



GENERAL COUNSEL

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
1600 DEFENSE PENTAGON
WASHINGTON, D. C. 20301-1600

MAR 25 2002

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

The Department of Defense proposes the enclosed bill, Military Construction Authorizations, as part of its legislative program for the Second Session of the 107th Congress, and we urge its enactment.

The enclosed bill will authorize military construction and facility management for the military departments, the defense agencies, the North Atlantic Treaty Organization Security Investment program, and the National Guard and Reserve components. It will enhance our efforts to mitigate encroachment on and around our installations and facilities through both partnering with natural resource conservation organizations to purchase property and conveying surplus real property to conservation organizations. Revisions to the housing privatization legislation will improve program execution and enable privatization of barracks. We also propose to purchase land near the Pentagon on Boundary Channel Drive in Arlington, Virginia, in order to build a new office building that meets anti-terrorism force protection standards and consolidates activities currently in leased space. Our proposed military construction legislation also includes legislation that will increase our freedom to manage and help us to achieve greater efficiency in our installation management.

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

Sincerely,

A handwritten signature in black ink, appearing to read "WJ Haynes II".

William J. Haynes II

Enclosures:
As Stated





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1600 DEFENSE PENTAGON
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MAR 25 2002

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

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DIVISION B - MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

TITLE XXI - ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.

Sec. 2102. Family housing.

Sec. 2103. Improvements to military family housing units.

Sec. 2104. Authorization of appropriations, Army.

Sec. 2105. Modification to carry out certain fiscal year 2002 projects.

Sec. 2106. Modification to carry out fiscal year 2000 project.

Sec. 2107. Modification to carry out fiscal year 1999 project.

Sec. 2108. Modification to carry out fiscal year 1997 project.

TITLE XXII - NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.

Sec. 2202. Family housing.

Sec. 2203. Improvements to military family housing units.

Sec. 2204. Authorization of appropriations, Navy.

Sec. 2205. Modification to carry out fiscal year 2002 project.

TITLE XXIII - AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.

Sec. 2302. Family housing.

Sec. 2303. Improvements to military family housing units.

Sec. 2304. Authorization of appropriations, Air Force.

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Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.

Sec. 2402. Improvements to military family housing units.

Sec. 2403. Energy conservation projects.

Sec. 2404. Authorization of appropriations, Defense Agencies.

TITLE XXV - NORTH ATLANTIC TREATY ORGANIZATION SECURITY

INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.

Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI - GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.

TITLE XXVII - EXPIRATION AND EXTENSION OF AUTHORIZATIONS

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Sec. 2704. Effective date.

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SUBTITLE A – MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

Sec. 2801. Alternative Authority for Acquisition and Improvement of Military Housing.

Sec. 2802. Repeal of Source Requirements for Overseas Family Housing Construction.

SUBTITLE B – REAL PROPERTY AND FACILITIES ADMINISTRATION

Sec. 2803. Conveyance of Surplus Real Property for Natural Resource Conservation Purposes.

Sec. 2804. Relief from McKinney-Vento Act Screening Requirements.

Sec. 2805. Leasing of Military Family Housing in Korea.

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Sec. 2807. Boundary Channel Drive Site Land Acquisition, Arlington, Virginia.

Sec. 2808. Agreements with Private Organizations to Address Encroachment and Other Constraints on Military Training, Testing, and Operations.

Sec. 2809. Authority to Convey Certain Lands in Alaska No Longer Needed for National Guard Purposes.

SUBTITLE C – OTHER MATTERS

Sec. 2810. Environmental Restoration Project.

DIVISION B - MILITARY CONSTRUCTION AUTHORIZATIONS

SECTION 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2003."

TITLE XXI -- ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.

- Sec. 2102. Family housing.
- Sec. 2103. Improvements to military family housing units.
- Sec. 2104. Authorization of appropriations, Army.
- Sec. 2105. Modification to carry out certain fiscal year 2002 projects.
- Sec. 2106. Modification to carry out certain fiscal year 2000 project.
- Sec. 2107. Modification to carry out certain fiscal year 1999 project.
- Sec. 2108. Modification to carry out certain fiscal year 1997 project.

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION

PROJECTS.

(a) INSIDE THE UNITED STATES -- Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States		
State	Installation or Location	Amount
Alabama	Anniston Army Depot	1,900,000
Alaska	Fort Wainwright	110,100,000
Arkansas	Pine Bluff Arsenal	18,937,000
Colorado	Fort Carson	1,100,000
Georgia	Fort Benning	66,250,000
	Fort Stewart/Hunter Army Air Field	26,000,000
Hawaii	Schofield Barracks	191,000,000
Kansas	Fort Riley	41,000,000
Kentucky	Blue Grass Army Depot	5,500,000
	Fort Campbell	99,000,000
Louisiana	Fort Polk	31,000,000
Maryland	Fort Detrick	19,700,000
Missouri	Fort Leonard Wood	15,500,000
New York	Fort Drum	1,500,000
North Carolina	Fort Bragg	67,500,000
Pennsylvania	Letterkenny Army Depot	1,550,000
Texas	Fort Hood	45,000,000
Washington	Fort Lewis	53,800,000
	Total	796,337,000

(b) OUTSIDE THE UNITED STATES -- Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or Location	Amount
Belgium	SHAPE	13,600,000
Germany	Area Support Group, Bamberg	17,200,000
	Darmstadt	3,500,000
	Grafenwoehr	69,866,000
	Mannheim	42,000,000
	Schweinfurt	2,000,000
Italy	Vicenza	34,700,000
Korea	Camp Carroll	20,000,000
	Camp Castle	6,800,000
	Camp Hovey	25,000,000
	Camp Humphreys	36,000,000
	Camp Henry	10,200,000
Qatar	K16 Airfield	40,000,000
	Qatar	8,600,000
	Total	329,466,000

(c) UNSPECIFIED WORLDWIDE -- Using the amounts appropriated pursuant to the authorization of appropriations in section 2104 (a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for the installation and location and in the amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation	Amount
Worldwide Unspecified	Unspecified Worldwide	4,000,000
	Total	4,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION -- Using amounts appropriated pursuant to

the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing			
State	Installation or Location	Purpose	Amount
Alaska	Fort Wainwright	38 Units	17,752,000
Arizona	Yuma Proving Ground	33 Units	6,100,000
Germany	Stuttgart	1 Unit	990,000
Korea	Yongsan	10 Units	3,100,000
	Total		27,942,000

(b) PLANNING AND DESIGN -- Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed \$15,653,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed \$239,751,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL -- Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of \$2,882,141,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), \$628,337,000.

(2) For military construction projects outside the United States authorized by section 2101(b), \$329,466,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2101(c), \$4,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, \$20,500,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$143,524,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, \$283,346,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), \$1,122,274,000.

(7) For the construction of phase 2 of a barracks complex, D Street, at Fort Richardson, Alaska, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1281), \$21,000,000.

(8) For the construction of phase 2 of a barracks complex, Nelson Boulevard, at Fort Carson, Colorado, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1281), as amended by section 2105 of this Act, \$42,000,000.

(9) For the construction of phase 4 of an ammunition demilitarization facility at Pueblo Army Depot, Colorado, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839), and section 2108 of this Act, \$38,000,000.

(10) For the construction of phase 5 of an ammunition demilitarization facility at Newport Army Depot, Indiana, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), \$61,494,000.

(11) For the construction of phase 3 of an ammunition demilitarization facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65, 113 Stat. 835), as amended by section 2405 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1298), and section 2106 of this Act, \$10,300,000.

(12) For the construction of phase 3 of an ammunition demilitarization support facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65, 113 Stat. 836), \$8,300,000.

(13) For the construction of phase 5 of an ammunition demilitarization facility at Aberdeen Proving Ground, Maryland, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2002

(division B of Public Law 107-107; 115 Stat. 1299), \$30,600,000.

(14) For the construction of phase 3 of a barracks complex, Butner Road, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), \$50,000,000.

(15) For the construction of phase 2 of a basic combat trainee complex at Fort Jackson, South Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1281), as amended by section 2105 of this Act, \$39,000,000.

