Fire Training Facility.	\$1,100,000

Defense Agencies: Extension of 1995 Project Authorizations

State	Installation or location	Project	Amount
Alabama	Anniston Army Depot.	Carbon Filtration System.	\$5,000,000
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Facility.	\$115,000,000
California	Defense Contract Management Area Office, El Segundo.	Administrative Building.	\$5,100,000
Oregon	Umatilla Army Depot.	Ammunition Demilitarization Facility.	\$186,000,000

Army National Guard: Extension of 1995 Project Authorizations

State	Installation or location	Project	Amount
California	Camp Roberts	Modify Record Fire/Maintenance Shop.	\$3,910,000
	Camp Roberts	Combat Pistol Range.	\$952,000
Pennsylvania	Fort Indiantown Gap.	Barracks	\$6,200,000

Naval Reserve: Extension of 1995 Project Authorization

State	Installation or location	Project	Amount
Georgia	Naval Air Station Marietta.	Training Center	\$2,650,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
2 **FISCAL YEAR 1994 PROJECTS.**

3 (a) EXTENSION.—Notwithstanding section 2701 of
4 the Military Construction Authorization Act for Fiscal
5 Year 1994 (division B of Public Law 103–160; 107 Stat.
6 1880), authorizations for the projects set forth in the table
7 in subsection (b), as provided in section 2201 of that Act
8 and extended by section 2702(a) of the Military Construc-
9 tion Authorization Act for Fiscal Year 1997 (division B
10 of Public Law 104–201; 110 Stat. 2783), shall remain in

1 effect until October 1, 1998, or the date of the enactment
 2 of an Act authorizing funds for military construction for
 3 fiscal year 1999, whichever is later.

4 (b) TABLE.—The table referred to in subsection (a)
 5 is as follows:

Navy: Extension of 1994 Project Authorizations

State	Installation or location	Project	Amount
California	Camp Pendleton Marine Corps Base.	Sewage Facility	\$7,930,000
Connecticut	New London Naval Submarine Base.	Hazardous Waste Transfer Facility.	\$1,450,000

6 **SEC. 2704. EXTENSION OF AUTHORIZATION OF FISCAL**
 7 **YEAR 1993 PROJECT.**

8 (a) EXTENSION.—Notwithstanding section 2701 of
 9 the Military Construction Authorization Act for Fiscal
 10 Year 1993 (division B of Public Law 102–484; 106 Stat.
 11 2602), the authorization for the project set forth in the
 12 table in subsection (b), as provided in section 2101 of that
 13 Act and extended by section 2702 of the Military Con-
 14 struction Authorization Act for Fiscal Year 1996 (division
 15 B of Public Law 104–106; 110 Stat. 541) and section
 16 2703 of the Military Construction Authorization Act for
 17 Fiscal Year 1997 (division B of Public Law 104–201; 110
 18 Stat. 2784), shall remain in effect until October 1, 1998,
 19 or the date of enactment of an Act authorizing funds for
 20 military construction for fiscal year 1999, whichever is
 21 later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Army: Extension of 1993 Project Authorization

State	Installation or location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility.	\$15,000,000

SEC. 2705. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), authorizations for the projects set forth in the table in subsection (b), as provided in section 2101 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047), section 2703 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 543), and section 2704 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2785), shall remain in effect until October 1, 1998, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Oregon	Umatilla Army Depot.	Ammunition Demilitarization Support Facility.	\$3,600,000
	Umatilla Army Depot.	Ammunition Demilitarization Utilities.	\$7,500,000

1 SEC. 2706. EFFECTIVE DATE.

2 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI
3 shall take effect on the later of—

4 (1) October 1, 1997; or

5 (2) the date of the enactment of this Act.

6 **TITLE XXVIII—GENERAL**
7 **PROVISIONS**

8 **Subtitle A—Military Construction**
9 **Program and Military Family**
10 **Housing Changes**

11 **SEC. 2801. INCREASE IN CEILING FOR MINOR LAND ACQUI-**
12 **SITION PROJECTS.**

13 (a) INCREASE.—Section 2672 of title 10, United
14 States Code, is amended by striking out “\$200,000” each
15 place it appears in subsection (a) and inserting in lieu
16 thereof “\$500,000”.

17 (b) CONFORMING AMENDMENTS.—(1) The section
18 heading for such section is amended by striking out
19 “\$200,000” and inserting in lieu thereof “\$500,000”.

1 (2) The table of sections at the beginning of chapter
 2 159 of such title is amended in the item relating to section
 3 2672 by striking out “\$200,000” and inserting in lieu
 4 thereof “\$500,000”.

5 **SEC. 2802. SALE OF UTILITY SYSTEMS OF THE MILITARY**
 6 **DEPARTMENTS.**

7 (a) IN GENERAL.—Chapter 159 of title 10, United
 8 States Code, is amended by adding at the end the follow-
 9 ing:

10 **“§ 2695. Sale of utility systems**

11 “(a) AUTHORITY.—The Secretary of the military de-
 12 partment concerned may convey all right, title, and inter-
 13 est of the United States, or any lesser estate thereof, in
 14 and to all or part of a utility system located on or adjacent
 15 to a military installation under the jurisdiction of the Sec-
 16 retary to a municipal utility, private utility, regional or
 17 district utility, or cooperative utility or other appropriate
 18 entity.

19 “(b) SELECTION OF PURCHASER.—If more than one
 20 utility or entity referred to in subsection (a) notifies the
 21 Secretary concerned of an interest in a conveyance under
 22 that subsection, the Secretary shall carry out the convey-
 23 ance through the use of competitive procedures.

24 “(c) CONSIDERATION.—

1 “(1) IN GENERAL.—The Secretary concerned
 2 shall accept as consideration for a conveyance under
 3 subsection (a) an amount equal to the fair market
 4 value (as determined by the Secretary) of the right,
 5 title, or interest conveyed.

6 “(2) FORM OF CONSIDERATION.—Consideration
 7 under this subsection may take the form of—

8 “(A) a lump sum payment; or

9 “(B) a reduction in charges for utility
 10 services provided the military installation con-
 11 cerned by the utility or entity concerned.

12 “(3) TREATMENT OF PAYMENTS.—

13 “(A) CREDITING.—A lump sum payment
 14 received under paragraph (2)(A) shall be cred-
 15 ited, at the election of the Secretary—

16 “(i) to an appropriation of the mili-
 17 tary department concerned available for
 18 the procurement of the same utility serv-
 19 ices as are provided by the utility system
 20 conveyed under this section;

21 “(ii) to an appropriation of the mili-
 22 tary department available for carrying out
 23 energy savings projects or water conserva-
 24 tion projects; or

1 “(iii) to an appropriation of the mili-
2 tary department available for improve-
3 ments to other utility systems on the in-
4 stallation concerned.

5 “(B) AVAILABILITY.—Amounts so credited
6 shall be merged with funds in the appropriation
7 to which credited and shall be available for the
8 same purposes, and subject to the same condi-
9 tions and limitations, as the appropriation with
10 which merged.

11 “(d) INAPPLICABILITY OF CERTAIN CONTRACTING
12 REQUIREMENTS.—Sections 2461, 2467, and 2468 of this
13 title shall not apply to the conveyance of a utility system
14 under subsection (a).

15 “(e) NOTICE AND WAIT REQUIREMENT.—The Sec-
16 retary concerned may not make a conveyance under sub-
17 section (a) until—

18 “(1) the Secretary submits to the Committees
19 on Armed Services and Appropriations of the Senate
20 and the Committees on National Security and Ap-
21 propriations of the House of Representatives an eco-
22 nomic analysis (based upon accepted life-cycle cost-
23 ing procedures) demonstrating that—

24 “(A) the long-term economic benefit of the
25 conveyance to the United States exceeds the

1 long-term economic cost of the conveyance to
2 the United States; and

3 “(B) the conveyance will reduce the long-
4 term costs of the United States for utility serv-
5 ices provided by the utility system concerned;
6 and

7 “(2) a period of 21 days has elapsed after the
8 date on which the economic analysis is received by
9 the committees.

10 “(f) ADDITIONAL TERMS AND CONDITIONS.—The
11 Secretary concerned may require such additional terms
12 and conditions in connection with a conveyance under sub-
13 section (a) as such Secretary considers appropriate to pro-
14 tect the interests of the United States.

15 “(g) UTILITY SYSTEM DEFINED.—For purposes of
16 this section:

17 “(1) IN GENERAL.—The term ‘utility system’
18 means the following:

19 “(A) A system for the generation and sup-
20 ply of electric power.

21 “(B) A system for the treatment or supply
22 of water.

23 “(C) A system for the collection or treat-
24 ment of wastewater.

1 “(D) A system for the generation and sup-
2 ply of steam, hot water, and chilled water.

3 “(E) A system for the supply of natural
4 gas.

5 “(2) INCLUSIONS.—The term ‘utility system’
6 includes the following:

7 “(A) Equipment, fixtures, structures, and
8 other improvements utilized in connection with
9 a system referred to in paragraph (1).

10 “(B) Easements and rights-of-ways associ-
11 ated with a system referred to in that para-
12 graph.”.

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

“2695. Sale of utility systems.”.

16 **SEC. 2803. ADMINISTRATIVE EXPENSES FOR CERTAIN REAL**
17 **PROPERTY TRANSACTIONS.**

18 (a) IN GENERAL.—(1) Chapter 159 of title 10, Unit-
19 ed States Code, as amended by section 2802 of this Act,
20 is further amended by adding at the end the following:

21 **“§ 2696. Administrative expenses relating to certain**
22 **real property transactions**

23 “(a) AUTHORITY TO COLLECT.—Upon entering into
24 a transaction referred to in subsection (b) with a non-Fed-
25 eral person or entity, the Secretary of a military depart-

1 ment may collect from the person or entity an amount
 2 equal to the administrative expenses incurred by the Sec-
 3 retary in entering into the transaction.

4 “(b) COVERED TRANSACTIONS.—Subsection (a) ap-
 5 plies to the following transactions:

6 “(1) The exchange of real property.

7 “(2) The grant of an easement over, in, or upon
 8 real property of the United States.

9 “(3) The lease or license of real property of the
 10 United States.

11 “(c) USE OF AMOUNTS COLLECTED.—Amounts col-
 12 lected under subsection (a) for administrative expenses
 13 shall be credited to the appropriation, fund, or account
 14 from which such expenses were paid. Amounts so credited
 15 shall be merged with funds in such appropriation, fund,
 16 or account and shall be available for the same purposes
 17 and subject to the same limitations as the funds with
 18 which merged.”.

19 (2) The table of sections at the beginning of chapter
 20 159 of such title, as so amended, is further amended by
 21 adding at the end the following:

“2696. Administrative expenses relating to certain real property transactions.”.

22 (b) CONFORMING AMENDMENT.—Section 2667(d)(4)
 23 of such title is amended by striking out “to cover the ad-
 24 ministrative expenses of leasing for such purposes and”.

1 **SEC. 2804. USE OF FINANCIAL INCENTIVES FOR ENERGY**
2 **SAVINGS AND WATER COST SAVINGS.**

3 (a) IN GENERAL.—Section 2865(b) of title 10, Unit-
4 ed States Code, is amended—

5 (1) in paragraph (1), by striking out “and fi-
6 nancial incentives described in subsection (d)(2)”;

7 (2) in paragraph (2)—

8 (A) by striking out “section 2866(b)” in
9 the matter preceding subparagraph (A) and in-
10 serting in lieu thereof “section 2866(b)(2)”;
11 and

12 (B) by striking out “section 2866(b)” in
13 subparagraph (A) and inserting in lieu thereof
14 “section 2866(b)(2)”;

15 (3) by adding at the end the following:

16 “(3)(A) Financial incentives received from gas or
17 electric utilities under subsection (d)(2), and from utilities
18 for water demand or conservation under section
19 2866(b)(1) of this title, shall be credited to an appropria-
20 tion designated by the Secretary of Defense. Amounts so
21 credited shall be merged with the appropriation to which
22 credited and shall be available for the same purposes and
23 the same period as the appropriation with which merged.

24 “(B) The Secretary shall include in the annual report
25 under subsection (f) the amounts of financial incentives
26 credited under this paragraph during the year of the re-

1 port and the purposes for which such amounts were uti-
 2 lized in that year.”.

3 (b) CONFORMING AMENDMENT.—Section 2866(b) of
 4 such title is amended to read as follows:

5 “(b) USE OF FINANCIAL INCENTIVES AND WATER
 6 COST SAVINGS.—(1) Financial incentives received under
 7 subsection (a)(2) shall be used as provided in paragraph
 8 (3) of section 2865(b) of this title.

9 “(2) Water cost savings realized under subsection
 10 (a)(3) shall be used as provided in paragraph (2) of that
 11 section.”.

12 **Subtitle B—Land Conveyances**

13 **SEC. 2811. MODIFICATION OF AUTHORITY FOR DISPOSAL** 14 **OF CERTAIN REAL PROPERTY, FORT** 15 **BELVOIR, VIRGINIA.**

16 (a) REPEAL OF AUTHORITY TO CONVEY.—Section
 17 2821 of the Military Construction Authorization Act for
 18 Fiscal Years 1990 and 1991 (division B of Public Law
 19 101–189; 103 Stat. 1658), as amended by section 2854
 20 of the Military Construction Authorization Act for Fiscal
 21 Year 1996 (division B of Public Law 104–106; 110 Stat.
 22 568), is repealed.

23 (b) TREATMENT AS SURPLUS PROPERTY.—(1) Not-
 24 withstanding any other provision of law, the real property
 25 described in paragraph (2) shall be deemed to be surplus

1 property for purposes of section 203 of the Federal Prop-
 2 erty and Administrative Services Act of 1949 (40 U.S.C.
 3 484).

4 (2) Paragraph (1) applies to a parcel of real property,
 5 including improvements thereon, at Fort Belvoir, Virginia,
 6 consisting of approximately 820 acres and known as the
 7 Engineer Proving Ground.

8 **SEC. 2812. CORRECTION OF LAND CONVEYANCE AUTHOR-**
 9 **ITY, ARMY RESERVE CENTER, ANDERSON,**
 10 **SOUTH CAROLINA.**

11 (a) CORRECTION OF CONVEYEE.—Subsection (a) of
 12 section 2824 of the Military Construction Authorization
 13 Act for Fiscal Year 1997 (division B of Public Law 104–
 14 201; 110 Stat. 2793) is amended by striking out “County
 15 of Anderson, South Carolina (in this section referred to
 16 as the ‘County’)” and inserting in lieu thereof “Board of
 17 Education, Anderson County, South Carolina (in this sec-
 18 tion referred to as the ‘Board’)”.

19 (b) CONFORMING AMENDMENTS.—Subsections (b)
 20 and (c) of such section are each amended by striking out
 21 “County” and inserting in lieu thereof “Board”.

22 **SEC. 2813. LAND CONVEYANCE, HAWTHORNE ARMY AMMU-**
 23 **NITION DEPOT, MINERAL COUNTY, NEVADA.**

24 (a) CONVEYANCE AUTHORIZED.—The Secretary of
 25 the Army may convey, without consideration, to Mineral

1 County, Nevada (in this section referred to as the “Coun-
2 ty”), all right, title, and interest of the United States in
3 and to a parcel of excess real property, including improve-
4 ments thereon, consisting of approximately 33.1 acres lo-
5 cated at Hawthorne Army Ammunition Depot, Mineral
6 County, Nevada, and commonly referred to as the Schweer
7 Drive Housing Area.

8 (b) CONDITIONS OF CONVEYANCE.—The conveyance
9 authorized by subsection (a) shall be subject to the follow-
10 ing conditions:

11 (1) That the County accept the conveyed prop-
12 erty subject to such easements and rights of way in
13 favor of the United States as the Secretary considers
14 appropriate.

15 (2) That the County, if the County sells any
16 portion of the property conveyed under subsection
17 (a) before the end of the 10-year period beginning
18 on the date of enactment of this Act, pay to the
19 United States an amount equal to the lesser of—

20 (A) the amount of sale of the property
21 sold; or

22 (B) the fair market value of the property
23 sold as determined without taking into account
24 any improvements to such property by the
25 County.

1 (c) DESCRIPTION OF PROPERTY.—The exact acreage
 2 and legal description of the real property to be conveyed
 3 under subsection (a), and of any easement or right of way
 4 granted under subsection (b)(1), shall be determined by
 5 a survey satisfactory to the Secretary. The cost of the sur-
 6 vey shall be borne by the County.

