

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE 1600 DEFENSE PENTAGON

WASHINGTON, D. C. 20301-1600

MAY 0 2 2007

The Honorable Nancy Pelosi Speaker of the House of Representatives Washington, D.C. 20515

Dear Madam Speaker:

The Department of Defense requests that the Congress enact the enclosed legislative proposals as part of the National Defense Authorization Bill for Fiscal Year 2008.

The purpose of each proposal is stated in the accompanying section-by-section analysis.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presenting of these legislative proposals for your consideration and the consideration of the Congress.

Sincerely,

William J. Haynes II

Enclosure: As stated



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The Honorable Richard B. Cheney President of the Senate Washington, D.C. 20510

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TITLE XV—MATTERS RELATING TO BUILDING PARTNER CAPABILITIES TO COMBAT TERRORISM AND ENHANCE STABILITY

Sec. 1501. Short title.
SUBTITLE A—TRAINING AND EQUIPPING PARTNER NATION FORCES TO BUILD CAPABILITIES
Sec. 1511. Building the partnership capacity of foreign military and other security forces.
SUBTITLE B—ENHANCING PARTNERS' CAPACITY FOR EFFECTIVE OPERATIONS
Sec. 1521. Loans of significant military equipment.
Sec. 1522. Provision of automatic identification system information on maritime shipping to foreign countries. Sec. 1523. Establishment of a defense coalition support account to maintain inventory of critical items for coalition
partners.
Sec. 1524. Reimbursement of salaries for reserve components in support of commercial sales overseas.
Sec. 1525. Sales of defense services to be performed overseas to support direct commercial sales by United States companies.
SUBTITLE C—DEVELOPING COMMONALITY BY EXPANDING PROFESSIONAL MILITARY EDUCATION, TRAINING,
AND SUPPORT FOR PARTNERS
Sec. 1531. Authority for distribution to certain foreign personnel of education and training materials and
information technology to enhance military interoperability. Sec. 1532. Medical care and temporary duty expenses for coalition liaison officers.
Sec. 1532. Interior care and temporary duty expenses for countrior harson officers. Sec. 1533. Enhancing participation of the Department of Defense in multinational military centers of excellence.
Sec. 1534. Military-to-military contacts and comparable activities.
SEC. 1501. SHORT TITLE.
This did a many has the dead of the UD-tilling Clabel Dead on this Act of 2007!
This title may be cited as the "Building Global Partnerships Act of 2007".
Subtitle A—Training and Equipping Partner Nation Forces to Build
Capabilities
SEC. 1511. BUILDING THE PARTNERSHIP CAPACITY OF FOREIGN MILITARY
AND OTHER SECURITY FORCES.
MAD OTHER BECCHITT TORCES.
(a) IN GENERAL.—Chapter 20 of title 10, United States Code, is amended by adding at
the end the following new section:
"§ 409. Authority to build the capacity of foreign military and security forces
"(a) AUTHORITY.—The Secretary of Defense, with the concurrence of the Secretary of
State, may authorize programs—
ame, may assisting programs
"(1) to build the capacity of a foreign country's national military forces and other

1	security forces, including gendarmerie, constabulary, internal defense, infrastructure
2	protection, civil defense, homeland defense, coast guard, border protection, and
3	counterterrorism forces, in order for that country to—
4	"(A) conduct counterterrorist operations; or
5	"(B) participate in or support military and stability operations that are
6	consistent with the security interests of the United States; or
7	"(2) when U.S. forces are deployed in a large-scale stability operation in a
8	country, to build the capacity of security forces in that country.
9	"(b) Types of Capacity Building.—
10	"(1) AUTHORIZED ELEMENTS.—Programs authorized under subsection (a) may be
11	carried out by grant or otherwise, and may include the provision of equipment, supplies,
12	and training, and minimal construction incidental to the provision of equipment.
13	"(2) REQUIRED ELEMENTS.—Programs authorized under subsection (a) shall
14	include elements that promote—
15	"(A) observance of and respect for human rights and fundamental
16	freedoms; and
17	"(B) respect for legitimate civilian authority within that country.
18	"(3) PREPARATION ELEMENTS.—In preparation of execution of programs
19	authorized under subsection (a), United States conventional military forces may
20	participate in training activities authorized by section 2011 of this title in nations where
21	training pursuant to such section is on-going.
22	"(c) LIMITATIONS.—
23	"(1) ANNUAL FUNDING LIMITATION.—The Secretary of Defense may use, or

