

Union Calendar No. 56

104TH CONGRESS
1ST SESSION

H. R. 1530

[Report No. 104-131]

A BILL

To authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes.

MAY 31, 1995

Reported with amendments

Union Calendar No. 56104TH CONGRESS
1ST SESSION**H. R. 1530****[Report No. 104-131]**

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IN THE HOUSE OF REPRESENTATIVES

MAY 2, 1995

Mr. SPENCE (for himself and Mr. DELLUMS) (both by request) introduced the following bill; which was referred to the Committee on National Security

MAY 31, 1995

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on May 2, 1995]

A BILL

To authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “National Defense Au-*
 3 *thorization Act for Fiscal Year 1996”.*

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

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

8 (1) *Division A—Department of Defense Author-*
 9 *izations.*

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

12 (3) *Division C—Department of Energy National*
 13 *Security Authorizations and Other Authorizations.*

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

Sec. 1. Short title.

Sec. 2. Organization of Act into divisions; table of contents.

Sec. 3. Congressional defense committees defined.

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Sec. 106. Chemical demilitarization program.

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- Sec. 132. Repeal of limitation on total cost for SSN-21 and SSN-22 Seawolf submarines.*
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- Sec. 3301. *Fiscal year 1996 authorized uses of stockpile funds.*
 Sec. 3302. *Preference for domestic upgraders in disposal of chromite and manganese ores and chromium ferro and manganese metal electrolytic.*
 Sec. 3303. *Restrictions on disposal of manganese ferro.*
 Sec. 3304. *Titanium initiative to support battle tank upgrade program.*

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. *Authorization of appropriations.*
 Sec. 3402. *Price requirement on sale of certain petroleum during fiscal year 1996.*
 Sec. 3403. *Sale of Naval Petroleum Reserve Numbered 1 (Elk Hills).*
 Sec. 3404. *Study regarding future of naval petroleum reserves (other than Naval Petroleum Reserve Numbered 1).*

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

- Sec. 3501. *Short title.*
 Sec. 3502. *Authorization of expenditures.*
 Sec. 3503. *Expenditures in accordance with other laws.*

Subtitle B—Reconstitution of Commission as Government Corporation

- Sec. 3521. Short title.
 Sec. 3522. Reconstitution of commission as government corporation.
 Sec. 3523. Supervisory board.
 Sec. 3524. International advisors.
 Sec. 3525. General and specific powers of commission.
 Sec. 3526. Congressional review of budget.
 Sec. 3527. Audits.
 Sec. 3528. Prescription of measurement rules and rates of tolls.
 Sec. 3529. Procedures for changes in rules of measurement and rates of tolls
 Sec. 3530. Miscellaneous technical amendments.
 Sec. 3531. Conforming amendment to title 31, United States Code.

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

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

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

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

9 ***DIVISION A—DEPARTMENT OF***
 10 ***DEFENSE AUTHORIZATIONS***

11 ***TITLE I—PROCUREMENT***

12 ***Subtitle A—Authorization of***
 13 ***Appropriations***

14 ***SEC. 101. ARMY.***

15 *Funds are hereby authorized to be appropriated for fis-*
 16 *cal year 1996 for procurement for the Army as follows:*

17 *(1) For aircraft, \$1,423,067,000.*

18 *(2) For missiles, \$862,830,000.*

1 (3) For weapons and tracked combat vehicles,
2 \$1,359,664,000.

3 (4) For ammunition, \$1,062,715,000.

4 (5) For other procurement, \$2,545,587,000.

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

6 (a) NAVY.—Funds are hereby authorized to be appro-
7 priated for fiscal year 1996 for procurement for the Navy
8 as follows:

9 (1) For aircraft, \$4,106,488,000.

10 (2) For weapons, including missiles and tor-
11 pedoes, \$1,626,411,000.

12 (3) For shipbuilding and conversion,
13 \$6,227,958,000.

14 (4) For other procurement, \$2,461,472,000.

15 (b) MARINE CORPS.—Funds are hereby authorized to
16 be appropriated for fiscal year 1996 for procurement for
17 the Marine Corps in the amount of \$399,247,000.

18 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
19 are hereby authorized to be appropriated for procurement
20 of ammunition for Navy and the Marine Corps in the
21 amount of \$461,779,000.

22 **SEC. 103. AIR FORCE.**

23 Funds are hereby authorized to be appropriated for fis-
24 cal year 1996 for procurement for the Air Force as follows:

25 (1) For aircraft, \$7,031,952,000.

1 (2) For missiles, \$3,430,083,000.

2 (3) For ammunition, \$321,328,000.

3 (4) For other procurement, \$6,784,801,000.

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

5 Funds are hereby authorized to be appropriated for fis-
6 cal year 1996 for Defense-wide procurement in the amount
7 of \$2,205,917,000.

8 **SEC. 105. RESERVE COMPONENTS.**

9 Funds are hereby authorized to be appropriated for fis-
10 cal year 1996 for procurement of aircraft, vehicles, commu-
11 nications equipment, and other equipment for the reserve
12 components of the Armed Forces as follows:

13 (1) For the Army National Guard, \$150,000,000.

14 (2) For the Air National Guard, \$227,800,000.

15 (3) For the Army Reserve, \$84,300,000.

16 (4) For the Naval Reserve, \$86,000,000.

17 (5) For the Air Force Reserve, \$171,200,000.

18 (6) For the Marine Corps Reserve, \$50,700,000.

19 **SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.**

20 (a) AUTHORIZATION.—There is hereby authorized to be
21 appropriated for fiscal year 1996 the amount of
22 \$746,698,000 for—

23 (1) the destruction of lethal chemical agents and
24 munitions in accordance with section 1412 of the De-

1 *partment of Defense Authorization Act, 1986 (50*
2 *U.S.C. 1521); and*

3 *(2) the destruction of chemical warfare materiel*
4 *of the United States that is not covered by section*
5 *1412 of such Act.*

6 *(b) ALLOCATION.—Of the funds specified in subsection*

7 *(a)—*

8 *(1) \$393,850,000 is for operations and mainte-*
9 *nance;*

10 *(2) \$299,448,000 is for procurement; and*

11 *(3) \$53,400,000 is for research and development.*

12 ***Subtitle B—Army Programs***

13 ***SEC. 111. PROCUREMENT OF HELICOPTERS.***

14 *The prohibition in section 133(a)(2) of the National*
15 *Defense Authorization Act for Fiscal Years 1990 and 1991*
16 *(Public Law 101–189; 103 Stat. 1383) does not apply to*
17 *the obligation of funds in amounts not to exceed*
18 *\$125,000,000 for the procurement of not more than 20 OH–*
19 *58D AHIP Scout aircraft from funds appropriated for fis-*
20 *cal year 1996 pursuant to section 101.*

1 **Subtitle C—Navy Programs**

2 **SEC. 131. REPEAL OF PROHIBITION ON BACKFIT OF TRI-**
3 **DENT SUBMARINES.**

4 *Section 124 of the National Defense Authorization Act*
5 *for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2683)*
6 *is repealed.*

7 **SEC. 132. REPEAL OF LIMITATION ON TOTAL COST FOR**
8 **SSN-21 AND SSN-22 SEAWOLF SUBMARINES.**

9 *Section 122 of the National Defense Authorization Act*
10 *for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2682)*
11 *is repealed.*

12 **SEC. 133. COMPETITION REQUIRED FOR SELECTION OF**
13 **SHIPYARDS FOR CONSTRUCTION OF VESSELS**
14 **FOR NEXT GENERATION ATTACK SUBMARINE**
15 **PROGRAM.**

16 *(a) COMPETITION REQUIRED.—The Secretary of the*
17 *Navy shall select on a competitive basis the shipyard for*
18 *construction of each vessel for the next generation attack*
19 *submarine program.*

20 *(b) PROGRAM IDENTIFIED.—The next generation at-*
21 *tack submarine program shall begin with the first sub-*
22 *marine for which the Secretary of the Navy enters into a*
23 *contract for construction after the submarine that is pro-*
24 *grammed to be constructed using funds appropriated for fis-*
25 *cal year 1998.*

1 **Subtitle D—Air Force Programs**

2 **SEC. 141. REPEAL OF LIMITATIONS.**

3 *The following provisions of law are repealed:*

4 (1) *Section 112 of the National Defense Author-*
5 *ization Act for Fiscal Years 1990 and 1991 (Public*
6 *Law 101–189; 103 Stat. 1373).*

7 (2) *Section 151(c) of the National Defense Au-*
8 *thorization Act for Fiscal Year 1993 (Public Law*
9 *102–484; 106 Stat. 2339).*

10 (3) *Sections 131(c) and 131(d) of the National*
11 *Defense Authorization Act for Fiscal Year 1994 (Pub-*
12 *lic Law 103–160; 107 Stat. 1569).*

13 (4) *Section 133(e) of the National Defense Au-*
14 *thorization Act for Fiscal Year 1995 (Public Law*
15 *103–337; 108 Stat. 2688).*

16 **Subtitle E—Chemical**
17 **Demilitarization Program**

18 **SEC. 151. REPEAL OF REQUIREMENT TO PROCEED EXPEDI-**
19 **TIOUSLY WITH DEVELOPMENT OF CHEMICAL**
20 **DEMILITARIZATION CRYOFRACTURE FACIL-**
21 **ITY AT TOOELE ARMY DEPOT, UTAH.**

