

# A BILL

To authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

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

## 3           **SECTION 1. SHORT TITLE.**

4           This Act may be cited as the "National Defense Authorization Act for Fiscal Year 2005".

## 5           **SEC. 2. TABLE OF CONTENTS.**

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

7                     (1) Division A—Department of Defense Authorizations.

8                     (2) Division B—Military Construction Authorizations.

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

Sec. 1. Short title.  
Sec. 2. Table of contents.

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Sec. 102. Navy and Marine Corps.  
Sec. 103. Air Force.  
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Sec. 317. Protection of sunken state craft and the remains of their crews.

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## **TITLE I—PROCUREMENT**

### **Subtitle A—Authorization of Appropriations**

#### **SEC. 101. ARMY.**

Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement for



1 the Army as follows:

2 (1) For aircraft, \$2,658,241,000.

3 (2) For missiles, \$1,398,321,000.

4 (3) For weapons and tracked combat vehicles, \$1,639,695,000.

5 (4) For ammunition, \$1,556,902,000.

6 (5) For other procurement, \$4,240,896,000.

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

8 (a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2005 for  
9 procurement for the Navy as follows:

10 (1) For aircraft, \$8,767,867,000.

11 (2) For weapons, including missiles and torpedoes, \$2,101,529,000.

12 (3) For shipbuilding and conversion, \$9,962,027,000.

13 (4) For other procurement, \$4,834,278,000.

14 (b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2005  
15 for procurement for the Marine Corps in the amount of \$1,190,103,000.

16 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be  
17 appropriated for fiscal year 2005 for procurement of ammunition for the Navy and Marine Corps  
18 in the amount of \$858,640,000.

19 **SEC. 103. AIR FORCE.**

20 Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement for  
21 the Air Force as follows:

22 (1) For aircraft, \$13,163,174,000.

23 (2) For missiles, \$4,718,313,000.

1 (3) For procurement of ammunition, \$1,396,457,000.

2 (4) For other procurement, \$13,283,557,000.

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

4 Funds are hereby authorized to be appropriated for fiscal year 2005 for Defense-wide  
5 procurement in the amount of \$2,883,302,000.

6 **Subtitle B—Multiyear Procurement Authorization**

7 **SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR THE LIGHT WEIGHT**  
8 **155 MILLIMETER HOWITZER PROGRAM.**

9 The Secretary of the Navy may, in accordance with section 2306b of title 10, United  
10 States Code, enter into a multiyear contract, beginning with the fiscal year 2005 program year,  
11 for procurement of the light weight 155 millimeter howitzer.

12 **TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

13 **Subtitle A—Authorization of Appropriations**

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

15 Funds are hereby authorized to be appropriated for fiscal year 2005 for the use of the  
16 Department of Defense for research, development, test, and evaluation, as follows:

17 (1) For the Army, \$9,266,258,000.

18 (2) For the Navy, \$16,346,391,000.

19 (3) For the Air Force, \$21,114,667,000.

20 (4) For Defense-wide activities, \$21,044,972,000, of which \$305,135,000 is authorized  
21 for the Director of Operational Test and Evaluation.

22 **Subtitle B—Ballistic Missile Defense**

1     **SEC. 211. FUNDING FOR MISSILE DEFENSE AGENCY**

2             (a) Funds appropriated under the heading "Research, Development, Test and Evaluation,  
3     Defense-Wide" for the Missile Defense Agency may, upon approval by the Secretary of  
4     Defense, be used for the development and fielding of ballistic missile defense capabilities.

5             (b) This section shall be effective for fiscal years after Fiscal Year 2004.

6                             **TITLE III—OPERATION AND MAINTENANCE**

7                                     **Subtitle A—Authorization of Appropriations**

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

9             Funds are hereby authorized to be appropriated for fiscal year 2005 for the use of the  
10     Armed Forces and other activities and agencies of the Department of Defense for expenses, not  
11     otherwise provided for, for operation and maintenance, in amounts as follows:

12             (1) For the Army, \$26,133,411,000.

13             (2) For the Navy, \$29,789,190,000.

14             (3) For the Marine Corps, \$3,632,115,000.

15             (4) For the Air Force, \$28,471,260,000.

16             (5) For the Defense-wide activities, \$17,494,076,000

17             (6) For the Army Reserve, \$2,008,128,000.

18             (7) For the Naval Reserve, \$1,240,038,000.

19             (8) For the Marine Corps Reserve, \$188,696,000.

20             (9) For the Air Force Reserve, \$2,239,790,000.

21             (10) For the Army National Guard, \$4,440,686,000.

22             (11) For the Air National Guard, \$4,422,838,000.

1 (12) For the United States Court of Appeals for the Armed Forces, \$10,825,000.

2 (13) For Environmental Restoration, Army, \$400,948,000.

3 (14) For Environmental Restoration, Navy, \$266,820,000.

4 (15) For Environmental Restoration, Air Force, \$397,368,000.

5 (16) For Environmental Restoration, Defense-wide, \$23,684,000.

6 (17) For Environmental Restoration, Formerly Used Defense Sites, \$216,516,000.

7 (18) For Overseas Humanitarian, Disaster, and Civic Aid programs, \$59,000,000.

8 (19) For Cooperative Threat Reduction programs, \$409,200,000.

9 (20) For Overseas Contingency Operations Transfer Fund, \$30,000,000.

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

11 Funds are hereby authorized to be appropriated for fiscal year 2005 for the use of the  
12 Armed Forces and other activities and agencies of the Department of Defense for providing  
13 capital for working capital and revolving funds in amounts as follows:

14 (1) For the Defense Working Capital Funds, \$1,685,886,000.

15 (2) For the National Defense Sealift Fund, \$1,269,252,000.

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

17 There is hereby authorized to be appropriated for fiscal year 2005 from the Armed Forces  
18 Retirement Home Trust Fund the sum of \$61,195,000 for the operation of the Armed Forces  
19 Retirement Home.

20 **SEC. 304. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

21 (a) DEFENSE HEALTH PROGRAM.—Funds are hereby authorized to be appropriated for the  
22 Department of Defense for fiscal year 2005 for expenses, not otherwise provided for, for the  
23 Defense Health Program, \$17,640,411,000, of which—

1 (1) \$17,203,369,000 is for Operation and Maintenance;

2 (2) \$72,407,000 is for Research, Development, Test, and Evaluation; and

3 (3) \$364,635,000 is for Procurement.

4 (b) CHEMICAL AGENTS AND MUNITIONS DESTRUCTION.—(1) Funds are hereby  
5 authorized to be appropriated for the Department of Defense for fiscal year 2005 for expenses,  
6 not otherwise provided for, for Chemical Agents and Munitions Destruction, \$1,371,990,000, of  
7 which—

8 (A) \$1,138,801,000 is for Operation and Maintenance;

9 (B) \$154,209,000 is for Research, Development, Test, and Evaluation; and

10 (C) \$78,980,000 is for Procurement.

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

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

14 and

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

17 (c) DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE-WIDE.—Funds are  
18 hereby authorized to be appropriated for the Department of Defense for fiscal year 2005 for  
19 expenses, not otherwise provided for, for Drug Interdiction and Counter-Drug Activities,  
20 Defense-wide, \$852,697,000.

21 (d) DEFENSE INSPECTOR GENERAL.—Funds are hereby authorized to be appropriated for  
22 the Department of Defense for fiscal year 2005 for expenses, not otherwise provided for, for the  
23 Office of the Inspector General of the Department of Defense, \$244,562,000, of which—

- 1 (1) \$242,362,000 is for Operation and Maintenance;  
2 (2) \$100,000 is for Research, Development, Test, and Evaluation; and  
3 (3) \$2,100,000 is for Procurement.

4 **Subtitle B—Environmental Provisions**

5 **SEC. 311. DELEGATION OF AUTHORITY TO THE STATES TO MAKE CERTAIN**  
6 **ENVIRONMENTAL RESTORATION DETERMINATIONS.**

7 Subparagraph (3)(B) of subsection (h) of section 120 of the Comprehensive  
8 Environmental Response, Compensation, and Liability Act of 1980, Public Law 96-510 (42  
9 U.S.C. § 9620), as amended, is amended—

10 (1) by inserting "(in the case of sites at a Federal facility that is listed on the National  
11 Priorities List), or the Governor of the State in which the facility is located (in the case of sites at  
12 a Federal facility not listed on the National Priorities List)," after "Administrator" the first place  
13 it appears;

14 (2) by inserting "or the Governor, as appropriate," after "Administrator" the second place  
15 it appears; and

16 (3) by inserting "or the Governor, as appropriate," after "Administrator" the third place it  
17 appears.

18 **SEC. 312. PERIODIC AUDITS OF SUPERFUND TRANSACTIONS.**

19 Section 111(k) of the Comprehensive Environmental Response, Compensation, and  
20 Liability Act of 1980 (42 U.S.C. 9611(k)) is amended to read as follows:

21 "(k) The Inspector General of each department or agency to which responsibility to  
22 obligate money in the Fund is delegated shall conduct a periodic audit of all payments,

1 obligations, reimbursements, or other uses of the Fund, to assure that the Fund is being properly  
2 administered and that claims are being appropriately and expeditiously considered. Each  
3 Inspector General shall submit to the Congress a report of the audit. Each Inspector General  
4 shall provide such auditing of the Fund as is appropriate to minimize the risk of mismanagement.  
5 Each Federal agency shall cooperate with the Inspector General in carrying out this subsection."

6 **SEC. 313. PAYMENT OF PRIVATE CLEANUP COSTS.**

7 (a) **AUTHORITY TO PAY FOR SERVICES.**—Section 2701(d) of title 10, United States Code,  
8 is amended—

9 (1) in paragraph (1), by striking "tribe," both places it appears and inserting "tribe,  
10 owner of covenant property,"; and

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

12 "(C) The term 'owner of covenant property' means an owner of property subject to  
13 a covenant provided by the United States in accordance with the requirements of section  
14 120(h)(3)(A)(ii)(II) of CERCLA: Provided, however, that the covenant property also is  
15 the site of the services to be performed."

16 (b) **SOURCE OF FUNDS FOR COVENANT PROPERTY.**—Section 2703 of such title is  
17 amended—

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

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

21 "(h) **SOLE SOURCE OF FUNDS FOR ENVIRONMENTAL REMEDIATION SERVICES AT BASE**  
22 **REALIGNMENT AND CLOSURE SITES.**—In the case of property disposed of in accordance with a  
23 base closure law, the sole source of funds for services obtained under section 2701(d)(1) of this

1 title shall be the applicable base closure account established under such base closure law.".

2 **SEC. 314. REMOVAL TO FEDERAL COURT OF CLEAN AIR ACT AND SAFE**  
3 **DRINKING WATER ACT CASES.**

4 (a) RIGHT OF REMOVAL TO FEDERAL COURT OF CLEAN AIR ACT CASES TO FEDERAL  
5 COURT.—Section 118(a) of the Clean Air Act (42 U.S.C. 7418(a)), is amended by adding at the  
6 end the following new sentence:

7 "Nothing in this act shall be construed to prevent any department, agency, or  
8 instrumentality of the Federal Government, or any officer, agent, or employee thereof in the  
9 performance of his official duties, from removing to the appropriate Federal district court any  
10 proceeding in State court to which the department, agency, or instrumentality or officer, agent,  
11 or employee thereof is subject pursuant to this subsection, and any such proceeding may be  
12 removed in accordance with section 1441 et seq. of title 28, United States Code."

13 (b) RIGHT OF REMOVAL TO FEDERAL COURT OF SAFE DRINKING WATER ACT CASES TO  
14 FEDERAL COURT.—Section 1447 of the Safe Drinking Water Act (42 U.S.C. 300j-6) is amended  
15 by adding at the end the following new subsection:

16 "(f) REMOVAL.—Nothing in this act shall be construed to prevent any department,  
17 agency, or instrumentality of the Federal Government, or any officer, agent, or employee thereof  
18 in the performance of his official duties, from removing to the appropriate Federal district court  
19 any proceeding in State court to which the department, agency, or instrumentality or officer,  
20 agent, or employee thereof is subject pursuant to subsection (a), and any such proceeding may be  
21 removed in accordance with section 1441 et seq. of title 28, United States Code."

22 (c) APPLICATION.—The amendments made by this section shall apply to any action filed  
23 in a state court after the effective date of this section.



1     **SEC. 315. REIMBURSEMENT TO THE ENVIRONMENTAL PROTECTION AGENCY**  
2                     **FOR CERTAIN COSTS IN CONNECTION WITH THE MOSES LAKE,**  
3                     **WASHINGTON SUPERFUND SITE.**

4             (a) **AUTHORITY.**—Using funds described in subsection (b), the Secretary of Defense may  
5 transfer not more than \$524,926.54 to the Moses Lake Wellfield Superfund Site 10-6J Special  
6 Account. This payment is to reimburse the United States Environmental Protection Agency for  
7 its costs including interest incurred in overseeing a remedial investigation/feasibility study  
8 performed by the Department of the Army under the Defense Environmental Restoration  
9 Program at the former Larson Air Force Base, Moses Lake Superfund Site, Moses Lake,  
10 Washington. Such reimbursement is provided for in the Interagency Agreement entered into by  
11 the Department of the Army and the Environmental Protection Agency for the Moses Lake Site,  
12 in March, 1999.

13             (b) **SOURCE OF FUNDS.**—Any payment under subsection (a) shall be made using  
14 funds authorized to be appropriated by paragraph 18 of section 301 of this act for Environmental  
15 Restoration, Formerly Used Defense Sites. EPA shall retain and use the transferred amount to  
16 pay for costs the Agency has incurred or will incur at the Moses Lake Wellfield Superfund site.

17     **SEC. 316. PROHIBITING JUDICIAL REVIEW OF INCOMPLETE CERCLA**  
18                     **CLEANUP ACTIONS.**

19             Subsection (h) of section 113 of the Comprehensive Environmental Response,  
20 Compensation, and Liability Act of 1980, Public Law 96-510 (42 U.S.C. § 9613, as amended), is  
21 amended by inserting "(which includes responses under section 120)," after "section 104" in  
22 each of the two places it appears.

23     **SEC. 317. PROTECTION OF SUNKEN STATE CRAFT AND THE REMAINS OF**

1                   **THEIR CREWS.**

2           (a) FINDINGS AND PURPOSE.—The Congress declares and finds the following:

3                   (1) A vital part of the United States maritime heritage consists of thousands of  
4           United States sunken State craft, wherever located.

5                   (2) Sunken State craft are often the final resting places of the crew and others who  
6           perished when the sunken State craft sank.

7                   (3) Sunken State craft also may be objects of an archaeological, historical,  
8           scientific, or cultural nature.

9                   (4) Sunken State craft may contain unexploded ordnance, which could pose a  
10           danger if disturbed, and substances which, if released, could cause harm to the marine  
11           environment, and public health.

12                   (5) There is a growing concern both in the United States and internationally that  
13           advances in science and technology have facilitated access to sunken State craft, resulting  
14           in their unauthorized disturbance.

15                   (6) It is in the interest of the United States to preserve its maritime heritage by  
16           providing for the protection of United States sunken State craft wherever located, foreign  
17           sunken State craft located in United States Waters, and encouraging other nations to  
18           protect United States sovereignty and ownership of U.S. sunken State craft located  
19           outside United States Waters.

20                   (7) Sunken State craft indefinitely remain the property of the flag State unless  
21           formal action is taken by the flag State to abandon ownership or transfer title to another  
22           person.

23           (b) DEFINITIONS.—For the purposes of this section:

1           (1) The term "sunken State craft" means any sunken State vessel, sunken State  
2 aircraft, associated contents, or any portion thereof, title to which has not been  
3 abandoned or transferred in a manner prescribed by the flag State.

4           (2) The term "sunken State vessel" means any warship, naval auxiliary, or other  
5 public vessel within the meaning of the Public Vessels Act (46 U.S.C. App. 781-790)  
6 and/ or vessels operated by or for the United States within the meaning of the Suits in  
7 Admiralty Act (46 U.S.C. App. 741-750) and such warship, naval auxiliary or public  
8 vessel of a foreign State that sank while in government noncommercial service.

9           (3) The term "sunken State aircraft" means any military aircraft or other aircraft,  
10 including spacecraft, owned or operated by the United States or a foreign State, that sank  
11 while in government noncommercial service.

12           (4) The term "associated contents" means the equipment, cargo, and all contents  
13 on board the sunken State craft, as well as the remains and personal effects of the crew  
14 and others on board the sunken State craft when it sank.

15           (5) The term "person" means an individual, corporation, partnership, trust,  
16 institution, association, or any other public or private entity, whether foreign or domestic.

17           (6) The term "Head of Agency" means the government official having authority,  
18 delegated or otherwise granted, over any sunken State craft.

19           (7) The term "United States Waters" comprises United States Internal Waters, the  
20 United States Territorial Sea, and the United States Contiguous Zone.

21           (8) The term "United States Internal Waters" means all waters of the United  
22 States on the landward side of the baseline from which the breadth of the United States  
23 Territorial Sea is measured.

1           (9) The term "United States Territorial Sea" means the waters extending 12  
2 nautical miles seaward of the baseline from which the breadth of the United States  
3 Territorial Sea is measured.

4           (10) The term "United States Contiguous Zone" means the contiguous zone of the  
5 United States as defined in Presidential Proclamation 7219, September 2, 1999.

6           (11) The term "United States Exclusive Economic Zone" means the exclusive  
7 economic zone of the United States as defined in Presidential Proclamation 5030, March  
8 10, 1983.

9           (12) The term "United States Outer Continental Shelf" means all submerged lands  
10 lying seaward and outside of the area of lands beneath navigable waters as defined in  
11 section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

12 (c) SCOPE.—This section shall apply to—

13           (1) United States citizens, other persons over which the United States exercises  
14 jurisdiction, United States flagged or registered vessels, vessels owned or operated by  
15 United States citizens or other persons over which the United States exercises  
16 jurisdiction, and Stateless vessels or vessels assimilated to a vessel without nationality,  
17 engaging in activities directed at any sunken State craft wherever located; and

18           (2) foreign nationals and foreign flagged or registered vessels—

19                   (A) engaging in activities directed at sunken State craft located within the  
20 United States Territorial Sea or United States Internal Waters;

21                   (B) removing sunken State craft from the United States Contiguous Zone;

22                   (C) engaging in activities directed at any sunken State craft located within  
23 the United States Contiguous Zone, provided that those activities cause or

1 threaten damage to natural resources or otherwise interfere with the rights and  
2 jurisdiction of the United States with regard to natural resources;

3 (D) engaging in activities directed at sunken State craft located within the  
4 United States Exclusive Economic Zone or on the United States Outer  
5 Continental Shelf, provided that those activities cause or threaten damage to  
6 natural resources or otherwise interfere with the rights and jurisdiction of the  
7 United States with regard to natural resources; or

8 (E) calling on or using United States ports or offshore terminals, that  
9 engage in activities directed at sunken State craft wherever located in violation of  
10 the laws of the United States or of a foreign State.

11 (d) APPLICATION.—(1) This section shall not apply to actions taken by, or at the direction  
12 of, the United States Government.

13 (2) No regulation promulgated pursuant to this section shall apply to or be enforced  
14 against a person who is not a citizen, national, or resident alien of the United States, unless in  
15 accordance with—

16 (A) generally recognized principles of international law;

17 (B) an agreement between the United States and the foreign State of which the  
18 person is a citizen; or

19 (C) an agreement between the United States and the flag State of a foreign vessel  
20 or aircraft, if the person is a crew member or other person on the vessel or aircraft.

21 (3) The Secretary of State, in consultation with the Heads of Agencies, is authorized to  
22 negotiate and conclude bilateral and multilateral agreements with foreign States with regard to  
23 sunken State craft consistent with this section.

1 (e) TITLE.—Notwithstanding any other provision of law—

2 (1) the United States retains title indefinitely to its sunken State craft, and  
3 associated contents unless abandoned or transferred in a manner prescribed by Congress.

4 (2) title to foreign sunken State craft is presumed to be retained by the foreign  
5 flag State and may be abandoned or transferred only in accordance with the law of the  
6 foreign flag State.

7 (f) PASSAGE OF TIME.—(1) Title to United States sunken State craft wherever located  
8 shall not be extinguished by passage of time regardless of when such United States sunken State  
9 craft sank.

10 (2) Title to foreign sunken State craft shall not be presumed to be extinguished by  
11 passage of time regardless of when such foreign sunken State craft sank.

12 (g) AUTHORITY OF AGENCY HEAD.—(1) Each Head of Agency is hereby authorized to  
13 promulgate regulations with regard to sunken State craft under his or her authority as necessary  
14 to implement this section, including regulations providing for—

15 (A) the issuance of a permit to a person in accordance with section (i);

16 (B) the implementation of section (k); and

17 (C) the loan of United States sunken State craft between or to universities,  
18 museums, or other institutions that provide public access for research, education, and  
19 other public purposes consistent with this section.

20 (2) The appropriate Head of Agency is hereby authorized to carry out this section and  
21 any implementing regulations with regard to United States sunken State craft subject to the  
22 authority of that Head of Agency.

23 (3) At the request of any foreign State, the appropriate Head of Agency may carry out

1 section (i) and any implementing regulations promulgated pursuant thereto with regard to any  
2 foreign sunken State craft of that foreign State located in United States Waters.

3 (4) Each Head of Agency is hereby authorized to charge and retain reasonable fees to  
4 offset expenses associated with the review of permit applications and the issuance and  
5 administration of permits issued under this section.

6 (h) PROHIBITIONS.—(1) No sunken State craft of the United States wherever located may  
7 be disturbed injured or removed except as authorized by this section.

8 (2) No person may engage in an activity directed at a sunken State craft that disturbs,  
9 removes or injures, or attempts to disturb, remove or injure any sunken State craft covered by  
10 this section without the express permission of the appropriate Head of Agency or his or her  
11 designee.

12 (3) No person may possess, offer for sale, sell, purchase, import, export, transport,  
13 deliver, carry, exchange, receive, or attempt to purchase, import, export, transport, deliver, carry,  
14 exchange, or receive any sunken State craft that was disturbed, removed, or injured in violation  
15 of—

16 (A) the prohibitions contained in subsections (h)(1) and (2), or

17 (B) any provision, rule, regulation, ordinance, or permit in effect under any  
18 provision of Federal, foreign, or other applicable law.

19 (i) PERMITS.—Without limitation on the discretion of Heads of Agency regarding  
20 administration of United States sunken State craft for which they may continue to be responsible  
21 regardless of sinking, the United States, through the appropriate Head of Agency, shall have  
22 permitting authority over those persons and vessels that are engaged in, or propose to engage in,  
23 activities directed at any United States sunken State craft wherever located, or any foreign

1 sunken State craft as provided by paragraph (3) of section (g).

2 (j) LIABILITY FOR DAMAGES.—(1) Except with the permission of the appropriate Head of  
3 Agency or his or her designee, any person who engages in an activity directed at a sunken State  
4 craft that disturbs, removes, or injures any sunken State craft is liable for response costs,  
5 enforcement costs, and damages resulting from such disturbance, removal, or injury.

6 (2) Damages may include—

7 (A) the reasonable costs incurred in storage, restoration, care, maintenance,  
8 conservation, and curation of any sunken State craft disturbed, removed, or injured  
9 without authorization; and

10 (B) the cost of retrieving any information of an archaeological, historical, or  
11 cultural nature remaining from a site where the sunken State craft was disturbed,  
12 removed, or injured without authorization.

13 (k) ADMINISTRATIVE ENFORCEMENT.—Any person who violates this section, or any  
14 regulation or permit issued thereunder, may be assessed a civil penalty by the Head of Agency  
15 concerned, or his or her designee, after notice and an opportunity for a hearing. Such penalty  
16 may not exceed \$100,000, for each such violation, and each day of a continued violation shall  
17 constitute a separate violation.

18 (l) JUDICIAL ENFORCEMENT.—At the request of the appropriate Head of Agency, the  
19 Attorney General may institute a civil action in an appropriate district court of the United States  
20 to—

21 (1) recover response costs and damages resulting from a violation of this section;

22 (2) seek a civil penalty not to exceed \$200,000, against any person who violates  
23 this section or regulation or permit issued thereunder, or against any vessel, *in rem*, used



1 in such violation; or

2 (3) obtain such relief as may be necessary to abate an imminent risk of  
3 disturbance of, removal of, or injury to any sunken State craft as determined by the  
4 appropriate Head of Agency, or if there has been actual disturbance of, removal of, or  
5 injury to any sunken State craft. The district courts of the United States shall have  
6 jurisdiction in such a case to order such relief as the public interest and the equities of the  
7 case may require.

8 (m) RIGHTS OF FOREIGN STATES.—(1) Consistent with this section, foreign States may  
9 assert before any United States court their sovereign interest in any sunken State craft located in  
10 United States Waters or which is the subject of a case brought in a court of the United States.

11 (2) Upon the request of a foreign State and consistent with this section, the Attorney  
12 General is hereby authorized in his or her discretion to appear in the courts of the United States  
13 to enforce this section on behalf of such foreign State with regard to any of its sunken State craft  
14 located in United States Waters or which is the subject of a case brought in a court of the United  
15 States.

16 (n) RELATIONSHIP TO OTHER LAWS.—(1) The law of finds shall not apply to any United  
17 States sunken State craft wherever located or to any foreign sunken State craft located in United  
18 States Waters.

19 (2) No salvage rights or awards shall be granted with respect to any sunken State craft  
20 without the express permission of the flag State.

21 (3) Nothing in this section is intended to alter the international law of capture or prize  
22 with respect to sunken State craft.

23 (4) Nothing in sections 4281 through 4287, and 4289 of the Revised Statutes (46 U.S.C.

1 App. 181-188) and section 3 of the Act of February 13, 1893 (ch. 105, 27 Stat. 445, 46 U.S.C.  
2 App. 192) shall limit the liability of any person under this section.

3 (5) Nothing in this section is intended to affect activities not directed at a sunken State  
4 craft, or the traditional high seas freedoms of navigation, the laying of submarine cables and  
5 pipelines, or other internationally lawful uses of the sea related to these freedoms such as the  
6 operation of ships and fishing, so long as these activities are not undertaken as a subterfuge for  
7 activities prohibited by this section.

8 (6) This section and any implementing regulations shall be applied in accordance with  
9 generally recognized principles of international law, and in accordance with the treaties,  
10 conventions, and other agreements to which the United States is a party.

11 (7) Nothing in this section is intended to preclude or limit the application of any other  
12 law enforcement authorities of the Commandant of the United States Coast Guard.

13 (8) Nothing in this section shall invalidate any prior delegation, authorization or related  
14 regulations consistent with this section.

15 (9) Each provision of this section is severable. If a court should find any provision of this  
16 section to be unenforceable, all other provisions shall remain in full force and effect.

17 (10) Nothing in this section is intended to prevent the United States from pursuing  
18 criminal sanctions for plundering of wrecks, larceny of government property, or other applicable  
19 criminal law.

20 (11) The Departments of Commerce, Defense, Homeland Security, Interior, Justice,  
21 State, and the General Services Administration are authorized to cooperate with the Head of  
22 Agency concerned as well as with state and foreign government agencies on the protection and  
23 management of sunken State craft wherever located, consistent with the purposes of this section.

1 (12) Notwithstanding any other provision of law, abandonment of sunken State craft may  
2 occur only as prescribed herein.

3 (o) LIMITATIONS.—An action to enforce a violation of this section or any regulation or  
4 permit issued thereunder, may not be brought more than eight years after all facts material to the  
5 right of action are known or should have been known by the Head of Agency concerned, and the  
6 defendant is subject to the jurisdiction of the appropriate United States district court or  
7 administrative forum.

### 8 **Subtitle C—Workplace and Depot Issues**

#### 9 **SEC. 321. EXCLUSION OF CERTAIN EXPENDITURES FROM PERCENTAGE**

##### 10 **LIMITATION ON CONTRACTING FOR PERFORMANCE OF DEPOT-** 11 **LEVEL MAINTENANCE AND REPAIR WORKLOADS.**

12 Section 2474(f)(1) of title 10, United States Code, is amended by striking "under any  
13 contract entered into during fiscal years 2003 through 2006".

### 14 **TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS**

#### 15 **Subtitle A—Active Forces**

#### 16 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

17 The Armed Forces are authorized strengths for active duty personnel as of September 30,  
18 2005, as follows:

- 19 (1) The Army, 482,400.
- 20 (2) The Navy, 365,900.
- 21 (3) The Marine Corps, 175,000.
- 22 (4) The Air Force, 359,700.

1     **SEC. 402. NEW TITLE FOR THE VICE-CHIEF OF THE NATIONAL GUARD**  
2             **BUREAU.**

3             (a) IN GENERAL.—Section 10505 of title 10, United States Code, is amended by striking  
4     "Vice Chief of the National Guard Bureau" each place it appears and inserting "Director of the  
5     Joint Staff of the National Guard Bureau".

6             (b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended by striking  
7     "Vice Chief of the National Guard Bureau" and inserting "**Director of the Joint Staff of the**  
8     **National Guard Bureau**".

9             (2) The item relating to such section in the table of sections at the beginning of chapter  
10     1011 of such title is amended by striking "Vice Chief of the National Guard Bureau" and inserting  
11     "Director of the Joint Staff of the National Guard Bureau".

12                             **Subtitle B—Reserve Forces**

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

14             (a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve  
15     personnel of the reserve components as of September 30, 2005, as follows:

16                     (1) The Army National Guard of the United States, 350,000.

17                     (2) The Army Reserve, 205,000.

18                     (3) The Naval Reserve, 83,400.

19                     (4) The Marine Corps Reserve, 39,600.

20                     (5) The Air National Guard of the United States, 106,800.

21                     (6) The Air Force Reserve, 76,100.

22                     (7) The Coast Guard Reserve, 10,000.

1 (b) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected  
2 Reserve of any reserve component shall be proportionately reduced by—

3 (1) the total authorized strength of units organized to serve as units of the  
4 Selected Reserve of such component which are on active duty (other than for training) at  
5 the end of the fiscal year; and

6 (2) the total number of individual members not in units organized to serve as units  
7 of the Selected Reserve of such component who are on active duty (other than for  
8 training or for unsatisfactory participation in training) without their consent at the end of  
9 the fiscal year.

10 Whenever such units or such individual members are released from active duty during any fiscal  
11 year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve  
12 component shall be increased proportionately by the total authorized strengths of such units and  
13 by the total number of such individual members.

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

16 Within the end strengths prescribed in section 411(a), the reserve components of the  
17 Armed Forces are authorized, as of September 30, 2005, the following number of Reserves to be  
18 serving on full-time active duty or full-time duty, in the case of members of the National Guard,  
19 for the purpose of organizing, administering, recruiting, instructing, or training the reserve  
20 components:

21 (1) The Army National Guard of the United States, 26,476.

22 (2) The Army Reserve, 14,970.

23 (3) The Naval Reserve, 14,152.

1 (4) The Marine Corps Reserve, 2,261.

2 (5) The Air National Guard of the United States, 12,225.

3 (6) The Air Force Reserve, 1,900.

4 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS (DUAL STATUS).**

5 The minimum number of military technicians (dual status) as of the last day of fiscal year  
6 2005 for the reserve components of the Army and the Air Force (notwithstanding section 129 of  
7 title 10, United States Code) shall be the following:

8 (1) For the Army Reserve, 7,299.

9 (2) For the Army National Guard of the United States, 25,076.

10 (3) For the Air Force Reserve, 9,954.

11 (4) For the Air National Guard of the United States, 22,956.

12 **SEC. 414. FISCAL YEAR 2005 LIMITATION ON NUMBER OF NON-DUAL STATUS**  
13 **TECHNICIANS.**

14 (a) LIMITATIONS.—(1) Within the limitation provided in section 10217(c)(2) of title 10,  
15 United States Code, the number of non-dual status technicians employed by the National Guard  
16 as of September 30, 2005, may not exceed the following:

17 (A) For the Army National Guard of the United States, 1,600.

18 (B) For the Air National Guard of the United States, 350.

19 (2) The number of non-dual status technicians employed by the Army Reserve as of  
20 September 30, 2005, may not exceed 795.

21 (3) The number of non-dual status technicians employed by the Air Force Reserve as of  
22 September 30, 2005, may not exceed 90.

23 (b) NON-DUAL STATUS TECHNICIANS DEFINED.—In this section, the term "non-dual

1 status technician" has the meaning given that term in section 10217(a) of title 10, United States  
2 Code.

3 **SEC. 415. SPECIAL RULE FOR COMPUTING THE HIGH-36 MONTH AVERAGE**  
4 **FOR RESERVE COMPONENT MEMBERS.**

5 (a) COMPUTATION OF HIGH 36-MONTH AVERAGE.—Subsection (c) of section 1407 of  
6 title 10, United States Code, is amended by adding at the end the following new paragraph:

7 "(3) SPECIAL RULE FOR RESERVE COMPONENT MEMBERS—

8 "(A) HIGH-36 MONTH AVERAGE FOR DISABILITY RETIRED PAY.—The high-three  
9 average of a Reserve component member entitled to retired pay under section 1201 or  
10 1202 of this title, or a spouse of a Reserve component member entitled to a survivor  
11 benefit plan annuity under section 1448(d)(1)(B) of this title, is the amount equal to—

12 "(i) the total amount of monthly basic pay to which the member was  
13 entitled during the member's high-36 months (or to which the member would  
14 have been entitled if the member had served on active duty during the entire  
15 period of the member's high-36 months), divided by

16 "(ii) 36.

17 "(B) SHORT-TERM DISABILITY RETIRED PAY.—Notwithstanding subparagraph (A),  
18 the high-three average of a Reserve component member with less than 36 months who is  
19 entitled to retired pay under section 1201 or 1202 of this title, or a spouse of a Reserve  
20 component member entitled to a survivor benefit plan annuity under section  
21 1448(d)(1)(B) of this title, is the amount equal to—

22 "(i) the total amount of monthly basic pay to which the member was  
23 entitled during the entire period the member was a member of a uniformed

1 service before being so retired (or to which the member would have been entitled  
2 if the member had served on active duty during the entire period the member was  
3 a member of a uniformed service before being so retired) , divided by  
4 "(ii) the number of months (including any fraction thereof) during which  
5 the member was a member before so retiring."

6 (b) EFFECTIVE DATE.—For purposes of determining the annuity for the spouse of a  
7 member who died while on active duty, the amendments made by this section shall take effect as  
8 of September 10, 2001.

9 **TITLE V—MILITARY PERSONNEL POLICY**

10 **Subtitle A—Officer Personnel Policy**

11 **SEC. 501. TRANSITION OF ACTIVE-DUTY LIST OFFICER FORCE TO ALL**  
12 **REGULAR STATUS.**

13 (a) ELIMINATE REQUIREMENT THAT ALL ACTIVE DUTY OFFICERS SERVE IN A RESERVE  
14 STATUS FOR AT LEAST ONE YEAR.—Section 532 of title 10, United States Code, is amended by  
15 striking subsection (e).

16 (b) AMEND THE QUALIFICATIONS FOR ORIGINAL APPOINTMENT AS A COMMISSIONED  
17 OFFICER.—Section 532 is further amended—

18 (1) in subsection (a)—

19 (A) by striking paragraph (2); and

20 (B) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3),

21 and (4), respectively; and

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



1           "(f) The Secretary of Defense may waive the requirement of subsection (a)(1)  
2           with respect to an alien lawfully admitted to permanent residence when the Secretary  
3           determines that the national security so requires."

4           (c) ELIMINATE LIMITATIONS PLACED ON TOTAL STRENGTH OF REGULAR COMMISSIONED  
5           OFFICERS SERVING ON THE ACTIVE-DUTY LIST.—Section 522 of such title is repealed.

6           (d) ELIMINATE SENATE CONFIRMATION FOR ORIGINAL APPOINTMENTS OF COMMISSIONED  
7           OFFICERS.—Section 531(a) of such title is amended to read as follows:

8           "(a) Original appointments in the grades of second lieutenant through captain in the  
9           Regular Army, Regular Air Force, and Regular Marine Corps and in the grades of ensign  
10           through lieutenant in the Regular Navy shall be made by the President. The President may  
11           delegate this authority to the Secretary of Defense. Original appointments in the grades of  
12           major, lieutenant colonel and colonel in the Regular Army, Regular Air Force, and Regular  
13           Marine Corps and in the grades of lieutenant commander, commander and captain in the Regular  
14           Navy shall be made by the President, by and with the advice and consent of the Senate."

15           (e) FORCE SHAPING AUTHORITY.—(1) Chapter 36 of such title is amended by adding  
16           after section 646 the following new section:

17           "**§ 647. Force shaping authority**

18           "(a) IN GENERAL.—Under regulations prescribed by the Secretary concerned, for force  
19           shaping purposes only, the Secretary may discharge or transfer an officer on the active-duty list  
20           to the reserve active-status list , who:

21                   "(1) has 7 years or less of commissioned service; or

22                   "(2) has more than 7 years commissioned service, but has not completed his  
23           minimum service obligation.

1           "(b) DEFINITION.—In this section, the term 'minimum service obligation' means—

2                   "(1) the initial period of required active duty service; and

3                   "(2) any additional period of required active duty service incurred during the  
4           initial period of required active duty service."

5           (f) ELIGIBILITY FOR SEPARATION PAY UPON INVOLUNTARY DISCHARGE .—Section  
6           1174(e)(2)(B) of such title is amended by inserting after "service" the following: ", except under  
7           conditions as described in section 647 of this title".

8           (g) ELIMINATE REQUIREMENT FOR OATH UPON TRANSITION FROM ACTIVE COMPONENT  
9           TO RESERVE COMPONENT.—Section 12201(a) of such title is amended by inserting after the first  
10           sentence the following new sentence: "An officer who transfers from the active-duty list to the  
11           reserve active-status list is not required to subscribe to the oath prescribed by section 3331 of  
12           title 5."