(16) For the construction of phase 2 of a barracks complex, 17th and B Streets at Fort Lewis, Washington, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1281), \$50,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—

Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a);

(2) \$18,000,000 (the balance of the amount authorized under section 2201(a) for construction of a barracks complex, Main Post, at Fort Benning, Georgia;

(3) \$100,000,000 (the balance of the amount authorized under section 2201(a) for construction of a barracks complex, Capron Avenue, at Schofield Barracks, Hawaii); and

(4) \$50,000,000 (the balance of the amount authorized under section 2201(a) for

construction of a barracks complex, Range Road, at Fort Campbell, Kentucky).

**SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL
YEAR 2002 PROJECTS.**

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1281) is amended—

(1) in the item relating to Fort Carson, Colorado, by striking “\$66,000,000” in the amount column and inserting “\$67,000,000”, and

(2) in the item relating to Fort Jackson, South Carolina, by striking “\$65,650,000” in the amount column and inserting “\$68,650,000”.

(b) CONFORMING AMENDMENTS.—Section 2104(b) of that Act (115 Stat. 1284) is amended—

(1) in paragraph (3), by striking “\$41,000,000” and inserting “\$42,000,000”; and

(2) in paragraph (4), by striking “\$36,000,000” and inserting “\$39,000,000”.

**SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL
YEAR 2000 PROJECT.**

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 835) is amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Blue Grass Army Depot, Kentucky, by striking “\$254,030,000” in the amount column and inserting “\$290,325,000”, and

(2) by striking the amount identified as the total in the amount column and inserting “\$748,245,000”.

(b) CONFORMING AMENDMENTS.—Section 2405(b) of that Act (113 Stat. 839) is amended in paragraph (3), by striking “\$231,230,000” and inserting “\$267,525,000”.

SEC. 2107. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECT.

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193) is amended under the agency heading relating to Chemical Demilitarization, in the item relating to Newport Army Depot, Indiana, by striking “\$191,550,000” in the amount column and inserting “\$293,853,000”; and (2) by striking the amount identified as the total in the amount column and inserting “\$829,919,000”.

(b) CONFORMING AMENDMENT.—Section 2404(b)(2) of that Act (112 Stat. 2196) is amended by striking “\$162,050,000” and inserting “\$264,353,000”.

SEC. 2108. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1997 PROJECT.

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775) is amended—

(1) in the item relating to Pueblo Chemical Activity, Colorado, under the agency heading relating to Chemical Demilitarization Program, by striking “\$203,500,000” in the amount column and inserting “\$261,000,000”; and

(2) by striking the amount identified as the total in the amount column and inserting “\$607,454,000”.

(b) CONFORMING AMENDMENT.—Section 2406(b)(2) of that Act (110 Stat. 2779) is amended by striking “\$203,500,000” and inserting “\$261,000,000”.

TITLE XXII – NAVY

- Sec. 2201. Authorized Navy construction and land acquisition projects.
- Sec. 2202. Family housing.
- Sec. 2203. Improvements to military family housing units.
- Sec. 2204. Authorization of appropriations, Navy.
- Sec. 2205. Modifications to carry out certain fiscal year 2002 projects.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES -- Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or Location	Amount
Arizona	Marine Corps Air Station, Yuma	3,000,000
California	Auxiliary Landing Field, San Diego (San Clemente Island)	6,150,000
	Marine Corps Air Station, Camp Pendleton	11,930,000
	Marine Corps Air Station, Miramar	8,700,000
	Marine Corps Air-Ground Combat Center, Twentynine Palms	25,770,000
	Marine Corps Base, Camp Pendleton	64,040,000
	Naval Air Station, Lemoore	16,520,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	6,760,000
	Naval Station, San Diego	3,530,000
	Marine Corps Barracks	3,700,000
	District of Columbia	Naval Air Station, Pensacola
Florida	Naval School Explosive Ordnance Detachment, Eglin	6,350,000

Hawaii	Naval Station, Pearl Harbor	10,490,000
Illinois	Naval Training Center, Great Lakes	85,100,000
Maine	Naval Shipyard, Kittery-Portsmouth	11,600,000
Maryland	Naval Air Facility, Andrews Air Force Base	9,680,000
Mississippi	Naval Construction Battalion Center, Gulfport	5,460,000
	Naval Station, Pascagoula	4,160,000
North Carolina	Marine Corps Air Station, Cherry Point	6,040,000
	Marine Corps Air Station, New River	6,920,000
	Marine Corps Base, Camp LeJeune	5,370,000
South Carolina	Marine Corps Air Station, Beaufort	13,700,000
	Marine Corps Recruit Depot, Parris Island	10,490,000
Texas	Naval Air Station, Kingsville	6,210,000
Virginia	Marine Corps Combat Dev Com, Quantico	19,554,000
	Naval Air Station, Oceana	2,000,000
	Naval Shipyard, Norfolk, Portsmouth	19,660,000
	Naval Station, Norfolk	158,640,000
	Naval Surface Warfare Center, Dahlgren	9,230,000
	Naval Weapons Station, Yorktown	15,020,000
Washington	Naval Air Station, Whidbey Island	9,180,000
	Naval Magazine, Indian Island	4,030,000
	Naval Station, Bremerton	43,670,000
	Naval Submarine Base, Bangor	5,900,000
	Puget Sound Naval Shipyard, Bremerton	54,132,000
	Strategic Weapons Facility, Bangor	7,340,000
Various Locations	Host Nation Infrastructure	1,000,000
	Total	682,016,000

(b) **OUTSIDE THE UNITED STATES** -- Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or Location	Amount
Bahrain	Naval Support Activity, Bahrain	25,970,000
Diego Garcia	Diego Garcia, Naval Support Facility	11,090,000
Greece	Naval Support Activity, Joint Headquarters Command, Larissa	14,800,000
Guam	Commander, U.S. Naval Forces, Guam	13,400,000
Iceland	Naval Air Station, Keflavik	14,920,000
Italy	Naval Air Station, Sigonella	55,660,000

Spain	Joint Headquarters Command, Madrid	2,890,000
	Total	138,730,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION -- Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or Location	Purpose	Amount
California	Naval Air Station, Lemoore	178 Units	40,981,000
	Twentynine Palms	76 Units	19,425,000
Connecticut	Naval Submarine Base, New London	100 Units	24,415,000
Florida	Naval Station, Mayport	1 Unit	329,000
Hawaii	Marine Corps Base, Kaneohe Bay	65 Units	24,797,000
Mississippi	Naval Air Station, Meridian	56 Units	9,755,000
North Carolina	Marine Corps Base, Camp LeJeune	317 Units	43,650,000
Virginia	Marine Corps Base, Quantico	290 Units	41,843,000
Greece	Naval Support Activity Joint Hqs Cmd, Larissa	2 Units	1,232,000
United Kingdom	Joint Maritime Facility, St. Mawgan	62 Units	18,524,000
	Total		224,951,000

(b) PLANNING AND DESIGN -- Using amounts appropriated pursuant to the authorization of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed \$11,281,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy

may improve existing military family housing units in an amount not to exceed \$139,468,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.-- Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of \$2,138,619,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), \$633,616,000.

(2) For military construction projects outside the United States authorized by section 2201(b), \$136,160,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, \$23,262,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$68,573,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, \$375,700,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), \$867,788,000.

(6) For replacement of a pier at Naval Station Norfolk, Virginia, authorized in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1287), and as amended by section 2205 of this Act, \$33,520,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS --

Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed -

(1) The total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a):

(2) \$48,120,000 (the balance of the amount authorized under section 2201 (b) for a BEQ shipboard ashore, NS Norfolk, Virginia.)

(3) \$2,570,000 (the balance of the amount authorized under section 2201 (a) for a QOL support facility, NAS Sigonella, Italy.)

SEC. 2205. MODIFICATION TO CARRY OUT CERTAIN FISCAL YEAR 2002 PROJECTS.

(a) MODIFICATION -- The table in section 2201 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1286) is amended -

(1) In the item relating to Naval Station, Norfolk, by striking “139,270,000” in the amount column and inserting “\$139,550,000”, and

(2) By striking the amount identified as the total in the amount column and inserting “\$1,059,030,000.”

(b) CONFORMING AMENDMENTS.—Section 2204 of that Act (115 Stat. 1289) is amended—in subsection (b)(1) in paragraph (2), by striking “\$33,240,000” and inserting “\$33,520,000”.