1	transfer to the Department of State or any other federal agency, up to \$750,000,000 of
2	funds in any fiscal year to conduct or support activities authorized under subsection (a).
3	"(2) WAIVER AUTHORITY.—Notwithstanding any other provision of law, the
4	President or the Secretary of State, as appropriate, may waive any restrictions that may
5	apply to assistance for military or other security forces provided under this section upon
6	determining that the applicable standard for any such waiver already available under
7	existing law is met, or otherwise upon determining that it is in the national security
8	interests of the United States to do so.
9	"(d) FORMULATION AND EXECUTION OF PROGRAM.—The Department of Defense and the
10	Department of State shall jointly formulate any program authorized under subsection (a). The
11	Secretary of Defense shall coordinate with the Secretary of State in the implementation of any
12	program authorized under subsection (a).
13	"(e) Congressional Notification.—
14	"(1) ACTIVITIES IN A COUNTRY.—Not less than 15 days before initiating activities
15	authorized under subsection (a) in any country, the Secretary of Defense, in coordination
16	with the Secretary of State, shall submit to the congressional committees specified in
17	paragraph (2) a notice of the following:
18	"(A) The country being assisted pursuant to subsection (a).
19	"(B) The budget, implementation timeline with milestones, and
20	completion date for completing the program authorized under subsection (a).
21	"(C) The source and planned expenditure of funds to complete the
22	program authorized under subsection (a).
23	"(2) Specified congressional committees.—The congressional committees

1	specified in this paragraph are the following:
2	"(A) The Committee on Armed Services, the Committee on Foreign
3	Relations, and the Committee on Appropriations of the Senate.
4	"(B) The Committee on Armed Services, the Committee on International
5	Relations, and the Committee on Appropriations of the House of
6	Representatives.".
7	(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is
8	amended by adding at the end the following new item:
9	"409 Authority to build the capacity of foreign military and security forces."

Section-by-Section Analysis

This section would amend and make permanent the authority of the Secretary of Defense, with the concurrence of the Secretary of State, to direct programs to build the capacity of foreign forces. This authority was first provided under section 1206 of the National Defense Authorization Act for Fiscal Year (FY) 2006 and extended in section 1206 of the John Warner National Defense Authorization Act for FY 2007.

This section would expand the type of forces that may be trained and equipped under this authority. Counterterrorism and stability operations are often conducted by security forces in addition to the military forces of partner nations. Provision of such assistance to military and security forces would still have to meet the criteria in subsection (a) of proposed section 409 of title 10, United States Code, and support human rights and legitimate civilian authority as prescribed under subsection (b)(2).

To meet the goal of reducing stress on U.S. forces, subsection (a)(1) would enable the Department of Defense to train or equip forces in countries where doing so advances U.S. security interests, as determined by the Secretary of Defense with the concurrence of the Secretary of State, but without a requirement for such forces to deploy with U.S. forces.

The operational tempo of the Global War on Terror (GWOT) constrains the ability of commanders to conduct critical training and exercises, and combatant commanders have identified the ability of conventional forces to participate in such training and exercises as mission critical. Increasingly, conventional forces need to both benefit from and provide critical training with partners. Subsection (b)(3) would enable this by allowing conventional forces to participate in training activities authorized by section 2011 of title 10 where such training is ongoing and when such participation will assist the forces carrying out missions under this section.

Based on proposals received from the Combatant Commands, more than \$200 million's worth of programs could be executed in FY 2006, more than \$500 million in FY 2007, and more than \$900 million in FY 2008. Given the tremendous need for capacity-building to implement the GWOT campaign plan and meet emerging threats and opportunities, this section would provide a permanent annual funding ceiling of \$750 million. To ensure that commanders have adequate flexibility to meet operational needs, this section also would eliminate Foreign Assistance Act restrictions. The joint approval process and advance congressional notification will ensure transparency and that respect for human rights and civilian authority remain a key component of programs under this section without sacrificing flexibility critical to United States national security.

Subsection (c)(2) of proposed section 409 would authorize the President or the Secretary of State to waive restrictions on such military or security force assistance, in accordance with existing applicable waiver standards, or otherwise when it is in the national security interest to do so. Such waivers could be exercised *in extremis* should a critical need arise to train and equip a country under restrictions that would otherwise prevent such assistance.

Subtitle B—Enhancing Partners' Capacity for Effective Operations

SEC. 1521. LOAN OF SIGNIFICANT MILITARY EQUIPMENT.

- 3 Section 2350(1) of title 10, United States Code, is amended by inserting before the period
- 4 at the end the following: ", except that such items of significant military equipment may be
- 5 provided for temporary use, not to exceed one year, to security forces of nations participating in
- 6 combined operations with the United States armed forces for personnel protection or to aid in
- 7 personnel survivability, if the Secretary of Defense, with the concurrence of the Secretary of
- 8 State, determines in writing that it is in the national security interests of the United States to
- 9 provide such support".

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Section-by-Section Analysis

This section would meet a critical need to provide interoperability and adequate personnel protection to coalition partners in combined operations with U.S. forces. Congress provided similar authority on a temporary basis for operations in Iraq and Afghanistan under section 1202 of the John Warner National Defense Authorization Act for Fiscal Year (FY) 2007. This proposed change would make permanent the authority of the Department of Defense to

transfer under Acquisition and Cross Servicing Agreement (ACSA), on a lease or loan basis, items identified as SME for personnel protection or to aid in personnel survivability to nations participating with U.S. Armed Forces in military operations if the Secretary of Defense, with the concurrence of the Secretary of State, determines in writing that it is in the national security interests of the United States to provide such support.

U.S. Armed Forces depend on coalition partners to be able to patrol and engage opposition forces as needed. Due to improvised explosive devices and the weapons and/or weapon systems available to opposition forces, providing use of all reasonably available security measures not only for U.S. Armed Forces, but also for coalition forces of other countries is critical. While currently most important in Iraq and Afghanistan, similar challenges are expected in any other theater in which U.S. and partner forces conduct combined military operations.