13           (h) AUTHORITY TO APPOINT RESERVE OFFICERS TRANSFERRED FROM THE ACTIVE-DUTY  
14           LIST TO THE RESERVE ACTIVE-STATUS LIST.—Section 12203 of such title is amended—

15                   (1) by redesignating subsection (b) as subsection (c); and

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

17                   "(b) Notwithstanding the requirements of subsection (a), appointments of officers  
18           transferred from the active-duty list to the reserve active-status list shall be made by the  
19           Secretary concerned."

20           (i) TRANSFER OF OFFICERS FROM THE RESERVE ACTIVE-STATUS LIST TO THE ACTIVE-  
21           DUTY LIST.—Section 531 of such title is amended by adding at the end the following new  
22           subsection:

23                   "(c) Appointments in the Regular Army, Regular Air Force, Regular Navy and Regular

1 Marine Corps of officers holding Reserve commissions may be made by the Secretary  
2 concerned."

3 (j) EXEMPT READY RESERVE OFFICERS FROM THE ACTIVE-DUTY LIST.—Section  
4 641(1)(F) of such title is amended to read as follows:

5 "(F) ordered to active duty under sections 12302 and 12304 of this title;"

6 (k) DELETION OF REQUIREMENT TO SERVE 6 YEARS IN THE RESERVE COMPONENT TO  
7 MEET RETIREMENT ELIGIBILITY.—Section 12731(a) of such title is amended—

8 (1) by inserting "and" at the end of paragraph (2);

9 (2) by striking paragraph (3); and

10 (2) by redesignating paragraph (4) as paragraph (3).

11 (l) ALL REGULAR OFFICER APPOINTMENTS FOR STUDENTS ATTENDING THE UNIVERSITY  
12 OF HEALTH SCIENCES.—Section 2114(b) of such title is amended by striking "Notwithstanding  
13 any other provision of law, they shall serve on active duty in pay grade O-1 with full pay and  
14 allowances of that grade. Upon graduation they shall be appointed in a regular component, if  
15 qualified, unless they are covered by section 2115 of this title." and inserting "Notwithstanding  
16 any other provision of law, they shall be appointed in the regular component and shall serve on  
17 active duty as an O-1 with full pay and allowances of that grade. Upon graduation they shall be  
18 required to serve on active duty unless covered by section 2115 of this title."

19 (m) EFFECTIVE DATE.—The amendments made by this section shall take effect six  
20 months after the date of enactment of this Act.

21 **SEC. 502. STRENGTH IN GRADE: COMMISSIONED OFFICERS IN GRADES**  
22 **BELOW BRIGADIER GENERAL OR REAR ADMIRAL (LOWER HALF)**  
23 **IN AN ACTIVE STATUS.**

1 Section 12005(c)(1), of title 10, United States Code, is amended by amending the table to  
2 read as follows:

"Colonel .....	2 percent
Lieutenant colonel .....	8 percent
Major .....	16 percent
Captain .....	39 percent
First lieutenant and second lieutenant (when combined with the number authorized for general officer grades under section 12004 of this title) .....	35 percent."

3 **SEC. 503. JOINT DUTY CREDIT REQUIRED FOR PROMOTION TO FLAG OR**  
4 **GENERAL OFFICER.**

5 Section 619a(b) of title 10, United States Code, is amended—

6 (1) in paragraph (2), by striking "scientific and technical" and inserting "a career field  
7 specialty"; and

8 (2) in paragraph (4), by striking "if—" and all that follows and inserting "if the officer's  
9 total consecutive service in joint duty assignments within that immediate organization meets the  
10 requirements of section 664 of this title for full joint duty credit."

11 **SEC. 504. REVISED PROMOTION POLICY OBJECTIVES FOR JOINT OFFICERS.**

12 (a) IN GENERAL.—Section 662(a) of title 10, United States Code, is amended to read as  
13 follows:

14 "(a) QUALIFICATIONS.—(1) The military departments shall establish internal procedures  
15 and processes necessary to validate the qualifications of active duty list officers assigned to joint  
16 duty activities, as defined in section 668 of this title. These internal measures will ensure an  
17 adequate number of senior colonels, or in the case of the Navy, captains, are eligible for  
18 promotion to brigadier general and rear admiral (lower half) to meet the requirements of section  
19 619a of this title.

1           "(2) The Secretary of Defense shall ensure that the qualifications of officers assigned to  
2 joint duty assignments are such that—

3                   "(A) officers who are serving on or have served on the Joint Staff are expected,  
4 as a group, to be promoted to the next higher grade at a rate not less than the rate for  
5 officers of the same armed force in the same grade and competitive category who are  
6 serving on the headquarters staff of their armed force; and

7                   "(B) officers (other than officers in subparagraph (A)) who are serving in or have  
8 served in joint duty assignments are expected, as a group, to be promoted to the next  
9 higher grade at a rate not less than the rate for all officers of the same armed force in the  
10 same grade and competitive category.

11           "(3) The Secretary of Defense will develop policies to ensure Secretaries of the military  
12 departments provide appropriate consideration to joint service officers eligible for promotion  
13 selection boards."

14           (b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking  
15 "(1), (2), and (3)" and inserting "(1)(A) and (1)(B)".

16 **SEC. 505. MODIFY LENGTH OF JOINT DUTY ASSIGNMENTS.**

17           Section 664 of title 10, United States Code, is amended to read as follows:

18 **"§ 664. Length of joint duty assignments**

19           "(a) LENGTH OF JOINT DUTY ASSIGNMENTS.—In the case of officers serving in a grade  
20 not less than Major, or, in the case of the Navy, Lieutenant Commander, the length of a joint  
21 duty assignment will mirror the standard tour length the Secretary of Defense establishes for  
22 each installation or location authorized for joint duty assignments as specified in section 668 of  
23 this title. Joint duty credit is awarded as provided by subsection (c). Duty at a qualified joint

1 task force headquarters requires one year of total service credited in the manner specified in  
2 subsection (c).

3 "(b) EXCLUSIONS FROM TOUR LENGTH.—The Secretary of a military department may  
4 request that the joint activity to which an officer is assigned curtail the officer's joint assignment.  
5 The officer will receive full credit for service when an assignment was curtailed from the  
6 standards prescribed in subsection (a), provided the officer has served at least 24 months in a  
7 joint position with a tour length of greater than 24 months, or the full term of a Secretary of  
8 Defense-established tour length, and the joint activity agreed to the curtailment.

9 "(c) FULL CREDIT FOR JOINT DUTY.—An officer shall be considered to have completed a  
10 full tour of joint duty in a joint duty assignment for the purposes of awarding full credit upon the  
11 completion of any of the following:

12 "(1) A joint duty assignment that meets the standards prescribed in subsection (a)  
13 or (b).

14 "(2) Accumulation of partial credit totaling one year of service earned by service  
15 in one or more joint task force headquarters as specified in subsection (a).

16 "(3) A joint duty assignment with respect to which the Secretary of Defense has  
17 granted a waiver under subsection (d).

18 "(4) A second joint duty assignment that is less than 24 months, without regard to  
19 the nature of credit awarded to the officer for his or her first assignment in a Joint Duty  
20 Assignment List position.

21 "(d) WAIVER AUTHORITY—The Secretary of Defense may waive this section when it is  
22 considered essential for military personnel management. The Secretary may grant such a waiver  
23 only on a case-by-case basis for a specific officer."

1     **SEC. 506. MANAGEMENT OF JOINT SPECIALTY OFFICERS.**

2             Section 661 of title 10, United States Code, is amended—

3             (1) in subsection (c)—

4                     (A) by amending paragraph (1) to read as follows:

5                     "(1) An officer will be designated with a joint specialty officer identifier after the  
6     officer—

7                             "(A) successfully completes a Chairman of the Joint Chiefs of Staff  
8     accredited program from a joint professional military education institution and  
9     successfully completes a full tour of duty in a joint duty assignment (not  
10    necessarily in this order); or

11                            "(B) successfully completes two full tours of duty in joint duty  
12    assignments.";

13                     (B) by striking paragraphs (2) and (3); and

14                     (C) by redesignating paragraph (4) as paragraph (2);

15             (2) by striking subsection (d);

16             (3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively; and

17             (4) by amending subsection (d), as redesignated by paragraph (3), to read as follows:

18             "(d) **JOINT SPECIALTY OFFICER DESIGNATION FOR GENERAL AND FLAG POSITIONS.**—The  
19    Secretary shall ensure that general and flag officer joint duty assignments that require officers  
20    with the joint specialty will be designated as requiring a joint specialty officer. Once a position  
21    is designated as requiring a joint specialty officer, a non-joint specialty officer can be assigned to  
22    the position only if the Secretary deems the assignment of a non-joint specialty officer necessary  
23    and waives the requirement to assign a joint specialty officer."

1     **SEC. 507. ELIMINATE DISTRIBUTION QUOTAS FOR GENERAL AND FLAG**  
2                     **OFFICERS SERVING IN THE GRADES OF O-7 AND O-8.**

3             Section 525 of title 10, United States Code, is amended—

4             (1) by repealing subsection (a); and

5             (2) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c),  
6 respectively.

7     **SEC. 508. ELIMINATE MANDATORY RETIREMENT OF ACTIVE DUTY GENERAL**  
8                     **AND FLAG OFFICERS AFTER 30 YEARS OF SERVICE.**

9             (a) IN GENERAL.—Sections 635 and 636 of title 10, United States Code, are repealed.

10            (b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 637(b) of such title is  
11 amended—

12                    (A) by striking paragraph (2); and

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

14            (2) The table of sections at the beginning of subchapter III of chapter 36 of such title is  
15 amended by striking the items relating to sections 635 and 636.

16     **SEC. 509. LENGTH OF TERMS FOR THE ASSISTANTS TO THE CHAIRMAN OF**  
17                     **THE JOINT CHIEFS OF STAFF FOR NATIONAL GUARD AND**  
18                     **RESERVE MATTERS.**

19             Subsection (c) of section 901 of the National Defense Authorization Act for Fiscal Year  
20 1998 (Public Law 105-85; 111 Stat. 1853), is amended by striking "for a term of two years and  
21 may be continued in that assignment in the same manner for one additional term. However, in  
22 time of war there is no limit on the number of terms."

23     **SEC. 510. LENGTH OF SERVICE FOR THE SENIOR LEADERS OF THE MILITARY**



1                                   **DEPARTMENTS.**

2                   (a) CHIEF OF STAFF OF THE ARMY.—Paragraph (1) of section 3033(a) of title 10, United  
3 States Code, is amended to read as follows:

4                   "(a)(1) There is a Chief of Staff of the Army, appointed for a period of four years by the  
5 President, by and with the advice and consent of the Senate, from the general officers of the  
6 Army. He serves at the pleasure of the President, and the President may extend the length of  
7 service as he determines necessary."

8                   (b) CHIEF OF NAVAL OPERATIONS.—Paragraph (1) of section 5033(a) of such title is  
9 amended to read as follows:

10                  "(a)(1) There is a Chief of Naval Operations, appointed by the President, by and with the  
11 advice and consent of the Senate. The Chief of Naval Operations shall be appointed for a term  
12 of four years, from officers on the active-duty list in the line of the Navy who are eligible to  
13 command at sea and who hold the grade of rear admiral or above. He serves at the pleasure of  
14 the President, and the President may extend the length of service as he determines necessary."

15                  (c) COMMANDANT OF THE MARINE CORPS.—Paragraph (1) of section 5043(a) of such  
16 title is amended to read as follows:

17                  "(a)(1) There is a Commandant of the Marine Corps, appointed by the President, by and  
18 with the advice and consent of the Senate. The Commandant shall be appointed for a term of  
19 four years from officers on the active-duty list of the Marine Corps not below the grade of  
20 colonel. He serves at the pleasure of the President, and the President may extend the length of  
21 service as he determines necessary."

22                  (d) CHIEF OF STAFF OF THE AIR FORCE.—Paragraph (1) of section 8033(a) of such title is  
23 amended to read as follows:

1           "(a)(1) There is a Chief of Staff of the Air Force, appointed for a period of four years by  
2 the President, by and with the advice and consent of the Senate, from the general officers of the  
3 Air Force. He serves at the pleasure of the President, and the President may extend the length of  
4 service as he determines necessary."

5           **SEC. 511. EXTENDING AGE LIMITS FOR ACTIVE DUTY GENERAL AND FLAG**  
6                               **OFFICERS.**

7           Section 1251, of title 10, United States Code, is amended to read as follows:

8           "**§ 1251. Regular commissioned officers; exceptions**

9           "(a)(1) Unless retired or separated earlier, each regular commissioned officer of the  
10 Army, Air Force, or Marine Corps serving in a grade at or above brigadier general or rear  
11 admiral (lower half) in the Navy shall be retired on the first day of the month following the  
12 month in which the officer becomes 68 years of age.

13           "(2) Notwithstanding paragraph (1), the Secretary of Defense may defer the retirement of  
14 a general or flag officer, but such a deferment may not extend beyond the first day of the month  
15 following the month in which the officer becomes 72 years of age.

16           "(b)(1) Unless retired or separated earlier, each regular commissioned officer of the  
17 Army, Air Force, or Marine Corps (other than an officer who is a permanent professor, director  
18 of admissions, or registrar of the United States Military Academy or United States Air Force  
19 Academy or a commissioned warrant officer) serving in a grade below brigadier general or rear  
20 admiral (lower half) in the Navy shall be retired on the first day of the month following the  
21 month in which he becomes 62 years of age. An officer who is a permanent professor at the  
22 United States Military Academy or United States Air Force Academy, the director of admissions  
23 at the United States Military Academy, or the registrar of the United States Air Force Academy

1 shall be retired on the first day of the month following the month in which he becomes 64 years  
2 of age.

3 "(2) The Secretary concerned may defer the retirement under paragraph (1) of a health  
4 professions officer if during the period of the deferment the officer will be performing duties  
5 consisting primarily of providing patient care or performing other clinical duties.

6 "(3) The Secretary concerned may defer the retirement under paragraph (1) of an officer  
7 who is appointed or designated as a chaplain if the Secretary determines that such deferral is in  
8 the best interest of the military department concerned.

9 "(4)(A) Except as provided in subparagraph (B), a deferment under this subsection may  
10 not extend beyond the first day of the month following the month in which the officer becomes  
11 68 years of age.

12 "(B) The Secretary concerned may extend a deferment under this subsection beyond the  
13 day referred to in subparagraph (A) if the Secretary determines that extension of the deferment is  
14 necessary for the needs of the military department concerned. Such an extension shall be made  
15 on a case-by-case basis and shall be for such period as the Secretary considers appropriate.

16 "(5) For purposes of this subsection, a health professions officer is—

17 "(A) a medical officer;

18 "(B) a dental officer; or

19 "(C) an officer in the Army Nurse Corps, an officer in the Navy Nurse Corps, or an  
20 officer in the Air Force designated as a nurse."

21 **SEC. 512. LATERAL REASSIGNMENT OF CERTAIN GENERALS AND ADMIRALS.**

22 Subsection (a) of section 601 of title 10, United States Code, is amended to read as  
23 follows:

1           "(a)(1) The President may designate positions of importance and responsibility to carry  
2 the grade of general or admiral or lieutenant general or vice admiral. The President may assign  
3 to any such position an officer of the Army, Navy, Air Force, or Marine Corps who is serving on  
4 active duty in any grade above colonel or, in the case of an officer of the Navy, any grade above  
5 captain. An officer assigned to any such position has the grade specified by the President for  
6 such position, as provided in paragraph (2).

7           "(2) An officer may be appointed initially to the grade of general or admiral or lieutenant  
8 general or vice admiral if he is appointed to that grade by the President, by and with the advice  
9 and consent of the Senate. If the President or Secretary of Defense reassigns such an officer to  
10 another position of importance and responsibility at the same grade, no further appointment to  
11 that grade is required unless the position to which the officer is reassigned is established by law.

12           "(3) Except as provided in subsection (b), the appointment of an officer to a grade under  
13 this section for service in a position of importance and responsibility ends on the date of the  
14 termination of the assignment of the officer to that position."

15       **SEC. 513. LENGTH OF SERVICE FOR THE CHAIRMAN AND VICE CHAIRMAN OF**  
16           **THE JOINT CHIEFS OF STAFF.**

17           (a) CHAIRMAN OF THE JOINT CHIEFS OF STAFF.—Subsection (a) of section 152 of title 10,  
18 United States Code, is amended—

19           (1) by amending paragraph (1) to read as follows:

20           "(1) There is a Chairman of the Joint Chiefs of Staff, appointed by the President,  
21 by and with the advice and consent of the Senate, from the officers of the regular  
22 components of the armed forces. The Chairman serves at the pleasure of the President  
23 for a term of two years, and the President may appoint the Chairman for additional two-

1 year terms as he determines necessary."; and

2 (2) by striking paragraph (3).

3 (b) VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.—Paragraph (3) of section 154(a) of  
4 such title is amended to read as follows:

5 "(3) The Vice Chairman serves at the pleasure of the President for a term of two years,  
6 and the President may appoint the Vice Chairman for additional two-year terms as he determines  
7 necessary.".

8 **SEC. 514. PROMOTION POLICY OBJECTIVES FOR JOINT OFFICERS.**

9 Section 662(a)(3) of title 10, United States Code, is amended by striking "(other than  
10 officers covered in paragraphs (1) and (2))".

11 **Subtitle B—Reserve Component Management**

12 **SEC. 521. REVISED CONCEPT OF INACTIVE DUTY AND REPEAL OF FUNERAL**  
13 **HONORS DUTY.**

14 (a) DEFINITION OF INACTIVE DUTY.—(1) Section 101(d)(7) of title 10, United States  
15 Code, is amended by striking "training".

16 (2) Section 101(22) of title 37, United States Code, is amended by striking "training".

17 (b) COMPENSATION FOR INACTIVE DUTY.—Section 206 of title 37, United States Code, is  
18 amended—

19 (1) by striking "**training**" in the section title;

20 (2) in subsection (a)(3)—

21 (A) in subparagraph (A)(ii), by striking "training"; and

22 (B) in subparagraph (C), by striking "training" each place it appears; and

1 (3) in paragraph (1) of subsection (b)—

2 (A) by inserting "(to include telecommuting)" after "appropriate duties";

3 and

4 (B) by inserting "or duty" after "kind of training".

5 (b) REPEAL OF FUNERAL HONORS DUTY.—(1)(A) Section 12503 of title 10, United States  
6 Code, is repealed.

7 (B) The table of sections at the beginning of chapter 1213 of such title is amended  
8 by striking the item relating to section 12503.

9 (2)(A) Section 115 of title 32, United States Code, is repealed.

10 (B) The table of sections at the beginning of chapter 1 of such title 32 is amended by  
11 striking the item relating to section 115.

12 (c) CONFORMING AMENDMENTS.—

13 (1) Section 802 of title 10, United States Code, is amended—

14 (A) in paragraph (3) of subsection (a), by striking "inactive-duty training"  
15 and inserting "inactive duty"; and

16 (B) in subsection (d)—

17 (i) in paragraph (2)(B), by striking "inactive-duty training" and  
18 inserting "inactive duty"; and

19 (ii) in paragraph (5)(B), by striking "inactive-duty training" and  
20 inserting "inactive duty".

21 (2) Section 803(d) of such title is amended by striking "inactive-duty training"  
22 and inserting "inactive duty" each place it appears.

23 (3) Section 936 of such title is amended—

1 (A) in subsection (a), by striking "inactive-duty training" and inserting  
2 "inactive duty"; and

3 (B) in subsection (b), by striking "inactive-duty training" and inserting  
4 "inactive duty".

5 (4) Section 976(a)(1)(C) of such title is amended by striking "inactive-duty  
6 training" and inserting "inactive duty".

7 (5) Section 1061(b) of such title is amended by striking "inactive-duty training"  
8 each place it appears and inserting "inactive duty".

9 (6) Section 1074a(a) of such title is amended—

10 (A) in paragraph (1)—

11 (i) by striking "inactive-duty training" each place it appears and  
12 inserting "inactive duty"; and

13 (ii) by striking subparagraph (C).

14 (B) in paragraph (2)—

15 (i) by striking "inactive-duty training" each place it appears and  
16 inserting "inactive duty"; and

17 (ii) by striking subparagraph (C).

18 (C) in paragraph (3), by striking "inactive-duty training" each place it  
19 appears and inserting "inactive duty"; and

20 (E) by striking paragraph (4).

21 (7) Section 1076(a)(2) of such title is amended—

22 (A) by striking "inactive-duty training" each place it appears and inserting  
23 "inactive duty"; and

1 (B) by striking subparagraph (E).

2 (8) Section 1086(c)(2)(B) of such title is amended by striking "inactive-duty  
3 training" each place it appears and inserting "inactive duty".

4 (9) Section 1175(e)(2) of such title is amended by striking "training".

5 (10) Section 1204 of such title is amended—

6 (A) by striking "**inactive-duty training**" in the section heading and  
7 inserting "**inactive duty**"; and

8 (B) in paragraph (2)—

9 (i) by striking "inactive-duty training" each place it appears and  
10 inserting "inactive duty";

11 (ii) by inserting "or" at the end of clause (ii);

12 (iii) by striking "or" at the end of clause (iii); and

13 (iv) by striking subparagraph (C).

14 (11) Section 1206 of such title is amended—

15 (A) by striking "**inactive-duty training**" in the section heading and  
16 inserting "**inactive duty**"; and

17 (B) by amending paragraph (2) to read as follows:

18 "(2) the disability is a result of an injury, illness, or disease incurred or  
19 aggravated in line of duty while—

20 "(A) performing active duty or inactive duty;

21 "(B) traveling directly to or from the place at which such duty is  
22 performed; or

23 "(C) remaining overnight immediately before the commencement



1 of inactive duty, or while remaining overnight between successive periods  
2 of inactive- duty training, at or in the vicinity of the site of the inactive  
3 duty, if the site is outside reasonable commuting distance of the member's  
4 residence.".

5 (12)(A) Section 12552 is repealed.

6 (B) The table of sections at the beginning of chapter 1215 of such title is amended  
7 by striking the item relating to 12552.

8 (13) Section 1471(b)(3)(A) of such title is amended by striking "training" each  
9 place it appears.

10 (14) Section 1475 of such title is amended—

11 (A) by striking "**training**" in the heading; and

12 (B) in subsection (a)—

13 (i) in paragraph (2), by striking "training"; and

14 (ii) in paragraph (3), by striking "training" the second and fourth

15 place it appears.

16 (15) Section 1476 of such title is amended—

17 (A) by striking "**training**" in the heading; and

18 (B) in subsection (a), by striking "inactive-duty training" each place it  
19 appears and inserting "inactive duty".

20 (16) Section 1478(a) of such title is amended—

21 (A) in paragraph (3), by striking "training" each place it appears;

22 (B) in paragraph (7)—

23 (i) by striking "training" the first place it appears; and

1 (ii) by striking "or training"; and

2 (C) in paragraph (8), by striking "training" each place it appears.

3 (17) Section 1481(a)(2) of such title is amended—

4 (A) by striking "inactive-duty training" each place it appears and inserting  
5 "inactive duty";

6 (B) by striking "; or" at the end of subparagraph (E) and inserting a period;  
7 and

8 (C) by striking subparagraph (F).

9 (18) Section 2031(d)(2) of such title is amended by striking "training".

10 (19) Section 9446(a)(3) of such title is amended by striking "inactive-duty  
11 training" and inserting "inactive duty".

12 (20) Section 10204(b) of such title is amended by striking "inactive duty training"  
13 and inserting "inactive duty".

14 (21) Section 12317 of such title is amended by striking "training".

15 (22) Section 12319(c) of such title is amended—

16 (A) by striking "inactive-duty training" each place it appears and inserting  
17 "inactive duty"; and

18 (B) by striking "that training" and inserting "such duty".

19 (23) Section 12602 of such title is amended—

20 (A) in subsection (a)(3), by striking "inactive-duty training" each place it  
21 appears and inserting "inactive duty"; and

22 (B) in subsection (b)(3), by striking "inactive-duty training" each place it  
23 appears and inserting "inactive duty".

1 (24) Section 12603 of such title is amended—

2 (A) by striking "**inactive-duty training**" in the section heading and  
3 inserting "**inactive duty**"; and

4 (B) in subsection (a)—

5 (i) by striking "training" the first place it appears; and

6 (ii) by striking "the training" and inserting "such duty".

7 (25) Section 12604 of such title is amended—

8 (A) by striking "**inactive-duty training**" in the section heading and  
9 inserting "**inactive duty**"; and

10 (B) in subsection (a), by striking "inactive-duty training" and inserting  
11 "inactive duty".

12 (26) Section 12732(a) of such title is amended—

13 (A) in paragraph (2)—

14 (i) by striking subparagraph (E); and

15 (B) by striking "clauses (A), (B), (C), (D), and (E)" and inserting  
16 "clauses (A), (B), (C), and (D)".

17 (27) Section 18505 of such title is amended—

18 (A) by striking "**inactive-duty training**" in the section heading and  
19 inserting "**inactive duty**"; and

20 (B) in subsection (a), by striking "inactive-duty training" each place it  
21 appears and inserting "inactive duty".

22 (28) Section 114 of title 32, United States Code, is amended by striking the  
23 second sentence.

1 (29) Section 101(22) of title 37, United States Code, is amended by striking  
2 "inactive-duty training" and inserting "inactive duty".

3 (30) Section 204 of such title is amended—

4 (A) in subsection (g)(1)—

5 (i) in subparagraph (B), by striking "inactive-duty training" and  
6 inserting "inactive duty";

7 (ii) in subparagraph (C), by striking "or training";

8 (iii) in subparagraph (D)—

9 (I) by striking "inactive-duty training" each place it appears  
10 and inserting "inactive duty"; and

11 (II) by striking "; or" at the end and inserting a period; and

12 (iv) by striking subparagraph (E); and

13 (A) in subsection (h)(1)—

14 (i) in subparagraph (B), by striking "inactive-duty training" and  
15 inserting "inactive duty";

16 (ii) in subparagraph (C), by striking "or training";

17 (iii) in subparagraph (D)—

18 (I) by striking "inactive-duty training" each place it appears  
19 and inserting "inactive duty"; and

20 (II) by striking "; or" at the end and inserting a period; and

21 (iv) by striking subparagraph (E).

22 (31) Section 205(e)(2)(A) of such title is amended by striking "inactive-duty  
23 training" and inserting "inactive duty".

1 (32) Section 206 of such title is amended—

2 (A) by striking "**inactive-duty training**" in the section heading and  
3 inserting "**inactive duty**"; and

4 (B) in subsection (a)(3)—

5 (i) in subparagraph (A)(ii), by striking "inactive-duty training" and  
6 inserting "inactive duty";

7 (ii) in subparagraph (B), by striking "or training"; and

8 (iii) in subparagraph (C), by striking "inactive-duty training" each  
9 place it appears and inserting "inactive duty".

10 (33) Section 308d(a) of such title is amended by striking "for training".

11 (34) Section 320(e) of such title is amended by striking "TRAINING" in the  
12 heading.

13 (35) Section 415 of such title is amended—

14 (A) in subsection (a)(3), by striking "inactive-duty training" and inserting  
15 "inactive duty"; and

16 (B) in subsection (c)(1), by striking "training status".

17 (36) Section 433(d) of such title is amended by striking "inactive-duty training"  
18 and inserting "inactive duty".

19 (37) Section 552 of such title is amended—

20 (A) in subsection (a), by striking "inactive-duty training" each place it  
21 appears and inserting "inactive duty"; and

22 (B) in subsection (d), by striking "inactive-duty training" and inserting  
23 "inactive duty".

1           (38) Section 106(d)(1) of title 38, United States Code, is amended by striking  
2 "inactive duty for training" each place it appears and inserting "inactive duty".

3           (39) Section 1112(c)(3)(A)(ii) of such title is amended by striking "training" the  
4 second place it appears.

5           (40) Section 1302(b)(2) of such title is amended by striking "training" the second  
6 place it appears.

7           (41) Section 1312(a)(2)(A) of such title is amended by striking "training" the  
8 second place it appears.

9           (42) Section 1965 of such title is amended—

10                   (A) in paragraph (3), by striking "training";

11                   (B) in paragraph (4), by striking "training" the second and third place it  
12 appears; and

13                   (C) in paragraph (5), by striking "inactive duty for training" each place it  
14 appears and inserting "inactive duty".

15           (43) Section 1967 of such title is amended—

16                   (A) in subsection (a)(1)(B), by striking "inactive duty training" and  
17 inserting "inactive duty"; and

18                   (B) in subsection (b), by striking "inactive duty training" each place it  
19 appears and inserting "inactive duty".

20           (44) Section 1968 of such title is amended—

21                   (A) in subsection (a)—

22                           (i) by striking "inactive duty training" and inserting "inactive  
23 duty";

1 (ii) in paragraph (3)—

2 (I) by striking "inactive duty training" and inserting  
3 "inactive duty";

4 (II) by striking "such scheduled training period" and  
5 inserting "such scheduled duty";

6 (III) by striking "such period" and inserting "such duty";

7 and

8 (IV) by striking "such training" and inserting "such duty".

9 (B) in subsection(b)(2), by striking "inactive duty training" and  
10 inserting "inactive duty".

11 (45) Section 1969(a)(3) of such title is amended by striking "inactive duty  
12 training" and inserting "inactive duty".

13 (46) Section 1977(e) of such title is amended by striking "inactive duty training"  
14 and inserting "inactive duty".

15 (47) Section 2402(2) of such title is amended by striking "inactive duty training"  
16 and inserting "inactive duty".

17 (48) Section 4303 of such title is amended—

18 (A) in paragraph (13)—

19 (i) by striking "inactive duty training" and inserting "inactive  
20 duty".; and

21 (ii) by striking ", and a period for which a person is absent from  
22 employment for the purpose of performing funeral honors duty as  
23 authorized by section 12503 of title 10 or section 115 of title 32"; and

1 (B) in paragraph (16), by striking "inactive duty training" and inserting  
2 "inactive duty".

3 (49) Section 704 of title 14, United States Code, is amended by striking "inactive-  
4 duty training" and inserting "inactive duty".

5 (50) Section 705(a) of such title is amended by striking "inactive-duty training"  
6 and inserting "inactive duty".

7 (51) Section 6323(a)(1) of title 5, United States Code, is amended—

8 (A) by striking "inactive-duty training" and inserting "inactive duty"; and

9 (B) by striking "funeral honors duty (as described in section 12503 of title  
10 and section 115 of title 32),".

11 (52) Section 3121(m) of the Internal Revenue Code of 1986 (26 U.S.C. 3121(m))  
12 is amended—

13 (A) in paragraph (1)(B), by striking "training"; and

14 (B) in paragraph (3), by striking "training" each place it appears.

15 **SEC. 522. AUTHORIZED STRENGTHS OF NAVY AND MARINE CORPS RESERVE**  
16 **FLAG AND GENERAL OFFICERS.**

17 Section 12004 of title 10, United States Code, is amended—

18 (1) by amending subsection (c) to read as follows:

19 "(c) The authorized strength of the Navy and Marine Corps under subsection (a) is  
20 exclusive of officers counted under section 526 of this title.";

21 (2) by striking subsection (d); and

22 (3) by redesignating subsection (e) as subsection (d).

23 **SEC. 523. MANDATORY RETENTION ON ACTIVE DUTY TO QUALIFY FOR**



1                   **RETIREMENT PAY.**

2                   Section 12686 of title 10, United States Code, is amended—

3                   (1) by redesignating subsection (b) as subsection (c); and

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

5                   "(b) **NON-REGULAR RETIREMENT EXCLUSION.**—This section does not apply to a member  
6 who, if continued on active duty, will only qualify for retirement under chapter 1223 of this title  
7 for non-regular service."

8                   **SEC. 524. AMENDMENT TO THE PURPOSE OF THE RESERVE COMPONENTS.**

9                   Subsection 10102 of title 10, United States Code, is amended by striking ", during and  
10 after the period needed to procure and train additional units and qualified persons to achieve the  
11 planned mobilization,".

12                   **SEC. 525. ACCOUNTING AND MANAGEMENT OF NATIONAL GUARD AND**  
13                                   **RESERVE PERSONNEL PERFORMING ACTIVE OR FULL-TIME**  
14                                   **DUTY.**

15                   (a) **STRENGTH AUTHORIZATIONS.**—Section 115 of title 10, United States Code, is  
16 amended—

17                   (1) in subsection (a)(1)—

18                                   (A) in subparagraph (A), by striking "active-duty personnel who" and  
19 inserting "active-duty personnel (other than members of a Reserve component  
20 described in subsection (b)(2)) who";

21                                   (B) in subparagraph (B), by inserting before the period at the end the  
22 following: "in connection with organizing, administering, recruiting, instructing,  
23 or training the reserve components of the armed forces to perform duties as

1 prescribed in section 12310 of this title";

2 (2) by striking subsection (h);

3 (3) by redesignating subsections (b), (c), (d), (e), (f), and (g) as subsections (c),  
4 (d), (e), (f), (g), and (h), respectively;

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

6 "(b) CERTAIN RESERVES ON ACTIVE DUTY TO BE AUTHORIZED BY LAW.—Except as  
7 authorized under subsection (a)(1), Congress shall authorize the maximum average strength for  
8 members of a Reserve component on active duty (other than for training) or full time National  
9 Guard duty (other than for training) who are to be paid from funds appropriated for—

10 "(1) reserve personnel; or

11 "(2) active duty personnel, to include funds reimbursed to reserve appropriations  
12 for National Guard or reserve personnel to perform active duty or full-time National  
13 Guard duty provided—

14 "(A) the period of duty is for three years or less; and

15 "(B) the cumulative periods of active duty (other than for training) and  
16 full-time National Guard duty (other than for training) performed by the member  
17 in the previous 1460 days is less than 1095 days.";

18 (5) in subsection (e) (as redesignated by paragraph (3))—

19 (A) in paragraph (1), by striking "subsection (a) or (c)" and inserting  
20 "subsection (a) or (d); and

21 (B) in paragraph (2)—

22 (i) by striking "subsection (a) and (c)"; and inserting "subsection  
23 (a) and (d)";

1 (ii) by striking "subsection (a) (as such levels may be adjusted  
2 pursuant to subsection (e)) and subsection (c)" and inserting "subsection  
3 (a) (as such levels may be adjusted pursuant to subsection (f)) and  
4 subsection (d)"; and

5 (iii) by striking "subsection (a) (as adjusted pursuant to subsection  
6 (e)) and subsection (c)" and inserting "subsection (a) (as adjusted pursuant  
7 to subsection (f)) and subsection (d)";

8 (6) in subsection (f) (as redesignated by paragraph (3))—

9 (A) by striking "END" in the heading;

10 (B) by striking "and" at the end of paragraph (2);

11 (C) in paragraph (3), by striking the period and inserting "; and"; and

12 (D) by adding at the end the following new paragraph:

13 "(4) increase the strength authorized pursuant to subsection (b),  
14 notwithstanding the restrictions of subparagraph (A) and (B) of paragraph (2), for  
15 a fiscal year for any of the armed forces by a number equal to the number of  
16 members—

17 "(A) of a reserve component of that armed force on active duty in  
18 support of a contingency operation;

19 "(B) of the National Guard called into Federal service under  
20 section 12406 of this title;

21 "(C) of the militia called into Federal service under chapter 15 of  
22 this title; and

23 "(D) of a reserve component called to or retained on active duty

1 under section 12301(g), 12301(h) or 12322 of this title."; and

2 (7) in paragraph (2) of subsection (g) (as redesignated by paragraph (3)), by  
3 striking "subsection (e)(1)" and inserting "subsection (f)(1)".

4 (b) MILITARY TO MILITARY CONTACT STRENGTH ACCOUNTING.—Section 168 of such  
5 title is amended—

6 (1) by striking subsection (f); and

7 (2) by redesignating subsection (g) as subsection (f).

8 (c) E-8 AND E-9 STRENGTH ACCOUNTING.—Subsection (a) of section 517 of such title is  
9 amended by striking "(other than for training) in connection with organizing, administering,  
10 recruiting, instructing, or training the reserve component of an armed force" and inserting "as  
11 authorized under section 115(a)(1)(B) or (b) of this title".

12 (d) FIELD GRADE OFFICER STRENGTH ACCOUNTING.—Subparagraph (B) of section  
13 523(b)(1) of such title is amended to read as follows:

14 "(B) on active duty or full-time National Guard duty as authorized under section  
15 115(a)(1)(B) or (b) of this title.";

16 (e) ACTIVE GUARD AND RESERVE FIELD GRADE OFFICER STRENGTH  
17 ACCOUNTING.—Paragraph (2) of section 12011(e) of such title is amended by inserting before  
18 the period at the end the following: "in connection with organizing, administering, recruiting,  
19 instructing, or training members of the National Guard".

20 (f) WARRANT OFFICER ACTIVE-DUTY LIST EXCLUSION.—Paragraph (1) of section 582 of  
21 such title is amended—

22 (1) by inserting "or" after the semicolon at the end of subparagraph (A);

23 (2) by amending subparagraph (B) to read as follows:

1           "(B) on active duty or full-time National Guard duty as authorized under section  
2           115(a)(1)(B) or (b) of this title."; and

3           (3) by striking subparagraphs (C), (D), and (E).

4           (g) OFFICER ACTIVE-DUTY LIST, APPLICABILITY OF CHAPTER.— Paragraph (1) of section  
5           641 of such title 10, United States Code, is amended—

6           (1) by inserting "or" after the semicolon at the end of subparagraph (A);

7           (2) by amending subparagraph (B) to read as follows:

8           "(B) on active duty or full-time National Guard duty as authorized under section  
9           115(a)(1)(B) or (b) of this title."; and

10          (3) by striking subparagraphs (C), (D), (E), (F), (G), and (H).