22 *Subsection (a) of section 173 of the National Defense*
23 *Authorization Act for Fiscal Years 1990 and 1991 (Public*
24 *Law 101–189; 103 Stat. 1393) is repealed.*

1 **SEC. 152. SENSE OF CONGRESS REGARDING COST GROWTH**
2 **IN PROGRAM FOR DESTRUCTION OF THE EX-**
3 **ISTING STOCKPILE OF LETHAL CHEMICAL**
4 **AGENTS AND MUNITIONS.**

5 *The Congress is concerned that growth in the estimated*
6 *cost of the program to demilitarize the United States' stock-*
7 *pile of lethal chemical agents and munitions raises serious*
8 *questions regarding that program. Accordingly, it is the*
9 *sense of Congress that the Secretary of Defense should con-*
10 *sider measures to reduce the overall cost of the chemical*
11 *stockpile demilitarization program, while minimizing total*
12 *risk and ensuring the maximum protection for the environ-*
13 *ment, the general public, and the personnel involved in the*
14 *destruction of lethal chemical agents and munitions.*

15 **TITLE II—RESEARCH, DEVELOP-**
16 **MENT, TEST, AND EVALUA-**
17 **TION**

18 **Subtitle A—Authorization of**
19 **Appropriations**

20 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

21 *Funds are hereby authorized to be appropriated for fis-*
22 *cal year 1996 for the use of the Department of Defense for*
23 *research, development, test, and evaluation as follows:*

24 *(1) For the Army, \$4,774,947,000.*

25 *(2) For the Navy, \$8,516,509,000.*

26 *(3) For the Air Force, \$13,184,102,000.*

1 (4) *For Defense-wide activities, \$9,548,986,000,*
2 *of which \$239,341,000 is authorized for the activities*
3 *of the Director, Test and Evaluation.*

4 **SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLOR-**
5 **ATORY DEVELOPMENT.**

6 (a) *FISCAL YEAR 1996.—Of the amounts authorized*
7 *to be appropriated by section 201, \$4,181,076,000 shall be*
8 *available for basic research and exploratory development*
9 *projects.*

10 (b) *BASIC RESEARCH AND EXPLORATORY DEVELOP-*
11 *MENT DEFINED.—For purposes of this section, the term*
12 *“basic research and exploratory development” means work*
13 *funded in program elements for defense research and devel-*
14 *opment under Department of Defense category 6.1 or 6.2.*

15 **SEC. 203. MODIFICATIONS TO STRATEGIC ENVIRONMENTAL**
16 **RESEARCH AND DEVELOPMENT PROGRAM.**

17 (a) *PURPOSES OF PROGRAM.—Section 2901(b) of title*
18 *10, United States Code, is amended—*

19 (1) *in paragraph (1)—*

20 (A) *by striking out “and the Department of*
21 *Energy”;* and

22 (B) *by striking out “their” and inserting in*
23 *lieu thereof “its”;*

24 (2) *by striking out paragraph (3); and*

1 (3) by redesignating paragraph (4) as para-
2 graph (3).

3 (b) COUNCIL.—Section 2902 of such title is amended—

4 (1) in subsection (b)—

5 (A) by striking out “thirteen” and inserting
6 in lieu thereof “12”;

7 (B) by striking out paragraph (3);

8 (C) by redesignating paragraphs (4), (5),
9 (6), (7), (8), (9), and (10) as paragraphs (3),
10 (4), (5), (6), (7), (8), and (9), respectively; and

11 (D) in paragraph (8), as redesignated, by
12 striking out “, who shall be nonvoting members”;

13 (2) in subsection (d)—

14 (A) by striking out paragraph (3);

15 (B) by redesignating paragraph (4) as
16 paragraph (3) and in that paragraph by strik-
17 ing out “Federal Coordinating Council on
18 Science, Engineering, and Technology” and in-
19 serting in lieu thereof “National Science and
20 Technology Council”; and

21 (C) by redesignating paragraphs (5) and
22 (6) as paragraphs (4) and (5), respectively;

23 (3) in subsection (e)—

24 (A) by striking out paragraphs (1), (2), and
25 (3);

1 (B) by redesignating paragraphs (4), (5),
2 (6), (7), (8), (9), and (10) as paragraphs (1),
3 (2), (3), (4), (5), (6), and (7) respectively;

4 (C) in paragraph (2), as redesignated, by
5 striking out “such national and international
6 environmental problems as climate change and
7 ozone depletion” and inserting in lieu thereof
8 “national and international environmental prob-
9 lems”; and

10 (D) in paragraph (4), as redesignated, by
11 striking out “clauses (2) through (6)” and insert-
12 ing in lieu thereof “paragraphs (1) through (3)”;
13 (4) by striking out subsections (f) and (h); and
14 (5) by redesignating subsection (g) as subsection
15 (f).

16 (c) *COMPETITIVE PROCEDURES*.—Section 2903(c) of
17 such title is amended—

18 (1) by striking out “or” after “contracts” and
19 inserting in lieu thereof “using competitive proce-
20 dures. The Executive Director may enter into”;

21 (2) by striking out “law, except that” and insert-
22 ing in lieu thereof “law. In either case,”.

23 (d) *SCIENTIFIC ADVISORY BOARD*.—Section 2904 of
24 such title is amended—

25 (1) in subsection (a)—

1 (A) by striking out “and the Secretary of
2 Energy”; and

3 (B) by inserting after “in consultation
4 with” the following: “the Secretary of Energy
5 and”;

6 (2) in subsection (b)—

7 (A) by striking out paragraph (3); and

8 (B) by redesignating paragraph (4) as
9 paragraph (3) and in that paragraph by strik-
10 ing out “three” and inserting in lieu thereof “not
11 less than two years and not more than six”;

12 (3) by striking out subsections (g) and (h); and

13 (4) by redesignating subsection (i) as subsection
14 (g).

15 **Subtitle B—Program Requirements,**
16 **Restrictions, and Limitations**

17 **SEC. 211. SPACE LAUNCH MODERNIZATION.**

18 (a) ALLOCATION OF FUNDS.—Of the amount appro-
19 priated pursuant to the authorization in section 201(3)—

20 (1) \$100,000,000 shall be available for a com-
21 petitive reusable rocket technology program (PE
22 63401F); and

23 (2) \$7,500,000 shall be available for evaluation
24 of prototype hardware of low-cost expendable launch
25 vehicles (PE 63401F).

1 (b) *LIMITATION.*—Funds made available pursuant to
2 subsection (a)(1) may be obligated only to the extent that
3 the fiscal year 1996 current operating plan of the National
4 Aeronautics and Space Administration allocates at least an
5 equal amount for its Reusable Space Launch program.

6 **SEC. 212. MANEUVER VARIANT UNMANNED AERIAL VEHI-**
7 **CLE.**

8 None of the amounts appropriated or otherwise made
9 available pursuant to the authorizations in section 201 may
10 be obligated for the Maneuver Variant Unmanned Aerial
11 Vehicle.

12 **SEC. 213. TACTICAL MANNED RECONNAISSANCE.**

13 None of the amounts appropriated or otherwise made
14 available pursuant to an authorization in this Act may be
15 used by the Secretary of the Air Force to conduct research,
16 development, test, or evaluation for a replacement aircraft,
17 pod, or sensor payload for the tactical manned reconnais-
18 sance mission.

19 **SEC. 214. ADVANCED LITHOGRAPHY PROGRAM.**

20 Section 216 of the National Defense Authorization Act
21 for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2693)
22 is amended—

23 (1) in subsection (a), by striking out “to help
24 achieve” and all that follows through the end of the
25 subsection and inserting in lieu thereof “to ensure

1 *that lithographic processes being developed by Amer-*
2 *ican-owned manufacturers operating in the United*
3 *States will lead to superior performance electronics*
4 *systems for the Department of Defense. For purposes*
5 *of the preceding sentence, the term ‘American-owned*
6 *manufacturers’ means a manufacturing company or*
7 *other business entity the majority ownership or con-*
8 *trol of which is by United States citizens.’; and*

9 *(2) in subsection (b), by adding at the end the*
10 *following new paragraph:*

11 *“(3) The Director of the Defense Advanced Research*
12 *Projects Agency may set priorities and funding levels for*
13 *various technologies being developed for the ALP and shall*
14 *consider funding recommendations by the SIA as advi-*
15 *sory.”.*

16 **SEC. 215. ENHANCED FIBER OPTIC GUIDED MISSILE SYS-**
17 **TEM.**

18 *(a) CERTIFICATION.—Not later than December 1,*
19 *1995, the Secretary of the Army shall certify to the congres-*
20 *sional defense committees whether there is a requirement*
21 *for the enhanced fiber optic guided missile (EFOG-M) sys-*
22 *tem and whether there is a cost and effectiveness analysis*
23 *supporting such requirement.*

24 *(b) LIMITATIONS.—(1) The Secretary of the Army may*
25 *not obligate more than \$280,000,000 (based on fiscal year*

1 1995 constant dollars) to develop and deliver for test and
2 evaluation by the Army the following items:

3 (A) 44 EFOG-M test missiles.

4 (B) 256 fully operational EFOG-M missiles.

5 (C) 12 fully operational fire units.

6 (2) The Secretary of the Army may not spend funds
7 for the EFOG-M system after September 30, 1998, if the
8 items described in paragraph (1) have not been delivered
9 to the Army by that date at the cost estimated for such sys-
10 tem as of the date of the enactment of this Act.