Currently, critical assets for force protection and survivability (*e.g.*, counter-improvised explosive device equipment, defusing equipment, and vehicles hardened or with turrets) are designated as SME on the U.S. Munitions List, section 121.1, which prevents a Combatant Commander from providing them even temporarily to coalition partners except as provided for by section 1202 of the John Warner National Defense Authorization Act for FY 2007. Nations that provide forces in support of OIF, OEF, and the Global War on Terror often do not have the same capability that U.S. Armed Forces have to protect their personnel. Coalition members have often requested temporary U.S. logistical support in the form of items designated as SME to be able to accomplish OEF and OIF missions in concert with U.S. Armed Forces. Though the section allows only temporary use of the items for receipt of reciprocal value under existing ACSAs with partner countries, it will significantly increase coalition partners' effectiveness.

SEC. 1522. PROVISION OF AUTOMATIC IDENTIFICATION SYSTEM

- 2 INFORMATION ON MARITIME SHIPPING TO FOREIGN
- 3 **COUNTRIES.**

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- 4 (a) AUTHORITY.—The Secretary of Defense, with the concurrence of the Secretary of
- 5 State, may authorize, consistent with international law, Secretaries of the military departments
- 6 and geographic combatant commanders to exchange or furnish automatic identification system
- 7 data broadcast by merchant or private ships and collected by the United States to a foreign
- 8 country or international organization pursuant to an agreement for the production or exchange of
- 9 such data. Such data may be transferred under this section without cost to the recipient country
- 10 or international organization.

(b) DEFINITIONS.	Acı	reed in	the	section
OD DEFINITIONS.	—As t	isea iii	me	section—

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- (1) the term "automatic identification system" refers to a system that is used to satisfy the Automatic Identification System requirements of the International Convention for the Safety of Life at Sea regulations; and
- (2) the term "geographic combatant commander" means the commander of a
 combatant command (as such term is defined in section 161(c) of title 10, United States
 Code) with a geographic area of responsibility.
 - (c) PROVISION OF DATA.—Notwithstanding any other provision of law, the Secretary of Defense, with the concurrence of the Secretary of State, may authorize the provision of the data referred to in subsection (a) to any department or agency of the executive branch of the United States government.

Section-by-Section Analysis

This section would permit the Secretary of Defense, with the concurrence of the Secretary of State, to authorize, consistent with international law, Secretaries of the military departments and geographic combatant commanders to provide foreign nations and international organizations with information on the location of merchant vessels. Generally, current international conventions require most seagoing vessels above specified tonnage to carry systems that automatically identify the vessel (including name, course, and speed) and exchange the data both with ships and with shore-based facilities. (*See generally* the International Convention on the Safety of Life at Sea, Ch. V.)

This section would enhance the ability of geographic combatant command to engage in theater security cooperation endeavors, and assist foreign nations in fighting the Global War on Terror. This section also would clarify the authority of the Secretary of Defense, with the concurrence of the Secretary of State, to provide this data to any department or agency of the executive branch of the United States government.

The overall purpose of this authority would be to provide a means for geographic combatant commanders to establish information-sharing partnerships for the purpose of enhancing maritime domain awareness. Increased information sharing and communications will help to prevent terrorists, transnational criminals, and hostile state actors from using the maritime domain for acts that threaten the security and prosperity of the United States and our regional

partners.

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The information that is provided by maritime automatic identification systems is already being collected and processed by the Department of Defense and partner nations. This section would provide clear authority for the sharing of that information between the combatant commander and other nations and international organizations, many of which may not have the capability to collect such information.

SEC. 1523. ESTABLISHMENT OF A DEFENSE COALITION SUPPORT ACCOUNT

2	TO MAINTAIN INVENTORY OF CRITICAL ITEMS FOR COALITION
3	PARTNERS.
4	(a) IN GENERAL.—The Arms Export Control Act is amended—
5	(1) by striking "Special Defense Acquisition Fund" each place it appears and
6	inserting "Defense Coalition Support Fund";
7	(2) in section 51 (22 U.S.C. 2795)—
8	(A) in subsection (a)—
9	(i) in paragraph (1)—
10	(I) by striking "in consultation with" and inserting "with the
11	concurrence of";
12	(II) by inserting "and management" after "control";
13	(III) by inserting "temporary use or" after "anticipation of
14	their"; and
15	(IV) by inserting ", including to support coalition or
16	international military stability or counter-terrorist operations" after
17	"international organizations";
18	(ii) in paragraph (3), by inserting "(including temporary use)" after
19	"transfer";

