

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "National Defense Authorization Act for Fiscal Year 2004".

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

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- Sec. 107. Chemical agents and munitions destruction.

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- Sec. 111. Multiyear procurement authority for Navy programs.
- Sec. 112. Amendment to multiyear procurement authority for C-130J aircraft for the Air Force.

1 **Subtitle A—Authorization of Appropriations**

2 **SEC. 101. ARMY.**

3 Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for
4 the Army as follows:

- 5 (1) For aircraft, \$2,128,485,000.
- 6 (2) For missiles, \$1,459,462,000.
- 7 (3) For weapons and tracked combat vehicles, \$1,640,704,000.
- 8 (4) For ammunition, \$1,309,966,000.
- 9 (5) For other procurement, \$4,216,854,000.

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

11 (a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2004 for
12 procurement for the Navy as follows:

- 13 (1) For aircraft, \$8,788,148,000.

1 (2) For weapons, including missiles and torpedoes, \$1,991,821,000.

2 (3) For shipbuilding and conversion, \$11,438,984,000.

3 (4) For other procurement, \$4,679,443,000.

4 (b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2004
5 for procurement for the Marine Corps in the amount of \$1,070,999,000.

6 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be
7 appropriated for fiscal year 2004 for procurement of ammunition for the Navy and Marine Corps
8 in the amount of \$922,355,000.

9 **SEC. 103. AIR FORCE.**

10 Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for
11 the Air Force as follows:

12 (1) For aircraft, \$12,079,360,000.

13 (2) For missiles, \$4,393,039,000.

14 (3) For procurement of ammunition, \$1,284,725,000.

15 (4) For other procurement, \$11,583,659,000.

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

17 Funds are hereby authorized to be appropriated for fiscal year 2004 for defense-wide
18 procurement in the amount of \$3,691,006,000.

19 **SEC. 105. DEFENSE INSPECTOR GENERAL.**

20 Funds are hereby authorized to be appropriated for fiscal year 2004 for procurement for
21 the Defense Inspector General in the amount of \$2,100,000.

22 **SEC. 106. DEFENSE HEALTH PROGRAM.**

23 Funds are hereby authorized to be appropriated for fiscal year 2004 for the Department of

1 Defense for procurement for carrying out health care programs, projects, and activities of the
2 Department of Defense in the total amount of \$327,826,000.

3 **SEC. 107. CHEMICAL AGENTS AND MUNITIONS DESTRUCTION.**

4 Funds are hereby authorized to be appropriated for fiscal year 2004 for chemical agents
5 and munitions destruction in the amount of \$1,650,076,000 for—

6 (1) the destruction of lethal chemical weapons in accordance with section 1412 of
7 the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

8 (2) the destruction of chemical warfare material of the United States that is not
9 covered by section 1412 of such Act.

10 **Subtitle B—Multi-Year Contract Authorizations**

11 **SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR NAVY PROGRAMS**

12 (a) MULTI-YEAR CONTRACT AUTHORITY.—Beginning with the fiscal year 2004 program
13 year, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States
14 Code, enter into multiyear contracts the for procurement of the following:

15 (1) F/A–18 aircraft.

16 (2) E-2C aircraft.

17 (3) the Tactical Tomahawk missile.

18 (4) the Virginia Class Submarine.

19 (b) SHIPBUILDER TEAMING.—Paragraphs (2)(A), (3), and (4) of section 121(b) of the
20 National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat. 1648)
21 apply to the procurement of Virginia class submarines under this section.

22 **SEC. 112. AMENDMENT TO MULTIYEAR PROCUREMENT AUTHORITY FOR C-**

1 **130J AIRCRAFT FOR THE AIR FORCE.**

2 Section 131(a) of the Bob Stump National Defense Authorization Act for Fiscal Year
3 2003 (Public Law 107-314; 116 Stat. 2475) is amended by striking "40 C-130J aircraft" and
4 inserting "42 C-130J aircraft".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.

Subtitle B—Ballistic Missile Defense

Sec. 211. Renewal of authority to assist local communities impacted by ballistic missile defense system test
 bed.

Subtitle C—Other Matters

Sec. 221. Rescind the prohibition on research and development of low-yield nuclear weapons.

1 **Subtitle A—Authorization of Appropriations**

2 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

3 Funds are hereby authorized to be appropriated for fiscal year 2004 for the use of the
4 Armed Forces for research, development, test, and evaluation, as follows:

5 (1) For the Army, \$9,122,825,000.

6 (2) For the Navy, \$14,106,653,000.

7 (3) For the Air Force, \$20,336,258,000.

8 (4) For Defense-wide research, development, test, and evaluation, \$18,260,918,000, of
9 which \$286,661,000 is authorized for the Director of Operational Test and Evaluation.

10 (5) For the Defense Health Program, \$65,796,000.

11 (6) For the Defense Inspector General, \$300,000.

1 **Subtitle B—Ballistic Missile Defense**

2 **SEC. 211. RENEWAL OF AUTHORITY TO ASSIST LOCAL COMMUNITIES**
3 **IMPACTED BY BALLISTIC MISSILE DEFENSE SYSTEM TEST BED.**

4 Section 235(b)(1) of the National Defense Authorization Act for Fiscal Year 2002
5 (Public Law 107-107; 115 Stat. 1041) is amended by striking "for fiscal year 2002" and inserting
6 "for fiscal years after fiscal year 2001".

7 **Subtitle C—Other Matters**

8 **SEC. 221. RESCIND THE PROHIBITION ON RESEARCH AND DEVELOPMENT OF**
9 **LOW-YIELD NUCLEAR WEAPONS.**

10 Section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public
11 Law 103-160; 107 Stat. 1946) is repealed.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

- Sec. 301. Operation and maintenance funding.
- Sec. 302. Working capital funds.
- Sec. 303. Armed Forces Retirement Home.

Subtitle B—Environmental Provisions

- Sec. 311. Clarify definitions of salvage facilities and salvage services to include environmental responses and related equipment.
- Sec. 312. Authorization for federal participation in wetland mitigation banks.
- Sec. 313. Provision to exempt restoration advisory boards from the Federal Advisory Committee Act.
- Sec. 314. Repeal of military equipment and infrastructure: prevention and mitigation of corrosion.
- Sec. 315. Right of removal to federal district court in Clean Air Act and Safe Drinking Water Act cases filed against the federal government.
- Sec. 316. Readiness and Range Preservation Initiative

Subtitle C—Workplace and Depot Issues

- Sec. 321. Repeal of time limitation on exclusion of expenditures on contracting for depot-level maintenance.
- Sec. 322. Exception to competition requirement for depot-level maintenance and repair.
- Sec. 323. Exclude workloads for special access programs from limitations on the performance of depot-level maintenance of materiel.

- 1 (16) For Environmental Restoration, Air Force, \$384,307,000.
- 2 (17) For Environmental Restoration, Defense-wide,\$24,081,000.
- 3 (18) For Environmental Restoration, Formerly Used Defense Sites, \$212,619,000.
- 4 (19) For Overseas Humanitarian, Disaster, and Civic Aid programs, \$59,000,000.
- 5 (20) For Drug Interdiction and Counter-drug Activities, Defense-wide, \$817,371,000.
- 6 (21) For the Defense Health Program, \$14,876,887,000.
- 7 (22) For Cooperative Threat Reduction programs, \$450,800,000.
- 8 (23) For Overseas Contingency Operations Transfer Fund, \$50,000,000.

9 **SEC. 302. WORKING CAPITAL FUNDS.**

10 Funds are hereby authorized to be appropriated for fiscal year 2004 for the use of the
11 Armed Forces of the United States and other activities and agencies of the Department of
12 Defense for providing capital for working capital and revolving funds in amounts as follows:

- 13 (1) For the Defense Working Capital Funds, \$1,721,507,000.
- 14 (2) For the National Defense Sealift Fund, \$1,062,762,000.

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

16 There is hereby authorized to be appropriated for fiscal year 2004 from the Armed Forces
17 Retirement Home Trust Fund the sum of \$65,279,000 for the operation of the Armed Forces
18 Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval
19 Home.

20 **Subtitle B—Environmental Provisions**

21 **SEC. 311. CLARIFY DEFINITIONS OF SALVAGE FACILITIES AND SALVAGE**
22 **SERVICES TO INCLUDE ENVIRONMENTAL RESPONSES AND**

1 **RELATED EQUIPMENT.**

2 (a) SALVAGE FACILITIES.—Section 7361(a) of title 10, United States Code, is amended
3 by adding at the end the following new sentence: "Salvage facilities include, but are not limited
4 to, equipment and gear utilized to prevent, abate or minimize damage to the environment."

5 (b) SETTLEMENT OF CLAIMS FOR SALVAGE SERVICES.—Section 7363 of such title is
6 amended by adding at the end the following new sentence: "Claims for such salvage services
7 include, but are not limited to, those for enhanced or special compensation for services that
8 prevent, abate or minimize damage to the environment."

9 **SEC. 312. AUTHORIZATION FOR FEDERAL PARTICIPATION IN WETLAND**
10 **MITIGATION BANKS.**

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

13 **"§2697. Authorization for Federal participation in wetland mitigation banks**

14 "The Secretary of a military department engaged in any activity resulting, or which may
15 result, in the destruction of or impacts to wetlands is authorized to make payments to wetland
16 mitigation banking programs and consolidated user sites ('in-lieu-fee' programs) that have been
17 approved in accordance with the Federal Guidance for the Establishment, Use, and Operation of
18 Mitigation Banks or the Federal Guidance on the Use of In-Lieu-Fee Arrangements for
19 Compensatory Mitigation Under Section 404 of the Clean Water Act and Section 10 of the
20 Rivers and Harbors Act as an alternative to creating a wetland for mitigation on federal property
21 for construction projects. These payments may be included as eligible project costs for military
22 construction."

23 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is

1 amended by adding at the end the following new item:

2 "2697. Authorization for Federal participation in wetland mitigation banks."

3 **SEC. 313. PROVISION TO EXEMPT RESTORATION ADVISORY BOARDS FROM**
4 **THE FEDERAL ADVISORY COMMITTEE ACT.**

5 Section 2705 (d)(2) of chapter 160 of title 10, United States Code, is amended by adding
6 at the end the following new subparagraph:

7 "(C) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to any
8 restoration advisory board established by the Secretary pursuant to this subsection."

9 **SEC. 314. REPEAL OF MILITARY EQUIPMENT AND INFRASTRUCTURE:**
10 **PREVENTION AND MITIGATION OF CORROSION.**

11 (a) IN GENERAL.—Section 2228 of title 10, United States Code, is repealed.

12 (b) CLERICAL AMENDMENT.—The table of sections for chapter 131 of this title is
13 amended by striking the item relating to section 2228.

14 **SEC. 315. RIGHT OF REMOVAL TO FEDERAL DISTRICT COURT IN CLEAN AIR**
15 **ACT AND SAFE DRINKING WATER ACT CASES FILED AGAINST**
16 **THE FEDERAL GOVERNMENT.**

17 (a) CLARIFICATION OF RIGHT TO REMOVE.—Section 118(a) of the Clean Air Act (42
18 U.S.C. 7418(a)) is amended by adding at the end the following new sentence:

19 "Nothing in this chapter shall be construed to prevent any department, agency, or
20 instrumentality of the Federal Government, or any officer, agent, or employee thereof in the
21 performance of his official duties, from removing to the appropriate Federal district court any
22 proceeding in State court to which the department, agency, or instrumentality or officer, agent,
23 or employee thereof is subject pursuant to this subsection, and any such proceeding may be

1 removed in accordance with section 1441 et seq. of title 28."

2 (b) CLARIFICATION OF RIGHT TO REMOVE.—Section 1447 of the Safe Drinking Water
3 Act (42 U.S.C. 300j-6) is amended by adding at the end the following new subsection:

4 "(f) REMOVAL.—Nothing in this part shall be construed to prevent any department,
5 agency, or instrumentality of the Federal Government, or any officer, agent, or employee thereof
6 in the performance of his official duties, from removing to the appropriate Federal district court
7 any proceeding in State court to which the department, agency, or instrumentality or officer,
8 agent, or employee thereof is subject pursuant to subsection (a), and any such proceeding may be
9 removed in accordance with section 1441 et seq. of title 28."

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

12 **SEC. 316. READINESS AND RANGE PRESERVATION INITIATIVE.**

1 (a) IN GENERAL.—(1) Part III of subtitle A of title 10, United States Code, is amended by
2 inserting after chapter 101 the following new chapter:

"CHAPTER 101A—READINESS AND RANGE PRESERVATION

"Sec.

"2015 Purpose of this chapter.

"2016. Definitions.

"2017. Military readiness and the conservation of protected species.

"2018. Conformity with State Implementation Plans for air quality.

"2019. Range management and restoration.

3 **"2015. Purpose of this chapter**

4 "The purpose of this chapter is to:

5 "(1) protect the lives and well-being of citizens of the United States and preserve their
6 freedoms, economic prosperity, and environmental heritage by ensuring military readiness;

3 "(2) ensure military readiness by addressing problems created by encroachment on
4 military readiness activities and lands, marine areas, and airspace reserved, withdrawn, or
5 designated for a military use;

6 "(3) reaffirm the principle that such lands, marine areas, and airspace exist to ensure
1 military preparedness;

2 "(4) shield military readiness activities and lands, marine areas, and airspace reserved,
3 withdrawn, or designated for a military use, including land, sea, and air training and operating
4 areas, from encroachment, while ensuring that the Department of Defense fulfills its
5 environmental stewardship responsibilities;

6 "(5) manage such lands, marine areas, and airspace for other purposes to the extent the
7 non-military purpose does not reduce capability to support military readiness activities;

8 "(6) re-establish the appropriate balance between military readiness and environmental
9 stewardship; and

10 "(7) establish a framework to ensure long-term sustainability of military ranges.

11 **"2016. Definitions**

12 "For purposes of this chapter:

13 "(1) The term 'military readiness activities' includes all training and operations that relate
14 to combat, and the adequate and realistic testing of military equipment, vehicles, weapons, and
15 sensors for proper operation and suitability for combat use. The term does not include the
16 routine operation of installation operating support functions, such as administrative offices,
17 military exchanges, commissaries, water treatment facilities, storage, schools, housing, motor
18 pools, laundries, morale, welfare and recreation activities, shops, and mess halls, nor the
19 operation of industrial activities, or the construction or demolition of such facilities.

1 "(2) The terms 'combat' or 'combat use' include all forms of armed conflict and
2 operational employment as well as those support functions necessary for armed conflict and
3 operational employment, including transportation of personnel, weapons, supplies, ammunition
4 and other military material to the vicinity of actual or potential armed conflict; intelligence
5 gathering in support of actual or potential armed conflict; command of and communications
6 between military units; and similar activities necessary for the successful prosecution of armed
7 conflict, whether or not conducted at the scene of actual conflict.

8 "(3) The term 'the Department' means the Department of Defense as defined in section
9 101(a)(6) of this title and the Coast Guard when it is not operating as a service in the Department
10 of the Navy.

11 **"2017. Military readiness and the conservation of protected species**

12 "(a) The completion of an Integrated Natural Resources Management Plan, pursuant to
13 the Sikes Act Improvement Act (16 U.S.C. 670a), for lands or other geographical areas owned or
14 controlled by the Department, or designated for its use, that addresses endangered or threatened
15 species and their habitat, provides the 'special management considerations or protection' required
16 under the Endangered Species Act (16 U.S.C. 1532(5)(A)) and precludes designation of critical
17 habitat for any such land or geographical areas under section 4 of the Endangered Species Act
18 (16 U.S.C. 1533).

19 "(b) This section does not remove the requirement for agency consultation under section
20 7(a)(2) of the Endangered Species Act (16 U.S.C. 1536(a)(2)).

21 **"2018. Conformity with State Implementation Plans for air quality**

22 "(a) CONFORMITY WITH CLEAN AIR ACT.—In all cases in which the requirements of
23 section 176(c) of the Clean Air Act would have applied to proposed military readiness activities,

1 the Department shall not be prohibited from engaging in such military readiness activities, but
2 shall:

3 "(1) estimate for all criteria pollutants for which the area is designated
4 'nonattainment' or 'maintenance' the quantity of emissions that are caused by the military
5 readiness activities;

6 "(2) notify the state air quality planning agency for the affected area of such
7 emission estimates prior to engaging in proposed military readiness activities; and

8 "(3) ensure that military readiness activities conform with the requirements of
9 section 176(c) within three years of the date new activities begin.

10 "(b) EPA APPROVAL.—Notwithstanding any other provisions of law, an implementation
11 plan or plan revision required under the Clean Air Act shall be approved by the Administrator of
12 the Environmental Protection Agency if:

13 "(1) such plan or revision meets all the requirements applicable to it under the
14 Clean Air Act other than a requirement that such plan or revision demonstrate attainment
15 and maintenance of the relevant national ambient air quality standards by the attainment
16 date specified under the applicable provision of the Act, or in a regulation promulgated
17 under such provision; and

18 "(2) the submitting State established to the satisfaction of the Administrator that
19 the implementation plan of such State would be adequate to attain and maintain the
20 relevant national ambient air quality standards by the attainment date specified under the
21 applicable provision of the Act, or in a regulation promulgated under such provision, but
22 for emissions emanating from military readiness activities not otherwise meeting section
23 176(c) of the Act pursuant to paragraph (a) of this section.

1 "(c) EFFECT ON STATE COMPLIANCE WITH OZONE STANDARDS.—Notwithstanding any
2 other provisions of law, any state that establishes to the satisfaction of the Administrator that,
3 with respect to an ozone nonattainment area in such State, such State would have attained the
4 national ambient air quality standard for ozone by the applicable attainment date, but for
5 emissions emanating from military readiness activities not otherwise meeting section 176(c) of
6 the Act pursuant to paragraph (a) of this section, shall not be subject to the provisions of section
7 182(a)(2) or (5) or section 185 of the Act.

8 "(d) EFFECT ON STATE COMPLIANCE WITH CARBON MONOXIDE
9 STANDARDS.—Notwithstanding any other provision of law, any State that establishes to the
10 satisfaction of the Administrator, with respect to a carbon monoxide nonattainment area in such
11 State, that such State has attained the national ambient air quality standard for carbon monoxide
12 by the applicable attainment date, but for emissions emanating from military readiness activities
13 not otherwise meeting section 176(c) of the Act pursuant to paragraph (a) of this section, shall
14 not be subject to the provisions of section 186(b)(2) of the Act.

15 "(e) EFFECT ON STATE COMPLIANCE WITH PM-10 STANDARDS.—Notwithstanding any
16 other provisions of law, any State that establishes to the satisfaction of the Administrator that,
17 with respect to a PM-10 nonattainment area in such State, such State would have attained the
18 national ambient air quality standard for PM-10 by the applicable attainment date, but for
19 emission emanating from military readiness activities not otherwise meeting section 176(c) of
20 the Act pursuant to paragraph (a) of this section, shall not be subject to the provisions of section
21 188(b)(2) of the Act.

22 **"2019. Range management and restoration**

23 "(a) DEFINITION OF SOLID WASTE.—(1)(A) The term 'solid waste,' as used in the Solid

1 Waste Disposal Act, as amended (42 U.S.C. 6901 et seq.), includes explosives, unexploded
2 ordnance, munitions, munition fragments, or constituents thereof that;

3 "(i) are or have been deposited, incident to their normal and expected use,
4 on an operational range, and;

5 "(I) are removed from the operational range for reclamation,
6 treatment, disposal, treatment prior to disposal, or storage prior to or in
7 lieu of reclamation, treatment, disposal, or treatment prior to disposal;

8 "(II) are recovered, collected, and then disposed of by burial or
9 landfilling; or

10 "(III) migrate off an operational range and are not addressed under
11 the Comprehensive Environmental Response, Compensation, and Liability
12 Act of 1980, as amended (42 U.S.C. 9601 et seq.); or

13 "(ii) are deposited, incident to their normal and expected use, off an
14 operational range, and are not promptly rendered safe or retrieved.

15 "(B) The explosives, unexploded ordnance, munitions, munitions fragments, or
16 constituents thereof defined as solid waste in subparagraph (a)(1)(A) shall be subject to
17 the provisions of the Solid Waste Disposal Act, as amended, including but not limited to
18 sections 7002 and 7003, where applicable.

19 "(2) Except as set out in subparagraph (1), the term 'solid waste,' as used in the Solid
20 Waste Disposal Act, as amended, does not include explosives, unexploded ordnance, munitions,
21 munitions fragments, or constituents thereof that:

22 "(A) are used in training military personnel or explosives and munitions
23 emergency response specialists (including training in proper destruction of unused

1 propellant or other munitions);

2 "(B) are used in research, development, testing, and evaluation of military
3 munitions, weapons, or weapon systems;

4 "(C) are or have been deposited, incident to their normal and expected use, and
5 remain on an operational range, except as provided in subparagraph (a)(1)(A);

6 "(D) are deposited, incident to their normal and expected use, off an operational
7 range, and are promptly rendered safe or retrieved; or

8 "(E) are recovered, collected, and destroyed on-range during range clearance
9 activities at operational ranges, but not including the on-range burial of unexploded
10 ordnance and contaminants when the burial is not a result of product use.

11 "Nothing in subparagraphs (2)(A), (B), (C), (D), or (E) hereof affects the legal requirements
12 applicable to explosives, unexploded ordnance, munitions, munitions fragments, or constituents
13 thereof that have been deposited on an operational range once the range ceases to be an
14 operational range.

15 "(b) DEFINITION OF RELEASE.—(1) The term 'release,' as used in the Comprehensive
16 Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9601
17 et seq.), includes the deposit off an operational range, or the migration off an operational range,
18 of any explosives, unexploded ordnance, munitions, munitions fragments, or constituents
19 thereof.

20 "(2) The term 'release,' as used in the Comprehensive Environmental Response,
21 Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9601 et seq.), does not include
22 the deposit or presence on an operational range of any explosives, unexploded ordnance,
23 munitions, munitions fragments, or constituents thereof that are or have been deposited thereon

1 incident to their normal and expected use and remain thereon.

2 "(3) Notwithstanding the provisions of paragraph (2), the authority of the President under
3 section 106(a) of the Comprehensive Environmental Response, Compensation, and Liability Act
4 of 1980, as amended (42 U.S.C. 9606(a)), to take action because there may be an imminent and
5 substantial endangerment to the public health or welfare or the environment because of an actual
6 or threatened release of a hazardous substance includes the authority to take action because of
7 the deposit or presence on an operational range of any explosives, unexploded ordnance,
8 munitions, munitions fragments, or constituents thereof that are or have been deposited thereon
9 incident to their normal and expected use and remain thereon.

10 "(4) Nothing in this section affects the authority of the Department to protect the
11 environment, safety, and health on operational ranges."

12 (2) The table of chapters at the beginning of such subtitle and the beginning of part III of
13 such subtitle are amended by inserting after the item relating to chapter 101 the following new
14 item:

15 **"101A. Readiness and Range Preservation2015"**.

16 (b) **MILITARY READINESS AND MARINE MAMMAL PROTECTION RECONCILIATION.**—The
17 Marine Mammal Protection Act of 1972, as amended (Public Law 92-522; 86 Stat. 1027; 16
18 U.S.C. 1361, et. seq.), is amended as follows:

19 (1) **DEFINITIONS.**—Section 3 (16 U.S.C. 1362) is amended—

20 (A) by amending paragraph (18) to read as follows:

21 "(18)(A) Except as provided in subparagraph (B), the term 'harassment' means
22 any act of pursuit, torment, or annoyance which—

23 (i) has the potential to injure a marine mammal or marine mammal stock

1 in the wild; or

2 "(ii) has the potential to disturb a marine mammal or marine mammal
3 stock in the wild by causing disruption of behavioral patterns, including, but not
4 limited to, migration, breathing, nursing, breeding, feeding, or sheltering.

5 "(iii) The term 'Level A harassment' means harassment described in
6 subparagraph (A)(i).

7 "(iv) The term 'Level B harassment' means harassment described in
8 subparagraph (A)(ii).

9 "(B) For purposes of military readiness activities, the term 'harassment' means
10 any act which—

11 "(i) injures or has the significant potential to injure a marine mammal or
12 marine mammal stock in the wild; or

13 "(ii)(I) disturbs or is likely to disturb a marine mammal or marine
14 mammal stock in the wild by causing disruption of natural behavioral patterns,
15 including, but not limited to, migration, surfacing, nursing, breeding, feeding, or
16 sheltering, to a point where such behavioral patterns are abandoned or
17 significantly altered; or

18 "(II) is directed toward a specific individual, group or stock of marine
19 mammals in the wild that is likely to disturb the individual, group, or stock of
20 marine mammals by disrupting behavior, including, but not limited to, migration,
21 surfacing, nursing, breeding, feeding, or sheltering."; and

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

23 "(30) The term 'military readiness activities' includes all training and operations

1 that relate to combat, and the adequate and realistic testing of military equipment,
2 vehicles, weapons, and sensors for proper operation and suitability for combat use. The
3 term does not include the routine operation of installation operating support functions,
4 such as administrative offices, military exchanges, commissaries, water treatment
5 facilities, storage, schools, housing, motor pools, laundries, morale, welfare and
6 recreation activities, shops, and mess halls, nor the operation of industrial activities, or
7 the construction or demolition of such facilities.

8 "(31) The terms 'combat' or 'combat use' include all forms of armed conflict and
9 operational employment as well as those support functions necessary for armed conflict
10 and operational employment, including transportation of personnel, weapons, supplies,
11 ammunition and other military material to the vicinity of actual or potential armed
12 conflict; intelligence gathering in support of actual or potential armed conflict; command
13 of and communications between military units; and similar activities necessary for the
14 successful prosecution of armed conflict, whether or not conducted at the scene of actual
15 conflict.

16 "(32) The term 'Department of Defense' means the military departments and the
17 Coast Guard when it is not operating as a service in the Department of the Navy."

18 (2) TAKING AND IMPORTING MARINE MAMMALS.—Section 101 (16 U.S.C. 1371)
19 is amended—

20 (A) in subsection (a)—

21 (i) in paragraph (5)—

22 (I) in subparagraph (A), by inserting "and military
23 readiness activities" after "other than commercial fishing"; and

1 (II) in subparagraph (D)(i), by inserting "and military
2 readiness activities" after "other than commercial fishing"; and

3 (ii) by adding at the end the following new paragraph:

4 "(7)(A) Upon request by the Department of Defense for an authorization
5 related to military readiness activities, the Secretary, shall allow, during periods
6 of not more than five consecutive years each, the incidental, but not intentional,
7 taking of marine mammals of a species or population stock if the Secretary—

8 "(i) finds that the total of such taking during each five-year (or
9 less) period concerned will have a negligible impact upon such species or
10 stock and will not have an unmitigable adverse impact on the availability
11 of such species or stock for taking for subsistence uses pursuant to
12 subsection (b) of this section or section 1379(f) of this title, or in the case
13 of a cooperative agreement under both this chapter and the Whaling
14 Convention Act of 1949 (16 USC. 916 et seq.), pursuant to section
15 1382(c) of this title; and

16 "(ii) prescribes regulations setting forth—

17 "(I) permissible methods of taking pursuant to such
18 activity, and other means of affecting the least practicable adverse
19 impact on such species or stock and its habitat, paying particular
20 attention to rookeries and mating grounds, and on the availability
21 of such species or stock for subsistence uses; and

22 "(II) requirements pertaining to the monitoring and
23 reporting of such taking.

1 "(B) The Secretary shall withdraw, or suspend for a time certain, the
2 permission to take marine mammals granted under subparagraph (A), if the
3 Secretary finds, after notice and opportunity for public comment (unless
4 subparagraph (C)(i) applies), that—

5 "(i) the regulations prescribed under subparagraph (A) regarding
6 methods of taking, monitoring, or reporting are not being substantially
7 complied with; or

8 "(ii) the taking allowed under subparagraph (A) is having, or may
9 have, more than a negligible impact on the species or stock concerned.

10 "(C)(i) The requirement for notice and opportunity for public comment
11 shall not apply in the case of a suspension of permission to take if the Secretary
12 determines that an emergency exists which poses a significant risk to well-being
13 of the species or stock concerned.

14 "(ii) Sections 1373 and 1374 of this title shall not apply to the taking of
15 marine mammals under the authority of this paragraph.

16 "(D)(i) Upon request by the Department of Defense for an authorization
17 related to military readiness activities, the Secretary shall authorize, for periods of
18 not more than 1 year, subject to such conditions as the Secretary may specify, the
19 incidental, but not intentional, taking by harassment of marine mammals of a
20 species or population stock if the Secretary finds that such harassment during
21 each period concerned—

22 "(I) will have a negligible impact on such species or stock, and

23 "(II) will not have an unmitigable adverse impact on the

1 availability of such species or stock for taking for subsistence uses
2 pursuant to subsection (b) of this section, or 1379(f) of this title, or
3 pursuant to a cooperative agreement under section 1388 of this title.

4 "(ii) The authorization for such military readiness activities shall
5 prescribe, where applicable—

6 "(I) permissible methods of taking by harassment pursuant to such
7 military readiness activity, and other means of affecting the least
8 practicable impact upon such species or stock and its habitat, paying
9 particular attention to rookeries and mating grounds, and on the
10 availability of such species or stock for subsistence uses pursuant to
11 subsection (b) of this section, or 1379(f) of this title, or pursuant to a
12 cooperative agreement under section 1388 of this title;

13 "(II) the measures that the Secretary of Commerce or Secretary of
14 Interior determines are necessary to ensure no unmitigable adverse impact
15 upon the availability of the species or stock for subsistence uses pursuant
16 to subsection (b) of this section, or 1379(f) of this title, or pursuant to a
17 cooperative agreement under section 1388 of this title; and

18 "(III) requirements pertaining to the monitoring and reporting of
19 such taking by harassment, including requirements for the independent
20 peer review of proposed monitoring plans or other research proposals
21 where the proposed military readiness activity may affect the availability
22 of the species or stock for subsistence uses pursuant to subsection (b) of
23 this section, or 1379(f) of this title, or pursuant to a cooperative agreement

1 under section 1388 of this title.

2 "(iii) The Secretary shall publish a proposed authorization not later than
3 45 days after receiving a request under this subparagraph and request public
4 comment through notice in the Federal Register for a period of 30 days after
5 publication. Not later than 45 days after the close of the public comment period,
6 if the Secretary makes the findings set forth in clause (E)(i), the Secretary shall
7 issue an authorization with appropriate conditions to meet the requirements of
8 clause (D)(ii).

9 "(iv) The Secretary shall modify, suspend, or revoke an authorization if
10 the Secretary finds that the provisions of clauses (D)(i) or (D)(ii) are not being
11 met.

12 "(v) A person conducting a military readiness activity for which an
13 authorization has been granted under this subparagraph shall not be subject to the
14 penalties of this chapter for taking by harassment that occurs in compliance with
15 such authorization.

16 "(E) Nothing in this chapter shall require disclosure of information
17 classified in the interests of national defense.";

18 (3) by redesignating subsection (e) as subsection (f); and

19 (4) by inserting after subsection (d) the following new subsection (e):

1 "(e) EXEMPTION OF ACTIONS NECESSARY FOR NATIONAL DEFENSE.—The Secretary of
2 Defense, after conferring with the Secretary of Commerce, the Secretary of Interior, or both, as
3 appropriate, may exempt any action or category of actions undertaken by the Department of
4 Defense or its components from compliance with any requirement of the Marine Mammal

1 Protection Act, 16 U.S.C. 1361 et seq., if he determines that it is necessary for national defense.
2 Exemptions granted under this section shall be for a period of not more than two years.
3 Additional exemptions for periods not to exceed two years each may be granted for the same
4 action or category of actions upon the Secretary of Defense, after conferring with the Secretary
5 of Commerce, the Secretary of Interior, or both as appropriate, making a new determination.”.

6 **Subtitle C—Workplace and Depot Issues**

7 **SEC. 321. REPEAL OF TIME LIMITATION ON EXCLUSION OF EXPENDITURES** 8 **ON CONTRACTING FOR DEPOT-LEVEL MAINTENANCE.**

9 Section 2474(f)(2) of title 10, United States Code, is amended by striking "for fiscal
10 years 2002 through 2005".

11 **SEC. 322. EXCEPTION TO COMPETITION REQUIREMENT FOR DEPOT-LEVEL** 12 **MAINTENANCE AND REPAIR.**

13 Section 2469 of title 10, United States Code, is amended by inserting at the end the
14 following new subsection (d):

15 "(d) EXCEPTIONS.—This section shall not apply with respect to depot-level maintenance
16 and repair workload that is the subject of a public-private partnership entered into pursuant to
17 section 2474(b) of this title provided—

18 (1) competition is sought to select the source that will partner with the depot to
19 perform the workload;

20 (2) the payment requests made by the partnership for work performed reflect the
21 full cost to the Government of resources used by the depot for providing services, which
22 shall include costs of resources used, but not paid for, by the depot;

1 (3) the portion of the payment received by the partnership that is necessary to
2 cover the full cost of performance by the depot, as required by paragraph (2), is
3 transferred to the General fund in the Treasury to the extent the payment is reimbursing
4 the depot for federal resources the depot has used, but not paid for, in performing its
5 work;

6 (4) in accordance with applicable contracting procedures, the customer agency is
7 not charged for any effort undertaken by the partnership to correct performance
8 deficiencies; and

9 (5) the depot does not charge its partner contractor for any effort the depot
10 undertakes to correct performance deficiencies under the contract."

11 **SEC. 323. EXCLUDE WORKLOADS FOR SPECIAL ACCESS PROGRAMS FROM**
12 **LIMITATIONS ON THE PERFORMANCE OF DEPOT-LEVEL**
13 **MAINTENANCE OF MATERIEL.**

14 Section 2466(d) of title 10, United States Code, is amended to read as follows:

15 "(d) EXCEPTIONS.—Subsection (a) shall not apply with respect to—

16 "(1) the Sacramento Army Depot, Sacramento, California; and

17 "(2) workloads for special access programs."

18 **SEC. 324. ESTABLISHING MINIMUM LEVEL OF PERFORMANCE OF DEPOT-**
19 **LEVEL MAINTENANCE OF MATERIEL BY FEDERAL GOVERNMENT**
20 **PERSONNEL OR AT A GOVERNMENT-OWNED FACILITY.**

21 (a) ESTABLISHING MINIMUM LEVEL.—Section 2466(a) of title 10, United States Code, is
22 amended to read as follows:

23 "(a) ALLOCATION OF WORKLOAD PERCENTAGE.—At least 50 percent of the funds made

1 available in a fiscal year to a military department or a Defense Agency for depot-level
2 maintenance and repair workload shall be used for the performance of such workload for the
3 military department or the Defense Agency by Federal Government personnel or at a
4 Government-owned facility."

5 (b) CONFORMING AMENDMENT.—Section 2474(f)(1) of such title is amended by striking
6 "percentage limitation" and inserting "allocation of workload percentage".

7 **SEC. 325. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE:**
8 **EXTENSION OF PARTNERSHIP EXEMPTION.**

9 Section 2474(f)(1) of title 10, United States Code, is amended by striking "at" and
10 inserting "for".

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. End strengths for military technicians (dual status).
Sec. 414. Fiscal year 2004 limitation on number of non-dual status technicians.

Subtitle A—Active Forces

1
2 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

3 The Armed Forces are authorized strengths for active duty personnel as of September 30,
4 2004, as follows:

5 (1) The Army, 480,000.

6 (2) The Navy, 373,800.

1 (3) The Marine Corps, 175,000.

2 (4) The Air Force, 359,300.

3 **Subtitle B—Reserve Forces**

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

5 (a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve
6 personnel of the reserve components as of September 30, 2004, as follows:

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

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

9 (3) The Naval Reserve, 85,900.

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

11 (5) The Air National Guard of the United States, 107,000.

12 (6) The Air Force Reserve, 75,800.

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

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

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

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

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

5 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF**
6 **THE RESERVES.**

7 Within the end strengths prescribed in section 411(a), the reserve components of the
8 Armed Forces are authorized, as of September 30, 2004, the following number of Reserves to be
9 serving on full-time active duty or, in the case of members of the National Guard, full-time
10 National Guard duty for the purpose of organizing, administering, recruiting, instructing, or
11 training the reserve components:

12 (1) The Army National Guard of the United States, 25,386.

13 (2) The Army Reserve, 14,374.

14 (3) The Naval Reserve, 14,384.

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

16 (5) The Air National Guard of the United States, 12,140.

17 (6) The Air Force Reserve, 1,660.

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

19 The Reserve Components of the Army and the Air Force are authorized strengths for
20 military technicians (dual status) as of September 30, 2004, as follows:

21 (1) For the Army Reserve, 6,699

22 (2) For the Army National Guard of the United States, 24,589.

23 (3) For the Air Force Reserve, 9,991.

1 (4) For the Air National Guard of the United States, 22,806.

2 **SEC. 414. FISCAL YEAR 2004 LIMITATION ON NUMBER OF NON-DUAL STATUS**
3 **TECHNICIANS.**

4 The number of civilian employees who are non-dual status technicians of a reserve
5 component of the Army or Air Force as of September 30, 2004, may not exceed the following:

6 (1) For the Army Reserve, 895.

7 (2) For the Army National Guard of the United States, 1,600.

8 (3) For the Air Force Reserve, 90.

9 (4) For the Air National Guard of the United States, 350.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

- Sec. 501. Repeal of prohibition against regular navy officers transferring between line and staff corps in grades above lieutenant commander.
Sec. 502. Retention of officers serving in health professions to fulfill active duty service commitments following promotion non-selection.
Sec. 503. Requirement of exemplary conduct.

Subtitle B—Reserve Component Management

- Sec. 511. Ready Reserve training requirement.
Sec. 512. Streamline process to continue officers on the Reserve active status list.
Sec. 513. Extending eligibility to the federal long-term care insurance program to reservists transferred to the Retired Reserves awaiting receipt of retired pay.

Subtitle C—Military Education and Training

- Sec. 521. Authority for the Marine Corps University to award the degree of Master of Operational Studies.
Sec. 522. Joint professional military education.

Subtitle D—Administrative Matters

- Sec. 531. Enhancements to personnel tempo program.
Sec. 532. Eliminate requirement that the Department of Defense report earned but non-taxable income on form W-2.
Sec. 533. Consistent time in service retirement criteria.

Subtitle E—Benefits

- Sec. 541. Authority to transport remains of retirees who die in military treatment facilities outside the United States.
- Sec. 542. Change family separation housing allowance from an entitlement to a discretionary allowance.
- Sec. 543. Payment of dependent student baggage storage.
- Sec. 544. Modification of prohibition on requirement of nonavailability statement or preauthorization.

Subtitle F—Military Justice Matters

- Sec. 551. Technical amendment to the Uniform Code of Military Justice concerning the offense of drunken operation of a vehicle aircraft, or vessel.

Subtitle G—Other Matters

- Sec. 561. Termination of disability review boards.
- Sec. 562. Basic training requirement for certain members accessed under a direct entry program.
- Sec. 563. Alternate initial military service obligation for persons accessed under direct entry program.
- Sec. 564. Release of taxpayer address information held by the Internal Revenue Service on members of the Armed Forces.
- Sec. 565. Joint warfighting capabilities funding.
- Sec. 566. Reappointment of Chairman and Vice-Chairman of the Joint Chiefs of Staff during national emergency.

Subtitle A—Officer Personnel Policy

SEC. 501. REPEAL OF PROHIBITION AGAINST REGULAR NAVY OFFICERS

**TRANSFERRING BETWEEN LINE AND STAFF CORPS IN GRADES
ABOVE LIEUTENANT COMMANDER.**

(a) REPEAL.—Section 5582 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 539 of such title is amended by striking the item relating to section 5582.

SEC. 502. RETENTION OF OFFICERS SERVING IN HEALTH PROFESSIONS

**TO FULFILL ACTIVE DUTY SERVICE COMMITMENTS FOLLOWING
PROMOTION NON-SELECTION.**

(a) IN GENERAL.—Subsection (a) of section 632 of title 10, United States Code, is amended—

(1) by striking "or" at the end of paragraph (2);

1 (2) by striking the period at the end of paragraph (3) and inserting "; or"; and

2 (3) by adding at the end the following new paragraph:

3 "(4) if on the date on which he is to be discharged under paragraph (1) a medical
4 officer or dental officer or an officer appointed in a medical skill other than as a medical
5 officer or dental officer (as defined in regulations prescribed by the Secretary of Defense)
6 has yet to complete a period of active duty service obligation incurred under section
7 2005, 2114, 2123, or 2603 of this title, he shall be retained on active duty until
8 completion of such service obligation, unless the Secretary concerned determines that
9 completion of the active duty obligation is not in the best interest of the military
10 department."

11 (b) TECHNICAL AMENDMENT.—Such subsection is further amended by striking "clause
12 (1)" in paragraph (3) and inserting "paragraph (1)".

13 **SEC. 503. REQUIREMENT OF EXEMPLARY CONDUCT.**

14 (a) IN GENERAL.—Chapter 3 of title 10, United States Code, is amended by inserting
15 after section 121 the following new section:

16 **"§ 121a. Requirement of exemplary conduct**

17 "All commanding officers and others in authority in the Department of Defense, are
18 required—

19 "(1) to show in themselves a good example of virtue, honor, patriotism, and
20 subordination;

21 "(2) to be vigilant in inspecting the conduct of all persons who are placed under
22 their command or charge;

23 "(3) to guard against and to suppress all dissolute and immoral practices and to

1 correct, according to applicable laws and regulations, all persons who are guilty of them;
2 and

3 "(4) to take all necessary and proper measures, under the laws, regulations, and
4 customs applicable to the armed forces, to promote and safeguard the morale, the
5 physical well-being, and the general welfare of the officers, enlisted persons, and civilian
6 persons under their command or charge."

7 (b) CONFORMING AND CLERICAL AMENDMENTS.—(1) The table of sections at the
8 beginning of such chapter is amended by inserting after the item relating to section 121 the
9 following new item:

10 "121a. Requirement of exemplary conduct."

11 (2) Title 10 is further amended as follows:

12 (A)(i) Section 3583 is repealed.

13 (ii) The table of sections at the beginning of chapter 345 is amended by striking
14 the item relating to section 3583.

15 (B)(i) Section 5947 is repealed.

16 (ii) The table of sections at the beginning of chapter 551 is amended by striking
17 the item relating to section 5947.

18 (C)(i) Section 8583 is repealed.

19 (ii) The table of sections at the beginning of chapter 845 is amended by striking
20 the item relating to section 8583.

21 **Subtitle B—Reserve Component Management**

22 **SEC. 511. READY RESERVE TRAINING REQUIREMENT.**

23 Subsection (a) of section 10147 of title 10, United States Code, is amended to read as

1 follows:

2 "(a) Except as specifically provided in regulations to be prescribed by the Secretary of
3 Defense, or by the Secretary of Homeland Security with respect to the Coast Guard when it is
4 not operating as a service in the Navy, each person who is enlisted, inducted, or appointed in an
5 armed force, and who becomes a member of the Ready Reserve under any provision of law
6 except section 513 or 10145(b) of this title, shall be required, while in the Ready Reserve, to
7 participate in a combination of drills, training periods or active duty equivalent to 38 days,
8 exclusive of travel, during each year."

9 **SEC. 512. STREAMLINE PROCESS TO CONTINUE OFFICERS ON THE RESERVE**
10 **ACTIVE STATUS LIST.**

11 (a) CONTINUATION.—Section 14701 of title 10, United States Code, is amended—

12 (1) in subsection (a)—

13 (A) in paragraph (1), by striking "by a selection board convened under
14 section 14101(b) of this title" and inserting "under regulations prescribed by the
15 Secretary concerned";

16 (B) in paragraph (6), by striking "as a result of the convening of a
17 selection board under section 14101(b) of this title";

18 (2) by striking subsections (b) and (c); and

19 (3) by redesignating subsection (d) as subsection (b).

20 (b) CONFORMING AMENDMENT.—Subsection (b) of section 14101 of such title is
21 amended—

22 (1) by striking paragraph (1); and

23 (2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2),

1 respectively.

2 **SEC. 513. EXTENDING ELIGIBILITY TO THE FEDERAL LONG-TERM CARE**
3 **INSURANCE PROGRAM TO RESERVISTS TRANSFERRED TO THE**
4 **RETIRED RESERVES AWAITING RECEIPT OF RETIRED PAY.**

5 Section 9001(4) of title 5, United States Code, is amended—

6 (1) by striking "including" and inserting "and"; and

7 (2) by striking "who has attained the age of 60 and".

8 **Subtitle C—Military Education and Training**

9 **SEC. 521. AUTHORITY FOR THE MARINE CORPS UNIVERSITY TO AWARD THE**
10 **DEGREE OF MASTER OF OPERATIONAL STUDIES.**

11 Section 7102 of title 10, United States Code, is amended—

12 (1) by redesignating subsections (c) and (d) as subsections (d) and (e),
13 respectively; and

14 (2) by inserting after subsection (b) the following new subsection (c):

15 "(c) COMMAND AND STAFF COLLEGE OF THE MARINE CORP UNIVERSITY.—Upon
16 the recommendation of the Director and faculty of the Command and Staff College of the
17 Marine Corps University, the President of the Marine Corps University may confer the
18 degree of master of operational studies upon graduates of the Command and Staff
19 College's School of Advanced Warfighting who fulfill the requirements for that degree."

20 **SEC. 522. JOINT PROFESSIONAL MILITARY EDUCATION.**

21 Section 663(e) of title 10, United States Code, is repealed.

22 **Subtitle D—Administrative Matters**

1 **SEC. 531. ENHANCEMENTS TO PERSONNEL TEMPO PROGRAM.**

2 (a) REVISIONS TO DEPLOYMENT LIMITS AND AUTHORITY TO AUTHORIZE
3 EXEMPTIONS.—Section 991(a) of title 10, United States Code, is amended to read as follows:

4 "(a) SERVICE AND GENERAL OR FLAG OFFICER RESPONSIBILITIES.—The deployment (or
5 potential deployment) of a member of the armed forces shall be managed to ensure the member
6 is not deployed, or continued in a deployment, on any day on which the total number of days on
7 which the member has been deployed out of the preceding 730 days would exceed 400, or a
8 lower threshold as approved by the Under Secretary of Defense for Personnel and Readiness.
9 The member may be deployed, or continued in a deployment, without regard to the preceding
10 sentence if such deployment, or continued deployment, is approved by a member of the Senior
11 Executive Service or the first general or flag officer (including officers in the grade of O-6 in
12 such positions already selected for general or flag rank) in the member's chain of command."

13 (b) CHANGES TO HIGH-DEPLOYMENT ALLOWANCE.—Section 436 of title 37, United
14 States Code, is amended—

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

16 "(a) MONTHLY ALLOWANCE REQUIRED.—The Secretary of the military department
17 concerned shall pay a high-deployment allowance to a member of the armed forces under the
18 Secretary's jurisdiction for each month during which the member—

19 "(1) is deployed; and

20 "(2) has, as of that day, been deployed for either or both of the following periods:

21 "(A) 401 or more days out of the preceding 730 days (or at a lower
22 threshold as approved by the Under Secretary of Defense for Personnel and
23 Readiness); or

1 "(B) 191 or more consecutive days (or for a lower threshold as approved
2 by the Under Secretary of Defense for Personnel and Readiness).";

3 (2) by amending subsection (c) to read as follows:

4 "(c) MAXIMUM RATE.—The maximum monthly rate of the allowance payable to a
5 member under this section is \$1,000.";

6 (3) in subsection (e), by striking "per diem" and inserting "allowance";

7 (4) in subsection (f)—

8 (A) by striking "per diem" and inserting "allowance"; and

9 (B) by striking "day on" and inserting "month during"; and

10 (5) by adding at the end the following new subsection:

11 "(g) EXCLUDED BILLETS.—The Secretary concerned may exclude selected billets from
12 eligibility for the high-deployment allowance upon approval by the Under Secretary of Defense
13 for Personnel and Readiness. A billet may only be excluded on a prospective basis once the
14 current incumbent has vacated that billet.".