TITLE XXIII -- AIR FORCE

- Sec. 2301. Authorized Air Force construction and land acquisition projects.
- Sec. 2302. Family housing.
- Sec. 2303. Improvements to military family housing units.
- Sec. 2304. Authorization of appropriations, Air Force.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES -- Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States		
State	Installation or Location	Amount
Alaska	Clear Air Station	14,400,000
	Eielson Air Force Base	21,600,000
Arizona	Davis-Monthan Air Force Base	19,270,000
Arkansas	Little Rock Air Force Base	25,600,000
California	Beale Air Force Base	11,740,000
	Vandenberg Air Force Base	10,500,000
Colorado	Buckley Air National Guard Base	17,700,000
Florida	Hurlburt Field	9,000,000
Louisiana	Barksdale Air Force Base	10,900,000
Massachusetts	Hanscom Air Force Base	7,700,000
Mississippi	Keesler Air Force Base	22,000,000
Nevada	Nellis Air Force Base	30,450,000
New Jersey	McGuire Air Force Base	24,631,000
North Carolina	Pope Air Force Base	9,700,000
Ohio	Wright-Patterson Air Force Base	10,400,000
Texas	Lackland Air Force Base	18,500,000
	Sheppard Air Force Base	16,000,000
Virginia	Langley Air Force Base	47,940,000
	Total	328,031,000

(b) OUTSIDE THE UNITED STATES -- Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire

real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or Location	Amount
Diego Garcia	Diego Garcia	17,100,000
Germany	Ramstein Air Force Base	70,183,000
Guam	Andersen Air Force Base	16,000,000
Korea	Osan Air Base	15,100,000
Spain	Naval Station, Rota	31,818,000
United Kingdom	Royal Air Force, Fairford	19,000,000
	Royal Air Force, Lakenheath	13,400,000
Wake Island	Wake Island	24,900,000
	Total	207,501,000

(c) UNSPECIFIED WORLDWIDE -- Using the amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(3), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installation and location and in the amount set forth in the following table:

Air Force: Unspecified Worldwide

Location	Installation	Amount
Worldwide	Worldwide Unspecified Classified	55,562,000
	Total	55,562,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION -- Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation or Location	Purpose	Amount
Arizona	Luke Air Force Base	140 Units	18,954,000
California	Travis Air Force Base	110 Units	24,320,000

Colorado	Peterson Air Force Base	2 Units	959,000
	US Air Force Academy	71 Units	12,424,000
Delaware	Dover Air Force Base	112 Units	19,615,000
Florida	Eglin Air Force Base	Housing Office	597,000
	Eglin Air Force Base	134 Units	15,906,000
	MacDill Air Force Base	96 Units	18,086,000
Hawaii	Hickam Air Force Base	96 Units	29,050,000
Idaho	Mountain Home Air Force Base	95 Units	24,392,000
Kansas	McConnell Air Force Base	Housing Maintenance Fac.	1,514,000
Maryland	Andrews Air Force Base	53 Units	9,838,000
	Andrews Air Force Base	52 Units	8,807,000
Mississippi	Columbus Air Force Base	Housing Office	412,000
	Keesler Air Force Base	117 Units	16,505,000
Missouri	Whiteman Air Force Base	22 Units	3,977,000
Montana	Malmstrom Air Force Base	18 Units	4,717,000
New Mexico	Holloman Air Force Base	101 Units	20,161,000
North Carolina	Pope Air Force Base	Housing Maintenance Fac.	991,000
	Seymour Johnson AF Base	126 Units	18,615,000
North Dakota	Grand Forks Air Force Base	150 Units	30,140,000
	Minot Air Force Base	112 Units	21,428,000
	Minot Air Force Base	102 Units	20,315,000
Oklahoma	Vance Air Force Base	59 Units	11,423,000
South Dakota	Ellsworth Air Force Base	Housing Maintenance Fac.	447,000
	Ellsworth Air Force Base	22 Units	4,794,000
Texas	Dyess Air Force Base	85 Units	14,824,000
	Randolph Air Force Base	Housing Maintenance Fac.	447,000
	Randolph Air Force Base	112 Units	14,311,000
Virginia	Langley Air Force Base	Housing Office	1,193,000
Germany	Ramstein Air Force Base	19 Units	8,534,000
Korea	Osan Air Base	113 Units	35,705,000
	Osan Air Base	Hsg Supply Warehouse	834,000
United Kingdom	Royal Air Force Lakenheath	Housing Office and Maintenance Facility	2,203,000
		Total	416,438,000

(b) PLANNING AND DESIGN -- Using amounts appropriated pursuant to the authorization of appropriations in section 2304 (a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed \$34,188,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed \$226,068,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL -- Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of \$2,165,203,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), \$328,031,000.

(2) For military construction projects outside the United States authorized by section 2301(b), \$207,501,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), \$55,562,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, \$11,500,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$41,496,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design and improvement of military

family housing and facilities, \$676,694,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), \$844,419,000.

(b) **LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS --**

Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1), (2) and (3) of subsection (a).

TITLE XXIV -- DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.

Sec. 2402. Improvements to military family housing units.

Sec. 2403. Energy conservation projects.

Sec. 2404. Authorization of appropriations, Defense Agencies.

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) **INSIDE THE UNITED STATES --** Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or Location	Amount
Missile Defense Agency	Kauai, Hawaii	23,400,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	121,958,000
Defense Logistics Agency	Columbus, Ohio	5,021,000
	Defense Distribution Depot - DDNV, Virginia	5,500,000
	Naval Air Station, New Orleans, Louisiana	9,500,000
	Travis Air Force Base, California	16,000,000

Defense Threat Red Agency	Fort Belvoir, Virginia	76,388,000
DoD Dependents Schools	Fort Bragg, North Carolina	1,825,000
	Fort Jackson, South Carolina	2,247,000
	Marine Corps Base, Camp LeJeune, NC	10,884,000
	Marine Corps Base, Quantico, Virginia	1,272,000
	USMA, West Point, NY	3,898,000
	Fort Meade, Maryland	4,484,000
	National Security Agency	Fort Bragg, North Carolina
Special Operations Command	Hurlburt Field, Florida	11,100,000
	Naval Amphibious Base, Little Creek, Virginia	14,300,000
	Elmendorf Air Force Base, Alaska	10,400,000
	Tri-Care Management Activity	Hickam Air Force Base, Hawaii
Washington Headquarters Services	Arlington, Virginia	18,000,000
	Washington Headquarters Services-DC	2,500,000
	Total	372,177,000

(b) OUTSIDE THE UNITED STATES -- Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or Location	Amount
Defense Logistics Agency	Andersen Air Force Base, Guam	17,586,000
	Lajes Field, Azores, Portugal	19,000,000
	Naval Forces Marianas Islands, Guam	6,000,000
	Naval Station, Rota, Spain	23,400,000
	Royal Air Force, Fairford, United Kingdom	17,000,000
	Yokota Air Base, Japan	23,000,000
	DoD Dependents Schools	Kaiserslautern, Germany
Lajes Field, Azores, Portugal		1,069,000
Seoul, Korea		28,409,000
SHAPE, Belgium		1,410,000
Spangdahlem Air Base, Germany		894,000
Vicenza, Italy		1,898,000
Tri-Care Management Activity		Naval Support Activity, Naples, Italy
	Spangdahlem Air Base, Germany	39,629,000
	Total	221,602,000

SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(5)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed \$5,530,000.

SEC. 2403. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(6), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of \$49,531,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL -- Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments) in the total amount of \$1,282,585,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), \$335,577,000.

(2) For military construction projects outside the United States authorized by section 2401(b), \$221,602,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, \$16,293,000.

(4) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, \$10,000,000.

(5) For architectural and engineering services and construction design under section 2807

of title 10, United States Code, \$44,132,000.

(6) For Energy Conservation projects authorized by section 2403 of this Act, \$49,531,000.

(7) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), \$545,138,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, \$5,480,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), \$42,432,000.

(C) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, \$2,000,000.

(9) For payment of a claim against the Hospital Replacement project at Elmendorf Air Force Base, Alaska, \$10,400,000.