7 (d) ADDITIONAL TERMS AND CONDITIONS.—The
 8 Secretary may require such additional terms and condi-
 9 tions in connection with the conveyance under subsection
 10 (a), and any easement or right of way granted under sub-
 11 section (b)(1), as the Secretary considers appropriate to
 12 protect the interests of the United States.

13 **SEC. 2814. LONG-TERM LEASE OF PROPERTY, NAPLES,**
 14 **ITALY.**

15 (a) AUTHORITY.—The Secretary of the Navy may ac-
 16 quire by long-term lease structures and real property re-
 17 lating to a regional hospital complex in Naples, Italy, that
 18 the Secretary determines to be necessary for purposes of
 19 the Naples Improvement Initiative.

20 (b) LEASE TERM.—Notwithstanding section 2675 of
 21 title 10, United States Code, the lease authorized by sub-
 22 section (a) shall be for a term of not more than 20 years.

23 (c) EXPIRATION OF AUTHORITY.—The authority of
 24 the Secretary to enter into a lease under subsection (a)
 25 shall expire on September 30, 2002.

1 **SEC. 2815. LAND CONVEYANCE, TOPSHAM ANNEX, NAVAL**
2 **AIR STATION, BRUNSWICK, MAINE.**

3 (a) CONVEYANCE AUTHORIZED.—The Secretary of
4 the Navy may convey, without consideration, to the Maine
5 School Administrative District No. 75, Topsham, Maine
6 (in this section referred to as the “District”), all right,
7 title, and interest of the United States in and to a parcel
8 of real property, including improvements thereon, consist-
9 ing of approximately 40 acres located at the Topsham
10 Annex, Naval Air Station, Brunswick, Maine.

11 (b) CONDITION OF CONVEYANCE.—The conveyance
12 under subsection (a) shall be subject to the condition that
13 the District use the property conveyed for educational pur-
14 poses.

15 (c) REVERSION.—If the Secretary determines at any
16 time that the real property conveyed pursuant to this sec-
17 tion is not being used for the purpose specified in sub-
18 section (b), all right, title, and interest in and to the prop-
19 erty, including any improvements thereon, shall revert to
20 the United States, and the United States shall have the
21 right of immediate entry thereon.

22 (d) INTERIM LEASE.—(1) Until such time as the real
23 property described in subsection (a) is conveyed by deed,
24 the Secretary may lease the property, together with the
25 improvements thereon, to the District.

1 (2) As consideration for the lease under this sub-
 2 section, the District shall provide such security services
 3 for the property covered by the lease, and carry out such
 4 maintenance work with respect to the property, as the Sec-
 5 retary shall specify in the lease.

6 (e) DESCRIPTION OF PROPERTY.—The exact acreage
 7 and legal description of the property conveyed under sub-
 8 section (a) shall be determined by a survey satisfactory
 9 to the Secretary. The District shall bear the cost of the
 10 survey.

11 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
 12 retary may require such additional terms and conditions
 13 in connection with the conveyance under subsection (a),
 14 and the lease, if any, under subsection (d), as the Sec-
 15 retary considers appropriate to protect the interests of the
 16 United States.

17 **SEC. 2816. LAND CONVEYANCE, NAVAL WEAPONS INDUS-**
 18 **TRIAL RESERVE PLANT NO. 464, OYSTER BAY,**
 19 **NEW YORK.**

20 (a) CONVEYANCE AUTHORIZED.—(1) The Secretary
 21 of the Navy may convey, without consideration, to the
 22 County of Nassau, New York (in this section referred to
 23 as the “County”), all right, title, and interest of the Unit-
 24 ed States in and to parcels of real property consisting of
 25 approximately 110 acres and comprising the Naval Weap-

1 ons Industrial Reserve Plant No. 464, Oyster Bay, New
2 York.

3 (2)(A) As part of the conveyance authorized in para-
4 graph (1), the Secretary may convey to the County such
5 improvements, equipment, fixtures, and other personal
6 property (including special tooling equipment and special
7 test equipment) located on the parcels as the Secretary
8 determines to be not required by the Navy for other pur-
9 poses.

10 (B) The Secretary may permit the County to review
11 and inspect the improvements, equipment, fixtures, and
12 other personal property located on the parcels for purposes
13 of the conveyance authorized by this paragraph.

14 (b) CONDITION OF CONVEYANCE.—The conveyance
15 of the parcels authorized in subsection (a) shall be subject
16 to the condition that the County—

17 (1) use the parcels, directly or through an
18 agreement with a public or private entity, for eco-
19 nomic redevelopment purposes or such other public
20 purposes as the County determines appropriate; or

21 (2) convey the parcels to an appropriate public
22 or private entity for use for such purposes.

23 (c) REVERSIONARY INTEREST.—If during the 5-year
24 period beginning on the date the Secretary makes the con-
25 veyance authorized under subsection (a) the Secretary de-

1 terminates that the conveyed real property is not being used
2 for a purpose specified in subsection (b), all right, title,
3 and interest in and to the property, including any improve-
4 ments thereon, shall revert to the United States and the
5 United States shall have the right of immediate entry onto
6 the property. Any determination of the Secretary under
7 this subsection shall be made on the record after an oppor-
8 tunity for a hearing.

9 (d) INTERIM LEASE.—(1) Until such time as the real
10 property described in subsection (a) is conveyed by deed,
11 the Secretary may lease the property, together with im-
12 provements thereon, to the County.

13 (2) As consideration for the lease under this sub-
14 section, the County shall provide such security services
15 and fire protection services for the property covered by
16 the lease, and carry out such maintenance work with re-
17 spect to the property, as the Secretary shall specify in the
18 lease.

19 (e) DESCRIPTION OF PROPERTY.—The exact acreage
20 and legal description of the real property to be conveyed
21 under subsection (a) shall be determined by a survey satis-
22 factory to the Secretary. The cost of the survey shall be
23 borne by the County.

24 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
25 retary may require such additional terms and conditions

1 in connection with the conveyance under subsection (a),
2 and the lease, if any, under subsection (d), as the Sec-
3 retary considers appropriate to protect the interests of the
4 United States.

5 **SEC. 2817. LAND CONVEYANCE, CHARLESTON FAMILY**
6 **HOUSING COMPLEX, BANGOR, MAINE.**

7 (a) CONVEYANCE AUTHORIZED.—The Secretary of
8 the Air Force may convey, without consideration, to the
9 City of Bangor, Maine (in this section referred to as the
10 “City”), all right, title, and interest of the United States
11 in and to a parcel of real property consisting of approxi-
12 mately 19.8 acres, including improvements thereon, lo-
13 cated in Bangor, Maine, and known as the Charleston
14 Family Housing Complex.

15 (b) PURPOSE OF CONVEYANCE.—The purpose of the
16 conveyance under subsection (a) is to facilitate the reuse
17 of the real property, currently unoccupied, which the City
18 proposes to use to provide housing opportunities for first-
19 time home buyers.

20 (c) CONDITION OF CONVEYANCE.—The conveyance
21 authorized by subsection (a) shall be subject to the condi-
22 tion that the City, if the City sells any portion of the prop-
23 erty conveyed under subsection (a) before the end of the
24 10-year period beginning on the date of enactment of this

1 Act, pay to the United States an amount equal to the less-
 2 er of—

- 3 (1) the amount of sale of the property sold; or
- 4 (2) the fair market value of the property sold
- 5 as determined without taking into account any im-
- 6 provements to such property by the City.

7 (d) DESCRIPTION OF PROPERTY.—The exact acreage
 8 and legal description of the real property conveyed under
 9 subsection (a) shall be determined by a survey satisfactory
 10 to the Secretary. The cost of the survey shall be borne
 11 by the City.

12 (e) ADDITIONAL TERMS AND CONDITIONS.—The
 13 Secretary may require such additional terms and condi-
 14 tions in connection with the conveyance under subsection
 15 (a) as the Secretary considers appropriate to protect the
 16 interests of the United States.

17 **SEC. 2818. LAND CONVEYANCE, ELLSWORTH AIR FORCE**
 18 **BASE, SOUTH DAKOTA.**

19 (a) CONVEYANCE AUTHORIZED.—The Secretary of
 20 the Air Force may convey, without consideration, to the
 21 Greater Box Elder Area Economic Development Corpora-
 22 tion, Box Elder, South Dakota (in this section referred
 23 to as the “Corporation”), all right, title, and interest of
 24 the United States in and to the parcels of real property

1 located at Ellsworth Air Force Base, South Dakota, re-
2 ferred to in subsection (b).

3 (b) COVERED PROPERTY.—(1) Subject to paragraph
4 (2), the real property referred to in subsection (a) is the
5 following:

6 (A) A parcel of real property, together with any
7 improvements thereon, consisting of approximately
8 53.32 acres and comprising the Skyway Military
9 Family Housing Area.

10 (B) A parcel of real property, together with any
11 improvements thereon, consisting of approximately
12 137.56 acres and comprising the Renal Heights
13 Military Family Housing Area.

14 (C) A parcel of real property, together with any
15 improvements thereon, consisting of approximately
16 14.92 acres and comprising the East Nike Military
17 Family Housing Area.

18 (D) A parcel of real property, together with any
19 improvements thereon, consisting of approximately
20 14.69 acres and comprising the South Nike Military
21 Family Housing Area.

22 (E) A parcel of real property, together with any
23 improvements thereon, consisting of approximately
24 14.85 acres and comprising the West Nike Military
25 Family Housing Area.

1 (2) The real property referred to in subsection (a)
2 does not include the portion of the real property referred
3 to in paragraph (1)(B) that the Secretary determines to
4 be required for the construction of an access road between
5 the main gate of Ellsworth Air Force Base and an inter-
6 change on Interstate Route 90 located in the vicinity of
7 mile marker 67 in South Dakota.

8 (c) CONDITIONS OF CONVEYANCE.—The conveyance
9 of the real property referred to in subsection (b) shall be
10 subject to the following conditions:

11 (1) That the Corporation, and any person or
12 entity to which the Corporation transfers the prop-
13 erty, comply in the use of the property with the ap-
14 plicable provisions of the Ellsworth Air Force Base
15 Air Installation Compatible Use Zone Study.

16 (2) That the Corporation convey a portion of
17 the real property referred to in paragraph (1)(A) of
18 that subsection, together with any improvements
19 thereon, consisting of approximately 20 acres to the
20 Douglas School District, South Dakota, for use for
21 education purposes.

22 (d) REVERSIONARY INTEREST.—If the Secretary de-
23 termines that any portion of the real property conveyed
24 under subsection (a) is not being utilized in accordance
25 with the applicable provision of subsection (c), all right,

1 title, and interest in and to that portion of the real prop-
 2 erty shall revert to the United States, and the United
 3 States shall have the right of immediate entry thereon.

4 (e) LEGAL DESCRIPTION.—The exact acreage and
 5 legal description of the property conveyed under sub-
 6 section (a) shall be determined by a survey satisfactory
 7 to the Secretary. The cost of the survey shall be borne
 8 by the Corporation.

9 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
 10 retary may require such additional terms and conditions
 11 in connection with the conveyance under subsection (a) as
 12 the Secretary considers appropriate to protect the inter-
 13 ests of the United States.

14 **Subtitle C—Other Matters**

15 **SEC. 2831. DISPOSITION OF PROCEEDS OF SALE OF AIR** 16 **FORCE PLANT NO. 78, BRIGHAM CITY, UTAH.**

17 Notwithstanding the provisions of section
 18 204(h)(2)(A) of the Federal Property and Administrative
 19 Services Act of 1949 (40 U.S.C. 485(h)(2)(A)), the entire
 20 amount deposited by the Administrator of General Serv-
 21 ices in the account in the Treasury under section 204 of
 22 that Act as a result of the sale of Air Force Plant No.
 23 78, Brigham City, Utah, shall be available to the Sec-
 24 retary of the Air Force for maintenance and repair of fa-

1 cilities, or environmental restoration, at other industrial
 2 plants of the Air Force.

3 **DIVISION C—DEPARTMENT OF**
 4 **ENERGY NATIONAL SECURITY**
 5 **AUTHORIZATIONS AND**
 6 **OTHER AUTHORIZATIONS**
 7 **TITLE XXXI—DEPARTMENT OF**
 8 **ENERGY NATIONAL SECURITY**
 9 **PROGRAMS**

10 **Subtitle A—National Security**
 11 **Programs Authorizations**

12 **SEC. 3101. WEAPONS ACTIVITIES.**

13 (a) STOCKPILE STEWARDSHIP.—Funds are hereby
 14 authorized to be appropriated to the Department of En-
 15 ergy for fiscal year 1998 for stockpile stewardship in car-
 16 rying out weapons activities necessary for national secu-
 17 rity programs in the amount of \$1,726,900,000, to be allo-
 18 cated as follows:

19 (1) For core stockpile stewardship,
 20 \$1,243,100,000, to be allocated as follows:

21 (A) For operation and maintenance,
 22 \$1,144,290,000.

23 (B) For the accelerated strategic comput-
 24 ing initiative, \$190,800,000.

1 (C) For plant projects (including maintenance,
2 nance, restoration, planning, construction, acquisition,
3 modification of facilities, and the continuation of projects
4 authorized in prior years, and land acquisition related thereto),
5 \$98,810,000, to be allocated as follows:
6

7 Project 97–D–102, Dual-Axis Radiographic Hydrodynamic facility,
8 Los Alamos National Laboratory, Los Alamos, New
9 Mexico, \$46,300,000.
10

11 Project 96–D–102, stockpile stewardship facilities revitalization,
12 Phase VI, various locations, \$19,810,000.
13

14 Project 96–D–103, ATLAS, Los Alamos National Laboratory,
15 Los Alamos, New Mexico, \$13,400,000.
16

17 Project 96–D–105, Contained Firing Facility addition,
18 Lawrence Livermore National Laboratory, Livermore, California,
19 \$19,300,000.
20

21 (2) For inertial confinement fusion,
22 \$414,800,000, to be allocated as follows:

23 (A) For operation and maintenance,
24 \$217,000,000.

1 (B) For the following plant project (includ-
2 ing maintenance, restoration, planning, con-
3 struction, acquisition, modification of facilities,
4 and land acquisition related thereto):

5 Project 96–D–111, National Ignition
6 Facility, Lawrence Livermore National
7 Laboratory, Livermore, California,
8 \$197,800,000.

9 (3) For technology transfer and education,
10 \$69,000,000.

11 (b) STOCKPILE MANAGEMENT.—Funds are hereby
12 authorized to be appropriated to the Department of En-
13 ergy for fiscal year 1998 for stockpile management in car-
14 rying out weapons activities necessary for national secu-
15 rity programs in the amount of \$2,033,050,000, to be allo-
16 cated as follows:

17 (1) For operation and maintenance,
18 \$1,861,465,000.

19 (2) For plant projects (including maintenance,
20 restoration, planning, construction, acquisition,
21 modification of facilities, and the continuation of
22 projects authorized in prior years, and land acquisi-
23 tion related thereto), \$171,585,000, to be allocated
24 as follows:

1 Project 98–D–123, stockpile management
2 restructuring initiative, tritium facility mod-
3 ernization and consolidation, Savannah River
4 Site, Aiken, South Carolina, \$11,000,000.

5 Project 98–D–124, stockpile management
6 restructuring initiative, Y–12 consolidation,
7 Oak Ridge, Tennessee, \$6,450,000.

8 Project 98–D–125, Tritium Extraction Fa-
9 cility, Savannah River Site, Aiken, South Caro-
10 lina, \$9,650,000.

11 Project 98–D–126, accelerator production
12 of tritium, various locations, \$67,865,000.

13 Project 97–D–122, nuclear materials stor-
14 age facility renovation, Los Alamos National
15 Laboratory, Los Alamos, New Mexico,
16 \$9,200,000.

17 Project 97–D–124, steam plant wastewater
18 treatment facility upgrade, Y–12 Plant, Oak
19 Ridge, Tennessee, \$1,900,000.

20 Project 96–D–122, sewage treatment qual-
21 ity upgrade, Pantex Plant, Amarillo, Texas,
22 \$6,900,000.

23 Project 96–D–123, retrofit heating, ven-
24 tilation, and air conditioning and chillers for

1 ozone protection, Y-12 Plant, Oak Ridge, Ten-
2 nessee, \$2,700,000.

3 Project 95-D-102, Chemical and Metal-
4 lurgy Research Building upgrades project, Los
5 Alamos National Laboratory, Los Alamos, New
6 Mexico, \$15,700,000.