1	(iii) in paragraph (4)—
2	(I) by striking "narcotics control purposes" and inserting
3	"building partner capacity"; and
4	(II) by striking "such as small boats, planes (including
5	helicopters), and communication equipment";
6	(B) in subsection (b)—
7	(i) by striking "and" at the end of paragraph (2);
8	(ii) by inserting after paragraph (3) the following new paragraphs:
9	"(4) collections from leases made pursuant to section 61 of this Act; and
10	"(5) contributions of money or property from any United States or foreign person
11	or entity, foreign government, or international organization for use for purposes of the
12	Fund,"; and
13	(iii) in the matter after paragraph (5), as added by clause (ii), by
14	inserting "to the Department of State or the Department of Defense" after
15	"authorized and appropriated";
16	(C) by amending subsection (c) to read as follows:
17	"(c) Except during a period of active hostilities, the value of property purchased and held
18	in inventory under this section may not exceed \$200,000,000. Amounts credited to the Fund
19	under subsection (b) shall remain available until expended."; and
20	(D) by adding at the end the following new subsection:
21	"(d) Transfer of Funds.—In order to carry out the purposes of this Fund, amounts in
22	the Fund may be transferred to any current appropriation, fund, or account of the Department of
23	Defense or the Department of State, and shall be merged with the appropriation, fund, or account

1 to which transferred."; and 2 (3) in section 52 (22 U.S.C. 2795a)— (A) in subsection (a), by inserting "(including temporary use)" after 3 4 "transfer"; and 5 (B) in subsection (b), by striking "The President may" and inserting "The Secretary of Defense with the concurrence of the Secretary of State may". 6 7 (b) CONFORMING AMENDMENTS.—Section 114 of title 10, United States Code, is 8 amended— 9 (1) by striking subsection (c); and 10 (2) by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), 11 respectively.

Section-by-Section Analysis

This section would authorize the President to establish a Defense Coalition Support Account to better support coalition partners in the Global War on Terror. The Department of Defense (DoD) needs to be able to have additional warfighter equipment (such as, night vision devices, communication equipment, and body armor) in its inventory, or to expedite the award of contracts to procure such equipment, so it will be readily available when it is required for transfer to coalition partners. Advance purchases will focus on high-demand warfighter support equipment that has long procurement lead times. Long procurement lead times are often the main limiting factor in our ability to provide coalition partners with critical equipment to make them operationally effective.

This section would create an improved mechanism that builds on aspects of the Special Defense Acquisition Fund (SDAF) (authorized by the International Security and Development Cooperation Act of 1981, Public Law 97-113, and decapitalized in 1993), and on some aspects of the newer Defense Cooperation Account (10 U.S.C. 2608) that was created to be used to support the U.S. military in the Gulf War. This proposed revision to existing SDAF legislation would allow DoD to pre-purchase equipment for sale or temporary use to its partners, using funds that have been made available to DoD through appropriations by the Congress or by using donations from non-U.S. Government sources (*e.g.*, foreign governments, international organizations, and private donors). Under this authority, DoD could accept orders from other federal agencies such as the Department of State to purchase or provide temporary use of equipment to coalition

partners for Global War on Terror purposes like counter-terrorism, stability operations, border security and peacekeeping activities. No existing law provides the authorities that are found in this proposed revision to the Arms Export Control Act.

The proceeds from items sold from stock not to be replaced are normally deposited into Miscellaneous Receipts with other collections, such as nonrecurring cost recoupments, and average \$22 million per year. Once the Defense Coalition Support Account is established, it could sustain itself (as a revolving account) without further regular appropriations through collections of sales or transfers made from this account, contributions accepted by the Secretary of Defense, and collections from transfers or sales of defense articles made pursuant to section 21(a)(1)(A) of the Arms Export Control Act of 1976, or the Foreign Assistance Act of 1961, as amended, representing the actual value of defense articles not intended to be replaced in DoD stocks.

SEC. 1524. REIMBURSEMENT OF SALARIES FOR RESERVE COMPONENTS IN

2 SUPPORT OF COMMERCIAL SALES OVERSEAS.

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- Notwithstanding provisions concerning the salaries of members of the Armed Forces in
- 4 sections 503(a)(3) and 632(d) of the Foreign Assistance Act of 1961, the full cost of salaries of
- 5 military reservists may, during fiscal years 2008 and 2009, be included in calculating pricing or
- 6 value for reimbursement charged under those sections, respectively.

Section-by-Section Analysis

The Global War on Terror has created more requirements than can be met with active duty military forces. Members of the Reserves, including the National Guard, provide a ready source of expertise for humanitarian assistance and demining, international military education and training (IMET), and such other security cooperation missions as counterterrorism. However, except in cases of national emergency, Reserve and Guard budgets normally support only two weeks of active duty per year for each Reserve member. As a result, to use Reserve members for security cooperation missions outside of the funded two weeks of active duty, Reserve members must be paid from other funds. Sources of funds from current appropriations, such as Overseas Humanitarian, Disaster, and Civic Aid, IMET and Foreign Military Financing, are available, along with such non-U.S. sources as foreign country national funds. This section would allow Department of Defense to use these other funds to pay Reserve members to perform missions that build global partnerships and help win the war on terror.

Section 503(a) of the Foreign Assistance Act of 1961, as currently written, requires that salaries of members of the Armed Forces of the United States (other than the Coast Guard) be specifically excluded from the price of Foreign Military Sales paid with funds transferred

pursuant to paragraph (3) of this subsection or from funds made available on a non-repayable basis under section 23 of the Arms Export Control Act. Section 632(d) of the Foreign Assistance Act of 1961, as currently written, requires that reimbursement be made in an amount equal to the value (as defined in section 644(m)) of the defense articles and defense services provided. Salaries of members of the Armed Forces of the United States are specifically excluded from this requirement.