11          (h) STRENGTH ACCOUNTING FOR MEMBERS PERFORMING DRUG INTERDICTION AND  
12          COUNTER-DRUG ACTIVITIES.—Section 112 of title 32, United States Code, is amended—

13          (1) by amending subsection (e) to read as follows:

14          "(e) STRENGTH ACCOUNTING.—Members of the National Guard on active duty or full-  
15          time National Guard duty for the purposes of administering this section shall be accounted for  
16          under section 115(b) of title 10."; and

17          (2) in subsection (f)(1), by striking "for a period of more than 180 days" each  
18          place it appears.

19          **SEC. 526. WAIVE REQUIREMENT THAT RESERVE CHIEFS AND NATIONAL**  
20          **GUARD DIRECTORS MUST HAVE SIGNIFICANT JOINT DUTY**  
21          **EXPERIENCE.**

22          (a) CHIEF OF ARMY RESERVE.—Section 3038(b)(4) of title 10, United States Code, is  
23          amended by striking "Until December 31, 2004, the" and inserting "The".

1 (B) CHIEF OF NAVAL RESERVE.—Section 5143(b)(4) of such title is amended by striking  
2 "Until December 31, 2004, the" and inserting "The".

3 (c) COMMANDER MARINE FORCES RESERVE.—Section 5144(b)(4) of such title is  
4 amended by striking "Until December 31, 2004, the" and inserting "The".

5 (D) CHIEF OF AIR FORCE RESERVE.—Section 8038(b)(4) of such title is amended by  
6 striking "Until December 31, 2004, the" and inserting "The".

7 (e) DIRECTOR, ARMY NATIONAL GUARD AND DIRECTOR, AIR NATIONAL  
8 GUARD.—Section 10506(a)(3)(D) of such title is amended by striking "Until December 31,  
9 2004, the" and inserting "The".

10 **SEC. 527. EXTENDING AGE LIMITS FOR RESERVE AND NATIONAL GUARD**  
11 **GENERAL AND FLAG OFFICERS.**

12 (a) MAXIMUM AGE FOR RESERVE COMPONENT GENERAL AND FLAG OFFICERS.—(1)  
13 Section 14511 of title 10, United States Code, is amended to read as follows:

14 **"§ 14511. Separation at age 68: reserve officers in grades above colonel or Navy captain**

15 "(a) MAXIMUM AGE.—Unless retired, transferred to the Retired Reserve, or discharged at  
16 an earlier date, each reserve officer of the Army, Air Force, or Marine Corps in a grade above  
17 colonel and each reserve officer of the Navy in a grade above captain shall be separated in  
18 accordance with section 14515 of this title on the last day of the month in the month in which the  
19 officer becomes 68 years of age.

20 "(b) RETENTION BEYOND AGE 68.—Notwithstanding subsection (a), the Secretary of  
21 Defense may defer the retirement of a reserve officer serving in a grade above colonel in the case  
22 of the Army, Air Force, or Marine Corps, or a reserve officer serving in a grade above captain in  
23 the case of the Navy, but such a deferment may not extend beyond the last day of the month

1 following the month in which the officer becomes 72 years of age.".

2 (2) Sections 14510 and 14512 of such title are repealed.

3 (b) REPEAL YEARS OF SERVICE REQUIREMENT FOR RESERVE COMPONENT GENERAL AND  
4 FLAG OFFICER.—Section 14508 of such title is repealed.

5 (c) ELIMINATION OF TERM LIMITATION FOR RESERVE COMPONENT GENERAL AND FLAG  
6 OFFICER POSITIONS.—(1) Section 10502 of such title is amended—

7 (A) by striking subsection (b); and

8 (B) by redesignating subsections (c) and (d) as subsections (b) and (c),  
9 respectively.

10 (2) Subsection (a) of section 10505 of such title is amended—

11 (A) by striking paragraph (3); and

12 (B) by redesignating paragraph (4) as paragraph (3).

13 (3) Subsection (c) of section 3038 of such title is amended to read to read as follows:

14 "(c) GRADE.—The Chief of Army Reserve, while so serving, holds the grade of  
15 lieutenant general.";

16 (4) Subsection (c) of section 5143 of such title is amended to read as follows:

17 "(c) GRADE.—The Chief of Naval Reserve, while so serving, holds the grade of vice  
18 admiral.";

19 (5) Subsection (c) of section 5144 of such title is amended to read as follows:

20 "(c) GRADE.—The Commander, Marine Forces Reserve, while so serving, holds the  
21 grade of lieutenant general.";

22 (6) Subsection (c) of section 8038 of such title is amended to read as follows:

23 "(c) GRADE.—(1) The Chief of Air Force Reserve, while so serving, holds the grade of

1 lieutenant general.";

2 (7) Paragraph (3) of section 10506(a) of such title is amended by striking subparagraph  
3 (E).

4 (d) CONFORMING AMENDMENTS.—(1) Section 10214 of such title is amended by striking  
5 "sections 12004(b)(1), 12215, 12642(c), 14507(b), 14508(e), and 14512" and inserting "sections  
6 12004(b)(1), 12215, 12642(c), and 14507(b)".

7 (2) Section 14514 of such title is amended by striking "section 14507, 14508, 14704, or  
8 14705" and inserting "section 14507, 14704, or 14705".

9 (3) Section 14515 of such title is amended by striking "section 14509, 14510, 14511, or  
10 14512" and inserting "section 14509 or 14511".

11 (4) Section 14702 of such title is amended by striking "section 14506, 14507, or 14508"  
12 and inserting "section 14506 or 14507".

13 (5) Section 14705 of such title is repealed.

14 (6) The table of sections at the beginning of chapter 1407 of such title is amended—

15 (A) by amending the item relating to section 14511 to read as follows:

16 "14511. Separation at age 68: reserve officers in grades above colonel or Navy captain"; and

17 (B) by striking the items relating to sections 14508, 14510, and 14512.

18 (7) Subsection (a) of section 324 of title 32, United States Code, is amended by striking  
19 "An officer" and inserting "Except as provided in section 14511 of title 10, an officer".

20 **SEC. 528. EXPANDED USE OF RESERVE COMPONENT MEMBERS TO PERFORM**  
21 **DEVELOPMENTAL TESTING AND NEW EQUIPMENT TRAINING.**

22 (a) REIMBURSEMENT.—The Secretary of the Army may transfer from funds available to  
23 support an acquisition program the amount necessary to reimburse the appropriate reserve



1 component military personnel account for costs charged that account for military pay and  
2 allowances in connection with the demonstration program described in subsection (b).

3 (b) DEMONSTRATION PROGRAM.—(1) A demonstration program under this  
4 section shall evaluate—

5 (A) cost savings and other benefits that may result from the use of members of the  
6 reserve components to perform test, evaluation, and related activities for an acquisition  
7 program, rather than the use of contractor personnel for such purposes; and

8 (B) the use of appropriations available for multi-year research, development,  
9 testing and evaluation and procurement to reimburse reserve components for the pay,  
10 allowances, and expenses incurred when such members perform duties to conduct  
11 acquisition, logistics, and new equipment training activities in connection with the  
12 demonstration program.

13 (2) Nothing in this section authorizes a deviation from established Reserve and National  
14 Guard personnel and training procedures.

15 (c) LIMITATION ON AMOUNT.—Not more than \$10,000,000 may be transferred  
16 under this section during each year of the demonstration program.

17 (d) MERGER OF TRANSFERRED FUNDS.—Funds transferred to an account under this section  
18 shall be merged with other sums in the account and shall be available for the same period and  
19 purposes as the sums with which merged.

20 (e) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority under this  
21 section is in addition to any other transfer authority.

22 (f) TERMINATION.—The demonstration program under this section shall terminate on  
23 September 30, 2009.

1                   **Subtitle C—ROTC and Military Service Academies**

2   **SEC. 531. INSTITUTIONS OF HIGHER EDUCATION THAT PREVENT ROTC**  
3                   **ACCESS OR MILITARY RECRUITING ON CAMPUS; EQUAL**  
4                   **TREATMENT WITH OTHER EMPLOYERS.**

5                   Section 983(b)(1) of title 10, United States Code, is amended by striking “; or” at the end  
6   and inserting “, that is at least equal in quality and scope to that provided to any other employer;  
7   or”.

8   **SEC. 532. BOARD OF VISITORS; UNITED STATES AIR FORCE ACADEMY;**  
9                   **UNITED STATES MILITARY ACADEMY; UNITED STATES NAVAL**  
10                  **ACADEMY.**

11                  (a) UNITED STATES AIR FORCE ACADEMY.—Section 9355 of title 10, United States Code,  
12   is amended to read as follows:

13   **"§ 9355. Board of Visitors**

14                  "(a) A Board of Visitors to the Academy is constituted annually of—

15                         "(1) two members of the Senate designated by the Vice President or the President  
16   pro tempore of the Senate;

17                         "(2) one person, who is not a member of the Senate, as designated by the Vice  
18   President or the President pro tempore of the Senate;

19                         "(3) three members of the House of Representatives designated by the Speaker of  
20   the House of Representatives;

21                         "(4) one person, who is not a member of the House of Representatives, designated  
22   by the Speaker of the House of Representatives; and

1                   "(5) eight persons designated by the President, or his designee.

2                   "(b) All Board members will pledge full participation in executing their responsibilities  
3 to the Board. The persons designated by the President serve for three years each except that any  
4 member whose term of office has expired shall continue to serve until his successor is appointed.  
5 The President shall designate replacement members each year to succeed the members appointed  
6 by the President whose terms expire that year. At least two persons designated by the President  
7 shall be graduates of the Air Force Academy.

8                   "(c) If a member of the Board dies or resigns, a successor shall be designated for the  
9 unexpired portion of the term by the official who designated the member. If a member fails to  
10 attend or fully participate in two successive Board meetings, Board membership will be  
11 automatically terminated, unless granted prior excusal from those meetings, for good cause, by  
12 the Board Chairman.

13                   "(d) When possible, the Board should meet at least four times a year, with at least two of  
14 those meetings at the Academy. The Board or its members may make other visits to the  
15 Academy in connection with the duties of the Board.

16                   "(e) Board meetings should last at least one full day. The Board shall inquire into the  
17 morale, discipline, and social climate, the curriculum, instruction, physical equipment, fiscal  
18 affairs, academic methods, and other matters relating to the Academy which the Board decides  
19 to consider and receive candid and complete disclosure, consistent with applicable laws  
20 concerning disclosure of information, by the Secretary of the Air Force and Academy  
21 Superintendent of all institutional problems, and to recommend appropriate action. Board  
22 members shall have unfettered access to Academy grounds and cadets.

23                   "(f) Within 30 days after any meeting, the Board shall submit a written report to the

1 Secretary of Defense, through the Secretary of the Air Force, with its views and  
2 recommendations pertaining to the Academy.

3 "(g) Upon approval by the Secretary, the Board may call in advisers for consultation.

4 "(h) While performing duties, each member of the Board and each adviser shall be  
5 reimbursed under Government travel regulations for travel expenses."

6 (b) UNITED STATES MILITARY ACADEMY.—Section 4355 of such title is amended to read  
7 as follows:

8 "**§ 4355. Board of Visitors**

9 "(a) A Board of Visitors to the Academy is constituted annually of—

10 "(1) two members of the Senate designated by the Vice President or the President  
11 pro tempore of the Senate;

12 "(2) one person, who is not a member of the Senate, as designated by the Vice  
13 President or the President pro tempore of the Senate;

14 "(3) three members of the House of Representatives designated by the Speaker of  
15 the House of Representatives;

16 "(4) one person, who is not a member of the House of Representatives, designated  
17 by the Speaker of the House of Representatives; and

18 "(5) eight persons designated by the President, or his designee.

19 "(b) All Board members will pledge full participation in executing their responsibilities  
20 to the Board. The persons designated by the President serve for three years each except that any  
21 member whose term of office has expired shall continue to serve until his successor is appointed.  
22 The President shall designate replacement members each year to succeed the members appointed  
23 by the President whose terms expire that year. At least two persons designated by the President

1 shall be graduates of the United States Military Academy.

2 "(c) If a member of the Board dies or resigns, a successor shall be designated for the  
3 unexpired portion of the term by the official who designated the member. If a member fails to  
4 attend or fully participate in two successive Board meetings, Board membership will be  
5 automatically terminated, unless granted prior excusal from those meetings, for good cause, by  
6 the Board Chairman.

7 "(d) When possible, the Board should meet at least four times a year, with at least two of  
8 those meetings at the Academy. The Board or its members may make other visits to the  
9 Academy in connection with the duties of the Board.

10 "(e) Board meetings should last at least one full day. The Board shall inquire into the  
11 morale, discipline, and social climate, the curriculum, instruction, physical equipment, fiscal  
12 affairs, academic methods, and other matters relating to the Academy which the Board decides  
13 to consider and receive candid and complete disclosure, consistent with applicable laws  
14 concerning disclosure of information, by the Secretary of the Army and Academy  
15 Superintendent of all institutional problems, and to recommend appropriate action. Board  
16 members shall have unfettered access to Academy grounds and cadets.

17 "(f) Within 30 days after any meeting, the Board shall submit a written report to the  
18 Secretary of Defense, through the Secretary of the Army, with its views and recommendations  
19 pertaining to the Academy.

20 "(g) Upon approval by the Secretary, the Board may call in advisers for consultation.

21 "(h) While performing duties, each member of the Board and each adviser shall be  
22 reimbursed under Government travel regulations for travel expenses."

23 (c) UNITED STATES NAVAL ACADEMY.—Section 6968 of such title is amended to read as

1 follows:

2 **"§ 6968. Board of Visitors**

3 "(a) A Board of Visitors to the Naval Academy is constituted annually of—

4 "(1) two members of the Senate designated by the Vice President or the President  
5 pro tempore of the Senate;

6 "(2) one person, who is not a member of the Senate, as designated by the Vice  
7 President or the President pro tempore of the Senate;

8 "(3) three members of the House of Representatives designated by the Speaker of  
9 the House of Representatives;

10 "(4) one person, who is not a member of the House of Representatives, designated  
11 by the Speaker of the House of Representatives; and

12 "(5) eight persons designated by the President, or his designee.

13 "(b) All Board members will pledge full participation in executing their responsibilities  
14 to the Board. The persons designated by the President serve for three years each except that any  
15 member whose term of office has expired shall continue to serve until his successor is appointed.  
16 The President shall designate replacement members each year to succeed the members appointed  
17 by the President whose terms expire that year. At least two persons designated by the President  
18 shall be graduates of the United States Naval Academy.

19 "(c) If a member of the Board dies or resigns, a successor shall be designated for the  
20 unexpired portion of the term by the official who designated the member. If a member fails to  
21 attend or fully participate in two successive Board meetings, Board membership will be  
22 automatically terminated, unless granted prior excusal from those meetings, for good cause, by  
23 the Board Chairman.

1           "(d) When possible, the Board should meet at least four times a year, with at least two of  
2 those meetings at the Academy. The Board or its members may make other visits to the  
3 Academy in connection with the duties of the Board.

4           "(e) Board meetings should last at least one full day. The Board shall inquire into the  
5 morale, discipline, and social climate, the curriculum, instruction, physical equipment, fiscal  
6 affairs, academic methods, and other matters relating to the Academy which the Board decides  
7 to consider and receive candid and complete disclosure, consistent with applicable laws  
8 concerning disclosure of information, by the Secretary of the Navy and Academy Superintendent  
9 of all institutional problems, and to recommend appropriate action. Board members shall have  
10 unfettered access to Academy grounds and cadets.

11           "(f) Within 30 days after any meeting, the Board shall submit a written report to the  
12 Secretary of Defense, through the Secretary of the Navy, with its views and recommendations  
13 pertaining to the Academy.

14           "(g) Upon approval by the Secretary, the Board may call in advisers for consultation.

15           "(h) While performing duties, each member of the Board and each adviser shall be  
16 reimbursed under Government travel regulations for travel expenses."

17 **SEC. 533. DEAN OF THE FACULTY; DEAN OF ACADEMIC BOARD**

18           (a) UNITED STATES AIR FORCE ACADEMY.—Section 9335 of title 10, United States Code,  
19 is amended to read as follows:

20 **"§ 9335. Dean of the Faculty**

21           "(a) There shall be a Dean of the Faculty at the Academy responsible to the  
22 Superintendent for developing and sustaining the curriculum and overseeing the faculty.  
23 Notwithstanding any other provision in law, the qualifications, selection procedures, training,

1 retention, and determinations of appropriate pay grade of the Dean of Faculty shall be prescribed  
2 by the Secretary of the Air Force. Candidates for Dean of Faculty shall be serving officers or  
3 retired or former officers with terminal degrees. The Dean may be either a military officer or a  
4 civilian.

5 "(b) While serving as Dean of the Faculty, an officer incumbent who holds a grade lower  
6 than brigadier general shall hold the grade of brigadier general, if appointed to that grade by the  
7 President, by and with the advice and consent of the Senate. The retirement age of an officer so  
8 appointed is that of a permanent professor of the Academy. An officer so appointed is counted  
9 for purposes of the limitation in section 526(a) of this title on general officers of the Air Force on  
10 active duty. A civilian incumbent will be designated as a member of the Senior Executive  
11 Service."

12 (b) UNITED STATES MILITARY ACADEMY.—Section 4335 of such title is amended to read  
13 as follows:

14 **"§ 4335. Dean of Academic Board**

15 "(a) There shall be a Dean of the Academic Board at the Academy responsible to the  
16 Superintendent for developing and sustaining the curriculum and overseeing the faculty.  
17 Notwithstanding any other provision in law, the qualifications, selection procedures, training,  
18 retention, and determinations of appropriate pay grade of the Dean of the Academic Board shall  
19 be prescribed by the Secretary of the Army. Candidates for Dean of Faculty shall be serving  
20 officers or retired or former officers with terminal degrees. The Dean may be either a military  
21 officer or a civilian.

22 "(b) While serving as Dean of the Academic Board, an officer incumbent who holds a  
23 grade lower than brigadier general shall hold the grade of brigadier general, if appointed to that



1 grade by the President, by and with the advice and consent of the Senate. The retirement age of  
2 an officer so appointed is that of a permanent professor of the Academy. An officer so appointed  
3 is counted for purposes of the limitation in section 526(a) of this title on general officers of the  
4 Army on active duty. A civilian incumbent will be designated as a member of the Senior  
5 Executive Service."

6 **SEC. 534. REPEAL OF REQUIREMENT THAT MILITARY ACADEMY**

7 **SUPERINTENDENTS RETIRE AFTER ASSIGNMENT.**

8 (a) REPEAL.—Sections 3921, 4333a, 6371, 6951a, 8921 and 9333a of title 10, United  
9 States Code, are repealed.

10 (b) CLERICAL AMENDMENTS.—

11 (1) The table of sections at the beginning of chapter 367 of such title is amended  
12 by striking the item relating to section 3921.

13 (2) The table of sections at the beginning of chapter 403 of such title is amended  
14 by striking the item relating to section 4333a..

15 (3) The table of sections at the beginning of chapter 573 of such title is amended  
16 by striking the item relating to section 6371.

17 (4) The table of sections at the beginning of chapter 603 of such title is amended  
18 by striking the item relating to section 6951a.

19 (5) The table of sections at the beginning of chapter 867 of such title is amended  
20 by striking the item relating to section 8921.

21 (6) The table of sections at the beginning of chapter 903 of such title is amended  
22 by striking the item relating to section 9333a.

23 **Subtitle D—Other Military Education and Training Matters**

1     **SEC. 541. EDUCATION LOAN REPAYMENTS FOR HEALTH PROFESSIONS**  
2                     **OFFICERS OF THE RESERVE COMPONENTS.**

3             Section 16302(a)(5) of title 10, United States Code, is amended by inserting "a basic  
4 professional qualifying degree (as determined under regulations issued by the Secretary of  
5 Defense) or graduate education in" after "regarding".

6     **SEC. 542. CONFERRAL OF DEGREES TO GRADUATES OF THE COMMUNITY**  
7                     **COLLEGE OF THE AIR FORCE.**

8             (a) **AUTHORITY TO CONFER DEGREES.**—Section 9315(c) of title 10, United States Code,  
9 is amended—

10             (1) in paragraph (1), by striking "Air Education and Training Command of the Air  
11 Force" and inserting "Air University"; and

12             (2) in paragraph (2), by striking "Air Education and Training Command of the Air  
13 Force" and inserting "Air University".

14             (b) Section 9317 of such title is amended—

15             (1) in the section heading, by striking "**graduate-level degrees**" and inserting  
16 "**graduate and associate-level degrees**";

17             (2) by striking "and" at the end of paragraph (2);

18             (3) by striking the period at the end of paragraph (3) and inserting "; and"; and

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

20             "(4) an associate level degree upon graduates of the Community College of the  
21 Air Force."

22             (c) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 901 of  
23 such title is amended by striking the item relating to section 9317 and inserting the following:

1 "9317. Air University: graduate and associate-level degrees".

2 **SEC. 543. THREE YEAR EDUCATIONAL LEAVE OF ABSENCE.**

3 Section 708(a) of title 10, United States Code, is amended by striking "two years" and  
4 inserting "three years".

5 **SEC. 544. LENGTH OF PHASE II JOINT PROFESSIONAL MILITARY EDUCATION.**

6 Section 663 of title 10, United States Code, is amended by striking subsection (e).

7 **SEC. 545. CHANGING THE TITLES OF THE HEADS OF THE NAVAL**  
8 **POSTGRADUATE SCHOOL.**

9 (a) PRESIDENT OF THE NAVAL POSTGRADUATE SCHOOL.—(1) Section 7042 of title 10,  
10 United States Code, is amended—

11 (A) by striking "**Superintendent**" in the section heading and inserting

12 "**President**"; and

13 (B) by striking "Superintendent" each place it appears and inserting "President".

14 (2) Section 7044 of such title is amended by striking "Superintendent" and inserting  
15 "President";

16 (3) Subsection 7048(a) of such title is amended by striking "Superintendent" and  
17 inserting "President"; and

18 (4) Subsection 7049(e) of such title is amended by striking "Superintendent" and  
19 inserting "President".

20 (b) PROVOST AND ACADEMIC DEAN.—(1) Section 7043 of title 10, United States Code, is  
21 amended—

22 (A) by amending the section heading to read as follows:

23 "**§ 7043. Provost and Academic Dean**";

1 (B) by amending subsection (a) to read as follows:

2 "(a) There is at the Naval Postgraduate School the single civilian position of Provost and  
3 Academic Dean. The Provost and Academic Dean shall be appointed, to serve for periods of not  
4 more than five years, by the Secretary of the Navy after consultation with the Naval  
5 Postgraduate School Board of Advisors and consideration of the recommendation of the  
6 leadership and faculty of the Naval Postgraduate School."; and

7 (C) in subsection (b), by striking "Academic Dean" and inserting "Provost and  
8 Academic Dean".

9 (2) Section 5102(c)(10) of title 5, United States Code, is amended by striking "Academic  
10 Dean" and inserting "Provost and Academic Dean".

11 (3) Section 7081(a) of title 10, United States Code, is amended by striking "Academic  
12 Dean" and inserting "Provost and Academic Dean".

13 (c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 605 of  
14 such title is amended by striking the items related to sections 7042 and 7043 and inserting the  
15 following new items:

16 "7042. President: assistants."

17 "7043. Provost and Academic Dean."

18 **SEC. 546. NEW MISSION STATEMENT AND EXPANDED ELIGIBILITY FOR**

19 **ENLISTED PERSONNEL AT THE NAVAL POSTGRADUATE SCHOOL.**

20 (a) COMBAT RELATED FOCUS OF THE NAVAL POSTGRADUATE SCHOOL.—(1) Section  
21 7041 of title 10, United States Code, is amended to read as follows:

22 **"§ 7041. Function**

23 "There is a United States Naval Postgraduate School that provides advanced instruction,

1 and technical and professional education to military members to enhance combat effectiveness  
2 and our national security.".

3 (2) Section 7042(b)(1) of such title is amended by striking "advanced instruction and  
4 technical education" and inserting "advanced instruction, and technical and professional  
5 education".

6 (b) EXPANDED ELIGIBILITY FOR ENLISTED PERSONNEL.—Section 7045 of such title is  
7 amended—

8 (1) by striking "**Officers of the armed forces; enlisted members**" in the section  
9 heading and inserting "**Members of the other armed forces**";

10 (2) by striking "officers" each place it appears and inserting "members"; and

11 (3) in subsection (a)—

12 (A) by striking "(1)"; and

13 (B) by striking paragraph (2).

14 (c) REIMBURSEMENT OF COSTS.—Subsection (b) of such section is amended—

15 (1) by striking paragraph (2); and

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

17 (d) RECIPROCAL AGREEMENTS.—Section 7047 of such title is amended by striking "an  
18 officer" and inserting "a member".

19 (d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 605 of  
20 such title is amended by striking the item relating to section 7045 and inserting the following:  
21 "7045. Members of other armed forces: admission."

22 **SEC. 547. CHANGE IN DEPARTMENT OF DEFENSE SCHOOLS ENROLLMENT**  
23 **FOR CHILDREN OF LOCALLY-HIRED EMPLOYEES WORKING**

1                   **OVERSEAS.**

2                   Section 1404 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 923), is  
3 amended by adding at the end the following new subsection:

4                   "(e) The Secretary of Defense may authorize the enrollment in schools of the defense  
5 dependents' education system on a tuition-free basis the children of full-time, locally-hired  
6 employees of the Department of Defense in an overseas area, when such employees are citizens  
7 or nationals of the United States. The Secretary may program funds (including funds for  
8 construction) for the education of such children."

9   **Subtitle E—Administrative Matters**

10                   **SEC. 551. ANNUAL REPORT TO CONGRESS CONCERNING JOINT OFFICER**

11   **MANAGEMENT.**

12                   Section 667 of title 10, United States Code, is amended to read as follows:

13                   "**§667. Annual report to Congress**

14                   "The Secretary of Defense shall include in the annual report of the Secretary to Congress  
15 under section 113(c) of this title, for the period covered by the report, the following information  
16 (which shall be shown for the Department of Defense as a whole and separately for the Army,  
17 Navy, Air Force, and Marine Corps):

18                   "(1) The number of joint specialty officers, reported by grade and by branch or specialty.

19                   "(2) An assessment of the extent to which the Secretary of each military department is  
20 assigning personnel to joint duty assignments in accordance with this chapter and the policies,  
21 procedures, and practices established by the Secretary of Defense under section 661(a) of this  
22 title.

1           "(3) The number of waivers granted under section 619a(b)(1) of this title for officers in  
2 the grade of colonel or, in the case of the Navy, captain, for each of the years preceding the year  
3 in which the report is submitted.

4           "(4) The officers whose service in joint duty assignments during the year covered by the  
5 report terminated before the officers completed the full tour of duty in those assignments,  
6 expressed as a percent of the total number of officers in joint duty assignments during that year.

7           "(5) The percentage of fill of student quotas for each course of the National Defense  
8 University for the year covered by the report.

9           "(6) A list of the joint task force headquarters in which service was approved for  
10 crediting as a joint duty assignment for the year covered by the report.

11           "(7) A comparison of the promotion rates for officers serving in or have served in joint  
12 duty assignments and were considered for promotion within the promotion zone, with the  
13 promotion rates for other officers in the same grade and the same competitive category who are  
14 serving in the armed force concerned and were considered for promotion within the promotion  
15 zone.

16           "(8) If any of the comparisons in paragraph (7) indicate that the promotion rates for  
17 officers fail to meet the objective set forth in section 662(a) of this title, information on the  
18 failure and on what action the Secretary has taken or plans to take to prevent further failures.

19           "(9) Any other information relating to joint officer management that the Secretary of  
20 Defense considers significant."

21 **SEC. 552. REVISED DEFINITIONS APPLICABLE TO JOINT DUTY.**

22           Section 668 of title 10, United States Code, is amended—

23           (1) in subsection (b)(2), by striking "The Secretary shall publish a list showing" and

1 inserting "The Secretary shall publish a Joint Duty Assignment List that will show"; and

2 (2) in subsection (c), by striking "a tour of duty in which an officer serves in more than  
3 one joint duty assignment within the same organization without a break between such  
4 assignments shall be considered to be a single tour of duty in a joint duty assignment" and  
5 inserting "a single tour of duty for the purpose of awarding joint duty credit can be defined as  
6 one in which the officer serves consecutive tours in joint duty assignment positions that award  
7 joint duty credit, or service as otherwise prescribed by the Secretary of Defense".

8 **SEC. 553. FEDERAL WRITE-IN BALLOTS FOR ABSENTEE MILITARY VOTERS**  
9 **LOCATED IN THE UNITED STATES.**

10 (a) DUTIES OF PRESIDENTIAL DESIGNEE.—Section 101(b)(3) of the Uniformed and  
11 Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff(b)(3)) is amended by striking  
12 "overseas voters" and inserting "absent uniformed services voters and overseas voters".

13 (b) FEDERAL WRITE-IN ABSENTEE BALLOT.—Section 103 of such Act (42 U.S.C. 1973ff-  
14 2) is amended—

15 (1) in the section heading, by striking "**OVERSEAS VOTERS**" and inserting  
16 "**ABSENT UNIFORMED SERVICES VOTERS AND OVERSEAS VOTERS**";

17 (2) in subsection (a), by striking "overseas voters" and inserting "absent  
18 uniformed services voters and overseas voters";

19 (3) by amending subsection (b) to read as follows:

20 "(b) SUBMISSION AND PROCESSING.—Except as otherwise provided in this title, a Federal  
21 write-in absentee ballot shall be submitted and processed in the manner provided by law for  
22 absentee ballots in the State involved. A Federal write-in absentee ballot of an absent uniformed  
23 services voter or overseas voter shall not be counted—



1           "(1) if the application of the absent uniformed services voter or overseas voter for  
2 a State absentee ballot is received by the appropriate State election official after the  
3 State's deadline for such a request or less than 30 days before the general election,  
4 whichever date is later; or

5           "(2) if a State absentee ballot of the absent uniformed services voter or overseas  
6 voter is received by the appropriate State election official not later than the deadline for  
7 receipt of the State absentee ballot under State law.";

8           (3) in subsection (c)(1), by striking "overseas voter" and inserting "absent  
9 uniformed services voter or overseas voter"; and

10          (4) in subsection (d)—

11                 (A) in the subsection heading, by striking "OVERSEAS VOTER" and  
12 inserting "ABSENT UNIFORMED SERVICES VOTER AND OVERSEAS VOTER"; and

13                 (B) by striking "overseas voter" both places it appears and inserting  
14 "absent uniformed services voter or overseas voter".

15                                 **Subtitle F—Military Justice Matters**

16         **SEC. 561. WAIVE TIME LOST WHEN A MEMBER IS ACQUITTED, RELEASED**  
17                                 **WITHOUT TRIAL, OR HAS HIS CONVICTION SET-ASIDE OR**  
18                                 **REVERSED ON APPEAL.**

19         Section 972 of title 10, United States Code, is amended—

20                 (1) in subsection (a)(3), by inserting ", unless the confinement is excused as unavoidable"  
21 after "the trial"; and

22                 (2) in subsection (b)(3), by inserting ", unless the confinement is excused as unavoidable"

1 after "the trial".

2 **SEC. 562. CHANGE IN UNIFORM CODE OF MILITARY JUSTICE RELATING TO**  
3 **BLOOD ALCOHOL CONCENTRATION.**

4 Subsection (b) of section 911 of title 10, United States Code, is amended by striking  
5 "0.10" in the two places it appears and inserting "0.08".

6 **Subtitle G—Benefits**

7 **SEC. 571. IMMEDIATE LUMP SUM REIMBURSEMENT FOR UNUSUAL**  
8 **NONRECURRING EXPENSES OUTSIDE THE CONTINENTAL UNITED**  
9 **STATES.**

10 Section 405 of title 37, United States Code, is amended by adding at the end the  
11 following new subsection:

12 "(d) NONRECURRING EXPENSES.—In addition to the per diem paid under subsection (a),  
13 the Secretaries concerned may reimburse members for actual nonrecurring expenses incurred  
14 incident to being on duty outside of the United States or in Hawaii or Alaska. The nonrecurring  
15 expenses which may be reimbursed are expenses directly related to the conditions or location of  
16 the assignment either of a nature or a magnitude not normally incurred by members assigned  
17 inside the continental United States and not included in the per diem paid under subsection (b).".

18 **SEC. 572. REPEAL OF REQUIREMENT TO PAY SUBSISTENCE CHARGES**  
19 **WHILE HOSPITALIZED.**

20 Section 1075 of title 10, United States Code, is repealed.

21 **Subtitle H—Other Matters**

22 **SEC. 581. RELEASE OF TAXPAYER ADDRESSES TO HELP LOCATE**

1 **INDIVIDUALS WITH MILITARY SERVICE OBLIGATIONS.**

2 (a) **AUTHORITY.**—Section 6103(m) of the Internal Revenue Code of 1986 (26 U.S.C.  
3 6103(m)) is amended by adding at the end the following new paragraph:

4 "(8) **MEMBERS OF THE ARMED FORCES.**—(A) **IN GENERAL.**—Upon written request by the  
5 Secretary of Defense, the Secretary of a military department, or the Secretary of Homeland  
6 Security with respect to the Coast Guard when it is not operating as a service in the Navy, the  
7 Secretary may disclose the mailing address of an individual to officers or employees of the  
8 Department of Defense or Department of Homeland Security for use by such officers or  
9 employees or their agents for the purpose of locating such individual who is serving in a reserve  
10 component of the armed forces of the United States.

11 "(B) **PRIOR ATTEMPTS TO OBTAIN ADDRESS INFORMATION FROM OTHER SOURCES.**—Such  
12 requests shall be made only after the Secretary of Defense, the Secretary of a military  
13 department or the Secretary of Homeland Security, as the case may be, has made every  
14 reasonable effort to locate the individual through other sources.

15 "(C) **EXCEPTION DURING NATIONAL EMERGENCY OR WAR.**—During a national emergency  
16 declared by the President or war declared by Congress, the Secretary of Defense, the Secretary  
17 of a military department or the Secretary of Homeland Security may request the address of an  
18 individual, notwithstanding subparagraph (B), if the individual possesses a critical skill and is  
19 needed for immediate mobilization under section 12304, 12302, or 12301(a) of title 10.

20 "(D) **EXPIRATION OF AUTHORITY.**—No information shall be released under this section  
21 after September 30, 2009."

22 (b) **DISCLOSURE TO CONTRACTORS.**—Subsection (p) of such section is amended by  
23 adding at the end the following new paragraph:

1           "(9) DISCLOSURE TO CONTRACTORS.—(A) IN GENERAL.—Notwithstanding any other  
2 provision of this section, no return or return information shall be disclosed to a contractor or  
3 other agent of a Federal, State, or local agency unless such agency, to the satisfaction of the  
4 Secretary—

5                   "(i) has requirements in effect that require each contractor or other agent of such  
6 agency that would have access to returns or return information to provide safeguards  
7 (within the meaning of paragraph (4)) to protect the confidentiality of such returns or  
8 return information;

9                   "(ii) agrees to conduct a regular, on-site review (mid-point review in the case of  
10 contracts of less than 1 year in duration) of each contractor or other agent to determine  
11 compliance with such requirements;

12                   "(iii) submits the findings of the most recent review conducted under clause (ii) to  
13 the Secretary as part of the report required by paragraph (4)(E); and

14                   "(iv) certifies to the Secretary for the most recent annual period that all  
15 contractors or other agents are in compliance with all such requirements. Such  
16 certification shall be signed by the head of the agency or his or her delegate.

17           "The certification required by clause (iv) shall include the name and address of each  
18 contractor or other agent, a description of the contract or agreement of the contractor with the  
19 agency, or other authority for agency relationship, and the duration of such contract, agreement  
20 or authority.

21           "(B) RELATIONSHIP TO PROVISION GOVERNING DISCLOSURE FOR PURPOSES OF TAX  
22 ADMINISTRATION.—The requirements of this paragraph shall not apply to disclosures pursuant to  
23 subsection (n) for purposes of Federal tax administration."

1 (c) CONFORMING AND TECHNICAL AMENDMENTS.—(1) Such section is further  
2 amended—

3 (A) in subsection (a)(3), by striking "(2) or (4)(B)" and inserting "(2), (4)(B), (5),  
4 (7), or (8)"; and

5 (B) in subsection (p)(4), by striking "under paragraph (2), (4), (6), or (7) of  
6 subsection (m)" and inserting "under paragraph (2), (4), (5), (6), (7), or (8) of subsection  
7 (m)".

8 (2) Section 7213(a)(2) of such Code (26 U.S.C. 7213(a)(2)) is amended by striking "or  
9 (7) of section 6103" and inserting "(7), or (8) of section 6103".

10 **SEC. 582. ALTERNATE INITIAL MILITARY SERVICE OBLIGATION FOR**  
11 **PERSONS WITH SPECIALIZED SKILLS.**

12 Subsection (a) of section 651 of title 10, United States Code, is amended to read as  
13 follows:

14 "(a)(1) Each person who becomes a member of an armed force, other than a person  
15 described in paragraph (2), shall serve in the armed forces for a total initial period of not less  
16 than six years nor more than eight years, as provided in regulations prescribed by the Secretary  
17 of Defense for the armed forces under his jurisdiction and by the Secretary of Homeland  
18 Security for the Coast Guard when it is not operating as a service in the Navy, unless such  
19 person is sooner discharged under such regulations because of personal hardship. Any part of  
20 such service that is not active duty or that is active duty for training shall be performed in a  
21 reserve component.

22 "(2) A person is not subject to paragraph (1) if that person—

23 "(A) is deferred under the next to the last sentence of section 6(d)(1) of the

1 Military Selective Service Act (50 U.S.C. App. 456(d)(1)); or

2 "(B) is accessed into the armed forces based on unique skills acquired in a civilian  
3 occupation, as determined by the Secretary concerned, and will serve in a specialty  
4 requiring those skills."