15 (c) CHANGES TO REPORTING REQUIREMENT.—Section 487(b)(5) of title 10, United States
16 Code, is amended to read as follows:

17 "(5) For each of the armed forces, the description shall indicate the number of members
18 who received the high-deployment allowance, the total number of months for which the
19 allowance was paid to members, and the total amount spent on the allowance.".

20 (d) CLERICAL AMENDMENTS.—(1) The heading of section 436 of title 37, United States
21 Code, is amended to read as follows:

22 "**§436. Monthly high-deployment allowance for lengthy or numerous deployments**"; and

23 (2) The item relating to that section in the table of sections at the beginning of chapter 7

1 of such title is amended to read as follows:

2 "436. Monthly high-deployment allowance for lengthy or numerous deployments."

3 **SEC. 532. ELIMINATE REQUIREMENT THAT THE DEPARTMENT OF DEFENSE**
4 **REPORT EARNED BUT NON-TAXABLE INCOME ON FORM W-2.**

5 Section 6051(a) of subpart A of part III of chapter 61 of the Internal Revenue Code of
6 1986 (relating to information concerning persons subject to special provisions) is amended—

7 (1) by striking paragraph (10); and

8 (2) by redesignating paragraph (11) as paragraph (10).

9 **SEC. 533. CONSISTENT TIME IN SERVICE RETIREMENT CRITERIA.**

10 (a) OFFICERS IN REGULAR NAVY OR MARINE CORPS WHO COMPLETED 40 YEARS OF
11 ACTIVE SERVICE.—Section 6321(a) of title 10, United States Code, is amended by striking "after
12 completing 40 or more years" and inserting "and has at least 40 years".

13 (b) OFFICERS IN REGULAR NAVY OR MARINE CORPS WHO COMPLETED 30 YEARS OF
14 ACTIVE SERVICE.—Section 6322(a) of such is amended by striking "after completing 30 or more
15 years" and inserting "and has at least 30 years".

16 (c) OFFICERS IN NAVY OR MARINE CORPS WHO COMPLETED 20 YEARS OF ACTIVE
17 SERVICE.—Section 6323(a)(1) of such title is amended by striking "after completing more than
18 20 years" and inserting "and has at least 20 years".

19 (d) ENLISTED MEMBERS IN REGULAR NAVY OR MARINE CORPS WHO COMPLETED 30
20 YEARS OF ACTIVE SERVICE.—Section 6326(a) of such title is amended by striking "after
21 completing 30 or more years" and inserting "and has at least 30 years".

22 (e) TRANSFER OF ENLISTED MEMBERS TO THE FLEET RESERVE AND FLEET MARINE CORPS
23 RESERVE.—Section 6330(b) of such title is amended by striking "who has completed 20 or more

1 years" both places it appears and inserting "and has at least 20 years".

2 (f) TRANSFER OF MEMBERS OF THE FLEET RESERVE AND FLEET MARINE CORPS RESERVE
3 TO THE RETIRED LIST.—Section 6331(a) of such title is amended by striking "completed 30
4 years" and inserting "has at least 30 years".

5 (g) EFFECTIVE DATE.—The Secretary of the Navy may determine the effective date of
6 the amendments made by this section.

7 **Subtitle E—Benefits**

8 **SEC. 541. AUTHORITY TO TRANSPORT REMAINS OF RETIREES WHO DIE IN**
9 **MILITARY TREATMENT FACILITIES OUTSIDE THE UNITED**
10 **STATES.**

11 (a) AUTHORIZE TRANSPORT OUTSIDE THE UNITED STATES.—Section 1490 of title 10,
12 United States Code, is amended—

13 (1) in subsection (a), by striking "located in the United States"; and

14 (2) in subsection (b)(1), by striking "outside the United States or to a place".

15 (b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended to read as
16 follows:

17 "(c) In this section, the term 'dependent' has the meaning given such term in section
18 1072(2) of this title."

19 **SEC. 542. CHANGE FAMILY SEPARATION HOUSING ALLOWANCE FROM AN**
20 **ENTITLEMENT TO A DISCRETIONARY ALLOWANCE.**

21 Section 403(d)(1) of title 37, United States Code, is amended by striking "is entitled to"
22 and inserting "may be paid, at the discretion of the Secretary concerned,".

1 **SEC. 543. PAYMENT OF DEPENDENT STUDENT BAGGAGE STORAGE.**

2 Section 430(b)(2) of title 37, United States Code, is amended by striking "during the
3 dependent's annual trip between the school and the member's duty station" and inserting "one
4 time per fiscal year".

5 **SEC. 544. MODIFICATION OF PROHIBITION ON REQUIREMENT OF**
6 **NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.**

7 Section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year
8 2001 (Public Law 106-398; 114 Stat. 1654A-184), as enacted into law by Public Law 106-398,
9 and as amended by Public Law 107-107, is hereby repealed.

10 **Subtitle F—Military Justice Matters**

11 **SEC. 551. TECHNICAL AMENDMENT TO THE UNIFORM CODE OF MILITARY**
12 **JUSTICE CONCERNING THE OFFENSE OF DRUNKEN OPERATION**
13 **OF A VEHICLE AIRCRAFT, OR VESSEL.**

14 Section 911 of title 10, United States Code, is amended to read as follows:

15 **"§ 911. Drunken or reckless operation of a vehicle, aircraft, or vessel**

16 "(a) Any person subject to this chapter who—

17 "(1) operates or physically controls any vehicle, aircraft, or vessel in a reckless or
18 wanton manner or while impaired by a substance described in section 912a(b) of this
19 title, or

20 "(2) operates or is in actual physical control of any vehicle, aircraft, or vessel
21 while drunk or when the alcohol concentration in the person's blood or breath is at or
22 above the level prohibited under subsection (b), as shown by chemical analysis, shall be

1 punished as a court-martial may direct.

2 "(b)(1) For purposes of subsection (a), the applicable limit on the alcohol concentration
3 in a person's blood or breath is as follows:

4 "(A) In the case of the operation or control of a vehicle, aircraft, or vessel
5 in the United States, the level is the blood or breath alcohol concentration
6 prohibited under the law of the State in which the conduct occurred, except as
7 may be provided under paragraph (2) for conduct on a military installation that is
8 in more than one State, and subject to the prohibited alcohol concentration level
9 specified in paragraph (3).

10 "(B) In the case of the operation or control of a vehicle, aircraft, or vessel
11 outside the United States, the level is the blood alcohol concentration specified in
12 paragraph (3) or such lower level as the Secretary of Defense may by regulation
13 prescribe.

14 "(2) In the case of a military installation that is in more than one State, if those
15 States have different levels for defining their prohibited blood alcohol concentrations
16 under their respective State laws, the Secretary concerned for the installation may select
17 one such level to apply uniformly on that installation.

18 "(3) For purposes of paragraph (1), the level of alcohol concentration prohibited
19 in a person's blood is 0.10 grams or more of alcohol per 100 milliliters of blood and with
20 respect to a person's breath is 0.10 grams or more of alcohol per 210 liters of breath, as
21 shown by chemical analysis.

22 "(4) In this subsection, the term 'United States' included the District of Columbia,
23 the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa and

1 the term 'State' includes each of those jurisdictions."

2 **Subtitle G—Other Matters**

3 **SEC. 561. TERMINATION OF DISABILITY REVIEW BOARDS.**

4 (a) **MILITARY DEPARTMENTS.**—Section 1554 of title 10, United States Code, is
5 repealed.

6 (b) **PUBLIC HEALTH SERVICE.**—Section 221(a) of the Public Health Service
7 Act (42 U.S.C. 213a(a)) is amended—

8 (1) by striking paragraph (14); and

9 (2) by redesignating paragraphs (15), (16), and (17) as paragraphs (14),

10 (15), and (16), respectively.

11 **SEC. 562. BASIC TRAINING REQUIREMENT FOR CERTAIN MEMBERS**

12 **ACCESSED UNDER A DIRECT ENTRY PROGRAM.**

13 Paragraph (1) of section 671(c) of title 10, United States Code, is amended to read as
14 follows:

15 "(1) Under regulations prescribed under paragraph (2), a period of basic training (or
16 equivalent training) shorter than 12 weeks may be established by the Secretary concerned for
17 members of the armed forces who—

18 "(A) have been credentialed in a medical profession or occupation and are serving
19 in a health-care occupational specialty; or

20 "(B) have been accessed into a direct entry program established by the Secretary
21 concerned based on unique skills acquired in a civilian occupation.

22 "Any such period shall be established under regulations prescribed under paragraph (2) and may

1 be established notwithstanding section 4(a) of the Military Selective Service Act (50 U.S.C.
2 App. 454(a))."

3 **SEC. 563. ALTERNATE INITIAL MILITARY SERVICE OBLIGATION FOR**
4 **PERSONS ACCESSED UNDER DIRECT ENTRY PROGRAM.**

5 Subsection (a) of section 651 of title 10, United States Code, is amended to read as
6 follows:

7 "(a)(1) Each person who becomes a member of an armed force, other than a person
8 described in paragraph (2), shall serve in the armed forces for a total initial period of not less
9 than six years nor more than eight years, as provided in regulations prescribed by the Secretary
10 of Defense for the armed forces under his jurisdiction and by the Secretary of Homeland
11 Security for the Coast Guard when it is not operating as a service in the Navy, unless such
12 person is sooner discharged under such regulations because of personal hardship. Any part of
13 such service that is not active duty or that is active duty for training shall be performed in a
14 reserve component.

15 "(2) A person is not subject to paragraph (1) if that person—

16 "(A) deferred under the next to the last sentence of section 6(d)(1) of the Military
17 Selective Service Act (50 U.S.C. App. 456(d)(1)); or

18 "(B) accessed into a direct entry program established by the Secretary concerned
19 based on unique skills acquired in a civilian occupation."

20 **SEC. 564. RELEASE OF TAXPAYER ADDRESS INFORMATION HELD BY THE**
21 **INTERNAL REVENUE SERVICE ON MEMBERS OF THE ARMED**
22 **FORCES.**

23 (a) AUTHORITY.—Section 6103(m) of the Internal Revenue Code of 1986 (26 U.S.C.

1 6103(m)) is amended by adding at the end the following new paragraph:

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

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

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

19 "(D) EXPIRATION OF AUTHORITY.—No information shall be released under this
20 section after September 30, 2006."

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

23 "(9) DISCLOSURE TO CONTRACTORS.—(A) IN GENERAL.—Notwithstanding any other

1 provision of this section, no return or return information shall be disclosed to a contractor or
2 other agent of a Federal, State, or local agency unless such agency, to the satisfaction of the
3 Secretary—

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

8 "(ii) agrees to conduct a regular, on-site review (mid-point review in the
9 case of contracts of less than 1 year in duration) of each contractor or other
10 agency to determine compliance with such requirements;

11 "(iii) submits the findings of the most recent review conducted under
12 clause (ii) to the Secretary as part of the report required by paragraph (4)(E); and

13 "(iv) certifies to the Secretary for the most recent annual period that all
14 contractors or other agents are in compliance with all such requirements. Such
15 certification shall be signed by the head of the agency or his or her delegate.

16 "The certification required by clause (iv) shall include the name and address of each
17 contractor or other agent, a description of the contract or agreement of the contractor with
18 the agency, or other authority for agency relationship, and the duration of such contract,
19 agreement or authority.

20 "(B) RELATIONSHIP TO PROVISION GOVERNING DISCLOSURE FOR PURPOSES OF TAX
21 ADMINISTRATION.—The requirements of this paragraph shall not apply to disclosures
22 pursuant to subsection (n) for purposes of Federal tax administration."

23 (c) CONFORMING AND TECHNICAL AMENDMENTS.—(1) Such section is further

1 amended—

2 (A) in subsection (a)(3), by striking "(2) or (4)(B)" and inserting "(2),
3 (4)(B), (5), (7), or (8)"; and

4 (B) in subsection (p)(4), by striking "under paragraph (2), (4), (6), or (7)
5 of subsection (m)" and inserting "under paragraph (2), (4), (5), (6), (7), or (8) of
6 subsection (m)".

7 (2) Section 7213(a)(2) of such Code (26 U.S.C. 7213(a)(2)) is amended by
8 striking "or (7) of section 6103" and inserting "(7), or (8) of section 6103".

9 **SEC. 565. JOINT WARFIGHTING CAPABILITIES FUNDING.**

10 Section 166a(b) of title 10, United States Code, is amended by adding at the end the
11 following new paragraph:

12 "(10) Joint warfighting capabilities."

13 **SEC. 566. REAPPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN OF THE**
14 **JOINT CHIEFS OF STAFF DURING NATIONAL EMERGENCY.**

15 (a) REAPPOINTMENT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.—Section 152(a)
16 of title 10, United States Code, is amended—

17 (1) in paragraph (1), by striking "in time of war" and inserting "in time of war or
18 during a national emergency declared by the President or Congress"; and

19 (2) in paragraph (3), by striking "in time of war" and inserting "in time of war or
20 during a national emergency declared by the President or Congress".

21 (b) REAPPOINTMENT OF THE VICE-CHAIRMAN OF THE JOINT CHIEFS OF
22 STAFF.—Paragraph (3) of section 154(a) of such title is amended by striking "in time of war"
23 and inserting "in time of war or during a national emergency declared by the President or

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

- Sec. 601. Increase in basic pay for fiscal year 2004.
- Sec. 602. Housing allowance for each married partner when both are on sea duty and there are no other dependents.
- Sec. 603. Amendment to basic pay for certain commissioned officers with prior service as an enlisted member or warrant officer.

Subtitle B—Bonuses and Special and Incentive Pays

- Sec. 611. Increase maximum amount of selective reenlistment bonus.
- Sec. 612. Making all warrant officers eligible for accession bonus for new officers in critical skills.
- Sec. 613. Incentive bonus: lateral conversion bonus for converting to undermanned military occupational specialties.
- Sec. 614. Extending hostile fire and imminent danger pay to Reserve component members on inactive duty.
- Sec. 615. Expanded educational assistance authority for cadets and midshipmen receiving ROTC scholarships.
- Sec. 616. Notice and wait provision concerning critical skills retention bonus.
- Sec. 617. Expansion of overseas tour extension incentive program benefits to officers.
- Sec. 618. One-year extension of certain bonus and special pay authorities for Reserve forces.
- Sec. 619. One-year extension of special pay and bonus authorities for nuclear officers.
- Sec. 620. One-year extension of authorities relating to payment of other bonuses.

Subtitle C—Travel and Transportation Allowances

- Sec. 621. Shipment of a privately owned motor vehicle within the continental United States.

Subtitle D—Other Matters

- Sec. 631. Providing members serving in a contingency operation the same tax filing delay provided to members serving in a combat zone or in a qualified hazardous duty area.
- Sec. 632. Permit non-scholarship senior ROTC sophomores to voluntarily contract and receive subsistence allowance.
- Sec. 633. Increase annual student loan repayment authority.
- Sec. 634. Authorize cabinet secretaries, secretaries of military departments, and heads of independent agencies to be paid on a biweekly basis.

Subtitle A—Pay and Allowances

1 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2004.**

- 2 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during
- 3 fiscal year 2004 required by section 1009 of title 37, United States Code, in the rates of monthly
- 4 basic pay authorized members of the uniformed services shall not be made.

1 (b) INCREASE IN BASIC PAY FOR MEMBERS OF THE ARMED FORCES.—Effective on
 2 January 1, 2004, the rates of monthly basic pay for members of the armed forces within each pay
 3 grade are as follows:

COMMISSIONED OFFICERS¹
 Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9	0.00	0.00	0.00	0.00	0.00
O-8	7,751.10	8,004.90	8,173.20	8,220.60	8,430.30
O-7	6,440.70	6,739.80	6,878.40	6,988.50	7,187.40
O-6	4,773.60	5,244.30	5,588.40	5,588.40	5,609.70
O-5	3,979.50	4,482.90	4,793.40	4,851.60	5,044.80
O-4	3,433.50	3,974.70	4,239.90	4,299.00	4,545.30
O-3 ³	3,018.90	3,422.40	3,693.90	4,027.20	4,220.10
O-2 ³	2,595.60	2,956.50	3,405.00	3,519.90	3,592.50
O-1 ³	2,253.60	2,345.10	2,834.70	2,834.70	2,834.70

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

² Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is \$14,679.30, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³ This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9	0.00	0.00	0.00	0.00	0.00
O-8	8,781.90	8,863.50	9,197.10	9,292.80	9,579.90
O-7	7,384.20	7,611.90	7,839.00	8,066.70	8,781.90
O-6	5,850.00	5,882.10	5,882.10	6,216.30	6,807.30
O-5	5,161.20	5,415.90	5,602.80	5,844.00	6,213.60
O-4	4,809.30	5,137.80	5,394.00	5,571.60	5,673.60
O-3 ³	4,431.60	4,568.70	4,794.30	4,911.30	4,911.30

O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70

	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	\$0.00	\$12,524.70	\$12,586.20	\$12,847.80	\$13,303.80
O-9	0.00	10,954.50	11,112.30	11,340.30	11,738.40
O-8	9,995.70	10,379.10	10,635.30	10,635.30	10,635.30
O-7	9,386.10	9,386.10	9,386.10	9,386.10	9,433.50
O-6	7,154.10	7,500.90	7,698.30	7,897.80	8,285.40
O-5	6,389.70	6,563.40	6,760.80	6,760.80	6,760.80
O-4	5,733.00	5,733.00	5,733.00	5,733.00	5,733.00
O-3 ³	4,911.30	4,911.30	4,911.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN
ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-3E	\$0.00	\$0.00	\$0.00	\$4,027.20	\$4,220.10
O-2E	0.00	0.00	0.00	3,537.00	3,609.90
O-1E	0.00	0.00	0.00	2,848.50	3,042.30

	Over 8	Over 10	Over 12	Over 14	Over 16
O-3E	\$4,431.60	\$4,568.70	\$4,794.30	\$4,984.20	\$5,092.80
O-2E	3,724.80	3,918.60	4,068.60	4,180.20	4,180.20
O-1E	3,154.50	3,269.40	3,382.20	3,537.00	3,537.00

	Over 18	Over 20	Over 22	Over 24	Over 26
O-3E	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30
O-2E	4,180.20	4,180.20	4,180.20	4,180.20	4,180.20

O-1E	3,537.00	3,537.00	3,537.00	3,537.00	3,537.00
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WARRANT OFFICERS¹⁾

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W-5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4	3,119.40	3,355.80	3,452.40	3,547.20	3,710.40
W-3	2,848.80	2,967.90	3,089.40	3,129.30	3,257.10
W-2	2,505.90	2,649.00	2,774.10	2,865.30	2,943.30
W-1	2,212.80	2,394.00	2,515.20	2,593.50	2,802.30

	Over 8	Over 10	Over 12	Over 14	Over 16
W-5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4	3,871.50	4,035.00	4,194.30	4,359.00	4,617.30
W-3	3,403.20	3,595.80	3,786.30	3,988.80	4,140.60
W-2	3,157.80	3,321.60	3,443.40	3,562.20	3,643.80
W-1	2,928.30	3,039.90	3,164.70	3,247.20	3,321.90

	Over 18	Over 20	Over 22	Over 24	Over 26
W-5	\$0.00	\$5,360.70	\$5,544.30	\$5,728.80	\$5,914.20
W-4	4,782.60	4,944.30	5,112.00	5,277.00	5,445.90
W-3	4,291.80	4,356.90	4,424.10	4,570.20	4,716.30
W-2	3,712.50	3,843.00	3,972.60	4,103.70	4,103.70
W-1	3,443.70	3,535.80	3,535.80	3,535.80	3,535.80

¹⁾ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS¹⁾

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-9 ²⁾	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8	0.00	0.00	0.00	0.00	0.00
E-7	2,145.00	2,341.20	2,430.60	2,549.70	2,642.10
E-6	1,855.50	2,041.20	2,131.20	2,218.80	2,310.00

E-5	1,700.10	1,813.50	1,901.10	1,991.10	2,130.60
E-4	1,558.20	1,638.30	1,726.80	1,814.10	1,891.50
E-3	1,407.00	1,495.50	1,585.50	1,585.50	1,585.50
E-2	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 >4 ³⁾	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
E-1 <4 ³⁾	1,086.00	0.00	0.00	0.00	0.00

	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 ²⁾	\$0.00	\$3,769.20	\$3,854.70	\$3,962.40	\$4,089.30
E-8	3,085.50	3,222.00	3,306.30	3,407.70	3,517.50
E-7	2,801.40	2,891.10	2,980.20	3,139.80	3,219.60
E-6	2,516.10	2,596.20	2,685.30	2,763.30	2,790.90
E-5	2,250.90	2,339.70	2,367.90	2,367.90	2,367.90
E-4	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 >4 ³⁾	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
E-1 <4 ³⁾	0.00	0.00	0.00	0.00	0.00

	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 ²⁾	\$4,216.50	\$4,421.10	\$4,594.20	\$4,776.60	\$5,054.70
E-8	3,715.50	3,815.70	3,986.40	4,081.20	4,314.30
E-7	3,295.50	3,341.70	3,498.00	3,599.10	3,855.00
E-6	2,809.80	2,809.80	2,809.80	2,809.80	2,809.80
E-5	2,367.90	2,367.90	2,367.90	2,367.90	2,367.90
E-4	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 >4 ³⁾	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
E-1 <4 ³⁾	0.00	0.00	0.00	0.00	0.00

¹⁾ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

²⁾ Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$6,090.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³⁾ In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,086.00.

1 (c) INCREASE IN BASIC PAY FOR MEMBERS OF THE UNIFORMED SERVICES NOT IN THE
2 ARMED FORCES.—Effective on January 1, 2004, the monthly basic pay for members of the
3 uniformed services not in the armed forces is increased by 2.0 percent.

4 **SEC. 602. HOUSING ALLOWANCE FOR EACH MARRIED PARTNER WHEN BOTH**
5 **ARE ON SEA DUTY AND THERE ARE NO OTHER DEPENDENTS.**

6 Subparagraph (C) of subsection 403(f)(2) of title 37, United States Code, is amended to
7 read as follows:

8 "(C) Notwithstanding section 421 of this title, two members of the uniformed services in
9 a pay grade below pay grade E-6 who are married to each other, have no other dependents, and
10 are simultaneously assigned to sea duty are each entitled to a basic allowance for housing during
11 the period of such simultaneous sea duty. The amount of each member's allowance shall be
12 based on the without dependents rate for the pay grade of the member."

13 **SEC. 603. AMENDMENT TO BASIC PAY FOR CERTAIN COMMISSIONED**
1 **OFFICERS WITH PRIOR SERVICE AS AN ENLISTED MEMBER OR**
2 **WARRANT OFFICER.**

3 Section 203(d)(2) of title 37, United States Code, is amended to read as follows:

4 "(2) Service to be taken into account for purposes of computing basic pay under
5 paragraph (1) is as follows:

6 "(A) Active service as a warrant officer or as a warrant officer and an enlisted
7 member.

8 "(B) Service as a warrant officer, as an enlisted member, or as a warrant officer
9 and an enlisted member, for which at least 1,460 points have been credited to the officer
10 for the purposes of section 12732(a)(2) of title 10."

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. INCREASE MAXIMUM AMOUNT OF SELECTIVE REENLISTMENT

BONUS.

Section 308(a)(2)(B) of title 37, United States Code, is amended by striking "\$60,000" and inserting "\$90,000".

SEC. 612. MAKING ALL WARRANT OFFICERS ELIGIBLE FOR ACCESSION

BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.

Section 324 of title 37, United States Code, is amended—

(1) in subsection (a), by inserting "or an appointment" after "commission"; and

(2) in subsection (f), by inserting "or an appointment" after "commission".

SEC. 613. INCENTIVE BONUS: LATERAL CONVERSION BONUS FOR

CONVERTING TO UNDERMANNED MILITARY OCCUPATIONAL SPECIALTIES.

(a) BONUS AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 326. Incentive bonus: lateral conversion bonus for converting to undermanned military occupational specialties

"(a) AUTHORITY AND ELIGIBILITY REQUIREMENTS.—(1) The Secretary concerned may pay a bonus to a member of the armed forces who agrees to serve in a military occupational specialty, rating or other military specialty defined by the member's armed force, that is designated by the Secretary concerned as undermanned for purposes of this bonus.

1 "(2) A bonus may only be paid under this section to a member who:

2 "(A) is entitled to basic pay;

3 "(B) is serving in pay grade E-6 (with less than 10 years of service) or E-5
4 and below (regardless of years of service); and

5 "(C) agrees to serve for a period of not less than two years in a military
6 occupational specialty, rating or other military specialty designated by the
7 Secretary concerned as undermanned for the purposes of this bonus.

8 "(b) AMOUNT AND PAYMENT OF BONUS.—(1) A bonus under this section may not exceed
9 \$4,000.

10 "(2) Any bonus payable under this section shall be disbursed in one lump sum
11 payment when the member's conversion to the new military specialty is approved by the
12 personnel chief of the member's armed force, or his designee.

13 "(c) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A bonus paid to a member
14 under this section is in addition to any other pay and allowances to which the member is entitled.

15 "(d) REPAYMENT OF BONUS.—(1) A member who receives a bonus payment under this
16 section and who voluntarily or through misconduct, fails to serve for the required period in the
17 undermanned military occupational specialty, rating or other military specialty defined by the
18 armed force for which the bonus was paid, shall refund to the United States an amount that bears
19 the same ratio to the amount of the bonus paid to the member as the period that the member
20 failed to serve bears to the total period for which the bonus was paid.

21 "(2) An obligation to reimburse the United States imposed under paragraph (1) is,
22 for all purposes, a debt owed to the United States.

23 "(3) A discharge in bankruptcy under title 11 that is entered less than five years

1 after the termination of service for which a bonus was paid under this section shall not
2 discharge the person receiving such bonus payment from the debt arising under
3 paragraph (1).

4 "(4) Under regulations prescribed pursuant to subsection (e), the Secretary
5 concerned may waive, in whole or in part, an obligation to reimburse the United States
6 imposed under paragraph (1) when the Secretary determines that recovery would be
7 against equity and good conscience or would be contrary to the best interests of the
8 United States.

9 "(e) REGULATIONS.—The Secretaries concerned shall prescribe regulations to carry out
10 this section. Regulations prescribed by the Secretary of a military department shall be subject to
11 the approval of the Secretary of Defense.

12 "(f) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section
13 with respect to any lateral conversion approved after September 30 of the third fiscal year that
14 began after the date of enactment of this section."

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

17 "326. Incentive bonus: lateral conversion bonus for converting to undermanned military occupational specialties."

18 **SEC. 614. EXTENDING HOSTILE FIRE AND IMMINENT DANGER PAY TO**
19 **RESERVE COMPONENT MEMBERS ON INACTIVE DUTY.**

20 Section 310 of title 37, United States Code, is amended—

21 (1) in subsection (a), by inserting "under section 204, or to compensation under section
22 206 (as provided in subsection (b)(2)), of this title," after "basic pay"; and

23 (2) in subsection (b)(2), by inserting ", including a member who is entitled to

1 compensation under section 206 of this title if performing inactive duty in an area that has not
2 been designated as an imminent danger area or has not been under hostile fire but comes under
3 hostile fire or an explosion of hostile mines during such inactive duty for training period," after
4 "reserve component".

5 **SEC. 615. EXPANDED EDUCATIONAL ASSISTANCE AUTHORITY FOR CADETS**
6 **AND MIDSHIPMEN RECEIVING ROTC SCHOLARSHIPS.**

7 (a) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE ON ACTIVE DUTY.—Section 2107(c)
8 of title 10, United States Code, is amended by adding at the end the following new paragraph:

9 "(3)(A) In the case of any cadet or midshipman eligible to receive financial assistance as
10 provided under paragraph (1) or (2), the Secretary of the military department concerned may pay
11 room and board expenses for such cadet or midshipman, and other expenses required by the
12 educational institution, in lieu of all or part of the financial assistance described in paragraph (1).

13 "(B) The total amount of financial assistance, including the payment of room and
14 board and other educational expenses, provided to a cadet or midshipman in an academic
15 year under this subsection may not exceed an amount equal to the amount that could be
16 provided as financial assistance for such cadet or midshipman under paragraph (1) or (2),
17 or other amount determined by the Secretary concerned, without regard to whether room
18 and board and other educational expenses for such cadet or midshipman are paid under
19 this paragraph."

20 (b) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE IN TROOP PROGRAM UNITS.—Section
21 2107a(c) of such title is amended—

22 (1) by inserting "(1)" after "(c)"; and

23 (2) by adding at the end the following new paragraph:

1 "(2)(A) In the case of any cadet eligible to receive financial assistance as provided
2 under paragraph (1), the Secretary of the military department concerned may pay room
3 and board expenses for such cadet, and other expenses required by the educational
4 institution, in lieu of all or part of the financial assistance described in paragraph (1).

5 "(B) The total amount of financial assistance, including the payment of
6 room and board and any other educational expenses, provided to a cadet in an
7 academic year under this subsection may not exceed an amount equal to the
8 amount that could be provided as financial assistance for such cadet under
9 paragraph (1), or other amount determined by the Secretary of the Army, without
10 regard to whether the room and board and other educational expenses for such
11 cadet are paid under this paragraph."

12 **SEC. 616. NOTICE AND WAIT PROVISION CONCERNING CRITICAL SKILLS**
13 **RETENTION BONUS.**

14 Section 323(b) of title 37, United States Code, is amended by striking paragraph (2).

15 **SEC. 617. EXPANSION OF OVERSEAS TOUR EXTENSION INCENTIVE PROGRAM**
16 **BENEFITS TO OFFICERS.**

17 (a) REST AND RECUPERATIVE ABSENCE.—(1) Section 705 of title 10, United States Code,
18 is amended—

19 (A) by striking "enlisted" in the section heading; and

20 (B) in subsection (a), by striking "an enlisted" and inserting "a".

21 (2) The item relating to such section in the table of sections at the beginning of
22 chapter 40 of such title is amended to read as follows:

23 "705. Rest and recuperative absence for qualified members extending duty at designated locations

1 overseas."

2 (b) SPECIAL PAY OR BONUS.—(1) Section 314 of title 37, United States Code, is
3 amended—

4 (A) by striking "enlisted" in the section heading;

5 (B) in subsection (a), by striking "an enlisted" and inserting "a"; and

6 (C) in subsection (b), by striking "an enlisted" and inserting "a".

7 (2) The item relating to such section in the table of sections at the beginning of
8 chapter 5 of such title is amended to read as follows:

9 "314. Special pay or bonus: qualified members extending duty at designated locations overseas."

10 **SEC. 618. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY**
11 **AUTHORITIES FOR RESERVE FORCES.**

12 (a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME
13 SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking out
14 "December 31, 2003" and inserting "December 31, 2004".

15 (b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is
16 amended by striking out "December 31, 2003" and inserting "December 31, 2004".

17 (c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended
18 by striking out "December 31, 2003" and inserting "December 31, 2004"

19 (d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY
20 UNITS.—Section 308d(c) of such title is amended by striking out "December 31, 2003" and
21 inserting "December 31, 2004".

22 (e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended
23 by striking "December 31, 2001" and inserting "December 31, 2004".

1 (f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section of 308h(g) of
2 such title is amended by striking "December 31, 2003" and inserting "December 31, 2004".

3 (g) PRIOR SERVICE REENLISTMENT BONUS.—Section 308i(f) of such title is amended by
4 striking "December 31, 2003" and inserting "December 31, 2004".

5 (h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO
6 SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is
7 amended by striking "January 1, 2004" and inserting "January 1, 2005".

8 **SEC. 619. ONE-YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES**
9 **FOR NUCLEAR OFFICERS.**

10 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE
11 SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking "December 31,
12 2003" and inserting "December 31, 2004".

13 (b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by
14 striking "December 31, 2003" and inserting "December 31, 2004".

15 (c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is
16 amended by striking "December 31, 2003" and inserting "December 31, 2004".

17 **SEC. 620. ONE-YEAR EXTENSION OF AUTHORITIES RELATING TO PAYMENT**
18 **OF OTHER BONUSES.**

19 (a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States
20 Code, is amended by striking "December 31, 2003" and inserting "December 31, 2004".

21 (b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is
22 amended by striking "December 31, 2003" and inserting "December 31, 2004".

23 (c) ENLISTMENT BONUS.—Section 309(e) of such title is amended by striking "December

1 31, 2003" and inserting "December 31, 2004".

2 (d) RETENTION BONUS FOR MEMBERS QUALIFIED IN A CRITICAL MILITARY SKILL.—
3 Section 323(i) of such title is amended by striking "December 31, 2003" and inserting
4 "December 31, 2004".

5 (e) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Section 324(g) of such
6 title is amended by striking "December 31, 2003" and inserting "December 31, 2004".

Subtitle C—Travel and Transportation Allowances

SEC. 621. SHIPMENT OF A PRIVATELY OWNED MOTOR VEHICLE WITHIN THE 2 CONTINENTAL UNITED STATES.

3 (a) AUTHORITY TO PROCURE CONTRACT FOR TRANSPORTATION OF MOTOR
4 VEHICLE.—Section 2634 of title 10, United States Code, is amended by adding at the end the
5 following new subsection:

6 "(i) In the case of a change of permanent station described in clause (A) or (B) of
7 subsection (h)(1) of this section, the Secretary concerned may authorize the member to arrange
8 shipment of the motor vehicle in lieu of transportation at the expense of the United States. The
9 member may be paid a monetary allowance in lieu of transportation as established under section
10 404(d)(1) of title 37 and the member is responsible for any transportation costs in excess of such
11 allowance."

12 (b) ALLOWANCE FOR SELF-PROCUREMENT OF TRANSPORTATION OF MOTOR
13 VEHICLE.—Subparagraph (B) of section 406(b)(1) of title 37, United States Code, is amended by
14 adding at the end the following new sentence:

15 "In the case of the transportation of a motor vehicle arranged by the member under

1 subsection (i) of section 2634 of title 10, the member, who has proof of shipment, may be paid a
2 monetary allowance in lieu of transportation as established under section 404(d)(1) of this title."

Subtitle D—Other Matters

SEC. 631. PROVIDING MEMBERS SERVING IN A CONTINGENCY OPERATION

THE SAME TAX FILING DELAY PROVIDED TO MEMBERS SERVING IN A COMBAT ZONE OR IN A QUALIFIED HAZARDOUS DUTY AREA.

4 (a) IN GENERAL.—Section 7508(a) of the Internal Revenue Code of 1986 (relating to
5 deadlines postponed by reason of service in a combat zone) is amended—

6 (1) by inserting "or when deployed outside the United States away from the
7 individual's permanent duty station while participating in an operation designated by the
8 Secretary of Defense as a contingency operation, or which became a contingency
9 operation by operation of law, pursuant to section 101 of title 10" after "section 112"; and

10 (2) by inserting "or at any time during the period of a contingency operation" after
11 "for purposes of such section".

12 (b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as
13 follows:

"SEC. 7508. TIME FOR PERFORMING CERTAIN ACTS BY REASON OF SERVICE IN COMBAT ZONE OR CONTINGENCY OPERATION."

16 (2) The item relating to such section in the table of sections at the beginning of chapter
17 77 of the Internal Revenue Code of 1986 is amended to read as follows:

18 "Sec. 7508. Time for performing certain acts postponed by reason of service in combat zone or contingency
19 operation."

1 **SEC. 632. PERMIT NON-SCHOLARSHIP SENIOR ROTC SOPHOMORES TO**
2 **VOLUNTARILY CONTRACT AND RECEIVE SUBSISTENCE**
3 **ALLOWANCE.**

4 Section 209 of title 37, United States Code, is amended—

- 5 (1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and
6 (2) by inserting after subsection (b) the following new subsection (c):

7 "(c) PILOT PROGRAM FOR CONTRACT OF NON-SCHOLARSHIP SENIOR ROTC

8 MEMBERS.—(1) An eligible member of the Selected Reserve Officers' Training Corps is entitled
9 to a monthly subsistence allowance at a rate prescribed under subsection (a) for a maximum of
10 twenty months.

11 "(2) To be eligible to receive a subsistence allowance under this subsection, a person
12 must—

13 "(A) be a citizen of the United States;

14 "(B) enlist in an armed force under the jurisdiction of the Secretary of the military
15 department concerned for the period prescribed by the Secretary;

16 "(C) contract, with the consent of his parent or guardian if he is a minor, with the
17 Secretary of the military department concerned, or his designated representative, to serve
18 for the period required by the program;

19 "(D) agree in writing that he will accept an appointment, if offered, as a
20 commissioned officer in the Army, Navy, Air Force, or Marine Corps, as the case may
21 be, and that he will serve in the armed forces for the period prescribed by the Secretary;

22 "(E) complete successfully the first year of a four-year Senior Reserve Officers'
23 Training Corps course;

1 "(F) not be eligible for advanced training under section 2104 of title 10;

2 "(G) not be appointed under section 2107 of title 10; and

3 "(H) execute a certificate of loyalty in such form as the Secretary of Defense
4 prescribes or take a loyalty oath as prescribed by the Secretary.

5 "(3) This program will run as a pilot program for the period of three years beginning in
6 January 2004. The Secretary of Defense will report to the Office of Management and Budget
7 annually on the participation rates for the program with a cost evaluation of the program's
8 effectiveness. Such annual reports will be due by December 31 for each of the three years."

9 **SEC. 633. INCREASE ANNUAL STUDENT LOAN REPAYMENT AUTHORITY.**

10 Section 5379(b)(2)(A) of title 5, United States Code, is amended by striking "\$6,000" and
11 inserting "\$10,000".

12 **SEC. 634. AUTHORIZE CABINET SECRETARIES, SECRETARIES OF MILITARY**
13 **DEPARTMENTS, AND HEADS OF EXECUTIVE AGENCIES TO BE**
14 **PAID ON A BIWEEKLY BASIS.**

15 Section 5504 of title 5, United States Code, is amended—

16 (1) in subsection (a)—

17 (A) by striking "For the purpose of this subsection" and inserting "For the purpose
18 of this section"; and

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

20 "(B) an employee or individual excluded from the definition of 'employee' in
21 section 5541(2), other than an employee or individual excluded by clauses (ii), (iii), and
22 (xiv)-(xvii) of such section. Notwithstanding the preceding sentence, an individual who
23 otherwise would be excluded from this section shall be deemed to be an employee for

1 purposes of this section if the individual's employing agency so elects, under guidelines
2 in regulations to be promulgated by the Office of Personnel Management under
3 subsection (c)(2).";

4 (2) in subsection (b), by striking the last sentence; and

5 (3) in subsection (c)—

6 (A) by inserting "(1)" after "(c)"; and

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

8 "(2) The Office of Personnel Management shall provide guidelines by regulation
9 for exemptions to be made by the heads of agencies under the last sentence of subsection
10 (a)(B) only under exceptional circumstances."

TITLE VII—HEALTH CARE PROVISIONS

Sec. 701. Revision of Department of Defense Medicare Eligible Retiree Health Care Fund to permit more accurate actuarial valuations.

Sec. 702. Applicability of the Federal Advisory Committee Act to the Pharmacy and Therapeutics Committee.

Sec. 703. Changes to Department of Defense-Department of Veterans Affairs Health Executive Committee.

SEC. 701. REVISION OF DEPARTMENT OF DEFENSE MEDICARE ELIGIBLE RETIREE HEALTH CARE FUND TO PERMIT MORE ACCURATE ACTUARIAL VALUATIONS.

4 Section 1115(c) of title 10, United States Code, is amended by adding at the end the
5 following new paragraph:

6 "(6) In determining single level dollar amounts in subparagraphs (1)(A) and (1)(B), the
7 Secretary of Defense may, if the Secretary determines that it would produce a more accurate and
8 appropriate actuarial valuation, determine a separate single level dollar amount under either or

1 both subparagraphs for any individual participating uniformed service. If the Secretary makes
2 any such determination, the Secretary (or in the case of a participating uniformed service under
3 the jurisdiction of another administering Secretary, the administering Secretary concerned) shall
4 make corresponding calculations under section 1116(a) of this title for the contributions
5 applicable to the affected uniformed services."

6 **SEC. 702. APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT TO**
7 **THE PHARMACY AND THERAPEUTICS COMMITTEE.**

8 Section 1074g(b)(1) of title 10, United States Code, is amended by adding at the end the
9 following new sentence:

10 "The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Pharmacy
11 and Therapeutics Committee."

12 **SEC. 703. CHANGES TO DEPARTMENT OF DEFENSE-DEPARTMENT OF**
13 **VETERANS AFFAIRS HEALTH EXECUTIVE COMMITTEE.**

14 Subsection (c) of section 8111 of title 38, United States Code, is amended to read as
15 follows:

16 "(c) DOD-VA JOINT EXECUTIVE COMMITTEE.—(1) There is established an interagency
17 committee to be known as the Department of Veterans Affairs-Department of Defense Joint
18 Executive Committee (hereinafter in this section referred to as the 'Committee'). The Committee
19 is composed of—

20 "(A) the Deputy Secretary of Veterans Affairs and such other officers and
21 employees of the Department of Veterans Affairs as the Secretary of Veterans Affairs
22 may designate; and

23 "(B) the Under Secretary of Defense for Personnel and Readiness and such other

1 officers and employees of the Department of Defense as the Secretary of Defense may
2 designate.

3 "(2) The Deputy Secretary of Veterans Affairs and the Under Secretary of Defense shall
4 determine the size and structure of the Committee, as well as the administrative and procedural
5 guidelines for the operation of the Committee. The two Departments shall supply appropriate
6 staff and resources to provide administrative support and services. Support for such purposes
7 shall be provided at a level sufficient for the efficient operation of the Committee, including a
8 subordinate Health Executive Committee, a subordinate Benefits Executive Committee, and
9 such other committees or working groups as deemed necessary by the co-chairs.

10 "(3) The Committee shall recommend to the Secretaries strategic direction for the joint
11 coordination and sharing efforts between and within the two Departments under this section and
12 shall oversee implementation of those efforts.

13 "(4) The Committee shall submit to the two Secretaries and to Congress an annual report
14 containing such recommendations as the Committee considers appropriate.

15 "(5) In order to enable the Committee to make recommendations in its annual report
16 under paragraph (4), the Committee shall do the following:

17 "(A) Review existing policies, procedures, and practices relating to the
18 coordination and sharing of resources between the two Departments.

19 "(B) Identify changes in policies, procedures, and practices that, in the judgment
20 of the Committee, would promote mutually beneficial coordination, use, or exchange of
21 use of services and resources of the two Departments, with the goal of improving the
22 quality, efficiency and effectiveness of the delivery of benefits and services to veterans,
23 service members, military retirees and their families through an enhanced Department of

1 Veterans Affairs and Department of Defense partnership.

2 "(C) Identify and assess further opportunities for the coordination and
3 collaboration between the Departments that, in the judgment of the Committee, would
4 not adversely affect the range of services, the quality of care, or the established priorities
5 for benefits provided by either Department.

6 "(D) Review the plans of both Departments for the acquisition of additional
7 resources, especially new facilities and major equipment and technology, in order to
8 assess the potential effect of such plans on further opportunities for the coordination and
9 sharing of resources.

10 "(E) Review the implementation of activities designed to promote the
11 coordination and sharing of resources between the Departments."

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

Subtitle A—Acquisition Policy and Management

- Sec. 801. Milestone authorization of selected defense acquisition programs.
- Sec. 802. Contract closeout.
- Sec. 803. Clarification of requirement to buy certain articles from American sources; exceptions.

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

- Sec. 811. Extend use of the Defense Modernization Account for life cycle cost reduction initiatives.
- Sec. 812. Extension and clarification of authority to carry out certain prototype projects.
- Sec. 813. Other transaction authority for modernizing legacy systems.
- Sec. 814. Authority for DoD intelligence components to award personal service contracts.
- Sec. 815. Elimination of subcontract notification requirements.
- Sec. 816. Exception for replacement ball bearings and roller bearings to be used in a component of non-domestic origin.
- Sec. 817. Industry assignment program.
- Sec. 818. Reauthorization of Defense Production Act.

Subtitle C—Acquisition-Related Reports and Other Matters

- Sec. 821. Limited access to controlled unclassified information by administrative support service contractors.

Sec. 822. Elimination of the requirement to furnish written assurances of technical data conformity.
Sec. 823. Authorization to take actions to correct the industrial resource shortfall for radiation-hardened electronics.
Sec. 824. Conversions of commercial activities.
Sec. 825. Make permanent the authority to enter into certain personal services contracts

Subtitle A—Acquisition Policy and Management

SEC. 801. MILESTONE AUTHORIZATION OF SELECTED DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—(1) Chapter 144 of title 10, United States Code is amended by adding after section 2435 the following new section:

"§ 2436. Milestone authorization

"(a) DESIGNATION OF PARTICIPATING PROGRAMS.—(1) The Secretary of Defense may designate defense acquisition programs in each military department to be considered for milestone authorization of appropriations under subsection (c).

"(2) The Secretary may designate a defense acquisition program under paragraph (1) only if the program—

"(A) is ready to proceed into system development and demonstration or production and deployment, or

"(B) is in either system development and demonstration or production and deployment.

"(b) SUBMISSION OF BASELINE DESCRIPTIONS.—Not later than the end of the 90-day period beginning on the date that a defense acquisition program is designated under subsection (a), the Secretary of Defense shall request from Congress that funds be authorized to be appropriated in a single amount sufficient to carry out the acquisition phase for which the baseline description is submitted.

1 "(c) MILESTONE AUTHORIZATION.—Congress shall authorize the appropriation of funds
2 for the system development and demonstration, or the production and deployment of a program
3 designated by the Secretary of Defense under subsection (a) in a single amount sufficient to
4 carry out that phase, provided that such period for which funds may be obligated may not exceed
5 six years.

6 "(d) NO EFFECT ON STATUTORY AND REGULATORY REQUIREMENTS.—Granting milestone
7 authorization does not change any other statutory or regulatory requirements relating to defense
8 acquisition programs."

9 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is
10 amended by adding after the item relating to section 2435 the following new item:

11 "2436. Milestone authorization."

12 **SEC. 802. CONTRACT CLOSEOUT.**

13 (a) IN GENERAL.—The Secretary of Defense shall have the authority to promulgate
14 regulations to settle the financial accounts for contracts executed prior to September 30, 1996
15 that are administratively complete and for which any unreconciled balance, either positive or
16 negative, is less than \$100,000.

17 (b) FINALITY OF DECISION.—Decisions carried out in accordance with these regulations
18 shall be final and conclusive upon the accounting officers of the United States.

19 **SEC. 803. CLARIFICATION OF REQUIREMENT TO BUY CERTAIN ARTICLES**
20 **FROM AMERICAN SOURCES; EXCEPTIONS.**

21 Section 2533a of title 10, United States Code, is amended—

22 (1) in subsection (a)—

23 (A) by striking "subsections (c) through (h)" and inserting "subsections (b)

1 through (i)"; and

2 (B) by striking "if the item is not grown, reprocessed, reused, or produced in the
3 United States";

4 (2) in subsection (b), by amending paragraphs (1) through (3) to read as follows:

5 "(1) An article or item of—

6 "(A) meals ready-to-eat listed in Federal Supply Class 8970 unless the
7 item is produced or manufactured in the United States;

8 "(B) clothing unless the item is grown, reprocessed, reused, or produced in
9 the United States;

10 "(C) tents, tarpaulins, or covers unless the item is grown, reprocessed,
11 reused, or produced in the United States;

12 "(D) cotton and other natural fiber products, woven silk or woven silk
13 blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic
14 fabric (including all textile fibers and yarns that are for use in such fabrics),
15 canvas products, or wool (whether in the form of fiber or yarn or contained in
16 fabrics, materials, or manufactured articles) unless the item is grown, reprocessed,
17 reused, or produced in the United States; or

18 "(E) any item of individual equipment manufactured from or containing
19 such fibers, yarns, fabrics, or materials unless the item is grown, reprocessed,
20 reused, or produced in the United States;

21 "(2) Equipment of the following Federal supply classifications that contain a
22 specialty metal unless the specialty metal used to produce or manufacture the item, or an
23 equivalent amount that is acquired by the contractor or a subcontractor, was smelted in

1 the United States:

2 "(A) Weapons listed in Federal Supply Group 10.

3 "(B) Nuclear ordnance listed in Federal Supply Group 11.