This proposed section would, during Fiscal Years 2008 and 2009 permit the reimbursement for military salaries to reflect the definition of "value" set out in section 644(m) (22 U.S.C. 2403(m)). "Value" is defined as the cost to the United States Government and, with respect to Military Education and Training Services, includes "additional cost that are incurred by the United States Government in furnishing such assistance." This proposed section would increase flexibility by providing permissive authority for the reimbursement of the salaries of Reserve, National Guard, or other members of the Armed Forces who may be ordered to activity duty in situations where Department of Defense Appropriations do not fund their salaries.

SEC. 1525. SALES OF DEFENSE SERVICES TO BE PERFORMED OVERSEAS TO

- SUPPORT DIRECT COMMERCIAL SALES BY UNITED STATES
- 3 **COMPANIES.**
- 4 (a) IN GENERAL.—Section 30(a) of the Arms Export Control Act (22 U.S.C. 2770) is
- 5 amended by striking ": *Provided, however,* That such services may be performed only in the
- 6 United States".

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- 7 (b) CLERICAL AMENDMENT.—The heading of chapter 2B of the Arms Export Control Act
- 8 (Public Law 97-392; 96 Stat. 1962) is amended to read as follows:
- 9 "CHAPTER 2B—SALES OF DEFENSE ARTICLES AND SERVICES TO UNITED
- 10 STATES COMPANIES".

Section-by-Section Analysis

This section would benefit U.S. industry and the U.S. Government by allowing the Department of Defense (DoD) to better provide needed support for direct commercial sales that are in the national interest of the United States. Current law allows the President to sell defense articles overseas, as well as government services to U.S. companies engaged in those sales, but limits the services sold to services provided in the continental United States. This hinders direct sales by U.S. companies to friendly foreign nations and international organizations to the

detriment of U.S. national security interests. This section would allow the sale to U.S. companies of government services to be provided overseas. This change would assist in building partnership capacity by increasing the availability of services supporting U.S. defense articles, thereby facilitating the use of such articles, and increasing interoperability between partners and U.S. forces.

An increasing proportion of U. S. defense exports are made through direct commercial contracts between U.S. companies and friendly foreign countries or international organizations. These sales help promote foreign policy and national security interests; help to maintain the U.S. defense industrial base; keep open production lines; and boost economies of scale that can beneficially affect prices the U.S. military services pay to acquire and maintain equipment.

The Department of Commerce, under its Golden Key program, provides support directly to U.S. industry in support of sales of non-defense items. Often, U.S. industry requires specialized defense support that is only available from DoD military members and civilian employees. However, defense services needed to be performed overseas to support direct commercial sales of defense equipment to foreign countries currently can only be performed overseas through FMS to the countries. This section would allow the DoD to provide such services under contracts between the DoD (or other agencies) and U.S. companies.

Subtitle C—Developing Commonality by Expanding Professional Military

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Education, Training, and Support for Partners 2 SEC. 1531. AUTHORITY FOR DISTRIBUTION TO CERTAIN FOREIGN 3 4 PERSONNEL OF EDUCATION AND TRAINING MATERIALS AND INFORMATION TECHNOLOGY TO ENHANCE MILITARY 5 6 INTEROPERABILITY. 7 (a) DISTRIBUTION AUTHORIZED.—To enhance interoperability between the Armed Forces and military forces of friendly foreign nations, the Secretary of Defense, with the concurrence of 8 9 the Secretary of State, may— 10 (1) provide to personnel referred to in subsection (b) electronic distributed 11 learning content for the education and training of such personnel for the development or

including joint exercises and coalition operations; and

enhancement of allied and friendly military capabilities for multinational operations,

1	(2) provide information technology, including computer software developed for
2	such purpose, but only to the extent necessary to support the use of such learning content
3	for the education and training of such personnel.
4	(b) AUTHORIZED RECIPIENTS.—The personnel to whom learning content and information
5	technology may be provided under subsection (a) are military and civilian personnel of a friendly
6	foreign government, with the permission of that government.
7	(c) EDUCATION AND TRAINING.—Any education and training provided under subsection
8	(a) shall include the following:
9	(1) Internet-based education and training.
10	(2) Advanced distributed learning and similar Internet learning tools, as well as
11	distributed training and computer-assisted exercises.
12	(d) APPLICABILITY OF EXPORT CONTROL REGIMES.—The provision of learning content
13	and information technology under this section shall be subject to the provisions of the Arms
14	Export Control Act (22 U.S.C. 2751 et seq.) and any other export control regime under law
15	relating to the transfer of military technology to foreign nations.
16	(e) SECRETARY OF DEFENSE GUIDANCE.—(1) GUIDANCE REQUIRED.—The Secretary of
17	Defense shall develop and issue guidance on the procedures for the use of the authority provided
18	in this section.
19	(2) SUBMITTAL TO CONGRESSIONAL COMMITTEES.—Not later than 30 days after issuing
20	the guidance required by paragraph (1), the Secretary shall submit to the Committees on Armed
21	Services of the Senate and House of Representatives a report setting forth such guidance.
22	(3) MODIFICATION.—If the Secretary modifies the guidance issued under paragraph (1),
23	the Secretary shall submit to the committees named in paragraph (2) a report setting forth the