5 **SEC. 583. BASIC TRAINING REQUIREMENT FOR CERTAIN MEMBERS WITH**  
6 **SPECIALIZED SKILLS.**

7 Paragraph (1) of section 671(c) of title 10, United States Code, is amended to read as  
8 follows:

9 "(1) Under regulations prescribed under paragraph (2), a period of basic training (or  
10 equivalent training) shorter than 12 weeks may be established by the Secretary concerned for  
11 members of the armed forces who—

12 "(A) have been credentialed in a medical profession or occupation and are serving  
13 in a health-care occupational specialty; or

14 "(B) have unique skills acquired in a civilian occupation, as determined by the  
15 Secretary concerned, and will serve in a military specialty or position requiring those  
16 skills.

17 "Any such period shall be established under regulations prescribed under paragraph (2) and may  
18 be established notwithstanding section 4(a) of the Military Selective Service Act (50 U.S.C.  
19 App. 454(a))."

20 **SEC. 584. ELIMINATE MANDATORY TERMS OF OFFICE FOR CERTAIN**  
21 **GENERAL AND FLAG STAFF OFFICERS.**

22 (a) ARMY.—

23 (1) CHIEFS OF BRANCHES.—Section 3036 of title 10, United States Code, is

1 amended—

2 (A) by repealing subsection (c); and

3 (B) by redesignating subsections (d) and (e) as subsections (c) and (d),

4 respectively.

5 (2) JUDGE ADVOCATE GENERAL AND ASSISTANT JUDGE ADVOCATE

6 GENERAL.—Section 3037(a) of such title is amended by striking "An officer appointed as  
7 the Judge Advocate General or Assistant Judge Advocate General normally holds office  
8 for four years. However, the President may terminate or extend the appointment at any  
9 time."

10 (3) DEPUTY AND ASSISTANT CHIEFS OF BRANCHES.—Section 3039(a) of such title  
11 is amended by striking "for a tour of duty of not more than four years,".

12 (4) CHIEF OF ARMY NURSE CORPS.—Section 3069(b) of such title is amended by  
13 striking ", but not for more than four years, and may not be reappointed to the same  
14 position".

15 (5) CHIEF OF THE ARMY MEDICAL SPECIALIST CORPS.—Section 3070(b) of such  
16 title is amended by striking ", but not for more than four years, and may not be  
17 reappointed".

18 (b) NAVY/MARINE CORPS.—

19 (1) CHIEF OF THE BUREAU OF MEDICINE AND SURGERY.—Section 5137(a) of such  
20 title is amended by striking "for a term of four years,".

21 (2) CHIEF OF THE BUREAU OF NAVAL PERSONNEL.—Section 5141(a) of such title  
22 is amended by striking "for a term of four years,".

23 (3) CHIEF OF CHAPLAINS.—Subsection (c) of section 5142 of such title is

1 repealed.

2 (4) JUDGE ADVOCATE GENERAL.—Section 5148(b) of such title is amended by  
3 striking ", for a term of four years".

4 (5) DIRECTOR OF THE NURSE CORPS OR DIRECTOR OF THE MEDICAL SERVICE  
5 CORPS.—Section 5150(c) of such title is amended by striking "for a term of four years,".

6 (c) AIR FORCE JUDGE ADVOCATE GENERAL AND DEPUTY JUDGE ADVOCATE  
7 GENERAL.—Section 8037(a) of such title is amended—

8 (1) in subsection (a), by striking "The term of office is four years, but may be  
9 sooner terminated or extended by the President."; and

10 (2) in subsection (d)(1), by striking "The term of office of the Deputy Judge  
11 Advocate General is four years, but may be sooner terminated or extended by the  
12 President.".

13 **SEC. 585. PROHIBIT COURT-ORDERED PAYMENTS BEFORE RETIREMENT**  
14 **BASED ON IMPUTATION OF RETIRED PAY.**

15 (a) IN GENERAL.—Section 1408(c)(3) of title 10, United States Code, is amended—

16 (1) by inserting "(A)" after "(3)"; and

17 (2) by adding at the end the following new subparagraph:

18 "(B) Notwithstanding any other provision of law, a court may not order a member  
19 to make payments based upon an imputation of a property interest in future retired pay of  
20 any kind to a spouse or former spouse before the date of the member's actual  
21 retirement.".

22 (b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to final court  
23 orders or court orders seeking enforcement of prior final decrees issued on or after the enactment



1 of this Act.

2 **TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS**

3 **Subtitle A—Pay and Allowances**

4 **SEC. 601. TERMINATION OF ASSIGNMENT INCENTIVE PAY FOR MEMBERS ON**  
5 **TERMINAL LEAVE.**

6 Paragraph (e) of section 307a of title 37, United States Code, is amended by inserting  
7 before the period at the end the following: ", other than terminal leave when the member will not  
8 be returning to the assignment".

9 **SEC. 602. MORE FLEXIBLE RETIREMENT RULES FOR MILITARY OFFICERS.**

10 (a) IN GENERAL.—Section 1370 of title 10, United States Code, is amended to read as  
11 follows:

12 **"§ 1370. Commissioned officers: general rule; exceptions**

13 "(a) RULE FOR RETIREMENT IN HIGHEST GRADE HELD SATISFACTORILY.—(1) Unless  
14 entitled to a higher retired grade under some other provision of law, a commissioned officer  
15 (other than a commissioned warrant officer) of the Army, Navy, Air Force, or Marine Corps who  
16 retires under any provision of law other than chapter 61 or chapter 1223 of this title shall, subject  
17 to the criteria specified under paragraph (2) or (3), be retired in the highest grade in which he  
18 served on active duty satisfactorily, as determined by the Secretary concerned.

19 "(2) In order to be eligible for voluntary retirement in a grade at or below the grade of  
20 major or lieutenant commander, a commissioned officer of the Army, Navy, Air Force, or  
21 Marine Corps covered by paragraph (1) must have served on active duty in that grade for not less  
22 than six months.

1           "(3)(A) In order to be eligible for voluntary retirement in a grade above major or  
2 lieutenant commander and below brigadier general or rear admiral (lower half), a commissioned  
3 officer of the Army, Navy, Air Force, or Marine Corps covered by paragraph (1) must have  
4 served on active duty in that grade for not less than three years, except that the Secretary of  
5 Defense may authorize the Secretary concerned to reduce such period to a period not less than  
6 two years.

7           "(B) An officer at or above the grade of brigadier general or rear admiral (lower half)  
8 may be retired in the highest grade in which he served on active duty satisfactorily, upon  
9 approval by the Secretary concerned and concurrence by the Secretary of Defense or another  
10 civilian official in the Office of the Secretary of Defense appointed by the President, by and with  
11 the advice and consent of the Senate, to which the Secretary of Defense has delegated such  
12 authority.

13           "(C) The President may waive subparagraph (A) in individual cases involving extreme  
14 hardship or exceptional or unusual circumstances. The authority of the President under the  
15 preceding sentence may not be delegated.

16           "(4) A reserve or temporary officer who is notified that he will be released from active  
17 duty without his consent, and thereafter requests retirement under section 3911, 6323, or 8911 of  
18 this title and is retired pursuant to that request, is considered for purposes of this section to have  
19 been retired involuntarily. An officer retired pursuant to section 1186(b)(1) of this title is  
20 considered for purposes of this section to have been retired voluntarily.

21           "(b) RETIREMENT IN NEXT LOWER GRADE.—An officer whose length of service in the  
22 highest grade he held while on active duty does not meet the service in grade requirements  
23 specified in subsection (a) or whose service on active duty in that grade was not determined to be

1 satisfactory by the Secretary concerned shall be retired in the next lower grade in which he  
2 served on active duty satisfactorily, as determined by the Secretary concerned, for not less than  
3 six months.

4 "(c) RESERVE OFFICERS.—(1) Unless entitled to a higher grade, or to credit for  
5 satisfactory service in a higher grade, under some other provision of law, a person who is  
6 entitled to retired pay under chapter 1223 of this title shall, upon application under section 12731  
7 of this title, be credited with satisfactory service in the highest grade in which that person served  
8 satisfactorily at any time in the armed forces, as determined by the Secretary concerned in  
9 accordance with this subsection.

10 "(2) In order to be credited with satisfactory service in an officer grade (other than a  
11 warrant officer grade) below the grade of lieutenant colonel or commander, a person covered by  
12 paragraph (1) must have served satisfactorily in that grade (as determined by the Secretary  
13 concerned) as a reserve commissioned officer in an active status, or in a retired status on active  
14 duty, for not less than six months.

15 "(3)(A)(1) In order to be credited with satisfactory service in an officer grade above  
16 major or lieutenant commander and below brigadier general or rear admiral (lower half), a  
17 person covered by paragraph (1) must have served satisfactorily in that grade (as determined by  
18 the Secretary concerned) as a reserve commissioned officer in an active status, or in a retired  
19 status on active duty, for not less than three years, except that the Secretary of Defense may  
20 authorize the Secretary concerned to reduce such period to a period not less than two years.

21 "(2) An officer at or above the grade of lieutenant general or vice admiral may be retired  
22 in the highest grade in which he served satisfactorily, upon approval by the Secretary concerned  
23 and concurrence by the Secretary of Defense or another civilian official in the Office of the

1 Secretary of Defense appointed by the President, by and with the advice and consent of the  
2 Senate, to which the Secretary of Defense has delegated such authority.

3 "(B) A person covered by subparagraph (A)(1) who has completed at least six months of  
4 satisfactory service in grade and is transferred from an active status or discharged as a reserve  
5 commissioned officer solely due to the requirements of a nondiscretionary provision of law  
6 requiring that transfer or discharge due to the person's age or years of service may be credited  
7 with satisfactory service in the grade in which serving at the time of such transfer or discharge,  
8 notwithstanding the failure of the person to complete three years of service in that grade.

9 "(C) To the extent authorized by the Secretary concerned, a person who, after having  
10 been recommended for promotion in a report of a promotion board but before being promoted to  
11 the recommended grade, served in a position for which that grade is the minimum authorized  
12 grade may be credited for purposes of subparagraph (A)(1) as having served in that grade for the  
13 period for which the person served in that position while in the next lower grade. The period  
14 credited may not include any period before the date on which the Senate provides advice and  
15 consent for the appointment of that person in the recommended grade.

16 "(D) To the extent authorized by the Secretary concerned, a person who, after having  
17 been found qualified for Federal recognition in a higher grade by a board under section 307 of  
18 title 32, serves in a position for which that grade is the minimum authorized grade and is  
19 appointed as a reserve officer in that grade may be credited for the purposes of subparagraph  
20 (A)(1) as having served in that grade. The period of the service for which credit is afforded  
21 under the preceding sentence may only be the period for which the person served in the position  
22 after the Senate provides advice and consent for the appointment.

23 "(4) A person whose length of service in the highest grade held does not meet the service

1 in grade requirements specified in this subsection shall be credited with satisfactory service in  
2 the next lower grade in which that person served satisfactorily (as determined by the Secretary  
3 concerned) for not less than six months."

4 (b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to  
5 the computation of retired or retainer pay of any individual who becomes entitled to that pay on  
6 or after the date of enactment of this Act.

7 **SEC. 603. MORE FLEXIBLE COMPUTATION OF RETIRED PAY FOR OFFICERS**  
8 **AND SENIOR ENLISTED MEMBERS.**

9 (a) MODIFICATION OF RETIRED PAY FORMULAS.—(1) Chapter 71 of title 10, United  
10 States Code, is amended by inserting after section 1401a the following new section:

11 **"§ 1401b. Maximum multiplier in the computation of retired pay**

12 "Notwithstanding any other provision of law that limits retired pay computed under this  
13 chapter or under chapter 1223 of this title to a maximum of 75 percent of the member's base  
14 determined under section 1406 or 1407 of this title, the maximum amount of retired pay as a  
15 percentage of such base will be limited as follows:

16 "(1) For members retired before October 1, 2003, use limitations prescribed in other  
17 sections of law.

18 "(2) For members retired on or after October 1, 2003, use the limitations prescribed in  
19 other sections of law except in the case of—

20 "(A) members retired in the grade O-7 and above with more than 30 years of  
21 creditable service in the computation of the multiplier percentage under section 1409 of  
22 this title, such percentage is not limited to 75 percent for any time served in excess of 30  
23 years otherwise creditable after October 1, 2003; and

1           "(B) members retired in the grades E-8 through O-6, inclusive, with more than 30  
2           years of creditable service in the computation of the multiplier percentage under section  
3           1409 of this title, such percentage is not limited to 75 percent for any time served under  
4           conditions authorized such additional credit during a period established by the Secretary  
5           of Defense."

6           (2) The table of sections at the beginning of such chapter is amended by inserting after  
7           the item relating to section 1401a the following new item:

8           "1401b. Maximum multiplier in the computation of retired pay."

9           (b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to  
10          the computation of retired or retainer pay of any individual who becomes entitled to that pay on  
11          or after the date of enactment of this Act.

12          **SEC. 604. ELIMINATE RETIRED PAY LIMIT APPLICABLE TO GENERAL**  
13                               **AND FLAG OFFICERS.**

14          (a) RETIRED PAY BASE FOR MEMBERS WHO FIRST BECAME MEMBERS BEFORE  
15          SEPTEMBER 8, 1980.—Section 1406 of title 10, United States Code, is amended by adding at the  
16          end the following new subsection:

17               "(j) RETIRED PAY BASE.—In the case of a member at grade O-7 and above, the rates of  
18          basic pay used to compute the pay base prescribed in this section shall be the rates applicable to  
19          the grade or position without regard to any provision of law limiting such pay to the rate of pay  
20          for level III of the Executive Schedule."

21          (b) RETIRED PAY BASE FOR MEMBERS WHO FIRST BECAME MEMBERS AFTER SEPTEMBER  
22          7, 1980.—Section 1407 of such title is amended by adding at the end the following new  
23          subsection:

1           "(g) RETIRED PAY BASE.—In the case of a member at grade O-7 and above, the rates of  
2 basic pay used to compute the pay base prescribed in this section shall be the rates applicable to  
3 the grade or position without regard to any provision of law limiting such pay to the rate of pay  
4 for level III of the Executive Schedule."

5           (c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to  
6 the computation of retired or retainer pay of any individual who becomes entitled to that pay on  
7 or after the date of enactment of this Act.

8           **SEC. 605. GRANT BASIC ALLOWANCE FOR HOUSING WAIVERS FOR 12**  
9                           **MONTHS OR LESS ON PERMANENT CHANGE OF STATION**  
10                          **ASSIGNMENTS THAT ARE PRINCIPALLY FOR EDUCATION OR**  
11                          **TRAINING.**

12           Paragraph (3) of section 403(d) of title 37, United States Code, is amended by adding at  
13 the end the following new subparagraph:

14           "(C) Where a member receives a permanent change of station or permanent change of  
15 assignment, within the continental United States, of 12 months duration or less for purposes of  
16 participating in professional military education or training classes, the amount of the basic  
17 allowance for housing for the member may be based on the area in which the dependents reside  
18 or the member's last duty station, whichever the Secretary concerned determines to be most  
19 equitable. The dependents must continue to live at the member's last duty station in order to  
20 qualify for the rate based on that area."

21                           **Subtitle B—Bonuses and Special and Incentive Pays**

22           **SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAYS FOR**

1                   **RESERVE FORCES.**

2                   (a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME  
3 SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking  
4 "December 31, 2004" and inserting "December 31, 2005".

5                   (b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is  
6 amended by striking "December 31, 2004" and inserting "December 31, 2005".

7                   (c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended  
8 by striking "December 31, 2004" and inserting "December 31, 2005".

9                   (D) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY  
10 UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2004" and inserting  
11 "December 31, 2005".

12                   (e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended  
13 by striking "December 31, 2004" and inserting "December 31, 2005".

14                   (f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section of 308h(g) of  
15 such title is amended by striking "December 31, 2004" and inserting "December 31, 2005".

16                   (g) PRIOR SERVICE REENLISTMENT BONUS.—Section 308i(f) of such title is amended by  
17 striking "December 31, 2004" and inserting "December 31, 2005".

18                   (h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO  
19 SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is  
20 amended by striking "January 1, 2005" and inserting "January 1, 2006".

21                   **SEC. 612. BONUS FOR OFFICERS TO SERVE IN THE SELECTED RESERVE IN A**  
22                   **CRITICAL SKILL OR MANPOWER SHORTAGE.**

23                   (a) IN GENERAL.—Chapter 5 of title 37, United States Code, is amended by adding at the



1 end the following new section:

2 **"§ 308j. Special pay: bonus for officers to serve in the Selected Reserve in a critical skill or**  
3 **manpower shortage**

4 "(a) BONUS AUTHORIZATION.—The Secretary of Defense may pay—

5 "(1) an affiliation bonus to an officer of an armed force, including a warrant  
6 officer, (other than an officer who has previously served in the Selected Reserve or an  
7 officer who is entitled to retired pay) who executes a written agreement to serve in the  
8 Selected Reserve of the Ready Reserve for a period of not less than three years in a  
9 designated critical officer skill or manpower shortage after being discharged or released  
10 from active duty under honorable conditions, once the officer affiliates with a unit or  
11 position in the Selected Reserve; and

12 "(2) an accession bonus to a person who executes a written agreement to accept a  
13 commission as an officer of the armed forces and serve in the Selected Reserve of the  
14 Ready Reserve in a designated critical officer skill for a period of not less than three  
15 years, upon acceptance of the agreement by the Secretary concerned.

16 "(b) DESIGNATION OF CRITICAL OFFICER SHORTAGE.—The Secretary concerned shall  
17 designate the critical officer skill shortages and critical manpower shortages for the purposes of  
18 this section.

19 "(1) A skill may be designated as a critical officer skill for an armed force under  
20 this subsection if—

21 "(A) to meet requirements of the armed force, it is critical for the armed  
22 force to have a sufficient number of officers who are qualified in that skill; or

23 "(B) to mitigate a current or projected significant shortage of personnel in

1 the armed force who are qualified in that skill, it is critical to access into that  
2 armed force in sufficient numbers persons who are qualified in that skill or are to  
3 be trained in that skill.

4 "(2) A manpower shortage may be designated for a current or projected shortage  
5 in a unit or overall shortage in a pay grade.

6 "(c) LIMITATION ON AMOUNT OF BONUS.—The amount of a bonus under subsection (a)  
7 may not exceed \$12,000.

8 "(d) PAYMENT METHOD.—Upon acceptance of a written agreement by the Secretary  
9 concerned, the total amount of the bonus payable under the agreement becomes fixed. The  
10 agreement shall specify whether the bonus shall be paid by the Secretary in a lump sum or  
11 installments.

12 "(e) RELATION TO OTHER ACCESSION BONUS AUTHORITY.—An officer or individual may  
13 not receive a bonus under this section and financial assistance under chapter 1608, 1609 or 1611  
14 of title 10, or under section 302g of this title, for the same period of service.

15 "(f) REPAYMENT FOR FAILURE TO COMMENCE OR COMPLETE OBLIGATED SERVICE.—(1)  
16 An individual who, after receiving all or part of the bonus under an agreement referred to in  
17 subsection (a), does not accept a commission as an officer or does not commence to or does not  
18 satisfactorily participate in the Selected Reserve for the total period of service specified in the  
19 agreement shall repay to the United States such compensation or benefit, except under  
20 conditions established by the Secretary concerned.

21 "(2) The Secretary concerned shall set forth whether repayment is required in whole or in  
22 part, the method for computing the amount of the repayment, and the conditions under which an  
23 exception to the required repayment would apply.

1           "(3) An obligation to repay the United States imposed under paragraph (1) is for all  
2 purposes a debt owed to the United States. A discharge in bankruptcy under title 11 that is  
3 entered less than five years after the termination of an agreement entered into under subsection  
4 (a) does not discharge the individual signing the agreement from a debt arising under such  
5 agreement or under paragraph (1).".

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

8 "308j. Special pay: bonus for officers to serve in the Selected Reserve in critical skill or manpower shortage.".

9           **SEC. 613. CRITICAL SKILLS RETENTION BONUS; ELIGIBILITY OF MEMBERS**  
10                                   **SERVING ON INDEFINITE REENLISTMENT IS INVOLVED.**

11           Section 323(a) of title 37, United States Code, is amended—

12           (1) in paragraph (1), by striking "or" at the end;

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

14           (3) by adding at the end the following new paragraph:

15           "(3) in the case of an enlisted member serving on an indefinite reenlistment, the member  
16 executes a written agreement to remain on active duty for at least 1 year.".

17           **SEC. 614. FOREIGN LANGUAGE PROFICIENCY PAY.**

18           Section 1596a of title 10, United States Code, is amended—

19           (a) in subsection (a)(2), by striking "during a contingency operation supported by the  
20 armed forces"; and

21           (b) in subsection (c), by inserting before the period at the end the following: "and shall  
22 not be considered base pay for any purpose".

23           **SEC. 615. REPAYMENT OF UNEARNED PORTIONS OF BONUSES, SPECIAL PAYS,**

1                   **AND EDUCATIONAL BENEFITS.**

2                   (a) REPAYMENT OF UNEARNED PORTIONS OF BONUSES.—(1) Chapter 5 of title 37, United  
3 States Code, is amended by adding at the end the following new section:

4                   **"§ 327. Repayment of unearned portions of bonuses, incentives, special pay or similar**  
5                                   **payments, or educational benefits or stipends when conditions of payment**  
6                                   **not met**

7                   "(a) IN GENERAL.—A member of the uniformed services who has received a bonus,  
8 incentive, special pay or similar payment, or an educational benefit or stipend, and who is, by  
9 law, subject to the repayment provisions of this section shall repay to the United States such  
10 compensation or benefit when the member does not meet the conditions of the pay or benefit,  
11 except under conditions established by the Secretary concerned.

12                   "(b) REGULATIONS.—The Secretary concerned may set forth in regulations procedures  
13 for determining the amount of any repayment, and the conditions under which an exception to  
14 the required repayment would apply. The Secretary concerned may specify in such regulations  
15 the conditions under which any future installment payment of a bonus, incentive, special pay, or  
16 similar payment or benefit will not be made when the member does not meet the conditions of  
17 pay or benefit. For the military departments, this section shall be administered under regulations  
18 prescribed by the Secretary of Defense.

19                   "(c) DEBT.—An obligation to repay the United States under subsection (a) is, for all  
20 purposes, a debt owed the United States.

21                   "(d) EFFECT OF BANKRUPTCY.—A discharge in bankruptcy under title 11 does not  
22 discharge a person from a debt under this section if the final decree of discharge is entered less  
23 than five years after the date of the termination of the service or the date of the termination of the

1 agreement on which the debt is based. This subsection applies to any case commenced under  
2 title 11 after March 30, 2005."

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

5 "327. Repayment of unearned portions of bonuses, incentives, special pay or similar payments, or educational  
6 benefits or stipends, when conditions of payment not met."

7 (b) AVIATION CAREER OFFICER RETENTION BONUS.—Subsection (g) of section 301b of  
8 such title is amended to read as follows:

9 "(g) REPAYMENT OF BONUS.—An officer who does not complete the period of active  
10 duty specified in the agreement entered into under subsection (a) shall be subject to the  
11 repayment provisions of section 327 of this title."

12 (c) MEDICAL OFFICER MULTIYEAR RETENTION BONUS.—Subsection (c) of section 301d  
13 of such title is amended to read as follows:

14 "(c) REPAYMENT OF BONUS.—An officer who does not complete the period of active  
15 duty specified in the agreement entered into under subsection (a) shall be subject to the  
16 repayment provisions of section 327 of this title."

17 (d) DENTAL OFFICER MULTIYEAR RETENTION BONUS.—Subsection (d) of section 301e of  
18 such title is amended to read as follows:

19 "(d) REPAYMENT OF BONUS.—An officer who does not complete the period of active  
20 duty specified in the agreement entered into under subsection (a) shall be subject to the  
21 repayment provisions of section 327 of this title."

22 (e) MEDICAL OFFICER SPECIAL PAY.—Section 302 of such title is amended—

23 (1) in subsection (c), by amending the last sentence in paragraph (2) to read as

1 follows: "If such entitlement is terminated, the officer concerned shall be subject to the  
2 repayment provisions of section 327 of this title."

3 (2) by amending subsection (f) to read as follows:

4 "(f) REPAYMENT.—An officer who does not complete the period for which the payment  
5 was made under subsection (a)(4) or (b)(1) shall be subject to the repayment provisions of  
6 section 327 of this title."

7 (f) OPTOMETRIST RETENTION SPECIAL PAY.—Paragraph (4) of section 302a(b) of such  
8 title is amended to read as follows:

9 "(4) REPAYMENT.—The Secretary concerned may terminate at any time the eligibility of  
10 an officer to receive retention special pay under paragraph (1). An officer who does not  
11 complete the period for which the payment was made under paragraph (1) shall be subject to the  
12 repayment provisions of section 327 of this title."

13 (g) DENTAL OFFICER SPECIAL PAY.—Section 302b of such title is amended—

14 (1) in subsection (b), by striking the second sentence in paragraph (2);

15 (2) by amending subsection (e) to read as follows:

16 "(e) REPAYMENT.—An officer who does not complete the period of active duty for which  
17 the payment was made under subsection (a)(4) shall be subject to the repayment provisions of  
18 section 327 of this title.";

19 (3) by striking subsection (f); and

20 (4) by redesignating subsections (g) and (h) as subsections (f) and (g),  
21 respectively.

22 (h) ACCESSION BONUS FOR REGISTERED NURSES.—Subsection (d) of section 302d of  
23 such title is amended to read as follows:

1           "(d) An officer who does not become and remain licensed as a registered nurse during the  
2 period for which the payment is made, or who does not complete the period of active duty  
3 specified in the agreement entered into under subsection (a) shall be subject to the repayment  
4 provisions of section 327 of this title."

5           (i) NURSE ANESTHETIST SPECIAL PAY.—Section 302e of such title is amended—

6                   (1) in subsection (c), by striking the last sentence; and

7                   (2) by amending subsection (e) to read as follows:

8           "(e) An officer who does not complete the period of active duty specified in the  
9 agreement entered into under subsection (a) shall be subject to the repayment provisions of  
10 section 327 of this title."

11           (j) RESERVE, RECALLED OR RETAINED HEALTH CARE OFFICERS SPECIAL  
12 PAY.—Subsection (c) of section 302f of such title is amended by striking "refund" and inserting  
13 "repay."

14           (k) SELECTED RESERVE HEALTH CARE PROFESSIONALS IN CRITICALLY SHORT WARTIME  
15 SPECIALTIES SPECIAL PAY.—Section 302g of such title is amended—

16                   (1) by striking subsections (d) and (e);

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

18           "(d) REPAYMENT.—An officer who does not complete the period of service in the  
19 Selected Reserve of an armed force specified in the agreement entered into under subsection (a)  
20 shall be subject to the repayment provisions of section 327 of this title."; and

21                   (3) by redesignating subsection (f) as subsection (e).

22           (l) ACCESSION BONUS FOR DENTAL OFFICERS.—Subsection (d) of section 302h of such  
23 title is amended to read as follows:

1           "(d) A person after signing a written agreement who thereafter is not commissioned as an  
2 officer of the armed forces, or does not become licensed as a dentist, or does not complete the  
3 period of active duty specified in the agreement entered into under subsection (a) shall be subject  
4 to the repayment provisions of section 327 of this title."

5           (m) **ACCESSION BONUS FOR PHARMACY OFFICERS.**—Subsection (e) of section 302j of  
6 such title is amended to read as follows:

7           "(e) A person after signing a written agreement who thereafter is not commissioned as an  
8 officer of the armed forces, or does not become and remain certified or licensed as a pharmacist,  
9 or does not complete the period of active duty specified in the agreement entered into under  
10 subsection (a) shall be subject to the repayment provisions of section 327 of this title."

11           (n) **REENLISTMENT BONUS FOR ACTIVE MEMBERS.**—Subsection (d) of section 308 of  
12 such title is amended to read as follows:

13           "(d) **REPAYMENT OF BONUS.**—A member who does not complete the term of enlistment  
14 for which a bonus was paid to the member under this section, or a member who is not technically  
15 qualified in the skill for which a bonus was paid to him under this section, shall be subject to the  
16 repayment provisions of section 327 of this title."

17           (o) **REENLISTMENT BONUS FOR SELECTED RESERVE.**—Subsection (d) of section 308b of  
18 such title is amended to read as follows:

19           "(d) A member who does not complete the term of enlistment in the element of the  
20 Selected Reserve of the Ready Reserve for which the bonus was paid to the member under this  
21 section, shall be subject to the repayment provisions of section 327 of this title."

22           (p) **ENLISTMENT BONUS FOR SELECTED RESERVE.**—Subsection (d) of section 308c of  
23 such title is amended to read as follows:



1           "(d) REPAYMENT.—A member who does not participate satisfactorily in training with his  
2 unit during a term of enlistment for which a bonus has been paid to him under this section shall  
3 be subject to the repayment provisions of section 327 of this title."

4           (q) RESERVE AFFILIATION BONUS.—Subsection (d) of section 308e of such title is  
5 amended to read as follows:

6           "(d) REPAYMENT.—A member who does not participate satisfactorily in training with his  
7 unit during a term of enlistment for which a bonus has been paid to him under this section shall  
8 be subject to the repayment provisions of section 327 of this title."

9           (r) READY RESERVE ENLISTMENT BONUS.—Section 308g of such title is amended—

10           (1) by amending subsection (d) to read as follows:

11           "(d) REPAYMENT.— A person who does not serve satisfactorily in the element of the  
12 Ready Reserve in the combat or combat support skill for the period for which the bonus was paid  
13 under this section shall be subject to the repayment provisions of section 327 of this title.";

14           (2) by striking subsections (e) and (f); and

15           (3) by redesignating subsections (g) and (h) as subsections (e) and (f),  
16 respectively.

17           (s) READY RESERVE REENLISTMENT, ENLISTMENT, AND VOLUNTARY EXTENSION OF  
18 ENLISTMENT BONUS.—Section 308h of such title is amended—

19           (1) by amending subsection (c) to read as follows:

20           "(c) REPAYMENT.—A person who does not complete the period of enlistment or  
21 extension of enlistment for which the bonus was paid under this section shall be subject to the  
22 repayment provisions of section 327 of this title.";

23           (2) by striking subsections (d) and (e); and

1 (3) by redesignating subsections (f) and (g) as subsections (d) and (e),  
2 respectively.

3 (t) PRIOR SERVICE ENLISTMENT BONUS.—Subsection (d) of section 308i of such title is  
4 amended to read as follows:

5 "(d) A person who receives a bonus payment under this section and who, during the  
6 period for which the bonus was paid, does not serve satisfactorily in the element of the Selected  
7 Reserve of the Ready Reserve with respect to which the bonus was paid shall be subject to the  
8 repayment provisions of section 327 of this title."

9 (u) ENLISTMENT BONUS.—Subsection (b) of section 309 of such title is amended to read  
10 as follows:

11 "(b) A member who does not complete the term of enlistment for which a bonus was paid  
12 to the member under this section, or a member who is not technically qualified in the skill for  
13 which a bonus was paid, shall be subject to the repayment provisions of section 327 of this  
14 title."

15 (v) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING ACTIVE  
16 DUTY.—Subsection (b) of section 312 of such title is amended to read as follows:

17 "(b) REPAYMENT.—An officer who does not complete the period of active duty in  
18 connection with supervision, operation, and maintenance of naval nuclear propulsion plants  
19 which the officer agreed to serve, and for which the payment was made under subsection (a)(3)  
20 or (d)(1), shall be subject to the repayment provisions of section 327 of this title."

21 (w) NUCLEAR CAREER ACCESSION BONUS.—Paragraph (2) of section 312b(a) of such  
22 title is amended to read as follows:

23 "(2) An officer who does not commence or complete satisfactorily the nuclear power

1 training specified in the agreement under paragraph (1) shall be subject to the repayment  
2 provisions of section 327 of this title."

3 (x) ENLISTED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS

4 OVERSEAS.—Subsection (d) of section 314 of such title is amended to read as follows:

5 "(d) A member who, having entered into a written agreement to extend a tour of duty for  
6 a period under subsection (a), receives a bonus payment under subsection (b)(2) for a 12-month  
7 period covered by the agreement and ceases during that 12-month period to perform the agreed  
8 tour of duty shall be subject to the repayment provisions of section 327 of this title."

9 (y) SPECIAL WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.—Subsection (h)  
10 of section 318 of such title is amended to read as follows:

11 "(h) An officer who, having entered into a written agreement under subsection (b) and  
12 has received all or part of a bonus under this section, does not complete the period of active duty  
13 in special warfare service as specified in the agreement, shall be subject to the repayment  
14 provisions of section 327 of this title."

15 (z) SURFACE WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.—Subsection (f)  
16 of section 319 of such title is amended to read as follows:

17 "(f) An officer who, having entered into a written agreement under subsection (b) and  
18 having received all or part of a bonus under this section, does not complete the period of active  
19 duty as a department head on a surface vessel specified in the agreement, shall be subject to the  
20 repayment provisions of section 327 of this title."

21 (aa) JUDGE ADVOCATE CONTINUATION PAY.—Subsection (f) of section 321 of such title  
22 is amended to read as follows:

23 "(f) An officer who has entered into a written agreement under subsection (b) and has

1 received all or part of the amount payable under the agreement but who does not complete the  
2 total period of active duty specified in the agreement, shall be subject to the repayment  
3 provisions of section 327 of this title."

4 (bb) 15-YEAR CAREER STATUS BONUS FOR MEMBERS ENTERING SERVICE ON OR AFTER  
5 AUGUST 1, 1986.—Subsection (f) of section 322 of such title is amended to read as follows:

6 "(f) If a person paid a bonus under this section does not complete a period of active duty  
7 beginning on the date on which the election of the person under subsection (a)(1) is received and  
8 ending on the date on which the person completes 20 years of active duty service as described in  
9 subsection (a)(2), the person shall be subject to the repayment provisions of section 327 of this  
10 title."

11 (cc) RETENTION INCENTIVES FOR MEMBERS QUALIFIED IN A CRITICAL MILITARY  
12 SKILL.—Subsection (g) of section 323 of such title is amended to read as follows:

13 "(g) A member who has entered into a written agreement under subsection (a), and who  
14 does not complete the total period of active duty specified in the agreement, shall be subject to  
15 the repayment provisions of section 327 of this title."

16 (dd) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Subsection (f) of  
17 section 324 of such title is amended to read as follows:

18 "(f) An individual who, having received all or part of the bonus under an agreement  
19 referred to in subsection (a), is not thereafter commissioned as an officer or does not commence  
20 or does not complete the total period of active duty service specified in the agreement, shall be  
21 subject to the repayment provisions of section 327 of this title."

22 (ee) INCENTIVE BONUS: SAVINGS PLAN FOR EDUCATION EXPENSES AND OTHER  
23 CONTINGENCIES.—Subsection (g) of section 325 of such title is amended to read as follows:

1           "(g) If a person does not complete the qualifying service for which the person is obligated  
2 under a commitment for which a benefit has been paid under this section, the person shall be  
3 subject to the repayment provisions of section 327 of this title."

4           (ff) ENLISTMENT INCENTIVES FOR PURSUIT OF SKILLS TO FACILITATE NATIONAL  
5 SERVICE—Subsection (i) of section 510 of title 10, United States Code, is amended to read as  
6 follows:

7           "(i) If a National Call to Service participant who has entered into an agreement under  
8 subsection (b) and received or benefitted from an incentive under subsection (e)(1) or (e)(2) fails  
9 to complete the total period of service specified in such agreement, the National Call to Service  
10 participant shall be subject to the repayment provisions of section 327 of title 37."

11           (gg) SCHOLARSHIP PROGRAM FOR QUALIFYING PERSONNEL FOR ACQUISITION POSITIONS  
12 IN THE DEPARTMENT OF DEFENSE—Paragraph (3) of section 1744(d) of such title is amended to  
13 read as follows:

14           "(3) For a uniformed member who is separated from service before the end of the period  
15 for which the person has agreed to continue in the service in an acquisition position shall be  
16 subject to the repayment provisions of section 327 of title 37. For an employee of the  
17 Department of Defense, the Secretary may waive in whole or in part a required repayment under  
18 this subsection if the Secretary determines the recovery would be against equity and good  
19 conscience or would be contrary to the best interests of the United States."

20           (hh) ADVANCED EDUCATION ASSISTANCE.—Section 2005 of such title is amended—

21           (1) in subsection (a), by amending paragraph (3) to read as follows:

22           "(3) that if such person does not complete the period of active duty specified in  
23 the agreement, or does not fulfill any term or condition prescribed pursuant to clause (4),

1 such person shall be subject to the repayment provisions of section 327 of title 37.";

2 (2) by striking subsections (c), (d), (g) and (h);

3 (3) by redesignating subsections (e) and (f) as subsections (c) and (d),

4 respectively; and

5 (4) by amending subsection (d), as redesignated by paragraph (3), to read as

6 follows:

7 "(d) The Secretary concerned shall require, as a condition to the Secretary providing  
8 financial assistance under section 2107 or 2107a of this title to any person, that such person enter  
9 into an agreement described in subsection (a). In addition to the requirements of subsections  
10 (a)(1) through (a)(4), any agreement required by this subsection shall provide that if such person  
11 does not complete the education requirements specified in the agreement, or does not fulfill any  
12 term or condition prescribed pursuant to subsection (a)(4), the person shall be subject to the  
13 repayment provisions of section 327 of title 37 without the Secretary first ordering such person  
14 to active duty as provided for under subsection (a)(2) and sections 2107(f) and 2107a(f) of this  
15 title."