7 Project 95-D-122, sanitary sewer up-
8 grade, Y-12 Plant, Oak Ridge, Tennessee,
9 \$12,600,000.

10 Project 94-D-124, hydrogen fluoride sup-
11 ply system, Y-12 Plant, Oak Ridge, Tennessee,
12 \$1,400,000.

13 Project 94-D-125, upgrade life safety,
14 Kansas City Plant, Kansas City, Missouri,
15 \$2,000,000.

16 Project 93-D-122, life safety upgrades,
17 Y-12 Plant, Oak Ridge, Tennessee,
18 \$2,100,000.

19 Project 92-D-126, replace emergency noti-
20 fication systems, various locations, \$3,200,000.

21 Project 88-D-122, facilities capability as-
22 surance program, various locations,
23 \$18,920,000.

24 (c) PROGRAM DIRECTION.—Funds are hereby au-
25 thorized to be appropriated to the Department of Energy

1 for fiscal year 1998 for program direction in carrying out
2 weapons activities necessary for national security pro-
3 grams in the amount of \$268,500,000.

4 **SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE**
5 **MANAGEMENT.**

6 (a) ENVIRONMENTAL RESTORATION.—Funds are
7 hereby authorized to be appropriated to the Department
8 of Energy for fiscal year 1998 for environmental restora-
9 tion in carrying out environmental restoration and waste
10 management activities necessary for national security pro-
11 grams in the amount of \$1,748,073,000.

12 (b) WASTE MANAGEMENT.—Funds are hereby au-
13 thorized to be appropriated to the Department of Energy
14 for fiscal year 1998 for waste management in carrying out
15 environmental restoration and waste management activi-
16 ties necessary for national security programs in the
17 amount of \$1,559,644,000, to be allocated as follows:

18 (1) For operation and maintenance,
19 \$1,478,876,000.

20 (2) For plant projects (including maintenance,
21 restoration, planning, construction, acquisition,
22 modification of facilities, and the continuation of
23 projects authorized in prior years, and land acquisi-
24 tion related thereto), \$80,768,000, to be allocated as
25 follows:

1 Project 98–D–401, H-tank farm storm
2 water systems upgrade, Savannah River Site,
3 Aiken, South Carolina, \$1,000,000.

4 Project 97–D–402, tank farm restoration
5 and safe operations, Richland, Washington,
6 \$13,961,000.

7 Project 96–D–408, waste management up-
8 grades, various locations, \$8,200,000.

9 Project 95–D–402, install permanent elec-
10 trical service, Waste Isolation Pilot Plant,
11 Carlsbad, New Mexico, \$176,000.

12 Project 95–D–405, industrial landfill V
13 and construction/demolition landfill VII, Y–12
14 Plant, Oak Ridge, Tennessee, \$3,800,000.

15 Project 95–D–407, 219–S secondary con-
16 tainment upgrade, Richland, Washington,
17 \$2,500,000.

18 Project 94–D–404, Melton Valley storage
19 tank capacity increase, Oak Ridge National
20 Laboratory, Oak Ridge, Tennessee, \$1,219,000.

21 Project 94–D–407, initial tank retrieval
22 systems, Richland, Washington, \$15,100,000.

23 Project 93–D–187, high-level waste
24 removal from filled waste tanks, Savannah
25 River Site, Aiken, South Carolina, \$17,520,000.

1 Project 92–D–172, hazardous waste treat-
2 ment and processing facility, Pantex Plant,
3 Amarillo, Texas, \$5,000,000.

4 Project 89–D–174, replacement high-level
5 waste evaporator, Savannah River Site, Aiken,
6 South Carolina, \$1,042,000.

7 Project 86–D–103, decontamination and
8 waste treatment facility, Lawrence Livermore
9 National Laboratory, Livermore, California,
10 \$11,250,000.

11 (c) TECHNOLOGY DEVELOPMENT.—Funds are here-
12 by authorized to be appropriated to the Department of
13 Energy for fiscal year 1998 for technology development
14 in carrying out environmental restoration and waste
15 management activities necessary for national security pro-
16 grams in the amount of \$252,881,000.

17 (d) NUCLEAR MATERIAL AND FACILITY STABILIZA-
18 TION.—Funds are hereby authorized to be appropriated
19 to the Department of Energy for fiscal year 1998 for nu-
20 clear material and facility stabilization in carrying out en-
21 vironmental restoration and waste management activities
22 necessary for national security programs in the amount
23 of \$1,265,481,000, to be allocated as follows:

24 (1) For operation and maintenance,
25 \$1,181,114,000.

1 (2) For plant projects (including maintenance,
2 restoration, planning, construction, acquisition,
3 modification of facilities, and the continuation of
4 projects authorized in prior years, and land acquisition
5 related thereto), \$84,367,000, to be allocated as
6 follows:

7 Project 98–D–453, plutonium stabilization
8 and handling system for plutonium finishing
9 plant, Richland, Washington, \$8,136,000.

10 Project 98–D–700, road rehabilitation,
11 Idaho National Engineering and Environmental
12 Laboratory, Idaho, \$500,000.

13 Project 97–D–450, actinide packaging and
14 storage facility, Savannah River Site, Aiken,
15 South Carolina, \$18,000,000.

16 Project 97–D–451, B-Plant safety class
17 ventilation upgrades, Richland, Washington,
18 \$2,000,000.

19 Project 97–D–470, environmental monitoring
20 laboratory, Savannah River Site, Aiken,
21 South Carolina, \$5,600,000.

22 Project 97–D–473, health physics site support
23 facility, Savannah River Site, Aiken, South
24 Carolina, \$4,200,000.

1 Project 96–D–406, spent nuclear fuels
2 canister storage and stabilization facility, Rich-
3 land, Washington, \$16,744,000.

4 Project 96–D–461, electrical distribution
5 upgrade, Idaho National Engineering and Envi-
6 ronmental Laboratory, Idaho, \$2,927,000.

7 Project 96–D–464, electrical and utility
8 systems upgrade, Idaho Chemical Processing
9 Plant, Idaho National Engineering and Envi-
10 ronmental Laboratory, Idaho, \$14,985,000.

11 Project 96–D–471, chlorofluorocarbon
12 heating, ventilation, and air conditioning and
13 chiller retrofit, Savannah River Site, Aiken,
14 South Carolina, \$8,500,000.

15 Project 95–D–155, upgrade site road in-
16 frastructure, Savannah River Site, Aiken, South
17 Carolina, \$2,173,000.

18 Project 95–D–456, security facilities con-
19 solidation, Idaho Chemical Processing Plant,
20 Idaho National Engineering and Environmental
21 Laboratory, Idaho, \$602,000.

22 (e) POLICY AND MANAGEMENT.—Funds are hereby
23 authorized to be appropriated to the Department of En-
24 ergy for fiscal year 1998 for policy and management in
25 carrying out environmental restoration and waste manage-

1 ment activities necessary for national security programs
2 in the amount of \$18,104,000.

3 (f) ENVIRONMENTAL MANAGEMENT SCIENCE PRO-
4 GRAM.—Funds are hereby authorized to be appropriated
5 to the Department of Energy for fiscal year 1998 for envi-
6 ronmental science and risk policy in carrying out environ-
7 mental restoration and waste management activities nec-
8 essary for national security programs in the amount of
9 \$40,000,000.

10 (g) PROGRAM DIRECTION.—Funds are hereby au-
11 thorized to be appropriated to the Department of Energy
12 for fiscal year 1998 for program direction in carrying out
13 environmental restoration and waste management activi-
14 ties necessary for national security programs in the
15 amount of \$373,251,000.

16 **SEC. 3103. OTHER DEFENSE ACTIVITIES.**

17 Funds are hereby authorized to be appropriated to
18 the Department of Energy for fiscal year 1998 for other
19 defense activities in carrying out programs necessary for
20 national security in the amount of \$1,582,981,000, to be
21 allocated as follows:

22 (1) For verification and control technology,
23 \$458,200,000, to be allocated as follows:

24 (A) For nonproliferation and verification
25 research and development, \$210,000,000.

1 (B) For arms control, \$214,600,000.

2 (C) For intelligence, \$33,600,000.

3 (2) For nuclear safeguards and security,
4 \$47,200,000.

5 (3) For security investigations, \$20,000,000.

6 (4) For emergency management, \$27,700,000.

7 (5) For program direction, nonproliferation,
8 and national security, \$84,900,000.

9 (6) For environment, safety and health, de-
10 fense, \$54,000,000.

11 (7) For worker and community transition as-
12 sistance:

13 (A) For assistance, \$65,800,000.

14 (B) For program direction, \$4,700,000.

15 (8) For fissile materials disposition:

16 (A) For operation and maintenance,
17 \$99,451,000.

18 (B) For program direction, \$4,345,000.

19 (9) For naval reactors development,
20 \$683,000,000, to be allocated as follows:

21 (A) For program direction, \$20,080,000.

22 (B) For plant projects (including mainte-
23 nance, restoration, planning, construction, ac-
24 quisition, modification of facilities, and the con-
25 tinuation of projects authorized in prior years,

1 and land acquisition related thereto),
2 \$14,000,000, to be allocated as follows:

3 Project 98–D–200, site laboratory/fa-
4 cility upgrade, various locations,
5 \$5,700,000.

6 Project 97–D–201, advanced test re-
7 actor secondary coolant system refurbish-
8 ment, Idaho National Engineering and En-
9 vironmental Laboratory, Idaho,
10 \$4,100,000.

11 Project 95–D–200, laboratory systems
12 and hot cell upgrades, various locations,
13 \$1,100,000.

14 Project 90–N–102, expended core fa-
15 cility dry cell project, Naval Reactors Fa-
16 cility, Idaho, \$3,100,000.

17 (10) For the Chernobyl shutdown initiative,
18 \$2,000,000.

19 (11) For nuclear technology research and devel-
20 opment, \$25,000,000.

21 (12) For nuclear security, \$4,000,000.

22 (13) For the Office of Hearings and Appeals,
23 \$2,685,000.

1 **SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRI-**
2 **VATIZATION.**

3 Funds are hereby authorized to be appropriated to
4 the Department of Energy for fiscal year 1998 to carry
5 out environmental management privatization projects in
6 connection with national security programs in the amount
7 of \$215,000,000, to be allocated as follows:

8 Project 98-PVT-1, contact handled transuranic
9 waste transportation, Carlsbad, New Mexico,
10 \$29,000,000.

11 Project 98-PVT-4, spent nuclear fuel dry stor-
12 age, Idaho Falls, Idaho, \$27,000,000.

13 Project 98-PVT-7, waste pits remedial action,
14 Fernald, Ohio, \$25,000,000.

15 Project 98-PVT-11, spent nuclear fuel transfer
16 and storage, Savannah River, South Carolina,
17 \$25,000,000.

18 Project 97-PVT-1, tank waste remediation sys-
19 tem phase 1, Hanford, Washington, \$109,000,000.

20 **SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.**

21 Funds are hereby authorized to be appropriated to
22 the Department of Energy for fiscal year 1998 for pay-
23 ment to the Nuclear Waste Fund established in section
24 302(c) of the Nuclear Waste Policy Act of 1982 (42
25 U.S.C. 10222(c)) in the amount of \$190,000,000.

1 **Subtitle B—Recurring General**
2 **Provisions**

3 **SEC. 3121. REPROGRAMMING.**

4 (a) IN GENERAL.—Until the Secretary of Energy
5 submits to the congressional defense committees the re-
6 port referred to in subsection (b) and a period of 30 days
7 has elapsed after the date on which such committees re-
8 ceive the report, the Secretary may not use amounts ap-
9 propriated pursuant to this title for any program—

10 (1) in amounts that exceed, in a fiscal year—

11 (A) 110 percent of the amount authorized
12 for that program by this title; or

13 (B) \$1,000,000 more than the amount au-
14 thorized for that program by this title; or

15 (2) which has not been presented to, or re-
16 quested of, Congress.

17 (b) REPORT.—(1) The report referred to in sub-
18 section (a) is a report containing a full and complete state-
19 ment of the action proposed to be taken and the facts and
20 circumstances relied upon in support of such proposed ac-
21 tion.

22 (2) In the computation of the 30-day period under
23 subsection (a), there shall be excluded any day on which
24 either House of Congress is not in session because of an
25 adjournment of more than 3 days to a day certain.

1 (c) LIMITATIONS.—(1) In no event may the total
2 amount of funds obligated pursuant to this title exceed
3 the total amount authorized to be appropriated by this
4 title.

5 (2) Funds appropriated pursuant to this title may not
6 be used for an item for which Congress has specifically
7 denied funds.

8 **SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.**

9 (a) IN GENERAL.—The Secretary of Energy may
10 carry out any construction project under the general plant
11 projects authorized by this title if the total estimated cost
12 of the construction project does not exceed \$2,000,000.

13 (b) REPORT TO CONGRESS.—If, at any time during
14 the construction of any general plant project authorized
15 by this title, the estimated cost of the project is revised
16 because of unforeseen cost variations and the revised cost
17 of the project exceeds \$2,000,000, the Secretary shall im-
18 mediately furnish a complete report to the congressional
19 defense committees explaining the reasons for the cost
20 variation.

21 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

22 (a) IN GENERAL.—(1) Except as provided in para-
23 graph (2), construction on a construction project may not
24 be started or additional obligations incurred in connection
25 with the project above the total estimated cost, whenever

1 the current estimated cost of the construction project,
2 which is authorized by sections 3101, 3102, or 3103, or
3 which is in support of national security programs of the
4 Department of Energy and was authorized by any pre-
5 vious Act, exceeds by more than 25 percent the higher
6 of—

7 (A) the amount authorized for the project; or

8 (B) the amount of the total estimated cost for
9 the project as shown in the most recent budget jus-
10 tification data submitted to Congress.

11 (2) An action described in paragraph (1) may be
12 taken if—

13 (A) the Secretary of Energy has submitted to
14 the congressional defense committees a report on the
15 actions and the circumstances making such action
16 necessary; and

17 (B) a period of 30 days has elapsed after the
18 date on which the report is received by the commit-
19 tees.

20 (3) In the computation of the 30-day period under
21 paragraph (2), there shall be excluded any day on which
22 either House of Congress is not in session because of an
23 adjournment of more than 3 days to a day certain.

1 (b) EXCEPTION.—Subsection (a) shall not apply to
2 any construction project which has a current estimated
3 cost of less than \$5,000,000.

4 **SEC. 3124. FUND TRANSFER AUTHORITY.**

5 (a) TRANSFER TO OTHER FEDERAL AGENCIES.—
6 The Secretary of Energy may transfer funds authorized
7 to be appropriated to the Department of Energy pursuant
8 to this title to other Federal agencies for the performance
9 of work for which the funds were authorized. Funds so
10 transferred may be merged with and be available for the
11 same purposes and for the same time period as the author-
12 izations of the Federal agency to which the amounts are
13 transferred.

14 (b) TRANSFER WITHIN DEPARTMENT OF ENERGY;
15 LIMITATIONS.—(1) Subject to paragraph (2), the Sec-
16 retary of Energy may transfer funds authorized to be ap-
17 propriated to the Department of Energy pursuant to this
18 title between any such authorizations. Amounts of author-
19 izations so transferred may be merged with and be avail-
20 able for the same purposes and for the same time period
21 as the authorization to which the amounts are transferred.

22 (2) Not more than five percent of any such authoriza-
23 tion may be transferred between authorizations under
24 paragraph (1). No such authorization may be increased

1 or decreased by more than five percent by a transfer under
2 such paragraph.

3 (3) The authority provided by this subsection to
4 transfer authorizations may only be used to provide funds
5 for items relating to activities necessary for national secu-
6 rity programs that have a higher priority than the items
7 from which the funds are transferred.

8 (c) NOTICE TO CONGRESS.—The Secretary of Energy
9 shall promptly notify the Committee on Armed Services
10 of the Senate and the Committee on National Security of
11 the House of Representatives of any transfer of funds to
12 or from authorizations under this title.

13 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**
14 **TION DESIGN.**

15 (a) REQUIREMENT OF CONCEPTUAL DESIGN.—(1)
16 Subject to paragraph (2) and except as provided in para-
17 graph (3), before submitting to Congress a request for
18 funds for a construction project that is in support of a
19 national security program of the Department of Energy,
20 the Secretary of Energy shall complete a conceptual de-
21 sign report for that project.

22 (2) If the estimated cost of completing a conceptual
23 design for a construction project exceeds \$3,000,000, the
24 Secretary shall submit to Congress a request for funds for

1 the conceptual design before submitting a request for
2 funds for the construction project.

3 (3) The requirement in paragraph (1) does not apply
4 to a request for funds—

5 (A) for a construction project the total esti-
6 mated cost of which is less than \$2,000,000; or

7 (B) for emergency planning, design, and con-
8 struction activities under section 3126.