- 1 modified guidance not later than 30 days after the date of such modification.
- 2 (f) ANNUAL REPORT.—(1) REPORT REQUIRED.—Not later than October 31 following the
- 3 close of the fiscal year in which the authority granted herein is used, the Secretary of Defense
- 4 shall submit to the committees named in subsection (f)(1) a report on the exercise of the
- 5 authority provided in this section during the preceding fiscal year.
- 6 (2) ELEMENTS.—Each report under paragraph (1) shall include, for the fiscal year
- 7 covered by such report, the following:
- 8 (A) A statement of the recipients of learning content and information technology
- 9 provided under this section.

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- 10 (B) A description of the type, quantity, and value of the learning content and
- information technology provided under this section.

Section-by-Section Analysis

Section 1207 of the John Warner National Defense Authorization Act for Fiscal Year 2007 authorizes the Secretary of Defense to expend operations and maintenance funds to provide electronically-distributed learning content and related information technology for the education and training of foreign military and civilian government personnel to enhance interoperability during multinational operations. Section 1207 enhances the ability of Combatant Commanders to develop the skills of allied and coalition partners to ensure interoperability for multinational operations. This provision would make this authority permanent.

The Defense Department has demonstrated the value of being able to provide the training described herein through the Partnership for Peace (PfP) Program. The proposed legislative change would enable operations and maintenance funds to be applied for PfP-type initiatives to a broader coalition of multinational countries.

Increasingly, Combatant Commanders see the need for and receive requests from coalition and allied partners for training which helps partner forces understand the planning processes, organization, and command and control systems used by U.S. warfighters. Providing this type of training allows our foreign partners to develop capabilities in a manner that will improve interoperability with U.S. forces on the battlefield.

SEC. 1532. MEDICAL CARE AND TEMPORARY DUTY EXPENSES FOR

1	COALITION LIAISON OFFICERS.
2	Section 1051a of title 10, United States Code, is amended—
3	(1) in subsection (a)—
4	(A) by striking "involved in a coalition" and inserting "involved in a
5	military operation"; and
6	(B) by striking "coalition operation" and inserting "military operation";
7	(2) in subsection (b)—
8	(A) in the heading, by inserting ", MEDICAL CARE" after "TRAVEL";
9	(B) by adding at the end of paragraph (2) the following new subparagraph
10	"(C) CIVILIAN OFF-BASE MEDICAL CARE.—Expenses for civilian off-base
11	medical care when adequate medical care is not available to the liaison officer at
12	local military medical facilities and when the Secretary determines that payment
13	of such medical expenses is necessary and in the best interests of the United
14	States. This authority may not be used if medical care is otherwise available to
15	the liaison officer pursuant to any international agreement or treaty."; and
16	(C) by adding at the end the following new paragraph:
17	"(3) TEMPORARY DUTY TRAVEL EXPENSES.—The Secretary may pay the mission-
18	related travel expenses of any liaison officer as described in subsection (a) when such
19	travel is in support of United States national interests and the commander of the
20	headquarters to which the liaison officer is temporarily assigned directs round-trip travel
21	from the assigned headquarters to one or more locations.";
22	(3) by amending subsection (d) to read as follows:
23	"(d) DEFINITION.—In this section, the term 'administrative services and support' includes

- base or installation support services, office space, utilities, copying services, fire and police
- 2 protection, and computer support."; and
- 3 (4) by striking subsection (e).

Section-by-Section Analysis

The members of the Coalition and similarly created organizations at subordinate commands are assigned by their nations to support the Global War on Terror (GWOT) mission. The assignment and function of these officers is unique, and they perform duties that might otherwise have to be provided by United States personnel. DoD needs to have the authority to pay costs associated with the performance of the DoD mission with and by these liaison officers Without this authority, DoD's ability to maximize the benefit of coalition partners is severely degraded.

Specifically, this section would amend 10 U.S.C. 1051a(b)(2) to provide new authority for the Secretary of Defense to pay medical expenses incurred by a liaison officer from a developing country who is temporarily assigned to a headquarters of a combatant command, component command, or subordinate operational command in connection with the planning for, or conduct of, a coalition operation. This authority would only be available if the developing country has not entered into a Reciprocal Health Care Agreement with the Department of Defense (DoD).

This section also would add paragraph (3) to 10 U.S.C. 1051a(b) to authorize the Secretary to pay a liaison officer's temporary duty expenses when the liaison officer is temporarily assigned to the headquarters of a combatant command, component command, or subordinate operational command, and is requested by the commander to travel in support of the United States.

In addition, this section would amend 10 U.S.C. 1051a(a) to expand the category of liaison officers covered by the statute to include liaison officers from nations involved in military operations with the United States and assigned to combatant commands, component commands, or subordinate operational commands of the United States in connection with the planning for, or conduct of, such military operations. This would allow the Secretary to pay certain expenses of liaison officers from developing nations that are assisting us to conduct military operations, including coalition operations, prosecution of the GWOT, humanitarian operations, and military operations that further counternarcotics activities. This would greatly assist in improving the extent and quality of involvement of developing nations in supporting U.S. efforts in the GWOT. This change would also necessitate the deletion of 10 U.S.C. 1051a(d)(2) as no longer necessary.