11 (c) *GOVERNMENT-FURNISHED EQUIPMENT.*—The Sec-
12 retary of the Army shall assure that all Government-fur-
13 nished equipment that the Army agrees to provide under
14 the contract for the EFOG-M system is provided to the
15 prime contractor in accordance with the terms of the con-
16 tract.

17 **SEC. 216. JOINT ADVANCED STRIKE TECHNOLOGY (JAST)**
18 **PROGRAM.**

19 (a) *ALLOCATION OF FUNDS.*—Of the amount appro-
20 priated pursuant to the authorizations in section 201,
21 \$280,156,000 shall be available for the Joint Advanced
22 Strike Technology (JAST) program. Of that amount—

23 (1) \$123,795,000 shall be available for PE
24 63800N;

1 (2) \$125,686,000 shall be available for PE
2 63800F; and

3 (3) \$30,675,000 shall be available for PE
4 63800E.

5 (b) *LIMITATION.*—Not more than 75 percent of the
6 amount appropriated for such program pursuant to the au-
7 thorizations in section 201 may be obligated until a period
8 of 30 days has expired after the report specified in sub-
9 section (c) is submitted to the congressional defense commit-
10 tees.

11 (c) *REPORT.*—The Secretary of Defense shall submit
12 to the congressional defense committees a report, in unclas-
13 sified and classified form, not later than March 1, 1996,
14 that sets forth in detail the following information for the
15 period 1997 through 2005:

16 (1) What the total joint requirement, under two
17 major regional contingency (MRC) assumptions, is
18 for the following:

19 (A) Numbers of tactical combat aircraft and
20 the characteristics required of those aircraft in
21 terms of capabilities, range, and observability-
22 stealthiness.

23 (B) Surface- and air-launched standoff pre-
24 cision guided munitions.

25 (C) Cruise missiles.

1 (D) *Ground-based systems, such as Ex-*
2 *tended Range-Multiple Launch Rocket System*
3 *and the Army Tactical Missile System*
4 *(ATACMS), for joint warfighting capability.*

5 (2) *What the major regional contingency warn-*
6 *ing time assumptions are, and what the effect on fu-*
7 *ture tactical fighter/attack aircraft requirements are*
8 *using other warning time assumptions.*

9 (3) *What requirements exist for the Joint Ad-*
10 *vanced Strike Technology program that cannot be met*
11 *by existing aircraft or by those in development.*

12 ***Subtitle C—Ballistic Missile***
13 ***Defense Act of 1995***

14 ***SEC. 231. SHORT TITLE.***

15 *This subtitle may be cited as the “Ballistic Missile De-*
16 *fense Act of 1995”.*

17 ***SEC. 232. BALLISTIC MISSILE DEFENSE POLICY OF THE***
18 ***UNITED STATES.***

19 *It is the policy of the United States—*

20 (1) *to deploy at the earliest practical date highly*
21 *effective theater missile defenses (TMDs) to protect*
22 *forward-deployed and expeditionary elements of the*
23 *Armed Forces of the United States and to complement*
24 *and support the missile defense capabilities of friend-*
25 *ly forces and of allies of the United States; and*

1 (2) to deploy at the earliest practical date a na-
2 tional missile defense (NMD) system that is capable
3 of providing a highly effective defense of the United
4 States against limited ballistic missile attacks.

5 **SEC. 233. IMPLEMENTATION OF POLICY.**

6 (a) *TMD DEPLOYMENT.*—To implement the policy es-
7 tablished in section 232(1), the Secretary of Defense shall
8 develop and deploy at the earliest practical date advanced
9 theater missile defense (TMD) systems.

10 (b) *NMD SYSTEM ARCHITECTURE.*—To implement the
11 policy established in section 232(2), the Secretary of Defense
12 shall develop for deployment at the earliest practical date
13 an affordable, operationally-effective National Missile De-
14 fense (NMD) system designed to protect the United States
15 against limited ballistic missile attacks. The system to be
16 developed for deployment shall include the following:

17 (1) Up to 100 ground-based interceptors at a
18 single site or a greater number of interceptors at a
19 number of sites, as determined necessary by the Sec-
20 retary.

21 (2) Fixed, ground-based radars.

22 (3) Space-based sensors, including, within the
23 type of space-based sensors known as ABM-adjunct
24 sensors (such sensors not being prohibited by the ABM
25 Treaty), those sensor systems (such as the Space and

1 *Missile Tracking System) that are capable of cuing*
2 *ground-based anti-ballistic missile interceptors and of*
3 *providing initial targeting vectors.*

4 *(4) Battle management, command, control, and*
5 *communications.*

6 *(c) REPORT ON PLAN FOR DEPLOYMENT.—Not later*
7 *than 90 days after the date of the enactment of this Act,*
8 *the Secretary of Defense shall submit to the congressional*
9 *defense committees a report setting forth the Secretary’s*
10 *plan for—*

11 *(1) the deployment of advanced theater missile*
12 *defense (TMD) systems pursuant to subsection (a);*
13 *and*

14 *(2) the deployment of a national missile defense*
15 *system which meets the requirements specified in sub-*
16 *section (b).*

17 **SEC. 234. FOLLOW-ON TECHNOLOGIES RESEARCH AND DE-**
18 **VELOPMENT.**

19 *(a) FOLLOW-ON NATIONAL AND THEATER MISSILE*
20 *DEFENSE TECHNOLOGY.—The Secretary shall pursue re-*
21 *search and development of technologies and systems related*
22 *to national missile defense and theater missile defense in*
23 *order to provide future options for—*

24 *(1) protecting the United States against limited*
25 *ballistic missile attacks; and*

1 (2) *defending forward-deployed and expedition-*
2 *ary elements of the Armed Forces of the United States*
3 *and complementing and supporting the missile de-*
4 *fense capabilities of friendly forces and allies of the*
5 *United States.*

6 (b) *EXCLUSION OF CERTAIN SYSTEMS FROM INITIAL*
7 *DEPLOYMENT.—The initial National Missile Defense sys-*
8 *tem architecture developed for deployment pursuant to sec-*
9 *tion 233(b) may not include—*

10 (1) *ground-based or space-based directed energy*
11 *weapons; or*

12 (2) *space-based interceptors.*

13 ***SEC. 235. POLICY ON COMPLIANCE WITH THE ABM TREATY.***

14 (a) *POLICY CONCERNING SYSTEMS SUBJECT TO ABM*
15 *TREATY.—Congress finds that, unless and until a missile*
16 *defense system, system upgrade, or system component is*
17 *flight tested in an ABM-qualifying flight test (as defined*
18 *in subsection (c)), such system, system upgrade, or system*
19 *component—*

20 (1) *has not, for purposes of the ABM Treaty,*
21 *been tested in an ABM mode nor been given capabili-*
22 *ties to counter strategic ballistic missiles; and*

23 (2) *therefore is not subject to any application,*
24 *limitation, or obligation under the ABM Treaty.*

1 (b) *PROHIBITIONS.—(1) Funds appropriated to the*
2 *Department of Defense may not be obligated or expended*
3 *for the purpose of—*

4 (A) *prescribing, enforcing, or implementing any*
5 *Executive order, regulation, or policy that would*
6 *apply the ABM Treaty (or any limitation or obliga-*
7 *tion under such Treaty) to research, development,*
8 *testing, or deployment of a theater missile defense sys-*
9 *tem, a theater missile defense system upgrade, or a*
10 *theater missile defense system component; or*

11 (B) *taking any other action to provide for the*
12 *ABM Treaty (or any limitation or obligation under*
13 *such Treaty) to be applied to research, development,*
14 *testing, or deployment of a theater missile defense sys-*
15 *tem, a theater missile defense system upgrade, or a*
16 *theater missile defense system component.*

17 (2) *This subsection applies with respect to each missile*
18 *defense system, missile defense system upgrade, or missile*
19 *defense system component that is capable of countering*
20 *modern theater ballistic missiles.*

21 (3) *This subsection shall cease to apply with respect*
22 *to a missile defense system, missile defense system upgrade,*
23 *or missile defense system component when that system, sys-*
24 *tem upgrade, or system component has been flight tested*
25 *in an ABM-qualifying flight test.*

1 (c) *ABM-QUALIFYING FLIGHT TEST DEFINED.*—For
2 purposes of this section, an ABM-qualifying flight test is
3 a flight test against a ballistic missile which, in that flight
4 test, exceeds (1) a range of 3,500 kilometers, or (2) a velocity
5 of 5 kilometers per second.

6 **SEC. 236. BALLISTIC MISSILE DEFENSE PROGRAM AC-**
7 **COUNTABILITY.**

8 (a) *ANNUAL BMD PROGRAMS REPORT.*—The Sec-
9 retary of Defense shall submit to the congressional defense
10 committees an annual report describing the technical mile-
11 stones, schedule, and cost of each ballistic missile defense
12 program specified in subsection (c).

13 (b) *MATTERS TO BE INCLUDED.*—Each report under
14 subsection (a) shall list all technical milestones, program
15 schedule milestones, and costs of each phase of development
16 and acquisition, together with total estimated program
17 costs, covering the entire life of each program specified in
18 subsection (c).

19 (c) *COVERED PROGRAMS.*—The reports under this sec-
20 tion shall cover the following programs:

21 (1) Theater High Altitude Area Defense
22 (THAAD).

23 (2) Patriot Advanced Capability-3.

24 (3) Navy Lower Tier.

25 (4) Navy Upper Tier.