4 "(C) Fire control equipment listed in Federal Supply Group 12.

5 "(D) Ammunition and explosives listed in Federal Supply Group 13.

6 "(E) Guided missiles listed in Federal Supply Group 14.

7 "(F) Aircraft and related components, accessories, and equipment listed in
8 Federal Supply Groups 15, 16, and 17.

9 "(G) Space vehicles listed in Federal Supply Group 18.

10 "(H) Ships, small craft, pontoons, and floating docks listed in Federal Supply
11 Group 19.

12 "(I) Ship and marine equipment listed in Federal Supply Group 20.

13 "(J) Passenger motor vehicles listed in Federal Supply Class 2310.

14 "(K) Tracked combat vehicles listed in Federal Supply Class 2350.

15 "(L) Engines, turbines, and components listed in Federal Supply Group 28.

16 "For the purposes of this paragraph, 'specialty metal' means:

17 "(A) steel—

18 "(i) where the maximum alloy content exceeds one or more of the
19 following limits: manganese, 1.65 percent; silicon, 0.60 percent; or copper, 0.60
20 percent; or

21 "(ii) that contains more than 0.25 percent of any of the following
22 elements: aluminum, chromium, cobalt, columbium, molybdenum, nickel,
23 titanium, tungsten, or vanadium;

1 "(B) metal alloys consisting of nickel, iron-nickel, and cobalt base alloys
2 containing a total of other alloying metals (except iron) in excess of 10 percent;
3 "(C) titanium and titanium alloys; or
4 "(D) zirconium and zirconium base alloys; and
5 "(3) Hand tools listed in Federal Supply Group 51 and measuring tools listed in
6 Federal Supply Group 52 unless the item is produced or manufactured in the United
7 States.";

8 (3) in subsection (c)—

9 (A) by striking "Subsection (a)" and inserting "This section"; and

10 (B) by striking "(1) or specialty metals (including stainless steel flatware)";

11 (4) in subsection (d)—

12 (A) in the catchline for such subsection, by striking "OUTSIDE THE UNITED
13 STATES" and inserting "IN EXIGENT CIRCUMSTANCES";

14 (B) by striking "Subsection (a) does not apply" and inserting "This section
15 does not apply";

16 (C) by revising paragraph (1) to read as follows:

17 "(1) Procurements of items listed in subsections (b)(1)(A), (b)(2), and
18 (b)(3) in support of contingency operations as defined in section 101(a)(13) of
19 this title, and procurements outside the United States of items listed in subsections
20 (b)(1)(B) through (b)(1)(E) in support of combat operations.";

21 (D) by revising paragraph (3) to read as follows:

22 "(3) Procurements of items listed in subsections (b)(1)(A), (b)(2), and (b)(3) of
23 unusual and compelling urgency under the authority of section 2304(c)(2) of this title,

1 and emergency procurements by an establishment located outside the United States of
2 items listed in subsections (b)(1)(B) through (b)(1)(E) for the personnel attached to such
3 establishment.";

4 (5) by revising subsection (e) to read as follows:

5 "(e) EXCEPTION FOR SPECIALTY METALS AND CHEMICAL WARFARE PROTECTIVE
6 CLOTHING.—(1) This section does not apply to the procurement of end items or components of
7 equipment listed in subsection (b)(2) if the specialty metal used to produce or manufacture the
8 item, or an equivalent amount that is acquired by the contractor or a subcontractor, was smelted
9 in a foreign country that has a memorandum of understanding providing for reciprocal
10 procurement of defense items that is entered into with the Department of Defense in accordance
11 with section 2531 of this title.

12 "(2) This section does not apply to the procurement of chemical warfare protective
13 clothing produced outside the United States if—

14 "(A) such procurement is necessary—

15 "(i) to comply with agreements with foreign governments requiring the
16 United States to purchase supplies from foreign sources for the purposes of
17 offsetting sales made by the United States Government or United States firms
18 under approved programs serving defense requirements; or

19 "(ii) in furtherance of agreements with foreign governments in which both
20 such governments agree to remove barriers to purchases of supplies produced in
21 the other country or services performed by sources of the other country; and

22 "(B) any such agreement with a foreign government complies, where applicable,
23 with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and

1 with section 2457 of this title.";

2 (6) in subsection (f), by striking "Subsection (a) does not preclude" and inserting "This
3 section does not preclude";

4 (7) in subsection (g), by striking "Subsection (a) does not apply" and inserting "This
5 section does not apply";

6 (8) in subsection (h), by striking "Subsection (a) does not apply" and inserting "This
7 section does not apply"; and

8 (9) in subsection (i)—

9 (A) by striking "This section" and inserting "(1) Except as provided in
10 paragraph (2), this section"; and

11 (B) by adding at the end the following new paragraph:

12 "(2) This section does not apply to commercial items, or components thereof, that
13 are listed in sections (b)(1)(A), (b)(2), and (b)(3), except if the end item is
14 specialty metal."

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

SEC. 811. EXTEND USE OF THE DEFENSE MODERNIZATION ACCOUNT FOR LIFE CYCLE COST REDUCTION INITIATIVES.

3 (a) TITLE 10 AMENDMENTS.—Section 2216 of title 10, United States Code, is amended—

4 (1) by striking the catchline in subsection (c);

5 (2) by redesignating subsection (c) as paragraph (b)(5);

6 (3) by inserting after subsection (b) the following new subsection (c):

1 "(c) APPROPRIATIONS FOR LIFE CYCLE COST REDUCTION.—(1) Funds are
2 authorized to be appropriated for fiscal years 2004-2006 in the amount of \$25,000,000
3 annually to the Defense Modernization Account for the purpose of providing start-up
4 funds for projects undertaken by a military department, Defense Agency, or other
5 element of the Department of Defense to reduce the life cycle cost of new or existing
6 systems in accordance with criteria established by the Secretary of Defense.

7 "(2) A military department, Defense Agency, or other element of the Department
8 of Defense that receives funds appropriated pursuant to paragraph (1) shall, upon
9 achieving savings from such a project, reimburse the Account for the funds previously
10 received. Funds transferred back to the Account pursuant to this paragraph shall be
11 available for funding new projects under paragraph (1).".

12 (4) in subsection (d), by striking "AUTHORIZED USE OF FUNDS.—Funds available
13 from the Defense Modernization Account pursuant to subsection (f) or (g) may be used
14 for the following purposes:" and inserting "AUTHORIZED USE OF TRANSFERRED
15 FUNDS.—Funds transferred to the Defense Modernization Account pursuant to
16 subsection (b) may be used for the following purposes:"; and

17 (5) in paragraph (f)(1), by striking the sentence beginning with "The Secretary"
18 and inserting "The Secretary of Defense may transfer funds in the Defense
19 Modernization Account to appropriations available to the Department of Defense for the
20 purposes set forth in subsections (c) and (d).".

21 (b) EXTENSION OF AUTHORITY.—Subsection (c) of section 912 of the National Defense
22 Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 410) is amended to read
23 as follows:

1 "(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—(1) The authority under section
2 2216(b) of title 10, United States Code, to transfer funds into the Defense Modernization
3 Account and the authorization under section 2216(c) of such title to appropriate funds to the
4 Defense Modernization Account shall terminate on September 30, 2006.; and

5 "(2) The Defense Modernization Account shall be closed on September 30, 2011, and
6 any remaining balance in the Account shall be cancelled and thereafter shall not be available for
7 any purpose."

8 **SEC. 812. EXTENSION AND CLARIFICATION OF AUTHORITY TO CARRY OUT**
9 **CERTAIN PROTOTYPE PROJECTS.**

10 Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law
11 103-160; 107 Stat. 1547) is amended in subsection (g), by striking "September 30, 2004" and
12 inserting "September 30, 2008".

13 **SEC. 813. OTHER TRANSACTION AUTHORITY FOR MODERNIZING LEGACY**
14 **SYSTEMS.**

15 Section 845(a) of National Defense Authorization Act for Fiscal Year 1994 (Public Law
16 103-160; 107 Stat. 1547) is amended by inserting ", or are improvements to weapons or weapon
17 systems currently fielded by the Department of Defense" after "Department of Defense".

18 **SEC. 814. AUTHORITY FOR CERTAIN DOD COMPONENTS TO AWARD**
19 **PERSONAL SERVICES CONTRACTS.**

20 (a) Notwithstanding any other provision of law, sums made available by appropriation or
21 otherwise to a covered component, as defined in subsection (b), may be expended for personal
22 services contracts necessary to carry out the covered component's missions, including personal
23 services without regard to limitations on types of persons to be employed.

1 (b) The term "covered component" includes—

2 (1) any Department of Defense component that is an element of the Intelligence
3 Community, as defined in Section 3(4) of the National Security Act of 1947 (50 U.S.C.
4 401a);

5 (2) any element of the Office of the Secretary of Defense designated by the
6 Secretary of Defense for purposes of this section; and

7 (3) the United States Special Operations Command when engaged in special
8 operations activities delineated in 10 U.S.C. 167(j)(1)-(4).

9 **SEC. 815. ELIMINATION OF SUBCONTRACT NOTIFICATION REQUIREMENTS.**

10 Section 2306(e) of title 10, United States Code, is amended to read as follows:

11 "(e) Except for contracts with a contractor that maintains a purchasing system approved
12 by the cognizant contracting officer, each cost contract and each cost-plus-a-fixed-fee contract
13 shall require the contractor to provide notice to the agency, prior to the award under a prime
14 contract, of—

15 "(1) a cost-plus-fixed-a-fee subcontract; or

16 "(2) a fixed-price subcontract or purchase order involving more than the greater

17 of—

18 "(A) the simplified acquisition threshold; or

19 "(B) five percent of the estimated cost of the prime contract."

20 **SEC. 816 . EXCEPTION FOR REPLACEMENT BALL BEARINGS AND ROLLER**
21 **BEARINGS TO BE USED IN A COMPONENT OF NON-DOMESTIC**
22 **ORIGIN.**

23 Section 2534(a)(5) of title 10, United States Code, is amended by inserting before the

1 period at the end the following:

2 " , other than ball bearings and roller bearings to be used in an end product or a
3 component of non-domestic origin".

4 **SEC. 817. INDUSTRY ASSIGNMENT PROGRAM.**

5 (a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by inserting
6 after section 1599c the following new section:

7 **"§ 1599d. Government industry assignment program**

8 "(a) AUTHORITY.—The Secretary of Defense may establish a pilot program for the
9 temporary assignment of non-governmental personnel who are employed in the private sector to
10 the Department of Defense. The Secretary may promulgate regulations for such purpose.

11 "(b) PURPOSE .—This program is designed to improve the Department's acquisition-
12 related processes and procedures. It would accomplish this through an infusion of new and
13 modern ideas by the temporary assignment in the Department of non-governmental personnel
14 who are employed by private industry. The private sector employees would be compensated by
15 their private employer yet would be subject generally to Governmental requirements that are in
16 force for Federal employees. The Department would provide the private employer the benefit of
17 a career enhancement for its private sector employees who participate in the program.

18 "(c) LIMITATIONS.—(1) This program is limited to those individuals in private sector
19 positions whose duties, as determined by the Secretary, are comparable to defense acquisition
20 positions.

21 "(2) Each such assignment shall be based on a written agreement between the
22 Department of Defense, the private sector employer, and the employee concerned, which shall
23 include nondisclosure provisions addressing the use and disclosure of classified and unclassified

1 information in the possession or under the control of the Department of Defense that has not
2 been released to the public and which shall also include the Federal laws and penalties
3 applicable to the disclosure of classified information, including, but not limited to section 798 of
4 title 18, United States Code.

5 "(3) During the period of an assignment made pursuant to this section, a private sector
6 employee—

7 "(A) is not entitled to pay from the Department of Defense, except, as determined
8 by the Secretary on a case by case basis, to the extent that the pay received from the
9 private sector employer is less than the appropriate rate of pay which the duties would
10 warrant under the applicable pay provisions of this title, title 5, United States Code, or
11 other applicable authority;

12 "(B) is deemed an employee of the Department of Defense, subject to section
13 7353 of title 5, United States Code; sections 201, 203, 205, 207, 208, 209, 219, 602, 603,
14 606, 607, 610, 643, 654, 1905, 1913 and other provisions of title 18, United States Code,
15 not specifically exempted herein; sections 1343, 1344, and 1349(b) of title 31, United
16 States Code; the Federal Tort Claims Act (28 U.S.C. 2671 *et seq.*); any other Federal tort
17 liability statute; section 27 of the Office of Federal Procurement Policy Act, as amended
18 (41 U.S.C. 423) and regulations implementing that Act; the Ethics in Government Act of
19 1978 (5 U.S.C. App.) and regulations implementing that Act; and any other provisions of
20 Federal law not specifically exempted herein. Notwithstanding section 209 of title 18,
21 United States Code, the private sector employer may pay, contribute to, or supplement
22 the salary or other benefits of such private sector employee (who may accept such pay,

1 contributions, and benefits), subject to the terms of the written private sector employee
2 assignment agreement required in paragraph (c)(2) above;

3 "(C) is also deemed an employee of his or her private sector employer for
4 purposes of section 208 of title 18, United States Code;

5 "(D) is subject to such regulations that the Secretary may prescribe, which shall
6 incorporate by reference executive branch standards of ethical conduct and any
7 authorized agency supplemental standards of conduct and which shall include as a
8 minimum—

9 "(i) limitations on the number of participants (no more than 400);

10 "(ii) length of temporary assignments (up to two years);

11 "(iii) protection of government information;

12 "(iv) procedures for avoidance of conflicts of interest, including selection
13 of program priorities and funding decisions that may involve the assignee's
14 employer or its competitors, and avoidance of the appearance of conflicts of
15 interest; and

16 "(v) exclusions from the performance of inherently governmental
17 functions, such as policy-making and supervision of government employees; and

18 "(vi) methodology and criteria for evaluation of the pilot; and

19 "(E) is not deemed to be an employee for purposes of federal employee pay and
20 benefits under title 5, United States Code, except as provided for under this subsection.

21 "(d) WORKERS COMPENSATION COVERAGE.—

22 "(1) A private sector employee assigned to the Department of Defense pursuant to this
23 section shall not be deemed an employee of the United States for the purposes of Chapter 81 of

1 title 5, United States Code, (relating to compensation for injury).

2 "(2) Notwithstanding any other law, the United States, any instrumentality of the United
3 States; or an employee, agent, or assign of the United States shall not be liable to:

4 "(A) a private sector employee assigned to the Department of Defense pursuant to
5 this section;

6 "(B) such employee's legal representative, spouse, dependents, survivors and next
7 of kin; and

8 "(C) any other person, including any third party as to whom such employee, or his
9 or her legal representative, spouse, dependents, survivors, or next of kin, has a cause of
10 action arising out of an injury or death sustained in the performance of duty pursuant to
11 an assignment under this section, otherwise entitled to recover damages from the United
12 States, any instrumentality of the United States, or any employee, agent, or assign of the
13 United States—

14 "with respect to any injury or death suffered by a private sector employee sustained in the
15 performance of duty pursuant to an assignment under this section.

16 "(e) DEFINITIONS.—In this section:

17 "(1) The term 'private sector employer' means a corporation, partnership, sole
18 proprietorship, or other entity operated on a for-profit basis. It may, at the option of the
19 Secretary, also include "other organizations" as defined in section 3371 of title 5.

20 "(2) The term 'acquisition position' has the same meaning as in section 1721(b) of this
21 title.

22 "(3) The term 'assignment' means an assignment under an arrangement made pursuant to
23 the section under which a private sector employee is assigned to the Department of Defense by

1 being appointed without regard to the provisions of title 5, United States Code, governing
2 appointments in the competitive service or being deemed to be detailed to the Department of
3 Defense.

4 "(4) The term 'government employee' means an 'employee' as defined in section 2105 of
5 title 5.

6 "(f) EXPIRATION.—The Secretary may not assign non-governmental personnel who are
7 employed in the private sector to the Department of Defense under the provisions of this section
8 after the last day of the fifth year beginning with the effective date of this Act."

9 (b) REPORTING REQUIREMENT.—During the fourth year after the enactment of this Act,
10 the Secretary of Defense, with input from the Inspector General of the Department of Defense,
11 and in consultation with the Director of the Office of Personnel Management, shall evaluate the
12 program authorized under this section and prepare a report for the President that includes an
13 analysis of the use of the authorities of this section, including conflict of interest standards, and
14 the costs and benefits of assignments made pursuant to this section.

15 (c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter 81 is
16 amended by inserting after the item relating to section 2331 the following new item:
17 "1599d. Government industry assignment program."

18 **SEC. 818. REAUTHORIZATION OF DEFENSE PRODUCTION ACT.**

19 (a) IN GENERAL.—Subsection (a) of Section 717 of the Defense Production Act of 1950
20 (50 USC. App. 2166(a)) is amended in the first sentence by striking "Title I (except section 104),
21 title III, and title VII (except sections 708 and 721), and all authority conferred thereunder, shall
22 terminate at the close of September 30, 2003" and insert "Title I (except section 104), title III,
23 and title VII (except sections 707, 708, and 721), and all authority conferred thereunder, shall

1 terminate at the close of September 30, 2008."; and

2 (b) AUTHORIZATION OF APPROPRIATIONS.—Section 711(b) of the Defense Production
3 Act of 1950 (50 U.S.C. App. 2161(b)) is amended by striking "1996 through 2003" and inserting
4 "2004 through 2008".

Subtitle C—Acquisition-Related Reports and Other Matters

SEC. 821. LIMITED ACCESS TO PROTECTED INFORMATION BY ADMINISTRATIVE SUPPORT CONTRACTORS.

3 (a) The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) is amended by
4 adding at the end the following new section:

"Sec. 40. Limited access to protected information by administrative support contractors.

6 "(a) With respect to a contractor who performs an administrative support function, the
7 head of an executive agency may, in the discretion of the executive agency head, authorize
8 access to, and use by, that contractor of protected information to perform such function for such
9 executive agency, unless—

10 "(1) such access or use is prohibited by a law or Executive Order other than an
11 information protection statute; or

12 "(2) the contractor has no need to know or use the information to perform duties
13 under a contract with the United States or an executive agency.

14 "(b) Any contractor who has exercised access to or used protected information to which
15 access was authorized pursuant to subsection (a) shall be subject to—

16 "(1) any provision of a contract with respect to which such access was authorized
17 regarding use, reproduction, modification, performance, display, release or disclosure of

1 such protected information;

2 "(2) any Federal rule or regulation regarding use, reproduction, modification,
3 performance, display, release or disclosure of such protected information that applies to
4 an employee of the United States with respect to such protected information, unless the
5 authority issuing the rule or regulation determines in writing that, in the public interest,
6 the rule or regulation shall not apply to such contractor;

7 "(3) any information protection statute that applies with respect to such protected
8 information to the same extent (including any civil and criminal penalties for violation of
9 such statute) as an officer or employee of the United States; and

10 "(4) any other applicable law.

11 "(c) Nothing in this section shall be construed to impair or otherwise affect—

12 "(1) the rights of any person with respect to patents, copyrights or other
13 intellectual property of that person under Federal law; or

14 "(2) the rights of any person vested prior to the date of enactment of this section
15 under section 21 of this Act or section 2320 of title 10, United States Code.

16 "(d) DEFINITIONS.—In this section—

17 "(1) The term 'contractor' means an individual who is—

18 "(A) a party to a contract with the United States or an executive agency
19 thereof;

20 "(B) employed by a party to a contract with the United States or an
21 executive agency thereof; or

22 "(C) a subcontractor at any tier (or employee of a subcontractor at any
23 tier) of a contractor described in paragraph (A) or (B).

1 "(2) The term 'administrative support function' means any of the following--

2 "(A) secretarial or clerical support;

3 "(B) auditing or audit support;

4 "(C) provisioning or logistics support;

5 "(D) data entry;

6 "(E) document reproduction, scanning, imaging, or destruction;

7 "(F) operation, management, or maintenance of paper-based or electronic
8 mail rooms, file rooms, or libraries;

9 "(G) installation, operation, management, or maintenance of computer
10 systems, electronic networks, or internet or intranet systems;

11 "(H) security services, including facilities or information security; and

12 "(I) supervision or legal services in connection with functions listed in
13 paragraphs (A) through (H) above.

14 "(3) The term 'information protection statute' means any of the following laws--

15 "(A) Section 21 of this Act.

16 "(B) Section 2320 of title 10, United States Code.

17 "(C) Section 1905 of title 18, United States Code.

18 "(4) The term 'protected information' means information for which an
19 information protection statute prohibits disclosure to a contractor."

20 (b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is
21 amended by adding at the end the following new item:

22 "Sec. 40. Limited access to protected information by administrative support contractors."

23 **SEC. 822. ELIMINATION OF THE REQUIREMENT TO FURNISH WRITTEN**

1 **ASSURANCES OF TECHNICAL DATA CONFORMITY.**

2 Section 2320(b) of title 10, United States Code, is amended—

3 (1) by striking paragraph (7); and

4 (2) by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

5 **SEC. 823. AUTHORIZATION TO TAKE ACTIONS TO CORRECT THE INDUSTRIAL**
6 **RESOURCE SHORTFALL FOR RADIATION-HARDENED**
7 **ELECTRONICS.**

8 Notwithstanding the limitation in section 303(a)(6)(C) of the Defense Production Act of
9 1950 (50 U.S.C. App. 2093(a)(6)(C)), the President is authorized to take action under section
10 303 of the Defense Production Act of 1950 to correct the industrial resource shortfall for
11 radiation-hardened electronics, provided that such Presidential actions does not cause the
12 aggregate outstanding amount of all such actions to exceed \$200,000,000.

13 **SEC. 824. CONVERSIONS OF COMMERCIAL ACTIVITIES.**

14 (a) **CHANGES TO ELEMENTS OF ANALYSIS.**—Paragraph (3)(A) of section 2461(b) of title
15 10, United States Code, is amended—

16 (1) by striking "of the cost";

17 (2) by striking "savings" and inserting "the best value";

18 (3) by redesignating subsection (iii) as subsection (iv); and

19 (4) by inserting after clause (ii) the following new clause (iii):

20 "(iii) Benefits in addition to price that warrant performance of the function by a
21 source at a cost higher than that of performance by Department of Defense civilian
22 employees."

23 (b) **CONTRACTING IF BEST VALUE.**—Section 2462(a) of such title is amended by striking

1 "such a source can provide such supply or service to the Department at a cost that is lower (after
2 including any cost differential required by law, Executive order, or regulation) than the cost at
3 which the Department can provide the same supply or service" and inserting "performance by
4 that source represents the best value to the Government, determined in accordance with the
5 competition requirements of OMB Circular A-76."

6 **SEC. 825. MAKE PERMANENT THE AUTHORITY TO ENTER INTO CERTAIN**
7 **PERSONAL SERVICES CONTRACTS.**

8 Section 1091(a)(2) of title 10, United States Code, is amended by striking "The Secretary
9 may not enter into a contract under this paragraph after December 31, 2003."

**TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND
MANAGEMENT**

Subtitle A—Duties and Functions of Department of Defense Officers

Sec. 901. Repeal of rotating chairman for the Economic Adjustment Committee.
Sec. 902. Alternative authority for acquisition and improvement of military housing.

Subtitle B—Space Activities

Sec. 911. Authorize provision of space surveillance network services to non-United States government
entities.
Sec. 912. Commercial space competitiveness and contributions of funds and services from non-federal
agencies.

Subtitle C—Reports

Sec. 921. Repeal of various reports required of the Department of Defense.

Subtitle D—Other Matters

Sec. 931. Combatant commands initiatives fund.
Sec. 932. Consolidating the financial management of facilities in the national capital region and designated
alternate sites.
Sec. 933. Protection of operational files of the National Security Agency.

Subtitle A—Duties and Functions of Department of Defense Officers

1 **SEC. 901. REPEAL OF ROTATING CHAIRMAN FOR THE ECONOMIC**

1 **ADJUSTMENT COMMITTEE.**

2 Section 4004(b) of the Defense Economic Adjustment, Diversification, Conversion, and
3 Stabilization Act of 1990 (Public Law 101-510; 104 Stat. 1848), as amended to read as follows:

4 "(b) CHAIRMAN.—The Secretary of Defense shall be the chairman of the
5 Economic Adjustment Committee."

6 **SEC. 902. ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT**
7 **OF MILITARY HOUSING.**

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

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

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

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

7 "(a) ESTABLISHMENT.—There is hereby established on the books of the
8 Treasury the Department of Defense Housing Improvement Fund."

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

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

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

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

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

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

12 (C) by redesignating subsections (d), (e), (f), and (g) as (c), (d), (e), and (f)
13 respectively;

14 (D) in the newly redesignated subsection (c)—

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

16 (ii) by striking paragraph (2); and

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

18 (E) in the newly redesignated subsection (e) by striking "a Fund under paragraph
19 (1)(B) or (2)(B) of subsection (c)" and inserting "the Fund under paragraph (2) of
20 subsection (b)";

21 (F) in subsection (f) as relettered by subparagraph (C) of this paragraph—

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

23 "\$1,700,000,000"; and

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

2 "\$300,000,000";

3 (2) Section 2871(6) of title 10, United States Code, is amended by striking

4 "Family Housing Improvement Fund or the Department of Defense Military

5 Unaccompanied Housing Improvement Fund" and inserting "Housing Improvement

6 Fund"; and

7 (3) Section 2875(e) of title 10, United States Code, is amended by striking

8 "Family Housing Improvement Fund or the Department of Defense Military

9 Unaccompanied Housing Improvement Fund" and inserting "Housing Improvement

10 Fund".

Subtitle B—Space Activities

SEC. 911. AUTHORIZE PROVISION OF SPACE SURVEILLANCE NETWORK

SERVICES TO NON-UNITED STATES GOVERNMENTAL ENTITIES.

3 (a) IN GENERAL.—Chapter 136 of title 10, United States Code, is amended by adding at
4 the end the following new section:

"§2283. Space surveillance network

6 "(a) SATELLITE TRACKING SERVICES.—To support the establishment of an experimental

7 pilot program, The Secretary of Defense is authorized to establish procedures under which non-

8 United States Federal governmental entities, including but not limited to U.S. and non-U.S.

9 commercial entities, state and local government entities and foreign governments, may purchase,

10 directly or through a contractor, satellite tracking services from assets owned or controlled by the

1 Department of Defense. The Secretary may include in such transactions the provision and
2 analysis of satellite data if he determines it is in the national security interests of the United
3 States. Any proposed sale to a foreign government or foreign commercial entity shall be subject
4 to the concurrence of the Secretary of State to ensure its consistency with United States foreign
5 policy interests. The pilot program shall be conducted during a three-year period beginning not
6 later than 180 days after the date of the enactment of this Act.

7 "(b) REIMBURSEMENT OF COSTS.—In the case of any purchase made by a non-United
8 States Federal governmental entity under the procedures established under subsection (a), the
9 Secretary of Defense may require the non-United States Federal governmental entity to
10 reimburse the Department of Defense for the costs to the Department of such purchase.

11 "(c) DEPOSIT OF FUNDS RECEIVED.—Funds received pursuant to the sales authorized in
12 subsection (a) shall be credited to accounts of the Department of Defense that are current when
13 the proceeds are received and that are available for the same purposes as the accounts originally
14 charged to perform the services. Funds so credited are to merge with and become available for
15 obligation for the same period as the accounts to which they are credited.

16 "(d) NON-TRANSFERABILITY AGREEMENT.—The Department will require all non-United
17 States Federal governmental entities to execute a binding commitment not to transfer any data or
18 technical information, including the analysis of the tracking data, to any other entity without the
19 Department's expressed approval. In the case of foreign governments and foreign commercial
20 entities, the Department's approval will be subject to the concurrence of the Department of State.

21 "(e) PROHIBITION CONCERNING INTELLIGENCE ASSETS OR DATA.—Nothing in this
22 section shall be deemed to authorize the provision of services or information concerning, or
23 derived from, United States intelligence assets or data."

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

3 "2283. Space surveillance network."

4 **SEC. 912. COMMERCIAL SPACE COMPETITIVENESS AND CONTRIBUTIONS OF**
5 **FUNDS AND SERVICES FROM NON-FEDERAL AGENCIES.**

6 (a) NON-FEDERAL INVESTMENTS.—Section 501 of the National Aeronautics and Space
7 Administration Authorization Act for Fiscal Year 1993 (Public Law 102-588; 106 Stat. 5122; 15
8 U.S.C. 5801), is amended by adding at the end the following new paragraph:

9 "(11) The provision of non-federal sources of investment to finance improvements and
10 additions to U.S. space launch infrastructure can strengthen and expand or otherwise enhance the
11 United States commercial space transportation industry."

12 (b) DEFINITION OF NON-FEDERAL.—Section 502 of such Act (15 U.S.C. 5802), is
13 amended by adding at the end the following new paragraph:

14 "(15) 'non-federal' means private sector entities, state government entities and local
15 government entities."

16 (c) NON-FEDERAL INVESTMENT IN RANGE INFRASTRUCTURE.—Title V of such Act
17 (Public Law 102-588; 106 Stat. 5129; 15 U.S.C. 5808), is amended by adding at the end the
18 following new section:

19 **"SEC. 511. NON-FEDERAL INVESTMENT IN RANGE INFRASTRUCTURE.**

20 "(a) ACCEPTANCE OF FUNDS.—The head of an executive agency providing launch
21 property or launch services pursuant to chapter 701 of title 49 may accept funds or other
22 property or assistance from non-federal entities for improvements and additions or
23 modernization of space launch infrastructure or services, if the improvements and additions or

1 modernization contribute to the strengthening and expansion of or will otherwise enhance the
2 United States commercial space transportation industry. Notwithstanding section 1342 of title
3 31, the head of an agency may also accept, subject to regulations issued by the head of an
4 agency, voluntary service for the United States if the service—

5 "(1) is to be performed by a non-federal entity as part of an agency program
6 established for the purpose of providing improvements and additions or modernization of
7 space launch infrastructure;

8 "(2) is to be uncompensated; and

9 "(3) is not to be used to displace any employee.

10 "(b) USE OF FUNDS.—The head of an executive agency may agree to receive funds or
11 launch or reentry property from non-federal entities and may agree to use those funds or property
12 to develop, purchase, sustain, improve, and/or integrate specified launch or reentry facilities or
13 property in a manner that will enhance the use of such facilities for commercial launch or reentry
14 operations.

15 "(c) AGREEMENT TERMS AND CONDITIONS.— The head of the executive agency may
16 include the following terms in the agreements described in subsection (b):

17 "(1) The amount and terms of any payment the non-federal entity shall provide to
18 the executive agency, and description of any property or services;

19 "(2) An allocation of responsibility for future operation, maintenance,
20 sustainment, integration, and development of any property; and

21 "(3) Such other terms and conditions as may be agreed between the head of the
22 executive agency and the non-federal entity.

23 "(d) COLLECTION BY THE EXECUTIVE AGENCY.— The head of the executive agency may

1 accept payments under this section pursuant to the terms and conditions of any agreement as
2 described under this section. Amounts received under this subsection shall be credited to
3 appropriations of the agency available for these purposes and shall be available for obligation
4 until expended."

5 (d) TITLE 49 DEFINITIONS.—Section 70102 of title 49, United States Code, is amended by
6 adding at the end the following new subsections:

7 "(18) 'direct costs' means the actual costs that—

8 "(A) can be associated unambiguously with a commercial launch or reentry effort;

9 and

10 "(B) the Government would not incur if there were no commercial launch or
11 reentry effort.

12 "(19) 'non-federal' means private sector entities, state governmental entities and local
13 governmental entities."

14 (e) PROVISION OF LAUNCH AND REENTRY SERVICES.—Section 70103 of such title is
15 amended by adding the following sentence at the end of subsection (c):

16 "To assist the Secretary in carrying out this chapter, Federal agencies, including the
17 National Aeronautics and Space Administration and the Department of Defense, shall provide
18 launch and reentry services and launch and reentry property and other support to commercial
19 space launch and reentry activities consistent with public health and safety, national security,
20 international treaty obligations, and the missions of those Federal Agencies."

21 (f) CHANGE TO GENERAL REQUIREMENTS AND CONSIDERATIONS.—Section 70111 of such
22 title is amended to read as follows:

23 "(a) GENERAL REQUIREMENTS AND CONSIDERATIONS.—(1) The Secretary of

1 Transportation shall facilitate and encourage the acquisition by the private sector and State
2 governments of United States Government launch and reentry property or launch and reentry
3 services, including utilities, on a reimbursable basis when—

4 "(A) the property or services will be used to support United States and local
5 commercial space activities;

6 "(B) such use can be supported by existing or planned Federal resources;

7 "(C) such use is not inconsistent with Federal activities;

8 "(D) equivalent commercial property or services are not available on reasonable
9 terms; and

10 "(E) such use is consistent with public health and safety, safety of property,
11 national security, foreign policy interests, and international treaty obligations. In carrying
12 out this paragraph, the head of the agency providing the property or services shall consult
13 with other appropriate Federal officials.

14 "(2) Federal agencies, including the National Aeronautics and Space Administration and
15 the Department of Defense, may allow non-federal entities to acquire or use such launch or
16 reentry property or launch or reentry services in accordance with paragraph (1).

17 "(b) PRICE.—(1) In consultation with the Secretary, the head of the executive agency
18 providing the property or service under subsection (a) shall establish the price for the property or
19 service. The price for—

20 "(A) acquiring launch property by sale or transaction instead of sale is the fair
21 market value;

22 "(B) acquiring launch property (except by sale or transaction instead of sale) is
23 an amount equal to the direct costs, including specific wear and tear and property

1 damage, that the Government incurred because of acquisition of the property; and

2 "(C) launch services or reentry services is an amount equal to the direct costs,
3 including the basic pay of Government civilian and contractor personnel, that the
4 Government incurred because of acquisition of the services.

5 "(2) The Secretary shall ensure the establishment of uniform guidelines for, and
6 consistent implementation of, this section by all Federal agencies.

7 "(c) NON-FEDERAL ENTITY ACCESS.—Subject to satisfying the requirements in
8 subsection (a) and consistent with the needs of national defense, non-federal entities shall be
9 granted access to United States Government launch and reentry property, launch and reentry
10 services, including utilities, and launch and reentry scheduling opportunities.

11 "(d) COLLECTION BY SECRETARY.— The Secretary may collect a payment under this
12 section with the consent of the head of the executive agency establishing the
13 price. Amounts collected under this subsection shall be credited to the appropriation from which
14 the cost of providing the property or service was paid, and shall be available for obligation for
15 the same period and other purposes as the appropriation in which credited.

16 "(e) COLLECTION BY OTHER GOVERNMENTAL HEADS.— The head of a department,
17 agency, or instrumentality of the Government may collect a payment for an activity involved in
18 producing a launch vehicle or reentry vehicle, or the payload of either, for launch or reentry if
19 the activity was agreed to by the owner or manufacturer of the launch vehicle, reentry vehicle, or
20 payload. Amounts collected under this subsection shall be credited to the appropriation from
21 which the cost of providing the property or services was paid, and shall be available for
22 obligation for the same period and purposes as the appropriation in which credited."

Subtitle C—Reports

1 **SEC. 921. REPEAL OF VARIOUS REPORTS REQUIRED OF THE DEPARTMENT OF** 2 **DEFENSE.**

The Department of Defense seeks to repeal various recurring reports required by the Congress. This proposal would allow the Department to employ its finite resources more efficiently, particularly during this time of war, and would improve Congress's ability to conduct effective oversight by focusing that effort on reports of substantial importance and utility.

To facilitate review, this proposal lists each report that the Department seeks to repeal by the order it appears in title 10 of the United States Code. Subsection (a) provides the specific reference to title 10. The Section-by-Section Analysis appears immediately following each amended section and indicates the title of each report or reports, the stated purpose of the report, and the Department's rationale for seeking repeal.

1 (a) PROVISIONS OF TITLE 10.—Title 10, United States Code, is amended—

2 (1) in section 113—

3 (A) by striking subsection (j);

4 (B) by striking subsection (m); and

5 (C) by redesignating subsections (k) and (l) as (j) and (k), respectively;

Section-by-Section Analysis

Report Title: Report on the Cost of Stationing United States Armed Forces Outside the United States

Report Purpose: The provision in subsection (j) requires the Secretary of Defense, in consultation with the Secretary of Commerce, to provide Congress, no later than April 8 of each year, with a report on the cost of stationing United States armed forces outside of the United States. The report requires a detailed accounting of the costs incurred in the U.S. for such stationing, the costs incurred outside the U.S. for such stationing, and the effect of such expenditures outside the U.S. on the current U.S. balance of payments.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. The General Accounting Office requested the information in this report only once for a specific study. The Congressional Budget Office no longer requests the information. Instead of an annual, recurring report, DoD would prefer to provide Congress with more relevant information in response to specific

requests.

Report Title: Information to Accompany Funding Request for Contingency Operation

Report Purpose: The provision in subsection (m) requires the Secretary of Defense to provide Congress with a report on the objectives of each contingency operation involving a Presidential request for appropriations to support any deployment of 500 or more members of the armed forces. The report must include a discussion on the date or set of conditions the President identifies as defining the end of the mission.

Reason the Report Should be Repealed: This report is redundant. Requests for appropriations by the Department of Defense would include all relevant information regarding any new contingency operations.

- 1 (2) in section 116—
- 2 (A) by repealing this entire section in chapter 2; and
- 3 (B) by amending the table of sections at the beginning of such chapter 2
- 4 by striking the item relating to section 116;

Section-by-Section Analysis

Report Title: Annual Operations and Maintenance Budget

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, no later than February 15 of each year, on the operations and maintenance of the armed forces. The report requires detailed information on numerous subjects, including the number of flying hours for military aircraft, training days for combat-arms units in the Army and Marine Corps, major repair work on Navy ships, and major vehicle overhauls. The report also requires DoD to make recommendations relating to the operations and maintenance budget for the upcoming fiscal year.

Reason the Report Should be Repealed: This report is redundant. DoD already provides the requested information in the Operation and Maintenance OP-5 Budget Exhibit.

- 1 (3) in section 117—
- 2 (A) by striking subsection (e); and
- 3 (B) by redesignating subsection (f) as subsection (e);

Section-by-Section Analysis

Report Title: Joint Readiness Reviews

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a monthly report containing the results of the most recent joint readiness review, including the current information derived from the readiness reporting system.

Reason the Report Should be Repealed: This report is obsolete. DoD would prefer to eliminate the existing inefficient monthly report in favor of more timely, constantly-updated information delivered to interested members of Congress through a classified DoD internet site dedicated to readiness issues.

1 (4) in section 127—

2 (A) by striking subsection (d);

Section-by-Section Analysis

Report Title: Emergency and Extraordinary Expenses

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a quarterly report on any funds spent pursuant to subsections (a) and (b) of Section 127, which authorize the expenditure of funds on an emergency or extraordinary basis.

Reason the Report Should be Repealed: This report is unnecessary. Congress already sets the annual limit for DoD emergency and extraordinary expenses in the annual DoD appropriations bill, so there is very little utility in tracking these items on a quarterly basis. Large expenditures (more than \$500,000) would remain reportable pursuant to Section 127(c) of Title 10.

1 (5) in section 127a—

2 (A) by striking subparagraph (a)(3);

3 (B) by redesignating subparagraph (a)(4) as subparagraph (a)(3);

4 (C) by striking subsection (d); and

5 (D) by redesignating subsections (e) through (i) as subsections (d) through

6 (h), respectively;

Section-by-Section Analysis

Report Title: Report of Designation of an Operation as a Contingency Operation

Report Purpose: The provision in subsection (a)(3) requires the Secretary of Defense to provide Congress with a report whenever DoD changes a routine operation, such as a normal training exercise, into a contingency operation.

Reason the Report Should be Repealed: This report is redundant. DoD already provides such information to Congress whenever it requests funds to support a contingency operation.

Report Title: **Report Upon Designation of an Operation for Which Funds Are Not Provided in Advance: Funding Mechanisms**

Report Purpose: The provision in subsection (d) requires the Secretary of Defense to provide Congress with a burdensome report regarding contingency operations that sets forth: (1) the manner by which DoD proposes to obtain funds for the cost to the United States of the operation; (2) a justification why the budgetary resources of another department or agency of the Federal government, instead of DoD resources, are not being used; (3) the objectives of the operation; (4) the estimated duration of the operation; (5) the estimated incremental cost of the operation to the U.S.; and (6) the exit criteria for the operation. The report is due within 45 days after the Secretary of Defense identifies an operation pursuant to subsection (a)(2) of Section 127.

Reason the Report Should be Repealed: This report is redundant. DoD already provides appropriate and relevant information to Congress whenever it requests funds to support a contingency operation.

1 (6) in section 129—

2 (A) by striking subsection (f);

Section-by-Section Analysis

Report Title: **Prohibition of Certain Civilian Personnel Management Constraints**

Report Purpose: This provision requires the Secretary of each military department and the head of each defense agency to provide Congress with a report, no later than February 1 of each year, describing how these officials manage the civilian workforce under their jurisdiction. The report also requires these officials to certify that the civilian workforce is not subject to any constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees during the 12 months preceding the date on which the report is due.

Reason the Report Should be Repealed: This report is overly burdensome and unnecessary. The Secretaries of the military departments and the heads of the defense agencies manage according to a working capital fund concept where workforce levels are contingent upon workload. They do not manage on the basis of civilian end strength constraints, so the

information requested by Congress serves no discernable purpose.

1 (7) in section 153—

2 (A) by striking subsection (d);

Section-by-Section Analysis

Report Title: Annual Report on Combatant Command Activities

Report Purpose: The provision requires the Chairman of the Joint Chiefs of Staff to provide Congress with a report, no later than August 15 of each year, on the requirements of the combatant commands. The report requires discussion of the following: (a) a consolidation of the integrated priority lists of requirements of the combatant commands; (b) the Chairman's views on the consolidated lists; (c) a description of the funding proposed in the President's budget for the next fiscal year, and for the subsequent fiscal years covered by the most recent future-years defense program, to address each deficiency in readiness identified during the joint readiness review conducted under section 117 of title 10, United States Code, for the first quarter of the current fiscal year.

Reason the Report Should be Repealed: The report is overly burdensome and seeks pre-decisional information of extremely limited utility. The President's budget sets forth the requirements of the combatant commands.

1 (8) in section 184—

2 (A) by amending subsection (a) to read as follows:

3 "(a) AUTHORITY TO ESTABLISH REGIONAL CENTER FOR SECURITY STUDIES.—The
4 Secretary of Defense may establish such regional centers for security studies as he deems
5 necessary and appropriate.";

6 (B) by striking subsection (b); and

7 (C) by redesignating subsection (c) as subsection (b);

Section-by-Section Analysis

Report Title: Advance Notification to Congress of the Establishment of New Regional Centers for Security Studies

Report Purpose: The provision in subsection (a) requires the Secretary of Defense to provide Congress prior notification of his intent to establish a regional center for security studies.

The notification must include a description of the mission and functions of the proposed center and an appropriate justification.

Reason the Report Should be Repealed: This report is redundant. DoD already provides such information to Congress through other means.

Report Title: **Operation of DoD Regional Centers for Security Studies**

Report Purpose: The provision in subsection (b) requires the Secretary of Defense to provide Congress with a report, no later than February 1 of each year, on the operation of DoD regional centers for security studies during the preceding fiscal year.

Reason the Report Should be Repealed: This report is overly burdensome and the information provided is of limited value. Since most Regional Centers issue periodic public reports on their activities, Congressional members and their staff could be added to the distribution list, or DoD would provide Congress with more relevant information in response to specific requests.

- 1 (9) in section 226,
- 2 (A) by repealing this entire section in chapter 9; and
- 3 (B) by amending the table of sections for such chapter by striking the
- 4 items relating to section 226;

Section-by-Section Analysis

Report Title: **Scoring of Outlays**

Report Purpose: This provision requires the Director of the Office of Management and Budget (OMB) and the Director of the Congressional Budget Office (CBO) to provide Congress with a joint report, no later than December 15 of each year, containing an agreed resolution of all differences between the technical assumptions used by OMB and CBO in preparing the estimates with respect to all accounts in function 050 (national defense) for the budget to be submitted to Congress in the following year. If the two Directors are unable to agree upon any technical assumption, the report reflects the use of averages of the relevant account rates used by the two offices.

Reason the Report Should be Repealed: This report is unnecessary because it largely duplicates information already provided in the President's Budget. OMB and CBO already work together to achieve common outlay estimates. Further, the report provides information of extremely limited utility in that it seeks decisions on final budget estimates that are not complete on December 15, the report due date.

1 (10) for section 228—

2 (A) by repealing this entire section in chapter 9; and

3 (B) by amending the table of sections at the beginning of such chapter by

4 striking the items relating to section 228;

Section-by-Section Analysis

Report Title: Monthly Reports on Allocation of Funds Within O&M Budget Sub-Activities

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a monthly report on the allocation of appropriations to Operation and Maintenance (O&M) budget activities and the sub-activities of those budget activities. Each report must be submitted no later than 60 days after the end of the month to which the report pertains, and must set forth the following for each sub-activity of the O&M budget activities: (1) the amount of budget authority appropriated for that sub-activity in the most recent regular DoD appropriations act; (2) the amount of budget authority actually made available for that sub-activity, taking into consideration supplemental appropriations, rescissions, and other adjustments required by law or made pursuant to law; and (3) the amount programmed to be expended from such sub-activity.

Reason the Report Should be Repealed: The report is overly burdensome and redundant. DoD already provides such information to Congress through other reports, such as the rebaseline report, which provides the execution track requested by the Congress; the DD 1415 reprogramming request, which provides detailed movement of funds prior to execution; and the DD 1002 execution status report, which provides detailed execution on a monthly basis. DoD has tailored these reports to provide useful and meaningful data to Congress, eliminating the requirement for the additional report required by this section.

1 (11) in section 401—

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

3 (B) by redesignating subsection (e) as subsection (d);

Section-by-Section Analysis

Report Title: Humanitarian and Civic Assistance Provided in Conjunction with Military Operations

Report Purpose: This provision requires the Secretary of Defense to provide Congress, no later than March 1 of each year, a report on humanitarian and civic assistance activities carried out during the preceding fiscal year. The report requires the identities of the countries

involved, a description of the activities, and the amount expended on each such activity.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. The Defense Security Cooperation Agency (DSCA) typically requires 48 workdays and \$38,400 to prepare the report, which appears to generate very little interest from Congress. During the last 5 years, DSCA has received only one question from Congressional staff relating to this report, a request for a brief on the DoD Health Affairs program. Instead of an annual, recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (12) in section 437—
- 2 (A) by striking subsections (b) and (c);
- 3 (B) by redesignating subsection (d) as subsection (b);

Section-by-Section Analysis

Report Title: **Establishment of Defense Intelligence Commercial Activities**

Report Purpose: The provision in subsection (b) requires the Secretary of Defense to provide Congress with notification whenever DoD engages in commercial activities necessary to provide security for authorized intelligence collection activities abroad undertaken by DoD.

Reason the Report Should be Repealed: This report is obsolete. In the eleven years since Congress authorized DoD to conduct commercial activities in connection with intelligence activities, DoD has issued directives and developed well-established practices and internal oversight in this area that are fully consistent with Congressional intent.

Report Title: **Annual Report on Defense Intelligence Commercial Activities**

Report Purpose: The provision in subsection (c) requires the Secretary of Defense to provide Congress with an annual report on all commercial activities authorized that were undertaken during the previous year, including expenditures for such activities and actions taken with respect to audits conducted to implement recommendations or correct deficiencies identified in such audits.

Reason the Report Should be Repealed: This report is obsolete. In the eleven years since Congress authorized DoD to conduct commercial activities in connection with intelligence activities, DoD has issued directives and developed well-established practices and internal oversight in this area that are fully consistent with Congressional intent.

- 1 (13) in section 482—
- 2 (A) by repealing this entire section in chapter 23; and

1 (B) by amending the table of sections for such chapter by striking the
2 items relating to section 482;

Section-by-Section Analysis

Report Title: **Personnel and Unit Readiness Quarterly Reports**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, no later than 45 days after the end of each calendar-year quarter, on military readiness.