9 (b) **AUTHORITY FOR CONSTRUCTION DESIGN.**—(1)
10 Within the amounts authorized by the title, the Secretary
11 of Energy may carry out construction design (including
12 architectural and engineering services) in connection with
13 any proposed construction project if the total estimated
14 cost for such design does not exceed \$600,000.

15 (2) If the total estimated cost for construction design
16 in connection with any construction project exceeds
17 \$600,000, funds for such design must be specifically au-
18 thorized by law.

19 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**
20 **SIGN, AND CONSTRUCTION ACTIVITIES.**

21 (a) **AUTHORITY.**—The Secretary of Energy may use
22 any funds available to the Department of Energy, pursu-
23 ant to an authorization in this title, including those funds
24 authorized to be appropriated for advance planning and
25 construction design under sections 3101, 3102, or 3103,

1 to perform planning, design, and construction activities
2 for any Department of Energy national security program
3 construction project that, as determined by the Secretary,
4 must proceed expeditiously in order to protect public
5 health and safety, to meet the needs of national defense,
6 or to protect property.

7 (b) LIMITATION.—The Secretary may not exercise
8 the authority under subsection (a) in the case of any con-
9 struction project until the Secretary has submitted to the
10 congressional defense committees a report on the activities
11 that the Secretary intends to carry out under this section
12 and the circumstances making such activities necessary.

13 (c) SPECIFIC AUTHORITY.—The requirement of sec-
14 tion 3125(b)(2) does not apply to emergency planning, de-
15 sign, and construction activities conducted under this sec-
16 tion.

17 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**
18 **RITY PROGRAMS OF THE DEPARTMENT OF**
19 **ENERGY.**

20 Subject to the provisions of appropriation Acts and
21 section 3121, amounts appropriated pursuant to this title
22 for management and support activities and for general
23 plant projects are available for use, when necessary, in
24 connection with all national security programs of the De-
25 partment of Energy.

1 **SEC. 3128. AVAILABILITY OF FUNDS.**

2 When so specified in an appropriation Act, amounts
3 appropriated for operation and maintenance or for plant
4 projects may remain available until expended.

5 **Subtitle C—Program Authoriza-**
6 **tions, Restrictions, and Limita-**
7 **tions**

8 **SEC. 3131. DEFENSE ENVIRONMENTAL MANAGEMENT PRI-**
9 **VATIZATION PROJECTS.**

10 (a) **LIMITATION ON CONTRACTS.**—Funds authorized
11 to be appropriated by section 3104 for a project referred
12 to in that section are available for a contract under the
13 project only if the contract—

14 (1) is awarded on a competitive basis;

15 (2) requires the contractor to construct or ac-
16 quire any equipment or facilities required to carry
17 out the contract before the commencement of the
18 provision of goods or services under the contract;

19 (3) requires the contractor to bear any of the
20 costs of the design, construction, acquisition, and op-
21 eration of such equipment or facilities that arise be-
22 fore the commencement of the provision of goods or
23 services under the contract; and

24 (4) provides for payment to the contractor
25 under the contract only upon the meeting of per-
26 formance objectives specified in the contract.

1 (b) NOTICE AND WAIT.—The Secretary of Energy
2 may not enter into a contract or option to enter into a
3 contract, or otherwise incur any contractual obligation,
4 under a project authorized by section 3104 until 30 days
5 after the date which the Secretary submits to the congres-
6 sional defense committees a report with respect to the con-
7 tract. The report shall set forth—

8 (1) the anticipated costs and fees of the De-
9 partment under the contract, including the antici-
10 pated maximum amount of such costs and fees;

11 (2) any performance objectives specified in the
12 contract;

13 (3) the anticipated dates of commencement and
14 completion of the provision of goods or services
15 under the contract;

16 (4) the allocation between the Department and
17 the contractor of any financial, regulatory, or envi-
18 ronmental obligations under the contract;

19 (5) any activities planned or anticipated to be
20 required with respect to the project after completion
21 of the contract;

22 (6) the site services or other support to be pro-
23 vided the contractor by the Department under the
24 contract;

1 (7) the goods or services to be provided by the
2 Department or contractor under the contract, in-
3 cluding any additional obligations to be borne by the
4 Department or contractor with respect to such goods
5 or services;

6 (8) the schedule for the contract;

7 (9) the costs the Department would otherwise
8 have incurred in obtaining the goods or services cov-
9 ered by the contract if the Department had not pro-
10 posed to obtain the goods or services under this sec-
11 tion;

12 (10) an estimate and justification of the cost
13 savings, if any, to be realized through the contract,
14 including the assumptions underlying the estimate;

15 (11) the effect of the contract on any ancillary
16 schedules applicable to the facility concerned, includ-
17 ing milestones in site compliance agreements; and

18 (12) the plans for maintaining financial and
19 programmatic accountability for activities under the
20 contract.

21 (c) COST VARIATIONS.—(1) The Secretary may not
22 enter into a contract under a project referred to in para-
23 graph (2), or incur additional obligations attributable to
24 the capital portion of the cost of such a contract, whenever
25 the current estimated cost of the project exceeds the

1 amount of the estimated cost of the project as shown in
2 the most recent budget justification data submitted to
3 Congress.

4 (2) Paragraph (1) applies to an environmental man-
5 agement privatization project that is—

6 (A) authorized by section 3104; or

7 (B) carried out under section 3103 of the Na-
8 tional Defense Authorization Act for Fiscal Year
9 1997 (Public Law 104–201; 110 Stat. 2824).

10 (d) USE OF FUNDS FOR TERMINATION OF CON-
11 TRACT.—Not less than 15 days before the Secretary obli-
12 gates funds available for a project authorized by section
13 3104 to terminate the contract or contracts under the
14 project, the Secretary shall notify the congressional de-
15 fense committees of the Secretary’s intent to obligate the
16 funds for that purpose.

17 (e) ANNUAL REPORT ON CONTRACTS.—Not later
18 than February 28 of each year, the Secretary shall submit
19 to the congressional defense committees a report on the
20 activities, if any, carried out under each contract under
21 a project authorized by section 3104 during the preceding
22 year. The report shall include an update with respect to
23 each such contract of the matters specified under sub-
24 section (b)(1) as of the date of the report.

1 (f) REPORT ON CONTRACTING WITHOUT SUFFICIENT
2 APPROPRIATIONS.—Not later than 90 days after the date
3 of enactment of this Act, the Secretary shall submit to
4 the congressional defense committees a report assessing
5 whether, and under what circumstances, the Secretary
6 could enter into contracts under defense environmental
7 management privatization projects in the absence of suffi-
8 cient appropriations to meet obligations under such con-
9 tracts without thereby violating the provisions of section
10 1341 of title 31, United States Code.

11 **SEC. 3132. INTERNATIONAL COOPERATIVE STOCKPILE**
12 **STEWARDSHIP PROGRAMS.**

13 (a) FUNDING PROHIBITION.—No funds authorized to
14 be appropriated or otherwise available to the Department
15 of Energy for fiscal year 1998 may be obligated or ex-
16 pended to conduct any activities associated with inter-
17 national cooperative stockpile stewardship.

18 (b) EXCEPTIONS.—Subsection (a) does not apply to
19 the following:

20 (1) Activities conducted between the United
21 States and the United Kingdom.

22 (2) Activities conducted between the United
23 States and France.

1 (3) Activities carried out under title III of this
2 Act relating to cooperative threat reduction with
3 states of the former Soviet Union.

4 **SEC. 3133. MODERNIZATION OF ENDURING NUCLEAR**
5 **WEAPONS COMPLEX.**

6 (a) FUNDING.—Subject to subsection (b), of the
7 funds authorized to be appropriated to the Department
8 of Energy pursuant to section 3101, \$15,000,000 shall be
9 available for carrying out the program described in section
10 3137(a) of the National Defense Authorization Act for
11 Fiscal Year 1996 (42 U.S.C. 2121 note).

12 (b) LIMITATION ON AVAILABILITY.—None of the
13 funds available under subsection (a) for carrying out the
14 program referred to in that subsection may be obligated
15 or expended until 30 days after the date of the receipt
16 by Congress of the report required under subsection (c).

17 (c) REPORT ON ALLOCATION OF FUNDS.—Not later
18 than 30 days after the date of enactment of this Act, the
19 Secretary of Energy shall submit to the congressional de-
20 fense committees a report setting forth the proposed allo-
21 cation among specific Department of Energy sites of the
22 funds available under subsection (a).

23 **SEC. 3134. TRITIUM PRODUCTION.**

24 (a) FUNDING.—Subject to subsection (c), of the
25 funds authorized to be appropriated to the Department

1 of Energy pursuant to section 3101, \$262,000,000 shall
2 be available for activities related to tritium production.

3 (b) ACCELERATION OF TRITIUM PRODUCTION.—(1)

4 Not later than June 30, 1998, the Secretary of Energy
5 shall make a final decision on the technologies to be uti-
6 lized, and the accelerated schedule to be adopted, for trit-
7 ium production in order to meet the requirements in the
8 Nuclear Weapons Stockpile Memorandum relating to trit-
9 ium production, including the tritium production date of
10 2005 specified in the Nuclear Weapons Stockpile Memo-
11 randum.

12 (2) In making the final decision, the Secretary shall
13 take into account the following:

14 (A) The requirements for tritium production
15 specified in the Nuclear Weapons Stockpile Memo-
16 randum, including, in particular, the requirements
17 for the so-called “upload hedge” component of the
18 nuclear weapons stockpile.

19 (B) The ongoing activities of the Department of
20 Energy relating to the evaluation and demonstration
21 of technologies under the accelerator program and
22 the commercial light water reactor program.

23 (C) The potential liabilities and benefits of each
24 potential technology for tritium production, includ-
25 ing—

1 (i) regulatory and other barriers that
2 might prevent the production of tritium using
3 the technology by the production date referred
4 to in subsection (a);

5 (ii) potential difficulties, if any, in licensing
6 the technology;

7 (iii) the variability, if any, in tritium pro-
8 duction rates using the technology; and

9 (iv) any other benefits (including scientific
10 or research benefits or the generation of reve-
11 nue) associated with the technology.

12 (c) REPORT.—If the Secretary determines that it is
13 not possible to make the final decision by the date speci-
14 fied in subsection (b), the Secretary shall submit to the
15 congressional defense committees on that date a report
16 that explains in detail why the final decision cannot be
17 made by that date.

18 (d) LIMITATION ON AVAILABILITY OF FUNDS.—The
19 Secretary may not obligate or expend any funds author-
20 ized to be appropriated or otherwise made available for
21 the Department of Energy by this Act for the purpose of
22 evaluating or utilizing any technology for the production
23 of tritium other than a commercial light water reactor or
24 an accelerator until the later of—

25 (1) July 30, 1998; or

1 (2) the date that is 30 days after the date on
2 which the Secretary makes a final decision under
3 subsection (b).

4 **SEC. 3135. PROCESSING, TREATMENT, AND DISPOSITION OF**
5 **SPENT NUCLEAR FUEL RODS AND OTHER**
6 **LEGACY NUCLEAR MATERIALS AT THE SA-**
7 **VANNAH RIVER SITE.**

8 (a) FUNDING.—Of the funds authorized to be appro-
9 priated pursuant to section 3102(d), not more than
10 \$47,000,000 shall be available for the implementation of
11 a program to accelerate the receipt, processing (including
12 the H-canyon restart operations), reprocessing, separa-
13 tion, reduction, deactivation, stabilization, isolation, and
14 interim storage of high level nuclear waste associated with
15 Department of Energy spent fuel rods, foreign spent fuel
16 rods, and other nuclear materials that are located at the
17 Savannah River Site.

18 (b) REQUIREMENT FOR CONTINUING OPERATIONS
19 AT SAVANNAH RIVER SITE.—The Secretary of Energy
20 shall continue operations and maintain a high state of
21 readiness at the F-canyon and H-canyon facilities at the
22 Savannah River Site and shall provide technical staff nec-
23 essary to operate and maintain such facilities at that state
24 of readiness.

1 **SEC. 3136. LIMITATIONS ON USE OF FUNDS FOR LABORA-**
2 **TORY DIRECTED RESEARCH AND DEVELOP-**
3 **MENT PURPOSES.**

4 (a) GENERAL LIMITATIONS.—(1) No funds author-
5 ized to be appropriated or otherwise made available to the
6 Department of Energy in any fiscal year after fiscal year
7 1997 for weapons activities may be obligated or expended
8 for activities under the Department of Energy Laboratory
9 Directed Research and Development Program, or under
10 any Department of Energy technology transfer program
11 or cooperative research and development agreement, un-
12 less such activities under such program or agreement sup-
13 port the national security mission of the Department of
14 Energy.

15 (2) No funds authorized to be appropriated or other-
16 wise made available to the Department of Energy in any
17 fiscal year after fiscal year 1997 for environmental res-
18 toration, waste management, or nuclear materials and fa-
19 cilities stabilization may be obligated or expended for ac-
20 tivities under the Department of Energy Laboratory Di-
21 rected Research and Development Program, or under any
22 Department of Energy technology transfer program or co-
23 operative research and development agreement, unless
24 such activities support the environmental restoration mis-
25 sion, waste management mission, or materials stabilization
26 mission, as the case may be, of the Department of Energy.

1 (b) LIMITATION IN FISCAL YEAR 1998 PENDING
2 SUBMITTAL OF ANNUAL REPORT.—Not more than 30
3 percent of the funds authorized to be appropriated or oth-
4 erwise made available to the Department of Energy in fis-
5 cal year 1998 for laboratory directed research and devel-
6 opment may be obligated or expended for such research
7 and development until the Secretary of Energy submits
8 to the congressional defense committees the report re-
9 quired by section 3136(b) of the National Defense Author-
10 ization Act for Fiscal Year 1997 (Public Law 104–201;
11 110 Stat. 2831; 42 U.S.C. 7257b) in 1998.

12 (c) SUBMITTAL DATE FOR ANNUAL REPORT ON LAB-
13 ORATORY DIRECTED RESEARCH AND DEVELOPMENT
14 PROGRAM.—Section 3136(b)(1) of the National Defense
15 Authorization Act for Fiscal Year 1997 (42 U.S.C.
16 7257b(1)) is amended by striking out “The Secretary of
17 Energy shall annually submit” and inserting in lieu there-
18 of “Not later than February 1 each year, the Secretary
19 of Energy shall submit”.

20 (d) ASSESSMENT OF FUNDING LEVEL FOR LABORA-
21 TORY DIRECTED RESEARCH AND DEVELOPMENT.—The
22 Secretary shall include in the report submitted under such
23 section 3136(b)(1) in 1998 an assessment of the funding
24 required to carry out laboratory directed research and de-
25 velopment, including a recommendation for the percentage

1 of the funds provided to Government-owned, contractor-
 2 operated laboratories for national security activities that
 3 should be made available for such research and develop-
 4 ment under section 3132(c) of the National Defense Au-
 5 thorization Act for Fiscal Year 1991 (Public Law 101–
 6 510; 104 Stat. 1832; 42 U.S.C. 7257a(c)).

7 (e) DEFINITION.—In this section, the term “labora-
 8 tory directed research and development” has the meaning
 9 given that term in section 3132(d) of the National Defense
 10 Authorization Act for Fiscal Year 1991 (42 U.S.C.
 11 7257a(d)).

12 **SEC. 3137. PERMANENT AUTHORITY FOR TRANSFERS OF**
 13 **DEFENSE ENVIRONMENTAL MANAGEMENT**
 14 **FUNDS.**

15 (a) PERMANENT AUTHORITY.—Section 3139 of the
 16 National Defense Authorization Act for Fiscal Year 1997
 17 (Public Law 104–201; 110 Stat. 2832) is amended—

18 (1) by striking out subsection (g); and

19 (2) by redesignating subsection (h) as sub-
 20 section (g).

21 (b) EXEMPTION FROM REPROGRAMMING REQUIRE-
 22 MENTS.—Subsection (c) of that section is amended by
 23 striking out “The requirements of section 3121” and in-
 24 serting in lieu thereof “No recurring limitation on re-

1 programming of Department of Energy funds contained
2 in an annual authorization Act for national defense”.

3 (c) DEFINITIONS.—Subsection (f)(1) of that section
4 is amended by striking out “any of the following:” and
5 all that follows and inserting in lieu thereof “any program
6 or project of the Department of Energy relating to envi-
7 ronmental restoration and waste management activities
8 necessary for national security programs of the Depart-
9 ment.”.

10 (d) REPORT.—Subsection (g) of that section, as re-
11 designated by subsection (a)(2), is amended—

12 (1) by striking out “September 1, 1997,” and
13 inserting in lieu thereof “November 1 each year”;

14 (2) by inserting “during the preceding fiscal
15 year” after “in subsection (b)”;

16 (3) by striking out the second sentence.