1 (5) *Corps Surface-to-Air Missile.*

2 (6) *Hawk.*

3 (7) *Boost Phase Intercept.*

4 (8) *National Missile Defense.*

5 (9) *Arrow.*

6 (10) *Medium Extended Air Defense.*

7 (11) *Any theater missile defense program or na-*
8 *tional missile defense program which the Department*
9 *of Defense initiates after the date of the enactment of*
10 *this Act.*

11 (d) *VARIANCE REPORTING REQUIREMENTS.—(1) In*
12 *the annual report under this section, the Secretary shall de-*
13 *scribe, with respect to each program covered in the report,*
14 *any difference in the technical milestones, program schedule*
15 *milestones, and costs for that program—*

16 (A) *compared with the information relating to*
17 *that program in the report submitted in the previous*
18 *year; and*

19 (B) *compared with the information relating to*
20 *that program in the first report submitted under this*
21 *section in which that program is covered.*

22 (2) *Paragraph (1)(A) shall not apply to the first report*
23 *submitted under this section.*

24 (e) *DATE OF SUBMISSION.—The report required by*
25 *this section for any year shall be submitted not later than*

1 30 days after the date on which the President's budget for
2 the next fiscal year is submitted, except that the first report
3 shall be submitted not later than 90 days after the date of
4 the enactment of this Act.

5 **SEC. 237. ABM TREATY DEFINED.**

6 For purposes of this subtitle and subtitle D, the term
7 "ABM Treaty" means the Treaty Between the United States
8 and the Union of Soviet Socialist Republics on the Limita-
9 tion of Anti-Ballistic Missile Systems, and signed at Mos-
10 cow on May 26, 1972, and includes Protocols to that Trea-
11 ty, signed at Moscow on July 3, 1974.

12 **SEC. 238. REPEAL OF MISSILE DEFENSE ACT OF 1991.**

13 The Missile Defense Act of 1991 is repealed.

14 **Subtitle D—Other Ballistic Missile**
15 **Defense Provisions**

16 **SEC. 241. BALLISTIC MISSILE DEFENSE FUNDING FOR FIS-**
17 **CAL YEAR 1996.**

18 Of the amounts authorized to be appropriated pursu-
19 ant to section 201 for fiscal year 1996 or otherwise made
20 available to the Department of Defense for fiscal year 1996,
21 not more than \$3,070,199,000 may be obligated for Ballistic
22 Missile Defense programs.

1 **SEC. 242. POLICY CONCERNING BALLISTIC MISSILE**
2 **DEFENSE.**

3 (a) *BALLISTIC MISSILE DEFENSE AND OTHER*
4 *COUNTERPROLIFERATION EFFORTS.*—The Congress views
5 the deployment of ballistic missile defenses as a necessary,
6 but not sufficient, element of a broader strategy to discour-
7 age both the proliferation of weapons of mass destruction
8 and the proliferation of means of their delivery and to de-
9 fend against the consequences of such proliferation. The
10 Congress, therefore, endorses and supports measures de-
11 signed to slow or halt the proliferation of advanced tech-
12 nologies that pose a threat to the safety and security of the
13 United States and to international stability.

14 (b) *BALLISTIC MISSILE DEFENSE AND STRATEGIC*
15 *STABILITY.*—(1) The Congress views the deployment of bal-
16 listic missile defenses as a strategically stabilizing measure.

17 (2) The deployment of Theater Missile Defense systems
18 at the earliest practical date pursuant to section 232(a)(1)
19 will deny potential adversaries the option of escalating a
20 conflict by threatening or attacking United States forces,
21 coalition partners of the United States, or allies of the Unit-
22 ed States with ballistic missiles armed with weapons of
23 mass destruction to offset the operational and technical ad-
24 vantages of the United States and its coalition partners and
25 allies.

1 (3) *The deployment of a National Missile Defense sys-*
2 *tem at the earliest practical date pursuant to section*
3 *232(a)(2) against the threat of limited ballistic missile*
4 *attacks—*

5 (A) *will strengthen deterrence at the levels of*
6 *forces agreed to by the United States and Russia*
7 *under the Strategic Arms Reduction Talks Treaties*
8 *(START-I and START-II); and*

9 (B) *would further strengthen deterrence if reduc-*
10 *tions below the levels permitted under START-II*
11 *should be agreed to in the future.*

12 (c) *PRESIDENTIAL DISCUSSIONS WITH OTHER NA-*
13 *TIONS.—(1) The Congress—*

14 (A) *notes that on the basis of section 235 it is*
15 *no longer necessary for the United States to continue*
16 *discussions with Russia to clarify the distinction be-*
17 *tween ABM and TMD systems and, therefore, urges*
18 *the President to discontinue any such discussions;*

19 (B) *notes that the ABM Treaty prohibits deploy-*
20 *ment of ground-based interceptors in a number that*
21 *would be sufficient to assure that the entire continen-*
22 *tal United States, Alaska, and Hawaii are defended*
23 *against limited ballistic missile attacks; and*

24 (C) *notes that past discussions with Russia,*
25 *based on Russian President Yeltsin's proposal for a*

1 *Global Protection System, held promise of an agree-*
2 *ment to amend the ABM Treaty to allow defense*
3 *against a limited ballistic missile attack that would*
4 *have included (among other measures) permitted de-*
5 *ployment of as many as four ground-based interceptor*
6 *sites in addition to the one site currently permitted*
7 *under the ABM Treaty and unrestricted exploitation*
8 *of ground-based and space-based sensors.*

9 (2) *In light of the findings in paragraph (1), Congress*
10 *urges the President to pursue high-level discussions with*
11 *Russia to amend the ABM Treaty to permit—*

12 (A) *deployment of the number of ground-based*
13 *ABM sites necessary to provide effective defense of the*
14 *entire territory of the United States against limited*
15 *ballistic missile attack; and*

16 (B) *the unrestricted exploitation of sensors based*
17 *within the atmosphere and in space.*

18 (3) *It is in the interest of the United States to develop*
19 *its own missile defense capabilities in a manner that will*
20 *permit the United States to complement and support the*
21 *missile defense capabilities developed and deployed by its*
22 *allies and possible coalition partners. Therefore, the Con-*
23 *gress urges the President—*

24 (A) *to pursue high-level discussions with allies*
25 *and selected other states on the means and methods by*

1 *which the parties on a bilateral basis can cooperate*
2 *in the development, deployment, and operation of bal-*
3 *listic missile defenses;*

4 *(B) to take the initiative within the North Atlan-*
5 *tic Treaty Organization to develop consensus in the*
6 *Alliance for a timely deployment of effective ballistic*
7 *missile defenses by the Alliance; and*

8 *(C) in the interim, to seek agreement with allies*
9 *and selected other states on steps the parties should*
10 *take, consistent with their national interests, to re-*
11 *duce the risks posed by the threat of limited ballistic*
12 *missile attacks, such steps to include—*

13 *(i) the sharing of early warning informa-*
14 *tion derived from sensors deployed by the United*
15 *States and other states;*

16 *(ii) the exchange on a reciprocal basis of*
17 *technical data and technology to support both*
18 *joint development programs and the sale and*
19 *purchase of missile defense systems and compo-*
20 *nents; and*

21 *(iii) operational level planning to exploit*
22 *current missile defense capabilities and to help*
23 *define future requirements.*

1 **SEC. 243. TESTING OF THEATER MISSILE DEFENSE INTER-**
2 **CEPTORS.**

3 *Subsection (a) of section 237 of the National Defense*
4 *Authorization Act for Fiscal Year 1994 (Public Law 103-*
5 *160; 107 Stat. 1600) is amended to read as follows:*

6 “(a) *TESTING OF THEATER MISSILE DEFENSE INTER-*
7 *CEPTORS.—(1) The Secretary of Defense may not approve*
8 *a theater missile defense interceptor program proceeding be-*
9 *yond the low-rate initial production acquisition stage until*
10 *the Secretary certifies to the congressional defense commit-*
11 *tees that such program has successfully completed initial*
12 *operational test and evaluation.*

13 “(2) *In order to be certified under paragraph (1) as*
14 *having been successfully completed, the initial operational*
15 *test and evaluation conducted with respect to an intercep-*
16 *tors program must have included flight tests—*

17 “(A) *that were conducted with multiple intercep-*
18 *tors and multiple targets in the presence of realistic*
19 *countermeasures; and*

20 “(B) *the results of which demonstrate the*
21 *achievement by the interceptors of the baseline per-*
22 *formance thresholds.*

23 “(3) *For purposes of this subsection, the baseline per-*
24 *formance thresholds with respect to a program are the*
25 *weapons systems performance thresholds specified in the*
26 *baseline description for the system established (pursuant to*

1 *section 2435(a)(1) of title 10, United States Code) before*
2 *the program entered the engineering and manufacturing de-*
3 *velopment stage.*

4 “(4) *The number of flight tests described in paragraph*
5 *(2) that are required in order to make the certification*
6 *under paragraph (1) shall be a number determined by the*
7 *Secretary of Defense to be sufficient for the purposes of this*
8 *section.*

9 “(5) *The Secretary may augment live-fire testing to*
10 *demonstrate weapons system performance goals for purposes*
11 *of the certification under paragraph (1) through the use of*
12 *modeling and simulation that is validated by ground and*
13 *flight testing.”.*

14 **SEC. 244. REPEAL OF MISSILE DEFENSE PROVISIONS.**

15 *The following provisions of law are repealed:*

16 (1) *Section 222 of the Department of Defense*
17 *Authorization Act, 1986 (Public Law 99–145; 99*
18 *Stat. 613; 10 U.S.C. 2431 note).*