Reason the Report Should be Repealed: This report is obsolete. DoD would prefer to eliminate the existing inefficient quarterly report in favor of more timely, constantly-updated information delivered to interested members of Congress through a classified DoD internet site dedicated to readiness issues.

1 (14) in section 483—
2 (A) by repealing this entire section in chapter 23; and
3 (B) by amending the table of sections for such chapter by striking the
4 items relating to section 483;

Section-by-Section Analysis

Report Title: **Reports on Transfers from High-Priority Readiness Appropriations**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than the date on which the President submits the budget for the fiscal year to Congress, on transfers during the preceding fiscal year from funds available for each covered budget activity. This section also requires the Secretary of Defense to provide Congress with a report, not later than June of each fiscal year, on transfers during the first six months of the fiscal year, from funds available for each covered budget activity.

Reason the Report Should be Repealed: The report is overly burdensome and redundant. DoD already provides such information to Congress through other reports, such as the rebaseline report, which provides the execution track requested by the Congress; the DD 1415 reprogramming request, which provides detailed movement of funds prior to execution; and the DD 1002 execution status report, which provides detailed execution on a monthly basis. DoD has tailored these reports to provide useful and meaningful data to Congress, eliminating the requirement for the additional report required by this section.

1 (15) in section 484—

- 1 (A) by repealing this entire section in chapter 23; and
2 (B) by amending the table of sections for such chapter by striking the
3 items relating to section 484;

Section-by-Section Analysis

Report Title: Annual Report on Aircraft Inventory

Report Purpose: This provision requires the Under Secretary of Defense (Comptroller) to provide Congress with an annual report on DoD's aircraft inventory. The report is required when the President submits the fiscal year budget to Congress. It must specify the inventory for the active and reserve components and categorize the aircraft in four major areas each with multiple subcategories.

Reason the Report Should be Repealed: This report is overly burdensome and unnecessary. Congress already has access to this data from multiple sources.

- 1 (16) in section 487—
2 (A) by repealing this entire section in chapter 23; and
3 (B) by amending the table of sections for such chapter by striking the
4 items relating to section 487;

Section-by-Section Analysis

Report Title: Unit Operations Tempo and Personnel Tempo: Annual Report

Report Purpose: This provision requires the Secretary of Defense to provide an annual report describing the operations tempo and personnel tempo of the armed forces.

Reason the Report Should be Repealed: This report is obsolete and overly burdensome. DoD has implemented a new, uniform approach to personnel tempo management. In addition, DoD would prefer to eliminate the existing inefficient report in favor of more timely, constantly-updated information delivered to interested members of Congress through a classified DoD internet site dedicated to readiness issues.

- 1 (17) in section 520c—
2 (A) by striking subsections (b) and (c); and
3 (B) by striking the designator and the catchline in the preceding matter;

1 (C) by amending the section title to read: "§ 520c. Provision of meals and
2 refreshments for recruiting purposes"; and

3 (D) by amending the table of sections at the beginning of chapter 31 by
4 replacing the item relating to section 520c with the following new item:

5 "520c. Provision of meals and refreshments for recruiting purposes.";

Section-by-Section Analysis

Report Title: Recruiting Functions – Use of Funds

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than February 1 of each of the years 1998 through 2002, on the extent to which DoD used funds to pay for small meals and refreshments during recruitment functions.

Reason the Report Should be Repealed: This report is obsolete.

1 (18) in section 664—

2 (A) in subsection (i), clause (4)(F)(ii), by striking "and notifies Congress
3 upon each approval, providing the criteria that led to that approval";

Section-by-Section Analysis

Report Title: Joint Duty Credit Notification to Congress

Report Purpose: This provision requires the Secretary of Defense to report to Congress when he designates a specific temporary joint task force for joint-duty credit.

Reason the Report Should be Repealed: This report is redundant. DoD already provides Congress with the requested information in the DoD Annual Report.

1 (19) in section 983(e)(1)—

2 (A) by striking "and to Congress";

Section-by-Section Analysis

Report Title: Institutions of Higher Education That Prevent ROTC Access/Military Recruiting on Campus – Denial of Grants and Contracts

Report Purpose: This provision requires the Secretary of Defense to transmit separate notices to Congress and the Secretary of Education whenever he makes a determination to deny grants or contracts to institutions of higher education that prevent ROTC access or military recruiting on campus.

Reason the Report Should be Repealed: This report is unnecessary. Congress already requires DoD to provide such information to the Department and Education and to publish semi-annual reports in the Federal Register.

1 (20) in section 986—

2 (A) by striking subsection (e);

Section-by-Section Analysis

Report Title: Security Clearances: Limitations

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than February 1 of each year, identifying every security clearance waiver granted during the preceding year, with an accompanying explanation supporting each individual waiver.

Reason the Report Should be Repealed: The report provides information of limited utility that does not warrant DoD's cost in terms of human resources. Instead of an annual, recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (21) in section 1060—

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

3 (B) by redesignating subsections (e), through (g) as (d) through (f)

4 respectively;

Section-by-Section Analysis

Report Title: Military Service of Retired Members With Newly Democratic Nations: Consent of Congress

Report Purpose: This provision requires the Secretary of the military department concerned and the Secretary of State jointly to notify Congress whenever a retired military member accepts employment by the military forces of a newly democratized nation.

Reason the Report Should be Repealed: The report is unnecessary and overly

burdensome. DoD does not track the employment decisions of all military retirees and lacks the capability to gather the data requested. Because the situation that concerns Congress occurs so rarely, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (22) in section 1130—
2 (A) by striking subsection (b); and
3 (B) by redesignating subsections (c) and (d) as subsections (b) and (c),
4 respectively;

Section-by-Section Analysis

Report Title: Consideration of Proposals for Decorations Not Previously Submitted in Timely Fashion: Procedures for Review and Recommendation

Report Purpose: This provision requires the Secretaries of the military departments to provide Congress with written notice upon authorizing an award or presentation of a decoration, either for an individual or a unit, that is not otherwise authorized due to limitations of law or policy.

Reason the Report Should be Repealed: The report is unnecessary. DoD already consults Congress regarding such matters, and would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (23) in section 1557—
2 (A) by striking subsection (e); and
3 (B) by redesignating subsection (f) as subsection (e);

Section-by-Section Analysis

Report Title: Timeliness Standards for Disposition of Applications Before Correction Boards

Report Purpose: This provision requires the Secretaries of the military departments to provide Congress with a report, not later than June 1, whenever a Corrections Board fails to meet applicable timeliness standards. The report must specify the reasons why the timeliness standard could not be met, the corrective actions initiated to ensure compliance in the future, and the number of waivers granted during the fiscal year.

Reason the Report Should be Repealed: The report provides information of limited

utility at extraordinary cost to DoD in terms of human resources. DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (24) in section 1563—
2 (A) by repealing this entire section in chapter 80; and
3 (B) by amending the table of sections for such chapter by striking the item
4 relating to section 1563;

Section-by-Section Analysis

Report Title: Consideration of Proposals for Posthumous and Honorary Promotions and Appointments: Committee Report

Report Purpose: This provision requires the Secretaries of the military departments, upon request of a Member of Congress, to review a proposal for the posthumous or honorary promotion or appointment of a member or former member of the armed forces, or any other person considered qualified, that is not otherwise authorized by law.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. DoD must coordinate the efforts of personnel in five separate offices to prepare the report. Instead of this overly burdensome report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (25) in section 1597—
2 (A) by striking subsections (c) through (e);

Section-by-Section Analysis

Report Title: Civilian Employment Master Plan: Including Exceptions to Guidelines for Reduction and Involuntary Reductions of Civilian Positions

Report Purpose: This provision requires the Secretary of Defense to include a report on a civilian employment master plan for DoD as a whole and for each military department, defense agency, and other principal component of the Department of Defense, in conjunction with the fiscal year budget submission. The master plan must include a profile of the levels of civilian positions sufficient to establish and maintain a baseline for tracking annual accessions and losses of civilian positions and to provide for the analysis of trends in the levels of civilian positions.

Reason the Report Should be Repealed: This report is obsolete. Consistent with the

Government Performance and Results Act, the Federal government relies upon different information to assess the efficiency of civilian workforce plans. In addition, DoD already provides similar information in the fiscal year budget submission to Congress.

- 1 (26) in section 2010—
2 (A) by striking subsection (b); and
3 (B) by redesignating subsections (c) and (d) as subsections (b) and (c),
4 respectively;

Section-by-Section Analysis

**Report Title: Participation of Developing Countries in Combined Exercises:
Payment of Incremental Expenses**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than March 1 of each year, identifying the developing countries for which the United States has paid incremental expenses, and the amounts of such expenses, during the preceding year.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. Instead of an annual, recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (27) in section 2011—
2 (A) by striking subsection (e).

Section-by-Section Analysis

Report Title: Special Operations Forces Training with Friendly Foreign Forces

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than April of each year, regarding expenses incurred by DoD in training special operations forces preparing to work with armed forces and other security forces of friendly foreign countries.

Reason the Report Should be Repealed: This report is overly burdensome and the information provided is of limited value. DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (28) in section 2166—

1 (A) by striking subsection (h);

Section-by-Section Analysis

Report Title: **Annual Report for Western Hemisphere Institute for Security Cooperation**

Report Purpose: This provision requires the Secretary of Defense, in consultation with Secretary of State, to provide Congress with a report, no later than March 15 of each year, on the activities of the institute during the preceding year.

Reason the Report Should be Repealed: This report is unnecessary. DoD would prefer to provide Congress with the annual report prepared by the institute's board of visitors for the Secretary of Defense, since that report already contains the same information requested by Congress.

1 (29) in section 2208—

2 (A) in subsection (j)(2), by striking "and notifies Congress regarding the
3 reasons for the waiver";

Section-by-Section Analysis

Report Title: **Sales of Articles and Services of Defense Industrial Facilities to Purchasers Outside the Department of Defense**

Report Purpose: This provision requires the Secretary of Defense to notify Congress regarding the granting of a waiver of the conditions regarding a working capital funded industrial facility to sell articles to persons outside the Department of Defense, after the Secretary has made a determination that such waiver is necessary for reasons of national security.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. Instead of an annual, recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (30) in section 2212—

2 (A) by striking subsections (d) and (e); and

3 (B) by redesignating subsection (f) as subsection (d);

Section-by-Section Analysis

Report Title: Obligations for Contract Services: Reporting in Budget Object Classes

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than 30 days after the date on which the fiscal year budget is submitted, indicating the results of a review of DoD services expected to be performed as contract services.

Reason the Report Should be Repealed: This report is redundant and provides information of limited utility. DoD already provides Congress more detailed data in its budget submission, specifically the PB-15 exhibit published in Vol. II of the Data Book. DoD also publishes similar data in the budget in the OP-32 and by object class.

- 1 (31) in section 2214—
- 2 (A) by striking subsection (c); and
- 3 (B) by redesignating subsection (d) as subsection (e);

Section-by-Section Analysis

Report Title: Report on Transfer of Funds: Procedure and Limitations; Notice to Congress

Report Purpose: This provision requires the Secretary of Defense to notify Congress promptly whenever DoD transfers amounts in working capital funds or amounts provided in appropriation acts for military functions of DoD (other than military construction) between such funds or appropriations (or any subdivision thereof).

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. Instead of multiple ad hoc reports, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (32) in section 2216—
- 2 (A) by striking subsection (i); and
- 3 (B) by redesignating subsection (j) as subsection (i);

Section-by-Section Analysis

Report Title: Quarterly Report on Defense Modernization Account

Report Purpose: This provision requires the Secretary of Defense to provide Congress

with a report, not later than 15 days after the end of each calendar quarter, on the Defense Modernization Account. The report includes: (a) the amount and source of each credit to the account during the quarter; (b) the amount and purpose of each transfer from the account during the quarter; and (c) the balance in the account at the end of the quarter and, of such balance, the amount attributable to transfers to the account from the Secretaries of the military departments.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. Instead of a burdensome quarterly report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (33) in section 2222—
- 2 (A) by repealing this entire section in chapter 131; and
- 3 (B) by amending the table of sections for such chapter by striking the
- 4 items relating to section 2222;

Section-by-Section Analysis

Report Title: **Strategic Financial Management Improvement Plan**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a biennial plan, not later than September 30 of each even-numbered year, for the improvement of financial management within DoD, as part of the annual financial management improvement plan.

Reason the Report Should be Repealed: This report is redundant. DoD already provides Congress with such information through a variety of means including: the Chief Financial Officer's Act 5 Year Plan; the Remediation Plan developed for the Federal Financial Management Improvement Act of 1996; various testimony provided to assorted Congressional committees; and information provided independently to Congressional staff. In addition, DoD also provides OMB and GAO with updates on DoD's transformation efforts.

- 1 (34) in section 2255(b)—
- 2 (A) by striking paragraph (2); and
- 3 (B) by striking the designator "(1)" after the catchline;

Section-by-Section Analysis

Report Title: **Aircraft Accident Investigation Boards: Composition Requirements -**

Waiver

Report Purpose: This provision requires the Secretaries of the military departments to notify Congress whenever they waive the standard regarding the required membership of aircraft accident investigation boards.

Reason the Report Should be Repealed: The report is obsolete. DoD is highly unlikely to make such a waiver request given that internal DoD regulations already require the majority of accident board members to be from outside the existing chain of command, a higher standard than the statute requires.

- 1 (35) in section 2281—
2 (A) by striking subsection (d); and
3 (B) by redesignating subsection (e) as subsection (d);

Section-by-Section Analysis

Report Title: **Biennial Report on Sustainment and Operation of GPS**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report, not later than 30 days after the end of each even-numbered fiscal year, on the Global Positioning System (GPS) to include discussion on the operational status of the system; the capability of the system to satisfy effectively (i) the military requirements for the system that are current as of the date of the report, and (ii) the performance requirements of the Federal Radionavigation Plan; the most recent determination by the President regarding continued use of the selective availability feature of the system and the expected date of any change or elimination of the use of that feature; the status of cooperative activities undertaken by the U.S. with the governments of other countries concerning the capability of the system or any augmentation of the system to satisfy civil, commercial, scientific, and military requirements, including a discussion of the status and results of activities undertaken under any regional international agreement; any progress made toward establishing GPS as an international standard for consistency of navigational service; any progress made toward protecting GPS from disruption and interference; and the effects of use of the system on national security, regional security, and the economic competitiveness of U.S. industry, including the GPS equipment and service industry and user industries .

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. Every two years, DoD expends approximately 100 workdays and \$100,000 compiling the report. DoD is unaware of any specific Congressional inquiries arising from this report, and has not received any requests for additional information or briefings. Instead of this recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (36) in section 2282—

2 (A) by repealing this entire section in chapter 136; and

3 (B) by amending the table of sections for such chapter by striking the

4 items relating to section 2282;

Section-by-Section Analysis

Report Title: **B-2 Bomber Aircraft**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with an annual report on the B-2 bomber program, specifically identifying the average full-mission capable rate of B-2 aircraft for the previous fiscal year and determining whether the rate is adequate for accomplishing the B-2's missions. In addition, the report must include an assessment of B-2 technical capabilities and whether these capabilities are adequate for missions assigned to the aircraft; identification of all ongoing and planned aircraft capability enhancements; identification and assessment of additional capabilities that make the aircraft more survivable and effective against known and evolving threats; and provision of a fiscally phased program for new initiatives to include the President's current budget, the current DoD unfunded priority list, and the maximum executable funding for B-2 aircraft given the requirement to maintain sufficient operational ready aircraft for assigned missions.

Reason the Report Should be Repealed: This report is no longer necessary. The B-2 bomber has been operational for years and has demonstrated repeatedly its ability to accomplish assigned missions. The B-2 bomber was successfully used in combat as part of Operation Allied Force, and when combined with the Joint Direct Attack Munition, demonstrated the highest rate of target destruction of any aircraft/weapon combination. Although the mission capable rate has averaged slightly above 37% for FY 2000, the 509th Bomb Wing demonstrated the ability to surge during Allied Force. While flying 30-hour missions from Whiteman AFB, the B-2 mission capable rate averaged more than 50%, which exceeds Air Combat Command's standard. During peacetime operations, a B-2 that is not mission capable due to a low observable maintenance problem is fully capable of flying training sorties to maintain aircrew proficiency and readiness and therefore the low observable maintenance problem does not significantly affect the B-2's ability to perform assigned missions.

1 (37) in section 2306b—

2 (A) by striking subsection (i);

3 (B) in subsection (1)—

4 (i) by striking paragraphs (1) and (6);

1 (ii) by redesignating paragraphs (2) through (10) of subsection (l)
2 as paragraphs (1) through (8), respectively; and
3 (C) by redesignating subsections (j) through (l) as subsections (i) through
4 (k), respectively;

Section-by-Section Analysis

Report Title: Defense Acquisitions Specifically Authorized By Law

Report Purpose: The provision in subsection (i) requires the Secretary of Defense to certify to Congress, before DoD can enter into a multi-year contract, that the current Future-Years Defense Program fully funds the support costs associated with the multiyear program, and that the proposed multiyear contract provides for production at not less than minimum economic rates given the existing tooling and facilities.

Reason the Report Should be Repealed: This report is obsolete. DoD and Congress now work together to program support costs in years beyond the Future Years Defense Program, which has replaced the multiyear program.

Report Title: Multi-Year Procurement Contracts – Notice of Intent to Initiate

Report Purpose: The provision in subsection (l)(1) requires the head of an agency to notify Congress of certain proposed contracts at least 30 days in advance of the award of such proposed contracts.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress with the same information pursuant to subsections (i)(3) and (l)(3) of this section. Specifically, proposed multiyear contracts described in subparagraph (B) employ economic order quantity (EOQ) procurement in excess of \$20 million in any one year of the contract; or include an unfunded contingent liability in excess of \$20 million or include advanced procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20 million in any one year. Any contract employing EOQ funding or unfunded contingent liabilities at the levels described above would exceed a total contract value of \$500 million. Because subsections (i)(3) and (l)(3) of this section already require that any multiyear procurement contract in an amount equal to or greater than \$500 million be specifically authorized by law in an appropriations act and in an act other than an appropriations act, DoD already notifies Congress of such a proposed contract because Congress would have had to take definitive action to provide authority to award the contract.

Report Title: Multiyear Procurement Contracts - Notice of Intent to Terminate

Report Purpose: The provision in subsection (l)(6) requires the head of an agency to

provide Congress with written notice prior to the proposed termination of a multiyear procurement contract, and specifies that the proposed termination must wait until 10 days after the date of the written notice of the proposed termination.

Reason the Report Should be Repealed: The report is redundant. DoD already provides the same information to Congress pursuant to requirements under section 2306b(1)(3) and (1)(3) of title 10. The contract which is subject to this reporting requirement is a multiyear contract that employs economic order quantity (EOQ) procurement in excess of \$20 million in any one year of the contract; or includes an unfunded contingent liability in excess of \$20 million or includes advanced procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20 million in any one year. Any contract employing EOQ funding or unfunded contingent liabilities at the levels described above would exceed a total contract value of \$500 million. Because subsections (i)(3) and (1)(3) of this section already require that any multiyear procurement contract in an amount equal to or greater than \$500 million be specifically authorized by law in an appropriations act and in an act other than an appropriations act, DoD already notifies Congress of such a proposed contract because Congress would have had to take definitive action to provide authority to award the contract.

- 1 (38) in section 2327(c)(1)—
- 2 (A) in subparagraph (A), by striking "after the date on which such head of
- 3 an agency submits to Congress a report on the contract" and inserting "if in the
- 4 best interests of the government";
- 5 (B) by striking subparagraph (B); and
- 6 (C) by redesignating subparagraph (C) as subparagraph (B);

Section-by-Section Analysis

Report Title: **Contracts: Consideration of National Security Objectives.**

Report Purpose: The provision requires the head of an agency to provide Congress with a detailed report, prior to entering into a contract with a foreign firm or a subsidiary of such a firm, if the Secretary of Defense determines that entering into the contract is not inconsistent with the national security objectives of the United States. The report must include the identity of the foreign government concerned; the nature of the contract; the extent of ownership or control of the firm or subsidiary concerned or, if appropriate in the case of a subsidiary, by the foreign government concerned or the agency or instrumentality of such foreign government; and the reasons for entering into the contract.

Reason the Report Should be Repealed: The report provides information of limited utility at extraordinary cost to DoD in terms of human resources. Instead of a recurring report,

DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (39) in section 2350a—
- 2 (A) by striking subsection (f); and
- 3 (B) in subsection (g), by striking paragraph (3);

Section-by-Section Analysis

Report Title: Cooperative Research and Development Projects

Report Purpose: The provision in subsection (f) requires the Under Secretary of Defense for Acquisition, Technology and Logistics to provide Congress with a report, not later than March 1 of each year, on cooperative research and development projects. The report must include a description of the status, funding, and schedule of existing projects carried out for which memoranda of understanding (or other formal agreements) have been entered into, and a description of the purpose, funding, and schedule of any new projects proposed to be carried out (including those projects for which memoranda of understanding (or other formal agreements) have not yet been entered into) for which funds have been included in the budget submitted to Congress. This section further requires the Secretary of Defense, in conjunction with the Secretary of State, to provide a report, when warranted, enumerating those countries added or deleted from the existing designation, and the criteria used in determining the eligibility of a country.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress with relevant information on high-cost cooperative programs, such as the Joint Strike Fighter, through other filings and reports. Instead of a recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

Report Title: Side-by-Side Testing - Intent to Obligate Funds

Report Purpose: The provision in subsection (g)(3) requires the Deputy Director for Defense Research and Engineering to notify Congress of his intent to obligate funds made available to carry out this subsection no less than 30 days before such obligation.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome.

- 1 (40) in section 2350b—
- 2 (A) by striking subsection (d);
- 3 (B) by redesignating subsections (e), (f) and (g) as subsections (d), (e) and

1 (f), respectively;

Section-by-Section Analysis

Report Title: Notification of Prime Contract Awards to Comply with Cooperative Agreements

Report Purpose: The provision in subsection (d)(1) requires the Secretary of Defense to notify Congress each time the Secretary requires that a prime contract be awarded to a particular prime contractor or subcontractor to comply with a cooperative agreement. The notice also must include the rationale for exercising such authority.

Reason the Report Should be Repealed: The report is redundant. DoD provides the same notification to Congress pursuant to section 27 of the Arms Export Control Act.

Report Title: Notification of Waivers Granted to Prime Contractors in Conjunction with Cooperative Agreements

Report Purpose: The provision in subsection (d)(2) requires the Secretary of Defense to notify Congress each time the Secretary exercises a waiver to enter into contracts or incur obligations under section 27(d) of the Arms Export Control Act outside the United States.

Reason the Report Should be Repealed: Similar to the report required by subsection (d)(1), this report is redundant because DoD provides the same notification to Congress pursuant to section 27 of the Arms Export Control Act.

1 (41) in section 2350j—

2 (A) by striking subsection (e); and

3 (B) by redesignating subsections (f) and (g) as subsections (e) and (f),

4 respectively;

Section-by-Section Analysis

Report Title: Notification of Burden Sharing Contributions by Designated Countries and Regional Organizations

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report containing an explanation of the need for certain military construction projects; the then current estimate of the cost of the projects; and a justification for carrying out the projects. When the Secretary decides to carry out a military construction project under this section, DoD may not commence the project until the end of the 21-day period beginning on the date on which the report is submitted to Congress.

Reason the Report Should be Repealed: The report is redundant and overly burdensome. DoD already provides this information to Congress in an annual report on burden-sharing contributions and their costs. Instead of a recurring report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (42) in section 2367—

2 (A) by striking subsection (c) and (d);

Section-by-Section Analysis

Report Title: **Limitation on Creation of New Federally Funded Research and Development Centers**

Report Purpose: The provision in subsection (c) requires the head of an agency to provide Congress with a report describing the purpose, mission and general scope of effort of a new research and development center, at least 60 days prior to obligating or expending appropriations for the new center.

Reason the Report Should be Repealed: The report is obsolete. DoD has not established a new research and development center since 1984, nor does it intend to establish such a new center in the foreseeable future.

Report Title: **Identification of FFRDC Workload Effort**

Report Purpose: The provision in subsection (d) requires the Secretary of Defense to provide Congress with a report that sets forth the proposed amount of man-years of effort to be funded by DoD for each federally funded research and development center for that fiscal year budget.

Reason the Report Should be Repealed: The report is redundant. DoD would provide such information in its annual fiscal year budget submission.

1 (43) in section 2374a—

2 (A) by striking subsection (e); and

3 (B) by redesignating subsection (f) as subsection (e);

Section-by-Section Analysis

Report Title: **Prizes for Advanced Technology Achievements**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, at the end of each fiscal year, on the administration of the program of Prizes for

Advanced Technology Achievements. The report must include discussion on military applications of research, technology, or prototypes for which prizes were awarded; the total amount of prizes awarded; and the methods used for solicitation and evaluation of those methods.

Reason the Report Should be Repealed: As there has not yet been a competition to date, this report provides information of limited utility, does not provide any value to Congress, and is burdensome to prepare. DoD would propose amending the reporting requirement to delete the annual report and only require that a report be provided to Congress once DoD begins awarding prizes for such achievements.

- 1 (44) in section 2401—
- 2 (A) in subsection (a), by striking "only as provided in subsection (b)" both
- 3 times such phrase appears in the subsection;
- 4 (B) by striking subsection (b); and
- 5 (C) by redesignating subsections (c) through (f) as subsections (b) through
- 6 (e), respectively;

Section-by-Section Analysis

Report Title: **Requirement for Authorization by Law of Certain Contracts Relating to Vessels and Aircraft**

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress prior to issuing a solicitation and contract to lease or charter a vessel or aircraft, or for the provision of a service through use by a contractor of a vessel or aircraft, in which the terms of the contract provide for a substantial termination liability on the part of the U.S. The notification must include a detailed description of the terms of the proposed contract and a justification for entering into the proposed contract rather than providing for the lease, charter, or services involved through purchase of a vessel or aircraft to be used under the contract. The Secretary must then wait for a period of 30 days of continuous session of Congress following the date on which Congress received the notice before proceeding further.

Reason the Report Should be Repealed: The report is redundant. DoD already requests Congress to authorize funds for such purposes, and provides supporting information, before proposing any such lease or contract.

- 1 (45) in section 2410i—
- 2 (A) in subsection (c), by striking the last sentence;

Section-by-Section Analysis

Report Title: Prohibition on Contracting with Entities That Comply with the Secondary Arab Boycott of Israel.

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, within 15 days after the end of each fiscal year, identifying each waiver to the existing prohibition against contracting with entities that comply with the Arab boycott of Israel. Before DoD may grant such a waiver, the Secretary of Defense must certify that such waiver was necessary in the national security interests of the United States.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. DoD has not processed such a waiver since 1995 and would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (46) in section 2410m—
- 2 (A) by striking subsection (c);

Section-by-Section Analysis

Report Title: Retention of Amount Collected From Contractors During the Pendency of Contract Dispute

Report Purpose: The provision requires the Under Secretary of Defense (Comptroller) to provide Congress with an annual report on the amounts, if any, collected from contractors as a result of claims made by a military department or a defense agency under the Contract Disputes Act of 1978. The report must include: the total amount collected from contractors during the year preceding the year in which the report is submitted; the total amount available for obligation; the total amount disbursed in such preceding year and a description of the purpose for each disbursement; and the total amount returned to the Treasury in such preceding year.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. Instead of this burdensome, annual report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (47) in section 2457—
- 2 (A) by striking subsection (d); and
- 3 (B) by redesignating subsections (e) and (f) as subsections (d) and (e),
- 4 respectively;

Section-by-Section Analysis

Report Title: Standardization of Equipment with North Atlantic Treaty Organization Members

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, before February 1, 1989, and biennially thereafter, that assesses the United States' progress in standardizing equipment, including weapon systems, ammunition, an fuel, procured for the use of the armed forces of the United States stationed in Europe under the North Atlantic Treaty or at least to make that equipment interoperable with equipment of other members of the North Atlantic Treaty Organization. The report must include each specific assessment and evaluation made and the results of each assessment and evaluation as well as the results achieved with the members of NATO; procurement action initiated on each new major system not complying with that policy; procurement action initiated on each new major system that is not standardized or interoperable with equipment of other members of NATO, including a description of the system chosen and the reason for choosing that system; the identity of each program of research and development for U.S. Armed Forces stationed in Europe and the common requirements; action of the alliance toward common NATO requirements if none exists; efforts to establish a regular procedure and mechanism in NATO to determine common military requirements; a description of each existing and planned program of the Department of Defense that supports the development or procurement of a weapon system or other military equipment originally developed or procured by members of the organization other than the United States and for which funds have been authorized to be appropriated for the fiscal year in which the report is submitted, including a summary listing of the amount of funds; and a description of each weapon system or other military equipment originally developed or procured in the United States and that is being developed or procured by members of the organization other than the United States during the fiscal year for which the report is submitted.

Reason the Report Should be Repealed: The report is obsolete. Congress initiated the requirement for this report in 1989, and since that time, the U.S. largely has achieved its goal of standardizing equipment with NATO members.

- 1 (48) in section 2461a—
- 2 (A) by striking subsection (d); and
- 3 (B) by redesignating subsection (e) as subsection (d);

Section-by-Section Analysis

Report Title: Development Of System For Monitoring Cost Savings Resulting From Workforce Reductions

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, not later than February 1 of each fiscal year, on the results of the system for monitoring the performance, including the cost performance, of each function of DoD that is the

subject of a workforce review. The report must include: the cost of workforce review; cost of performing a function before workforce review compared to costs incurred after implementing conversion, reorganization, or reengineering actions by the workforce review; and the actual savings derived from implementation of recommendations of the workforce review, compared to anticipated savings that were to result from those actions.

Reason the Report Should be Repealed: The report is obsolete and overly burdensome. As DoD's Business Initiative Council moves to alternate methods to find and measure savings and efficiencies, the focus on the A-76 program is diminishing. The report produces information of limited utility in relation to the cost of compiling the report, and DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (49) in section 2464—

2 (A) by striking paragraph (3) in subsection (b);

Section-by-Section Analysis

Report Title: **Core Logistics Functions - Waiver**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report whenever he determines to waive the requirements for performance workload needed to maintain a logistics capability, provided that such waiver is made under regulations prescribed by the Secretary and is based on a determination that government performance of the activity or function is no longer required for national defense reasons. A waiver may not take effect until the expiration of the first period of 30 days of continuous session of Congress that begins on or after the date on which the Secretary submits a report to Congress on the waiver.

Reason the Report Should be Repealed: The report is unnecessary. To date, DoD has not found it necessary to invoke this waiver. Additionally, DoD already provides Congress with similar information through a variety of different means and reports.

1 (50) in section 2467—

2 (A) by striking subsection (c);

Section-by-Section Analysis

Report Title: **Congressional Notification Of Cost Comparison Waiver**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, not later than 10 days after a decision is made to waive the cost comparison study otherwise required under OMB Budget Circular A-76 as part of the process to convert to contractor performance any commercial activity of DoD, describing the commercial activity subject to the cost comparison waiver and the rationale for the waiver.

Reason the Report Should be Repealed: This report is unnecessary. Only two cost comparison waivers have been done since 1995. These waivers are based on in-depth analysis of a function before conversion to contract performance and are subject to administrative appeal under OMB Circular A-76. As is further required by A-76, notices of waivers are made available to the public. In addition, other reporting requirements provide the same notification information to Congress of the decision to transfer performance of the commercial or industrial type function to private sector performance.

1 (51) in section 2472—

2 (A) by striking subsection (b);

Section-by-Section Analysis

Report Title: Management Of Depot Employees

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, not later than December 1 of each fiscal year, on the number of employees employed and expected to be employed by the Department of Defense during that fiscal year to perform depot-level maintenance and repair of material.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. Each year, DoD expends approximately 15 man-days to prepare the report. DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (52) in section 2493—

2 (A) by striking subsection (g);

Section-by-Section Analysis

Report Title: Fisher House: Administration as Nonappropriated Fund Instrumentality

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress with a report, not later than January 15 of each year, describing the operation of Fisher Houses and Fisher Suites associated with health care facilities.

Reason the Report Should be Repealed: The report is obsolete. This program has been an established, successful program for many years.

1 (53) for section 2504—

- 1 (A) by repealing the entire section in chapter 148; and
2 (B) by amending the section of tables for such chapter by striking all
3 references to section 2504;

Section-by-Section Analysis

**Report Title: Department of Defense Technology and Industrial Base Policy
Guidance**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with an annual report, by March 1 of each year, on DoD industrial and technological guidance issued to facilitate the attainment of national security objectives, including any guidance providing for the integration of industrial and technological capabilities considerations into its budget allocation, weapons acquisition, and logistics support decision processes; methods and analyses undertaken by DoD, alone or in cooperation with other Federal agencies, to identify and address industrial and technological capabilities concerns; industrial and technological capabilities assessments prepared pursuant to section 2505 of title 10; other analyses used in developing DoD's budget submission for the next fiscal year, including a determination as to whether identified instances of foreign dependency adversely impact warfighting superiority; and DoD's programs and actions designed to sustain specific essential technological and industrial capabilities.

Reason the Report Should be Repealed: The report is obsolete and overly burdensome. Congress established this reporting requirement to ensure that DoD prescribed policies and procedures, performed analyses, and took actions necessary to sustain the industrial and technological capabilities needed to meet projected defense requirements in an era of sharp reductions in defense spending and a rapidly consolidating defense industry. Today, the defense budget has stabilized and is increasing. The U.S. defense industrial base no longer is shrinking. DoD has submitted the required report annually since 1997 and demonstrated that it is meeting its responsibilities in a timely and effective manner. The report is a summary of DoD industrial capabilities-related activities completed during the previous calendar year. It contains no original information and is of limited utility to the Congress. DoD will continue to analyze important elements of the national technology and industrial base in accordance with the requirements of section 2503 of title 10, perform periodic defense capability assessments in accordance with section 2505, and prescribe appropriate departmental guidance in accordance with section 2506.

- 1 (54) in section 2515—
2 (A) by striking subsection (d);

Section-by-Section Analysis

Report Title: **Activities Of The Defense Office Of Technology Transition**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, submitted each year at the same time that the President submits the fiscal year budget, on the activities of the Defense Office of Technology Transition along with a discussion of the accomplishments of the Office during the fiscal year preceding the fiscal year in which the report is submitted.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. Each year, DoD expends approximately \$75,000 to prepare the report. DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (55) in section 2521—

2 (A) by striking subsection (e);

Section-by-Section Analysis

Report Title: **Manufacturing Technology Program**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a five-year plan for the Manufacturing Technology Program which establishes the overall manufacturing technology goals, milestones, priorities, and investment strategy for the program, as part of the budget justification documents submitted in support of the DoD's fiscal year budget. The report must include data for each of the five fiscal years covered by the plan, the objectives of, and funding for the program by each military department and each Defense Agency participating in the program.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. Each year, DoD expends approximately \$200,000 to prepare the report. DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (56) in section 2536—

2 (A) by striking paragraph (2) in subsection (b), and by striking designator

3 (1) after the catch line; and

4 (B) by redesignating subparagraph (A) and (B) as paragraphs (1) and (2),

5 respectively; and

6 (C) by redesignating subparagraph (i) and (ii) as subparagraphs (A) and

1 (B), respectively;

Section-by-Section Analysis

Report Title: Award Of Certain Contracts To Entities Controlled By A Foreign Government

Report Purpose: The provision requires the Secretary of Defense to notify Congress of any decision to grant a waiver under paragraph (1)(B) with respect to a contract. The contract may be awarded only after the end of the 45-day period beginning on the date the notification is received by the committees.

Reason the Report Should be Repealed: This report is unnecessary. It is an "as required" report that provides advance notice to Congress on waivers to the prohibition against awarding a highly classified contract to a company controlled by a foreign government. The Department of Defense has never granted a waiver under this provision, and there is little likelihood of any contract triggering the need for such a report.

1 (57) in section 2537—

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

3 (B) by redesignating subsection (c) as subsection (b);

Section-by-Section Analysis

Report Title: Report to Congress – Improved National Defense Control of Technology Diversions Overseas

Report Purpose: The provision requires the Secretary of Defense, the Secretary of Energy, and the Secretary of Commerce to provide Congress with an annual report, by March 31 of each year, containing a summary and analysis of the information collected on all contractors controlled by foreign persons. The report must include an analysis of accumulated foreign ownership of U.S. firms engaged in the development of defense critical technologies.

Reason the Report Should be Repealed: The report is overly burdensome. There are no existing databases to identify which contractors are controlled by foreign persons or entities. Requiring the collection of such information places additional administrative burdens on DoD and on DoD contractors, ultimately driving up the costs of acquisition and logistics.

1 (58) in section 2541d—

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

3 (B) by striking the "(a)" and the catchline in the remaining matter;

Section-by-Section Analysis

Report Title: **Critical Infrastructure Protection Loans**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, not later than March 1 of each year in which guarantees are made for loans under this subchapter, on the loan guarantee program.

Reason the Report Should be Repealed: This report is unnecessary. This subsection relates to an annual report of the loans and their effectiveness in securing the National Defense Infrastructure. The defense loan guarantee program has not been effective or widely used. Since this reporting requirement was established, only one such loan has been made. Therefore, the report is of little or no value.

- 1 (59) in section 2561—
- 2 (A) by striking subsections (c), (d) and (f); and
- 3 (B) by redesignating subsection (e) as subsection (c);

Section-by-Section Analysis

Report Title: **Annual Report – Humanitarian Assistance**

Report Purpose: The provision in subsection (c) requires the Secretary of Defense to provide Congress with an annual report on the provision of humanitarian assistance used for the purpose of providing transportation of humanitarian relief and for other humanitarian purposes worldwide. The report is due each year at the time of the President's submits the fiscal year budget.

Reason the Report Should be Repealed: This report is unnecessary and overly burdensome. DoD would prefer to provide Congress with more relevant information, such as country specific data maintained by the Defense Security Cooperation Agency, in response to specific requests. During the last five years, Congress has made no such inquiry.

Report Title: **Annual Report – Humanitarian Assistance to Unauthorized Countries**

Report Purpose: The provision in subsection (d) requires the Secretary of Defense to notify Congress in any case in which the Secretary provides for the transportation of humanitarian relief to a country to which the transportation of humanitarian relief has not been specifically authorized by law. The notification is to be submitted not less than 15 days before the commencement of such transportation.

Reason the Report Should be Repealed: This report is unnecessary and overly burdensome. DoD would prefer to provide Congress with more relevant information in response

to specific requests.

1 (60) in section 2563—

2 (A) by striking "and notifies Congress regarding the reasons for the

3 waiver" in subsection (c)(2);

Section-by-Section Analysis

**Report Title: Articles And Services Of Industrial Facilities: Sale To Persons
Outsides The Department Of Defense**

Report Purpose: The provision requires the Secretary of Defense to notify Congress whenever he waives the condition that an article or service must not be available from a United States commercial source in the case of a particular sale. The report must indicate the Secretary of Defense finds the waiver is necessary for reasons of national security.

Reason the Report Should be Repealed: The report is unnecessary. The Secretary of Defense already is determined to take such action rarely and only for reasons of national security.

1 (61) in section 2631—

2 (A) by striking the last sentence in subsection (b)(3);

Section-by-Section Analysis

Report Title: Supplies: Preference To United States Vessels

Report Purpose: The provision requires the Secretary of Defense to notify Congress immediately whenever he determines to waive the requirement regarding work on certain vessels being performed in the United States. The report must indicate the Secretary of Defense finds the waiver is critical to the national security of the U.S.

Reason the Report Should be Repealed: This report is unnecessary. DoD does not anticipate contracting outside of the United States for the type of work that would generate the need for the report.

1 (62) in section 2645—

2 (A) by striking subsection (d);

3 (B) by striking subsection (g); and

1 (C) by redesignating subsections (e), (f) and (h) as subsections (d), (e) and
2 (f), respectively;

Section-by-Section Analysis

Report Title: Indemnification of the Department of Transportation for Losses Covered by Vessel War Risk Insurance

Report Purpose: The provision in subsection (d) requires the Secretary of Defense to provide Congress with notification of a loss, as soon after the occurrence of the loss as possible and, in no event, more than 30 days after the date of the loss, that is covered by vessel war risk insurance in which the covered loss is or is expected to be in an amount in excess of \$1,000,000, as well as semi-annual reports thereafter updating the information, showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of such funds, pending litigation, and estimated total cost to the government.

Reason the Report Should be Repealed: This report is unnecessary. DoD is required to submit this report only in the very rare event of a loss that is covered by defense-related vessel war risk insurance in the case of an accident in which the covered loss is, or is expected to be, in an amount in excess of \$1,000,000.

Report Title: Annual Report on Contingent Liabilities

Report Purpose: The provision in subsection (g) requires the Secretary of Defense to provide Congress with a report, not later than March 1 of each year, setting forth the current amount of the contingent outstanding liability of the United States under the vessel war risk insurance program under Title XII of the Merchant Marine Act of 1936.

Reason the Report Should be Repealed: This annual report is unnecessary. In the event of the occurrence of a loss or incident that is covered by this insurance, the Secretary of Defense already would be required to notify Congress promptly.

1 (63) in section 2662—
2 (A) by striking subsection (e);
3 (B) by redesignating subsections (f) and (g) as subsections (e) and (f),
4 respectively; and
5 (C) in subsection (f), as redesignated by subparagraph (B), by striking "
6 and the reporting requirement set forth in subsection (e) must not apply with

1 respect to a real property transaction otherwise covered by that subsection,";

Section-by-Section Analysis

Report Title: Real Property Transactions - Lease of Rental Property by GSA for DoD in Excess of \$500,000

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress with a report, 30 days prior to the proposed occupancy of any general purpose space leased for a DoD element by the General Services Administration at an annual rental in excess of \$500,000 (excluding the cost of utilities and other operation and maintenance services), if the effect of such occupancy is to increase the total amount of such leased space occupied by all elements of DoD.

Reason the Report Should be Repealed: The report is redundant. Congress already requires the Secretaries of the military departments to provide information concerning leases exceeding this threshold prior to execution during the annual appropriations process.

1 (64) in section 2667a (c)—

2 (A) by striking paragraph (2);

3 (B) by striking designator (1) after the catch line;

Section-by-Section Analysis

Report Title: Leases: Non-Excess Property of Defense Agencies: Competitive Selection

Report Purpose: The provision requires the Secretary of Defense to provide Congress with written notice, not later than 45 days before entering into a lease if the term exceeds one year and the fair market value of the lease interest exceeds \$100,000, describing the terms of the proposed lease, the competitive procedures in that lease, and the competitive procedures to select the lessee.

Reason the Report Should be Repealed: This report is unnecessary. It is highly unlikely that DoD would enter such a lease.

1 (65) in section 2676 —

2 (A) in subsection (d), by striking all after "is approved by the Secretary

3 concerned" and inserting a period;

Section-by-Section Analysis

Report Title: Acquisition: Limitation on Real Property Not Owned by the United States

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress prior to acquiring real property not owned by the United States which results in a reduction in scope or the increase in cost of a land acquisition. The Secretaries only may award such a contract after a period of 21 days elapses from the date Congress receives the required the notification.

Reason the Report Should be Repealed: The report is obsolete. DoD would prefer to eliminate the existing inefficient report in favor of providing Congress with more relevant information in response to specific requests.

1 (66) in section 2680—

2 (A) by striking subsections (e);

Section-by-Section Analysis

Report Title: Leases: Land For Special Operations Activities

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, not later than March 1 of each year, that identifies each leasehold interest in rear property that the Secretary determines is necessary in the interests of national security to facilitate special operations activities of forces of the special operations command. The report must contain a discussion of each project for the construction or modification of facilities.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress similar information through other, separate reports.

1 (67) in section 2688—

2 (A) by striking subsection (e);

3 (B) by redesignating subsections (f) through (i) as subsections (e) through
4 (h), respectively; and

5 (C) in subsection (f), as redesignated by subparagraph (B), by striking the
6 last sentence;

Section-by-Section Analysis

Report Title: Utility Systems: Conveyance Authority: Notice-and-Wait

Requirement

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress, prior to conveying a utility system, or part of a utility system, with an economic analysis (based upon accepted life-cycle costing procedures approved by the Secretary of Defense) demonstrating that the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and that the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned. DoD must wait for a period of 21 days to elapse after the date on which Congress receives the required economic analysis.

Reason the Report Should be Repealed: The report is unnecessary. The provisions of this section are very specific concerning the requirements for any such conveyance and sufficient to ensure DoD manages this authority appropriately. The additional notice and wait provision required by this report only serves as a further administrative burden.

- 1 (68) in section 2696—
- 2 (A) by striking subsections (c) and (d); and
- 3 (B) by redesignating subsection (e) as subsection (c);

Section-by-Section Analysis

Report Title: **Notice of Further Federal Use**

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress with a copy of a notice issued by the General Services Administration (GSA) determining that further Federal use of a parcel of real property authorized or required to be conveyed by any provision of law is requested by a Federal agency. This provision also prohibits DoD from conveying the real property if Congress enacts a law rescinding the conveyance authority or requirement before the end of the 180-day period beginning on the date on which Congress receives from DoD the copy of GSA's notice.

Reason the Report Should be Repealed: The report is unnecessary. DoD would prefer to eliminate the requirement that it provide Congress with a copy of a notice issued by a separate Federal agency prior to taking any action regarding real property already possessed by the Federal government. This superfluous requirement contravenes Congress's and DoD's shared goal of effective, efficient government.

- 1 (69) in section 2703—
- 2 (A) in subsection (b)(2)—
- 3 (i) by striking subparagraph (B);

- 1 (ii) by striking the designator "(A)" which precedes "determines
- 2 that permanent relocation—";
- 3 (iii) by striking the dash that follows "such paragraph unless the
- 4 Secretary" in paragraph (2);
- 5 (iv) by realigning the previously designated subparagraph (A) to
- 6 follow at the end of paragraph (2); and
- 7 (v) by redesignating clauses (i) through (iii) as subparagraphs (A),
- 8 through (C), respectively;

Section-by-Section Analysis

Report Title: Environmental Restoration Accounts: Facility Relocation Costs

Report Purpose: The provision requires the Secretary of Defense or the Secretaries of the military departments, before undertaking the permanent relocation of a facility, to determine that: permanent relocation is the most cost effective method of responding to the release or threatened release of hazardous substances, pollutants or contaminants from the real property on which the facility is located and is supported by the affected community; and to provide Congress with written notice of the determination before undertaking the permanent relocation of the facility, including a description of the response action taken or to be taken in connection with the permanent relocation and a statement of the costs incurred or to be incurred in connection with the permanent relocation.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress the same information on facility relocations for environmental restoration purposes pursuant to sections 2805(b) and 2810(b) of title 10. In addition, relocating the facility would be a requirement for an environmental response action under the Comprehensive Environmental Response, Compensation and Liability Act of 1980. It also is likely that the Environmental Protection Agency and/or equivalent state environmental regulators already would have approved the response action, including facility relocation.

- 1 (70) in section 2805—
- 2 (A) in subsection (b), by striking paragraph (2); and
- 3 (B) by striking the designator "(1)" that precedes the remaining matter;

Section-by-Section Analysis

Report Title: **Unspecified Minor Construction**

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress of a decision to carry out an unspecified minor military construction project costing more than \$500,000. The Secretaries may carry out such a project only after the end of the 21-day period beginning on the date Congress receives the required notification.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (71) in section 2807—
- 2 (A) by striking subsections (b) and (c); and
- 3 (B) by redesignating subsection (d) as subsection (b);

Section-by-Section Analysis

Report Title: **Architectural and Engineering Services and Construction Design**

Report Purpose: The provision in subsection (b) requires the Secretaries of the military departments to notify Congress prior to obtaining architectural and engineering services and construction design in connection with military construction projects for which the estimated cost exceeds \$500,000. The notification must indicate the scope of the proposed project and the estimated cost of such services, and must be sent to Congress not less than 21 days before the initial obligation of funds for such services.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. DoD would prefer to provide Congress with more relevant information in response to specific requests.