(b) **LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS --**

Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed -

(1) The total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) \$26,200,000 (the balance of the amount authorized under section 2401 (a) for the construction of the Defense Threat Reduction Center, Fort Belvoir, Virginia.)

TITLE XXV -- NORTH ATLANTIC TREATY ORGANIZATION SECURITY

INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.

Sec. 2502. Authorization of appropriations, NATO.

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the amount of \$168,200,000.

TITLE XXVI -- GUARD AND RESERVE FORCES FACILITIES.

Sec. 2601. Authorized guard and reserve construction and land acquisition projects.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) IN GENERAL -- Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for the costs of acquisition, architectural and engineering

services, and construction of facilities for the Guard and Reserve Forces, and for contributions there for, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army --

(A) For the Army National Guard of the United States, \$101,595,000; and

(B) For the Army Reserve, \$58,779,000

(2) For the Department of the Navy --

(A) For the Naval and Marine Corps Reserve, \$51,554,000

(3) For the Department of the Air Force --

(A) For the Air National Guard of the United States, \$53,473,000; and

(B) For the Air Force Reserve, \$31,900,000.

TITLE XXVII -- EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.

Sec. 2702. Extension of authorizations of certain fiscal year 2000 projects.

Sec. 2703. Extension of authorizations of certain fiscal year 1999 projects.

Sec. 2704. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS -- Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment Program (and authorizations of appropriations therefor) shall expire on the later of-

(1) October 1, 2005; or

(2) the date for the enactment of an Act authorizing funds for military construction for fiscal year 2006.

(b) EXCEPTION -- Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of-

(1) October 1, 2005; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2006 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment Program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) EXTENSION -- Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 2000 (Division B of Public Law 106-65; 113 Stat. 841), authorizations set forth in the tables in subsection (b), as provided in sections 2104 or 2302 of that Act, shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(b) TABLES -- The tables referred to in subsection (a) are as follows:

Army: Extension of 2000 Project Authorization

State	Installation or Location	Project	Amount
Virginia	National Guard Fort Pickett	Multi-Purpose Range Complex - Heavy	13,500,000

Air Force: Extension of 2000 Project Authorization

State	Installation or Location	Project	Amount
Oklahoma	Tinker Air Force Base	Replace Family Housing (41 Units)	6,000,000

(c) EXTENSION -- Notwithstanding the Department of Defense Appropriations Act for Fiscal Year 2000 (Public Law 106-79; 113 Stat. 1274), authorizations set forth in the tables in subsection (d), as provided in section 8160 of that Act, shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(d) TABLE -- The table referred to in subsection (c) is as follows:

Army: Extension of 2000 Project Authorization

State	Installation or Location	Project	Amount
Pennsylvania	National Guard Connellsville	Readiness Center	1,700,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) EXTENSION -- Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1999 (Division B of Public Law 105-261; 112 Stat. 2199), authorizations set forth in the tables in subsection (b), as provided in section 2302 of that Act, shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(b) TABLES -- The tables referred to in subsection (a) are as follows:

Air Force: Extension of 1999 Project Authorizations

State	Installation or Location	Project	Amount
Delaware	Dover Air Force Base	Replace Family Housing (55 Units)	8,998,000
Florida	Patrick Air Force Base	Replace Family Housing (46 Units)	9,692,000
New Mexico	Kirtland Air Force Base	Replace Family Housing (37 Units)	6,400,000
Ohio	Wright-Patterson Air Force Base	Replace Family Housing (40 Units)	5,600,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, XXVI, and XXVII of this Act shall take effect on the later of-

- (1) October 1, 2002; or
- (2) the date of the enactment of this Act.

XXVIII – GENERAL PROVISIONS

SUBTITLE A – MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

- Sec. 2801. Alternative Authority for Acquisition and Improvement of Military Housing.
- Sec. 2802. Repeal of Source Requirements for Overseas Family Housing Construction.

SUBTITLE B – REAL PROPERTY AND FACILITIES ADMINISTRATION

- Sec. 2803. Conveyance of Surplus Real Property for Natural Resource Conservation Purposes.
- Sec. 2804. Relief from McKinney-Vento Act Screening Requirements.
- Sec. 2805. Leasing of Military Family Housing in Korea.
- Sec. 2806. Program on Reduction in Long-term Facility Maintenance Costs.
- Sec. 2807. Boundary Channel Drive Site Land Acquisition, Arlington, Virginia.
- Sec. 2808. Agreements with Private Organizations to Address Encroachment and Other Constraints on Military Training, Testing, and Operations.
- Sec. 2809 . Authority to Convey Certain Lands in Alaska No Longer Needed for National Guard Purposes.

SUBTITLE C – OTHER MATTERS

- Sec. 2810. Environmental Restoration Project.

SUBTITLE A – MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

SEC. 2801. ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

- (a) **UTILITIES AND SERVICES.**— Section 2872a(b) of title 10, United States Code, is

amended by adding the following new paragraphs at the end thereof:

"(11) Fire fighting and Protection.

"(12) Police Protection."

(b) **LEASING OF HOUSING.**—(1) Section 2874(a) of title 10, United States Code, is amended—

(A) by striking "to be constructed" in the heading; and

(B) by striking "military family housing units or military unaccompanied housing units to be constructed under this subchapter." and inserting "housing units that the Secretary determines are suitable for use as military family housing or military unaccompanied housing."

(2) The table of sections for subchapter IV of chapter 169 of title 10, United States Code, is amended by striking the item relating to section 2874 and inserting the following:

"2874. Leasing of housing."

(c) **INTERIM LEASES.**—(1) Section 2879 of title 10, United States Code, is repealed.

(2) The table of sections for subchapter IV of Chapter 169 of title 10, United States Code, is amended by striking the item relating to Section 2879.

(d) **UNIT SIZE AND TYPE.**—Section 2880(b)(2) of title 10, United States Code, is amended by striking "unless the unit is located on a military installation".

(e) **DEPARTMENT OF DEFENSE HOUSING FUND.**—(1) Section 2883 of title 10, United States Code, is amended—

(A) by striking subsections (a), (b), and (c); and

(B) by inserting at the beginning the following new subsections (a) and (b) :

“(a) **ESTABLISHMENT.**—There is hereby established on the books of the Treasury the

Department of Defense Housing Improvement Fund.

"(b) CREDITS TO FUNDS.—There shall be credited to the Department of Defense Housing Improvement Fund the following:

"(1) Amounts authorized for and appropriated to that Fund.

"(2) Subject to subsection (e), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military family housing or military unaccompanied housing.

"(3) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military family housing or military unaccompanied housing.

"(4) Income derived from any activities under this subchapter with respect to military family housing or military unaccompanied housing, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

"(5) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.";

(C) by redesignating subsections (d) through (g) as (c) through (f), respectively;

(D) in subsection (c), as redesignated by subparagraph (C),—

(i) in paragraph (1), by striking "Family" ;

(ii) by striking paragraph (2); and

(iii) by redesignating paragraph (3) as paragraph (2);

(E) in subsection (e), as redesignated by subparagraph (C), by striking "a Fund under paragraph (1)(B) or (2)(B) of subsection (c)" and inserting "the Fund under paragraph (2) of subsection (b)"; and

(F) in subsection (f), as redesignated by subparagraph (C),—

(i) in paragraph (1), by striking "\$850,000,000" and inserting "\$1,700,000,000" and

(ii) in paragraph (2), by striking "\$150,000,000" and inserting "\$300,000,000".

(2) Section 2871(6) of such title 10 is amended by striking "Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund" and inserting "Housing Improvement Fund".

(3) Section 2875(e) of such title 10 is amended by striking "Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund" and inserting "Housing Improvement Fund".

SEC. 2802. REPEAL OF SOURCE REQUIREMENTS FOR OVERSEAS FAMILY

HOUSING CONSTRUCTION.

Section 803 of the Military Construction Authorization Act, 1984 (Public Law 98-115; 97 Stat. 784), as amended, is repealed.

SUBTITLE B – REAL PROPERTY AND FACILITIES ADMINISTRATION

SEC. 2803. CONVEYANCE OF SURPLUS REAL PROPERTY FOR NATURAL RESOURCE

CONSERVATION PURPOSES.