Finally, this proposed section would delete subsection (e) of section 1051a to make permanent the Secretary's authority to pay the expenses of the covered liaison officers supporting United States coalition operations. Otherwise, the Secretary's authority would expire on

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SEC. 1533. ENHANCING PARTICIPATION OF THE DEPARTMENT OF DEFENSE

2	IN MULTINATIONAL MILITARY CENTERS OF EXCELLENCE.
3	(a) In GENERAL.—Subchapter II of chapter 138 of title 10, United States Code, is
4	amended by adding at the end the following new section:
5	"§ 2350m. Participation in multinational military centers of excellence
6	"(a) PARTICIPATION AUTHORIZED.—The Secretary of Defense may, with the concurrence
7	of the Secretary of State, authorize the participation of members of the armed forces and
8	Department of Defense civilian personnel in any multinational military center of excellence
9	hosted by any nation or combination of nations referred to in subsection (b) for purposes of—
10	"(1) enhancing the ability of military forces and civilian personnel of the nations
11	participating in such center to engage in joint exercises or coalition or international
12	military operations; or
13	"(2) improving interoperability between the Armed Forces of the United States
14	and the military forces of friendly foreign nations.
15	"(b) COVERED NATIONS.—The nations referred to in this section are as follows:
16	"(1) The United States.
17	"(2) Any member nation of the North Atlantic Treaty Organization (NATO).
18	"(3) Any major non-NATO ally.
19	"(4) Any other friendly foreign nation identified by the Secretary of Defense, with
20	the concurrence of the Secretary of State, for purposes of this section.
21	"(c) MEMORANDUM OF UNDERSTANDING.—(1) REQUIREMENT.—The participation of
22	members of the armed forces or Department of Defense civilian personnel in a multinational

- 1 military center of excellence under subsection (a) shall be in accordance with the terms of one or
- 2 more memoranda of understanding entered into by the Secretary of Defense, with the
- 3 concurrence of the Secretary of State, and the foreign nation or nations concerned.
- 4 "(2) Scope.—If Department of Defense facilities, equipment, or funds are used to support
- 5 a multinational military center of excellence under subsection (a), the memorandum of
- 6 understanding under paragraph (1) with respect to that center shall provide details of any cost-
- 7 sharing arrangement or other funding arrangement.
- 8 "(d) AVAILABILITY OF APPROPRIATED FUNDS.—(1) AVAILABILITY.—Funds appropriated
- 9 to the Department of Defense for operation and maintenance are available as follows:
- 10 "(A) To pay the United States' share of the operating expenses of any
- multinational military center of excellence in which the United States participates under
- this section.
- "(B) To pay the costs of the participation of members of the armed forces and
- Department of Defense civilian personnel in multinational military centers of excellence
- under this section, including the costs of expenses of such participants.
- 16 "(2) LIMITATION ON AMOUNT.—The amount available under paragraph (1)(A) for
- expenses referred to in that paragraph may not exceed \$5,000,000 in any fiscal year.
- 18 "(3) LIMITATION ON USE OF FUNDS.—No funds may be used under this section to fund the
- 19 pay or salaries of members of the armed forces and Department of Defense civilian personnel
- who participate in multinational military centers of excellence under this section.
- 21 "(e) USE OF DEPARTMENT OF DEFENSE FACILITIES AND EQUIPMENT.—Facilities and
- 22 equipment of the Department of Defense may be used for purposes of the support of
- 23 multinational military centers of excellence under this section that are hosted by the Department.

1	(I) REPORT ON USE OF AUTHORITY.—
2	"(1) REPORT REQUIRED.—Not later than October 31 following the close of the
3	fiscal year in which the authority granted herein is used, the Secretary of Defense shall
4	submit to the Committee on Armed Services of the Senate and the Committee on Armed
5	Services of the House of Representatives a report on the use of the authority in this
6	section during that fiscal year.
7	"(2) ELEMENTS.—The report required by paragraph (1) shall include the
8	following:
9	"(A) A detailed description of the participation of the Department of
10	Defense, and of members of the armed forces and civilian personnel of the
11	Department, in multinational military centers of excellence under the authority of
12	this section during the fiscal year.
13	"(B) For each multinational military center of excellence in which the
14	Department of Defense, or members of the armed forces or Department of
15	Defense civilian personnel, so participated—
16	"(i) a description of such multinational military center of
17	excellence;
18	"(ii) a description of the activities participated in by the
19	Department, or by members of the armed forces or Department of Defense
20	civilian personnel; and
21	"(iii) a statement of the costs of the Department for such
22	participation, including—
23	"(I) a statement of the United States share of the expenses