19 (2) *Section 225 of the Department of Defense*
20 *Authorization Act, 1986 (Public Law 99–145; 99*
21 *Stat. 614).*

22 (3) *Section 226 of the National Defense Author-*
23 *ization Act for Fiscal Years 1988 and 1989 (Public*
24 *Law 100–180; 101 Stat. 1057; 10 U.S.C. 2431 note).*

1 (4) *Section 8123 of the Department of Defense*
2 *Appropriations Act, 1989 (Public Law 100-463; 102*
3 *Stat. 2270-40).*

4 (5) *Section 8133 of the Department of Defense*
5 *Appropriations Act, 1992 (Public Law 102-172; 105*
6 *Stat. 1211).*

7 (6) *Section 234 of the National Defense Author-*
8 *ization Act for Fiscal Year 1994 (Public Law 103-*
9 *160; 107 Stat. 1595; 10 U.S.C. 2431 note).*

10 ***Subtitle E—Other Matters***

11 ***SEC. 251. ALLOCATION OF FUNDS FOR MEDICAL COUNTER-***

12 ***MEASURES AGAINST BIOWARFARE THREATS.***

13 *Section 2370a of title 10, United States Code, is*
14 *amended—*

15 (1) *in subsection (a), by striking out “Depart-*
16 *ment of Defense—” and all that follows through “not*
17 *more than 20 percent” and inserting in lieu thereof*
18 *“Department of Defense, not more than 50 percent”;*
19 *and*

20 (2) *in subsection (b), by striking out paragraph*
21 *(2) and redesignating paragraphs (3), (4), and (5) as*
22 *paragraphs (2), (3), and (4), respectively.*

1 **SEC. 252. ANALYSIS OF CONSOLIDATION OF BASIC RE-**
2 **SEARCH ACCOUNTS OF MILITARY DEPART-**
3 **MENTS.**

4 (a) *ANALYSIS REQUIRED.*—The Secretary of Defense
5 shall conduct an analysis of the cost and effectiveness of
6 consolidating the basic research accounts of the military de-
7 partments. The analysis shall determine potential infra-
8 structure savings and other benefits of co-locating and con-
9 solidating the management of basic research.

10 (b) *DEADLINE.*—On or before March 1, 1996, the Sec-
11 retary shall submit to the Committee on Armed Services
12 of the Senate and the Committee on National Security of
13 the House of Representatives a report on the analysis con-
14 ducted under subsection (a).

15 **SEC. 253. CHANGE IN REPORTING PERIOD FROM CALENDAR**
16 **YEAR TO FISCAL YEAR FOR ANNUAL REPORT**
17 **ON CERTAIN CONTRACTS TO COLLEGES AND**
18 **UNIVERSITIES.**

19 Section 2361(c)(2) of title 10, United States Code, is
20 amended—

21 (1) by striking out “calendar year” and insert-
22 ing in lieu thereof “fiscal year”; and

23 (2) by striking out “after the year” and insert-
24 ing in lieu thereof “after the fiscal year”.

1 **SEC. 254. MODIFICATION TO UNIVERSITY RESEARCH INI-**
2 **TIATIVE SUPPORT PROGRAM.**

3 *Section 802 of the National Defense Authorization Act*
4 *for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1701)*
5 *is amended—*

6 (1) *in subsections (a) and (b), by striking out*
7 *“shall” both places it appears and inserting in lieu*
8 *thereof “may”; and*

9 (2) *in subsection (e), by striking out the sentence*
10 *beginning with “Such selection process”.*

11 **SEC. 255. ADVANCED FIELD ARTILLERY SYSTEM (CRU-**
12 **SADER).**

13 (a) *AUTHORITY TO USE FUNDS FOR ALTERNATIVE*
14 *PROPELLANT TECHNOLOGIES.—During fiscal year 1996,*
15 *the Secretary of the Army may use funds appropriated for*
16 *the liquid propellant portion of the Advanced Field Artil-*
17 *lery System (Crusader) program for fiscal year 1996 for*
18 *alternative propellant technologies and integration of those*
19 *technologies into the design of the Crusader system if—*

20 (1) *the Secretary determines that the technical*
21 *risk associated with liquid propellant will increase*
22 *costs and delay the initial operational capability of*
23 *the Crusader system; and*

24 (2) *the Secretary notifies the congressional de-*
25 *fense committees of the proposed use of the funds and*
26 *the reasons for the proposed use of the funds.*

1 (b) *LIMITATION.*—*The Secretary of the Army may not*
2 *spend funds for the liquid propellant portion of the Cru-*
3 *sader system after August 1, 1996, unless significant*
4 *progress has been made toward meeting the objectives set*
5 *forth in subsection (c) and the statement described in sub-*
6 *section (d) has been submitted to the congressional defense*
7 *committees.*

8 (c) *OBJECTIVES.*—*The objectives referred to in sub-*
9 *section (b) are the following:*

10 (1) *Breech and ignition design criteria for rate*
11 *of fire for the cannon of the Crusader system have*
12 *been met.*

13 (2) *The final ignition concept has been designed*
14 *and successfully bench tested for the next prototype of*
15 *the cannon of the Crusader system.*

16 (3) *Designs to prevent chamber piston reversals*
17 *have been tested in a fixed weapons test stand.*

18 (4) *The chemistry and physics of propellant*
19 *burn resulting from the firing of liquid propellant*
20 *into any target zone are fully understood, and pre-*
21 *dictable firings have been demonstrated.*

22 (5) *An analysis of the management of heat dis-*
23 *sipation has been made for the full range of perform-*
24 *ance requirements for the cannon, and concept de-*

1 *signs supported by that analysis are completed and*
2 *proposed for engineering.*

3 *(6) Engineering designs to control pressure oscil-*
4 *lations in the chamber during firing are proven and*
5 *planned for integration into the next prototype of the*
6 *cannon.*

7 *(7) Fill designs for the cannon chamber that*
8 *focus on preventing future chamber explosions have*
9 *been electronically simulated and bench tested.*

10 *(8) An assessment of the sensitivity of liquid*
11 *propellant to contamination by various materials to*
12 *which it may be exposed throughout the handling and*
13 *operation of the cannon is completed.*

14 *(d) STATEMENT.—The statement referred to in sub-*
15 *section (b) is a statement submitted to the congressional de-*
16 *fense committees not later than March 30, 1996, that con-*
17 *tains the following:*

18 *(1) An assertion that all the hazards associated*
19 *with liquid propellant have been identified and are*
20 *controllable to acceptable levels.*

21 *(2) An assessment of the technology for each com-*
22 *ponent of the Crusader system (the cannon, vehicle,*
23 *and crew module). The technology assessment shall in-*
24 *clude, for each performance goal of the Crusader sys-*
25 *tem (including total system weight), information*

1 *about the maturity of the technology to achieve that*
2 *goal, the maturity of the design of the technology, and*
3 *the manner in which the design has been proven (for*
4 *example, through simulation, bench testing, or weap-*
5 *on firing).*

6 *(3) An assessment of the cost of continued devel-*
7 *opment of the Crusader system after August 1, 1996,*
8 *the cost of each unit of the Crusader system in the*
9 *year the Crusader system will be completed, and the*
10 *cost of each unit of the Future Armored Resupply Ve-*
11 *hicle (FARV) in the year that vehicle will be com-*
12 *pleted.*

13 ***SEC. 256. REVIEW OF C⁴I BY NATIONAL RESEARCH***
14 ***COUNCIL.***

15 *(a) REVIEW BY NATIONAL RESEARCH COUNCIL.—Not*
16 *later than 90 days after the date of the enactment of this*
17 *Act, the Secretary of Defense shall enter into a contract with*
18 *the National Research Council of the National Academy of*
19 *Sciences to conduct a comprehensive review of current and*
20 *planned service and defense-wide programs for command,*
21 *control, communications, computers, and intelligence (C⁴I)*
22 *with a special focus on cross-service and inter-service issues.*

23 *(b) MATTERS TO BE ASSESSED IN REVIEW.—The re-*
24 *view shall address the following:*

1 (1) *The match between the capabilities provided*
2 *by current service and defense-wide C⁴I programs and*
3 *the actual needs of users of these programs.*

4 (2) *The interoperability of service and defense-*
5 *wide C⁴I systems that are planned to be operational*
6 *in the future.*

7 (3) *The need for an overall defense-wide architec-*
8 *ture for C⁴I.*

9 (4) *Proposed strategies for ensuring that future*
10 *C⁴I acquisitions are compatible and interoperable*
11 *with an overall architecture.*

12 (5) *Technological and administrative aspects of*
13 *the C⁴I modernization effort to determine the sound-*
14 *ness of the underlying plan and the extent to which*
15 *it is consistent with concepts for joint military oper-*
16 *ations in the future.*

17 (c) *TWO-YEAR PERIOD FOR CONDUCTING REVIEW.—*
18 *The National Research Council shall conduct the review*
19 *over the two-year period beginning upon completion of the*
20 *performance of the contract described in subsection (a).*

21 (d) *REPORTS.—(1) The National Research Council*
22 *shall submit to the Department of Defense and Congress in-*
23 *terim reports and progress updates on a regular basis as*
24 *the review proceeds. A final report on the review shall set*
25 *forth the findings, conclusions, and recommendations of the*

1 *Council for defense-wide and service C⁴I programs and*
2 *shall be submitted to the Committee on Armed Services of*
3 *the Senate, the Committee on National Security of the*
4 *House of Representatives, and the Secretary of Defense.*