Report Title: **Reasons for Increase of Funds for Architectural and Engineering Services and Construction Design**

Report Purpose: The provision in subsection (c) requires the Secretaries of the military departments to submit a report to Congress upon determining that the amount authorized for architectural and engineering services and construction design in connection with military construction projects activities in any fiscal year are insufficient and must be increased. The report must include a statement of the reasons for the increase and a statement of the source of funds to be used for the increase. Such activities may proceed only after a period of 21 days has elapsed from the date Congress receives the required report.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress the same information in the Annual Report to Congress pursuant to section 2861 of title 10.

1 (72) in section 2809—

2 (A) by striking subsection (f);

Section-by-Section Analysis

Report Title: **Long-term Facilities Contracts for Certain Activities and Services**

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress with a written justification of the need to enter into a contract for the procurement of services in connection with the construction, management, and operation of a facility on or near a military installation for the provision of certain specified activities or services. The justification must include an economic analysis (based upon accepted life-cycle costing procedures) that demonstrates the proposed contract is cost effective when compared with alternative means of furnishing the same facility. DoD must wait for a period of 21 calendar days after Congress receives the required justification before entering into such a contract.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress such information in its annual fiscal year budget submission.

1 (73) in section 2811—

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

3 (B) by redesignating subsection (e) as subsection (d);

Section-by-Section Analysis

Report Title: **Repair of Facilities**

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress upon making a decision to carry out a repair project for an entire single-purpose facility or one or more functional areas of a multipurpose facility with an estimated cost in excess of \$10,000,000. The notification must include the justification for the repair project and the current estimate of the cost of the project.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress the same information in the military departments' annual reports, as well as the annual military construction appropriations process.

- 1 (74) in section 2812—
2 (A) in subsection (c), by striking paragraph (1);
3 (B) by striking the designator "(2)" that precedes the remaining matter;

Section-by-Section Analysis

Report Title: Lease-purchase of Facilities

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress, prior to entering into an agreement with a private contractor for the lease of a certain specified facility if the facility is provided at the expense of the contractor on a military installation under the jurisdiction of DoD, with a written justification of the need for the facility for which the proposed lease is being entered into and an economic analysis (based upon accepted life-cycle costing procedures) that demonstrates the cost effectiveness of the proposed lease compared with a military construction project for the same facility. DoD may not enter into such a lease until a period of 21 days has expired following the date on which Congress receives the justification and economic analysis.

Reason the Report Should be Repealed: The report is unnecessary. Due to scoring under the pay-as-you-go requirements of the Omnibus Budget Reconciliation Act, the lease purchase authorized under section 2812 is rare. Other controls already are in place in section 2812 including provisions governing what can be leased and the number of leases that are authorized each year.

- 1 (75) in section 2813—
2 (A) by striking subsection (c);

Section-by-Section Analysis

Report Title: Acquisition of Existing Facilities in Lieu of Authorized Construction - Notice

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress of the determination to acquire an existing facility instead of carrying out an authorized military construction project. The notification must include the reasons for acquiring the facility. DoD may not enter into a contract for the acquisition of a facility until the end of the 30-day period beginning on the date the Secretary transmits such notification to Congress.

Reason the Report Should be Repealed: The report is unnecessary. DoD believes that Congress should entrust the Secretaries of the military departments to manage such acquisition programs consistent with the best interests of DoD and the American people. The required report is an unneeded administrative burden that delays important projects and results in less

efficient government.

1 (76) in section 2815—

2 (A) by repealing this entire section in chapter 169; and

3 (B) by amending the table of section at the beginning of such chapter by

4 striking the item relating to section 2815;

Section-by-Section Analysis

Report Title: **Joint Use Military Construction Projects**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with an annual report that includes a certification from each Secretary of a military department that, in evaluating military construction projects for inclusion in the President's fiscal year budget, the Secretaries evaluated the feasibility of carrying out the projects as joint use military construction projects. This report is due at the same time as the President's fiscal year budget.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress this same information in the justification documents that accompany each military construction project submitted to Congress as part of the President's fiscal year budget.

1 (77) in section 2825—

2 (A) in subparagraph (b)(1)(B)—

3 (i) by striking clause (ii);

4 (ii) by striking ", and" at the end of clause (i); and

5 (iii) by striking the designator "(i)" in the remaining text following
6 "in the preceding sentence if";

7 (B) in subsection (c)(1)—

8 (i) by striking subparagraphs (C) and (D);

9 (ii) by inserting "and" at the end of subparagraph (A); and

10 (iii) by striking the semi-colon at the end of subparagraph (B) and
11 inserting a period;

Section-by-Section Analysis

Report Title: **Improvements to Family Housing**

Report Purpose: The provision in subsection (b) requires the Secretaries of the military departments to notify Congress of a proposed waiver of the existing restriction that DoD may not expend funds for the improvement of any single family housing unit, or for the improvement of two or more housing units that are to be converted into or are to be used as a single family housing unit, if the cost per unit of such improvement in the case of improvements necessary to make the unit suitable for habitation for a handicapped person will exceed \$60,000 multiplied by the area construction cost index as developed by DoD for the location concerned at the time of the contract award. Prior to expending funds, DoD must wait for a period of 21 days after the date on which Congress has received notice from the Secretaries of the military departments of the proposed waiver and an economic analysis demonstrating that the improvement will be cost effective.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress the same information in its annual reports and through the annual authorization and appropriations processes.

Report Title: **Construction in Lieu of Improving Family Housing Units**

Report Purpose: The provision in subsection (c) requires the Secretaries of the military departments to notify Congress prior to constructing replacement military family housing units in lieu of improving existing military family housing units. The notification must include an economic analysis demonstrating that the improvement project would exceed 70 percent of the cost of constructing replacement housing units intended for members of the armed forces in the same paygrade or grades as the members who occupy the existing housing units, and, if the replacement housing units are intended for members of the armed forces in a different pay grade or grades, justification of the need for the replacement housing units based upon the long-term requirements of the armed forces in the location concerned. DoD only may initiate such construction after a period of 21 days elapses after the date on which the Secretary submits to Congress the required notice.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress the same information in its annual reports and through the annual authorization and appropriations processes.

- 1 (78) in section 2826—
- 2 (A) by striking subsection (b); and
- 3 (B) by redesignating subsections (c) through (i) as subsections (b) through
- 4 (h), respectively;

Section-by-Section Analysis

Report Title: **Inclusion of Net Square Footage Comparisons in Requests to Congress to Build Military Family Housing**

Report Purpose: The provision requires the Secretaries of the military departments to provide information to Congress on the net floor area of each unit of military family housing to be constructed, acquired, or improved in each request to Congress for authority to carry out such construction, acquisition, or improvement of military family housing.

Reason the Report Should be Repealed: The information DoD must provide to Congress is unnecessary and redundant. DoD believes that Congress should entrust the Secretaries of the military departments to manage such construction programs consistent with the best interests of DoD and the American people. DoD already provides Congress the same information in its fiscal year budget justification. Further, DoD already provides Congress this same information in the justification documents that accompany each military construction project submitted to Congress as part of the President's fiscal year budget.

- 1 (79) in section 2827—
- 2 (A) by striking subsection (b); and
- 3 (B) by striking "(a) Subject to subsection (b), the Secretary" and inserting
- 4 "The Secretary";

Section-by-Section Analysis

Report Title: **Relocation of Military Family Housing Units**

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress prior to awarding a contract to carry out a relocation of military family housing units from any location where the number of such units exceeds requirements for military family housing to any military installation where there is a housing shortage. The notification must include the proposed new locations of the housing units and the estimated cost of and source of funds for the relocation. DoD only may award such a contract after a period of 21 days elapses after the date on which the Secretary submits to Congress the required notice.

Reason the Report Should be Repealed: The report is unnecessary. The source of funds for such contracts typically is either the improvements or maintenance accounts of the family housing appropriation. DoD already must make separate reports to Congress if expenditures from either account exceeds certain thresholds.

- 1 (80) in section 2828—

- 1 (A) by striking subsection (f); and
2 (B) by redesignating subsection (g) as subsection (f);

Section-by-Section Analysis

Report Title: Leasing of Military Family Housing

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress with written notification prior to making a lease for family housing facilities, or for real property related to family housing facilities, in a foreign country for which the average estimated annual rental during the term of the lease exceeds \$500,000. The notification must include a discussion of the facts concerning the proposed lease. DoD only may make such a lease after a period of 21 days elapses after the date on which the Secretary submits to Congress the required notice.

Reason the Report Should be Repealed: The report is unnecessary. DoD believes that Congress should entrust the Secretaries of the military departments to manage military family housing programs consistent with the best interests of DoD and the American people.

- 1 (81) in section 2835—
2 (A) by striking subsections (b) and (g);
3 (B) by redesignating subsections (c) through (h) as subsections (b) through
4 (f), respectively; and
5 (C) in subsection (a), by striking "Subject to subsection (b), the Secretary"
6 and inserting "The Secretary";

Section-by-Section Analysis

Report Title: Long-Term Leasing of Military Family Housing to Be Constructed

Report Purpose: The provision in subsection (b) requires the Secretary of Defense to provide Congress with materials that identify the military housing projects to be constructed or rehabilitated to residential use near a military installation within the United States under the Secretary's jurisdiction at which there is a shortage of family housing. DoD must provide the materials to Congress along with its annual fiscal year budget submission.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress information regarding lease contracts for military housing projects in its annual fiscal year budget submission.

Report Title: Notice of Long-Term Leasing of Military Family Housing to be Constructed

Report Purpose: The provision in subsection (g) requires the Secretary of Defense to provide Congress, prior to entering a contract for the lease of family housing units to be constructed or rehabilitated to residential use near a military installation within the United States under the Secretary's jurisdiction at which there is a shortage of family housing, with a report on the economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed contract is cost effective when compared with alternative means of furnishing the same housing facilities. DoD only may enter such a contract after a period of 21 days elapses after the date on which the Secretaries submit to Congress the required report.

Reason the Report Should be Repealed: The report is obsolete. DoD no longer enters into such contracts.

- 1 (82) in section 2836—
- 2 (A) in subsection (a), by striking "Subject to subsection (b), the Secretary"
- 3 and inserting "The Secretary";
- 4 (B) by striking subsection (b);
- 5 (C) by striking subsection (f); and
- 6 (D) by redesignating subsections (c) through (g) as subsections (b)
- 7 through (e), respectively;

Section-by-Section Analysis

Report Title: Military Housing Rental Guarantee Program - Submission and Authorization

Report Purpose: The provision in subsection (b) requires the Secretary of Defense to provide Congress with materials that identify any agreement DoD enters to assure the occupancy of rental housing to be constructed or rehabilitated to residential use by a private developer or by a State or local housing authority on private land, on land owned by a State or local housing authority on private land, on land owned by a State or local government, or on land owned by the United States, if the housing is to be located on or near a new military installation or an existing military installation that has a shortage of housing to meet the requirements of eligible members of the armed forces (with or without accompanying dependents). DoD must provide the materials to Congress along with its annual fiscal year budget submission.

Reason the Report Should be Repealed: The report is redundant. DoD already provides

Congress information regarding contracts for military housing projects in its annual fiscal year budget submission.

Report Title: Military Housing Rental Guarantee Program - Notice and Wait Requirement

Report Purpose: The provision in subsection (f) requires the Secretary of Defense to provide Congress, prior to entering an agreement to assure the occupancy of rental housing to be constructed or rehabilitated to residential use by a private developer or by a State or local housing authority on private land, on land owned by a State or local housing authority on private land, on land owned by a State or local government, or on land owned by the United States, if the housing is to be located on or near a new military installation or an existing military installation that has a shortage of housing to meet the requirements of eligible members of the armed forces (with or without accompanying dependents), with a report containing an economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed agreement is cost effective when compared with alternative means of furnishing the same housing facilities. DoD only may enter such an agreement after a period of 21 days elapses after the date on which the Secretaries submit to Congress the required report.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress information regarding such agreements involving military housing projects in its annual fiscal year budget submission.

- 1 (83) in section 2837—
- 2 (A) in subsection (c)—
- 3 (i) by striking paragraph (2); and
- 4 (ii) by striking the designator "(1)" after the catchline and
- 5 preceding the remaining matter;
- 6 (B) by striking subsection (f); and
- 7 (C) by redesignating subsections (g) and (h) as subsections (f) and (g),
- 8 respectively;

Section-by-Section Analysis

Report Title: Limited Partnerships with Private Developers of Housing - Selection of Investment Opportunities

Report Purpose: The provision in subsection (c) requires the Secretaries of the military

departments to provide Congress, upon deciding to enter into a limited partnership with one or more private developers to encourage the construction of housing and accessory structures within commuting distance of an installation in order to meet the housing requirements of members of the armed forces, and the dependents of such members, with a report that includes the justification for the limited partnership, the terms and conditions of the limited partnership, a description of the development costs for project under the limited partnership, and a description of the share of such costs to be incurred by the Secretary. DoD only may enter such a limited partnership after a period of 21 days elapses after the date on which the Secretaries submit to Congress the required report.

Reason the Report Should be Repealed: The report is unnecessary. DoD rarely enters such limited partnerships, and most housing privatization is carried out under the authority of sections 2871-2885 of title 10. Section 2837(d) of title 10 limits expenditures in the account to "such amounts as are provided in advance in appropriation Acts." In short, DoD already provides Congress with similar information whenever it requests Congress to provide authority to expend funds in accordance with section 2837(d).

Report Title: **Defense Housing Investment Account**

Report Purpose: The provision in subsection (f) requires the Secretaries of the military departments to provide Congress with a joint, annual report, not later than 60 days after the end of each fiscal year in which activities are carried out under this section, on the Defense Housing Investment Account specifying the amount and nature of all deposits into, and the expenditures from, the account during such fiscal year and of the amount and nature of all other expenditures made pursuant to such section during such fiscal year.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome.

- 1 (84) in section 2853—
- 2 (A) in subsection (c), by striking paragraphs (2) and (3);
- 3 (B) in the remaining matter, by striking the designator "(1)" and the dash
- 4 and realigning the paragraph to read as a subsection; and
- 5 (C) by striking the semi-colon at the end of the remaining matter and
inserting a period;

Section-by-Section Analysis

Report Title: **Authorized Cost Variations**

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress with notification regarding the increase in cost or reduction in scope of a military construction project, or the construction, improvement, and acquisition of a military family housing project. Specifically, DoD must notify Congress of any increase in cost of more than 25 percent of the amount appropriated for such project or 200 percent of the minor construction project ceiling specified in section 2805(a)(1) of title 10, United States Code, whichever is less, or reduction in the cost authorized for and the reasons therefore. DoD also must notify Congress of any reduction in the scope of work of more than 25 percent from the amount approved by Congress for that project, construction, improvement, or acquisition. In the event of such an increase in cost or reduction in the scope of work, DoD may not proceed with a project unless the Secretaries approve the increase in cost or reduction in scope, and a period of 21 days has elapsed after the date on which the Secretaries submit to Congress the required notification.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress with the same information in a separate annual report to Congress in accordance with section 2861 of title 10. DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (85) in section 2854—
- 2 (A) by striking subsection (b); and
- 3 (B) by striking "(a) Subject to subsection (b), the" in the preceding matter
- 4 and inserting "The";

Section-by-Section Analysis

Report Title: **Restoration or Replacement of Damaged or Destroyed Facilities**

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress upon making a decision to carry out construction to repair, restore, or replace a facility under their respective jurisdictions, including a family housing facility, that has been damaged or destroyed, and the cost of the repair, restoration, or replacement is greater than the maximum amount for a minor construction project. The notification must include the justification for the project, the current estimate of the cost of the project, and the source of funds for the project. DoD only may carry out such construction after the end of the 21-day period beginning on the date Congress receives the required notification.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. DoD believes that Congress should entrust the Secretaries of the military departments to manage such construction consistent with the best interests of DoD and the American people. To eliminate the unneeded administrative burden associated with preparing these notifications, DoD would prefer to provide Congress with more relevant information in

response to specific requests.

- 1 (86) in section 2854a—
2 (A) by striking subsection (c); and
3 (B) by redesignating subsections (d) through (g) as subsections (c) through
4 (f), respectively;

Section-by-Section Analysis

**Report Title: Conveyance of Damaged or Deteriorated Military Family Housing;
Use of Proceeds**

Report Purpose: The provision requires the Secretaries of the military departments to provide Congress, prior to entering an agreement to convey any family housing facility that, due to damage or deterioration, is in a condition that is uneconomical to repair, with a report justifying the conveyance under the agreement, including an estimate of the consideration to be provided the United States under the agreement, an estimate of the cost of repairing the family housing facility to be conveyed, and an estimate of the cost of replacing the family housing facility to be conveyed. DoD may not enter into such an agreement until after a period of 21 calendar days has elapsed after the date Congress receives the required report.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. DoD believes that Congress should entrust the Secretaries of the military departments to manage such conveyances consistent with the best interests of DoD and the American people. To eliminate the unneeded administrative burden associated with preparing these notifications, DoD would prefer to provide Congress with more relevant information in response to specific requests.

- 1 (87) in section 2865—
2 (A) in subsection (e), by striking paragraph (2); and
3 (B) by striking subsection (f); and
4 (C) by striking designator (1) after the catch line;

Section-by-Section Analysis

Report Title: Energy Conservation Construction Projects

Report Purpose: The provision in subsection (e) requires the Secretary of Defense to notify Congress upon making a decision to carry out a military construction project for energy

conservation, not previously authorized, using funds appropriated or otherwise made available for that purpose. DoD only may carry out such a military construction project after a period of 21 calendar days has elapsed after the date Congress receives the required notification.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. The administrative burden associated with this report caused unneeded delay in the execution of a number of projects, including renovation of the Pentagon. DoD believes that Congress should entrust the Secretaries of the military departments to manage such construction consistent with the best interests of DoD and the American people. Instead of preparing these burdensome notifications, DoD would prefer to provide Congress with more relevant information in response to specific requests.

Report Title: **Energy Savings at Military Installations**

Report Purpose: The provision in subsection (f) requires the Secretary of Defense to provide Congress with a report, not later than December 31 of each year, describing actions taken to carry out energy savings at military installations, and the savings realized for the fiscal year ending in the year in which the report is made.

Reason the Report Should be Repealed: This report is redundant. DoD already provides Congress with similar information in separate reports, including the "Annual Energy Management Report" recently mandated by Congress in the National Defense Authorization Act for Fiscal Year 2002.

- 1 (88) in section 2866—
- 2 (A) in subsection (c), by striking paragraph (2); and
- 3 (B) by striking designator (1) after the catch line;

Section-by-Section Analysis

Report Title: **Water Conservation at Military Installations**

Report Purpose: The provision requires the Secretary of Defense to notify Congress upon making a decision to carry out a military construction project for water conservation, not previously authorized, using funds appropriated or otherwise made available to the Secretary for water conservation. DoD only may carry out such a military construction project after a period of 21 calendar days has elapsed after the date Congress receives the required notification.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. The administrative burden associated with this report caused unneeded delay in the execution of a number of projects. DoD believes that Congress should entrust the Secretaries of the military departments to manage such construction consistent with the best interests of DoD and the American people. Instead of preparing these burdensome notifications, DoD would

prefer to provide Congress with more relevant information in response to specific requests.

1 (89) in section 2867—

2 (A) by striking subsection (c);

Section-by-Section Analysis

**Report Title: Sale of Electricity from Alternate Energy and Cogeneration
Production Facilities**

Report Purpose: The provision requires the Secretaries of the military departments to notify Congress before carrying out military construction projects under the energy performance plan developed by the Secretary of Defense under section 2865(a) of title 10, United States Code, including minor military construction projects authorized under section 2805 of title 10, United States Code, that are designed to increase energy conservation. The notification must include the justification for the project and the estimated cost of the project. DoD only may carry out such a military construction project after a period of 21 calendar days has elapsed after the date Congress receives the required notification.

Reason the Report Should be Repealed: The report is obsolete. Since 1984, when Congress first mandated this report, DoD regularly provides Congress with the requested information as part of the military construction authorization and appropriations process.

1 (90) in section 2875—

2 (A) by striking subsection (e);

Section-by-Section Analysis

Report Title: Investments

Report Purpose: The provision requires the Secretary of Defense to notify Congress prior to using amounts in the DoD Family Housing Improvement Fund or the DoD Military Unaccompanied Housing Improvement Fund to make a cash investment in an eligible entity carrying out projects for the acquisition or construction of housing units suitable for use as military family housing or as military unaccompanied housing. The notification must include the justification for the investment. DoD only may use amounts from these funds to make a cash investment after the end of the 30-day period beginning on the date Congress receives the required notification.

Reason the Report Should be Repealed: The report is redundant and overly burdensome. DoD already provides Congress with such information as part of separate reports required by this subchapter of title 10. DoD expends 10 man-days each year to prepare the report. Instead of preparing this burdensome, recurring report, DoD would prefer to provide Congress with more

relevant information in response to specific requests.

1 (91) in section 2884—

2 (A) by striking subsection (b);

3 (B) by striking the designator "(1)" that follows the catchline in the
4 remaining matter;

5 (C) by striking the designator before subparagraph (2) and inserting "(b)
6 CONTENT OF REPORTS.—" to redesignate that subparagraph as a sub-section;

7 (D) by amending the section title to read: "§ 2884. Project reports"; and

8 (E) by amending the table of sections at the beginning of such chapter 169
9 by replacing the item relating to section 2884 with the following new item:

10 "2884. Project reports.";

Section-by-Section Analysis

Report Title: Department of Defense Housing Funds

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report on the expenditures and receipts during the preceding year covering the DoD Family Housing Improvement Fund and the DoD Military Unaccompanied Housing Improvement Fund; a methodology for evaluating the extent and effectiveness of the use of alternative authorities for acquisition and improvement of military housing during the preceding fiscal year; and a description of DoD's objectives for providing military family housing and military unaccompanied housing for members of the armed forces. DoD must provide the report to Congress along with its annual fiscal year budget submission.

Reason the Report Should be Repealed: The report is unnecessary. DoD already provides Congress with this information, including expenditures, receipts, and financial statements, as part of its annual fiscal year budget submission. Instead of preparing this burdensome, annual report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (92) in section 2902—

2 (A) in subsection (g), by striking paragraph (2); and

1 (B) by striking designator (1) after the catch line;

Section-by-Section Analysis

Report Title: **Strategic Environmental Research and Development Program Council**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with the annual report prepared by the Strategic Environmental Research and Development Program Council, along with such comments as the Secretary considers appropriate. The report is due not later than March 15 of each year.

Reason the Report Should Be Repealed: The report is unnecessary. DoD would prefer to forward Congress the Council's annual report without requiring additional input from the Secretary of Defense. The Secretary would exercise discretion regarding whether to provide further comment on the Council's annual report.

1 (93) in section 5143—

2 (A) by striking subsection (e);

Section-by-Section Analysis

Report Title: **Annual Report of the Chief of Naval Reserve**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with an annual report prepared by the Chief of Naval Reserve on the state of the Naval Reserve and the ability of the Naval Reserve to meet its missions, together with such comments on the report as the Secretary considers appropriate. The report is due at the same time DoD submits to Congress its annual fiscal year budget.

Reason the Report Should be Repealed: The report is redundant and overly burdensome. DoD already provides Congress the same information in numerous other reports submitted annually to Congress. DoD expends 12 man-days each year to prepare the report. Instead of preparing this burdensome, annual report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (94) in section 6954—

2 (A) by striking subsection (f); and

3 (B) by redesignating subsection (g) as subsection (f);

Section-by-Section Analysis

Report Title: Nomination of Persons to the U.S. Naval Academy

Report Purpose: The provision requires the Secretary of the Navy to provide to any member of Congress, upon the written request of such member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.

Reason the Report Should be Repealed: The report is unnecessary. DoD would prefer that Congress eliminate an unneeded administrative burden by seeking such information directly from the U.S. Naval Academy.

- 1 (95) in section 7049—
- 2 (A) by striking subsection (c); and
- 3 (B) by redesignating subsections (d) through (g) as subsections (c) through
- 4 (f), respectively;

Section-by-Section Analysis

Report Title: Defense Industry Civilians: Admission to Defense Product Development Program

Report Purpose: The provision requires the Secretary of the Navy to provide Congress with a certification that defense industry employees are eligible to receive instruction at the Naval Postgraduate School during any academic year because such instruction will further the military mission of the school, will enhance the ability of the Department of Defense and defense-oriented private sector contractors engaged in the design and development of defense systems to reduce the product and project lead times required to bring such systems to initial operational capability, and will be done on a space-available basis and not require an increase in the size of the faculty of the school, an increase in the offerings of the school, or an increase in the laboratory facilities or other infrastructure of the school. The certification is due before the start of the academic year.

Reason the Report Should be Repealed: The report is unnecessary. DoD would prefer that Congress eliminate an unneeded administrative burden by seeking such information directly from the U.S. Naval Postgraduate School.

- 1 (96) in section 9356—
- 2 (A) by striking subsection (c);
- 3 (B) by redesignating subsections (d) and (e) as subsections (c) and (d),

1 respectively; and
2 (C) in subsection (a), by striking "Subject to subsection (c), the Secretary"
3 and inserting "The Secretary";

Section-by-Section Analysis

Report Title: Acceptance of Guarantees with Gifts for Major Projects

Report Purpose: The provision requires the Secretary of the Air Force to provide Congress with a report before accepting from a donor or donors a qualified guarantee for the completion of a major project for the benefit of the U.S. Air Force Academy. DoD may not accept such a qualified guarantee until 30 days expire following the date DoD submits the required report to Congress.

Reason the Report Should be Repealed: The report is unnecessary. A qualified guarantee is a standard banking practice that is used throughout the United States for substantial donations to universities and colleges. The banking industry will not provide the guarantee without careful consideration of the underlying plans.

1 (97) in section 9514—
2 (A) by striking subsection (c);
3 (B) by striking subsection (f); and
4 (C) by redesignating subsection (g) as subsection (f);

Section-by-Section Analysis

Report Title: Indemnification of Department of Transportation for Losses Covered by Defense-Related Aviation Insurance

Report Purpose: The provision in subsection (c) requires the Secretary of Defense to notify Congress in the event of a loss that is covered by defense-related aviation insurance in the case of an accident in which the covered loss is (or is expected to be) in an amount in excess of \$1,000,000, as soon after the occurrence of the loss as possible, and in no event more than 30 days after the date of the loss. The Secretary also must provide Congress with semi-annual reports with all pertinent information and updates on each such accident.

Reason the Report Should be Repealed: The report is overly burdensome and provides information readily available to Congress through alternative sources. Instead of preparing this burdensome, annual report, DoD would prefer to provide Congress with more relevant information in response to specific requests.

Report Title: **Contingent Liabilities**

Report Purpose: The provision in subsection (f) requires the Secretary of Defense to provide Congress with a report, not later than March 1 of each year, setting forth the current amount of the contingent outstanding liability of the United States under the insurance program established at chapter 443 of title 49, United States Code, that allows the Secretary of Transportation to provide insurance or reinsurance against loss or damage arising out of any risk from the operation of an American aircraft or foreign-flag aircraft outside the United States.

Reason the Report Should be Repealed: The report is overly burdensome and provides information readily available to Congress through alternative sources. Instead of preparing this burdensome, annual report, DoD would prefer to provide Congress with more relevant information in response to a request regarding a specific incident or loss.

- 1 (98) in section 12302—
- 2 (A) in subsection (b), by striking the last sentence; and
- 3 (B) by striking subsection (d).

Section-by-Section Analysis

Report Title: **Ready Reserve Order to Active Duty in Time of National Emergency - Policies and Procedures**

Report Purpose: The provision in subsection (b) requires the Secretary of Defense to provide Congress with an annual report on the policies and procedures he considers necessary to achieve fair treatment as between members in the Ready Reserve who are being considered for recall to duty without their consent.

Reason the Report Should be Repealed: The report is obsolete. Congress originally mandated this report in the 1950's when the Reserve component was far different than it is today. With the advent of the all volunteer force, significantly increased integration, and standardization of training, equipment, and deployment methods, DoD has established a proven record of achieving fair treatment of the members of the Ready Reserve.

Report Title: **Ready Reserve Order to Active Duty in Time of National Emergency - Annual Report**

Report Purpose: The provision in subsection (d) requires the President to provide Congress with a report whenever one or more units of the Ready Reserve are ordered to active duty. The report must include a statement of the mission of each such unit ordered to active duty, an evaluation of such unit's performance of that mission, where each such unit is being deployed at the time of the report, and such other information regarding each unit as the President deems appropriate. The report is due on the first day of the second fiscal year quarter

immediately following the quarter in which the first unit or units are ordered to active duty and on the first day of each succeeding six-month period thereafter, so long as such unit is retained on active duty.

Reason the Report Should be Repealed: The report is redundant and overly burdensome. DoD already informs Congress whenever it orders to active duty a Reserve component unit. Instead of preparing this burdensome, annual report, DoD would prefer to provide Congress with more relevant, timely information in response to a request regarding the status of specific Reserve units.

- 1 (99) for section 16137—
- 2 (A) by repealing this entire section in chapter 1606; and
- 3 (B) by amending the table of sections at the beginning of such chapter by
- 4 striking the item relating to section 16137.

Section-by-Section Analysis

Report Title: **Educational Assistance for Members of the Select Reserve**

Report Purpose: The provision requires the Secretary of Defense to provide Congress with a report, no later than March 1 of each odd-numbered year, concerning the operation of the program to provide educational assistance to members of the Selected Reserve of the Ready Reserve of the armed forces who agree to remain members of the Selected Reserve for a period of not less than six years. The report must include the number of members of the Selected Reserve of the Ready Reserve of each armed force receiving, and the number entitled to receive, educational assistance during the preceding two fiscal years.

Reason the Report Should be Repealed: The report is unnecessary. Fifteen years have passed since Congress originally mandated this report, and DoD has established a proven record of achieving the goals of this educational assistance program. Instead of preparing this burdensome report, DoD would prefer to provide Congress with more relevant, timely information in response to specific requests.

- 1 (b) FOREIGN ASSISTANCE ACT OF 1961. Section 656 of the Foreign Assistance Act of
- 2 1961 (Public Law 87-195) is repealed.

Section-by-Section Analysis

Report Title: **Foreign Military Training**

Report Purpose: The provision in Section 656 requires the Secretary of Defense and the

Secretary of State jointly to provide Congress with an annual report, not later than January 31 of each year, on all military training provided to foreign military personnel during the previous fiscal year and all such training proposed for the current fiscal year.

Reason the Report Should be Repealed: This report is overly burdensome. The Fiscal Year 2002 report consisted of more than 1,500 pages, reporting more than 49,500 different training events. Personnel needed to coordinate, review, staff and compile the report included approximately 4 action officers from the Defense Security Cooperation Agency; 7 action officers and information technology personnel from each of the Military Departments and from the respective service training field activities; 1-2 people in each Security Assistance Organization worldwide; 1-2 people from each Unified Command; and action and regional officers from the Joint Chiefs of Staff, Office of Secretary of Defense, the Department of Defense, and the Department of State. The net effort amounted to approximately 24 work years. The report costs approximately 1.8 million dollars to produce. DoD believes it would be more efficient and cost effective to respond to specific Congressional requests instead of providing this overly burdensome annual report.

1 (c) DEFENSE ACQUISITION IMPROVEMENT ACT OF 1986.—Section 908 of the Defense
2 Acquisition Improvement Act of 1986 (as contained in section 101(c) of Public Law 99-500 and
3 identically enacted in section 101(c) [title X] of Public Law 99-591 and title IX of division A of
4 Public Law 99-661) (10 U.S.C. 2326 note) is amended by striking subsection (b).

Section-by-Section Analysis

Report Title: **Audits of Undefinitized Contractual Actions**

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report on the management of undefinitized contractual actions by the Secretaries of the military departments, following a DoD Inspector General periodic audit of contractual actions under the jurisdiction of the Secretary of Defense, including the Defense Logistics Agency.

Reason the Report Should be Repealed: The report is overly burdensome and produces information of minimal utility. DoD would prefer that the DoD Inspector General use his finite resources to plan and conduct special audits based on greatest program risk and highest potential return.

1 (d) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND
2 1989.—Section 1121 of the National Defense Authorization Act for Fiscal Years 1988 and 1989
3 (Public Law 100-180; 101 Stat. 1147)(10 U.S.C. 113 note) is amended—

- 1 (1) by striking subsection (f); and
2 (2) by redesignating subsections (g) and (h) as subsections (f) and (g),
3 respectively.

Section-by-Section Analysis

Report Title: Counter-Intelligence Polygraph Program

Report Purpose: This provision requires the Secretary of Defense to provide Congress with an annual report on the polygraph examinations conducted by DoD during the previous fiscal year. The report must include a statement of the number of polygraph examinations administered; a description of the purposes and results of such examinations; a description of the criteria used for selecting programs and persons for examination; a statement of the number of persons who refused to submit to such an examination and a description of the actions taken as a result of their refusal; a statement of the number of persons for which such an examination indicated deception and the action taken as a result; and a detailed accounting of those cases in which more than two such examinations were needed to attempt to resolve discrepancies and those cases in which the examination of a person extended over more than one day.

Reason the Report Should be Repealed: The report is unnecessary and overly burdensome. DoD already is vigilant in ensuring that it administers polygraphs in full compliance with applicable law. Instead of preparing this burdensome report, DoD would prefer to provide Congress with more relevant, timely information in response to specific requests.

- 1 (e) DEFENSE AUTHORIZATION AMENDMENTS AND BASE CLOSURE AND REALIGNMENT
2 ACT OF 1990.—Section 206 of the Defense Authorization Amendments and Base Closure and
3 Realignment Act of 1990 (Public Law 100-526; 102 Stat. 2631) (10 U.S.C. 2687) is repealed.

Section-by-Section Analysis

Report Title: Base Realignment and Closure (BRAC)

Report Purpose: This provision requires the Secretary of Defense to provide Congress with a report that includes: (1) a schedule of the closure and realignment actions carried out in that fiscal year, and an estimate of the total expenditures required and cost savings to be achieved by each such closure and realignment and of the time period in which these savings are to be achieved in each case, together with the Secretary's assessment of the environmental effects of such actions; and (2) a description of the military installations, including those under construction and those planned for construction, to which DoD will transfer functions as a result of such closures and realignments, together with the Secretary's assessment of the environmental effects of such transfers. DoD must provide the report along with its annual fiscal year budget

submission.

Reason the Report Should be Repealed: The report is obsolete. DoD has completed all base closures authorized by this act.

1 (f) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991.—The National
2 Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1607, 1819, and
3 1822, respectively) is amended –

4 (1) in section 831, by striking subsection (l);

5 (2) in section 2921, by striking subsections (e), (f), (g)(1), and (g)(2); and

6 (3) in section 2926, by striking subsection (g).

Section-by-Section Analysis

Report Title: **Mentor-Protege Pilot Program**

Report Purpose: The provision in Section 831 (10 U.S.C. 2301 note) requires the Secretary of Defense to provide Congress with an annual report on DoD’s Mentor-Protege program, which involves large defense contractors that agree to provide specified assistance to small or disadvantaged subcontractors for that fiscal year. The report is due not later than 6 months after the end of each of fiscal year, beginning in 2000 and continuing through 2007.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of minimal utility. In addition to the human resources expended to prepare this report, DoD expends approximately \$8,000 for printing costs. Instead of preparing this burdensome report, DoD would prefer to provide Congress with more relevant, timely information in response to specific requests.

Report Title: **Negotiations for Payment-In-Kind with Host Countries**

Report Purpose: The provision in Section 2921(e) requires the Secretary of Defense to notify Congress before entering into negotiations with a host country regarding the acceptance by the United States of any payment-in-kind in connection with the release to the host country of improvements made by the United States at military installations in the host country or payment-in-kind compensation.

Reason the Report Should be Repealed: The report is unnecessary. DoD has been negotiating payment-in-kind for more than ten years, and has established a proven record of managing this program effectively and efficiently. DoD has realized savings of approximately \$391 million from payment-in-kind returns and an additional \$487 million in payment-in-kind as

part of the return of Rhein Main Air Base, Germany.

Report Title: Residual Value: OMB Review Of Proposed Settlements

Report Purpose: The provision in Section 2921(f) requires the Secretary of Defense to provide Congress with a report on proposed settlement agreements with host nations for the release of improvements having value in excess of \$10,000,000, made by the U.S. to facilities at an installation located in these host countries, not previously reviewed beforehand by the Director of the Office of Management and Budget (OMB).

Reason the Report Should be Repealed: The report is unnecessary. DoD already works closely with the Office of Management and Budget to ensure that the United States receives appropriate residual value compensation.

Report Title: Residual Value: Payments-In-Kind (Military Construction/Facility Improvement)

Report Purpose: The provision in Section 2921(g)(1) requires the Secretary of Defense to notify Congress not less than 30 days before concluding an agreement for acceptance of military construction or facility improvements as a payment-in-kind.

Reason the Report Should be Repealed: The report is unnecessary. DoD already has achieved nearly all overseas facility returns. DoD believes that Congress should entrust the Secretary to manage these agreements consistent with the best interests of DoD and the American people. Instead of preparing this burdensome notification, DoD would prefer to provide Congress with more relevant information in response to specific requests.

Report Title: Residual Value: Payments-In-Kind (Host Nation Payment Of Operating Costs)

Report Purpose: The provision in Section 2921(g)(2) requires the Secretary of Defense to notify Congress before taking any action to close or realign a military installation. The notification must include an evaluation of the fiscal, local, economic, budgetary, environmental, strategic, and operational consequences of such closure or realignment. DoD only may take action after a period of 30 legislative days expires following the day Congress receives the required notification.

Reason the Report Should be Repealed: The report is unnecessary. When DoD receives payment-in-kind from host nations, it receives compensation in the form of host-nation funded construction rather than operating costs. It is highly unlikely that DoD would receive payment-in-kind in the form of host nation payments of operating costs in the future.

Report Title: Contracts For Certain Environmental Restoration Activities

Report Purpose: The provision in Section 2926(g) (10 U.S.C. 2687 note) requires the Secretary of Defense to provide Congress with a report, to be contained within the annual report to Congress required by section 2706 of title 10, United States Code, regarding DoD's environmental quality programs and other environmental activities, which shall include a description of the progress made during the preceding fiscal year in implementing and accomplishing the goals of improving the efficiency and effectiveness of the base closure environmental restoration program.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress with such information through other means. DoD would prefer to respond to specific Congressional requests in order to provide more timely and useful information.

1 (g) DEFENSE ECONOMIC ADJUSTMENT, DIVERSIFICATION, CONVERSION, AND
2 STABILIZATION ACT OF 1990.—Section 4004 of the Defense Economic Adjustment,
3 Diversification, Conversion, and Stabilization Act of 1990 (Public Law 101-510; 104 Stat. 1849)
4 is amended by striking paragraph (c)(3).

Section-by-Section Analysis

Report Title: Defense Economic Adjustment Planning

Report Purpose: This provision requires the Defense Economic Adjustment Committee to provide the President and Congress with a report, not later than December 1 of each year, that describes Federal economic adjustment programs available to communities, businesses, and groups of workers; describes the implementation of defense economic adjustment assistance during the preceding fiscal year; and specifies the number of communities, businesses, and workers affected by defense budget reductions during the preceding fiscal year and such number assisted by Federal economic adjustment programs during that fiscal year.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. The Economic Adjustment Committee's activities respond to adverse impacts of defense activities. These events do not occur every year or at predictable times. Therefore, compiling accurate and timely information is particularly difficult. In addition, DoD provides related information to Congress through alternative means, such as published Base Realignment and Closure announcements, the Catalog of Federal Domestic Assistance report of programs, and various General Accounting Office reports.

1 (h) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993.—The
2 National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105
3 Stat. 1411 and 1562, respectively) is amended—

1 (1) in section 734—
2 (A) by striking subsection (c); and
3 (B) by redesignating subsections (d) through (f) as subsections (c)
4 through (e), respectively; and
5 (2) by repealing section 2868.

Section-by-Section Analysis

Report Title: Registry of Members of the Armed Forces Who Were Exposed to Fumes From Burning Oil in Connection with Operation Desert Storm

Report Purpose: The provision in Section 734 (10 U.S.C. 1074 note) requires the Secretary of Defense to provide Congress with an annual report on the results of all on-going studies on the members of the armed forces who were exposed to fumes from burning oil in connection with Operation Desert Storm, to determine the health consequences, including any short- or long-term consequences, of the exposure of such members to the fumes of burning oil; and the need for additional studies related to the exposure of such members to such fumes. DoD must provide the report at or about the time that the President submits the fiscal year budget.

Reason the Report Should be Repealed: The report is obsolete. Since the Army Office of the Surgeon General provided a report regarding Burning Oil Exposure to the Congress in 1993, DoD has not received any substantial information to add to the registry on this subject.

Report Title: Military Construction for Facilities Supporting New Weapons Systems

Report Purpose: The provision in Section 2868 (10 U.S.C. 2802 note) requires the Secretary of Defense to provide Congress with a report on military construction for the permanent basing of a new weapon system describing the site or sites selected or planned for that weapon system; the rationale for selecting such site or sites; and the military construction activities proposed for each such site. DoD must provide the report at or about the time that the President submits the fiscal year budget.

Reason the Report Should be Repealed: The report is redundant. DoD already provides Congress with such information in the materials that accompany its annual fiscal year budget.

1 (i) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—The National
2 Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2367, 2439,
3 2516, and 2609 respectively) is amended—

1 (1) in section 324, by striking subsection (b), and by striking the designator “(a)”
2 prior to “Sense of Congress” in the remaining matter;
3 (2) in section 722, by striking subsection (d);
4 (3) in section 1082(b)—
5 (A) by striking subparagraph (1)(B);
6 (B) by striking the dash in subsection (b) of section 1082; and
7 (C) by striking the designator “(A)” preceding the remaining matter, and
8 realigning it to read as a paragraph; and
9 (4) in section 2827—
10 (A) by striking subsection (b); and
11 (B) by redesignating subsection (c) as subsection (b).

Section-by-Section Analysis

Report Title: Overseas Environmental Restoration

Report Purpose: The provision in Section 324 (10 U.S.C. 2701 note) requires the Secretary of Defense to include in each annual *Report on Allied Contributions to the Common Defense* provided to Congress information, in classified and unclassified form, describing the efforts undertaken and the progress made by the President in carrying out environmental restoration activities at military installations outside the United States during the period covered by the report.

Reason the Report Should be Repealed: The report is unnecessary. DoD’s overseas environmental restoration constitutes only a minimal portion of its overseas operational expenses. The cost of producing the report far outweighs the benefit of the meager information it provides.

Report Title: Recommendations of the Working Group

Report Purpose: The provision in Section 722 (10 U.S.C. 1073 note) requires a joint services working group on the provision of military health care to provide Congress and the Secretary of Defense with a report of the group’s recommendations regarding alternative means for continuing to provide accessible health care to persons who receive health care at military installations that are closing or that will be realigned.

Reason the Report Should be Repealed: This report is obsolete due to the implementation of new health care benefits such as TRICARE for Life.

Report Title: **Participation of DoD in Overseas Trade Shows and Military Exhibitions**

Report Purpose: The provision in Section 1082(b) (10 U.S.C. 113 note) requires the Secretary of Defense to provide Congress with a report in the event that a United States defense contractor or industrial association requests DoD or a military department to provide support in the form of military equipment for any air show or trade exhibition to be held outside the United States. DoD must provide the report at least 45 days before the opening of the airshow or trade exhibition and describe why the show or exhibition is in the national security interest; describe the implications that promoting the sale of the weapons in question will have on arms control; and estimate any costs to be incurred.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility at significant cost. Rather than dedicate finite resources to preparation of this report, DoD would prefer to provide Congress with more relevant and timely information in response to specific requests.

Report Title: **Negotiations on Payments-in-Kind With Host Nations**

Report Purpose: The provision in Section 2827 requires the Secretary of Defense to provide Congress with written notice prior to entering into negotiations with a host country on the U.S. acceptance of any payment-in-kind for improvements made by the U.S. at military installations in the host country.

Reason the Report Should be Repealed: The report is unnecessary. DoD has been negotiating payment-in-kind for more than ten years, and has established a proven record of managing this program effectively and efficiently. DoD has realized savings of approximately \$391 million from payment-in-kind returns and an additional \$487 million in payment-in-kind as part of the return of Rhein Main Air Base, Germany.

- 1 (j) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—The National
2 Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1659 and 1931
3 respectively) is amended—
4 (1) by repealing section 542; and
5 (2) in section 2924, by striking subsection (b).

Section-by-Section Analysis

Report Title: **Proposed Changes in Policies Regarding Combat Assignments of Female Members**

Report Purpose. The provision in Section 542 (10 U.S.C. 113 note) requires the Secretary of Defense to notify Congress whenever he proposes to change existing military personnel policies in order to make available to female members of the armed forces assignment to any type of combat unit, class of combat vessel, or type of combat platform. The notification is due at least 30 days before DoD implements such change.

Reason the Report Should be Repealed: This report is unnecessary. The Secretary of Defense already assigns women in the Armed Services according to DoD mission requirements. Therefore, DoD would prefer to provide Congress with information in response to specific concerns.

Report Title: **OMB Review of Proposed Settlements**

Report Purpose. The provision in Section 2924 (10 U.S.C. 2687 note) requires the Secretary of Defense to provide the Director of the Office of Management and Budget with a report on a proposed settlement with a host country regarding the release of improvements made by the U.S. to facilities at an installation located in the host country. The report is due at least 30 days before DoD enters such agreement of settlement.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility.

- 1 (k) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995.—The National
2 Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2804 and 2890,
3 respectively) is amended—
4 (1) in section 721—
5 (A) by striking subsection (h); and
6 (B) by redesignating subsection (i) as subsection (h); and
7 (2) in Section 1305, by striking subsection (h).

Section-by-Section Analysis

Report Title: **Programs Related to Desert Storm Mystery Illness**

Report Purpose: The provision in Section 721 (10 U.S.C. 1074 note) requires the Secretary of Defense to provide Congress with an annual report on the DoD's efforts to inform

members of the armed forces who served in the southwest Asia theater of operations during the Persian Gulf and their families of illnesses that may result from such service; to revise the physical evaluation board disability rating criteria and interim efforts to adjudicate cases before the revision of the criteria; and to share results of the review and any new ratings of service members previously separated.

Reason the Report Should be Repealed: This report is unnecessary. DoD has provided Gulf War veterans and their families with information regarding any substantial health-care developments for more than 11 years. For example, DoD publishes a special section in the Deployment Quarterly, “Gulf War Update,” that addresses Gulf War-specific issues. DoD also maintains an interactive internet site, GulfLINK, that provides responses to specific inquiries.

Report Title: **Payments-in-Kind for Release of U.S. Overseas Military Facilities to NATO Host Countries**

Report Purpose: The provision in Section 1305 requires the Secretary of Defense to notify Congress prior to entering an agreement for acceptance of host nation support or host nation payment of operating costs of United States forces as a payment-in-kind. The notification is due at least 30 days before DoD enters such an agreement.

Reason the Report Should be Repealed: The report is overly burdensome and unnecessary. DoD normally receives payment-in-kind from host nations in the form of military construction rather than operating costs.

1 (1) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996.—Section 2840 of
2 the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat.
3 564) is amended—

4 (1) in subsection (a)—

5 (A) by striking paragraph (4); and

6 (B) by redesignating paragraph (5) as paragraph (4); and

7 (2) in subsection (b)—

8 (A) by striking paragraph (4); and

9 (B) by redesignating paragraph (5) as paragraph (4).

Section-by-Section Analysis

Report Title: **Transfer Authority in Connection With Construction or Provision of**

Military Family Housing

Report Purpose: The provisions in Section 2840 (10 U.S.C. 2687 note) require the Secretaries of the military departments to provide Congress with a report describing each agreement to transfer by deed real property or facilities located at or near a military installation closed or pending closure in exchange for prospective military family housing units. The report must specify the consideration the U.S. would receive in accordance with the agreement.

Reason the Report Should be Repealed: This report is unnecessary. DoD has completed all base closures pursuant to this specific law.

- 1 (m) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997. The National
2 Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2480 and 2653,
3 respectively) is amended—
4 (1) in Section 324, by striking subsection (c); and
5 (2) in Section 1065, by striking subsection (b).