17 (e) CONFORMING AMENDMENT.—The section head-
18 ing of that section is amended by striking out “**TEM-**
19 **PORARY AUTHORITY RELATING TO**” and inserting in
20 lieu thereof “**AUTHORITY FOR**”.

1 **SEC. 3138. PROHIBITION ON RECOVERY OF CERTAIN ADDI-**
 2 **TIONAL COSTS FOR ENVIRONMENTAL RE-**
 3 **SPONSE ACTIONS ASSOCIATED WITH THE**
 4 **FORMERLY UTILIZED SITE REMEDIAL AC-**
 5 **TION PROJECT PROGRAM.**

6 (a) PROHIBITION.—The Department of Energy may
 7 not recover from a party described in subsection (b) any
 8 costs of response actions, for an actual or threatened re-
 9 lease of hazardous substances that occurred before the
 10 date of enactment of this Act, at a site included in the
 11 Formerly Utilized Site Remedial Action Project program
 12 other than the costs stipulated in a written, legally binding
 13 agreement with the party with respect to the site as re-
 14 ferred to in that subsection.

15 (b) COVERED PARTIES.—A party referred to in sub-
 16 section (a) is any party that has entered into a written,
 17 legally binding agreement with the Department before Au-
 18 gust 28, 1996, which agreement stipulates a formula for
 19 the sharing by the party and the Department of the costs
 20 of response actions at a site referred to in that subsection.

21 **Subtitle D—Other Matters**

22 **SEC. 3151. ADMINISTRATION OF CERTAIN DEPARTMENT OF**
 23 **ENERGY ACTIVITIES.**

24 (a) PROCEDURES FOR PRESCRIBING REGULA-
 25 TIONS.—Section 501 of the Department of Energy Orga-
 26 nization Act (42 U.S.C. 7191) is amended—

1 (1) by striking out subsections (b) and (d);

2 (2) by redesignating subsections (c), (e), (f),
3 and (g) as subsections (b), (c), (d), and (e), respec-
4 tively; and

5 (3) in subsection (c), as so redesignated, by
6 striking out “subsections (b), (c), and (d)” and in-
7 serting in lieu thereof “subsection (b)”.

8 (b) ADVISORY COMMITTEES.—(1) Section 624 of the
9 Department of Energy Organization Act (42 U.S.C. 7234)
10 is amended—

11 (A) by striking out “(a)”;

12 (B) by striking out subsection (b).

13 (2) Section 17 of the Federal Energy Administration
14 Act of 1974 (15 U.S.C. 776) is repealed.

15 **SEC. 3152. MODIFICATION AND EXTENSION OF AUTHORITY**
16 **RELATING TO APPOINTMENT OF CERTAIN**
17 **SCIENTIFIC, ENGINEERING, AND TECHNICAL**
18 **PERSONNEL.**

19 (a) REPEAL OF REQUIREMENT FOR EPA STUDY.—
20 Section 3161 of the National Defense Authorization Act
21 for Fiscal Year 1995 (Public Law 103–337; 108 Stat.
22 3095; 42 U.S.C. 7231 note) is amended—

23 (1) by striking out subsection (c); and

24 (2) by redesignating subsection (d) as sub-
25 section (c).

1 (b) EXTENSION OF AUTHORITY.—Paragraph (1) of
2 subsection (c) of such section, as so redesignated, is
3 amended by striking out “September 30, 1997” and in-
4 serting in lieu thereof “September 30, 1999”.

5 **SEC. 3153. ANNUAL REPORT ON PLAN AND PROGRAM FOR**
6 **STEWARDSHIP, MANAGEMENT, AND CERTIFI-**
7 **CATION OF WARHEADS IN THE NUCLEAR**
8 **WEAPONS STOCKPILE.**

9 (a) IN GENERAL.—(1) Not later than March 15,
10 1998, the Secretary of Energy shall submit to the congres-
11 sional defense committees a plan and program for main-
12 taining the warheads in the nuclear weapons stockpile (in-
13 cluding stockpile stewardship, stockpile management, and
14 program direction).

15 (2) Not later than March 15 of each year after 1998,
16 the Secretary shall submit to the congressional defense
17 committees an update of the plan and program submitted
18 under paragraph (1) current as of the date of submittal
19 of the updated plan and program.

20 (3) The plan and program, and each update of the
21 plan and program, shall be consistent with the pro-
22 grammatic and technical requirements of the Nuclear
23 Weapons Stockpile Memorandum current as of the date
24 of submittal of the plan and program or update.

1 (b) ELEMENTS.—The plan and program, and each
2 update of the plan and program, shall set forth the follow-
3 ing:

4 (1) The numbers of warheads (including active
5 and inactive warheads) for each type of warhead in
6 the nuclear stockpile.

7 (2) The current age of each warhead type and
8 any plans for stockpile life extensions and modifica-
9 tions or replacement of each warhead type.

10 (3) The process by which the Secretary is as-
11 sessing the lifetime and requirements for life exten-
12 sion or replacement of the nuclear and non-nuclear
13 components of the warheads (including active and
14 inactive warheads) in the nuclear stockpile.

15 (4) The process used in recertifying the safety,
16 reliability, and performance of each warhead type
17 (including active and inactive warheads) in the nu-
18 clear weapons stockpile.

19 (5) Any concerns which would affect the recer-
20 tification of the safety, security, or reliability of war-
21 heads (including active and inactive warheads) in the
22 nuclear stockpile.

23 (c) FORM.—The Secretary shall submit the plan and
24 program, and each update of the plan and program, in
25 unclassified form, but may include a classified annex.

1 **SEC. 3154. SUBMITTAL OF BIENNIAL WASTE MANAGEMENT**
2 **REPORTS.**

3 Section 3153(b)(2)(B) of the National Defense Au-
4 thorization Act for Fiscal Year 1994 (42 U.S.C.
5 7274k(b)(2)(B)) is amended by striking out “odd-num-
6 bered year after 1995” and inserting in lieu thereof “odd-
7 numbered year after 1997”.

8 **SEC. 3155. REPEAL OF OBSOLETE REPORTING REQUIRE-**
9 **MENTS.**

10 (a) ANNUAL REPORT ON ACTIVITIES OF THE ATOMIC
11 ENERGY COMMISSION.—(1) Section 251 of the Atomic
12 Energy Act of 1954 (42 U.S.C. 2016) is repealed.

13 (2) The table of sections at the beginning of that Act
14 is amended by striking out the item relating to section
15 251.

16 (b) ANNUAL REPORT ON WEAPONS ACTIVITIES
17 BUDGETS.—Section 3156 of the National Defense Au-
18 thorization Act for Fiscal Year 1997 (Public Law 104–
19 201; 110 Stat. 2841; 42 U.S.C. 7271c) is repealed.

20 (c) ANNUAL UPDATE OF MASTER PLAN FOR NU-
21 CLEAR WEAPONS STOCKPILE.—Section 3153 of the Na-
22 tional Defense Authorization Act for Fiscal Year 1996
23 (Public Law 104–106; 110 Stat. 624; 42 U.S.C. 2121
24 note) is repealed.

25 (d) ANNUAL REPORT ON WEAPONS ACTIVITIES
26 BUDGETS.—Section 3159 of the National Defense Au-

1 thorization Act for Fiscal Year 1996 (Public Law 104–
2 106; 110 Stat. 626; 42 U.S.C. 7271b note) is repealed.

3 (e) ANNUAL REPORT ON STOCKPILE STEWARDSHIP
4 PROGRAM.—Section 3138 of the National Defense Au-
5 thorization Act for Fiscal Year 1994 (Public Law 103–
6 160; 107 Stat. 1946; 42 U.S.C. 2121 note) is amended—

7 (1) by striking out subsections (d) and (e);

8 (2) by redesignating subsections (f), (g), and
9 (h) as subsections (d), (e), and (f), respectively; and

10 (3) in subsection (e), as so redesignated, by
11 striking out “and the 60-day period referred to in
12 subsection (e)(2)(A)(ii)”.

13 (f) ANNUAL REPORT ON DEVELOPMENT OF TRITIUM
14 PRODUCTION CAPACITY.—Section 3134 of the National
15 Defense Authorization Act for Fiscal Year 1993 (Public
16 Law 102–484; 106 Stat. 2639) is repealed.

17 (g) ANNUAL REPORT ON RESEARCH RELATING TO
18 DEFENSE WASTE CLEANUP TECHNOLOGY PROGRAM.—
19 Section 3141 of the National Defense Authorization Act
20 for Fiscal Years 1990 and 1991 (Public Law 101–189;
21 103 Stat. 1679; 42 U.S.C. 7274a) is amended—

22 (1) by striking out subsection (c); and

23 (2) by redesignating subsection (d) as sub-
24 section (c).

1 (h) QUARTERLY REPORT ON MAJOR DOE NATIONAL
 2 SECURITY PROGRAMS.—Section 3143 of the National De-
 3 fense Authorization Act for Fiscal Years 1990 and 1991
 4 (Public Law 101–189; 103 Stat. 1681; 42 U.S.C. 7271a)
 5 is repealed.

6 (i) ANNUAL REPORT ON NUCLEAR TEST BAN READI-
 7 NESS PROGRAM.—Section 1436 of the National Defense
 8 Authorization Act, Fiscal Year 1989 (Public Law 100–
 9 456; 102 Stat. 2075; 42 U.S.C. 2121 note) is amended
 10 by striking out subsection (e).

11 **SEC. 3156. COMMISSION ON SAFEGUARDING AND SECURITY**
 12 **OF NUCLEAR WEAPONS AND MATERIALS AT**
 13 **DEPARTMENT OF ENERGY FACILITIES.**

14 (a) ESTABLISHMENT.—There is hereby established a
 15 commission to be known as the Commission on Safeguards
 16 and Security at Department of Energy Facilities (in this
 17 section referred to as the “Commission”).

18 (b) ORGANIZATIONAL MATTERS.—(1)(A) The Com-
 19 mission shall be composed of eight members appointed
 20 from among individuals in the public and private sectors
 21 who have significant experience in matters relating to the
 22 safeguarding and security of nuclear weapons and mate-
 23 rials, as follows:

24 (i) Two shall be appointed by the chairman of
 25 the Committee on Armed Services of the Senate, in

1 consultation with the ranking member of the com-
2 mittee.

3 (ii) One shall be appointed by the ranking
4 member of the Committee on Armed Services of the
5 Senate, in consultation with the chairman of the
6 committee.

7 (iii) Two shall be appointed by the chairman of
8 the Committee on National Security of the House of
9 Representatives, in consultation with the ranking
10 member of the committee.

11 (iv) One shall be appointed by the ranking
12 member of the Committee on National Security of
13 the House of Representatives, in consultation with
14 the chairman of the committee.

15 (v) Two shall be appointed by the Secretary of
16 Energy.

17 (B) Members shall be appointed for the life of the
18 Commission. Any vacancy in the Commission shall not af-
19 fect its powers, but shall be filled in the same manner as
20 the original appointment.

21 (C) The chairman of the Commission shall be des-
22 ignated from among the members of the Commission by
23 the chairman of the Committee on Armed Services of the
24 Senate, in consultation with the chairman of the Commit-
25 tee on National Security of the House of Representatives,

1 the ranking member of the committee on Armed Services
2 of the Senate, and the ranking member of the Committee
3 on National Security of the House of Representatives.

4 (D) Members shall be appointed not later than 60
5 days after the date of enactment of this Act.

6 (2) The members of the Commission shall establish
7 procedures for the activities of the Commission, including
8 procedures for calling meetings, requirements for
9 quorums, and the manner of taking votes.

10 (c) DUTIES.—(1) The Commission shall—

11 (A) conduct a review of the specifications in the
12 document entitled “Design Threat Basis” relating to
13 the safeguarding and security of nuclear weapons
14 and materials in order to determine whether or not
15 the specifications establish procedures adequate for
16 the safeguarding and security of such weapons and
17 materials at Department of Energy facilities; and

18 (B) determine whether or not the document
19 takes into account all relevant guidelines for the
20 safeguarding and security of such weapons and ma-
21 terials at such facilities, including Presidential Deci-
22 sion Directive 39, relating to United States policy on
23 counterterrorism.

24 (2) In conducting the review, the Commission shall—

1 (A) visit various Department facilities, includ-
2 ing the Rocky Flats Plant, Colorado, Los Alamos
3 National Laboratory, New Mexico, the Savannah
4 River Site, South Carolina, the Pantex Plant, Texas,
5 Oak Ridge National Laboratory, Tennessee, and the
6 Hanford Reservation, Washington, in order to assess
7 the adequacy of safeguards and security with respect
8 to nuclear weapons and materials at such facilities;

9 (B) evaluate the specific concerns with respect
10 to the safeguarding and security of nuclear weapons
11 and materials raised in the report of the Office of
12 Safeguards and Security of the Department of En-
13 ergy entitled “Status of Safeguards and Security for
14 1996”; and

15 (C) review applicable orders and other require-
16 ments governing the safeguarding and security of
17 nuclear weapons and materials at Department facili-
18 ties.

19 (d) REPORT.—(1) Not later than February 15, 1998,
20 the Commission shall submit to the Secretary and to the
21 congressional defense committees a report on the review
22 conducted under subsection (c).

23 (2) The report may include—

24 (A) recommendations regarding any modifica-
25 tions of policy or procedures applicable to Depart-

1 ment facilities that the Commission considers appro-
2 priate to provide adequate safeguards and security
3 for nuclear weapons and materials at such facilities
4 without impairing the mission of such facilities;

5 (B) recommendations for modifications in fund-
6 ing priorities necessary to ensure basic funding for
7 the safeguarding and security of such weapons and
8 materials at such facilities; and

9 (C) such other recommendations for additional
10 legislation or administrative action as the Commis-
11 sion considers appropriate.

12 (e) PERSONNEL MATTERS.—(1)(A) Each member of
13 the Commission who is not an officer or employee of the
14 Federal Government shall be compensated at a rate equal
15 to the daily equivalent of the annual rate of basic pay pre-
16 scribed for Level IV of the Executive Schedule under sec-
17 tion 53115 of title 5, United States Code, for each day
18 (including travel time) during which such member is en-
19 gaged in the performance of the duties of the Commission.

20 (B) All members of the Commission who are officers
21 or employees of the United States shall serve without com-
22 pensation in addition to that received for their services as
23 officers or employees of the United States.

24 (2) The members of the Commission shall be allowed
25 travel expenses, including per diem in lieu of subsistence,

1 at rates authorized for employees of agencies under sub-
2 chapter I of chapter 57 of title 5, United States Code,
3 while away from their homes or regular places of business
4 in the performance of services for the Commission.

5 (3)(A) The Commission may, without regard to the
6 civil service laws and regulations, appoint and terminate
7 such personnel as may be necessary to enable the Commis-
8 sion to perform its duties.

9 (B) The Commission may fix the compensation of the
10 personnel of the Commission without regard to the provi-
11 sions of chapter 51 and subchapter III of chapter 53 of
12 title 5, United States Code, relating to classification of
13 positions and General Schedule pay rates.

14 (4) Any Federal Government employee may be de-
15 tailed to the Commission without reimbursement, and
16 such detail shall be without interruption or loss of civil
17 status or privilege.

18 (f) APPLICABILITY OF FACA.—The provisions of the
19 Federal Advisory Committee Act (5 U.S.C. App.) shall not
20 apply to the activities of the Commission.

21 (g) TERMINATION.—The Commission shall terminate
22 30 days after the date on which the Commission submits
23 its report under subsection (d).

24 (h) FUNDING.—Of the amounts authorized to be ap-
25 propriated pursuant to section 3101, not more that

1 \$500,000 shall be available for the activities of the Com-
2 mission under this section. Funds made available to the
3 Commission under this section shall remain available until
4 expended.

5 **SEC. 3157. MODIFICATION OF AUTHORITY ON COMMISSION**
6 **ON MAINTAINING UNITED STATES NUCLEAR**
7 **WEAPONS EXPERTISE.**

8 (a) COMMENCEMENT OF ACTIVITIES.—Subsection
9 (b)(1) of section 3162 of the National Defense Authoriza-
10 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
11 Stat. 2844; 42 U.S.C. 2121 note) is amended—

12 (1) in subparagraph (C), by adding at the end
13 the following new sentence: “The chairman may be
14 designated once five members of the Commission
15 have been appointed under subparagraph (A).”; and

16 (2) by adding at the end the following:

17 “(E) The Commission may commence its activities
18 under this section upon the designation of the chairman
19 of the Commission under subparagraph (C).”.