(a) IN GENERAL.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2669 the following new section:

"§ 2669a. Conveyance of surplus real property for natural resource conservation purposes

"(a) AUTHORITY TO CONVEY.—The Secretary of a military department, in his sole discretion, may convey surplus real property under its jurisdiction that is suitable and desirable for conservation purposes to any state or local government, or instrumentality thereof, or nonprofit organization that exists for the primary purpose of conservation of natural resources on real property. This authority shall only apply to surplus real property that the disposing agency has certified has been made available for public benefit transfer, has been available for a sufficient time to potential claimants and for which there is no pending request for transfer to another federal agency or for conveyance to any other qualified recipient for public benefit transfer, under the real property disposal processes and authorities established pursuant to the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471, et seq.). The consideration for such conveyance shall be determined by the Secretary pursuant to subsection (e).

"(b) DEED REQUIREMENTS.—The deed of conveyance of any surplus real property disposed of under this subsection—

"(1) shall provide that all such property shall be used and maintained for the conservation of natural resources in perpetuity, and that in the event that such property ceases to be used or maintained for such purpose during such period, all or any portion of such property shall in its then existing condition, at the option of the United States, revert to the

United States;

"(2) may permit the grantee to convey the property to another eligible entity; provided the Secretary of the military department approves the conveyance in writing and the property shall be subject to the same covenants and terms and conditions as provided in the deed from the United States;

"(3) may permit incidental revenue-producing activities that are compatible with the use of the property for conservation purposes;

"(4) may contain such additional terms, reservation, restrictions and conditions as may be determined by the Secretary to safeguard the interests of the United States.

"(c) RELEASE OF COVENANTS.—The Secretary, with the concurrence of the Secretary of Interior, may grant a release from the covenant described in subsection (b) on the condition that the grantee pay the fair market value, as determined by the Secretary, of the property at the time of the release of the covenant. The Secretary may reduce the amount owed for release of such covenant taking into account the value of the natural resource conservation benefit that has accrued during the period of the conveyance and which benefit was not previously taken into account in (a).

"(d) LIMITATIONS.—Such conveyance shall not be used in settlement of any litigation, dispute, or claim against the United States, nor as a condition of allowing any defense activity under any Federal, State, or local permitting or review process. The Secretary may use such conveyances, with the restrictions set forth in subsection (b), to establish mitigation banks outside the context of being a condition imposed by any Federal, State, or local regulatory body for granting a permit, completion of review, or otherwise granting permission for a proposed military action other than establishment of a mitigation bank.

"(e) CONSIDERATION.—In fixing the consideration for the property or in determining the amount of any reduction of the fair market value owed for the release of the covenant under subsection (c), the Secretary of the military department shall take into consideration any benefit that has accrued or may accrue to the United States from the use of such property for the conservation of natural resources.

"(f) REAL PROPERTY DECLARED SURPLUS AS A RESULT OF A BASE CLOSURE LAW.—The Secretary concerned may not dispose of any real property declared surplus as a result of a base closure law under this section in a manner inconsistent with the requirements and preferences established under a base closure law.

"(g) DEFINITIONS.—(1) The term “States” as used in this section includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas and the territories and possessions of the United States.

"(2) The term "base closure law" means the Defense Authorization Amendments and Base closure and Realignment Act of 1988 (Public Law 100-526), the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510), or similar base closure authority."

(b) AGREEMENTS WITH NONPROFIT CONSERVATION NATURAL RESOURCE ORGANIZATIONS.—Section 2701(d) of such title 10 is amended—

(1) in paragraph (1), by inserting “or nonprofit conservation organization” after “any Indian tribe”.

(2) in paragraph (3), by adding at the end the following sentence: “The term ‘conservation organization’ as used in this section means non-governmental nonprofit organizations that exist for the primary purpose of conserving open space or natural

resources.”.

(c) ACCEPTANCE OF FUNDS TO COVER ADMINISTRATIVE EXPENSES.—Section 2695(b) of such title 10 is amended by adding at the end the following new paragraph:

"(4) The conveyance of real property under section 2669a of this title."

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter 159 is amended by inserting after the item relating to section 2669 the following new item:

"2669a. Conveyance of surplus real property for natural resource conservation purposes."

SEC. 2804. RELIEF FROM MCKINNEY-VENTO ACT SCREENING REQUIREMENTS.

Section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection (i):

"(i) APPLICABILITY TO PROPERTY DURING EMERGENCIES.—The provisions of this section shall not apply to buildings and property that have been requested for support or are being used for direct support of —

"(1) a war or national emergency declared in accordance with the National Emergencies Act (50 U.S.C. 1601 *et seq.*); or

"(2) an emergency or major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*)."

SEC. 2805. LEASING OF MILITARY FAMILY HOUSING IN KOREA.

Section 2828 (e)(3) is amended—

(1) by striking “800 units” and inserting “1,175 units”; and

(2) by adding at the end the following new sentence:

“Additionally, the Secretary of the Army may lease not more than 2,400 units of family housing in Korea subject to a maximum amount of \$35,000.”.

SEC. 2806. PROGRAM ON REDUCTION IN LONG-TERM FACILITY MAINTENANCE COSTS.

(a) **DEMONSTRATION PROGRAM.**—The Secretary of Defense may conduct a demonstration program to assess the feasibility and desirability of including facilities maintenance requirements in construction contracts for military construction projects. The purpose of the demonstration program is to determine if such requirements facilitate reductions in the long-term maintenance costs of the Military Departments.

(b) **CONTRACTS.**—The demonstration program authorized in subsection (a) is limited to 12 contracts entered into on or after the date of enactment of this Act.

(c) **EFFECTIVE PERIOD OF MAINTENANCE REQUIREMENTS.**—A maintenance requirement that is included in a construction contract under the authority of this section shall not exceed five years.

(d) **EXPIRATION.**—The authority under subsection (a) to include maintenance requirements in construction contracts under the demonstration program shall expire on September 30, 2006.

(e) **FUNDING.**— Amounts authorized to be appropriated for the Secretary of Defense for a fiscal year for military construction shall be available for the demonstration program under this section in such fiscal year.

SEC. 2807. BOUNDARY CHANNEL DRIVE SITE LAND ACQUISITION, ARLINGTON, VIRGINIA.

(a) **ACQUISITION AUTHORIZED.**—Using amounts appropriated pursuant to the authorization

of appropriations in section 2401, the Secretary of Defense may acquire all right, title, and interest to a parcel of real property, including any improvements thereon, consisting of approximately 7.2 acres known as the Boundary Channel Drive Site in Arlington County, Virginia. The site is located southeast of Interstate 395 at the end of Boundary Channel Drive and was most recently occupied by the Twin Bridges Marriott.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be acquired under subsection (a) shall be determined by a survey satisfactory to the Secretary. Upon acquisition, this property shall be included in the Pentagon Reservation as defined in section 2674(f) of title 10, United States Code.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the acquisition under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SEC. 2808. AGREEMENTS WITH PRIVATE ORGANIZATIONS TO ADDRESS
ENCROACHMENT AND OTHER CONSTRAINTS ON MILITARY
TRAINING, TESTING, AND OPERATIONS.**

(a) IN GENERAL.—Chapter 159 of title 10, United States Code, is amended by adding the following new section at the end thereof:

**"§ 2697. Agreements with private organizations to address encroachment and other
constraints on military training, testing, and operations**

"(a) AGREEMENTS.—The Secretary of a military department is authorized to enter into agreements with any private organization that has the conservation, restoration, or preservation of land and natural resources, or a similar objective, as its stated principal organizational purpose or

goal. The purpose of any agreement under this section shall be to address the use or development of real property in the vicinity of military installations in order either (1) to limit incompatible development or use of such property, or (2) to preserve habitat so as to eliminate or relieve existing or projected environmental restrictions, that otherwise may have the potential to restrict, impede, or otherwise interfere with, directly or indirectly, current or future military training, testing, or operations. Chapter 63 of title 31 shall not apply to agreements entered into under this section.