Section-by-Section Analysis

Report Title: **Compliance with Annex V to the Convention**

Report Purpose: The provision in Section 324(c) (10 U.S.C. 2706(b)) requires the Secretary of Defense to provide Congress with an annual report on the progress made in carrying out activities under the environmental quality programs of DoD and the military departments. The report is due within 45 days of the start of the fiscal year.

Reason the Report Should be Repealed: This report is obsolete. DoD has installed the pollution-control devices covered by this requirement.

Report Title: **Marshall Center Participation by Foreign Nations**

Report Purpose: The provision in Section 1065(b) requires the Secretary of Defense to provide Congress with a report setting forth the names of the foreign nations permitted to participate in Marshall Center programs during the preceding year.

Reason the Report Should be Repealed: This report is unnecessary and the information provided is of limited value. Since most Regional Centers issue periodic public reports on their activities, Congressional members and their staff could be added to the distribution list, or DoD would provide Congress with more relevant information in response to specific requests.

- 1 (n) OMNIBUS CONSOLIDATED APPROPRIATIONS ACT, 1997.—Section 8009 of the

1 Omnibus Consolidated Appropriations Act, 1997 (Public Law 104-208; 110 Stat. 3009-89) is
2 amended—

- 3 (1) by striking “unless the congressional defense committees have been notified at
4 least thirty days in advance of the proposed contract award”;
5 (2) by striking the comma after “year”; and
6 (3) by striking the colon before “Provided”.

Section-by-Section Analysis

Report Title: Transfers of Funds – Economic Order Quantity Procurement

Report Purpose: This provision requires the Secretaries of the military departments to notify Congress at least 30 days in advance of a proposed contract award to initiate a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of \$20,000,000; or a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year.

Reason the Report Should be Repealed: This report is redundant. DoD already provides similar information pursuant to 10 U.S.C. 2306b(i)(3) and b(1)(3), which require that Congress authorize any multiyear procurement contract in an amount equal to or greater that \$500 million.

- 1 (o) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998. Section 349 of
2 the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat.
3 1690) is amended by striking subsection (e).

Section-by-Section Analysis

Report Title: Partnerships for Investment in Innovative Environmental Technologies

Report Purpose: The provision in Section 349 (10 U.S.C. 2702 note) requires the Secretary of Defense to provide Congress with an annual report on the number of partnerships DoD enters with one or more private entities; a description of the nature of the technology involved in each such partnership; and a list of all partners in such partnerships.

Reason the Report Should be Repealed: The report is overly burdensome and provides information of limited utility. DoD would prefer to provide Congress with information in

response to specific requests.

1 (p) STROM THURMOND NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR
2 1999.—The Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public
3 Law 105-261; 112 Stat. 2075 and 2155, respectively) is amended—

4 (1) in section 745, subsection (e)—

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

6 (B) by striking the designator “(1)” following the catchline in the
7 preceding matter; and

8 (2) by repealing section 1223.

Section-by-Section Analysis

Report Title: **Participation in TRICARE**

Report Purpose: The provision in Section 349 (10 U.S.C. 1071 note) requires the Secretary of Defense and the Secretary of Veterans' Affairs jointly to provide Congress with a semiannual report, not later than March 1 and September 1 of each year, on the status of the review of the TRICARE program in identifying opportunities for increased participation by veterans in that program.

Reason the Report Should be Repealed: This report is unnecessary. DoD already submitted to Congress a final report indicating that veterans have attained reasonably expected levels of participation in TRICARE.

Report Title: **Development of the European Security and Defense Identity**

Report Purpose: The provision in Section 1223 (22 U.S.C. 1928 note) requires the Secretary of Defense to provide Congress with various reports on the development of the European Security and Defense Identity (ESDI) within the NATO Alliance. The ESDI would enable the Western European Union, with the consent of the NATO Alliance, to assume the political control and strategic direction of specified NATO assets and capabilities.

Reason the Report Should be Repealed: This report is obsolete and provides information of limited utility. The requested information is no longer relevant and does not reflect the shift in focus between the European Union and NATO.

1 (q) DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999.—Section 8005 of the

1 Department of Defense Appropriations Act, 1999 (Public Law 105-262; 112 Stat. 2297) is
2 amended by striking “Provided further, That the Secretary of Defense shall notify the Congress
3 promptly of all transfers made pursuant to this authority or any other authority in this Act.”.

Section-by-Section Analysis

Report Title: Transfer of Working Capital Funds

Report Purpose: This provision requires the Secretary of Defense to notify Congress of all transfers of working capital funds whenever he determines that such action is necessary in the national interest.

Reason the Report Should be Repealed: This report is redundant. DoD already notifies Congress of such transfers through DoD Reprogramming Actions (DD Form 1415-1) which require Congressional committee approval prior to implementation.

1 (r) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000. The National
2 Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 542, 697, 706,
3 748, 756, 779, and 798, respectively) is amended —

4 (1) in section 212, by striking subsection (c);

5 (2) in section 724, by striking subsection (e);

6 (3) by repealing section 811;

7 (4) by repealing section 1025;

8 (5) in section 1039, by striking subsection (b);

9 (6) in section 1201—

10 (A) by striking subsections (d) and (e); and

11 (B) by redesignating subsection (f) as subsection (d); and

12 (7) in section 1402, by striking subsection (b)(2).

Section-by-Section Analysis

Report Title: Defense Science and Technology Program

Report Purpose: The provision in Section 212 (10 U.S.C. 2501 note) requires the Secretary of Defense to provide Congress with a report certifying that the defense budget does not jeopardize the stability of the defense technology base or increase the risk of failure to maintain technological superiority in future weapon systems.

Reason the Report Should be Repealed: This report is redundant. DoD already provides Congress with this information through various sub-elements of the DoD budget.

Report Title: **Joint Telemedicine and Telepharmacy Demonstration Projects**

Report Purpose: The provision in Section 724 (10 U.S.C. 1092 note) requires the Secretary of Defense and the Secretary of Veterans Affairs jointly to provide Congress with a report, not later than December 31, 2002, on the joint telemedicine and telepharmacy demonstration projects. The report must include a description of each demonstration project and an evaluation of the feasibility and practicability of using telecommunication to provide health care and pharmacy services.

Reason the Report Should Be Repealed: This report is obsolete and redundant. DoD already provides Congress the same information through updates on Information Management and Information Technology activities in the annual report on medical informatics activities.

Report Title: **Mentor-Protege Program Improvements**

Report Purpose: The provision in Section 811 (10 U.S.C. 2302 note) requires the Secretary of Defense to provide Congress with an annual report on the Mentor-Protege Program for that fiscal year.

Reason the Report Should be Repealed: The report is redundant and overly burdensome. DoD estimates that it expends approximately one-tenth of one contractor's full-time equivalent (FTE) position to produce the report, and an additional one-twentieth of a government FTE to supervise production of the report. The printing cost for the report is approximately \$8,000 per year. Instead of compiling this burdensome, expensive report, DoD would prefer to provide Congress with information in response to specific requests.

Report Title: **U.S. Military Activities in Colombia**

Report Purpose: The provision in Section 1025 (10 U.S.C. 113 note) requires the Secretary of Defense to provide Congress with a report, by January 1 of each year, on the use of U.S. armed forces in Colombia during the preceding year; the status of forces currently in Colombia; the cost of these missions; and the force-protection risks associated with these deployments.

Reason the Report Should be Repealed: This report is redundant and overly burdensome. The State Department currently provides Congress with a bi-monthly report containing the same information. Additionally, DoD estimates that it expends approximately 460 workdays each

year to provide the report.

Report Title: NATO Defense Capabilities Initiative

Report Purpose: The provision in Section 1039 (10 U.S.C. 113 note) requires the Secretary of Defense to provide Congress with a report on the implementation of the Defense Capabilities Initiative by members of NATO.

Reason the Report Should be Repealed: This report is obsolete. The Defense Capabilities Initiative and High-Level Steering Group programs ended on December 31, 2002. DoD submitted the final report to Congress nearly two years ago.

Report Title: Limitation on Military-to-Military Exchanges and Contacts with Chinese People's Liberation Army

Report Purpose: The provision in Section 1201(d) (10 U.S.C. 168 note) requires the Secretary of Defense to provide Congress with written certification, not later than December 31 of each year, on whether DoD conducted any military-to-military exchanges or contacts during that calendar year that created a national security risk due to an inappropriate exposure to certain DoD operations, experiments, or activities.

Reason the Report Should be Repealed: This report is unnecessary. DoD already provides such information in a separate annual report on military-to-military contacts.

Report Title: Military Exchanges Between the U.S. and Chinese People's Liberation Army

Report Purpose: The provision in Section 1201(e) (10 U.S.C. 168 note) requires the Secretary of Defense to provide Congress with a report, not later than March 31 of each year, with an assessment of the current state of military-to-military exchanges and contacts with the Chinese People's Liberation Army.

Reason the Report Should be Repealed: This report is overly burdensome. The costs in time, labor, and administrative expenses exceed its value. DoD would prefer to provide Congress with more timely and relevant information in response to specific requests.

Report Title: Transfers of Military Sensitive Technology to Countries and Entities of Concern

Report Purpose: The provision in Section 1402(b)(2) (22 U.S.C. 2778) requires the Secretary of Defense, in consultation with the Joint Chiefs of Staff and the Director of Central Intelligence, to provide Congress with an assessment of the cumulative impact of licenses granted by the U.S. for exports of technologies and technical information with potential military applications during the preceding 5-calendar year period on the military capabilities of such countries and entities, and countermeasures that may be necessary to overcome the use of such

technologies and technical information.

Reason the Report Should be Repealed: This report is redundant with reports already submitted to Congress by the Department of State, the Department of Commerce, and the Central Intelligence Agency.

1 (s) MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2001.— The Military Construction
2 Appropriations Act, 2001 (Public Law 106-246; 114 Stat. 517 and 518, respectively) is
3 amended—

4 (1) by repealing section 125; and

5 (2) in section 127, by striking all that follows after “including flag and general
6 officer quarters” and inserting a period.

Section-by-Section Analysis

Report Title: **Exercising of General Military Construction Authority for Military Family Housing**

Report Purpose: The provision in Section 125 requires the Secretaries of the military departments to provide Congress with a report of any solicitation for a private-sector contract for the acquisition or construction of military and unaccompanied family housing units on or near military installations within the United States and its territories and possessions. The report is due not later than 60 days before DoD issues such a solicitation.

Reason the Report Should be Repealed: This report is unnecessary and provides information of limited utility. DoD would prefer to provide Congress with information in response to specific requests.

Report Title: **Limitation on Use of O&M Funds for Maintenance and Repair of Flag/General Officer Quarters**

Report Purpose: The provision in Section 127 (10 U.S.C. 2821 note) requires the Under Secretary of Defense (Comptroller) to notify Congress when he intends to spend more than \$25,000 per unit annually for the maintenance and repair of any general or flag officer quarters. The notification is due at least 30 days in advance of any expenditure. This provision further requires the Under Secretary to provide Congress with an annual report on all operations and maintenance expenditures for each individual flag and general officer quarters for the prior fiscal year.

Reason the Report Should be Repealed: This report is redundant. DoD already provides

Congress with this information in its annual budget report.

1 (t) DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001.—Section 8019 of the
2 Department of Defense Appropriations Act, 2001 (Public Law 106-259; 114 Stat. 678;) is
3 amended by striking the last sentence.

Section-by-Section Analysis

Report Title: **Executive Agreements with NATO Members**

Report Purpose: The provision in Section 8019 (10 U.S.C. 2687 note) requires the Secretary of Defense to provide Congress with a report on the endorsement of any executive agreements with a NATO member that would establish a separate account into which DoD would deposit residual value amounts negotiated in the return of U.S. military installations in NATO member states in lieu of direct monetary transfers to the United States Treasury. The report is due 30 days prior to the conclusion of such an agreement.

Reason the Report Should be Repealed: The report is unnecessary. DoD already works closely with the Office of Management and Budget to ensure that the United States receives appropriate residual value compensation and that such compensation is credited to the appropriate account. DoD would prefer to provide Congress with more relevant information in response to specific requests.

1 (u) FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001.
2 The Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law
3 106-398 Appendix; 114 Stat. 1654A-28 and 1654A-247, respectively) is amended—
4 (1) by repealing section 131;
5 (2) in section 1006, by striking subsection (c); and
6 (3) by repealing section 1233.

Section-by-Section Analysis

Report Title: **B-2 Bomber**

Report Purpose: The provision in Section 131 (10 U.S.C. 2282) requires the Secretary of Defense to provide Congress with a report, by March 1st of each year, on the adequacy of the B-2 bomber's full-time mission capability; an assessment of whether the bomber's technical capabilities are adequate to its missions; any ongoing and planned technologies to enhance the

bomber's capability; any additional technologies to enhance the bomber's capability and survivability; and funding requirements.

Reason the Report Should Be Repealed: This report is unnecessary. The B-2 bomber's mission-capable rates have improved markedly since Congress enacted this provision. Congress already has funded most elements of the Rate Improvement Plan. DoD already provides Congress with information concerning specific B-2 technical capabilities and planned technology enhancements in standard budget documentation. DoD expends nearly 700 man-hours to staff, compile, review, and produce the report.

Report Title: **Prompt Payment of Contract Vouchers**

Report Purpose: The provision in Section 1006 (10 U.S.C. 2226) requires the Secretary of Defense to provide Congress with a report on the magnitude of any unpaid contract vouchers if such number exceeds 5 percent of the total number of contract vouchers DoD receives. The report is due no later than 30 days after the end of any month during which DoD has not made payment.

Reason the Report Should be Repealed: The report is unnecessary. Since this reporting requirement was instituted, DoD has never exceeded the 5% threshold.

Report Title: **Communist Chinese Military Companies Operating in the U.S.**

Report Purpose: The provision in Section 1233 requires the Secretary of Defense to provide Congress with classified and unclassified reports, not later than February 1 of each year, with the latest information available on Communist Chinese military companies operating directly or indirectly in the United States or in any of its territories and possessions.

Reason the Report Should be Repealed: This report is unnecessary. The Central Intelligence Agency and the Federal Bureau of Investigation are better situated to provide Congress with more relevant and timely information on this subject.

- 1 (v) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002. The National
- 2 Defense Authorization Act for Fiscal Year 2002 (Public Law 107-107; 115 Stat. 1180 and 1204,
- 3 respectively) is amended in section 804, subsection (a), by striking "of each of years 2003
- 4 through 2006" and inserting "2003,".

Section-by-Section Analysis

Report Title: **Maturity of Technology at Initiation of Major Defense Acquisition Programs**

Report Purpose: The provision in Section 804 requires the Secretary of Defense to provide Congress with a report, not later than March 1 of each year, certifying that technology has been demonstrated in a relevant environment or in an operational environment to be considered mature enough to use for product development in systems integration.

Reason the Report Should be Repealed: This report is unnecessary. DoD's policy is to use only mature technology to meet user needs. DoD addresses the importance of technology maturity throughout the current 5000 series regulations on systems acquisition. These regulations require the use of independently verified mature technology, not only for the systems development and demonstration phase but also for the production and deployment phase of the systems acquisition process. Additionally, DoD currently is revising its regulations to streamline and improve the acquisition process and make better use of its resources. These revisions will include key improvements to DoD's processes for assessing and validating technology maturity.

1 (w) DEPARTMENT OF DEFENSE AND EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR
2 RECOVERY FROM AND RESPONSE TO TERRORIST ATTACKS ON THE UNITED STATES ACT,
3 2002.—Section 8009 of the Department of Defense and Emergency Supplemental
4 Appropriations for Recovery From and Response To Terrorist Attacks on the United States Act,
5 2002 (Public Law 107-117; 115 Stat. 2249; 10 U.S.C. 401 note) is amended by striking “, and
6 these obligations shall be reported to the Congress as of September 30 of each year”.

Section-by-Section Analysis

Report Title: **Humanitarian and Civic Assistance Provided in Conjunction With Military Operations**

Report Purpose: The provision in Section 8009 (10 U.S.C. 401 note) requires the Secretary of Defense to provide Congress with a report, as of September 30 of each year, on funds obligated for humanitarian and civic assistance costs incidental to authorized military operations.

Reason the Report Should be Repealed: This report is redundant. DoD already provides Congress with the same information through a separate report set forth at 10 U.S.C. 401(d).

1 (x) SENATE EXECUTIVE RESOLUTION 75 (105th Congress, 1st Session, Agreed to by the
2 Senate on April 24, 1997). Section 2, Condition 11, paragraph (F), of Senate Executive
3 Resolution 75, a provision of the Senate's advice and consent to the ratification of the Chemical

1 Weapons Convention (Treaty Doc. 103-21), is repealed.

Section-by-Section Analysis

Report Title: **Chemical and Biological Weapons Defense Activities**

Report Purpose: This provision requires the President to provide Congress with a report, on January 1 of each year, on previous, current, and planned chemical and biological weapons defense activities.

Reason the Report Should be Repealed: This report is redundant and overly burdensome. The National Defense Authorization Act for Fiscal Year 1994, Public Law 103-160 (50 U.S.C. 1523, Section 1703) already requires the Secretary of Defense to submit an annual report to Congress on chemical and biological defense. The report assesses the overall readiness of the Armed Forces to fight in a chemical-biological warfare environment and describes DoD's steps to improve such readiness. It also describes the requirements for chemical and biological warfare defense programs, including requirements for training, detection, and protective equipment, for medical prophylaxis and for treatment of casualties resulting from use of chemical and biological weapons. The Secretary of Defense also forwards to Congress an annual Report on Activities and Programs for Countering the Proliferation and NBC Terrorism (required under the National Defense Authorization Act for Fiscal Year 1995 [P.L. 103-337, Sec 1503, 108 Stat. 2916 (1994)] on the findings of the Counterproliferation Program Review Committee (established under the National Defense Authorization Act for Fiscal Year 1994 (as amended) [P.L. 103-160, Sec 1605, 107 Stat. 1845 (1993), as amended by P.L. 103-337, Sec 1502, 108 Stat. 2914 (1994)]. Finally, the present report is overly burdensome because it costs approximately \$22,000 annually in contractor fees to produce. Congress already receives a substantial amount of useful and meaningful data annually from DoD on its chemical and biological weapons defense activities.

Subtitle D—Other Matters

1 **SEC. 931. COMBATANT COMMANDS INITIATIVES FUND.**

2 (a) SUBSTITUTION OF THE TERM "CINC".—Section 166a of title 10, United States Code,
3 is amended by striking "CINC" wherever it appears and inserting Combatant Commander; and

4 (b) FUNDS AUTHORIZED.—Subsection (e)(1) of this title is amended—

5 (1) in subparagraph (A), by striking "\$7,000,000" and inserting "\$15,000,000";

6 (2) in subparagraph (B), by striking "\$1,000,000" and inserting "\$10,000,000";

1 and

2 (3) in subparagraph (C), by striking "\$2,000,000" and inserting "\$10,000,000".

3 **SEC. 932. CONSOLIDATING THE FINANCIAL MANAGEMENT OF FACILITIES IN**
4 **THE NATIONAL CAPITAL REGION AND DESIGNATED ALTERNATE**
5 **SITES.**

6 Section 2674 of title 10, United States Code, is amended—

7 (1) in subsection (b)(1), by striking "of the Department of Defense, and located" and
8 inserting "of the Department of Defense that is either on the Pentagon Reservation or";

9 (2) in subsection (d), by inserting before the period at the end the following: "or at
10 facilities occupied by the Department of Defense in the National Capital Region";

11 (3) in subsection (e)—

12 (A) in paragraph (1), by striking "pursuant to subsection (d)" and inserting "or at
13 facilities occupied by the Department of Defense in the National Capital Region pursuant
14 to subsection (d). Any residual balance in the Buildings Maintenance Fund shall be
15 transferred to the Pentagon Reservation Maintenance Revolving Fund"; and

16 (B) in paragraph (2), by inserting before the period at the end the following: "and
17 at facilities occupied by the Department of Defense in the National Capital Region.";

18 (4) in subsection (f)(1)—

19 (A) by inserting "— (A)" after the "The Pentagon Reservation means";

20 (B) by striking the period at the end and inserting "; and"; and

21 (C) by adding at the end the following new subparagraph:

22 "(B) notwithstanding section 2682 of this title, such other areas of land, locations,
23 or physical facilities of the Department of Defense as the Secretary of Defense may

1 determine are necessary to designate as part of the Pentagon Reservation in order to meet
2 continuity of operations or other related national security needs of the Department."

3 **SEC. 933. PROTECTION OF OPERATIONAL FILES OF THE NATIONAL**
4 **SECURITY AGENCY.**

5 (a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 401 et seq.) is
6 amended by inserting after section 105D (50 U.S.C. 403-5c) the following new section:

7 **"§ 105E. Protection of Operational Files of the National Security Agency**

8 "(a) EXEMPTION OF CERTAIN OPERATIONAL FILES FROM SEARCH, REVIEW, PUBLICATION,
9 OR DISCLOSURE.—(1) The Director of the National Security Agency, with the coordination of
10 the Director of Central Intelligence, may exempt operational files of the National Security
11 Agency from the provisions of section 552 of title 5, United States Code, which require
12 publication, disclosure, search, or review in connection therewith.

13 "(2)(A) Subject to subparagraph (B), for the purposes of this section, the term
14 'operational files' means files of the National Security Agency (hereafter in this section
15 referred to as "NSA") that document the means by which foreign intelligence or
16 counterintelligence is collected through technical systems.

17 "(B) Files that contain disseminated intelligence are not operational files.

18 "(3) Notwithstanding paragraph (1), exempted operational files shall continue to
19 be subject to search and review for information concerning—

20 "(A) United States citizens or aliens lawfully admitted for permanent
21 residence who have requested information on themselves pursuant to the
22 provisions of section 552 of title 5 or section 552a of title 5, United States Code;

23 "(B) any special activity the existence of which is not exempt from

1 disclosure under the provisions of section 552 of title 5, United States Code; or

2 "(C) the specific subject matter of an investigation for any impropriety, or
3 violation of law, Executive order, or Presidential directive, in the conduct of an
4 intelligence activity by—

5 "(i) The Permanent Select Committee on Intelligence of the House
6 of Representatives.

7 "(ii) The Select Committee on Intelligence of the Senate.

8 "(iii) The Intelligence Oversight Board.

9 "(iv) The Department of Justice.

10 "(v) The Office of General Counsel of NSA.

11 "(vi) The Office of the Director of NSA.

12 "(4)(A) Files that are not exempted under paragraph (1) which contain
13 information derived or disseminated from exempted operational files shall be subject to
14 search and review.

15 "(B) The inclusion of information from exempted operational files in files
16 that are not exempted under paragraph (1) shall not affect the exemption under
17 paragraph (1) of the originating operational files from search, review, publication,
18 or disclosure.

19 "(C) The declassification of some of the information contained in
20 exempted operational files shall not affect the status of the operational file as
21 being exempt from search, review, publication, or disclosure.

22 "(D) Records from exempted operational files which have been
23 disseminated to and referenced in files that are not exempted under paragraph (1)

1 and which have been returned to exempted operational files for sole retention
2 shall be subject to search and review.

3 "(5) The provisions of paragraph (1) may not be superseded except by a provision
4 of law which is enacted after the date of the enactment of this section, and which
5 specifically cites and repeals or modifies its provisions.

6 "(6)(A) Except as provided in subparagraph (B), whenever any person who has
7 requested agency records under section 552 of title 5, United States Code, alleges that
8 NSA has withheld records improperly because of failure to comply with any provision of
9 this section, judicial review shall be available under the terms set forth in section
10 552(a)(4)(B) of title 5, United States Code.

11 "(B) Judicial review shall not be available in the manner provided for
12 under subparagraph (A) as follows:

13 "(i) In any case in which information specifically authorized under
14 criteria established by an Executive order to be kept secret in the interests
15 of national defense or foreign relations which is filed with, or produced
16 for, the court by NSA, such information shall be examined ex parte, in
17 camera by the court.

18 "(ii) The court shall, to the fullest extent practicable, determine the
19 issues of fact based on sworn written submissions of the parties.

20 "(iii) When a complainant alleges that requested records are
21 improperly withheld because of improper placement solely in exempted
22 operational files, the complainant shall support such allegation with a
23 sworn written submission based upon personal knowledge or otherwise

1 admissible evidence.

2 "(iv)(I) When a complainant alleges that requested records were
3 improperly withheld because of improper exemption of operational files,
4 NSA shall meet its burden under section 552(a)(4)(B) of title 5, United
5 States Code, by demonstrating to the court by sworn written submission
6 that exempted operational files likely to contain responsive records
7 currently perform the functions set forth in paragraph (2).

8 "(II) The court may not order NSA to review the content of
9 any exempted operational file or files in order to make the
10 demonstration required under subclause (I), unless the complainant
11 disputes NSA's showing with a sworn written submission based on
12 personal knowledge or otherwise admissible evidence.

13 "(v) In proceedings under clauses (iii) and (iv), the parties may not
14 obtain discovery pursuant to rules 26 through 36 of the Federal Rules of
15 Civil Procedure, except that requests for admission may be made pursuant
16 to rules 26 and 36.

17 "(vi) If the court finds under this paragraph that NSA has
18 improperly withheld requested records because of failure to comply with
19 any provision of this subsection, the court shall order NSA to search and
20 review the appropriate exempted operational file or files for the requested
21 records and make such records, or portions thereof, available in
22 accordance with the provisions of section 552 of title 5, United States
23 Code, and such order shall be the exclusive remedy for failure to comply

1 with this subsection.

2 "(vii) If at any time following the filing of a complaint pursuant to
3 this paragraph NSA agrees to search the appropriate exempted operational
4 file or files for the requested records, the court shall dismiss the claim
5 based upon such complaint.

6 "(viii) Any information filed with, or produced for the court
7 pursuant to clauses (i) and (iv) shall be coordinated with the Director of
8 Central Intelligence prior to submission to the court.

9 "(b) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—(1) Not less than once
10 every 10 years, the Director of NSA and the Director of Central Intelligence shall review the
11 exemptions in force under subsection (a)(1) to determine whether such exemptions may be
12 removed from the category of exempted files or any portion thereof. The Director of Central
13 Intelligence must approve any determination to remove such exemptions.

14 "(2) The review required by paragraph (1) shall include consideration of the
15 historical value or other public interest in the subject matter of the particular category of
16 files or portions thereof and the potential for declassifying a significant part of the
17 information contained therein.

18 "(3) A complainant that alleges that NSA has improperly withheld records
19 because of failure to comply with this subsection may seek judicial review in the district
20 court of the United States of the district in which any of the parties reside, or in the
21 District of Columbia. In such a proceeding, the court's review shall be limited to
22 determining—

23 "(A) Whether NSA has conducted the review required by paragraph (1)

1 before the expiration of the 10-year period beginning on the date of the enactment
2 of this section or before the expiration of the 10-year period beginning on the date
3 of the most recent review.

4 "(B) Whether NSA, in fact, considered the criteria set forth in paragraph
5 (2) in conducting the required review."

6 (b) CLERICAL AMENDMENT.—The table of contents contained in the first section of such
7 Act is amended by inserting after the item relating to section 105D the following new item:

8 "Sec. 105E. Protection of operational files of the National Security Agency."

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

- Sec. 1001. Repeal of requirement for separate budget request for procurement of Reserve equipment.
- Sec. 1002. Repeal of requirement for two-year budget cycle for the Department of Defense.
- Sec. 1003. Payment of full replacement value for personal property claims.
- Sec. 1004. Treatment of reimbursements for subpoena and litigation costs; recovery to agency funds.
- Sec. 1005. Restoration of authority to enter into 12-month leases at any time during the fiscal year.
- Sec. 1006. Authority to provide reimbursement for cellular telephone use.
- Sec. 1007. Reimbursement for Reserve intelligence support .
- Sec. 1008. Increased use of energy cost savings.
- Sec. 1009. Allow the Department of Defense to capture all expired funds from the Military Personnel and Operation and Maintenance Appropriations Accounts for use in the Foreign Currency Fluctuations Account.
- Sec. 1010. Funding for special operations Reserve component personnel engaged in activities relating to clearance of landmines.

Subtitle B—Naval Vessels and Shipyards

- Sec. 1011. Reimbursement to the Navy for assistance provided in support of certain ship and shipboard equipment transfers.
- Sec. 1012. Vessels stricken from naval vessel register: use for experimental purposes.
- Sec. 1013. Authorize transfer of vessels stricken from the naval vessel register for use as artificial reefs.
- Sec. 1014. Repeal of the Shipbuilding Capability Preservation Agreement.

Subtitle C—Counter-Drug Activities

- Sec. 1021. Extend authority for use of counter drug activities.
- Sec. 1022. Department of Defense support for counter-terrorism activities in the Americas.
- Sec. 1023. Expansion and extension of authority to provide additional support for counter-drug activities.

Subtitle D—Other Department of Defense Provisions

- Sec. 1031. Provision of living quarters for certain students.
- Sec. 1032. Repeal of required grade for defense attaché in France.
- Sec. 1033. National Geospatial-Intelligence Agency.

Subtitle E—Other Matters

- Sec. 1041. Use of the National Driver Register for personnel security investigations and determinations.
- Sec. 1042. National Defense Heritage Foundation.
- Sec. 1043. Updating definitions in title 10, United States Code.
- Sec. 1044. Improving readiness in providing firefighting services.
- Sec. 1045. Exemption for charter operations to provide transportation to the Armed Forces.
- Sec. 1046. Documents, historical artifacts, and obsolete or surplus materiel: loan, donation, or exchange.
- Sec. 1047. Authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense.
- Sec. 1048. Stopping vessels; immunity for firing at or into vessel.
- Sec. 1049. Reauthorization of aviation insurance program.
- Sec. 1050. Modification of national security education program.

Subtitle A—Financial Matters

1 **SEC. 1001. REPEAL OF REQUIREMENT FOR SEPARATE BUDGET REQUEST FOR**
2 **PROCUREMENT OF RESERVE EQUIPMENT.**

3 Section 114(e) of title 10, United States Code, is repealed.

4 **SEC. 1002. REPEAL OF REQUIREMENT FOR TWO-YEAR BUDGET CYCLE FOR**
5 **THE DEPARTMENT OF DEFENSE.**

6 Section 1405 of the Department of Defense Authorization Act, 1986 (Public Law 99-145;
7 99 Stat. 744; 31 U.S.C. 1105 note) is repealed.

8 **SEC. 1003. PAYMENT OF FULL REPLACEMENT VALUE FOR PERSONAL**
9 **PROPERTY CLAIMS.**

10 Section 2636 of title 10, United States Code, is amended by adding at the end the
11 following new subsection—

12 "(c) The Secretary of Defense or the Secretary of a Military Department may procure
13 from commercial transportation service providers full replacement value coverage for household

1 goods shipments provided at government expense without regard to the dollar limitations
2 contained in title 37, United States Code, Section 3721, relative to claims for loss or damages.
3 Under Such contracts, servicemembers will be reimbursed full replacement value, if warranted,
4 and such amounts may be deducted from the amounts due the carriers if settlement is not
5 reached between the servicemember and the carrier."

6 **SEC. 1004. TREATMENT OF REIMBURSEMENTS FOR SUBPOENA AND**
7 **LITIGATION COSTS; RECOVERY TO AGENCY FUNDS.**

8 Section 3730(b) of title 31, United States Code, is amended by adding at the end the
9 following new paragraph:

10 "(6) An agency responding to a subpoena or request for information relating to a matter
11 in litigation to which neither the United States or any agency thereof is a party (including any
12 suit brought under this section of this title in which the United States has not intervened) may
13 assess reasonable fees for responding to the subpoena or request. Payments received for such
14 assessments shall be deposited into the agency's current year appropriation from which the
15 expenditure was originally made, to merge with and become available for the same purposes and
16 period as the accounts to which they are credited."

17 **SEC. 1005. RESTORATION OF AUTHORITY TO ENTER INTO 12-MONTH LEASES**
18 **AT ANY TIME DURING THE FISCAL YEAR.**

19 Section 2410a(a) of title 10, United States Code, is amended by inserting after "severable
20 services" the following: "and the lease of real or personal property, including the maintenance of
21 such property when contracted for as part of the lease agreement,".

22 **SEC. 1006. AUTHORITY TO PROVIDE REIMBURSEMENT FOR CELLULAR**
23 **TELEPHONE USE.**

1 (a) GENERAL AUTHORITY.—The Secretary of Defense is authorized to reimburse
2 employees on a flat-rate basis for cellular telephone used on privately-owned cellular phones
3 when on official government business.

4 (b) REIMBURSEMENT RATE.—The Secretary of Defense may prescribe the cellular phone
5 flat reimbursement rate. This reimbursement rate shall not exceed the equivalent Government
6 costs of providing a cellular telephone to employees on official Government business.

7 **SEC. 1007. REIMBURSEMENT FOR RESERVE INTELLIGENCE SUPPORT.**

8 (a) IN GENERAL.—Chapter 1003 of title 10, United States Code, is amended by adding at
9 the end the following new section:

10 **"§ 10115. Reimbursement for reserve intelligence support**

11 "The Secretary of Defense or the Secretary concerned shall reimburse a Reserve or
12 National Guard unit or organization for the pay, allowances, or other expenses incurred by the
13 Reserve or National Guard unit or organization when a member of the Reserve or National
14 Guard unit or organization provides intelligence support, counterintelligence support, or
15 intelligence and counterintelligence support to Combatant Commands, Defense Agencies, and
16 Joint Intelligence Activities, including but not limited to the activities and programs within the
17 National Foreign Intelligence Program, the Joint Military Intelligence Program, and the Tactical
18 Intelligence and Related Activities. Reimbursement shall be paid out of funds available for
19 operations and maintenance of the military departments, combatant commands, or Defense
20 Agencies."

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

23 "10115. Reimbursement for reserve intelligence support."

1 **SEC. 1008. INCREASED USE OF ENERGY COST SAVINGS.**

2 Section 2865(b)(1) of title 10, United States Code, is amended by striking "Two-thirds of
3 the portion of the funds appropriated to Department of Defense for a fiscal year that is" and
4 inserting "Funds appropriated to the Department of Defense for a fiscal year that are".

5 **SEC. 1009 . ALLOW THE DEPARTMENT OF DEFENSE TO CAPTURE ALL**
6 **EXPIRED FUNDS FROM THE MILITARY PERSONNEL AND**
7 **OPERATION AND MAINTENANCE APPROPRIATIONS ACCOUNTS**
8 **FOR USE IN THE FOREIGN CURRENCY FLUCTUATIONS ACCOUNT.**

9 Section 2779 of title 10, United States Code, is amended—

10 (1) in subsection (a)(2), by striking "second fiscal year" and inserting "fifth fiscal year";

11 and

12 (2) in subsection (d)(2), by striking "second fiscal year" and inserting "fifth fiscal year".

13 **SEC. 1010. FUNDING FOR SPECIAL OPERATIONS RESERVE COMPONENT**
14 **PERSONNEL ENGAGED IN ACTIVITIES RELATING TO CLEARANCE**
15 **OF LANDMINES.**

16 Funds authorized in this Act for the Overseas Humanitarian, Disaster and Civic Aid
17 programs of the Department of Defense shall be available, in a total amount not to exceed
18 \$5,000,000 in any fiscal year, for reimbursement of pay and allowances of Special Operations
19 Reserve Component personnel performing duty in connection with training and activities related
20 to the clearing of landmines for humanitarian purposes.

21
22 **Subtitle B—Naval Vessels and Shipyards**

1

2 **SEC. 1011. REIMBURSEMENT TO THE NAVY FOR ASSISTANCE PROVIDED IN**
3 **SUPPORT OF CERTAIN SHIP AND SHIPBOARD EQUIPMENT**
4 **TRANSFERS.**

5 (a) IN GENERAL.—Chapter 633 of title 10, United States Code, is amended by adding at
6 the end the following new section:

7 **"§ 7316. Reimbursement for assistance provided in support of certain ship and shipboard**
8 **equipment transfers**

9 "(a) AUTHORITY TO PERFORM WORK.—The Secretary of the Navy may provide
10 assistance in support of any ship or shipboard equipment transfer under sections 2572, 7306,
11 7307, and 7545 of this title, or under any other authority, in connection with inactive
12 decommissioned Navy-owned vessels maintained and located at Navy facilities.

13 "(b) REIMBURSEMENT.—The Secretary may require the entities receiving assistance
14 under subsection (a) to reimburse the Navy for amounts expended in providing such assistance.

15 "(c) DEPOSIT OF FUNDS RECEIVED.—Funds received under subsection (b) shall be
16 credited to the appropriations supporting the maintenance and operation of the Navy Inactive
17 Ships Management Office for the fiscal year in which the funds are received, to merge with and
18 become available for the same purposes and period as the accounts to which they are credited."

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

21 "7316. Reimbursement for assistance provided in support of certain ship and shipboard equipment transfers."

22 **SEC. 1012 . VESSELS STRICKEN FROM NAVAL VESSEL REGISTER: USE FOR**
23 **EXPERIMENTAL PURPOSES.**

1 Section 7306a of title 10, United States Code, is amended—

2 (1) in subsection (b)—

3 (A) in paragraph (1), by adding at the end the following new sentence:

4 "Material and equipment stripped from the vessel may be sold by a contractor or a
5 designated sales agent on behalf of the Navy."; and

6 (B) in paragraph (2), by striking "scrapping services" and all that follows through
7 the end of the paragraph and inserting "services needed for such stripping and for
8 environmental remediation required for the use of a vessel for experimental purposes.

9 Amounts received which are in excess of amounts needed for reimbursement of those
10 costs shall be deposited into the account from which the stripping and environmental
11 remediation expenses were incurred and shall be available for stripping and
12 environmental remediation of other vessels used for experimental purposes."; and

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

14 "(c) EXPERIMENTAL PURPOSES DEFINED.—For purposes of this section, the term
15 'experimental purposes' includes vessels used in Navy sink exercises and for target use."

16 **SEC. 1013. AUTHORIZE TRANSFER OF VESSELS STRICKEN FROM THE NAVAL**
17 **VESSEL REGISTER FOR USE AS ARTIFICIAL REEFS.**

18 Chapter 633 of title 10, United States Code, is amended by inserting after section 7306a
19 the following new section:

20 **"§ 7306b. Vessels stricken from Naval Vessel Register; transfer by gift or otherwise for use**
21 **as artificial reefs**

22 "(a) AUTHORITY TO MAKE TRANSFER.—Subject to subsections (c) and (d) of section 602
23 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474), the Secretary

1 of the Navy may transfer, by gift or otherwise, any vessel stricken from the Naval Vessel
2 Register to any State, Commonwealth, or possession of the United States or any municipal
3 corporation or political subdivision thereof.

4 "(b) VESSEL TO BE USED AS ARTIFICIAL REEF.—An agreement for the transfer of a vessel
5 under subsection (a) shall require that—

6 "(1) the transferee use, site, construct, monitor and manage the vessel only as an
7 artificial reef in accordance with the requirements of chapter 35 of title 33, except that
8 the transferee also may use the artificial reef to enhance diving opportunities if that use
9 does not have an adverse effect on fishery resources, as defined in section 1802(14) of
10 the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended
11 (Public Law 100-627; 16 U.S.C. 1802); and

12 "(2) the transferee shall obtain and bear all of the responsibility for complying
13 with all of the applicable federal, state, interstate, and local permits for siting,
14 constructing, monitoring and managing a vessel as an artificial reef.

15 "(c) ADDITIONAL TERMS.—The Secretary may require such additional terms in
16 connection with the conveyance authorized by this section as the Secretary considers
17 appropriate.

18 "(d) COST SHARING ON TRANSFERS.—The Department of the Navy may share with the
19 recipient any of the costs associated with transferring the vessel under this section.

20 "(e) APPLICATION FOR MORE THAN ONE VESSEL.—A State, Commonwealth, or
21 possession of the United States, or any municipal corporation or political subdivision thereof,
22 may apply for more than one vessel under this section."

23 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is

1 amended by inserting after the item relating to section 7306a the following new item:
2 "7306b. Vessels stricken from Naval Vessel Register; transfer by gift or otherwise for use as artificial reefs."

3 **SEC. 1014. REPEAL OF THE SHIPBUILDING CAPABILITY PRESERVATION**
4 **AGREEMENT.**

5 (a) IN GENERAL.—Section 7315 of title 10, United States Code, is repealed.

6 (b) SAVINGS PROVISION.—Agreements entered into under the authority of section 7315
7 prior to the date of enactment of this act shall continue to remain in full force and effect.

8 (c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 633 of
9 such title is amended by striking the item relating to section 7315.

Subtitle C—Counter-Drug Activities

1 **SEC. 1021. EXTEND AUTHORITY FOR USE OF COUNTER DRUG ACTIVITIES.**

2 (a)(1) AUTHORITY.—In fiscal years 2004 and 2005, the Secretary of Defense may use
3 funds available for drug interdiction and counterdrug activities to provide assistance to the
4 Government of Colombia to support a unified campaign against narcotics trafficking, to support
5 a unified campaign against activities by organizations designated as terrorist organizations such
6 as the Revolutionary Armed Forces of Colombia, the National Liberation Army, and the United
7 Self-Defense Forces of Colombia, and to take actions to protect human health and welfare in
8 emergency circumstances, including undertaking rescue operations.

9 (2) The authority in this section is in addition to authorities currently available to
10 provide assistance to Colombia.

11 (b) APPLICATION TO FUNDS.—Sections 556, 567, and 568 of the Foreign Operations,
12 Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107-115; 115

1 Stat 2160, 2165 and 2166, respectively), section 8093 of the Department of Defense
2 Appropriations Act, 2002 (Public Law 107-248; 116 Stat.1558), and the numerical limitations on
3 the number of United States military personnel and United States individual civilian contractors
4 in section 3204(b)(1) of the Military Construction Appropriations Act, 2001 (Public Law 106-
5 246; 114 Stat. 575), as amended, shall be applicable to funds made available pursuant to the
6 authority contained in subsection (a).

7 (c) PROHIBITION.—No United States armed forces personnel or United States civilian
8 contractor employed by the United States will participate in any combat operation in connection
9 with assistance made available under this chapter, except for the purpose of acting in self
10 defense or rescuing any United States citizen to include United States armed forces personnel,
11 United States civilian employees, and civilian contractors employed by the United States.

12 **SEC. 1022. DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-**
13 **TERRORISM ACTIVITIES IN THE AMERICAS.**

14 In fiscal year 2004, funds made available to the Department of Defense to support
15 counter-drug activities are hereby authorized to support a unified campaign against illicit
16 narcotics-trafficking and related activities by identified organizations engaged in such narcotics-
17 trafficking, to support a unified campaign against activities by organizations in the Americas
18 hemisphere actively engaged in, or designated as, terrorist organizations, and to take sufficient
19 action to protect human health and welfare in exigent circumstances, including the undertaking
20 of rescue operations throughout Central and South America and the waters South of the
21 Continental United States, such as the Pacific Ocean east of 120 degrees West, the Gulf of
22 Mexico, and the Caribbean Sea. The exercise of this authority by the Secretary of Defense is
23 subject to the concurrence of the Secretary of State.

1 **SEC. 1023. EXPANSION AND EXTENSION OF AUTHORITY TO PROVIDE**
2 **ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.**

3 Section 1033 of the National Defense Authorization Act for Fiscal Year 1998, (Public
4 Law 105-85; 111 Stat. 1881), as amended by the National Defense Authorization Act for Fiscal
5 Year 2001 (Public Law 106-398; 114 Stat. 1654A-255), is amended—

6 (1) in the section title by striking "Peru and Colombia" and inserting "other countries";

7 (2) in subsection (a)—

8 (A) by striking "2002" and inserting "2006"; and

9 (B) by striking "either or both" and inserting "any";

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

11 "(b) GOVERNMENTS ELIGIBLE TO RECEIVE SUPPORT.—The foreign governments eligible
12 to receive counter-drug support under this section are as follows:

13 (1) Afghanistan.

14 (2) Ecuador.

15 (3) Pakistan.

16 (4) Tajikistan.

17 (5) Turkmenistan.

18 (6) Uzbekistan

19 (7) Peru; and

20 (8) Colombia."

21 (4) in subsection (c)—

22 (A) in paragraph (2) by striking "riverine";

23 (B) by amending paragraph (3) to read as follows:

1 "(3) The maintenance, repair, or upgrade of equipment of the government that is
2 used for counter-drug activities."; and

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

4 "(4) The sustainment, including ammunition, of counterdrug security forces.";

5 (5) in subsection (e)(2)—

6 (A) by striking "\$20,000,000" and inserting "\$40,000,000"; and

7 (B) by striking "1999" and inserting "2004"; and

8 (6) in subsection (h)—

9 (A) by amending subsection (h) to read as follows:

10 "(h) COUNTER-DRUG PLAN.—The Secretary of Defense, in consultation with the
11 Secretary of State, shall prepare for fiscal year 2004 (and revise as necessary for
12 subsequent fiscal years) a counter-drug plan involving the governments named in
13 subsection (b) to which support will be provided under this section:";

14 (B) in paragraph (2), by striking "riverine";

15 (C) in paragraph (7), by striking "riverine";

16 (D) in paragraph (8), by striking "riverine"; and

17 (E) by amending paragraph (9) to read as follows:

18 "(9) A detailed discussion of how the counter-drug program supports the national
19 drug control strategy and the national security cooperation goals of the United States.".

20
21 **Subtitle D—Other Department of Defense Provisions**

1 **SEC. 1031. PROVISION OF LIVING QUARTERS FOR CERTAIN STUDENTS.**

2 Section 2195 of title 10, United States Code, is amended by adding at the end the
3 following new subsection:

4 "(d) Notwithstanding the provisions of section 5911(c), title 5, United States Code, the
5 Director of the National Security Agency may provide living quarters without charge, or at rates
6 or charges fixed by regulation, to a student in the Student Educational Employment Program or
7 similar program, as prescribed by the Office of Personnel Management, while the student is
8 employed at the Agency's laboratory."

9 **SEC. 1032. REPEAL OF REQUIRED GRADE FOR DEFENSE ATTACHE IN**
10 **FRANCE.**

11 (a) IN GENERAL.—Section 714 of title 10, United States Code, is repealed.

12 (b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 41 of
13 that title is amended by striking the item relating to section 714.

14 **SEC. 1033. NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY.**

15 (a) DEFINITION OF GEOSPATIAL INTELLIGENCE.—Section 467 of title 10, United States
16 Code, is amended by adding at the end the following new paragraph:

17 "(5) The term 'geospatial intelligence' means the exploitation and analysis of imagery and
18 geospatial information to describe, assess, and visually depict physical features and
19 geographically referenced activities on the Earth. This term consists of imagery, imagery
20 intelligence, and geospatial information."

21 (b) MISSIONS.—Section 442(a) of such title is amended to read as follows:

22 "(a) NATIONAL SECURITY MISSIONS.—(1) The National Geospatial-Intelligence Agency
23 shall, in support of the national security objectives of the United States, provide geospatial

1 intelligence consisting of the following:

2 "(A) Imagery.

3 "(B) Imagery intelligence.

4 "(C) Geospatial information.

5 "(2) Geospatial intelligence provided in carrying out paragraph (1) shall be timely,
6 relevant, and accurate."

7 (c) NATIONAL SECURITY ACT CHANGE.—Section 110 of the National Security Act of
8 1947 (50 U.S.C. 404(e)) is amended by striking "imagery" and inserting "geospatial
9 intelligence".

10 (d) TECHNICAL CHANGES TO TITLE 10.—

11 (1) The title of chapter 22 of such title is amended by striking "National Imagery
12 and Mapping Agency" and inserting "National Geospatial-Intelligence Agency".

13 (2) Paragraphs (a) and (b) of section 441 of such title are amended by striking
14 "National Imagery and Mapping Agency" and inserting "National Geospatial-Intelligence
15 Agency".

16 (3) Section 442 of such title is amended by striking "National Imagery and
17 Mapping Agency" wherever it appears and inserting "National Geospatial-Intelligence
18 Agency".

19 (4) Paragraphs (a) and (b) of section 443 of such title are amended by striking
20 "National Imagery and Mapping Agency" and inserting "National Geospatial-Intelligence
21 Agency".