5 (2) *To the maximum degree possible, the final report*
6 *shall be submitted in unclassified form with classified an-*
7 *nexes as necessary.*

8 (e) *INTERAGENCY COOPERATION WITH STUDY.—All*
9 *military departments, defense agencies, and other compo-*
10 *nents of the Department of Defense shall cooperate fully*
11 *with the National Research Council in its activities in car-*
12 *rying out the review under this section.*

13 (f) *EXPEDITED PROCESSING OF SECURITY CLEAR-*
14 *ANCES FOR STUDY.—For the purpose of facilitating the*
15 *commencement of the study under this section, the Secretary*
16 *of Defense shall expedite to the fullest degree possible the*
17 *processing of security clearances that are necessary for the*
18 *National Research Council to conduct the study.*

19 (g) *FUNDING.—Of the amount authorized to be appro-*
20 *priated in section 201 for defense-wide activities, \$900,000*
21 *shall be available for the study under this section.*

1 **SEC. 257. FIVE-YEAR PLAN FOR FEDERALLY FUNDED RE-**
2 **SEARCH AND DEVELOPMENT CENTERS**
3 **(FFRDCS).**

4 (a) *FIVE-YEAR PLAN.*—The Secretary of Defense, in
5 consultation with the Secretaries of the military depart-
6 ments, shall develop a five-year plan to reduce and consoli-
7 date the activities performed by federally funded research
8 and development centers (FFRDCs) and establish a frame-
9 work for the future workload of such centers.

10 (b) *OBJECTIVES.*—The plan shall set forth the manner
11 in which the Secretary of Defense could achieve by October
12 1, 2000, the following:

13 (1) *Implementation by federally funded research*
14 *and development centers of only those core activities,*
15 *as defined by the Secretary, that require the unique*
16 *capabilities and arrangements afforded by such cen-*
17 *ters.*

18 (2) *Consolidation of such core level activities into*
19 *as few federally funded research and development cen-*
20 *ters as is practical and possible.*

21 (3) *Acquisition of systems engineering and sys-*
22 *tems integration activities currently performed by*
23 *federally funded research and development centers*
24 *through the use of competitive procedures.*

25 (4) *Transfer of the management of the Software*
26 *Engineering Initiative activities to the Defense Infor-*

1 *mation Systems Agency for purposes of supporting*
2 *command, control, communications, computing, and*
3 *intelligence (C⁴I) programs.*

4 (5) *Transfer of the management of the core ac-*
5 *tivities of Lincoln Laboratory to the Office of the Sec-*
6 *retary of Defense.*

7 (6) *Acquisition of services provided to the De-*
8 *partment of Defense by university-affiliated research*
9 *centers (that operate like federally funded research*
10 *and development centers) through the use of competi-*
11 *tive procedures.*

12 (c) *OTHER MATTERS.*—*The plan also shall include the*
13 *following:*

14 (1) *An assessment of the number of staff needed*
15 *in each federally funded research and development*
16 *center during each year over the five years covered by*
17 *the plan.*

18 (2) *A specific timetable for phasing in the objec-*
19 *tives set forth in subsection (b).*

20 (d) *REPORT.*—*Not later than February 1, 1996, the*
21 *Secretary of Defense shall submit to the congressional de-*
22 *fense committees a report on the plan.*

23 (e) *UNDISTRIBUTED REDUCTION.*—*The total amount*
24 *authorized to be appropriated for research, development,*

1 *test, and evaluation in section 201 is hereby reduced by*
2 *\$90,097,000.*

3 **SEC. 258. MANUFACTURING TECHNOLOGY PROGRAM.**

4 *(a) IN GENERAL.—Section 2525 of title 10, United*
5 *States Code, is amended as follows:*

6 *(1) The heading is amended by striking out the*
7 *second and third words.*

8 *(2) Subsection (a) is amended by striking out*
9 *“Science and”.*

10 *(3) Subsection (d) is amended—*

11 *(A) in paragraph (2)—*

12 *(i) by striking out “or” at the end of*
13 *subparagraph (A);*

14 *(ii) by striking out the period at the*
15 *end of subparagraph (B) and inserting in*
16 *lieu thereof “; or”; and*

17 *(iii) by adding at the end the following*
18 *new subparagraph:*

19 *“(C) will be carried out by an institution of*
20 *higher education.”; and*

21 *(B) by adding at the end the following new*
22 *paragraph:*

23 *“(3) At least 25 percent of the funds available for the*
24 *program each fiscal year shall be used for awarding grants*
25 *and entering into contracts, cooperative agreements, and*

1 *other transactions on a cost-share basis under which the*
2 *ratio of recipient costs to Government costs is two to one.”.*

3 (b) *CLERICAL AMENDMENT.*—*The item relating to sec-*
4 *tion 2525 in the table of sections at the beginning of chapter*
5 *148 of title 10, United States Code, is amended to read as*
6 *follows:*

“2525. Manufacturing technology program.”.

7 **SEC. 259. FIVE-YEAR PLAN FOR CONSOLIDATION OF DE-**
8 **FENSE LABORATORIES AND TEST AND EVAL-**
9 **UATION CENTERS.**

10 (a) *FIVE-YEAR PLAN.*—*The Secretary of Defense shall*
11 *develop a five-year plan to consolidate and restructure the*
12 *laboratories and test and evaluation centers of the Depart-*
13 *ment of Defense.*

14 (b) *OBJECTIVE.*—*The plan shall set forth the specific*
15 *actions needed to consolidate the laboratories and test and*
16 *evaluation centers into as few laboratories and centers as*
17 *is practical and possible, in the judgment of the Secretary,*
18 *by October 1, 2005.*

19 (c) *MATTERS TO BE CONSIDERED.*—*In developing the*
20 *plan, the Secretary shall consider the following:*

21 (1) *Consolidation of common support functions,*
22 *including the following:*

23 (A) *Aircraft (fixed wing and rotary).*

24 (B) *Weapons.*

25 (C) *Space systems.*

1 (2) *Continued advances in aeronautical science and*
2 *engineering are critical to sustaining the strategic and tac-*
3 *tical air superiority of the United States and coalition*
4 *forces, as well as United States economic security and inter-*
5 *national aerospace leadership.*

6 (3) *Encouragement of active Department of Defense*
7 *partnership with other Government agencies, academic in-*
8 *stitutions, and private industry to develop, maintain, and*
9 *enhance aeronautical research and test capabilities is in the*
10 *national security and economic interest of the Department*
11 *and the United States.*

12 (b) *REVIEW.—(1) In pursuit of the aeronautical re-*
13 *search and test capabilities policy set forth in subsection*
14 *(a), the Secretary of Defense shall conduct a comprehensive*
15 *review of the aeronautical research and test facilities and*
16 *capabilities of the United States in order to assess the cur-*
17 *rent condition of such facilities and capabilities.*

18 (2) *The review shall identify options for providing af-*
19 *fordable, operable, reliable, and responsive long-term aero-*
20 *nautical research and test capabilities for military and ci-*
21 *vilian purposes and for the organization and conduct of*
22 *such capabilities within the Department or through shared*
23 *operations with other Government agencies, academic insti-*
24 *tutions, and private industry. The review also shall set forth*
25 *in detail the projected costs of such options, including costs*

1 of acquisition and technical and financial arrangements
2 (including the use of Government facilities for reimbursable
3 private use).

4 (c) *REPORT.*—Not later than March 1, 1996, the Sec-
5 retary of Defense shall submit to the congressional defense
6 committees a report setting forth in detail the findings of
7 the review required by subsection (b). The report shall in-
8 clude recommendations on the most efficient and economic
9 means of developing, maintaining, and continually mod-
10 ernizing aeronautical research and test capabilities to meet
11 current, planned, and prospective military and civilian
12 needs.

13 **SEC. 261. LIMITATION ON T-38 AVIONICS UPGRADE PRO-**
14 **GRAM.**

15 (a) *REQUIREMENT.*—The Secretary of Defense shall
16 ensure that, in evaluating proposals submitted in response
17 to a solicitation issued for a contract for the T-38 Avionics
18 Upgrade Program, the proposal of an entity may not be
19 considered unless—

20 (1) in the case of an entity that conducts sub-
21 stantially all of its business in a foreign country, the
22 foreign country provides equal access to similar con-
23 tract solicitations in that country to United States
24 entities; and

1 *the defense policies and objectives specified in section 2501*
2 *of this title”.*

3 **TITLE III—OPERATION AND**
4 **MAINTENANCE**
5 **Subtitle A—Authorization of**
6 **Appropriations**

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

8 *Funds are hereby authorized to be appropriated for fis-*
9 *cal year 1996 for the use of the Armed Forces and other*
10 *activities and agencies of the Department of Defense for ex-*
11 *penses, not otherwise provided for, for operation and main-*
12 *tenance in amounts as follows:*

13 (1) *For the Army, \$19,339,936,000.*

14 (2) *For the Navy, \$21,677,510,000.*

15 (3) *For the Marine Corps, \$2,603,622,000.*

16 (4) *For the Air Force, \$18,984,162,000.*

17 (5) *For Defense-wide activities, \$10,680,371,000.*

18 (6) *For the Army Reserve, \$1,139,591,000.*

19 (7) *For the Naval Reserve, \$838,042,000.*

20 (8) *For the Marine Corps Reserve, \$91,783,000.*

21 (9) *For the Air Force Reserve, \$1,507,447,000.*

22 (10) *For the Army National Guard,*
23 *\$2,394,108,000.*

24 (11) *For the Air National Guard,*
25 *\$2,734,221,000.*

1 (12) For the Defense Inspector General,
2 \$177,226,000.