16 (ii) TUITION FOR OFF-DUTY TRAINING OR EDUCATION.—Section 2007 of such title is  
17 amended by adding at the end the following new subsection:

18 "(f) REPAYMENT.— If such person does not complete the period of active duty specified  
19 in the agreement under subsection (b), such person shall be subject to the repayment provisions  
20 of section 327 of title 37."

21 (jj) ADVANCED TRAINING, FAILURE TO COMPLETE OR TO ACCEPT COMMISSION.—Section  
22 2105 of such title is amended—

23 (1) by striking "A member" and inserting "(a) A member"; and

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

2 "(b) REPAYMENT.—If such person does not complete the period of active duty specified  
3 under subsection (a), the person shall be subject to the repayment provisions of section 327 of  
4 title 37."

5 (kk) FINANCIAL ASSISTANCE PROGRAM FOR SPECIALLY SELECTED MEMBERS.—Section  
6 2107 of such title is amended by adding at the end the following new subsection:

7 "(j) REPAYMENT.—A person after signing a written agreement who thereafter is not  
8 commissioned as an officer or does not complete the period of service as specified in subsection  
9 (b), (f) or (h)(2), shall be subject to the repayment provisions of section 327 of title 37."

10 (ll) HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM FOR  
11 ACTIVE SERVICE.—Subparagraph (C) of section 2123(e)(1) of such title is amended to read as  
12 follows:

13 "(C) If such person does not complete the period of active duty obligation specified under  
14 subsection (a), such person shall be subject to the repayment provisions of section 327 of title  
15 37."

16 (mm) FINANCIAL ASSISTANCE: NURSE OFFICER CANDIDATES.—Subsection (d) of section  
17 2130a of such title is amended to read as follows:

18 "(d) REPAYMENT.—A person who does not complete a nursing degree program in which  
19 the person is enrolled in accordance with the agreement entered into under subsection (a), or  
20 having completed the nursing degree program, does not become an officer in the Nurse Corps of  
21 the Army or the Navy or an officer designated as a nurse officer of the Air Force or  
22 commissioned corps of the Public Health Service; or does not complete the period of obligated  
23 active service required under the agreement, shall be subject to the repayment provisions of

1 section 327 of title 37."

2 (nn) EDUCATION LOAN REPAYMENT PROGRAM: COMMISSIONED OFFICERS IN SPECIFIED  
3 HEALTH PROFESSIONS.—Subsection (g) of section 2173 of such title is amended—

4 (1) by inserting "(1)" after "(g)"; and

5 (2) by adding at the end the following new paragraph:

6 "(2) An officer who does not complete the period of active duty specified in the  
7 agreement entered into under subsection (a)(3), or the alternative obligation under  
8 paragraph (1), shall be subject to the repayment provisions of section 327 of title 37."

9 (oo) SCHOLARSHIP PROGRAM FOR DEGREE PROGRAM FOR DEGREE OR CERTIFICATION IN  
10 INFORMATION ASSURANCE.—Section 2200a of such title is amended—

11 (1) by amending subsection (e) to read as follows:

12 "(e) REPAYMENT FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) A member of an  
13 armed force who does not complete the period of active duty specified in the service agreement  
14 under section (b) shall be subject to the repayment provisions of section 327 of title 37.

15 "(2) A civilian employee of the Department of Defense who voluntarily terminates  
16 service before the end of the period of obligated service required under an agreement entered  
17 into under subsection (b) shall refund to the United States an amount determined by the  
18 Secretary of Defense as being appropriate to obtain adequate service in exchange for financial  
19 assistance and otherwise to achieve the goals set forth in section 2200(a) of this title.

20 "(A) OBLIGATION AS DEBT.—An obligation to reimburse the United States  
21 imposed under paragraph (1) is for all purposes a debt owed to the United States.

22 "(B) REPAYMENT.—The Secretary of Defense may waive, in whole or in part a  
23 refund required under paragraph (1) if the Secretary determines that recovery would be



1 against equity and good conscience or would be contrary to the best interests of the  
2 United States.

3 "(C) EFFECT OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under  
4 title 11 that is entered less than five years after the termination of an agreement under this  
5 section does not discharge the person signing such agreement from a debt arising under  
6 such agreement or under this subsection.";

7 (2) by striking subsection (f); and

8 (3) by redesignating subsection (g) as subsection (f).

9 (pp) CADETS: AGREEMENT TO SERVICE AS OFFICER.—Section 4348 of such title is  
10 amended by adding at the end the following new subsection:

11 "(f) A cadet or former cadet who does not fulfill the terms of the agreement as specified  
12 under section (a), or the alternative obligation under subsection (b), shall be subject to the  
13 repayment provisions of section 327 of title 37."

14 (qq) MIDSHIPMEN: AGREEMENT FOR LENGTH OF SERVICE.—Section 6959 of such title is  
15 amended by adding at the end the following new subsection:

16 "(f) A midshipman or former midshipman who does not fulfill the terms of the agreement  
17 as specified under section (a), or the alternative obligation under subsection (b), shall be subject  
18 to the repayment provisions of section 327 of title 37."

19 (rr) CADETS: AGREEMENT TO SERVICE AS OFFICER.—Section 9348 of such title is  
20 amended by adding at the end the following new subsection:

21 "(f) A cadet or former cadet who does not fulfill the terms of the agreement as specified  
22 under section (a), or the alternative obligation under subsection (b), shall be subject to the  
23 repayment provisions of section 327 of title 37."

1 (ss) CADETS: NUMBER, APPOINTMENT, OBLIGATION TO SERVE.—Section 182 of title 14,  
2 United States Code, is amended by adding at the end the following new subsection:

3 "(g) A cadet or former cadet who does not fulfill the terms of the obligation to serve as  
4 specified under section (b), or the alternative obligation under subsection (c), shall be subject to  
5 the repayment provisions of section 327 of title 37."

6 (tt) EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE.—Section  
7 16135 of title 10 United States Code, is amended to read as follows:

8 **"§ 16135. Failure to participate satisfactorily; penalties**

9 "(a) A member of the Selected Reserve of the Ready Reserve of an armed force who does  
10 not participate satisfactorily in required training as a member of the Selected Reserve during a  
11 term of enlistment or other period of obligated service that created entitlement of the member to  
12 educational assistance under this chapter, and during which the member has received such  
13 assistance, shall, at the option of the Secretary concerned—

14 "(1) be ordered to active duty for a period of two years or the period of obligated  
15 service the person has remaining under section 16132 of this title, whichever is less; or

16 "(2) be subject to the repayment provisions under section 327 of title 37.

17 "(b) Any repayment under the provisions of section 327 of title 37 shall not affect the  
18 period of obligation of such member to serve as a Reserve in the selected Reserve."

19 (uu) HEALTH PROFESSIONS STIPEND PROGRAM – PENALTIES AND  
20 LIMITATIONS.—Subparagraph (B) of section 16203(a)(1) of such title is amended to read as  
21 follows:

22 "(B) shall be subject to the repayment provisions of section 327 of title 37."

23 (vv) MARINE CORPS PLATOON LEADERS CLASS: COLLEGE TUITION ASSISTANCE

1 PROGRAM.—Subsection (f) of section 16401 of such title is amended—

2 (1) in paragraph (1), by striking "may be required to repay the full amount of  
3 financial assistance" and inserting "shall be subject to the repayment provisions of  
4 section 327 of title 37"; and

5 (2) by amending paragraph (2) to read as follows:

6 "(2) Any requirement to repay any portion of financial assistance received under  
7 this section shall be administered under Secretary of Defense regulations issued under  
8 section 327 of title 37. The Secretary of the Navy may waive the obligations referenced  
9 in paragraph (1) in the case of a person who—".

10 (ww) CONVERSION TO MILITARY OCCUPATIONAL SECURITY INCENTIVE

11 BONUS.—Subsection (e) of section 326 of title 37, United States Code, is amended to read as  
12 follows:

13 "(e) REPAYMENT OF BONUS.—A member who fails to serve in such military occupational  
14 specialty for the period specified in the agreement executed under subsection (a) shall be subject  
15 to the repayment provisions of section 327 of this title."

16 (xx) EFFECTIVE DATE.—(1) The amendments made by this section shall take effect on  
17 April 1, 2005.

18 (2) Notwithstanding paragraph (1)—

19 (A) the amendments made by this section do not apply to any bonus, incentive,  
20 special pay or similar payment (such as education assistance or stipend), which the  
21 United States became obligated to pay before April 1, 2005; and

22 (B) the following provisions in effect on March 30, 2005, shall continue to apply,  
23 in accordance with the provisions thereof, with respect to any bonus, bonus, incentive,

1 special pay, or an educational benefit or stipend, which the United States became  
2 obligated to pay before April 1, 2005:

3 (i) sections 301b(g), 301d(c), 301e(d), 302(f), 302a(b)(4), 302b, 302d(d),  
4 302e, 302f, 302g, 302h, 302j, 308(d), 308b(d), 308c(d), 308e(d), 308g(d),  
5 308h(c), 308i(d), 309(b), 312(b), 312b(a)(2), 314(d), 318(h), 319(h), 321(f),  
6 322(f), 323(g), 324(f), 325(g), and 326(e) of title 37, United States Code;

7 (ii) sections 510, 1744(d)(3); 2005(a)(3), (c), (d), (f), and (g); 2007; 2105;  
8 2107; 2123(e)(1)(C); 2130a(d); 2173(g); 2200a(e)(3); 4348; 6959; 9348; 16135;  
9 16203(a)(1)(B); and 16401(f)(1) of title 10, United States Code; and

10 (iii) section 182 of title 14, United States Code.

### 11 **Subtitle C—Travel and Transportation Allowances**

#### 12 **SEC. 621. LODGING COSTS INCURRED IN CONNECTION WITH STUDENT** 13 **DEPENDENT TRAVEL.**

14 Section 430(b) of title 37, United States Code, is amended—

15 (1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

16 (2) by inserting after paragraph (1) the following new paragraph (2):

17 "(2) The allowance described in paragraph (1) may include reimbursement at a rate  
18 prescribed by the Secretaries concerned for lodging costs incurred when, for reasons beyond the  
19 control of the student, the student is required to procure accommodations while en route."

#### 20 **SEC. 622. EXPANDED TRAVEL AND TRANSPORTATION ALLOWANCES FOR** 21 **FAMILY MEMBERS TO ATTEND BURIAL CEREMONIES.**

22 Section 411f of title 37, United States Code, is amended—

1 (1) by amending subsection (b) to read as follows:

2 "(b) LIMITATIONS.—Allowances under subsection (a) may be provided to the same  
3 location determined under section 1482 of title 10, and may not exceed the rates for two days  
4 and the time necessary for such travel."; and

5 (2) in subsection (c)(1)(C), by striking "If no person described in subparagraph (A) or (B)  
6 is provided travel and transportation allowances under subsection (a)(1), the" and inserting  
7 "The".

## 8 **Subtitle D—Other Matters**

### 9 **SEC. 631. PROTECTION AGAINST DOUBLE TAXATION FOR SERVICE**

#### 10 **MEMBERS ABSENT FROM THEIR RESIDENCE OR DOMICILE**

#### 11 **SOLELY BY REASON OF COMPLIANCE WITH MILITARY ORDERS.**

12 Section 511(c) of the Servicemembers Civil Relief Act (50 U.S.C. App. 571) is amended  
13 by adding at the end the following new paragraph:

14 "(5) USE, EXCISE, OR SIMILAR TAXES.—A tax jurisdiction may not impose a sales, use,  
15 excise, or similar tax on the personal property of a nonresident servicemember when the laws of  
16 the tax jurisdiction fail to provide a credit against such taxes for sales, use, excise, or similar  
17 taxes previously paid on the same property to another tax jurisdiction."

### 18 **SEC. 632. ACCUMULATION OF ANNUAL LEAVE BY INTELLIGENCE**

#### 19 **SENIOR LEVEL EMPLOYEES.**

20 Section 1607 of title 10, United States Code, is amended by adding at the end the  
21 following new subsection:

22 "(d) ACCUMULATION OF ANNUAL LEAVE TO EMPLOYEES IN INTELLIGENCE SENIOR LEVEL

1 POSITIONS.—Employees in Intelligence Senior Level positions designated under subsection (a)  
2 may accumulate annual leave consistent with the provisions of section 6304(f) of title 5."

### 3 **TITLE VII—HEALTH CARE PROVISIONS**

#### 4 **SEC. 701. EXEMPTION OF NONAPPROPRIATED FUND HEALTH BENEFITS**

##### 5 **PROGRAM FROM NON-FEDERAL LAWS, TAXES, AND MANDATES.**

6 Section 349 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law  
7 103-337; 108 Stat. 2727) is amended by adding at the end the following new subsection:

8 "(c) EXEMPTION.—(1) No tax, fee, other monetary payment, or health plan requirement  
9 may be imposed, directly or indirectly, on the Nonappropriated Fund Uniform Health Benefits  
10 Program of the Department of Defense or on a carrier or an underwriting or plan administration  
11 contractor of that program by any State, United States Territory, the District of Columbia, or the  
12 Commonwealth of Puerto Rico, or by any political subdivision or other non-federal government  
13 authority thereof. This prohibition shall apply to the same extent as the prohibition in section  
14 8909(f) of title 5, United States Code, applies to the health insurance program authorized by  
15 chapter 89 of such title.

16 "(2) Paragraph (1) shall not be construed to exempt the Nonappropriated Fund Uniform  
17 Health Benefits Program of the Department of Defense or any carrier or underwriting or plan  
18 administration subcontractor of that program from the imposition, payment, or collection of a  
19 tax, fee, or other monetary payment on the net income or profit accruing to or realized by that  
20 program or by such carrier or underwriting or plan administration subcontractor from business  
21 conducted under this chapter, if that tax, fee, or payment is applicable to a broad range of  
22 business activity."



1 end the following:

2 "(A) WRITTEN AGREEMENT.—Scholarship recipients shall be required to sign a written  
3 agreement defining the terms for the scholarship. Such terms shall address criteria for  
4 continuing eligibility and repayment if the recipient fails to make the eligibility criteria and a  
5 continuing service obligation.

6 "(B) REPAYMENT.—(i) In addition to the repayments that may be required by  
7 subparagraph (A), any person participating in a scholarship program established under this  
8 section shall agree to pay to the United States the total amount of educational assistance  
9 provided to the person under this program if the person is voluntarily separated from government  
10 service or involuntarily separated for cause from the Department of Defense before the end of  
11 the period for which the person has agreed to continue in the service of the Department of  
12 Defense in an acquisition position.

13 "(ii) If an employee fails to fulfill his agreement to pay to the Government the total  
14 amount of educational assistance provided to the person under this program, a sum equal to the  
15 amount of the educational assistance is recoverable by the Government from the employee or his  
16 estate by—

17 "(I) setoff against accrued pay, compensation, amount of retirement credit, or  
18 other amount due the employee from the Government; and

19 "(II) such other method as is provided by law for the recovery of amounts owing  
20 to the Government.

21 "(iii) The Secretary may waive in whole or in part a required repayment under this  
22 subsection if the Secretary determines the recovery would be against equity and good conscience  
23 or would be contrary to the best interests of the United States.



1           "(iv) EFFECT OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11  
2 that is entered less than five years after the termination of an agreement under this section does  
3 not discharge the person signing such agreement from a debt arising under such agreement.

4           "(C) RULE OF CONSTRUCTION.—Nothing in this section shall be considered to require that  
5 a position be offered to a person after such person successfully completes the course of  
6 education agreed to. However, if no position described in the required written agreement of  
7 subsection (3)(A) is offered within the time specified in the agreement, the agreement shall be  
8 considered terminated."

9           (d) AUTHORITY TO ESTABLISH DIFFERENT MINIMUM REQUIREMENTS.—Section 1764(b)  
10 of such title is amended—

11                   (1) in paragraph (1), by striking "(5)" and inserting "(6)";

12                   (2) by redesignating paragraph (5) as paragraph (6); and

13                   (3) by inserting after paragraph (4) the following new paragraph (5):

14                   "(5) Deputy Program Manager."

15           **SEC. 802. DELEGATION TO THE DEFENSE CONTRACT MANAGEMENT AGENCY**  
16                   **TO MAKE DETERMINATIONS CONCERNING RESTRUCTURING**  
17                   **COSTS.**

18           Paragraph (2) of section 2325(a) of title 10, United States Code, is amended by striking  
19 "an Assistant Secretary of Defense" and inserting "the Director, Defense Contract Management  
20 Agency".

21           **SEC. 803. DISPOSAL OF EXCESS AND OBSOLETE MATERIALS CONTAINED IN**  
22                   **THE NATIONAL DEFENSE STOCKPILE.**

23           (a) DISPOSAL AUTHORIZED.—Subject to conditions specified in subsection (b), the

1 President may dispose excess and obsolete materials contained in the National Defense Stockpile  
2 as set forth in the following table, with the quantity of each material authorized for disposal to be  
3 either the remaining inventory or the quantity set forth, whichever is greater:

Cobalt . . . . .	4,497,460 pounds contained cobalt
Beryllium metal (vacuum cast) . . . . .	.5 short tons
Chromite Chemical . . . . .	34,000 short dry tons
Chromite Refractory . . . . .	83,791 short tons
Chromium Ferroalloy . . . . .	63,279 short tons
Columbium Concentrates . . . . .	747,978 pounds contained columbium
Columbium Metal Ingot . . . . .	60,751 pounds contained columbium
Diamond, Stones . . . . .	780,426 carats
Germanium . . . . .	34,263 kilograms
Platinum . . . . .	20,880 troy ounces
Platinum – Palladium . . . . .	4,918 troy ounces
Tantalum Carbide Powder . . . . .	.8,158 pounds contained tantalum
Tantalum Metal Powder . . . . .	.34,607 pounds contained tantalum
Tantalum Minerals . . . . .	.1,287,016 pounds contained tantalum
Tantalum Oxide . . . . .	.41,320 pounds contained tantalum
Tungsten Ferro . . . . .	.280,415 pounds contained tungsten
Tungsten Metal Powder . . . . .	.919,666 pounds contained tungsten
Tungsten Ores & Concentrates . . . . .	.60,375,212 pounds contained tungsten

4 (b) MINIMIZATION OF DISRUPTION AND LOSS.—Disposal of materials under this section  
5 should minimize—

- 6 (1) undue disruption of the usual markets of producers, processors, and  
7 consumers of the materials proposed for disposal; or
- 8 (2) avoidable loss to the United States.

9 (c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in  
10 subsection (a) is new disposal authority and is in addition to, and shall not affect, any other  
11 disposal authority provided by law regarding the materials in the National Defense Stockpile.

12 **SEC. 804. PRIVATIZATION OF MILITARY UTILITIES LOCATED ON NON-**  
13 **FEDERAL LAND.**

1 Section 2688 of title 10, United States Code, is amended—

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

3 "(j) CONVEYANCES ON PROPERTY OWNED BY OTHERS.—(1) Notwithstanding subsection  
4 (b), for those installations where the United States does not own a preponderance of the land  
5 underlying the installation, the Secretary concerned may carry out a conveyance under  
6 subsection (a), without using competitive procedures, if the prospective conveyee—

7 "(A)(i) is a utility company whose service area is adjacent to or covers part or all  
8 of the installation;

9 "(ii) is a regulated utility company;

10 "(iii) has a franchise to serve the area encompassing part or all of the installation;

11 and

12 "(iv) has a franchise granted by the state; or

13 "(B)(i) is a governmental entity;

14 "(ii) operates a public airport adjoining the installation;

15 "(iii) owns the property underlying a substantial part or all of the installation; and

16 "(iv) owns the utility system for the adjoining airport.

17 "(2) Clause (A)(iii) of paragraph (1) shall apply only if the state in which the installation  
18 is located grants franchises for the type of utility system being conveyed.

19 "(3) If more than one prospective conveyee meets the requirements of paragraph (1), the  
20 Secretary may limit competition to only those prospective conveyees.";

21 (2) in subsection (c)—

22 (A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4),  
23 respectively; and

1 (B) by inserting after paragraph (1) the following new paragraph (2):

2 "(2) Notwithstanding paragraph (1), if the conveyance is made in accordance with  
3 subsection (j), and is made—

4 "(i) to a regulated utility company which is wholly owned by or is a  
5 governmental entity, or

6 "(ii) to a governmental entity under clause (B) of subsection (j)(1),  
7 "the Secretary may determine that the interest conveyed has a value of \$1.00. Such  
8 determination shall be conclusive for all purposes.";

9 (3) in subsection (f), by adding at the end the following new paragraph:

10 "(3) In any conveyance to which paragraph (2) of subsection (c) applies, the Secretary  
11 shall require that the utility system, without notice, charge, or cost, revert to the ownership of the  
12 United States if the utility company to which the system was conveyed—

13 "(A) if wholly owned by a governmental entity when the system was conveyed,  
14 ceases to be wholly owned by a governmental entity, or

15 "(B) if a governmental entity when the system was conveyed, changes to a non-  
16 governmental entity."; and

17 (4) in subsection (h)—

18 (A) in the subsection heading, by striking "UTILITY SYSTEM DEFINED" and  
19 inserting "DEFINITIONS"; and

20 (B) by adding at the end the following new paragraphs:

21 "(3) The term 'governmental entity' means public bodies created in accordance  
22 with state law for the purpose of exercising the authority of the state.

23 "(4) The term 'independent regulatory body' means the Federal Energy Regulatory

1 Commission, a state-wide agency, or an agency with less than state-wide jurisdiction  
2 when operating pursuant to state authority. Such a body must have the power to fix,  
3 establish, or control the rates and services of utility systems.

4 "(5) The term 'non-independent regulatory body' means a body that regulates a  
5 utility system which is owned or operated by the regulatory body or by the same entity  
6 that created the regulatory body, such as a municipality that owns or operates and  
7 regulates its own municipal utility system.

8 "(6) The term 'regulated utility company' means a utility company regulated by an  
9 independent regulatory body, as opposed to a non-independent regulatory body."

10 **SEC. 805. ELIMINATION OF DELAYS IN ASSIGNMENT OF REAL PROPERTY TO**  
11 **FEDERAL SPONSORING AGENCIES FOR PUBLIC BENEFIT**  
12 **CONVEYANCES.**

13 Section 550 of title 40, United States Code, is amended by adding at the end the  
14 following new subsection:

15 "(i) **DIRECT CONVEYANCE OF BASE CLOSURE PROPERTIES.**—(1) In regard to base closure  
16 properties disposed of under subsections (c), (d), (e), and (f), the duties, authorities, and  
17 responsibilities of the Secretary of Education, the Secretary of Health and Human Services, the  
18 Secretary of the Interior, and the Secretary of Housing and Urban Development, respectively,  
19 under those subsections, shall be exercised by the Secretary of Defense. Notwithstanding the  
20 previous sentence, the Secretary of Education, the Secretary of Health and Human Services, the  
21 Secretary of the Interior, and the Secretary of Housing and Urban Development shall retain their  
22 responsibility under subsections (c), (d), (e), and (f), respectively, to recommend the need for use  
23 of the properties for school, classroom, or other educational use, for protection of public health,

1 including research, for public park or recreation area, and for low income housing assistance.

2 "(2)(A) For purposes of this section, the term 'base closure properties' means those  
3 properties of the Department of Defense made excess to the needs of the Department of Defense  
4 pursuant to actions under a base closure law.

5 "(B) For purposes of this section, the term 'base closure law' has the same meaning as  
6 provided in section 101(17) of title 10."

7 **SEC. 806. TREATMENT OF CERTAIN FORMER MILITARY INSTALLATION**

8 **LANDS AS HUBZONES.**

9 Section (3)(p)(1) of the Small Business Act (15 U.S.C. 632 (p)(1)) is amended—

10 (1) in subparagraph (C), by striking "or" at the end;

11 (2) in subparagraph (D), by striking the period at the end and inserting "or"; and

12 (3) by inserting at the end the following new subparagraph:

13 "(E) lands within the external boundaries of a military installation that not more  
14 than 7 years earlier was closed, realigned, transferred, converted, or redeveloped under  
15 the authority of—

16 "(i) the Defense Base Closure and Realignment Act of 1990 (part A of  
17 Title XXIX of Public Law 101-510; 10 U.S.C. 2687 note);

18 "(ii) title II of the Defense Authorization Amendments and Base Closure  
19 and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note);

20 "(iii) section 2687 of title 10, United States Code;

21 "(iv) any other provision of law authorizing or directing the Secretary of  
22 Defense or the Secretary of a military department to dispose of real property at  
23 the military installation for purposes of redevelopment, while retaining the

1 authority to enter into a leaseback of all or a portion of the property for military  
2 use; or

3 "(v) excludes lands under the jurisdiction, custody, and control of a non-  
4 DoD federal agency from the HUBZone Program."

5 **SEC. 807. REPEAL OF REDUNDANT LIMITATIONS ON THE PROCUREMENT OF**  
6 **TOTALLY ENCLOSED LIFEBOATS.**

7 (1) Section 8124 of the Department of Defense Appropriations Act, 1994 (Public Law  
8 103-139; 107 Stat. 1469) is repealed.

9 (2) Section 8093 of the Department of Defense Appropriations Act, 1995 (Public Law  
10 103-335; 108 Stat. 2638) is repealed.

11 **SEC. 808. AMENDMENTS TO SMALL BUSINESS COMPETITIVENESS**

12 **DEMONSTRATION PROGRAM ACT OF 1988; STREAMLINING DATA**  
13 **COLLECTION.**

14 The Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C.  
15 644 note, Parts A and B) is amended—

16 (1) by striking paragraph 702(3);

17 (2) in section 711—

18 (A) in subsection (b)—

19 (i) by amending paragraph (1) to read as follows:

20 "(1) the competitive capabilities of small business firms in designated  
21 industry groups will enable them to successfully compete on an unrestricted basis  
22 for Federal contracting opportunities, in excess of \$500,000,"

23 (ii) by striking paragraph (2);

1 (iii) by redesignating paragraph (3) as paragraph (2);

2 (B) by amending subsection (d) to read as follows:

3 "(d) APPLICATION.—The Program shall apply to contract solicitations for the  
4 procurement of services in the designated industry groups as detailed in section 717.";

5 (3) by amending section 712 to read as follows:

6 **"Sec. 712. Enhanced small business participation goals.**

7 "(a) ENHANCED GOALS FOR DESIGNATED INDUSTRY GROUPS.—Each participating agency  
8 shall establish an annual small business participation goal that is 40 percent of the dollar value of  
9 the contract awards for each of the designated industry groups. In attaining its small business  
10 participation goal for contract awards for each of the designated industry groups, each  
11 participating agency shall limit the use of small business set-aside procedures (15 U.S.C. 644(a))  
12 to only those requirements with an anticipated contract award price, including all options, of  
13 \$500,000 or less.

14 "(b) SMALL BUSINESS RESERVE.—During the term of the Program, all contract  
15 opportunities in the designated industry groups in section 717 shall be reserved for exclusive  
16 competition among small business concerns in accordance with the competition standard  
17 specified in section 15(j) of the Small Business Act (15 U.S.C. 644(j)), if the estimated award  
18 value of the contract is at or below the "simplified acquisition threshold.

19 "(c) ENCOURAGE AND PROMOTE JOINT VENTURES AND TEAMING AGREEMENTS.—Federal  
20 departments and agencies participating under the "Small Business Competitiveness  
21 Demonstration Program" shall encourage and promote joint ventures, teaming agreements, and  
22 other similar arrangements, which permit small business concerns to compete effectively for  
23 contract solicitations for which an individual small business concern would lack the requisite



1 capacity or capability needed to establish responsibility for the award of a contract. Contracts  
2 awarded to such small business joint ventures and teams shall be accounted as small business  
3 awards if small businesses participating in such arrangements perform not less than fifty one  
4 percent of the requirement.";

5 (4) by amending section 713 to read as follows:

6 **"Sec. 713. Procurement procedures.**

7 "(a) FULL AND OPEN COMPETITION.—Except as provided in subsections (b) each contract  
8 opportunity with an anticipated value of more than \$500,000 for the procurement of goods and  
9 services from firms in the designated industry groups (unless set aside pursuant to section 8(a) of  
10 the Small Business Act (15 U.S.C. 637(a)), section 2323 of title 10, United States Code, section  
11 7102 (15 U.S.C. 644 note) or (15 U.S.C. 632(p)) shall be solicited on an unrestricted basis.

12 "(b) RESTRICTED COMPETITION.—Requirements with an anticipated value of \$500,000 or  
13 less, including all options, shall be solicited to the maximum extent practicable pursuant to 15(a)  
14 and 15(q) of the Small Business Act (15 U.S.C. 644(a) and (q)).";

15 (5) by repealing section 714;

16 (6) by amending section 716 to read as follows:

17 **"Sec. 716. Reports to Congress.**

18 "(a) IN GENERAL.—Within 180 days after data for each of fiscal years 1991 through 2010  
19 are available from the Federal Procurement Data Center, the Administrator of the Small  
20 Business Administration shall report the results of the Small Business Competitiveness  
21 Demonstration Program to the Senate Committee on Small Business and Entrepreneurship, the  
22 House of Representatives Committee on Small Business, the Senate Committee on Government  
23 Affairs and the House of Representatives Committee on Government Reform. The views of the

1 Administrator of the Small Business Administration shall be included in the report.

2 "(b) RECOMMENDATIONS.—Limitation on the use of small business set-aside procedures  
3 above \$500,000 shall remain in effect through fiscal year 2010. The Administrator of the Small  
4 Business Administration in consultation with the Administrator of the Office of Federal  
5 Procurement Policy may make adjustments to the \$500,000 small business set-aside ceiling  
6 based on the Federal-wide small business achievement of 40 percent with respect to each of the  
7 designated industry groups. The 40 percent small business goal accomplishment or non-  
8 accomplishment shall include all small business awards as the numerator irrespective of the type  
9 of preference program and shall include small business awards pursuant to full and open  
10 competition, excluding foreign military sales. The denominator shall include all awards to  
11 business concerns, excluding foreign military sales."; and

12 (7) in section 718—

13 (A) by striking subsection (b); and

14 (B) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and  
15 (d), respectively.

16 **SEC. 809. DEMONSTRATION PROGRAMS USING DESIGN-BUILD CONTRACTS.**

17 (a) AUTHORITY TO CARRY OUT PROGRAM.—The Secretary of the Navy and the Secretary  
18 of the Army each may conduct a demonstration program to assess the feasibility and desirability  
19 to enter into design for design-build contract (fast-track design funding) prior to authorization  
20 and appropriation of the project, using design funds made available under the authority of  
21 section 2807 of title 10, United States Code, for the design portion of the contract in order to  
22 reduce facility acquisition time.

23 (b) DESIGN-BUILD CONTRACTING.—For purposes of the demonstration program, the

1 Secretary concerned shall have, in addition the authority in paragraph (c)(5) of section 2305a of  
2 title 10, United States Code, the authority, notwithstanding any other provision of law, to  
3 accelerate design efforts for design-build contracts (fast-track design funding) to complete the  
4 design effort for any military construction or family housing construction project, prior to the  
5 project being authorized and appropriated, if—

6 (1) the contractor to which the contract was awarded has been selected using  
7 design-build selection procedures established under section 2305a of title 10, United  
8 States Code;

9 (2) a request for the authorization and appropriation of construction funds has  
10 been submitted to Congress as part of the President's annual budget; and

11 (3) the Government's liability in a Termination for Convenience would not exceed  
12 costs above that attributable to the final design of the project.

13 (c) USE OF DESIGN FUNDS IN DESIGN-BUILD CONTRACTS.—Notwithstanding section  
14 2807(a) of title 10, United States Code, projects conducted as part of this program may include  
15 projects specifically authorized by law.

16 (d) USE OF DESIGN FUNDS IN DESIGN-BUILD CONTRACTS FOR FACILITIES FOR RESERVE  
17 COMPONENTS.— Notwithstanding section 18233(e) of title 10, United States Code, projects  
18 conducted as part of this program may include projects specifically authorized by law.

19 (e) EXPIRATION.—The Secretary of the Navy and the Secretary of the Army may not  
20 enter into a contract for a military construction project under the demonstration program  
21 described in subsections (a), (b), and (c) after September 30, 2008.

22 **SEC. 810. TWO-YEAR EXTENSION OF LABORATORY REVITALIZATION**  
23 **DEMONSTRATION PROGRAM.**

1 Subsection (g) of section 2892 of the Military Construction Authorization Act for Fiscal  
2 Year 1996 (division B of Public Law 104–106; 110 Stat. 590; 10 U.S.C. 2805 note), as amended  
3 by section 2871 of the Strom Thurmond National Defense Authorization Act for Fiscal Year  
4 1999 (Public Law 105-261; 112 Stat. 2225)), is further amended by striking "September 30,  
5 2003" and inserting "September 30, 2005".

6 **Subtitle B—Amendments to General Contracting Authorities, Procedures,**  
7 **and Limitations**

8 **SEC. 821. TRANSPORTATION OF DEPARTMENT OF DEFENSE PASSENGERS**  
9 **OR SUPPLIES BY AIR CARRIERS.**

10 Section 2710 of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public  
11 Law 108-11; 117 Stat.559), is repealed.

12 **SEC. 822. ONE-YEAR EXTENSION OF PROGRAM APPLYING SIMPLIFIED**  
13 **PROCEDURES TO CERTAIN COMMERCIAL ITEMS.**

14 Section 4202(e) of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104-  
15 106; 10 U.S.C. 2304 note) is amended by striking "January 1, 2006" and inserting "January 1,  
16 2007".

17 **SEC. 823. PILOT AUTHORITY FOR FOLLOW-ON PRODUCTION AGREEMENTS**  
18 **RELATING TO CERTAIN PROTOTYPE PROJECTS.**

19 (a) FOLLOW-ON PRODUCTION AGREEMENTS.—A transaction entered into under section  
20 845 of the National Defense Authorization Act for Fiscal Year 1994 as amended (Public Law  
21 103-160; 10 U.S.C. 2371 note) for a prototype project may provide for the award of a follow-on  
22 production agreement to the participants in the transaction for a specific number of units at

1 specific target prices. The number of units specified in the transaction shall be determined on the  
2 basis of a balancing of the level of the investment made in the project by the participants other  
3 than the Federal Government with the interest of the Federal Government in having competition  
4 among sources in the acquisition of the product or products prototyped under the project.

5 (b) APPROPRIATE USE OF AUTHORITY.—The Secretary of Defense shall ensure that no  
6 official of an agency enters into a transaction under the authority of this section for a follow-on  
7 production agreement unless use of a transaction is necessary to continue business arrangements  
8 established for prototype projects that included the significant participation of a nontraditional  
9 defense contractor when the nontraditional defense contractor continues to participate to a  
10 significant extent in the pre-production or production of the item.

11 (c) ADVANCE PAYMENTS.—A cumulative total of up to \$20 million of advances to  
12 participants in the transactions under this section is allowed without regard to subsection 3324(a)  
13 of title 31, United States Code, regarding advance payments.

14 (d) COMPETITIVE PROCEDURES.—A follow-on production agreement provided for in a  
15 transaction under paragraph (a) may be awarded to the participants in the transaction without the  
16 use of competitive procedures, notwithstanding the requirements of section 2304 of title 10,  
17 United States Code, if—

18 (1) competitive procedures were used for the selection of parties for participation  
19 in the prototype transaction;

20 (2) the participants in the prototype transaction successfully completed the  
21 prototype project provided for in the transaction;

22 (3) the number of units provided for in the follow-on production agreement does  
23 not exceed the number of units specified in the prototype other transaction for such

1 potential follow-on production agreement; and

2 (4) the prices established in the follow-on production agreement do not exceed  
3 target prices specified in the prototype other transaction for such a potential follow-on  
4 production agreement.

5 (e) PROTECTION OF CERTAIN INFORMATION FROM DISCLOSURE.—

6 (1) Disclosure of information described in paragraph (2) is not required, and may  
7 not be compelled, under section 552 of title 5, United States Code, for five years after the  
8 date on which the information is received by the Department of Defense.

9 (2)(A) Paragraph (1) applies to information described in paragraph (B) that is in  
10 the records of the Department of Defense if the information was submitted to the  
11 Department in a competitive or noncompetitive process having the potential for resulting  
12 in an award, to the party submitting the information, of a cooperative agreement for  
13 performance of basic, applied, or advanced research authorized by section 2358 of this  
14 title or another transaction authorized by subsection (a).

15 (B) The information referred to in subparagraph (A) is the following:

16 (i) A proposal, proposal abstract, and supporting documents.

17 (ii) A business plan submitted on a confidential basis.

18 (iii) Technical information submitted on a confidential basis.

19 (f) PERIOD OF AUTHORITY.—The authority to conduct a pilot program under this section  
20 shall terminate on September 30, 2010. The termination of the authority shall not affect the  
21 validity of continued performance on agreements that are awarded or modified during the period  
22 of the pilot program.

23 **SEC. 824. CHARGING OF FEES FOR LOGISTICS DATA.**

1 (a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting  
2 after section 2410m the following new section:

3 **"§2410n. Charging of fees for logistics data**

4 "The Secretary of Defense may establish fees, at a level sufficient to recover costs, for  
5 materials provided by the Defense Logistics Information Services to the public, state and local  
6 governments and federal entities from the Federal Logistics Information System."

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

9 "2410n. Charging of fees for logistics data."

10 **SEC. 825. SALE AND EXCHANGE OF MISSILE PROPELLANTS AND**  
11 **ELECTRICITY.**

12 (a) IN GENERAL.—Section 2404 of title 10, United States Code, is amended—

13 (1) by striking "fuel" each place it appears and inserting "energy";

14 (2) in subsection (d), by striking "of the Department of Defense";

15 (3) in subsection (e), by striking "such blends" and inserting "such blends, and  
16 additives thereto";

17 (4) by redesignating subsection (f) as subsection (g); and

18 (5) by inserting after subsection (e) the following new subsection (f):

19 "(f) MISSILE PROPELLANT DEFINED.—In this section, the term 'missile propellant' means  
20 the chemical product which is utilized as an energy, oxidizer, catalyst or inert additive in the  
21 engines of rockets and missiles or used in high energy lasers."; and

22 (6) in subsection (g), as redesignated by paragraph (4), by adding at the end the  
23 following new paragraphs:

1                   "(5) Missile propellant.