22 (5) Paragraphs (a), (b), (c), and (e) of section 444 of such title are amended by
23 striking "National Imagery and Mapping Agency" and inserting "National Geospatial-

1 Intelligence Agency".

2 (6) Section 451 of such title is amended by striking "National Imagery and
3 Mapping Agency" and inserting "National Geospatial-Intelligence Agency".

4 (7) Paragraphs (a) and (b) of section 452 of such title are amended by striking
5 "National Imagery and Mapping Agency" and inserting "National Geospatial-Intelligence
6 Agency".

7 (8) Paragraphs (a) and (b) of section 453 of such title are amended—

8 (A) by striking "National Imagery and Mapping Agency" and inserting
9 "National Geospatial-Intelligence Agency"; and

10 (B) by striking "NIMA" and inserting "NGA".

11 (9) Section 454 of such title is amended by striking "National Imagery and
12 Mapping Agency" and inserting "National Geospatial-Intelligence Agency".

13 (10) Paragraphs (a) and (b) of section 455 of such title are amended by striking
14 "National Imagery and Mapping Agency" and inserting "National Geospatial-Intelligence
15 Agency".

16 (11) Paragraphs (a) and (b) of section 456 of such title are amended by striking
17 "National Imagery and Mapping Agency" and inserting "National Geospatial-Intelligence
18 Agency".

19 (12) Paragraph (b) of section 457 of such title is amended by striking "National
20 Imagery and Mapping Agency" and inserting "National Geospatial-Intelligence Agency".

21 (13) Paragraphs (a), (b), (c), and (d) of section 461 of such title are amended by
22 striking "National Imagery and Mapping Agency" and inserting "National Geospatial-
23 Intelligence Agency".

1 (14) Section 1614 of such title is amended by striking "National Imagery and
2 Mapping Agency" and inserting "National Geospatial-Intelligence Agency".

3 (e) TECHNICAL CHANGES TO THE NATIONAL SECURITY ACT OF 1947.—

4 (1) Section 3 of the National Security Act of 1947 (50 U.S.C. 401a) is amended
5 by striking "National Imagery and Mapping Agency" and inserting "National Geospatial-
6 Intelligence Agency".

7 (2) Paragraphs (b) and (d) of section 105 of such Act (50 U.S.C. 403-5) are
8 amended by striking "National Imagery and Mapping Agency" and inserting "National
9 Geospatial-Intelligence Agency".

10 (3) Paragraph (b) of section 105A of such Act (50 U.S.C. 403-5a) is amended by
11 striking "National Imagery and Mapping Agency" and inserting "National Geospatial-
12 Intelligence Agency".

13 (4) Section 105C of such Act (50 U.S.C. 403-5c) is amended—

14 (A) by striking "National Imagery and Mapping Agency" wherever it
15 appears and inserting "National Geospatial-Intelligence Agency"; and

16 (B) and by striking "NIMA" wherever it appears and inserting "NGA".

17 (5) Paragraph (a) of section 106 of such Act (50 U.S.C. 403-6) is amended by
18 striking "National Imagery and Mapping Agency" and inserting "National Geospatial-
19 Intelligence Agency".

20 (6) Paragraphs (a), (b), and (c) of section 110 of such Act (50 U.S.C. 404e) are
21 amended by striking "National Imagery and Mapping Agency" and inserting "National
22 Geospatial-Intelligence Agency".

23 (f) SEAL.—Section 425 (a) of title 10, United States Code, is amended by adding at the

1 end the following new paragraph:

2 " (5) The words 'National Geospatial-Intelligence Agency', the initials 'NGA,' or
3 the seal of the National Geospatial-Intelligence Agency."

Subtitle E—Other Matters

SEC. 1041. USE OF THE NATIONAL DRIVER REGISTER FOR PERSONNEL 2 SECURITY INVESTIGATIONS AND DETERMINATIONS.

3 (a) IN GENERAL.—Chapter 303 of title 49, United States Code, is amended by inserting
4 after section 30305 the following new section:

"§ 30305a. National driver register information for use in personnel security investigations 5 and determinations and personnel investigations with regard to Federal 6 employment security checks for Federal employment 7

8 "An individual who has or who seeks access to national security information for purposes
9 of Executive Order 12968, or successor Executive orders, or an individual who is being
10 investigated for Federal employment under authority of Executive Order 10450, or successor
11 Executive orders, may request that the chief driver licensing official of a State provide
12 information about the individual pursuant to section 30305(a) of this title to a Federal
13 department or agency that is authorized to investigate the individual for the purpose of assisting
14 in the determination of the eligibility of the individual for access to national security information
15 or for Federal employment. The Federal Department or agency that receives such information
16 may use it in accordance with applicable law."

17 (b) CLERICAL AMENDMENT.—The table of sections for such chapter 303 of title 49 is
18 amended by inserting after the item relating to section 30305 the following new item:

1 "30305a. National driver register information for use in personnel security investigations and determinations and
2 personnel investigations with regard to Federal employment security checks for Federal
3 employment.".

4 **SEC. 1042. NATIONAL DEFENSE HERITAGE FOUNDATION.**

5 (a) IN GENERAL.—Part IV of Subtitle A of title 10, United States Code is amended by
6 adding at the end the following new chapter:

"CHAPTER 173—NATIONAL DEFENSE HERITAGE FOUNDATION

"Sec.

"2905. Establishment and Purpose.

"2906. Composition and Operation.

"2907. Corporate Powers and Obligations.

"2908. Tax exemptions; contributions toward costs of local government; contributions, gifts, or transfers to or for
use of United States.

"2909. Liability of United States.

"2910. Promotion of local fundraising support.

"2911. Authorization of appropriations.

1 **"§ 2905. Establishment and purpose**

2 "(a) ESTABLISHMENT.—A National Defense Heritage Foundation is hereby established as
3 a charitable and nonprofit corporation for the purposes specified in subsection (b), and shall be
4 organized and operated as a 26 U.S.C. 501(c)(3) charitable foundation.

5 "(b) PURPOSES.—The Foundation shall encourage, accept, and administer private gifts of
6 money and real and personal property or any income therefrom for the benefit of, or in
7 connection with, the preservation, protection, and continued beneficial use of historic properties
8 owned or controlled by the Department of Defense.

9 **"§ 2906. Composition and operation**

10 "(a) BOARD OF DIRECTORS.—The National Defense Heritage Foundation shall be
11 governed by a Board of Directors that shall consist of—

12 "(1) the Secretary of Defense, ex officio;

1 "(2) the Secretaries of the Military Departments, ex officio;

2 "(3) the Director of the National Park Service, ex officio;

3 "(4) five experts in the field of historic preservation appointed by the Secretary of
4 Defense from the disciplines of architecture, history, archeology, or other appropriate
5 disciplines;

6 "(5) three at-large members from the general public appointed by the Secretary of
7 Defense; and

8 "(6) the Chairman of the Advisory Council on Historic Preservation.

9 "(b) TERM OF APPOINTMENT.—The initial terms of the five historic preservation experts
10 and the three at-large members shall be staggered to assure continuity of administration.

11 Thereafter, the term shall be six years, unless a successor is chosen to fill a vacancy occurring
12 prior to the expiration of the term for which his predecessor was chosen, in which event the
13 successor shall be chosen only for the remainder of that term.

14 "(c) CHAIRPERSON AND SECRETARY.—The Secretary of Defense shall be the Chairman of
15 the Board and the Director of the National Park Service shall be the Secretary of the Board.

16 "(d) MEMBERSHIP AND OPERATION.—Except as to those Board members serving in their
17 official capacities, service as a member of the Board shall not constitute employment by, or the
18 holding of, an office of the United States for the purposes of any Federal law. A majority of the
19 members of the Board serving at any one time shall constitute a quorum for the transaction of
20 business, and the Foundation shall have an official seal, which shall be judicially noticed. The
21 Board shall meet at the call of the Chairman and there shall be at least one meeting each year.

22 "(e) COMPENSATION AND TRAVEL EXPENSES.—No compensation shall be paid to the
23 members of the Board for their services as members, but they shall be reimbursed for actual and

1 necessary traveling and subsistence expenses incurred by them in the performance of their duties
2 as such members out of National Defense Heritage Foundation funds available to the Board for
3 such purposes.

4 "(f) VOLUNTEER STATUS.—The Secretary of Defense may accept, without regard to civil
5 service classification laws, rules, or regulations, the services of the Foundation, the Board, and
6 the officers and employees of the Board, without compensation from the Department of Defense,
7 as volunteers in the performance of the functions authorized herein.

8 "(g) EMPLOYEES.—An officer or employee of the Foundation—

9 "(1) shall not by virtue of the appointment or employment of the office or
10 employee, be considered a Federal employee for any purpose; and

11 "(2) may not be paid by the Foundation a salary in excess of \$134,000 per year.

12 **"§ 2907. Corporate powers and obligations**

13 "(a) GIFTS.—(1) The Foundation is authorized to accept, receive, solicit, hold,
14 administer, and use any gifts, devises, or bequests, either absolutely or in trust, of real or
15 personal property or any income therefrom or other interest therein for the benefit of or in
16 connection with, the preservation, protection, and continued beneficial use of historic properties
17 owned or controlled by the Department of Defense; provided, that the Foundation may not
18 accept any such gift, devise, or bequest that entails any expenditure other than from the resources
19 of the Foundation.

20 "(2) An interest in real property includes, among other things, easements or other
21 rights for preservation, conservation, protection, or enhancement of historic properties.

22 "(3) A gift, device, or bequest may be accepted by the Foundation even though it
23 is encumbered, restricted, or subject to beneficial interests of private persons if any

1 current or future interest therein supports the purposes for which the Foundation has been
2 established.

3 "(b) PROPERTY AND INCOME DEALINGS AND TRANSACTIONS.—(1) Except as otherwise
4 required by the instrument of transfer, the Foundation may sell, lease, invest, reinvest, retain, or
5 otherwise dispose of or deal with any property or income thereof as the Board may from time to
6 time determine.

7 "(2) The Foundation shall not engage in any business, nor shall the Foundation
8 make any investment that may not lawfully be made by a trust company in the District of
9 Columbia, except that the Foundation may make any investment authorized by the
10 instrument of transfer, and may retain any property accepted by the Foundation.

11 "(3) The Foundation may utilize the services and facilities of the Department of
12 Defense, the Department of the Interior, and the Department of Justice, and such services
13 and facilities may be made available on request to the extent practicable with or without
14 reimbursement therefore. Monies reimbursed to any Department shall be returned by the
15 Department to the account from which the funds for which the reimbursement is made
16 were drawn and may, without further appropriation, be expended for any purpose for
17 which such account is authorized.

18 "(c) CORPORATE SUCCESSION; POWERS AND DUTIES OF TRUSTEE; SUITS; PERSONAL
19 LIABILITY FOR MALFEASANCE.—The Foundation shall have perpetual succession, with all the
20 usual powers and obligations of a corporation acting as a trustee, including the power to sue and
21 to be sued in its own name, but the members of the Board shall not be personally liable, except
22 for malfeasance.

23 "(d) AUTHORITY FOR EXECUTION OF CONTRACTS, INSTRUMENTS, AND NECESSARY OR

1 APPROPRIATE ACTS.—The Foundation shall have the power to enter into contracts, to execute
2 instruments, and generally to do any and all lawful acts necessary or appropriate to its purposes.

3 "(e) BYLAWS, RULES, AND REGULATIONS; CONTRACTS FOR SERVICES.—In carrying out
4 the provisions of this subchapter, the Board may adopt bylaws, rules, and regulations necessary
5 for the administration of its functions and contract for any necessary services.

6 **"§ 2908. Tax exemptions; contributions toward costs of local government; contributions,
7 gifts, or transfers to or for use of United States**

8 "(a) TAX EXEMPTIONS.—The Foundation and any income or property received or owned
9 by it, and all transactions relating to such income or property, shall be exempt from all Federal,
10 State, and local taxation with respect thereto.

11 "(b) CONTRIBUTION TO COSTS OF LOCAL GOVERNMENT.—The Foundation may,
12 however, in the discretion of its directors, contribute toward the costs of local government in
13 amounts not in excess of those which it would be obligated to pay such government if it were not
14 exempt from taxation by virtue of the foregoing or by virtue of its being a charitable and
15 nonprofit corporation and may agree so to contribute with respect to property transferred to it
16 and the income derived therefrom if such agreement is a condition of the transfer.

17 "(c) TRANSFERS TO OR FOR USE OF UNITED STATES.—Contributions, gifts, and other
18 transfers made to or for the use of the Foundation shall be regarded as contributions, gifts, or
19 transfers to or for the use of the United States.

20 **"§ 2909. Liability of United States**

21 "The United States shall not be liable for any debts, defaults, acts, or omissions of the
22 Foundation.

23 **"§ 2910. Promotion of local fundraising support**

1 "(a) ESTABLISHMENT.—The Foundation shall design and implement a comprehensive
2 program to assist and promote philanthropic programs of support at the individual military
3 installation level.

4 "(b) IMPLEMENTATION.—The program under subsection (a) shall be implemented to—

5 "(1) assist in the creation of local nonprofit support organizations; and

6 "(2) provide support, national consistency, and management-improving
7 suggestions for local nonprofit support organizations.

8 "(c) PROGRAM.—The program under subsection (a) shall include the greatest number of
9 military installations as is practicable.

10 "(d) REQUIREMENTS.—The program under subsection (a) shall include, at a minimum—

11 "(1) a standard adaptable organizational design format to establish and sustain
12 responsible management of a local nonprofit support organization for support of a
13 military installation;

14 "(2) standard and legally tenable bylaws and recommended money-handling
15 procedures that can easily be adapted as applied to individual military installations; and

16 "(3) a standard training curriculum to orient and expand the operating expertise of
17 personnel employed by local nonprofit support organizations.

18 "(e) ANNUAL REPORT.—The Foundation shall report the progress of the program under
19 subsection (a) in the annual report of the Foundation.

20 "(f) AFFILIATIONS.—(1) Nothing in this section requires:

21 "(A) a nonprofit support organization or friends group to modify current
22 practices or to affiliate with the Foundation; or

23 "(B) a local nonprofit support organization, established as a result of this

1 section, to be bound through its charter or corporate bylaws to be permanently
2 affiliated with the Foundation.

3 "(2) An affiliation with the Foundation shall be established only at the discretion
4 of the governing board of a nonprofit organization.

5 **"§ 2911. Authorization of appropriations**

6 "(a) AUTHORIZATION.—There are authorized to be appropriated to the Department of
7 Defense such sums as may be necessary to achieve the purposes of the Foundation.

8 "(b) USE OF AMOUNTS APPROPRIATED.—(1) Subject to paragraph (2), amounts
9 appropriated under this section shall be made available to the Foundation for use for matching,
10 in whole or in part, contributions (whether in currency, services, or property) made to the
11 Foundation by private persons and State and local government agencies.

12 "(2) No Federal funds authorized under this section shall be used by the
13 foundation for administrative expenses of the Foundation, including salaries, travel and
14 transportation expenses, and other overhead expenses.

15 "(c) ADDITIONAL AUTHORIZATION.—The amounts authorized to be appropriated under
16 this section are in addition to any amounts provided or available to the Foundation under any
17 other Federal law."

18 (b) CLERICAL AMENDMENT.—The table of chapters of Part IV of Subtitle A of such title
19 is amended by adding at the end the following new item:

20 "173. National Defense Heritage Foundation.....2905".

21 **SEC. 1043. UPDATING DEFINITIONS IN TITLE 10, UNITED STATES CODE.**

22 (a) GENERAL DEFINITIONS.—Subsection (a) of section 101 of title 10, United States
23 Code, is amended by adding at the end the following new paragraphs:

1 "(16) The term 'appropriate committees of Congress' means the Committee on Armed
2 Services and the Committee on Appropriations of the Senate and the Committee on Armed
3 Services and the Committee on Appropriations of the House of Representatives and, with respect
4 to any project to be carried out by, or for the use of, an intelligence component of the
5 Department of Defense, the Permanent Select Committee on Intelligence of the House of
6 Representatives and the Select Committee on Intelligence of the Senate.

7 "(17) The term 'base closure law' means—

8 "(A) section 2687 of this title;

9 "(B) title II of the Defense Authorization Amendments and Base Closure and
10 Realignment Act of 1988 (Public Law 100-526; 10 U.S.C. 2687 note);

11 "(C) the Defense Base Closure and Realignment Act of 1990 (part A of title
12 XXIX of Public Law 101-510; 10 U.S.C. 2687 note); and

13 "(D) any other similar authority for the closure or realignment of military
14 installations that is enacted after the date of the enactment of the Bob Stump National
15 Defense Authorization Act for Fiscal Year 2003.

16 "(18) The term 'Indian tribe' has the meaning given such term in section 102(2) of the
17 Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a(2)).".

18 (b) FACILITIES DEFINITIONS.—Section 101 is further amended—

19 (1) by redesignating subsections (e) and (f) as subsections (f) and (g),
20 respectively; and

21 (2) by inserting after subsection (d) the following new subsection (e):

22 "(e) FACILITIES AND OPERATIONS.—Unless the context indicates otherwise, the following
23 definitions relating to facilities and operations apply to this title:

1 "(1) The term 'military munitions'—

2 "(A) means all ammunition products and components produced for or
3 used by the armed forces for national defense and security, including ammunition
4 products or components under the control of the Department of Defense, the
5 Coast Guard, the Department of Energy, and the National Guard. The term
6 includes confined gaseous, liquid, and solid propellants, explosives, pyrotechnics,
7 chemical and riot control agents, smokes, incendiaries, bulk explosives and
8 chemical warfare agents, chemical munitions, rockets, guided and ballistic
9 missiles, bombs, warheads, mortar rounds, artillery ammunition, small arms
10 ammunition, grenades, mines, torpedoes, depth charges, cluster munitions and
11 dispensers, demolition charges, and devices and components thereof, and

12 "(B) does not include wholly inert items, improvised explosive devices,
13 and nuclear weapons, nuclear devices, and nuclear components, except that the
14 term does include non-nuclear components of nuclear devices that are managed
15 under the nuclear weapons program of the Department of Energy after all
16 required sanitization operations under the Atomic Energy Act of 1954 (42 U.S.C.
17 2011, et seq.) have been completed.

18 "(2) The term 'operational range' means—

19 "(A) a range that is used for range activities, or

20 "(B) a range that is not currently being used for range activities, but that is
21 still considered by the Secretary concerned to be a range, is under the jurisdiction,
22 custody, or control of the Secretary concerned, and has not been put to a new use
23 that is incompatible with range activities.

1 "(3) The term 'range' means a designated land or water area set aside, managed,
2 and used to conduct research, development, testing, and evaluation of military munitions,
3 other ordnance, or weapon systems, or to train military personnel in their use and
4 handling. Ranges include firing lines and positions, maneuver areas, firing lanes, test
5 pads, detonation pads, impact areas, electronic scoring sites, buffer zones with restricted
6 access and exclusionary areas, and airspace areas designated for military use according to
7 regulations and procedures established by the Federal Aviation Administration such as
8 special use airspace areas, military training routes, or other associated airspace.

9 "(4) The term 'unexploded ordnance' means military munitions that—

10 "(A) have been primed, fused, armed, or otherwise prepared for action;

11 "(B) have been fired, dropped, launched, projected, or placed in such a
12 manner as to constitute a hazard to operations, installations, personnel, or
13 material; and

14 "(C) remain unexploded either by malfunction, design, or any other
15 cause."

16 (c) CONFORMING AMENDMENTS.—(1) Subsection (e) of section 2710 of title 10, United
17 States Code, is amended—

18 (A) by striking paragraphs (3), (5), and (9); and

19 (B) by redesignating paragraphs (4), (6), (7), (8), and (10) as paragraphs (3), (4),
20 (5), (6), and (7), respectively.

21 (2) Subsection (d) of section 313 of the National Defense Authorization Act for Fiscal
22 Year 2002 (Public Law 107-107; 115 Stat. 1053), is amended by inserting after "311" the
23 following: ", or in section 101 of title 10, United States Code".

1 (3) Title 10, United States Code, is further amended as follows:

2 (A) Subsection (c) of section 2801 is amended by striking paragraph (4).

3 (B) Sections 181, 229, 1107, 2216, 2218, 2306b, 2366, 2399, 2534, 2667, and
4 10216 are amended by striking "congressional defense committees" each place it appears
5 and inserting "appropriate committees of Congress".

6 (C) Subsection (d)(2) of section 181 is amended—

7 (i) by striking "subsection: (A) The" and inserting "subsection, the"; and

8 (ii) by striking paragraph (B).

9 (D) Subsection (f) of section 229 is repealed.

10 (E) Subsection (f)(4) of section 1107 is amended by striking subparagraph (C).

11 (F) Subsection (j) of section 2216 is amended by striking paragraph (3).

12 (G) Subsection (l) of section 2218 is amended—

13 (i) by striking paragraph (4); and

14 (ii) by redesignating paragraph (5) as paragraph (4).

15 (H) Subsection (l) of section 2306b is amended—

16 (i) by striking paragraph (9); and

17 (ii) by redesignating paragraph (10) as paragraph (9).

18 (I) Subsection (e) of section 2366 is amended by striking paragraph (7).

19 (J) Subsection (h) of section 2399 is amended—

20 (i) in paragraph (1), by striking "section: (1) The" and inserting "section,
21 the"; and

22 (ii) by striking paragraph (2).

23 (K) Subsection (h) of section 2667 is amended—

1 (i) by striking paragraphs (1) and (2); and

2 (ii) by striking "section: (3) The" and inserting "section, the".

3 (4) Title 10, United States Code, is further amended as follows:

4 (A) Subsection (f) of section 2490a is amended—

5 (i) by striking "section: (1) The" and inserting "section, the"; and

6 (ii) by striking paragraph (2).

7 (B) Section 2705 is amended by striking subsection (h).

8 (C) Section 2871 is amended—

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

10 (ii) by redesignating paragraphs (3), (4), (5), (6), (7), and (8) as paragraphs

11 (2), (3), (4), (5), (6), and (7), respectively.

12 **SEC. 1044. IMPROVING READINESS IN PROVIDING FIREFIGHTING SERVICES.**

13 Section 2465(b) of title 10, United States Code, is amended by adding at the end the
14 following new paragraph:

15 "(4) to a contract for the performance of a firefighting function for a period of one year or
16 less to fill vacant positions created by deployed military fire fighters."

17 **SEC. 1045. EXEMPTION FOR AIRCRAFT CHARTER OPERATIONS TO PROVIDE**
18 **TRANSPORTATION TO THE ARMED FORCES.**

19 Section 132 of the Aviation and Transportation Security Act (Public Law 107-71; 115
20 Stat. 635) is amended by adding at the end the following new subsection:

21 "(c) EXEMPTION FOR CHARTER OPERATIONS TO PROVIDE TRANSPORTATION TO THE
22 ARMED FORCES.—The provisions of this Act shall not apply to the operation of, or to the
23 passengers and property carried by, aircraft when employed to provide charter transportation to

1 the armed forces, except for an operation to or from an airport described in section 44903(c) of
2 title 49, United States Code. For an operation to or from an airport described in section
3 44903(c), the screening, and passenger manifest provisions of this Act shall not apply to
4 passengers and property loaded onto such aircraft. The Secretary of Defense, in consultation
5 with the Secretary of Homeland Security and the Secretary of Transportation, shall establish
6 security procedures relating to the operation of such aircraft to or from an airport described in
7 section 44903(c) of title 49."

8 **SEC. 1046. DOCUMENTS, HISTORICAL ARTIFACTS, AND OBSOLETE OR**
9 **SURPLUS MATERIEL: LOAN, DONATION, OR EXCHANGE.**

10 (a) IN GENERAL.—Section 2572 of title 10, United States Code, is amended—

11 (1) in the heading, by striking "condemned or obsolete combat" and inserting
12 "obsolete or surplus";

13 (2) in subsection (a), by striking "subsection (c)" and inserting "subsection
14 (c)(1)";

15 (3) in subsection (b), by striking "subsection (c)" and inserting "subsection
16 (c)(2)"; and

17 (4) in subsection (c)—

18 (A) by striking "(c) This section" and "(c)(1) Subsection (a)"; and

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

20 "(2) Subsection (b) applies to the following types of property held by a
21 military department or the Coast Guard: books, manuscripts, works of art,
22 historical artifacts, drawings, plans, models, and obsolete or surplus materiel."

23 (b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 153 of

1 such title is amended by amending the item relating to section 2572 to read as follows:

2 "2572. Documents, historical artifacts, and obsolete or surplus combat materiel: loan, gift, or exchange."

3 **SEC. 1047. AUTHORITY TO ENSURE DEMILITARIZATION OF SIGNIFICANT**
4 **MILITARY EQUIPMENT FORMERLY OWNED BY THE**
5 **DEPARTMENT OF DEFENSE.**

6 (a) IN GENERAL.—Chapter 153 of title 10, United States Code, is amended by inserting
7 after section 2582 the following new section:

8 **"§ 2583. Continued authority to require demilitarization of significant military equipment**
9 **after disposal**

10 "(a) AUTHORITY TO REQUIRE DEMILITARIZATION.—The Secretary of Defense may require
11 any person in possession of significant military equipment formerly owned by the Department of
12 Defense—

13 "(1) to demilitarize the equipment;

14 "(2) to have the equipment demilitarized by a third party; or

15 "(3) to return the equipment to the U.S. Government for demilitarization.

16 "(b) COST AND VALIDATION OF DEMILITARIZATION.—When the demilitarization of
17 significant military equipment is carried out by the person in possession of the equipment
18 pursuant to paragraph (1) or (2) of subsection (a), the person shall be solely responsible for all
19 demilitarization costs, and the United States shall have the right to validate that the equipment
20 has been demilitarized.

21 "(c) RETURN OF EQUIPMENT TO THE U.S. GOVERNMENT.—When the Secretary of
22 Defense requires the return of significant military equipment for demilitarization by the U.S.
23 Government, the Secretary shall bear all costs to transport and demilitarize the equipment. If the

1 person in possession of the significant military equipment obtained the property in the manner
2 authorized by law or regulation and the Secretary determines that the cost to demilitarize and
3 return the property to the person is prohibitive, the Secretary shall reimburse the person for the
4 fair market value of the property or, if the fair market value is not readily ascertainable, the
5 purchase cost of the property and for the reasonable transportation costs incurred by the person
6 to purchase the equipment.

7 "(d) ESTABLISHMENT OF DEMILITARIZATION STANDARDS.—The Secretary of Defense
8 may prescribe by regulation what constitutes demilitarization for each type of significant
9 military equipment.

10 "(e) EXCEPTIONS.—This section does not apply—

11 "(1) when a person is in possession of significant equipment formerly owned by
12 the Department of Defense for the purpose of demilitarizing the equipment pursuant to a
13 U.S. Government contract.

14 "(2) to small arms weapons issued under the Defense Civilian Marksmanship
15 Program established in Title 36, United States Code.

16 "(3) to issues by the Department of Defense to museums where demilitarization
17 has been performed in accordance with departmental regulations.

18 "(4) to other issues and undemilitarized significant military equipment under the
19 provisions of departmental regulations.

20 "(f) DEFINITION OF SIGNIFICANT MILITARY EQUIPMENT.—In this section, the term
21 'significant military equipment' means—

22 "(1) an article for which special export controls are warranted under the Arms
23 Export Control Act (22 U.S.C. 2751 et seq.) because of its capacity for substantial

1 military utility or capability, as identified on the United States Munitions List maintained
2 under sect 121.1 of title 22, Code of Federal Regulations; and

3 "(2) any other article designated by the Department of Defense as requiring
4 demilitarization before its disposal."

5 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 153 is
6 amended by adding at the end the following new item:

7 "2583. Continued authority to require demilitarization of significant military equipment after disposal."

8 **SEC. 1048. STOPPING VESSELS; IMMUNITY FOR FIRING AT OR INTO VESSEL.**

9 Section 637 of title 14, United States Code, is amended—

1 (1) in subsection (a), by inserting before the period at the end the following:

2 ", except that the prior use of the warning signal is not required if its use would
3 unreasonably endanger persons or property in the vicinity of the vessel."

4 (2) in subsection (c)—

5 (A) by amending paragraph (2) to read as follows:

6 "(2) it is a surface naval vessel or military aircraft on which one or more members
7 of the Coast Guard are assigned pursuant to section 379 of title 10."; and

8 (B) by striking paragraph (3); and

9 (4) by striking subsection (d).

10 **SEC. 1049. REAUTHORIZATION OF AVIATION INSURANCE PROGRAM.**

11 (a) REPEAL OF INSURANCE AUTHORITY SUNSET.—Section 44310 of title 49, United States
12 Code, is repealed.

13 (b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 443 of
14 such title is amended by striking the item relating to section 44310.

1 **SEC. 1050. MODIFICATION OF NATIONAL SECURITY EDUCATION PROGRAM.**

2 (a) REQUIREMENT TO CARRY OUT PROGRAM.—Section 802(a)(1) of the David L. Boren
3 National Security Education Act of 1991 (50 U.S.C. 1902) is amended by striking "Secretary of
4 Defense" and inserting "Secretary".

5 (b) SERVICE AGREEMENTS.—Section 802(b) of such Act (50 U.S.C. 1902) is amended by
6 adding the following new paragraphs:

7 "(4) A service agreement shall not be affected by the transfer of any management
8 function to the Department of Education, but shall continue in full force and effect
9 according to the original terms until amended, modified, superseded, terminated, set
10 aside, or revoked in accordance with law by the Secretary. Upon any such transfer, all
11 existing and future service agreements will be subject to the authority of the Secretary
12 under this Act.

13 (5) Notwithstanding the provisions of Section 437 of the General Education
14 Provisions Act (20 U.S.C. 1232), the Secretary may adopt regulations promulgated by the
15 Secretary of Defense as required in the management of such program and
16 implementation of such service agreements."

17 (c) FOREIGN LANGUAGE CENTER OF THE DEFENSE LANGUAGE INSTITUTE.—Section
18 802(h) of such Act (50 U.S.C. 1902) is amended—

19 (1) in paragraph (1) by adding "of Defense" after "Secretary"; and

20 (2) in paragraph (2), by adding "of Defense" after "Secretary".

21 (d) ORGANIZATION OF THE NATIONAL SECURITY EDUCATION BOARD.—Section 803 of
22 such Act (50 U.S.C. 1903) is amended—

23 (1) in subsection (a), by striking "of Defense" after "Secretary"; and

1 (2) in subsection (b)—

2 (A) in paragraph (1), by striking "of Defense" after "Secretary"; and

3 (B) in paragraph (2), by striking "of Education" after "Secretary" and
4 inserting "of Defense".

5 (e) REVISION OF REQUIREMENT TO PROVIDE INFORMATION IN CONNECTION WITH
6 GENERAL ACCOUNTING OFFICE AUDITS.— Section 807 of such Act (50 U.S.C. 1907) is amended
7 by striking "of Defense" after "Department" and inserting "of Education".

8 (f) DEFINITIONS.—Section 808 of such Act (50 U.S.C. 1908) is amended—

9 (1) by inserting the following new item (1):

10 "(1) Unless provided otherwise, the term "Secretary" means the Secretary of
11 Education."; and

12 (2) by redesignating items (1) through (4) as (2) through (5).

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Sec. 1101.	Extension of voluntary separation incentive pay authority.
Sec. 1102.	Modify the overtime pay cap.
Sec. 1103.	Application of grievance procedures.
Sec. 1104.	Civil service retirement system computation for part-time service.
Sec. 1105.	Position vacancy promotion consideration in time of war or national emergency.
Sec. 1106.	Military leave for mobilized federal civilian employees.

SEC. 1101. EXTENSION OF VOLUNTARY SEPARATION INCENTIVE PAY

AUTHORITY.

3 Section 5597(e) of title 5, United States Code, is amended by striking "September 30,
4 2003" and inserting "September 30, 2006".

SEC. 1102. MODIFY THE OVERTIME PAY CAP.

6 Section 5542(a)(2) of title 5, United States Code, is amended by striking "the overtime

1 hourly rate of pay is an amount equal to one and one-half times the hourly rate of the minimum
2 rate of basic pay for GS-10 (including any applicable locality-based comparability payment
3 under section 5304 or similar provision of law and any applicable special rate of pay under
4 section 5305 or similar provision of law)" and inserting "the overtime hourly rate of pay is an
5 amount equal to the greater of one and one-half times the minimum hourly rate of basic pay for
6 GS-10 (including any applicable locality-based comparability payment under section 5304 or
7 similar provision of law and any applicable special rate of pay under section 5305 or similar
8 provision of law) or the employee's hourly rate of basic pay".

9 **SEC. 1103. APPLICATION OF GRIEVANCE PROCEDURES.**

10 (a) Section 7103(a)(9)(A) of title 5, United States Code, is amended by adding before the
11 semicolon the following: "raised pursuant to a negotiated grievance procedure established
12 pursuant to section 7121 of this chapter".

13 (b) Subparagraph (A) of section 7114(a)(2) of such title is amended by adding before the
14 semicolon the following: ", except that discussions related to Equal Employment Opportunity
15 complaints are not formal discussion".

16 **SEC. 1104. CIVIL SERVICE RETIREMENT SYSTEM COMPUTATION FOR PART-**
17 **TIME SERVICE.**

18 Section 8339(p) of title 5, United States Code, is amended by adding at the end the
19 following new paragraphs:

20 "(3) In the administration of paragraph (1)—

21 "(A) subparagraph (A) of such paragraph shall apply to any service performed
22 before, on, or after April 7, 1986;

23 "(B) subparagraph (B) of such paragraph shall apply to all service performed on a

1 part-time or full-time basis on or after April 7, 1986; and

2 (C) any service performed on a part-time basis before April 7, 1986, shall be
3 credited as service performed on a full-time basis."; and

4 "(4) Paragraph (3) applies to individuals who retire on or after the date of enactment, and
5 the administration of this provision is effective 90 days after the date of enactment."

6 **SEC. 1105. POSITION VACANCY PROMOTION CONSIDERATION IN TIME OF**
7 **WAR OR NATIONAL EMERGENCY.**

8 (a) VACANCY PROMOTION CONSIDERATION.—Section 14317 of title 10, United States
9 Code, is amended—

10 (1) in subsection (d), by striking "If a reserve officer" and inserting "Except as
11 provided in subsection (e), if a reserve officer"; and

12 (2) in subsection (e), by inserting "or, in the case of an officer who has been
13 ordered to or is serving on active duty in support of a contingency operation as defined in
14 section 101(a)(13) of this title, a vacancy promotion board" after "mandatory promotion
15 board".

16 (b) CONFORMING AMENDMENT.—Paragraph (1) of section 14315(a) of such title is
17 amended by striking "or, as determined by the Secretary concerned, is available to occupy a
18 position" and inserting "or, under regulations prescribed by the Secretary concerned, is
19 recommended to occupy a position".

20 **SEC. 1106. MILITARY LEAVE FOR MOBILIZED FEDERAL CIVILIAN**
21 **EMPLOYEES.**

22 (a) IN GENERAL.—Subsection (b) of section 6323 of title 5, United States Code, is
23 amended—

- 1 (1) by redesignating paragraph (2) as paragraph (3); and
- 2 (2) by inserting after paragraph (1) the following new paragraph (2):
- 3 "(2) performs active duty in support of a contingency operation as defined in
- 4 section 101(a)(13) of title 10; or".
- 5 (b) CONFORMING AMENDMENT.—Such subsection is further amended by inserting "or
- 6 (3)" after "paragraph (2)".
- 7 (c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply
- 8 prospectively upon enactment.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Matters Related to Arms Control and Monitoring

- Sec. 1201. Clarification and extension of authority to provide assistance to United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.

Subtitle B—Matters Related to Allies and Friendly Foreign Nations

- Sec. 1211. Expansion of authority to conduct the Arctic military environmental cooperation program.
- Sec. 1212. Provision of cataloging data and services.
- Sec. 1213. Authority to waive domestic source or content requirements.
- Sec. 1214. Authority to expend funds to recognize superior noncombat achievements or performance by members of friendly foreign forces and other foreign nationals.
- Sec. 1215. Administrative support and services for foreign liaison officers.
- Sec. 1216. George C. Marshall European Center for Security Studies.
- Sec. 1217. Restrictions on permanent transfer of significant military equipment.
- Sec. 1218. Amendment to authority for acceptance by Asia-Pacific Center for Security Studies of foreign gifts and donations.
- Sec. 1219. Addition of individuals authorized to receive check cashing and exchanges of foreign currency.
- Sec. 1220. Continuation of the regional counterterrorism fellowship program.
- Sec. 1221. Logistics support for friendly nations.

Subtitle C—Other Matters

- Sec. 1231. Repeal of the authorization for the establishment of the Center for the Study of Chinese Military Affairs.

Subtitle A—Matters Related to Arms Control and Monitoring

1 SEC. 1201. CLARIFICATION AND EXTENSION OF AUTHORITY TO PROVIDE

1 **ASSISTANCE TO UNITED NATIONS-SPONSORED EFFORTS TO**
2 **INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.**

3 (a) **LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2004.**—The total amount of
4 the assistance for Fiscal Year 2004 that is provided by the Secretary of Defense under section
5 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of
6 the Department of Defense in support of activities under that Act may not exceed \$15,000,000.

7 (b) **EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.**—Section 1505(f) of the
8 Weapons of Mass Destruction Act of 1992 (22 U.S.C. 5859a) is amended by striking "2003" and
9 inserting "2004".

10 (c) **REFERENCES TO UNITED NATIONS SPECIAL COMMISSION ON IRAQ.**—Section 1505 of
11 The Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended—

12 (1) in subsection (b)(2), by striking "the United Nations Special Commission on
13 Iraq (or any successor organization)" and inserting "United Nations Monitoring,
14 Verification and Inspection Commission"; and

15 (2) in subsection (d)(4)(A), by striking "United Nations Special Commission on
16 Iraq (or any successor organization)" and inserting "United Nations Monitoring,
17 Verification and Inspection Commission".

Subtitle B—Matters Related to Allies and Friendly Foreign Nations

1 **SEC. 1211. EXPANSION OF AUTHORITY TO CONDUCT THE ARCTIC MILITARY**
2 **ENVIRONMENTAL COOPERATION PROGRAM.**

3 Section 327 of the Strom Thurmond National Defense Authorization Act for Fiscal Year
4 1999 (Public Law No. 105-261; 112 Stat. 1965), is amended—

1 (1) in the title, by inserting "AND WESTERN PACIFIC" after "ARCTIC";

2 (2) by striking subsections (b) and (c);

3 (3) by redesignating subsection (a) as subsection (b);

4 (4) by inserting the following new subsection (a):

5 "(a) **AUTHORITY TO CONDUCT PROGRAM.**—Subject to subsection (b), the Secretary of
6 Defense, with the concurrence of the Secretary of State, may conduct the Arctic and Western
7 Pacific Military Environmental Cooperation Program."; and

8 (5) in subsection (b), as redesignated by paragraph (3)—

9 (A) in paragraph (1)—

10 (i) by inserting "and Western Pacific" after "Subject to paragraph (2),
11 activities under the Arctic";

12 (ii) by inserting "and assistance" after "shall include cooperative"; and

13 (iii) by striking "in the Arctic Region"; and

14 (B) in paragraph (2)—

15 (i) by inserting "Western Pacific" after "Activities under the Arctic"; and

16 (ii) by striking "for purposes for which funds for Cooperative Threat

17 Reduction programs have been denied or are prohibited, including the purposes".

18 **SEC. 1212. PROVISION OF CATALOGING DATA AND SERVICES.**

19 Section 21(h)(2) of the Arms Export Control Act (Public Law 90-629; 22 U.S.C.
20 §2761(h)(2)) is amended by striking "or to any member government of that Organization if that
21 Organization or member government" and inserting ", to any member of that Organization, or to
22 the government of any other country if that Organization, member government, or other
23 government".

1 **SEC. 1213. AUTHORITY TO WAIVE DOMESTIC SOURCE OR CONTENT**
2 **REQUIREMENTS.**

3 (a) IN GENERAL.—Subchapter V of chapter 148 of title 10, United States Code, is
4 amended by adding at the end the following new section:

5 **"§ 2539c. Waiver of domestic source or content requirements**

6 "(a) AUTHORITY.—Except as provided in subsection (f), the Secretary of Defense may
7 waive the application of any domestic source requirement or domestic content requirement
8 referred to in subsection (b) and thereby authorize the procurement of items that are grown,
9 reprocessed, reused, produced, or manufactured—

10 "(1) in a foreign country that has a reciprocal defense procurement memorandum
11 of understanding or agreement with the United States;

12 "(2) in a foreign country that has a reciprocal defense procurement memorandum
13 of understanding or agreement with the United States substantially from components and
14 materials grown, reprocessed, reused, produced, or manufactured in the United States or
15 any foreign country that has a reciprocal defense procurement memorandum of
16 understanding or agreement with the United States; or

17 "(3) in the United States substantially from components and materials grown,
18 reprocessed, reused, produced, or manufactured in the United States or any foreign
19 country that has a reciprocal defense procurement memorandum of understanding or
20 agreement with the United States.

21 (b) COVERED REQUIREMENTS.—For purposes of this section:

22 "(1) A domestic source requirement is any requirement under law that the
23 Department of Defense satisfy its requirements for an item by procuring an item that is

1 grown, reprocessed, reused, produced, or manufactured in the United States or by a
2 manufacturer that is a part of the national technology and industrial base (as defined in
3 section 2500(1) of this title).

4 "(2) A domestic content requirement is any requirement under law that the
5 Department of Defense satisfy its requirements for an item by procuring an item
6 produced or manufactured partly or wholly from components and materials grown,
7 reprocessed, reused, produced, or manufactured in the United States.

8 "(c) APPLICABILITY.—The authority of the Secretary to waive the application of a
9 domestic source or content requirements under subsection (a) applies to the procurement of
10 items for which the Secretary of Defense determines that—

11 "(1) application of the requirement would impede the reciprocal procurement of
12 defense items under a memorandum of understanding providing for reciprocal
13 procurement of defense items between a foreign country and the United States in
14 accordance with section 2531 of this title; and

15 "(2) such country does not discriminate against defense items produced in the
16 United States to a greater degree than the United States discriminates against defense
17 items produced in that country.

18 "(d) LAWS NOT WAIVABLE.—The Secretary of Defense may not exercise the authority
19 under subsection (a) to waive any domestic source or content requirement contained in any of
20 the following laws:

21 "(1) The Small Business Act (15 U.S.C. 631 et seq.).

22 "(2) The Javits-Wagner-O'Day Act (41 U.S.C. et seq.).

23 "(3) Sections 2533a, 7309 and 7310 of this title.

1 "(e) RELATIONSHIP TO OTHER WAIVER AUTHORITY.—The authority under subsection (a)
2 to waive a domestic source requirement or domestic content requirement is in addition to any
3 other authority to waive such requirement.

4 "(f) CONSTRUCTION WITH RESPECT TO LATER ENACTED LAWS.—This section may not be
5 construed as being inapplicable to a domestic source requirement or domestic content
6 requirement that is set forth in a law enacted after the enactment of this section solely on the
7 basis of the later enactment."

8 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is
9 amended by inserting after the item relating to section 2539b the following new item:
10 "2539c. Waiver of domestic source or content requirements."

11 **SEC. 1214. AUTHORITY TO EXPEND FUNDS TO RECOGNIZE SUPERIOR**
12 **NONCOMBAT ACHIEVEMENTS OR PERFORMANCE BY MEMBERS**
13 **OF FRIENDLY FOREIGN FORCES AND OTHER FOREIGN**
14 **NATIONALS.**

15 (a) IN GENERAL—Chapter 53 of title 10, United States Code, is amended by inserting the
16 following new section:

17 **"§ 1051a. Bilateral or regional cooperation programs: expenditure of funds to recognize**
18 **superior noncombat achievements or performance**

19 "(a) GENERAL AUTHORITY.—The Secretary of Defense may expend operations and
20 maintenance funds to recognize superior noncombat achievements or performance, by members
21 of friendly foreign forces and other foreign nationals, that significantly enhance or support the
22 National Security Strategy of the United States. Activities that may be recognized include
23 superior achievement or performance that—

1 "(1) plays a crucial role in shaping the international security environment in ways
2 that protect and promote U.S. interests;

3 "(2) supports or enhances U.S. overseas presence and peacetime engagement
4 activities such as defense cooperation initiatives, security assistance training and
5 programs, and training and exercises with U.S. Armed Forces;

6 "(3) helps to deter aggression and coercion, build coalitions, promote regional
7 stability; and

8 "(4) serves as role models for appropriate conduct by militaries in emerging
9 democracies.

10 "(b) LIMITATIONS.—Expenditures for the purchase or production of suitable mementos
11 under this section shall not exceed the "minimal value" established in accordance with section
12 7342(a)(5) of Title 5."

13 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is
14 amended by inserting after the item relating to section 1051 the following new item:

15 "1051a. Bilateral or regional cooperation programs: expenditure of funds to recognize superior noncombat
16 achievements or performance."

17 **SEC. 1215. ADMINISTRATIVE SUPPORT AND SERVICES FOR FOREIGN LIAISON**
18 **OFFICERS.**

19 (a) AUTHORITY.— Section 1051a of title 10, United States Code, is amended to read as
20 follows:

21 **"§ 1051a. Administrative support and services for foreign liaison officers**

22 "(a) AUTHORITY.—The Secretary of Defense may provide administrative services and
23 support for the performance of duties by any liaison officer of another nation while the liaison

1 officer is assigned to the headquarters of combatant command, component command, or
2 subordinate operational command of the United States.

3 "(b) TRAVEL, SUBSISTENCE, AND OTHER EXPENSES.—The Secretary may pay the travel,
4 subsistence, and similar personal expenses of a liaison officer of a developing nation involved in
5 a coalition while the liaison officer is assigned temporarily to the headquarters of a combatant
6 command, component command, or subordinate operational command of the United States, in
7 connection with the planning for, or conduct of, a coalition operation, if the assignment is
8 requested by the commander of the combatant command.

9 "(c) REIMBURSEMENT.—To the extent that the Secretary determines appropriate, the
10 Secretary may provide the services and support authorized under subsection (a) and the expenses
11 authorized by subsection (b) with or without reimbursement from (or on behalf of) the recipients.

12 "(d) DEFINITIONS.—In this section:

13 "(1) The term 'administrative services and support' includes base or installation
14 support services, office space, utilities, copying services, fire and police protection, and
15 computer support.

16 (2) The term 'coalition' means an ad hoc arrangement between or among the
17 United States and one or more other nations for common action."

18 **SEC. 1216. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY**
19 **STUDIES.**

20 Section 1306 (b)(1) of the National Defense Authorization Act for Fiscal Year 1995,
21 (Public Law 103-337; 108 Stat. 2892) is amended by striking "military officers and civilian
22 officials of cooperation partner states of the North Atlantic Council or the Partnership for Peace"
23 and inserting "foreign participants".

1 **SEC. 1217. RESTRICTIONS ON PERMANENT TRANSFER OF SIGNIFICANT**
2 **MILITARY EQUIPMENT.**

3 (a) IN GENERAL.—Chapter 138 of title 10, United States Code, is amended by adding at
4 the end the following new section:

5 **"§. 2350l. Restrictions on permanent transfer of significant military equipment**

6 "(a) TRANSFER OF SIGNIFICANT MILITARY EQUIPMENT.—Lethal and non-lethal military
7 equipment designated as significant military equipment (SME), may be permanently transferred,
8 with the concurrence of the Secretary of State, only when the transaction is conducted as
9 replacement in kind, where the equipment is identical, and in situations where the recipient
10 country has an existing inventory for the SME in question.

11 "(b) EXPORT AND TRANSFER LAWS.—The authority to transfer SME in accordance with
12 subsection (a) is subject to all other applicable laws and regulations pertaining to export and
13 transfers."

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

16 "2350l. Restrictions on permanent transfer of significant military equipment."