"(b) ACQUISITION AND ACCEPTANCE OF REAL PROPERTY.—An agreement under this section—

(1) may provide for the private organization to acquire, on a cost-shared basis, all right, title, and interest in real property, or any lesser estate or interest; as shall be required to effectuate the purposes of this section; and

(2) with respect to any real property estate or interest so acquired, shall provide, upon request at any time, for the private organization to transfer to the United States an estate or interest in such real property. Such interest shall be limited to that interest necessary to permit the United States to ensure that the property is used and managed in a manner that meets the purposes of this section. The Secretary concerned shall determine what estate or interest is necessary. Notwithstanding any other provision of law, the military department is authorized to accept such estate or interest in real property on behalf of the United States.

"(c) FUNDING.— Funds appropriated for the operations and maintenance of the Department of Defense or of any military department, including funds appropriated to support the Legacy Resources Management Program, may be made available to execute any agreements entered into under this section. For installations or facilities operated primarily with funds appropriated for

research, development, testing, and evaluation, those funds may be used in lieu of funds appropriated for operations and maintenance.

"(d) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in the agreements authorized by this section as the Secretary considers appropriate to protect the interests of the United States. Real property may not be acquired under this subsection unless the owner of the property consents to the acquisition. The Secretary may accept appraisals or title documents prepared or adopted by a non-Federal entity as satisfying the applicable requirements of section 213 of the Uniform Relocation Act Amendments of 1987 (42 U.S.C. 4651) or the Act of September 1, 1970 (84 Stat. 835; 40 U.S.C. 255) where the Secretary finds the appraisals or title documents substantially comply with Federal standards.

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2696 the following new item:

"2697. Agreements with Private Organizations Address Encroachment and Other Constraints on Military Training, Testing, and Operations."

SEC. 2809. AUTHORITY TO CONVEY CERTAIN LANDS IN ALASKA NO LONGER NEEDED FOR NATIONAL GUARD PURPOSES.

(a) **CONVEYANCE AUTHORIZED.**—The Secretary of the Army may convey to the State of Alaska or to any governmental entity, Native Corporation, or Indian tribe within the State of Alaska all right, title, and interest of the United States in and to any parcel of real property described in subsection (b), including any improvements thereon, as the Secretary of the Army determines to be in the public interest.

(b) **LANDS SUBJECT TO CONVEYANCE.**—Subsection (a) shall apply to any tract of land in the

State of Alaska that—

(1) is under the jurisdiction of the Department of the Army;

(2) prior to December 2, 1980, was under the jurisdiction of the Department of the Army for use of the Alaska National Guard;

(3) is located in a unit of the National Wildlife Refuge System designated in the Alaska National Interest Lands Conservation Act (94 Stat. 2371; 16 U.S.C. 1301 note);

(4) is determined by the Secretary of the Army to be excess to the needs of the Alaska National Guard and the Department of Defense; and

(5) is identified for conveyance based on a determination by the Secretary of the Army that—

(A) the projected cost of retaining the land to the United States Government exceeds the value of the land; or

(B) the existing condition of the land makes the land unsuitable for retention.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of any real property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary of the Army.

(d) CONSIDERATION.—(1) The Secretary of the Army may make a conveyance authorized by subsection (a) for no consideration or for consideration in an amount that the Secretary of the Army determines appropriate under the circumstances.

(2) If consideration is received for property conveyed under subsection (a), the Secretary of the Army may use the amounts received, to the extent provided in appropriations Act, to pay for—

(A) the cost of a survey described in subsection (c);

(B) the cost of carrying out any environmental assessments, studies, analyses, and remediation, that may be required under Federal law or deemed appropriate by the Secretary of the Army in connection with the property being conveyed; and

(C) any other costs incurred by the Department of the Army in conveying the property.

(e) **ADDITIONAL TERMS AND CONDITIONS.**—In connection with a conveyance under subsection (a), the Secretary of the Army may require such additional terms and conditions as the Secretary of the Army considers appropriate to protect the interests of the United States.

(f) **DEFINITIONS.**—For purposes of this section:

(1) The term “Native Corporation” has the same meaning given such term in section 3 of the Alaska Native Claims Settlement Act (85 Stat. 688; 43 U.S.C. 1601).

(2) The term “Indian tribe” has the same meaning given such term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (108 Stat. 4791; 25 U.S.C. 479a).

SUBTITLE C – OTHER MATTERS

SEC. 2810. ENVIRONMENTAL RESTORATION PROJECT.

(a) **IN GENERAL.**—Section 2810 of title 10, United States Code, is amended to read as follows:

“§ 2810. Environmental restoration projects

“(a) **ENVIRONMENTAL RESTORATION PROJECTS.** Subject to subsection (c), the Secretary concerned may carry out an environmental restoration project if the Secretary concerned determines that the project is necessary to carry out a response action under chapter 160 of this title or under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601

et seq.).

“(b) **LIMITATION OF FUND SOURCE.** Funds authorized for deposit in an account established under subsection (a) of section 2703 of this title shall be the only source of funds to conduct an environmental restoration project under this section.”.

“(c) **DEFINITIONS.** In this section (1) the term “response action” has the meaning given that term in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601);

“(2) the term “environmental restoration project” includes construction, development, conversion, or extension of a structure or installation of equipment in direct support of a response action. When included in an environmental restoration project, such construction, development, conversion, extension, or installation shall not be considered as military construction as that term is defined in section 2801 of this title.

(b) **CLERICAL AMENDMENT.**-The table of sections at the beginning of chapter 169 is amended by amending the item related to section 2810 to read as follows:

“2810. Environmental restoration project.”.

XXVII – GENERAL PROVISIONS

Section-by-Section Analysis

Section 2801. Subsection (a) adds fire and police protection to the list of services that may be provided, on a reimbursable basis, in conjunction with military housing privatization projects. Section 2872a authorizes the government to provide certain services in connection with privatization of its military housing and requires reimbursement by the non-governmental entity for such services. Rather than going to the general Treasury, reimbursement is credited to the account from which provision of such services was funded. This provision seeks to correct the inadvertent omission of fire fighting, fire protection, and police protection from the list of authorized services. In many circumstances, because of the jurisdictional status of the property, the Federal government is the only entity authorized and/or required to provide those services. This provision will provide clear authority to provide the services and ensure that reimbursement is credited to the account from which

provision of such services was funded.

Subsection (b) allows the government to lease existing housing from a developer, as opposed to just housing to be constructed which is the current state of the law. This change could support solutions to the problem of expiring 801 leases of existing housing.

Subsection (c) would eliminate the authority enter into interim leases. This section was originally intended to solve a problem under the existing 801 program but it has not been useful in supporting housing privatization projects. Other military housing privatization initiative authorities are more useful in allowing the government to lease housing directly from the developer.

Subsection (d) eliminates the on-base unaccompanied restriction of housing types and allows the services flexibility in constructing on-base unaccompanied housing.

Subsection (e) merges the separate Department of Defense Family Housing Improvement Fund and the Military Unaccompanied Housing Improvement Fund into a single Department of Defense Housing Improvement Fund. There are currently two separate funds established for family and bachelor housing privatization. The separation of funds hinders the planning and execution of privatization projects that encompass both types of housing. Similar authority for the Coast Guard (14 U.S.C. 687) provides for a single fund covering both family and unaccompanied housing. This proposed language would eliminate the separate Funds set up for military family and unaccompanied personnel housing. Instead, both would be merged into a single "Department of Defense Housing Improvement Fund." This change would facilitate the planning, execution, and management of privatization projects that involve both family and unaccompanied personnel housing. Additionally, subsection (e) raises the limitations on budget authority for military housing privatization projects. Title 10 imposes separate limits on the total value of budget authority of all contracts and investments undertaken in conjunction with military housing privatization. These limits are increased to \$1.7 billion and \$300 million for family and unaccompanied housing, respectively. These effectively limit the ability of the military departments to use privatization in improving living conditions for military members and their families as quickly as possible. This proposal is consistent with extension of the authorities until 2012.

Section 2802. This proposal repeals Section 803 of the Military Construction Authorization Act, 1984, as amended (10 U.S.C. 2821 note), that requires the use of manufactured housing from the United States for military family housing constructed in foreign countries. If this section is not repealed, the Air Force will be unable to replace housing or reduce housing deficits in countries where use of U.S. materials is contrary to local laws made applicable under Status of Forces Agreements. Even in countries where there is no prohibition on using U.S. materials, some of them require permission to do so, which is often difficult to obtain. Additionally, modular construction cannot meet the Anti-Terrorism/Force Protection requirements mandated in European Command Operations Order 01-01.