20 (b) DEADLINE FOR REPORT.—Subsection (d) of that
21 section is amended by striking out “March 15, 1998,” and
22 inserting in lieu thereof “March 15, 1999,”.

1 **SEC. 3158. LAND TRANSFER, BANDELIER NATIONAL MONU-**
2 **MENT.**

3 (a) **TRANSFER OF ADMINISTRATIVE JURISDIC-**
4 **TION.**—The Secretary of Energy shall transfer to the Sec-
5 retary of the Interior administrative jurisdiction over a
6 parcel of real property consisting of approximately 4.47
7 acres as depicted on the map entitled “Boundary Map,
8 Bandelier National Monument”, No. 315/80,051, dated
9 March 1995.

10 (b) **BOUNDARY MODIFICATION.**—The boundary of
11 the Bandelier National Monument established by Procla-
12 mation No. 1322 (16 U.S.C. 431 note) is modified to in-
13 clude the real property transferred under subsection (a).

14 (c) **PUBLIC AVAILABILITY OF MAP.**—The map de-
15 scribed in subsection (a) shall be on file and available for
16 public inspection in the Lands Office at the Southwest
17 System Support Office of the National Park Service,
18 Santa Fe, New Mexico, and in the office of the Super-
19 intendent of Bandelier National Monument.

20 (d) **ADMINISTRATION.**—The real property and inter-
21 ests in real property transferred under subsection (a) shall
22 be—

23 (1) administered as part of Bandelier National
24 Monument; and

1 (2) subject to all laws applicable to the Ban-
 2 delier National Monument and all laws generally ap-
 3 plicable to units of the National Park System.

4 **TITLE XXXII—DEFENSE NU-**
 5 **CLEAR FACILITIES SAFETY**
 6 **BOARD**

7 **SEC. 3201. AUTHORIZATION.**

8 There are authorized to be appropriated for fiscal
 9 year 1998, \$17,500,000 for the operation of the Defense
 10 Nuclear Facilities Safety Board under chapter 21 of the
 11 Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

12 **TITLE XXXIII—NATIONAL**
 13 **DEFENSE STOCKPILE**

14 **SEC. 3301. DEFINITIONS.**

15 In this title:

16 (1) The term “National Defense Stockpile”
 17 means the stockpile provided for in section 4 of the
 18 Strategic and Critical Materials Stock Piling Act (50
 19 U.S.C. 98c).

20 (2) The term “National Defense Stockpile
 21 Transaction Fund” means the fund in the Treasury
 22 of the United States established under section 9(a)
 23 of the Strategic and Critical Materials Stock Piling
 24 Act (50 U.S.C. 98h(a)).

1 **SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.**

2 (a) OBLIGATIONS AUTHORIZED.—During fiscal year
3 1998, the National Defense Stockpile Manager may obli-
4 gate up to \$60,000,000 of the funds in the National De-
5 fense Stockpile Transaction Fund established under sub-
6 section (a) of section 9 of the Strategic and Critical Mate-
7 rials Stock Piling Act (50 U.S.C. 98h) for the authorized
8 uses of such funds under subsection (b)(2) of such section.

9 (b) ADDITIONAL OBLIGATIONS.—The National De-
10 fense Stockpile Manager may obligate amounts in excess
11 of the amount specified in subsection (a) if the National
12 Defense Stockpile Manager notifies Congress that extraor-
13 dinary or emergency conditions necessitate the additional
14 obligations. The National Defense Stockpile Manager may
15 make the additional obligations described in the notifica-
16 tion after the end of the 45-day period beginning on the
17 date Congress receives the notification.

18 (c) LIMITATIONS.—The authorities provided by this
19 section shall be subject to such limitations as may be pro-
20 vided in appropriations Acts.

21 **SEC. 3303. AUTHORITY TO DISPOSE OF CERTAIN MATE-**
22 **RIALS IN NATIONAL DEFENSE STOCKPILE.**

23 (a) DISPOSAL REQUIRED.—Subject to subsection (c),
24 the President shall dispose of materials contained in the
25 National Defense Stockpile and specified in the table in

1 subsection (b) so as to result in receipts to the United
 2 States in amounts equal to—

3 (1) \$9,222,000 by the end of fiscal year 1998;

4 (2) \$134,840,000 by the end of fiscal year
 5 2002; and

6 (3) \$295,886,000 by the end of fiscal year
 7 2007.

8 (b) LIMITATION ON DISPOSAL QUANTITY.—The total
 9 quantities of materials authorized for disposal by the
 10 President under subsection (a) may not exceed the
 11 amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Beryllium Copper Master Alloy	7,387 short tons
Chromium Metal	8,511 short tons
Cobalt	14,058,014 pounds
Columbium Carbide	21,372 pounds
Columbium Ferro	249,395 pounds
Diamond, Bort	61,543 carats
Diamond, Dies	25,473 pieces
Diamond, Stone	3,047,900 carats
Germanium	28,200 kilograms
Indium	14,248 troy ounces
Palladium	1,249,485 troy ounces
Platinum	442,641 troy ounces
Tantalum, Carbide Powder	22,688 pounds contained
Tantalum, Minerals	1,751,364 pounds con- tained
Tantalum, Oxide	123,691 pounds contained
Titanium Sponge	34,831 short tons
Tungsten, Ores & Concentrate	76,358,235 pounds
Tungsten, Carbide	2,032,954 pounds
Tungsten, Metal Powder	1,899,283 pounds
Tungsten, Ferro	2,024,143 pounds

12 (c) MINIMIZATION OF DISRUPTION AND LOSS.—The
 13 President may not dispose of materials under subsection
 14 (a) to the extent that the disposal will result in—

1 (1) undue disruption of the usual markets of
2 producers, processors, and consumers of the mate-
3 rials proposed for disposal; or

4 (2) avoidable loss to the United States.

5 (d) RELATIONSHIP TO OTHER DISPOSAL AUTHOR-
6 ITY.—The disposal authority provided in subsection (a) is
7 new disposal authority and is in addition to, and shall not
8 affect, any other disposal authority provided by law re-
9 garding the materials specified in such subsection.

10 **SEC. 3304. RETURN OF SURPLUS PLATINUM FROM THE DE-**
11 **PARTMENT OF THE TREASURY.**

12 (a) RETURN OF PLATINUM TO STOCKPILE.—Subject
13 to subsection (b), the Secretary of the Treasury, upon the
14 request of the Secretary of Defense, shall return to the
15 Secretary of Defense for sale or other disposition platinum
16 of the National Defense Stockpile that has been loaned
17 to the Department of the Treasury by the Secretary of
18 Defense, acting as the stockpile manager. The quantity
19 requested and transferred shall be any quantity that the
20 Secretary of Defense determines appropriate for sale or
21 other disposition.

22 (b) ALTERNATIVE TRANSFER OF FUNDS.—The Sec-
23 retary of the Treasury, with the concurrence of the Sec-
24 retary of Defense, may transfer to the Secretary of De-
25 fense funds in a total amount that is equal to the fair

1 market value of any platinum requested under subsection
 2 (a) and not returned. A transfer of funds under this sub-
 3 section shall be a substitute for a return of platinum under
 4 subsection (a). Upon a transfer of funds as a substitute
 5 for a return of platinum, the platinum shall cease to be
 6 part of the National Defense Stockpile. A transfer of
 7 funds under this subsection shall be charged to any appro-
 8 priation for the Department of the Treasury and shall be
 9 credited to the National Defense Stockpile Transaction
 10 Fund.

11 **TITLE XXXIV—NAVAL** 12 **PETROLEUM RESERVES**

13 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

14 There is hereby authorized to be appropriated to the
 15 Secretary of Energy \$117,000,000 for fiscal year 1998 for
 16 the purpose of carrying out activities under chapter 641
 17 of title 10, United States Code, relating to the naval petro-
 18 leum reserves (as defined in section 7420(2) of such title).
 19 Funds appropriated pursuant to such authorization shall
 20 remain available until expended.

21 **SEC. 3402. LEASING OF CERTAIN OIL SHALE RESERVES.**

22 (a) REQUIREMENT TO LEASE.—The Secretary of
 23 Energy may lease, subject to valid existing rights, the
 24 United States interest in Oil Shale Reserves Numbered
 25 1, 2, and 3 to one or more private entities for the purpose

1 of providing for the exploration of such reserves for, and
2 the development and production of, petroleum.

3 (b) MAXIMIZATION OF FINANCIAL RETURN TO THE
4 UNITED STATES.—A lease under this section shall be
5 made under terms that result in the maximum practicable
6 financial return to the United States, without regard to
7 production limitations provided under chapter 641 of title
8 10, United States Code.

9 (c) DISPOSITION OF WELLS, GATHERING LINES, AND
10 EQUIPMENT.—A lease of a reserve under subsection (a)
11 may include the sale or other disposition, at fair market
12 value, of any well, gathering line, or related equipment
13 owned by the United States that is located at the reserve
14 and is suitable for use in the exploration, development,
15 or production of petroleum on the reserve.

16 (d) DISPOSITION OF ROYALTIES AND OTHER PRO-
17 CEEDS.—All royalties and other proceeds accruing to the
18 United States from a lease under this section shall be dis-
19 posed of in accordance with section 7433 of title 10, Unit-
20 ed States Code.

21 (e) INAPPLICABILITY OF CERTAIN SECTIONS OF
22 TITLE 10, UNITED STATES CODE.—The following provi-
23 sions of chapter 641 of title 10, United States Code, do
24 not apply to the leasing of a reserve under this section
25 nor to a reserve while under a lease entered into under

1 this section: section 7422(b), subsections (d), (e), (g), and
 2 (k) of section 7430, section 7431, and section 7438(c)(1).

3 (f) DEFINITIONS.—In this section:

4 (1) The term “Oil Shale Reserves Numbered 1,
 5 2, and 3” means the oil shale reserves identified in
 6 section 7420(2) of title 10, United States Code, as
 7 Oil Shale Reserve Numbered 1, Oil Shale Reserve
 8 Numbered 2, and Oil Shale Reserve Numbered 3.

9 (2) The term “petroleum” has the meaning
 10 given such term in section 7420(3) of such title.

11 **SEC. 3403. REPEAL OF REQUIREMENT TO ASSIGN NAVY OF-**
 12 **FICERS TO OFFICE OF NAVAL PETROLEUM**
 13 **AND OIL SHALE RESERVES.**

14 Section 2 of Public Law 96–137 (42 U.S.C. 7156a)
 15 is repealed.

16 **TITLE XXXV—PANAMA CANAL**
 17 **COMMISSION**
 18 **Subtitle A—Authorization of Ex-**
 19 **penditures From Revolving**
 20 **Fund**

21 **SEC. 3501. SHORT TITLE.**

22 This subtitle may be cited as the “Panama Canal
 23 Commission Authorization Act for Fiscal Year 1998”.

1 **SEC. 3502. AUTHORIZATION OF EXPENDITURES.**

2 (a) IN GENERAL.—Subject to subsection (b), the
3 Panama Canal Commission is authorized to use amounts
4 in the Panama Canal Revolving Fund to make such ex-
5 penditures within the limits of funds and borrowing au-
6 thority available to it in accordance with law, and to make
7 such contracts and commitments, as may be necessary
8 under the Panama Canal Act of 1979 (22 U.S.C. 3601
9 et seq.) for the operation, maintenance, improvement, and
10 administration of the Panama Canal for fiscal year 1998.

11 (b) LIMITATIONS.—For fiscal year 1998, the Panama
12 Canal Commission may expend from funds in the Panama
13 Canal Revolving Fund not more than \$85,000 for official
14 reception and representation expenses, of which—

15 (1) not more than \$23,000 may be used for of-
16 ficial reception and representation expenses of the
17 Supervisory Board of the Commission;

18 (2) not more than \$12,000 may be used for of-
19 ficial reception and representation expenses of the
20 Secretary of the Commission; and

21 (3) not more than \$50,000 may be used for of-
22 ficial reception and representation expenses of the
23 Administrator of the Commission.

24 **SEC. 3503. PURCHASE OF VEHICLES.**

25 Notwithstanding any other provision of law, the
26 funds available to the Commission shall be available for

1 the purchase and transportation to the Republic of Pan-
 2 ama of passenger motor vehicles, the purchase price of
 3 which shall not exceed \$22,000 per vehicle.

4 **SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH**
 5 **TREATIES.**

6 Expenditures authorized under this subtitle may be
 7 made only in accordance with the Panama Canal Treaties
 8 of 1977 and any law of the United States implementing
 9 those treaties.

10 **Subtitle B—Facilitation of Panama**
 11 **Canal Transition**

12 **SEC. 3511. SHORT TITLE; REFERENCES.**

13 (a) **SHORT TITLE.**—This subtitle may be cited as the
 14 “Panama Canal Transition Facilitation Act of 1997”.

15 (b) **REFERENCES.**—Except as otherwise expressly
 16 provided, whenever in this subtitle an amendment or re-
 17 peal is expressed in terms of an amendment to, or repeal
 18 of, a section or other provision, the reference shall be con-
 19 sidered to be made to a section or other provision of the
 20 Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

21 **SEC. 3512. DEFINITIONS RELATING TO CANAL TRANSITION.**

22 Section 3 (22 U.S.C. 3602) is amended by adding
 23 at the end the following new subsection:

24 “(d) For purposes of this Act:

1 “(1) The term ‘Canal Transfer Date’ means
 2 December 31, 1999, such date being the date speci-
 3 fied in the Panama Canal Treaty of 1977 for the
 4 transfer of the Panama Canal from the United
 5 States of America to the Republic of Panama.

6 “(2) The term ‘Panama Canal Authority’
 7 means the entity created by the Republic of Panama
 8 to succeed the Panama Canal Commission as of the
 9 Canal Transfer Date.”.

10 **PART I—TRANSITION MATTERS RELATING TO**
 11 **COMMISSION OFFICERS AND EMPLOYEES**

12 **SEC. 3521. AUTHORITY FOR THE ADMINISTRATOR OF THE**
 13 **COMMISSION TO ACCEPT APPOINTMENT AS**
 14 **THE ADMINISTRATOR OF THE PANAMA**
 15 **CANAL AUTHORITY.**

16 (a) **AUTHORITY FOR DUAL ROLE.**—Section 1103 (22
 17 U.S.C. 3613) is amended by adding at the end the follow-
 18 ing new subsection:

19 “(c) The Congress consents, for purposes of the 8th
 20 clause of article I, section 9 of the Constitution of the
 21 United States, to the acceptance by the individual serving
 22 as Administrator of the Commission of appointment by
 23 the Republic of Panama to the position of Administrator
 24 of the Panama Canal Authority. Such consent is effective
 25 only if that individual, while serving in both such posi-

1 tions, serves as Administrator of the Panama Canal Au-
 2 thority without compensation, except for payments by the
 3 Republic of Panama of travel and entertainment expenses,
 4 including per diem payments.”.

5 (b) WAIVER OF CERTAIN CONFLICT-OF-INTEREST
 6 STATUTES.—Such section is further amended by adding
 7 at the end the following new subsections:

8 “(d) The Administrator, with respect to participation
 9 in any matter as Administrator of the Panama Canal
 10 Commission (whether such participation is before, on, or
 11 after the date of the enactment of the Panama Canal
 12 Transition Facilitation Act of 1997), shall not be subject
 13 to section 208 of title 18, United States Code, insofar as
 14 the matter relates to prospective employment as Adminis-
 15 trator of the Panama Canal Authority.

16 “(e) If the Republic of Panama appoints as the Ad-
 17 ministrator of the Panama Canal Authority the individual
 18 serving as the Administrator of the Commission and if
 19 that individual accepts the appointment—

20 “(1) the Foreign Agents Registration Act of
 21 1938, as amended (22 U.S.C. 611 et seq.), shall not
 22 apply to that individual with respect to service as
 23 the Administrator of the Panama Canal Authority;

24 “(2) that individual, with respect to participa-
 25 tion in any matter as the Administrator of the Pan-

1 ama Canal Commission, is not subject to section 208
 2 of title 18, United States Code, insofar as the mat-
 3 ter relates to service as, or performance of the duties
 4 of, the Administrator of the Panama Canal Author-
 5 ity; and

6 “(3) that individual, with respect to official acts
 7 performed as the Administrator of the Panama
 8 Canal Authority, is not subject to the following:

9 “(A) Sections 203 and 205 of title 18,
 10 United States Code.

11 “(B) Effective upon termination of the in-
 12 dividual’s appointment as Administrator of the
 13 Panama Canal Commission at noon on the
 14 Canal Transfer Date, section 207 of title 18,
 15 United States Code.