3 (13) For the United States Court of Appeals for
4 the Armed Forces, \$6,521,000.

5 (14) For Environmental Restoration, Defense,
6 \$1,422,200,000.

7 (15) For Drug Interdiction and Counter-drug
8 Activities, Defense-wide, \$680,432,000.

9 (16) For Medical Programs, Defense,
10 \$9,876,525,000.

11 (17) For Summer Olympics, \$15,000,000.

12 (18) For Cooperative Threat Reduction pro-
13 grams, \$200,000,000.

14 (19) For Overseas Humanitarian, Disaster, and
15 Civic Aid programs, \$50,000,000.

16 **SEC. 302. WORKING CAPITAL FUNDS.**

17 Funds are hereby authorized to be appropriated for fis-
18 cal year 1996 for the use of the Armed Forces and other
19 activities and agencies of the Department of Defense for
20 providing capital for working capital and revolving funds
21 in amounts as follows:

22 (1) For the Defense Business Operations Fund,
23 \$878,700,000.

24 (2) For the National Defense Sealift Fund,
25 \$1,574,220,000.

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

2 *There is hereby authorized to be appropriated for fiscal*
3 *year 1996 from the Armed Forces Retirement Home Trust*
4 *Fund the sum of \$59,120,000 for the operation of the Armed*
5 *Forces Retirement Home, including the United States Sol-*
6 *diers' and Airmen's Home and the Naval Home.*

7 **Subtitle B—Defense Business**
8 **Operations Fund**

9 **SEC. 311. CODIFICATION OF DEFENSE BUSINESS OPER-**
10 **ATIONS FUND.**

11 *(a) MANAGEMENT OF WORKING-CAPITAL FUNDS.—(1)*
12 *Chapter 131 of title 10, United States Code, is amended*
13 *by inserting after section 2215 the following new section:*

14 **“§2216. Defense Business Operations Fund**

15 *“(a) MANAGEMENT OF WORKING-CAPITAL FUNDS AND*
16 *CERTAIN ACTIVITIES.—The Secretary of Defense may man-*
17 *age the performance of the working-capital funds and in-*
18 *dustrial, commercial, and support type activities described*
19 *in subsection (b) through the fund known as the Defense*
20 *Business Operations Fund, which is established on the books*
21 *of the Treasury. Except for the funds and activities specified*
22 *in subsection (b), no other functions, activities, funds, or*
23 *accounts of the Department of Defense may be managed*
24 *through the Fund.*

25 *“(b) FUNDS AND ACTIVITIES INCLUDED.—The funds*
26 *and activities referred to in subsection (a) are the following:*

1 “(1) Working-capital funds established under sec-
2 tion 2208 of this title and in existence on December
3 5, 1991.

4 “(2) Those activities that, on December 5, 1991,
5 were funded through the use of a working-capital fund
6 established under that section.

7 “(3) The Defense Finance and Accounting Serv-
8 ice.

9 “(4) The Defense Industrial Plant Equipment
10 Center.

11 “(5) The Defense Commissary Agency.

12 “(6) The Defense Technical Information Service.

13 “(7) The Defense Reutilization and Marketing
14 Service.

15 “(c) SEPARATE ACCOUNTING, REPORTING, AND AUDIT-
16 ING OF FUNDS AND ACTIVITIES.—(1) The Secretary of De-
17 fense shall provide in accordance with this subsection for
18 separate accounting, reporting, and auditing of funds and
19 activities managed through the Fund.

20 “(2) The Secretary shall maintain the separate iden-
21 tity of each fund and activity managed through the Fund
22 that (before the establishment of the Fund) was managed
23 as a separate fund or activity.

24 “(3) The Secretary shall maintain separate records for
25 each function for which payment is made through the Fund

1 *and which (before the establishment of the Fund) was paid*
2 *directly through appropriations, including the separate*
3 *identity of the appropriation account used to pay for the*
4 *performance of the function.*

5 *“(d) CHARGES FOR GOODS AND SERVICES PROVIDED*
6 *THROUGH THE FUND.—(1) Charges for goods and services*
7 *provided through the Fund shall include the following*
8 *amounts:*

9 *“(A) Amounts necessary to recover the full costs*
10 *of—*

11 *“(i) the development, implementation, oper-*
12 *ation, and maintenance of systems supporting*
13 *the wholesale supply and maintenance activities*
14 *of the Department of Defense; and*

15 *“(ii) the use of members of the armed forces*
16 *in the provision of the goods and services, com-*
17 *puted by calculating, to the maximum extent*
18 *practicable, such costs as if employees of the De-*
19 *partment of Defense were used in the provision*
20 *of the goods and services.*

21 *“(B) Amounts for depreciation of capital assets,*
22 *set in accordance with generally accepted accounting*
23 *principles.*

1 “(C) Amounts necessary to recover the full cost
2 of the operation of the Defense Finance Accounting
3 Service.

4 “(2) Charges for goods and services provided through
5 the Fund may not include the following amounts:

6 “(A) Amounts necessary to recover the costs of a
7 military construction project (as defined in section
8 2801(b) of this title), other than a minor construction
9 project financed by the Fund pursuant to section
10 2805(c)(1) of this title.

11 “(B) Amounts necessary to cover costs incurred
12 in connection with the closure or realignment of a
13 military installation.

14 “(e) CAPITAL ASSET SUBACCOUNT.—(1) Amounts
15 charged for depreciation of capital assets pursuant to sub-
16 section (d)(1)(B) shall be credited to a separate capital asset
17 subaccount established within the Fund.

18 “(2) The Secretary of Defense may award contracts for
19 capital assets of the Fund in advance of the availability
20 of funds in the subaccount.

21 “(f) PROCEDURES FOR ACCUMULATION OF FUNDS.—
22 The Secretary of Defense shall establish billing procedures
23 to ensure that the balance in the Fund does not exceed the
24 amount necessary to provide for the working capital re-
25 quirements of the Fund, as determined by the Secretary.

1 “(g) *PURCHASE FROM OTHER SOURCES.*—The Sec-
2 retary of Defense or the Secretary of a military department
3 may purchase goods and services that are available for pur-
4 chase from the Fund from a source other than the Fund
5 if the Secretary determines that such source offers a more
6 competitive rate for the goods and services than the Fund
7 offers.

8 “(h) *ANNUAL REPORTS AND BUDGET.*—The Secretary
9 of Defense shall annually submit to Congress, at the same
10 time that the President submits the budget under section
11 1105 of title 31, the following:

12 “(1) A detailed report that contains a statement
13 of all receipts and disbursements of the Fund (includ-
14 ing such a statement for each subaccount of the Fund)
15 for the year for which the report is submitted.

16 “(2) A detailed proposed budget for the operation
17 of the Fund for the fiscal year for which the budget
18 is submitted.

19 “(3) A comparison of the amounts actually ex-
20 pended for the operation of the Fund for the previous
21 fiscal year with the amount proposed for the oper-
22 ation of the Fund for that fiscal year in the Presi-
23 dent’s budget.

24 “(4) A report on the capital asset subaccount of
25 the Fund that contains the following information:

1 “(A) *The opening balance of the subaccount*
2 *as of the beginning of the fiscal year in which*
3 *the report is submitted.*

4 “(B) *The estimated amounts to be credited*
5 *to the subaccount in the fiscal year in which the*
6 *report is submitted.*

7 “(C) *The estimated amounts of outlays to be*
8 *paid out of the subaccount in the fiscal year in*
9 *which the report is submitted.*

10 “(D) *The estimated balance of the sub-*
11 *account at the end of the fiscal year in which the*
12 *report is submitted.*

13 “(E) *A statement of how much of the esti-*
14 *mated balance at the end of the fiscal year in*
15 *which the report is submitted will be needed to*
16 *pay outlays in the immediately following fiscal*
17 *year that are in excess of the amount to be cred-*
18 *ited to the subaccount in the immediately follow-*
19 *ing fiscal year.*

20 “(i) *DEFINITIONS.—In this section:*

21 “(1) *The term ‘capital assets’ means the follow-*
22 *ing capital assets that have a development or acquisi-*
23 *tion cost of not less than \$15,000:*

1 “(A) Minor construction projects financed
2 by the Fund pursuant to section 2805(c)(1) of
3 this title.

4 “(B) Automatic data processing equipment,
5 software, other equipment, and other capital im-
6 provements.

7 “(2) The term ‘Fund’ means the Defense Busi-
8 ness Operations Fund.”.

9 (2) The table of sections at the beginning of such chap-
10 ter is amended by inserting after the item relating to section
11 2215 the following new item:

 “2216. Defense Business Operations Fund.”.

12 (b) *CONFORMING REPEALS.*—The following provisions
13 of law are hereby repealed:

14 (1) Subsections (b), (c), (d), and (e) of section
15 311 of the National Defense Authorization Act for
16 Fiscal Year 1995 (Public Law 103–337; 10 U.S.C.
17 2208 note).

18 (2) Subsections (a) and (b) of section 333 of the
19 National Defense Authorization Act for Fiscal Year
20 1994 (Public Law 103–160; 10 U.S.C. 2208 note).

21 (3) Section 342 of the National Defense Author-
22 ization Act for Fiscal Year 1993 (Public Law 102–
23 484; 10 U.S.C. 2208 note).