Currently the statute requires all military family housing construction for the Department of

Defense in a foreign country to use manufactured or factory-built housing which is fabricated in the United States by a United States contractor, or in the case of concrete housing, the use of housing that is produced in a plant that was fabricated in the United States by a United States company, and for which the materials, fixtures, and equipment used in the construction of such housing (other than cement, sand, and aggregates) are manufactured in the United States. The Secretary of Defense is authorized to waive up to 10% of the total number of military family housing units authorized to be constructed in foreign countries in any year if the Secretary determines that with respect to such units compliance with the requirement in such subsection is infeasible. Because of the small number of overseas housing projects, it is virtually impossible to reach a level where there are enough units to utilize this extremely limited waiver authority.

Section 803 was amended by section 812 of the Military Construction Authorization Act, 1985, (Public Law 98-407; 98 Stat.1524), and by section 1302 of the National Defense Authorization Act for Fiscal Year 1991, (Public Law 101-510; 104 Stat.1668).

Section 2803. The proposed legislation seeks authority for the Secretary of a military department to convey surplus real property under his jurisdiction to a State or local government, or instrumentality thereof, or to a nonprofit conservation organization that exists for the primary purpose of protecting open space and natural resources. Although this authority would be used primarily for property that became surplus as a result of base closure, it would have utility for parcels of property at existing installations as well. The military department would be authorized to convey surplus real property directly to state and local governments and qualified nonprofit organizations when the property has natural resource value.

Subsection (b) requires the grantee to use and maintain the property for conservation purposes in perpetuity or, at the option of the government, it will revert to the United States. The grantee may, however, convey the property to another eligible entity subject to the same restrictions on use. The grantee may have some limited revenue-generating activities that are compatible with the conservation use, such as a souvenir shop or canoe rentals, without triggering the reverter.

In some cases, the character of an area may change and it may no longer make sense to restrict the use of the conveyed property to conservation purposes. Subsection (c) would provide the option, if agreed to by the Secretary and concurred in by the Secretary of Interior, for the grantee to pay the current fair market value of the property in exchange for a release from the restrictive covenants instead of returning the property to the United States.

Subsection (d) provides that these conveyances will not be used in settlement of litigation or disputes against the United States, nor as a condition of allowing any defense activity under any Federal, State, or local regulatory process. Notwithstanding the above limitation, this subsection specifically provides that the Secretary may use this section to establish mitigation banks.

Subsection (e) authorizes the Secretary, when determining the amount of consideration that an entity should pay for the property, to take into consideration the public benefit that would result

from transferring the property to an entity that would preserve it for the conservation of natural resources. As a result, property with habitat for threatened or endangered species could be conveyed to an entity that would conserve that habitat at no cost to that entity.

Some surplus real property under the jurisdiction of the military departments is contaminated from past releases of hazardous substances. This property may be suitable for the conservation of natural resources or open space. Recent “brownfields” experience shows that combining environmental remediation with property utilization efforts saves money and promotes a more efficient use of contaminated property. Extending existing authority for carrying out the responsibility of the military departments under the Defense Environmental Restoration Program to include nonprofit organizations would build upon past Departmental successes by allowing the grantee to maximize efficient use of the property. Such agreements would be governed by applicable statutes, Office of Management and Budget Circulars and regulations and would not alter any existing authorities or obligations the military departments would otherwise have with respect to remediation of contaminated military real property.

Section 2804. During national emergencies, when Federal facilities are needed by State, Local and private agencies to support emergency efforts, the change in legislation would allow temporary use of facilities without having to meet requirements of the McKinney Act. The change would permit grants of property without screening in the event of a declaration of war, a declaration of national emergency by the President pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.), a declaration of an emergency or major disaster pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), or the use of the militia or the armed forces after a proclamation to disperse under section 334 of title 10.

Section 2805. Title 10, U.S.C. 2828 limits the expenditures for foreign leases to \$20,000 per unit as adjusted annually for changes to the Consumer Price Index and foreign currency fluctuation. The Army has authority to lease up to 800 units in Korea for not more than \$25,000 per unit per year. Renovation and reconfiguration projects to provide quality housing are reducing the existing number of units and increasing the per unit cost. Proposed build-to-lease projects, constructed to U.S. Government specifications provide families with built-in closets, furnished kitchens, and other amenities which Americans are accustomed to at home and in on-post quarters. The Army, however, is finding that these leasing projects are becoming more difficult to negotiate because projected costs are coming in above the \$25,000 cap. This is primarily due to rising real estate prices in Korea, the unfavorable exchange rates for money, high property taxes, taxes on rental income, and limited availability of land zoned for residential construction. These make construction of rental housing a poor investment and drive up the rental costs.

Expenditures for the rental of family housing in Korea are projected to exceed the \$25,000 cap for foreign leasing as adjusted on an annual basis for Consumer Price Index changes and foreign currency fluctuation. This jeopardizes existing leases because there is no current authority available within DoD to exceed the foreign lease cap and ultimately could result in forced relocation and family separations due to lease terminations. Families could be forced to endure expenses far above

their allowances for suitable housing or an undesired return to the United States because of the lack of suitable, affordable rental housing in the respective country.

These changes to Section 2828(e)(3) will enable the Army to retain leases when they exceed the foreign lease cap of \$20,000 and acquire additional new build-to-lease housing as adjusted for the Consumer Price Index and foreign currency fluctuation. This will make Korea an assignment of choice for families rather than an unaccompanied hardship tour.

Section 2806. This provision allows the Department to enter into a maximum of 12 demonstration projects to assess the feasibility and desirability of including facilities maintenance requirements in construction contracts for military construction projects to determine if this reduces the Department's long-term facilities maintenance costs. Experience at the installation/base level has shown that once a project has been completed using military construction funds, the cost to the operations and maintenance accounts to operate and maintain the facility has been higher than expected. It is anticipated that if the construction contractor who constructs the facility is held responsible for the costs to operate and maintain the facility for a five year period following completion, that he will take more care in the selection of materials and workmanship that he provides during construction.

The demonstration projects take a life-cycle engineering approach. Life-cycle costs using higher quality materials (and hence last longer) are compared against costs using materials that might normally be installed in a facility that do not last as long and require more frequent maintenance and replacement. The Military Construction funding would include commissioning costs and facilitates overall project continuity in terms of cost, scheduling and quality. This will improve construction, maintainability, and operability and will improve warranty service. The Department anticipates significant savings under this program.

Section 2807. This section would authorize the Secretary of Defense to acquire a parcel of real property consisting of approximately 7.2 acres known as the Boundary Channel Drive Site in Arlington County, Virginia. This land, which is vacant and currently on the market, offers a unique opportunity for the Department of Defense to acquire property adjacent to the Pentagon Reservation as part of its strategic plan for DoD real estate assets in the National Capital Region. The Department's long term plan is to build a new Federal office building that meets antiterrorism force protection standards on this site. It would be used primarily to consolidate DoD activities that now occupy leased buildings which do not meet those standards.

Section 2808. This provision is to ensure that the Military Departments have the authority they need to enter into agreements with third parties to address urban encroachment that threatens, either directly or indirectly, to impede military testing, training, and operations.

Military installations throughout the country increasingly are being asked to restrict testing, training, and operations due to urban encroachment in the vicinity of the installation. As new housing and other construction occurs, commanders are urged to restrict-and sometimes even halt--

some forms of training (e.g., live-fire activities, aircraft operations, etc.) or relocate such activities to areas on the installation more distant from installation boundaries. In addition, relatively unrestricted development surrounding the installation has made some installations the “last refuge” for a wide variety of at-risk plant and animal species. While in most cases, DoD has been able to test, train, and operate effectively despite increasingly taxing environmental restrictions, many critically important installations no longer have sufficient unused land to contend with further restrictions without compromising on the testing and training required to ensure military preparedness. It is consequently imperative that DoD have the authority to permit it to work with third parties to ensure that certain lands in the vicinity of military installations are preserved in their natural state to prevent encroachment and to preserve needed habitat (and prevent habitat fragmentation) so further restrictions on military testing, training, and operations never become necessary.