16 “(C) Sections 501(a) and 502(a)(4) of the
 17 Ethics in Government Act of 1978 (5 U.S.C.
 18 App.), with respect to compensation received
 19 for, and service in, the position of Adminis-
 20 trator of the Panama Canal Authority.”.

21 **SEC. 3522. POST-CANAL TRANSFER PERSONNEL AUTHORI-**
 22 **TIES.**

23 (a) WAIVER OF CERTAIN POST-EMPLOYMENT RE-
 24 STRICTIONS FOR COMMISSION PERSONNEL BECOMING
 25 EMPLOYEES OF THE PANAMA CANAL AUTHORITY.—Sec-

tion 1112 (22 U.S.C. 3622) is amended by adding at the end the following new subsection:

“(e) Effective as of the Canal Transfer Date, section 207 of title 18, United States Code, shall not apply to an individual who is an officer or employee of the Panama Canal Authority, but only with respect to official acts of that individual as an officer or employee of the Authority and only in the case of an individual who was an officer or employee of the Commission and whose employment with the Commission was terminated at noon on the Canal Transfer Date.”.

(b) CONSENT OF CONGRESS FOR ACCEPTANCE BY RESERVE AND RETIRED MEMBERS OF THE ARMED FORCES OF EMPLOYMENT BY PANAMA CANAL AUTHORITY.—Such section is further amended by adding after subsection (e), as added by subsection (a), the following new subsection:

“(f)(1) The Congress consents to the following persons accepting civil employment (and compensation for that employment) with the Panama Canal Authority for which the consent of the Congress is required by the last paragraph of section 9 of article I of the Constitution of the United States, relating to acceptance of emoluments, offices, or titles from a foreign government:

1 “(A) Retired members of the uniformed serv-
2 ices.

3 “(B) Members of a reserve component of the
4 armed forces.

5 “(C) Members of the Commissioned Reserve
6 Corps of the Public Health Service.

7 “(2) The consent of the Congress under paragraph
8 (1) is effective without regard to subsection (b) of section
9 908 of title 37, United States Code (relating to approval
10 required for employment of Reserve and retired members
11 by foreign governments).”.

12 **SEC. 3523. ENHANCED AUTHORITY OF COMMISSION TO ES-**
13 **TABLISH COMPENSATION OF COMMISSION**
14 **OFFICERS AND EMPLOYEES.**

15 (a) REPEAL OF LIMITATIONS ON COMMISSION AU-
16 THORITY.—The following provisions are repealed:

17 (1) Section 1215 (22 U.S.C. 3655), relating to
18 basic pay.

19 (2) Section 1219 (22 U.S.C. 3659), relating to
20 salary protection upon conversion of pay rate.

21 (3) Section 1225 (22 U.S.C. 3665), relating to
22 minimum level of pay and minimum annual in-
23 creases.

1 (b) SAVINGS PROVISION.—Section 1202 (22 U.S.C.
2 3642) is amended by adding at the end the following new
3 subsection:

4 “(c) In the case of an individual who is an officer
5 or employee of the Commission on the day before the date
6 of the enactment of the Panama Canal Transition Facili-
7 tation Act of 1997 and who has not had a break in service
8 with the Commission since that date, the rate of basic pay
9 for that officer or employee on or after that date may not
10 be less than the rate in effect for that officer or employee
11 on the day before that date of enactment except—

12 “(1) as provided in a collective bargaining
13 agreement;

14 “(2) as a result of an adverse action against the
15 officer or employee; or

16 “(3) pursuant to a voluntary demotion.”.

17 (c) CROSS-REFERENCE AMENDMENTS.—(1) Section
18 1216 (22 U.S.C. 3656) is amended by striking out “1215”
19 and inserting in lieu thereof “1202”.

20 (2) Section 1218 (22 U.S.C. 3658) is amended by
21 striking out “1215” and “1217” and inserting in lieu
22 thereof “1202” and “1217(a)”, respectively.

1 **SEC. 3524. TRAVEL, TRANSPORTATION, AND SUBSISTENCE**
2 **EXPENSES FOR COMMISSION PERSONNEL NO**
3 **LONGER SUBJECT TO FEDERAL TRAVEL REG-**
4 **ULATION.**

5 (a) REPEAL OF APPLICABILITY OF TITLE 5 PROVI-
6 SIONS.—(1) Section 1210 (22 U.S.C. 3650) is amended
7 by striking out subsections (a), (b), and (c).

8 (2) Section 1224 (22 U.S.C. 3664) is amended—

9 (A) by striking out paragraph (10); and

10 (B) by redesignating paragraphs (11) through
11 (20) as paragraphs (10) through (19), respectively.

12 (b) CONFORMING AMENDMENTS.—(1) Section 1210
13 is further amended—

14 (A) by redesignating subsection (d)(1) as sub-
15 section (a) and in that subsection striking out
16 “paragraph (2)” and inserting in lieu thereof “sub-
17 section (b)”;

18 (B) by redesignating subsection (d)(2) as sub-
19 section (b) and in that subsection—

20 (i) striking out “Notwithstanding para-
21 graph (1), an” and inserting in lieu thereof
22 “An”; and

23 (ii) striking out “referred to in paragraph
24 (1)” and inserting in lieu thereof “who is a citi-
25 zen of the Republic of Panama”.

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

3 “AIR TRANSPORTATION”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect on January 1, 1999.

6 **SEC. 3525. ENHANCED RECRUITMENT AND RETENTION AU-**
7 **THORITIES.**

8 (a) RECRUITMENT, RELOCATION, AND RETENTION
9 BONUSES.—Section 1217 (22 U.S.C. 3657) is amended—

10 (1) by redesignating subsection (c) as sub-
11 section (e);

12 (2) in subsection (e) (as so redesignated), by
13 striking out “for the same or similar work per-
14 formed in the United States by individuals employed
15 by the Government of the United States” and insert-
16 ing in lieu thereof “of the individual to whom the
17 compensation is paid”; and

18 (3) by inserting after subsection (b) the follow-
19 ing new subsections:

20 “(c)(1) The Commission may pay a recruitment
21 bonus to an individual who is newly appointed to a posi-
22 tion with the Commission, or a relocation bonus to an em-
23 ployee of the Commission who must relocate to accept a
24 position, if the Commission determines that the Commis-

1 sion would be likely, in the absence of such a bonus, to
2 have difficulty in filling the position.

3 “(2) A recruitment or relocation bonus may be paid
4 to an employee under this subsection only if the employee
5 enters into an agreement with the Commission to complete
6 a period of employment with the Commission established
7 by the Commission. If the employee voluntarily fails to
8 complete such period of employment or is separated from
9 service in such employment as a result of an adverse ac-
10 tion before the completion of such period, the employee
11 shall repay the entire amount of the bonus received by
12 the employee.

13 “(3) A relocation bonus under this subsection may
14 be paid as a lump sum. A recruitment bonus under this
15 subsection shall be paid on a pro rata basis over the period
16 of employment covered by the agreement under paragraph
17 (2). A bonus under this subsection may not be considered
18 to be part of the basic pay of an employee.

19 “(d)(1) The Commission may pay a retention bonus
20 to an employee of the Commission if the Commission de-
21 termines that—

22 “(A) the employee has unusually high or unique
23 qualifications and those qualifications make it essen-
24 tial for the Commission to retain the employee for
25 a period specified by the Commission ending not

1 later than the Canal Transfer Date, or the Commis-
2 sion otherwise has a special need for the services of
3 the employee making it essential for the Commission
4 to retain the employee for a period specified by the
5 Commission ending not later than the Canal Trans-
6 fer Date; and

7 “(B) the employee would be likely to leave em-
8 ployment with the Commission before the end of
9 that period if the retention bonus is not paid.

10 “(2) A retention bonus under this subsection—

11 “(A) shall be in a fixed amount;

12 “(B) shall be paid on a pro rata basis (over the
13 period specified by the Commission as essential for
14 the retention of the employee), with such payments
15 to be made at the same time and in the same man-
16 ner as basic pay; and

17 “(C) may not be considered to be part of the
18 basic pay of an employee.

19 “(3) A decision by the Commission to exercise or to
20 not exercise the authority to pay a bonus under this sub-
21 section shall not be subject to review under any statutory
22 procedure or any agency or negotiated grievance procedure
23 except under any of the laws referred to in section 2302(d)
24 of title 5, United States Code.”.

1 (b) EDUCATIONAL SERVICES.—Section 1321(e)(2)
 2 (22 U.S.C. 3731(e)(2)) is amended by striking out “and
 3 persons” and inserting in lieu thereof “, to other Commis-
 4 sion employees when determined by the Commission to be
 5 necessary for their recruitment or retention, and to other
 6 persons”.

7 **SEC. 3526. TRANSITION SEPARATION INCENTIVE PAY-**
 8 **MENTS.**

9 Chapter 2 of title I (22 U.S.C. 3641 et seq.) is
 10 amended by adding at the end of subchapter III the fol-
 11 lowing new section:

12 “TRANSITION SEPARATION INCENTIVE PAYMENTS

13 “SEC. 1233. (a) In applying to the Commission and
 14 employees of the Commission the provisions of section 663
 15 of the Treasury, Postal Service, and General Government
 16 Appropriations Act, 1997 (as contained in section 101(f)
 17 of division A of Public Law 104–208; 110 Stat. 3009–
 18 383), relating to voluntary separation incentives for em-
 19 ployees of certain Federal agencies (in this section re-
 20 ferred to as ‘section 663’)—

21 “(1) the term ‘employee’ shall mean an em-
 22 ployee of the Commission who has served in the Re-
 23 public of Panama in a position with the Commission
 24 for a continuous period of at least three years imme-
 25 diately before the employee’s separation under an

1 appointment without time limitation and who is cov-
2 ered under the Civil Service Retirement System or
3 the Federal Employees' Retirement System under
4 subchapter III of chapter 83 or chapter 84, respec-
5 tively, of title 5, United States Code, other than—

6 “(A) an employee described in any of sub-
7 paragraphs (A) through (F) of subsection
8 (a)(2) of section 663; or

9 “(B) an employee of the Commission who,
10 during the 24-month period preceding the date
11 of separation, has received a recruitment or re-
12 location bonus under section 1217(c) of this Act
13 or who, within the 12-month period preceding
14 the date of separation, received a retention
15 bonus under section 1217(d) of this Act;

16 “(2) the strategic plan under subsection (b) of
17 section 663 shall include (in lieu of the matter speci-
18 fied in subsection (b)(2) of that section)—

19 “(A) the positions to be affected, identified
20 by occupational category and grade level;

21 “(B) the number and amounts of separa-
22 tion incentive payments to be offered; and

23 “(C) a description of how such incentive
24 payments will facilitate the successful transfer

1 of the Panama Canal to the Republic of Pan-
2 ama;

3 “(3) a separation incentive payment under sec-
4 tion 663 may be paid to a Commission employee
5 only to the extent necessary to facilitate the success-
6 ful transfer of the Panama Canal by the United
7 States of America to the Republic of Panama as re-
8 quired by the Panama Canal Treaty of 1977;

9 “(4) such a payment—

10 “(A) may be in an amount determined by
11 the Commission not to exceed \$25,000; and

12 “(B) may be made (notwithstanding the
13 limitation specified in subsection (c)(2)(D) of
14 section 663) in the case of an eligible employee
15 who voluntarily separates (whether by retire-
16 ment or resignation) during the 90-day period
17 beginning on the date of the enactment of this
18 section or during the period beginning on Octo-
19 ber 1, 1998, and ending on December 31, 1998;

20 “(5) in the case of not more than 15 employees
21 who (as determined by the Commission) are unwill-
22 ing to work for the Panama Canal Authority after
23 the Canal Transfer Date and who occupy critical po-
24 sitions for which (as determined by the Commission)
25 at least two years of experience is necessary to en-

1 sure that seasoned managers are in place on and
2 after the Canal Transfer Date, such a payment (not-
3 withstanding paragraph (4))—

4 “(A) may be in an amount determined by
5 the Commission not to exceed 50 percent of the
6 basic pay of the employee; and

7 “(B) may be made (notwithstanding the
8 limitation specified in subsection (c)(2)(D) of
9 section 663) in the case of such an employee
10 who voluntarily separates (whether by retire-
11 ment or resignation) during the 90-day period
12 beginning on the date of the enactment of this
13 section; and

14 “(6) the provisions of subsection (f) of section
15 663 shall not apply.

16 “(b) A decision by the Commission to exercise or to
17 not exercise the authority to pay a transition separation
18 incentive under this section shall not be subject to review
19 under any statutory procedure or any agency or negotiated
20 grievance procedure except under any of the laws referred
21 to in section 2302(d) of title 5, United States Code.”.

22 **SEC. 3527. LABOR-MANAGEMENT RELATIONS.**

23 Section 1271 (22 U.S.C. 3701) is amended by adding
24 at the end the following new subsection:

1 “(c)(1) This subsection applies to any matter that be-
2 comes the subject of collective bargaining between the
3 Commission and the exclusive representative for any bar-
4 gaining unit of employees of the Commission during the
5 period beginning on the date of the enactment of this sub-
6 section and ending on the Canal Transfer Date.

7 “(2)(A) The resolution of impasses resulting from
8 collective bargaining between the Commission and any
9 such exclusive representative during that period shall be
10 conducted in accordance with such procedures as may be
11 mutually agreed upon between the Commission and the
12 exclusive representative (without regard to any otherwise
13 applicable provisions of chapter 71 of title 5, United
14 States Code). Such mutually agreed upon procedures shall
15 become effective upon transmittal by the Chairman of the
16 Commission to the Congress of notice of the agreement
17 to use those procedures and a description of those proce-
18 dures.

19 “(B) The Federal Services Impasses Panel shall not
20 have jurisdiction to resolve any impasse between the Com-
21 mission and any such exclusive representative in negotia-
22 tions over a procedure for resolving impasses.

23 “(3) If the Commission and such an exclusive rep-
24 resentative do not reach an agreement concerning a proce-
25 dure for resolving impasses with respect to a bargaining

1 unit and transmit notice of the agreement under para-
2 graph (2) on or before July 1, 1998, the following shall
3 be the procedure by which collective bargaining impasses
4 between the Commission and the exclusive representative
5 for that bargaining unit shall be resolved:

6 “(A) If bargaining efforts do not result in an
7 agreement, the parties shall request the Federal Me-
8 diation and Conciliation Service to assist in achiev-
9 ing an agreement.

10 “(B) If an agreement is not reached within 45
11 days after the date on which either party requests
12 the assistance of the Federal Mediation and Concil-
13 iation Service in writing (or within such shorter pe-
14 riod as may be mutually agreed upon by the par-
15 ties), the parties shall be considered to be at an im-
16 passe and shall request the Federal Services Im-
17 passes Panel of the Federal Labor Relations Author-
18 ity to decide the impasse.

19 “(C) If the Federal Services Impasses Panel
20 fails to issue a decision within 90 days after the date
21 on which its services are requested (or within such
22 shorter period as may be mutually agreed upon by
23 the parties), the efforts of the Panel shall be termi-
24 nated.

1 “(D) In such a case, the Chairman of the Panel
 2 (or another member in the absence of the Chairman)
 3 shall immediately determine the matter by a drawing
 4 (conducted in such manner as the Chairman (or, in
 5 the absence of the Chairman, such other member)
 6 determines appropriate) between the last offer of the
 7 Commission and the last offer of the exclusive rep-
 8 resentative, with the offer chosen through such
 9 drawing becoming the binding resolution of the mat-
 10 ter.

11 “(4) In the case of a notice of agreement described
 12 in paragraph (2)(A) that is transmitted to the Congress
 13 as described in the second sentence of that paragraph
 14 after July 1, 1998, the impasse resolution procedures cov-
 15 ered by that notice shall apply to any impasse between
 16 the Commission and the other party to the agreement that
 17 is unresolved on the date on which that notice is transmit-
 18 ted to the Congress.”.

19 **SEC. 3528. AVAILABILITY OF PANAMA CANAL REVOLVING**
 20 **FUND FOR SEVERANCE PAY FOR CERTAIN**
 21 **EMPLOYEES SEPARATED BY PANAMA CANAL**
 22 **AUTHORITY AFTER CANAL TRANSFER DATE.**

23 (a) AVAILABILITY OF REVOLVING FUND.—Section
 24 1302(a) (22 U.S.C. 3712(a)) is amended by adding at the
 25 end the following new paragraph:

1 “(10) Payment to the Panama Canal Authority,
 2 not later than the Canal Transfer Date, of such
 3 amount as is computed by the Commission to be the
 4 future amount of severance pay to be paid by the
 5 Panama Canal Authority to employees whose em-
 6 ployment with the Authority is terminated, to the
 7 extent that such severance pay is attributable to pe-
 8 riods of service performed with the Commission be-
 9 fore the Canal Transfer Date (and assuming for
 10 purposes of such computation that the Panama
 11 Canal Authority, in paying severance pay to termi-
 12 nated employees, will provide for crediting of periods
 13 of service with the Commission).”.