2                   "(6) Electricity."

3                   (b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as  
4 follows:

5                   "**§ 2404. Energy acquisitions, exchanges and waivers**".

6                   (2) The table of sections at the beginning of chapter 141 of such title is amended by  
7 striking the item relating to section 2404 and inserting the following new item:

8                   "2404. Energy acquisitions, exchanges and waivers."

9                   **SEC. 826. ELIMINATION OF SOLICITATION ISSUANCE DELAY.**

10                   (a) ELIMINATION OF THE SMALL BUSINESS ACT 15-DAY CONTRACT AWARD  
11 DELAY.—Paragraph (3) of section 8(e) of the Small Business Act (15 U.S.C. 637(e)(3)) is  
12 amended by adding at the end the following new subparagraphs:

13                   "(C) Notwithstanding subparagraphs (A) and (B), the 15-day wait period may be  
14 eliminated when—

15                   "(1) the notice required by paragraph (1)(A) and the solicitation are issued  
16 simultaneously;

17                   "(2) five days are added to the period specified in subparagraph (B) for  
18 submission of bids or proposed offers;

19                   "(3) the acquisition does not involve the bundling of contracts as that term is  
20 defined in section 3(o) of the Small Business Act (15 U.S.C. 632(o)); and

21                   "(4) the acquisition does not exceed \$7,000,000.

22                   "(D) Subparagraph (C) shall not be used if the head of an agency determines its use is  
23 inconsistent with any international agreement to which the United States is a party."



1 (b) ELIMINATION OF THE OFFICE OF FEDERAL PROCUREMENT POLICY ACT 15-DAY  
2 SOLICITATION ISSUANCE DELAY.—Section 18(a) of the Office of Federal Procurement Policy  
3 Act (41 U.S.C. 416(a)) is amended by adding at the end the following new paragraph:

4 "(8)(A) Notwithstanding paragraph (3)(A), the 15-day wait period may be eliminated  
5 when—

6 "(i) the notice required by paragraph (1)(A) and the solicitation are issued  
7 simultaneously;

8 "(ii) five days are added to the period specified in paragraph (3)(B) for  
9 submission of bids or proposals;

10 "(iii) the acquisition does not involve the bundling of contracts as that term is  
11 defined in section 3(o) of the Small Business Act (15 U.S.C. 632(o)); and

12 "(iv) the acquisition does not exceed \$7,000,000.

13 "(B) Subparagraph (A) shall not be used if the head of an agency determines its use is  
14 inconsistent with any international agreement to which the United States is a party."

15 **SEC. 827. PILOT PROGRAM TO CONTRACT WITH LOCAL GOVERNMENTS FOR**  
16 **SERVICES.**

17 (a) ACQUISITION AUTHORITY.—Subject to the provisions of chapter 146 of title 10,  
18 United States Code, but notwithstanding any other provision of law related to the award of  
19 public contracts, the Secretary of a military department may enter into a contract or other  
20 agreement for the provision of local governmental services at an installation of the Department  
21 of Defense with the local governmental entity responsible in accordance with state law for  
22 serving the area that includes the installation or facility. The Secretary may enter into such a  
23 contract or agreement without utilizing competitive procedures and without regard to whether

1 the local governmental entity to which the Secretary makes award is required by law to provide  
2 those services to the public without direct charge: provided, however, that such law does not  
3 require the provision of those services to federal facilities without charge.

4 (b) LIMITATIONS.—The authority provided in subsection (a) may be used at no more than  
5 two installations in each military department and may not be applied after September 30, 2010.

6 (c) DEFINITIONS.—In this section, the term "local governmental services" means refuse  
7 collection and disposal, libraries, recreation, facility repair and maintenance, and utilities.

8 **SEC. 828. PROCUREMENT OF BALL AND ROLLER BEARINGS.**

9 (a) LIMITATION.—Paragraph (5) of subsection (a) of section 2534 of title 10, United  
10 States Code, is amended to read as follows:

11 "(5) BALL BEARINGS AND ROLLER BEARINGS.—Ball bearings and roller bearings or  
12 bearing components, except ball bearings and roller bearings being procured for use in an end  
13 product manufactured by a manufacturer that does not satisfy the requirements of subsection (b)  
14 or in a component part manufactured by such a manufacturer. 'Bearing components' means the  
15 bearing element, retainer, inner race, or outer race."

16 (b) INAPPLICABILITY TO CERTAIN CONTRACTS.—Paragraph (2) of subsection (j) of such  
17 section is amended to read as follows:

18 "(2) This section does not apply with respect to a contract or subcontract to purchase  
19 items described in subsection (a)(5) if such contract or subcontract is for the acquisition of  
20 commercial items, unless commercial ball and roller bearings are being acquired as end items."

21 **SEC. 829. INCREASED THRESHOLD FOR AWARDING CONTRACTS UNDER**  
22 **OTHER THAN COMPETITIVE PROCEDURES.**

23 Section 2304(f)(1)(B) of title 10, United States Code, is amended—

1 (1) in clause (ii), by striking "\$50,000,000" and inserting "75,000,000"; and

2 (2) in clause (iii), by striking "\$50,000,000" and inserting "\$75,000,000".

3 **SEC. 830. INCREASED THRESHOLD FOR REQUIRING CONTRACTORS TO**  
4 **PROVIDE SPECIFIED EMPLOYEE INFORMATION TO**  
5 **COOPERATIVE AGREEMENT HOLDERS.**

6 Section 2416(d) of title 10, United States Code, is amended by striking "\$500,000" and  
7 inserting "\$1,000,000".

8 **SEC. 831. LIMITATION ON TASK AND DELIVERY ORDER CONTRACTS.**

9 Subsection 2304a(f) of title 10, United States Code, is amended to read as follows:

10 "(f) CONTRACT PERIOD.—The head of an agency entering into a task or delivery order  
11 contract under this section may provide for the contract to cover any period up to five years and  
12 may extend the contract period for one or more successive periods pursuant to an option  
13 provided in the contract or a modification to the contract. In no event, however, may the total  
14 contract period as extended exceed ten years."

15 **SEC. 832. OBLIGATION OF PERFORMANCE BOND SURETY UPON DEFAULT OF**  
16 **CONTRACTOR.**

17 (a) OBLIGATION OF PERFORMANCE BOND SURETY.—Section 3131 of title 40, United  
18 States Code, is amended by adding at the end the following new subsection:

19 "(f) OBLIGATION OF PERFORMANCE BOND SURETY UPON DEFAULT OF  
20 CONTRACTOR.—Upon notice of contractor default and demand upon the performance bond by  
21 the United States, and notwithstanding any remedies the United States may have against the  
22 defaulting contractor, the performance bond surety shall enter a takeover agreement with the  
23 United States for completion of the defaulted work or remit to the United States funds not in

1 excess of the penal sum of the bond to fund a separate completion contract or satisfy any other  
2 liability it has under the performance bond. In the event the performance bond surety disputes  
3 the basis of contractor default, and after satisfying its obligations to the United States under the  
4 performance bond, the performance bond surety's sole remedy shall be by claim for money  
5 damages to the extent it has standing pursuant to the Contract Disputes Act (41 U.S.C. 601, *et*  
6 *seq.*), or is otherwise subrogated to the rights of the defaulted contractor."

7 (b) REVOCATION OF AUTHORITY OF PERFORMANCE BOND SURETY.—Paragraph (1) of  
8 section 9305(d) of title 31, United States Code, is amended by striking "or section 9304 or 9306  
9 of this title" and inserting ", section 9304 or 9306 of this title, or section 3131 of title 40".

## 10 **Subtitle C—Acquisition-Related Reports and Other Matters**

### 11 **SEC. 841. STREAMLINING REAL PROPERTY TRANSACTIONS.**

12 (a) Section 2662 of title 10, United States Code, is amended—

13 (1) by amending subsection (a) to read as follows:

14 "(a) GENERAL NOTICE AND WAIT REQUIREMENTS.—The Secretary concerned shall  
15 provide a report of the facts concerning the proposed transaction to the Committee on Armed  
16 Services of the Senate and the Committee on Armed Services of the House of Representatives if  
17 the estimated price, annual rental, or value exceeds the unspecified minor military construction  
18 ceiling in section 2805(a)(1) of this title. Such transactions are—

19 "(1) An acquisition of fee title to any real property,

20 "(2) A lease of any real property to the United States,

21 "(3) A lease or license of real property owned by the United States,

22 "(4) A transfer of real property owned by the United States to another Federal

1 agency or another military department or to a State,

2 "(5) A report of excess real property owned by the United States to a disposal  
3 agency, or

4 "(6) Any termination or modification by either the grantor or grantee of an  
5 existing license or permit to a military department of real property owned by the United  
6 States, under which substantial investments have been or are proposed to be made in  
7 connection with the use of the property by the military department."

8 (2) in subsection (b), by striking "\$750,000" and inserting "the unspecified minor  
9 military construction project ceiling in section 2805(a)(1) of this title"; and

10 (3) in subsection (e), by striking "\$750,000" and inserting "the unspecified minor  
11 military construction project ceiling in section 2805(a)(1) of this title".

12 (b) Section 2672 of title 10, United States Code, is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (1)—

15 (i) by striking "(1) The" and inserting "The";

16 (ii) by redesignating subparagraphs (A) and (B) as paragraphs (1)

17 and (2); and

18 (iii) in paragraph (2), as redesignated, by striking "\$750,000" and  
19 inserting "the unspecified minor military construction project ceiling in

20 section 2805(a)(1) of this title"; and

21 (B) by striking paragraph (2); and

22 (2) in subsection (b), by striking "\$750,000" and everything that follows through  
23 the period at the end of the sentence and inserting "the unspecified minor military

1 construction project ceiling in section 2805(a)(1) of this title".

2 **SEC. 842. REPEAL OF ANNUAL REPORTING REQUIREMENT CONCERNING**  
3 **MANAGEMENT OF DEPOT EMPLOYEES.**

4 Section 2472 of title 10, United States Code, is amended—

5 (1) by striking "(a) PROHIBITION ON MANAGEMENT BY END STRENGTH.—"; and

6 (2) by striking subsection (b).

7 **SEC. 843. SIMPLIFICATION OF ANNUAL REPORTING REQUIREMENTS**  
8 **CONCERNING FUNDS EXPENDED FOR DEPOT MAINTENANCE AND**  
9 **REPAIR WORKLOADS.**

10 Section 2466(d) of title 10, United States Code, is amended to read as follows:

11 "(d) ANNUAL REPORTS.—(1) Not later than April 1 of each year, the Secretary of  
12 Defense shall submit to Congress a report identifying, for each of the military departments and  
13 each Defense Agency, the percentage of the funds referred to in subsection (a) that was  
14 expended during the preceding fiscal year and are projected to be expended in the current and the  
15 next fiscal years for performance of depot-level maintenance and repair workloads by the public  
16 and private sectors, as required by this section.

17 "(2) Not later than 60 days after the date on which the Secretary submits a report under  
18 this subsection, the Comptroller General shall submit to Congress the Comptroller General's  
19 views on whether the Department of Defense has complied with the requirements of subsection  
20 (a) for the preceding fiscal year covered by the report and that the expenditure projections for the  
21 current and next fiscal years are reasonable."

22 **SEC. 844. SMALL BUSINESS PROGRAMS: CHANGE OF OFFICE TITLE.**

23 Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended—

1 (1) by amending the heading to read as follows:

2 "(k) OFFICE OF SMALL BUSINESS PROGRAMS; DIRECTOR"; and

3 (2) by striking "and Disadvantaged Business Utilization" each place it appears and  
4 inserting "Business Programs".

5 **SEC. 845. PROVISIONS RELATING TO REAL PROPERTY.**

6 (a) IN GENERAL.—(1) Section 2661 of title 10, United States Code, is amended by adding  
7 at the end the following new subsections:

8 "(c) COMMISSIONS ON LAND PURCHASE CONTRACTS.—The maximum amount payable as  
9 a commission on a contract for the purchase of land from funds appropriated for the Department  
10 of Defense is 2 percent of the purchase price.

11 "(d) AVAILABILITY OF FUNDS FOR ACQUISITION OF CERTAIN INTERESTS IN  
12 LANDS.—Appropriations available to the Department of Defense for operation and maintenance  
13 or construction may be used for the acquisition of land or interests in land under section 2672 of  
14 this title and for the acquisition of interests in land under section 2675 of this title."

15 (2) Section 2679 of such title is amended—

16 (A) by striking the title and inserting the following:

17 "**§ 2679. Use of facilities by private organizations or as polling places**";

18 (B) by redesignating subsections (a), (b), (c), and (d) as paragraphs (1), (2), (3),  
19 and (4), respectively;

20 (C) by inserting before paragraph (1), as redesignated, the following:

21 "(a) USE OF SPACE AND EQUIPMENT BY VETERANS' ORGANIZATIONS.—"; and

22 (D) by adding at the end the following new subsections:

23 "(b) LICENSES TO AMERICAN NATIONAL RED CROSS FOR ERECTION AND USE OF

1 BUILDINGS.—Under such conditions as he may prescribe, the Secretary concerned may issue a  
2 revocable license to the American National Red Cross to—

3 "(1) erect and maintain, on any military installation under the Secretary's  
4 jurisdiction, buildings for the storage of supplies; or

5 "(2) use, for the storage of supplies, buildings erected by the United States.

6 "Supplies stored in buildings erected or used under this section are available to aid the civilian  
7 population in a serious national disaster.

8 "(c) USE OF CERTAIN FACILITIES AS POLLING PLACES.—(1) Notwithstanding chapter 29  
9 of title 18 (including sections 592 and 593 of such title) or any other provision of law, the  
10 Secretary of Defense or Secretary of a military department may not (except as provided in  
11 paragraph (3)) prohibit the designation or use of a qualifying facility under the jurisdiction of the  
12 Secretary as an official polling place for local, State, or Federal elections.

13 "(2) A Department of Defense facility is a qualifying facility for purposes of this  
14 subsection if as of December 31, 2000—

15 "(A) the facility is designated as an official polling place by a State or local  
16 election official; or

17 "(B) the facility has been used as such an official polling place since January 1,  
18 1996.

19 "(3) The limitation in paragraph (1) may be waived by the Secretary with respect to a  
20 particular Department of Defense facility if the Secretary determines that local security  
21 conditions require prohibition of the designation or use of that facility as an official polling place  
22 for any election."

23 (3) Section 2664 of such title is repealed.



1 (4) Sections 2666, 2670, and 2673 of such title are repealed.

2 (b) CLERICAL AMENDMENTS.—The table of sections for chapter 159 of such title is  
3 amended—

4 (1) by striking the items relating to sections 2664, 2666, 2670, and 2673; and

5 (2) by striking the item relating to section 2679 and inserting the following:

6 "2679. Use of facilities by private organizations or as polling places."

7 **TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND**  
8 **MANAGEMENT**

9 **Subtitle A—Duties and Functions of Department of Defense Officers**

10 **SEC. 901. TRANSFER OF RESPONSIBILITY FOR THE ASSEMBLED CHEMICAL**  
11 **WEAPONS ALTERNATIVES PROGRAM.**

12 Section 142(a) of the Strom Thurmond National Defense Authorization Act for Fiscal  
13 Year 1999 (Public Law 105-261; 50 U.S.C. 1521 note) is amended to read as follows:

14 "(a) PROGRAM MANAGEMENT.—Oversight of the Assembled Chemical Weapons  
15 Alternatives program shall be transferred from the Under Secretary of Defense for Acquisition,  
16 Technology and Logistics to the Secretary of the Army not later than January 1, 2005. Upon  
17 transfer of oversight, the program may be managed as part of the Department of the Army  
18 management organization specified in 50 U.S.C. 1521(e). The Army shall continue to  
19 implement fully the alternative technologies previously selected for the destruction of lethal  
20 chemical munitions at Pueblo Chemical Depot, Colorado, and Blue Grass Army Depot,  
21 Kentucky by the Under Secretary of Defense for Acquisition, Technology and Logistics."

22 **SEC. 902. EXPANDED ELIGIBILITY TO SERVE AS THE DEPUTY CHIEF OF**

1                   **NAVAL OPERATIONS AND ASSISTANT CHIEF OF NAVAL**  
2                   **OPERATIONS.**

3                   (a) DEPUTY CHIEFS OF NAVAL OPERATIONS.—Section 5036(a) of title 10, United States  
4 Code, is amended by striking "in the line".

5                   (b) ASSISTANT CHIEFS OF NAVAL OPERATIONS.—Section 5037(a) of such title is  
6 amended by striking "in the line".

7                   **SEC. 903. REPEAL OF REQUIRED PERIODIC INSPECTOR GENERAL AUDITS OF**  
8                   **UNDEFINITIZED CONTRACTUAL ACTIONS.**

9                   Section 908 of the Defense Acquisition Improvement Act of 1986 (as contained in  
10 section 101(c) of Public Law 99-500 and identically enacted in section 101(c) [title X] of Public  
11 Law 99-591 and title IX of division A of Public Law 99-661) (10 U.S.C. 2326 note) is amended  
12 by striking subsection (b).

13                   **SEC. 904. REPEAL OF MANDATORY INSPECTOR GENERAL REVIEW OF**  
14                   **ADVISORY AND ASSISTANCE SERVICES CONTRACT WAIVERS.**

15                   Section 2399(e)(2) of title 10, United States Code, is amended by striking "The Inspector  
16 General of the Department of Defense shall review each such waiver and shall include in the  
17 Inspector General's semi-annual report an assessment of those waivers made since the last such  
18 report."

19                   **SEC. 905. CHAIN OF SUCCESSION FOR THE CHIEF, NATIONAL GUARD**  
20                   **BUREAU.**

21                   (a) DESIGNATION OF SENIOR OFFICER IN NATIONAL GUARD BUREAU.—Section 10502 of  
22 title 10, United States Code, is amended by adding at the end the following new subsection:

23                   "(e) SUCCESSION.—Unless otherwise directed by the President or Secretary of Defense,

1 when there is a vacancy in the office of the Chief of the National Guard Bureau or in the event  
2 the Chief is unable to perform his duties, the more senior officer of either the Army National  
3 Guard of the United States or the Air National Guard of the United States on duty with the  
4 National Guard Bureau shall serve as the acting Chief until a successor is appointed or the Chief  
5 once again is able to perform his duties."

6 (b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended by adding at  
7 the end the following: "; **succession**".

8 (2) The item relating to such section in the table of sections at the beginning of chapter  
9 1011 of such title is amended by inserting before the period at the end the following: "  
10 succession".

11 (c) REPEALER.—Subsections (d) and (e) of section 10505 of such title are repealed.

## 12 **Subtitle B—Reports**

### 13 **SEC. 911. REPEAL OF QUARTERLY REPORTING REQUIREMENT CONCERNING** 14 **PAYMENTS FOR DISTRICT OF COLUMBIA WATER AND SEWER** 15 **SERVICES.**

16 (a) WATER AND WATER SERVICE SUPPLIED FOR THE USE OF THE GOVERNMENT OF THE  
17 UNITED STATES.—Section 106(b) of the District of Columbia Public Works Act of 1954 (sec.  
18 34-2401.25(b), D.C. Official Code), as amended by section 401 of the Miscellaneous  
19 Appropriations Act, 2001 (as enacted by reference in section 1(a)(4) of the Consolidated  
20 Appropriations Act, 2001), is amended by striking paragraph (5).

21 (b) SANITARY SEWER SERVICE CHARGES FOR UNITED STATES GOVERNMENT.—Section  
22 212(b) of the District of Columbia Public Works Act of 1954 (sec. 34-2112(b), D.C. Official

1 Code), as amended by section 401 of the Miscellaneous Appropriations Act, 2001 (as enacted by  
2 reference in section 1(a)(4) of the Consolidated Appropriations Act, 2001), is amended by  
3 striking paragraph (5).

4 **SEC. 912. REPEAL OF REPORTING REQUIREMENT CONCERNING THE**  
5 **COOPERATIVE THREAT REDUCTION PROGRAM.**

6 Section 1307 of the National Defense Authorization Act for Fiscal Year 1999 (Public  
7 Law 105-261; 112 Stat. 2165), is repealed.

8 **SEC. 913. REPEAL OF ANNUAL REPORTING REQUIREMENT CONCERNING**  
9 **THREAT POSED BY WEAPONS OF MASS DESTRUCTION, BALLISTIC**  
10 **MISSILES, AND CRUISE MISSILES.**

11 Section 234 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law  
12 105-85; 111 Stat. 1664; 50 U.S.C. 2367), is repealed.

13 **Subtitle C—Other Matters**

14 **SEC. 921. MANPOWER AND BUDGET ISSUES IN THE DEFENSE PRISONER OF**  
15 **WAR/MISSING PERSONNEL OFFICE.**

16 Section 1501(a)(5) of title 10, United States Code, is amended by striking subparagraph  
17 (C).

18 **SEC. 922. THREE-YEAR EXTENSION OF MENTOR-PROTÉGÉ PROGRAM.**

19 Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law  
20 101-510; 10 U.S.C. 2302 note) is amended—

21 (1) in subsection (j)—

22 (A) in paragraph (1), by striking "September 30, 2005" and inserting "September

1 30, 2008"; and

2 (B) in paragraph (2), by striking "September 30, 2008" and inserting "September  
3 30, 2011"; and

4 (2) in subsection (1)(3), by striking "2007" and inserting "2010".

## 5 **TITLE X—GENERAL PROVISIONS**

### 6 **Subtitle A—Financial Matters**

#### 7 **SEC. 1001. REPEAL OF REQUIREMENT FOR SEPARATE BUDGET REQUEST FOR** 8 **PROCUREMENT OF RESERVE EQUIPMENT.**

9 Section 114(e) of title 10, United States Code, is repealed.

#### 10 **SEC. 1002. REPEAL OF REQUIREMENT FOR TWO-YEAR BUDGET CYCLE FOR** 11 **THE DEPARTMENT OF DEFENSE.**

12 Section 1405 of the Department of Defense Authorization Act, 1986 (31 U.S.C. 1105  
13 note) is repealed.

#### 14 **SEC. 1003. EXTENSION OF AUTHORITY TO PROVIDE WAR RISK INSURANCE** 15 **FOR MERCHANT MARINE VESSELS.**

16 (a) Section 1294 of title 46, United States Code, is amended by striking "June 30, 2005"  
17 and inserting "December 31, 2010".

18 (b) Section 1288(a) of title 46, United States Code, Appendix, is amended by striking  
19 "Upon the request of the Secretary of Transportation, the Secretary of the Treasury may invest or  
20 reinvest all or any part of the fund in securities of the United States or in securities guaranteed as  
21 to principal and interest by the United States." and inserting "The Secretary of Transportation  
22 may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the

1 judgment of the Secretary of Transportation, required to meet the current needs of the fund.  
2 Such investments shall be made by the Secretary of the Treasury in public debt securities of the  
3 United States, with maturities suitable to the needs of the fund, and bearing interest rates  
4 determined by the Secretary of the Treasury, taking into consideration current market yields on  
5 outstanding marketable obligations of the United States of comparable maturity.".

6 **SEC. 1004. CAPTURE OF ALL EXPIRED FUNDS FROM THE MILITARY**

7 **PERSONNEL AND OPERATION AND MAINTENANCE**

8 **APPROPRIATIONS ACCOUNTS FOR USE IN THE FOREIGN**

9 **CURRENCY FLUCTUATIONS ACCOUNT.**

10 Section 2779 of title 10, United States Code, is amended—

11 (1) in subsection (a)(2), by striking "second fiscal year" and inserting "fifth fiscal year";

12 and

13 (2) in subsection (d)(2), by striking "second fiscal year" and inserting "fifth fiscal year".

14 **SEC. 1005. REIMBURSEMENT FOR USE OF PERSONAL CELLULAR TELEPHONES**

15 **WHEN USED FOR OFFICIAL GOVERNMENT BUSINESS.**

16 (a) IN GENERAL.—(1) Chapter 134 of title 10, United States Code, is amended by  
17 inserting after section 2257 the following new section:

18 **"§ 2258. Personal cellular telephones: reimbursement when used for Government business**

19 "(a) GENERAL AUTHORITY.—The Secretary of Defense may reimburse members of the  
20 Army, Navy, Air Force, and Marine Corp, and civilian officers and employees of the Department  
21 of Defense, for cellular telephone use on a privately owned cellular telephone when used on  
22 official Government business. Such reimbursement shall be on a flat-rate basis.

23 "(b) REIMBURSEMENT RATE.—The Secretary of Defense may prescribe the

1 reimbursement rate for purposes of subsection (a). That reimbursement rate may not exceed the  
2 equivalent Government costs of providing a cellular telephone to employees on official  
3 Government business."

4 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of  
5 such chapter is amended by inserting after the item relating to section 2257 the following new  
6 item:

7 "2258. Personal cellular telephones: reimbursement when used for Government business."

8 **SEC. 1006. PURCHASE OF PROMOTIONAL ITEMS OF NOMINAL VALUE FOR**  
9 **RECRUITMENT PURPOSES.**

10 (a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by adding at  
11 the end the following new section:

12 **"§ 1599e. Authority to purchase items of nominal value for recruitment purposes.**

13 "The Secretary of Defense may purchase promotional items of nominal value for use in  
14 the recruitment of individuals for employment under this chapter. The Secretary shall prescribe  
15 guidelines for the administration of the preceding sentence."

16 (b) CLERICAL AMENDMENT.—The table of sections for such chapter is amended by  
17 adding at the end the following new item:

18 "1599e. Authority to purchase items of nominal value for recruitment purposes."

19 **SEC. 1007. MICROCLAIM WAIVER AUTHORITY.**

20 (a) IN GENERAL.—Chapter 131 of title 10, United States Code, is amended by adding at  
21 the end the following new section:

22 **"§ 2229. General Waiver Authority**

23 "(a) Pursuant to regulations published by the Secretary of Defense, the Secretary or his

1 designees may waive indebtedness owed to United States Government and arising out of the  
2 activities of, or referred to, the Department of Defense, and not referred to another executive or  
3 legislative agency for further collection action, when, based on a cost benefit analysis, the costs  
4 of collection are expected to exceed the amounts recoverable.

5 "(b) The authority pursuant to this section may be delegated to the lowest level to ensure  
6 costs of processing waivers do not exceed costs of processing collections. Exercise of this  
7 waiver authority for amounts in excess of the micropurchase threshold amount is not authorized.

8 "(c) Waivers under subsection (a) may be applied to indebtedness owed by military and  
9 civilian personnel, fees for jury duty, or similar items where application of the waiver authority  
10 would be more economical to the Government than processing the action to completion.

11 Application of the waiver to any transaction is at the sole discretion of the Secretary or designee  
12 and may not be reviewed in a court of law.

13 "(d) Nothing in this section requires the exercise of the waiver authority and no rights are  
14 conferred hereby on any third party."

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

17 "2229. Microclaim waiver authority."

## 18 **Subtitle B—Naval Vessels and Shipyards**

### 19 **SEC. 1011. EXCHANGE AND SALE OF OBSOLETE NAVY SERVICE CRAFT AND** 20 **BOATS.**

21 (a) IN GENERAL.—Subsection (d) of section 7305 of title 10, United States Code, is  
22 amended to read as follows:

23 "(d) EXCHANGE OR SALE OF SIMILAR ITEMS.—(1) Notwithstanding any other provision of



1 law, the Secretary and his designees, in acquiring similar personal property pursuant to section  
2 503 of title 40, may, under regulations to be prescribed by the Secretary—

3 "(A) exchange or sell obsolete Navy service craft and boats, and

4 "(B) retain from the proceeds of the sale of such personal property amounts  
5 necessary to recover, to the extent practicable, the full costs, direct and indirect, incurred  
6 by the Navy in preparing such property for exchange or sale, including the costs for  
7 towing, storage, defueling, removal and disposal of hazardous wastes, environmental  
8 surveys to determine the presence of regulated polychlorinated biphenyl (PCB)  
9 containing materials, and if found, the removal and disposal of regulated PCB-containing  
10 materials, and other related costs.

11 "The Secretary or his designees may use such retained proceeds in whole or in part payment for  
12 the preparation of additional obsolete Navy service craft and boats for future sale or exchange  
13 under this authority.

14 "(2) Such amounts shall be deposited into an account that shall be available for such costs  
15 without regard to fiscal year limitations. Amounts that are not needed to pay such costs shall be  
16 transferred at least annually to the general fund or to a specific account in the Treasury as  
17 otherwise authorized by law.

18 "(3) Section 3709 of the Revised Statutes does not apply to sales of property pursuant to  
19 this subsection."

20 **SEC. 1012. AWARD CONTRACTS FOR SHIP DISMANTLING ON NET COST BASIS.**

21 (a) IN GENERAL.—Chapter 633 of title 10, United States Code, is amended by inserting  
22 after section 7305 the following new section:

23 "**§ 7305a. Contracts for ship dismantling awarded on net cost basis**

1           "(a) AUTHORIZATION.—Notwithstanding any other provision of law, the Secretary of the  
2 Navy may award on a net cost basis contracts for the dismantling of ships stricken from the  
3 Naval Vessel Register. In exercising authority under this section, the Secretary shall to the  
4 maximum extent practicable use the competitive procedure or combination of competitive  
5 procedures that is best suited under the circumstances of the procurement.

6           "(b) RETENTION OF PROCEEDS.—When the Secretary of the Navy awards a ship  
7 dismantling contract on a net cost basis, the contractor may retain the proceeds from the sale of  
8 scrap and reusable items from the vessel being dismantled.

9           "(c) DEFINITIONS.—For purposes of this section:

10                   "(1) The term 'scrap' means personal property that has no value except for its  
11 basic material content.

12                   "(2) The term 'net cost basis' means the differential between the gross cost of  
13 performance of the contract less the offeror's estimate of the value under the contract of  
14 scrap and reusable items that the contractor will remove from the vessel during  
15 performance of the contract.

16                   "(3) The term 'reusable items' means any demilitarized components or removable  
17 portions of the ship or equipment that the Navy has identified as excess to its needs but  
18 which have potential resale value on the open market." .

19           (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is  
20 amended by inserting after the item relating to section 7305 the following new item:

21 "7305a. Contracts for ship dismantling awarded on net cost basis."

## 22                                   **Subtitle C—Counter-Drug Activities**

### 23           **SEC. 1021. USE OF TWO-YEAR EXTENSION OF COUNTERDRUG FUNDS FOR**

1                                   **COUNTERTERRORISM IN COLOMBIA.**

2                   (a) **AUTHORITY.**—In fiscal years 2005 and 2006, the Secretary of Defense may use funds  
3 available for drug interdiction and counterdrug activities to provide assistance to the  
4 Government of Colombia to support a unified campaign against narcotics trafficking and  
5 activities by organizations designated as terrorist organizations, such as the Revolutionary  
6 Armed Forces of Colombia (FARC), the National Liberation Army (ELN), and the United Self-  
7 Defense Forces of Colombia (AUC). This includes authority to take actions to protect human  
8 health and welfare in emergency circumstances, including rescue operations for any United  
9 States citizen, to include United States armed forces personnel, United States civilian employees,  
10 and civilian contractors employed by the United States.

11                   (b) **RELATIONSHIP TO EXISTING AUTHORITY.**— The authority in this section is in addition  
12 to authorities currently available to provide assistance to Colombia.

13                                   **Subtitle D—Other Department of Defense Provisions**

14                   **SEC. 1031. CONTROL AND SUPERVISION OF TRANSPORTATION WITHIN THE**  
15                                   **DEPARTMENT OF DEFENSE.**

16                   (a) **IN GENERAL.**—Title 10, United States Code, is amended as follows:

17                                   (1) Section 4744 is amended—

18   (A) by redesignating section 4744 as section 2648;

19   (B) in the first sentence, by striking "the Army" and inserting "Defense";

20                                   and

21   (C) in the first paragraph, by striking "Army transport agencies or, within  
22 bulk space allocations made to the Department of the Army, on vessels operated

1 by any military transport agency of".

2 (2) Section 4745 is amended—

3 (A) by redesignating section 4745 as section 2649;

4 (B) in paragraph (a)—

5 (i) by striking "(1) on vessels operated by Army transport agencies,  
6 or (2) within bulk space allocations made to the Department of the Army";

7 (ii) by striking "any transport agency of"; and

8 (C) by striking "the Army and the Secretary of Transportation" and  
9 inserting "Defense".

10 (3) Section 4747 is amended—

11 (A) by redesignating section 4747 as section 2650;

12 (B) by striking "Army transport agencies or, within bulk space allocations  
13 made to the Department of the Army, on vessels operated by any transport agency  
14 of"; and

15 (C) by striking "the Army" and inserting "Defense".

16 (4) Section 4741 is repealed.

17 (5) Section 4743 is repealed.

18 (6) Section 4746 is repealed.

19 (7) Section 9741 is repealed.

20 (8) Section 9743 is repealed.

21 (9) Section 9746 of title 10, United States Code, is amended—

22 (A) by redesignating section 9746 as section 2651;

23 (B) by inserting "vessels or" after "transported on";

1 (C) by striking "Air Force transport agencies or, within bulk space  
2 allocations made by the Department of the Air Force, on vessels or airplanes  
3 operated by any military transport agency of";

4 (D) in paragraph (1), by striking "the Air Force" and inserting "Defense";  
5 and

6 (E) in paragraph (4)—

7 (i) by striking subparagraph (A); and

8 (ii) by redesignating subparagraph (B) as subparagraph (A).

9 (b) CLERICAL AMENDMENTS.—

10 (1)(A) The table of sections at the beginning of chapter 447 of such title is  
11 amended by striking the item relating to section 4744.

12 (B) The table of sections at the beginning of chapter 157 of such title is amended  
13 by adding at the end the following new item:

14 "2647. Persons and supplies: sea transportation."

15 (2)(A) The table of sections at the beginning of chapter 447 of such title is  
16 amended by striking the item relating to section 4745.

17 (B) The table of sections at the beginning of chapter 157 of such title is amended  
18 by adding at the end the following new item:

19 "2648. Civilian passengers and commercial cargoes: transports in trans-Atlantic service."

20 (3)(A) The table of sections at the beginning of chapter 447 of such title is  
21 amended by striking the item relating to section 4747.

22 (B) The table of sections at the beginning of chapter 157 of such title is amended  
23 by adding at the end the following new item:

1 "2648. Passengers and merchandise to Guam: sea transport."

2 (4) The table of sections at the beginning of chapter 447 of such title is amended  
3 by striking the item relating to section 4741.

4 (5) The table of sections at the beginning of chapter 447 of such title is amended  
5 by striking the item relating to section 4743.

6 (6) The table of sections at the beginning of chapter 447 of such title is amended  
7 by striking the item relating to section 4746

8 (7) The table of sections at the beginning of chapter 947 of such title is amended  
9 by striking the item relating to section 9741.

10 (8)(A) The table of sections at the beginning of chapter 447 of such title is  
11 amended by striking the item pertaining to section 4746; and

12 (B) The table of sections at the beginning of chapter 157 of such title is amended  
13 by adding at the end the following new item:

14 "2651. Civilian personnel in Alaska."

## 15 **Subtitle E—Other Matters**

### 16 **SEC. 1041. REPEAL OF PROHIBITION ON CONTRACTS FOR PERFORMANCE OF** 17 **SECURITY-GUARD FUNCTIONS**

18 Section 2465 of title 10, United States Code, is amended—

19 (1) by striking "**or security-guard**" in the section heading; and

20 (2) in subsection (a), by striking "or security guard".

### 21 **SEC. 1042. ESTABLISHMENT OF AUXILIARIES WITHIN THE MILITARY** 22 **DEPARTMENTS.**

23 (a) IN GENERAL.—Part IV of subtitle A of title 10, United States Code, is amended by

1 inserting after chapter 172 the following new chapter:

2 **"CHAPTER 173—AUXILIARIES**

- "Sec.
- "2921. Administration of auxiliaries.
- "2922. Purpose of an auxiliary.
- "2923. Eligibility, enrollments.
- "2924. Members of the auxiliary; status.
- "2925. Disenrollment.
- "2926. Membership in other organizations.
- "2927. Use of member's equipment and facilities.
- "2928. Availability of appropriations.
- "2929. Assignment and performance of duties.
- "2930. Injury or death in line of duty.
- "2931. Limitation on liability.

3 **"§ 2921. Administration of auxiliaries.**

4       "(a) An auxiliary of a military department is a nonmilitary organization administered by  
5 the Secretary concerned. For command, control, and administrative purposes, the auxiliary shall  
6 include such organizational elements and units as are approved by the Secretary, which may  
7 include a national board and staff (to be known as the 'auxiliary headquarters unit'), districts,  
8 regions, divisions, and other organizational elements and units. The auxiliary organization and  
9 its officers shall have such rights, privileges, powers, and duties as may be granted to them by  
10 the Secretary, consistent with this title and other applicable provisions of law. The Secretary  
11 may designate the authority and responsibilities of the officers of the auxiliary that the Secretary  
12 considers necessary or appropriate for the functioning, organization, and internal administration  
13 of the auxiliary.

14       "(b) The national board of an auxiliary, and any auxiliary district or region, may form a  
15 corporation under State law in accordance with policies established by the Secretary.

16 **"§ 2922. Purpose of an auxiliary.**

17       "The purpose of an auxiliary is to assist the military department under which it is

1 established, as authorized by the Secretary concerned, in performing any non-combat function,  
2 power, duty, role, mission, or operation authorized by law for that military department.