17 **SEC. 1218. AMENDMENT TO AUTHORITY FOR ACCEPTANCE BY ASIA-PACIFIC**
18 **CENTER FOR SECURITY STUDIES OF FOREIGN GIFTS AND**
19 **DONATIONS.**

20 Section 2611 of title 10, United States Code, is amended—

21 (1) by striking "foreign" from—

22 (A) the title;

23 (B) subsection (a) in both places it appears;

1 (C) subsection (c);

2 (D) subsection (f)—

3 (i) in the heading; and

4 (ii) the first place it appears; and

5 (E) from the section title in the table of sections in the beginning of the chapter;

6 (2) in subsection (a)(1), by adding at the end the following sentence:

7 "Such donations may be accepted from any agency of the Federal Government, any State
8 or local government, any foreign government, any foundation or other charitable organization
9 (including any that is organized or operates under the laws of a foreign country), or any other
10 private source in the United States or a foreign country."; and

11 (3) in subsection (f), by striking all after "services" and inserting a period.

12 **SEC. 1219. ADDITION OF INDIVIDUALS AUTHORIZED TO RECEIVE CHECK**
13 **CASHING AND EXCHANGES OF FOREIGN CURRENCY.**

14 Section 3342(b) of title 31, United States Code, is amended—

15 (1) by striking "or" at the end of paragraph (6);

16 (2) by striking the period at the end of paragraph (7) and inserting "; or"; and

17 (3) by adding at the end the following new paragraph:

18 "(8) a military member of an allied or coalition nation who is part of a joint operation,
19 joint exercise, humanitarian or peacekeeping mission with the military forces of the United
20 States, provided that such accommodation has been approved by the senior United States
21 military commander assigned to the joint operation or mission, that the allied or coalition nation
22 has guaranteed payment for any deficiency resulting from such accommodation, and that
23 accommodations of negotiable instruments are limited to negotiable instruments drawn on

1 financial institutions located in the United States or on foreign branches of such institutions."

2 **SEC. 1220. CONTINUATION OF THE REGIONAL DEFENSE**

3 **COUNTERTERRORISM FELLOWSHIP PROGRAM.**

4 The Secretary of Defense may pay for all costs associated with the attendance of foreign
5 military officers, ministry of defense officials, and security officials at U.S. military educational
6 institutions, regional centers, conferences, seminars, or other training programs conducted under
7 the Regional Defense Counterterrorism Fellowship Program, including transportation, travel,
8 and subsistence costs.

9 **SEC. 1221. LOGISTICS SUPPORT FOR FRIENDLY NATIONS.**

10 Section 2342 of title 10, United States Code, is amended by adding at the end the
11 following new subsection:

12 "(e) Notwithstanding any other provision of law or regulation, the Secretary of Defense,
13 when in the best interests of the United States and subject to the availability of appropriations,
14 may provide logistics support, supplies and services, on a reimbursable or non-reimbursable
15 basis, without a completed cross-servicing or foreign military sales agreement, to the following
16 countries participating, with or on behalf of the United States, in an exercise, a contingency
17 operation, as defined by section 101 of this title, or war—

18 "(1) North Atlantic Treaty Organization bodies and member countries;

19 "(2) Countries permitting stationing of United States Armed Forces, importation
20 of United States military equipment and materials and porting of ships;

21 "(3) Countries holding a defense alliance with the United States; and

22 "(4) Countries hosting military exercises involving the United States."

Subtitle C—Other Matters

1 **SEC. 1231. REPEAL OF THE AUTHORIZATION FOR THE ESTABLISHMENT OF**
2 **THE CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.**

3 Section 914 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law
4 106-65; 113 Stat. 721), is repealed.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Expanded use of cooperative threat reduction funds.

1 **SEC. 1301. EXPANDED USE OF COOPERATIVE THREAT REDUCTION FUNDS.**

2 (a) **IN GENERAL.**—(1) Notwithstanding any other provision of law and subject to the
3 succeeding provisions of this section, the President may obligate and expend Cooperative Threat
4 Reduction funds, including Cooperative Threat Reduction funds for a prior fiscal year that
5 remain available for obligation as of the date of the enactment of this Act, for proliferation threat
6 reduction projects and activities outside the states of the former Soviet Union if the President
7 determines that such projects and activities will—

8 (A) assist the United States in the resolution of critical emerging
9 proliferation threats; or

10 (B) permit the United States to take advantage of opportunities to achieve
11 long-standing nonproliferation goals.

12 (2) The amount that may be obligated under paragraph (1) in any fiscal year for
13 projects and activities described in that paragraph may not exceed \$50,000,000.

1 (b) AUTHORIZED USES OF FUNDS.—The authority under subsection (a) to obligate and
2 expend Cooperative Threat Reduction funds for a project or activity includes authority to
3 provide equipment, goods, and services for the project or activity, but does not include authority
4 to provide cash directly to the project or activity.

TITLE XIV—HOMELAND SECURITY

Sec. 1401. Sales of chemical and biological defense articles and services to state and local governments.
Sec. 1402. Clarification of intelligence exceptions from limitations on interception and disclosure of wire,
oral, and electronic communications.

1 SEC. 1401. SALES OF CHEMICAL AND BIOLOGICAL DEFENSE ARTICLES 2 AND SERVICES TO STATE AND LOCAL GOVERNMENTS.

3 (a) AUTHORITY FOR PROCUREMENT AND SALES. Chapter 18 of title 10, United States
4 Code, is amended by adding at the end the following new section:

5 **"§ 383. Sales of chemical and biological defense articles and services to State and local 6 governments**

7 "(a) PROCUREMENT THROUGH THE DEPARTMENT OF DEFENSE.— The Secretary of
8 Defense shall establish procedures in accordance with this subsection under which States and
9 units of local government may purchase articles suitable for chemical and biological defense and
10 operator training, repair and maintenance, and similar services in connection with such articles,
11 through the Department of Defense.

12 "(b) SALES FROM INVENTORIES.—The Secretary of Defense may sell articles suitable for
13 chemical and biological defense in Department of Defense inventories to States and units of
14 local government at a price based upon the estimated or actual costs incurred by the Department
15 in providing the articles.

1 "(c) PROVISION OF SERVICES.—The Secretary may provide, within any State
2 or unit of local government, operator training, repair and maintenance, and similar services in
3 connection with articles suitable for chemical and biological defense at a price based upon the
4 estimated or actual costs incurred by the Department in providing the services.

5 "(d) PAYMENT FOR ARTICLES AND SERVICES.— Payment for articles and services under
6 this section may be in advance or on providing the articles or services.

7 "(e) REIMBURSEMENT OF ADMINISTRATIVE COSTS.— In the case of any purchase made by
8 a State or unit of local government under this section, the Secretary may require the State or unit
9 of local government to reimburse the Department of Defense for administrative costs to the
10 Department of such purchase.

11 "(f) CREDIT OF FUNDS FROM SALES.—Funds received by the Department of Defense from
12 sales of articles under subsection (b) shall be credited to the military department, Defense
13 Agency, or Department of Defense Field Activity that sold the articles so as to merge with and
14 become available for the same purposes and period as the accounts to which they are credited,
15 and shall be available until expended only for the acquisition of articles suitable for chemical and
16 biological defense.

17 "(g) CREDIT OF FUNDS FOR SERVICES.—Funds received for the provision of services
18 under subsection (c) shall be credited to the military department, Defense Agency, or
19 Department of Defense Field Activity that provided the services and shall be available until
20 expended only for the provision of such services.

21 "(h) DEFINITIONS.—In this section —

22 "(1) The terms 'articles suitable for chemical and biological defense' and 'services' have
23 the meaning given those terms in regulations as prescribed by the Secretary of Defense.

1 "(2) The term 'State' has the meaning given the term in section 381(d)(1)of this title.

2 "(3) The term 'unit of local government' has the meaning given the term in section
3 381(d)(2) of this title."

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

6 "383. Sales of chemical and biological defense articles and services to State and local governments."

7 **SEC. 1402. CLARIFICATION OF INTELLIGENCE EXCEPTIONS FROM**
8 **LIMITATIONS ON INTERCEPTION AND DISCLOSURE OF WIRE,**
9 **ORAL, AND ELECTRONIC COMMUNICATIONS.**

10 Section 224(a) of the Providing Appropriate Tools Required to Intercept and Obstruct
11 Terrorism Act (USA PATRIOT ACT) (Public Law 107-56; 115 Stat. 295) is amended to read as
12 follows:

13 "(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments
14 made by this title (other than sections 203(a), 203(c), 204, 205, 208, 210, 211, 213, 216, 219,
15 221, and 222, and the amendments made by those sections) shall cease to have effect on
16 December 31, 2005."

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

 This division may be cited as the "Military Construction Authorization Act for Fiscal
Year 2004".

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.

1 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION**
2 **PROJECTS.**

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

Army: Inside the United States

State	Installation or Location	Amount
Alabama	Redstone Arsenal	5,500,000
Alaska	Fort Wainwright	138,800,000
Georgia	Fort Benning	30,000,000
	Fort Stewart/Hunter Army Air Field	64,500,000
Hawaii	Helemano Military Reservation	1,400,000
	Schofield Barracks	119,400,000
Kansas	Fort Riley	40,000,000
Kentucky	Fort Knox	3,500,000
Louisiana	Fort Polk	72,000,000
Maryland	Fort Meade	9,600,000
New York	Fort Drum	114,500,000
North Carolina	Fort Bragg	152,000,000
Oklahoma	Fort Sill	3,500,000
Texas	Fort Hood	47,000,000
Virginia	Fort Myer	9,000,000
Washington	Fort Lewis	3,900,000
	Total	814,600,000

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

Army: Outside the United States

Country	Installation or Location	Amount
Germany	Area Support Group, Bamberg	17,900,000
	Darmstadt	7,700,000

	Grafenwoehr	76,000,000
	Heidelberg	17,000,000
	Hohenfels	13,200,000
	Mannheim	4,300,000
	Schweinfurt	7,500,000
Italy	Wuerzburg	18,500,000
	Aviano Air Base	15,500,000
Korea	Livorno	22,000,000
	Camp Casey	86,000,000
Kwajalein	Camp Hovey	29,000,000
	Kwajalein Atoll	9,400,000
	Total	324,000,000

1 (c) UNSPECIFIED WORLDWIDE.—(1) Using amounts appropriated pursuant to the
2 authorization of appropriations in section 2104(a)(3) and amounts, not to exceed \$150,000,000
3 provided under Public Law 107-38, the Secretary of the Army may acquire personal services and
4 real property, and may provide for the operation and construction of critical infrastructure and
5 allied systems to ensure essential Governmental functions for the installation or location, and in
6 the amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation or Location	Amount
Worldwide Unspecified	Unspecified Worldwide	663,900,000
	Total	663,900,000

1 (2) Military Construction projects, and those funded in whole or in part under Public
2 Law 107-38, containing national security classified information and for the purposes of
3 preventing, responding to, or countering the effects of terrorist attacks shall comply, to the extent
4 practical, with applicable Federal, State, and local laws and other orders regarding regulatory
5 compliance, consultation, coordination and inspection; provided that in carrying out such
6 projects—

7 (A) no such compliance, consultation, coordination or inspection may expose,
8 endanger, or otherwise compromise the national security; and

9

1 (B) any anticipated exception to such compliance, consultation, coordination or
2 inspection shall be addressed in project documentation submitted to Congress pursuant to
3 paragraph (3).

4 (3) Where applicable, project documentation submitted to the congressional defense
5 committees shall satisfy general provisions of section 1001 of Public Law 107-117 and address
6 any exception to compliance, consultation, coordination or inspection anticipated by paragraph
7 (2).

8 **SEC. 2102. FAMILY HOUSING.**

9 (a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the
10 authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may
11 construct or acquire family housing units (including land acquisition and supporting facilities) at
12 the installations or locations, for the purposes and in the amounts, set forth in the following
13 table:

State	Installation or Location	Purpose	Amount
Alaska	Fort Wainwright	100 Units	44,000,000
Arizona	Fort Huachuca	160 Units	27,000,000
Kentucky	Fort Knox	178 Units	41,000,000
New Mexico	White Sands Missile Range	58 Units	14,600,000
	Total		126,600,000

1 (b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization
2 of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural
3 and engineering services and construction design activities with respect to the construction or
4 improvement of family housing units in an amount not to exceed \$34,488,000.

5 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

6 Subject to section 2825 of title 10, United States Code, and using amounts appropriated

1 pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the
2 Army may improve existing military family housing units in an amount not to exceed
3 \$197,803,000.

4 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

5 (a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years
6 beginning after September 30, 2003, for military construction, land acquisition and military
7 family housing functions of the Department of the Army in the total amount of \$2,935,927,000
8 as follows:

9 (1) For military construction projects inside the United States authorized by
10 section 2101(a), \$721,600,000.

11 (2) For military construction projects outside the United States authorized by
12 section 2101(b), \$314,000,000.

13 (3) For military construction projects at unspecified worldwide locations
14 authorized by section 2101(c), \$178,700,000.

15 (4) For unspecified minor construction projects authorized by section 2805 of title
16 10, United States Code, \$20,000,000.

17 (5) For architectural and engineering services and construction design under
18 section 2807 of title 10, United States Code, \$122,710,000.

19 (6) For military family housing functions:

20 (A) For construction and acquisition, planning and design, and
21 improvement of military family housing and facilities, \$356,891,000.

22 (B) For support of military family housing (including the functions
23 described in section 2833 of title 10, United States Code), \$1,043,026,000.

1 (7) For the construction of phase 3 of a barracks complex, D Street, at Fort
2 Richardson, Alaska, authorized by section 2101(a) of the Military Construction
3 Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat.
4 1281), \$33,000,000.

5 (8) For the construction of phase 2 of a barracks complex, Capron Road, at
6 Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction
7 Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat.
8 1283), as amended by section 2105 of this Act, \$49,000,000.

9 (9) For the construction of phase 2 of a barracks complex, Range Road, at Fort
10 Campbell, Kentucky, authorized by section 2101(a) of the Bob Stump National Defense
11 Authorization Act for Fiscal Year 2003 (division B of Public Law 107-314; 116 Stat.
12 2681) \$49,000,000.

13 (10) For the construction of phase 3 of a barracks complex, 17th & B Street, at
14 Fort Lewis, Washington, authorized by section 2101(a) of the Military Construction
15 Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; Stat. 1280),
16 \$48,000,000.

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

19 (a) MODIFICATION.—The table in section 2101(a) of the Military Construction
20 Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1281) is
21 amended in the item relating to Fort Richardson, Alaska, by striking "\$115,000,000 in the
22 amount column and inserting "\$117,000,000".

23 (b) CONFORMING AMENDMENT.—Paragraph (2) of section 2104(b) of such Act (115 Stat.

1 1284) is amended by striking "\$52,000,000" and inserting "\$54,000,000".

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.

1 SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION

2 PROJECTS.

3 (a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the
4 authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real
5 property and carry out military construction projects for the installations or locations inside the
6 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	22,230,000
California	Marine Corps Base, Camp Pendleton	73,580,000
	Naval Air Station, Lemoore	34,510,000
	Marine Corps Air Station, Miramar	4,740,000
	Naval Air Station, North Island	49,240,000
	Naval Air Warfare Center, China Lake	12,890,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	6,150,000
	Naval Air Facility San Clemente Island	18,940,000
	Naval Postgraduate School, Monterey	35,550,000
	Naval Station, San Diego	49,710,000
	Marine Air Ground Task Force Training Center, Twentynine Palms	28,390,000
	District of Columbia	Marine Corps Barracks
Florida	Naval Air Station, Jacksonville	3,190,000
	Naval Air Station, Whiting Field, Milton	4,830,000
	Navy Surface Warfare Center, Coastal System Station, Panama City	9,550,000
Georgia	Blount Island (Jacksonville)	115,711,000
	Strategic Weapons Facility Atlantic, Kings Bay	11,510,000
Hawaii	Fleet and Industrial Supply Center, Pearl Harbor	32,180,000
	Naval Magazine, Lualualei	6,320,000
	Naval Shipyard, Pearl Harbor	7,010,000
Illinois	Naval Training Center, Great Lakes	137,120,000
Maryland	Naval Air Warfare Center, Patuxent River	24,370,000

Mississippi	Naval Surface Warfare Center, Indian Head	14,850,000
New Jersey	Naval Air Station, Meridian	4,570,000
	Naval Air Warfare Center, Lakehurst	20,681,000
North Carolina	Naval Weapons Station, Earle	123,720,000
	Marine Corps Air Station, New River	6,240,000
Rhode Island	Marine Corps Base, Camp Lejeune	29,450,000
	Naval Station, Newport	16,140,000
Virginia	Naval Undersea Warfare Center, Newport	10,890,000
	Henderson Hall, Arlington	1,970,000
	Marine Corps Combat Development Command, Quantico	3,700,000
	Naval Amphibious Base, Little Creek	3,810,000
Washington	Naval Station, Norfolk	182,240,000
	Naval Space Command Center, Dahlgren	20,520,000
	Norfolk Naval Shipyard, Portsmouth	17,770,000
	Naval Magazine, Indian Island	2,240,000
Various Locations	Naval Submarine Base, Bangor	33,820,000
	Strategic Weapons Facility Pacific, Bangor	6,530,000
	Various Locations, CONUS	56,360,000
	Total	1,244,772,000

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

Navy: Outside the United States

Country	Installation or Location	Amount
Bahrain	Naval Support Activity, Bahrain	18,030,000
Italy	Naval Support Activity, La Maddalena	39,020,000
	Naval Air Station, Sigonella	34,070,000
United Kingdom	Joint Maritime Facility, St. Mawgan	7,070,000
	Total	98,190,000

1 **SEC. 2202. FAMILY HOUSING.**

2 (a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the
3 authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may
4 construct or acquire family housing units (including land acquisition and supporting facilities) at
5 the installations or locations, for the purposes and in the amounts, set forth in the following
6 table:

Navy: Family Housing

State	Installation or Location	Purpose	Amount
California	Naval Air Station, Lemoore	187 Units	41,585,000
Florida	Naval Air Station, Pensacola	25 Units	4,447,000
North Carolina	Marine Corps Base, Camp Lejeune	519 Units	68,531,000
	Marine Corps Air Station, Cherry Point	339 Units	42,803,000
	Total		157,366,000

1 (b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization
2 of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural
3 and engineering services and construction design activities with respect to the construction or
4 improvement of military family housing units in an amount not to exceed \$8,381,000.

5 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

6 Subject to section 2825 of title 10, United States Code, and using amounts appropriated
7 pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the
8 Navy may improve existing military family housing units in an amount not to exceed
9 \$20,446,000.

10 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

11 Funds are hereby authorized to be appropriated for fiscal years beginning after
12 September 30, 2003, for military construction, land acquisition and military family housing
13 functions of the Department of the Navy in the total amount of \$2,169,829,000 as follows:

14 (1) For military construction projects inside the United States authorized by section
15 2201(a), \$909,992,000.

16 (2) For military construction projects outside the United States authorized by section
17 2201(b), \$98,190,000.

18 (3) For unspecified minor construction projects authorized by section 2805 of title 10,

1 United States Code, \$12,334,000.

2 (4) For architectural and engineering services and construction design under section 2807
3 of title 10, United States Code, \$65,612,000.

4 (5) For military family housing functions:

5 (A) For construction and acquisition, planning and design and improvement of
6 military family housing and facilities, \$184,193,000.

7 (B) For support of military family housing (including functions described in
8 section 2833 of title 10, United States Code), \$852,778,000.

9 (6) For construction of a shipboard ashore BEQ at Naval Shipyard Norfolk, Virginia,
10 authorized in section 2201(a) of the Military Construction Authorization Act for Fiscal Year
11 2003 (division B of Public Law 107-314; 116 Stat. 2687), \$46,730,000.

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.

1 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION** 2 **PROJECTS.**

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

Air Force: Inside the United States

State	Installation or Location	Amount
Alabama	Maxwell Air Force Base	13,400,000
Alaska	Eielson Air Force Base	33,261,000
	Elmendorf Air Force Base	2,000,000
Arizona	Davis-Monthan Air Force Base	10,062,000
Arkansas	Little Rock Air Force Base	3,695,000
California	Beale Air Force Base	22,750,000
	Edwards Air Force Base	19,444,000
Colorado	Buckley Air Force Base	7,019,000
District of Columbia	Bolling Air Force Base	9,300,000
Florida	Hurlburt Field	7,800,000
	Tyndall Air Force Base	6,320,000
Georgia	Robins Air Force Base	29,264,000
Hawaii	Hickam Air Force Base	73,296,000
Idaho	Mountain Home Air Force Base	5,445,000
Illinois	Scott Air Force Base	1,900,000
New Jersey	McGuire Air Force Base	11,861,000
New Mexico	Tularosa	3,600,000
	Kirtland Air Force Base	7,097,000
North Carolina	Pope Air Force Base	24,499,000
	Seymour Johnson Air Force Base	11,222,000
North Dakota	Minot Air Force Base	3,190,000
Ohio	Wright-Patterson Air Force Base	10,500,000
Oklahoma	Altus Air Force Base	1,167,000
	Tinker Air Force Base	19,444,000
South Carolina	Charleston Air Force Base	9,042,000
Texas	Goodfellow Air Force Base	20,335,000
	Lackland Air Force Base	57,360,000
	Sheppard Air Force Base	29,167,000
Utah	Hill Air Force Base	15,848,000
Virginia	Langley Air Force Base	25,474,000
	Total	494,762,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the
2 authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire
3 real property and carry out military construction projects for the installations or locations outside
4 the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or Location	Amount
Germany	Ramstein Air Base	35,616,000
	Spangdahlem Air Base	25,328,000
Italy	Aviano Air Base	14,025,000
Korea	Kunsan Air Base	7,059,000
	Osan Air Base	16,638,000
Portugal	Lajes Field, Azores	4,086,000
Turkey	Incirlik Air Base	3,262,000

United Kingdom	Royal Air Force Lakenheath	30,587,000
	Royal Air Force Mildenhall	10,558,000
Wake Island	Wake Island	24,000,000
	Total	171,159,000

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

Air Force: Unspecified Worldwide

Location	Installation or Location	Amount
Worldwide Classified	Worldwide Unspecified Classified	29,501,000
	Total	29,501,000

1 **SEC. 2302. FAMILY HOUSING.**

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

Air Force: Family Housing

State	Installation or Location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	93 Units	19,357,000
California	Travis Air Force Base	56 Units	12,723,000
Delaware	Dover Air Force Base	112 Units	19,601,000
Florida	Eglin Air Force Base	279 Units	32,166,000
Idaho	Mountain Home Air Force Base	186 Units	37,126,000
Maryland	Andrews Air Force Base	50 Units	20,233,000
Missouri	Whiteman Air Force Base	100 Units	18,221,000
Montana	Malmstrom Air Force Base	94 Units	19,368,000
North Carolina	Seymour Johnson Air Force Base	138 Units	18,336,000
North Dakota	Grand Forks Air Force Base	144 Units	29,550,000
	Minot Air Force Base	200 Units	41,117,000
South Dakota	Ellsworth Air Force Base	75 Units	16,240,000
Texas	Dyess Air Force Base	116 Units	19,973,000
	Randolph Air Force Base	96 Units	13,754,000

Korea	Osan Air Base	111 Units	44,765,000
Portugal	Lajes Field, Azores	42 Units	13,428,000
Turkey	Incirlik Air Base	100 Units	17,538,000
United Kingdom	Royal Air Force Lakenheath	89 Units	23,640,000
	Total		417,136,000

1 (b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization
2 of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out
3 architectural and engineering services and construction design activities with respect to the
4 construction or improvement of military family housing units in an amount not to exceed
5 \$33,488,000.

6 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

7 Subject to section 2825 of title 10, United States Code, and using amounts appropriated
8 pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air
9 Force may improve existing military family housing units in an amount not to exceed
10 \$248,998,000.

11 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.**

12 (a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years
13 beginning after September 30, 2003, for military construction, land acquisition and military
14 family housing functions of the Department of the Air Force in the total amount of
15 \$2,302,857,000 as follows:

16 (1) For military construction projects inside the United States authorized by
17 section 2301(a), \$486,282,000.

18 (2) For military construction projects outside the United States authorized by
19 section 2301(b), \$171,159,000.

20 (3) For the military construction projects at unspecified worldwide locations

1 authorized by section 2301(c), \$28,981,000.

2 (4) For unspecified minor construction projects authorized by section 2805 of title
3 10, United States Code, \$12,000,000.

4 (5) For architectural and engineering services and construction design under
5 section 2807 of title 10, United States Code, \$74,345,000.

6 (6) For military housing functions:

7 (A) For construction and acquisition, planning and design and
8 improvement of military family housing and facilities, \$695,622,000.

9 (B) For support of military family housing (including functions described
10 in section 2833 of title 10, United States Code), \$834,468,000.

TITLE XXIV—DEFENSE AGENCIES

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

Sec. 2402. Family Housing.

Sec. 2403. Improvements to military family housing units.

Sec. 2404. Energy conservation projects.

Sec. 2405. Authorization of appropriations, Defense Agencies.

1 SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND 2 ACQUISITION PROJECTS.

3 (a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the
4 authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real
5 property and carry out military construction projects for the installations or locations inside the
6 United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or Location	Amount
Defense Education Activity	Marine Corps Base, Camp Lejeune, North Carolina	15,259,000
Defense Logistics Agency	Defense Distribution Depot, New Cumberland,	27,700,000

National Security Agency Special Operations Command	Pennsylvania	4,800,000
	Eglin Air Force Base, Florida	17,000,000
	Eielson Air Force Base, Alaska	14,100,000
	Hickam Air Force Base, Hawaii	4,100,000
	Hurlburt Field, Florida	13,000,000
	Langley Air Force Base, Virginia	4,688,000
	Laughlin Air Force Base, Texas	8,100,000
	McChord Air Force Base, Washington	12,800,000
	Nellis Air Force Base, Nevada	13,400,000
	Offutt Air Force Base, Nebraska	1,842,000
	Fort Meade, Maryland	15,281,000
	Dam Neck, Virginia	2,100,000
	Fort Benning, Georgia	36,300,000
	Fort Bragg, North Carolina	7,800,000
	Fort Campbell, Kentucky	3,000,000
	Harrisburg International Airport, Pennsylvania	6,000,000
	Tri-Care Management Activity	Hurlburt Field, Florida
Washington Headquarters Services	Naval Station, Anacostia, District of Columbia	6,700,000
	Naval Submarine Base, New London, Connecticut	22,100,000
	United States Air Force Academy, Colorado	9,000,000
	Walter Reed Medical Center, District of Columbia	38,086,000
	Washington Headquarters Services – Arlington, Virginia	
	Total	298,870,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the
2 authorization of appropriations in section 2405(a)(2), the Secretary of Defense may acquire real
3 property and carry out military construction projects for the installations or locations outside the
4 United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or Location	Amount
Defense Education Activity	Grafenwoehr, Germany	36,247,000
	Heidelberg, Germany	3,086,000
	Sigonella, Italy	30,234,000
	Vicenza, Italy	16,374,000
	Vilseck, Germany	1,773,000
Special Operations Command	Stuttgart, Germany	11,400,000
Tri-Care Management Activity	Andersen Air Force Base, Guam	26,000,000
	Grafenwoehr, Germany	12,585,000
	Total	137,699,000

1 **SEC. 2402. FAMILY HOUSING.**

2 (a) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization

1 of appropriations in section 2405(a)(8)(A), the Secretary of Defense may carry out architectural
2 and engineering services and construction design activities with respect to the construction or
3 improvement of military family housing units in an amount not to exceed \$300,000.

4
5 **SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

6 Subject to section 2825 of title 10, United States Code, and using amounts appropriated
7 pursuant to the authorization of appropriations in section 2404(a)(5)(A), the Secretary of
8 Defense may improve existing military family housing units in an amount not to exceed
9 \$50,000.

10 **SEC. 2404. ENERGY CONSERVATION PROJECTS.**

11 Using amounts appropriated pursuant to the authorization of appropriations in section
12 2405(a)(6), the Secretary of Defense may carry out energy conservation projects under section
13 2865 of title 10, United States Code, in the amount of \$69,500,000.

14 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.**

15 Funds are hereby authorized to be appropriated for fiscal years beginning after
16 September 30, 2003, for military construction, land acquisition and military family housing
17 functions of the Department of Defense (other than the military departments) in the total amount
18 of \$1,017,718,000 as follows:

19 (1) For military construction projects inside the United States authorized by section
20 2401(a), \$296,670,000.

21 (2) For military construction projects outside the United States authorized by section
22 2401(b), \$120,334,000.

23 (3) For unspecified minor construction projects under section 2805 of title 10, United

1 States Code, \$16,153,000.

2 (4) For contingency construction projects of the Secretary of Defense under section 2804
3 of title 10, United States Code, \$8,960,000.

4 (5) For architectural and engineering services and construction design under section 2807
5 of title 10, United States Code, \$59,884,000.

6 (6) For Energy Conservation projects authorized by section 2404 of this Act,
7 \$69,500,000.

8 (7) For base closure and realignment activities as authorized by the Defense Base Closure
9 and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687
10 note), \$370,427,000.

11 (8) For military family housing functions:

12 (A) For planning and design and improvement of military family housing and
13 facilities, \$350,000.

14 (B) For support of military family housing (including functions described in
15 section 2833 of title 10, United States Code), \$49,440,000.

16 (C) For credit to the Department of Defense Family Housing Improvement Fund
17 established by section 2883(a)(1) of title 10, United States Code, \$300,000.

18 (9) For construction of the Defense Threat Reduction Center at Fort Belvoir, Virginia,
19 authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year
20 2003 (division B of Public Law 107-314; 116 Stat. 2695), \$25,700,000.

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

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

1 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION**
2 **PROJECTS.**

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

8 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

9 Funds are hereby authorized to be appropriated for fiscal years beginning after
10 September 30, 2003, for contributions by the Secretary of Defense under section 2806 of title 10,
11 United States Code, for the share of the United States of the cost of projects for the North
12 Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the
13 amount of \$169,300,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

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

1 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND**
2 **ACQUISITION PROJECTS.**

3 Funds are hereby authorized to be appropriated for fiscal years beginning after
4 September 30, 2003, for the costs of acquisition, architectural and engineering services, and
5 construction of facilities for the Guard and Reserve Forces, and for contributions therefore,

1 under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for
2 those facilities), the following amounts:

3 (1) For the Department of the Army—

4 (A) For the Army National Guard of the United States, \$168,298,000; and

5 (B) For the Army Reserve, \$68,478,000.

6 (2) For the Department of the Navy, for the Naval and Marine Corps Reserve,
7 \$28,032,000.

8 (3) For the Department of the Air Force—

9 (A) For the Air National Guard of the United States, \$60,430,000; and

10 (B) For the Air Force Reserve, \$44,312,000.

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 2001 projects.

Sec. 2703. Extension of authorizations of certain fiscal year 2000 projects.

Sec. 2704. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

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

8 (1) October 1, 2006; or

9 (2) the date for the enactment of an Act authorizing funds for military

1 construction for fiscal year 2007.

2 (b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military
3 construction projects, land acquisition, family housing projects and facilities, and contributions
4 to the North Atlantic Treaty Organization Security Investment program (and authorizations of
5 appropriations therefore), for which appropriated funds have been obligated before the later of—

6 (1) October 1, 2006; or

7 (2) the date of the enactment of an Act authorizing funds for fiscal year 2007 for
8 military construction projects, land acquisition, family housing projects and facilities, or
9 contributions to the North Atlantic Treaty Organization Security Investment program.

10 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2001**
11 **PROJECTS.**

12 (a) EXTENSION.—Notwithstanding section 2701 of the Military Construction
13 Authorization Act for Fiscal Year 2001 (Division B of Public Law 106-398; 114 Stat. 1654A-
14 389), authorizations set forth in the tables in subsection (b), as provided in sections 2102, 2201
15 and 2404 of that Act, shall remain in effect until October 1, 2004, or the date of the enactment of
16 an Act authorizing funds for military construction for fiscal year 2005, whichever is later.

17 (b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 2001 Project Authority

State	Installation or Location	Project	Amount
South Carolina	Fort Jackson	New Construction – GFOQ	250,000

Navy: Extension of 2001 Project Authority

State	Installation or Location	Project	Amount
Pennsylvania	Naval Surface Warfare Center Shipyard Systems Engineering Station, Philadelphia	Gas Turbine Test Facility	10,680,000

Defense Agencies: Extension of 2001 Project Authority

Agency	Installation or Location	Project	Amount
Department of Defense Education Activity	Seoul, Korea	Elementary School Full Day Kindergarten Classroom Addition	2,317,000
Department of Defense Education Activity	Taegu, Korea	Elementary/High School Full Day Kindergarten Classroom Addition	762,000

SEC. 2703. 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 section 2601 of that Act, shall remain in effect until October 1, 2004, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005, whichever is later.

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

Army: Extension of 2000 Project Authority

State	Installation or Location	Project	Amount
Virginia	National Guard Ft. Pickett	Multi-purpose Range-Heavy	13,500,000

Air Force: Extension of 2000 Project Authority

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

SEC. 2704. EFFECTIVE DATE.

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

(1) October 1, 2003; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction and Military Family Housing

- Sec. 2801. Streamlining military construction to reduce facility acquisition and construction cycle time.
Sec. 2802. Increased terms for leases of family housing and other facilities in foreign countries.

Subtitle B—Real Property and Facilities Administration

- Sec. 2811. Expanded authority to transfer property at military installations to be closed to persons who construct or provide military housing.
Sec. 2812. Acceptance of in-kind consideration for easements.
Sec. 2813. Modification of authority to accept funds to cover administrative expenses relating to certain real property transactions.
Sec. 2814. Authority to convey property at military installations to persons who construct or provide military housing.
Sec. 2815. Increase in threshold for reports to congressional committees on real property transactions.
Sec. 2816. Contracting with local governments for municipal services.

Subtitle C—Other Matters

- Sec. 2821. Increase authority to lease military family housing in Italy.
Sec. 2822. Conveyance of Army and Air Force Exchange Service property, Dallas, Texas.
Sec. 2823. Relief from McKinney-Vento (Homeless) Act screening requirements.

Subtitle A—Military Construction and Military Family Housing

1 **SEC. 2801. STREAMLINING MILITARY CONSTRUCTION TO REDUCE FACILITY**
2 **ACQUISITION AND CONSTRUCTION CYCLE TIME.**

3 (a) THRESHOLDS.—(1) Section 2803(c)(1) of title 10, United States Code, is amended by
4 striking "\$30,000,000" and inserting "\$60,000,000".

5 (2) Section 2805 of such title is amended—

6 (A) in subsection (a)(1)—

7 (i) by striking "\$1,500,000" and inserting "\$3,000,000"; and

8 (ii) by striking "\$3,000,000" and inserting "\$6,000,000".

9 (B) in subsection (b)(1) by striking "\$750,000" and inserting "\$1,500,000"; and

10 (C) in subsection (c)(1)—

11 (i) by striking "\$1,500,000" in subparagraph (A) and inserting

1 "\$3,000,000"; and

2 (ii) by striking "\$750,000" in subparagraph (B) and inserting

3 "\$1,500,000".

4 (3) Section 2811(b) of such title is amended by striking "\$5,000,000" and inserting
5 "\$10,000,000".

6 (4) Section 18233a of such title is amended by striking "\$1,500,000 in subsection (a)(1)
7 and inserting "\$3,000,000".

8 (b) PROJECT APPLICABILITY.—(1) Section 2805(b)(1) of such title is amended by
9 inserting at the end "This paragraph shall not apply to unspecified minor military construction
10 projects using funds made available for operation and maintenance in accordance with
11 subsection (c)."

12 (c) DESIGN-BUILD CONTRACTING.—(1) Section 2305a(c)(5) of such title is amended—

13 (A) by inserting "(A)" after "(5)"; and

14 (B) by adding at the end the following new subparagraph:

15 "(B) Notwithstanding any other provision of law, a military department may
16 accelerate design effort for design-build contracts (fast-track design funding) to
17 accomplish the design effort for any military construction or family housing construction
18 project, prior to the project being authorized and appropriated, if (1) the contractor to
19 whom the contract will be awarded has been selected using design-build selection
20 procedures established under this section, (2) a request for the authorization and
21 appropriation of construction funds has been submitted to Congress as part of the
22 Department's annual budget, and (3) The Government's liability in a Termination for
23 Convenience would not exceed costs above that attributable to the final design of the

1 project."

2 (2) Section 2807(a) of such title is amended by striking "in connection with military
3 construction projects not otherwise authorized by law" at the end of the first sentence and
4 inserting "regardless of the intended acquisition approach, in connection with a military
5 construction project otherwise, or not otherwise, authorized by law".

6 (d) COST VARIATIONS.— Section 2853(a) of such title is amended by striking "or 200
7 percent of the minor construction project ceiling specified in section 2805(a)(1), whichever is
8 less".

9 (e) REAL PROPERTY TRANSACTIONS.—(1) Section 2662 is repealed.

10 (2) Section 2672 of such title is amended—

11 (A) in the title, by striking "\$500,000" and inserting "the unspecified
12 minor military construction project ceiling in section 2805(a)(1) of this title"; and

13 (B) in subsection (a)(1)(B), by striking "\$500,000" and inserting "the
14 unspecified minor military construction project ceiling in section 2805(a)(1) of
15 this title";

16 (C) in subsection (a)(2), by striking "\$500,000" and inserting "the
17 unspecified minor military construction project ceiling in section 2805(a)(1) of
18 this title"; and

19 (3) Section 2672a(b) of such title is amended by striking the last sentence.

20 **SEC. 2802. INCREASED TERMS FOR LEASES OF FAMILY HOUSING AND OTHER**
21 **FACILITIES IN FOREIGN COUNTRIES.**

22 (a) LEASES OF FAMILY HOUSING IN FOREIGN COUNTRIES.—Section 2828(d)(1) of title
23 10, United States Code, is amended by striking "ten years" and inserting "fifteen years".

1 (b) LEASES OF OTHER FACILITIES IN FOREIGN COUNTRIES.—Section 2675 of such title is
2 amended by striking "five years" and inserting "fifteen years".

Subtitle B—Real Property and Facilities Administration

1 **SEC. 2811. EXPANDED AUTHORITY TO TRANSFER PROPERTY AT MILITARY**
2 **INSTALLATIONS TO BE CLOSED TO PERSONS WHO CONSTRUCT**
3 **OR PROVIDE MILITARY HOUSING.**

4 (a) 1988 LAW.—Section 204(e) of the Defense Authorization Amendments and Base
5 Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended by
6 striking "FAMILY" in the subsection heading.

7 (b) 1990 LAW.—Section 2905(f) of the Defense Base Closure and Realignment Act of
8 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking
9 "FAMILY" in the subsection heading.

10 **SEC. 2812. ACCEPTANCE OF IN-KIND CONSIDERATION FOR EASEMENTS**

11 (a) EASEMENTS FOR RIGHTS-OF-WAY.—Section 2668 of title 10, United States Code, is
12 amended by adding at the end the following new subsections:

13 "(f) In addition to any cash consideration accepted under subsection (e), the Secretary
14 concerned may accept in-kind consideration with respect to easements granted under this
15 section, including the following:

16 "(1) Maintenance, protection, alteration, repair, improvement, or restoration
17 (including environmental restoration) of property or facilities under the control of the
18 Secretary concerned.

19 "(2) Construction of new facilities.

1 "(3) Provision of facilities for use by the military departments.

2 "(4) Facilities operation support.

3 "(5) Provision of such other services relating to activities that will occur on the
4 property subject to the easement, as the Secretary concerned considers appropriate.

5 "(g) The Secretary concerned may accept in-kind consideration under subsection (f) at
6 any property or facilities under his or her control that he or she selects for that purpose.

7 "(h) Sections 2662 and 2802 of this title shall not apply to construction of any new
8 facilities accepted as in-kind consideration under this subsection."

9 (b) EASEMENTS FOR RIGHTS-OF-WAY: GAS, WATER, AND SEWER PIPELINES.—Section
10 2669 of such title is amended by adding at the end the following new subsections:

11 "(f) In addition to any cash consideration accepted under subsection (e), the Secretary
12 concerned may accept in-kind consideration with respect to easements granted under this
13 section, including the following:

14 "(1) Maintenance, protection, alteration, repair, improvement, or restoration
15 (including environmental restoration) of property or facilities under the control of the
16 Secretary concerned.

17 "(2) Construction of new facilities.

18 "(3) Provision of facilities for use by the military departments.

19 "(4) Facilities operation support.

20 "(5) Provision of such other services relating to activities that will occur on the
21 property subject to the easement, as the Secretary concerned considers appropriate.

22 "(g) The Secretary concerned may accept in-kind consideration under subsection (f) any
23 property or facilities under his or her control that he or she selects for that purpose.

1 "(h) Sections 2662 and 2802 of this title shall not apply to construction of any new
2 facilities accepted as in-kind consideration under this subsection."

3 **SEC. 2813. MODIFICATION OF AUTHORITY TO ACCEPT FUNDS TO COVER**
4 **ADMINISTRATIVE EXPENSES RELATING TO CERTAIN REAL**
5 **PROPERTY TRANSACTIONS.**

6 Section 2695 of title 10, United States Code, is amended—

7 (a) by amending subsection (a) to read as follows:

8 "(a) **AUTHORITY TO ACCEPT.**—In connection with a real property transaction referred to
9 in subsection (b) with a non-Federal person or entity, the Secretary of a military department may
10 charge the person or entity, either in advance or arrears, amounts to cover administrative
11 expenses incurred by the Secretary in reviewing and implementing the covered transaction.";

12 (b) in subsection (b), by inserting "whether or not the transaction is completed" before
13 the colon; and

14 (c) in subsection (c)—

15 (1) by inserting "or are to be" after "expenses were"; and

16 (2) by adding at the end the following new sentence: "After liquidation of all
17 subsection (a) administrative expenses, the amount of any overpayment shall be refunded
18 to the non-Federal person or entity from the appropriation, fund, or account into which
19 the funds were originally deposited in such a way as to merge with and become available
20 for the same purposes and period as the accounts to which they are credited."

21 **SEC. 2814. AUTHORITY TO CONVEY PROPERTY AT MILITARY INSTALLATIONS**
22 **TO PERSONS WHO CONSTRUCT OR PROVIDE MILITARY HOUSING.**

23 (a) **AUTHORITY TO CONVEY PROPERTY.**—Subchapter III of chapter 169 of title 10, United

1 States Code, is amended by adding at the end the following new section:

2 **"§2869. Conveyance of property to persons who construct or provide military housing**

3 "(a) AUTHORITY TO CONVEY PROPERTY.—Subject to subsection (b), the Secretary
4 concerned may enter into an agreement to convey real property, including any improvements,
5 structures or fixtures located thereon, on a military installation to any person who agrees, in
6 exchange for the real property, to transfer to the Secretary housing that is constructed or
7 provided by the person and located at or near a military installation at which there is a shortage
8 of suitable housing to meet the requirements of members of the Armed Forces and their
9 dependents.

10 "(b) REQUIREMENTS FOR CONVEYANCE.—A conveyance of real property may be made
11 under subsection (a) only if—

12 "(1) the Secretary determines that the real property to be conveyed is in excess of
13 the needs of the military installation;

14 "(2) the fair market value of the housing to be received by the Secretary in
15 exchange for the real property to be conveyed is equal to or greater than the fair market
16 value of such property, including any improvements, structures or fixtures located
17 thereon, as determined by the Secretary; and

18 "(3) in the event the fair market value of the housing is less than the fair market
19 value of the real property to be conveyed, including any improvements, structures or
20 fixtures located thereon, the recipient of the real property agrees to pay to the Secretary
21 the amount equal to the excess of the fair market value of such real property over the fair
22 market value of the housing.

23 "(c) DEPOSIT OF FUNDS.—Notwithstanding any other provision of law, the Secretary may

1 deposit funds received under subsection (b)(3) in the Department of Defense Housing
2 Improvement Fund established under section 2883(a) of this title to be merged with and used for
3 the same purpose as funds already in the account.

4 "(d) EXEMPTIONS.—The conveyance of real property under this section shall not be
5 subject to the following:

6 "(1) Section 501 of the Stewart B. McKinney Homeless Assistance Act (42
7 U.S.C. 11411).

8 "(2) Section 2693 of this title.

9 "(e) ADDITIONAL TERMS.—The Secretary may require any additional terms and
10 conditions in connection with an agreement authorized by this section as the Secretary considers
11 appropriate to protect the interests of the United States.

12 "(f) DEFINITION.—In this section, the term 'housing' means both military family housing
13 and military unaccompanied housing."

14 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is
15 amended by adding at the end the following new item:

16 "2869. Conveyance of property to persons who construct or provide military housing."

17 (c) CONFORMING AMENDMENT.—Section 2883(c)(1) of such title is amended by adding
18 at the end the following new subparagraph:

19 "(F) Any amounts that the Secretary concerned transfers to that Fund pursuant to section
20 2869 of this title."

21 **SEC. 2815. INCREASE IN THRESHOLD FOR REPORTS TO CONGRESSIONAL**
22 **COMMITTEES ON REAL PROPERTY TRANSACTIONS.**

23 Section 2662 of title 10, United States Code, is amended by striking "\$500,000" each

1 place it appears and inserting "the unspecified minor military construction project limit under
2 section 2805(c)(1)(B) of this title".

3 **SEC. 2816. CONTRACTING WITH LOCAL GOVERNMENTS FOR MUNICIPAL**
4 **SERVICES.**

5 (a) **AUTHORITY.**—Chapter 146 of title 10, United States Code, is amended by adding at
6 the end the following new section:

7 **"§ 2476. Contracting with local governments for municipal services**

8 "Subject to the provisions of this chapter, but notwithstanding any other provision of law
9 related to the award of public contracts, the Secretary of Defense or the Secretary of a military
10 department may enter directly into a contract or other agreement for public works, utility and
11 other municipal services at an installation or facility of the Department of Defense, with the
12 municipality or local government responsible for serving the area that includes that installation
13 or facility. The Secretary concerned may enter into such a contract or agreement, even if the
14 municipality or local government to which the Secretary makes award is required by law to
15 provide those services to the public without direct charge."

16 (b) **CONFORMING AMENDMENT.**—Section 816 of the National Defense Authorization Act
17 for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2820) is repealed.

18 (c) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is
19 amended by adding at the end the following new item:

20 "2476. Contracting with local governments for municipal services."

Subtitle C—Other Matters

1 **SEC. 2821. INCREASE AUTHORITY TO LEASE MILITARY FAMILY HOUSING IN**

1 **ITALY.**

2 Section 2828(e)(2) of title 10, United States Code, is amended by striking "2,000" and
3 inserting "2,800".

4 **SEC. 2822. CONVEYANCE OF ARMY AND AIR FORCE EXCHANGE SERVICE**
5 **PROPERTY, DALLAS, TEXAS.**

6 (a) CONVEYANCE AUTHORIZED.—The Secretary of Defense may authorize the Army and
7 Air Force Exchange Service, which is a nonappropriated fund instrumentality of the United
8 States, to sell all right, title, and interest of the United States in and to a parcel of real property,
9 including improvements thereon, that is located at 1515 Roundtable Drive in Dallas, Texas.

10 (b) CONSIDERATION.—As consideration for conveyance under subsection (a), the
11 purchaser shall pay, in a single lump sum payment, an amount equal to the fair market value of
12 the real property conveyed, as determined by the Secretary. The payment shall be handled in the
13 manner provided in section 204(c) of the Federal Property and Administrative Services Act of
14 1949 (40 U.S.C. 485(c)). Such funds and credit receipts shall not go to the general treasury but
15 to the Department of Defense to merge with and become available for the same purposes and
16 period as the accounts to which they are credited.

17 (c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real
18 property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the
19 Secretary. The cost of the survey shall be borne by the purchaser.

20 (d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional
21 terms and conditions in connection with the conveyance under subsection (a) as the Secretary
22 considers appropriate to protect the interests of the United States.

23 **SEC. 2823. RELIEF FROM MCKINNEY-VENTO (HOMELESS) ACT SCREENING**

1 **REQUIREMENTS.**

2 Section 501 of the McKinney-Vento Homeless Assistance Act (101 Public Law 101-645;
3 42 U.S.C. 11411) is amended—

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

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

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

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

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