14 (b) **STYLISTIC AMENDMENTS.**—Such section is fur-
 15 ther amended—

16 (1) by striking out “for—” in the matter pre-
 17 ceding paragraph (1) and inserting in lieu thereof
 18 “for the following purposes:”;

19 (2) by capitalizing the initial letter of the first
 20 word in each of paragraphs (1) through (9);

21 (3) by striking out the semicolon at the end of
 22 each of paragraphs (1) through (7) and inserting in
 23 lieu thereof a period; and

24 (4) by striking out “; and” at the end of para-
 25 graph (8) and inserting in lieu thereof a period.

1 **PART II—TRANSITION MATTERS RELATING TO**
 2 **OPERATION AND ADMINISTRATION OF CANAL**
 3 **SEC. 3541. ESTABLISHMENT OF PROCUREMENT SYSTEM**
 4 **AND BOARD OF CONTRACT APPEALS.**

5 Title III of the Panama Canal Act of 1979 (22
 6 U.S.C. 3601 et seq.) is amended by inserting after the
 7 title heading the following new chapter:

8 “CHAPTER 1—PROCUREMENT

9 “PROCUREMENT SYSTEM

10 “SEC. 3101. (a) PANAMA CANAL ACQUISITION REGU-
 11 LATION.—(1) The Commission shall establish by regula-
 12 tion a comprehensive procurement system. The regulation
 13 shall be known as the ‘Panama Canal Acquisition Regula-
 14 tion’ (in this section referred to as the ‘Regulation’) and
 15 shall provide for the procurement of goods and services
 16 by the Commission in a manner that—

17 “(A) applies the fundamental operating prin-
 18 ciples and procedures in the Federal Acquisition
 19 Regulation;

20 “(B) uses efficient commercial standards of
 21 practice; and

22 “(C) is suitable for adoption and uninterrupted
 23 use by the Republic of Panama after the Canal
 24 Transfer Date.

1 “(2) The Regulation shall contain provisions regard-
2 ing the establishment of the Panama Canal Board of Con-
3 tract Appeals described in section 3102.

4 “(b) SUPPLEMENT TO REGULATION.—The Commis-
5 sion shall develop a Supplement to the Regulation (in this
6 section referred to as the ‘Supplement’) that identifies
7 both the provisions of Federal law applicable to procure-
8 ment of goods and services by the Commission and the
9 provisions of Federal law waived by the Commission under
10 subsection (c).

11 “(c) WAIVER AUTHORITY.—(1) Subject to paragraph
12 (2), the Commission shall determine which provisions of
13 Federal law should not apply to procurement by the Com-
14 mission and may waive those laws for purposes of the Reg-
15 ulation and Supplement.

16 “(2) For purposes of paragraph (1), the Commission
17 may not waive—

18 “(A) section 27 of the Office of Federal Pro-
19 curement Policy Act (41 U.S.C. 423);

20 “(B) the Contract Disputes Act of 1978 (41
21 U.S.C. 601 et seq.), other than section 10(a) of such
22 Act (41 U.S.C. 609(a)); or

23 “(C) civil rights, environmental, or labor laws.

24 “(d) CONSULTATION WITH ADMINISTRATOR FOR
25 FEDERAL PROCUREMENT POLICY.—In establishing the

1 Regulation and developing the Supplement, the Commis-
 2 sion shall consult with the Administrator for Federal Pro-
 3 curement Policy.

4 “(e) EFFECTIVE DATE.—The Regulation and the
 5 Supplement shall take effect on the date of publication
 6 in the Federal Register, or January 1, 1999, whichever
 7 is earlier.

8 “PANAMA CANAL BOARD OF CONTRACT APPEALS

9 “SEC. 3102. (a) ESTABLISHMENT.—(1) The Sec-
 10 retary of Defense, in consultation with the Commission,
 11 shall establish a board of contract appeals, to be known
 12 as the Panama Canal Board of Contract Appeals, in ac-
 13 cordance with section 8 of the Contract Disputes Act of
 14 1978 (41 U.S.C. 607). Except as otherwise provided by
 15 this section, the Panama Canal Board of Contract Appeals
 16 (in this section referred to as the ‘Board’) shall be subject
 17 to the Contract Disputes Act of 1978 (41 U.S.C. 601 et
 18 seq.) in the same manner as any other agency board of
 19 contract appeals established under that Act.

20 “(2) The Board shall consist of three members. At
 21 least one member of the Board shall be licensed to practice
 22 law in the Republic of Panama. Individuals appointed to
 23 the Board shall take an oath of office, the form of which
 24 shall be prescribed by the Secretary of Defense.

25 “(b) EXCLUSIVE JURISDICTION TO DECIDE AP-
 26 PEALS.—Notwithstanding section 10(a)(1) of the Contract

1 Disputes Act of 1978 (41 U.S.C. 609(a)(1)) or any other
2 provision of law, the Board shall have exclusive jurisdic-
3 tion to decide an appeal from a decision of a contracting
4 officer under section 8(d) of such Act (41 U.S.C. 607(d)).

5 “(c) EXCLUSIVE JURISDICTION TO DECIDE PRO-
6 TESTS.—The Board shall decide protests submitted to it
7 under this subsection by interested parties in accordance
8 with subchapter V of title 31, United States Code. Not-
9 withstanding section 3556 of that title, section 1491(b)
10 of title 28, United States Code, and any other provision
11 of law, the Board shall have exclusive jurisdiction to decide
12 such protests. For purposes of this subsection—

13 “(1) except as provided in paragraph (2), each
14 reference to the Comptroller General in sections
15 3551 through 3555 of title 31, United States Code,
16 is deemed to be a reference to the Board;

17 “(2) the reference to the Comptroller General
18 in section 3553(d)(3)(C)(ii) of such title is deemed
19 to be a reference to both the Board and the Comp-
20 troller General;

21 “(3) the report required by paragraph (1) of
22 section 3554(e) of such title shall be submitted to
23 the Comptroller General as well as the committees
24 listed in such paragraph;

1 “(4) the report required by paragraph (2) of
2 such section shall be submitted to the Comptroller
3 General as well as Congress; and

4 “(5) section 3556 of such title shall not apply
5 to the Board, but nothing in this subsection shall af-
6 fect the right of an interested party to file a protest
7 with the appropriate contracting officer.

8 “(d) PROCEDURES.—The Board shall prescribe such
9 procedures as may be necessary for the expeditious deci-
10 sion of appeals and protests under subsections (b) and (c).

11 “(e) COMMENCEMENT.—The Board shall begin to
12 function as soon as it has been established and has pre-
13 scribed procedures under subsection (d), but not later
14 than January 1, 1999.

15 “(f) TRANSITION.—The Board shall have jurisdiction
16 under subsection (b) and (c) over any appeals and protests
17 filed on or after the date on which the Board begins to
18 function. Any appeals and protests filed before such date
19 shall remain before the forum in which they were filed.

20 “(g) OTHER FUNCTIONS.—The Board may perform
21 functions similar to those described in this section for such
22 other matters or activities of the Commission as the Com-
23 mission may determine and in accordance with regulations
24 prescribed by the Commission.”.

1 **SEC. 3542. TRANSACTIONS WITH THE PANAMA CANAL AU-**
2 **THORITY.**

3 Section 1342 (22 U.S.C. 3752) is amended—

4 (1) by designating the text of the section as
5 subsection (a); and

6 (2) by adding at the end the following new sub-
7 sections:

8 “(b) The Commission may provide office space,
9 equipment, supplies, personnel, and other in-kind services
10 to the Panama Canal Authority on a nonreimbursable
11 basis.

12 “(c) Any executive department or agency of the Unit-
13 ed States may, on a reimbursable basis, provide to the
14 Panama Canal Authority materials, supplies, equipment,
15 work, or services requested by the Panama Canal Author-
16 ity, at such rates as may be agreed upon by that depart-
17 ment or agency and the Panama Canal Authority.”.

18 **SEC. 3543. TIME LIMITATIONS ON FILING OF CLAIMS FOR**
19 **DAMAGES.**

20 (a) FILING OF ADMINISTRATIVE CLAIMS WITH COM-
21 MISSION.—Sections 1411(a) (22 U.S.C. 3771(a)) and
22 1412 (22 U.S.C. 3772) are each amended in the last sen-
23 tence by striking out “within 2 years after” and all that
24 follows through “of 1985,” and inserting in lieu thereof
25 “within one year after the date of the injury or the date

1 of the enactment of the Panama Canal Transition Facili-
 2 tation Act of 1997.”.

3 (b) FILING OF JUDICIAL ACTIONS.—The penultimate
 4 sentence of section 1416 (22 U.S.C. 3776) is amended—

5 (1) by striking out “one year” the first place it
 6 appears and inserting in lieu thereof “180 days”;
 7 and

8 (2) by striking out “claim, or” and all that fol-
 9 lows through “of 1985,” and inserting in lieu there-
 10 of “claim or the date of the enactment of the Pan-
 11 ama Canal Transition Facilitation Act of 1997,”.

12 **SEC. 3544. TOLLS FOR SMALL VESSELS.**

13 Section 1602(a) (22 U.S.C. 3792(a)) is amended—

14 (1) in the first sentence, by striking out “supply
 15 ships, and yachts” and inserting in lieu thereof “and
 16 supply ships”; and

17 (2) by adding at the end the following new sen-
 18 tence: “Tolls for small vessels (including yachts), as
 19 defined by the Commission, may be set at rates de-
 20 termined by the Commission without regard to the
 21 preceding provisions of this subsection.”.

22 **SEC. 3545. DATE OF ACTUARIAL EVALUATION OF FECA LI-**
 23 **ABILITY.**

24 Section 5(a) of the Panama Canal Commission Com-
 25 pensation Fund Act of 1988 (22 U.S.C. 3715c(a)) is

1 amended by striking out “Upon the termination of the
 2 Panama Canal Commission” and inserting in lieu thereof
 3 “By March 31, 1998”.

4 **SEC. 3546. APPOINTMENT OF NOTARIES PUBLIC.**

5 Section 1102a (22 U.S.C. 3612a) is amended—

6 (1) by redesignating subsection (g) as sub-
 7 section (h); and

8 (2) by inserting after subsection (f) the follow-
 9 ing new subsection:

10 “(g)(1) The Commission may appoint any United
 11 States citizen to have the general powers of a notary pub-
 12 lic to perform, on behalf of Commission employees and
 13 their dependents outside the United States, any notarial
 14 act that a notary public is required or authorized to per-
 15 form within the United States. Unless an earlier expira-
 16 tion is provided by the terms of the appointment, any such
 17 appointment shall expire three months after the Canal
 18 Transfer Date.

19 “(2) Every notarial act performed by a person acting
 20 as a notary under paragraph (1) shall be as valid, and
 21 of like force and effect within the United States, as if exe-
 22 cuted by or before a duly authorized and competent notary
 23 public in the United States.

24 “(3) The signature of any person acting as a notary
 25 under paragraph (1), when it appears with the title of that

1 person's office, is prima facie evidence that the signature
 2 is genuine, that the person holds the designated title, and
 3 that the person is authorized to perform a notarial act.”.

4 **SEC. 3547. COMMERCIAL SERVICES.**

5 Section 1102b (22 U.S.C. 3612b) is amended by add-
 6 ing at the end the following new subsection:

7 “(e) The Commission may conduct and promote com-
 8 mercial activities related to the management, operation,
 9 or maintenance of the Panama Canal. Any such commer-
 10 cial activity shall be carried out consistent with the Pan-
 11 ama Canal Treaty of 1977 and related agreements.”.

12 **SEC. 3548. TRANSFER FROM PRESIDENT TO COMMISSION**
 13 **OF CERTAIN REGULATORY FUNCTIONS RE-**
 14 **LATING TO EMPLOYMENT CLASSIFICATION**
 15 **APPEALS.**

16 Sections 1221(a) and 1222(a) (22 U.S.C. 3661(a),
 17 3662(a)) are amended by striking out “President” and in-
 18 serting in lieu thereof “Commission”.

19 **SEC. 3549. ENHANCED PRINTING AUTHORITY.**

20 Section 1306 (22 U.S.C. 3714b) is amended by strik-
 21 ing out “Section 501” and inserting in lieu thereof “Sec-
 22 tions 501 through 517 and 1101 through 1123”.

23 **SEC. 3550. TECHNICAL AND CONFORMING AMENDMENTS.**

24 (a) CLERICAL AMENDMENTS.—The table of contents
 25 in section 1 is amended—

1 (1) by striking out the item relating to section
2 1210 and inserting in lieu thereof the following:

“Sec. 1210. Air transportation.”;

3 (2) by striking out the items relating to sections
4 1215, 1219, and 1225;

5 (3) by inserting after the item relating to sec-
6 tion 1232 the following new item:

“Sec. 1233. Transition separation incentive payments.”;

7 and

8 (4) by inserting after the item relating to the
9 heading of title III the following:

“CHAPTER 1—PROCUREMENT

“Sec. 3101. Procurement system.

“Sec. 3102. Panama Canal Board of Contract Appeals.”.

10 (b) AMENDMENT TO REFLECT PRIOR CHANGE IN
11 COMPENSATION OF ADMINISTRATOR.—Section 5315 of
12 title 5, United States Code, is amended by striking out
13 the following:

14 “Administrator of the Panama Canal Commis-
15 sion.”.

16 (c) AMENDMENTS TO REFLECT CHANGE IN TRAVEL
17 AND TRANSPORTATION EXPENSES AUTHORITY.—(1) Sec-
18 tion 5724(a)(3) of title 5, United States Code, is amended
19 by striking out “, the Commonwealth of Puerto Rico,” and
20 all that follows through “Panama Canal Act of 1979” and
21 inserting in lieu thereof “or the Commonwealth of Puerto
22 Rico”.

1 (2) Section 5724a(j) of such title is amended—

2 (A) by inserting “and” after “Northern Mari-
3 ana Islands,”; and

4 (B) by striking out “United States, and” and
5 all that follows through the period at the end and
6 inserting in lieu thereof “United States.”.

7 (3) The amendments made by this subsection shall
8 take effect on January 1, 1999.

9 (d) MISCELLANEOUS TECHNICAL AMENDMENTS.—

10 (1) Section 3(b) (22 U.S.C. 3602(b)) is amend-
11 ed by striking out “the Canal Zone Code” and all
12 that follows through “other laws” and inserting in
13 lieu thereof “laws of the United States and regula-
14 tions issued pursuant to such laws”.

15 (2)(A) The following provisions are each
16 amended by striking out “the effective date of this
17 Act” and inserting in lieu thereof “October 1,
18 1979”: sections 3(b), 3(c), 1112(b), and 1321(c)(1).

19 (B) Section 1321(c)(2) is amended by striking
20 out “such effective date” and inserting in lieu there-
21 of “October 1, 1979”.

22 (C) Section 1231(c)(3)(A) (22 U.S.C.
23 3671(c)(3)(A)) is amended by striking out “the day
24 before the effective date of this Act” and inserting
25 in lieu thereof “September 30, 1979”.

1 (3) Section 1102a(h), as redesignated by sec-
2 tion 3546(a)(1), is amended by striking out “section
3 1102B” and inserting in lieu thereof “section
4 1102b”.

5 (4) Section 1110(b)(2) (22 U.S.C. 3620(b)(2))
6 is amended by striking out “section 16 of the Act
7 of August 1, 1956 (22 U.S.C. 2680a),” and insert-
8 ing in lieu thereof “section 207 of the Foreign Serv-
9 ice Act of 1980 (22 U.S.C. 3927)”.

10 (5) Section 1212(b)(3) (22 U.S.C. 3652(b)(3))
11 is amended by striking out “as last in effect before
12 the effective date of section 3530 of the Panama
13 Canal Act Amendments of 1996” and inserting in
14 lieu thereof “as in effect on September 22, 1996”.

15 (6) Section 1243(c)(2) (22 U.S.C. 3681(c)(2))
16 is amended by striking out “retroactivity” and in-
17 serting in lieu thereof “retroactively”.

18 (7) Section 1341(f) (22 U.S.C. 3751(f)) is
19 amended by striking out “sections 1302(c)” and in-
20 serting in lieu thereof “sections 1302(b)”.