3 **"§ 2923. Eligibility, enrollments.**

4 "An auxiliary shall be composed of citizens of the United States, who by reason of their  
5 special training or experience are deemed by the Secretary concerned to be qualified for duties  
6 and functions of the auxiliary, and who may be enrolled therein pursuant to regulations  
7 established by the Secretary.

8 **"§ 2924. Members of the auxiliary; status.**

9 "(a) Except as otherwise provided in this chapter, a member of an auxiliary shall not be  
10 considered a Federal employee.

11 "(b) A member of an auxiliary, while performing duty, shall be considered to be a  
12 Federal employee for the purposes of the provisions of law relating to—

13 "(1) ethics, conflicts of interest, corruption, and any other criminal or civil  
14 statutes and regulations governing the conduct of Federal employees;

15 "(2) compensation for work injuries under chapter 81 of title 5; and

16 "(3) resolution of claims relating to damage to or loss of personal property of the  
17 member incident to service under section 3721 of title 31.

18 "(c) A member of the auxiliary, while assigned to duty, shall be deemed to be a person  
19 acting under an officer of the United States or an agency thereof for purposes of section  
20 1442(a)(1) of title 28.

21 "(d) A member of the auxiliary, while assigned to duty, shall be deemed to be a member  
22 of a uniformed service for purposes of sections 2928 and 2930 of this title.

23 **"§ 2925. Disenrollment.**



1 "Members of an auxiliary may be disenrolled pursuant to applicable regulations  
2 established by the Secretary concerned.

3 **"§ 2926. Membership in other organizations.**

4 "Members of an auxiliary may be appointed or enlisted in a Reserve component, pursuant  
5 to applicable regulations. Membership in the auxiliary shall not bar membership in any other  
6 naval or military organization.

7 **"§ 2927. Use of member's equipment and facilities.**

8 "At no cost to the government, the Secretary concerned may utilize for any purpose  
9 incident to carrying out his department's functions and duties, equipment or facilities placed at  
10 his department's disposition for any such purpose by any member of the auxiliary while  
11 performing duties or missions assigned by the Secretary.

12 **"§ 2928. Availability of appropriations.**

13 "Appropriations authorized for operation and maintenance of a military department may  
14 be used to pay actual necessary traveling expenses and subsistence, or commutation of ration  
15 allowance in lieu of subsistence, of members of the auxiliary assigned to authorized duties, but  
16 shall not be available for the payment of compensation for personal services, incident to such  
17 operation, other than to personnel of the military department.

18 **"§ 2929. Assignment and performance of duties.**

19 "No member of an auxiliary, solely by reason of such membership, shall be vested with,  
20 or exercise, any right, privilege, power, or duty vested in or imposed upon the personnel of the  
21 military department concerned, except that any such member may, under applicable regulations,  
22 be assigned duties which, after appropriate training and examination, he has been found  
23 competent to perform, to effectuate the purposes of the auxiliary. No member of the auxiliary

1 shall be placed in charge of an activity or organization assigned to the military department unless  
2 he has been designated specifically by authority of the Secretary concerned to perform such  
3 duty. Members of the auxiliary, when assigned to duties as herein authorized, shall, unless  
4 otherwise limited by the Secretary concerned, be vested with the same power and authority in  
5 the execution of such duties as members of the regular or Reserve components of that military  
6 department assigned to similar duty. When any member of the auxiliary is assigned to such  
7 duty, he may, pursuant to regulations issued by the Secretary, be paid actual necessary traveling  
8 expenses, including a per diem allowance in conformity with standardized Government travel  
9 regulations in lieu of subsistence, while traveling and while on duty away from his home. No  
10 per diem shall be paid for any period during which quarters and subsistence in kind are furnished  
11 by the Government. No member of an auxiliary, while performing auxiliary duty, shall exercise  
12 command.

13 **"§ 2930. Injury or death in line of duty.**

14 "(a) If a member of an auxiliary is physically injured, or dies as a result of physical  
15 injury, and the injury is incurred while performing any duty to which he has been assigned  
16 pursuant to this chapter, the law authorizing compensation for employees of the United States  
17 suffering injuries while in the performance of their duties, applies, subject to this section. That  
18 law shall be administered by the Secretary of Labor to the same extent as if the member was a  
19 civil employee of the United States and was injured in the performance of that duty. For benefit  
20 computation, regardless of pay or pay status, the member is considered to have had monthly pay  
21 of the monthly equivalent of the minimum rate of basic pay in effect for grade GS-9 of the  
22 General Schedule on the date the injury is incurred.

23 "(b) This section does not apply if a worker's compensation law provides coverage

1 because of a concurrent employment status of the member. When the member or a dependent is  
2 entitled to a benefit under this section and also to a concurrent benefit from the United States on  
3 account of the same disability or death, the member or dependent, as appropriate, shall elect  
4 which benefit to receive.

5 "(c) If a claim is filed under this section with the Secretary of Labor for benefits because  
6 of an alleged injury or death, the Secretary of Labor shall notify the Secretary concerned who  
7 shall direct an investigation into the facts surrounding the alleged injury or death. The Secretary  
8 then shall certify to the Secretary of Labor whether or not the injured or deceased person was a  
9 member of an auxiliary, the person's military status, and whether or not the injury or death was  
10 incurred incident to military service.

11 "(d) A member of an auxiliary who incurs a physical disability or contracts sickness or  
12 disease while performing a duty to which the member has been assigned pursuant to this chapter  
13 is entitled to the same hospital treatment afforded a member of the Reserves of the armed forces  
14 while serving on active duty.

15 "(e) In administering section 8133 of title 5, for a person covered by this section—

16 "(1) the percentages applicable to payments under that section are—

17 "(A) 45 percent under subsection (a)(2) of that section, where the member  
18 died fully or currently insured under title II of the Social Security Act (42 U.S.C.  
19 401 et seq.), with no additional payments for a child or children so long as the  
20 widow or widower remains eligible for payments under that subsection;

21 "(B) 20 percent under subsection (a)(3) of that section, for one child, and  
22 10 percent additional for each additional child, not to exceed a total of 75 percent,  
23 where the member died fully or currently insured under title II of the Social

1 Security Act; and

2 "(C) 25 percent under subsection (a)(4) of that section, if one parent was  
3 wholly dependent for support upon the deceased member at the time of the  
4 member's death and the other was not dependent to any extent; 16 percent to each  
5 if both were wholly dependent; and if one was, or both were, partly dependent, a  
6 proportionate amount in the discretion of the Secretary of Labor;

7 "(2) payments may not be made under subsection (a)(5) of that section; and

8 "(3) the Secretary of Labor shall inform the Commissioner of Social Security  
9 whenever a claim is filed and eligibility for compensation is established under section  
10 8133(a)(2) and (3) of title 5. The Commissioner of Social Security then shall certify to  
11 the Secretary of Labor whether or not the member concerned was fully or currently  
12 insured under title II of the Social Security Act at the time of the member's death.

13 **"§ 2931. Limitation on liability.**

14 "A member of an auxiliary, while assigned to duty, shall be deemed a volunteer of a  
15 nonprofit organization or governmental entity for purposes of chapter 139 of title 42 (popularly  
16 known as the 'Volunteer Protection Act'). Subsection (d) of section 4 of such Act (42 U.S.C.  
17 14503(d)) shall not apply for purposes of any claim against a member of an auxiliary."

18 (b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of such subtitle and  
19 the beginning of part I of such subtitle are amended by inserting after the item relating to chapter  
20 172 the following new item:

21 **"173. Auxiliaries ..... 2921".**

22 **SEC. 1043. NATIONAL DEFENSE HERITAGE FOUNDATION.**

23 (a) IN GENERAL.—Part IV of Subtitle A of title 10, United States Code is amended by

1 adding at the end the following new chapter:

2 **"CHAPTER 173—NATIONAL DEFENSE HERITAGE FOUNDATION**

"Sec.

"2905. Establishment and Purpose.

"2906. Composition and Operation.

"2907. Corporate Powers and Obligations.

"2908. Tax exemptions; contributions toward costs of local government; contributions, gifts, or transfers to or for use of United States.

"2909. Liability of United States.

"2910. Promotion of local fundraising support.

"2911. Authorization of appropriations.

3 **"§ 2905. Establishment and purpose**

4 "(a) ESTABLISHMENT.—A National Defense Heritage Foundation is hereby established as  
5 a charitable and nonprofit corporation for the purposes specified in subsection (b), and shall be  
6 organized and operated as a charitable foundation under title 76, section 501(c)(3), United States  
7 Code.

8 "(b) PURPOSES.—The Foundation shall encourage, accept, and administer private gifts of  
9 money and real and personal property or any income therefrom for the benefit of, or in  
10 connection with, the preservation, protection, and continued beneficial use of historic properties  
11 owned or controlled by the Department of Defense.

12 **"§ 2906. Composition and operation**

13 "(a) BOARD OF DIRECTORS.—The National Defense Heritage Foundation shall be  
14 governed by a Board of Directors hat shall consist of—

15 "(1) the Secretary of Defense, ex officio;

16 "(2) the Secretaries of the Military Departments, ex officio;

17 "(3) the Director of the National Park Service, ex officio;

18 "(4) five experts in the field of historic preservation appointed by the Secretary of

1 Defense from the disciplines of architecture, history, archeology, or other appropriate  
2 disciplines;

3 "(5) three at-large members from the general public appointed by the Secretary of  
4 Defense; and

5 "(6) the Chairman of the Advisory Council on Historic Preservation, ex officio.

6 "(b) TERM OF APPOINTMENT.—The initial terms of the five historic preservation experts  
7 and the three at-large members shall be staggered to assure continuity of administration.

8 Thereafter, the term shall be six years, unless a successor is chosen to fill a vacancy occurring  
9 prior to the expiration of the term for which his predecessor was chosen, in which event the  
10 successor shall be chosen only for the remainder of that term.

11 "(c) CHAIRPERSON AND SECRETARY.—The Secretary of Defense shall be the Chairman of  
12 the Board and the Director of the National Park Service shall be the Secretary of the Board.

13 "(d) MEMBERSHIP AND OPERATION.—Except as to those Board members serving in their  
14 official capacities, service as a member of the Board shall not constitute employment by, or the  
15 holding of, an office of the United States for the purposes of any Federal law. A majority of the  
16 members of the Board serving at any one time shall constitute a quorum for the transaction of  
17 business, and the Foundation shall have an official seal, which shall be judicially noticed. The  
18 Board shall meet at the call of the Chairman and there shall be at least one meeting each year.

19 "(e) COMPENSATION AND TRAVEL EXPENSES.—No compensation shall be paid to the  
20 members of the Board for their services as members, but they shall be reimbursed for actual and  
21 necessary traveling and subsistence expenses incurred by them in the performance of their duties  
22 as such members out of National Defense Heritage Foundation funds available to the Board for  
23 such purposes.

1           "(f) VOLUNTEER STATUS.—The Secretary of Defense may accept, without regard to civil  
2 service classification laws, rules, or regulations, the services of the Foundation, the Board, and  
3 the officers and employees of the Board, without compensation from the Department of Defense,  
4 as volunteers in the performance of the functions authorized herein.

5           "(g) EMPLOYEES.—An officer or employee of the Foundation—

6                   "(1) shall not by virtue of the appointment or employment of the office or  
7 employee, be considered a Federal employee for any purpose; and

8                   "(2) may not be paid by the Foundation a salary in excess of \$134,000 per year.

9           "**§ 2907. Corporate powers and obligations**

10           "(a) GIFTS.—(1) The Foundation is authorized to accept, receive, solicit, hold,  
11 administer, and use any gifts, devises, or bequests, either absolutely or in trust, of real or  
12 personal property or any income therefrom or other interest therein for the benefit of or in  
13 connection with, the preservation, protection, and continued beneficial use of historic properties  
14 owned or controlled by the Department of Defense; provided, that the Foundation may not  
15 accept any such gift, devise, or bequest that entails any expenditure other than from the resources  
16 of the Foundation.

17                   "(2) An interest in real property includes, among other things, easements or other  
18 rights for preservation, conservation, protection, or enhancement of historic properties.

19                   "(3) A gift, device, or bequest may be accepted by the Foundation even though it  
20 is encumbered, restricted, or subject to beneficial interests of private persons if any current or  
21 future interest therein supports the purposes for which the Foundation has been established.

22           "(b) PROPERTY AND INCOME DEALINGS AND TRANSACTIONS.—(1) Except as otherwise  
23 required by the instrument of transfer, the Foundation may sell, lease, invest, reinvest, retain, or

1 otherwise dispose of or deal with any property or income thereof as the Board may from time to  
2 time determine.

3 "(2) The Foundation shall not engage in any business, nor shall the Foundation make any  
4 investment that may not lawfully be made by a trust company in the District of Columbia, except  
5 that the Foundation may make any investment authorized by the instrument of transfer, and may  
6 retain any property accepted by the Foundation.

7 "(3) The Foundation may utilize the services and facilities of the Department of Defense,  
8 the Department of the Interior, and the Department of Justice, and such services and facilities  
9 may be made available on request to the extent practicable with or without reimbursement  
10 therefore. Monies reimbursed to any Department shall be returned by the Department to the  
11 account from which the funds for which the reimbursement is made were drawn and may,  
12 without further appropriation, be expended for any purpose for which such account is authorized.

13 "(c) CORPORATE SUCCESSION; POWERS AND DUTIES OF TRUSTEE; SUITS; PERSONAL  
14 LIABILITY FOR MALFEASANCE.—The Foundation shall have perpetual succession, with all the  
15 usual powers and obligations of a corporation acting as a trustee, including the power to sue and  
16 to be sued in its own name, but the members of the Board shall not be personally liable, except  
17 for malfeasance.

18 "(d) AUTHORITY FOR EXECUTION OF CONTRACTS, INSTRUMENTS, AND NECESSARY OR  
19 APPROPRIATE ACTS.—The Foundation shall have the power to enter into contracts, to execute  
20 instruments, and generally to do any and all lawful acts necessary or appropriate to its purposes.

21 "(e) BYLAWS, RULES, AND REGULATIONS; CONTRACTS FOR SERVICES.—In carrying out  
22 the provisions of this subchapter, the Board may adopt bylaws, rules, and regulations necessary  
23 for the administration of its functions and contract for any necessary services.



1 **"§ 2908. Tax exemptions; contributions toward costs of local government; contributions,**  
2 **gifts, or transfers to or for use of United States**

3 "(a) TAX EXEMPTIONS.—The Foundation and any income or property received or owned  
4 by it, and all transactions relating to such income or property, shall be exempt from all Federal,  
5 State, and local taxation with respect thereto.

6 "(b) CONTRIBUTION TO COSTS OF LOCAL GOVERNMENT.—The Foundation may,  
7 however, in the discretion of its directors, contribute toward the costs of local government in  
8 amounts not in excess of those which it would be obligated to pay such government if it were not  
9 exempt from taxation by virtue of the foregoing or by virtue of its being a charitable and  
10 nonprofit corporation and may agree so to contribute with respect to property transferred to it  
11 and the income derived therefrom if such agreement is a condition of the transfer.

12 "(c) TRANSFERS TO OR FOR USE OF UNITED STATES.—Contributions, gifts, and other  
13 transfers made to or for the use of the Foundation shall be regarded as contributions, gifts, or  
14 transfers to or for the use of the United States.

15 **"§ 2909. Liability of United States**

16 "The United States shall not be liable for any debts, defaults, acts, or omissions of the  
17 Foundation.

18 **"§ 2910. Promotion of local fundraising support**

19 "(a) ESTABLISHMENT.—The Foundation shall design and implement a comprehensive  
20 program to assist and promote philanthropic programs of support at the individual military  
21 installation level.

22 "(b) IMPLEMENTATION.—The program under subsection (a) shall be implemented to—

23 "(1) assist in the creation of local nonprofit support organizations; and

1           "(2) provide support, national consistency, and management-improving  
2 suggestions for local nonprofit support organizations.

3           "(c) PROGRAM.—The program under subsection (a) shall include the greatest number of  
4 military installations as is practicable.

5           "(d) REQUIREMENTS.—The program under subsection (a) shall include, at a minimum—

6               "(1) a standard adaptable organizational design format to establish and sustain  
7 responsible management of a local nonprofit support organization for support of a  
8 military installation;

9               "(2) standard and legally tenable bylaws and recommended money-handling  
10 procedures that can easily be adapted as applied to individual military installations; and

11               "(3) a standard training curriculum to orient and expand the operating expertise of  
12 personnel employed by local nonprofit support organizations.

13           "(e) ANNUAL REPORT.—The Foundation shall report the progress of the program under  
14 subsection (a) in the annual report of the Foundation.

15           "(f) AFFILIATIONS.—(1) Nothing in this section requires:

16               "(A) a nonprofit support organization or friends group to modify current  
17 practices or to affiliate with the Foundation; or

18               "(B) a local nonprofit support organization, established as a result of this  
19 section, to be bound through its charter or corporate bylaws to be permanently  
20 affiliated with the Foundation.

21           "(2) An affiliation with the Foundation shall be established only at the discretion of the  
22 governing board of a nonprofit organization.

23           "**§ 2911. Authorization of appropriations**

1           "(a) AUTHORIZATION.—There are authorized to be appropriated to the Department of  
2 Defense such sums as may be necessary to achieve the purposes of the Foundation.

3           "(b) USE OF AMOUNTS APPROPRIATED.—(1) Subject to paragraph (2), amounts  
4 appropriated under this section shall be made available to the Foundation for use for matching,  
5 in whole or in part, contributions (whether in currency, services, or property) made to the  
6 Foundation by private persons and State and local government agencies.

7           "(2) No Federal funds authorized under this section shall be used by the  
8 foundation for administrative expenses of the Foundation, including salaries, travel and  
9 transportation expenses, and other overhead expenses.

10          "(c) ADDITIONAL AUTHORIZATION.—The amounts authorized to be appropriated under  
11 this section are in addition to any amounts provided or available to the Foundation under any  
12 other Federal law."

13          (b) CLERICAL AMENDMENT.—The table of chapters of Part IV of Subtitle A of such title  
14 is amended by adding at the end the following new item:

15 "173. National Defense Heritage Foundation.....2905".

16 **SEC. 1044. USE OF MILITARY AIRCRAFT TO TRANSPORT MAIL TO AND**  
17 **FROM OVERSEAS LOCATIONS.**

18 Section 3401 of title 39, United States Code, is amended—

19 (1) in subsection (b)—

20 (A) by inserting "military owned, operated or chartered aircraft; or on" after "the  
21 Virgin Islands, on"; and

22 (B) by inserting "military owned, chartered or operated aircraft or" after  
23 "Whenever adequate service by"; and

1 (2) in subsection (c), by inserting "by military owned, chartered or operated aircraft or"  
2 after "shall be transported".

3 **SEC. 1045. USE OF THE NATIONAL DRIVER REGISTER FOR PERSONNEL**  
4 **SECURITY INVESTIGATIONS AND DETERMINATIONS.**

5 (a) IN GENERAL.—Chapter 303 of title 49, United States Code, is amended by inserting  
6 after section 30305 the following new section:

7 **"§ 30305a. National driver register information for use in personnel security investigations**  
8 **and determinations and personnel investigations with regard to Federal**  
9 **employment security checks for Federal employment**

10 "An individual who has or who seeks access to national security information for purposes  
11 of Executive Order 12968, or successor Executive orders, or an individual who is being  
12 investigated for Federal employment under authority of Executive Order 10450, or successor  
13 Executive orders, may request that the chief driver licensing official of a State provide  
14 information about the individual pursuant to section 30305(a) of this title to a Federal  
15 department or agency that is authorized to investigate the individual for the purpose of assisting  
16 in the determination of the eligibility of the individual for access to national security information  
17 or for Federal employment. The Federal Department or agency that receives such information  
18 may use it in accordance with applicable law."

19 (b) CLERICAL AMENDMENT.—The table of sections for such chapter 303 of title 49 is  
20 amended by inserting after the item relating to section 30305 the following new item:

21 "30305a. National driver register information for use in personnel security investigations and  
22 personnel investigations with regard to Federal employment security checks for Federal  
23 employment."

1 **SEC. 1046. CONFORMING AMENDMENTS TO GENERAL DEFINITIONS.**

2 (a) IN GENERAL.—Section 101(e)(3) of title 10, United States Code, is amended by  
3 striking "Secretary of Defense" and inserting "Secretary concerned".

4 (b) CONFORMING AMENDMENTS TO DEFINITION OF CONGRESSIONAL DEFENSE  
5 COMMITTEES.—Title 10 is further amended as follows:

6 (1) Sections 2676(d), 2694a(e), 2803(b), 2804(b), 2805(b)(2), 2806(c)(2),  
7 2807(b), 2807(c), 2808(b), 2809(f)(1), 2811(d), 2812(c)(1)(A), 2813(c), 2814(a)(2)(A),  
8 2814(g)(1), 2825(b)(1), 2827(b), 2828(f), 2835(g), 2836(f), 2837(c)(2), 2853(c)(2),  
9 2854(b), 2854a(c)(1), 2865(e)(2), 2866(c)(2), 2875(e), 2881a(d)(2), 2881a(e), 2883(f),  
10 and 2884(a), are amended by striking "appropriate committees of Congress" in each  
11 place it appears and inserting "congressional defense committees".

12 (2)(A) Subsection (c) of section 2801 is amended by striking paragraph (4) and  
13 inserting the following new paragraph (4):

14 "(4) The term 'congressional defense committees' includes, with respect to any  
15 project to be carried out by, or for the use of, an intelligence component of the  
16 Department of Defense, the Permanent Select Committee on Intelligence of the House of  
17 Representatives and the Select Committee on Intelligence of the Senate.";

18 (B) Section 2694a is amended by striking subsection (i) and inserting the  
19 following new subsection (i):

20 "(i) DEFINITION OF STATE.—The term 'State' includes the District of Columbia, the  
21 Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the  
22 Territories."

23 (c) CONFORMING AMENDMENTS TO DEFINITION OF BASE CLOSURE LAWS.—(1) Section

1 2871 of such title is amended by redesignating paragraphs (3) through (8) as paragraphs (2)  
2 through (7), respectively.

3 (2) Section 3341(c) of title 5, United States Code, is amended by striking paragraph (1)  
4 and inserting the following new paragraph (1):

5 "(1) the term 'base closure law' has the meaning given such term in section 101(a)(17) of  
6 title 10."

7 (3) Title 40, United States Code, is amended—

8 (A) in section 554(a), by striking paragraph (1) and inserting the following new  
9 paragraph (1):

10 "(1) BASE CLOSURE LAW.—The term 'base closure law' has the meaning given such term  
11 in section 101(a)(17) of title 10."; and

12 (B) in section 572(b), by striking subparagraph (B) of paragraph (1) and inserting  
13 the following new subparagraph (B):

14 "(B) BASE CLOSURE LAW.—The term 'base closure law' has the meaning given such term  
15 in section 101(a)(17) of title 10.";

16 (4) Section 120(h)(4)(E) of the Comprehensive Environmental Response, Compensation,  
17 and Liability Act of 1980 (Public Law 96-510; 42 U.S.C. § 9620(h)) is amended by striking  
18 clause (ii) and inserting the following new clause (ii):

19 "(ii) For purposes of this paragraph, the term 'base closure law' has the meaning given  
20 such term in 10 U.S.C. § 101(a)(17)."

21 (5) Section 1333(i) of the National Defense Authorization Act for Fiscal Year 1994  
22 (Public Law 103-160; 107 Stat. 1800), is amended by striking paragraph (1) and inserting the  
23 following new paragraph (1):

1           "(1) The term 'base closure law' has the meaning given such term in 10 U.S.C. §  
2 101(a)(17).".

3           (6) Section 2814 of the National Defense Authorization Act for Fiscal Year 1995 (Public  
4 Law 103-337, 108 Stat. 3056), is amended by striking subsection (b) and inserting the following  
5 new subsection (b):

6           "(b) BASE CLOSURE LAW DEFINED.—The term 'base closure law' has the meaning given  
7 such term in 10 U.S.C. § 101(a)(17).".

8           (7) Section 1(c) of An Act to Amend the Organic Act of Guam, and for other purposes  
9 (Public Law 106-504; 114 Stat. 2309), is amended by striking paragraph (2) and inserting the  
10 following new paragraph (2):

11           "(2) The term 'base closure law' has the meaning given such term in 10 U.S.C. §  
12 101(a)(17).".

13           **SEC. 1047. USE OF DEPARTMENT OF DEFENSE FITNESS FACILITIES BY**  
14           **CONTRACT WORKERS.**

15           (a) IN GENERAL.—The Secretary of Defense may authorize employees of Department of  
16 Defense contractors to use Department of Defense-owned, Department of Defense-operated  
17 fitness facilities if the Secretary determines that such use is in the best interest of the Department  
18 of Defense and causes no more than a de minimis increase in the cost of operation of such  
19 facilities. Active duty and Government civilian personnel will be granted top priority status for  
20 use of such facilities where availability is limited.

21           (b) LIABILITY WAIVER.—In order to use such facilities, the contractor and the employee  
22 must agree to waive any claims of liability against the Government, and to its officers,  
23 employees, and agents arising from such use.

1           **TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL**

2           **SEC. 1101. PRIORITY PLACEMENT OF DISPLACED CIVILIAN EMPLOYEES.**

3           (a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by adding at  
4 the end the following new section:

5           **"§ 1599e. Defense priority placement program**

6           "(a) PRIORITY PLACEMENT.—The Secretary of Defense, at his sole and exclusive  
7 discretion and notwithstanding the provisions of title 5, may establish one or more programs to  
8 promote stability of employment for Department of Defense civilian employees affected by  
9 changing mission requirements, streamlining efforts, overseas rotations (including rotations  
10 undertaken pursuant to section 1586 of this title), preferences established by law, and other such  
11 actions as the Secretary shall determine, by providing such employees priority consideration, as  
12 defined by the Secretary, for placement in other positions within the Department of Defense.

13           "(b) CONSTRUCTION.—The content of any program developed under subsection (a), and  
14 any personnel action undertaken pursuant to such program, shall not be reviewable outside the  
15 Department of Defense except to the extent that may be required by the United States  
16 Constitution."

17           (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is  
18 amended by inserting at the end the following new item:

19 "1599e. Defense priority placement program."

20           **SEC. 1102. EMPLOYMENT PREFERENCE FOR SPOUSES OF CIVILIAN**  
21           **EMPLOYEES.**

22           Section 1784 of title 10, United States Code, is amended by adding at the end the  
23 following new subsections:



1           "(h) INCLUSION OF SPOUSES OF CERTAIN DOD CIVILIAN EMPLOYEES.—For the purposes  
2 of this section, the spouse of a civilian employee of the Department of Defense who has been  
3 reassigned and relocated pursuant to a mandatory mobility agreement executed as a condition of  
4 employment, or other mandatory mobility program shall be considered the spouse of a member  
5 of the armed forces.

6           "(i) LIMITING OPERATION OF THE HIRING PREFERENCE.—The hiring preference in this  
7 section shall apply to any Department of Defense civilian position other than positions that fall  
8 under chief of mission authority as set forth in section 3927 of title 22."

9           **SEC. 1103. PAY PARITY FOR CIVILIAN INTELLIGENCE PERSONNEL.**

10           Section 1602 of title 10, United States Code, is amended—

11           (1) in subsection (a), by striking "in relation to the rates of pay provided in subpart D of  
12 part III of title 5 for positions subject to that subpart which have corresponding levels of duties  
13 and responsibilities" and inserting "in relation to the rates of pay provided for other comparable  
14 Department of Defense Senior Executive, Senior Level, and other positions"; and

15           (2) by striking subsection (b) and substituting the following new subsection (b):

16           "(b) The Defense Intelligence Senior Executive Service shall be subject to a performance  
17 appraisal system which, as designed and applied, is certified by the Secretary of Defense as  
18 making meaningful distinctions based on relative performance and may be the same  
19 performance appraisal system established and implemented within the Department for members  
20 of the Senior Executive Service."

21           **SEC. 1104. PAY PARITY FOR SENIOR EXECUTIVES IN DOD NONAPPROPRIATED**  
22                           **FUND INSTRUMENTALITIES.**

23           (a) IN GENERAL.— Chapter 81 of title 10, United States Code, is amended by adding at

1 the end the following new section:

2 **"§ 1599e. Senior executive compensation for nonappropriated fund instrumentalities**

3 "Notwithstanding any provisions of title 5, the Secretary of Defense may regulate the  
4 amount of total compensation, including the rate of basic pay, of senior executives employed by  
5 Department of Defense nonappropriated fund instrumentalities, to provide for parity with the  
6 total compensation, including basic pay, of Department of Defense employees in the Senior  
7 Executive Service and other similar senior executive positions."

8 (b) CLERICAL AMENDMENT.— The table of sections at the beginning of such chapter is  
9 amended by inserting after the item relating to section 1589 the following new item:

10 "1599e. Senior Executive Compensation for Nonappropriated Fund Instrumentalities."

11 **SEC. 1105. PROHIBIT UNAUTHORIZED WEARING, MANUFACTURE, OR SALE OF**  
12 **CIVILIAN MEDALS OR DECORATIONS.**

13 Chapter 57 of title 10, United States Code, is amended by adding at the end the following  
14 new section:

15 **"§ 1134. Civilian medals or decorations of the Department of Defense**

16 "(a) PROHIBITION.—Except with the written permission of the Secretary of Defense, no  
17 person may knowingly use, in connection with any merchandise, retail product, impersonation,  
18 solicitation, or commercial activity in a manner reasonably calculated to convey the impression  
19 that such use is approved, endorsed, or authorized by the Secretary, medals, decorations, or other  
20 insignia intended for recognition of Department of Defense civilian employees and other  
21 individuals who render service to the Department of Defense.

22 "(b) AUTHORITY TO ENJOIN VIOLATIONS.—Whenever it appears to the Attorney General  
23 that any person is engaged or is about to engage in an act or practice which constitutes or will

1 constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil  
2 proceeding in a district court of the United States to enjoin such act or practice. Such court shall  
3 proceed as soon as practicable to the hearing and determination of such action and may, at any  
4 time before final determination, enter such restraining orders or prohibitions, or take such other  
5 actions as is warranted, including imposing a civil penalty not to exceed \$25,000 for each  
6 violation, to prevent injury to the United States or to any person or class of persons for whose  
7 protection the action is brought."

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

10 "1134. Civilian medals or decorations of the Department of Defense."

11 **TITLE XII—MATTERS RELATING TO OTHER NATIONS**

12 **Subtitle A—Matters Related to Arms Control and Monitoring**

13 **SEC. 1201. HUMANITARIAN ASSISTANCE WITH RESPECT TO THE DETECTION**  
14 **AND CLEARANCE OF LANDMINES AND EXPLOSIVE REMNANTS OF**  
15 **WAR.**

16 Chapter 20 of title 10, United States Code, is amended—

17 (1) in section 401—

18 (A) in subsection (a), by striking paragraph (4);

19 (B) in subsection (c)—

20 (i) by striking paragraphs (2) and (3); and

21 (ii) by redesignating paragraph (4) as paragraph (2); and

22 (C) in subsection (e), by striking paragraph (5);

1 (2) by adding the following new section at the end of such chapter:

2 **"§ 406. Humanitarian assistance with respect to the detection and clearance of landmines**  
3 **and explosive remnants of war**

4 "(a)(1) Under regulations prescribed by the Secretary of Defense, United States armed  
5 forces may provide humanitarian assistance with the detection and clearance of landmines or  
6 explosive remnants of war in a foreign country, including activities relating to the furnishing of  
7 education, training, and technical assistance, if these activities will promote:

8 "(A) the security interests of both the United States and the country in which the  
9 activities are to be carried out; and

10 "(B) the specific operational readiness skills of the members of the armed forces  
11 who participate in the activities.

12 "(2) The Secretary of Defense shall ensure that no member of the armed forces, while  
13 providing assistance under this section:

14 "(A) engages in the physical detection, lifting or destroying of landmines or  
15 explosive remnants of war (unless the member does so for the concurrent purpose of  
16 supporting a United States military operation): or

17 "(B) provides such assistance as part of a military operation that does not involve  
18 the armed forces

19 "(b)(1) To the extent provided in defense authorization Acts, funds authorized to be  
20 appropriated to the Department of Defense for a fiscal year for humanitarian assistance shall be  
21 used for the purpose of providing assistance under this section.

22 "(2) Expenses covered include the following expenses incurred:

23 "(A) Travel, transportation, and subsistence expenses of Department of Defense

1 personnel providing such assistance.

2 "(B) The cost of any equipment, services, or supplies acquired for the purpose of  
3 carrying out or supporting activities under this section, including any nonlethal,  
4 individual or small-team landmine or explosive remnant of war clearing equipment or  
5 supplies that are to be transferred or otherwise furnished to a foreign country in  
6 furtherance of the provision of assistance under this section.

7 "(C) The cost of equipment, services and supplies provided in any fiscal year to a  
8 foreign country under paragraph (2)(B) may not exceed \$5,000,000.

9 "(c) Humanitarian assistance with respect to the detection and clearance of landmines and  
10 remnants of war may not be provided under this section to any foreign country unless the  
11 Secretary of State specifically approves the provision of such assistance."; and

12 (3) in the table of sections at the beginning of such chapter by adding at the end the  
13 following new item:

14 " 406. Humanitarian assistance with respect to the detection and clearance of landmines and explosive remnants of  
15 war."

## 16 **Subtitle B—Matters Related to Allies and Friendly Foreign Nations**

### 17 **SEC. 1211. IMPROVING AIRSPACE CONTROL AND MANAGEMENT IN THE** 18 **CAUCASUS AND CENTRAL ASIA.**

19 Notwithstanding any other provision of the law, of the funds available to the Department  
20 of Defense, subject to the concurrence of the Secretary of State, not more than \$150 million in  
21 fiscal year 2005 may be made available for improving airspace control and management in key  
22 countries in the Caucasus and Central Asia (Georgia, Azerbaijan, Armenia, Turkmenistan,  
23 Uzbekistan, Kazakhstan, Kyrgyzstan, Tajikistan, and Afghanistan), thereby permitting a

1 permissive and controlled air corridor from Europe through the Caucasus to Central Asia and  
2 Afghanistan.

3 **SEC. 1212. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY**  
4 **STUDIES.**

5 Section 1306(b)(1) of the National Defense Authorization Act for Fiscal Year 1995,  
6 (Public Law 103-337; 108 Stat. 2892), as amended by section 1223 of the National Defense  
7 Authorization Act for Fiscal Year 2004 (Public Law 108-136; 117 Stat. 1392), is amended by  
8 striking "military officers and civilian officials from states located in Europe or the territory of  
9 the former Soviet Union" and inserting "foreign participants".

10 **Subtitle C—Other Matters**

11 **SEC. 1221. REPEAL OF THE ANNUAL REPORTING REQUIREMENT**  
12 **CONCERNING THE ACTIVITIES OF CHINESE MILITARY**  
13 **COMPANIES OPERATING IN THE UNITED STATES.**

14 Section 1233 of the National Defense Authorization Act Fiscal Year 2001 (Public Law  
15 106-398; 114 Stat. 1645A-330), is repealed.

16 **SEC. 1222. REPEAL OF REPORTING REQUIREMENT CONCERNING SPECIAL**  
17 **OPERATIONS FORCES TRAINING WITH FRIENDLY FOREIGN**  
18 **FORCES.**

19 Section 2011 of title 10, United States Code, is amended by striking subsection (e).

20 **SEC. 1223. FOREIGN MILITARY AIDS ADVOCACY, AWARENESS AND**  
21 **PREVENTION ACTIVITIES.**

22 Section 2561(a) of title 10, United States Code, is amended by inserting ", to conduct

1 HIV/AIDS advocacy, awareness, and prevention activities with foreign militaries and  
2 international peacekeepers," after "transportation of humanitarian relief".

3 **SEC. 1224. REPEAL OF THE AUTHORIZATION FOR THE ESTABLISHMENT OF**  
4 **THE CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.**

5 Section 914 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law  
6 106-65; 113 Stat. 721), is repealed.

7 **SEC. 1225. USE OF DONATED PROPERTY FOR HUMANITARIAN ASSISTANCE**  
8 **PURPOSES.**

9 Section 2608 of title 10, United States Code, is amended—

10 (1) by redesignating subsections (e) through (k) as subsections (f) through (l),  
11 respectively; and

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

13 "(e) USE OF PROPERTY FOR HUMANITARIAN ASSISTANCE PURPOSES.—Notwithstanding  
14 any other provision of law, any contribution of property received under this section may be  
15 donated by the Department of Defense to developing countries during an exercise, operation or  
16 similar activity. The Department of Defense may use its transportation assets and funds to  
17 receive, process, manage, store, care for, transport and distribute this property, including from  
18 the location the contribution is received to its eventual destination for donation."

19 **SEC. 1226. ASSIGNMENT OF FOREIGN NAVY PERSONNEL TO SUBMARINE**  
20 **SAFETY RESEARCH AND DEVELOPMENT PROGRAMS.**

21 Section 168 of title 10, United States Code, is amended by adding at the end the  
22 following new subsection:

23 "(h) AUTHORITY FOR ASSIGNMENT OF FOREIGN NAVY OFFICERS AND ENLISTED

1 MEMBERS TO SUBMARINE SAFETY RESEARCH AND DEVELOPMENT PROGRAMS.—(1) In order to  
2 facilitate the development, standardization, and interoperability of submarine vessel safety and  
3 rescue systems and procedures, the Secretary of the Navy may conduct a program under which  
4 members of foreign navies are assigned to United States commands to work on such systems and  
5 procedures.

6 "(2) The program authorized by this subsection is not an exchange program. Reciprocal  
7 assignments of members of the Navy to foreign navies are not required under this program.