1	of such center, and a statement of the percentage of the United
2	States share of the expenses of such center to the total expenses of
3	such center; and
4	"(II) a statement of the amount of such costs (including a
5	separate statement of the amount of costs paid for under the
6	authority of this section by category of costs).
7	"(g) DEFINITIONS.—In this section:
8	"(1) The term 'multinational military center of excellence' means an entity
9	sponsored by one or more nations that is accredited and approved by the Department of
10	Defense as offering recognized expertise and experience to personnel participating in the
11	activities of such entity for the benefit of United States forces and the militaries of
12	friendly foreign nations by providing such personnel opportunities to—
13	"(A) enhance education and training;
14	"(B) improve interoperability and capabilities;
15	"(C) assist in the development of doctrine; and
16	"(D) validate concepts through experimentation.
17	"(2) The term 'major non-NATO ally' means a country (other than a member
18	nation of the North Atlantic Treaty Organization) that is designated as a major non-
19	NATO ally by the Secretary of Defense, with the concurrence of the Secretary of State,
20	under section 2350a of this title.".
21	(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is
22	amended by adding at the end the following new item:
23	"2350m. Participation in multinational military centers of excellence.".

Section-by-Section Analysis

This section would reauthorize and make permanent the authority granted by Congress in section 1205 of the John Warner National Defense Authorization Act for Fiscal Year 2007, which authorized the Secretary of Defense to enter into agreements with North Atlantic Treaty Organization (NATO) alliance members, major non-NATO allies, and other friendly foreign countries to participate in organizations which are centers of excellence established to enhance interoperability, develop military doctrine, and develop and test new concepts. Section 1205 also authorized the expenditure of funds appropriated or otherwise made available for the support of international military organizations and to pay the salaries and expenses of personnel assigned to such organizations. In addition, section 1205 authorized the Secretary of Defense to provide facilities and equipment for the use of such organizations with or without reimbursement. This section also would clarify that Centers of Excellence (COE) do not have to be approved and accredited by NATO, and increase the authorization for expenditures for the U.S. share of operating expenses from \$3 million to \$5 million.

Examples of these organizations are the COE and training schools that have been independently formed by NATO alliance partners to support NATO. Following the lead of the United States in transforming training within its forces, during the 2002 Prague Summit NATO announced the creation of Allied Command Transformation whose mission is to lead NATO through transformation to face the operational challenges of coalition warfare against new and emerging threats. In support of this effort, Alliance partners, independent but in support of NATO, have created, through bilateral and multilateral agreements, COE and established schools the purposes of which are to support NATO transformation through doctrinal development, education, training and validation of new concepts through experimentation. This section would clarify the authority of the Secretary of Defense to support those organizations and others that may be established to support common security interests.

The United States benefits from this participation through its ability to influence the commonality of doctrine, education, training and development of new capabilities. The U.S. also gains the synergies associated with working cooperatively with allied/coalition partners in a synchronized effort across international programs and with multinational forces creating a transformed fighting team. This process improves interoperability between U.S. and foreign militaries and enhances security cooperation efforts to prosecute the Global War on Terror. This section would allow U.S. Forces to leverage the specific expertise or experience of some partners while simultaneously assisting all partners to reach shared understandings of doctrine. Building the capabilities of allied/coalition partners increases unity of effort and enhances the U.S. ability to execute multinational operations. Increased interoperability and enhanced capability of allied/coalition partners will result in a reduced strain on U.S. Forces as we operate in a coalition environment addressing common security interests. Strengthening our relationships through participation in organization supportive transformational concepts also strengthens the current transformational efforts of the Department of Defense.

These centers of excellence are multi-year commitments by the U.S. and require

permanent funding authority to be successful. The NATO-related COEs have proven to be extremely useful vehicles to develop partnership capacity and the Department of Defense envisions that they will be useful vehicles in other parts of the world outside of the NATO context. The Department is requesting an increase in authorized funding in anticipation of increased COE activity with friendly foreign militaries outside of NATO.

SEC. 1534. MILITARY-TO-MILITARY CONTACTS AND COMPARABLE

2 ACTIVITIES.

- 3 Section 168(c) of title 10, United States Code, is amended by adding at the end the
- 4 following new paragraph:

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- 5 "(9) The exchange of personnel described in paragraph (3) or (4) on a non-
- 6 reciprocal basis if the Secretary of Defense determines that such an exchange is in the
- 7 interests of the Department of Defense.".

Section-by-Section Analysis

This section would allow the Secretary of Defense to waive the reciprocity requirements for personnel exchange programs with foreign governments when it is in the interests of the Department of Defense. Many developing countries could provide personnel with qualifications, training, and skills that are essentially equal to those that the United States provides, but are unable to because of funding constraints or other limitations. Waiving reciprocity agreements in these situations would directly support the theater security cooperation initiatives of all regional combatant commanders and support Phase Zero operations in the Global War on Terror.

The reciprocity requirements of section 168 of title 10, United States Code, preclude one-way exchanges with friendly foreign governments. Exchanges are difficult with partners from developing nations, although these may be the most important for success in a particular region. This section, for example, would allow the Commander, Naval Forces Europe to request the assignment of personnel to support Commander, U.S. EUROPEAN COMMAND theater security cooperation efforts in the Gulf of Guinea region of Africa. Personnel assigned to these developing nations would assist in ongoing efforts to build capacity to protect the maritime domain with countries that are willing to assist, but are unable to comply with the reciprocity requirements.