Subsection (a) authorizes the Secretaries of the Military Departments to enter into agreements with certain third parties to forestall urban encroachment or alleviate restrictions (e.g., restrictions to protect and promote the recovery of at-risk plant and animal species) that may otherwise impede military testing, training, and operations.

Subsection (b) provides that any such agreement may provide for the non-federal party to acquire an interest in real property to meet the purposes listed in subsection (a). Upon request, the third party must convey to the United States an interest in such property sufficient to permit the United States to ensure the property is used in a manner that will not restrict or impede military testing, training, or operations.

Subsection (c) authorizes the use of O&M (to include Legacy Resources Management Program funds) or R&D funds, as appropriate, to execute any agreements entered into under this section.

Subsection (d) provides that the Secretaries of the Military Departments may prescribe such terms and conditions in any agreements entered into under this section as may be necessary to protect the interests of the United States. In addition, this subsection stipulates that no interest in real property will be acquired except from willing sellers.

Section 2809. This section would authorize the Secretary of the Army to convey lands in the State of Alaska that are under the jurisdiction of the Department of the Army to the State of Alaska or any local governmental entity, Native Corporation, or Indian tribe in the State of Alaska, as the Secretary determines to be in the public interest.

Because the affected lands are part of the National Wildlife Refuge System, the National Wildlife System Administration Act (NWSAA) and the Alaska National Interest Lands Conservation Act (ANILCA) preclude the Department of the Army from conveying the property to these entities.

This section would enable the Secretary of the Army to convey lands that were under the jurisdiction of the Department of the Army for use of the Alaska National Guard prior to December

2, 1980 (the date on which ANILCA was enacted), if the Secretary determines the lands to be excess to the needs of the Alaska National Guard and the Department of Defense. In order to convey property, the Secretary would have to determine either that the projected cost of retaining the land exceeds the value of the land or that the existing condition of the land makes the land unsuitable for retention.

Currently, there are approximately six tracts, each consisting of five acres or less, to which this section would apply. Although the Department of the Army seeks to limit its liability and avoid unnecessary management expenses by terminating its jurisdiction over these lands, NWSAA and ANILCA have prevented the Department of the Army from taking such action. Because these lands are located in a unit National Wildlife Refuge System under ANILCA, standard Federal procedures for disposing of excess real property cannot be used to transfer jurisdiction. Instead, these procedures require that administrative jurisdiction be transferred to the U.S. Fish and Wildlife Service when the lands are deemed excess to the needs of the Department of the Army. The prerequisites established by the U.S. Fish and Wildlife Service for accepting jurisdiction, however, have effectively precluded such a transfer.

For example, in some instances, the land is being used for other than National Guard purposes as a result of encroachment or other arrangements with the local community and, thus, cannot be transferred to the U.S. Fish and Wildlife Service without evicting all the current users. Such evictions are not in the public interest because improvements and other conditions on the lands have generally undermined the usefulness of the land as part of a conservation system unit. Similarly, the U.S. Fish and Wildlife Service will not accept jurisdiction over land unless stringent environmental sampling and remediation standards are satisfied. The cost of compliance with these standards, combined with the fact that the land has little, if any, value as part of a conservation unit, presents a disincentive to disposition.

While this section is intended primarily to address those tracts of land currently deemed excess to the needs of the National Guard and the Department of Defense, it would be applicable to other tracts of land in Alaska that may become excess to such needs in the future and that meet the aforementioned criteria for conveyance. Subsection (d) would provide flexibility in this regard by providing the Secretary of the Army discretion to make a conveyance either without consideration or for consideration in an amount that the Secretary determines appropriate under the circumstances. If the Secretary requires consideration for a particular conveyance, the amounts received could be used to carry out any environmental assessments, studies, and analyses, and any remediation, that may be required under Federal law or deemed appropriate by the Secretary in connection with the property being conveyed or to pay the costs of surveys to determine the exact acreage and legal description of any property being conveyed.

Section 2810. Since the beginning of the environmental restoration program in the 1980s, the general practice has been that restoration activities funded by money from the Environmental Restoration Account (ERA) was classified as repair. This was permissible because the repair statute, 10 U.S.C. § 2811, had no definition of repair. The Services uniformly defined ERA funded

restoration as repairing an installation by cleaning the soil. Congress was aware of the practice and no objection was raised. In any event, the annual Environmental Restoration Report provided specific information to Congress on the activities that had been funded with the ERA. Consequently, although such restoration actions often involved what would normally be considered as construction, the Services defined the work as repair.

In the 1998 Defense Authorization Act, section 2811 was amended to include a definition of repair. This change was in response to what Congress perceived as abuses unconnected to the environmental restoration program. The new definition does not permit the Services to continue to define repair as including environmental restoration of the installation's soil. This was an unintended consequence of the amendment. Consequently, all ERA funded environmental restoration that fits the definition of construction must now be classified as military construction (MILCON).

As MILCON, such projects are now subject to all the paperwork that MILCON requires, including individual notifications to Congress. This will significantly increase the number of such notifications as well as cause delays in the restoration program while those packages are processed. Because of the need to ensure communications to Congress are accurate, such notifications require extensive time to prepare and review before approval. Such notifications delay environmental restoration actions, drain resources that would otherwise be applied to environmental restoration, and are redundant given the annual restoration reports already provided to the Congress.

Currently, section 2810 of title 10 grants to the Secretary of Defense authority to engage in environmental restoration projects without line item authorization even though they are MILCON projects. But it requires Congressional notification in all cases without regard to cost. (As a practical matter, all projects under \$750K can be accomplished as unspecified minor MILCON without notification under 10 U.S.C. § 2805 authority.) Any environmental restoration project costing more than \$750K and any change that increases the cost by 25% or reduces the scope by 25% will now require Congressional notification. Because of the numerous notification packages that will be required and the time to prepare them, this poses the potential for a trainwreck in our deadlines for the restoration program.

The environmental restoration program, at least at national priority list sites, is most often governed by federal facility agreements (FFA) with the USEPA and often the state. These provide for legally enforceable deadlines which do not take into account the new requirement for MILCON processing. Although it can probably be successfully argued as a matter of law that the increases in time required to secure funding for projects is allowable under the FFAs, it is certainly unexpected and unplanned for and will not be received favorably by the environmental regulators nor the public demanding timely and expeditious restoration actions.

Projects that would qualify under this proposed change are driven by legal requirements imposed by application of the environmental laws. Unlike standard MILCON, they are not done at the option of the Services, but because of direction from regulators or in anticipation of such

direction.

This proposed change to section 2810 would return the status of environmental restoration projects to virtually the same position they had prior to the enactment of the statutory definition of ‘repair’ provided in the amendment to section 2811.

Subsection (a) Changes authority from the Secretary of Defense to the Secretary concerned. When section 2810 was originally enacted, the ERA was a single DoD account. It has since been devolved as a separate account for each of the military departments. Since the environmental restoration projects are now both managed and funded by each military department separately, it is appropriate to update this provision by granting the authority directly to the Secretaries of the military departments. This change also replaces the reference to “military construction” with “environmental restoration project”. This is to indicate that the projects will not be treated as MILCON projects but as projects needed to meet CERCLA requirements.

Subsection (b) Provides a new limitation on this section so that it only applies to projects funded with ERA funds. This will insure the authority granted does not expand to include projects that have traditionally been MILCON projects funded with either MCA funds or O&M funds authorized for minor MILCON. This provision limits the return to the prior status of environmental restoration projects so that it does not expand beyond its original boundary.

Subsection (c) Provides an additional definition of “environmental restoration project”. This new definition is designed to clarify that the projects this section covers are what would normally be considered as construction projects, but for purposes of this provision will be considered as a separate type of project different from MILCON. The new definition would also make it clear that since environmental restoration projects under this section are not MILCON projects, they are not subject to the general provisions governing MILCON projects, e.g., section 2853 on notifications for cost increases and scope reductions. This is desirable because, unlike MILCON projects where it is reasonably possible to project the specific action, with environmental restoration it is often impossible to predict the actual requirement until the remediation project is actually underway (since the requirement is generally buried in the ground). The nature of environmental restoration requires maximum flexibility to adapt the remedy to the actual situation without delay.