8 "(3)(A) Each government sending members to the United States under the program  
9 authorized by this section shall pay the salary, per diem, cost of living, travel costs, cost of  
10 language or other training, and other costs for its own personnel in accordance with the laws and  
11 regulations of such government.

12 "(B) Subparagraph (A) does not apply to the following costs:

13 "(i) The cost of temporary duty directed by the United States Navy.

14 "(ii) The cost of training programs conducted to familiarize, orient, or certify  
15 members of foreign naval personnel regarding unique aspects of their assignments.

16 "(iii) Costs incident to the use of the facilities of the United States Navy in the  
17 performance of assigned duties.

18 "(4) The requirements of this subsection shall apply in the exercise of any authority of  
19 the Secretary of the Navy to enter into an agreement with the government of a foreign country,  
20 subject to the concurrence of the Secretary of State, to provide for the assignment of members of  
21 the navy of the foreign country to a United States Navy submarine safety program. The  
22 Secretary of the Navy may prescribe regulations for the application of this subsection in the  
23 exercise of such authority."



1       **TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF**  
2                                       **THE FORMER SOVIET UNION**

3       **SEC. 1301. AUTHORITY TO WAIVE CONDITIONS LIMITING SUPPORT FOR**  
4                                       **CHEMICAL WEAPONS DESTRUCTION FACILITY IN RUSSIA.**

5               (a) **APPLICABILITY OF FEDERAL LAW.**—The conditions described in section 1305 of the  
6       National Defense Authorization Act for Fiscal Year 2000 (Public law 106-65; 22 U.S.C. 5952  
7       note) shall not apply to the obligation and expenditure of funds available for obligation for the  
8       planning, design, or construction of a chemical weapons destruction facility in Russia if the  
9       President submits to Congress a written certification that includes—

10               (1) a statement justifying and indicating that it is consistent with the interests of  
11       national security to waive the requirements; and

12               (2) a plan to promote a full and accurate disclosure by Russia regarding the size,  
13       content, status and location of its chemical weapons stockpile.

14               (b) **USE OF EXPENDED FUNDS.**—Section 1305 of the National Defense Authorization Act  
15       for Fiscal Year 2000 (Public law 106-65; 22 U.S.C. 5952 note) is amended by striking "or  
16       expended".

17                                       **TITLE XIV—HOMELAND SECURITY**

18       **SEC. 1401. REPEAL OF FUNDING RESTRICTIONS CONCERNING DEVELOPMENT**  
19                                       **OF MEDICAL COUNTERMEASURES AGAINST BIOLOGICAL**  
20                                       **WARFARE THREATS.**

21               Section 2370a of title 10, United States Code, is repealed.

22       **DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS**

1 **SECTION 2001. SHORT TITLE.**

2 This division may be cited as the "Military Construction Authorization Act for Fiscal  
3 Year 2005".

4 **TITLE XXI—ARMY**

5 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION**

6 **PROJECTS.**

7 (a) **INSIDE THE UNITED STATES.**—Using amounts appropriated pursuant to the  
8 authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real  
9 property and carry out military construction projects for the installations or locations inside the  
10 United States, and in the amounts, set forth in the following table:

**Army: Inside the United States**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Alabama	Anniston Army Depot	23,690,000
Alaska	Fort Richardson	24,300,000
	Fort Wainwright	92,459,000
California	Fort Irwin	38,100,000
Colorado	Fort Carson	47,108,000
Georgia	Fort Benning	71,777,000
	Fort Gillem	5,800,000
	Fort McPherson	4,900,000
	Fort Stewart/Hunter Army Air Field	65,495,000
Hawaii	Helemano Military Reservation	75,300,000
	Hickam Air Force	11,200,000
	Pohakuloa Training Area	30,000,000
	Schofield Barracks	187,792,000
	Wheeler Army Air Field	24,000,000
Kansas	Fort Riley	44,050,000
Kentucky	Fort Campbell	89,600,000
	Fort Knox	72,000,000
Louisiana	Fort Polk	70,953,000
Missouri	Fort Leonard Wood	17,750,000
New Mexico	White Sands Missile Range	33,000,000
New York	Fort Drum	4,950,000
	Fort Hamilton	7,600,000

North Carolina	Military Entrance Processing Station, Buffalo	6,200,000
Oklahoma	United States Military Academy, West Point	60,000,000
Texas	Fort Bragg	101,687,000
	Fort Sill	14,400,000
Virginia	Fort Bliss	16,500,000
	Fort Hood	78,088,000
Washington	Fort A.P. Hill	3,975,000
	Fort Myer	49,526,000
	Fort Lewis	48,000,000
	<b>Total</b>	<b>1,420,200,000</b>

1 (b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the  
2 authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real  
3 property and carry out military construction projects for the installations or locations outside the  
4 United States, and in the amounts, set forth in the following table:

**Army: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Germany	Grafenwoehr	77,200,000
Italy	Livorno	26,000,000
Korea	Camp Humphreys	12,000,000
	<b>Total</b>	<b>115,200,000</b>

5 **SEC. 2102. FAMILY HOUSING.**

6 (a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the  
7 authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may  
8 construct or acquire family housing units (including land acquisition and supporting facilities) at  
9 the installations or locations, for the purposes and in the amounts, set forth in the following  
10 table:

**Army: Family Housing**

<b>State</b>	<b>Installation or Location</b>	<b>Purpose</b>	<b>Amount</b>
Alaska	Fort Richardson	92 Units	42,000,000
	Fort Wainwright	246	124,000,000

Arizona	Fort Huachuca	Units	41,000,000
	Yuma Proving Ground	205	14,900,000
Kansas	Fort Riley	Units	33,000,000
New Mexico	White Sands Missile Range	55 Units	31,000,000
		126	47,000,000
Oklahoma	Fort Sill	Units	46,000,000
Virginia	Fort Lee	156	16,000,000
	Fort Monroe	Units	
		247	
		Units	
		218	
		Units	
		68 Units	
	<b>Total</b>		<b>394,900,000</b>

1 (b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization  
2 of appropriations in section 2104(a)(4)(A), the Secretary of the Army may carry out architectural  
3 and engineering services and construction design activities with respect to the construction or  
4 improvement of family housing units in an amount not to exceed \$29,209,000.

5 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

6 Subject to section 2825 of title 10, United States Code, and using amounts appropriated  
7 pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the  
8 Army may improve existing military family housing units in an amount not to exceed  
9 \$211,990,000.

10 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

11 Funds are hereby authorized to be appropriated for fiscal years beginning after  
12 September 30, 2004, for military construction, land acquisition and military family housing  
13 functions of the Department of the Army in the total amount of \$3,336,291,000 as follows:

14 (1) For military construction projects inside the United States authorized by section  
15 2101(a), \$1,250,700,000.

1 (2) For military construction projects outside the United States authorized by section  
2 2101(b), \$115,200,000.

3 (3) For unspecified minor military construction projects authorized by section 2805 of  
4 title 10, United States Code, \$20,000,000.

5 (4) For architectural and engineering services and construction design under section 2807  
6 of title 10, United States Code, \$151,335,000.

7 (5) For military family housing functions:

8 (A) For construction and acquisition, planning and design, and improvement of  
9 military family housing and facilities, \$636,099,000.

10 (B) For support of military family housing (including the functions described in  
11 section 2833 of title 10, United States Code), \$928,907,000.

12 (6) For the construction of phase 2 of a barracks complex, 5<sup>th</sup> & 16<sup>th</sup> Street, at Ft  
13 Stewart/Hunter Army Air Field, Georgia, authorized by section 2101(a) of the Military  
14 Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108-136; 117  
15 Stat. 1697), \$32,950,000.

16 (7) For the construction of phase 3 of a barracks complex renewal, Capron Road, at  
17 Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction  
18 Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1283) and  
19 as amended by section 2105 of the Military Authorization Act for Fiscal Year 2004 (division B  
20 of Public Law 108-136; 117 Stat. 1697), \$48,000,000.

21 (8) For the construction of phase 2 of the Lewis & Clark instructional facility at Fort  
22 Leavenworth, Kansas, authorized by section 2101(a) of the Military Construction Authorization  
23 Act for Fiscal Year 2003 (division B of Public Law 107-314; 116 Stat. 2681), \$44,000,000.

(9) For the construction phase 2 of a barracks complex at Wheeler Sack Army Air Field at Fort Drum, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108-136; 117 Stat. 1697), \$48,000,000.

(10) For the construction of phase 2 of a barracks complex, Bastogne Drive, Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108-136; 117 Stat. 1697), \$48,000,000.

(11) For the construction of phase 3 of a maintenance complex at Fort Sill, Oklahoma, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2003 (division B of Public Law 107-314; 116 Stat. 2681), \$13,100,000.

**TITLE XXII—NAVY**

**SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

<b>Navy: Inside the United States</b>		
<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Arizona	Marine Corps Air Station, Yuma	26,670,000
California	Marine Corps Base, Camp Pendleton	38,455,000
	Naval Air Facility, El Centro	54,331,000
Connecticut	Naval Submarine Base, New London	45,882,000
District of Columbia	Naval Observatory, Washington	3,239,000
Florida	Eglin Air Force Base	2,060,000
	Naval Station, Mayport	6,200,000
	Strategic Weapons Facility Atlantic, Kings Bay	16,000,000

Georgia	Naval Training Station, Great Lakes	10,000
Illinois	Recruit Training Command, Great Lakes	74,771,000
	Naval Surface Warfare Center, Indian Head	13,900,000
Maryland	Marine Corps Air Station, New River	35,140,000
North Carolina	Marine Corps Base, Camp Lejeune	6,420,000
	Washington County	136,900,000
Virginia	Camp Elmore Marine Corps Detachment	13,500,000
	Marine Corps Base, Quantico	41,800,000
	Naval Air Station, Oceana	2,770,000
	Naval Amphibious Base, Little Creek	2,850,000
	Naval Station, Norfolk	4,330,000
Washington	Naval Weapons Station, Yorktown	9,870,000
	Naval Shipyard Puget Sound, Bremerton	20,305,000
	Naval Station, Bremerton	74,125,000
	Strategic Weapons Facility Pacific, Bangor	131,090,000
	<b>Total</b>	<b>760,618,000</b>

1 (b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the  
2 authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real  
3 property and carry out military construction projects for the installations or locations outside the  
4 United States, and in the amounts, set forth in the following table:

**Navy: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Bahamas	Naval Undersea Warfare Center, Andros Islands	20,750,000
Diego Garcia	Naval Support Facility, Diego Garcia	17,500,000
Guam	Naval Station, Guam	12,500,000
Guam	Naval Public Works Center, Guam	20,700,000
Italy	Sigonella	22,550,000
Spain	Naval Station, Rota	32,700,000
	<b>Total</b>	<b>126,700,000</b>

5 (c) UNSPECIFIED WORLDWIDE.—Using the amounts appropriated pursuant to the  
6 authorization of appropriations in section 2204(a)(3), the Secretary of the Navy may acquire real  
7 property and carry out military construction projects for the installations or locations and in the  
8 amount, set forth in the following table:

**Navy: Unspecified Worldwide**

<b>Location</b>	<b>Installation or Location</b>	<b>Amount</b>
Worldwide Unspecified	Unspecified Worldwide	158,640,000
	<b>Total</b>	<b>158,640,000</b>

1    **SEC. 2202. FAMILY HOUSING.**

2           Using amounts appropriated pursuant to the authorization of appropriations in section  
3    2204(a)(6)(A), the Secretary of the Navy may construct or acquire family housing units  
4    (including land acquisition and supporting facilities) at the installations or locations, for the  
5    purposes and in the amounts, set forth in the following table:

**Navy: Family Housing**

<b>State</b>	<b>Installation or Location</b>	<b>Purpose</b>	<b>Amount</b>
North Carolina	Marine Corps Air Station, Cherry Point	198 Units	27,002,000
	<b>Total</b>		<b>27,002,000</b>

6    **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

7           Subject to section 2825 of title 10, United States Code, and using amounts appropriated  
8    pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the  
9    Navy may improve existing military family housing units in an amount not to exceed  
10   \$112,105,000.

11   **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

12           Funds are hereby authorized to be appropriated for fiscal years beginning after  
13    September 30, 2004, for military construction, land acquisition, and military family housing  
14    functions of the Department of the Navy in the total amount of \$1,904,066,000, as follows:

15           (1) For military construction projects inside the United States authorized by section  
16    2201(a), \$621,238,000.



1 (2) For military construction projects outside the United States authorized by section  
2 2201(b), \$126,700,000.

3 (3) For the military construction projects at unspecified worldwide locations authorized  
4 by section 2201(c), \$98,560,000.

5 (4) For unspecified minor military construction projects authorized by section 2805 of  
6 title 10, United States Code, \$12,000,000.

7 (5) For architectural and engineering services and construction design under section 2807  
8 of title 10, United States Code, \$87,067,000.

9 (6) For military family housing functions:

10 (A) For construction and acquisition, planning and design, and improvement of  
11 military family housing and facilities, \$139,107,000.

12 (B) For support of military family housing (including functions described in  
13 section 2833 of title 10, United States Code), \$704,504,000.

14 (7) For the construction of increment 2 of the tertiary sewage treatment plant at Marine  
15 Corps Base, Camp Pendleton, California, authorized by section 2201(a) of the Military  
16 Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108-136; 117  
17 Stat. 1703), \$25,690,000.

18 (8) For the construction of increment 2 of the general purpose berthing pier at Naval  
19 Weapons Station, Earle, New Jersey, authorized by section 2201(a) of the Military Construction  
20 Authorization Act of Fiscal Year 2004 (division B of Public Law 108-136; 117 Stat. 1704),  
21 \$49,200,000.

22 (9) For the construction of increment 2 of pier 11 replacement at Naval Station, Norfolk,  
23 Virginia, authorized by section 2201(a) of the Military Construction Authorization Act of Fiscal

1 Year 2004 (division B of Public Law 108-136; 117 Stat. 1704), \$40,000,000.

2 **TITLE XXIII—AIR FORCE**

3 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION**  
4 **PROJECTS.**

5 (a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the  
6 authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire  
7 real property and carry out military construction projects for the installations or locations inside  
8 the United States, and in the amounts, set forth in the following table:

<b>Air Force: Inside the United States</b>		
<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Alaska	Elmendorf Air Force Base	26,057,000
Arizona	Davis-Monthan Air Force Base	10,029,000
	Luke Air Force Base	10,000,000
Arkansas	Little Rock Air Force Base	5,031,000
California	Beale Air Force Base	10,186,000
	Edwards Air Force Base	9,965,000
	Travis Air Force Base	15,244,000
Colorado	Buckley Air Force Base	12,247,000
Florida	Tyndall Air Force Base	18,962,000
Georgia	Robins Air Force Base	15,000,000
Hawaii	Hickam Air Force Base	25,900,000
Louisiana	Barksdale Air Force Base	13,800,000
Maryland	Andrews Air Force Base	17,100,000
North Carolina	Pope Air Force Base	15,150,000
South Carolina	Shaw Air Force Base	3,300,000
Tennessee	Arnold Air Force Base	22,000,000
Texas	Lackland Air Force Base	2,596,000
	Sheppard Air Force Base	50,284,000
Utah	Hill Air Force Base	13,113,000
	<b>Total</b>	<b>295,964,000</b>

9 (b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the  
10 authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire  
11 real property and carry out military construction projects for the installations or locations outside

1 the United States, and in the amounts, set forth in the following table:

**Air Force: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Germany	Ramstein Air Base	25,404,000
Greenland	Thule Air Base	19,800,000
Guam	Andersen Air Base	19,593,000
Italy	Aviano Air Base	6,760,000
Japan	Misawa Air Base	6,700,000
Korea	Kunsan Air Base	37,100,000
	Osan Air Base	18,600,000
Portugal	Lajes Field, Azores	5,689,000
Spain	Naval Station, Rota	14,153,000
United Kingdom	Royal Air Force Lakenheath	5,500,000
	<b>Total</b>	<b>159,299,000</b>

2 (c) UNSPECIFIED WORLDWIDE.—Using the amounts appropriated pursuant to the  
 3 authorization of appropriations in section 2304(a)(3), the Secretary of the Air Force may acquire  
 4 real property and carry out military construction projects for the installations or locations, and in  
 5 the amount, set forth in the following table:

**Air Force: Unspecified Worldwide**

<b>Location</b>	<b>Installation or Location</b>	<b>Amount</b>
Worldwide Classified	Worldwide Unspecified Classified	28,090,000
Worldwide Unspecified	Worldwide Unspecified	26,825,000
	<b>Total</b>	<b>54,915,000</b>

6 **SEC. 2302. FAMILY HOUSING.**

7 (a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the  
 8 authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may  
 9 construct or acquire family housing units (including land acquisition and supporting facilities) at  
 10 the installations or locations, for the purposes and in the amounts, set forth in the following  
 11 table:

**Air Force: Family Housing**

State	Installation or Location	Purpose	Amount
Arizona	Davis-Monthan Air Force	250 Units	48,500,000
California	Base	218 Units	41,202,000
	Edwards Air Force Base	120 Units	30,906,000
Florida	Vandenberg Air Force Base	61 Units	22,973,000
Idaho	MacDill Air Force Base	147 Units	39,333,000
Mississippi	Mountain Home Air Force	FH Mgmt Facility	711,000
Missouri	Base	160 Units	37,087,000
Montana	Columbus Air Force Base	115 Units	29,910,000
North Carolina	Whiteman Air Force Base	167 Units	32,693,000
North Dakota	Malmstrom Air Force Base	90 Units	26,169,000
	Seymour Johnson Air Force	142 Units	37,087,000
South Carolina	Base	Fire Station	1,976,000
South Dakota	Grand Forks Air Force Base	75 Units	21,482,000
Texas	Minot Air Force Base	127 Units	28,664,000
	Charleston Air Force Base	127 Units	20,604,000
Germany	Ellsworth Air Force Base	144 Units	57,691,000
Italy	Dyess Air Force Base	FH Office	2,542,000
Korea	Goodfellow Air Force Base	117 Units	46,834,000
United Kingdom	Ramstein Air Base	154 Units	43,976,000
	Aviano Air Base		
	Osan Air Base		
	Royal Air Force Lakenheath		
	<b>Total</b>		<b>570,340,000</b>

1 (b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization  
2 of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out  
3 architectural and engineering services and construction design activities with respect to the  
4 construction or improvement of military family housing units in an amount not to exceed  
5 \$38,266,000.

6 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

7 Subject to section 2825 of title 10, United States Code, and using amounts appropriated  
8 pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air  
9 Force may improve existing military family housing units in an amount not to exceed  
10 \$238,353,000.

1     **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.**

2             Funds are hereby authorized to be appropriated for fiscal years beginning after  
3     September 30, 2004, for military construction, land acquisition, and military family housing  
4     functions of the Department of the Air Force in the total amount of \$2,374,819,000, as follows:

5             (1) For military construction projects inside the United States authorized by section  
6     2301(a), \$295,964,000.

7             (2) For military construction projects outside the United States authorized by section  
8     2301(b), \$159,299,000.

9             (3) For the military construction projects at unspecified worldwide locations authorized  
10    by section 2301(c), \$54,915,000.

11            (4) For unspecified minor military construction projects authorized by section 2805 of  
12    title 10, United States Code, \$13,000,000.

13            (5) For architectural and engineering services and construction design, under section  
14    2807 of title 10, United States Code, \$140,786,000.

15            (6) For military family housing functions:

16                (A) For construction and acquisition, planning and design and improvement of  
17    military family housing and facilities, \$846,959,000.

18                (B) For support of military family housing (including functions described in  
19    section 2833 of title 10, United States Code), \$863,896,000.

20                             **TITLE XXIV—DEFENSE AGENCIES**

21     **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND**  
22             **ACQUISITION PROJECTS.**

1 (a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the  
2 authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real  
3 property and carry out military construction projects for the installations or locations inside the  
4 United States, and in the amounts, set forth in the following table:

**Defense Agencies: Inside the United States**

<b>Agency</b>	<b>Installation or Location</b>	<b>Amount</b>	
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	6,000,000	
Defense Logistics Agency	Columbus, Ohio	5,500,000	
	Defense Distribution Depot, New Cumberland, Pennsylvania	22,300,000	
	Defense Distribution Depot, Richmond, Virginia	10,100,000	
	Defense Fuel Support Point, Naval Air Station Oceana, Virginia	3,589,000	
	Marine Corps Air Station, Cherry Point, North Carolina	22,700,000	
	Naval Air Station, Kingsville, Texas	3,900,000	
	Naval Station, Pearl Harbor, Hawaii	3,500,000	
	Tinker Air Force Base, Oklahoma	5,400,000	
	Travis Air Force Base, California	15,100,000	
	Missile Defense Agency	Huntsville, Alabama	19,560,000
	National Security Agency	Fort Meade, Maryland	15,007,000
	Special Operations Command	Corona, California	13,600,000
		Fleet Combat Training Center, Dam Neck, Virginia	5,700,000
Fort A.P. Hill, Virginia		1,500,000	
Fort Bragg, North Carolina		42,888,000	
Fort Stewart/Hunter Army Air Field, Georgia		17,600,000	
Tri-Care Management Activity		Naval Air Station, North Island, California	1,000,000
Naval Amphibious Base, Little Creek, Virginia		24,200,000	
Buckley Air Force Base, Colorado		2,100,000	
Fort Belvoir, Virginia		100,000,000	
Fort Benning, Georgia		7,100,000	
Jacksonville, Florida	28,438,000		
Langley Air Force Base, Virginia	50,800,000		
Marine Corps Recruit Depot, Parris Island, South Carolina	25,000,000		
	<b>Total</b>	<b>452,582,000</b>	

5 (b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the

1 authorization of appropriations in section 2404(a)(2), the Secretary of Defense may acquire real  
 2 property and carry out military construction projects for the installations or locations outside the  
 3 United States, and in the amounts, set forth in the following table:

**Defense Agencies: Outside the United States**

Agency	Installation or Location	Amount
Defense Education Activity	Grafenwoehr, Germany	36,247,000
	Naval Station, Guam	26,964,000
	Vilseck, Germany	9,011,000
Defense Logistics Agency	Defense Fuel Support Point, Lajes Field, Portugal	19,113,000
		19,900,000
Special Operations Command	Misawa Air Base, Japan	2,200,000
	Naval Station, Guam, Marianas Islands	10,200,000
	Royal Air Force Mildenhall, United Kingdom	3,800,000
Tri-Care Management Activity	Diego Garcia	13,000,000
	Grafenwoehr, Germany	
	<b>Total</b>	<b>140,435,000</b>

4 (c) UNSPECIFIED WORLDWIDE.—Using the amounts appropriated pursuant to the  
 5 authorization of appropriations in section 2404(a)(3), the Secretary of Defense may acquire real  
 6 property and carry out military construction projects for the installations or locations, and in the  
 7 amount, set forth in the following table:

**Defense Agencies: Unspecified Worldwide**

Location	Installation or Location	Amount
Worldwide Classified	Worldwide Unspecified Classified	7,400,000
Worldwide Unspecified	Worldwide Unspecified	2,900,000
	<b>Total</b>	<b>10,300,000</b>

**SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

9 Subject to section 2825 of title 10, United States Code, and using amounts appropriated  
 10 pursuant to the authorization of appropriations in section 2404(a)(9)(A), the Secretary of  
 11 Defense may improve existing military family housing units in an amount not to exceed  
 12 \$49,000.

1     **SEC. 2403. ENERGY CONSERVATION PROJECTS.**

2             Using amounts appropriated pursuant to the authorization of appropriations in section  
3     2404(a)(7), the Secretary of Defense may carry out energy conservation projects under section  
4     2865 of title 10, United States Code, in the amount of \$60,000,000.

5     **SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.**

6             Funds are hereby authorized to be appropriated for fiscal years beginning after  
7     September 30, 2004, for military construction, land acquisition, and military family housing  
8     functions of the Department of Defense (other than the military departments) in the total amount  
9     of \$1,163,477,000, as follows:

10            (1) For military construction projects inside the United States authorized by section  
11     2401(a), \$395,582,000.

12            (2) For military construction projects outside the United States authorized by section  
13     2401(b), \$140,435,000.

14            (3) For the military construction projects at unspecified worldwide locations authorized  
15     by section 2401(c), \$10,300,000.

16            (4) For unspecified minor military construction projects under section 2805 of title 10,  
17     United States Code, \$20,938,000.

18            (5) For contingency construction projects of the Secretary of Defense under section 2804  
19     of title 10, United States Code, \$10,000,000.

20            (6) For architectural and engineering services and construction design under section 2807  
21     of title 10, United States Code, \$62,182,000.

22            (7) For Energy Conservation projects authorized by section 2404 of this Act,  
23     \$60,000,000.



1 (8) For base closure and realignment activities as authorized by the Defense Base Closure  
2 and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687  
3 note), \$246,116,000.

4 (9) For military family housing functions:

5 (A) For improvement of military family housing and facilities, \$49,000.

6 (B) For support of military family housing (including functions described in  
7 section 2833 of title 10, United States Code), \$49,575,000.

8 (C) For credit to the Department of Defense Family Housing Improvement Fund  
9 established by section 2883(a)(1) of title 10, United States Code, \$2,500,000.

10 **TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION**

11 **SECURITY INVESTMENT PROGRAM**

12 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION**  
13 **PROJECTS.**

14 The Secretary of Defense may make contributions for the North Atlantic Treaty  
15 Organization Security Investment Program as provided in section 2806 of title 10, United States  
16 Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this  
17 purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization  
18 as a result of construction previously financed by the United States.

19 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

20 Funds are hereby authorized to be appropriated for fiscal years beginning after  
21 September 30, 2004, for contributions by the Secretary of Defense under section 2806 of title 10,  
22 United States Code, for the share of the United States of the cost of projects for the North

1 Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the  
2 amount of \$165,800,000.

3 **TITLE XXVI—CHEMICAL DEMILITARIZATION CONSTRUCTION,**  
4 **DEFENSE**

5 **SEC. 2601. AUTHORIZATION OF APPROPRIATIONS, CHEMICAL**  
6 **DEMILITARIZATION.**

7 Funds are hereby authorized to be appropriated for fiscal years beginning after  
8 September 30, 2004, for military construction and land acquisition for Chemical Demilitarization  
9 in the total amount of \$81,886,000, as follows:

10 (1) For the construction of phase 6 of a munitions demilitarization facility at Pueblo  
11 Chemical Activity, Colorado, authorized by section 2401(a) of the Military Construction  
12 Authorization Act for Fiscal Year 1997 (division B of Public Law 104-201; 110 Stat. 2775), as  
13 amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000  
14 (division B of Public Law 106-65; 113 Stat. 839), and section 2407 of the Military Construction  
15 Authorization Act for Fiscal Year 2003 (division B of Public Law 107-314; 116 Stat. 2697),  
16 \$44,792,000.

17 (2) For the construction of phase 5 of a munitions demilitarization facility at Blue Grass  
18 Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction  
19 Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 835), as  
20 amended by section 2405 of the Military Construction Authorization Act of 2002 (division B of  
21 Public Law 107-107; 115 Stat. 1298), and section 2405 of the Military Construction  
22 Authorization Act for Fiscal Year 2003 (division B of Public Law 107-314; 116 Stat. 2697),

1 \$37,094,000.

2 **TITLE XXVII—GUARD AND RESERVE FORCES FACILITIES**

3 **SEC. 2701. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND**  
4 **ACQUISITION PROJECTS.**

5 Funds are hereby authorized to be appropriated for fiscal years beginning after  
6 September 30, 2004, for the costs of acquisition, architectural and engineering services, and  
7 construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under  
8 chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those  
9 facilities), the following amounts:

10 (1) For the Department of the Army—

11 (A) for the Army National Guard of the United States, \$265,657,000; and

12 (B) for the Army Reserve, \$87,070,000.

13 (2) For the Department of the Navy, for the Naval and Marine Corps Reserve,  
14 \$25,285,000.

15 (3) For the Department of the Air Force—

16 (A) for the Air National Guard of the United States, \$127,368,000; and

17 (B) for the Air Force Reserve, \$84,556,000.

18 **TITLE XXVIII—EXPIRATION AND EXTENSION OF**  
19 **AUTHORIZATIONS**

20 **SEC. 2801. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO**  
21 **BE SPECIFIED BY LAW.**

22 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in

1 subsection (b), all authorizations contained in titles XXI through XXVII for military construction  
2 projects, land acquisition, family housing projects and facilities, and contributions to the North  
3 Atlantic Treaty Organization Security Investment Program (and authorizations of appropriations  
4 therefor) shall expire on the later of:

5 (1) October 1, 2007; or

6 (2) the date of the enactment of an Act authorizing funds for military construction  
7 for fiscal year 2008.

8 (b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military  
9 construction projects, land acquisition, family housing projects and facilities, and contributions  
10 to the North Atlantic Treaty Organization Security Investment program (and authorizations of  
11 appropriations therefor), for which appropriated funds have been obligated before the later of

12 (1) October 1, 2007; or

13 (2) the date of the enactment of an Act authorizing funds for fiscal year 2008 for  
14 military construction projects, land acquisition, family housing projects and facilities, or  
15 contributions to the North Atlantic Treaty Organization Security Investment program.

16 **SEC. 2802. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2002**  
17 **PROJECTS.**

18 (a) EXTENSION.—Notwithstanding section 2701 of the Military Construction  
19 Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1280),  
20 authorizations set forth in the tables in subsection (b), as provided in sections 2101, 2302, and  
21 2601 of that Act, shall remain in effect until October 1, 2005, or the date of the enactment of an  
22 Act authorizing funds for military construction for fiscal year 2006, whichever is later.

23 (b) TABLES.—The tables referred to in subsection (a) are as follows:

**Army: Extension of 2002 Project Authorizations**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
Alaska	Fort Wainwright Pohakuloa Training Area	Power Plant Cooling Tower	23,000,000
Hawaii		Parker Ranch Land Acquisition	1,500,000

**Air Force: Extension of 2002 Project Authorizations**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
Colorado	Buckley Air Force Base	Construct Family Housing (55 Units)	11,400,000
Idaho	Mountain Home Air Force Base	Replace Family Housing (56 Units)	10,000,000
Louisiana	Barksdale Air Force Base	Replace Family Housing (56 Units)	7,300,000

**Army National Guard: Extension of 2002 Project Authorizations**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
California	Lancaster	Readiness Center (ADRS)	4,530,000
Massachusetts	Framingham	Organizational Maintenance Shop	8,347,000

1 **SEC. 2803. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2001**  
2 **PROJECTS.**

3 (a) EXTENSION.—Notwithstanding section 2701 of the Military Construction  
4 Authorization Act for Fiscal Year 2001 (division B of Public Law 106-398; 114 Stat. 1654A-  
5 389), authorizations set forth in the tables in subsection (b), as provided in sections 2102 and  
6 2401 of that Act, shall remain in effect until October 1, 2005, or the date of the enactment of an  
7 Act authorizing funds for military construction for fiscal year 2006, whichever is later.

8 (b) TABLES.—The tables referred to in subsection (a) are as follows:

**Army: Extension of 2001 Project Authorization**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
South	Fort Jackson	New Construction-Family Housing (1	250,000

Carolina | | unit) | |

**Defense Agency: Extension of 2001 Project Authorization**

<b>Agency</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
Defense Finance and Accounting Service	Kleber Kaserne, Germany	Building renovation	7,400,000
Department of Defense Education Activity	Osan Air Base, Korea	Osan Elementary School Classroom Addition	843,000

1 **XXIX—GENERAL PROVISIONS**

2 **Subtitle A—Military Construction and Military Family Housing**

3 **SEC. 2901. ALTERNATIVE AUTHORITY FOR ACQUISITION AND**  
4 **IMPROVEMENT OF MILITARY HOUSING.**

5 Section 2883(g)(1) of title 10, United States Code is amended by striking "\$850,000,000"  
6 and inserting "\$1,850,000,000".

7 **Subtitle B—Real Property and Facilities Administration**

8 **SEC. 2911. ESTABLISHMENT OF MUSEUM CENTER OF THE NATIONAL MUSEUM**  
9 **OF THE UNITED STATES ARMY.**

10 (a) IN GENERAL.—Chapter 401 of title 10, United States Code, is amended by adding at  
11 the end the following new section:

12 **"§ 4322. The Museum Center of the National Museum of the United States Army**

13 "(a) AUTHORITY TO ESTABLISH.—(1) The Secretary of the Army may establish the  
14 Museum Center of the National Museum of the United States Army at Fort Belvoir, Virginia.

15 "(2) The Museum Center may be used to identify, collect, preserve, display, and interpret  
16 historic artifacts and artwork of significance to the United States Army.

17 "(b) AUTHORITY TO ENTER INTO AGREEMENT.—(1) The Secretary may enter into an

1 agreement with the Army Historical Foundation, a nonprofit organization, to support the design,  
2 construction, and operation of the Museum Center through gifts provided by the Foundation.

3 "(2) The Secretary may require such terms and conditions in connection with any  
4 agreement authorized to be entered into by this subsection as the Secretary considers appropriate  
5 to protect the interests of the United States.

6 "(c) DESIGN, CONSTRUCTION, AND OPERATION.—The Secretary may design, construct,  
7 and operate facilities for the Museum Center with funds provided by the Army Historical  
8 Foundation and gifts accepted under subsection (d).

9 "(d) USE OF CERTAIN GIFTS.—(1) Under regulations prescribed by the Secretary, the  
10 Commander of the United States Army Center of Military History may, without regard to section  
11 2601 of this title 10, accept, hold, administer, invest, and spend any gift, devise, or bequest of  
12 personal property of a value of \$250,000 or less made to the United States if such gift, devise, or  
13 bequest is for the benefit of the Museum Center.

14 "(2) The Secretary may pay or authorize the payment of any reasonable and necessary  
15 expense in connection with the conveyance or transfer of a gift, devise, or bequest under this sub  
16 section.

17 "(e) OTHER AUTHORIZED USERS.—(1) The Secretary may make the Museum Center, or  
18 space within the Museum Center, available to the public, commercial entities, nonprofit entities,  
19 state and local governments, and other departments and agencies of the Federal Government for  
20 such uses as deemed appropriate by the Secretary. The Secretary may charge fees for such uses.

21 "(2) Funds received under paragraph (1) shall be deposited into a special fund maintained  
22 by the Secretary for acquisition, preservation, and conservation of rare artifacts and other projects  
23 associated with the Museum Center and shall be available for those purposes until expended.

1           "(f) FUNDRAISING.—The Army Historical Foundation may engage in fundraising  
2 operations on the grounds of the Museum Center and its adjacent support facilities with the  
3 approval of the Secretary of the Army. The Secretary of the Army may approve the provision of  
4 logistical support to fundraising events conducted by the Army Historical Foundation on the  
5 grounds of the Museum Center and its adjacent support facilities that is otherwise consistent with  
6 Department of Defense policy for the conduct of public affairs and community relations activities  
7 and programs throughout the Department of Defense.

8           "(g) ADVERTISING, MARKETING, AND PROMOTION.—(1) The Secretary of the Army may  
9 expend appropriated finds available for the operation and maintenance of the Army for  
10 advertising, marketing, and promotion of the National Museum of the United States Army and its  
11 programs in order to enhance visitation and the effectiveness of educational programs of the  
12 Museum.

13           "(2) The Secretary of the Army may authorize the Commander of the United States Army  
14 Center of Military History, or other appropriate official of the Department of the Army, to expend  
15 appropriated finds available for the operation and maintenance of the Army for the promotional  
16 hospitality of special guests of the National Museum of the United States Army, not to exceed  
17 \$20,006 during a fiscal year."

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

20 "4322. The Museum Center of the National Museum of the United States Army."

21 **SEC. 2912. EXCHANGE OR SALE OF RESERVE COMPONENT FACILITIES IN**  
22 **RETURN FOR REPLACEMENT FACILITIES.**

23 Section 18233 of title 10, United States Code, is amended by adding at the end the



1 following new subsection:

2 "(g)(1) When the Secretary of Defense determines it is in the best interests of the United  
3 States to acquire a facility under this section as a replacement for an existing facility, the  
4 Secretary may exchange the existing facility for a replacement facility or sell the existing facility  
5 and use the proceeds to acquire a replacement facility.

6 "(2) In any exchange or sale under paragraph (1), the United States shall receive cash or a  
7 replacement facility, or both, of a value at least equal to the fair market value of the existing  
8 facility.

9 "(3) Acquisition of a replacement facility under paragraph (I) by exchange, sale, or  
10 combination of exchange and sale, may be accomplished by construction, expansion,  
11 rehabilitation, and conversion and shall result in a fully equipped and operational replacement  
12 facility. Nothing in this paragraph shall prohibit the Secretary from contributing additional funds,  
13 in accordance with this section, to obtain a fully equipped and operational replacement facility.

14 "(4) Any funds received under this subsection in excess of the funds expended for the  
15 replacement facility may be used for the purposes of subsection (a).

16 "(5) The funds received under this subsection shall be placed in a separate account for use  
17 in accordance with this subsection without further appropriation.

18 "(6) This subsection shall not be subject to the Stewart B. McKinney Homeless Assistance  
19 Act (42 U.S.C. § 11301 et seq.)."

20 **Subtitle C—Other Matters**

21 **SEC. 2921. MINOR MILITARY CONSTRUCTION TO IMPROVE FORCE**

22 **PROTECTION.**

1 Section 2805 of title 10, United States Code, is amended—  
2 (1) in subsection (b)(2), by striking "21-day" and inserting "5-day"; and  
3 (2) in subsection (c)(1)—  
4 (A) by striking "or" at the end of subparagraph (A);  
5 (B) by striking the period at the end of subparagraph (B) and inserting "; or"; and  
6 (C) by adding at the end the following new subparagraph:  
7 "(C) \$5,000,000, in the case of an unspecified minor military construction project  
8 intended solely to correct a deficiency in force protection."