1 (4) *Section 316 of the National Defense Author-*
2 *ization Act for Fiscal Years 1992 and 1993 (Public*
3 *Law 102–190; 10 U.S.C. 2208 note).*

4 (5) *Section 8121 of the Department of Defense*
5 *Appropriations Act, 1992 (Public Law 102–172; 10*
6 *U.S.C. 2208 note).*

7 **SEC. 312. RETENTION OF CENTRALIZED MANAGEMENT OF**
8 **DEFENSE BUSINESS OPERATIONS FUND AND**
9 **PROHIBITION ON FURTHER EXPANSION OF**
10 **FUND.**

11 (a) *CENTRALIZED MANAGEMENT.*—*Subsection (a) of*
12 *section 2216 of title 10, United States Code, as added by*
13 *section 311(a), is amended—*

14 (1) *by inserting “(1)” before “The Secretary of*
15 *Defense”;* and

16 (2) *by adding at the end the following new para-*
17 *graph:*

18 “(2) *Management of the Fund, including management*
19 *of cash balances in the Fund, shall be exercised in the Office*
20 *of the Secretary of Defense under the immediate authority*
21 *of the Under Secretary of Defense (Comptroller). The Fund*
22 *shall be treated as a single account for purposes of sub-*
23 *chapter III of chapter 13 and subchapter II of chapter 15*
24 *of title 31.”.*

1 (b) *EXPANSION OF FUND.*—Such subsection is further
2 amended by adding at the end of paragraph (1) the follow-
3 ing new sentence: “The Secretary may not convert to man-
4 agement through the Fund any function, activity, fund, or
5 account of the Department of Defense that is not managed
6 through the Fund as of the date of the enactment of the
7 National Defense Authorization Act for Fiscal Year 1996.”.

8 **SEC. 313. CHARGES FOR GOODS AND SERVICES PROVIDED**
9 **THROUGH DEFENSE BUSINESS OPERATIONS**
10 **FUND AND TERMINATION OF ADVANCE BILL-**
11 **ING PRACTICES.**

12 (a) *CHARGES INCLUDED.*—Paragraph (1)(A)(ii) of
13 subsection (d) of section 2216 of title 10, United States
14 Code, as added by section 311(a), is amended by striking
15 out “as if employees of the Department of Defense were used
16 in the provision of the goods and services” and inserting
17 in lieu thereof “using the pay and allowances of the mem-
18 bers”.

19 (b) *CHARGES EXCLUDED.*—Paragraph (2) of such sub-
20 section is amended by adding at the end the following new
21 subparagraph:

22 “(C) Amounts necessary to recover the costs of
23 functions designated by the Secretary of Defense as
24 mission critical, such as ammunition handling safety,
25 and amounts for ancillary tasks not directly related

1 to the mission of the function or activity managed
2 through the Fund.”.

3 (c) *TERMINATION OF ADVANCE BILLING PRACTICES.*—
4 Such subsection is further amended by adding at the end
5 the following new paragraph:

6 “(3) After September 30, 1996, functions and activities
7 managed through the Fund may not use advance billing
8 in the provision of goods and services to customers.”.

9 **SEC. 314. ANNUAL PROPOSED BUDGET FOR OPERATION OF**
10 **DEFENSE BUSINESS OPERATIONS FUND.**

11 Subsection (h)(2) of section 2216 of title 10, United
12 States Code, as added by section 311(a), is amended by add-
13 ing at the end the following new sentence: “The proposed
14 budget shall include the amount necessary to cover the oper-
15 ating losses, if any, of the Fund for the previous fiscal
16 year.”.

17 **SEC. 315. REDUCTION IN REQUESTS FOR TRANSPORTATION**
18 **FUNDED THROUGH DEFENSE BUSINESS OP-**
19 **ERATIONS FUND.**

20 (a) *REDUCTION.*—The Secretary of Defense shall direct
21 the heads of Defense-wide activities and the Secretaries of
22 the military departments to reduce requests during fiscal
23 year 1996 for purchasing transportation from the transpor-
24 tation accounts of the Defense Business Operations Fund
25 by \$70,000,000 below the level of such requests during fiscal

1 year 1995. The rates charged for transportation funded
2 through the Defense Business Operations Fund shall be re-
3 duced to reflect the effect of the reduced requests on overhead
4 costs.

5 (b) *REPORT REQUIRED.*—Not later than March 1,
6 1996, the Secretary of Defense shall submit to Congress a
7 report regarding—

8 (1) the effect on the Defense transportation orga-
9 nization of implementing certain consolidation pro-
10 posals, such as the elimination of duplication in the
11 component command structure; and

12 (2) the extent that transportation overhead, the
13 cost of which is passed on to customers, can be signifi-
14 cantly reduced without adversely affecting mobiliza-
15 tion requirements.

16 **Subtitle C—Environmental** 17 **Provisions**

18 **SEC. 321. CLARIFICATION OF SERVICES AND PROPERTY**

19 **THAT MAY BE EXCHANGED TO BENEFIT THE** 20 **HISTORICAL COLLECTION OF THE ARMED** 21 **FORCES.**

22 Section 2572(b) of title 10, United States Code, is
23 amended in paragraph (1) by striking out “not needed by
24 the armed forces” and all that follows through the end of
25 the paragraph and inserting in lieu thereof the following:

1 “not needed by the armed forces for any of the following
2 items or services if they directly benefit the historical collec-
3 tion of the armed forces:

4 “(A) Similar items held by any individual, or-
5 ganization, institution, agency, or nation.

6 “(B) Conservation supplies, equipment, facilities,
7 or systems.

8 “(C) Search, salvage, or transportation services.

9 “(D) Restoration, conservation, or preservation
10 services.

11 “(E) Educational programs.”

12 **SEC. 322. ADDITION OF AMOUNTS CREDITABLE TO DE-**
13 **FENSE ENVIRONMENTAL RESTORATION AC-**
14 **COUNT.**

15 Section 2703(e) of title 10, United States Code is
16 amended to read as follows:

17 “(e) AMOUNTS RECOVERED.—The following amounts
18 shall be credited to the transfer account:

19 “(1) Amounts recovered under section 107 of
20 CERCLA for response actions of the Secretary.

21 “(2) Any other amounts recovered by the Sec-
22 retary or the Secretary of the military department
23 concerned from a contractor, insurer, surety, or other
24 person to reimburse the Department of Defense for

1 *any expenditure for environmental response activi-*
2 *ties.”.*

3 **SEC. 323. REPEAL OF CERTAIN ENVIRONMENTAL EDU-**
4 **CATION PROGRAMS.**

5 *Sections 1333 and 1334 of the National Defense Au-*
6 *thorization Act for Fiscal Year 1994 (Public Law 103–160;*
7 *10 U.S.C. 2701 note) are repealed.*

8 **SEC. 324. REPEAL OF LIMITATION ON OBLIGATION OF**
9 **AMOUNTS TRANSFERRED FROM ENVIRON-**
10 **MENTAL RESTORATION TRANSFER ACCOUNT.**

11 *(a) REPEAL OF LIMITATION.—Section 2703 of title 10,*
12 *United States Code, is further amended—*

13 *(1) by striking out subsection (c); and*

14 *(2) by redesignating subsection (d), subsection*
15 *(e) (as amended by section 322), and subsection (f) as*
16 *subsections (c), (d), and (e), respectively.*

17 *(b) EFFECT ON CONTRACTS.—Nothing in the amend-*
18 *ment made by subsection (a) shall be considered to negate*
19 *or invalidate any legal protection or legal defense available*
20 *to the Department of Defense under “force majeure” clauses*
21 *in environmental restoration contracts or agreements exist-*
22 *ing on the date of the enactment of this Act.*

1 **SEC. 325. ELIMINATION OF AUTHORITY TO TRANSFER**
2 **AMOUNTS FOR TOXICOLOGICAL PROFILES.**

3 *Section 2704 of title 10, United States Code, is amend-*
4 *ed in subsections (c) and (d)(3)—*

5 *(1) by striking out “, such sums from amounts*
6 *appropriated to the Department of Defense,”; and*

7 *(2) by striking out “, including the manner for*
8 *transferring funds and personnel and for coordina-*
9 *tion of activities under this section”.*

10 **SEC. 326. SENSE OF CONGRESS ON USE OF DEFENSE ENVI-**
11 **RONMENTAL RESTORATION ACCOUNT.**

12 *It is the sense of Congress that the Secretary of Defense*
13 *should make every effort to limit, by the end of fiscal year*
14 *1997, spending for administration, support, studies, and*
15 *investigations associated with the Defense Environmental*
16 *Restoration Account to 20 percent of the total funding for*
17 *that account.*

18 **Subtitle D—Civilian Employees and**
19 **Nonappropriated Fund Instru-**
20 **mentality Employees**

21 **SEC. 331. MANAGEMENT OF DEPARTMENT OF DEFENSE CI-**
22 **VILIAN PERSONNEL.**

23 *Section 129 of title 10, United States Code, is amend-*
24 *ed—*

25 *(1) in subsection (a)—*

1 (A) by inserting “(including any limitation
2 on full-time equivalent positions)” before the pe-
3 riod at the end of the second sentence; and

4 (B) by adding at the end the following new
5 sentence: “The Secretary shall not be required to
6 make a reduction in the number of full-time
7 equivalent positions in the Department of De-
8 fense unless such reduction is necessary due to a
9 reduction in funds available to the Department
10 or is required under a law that is enacted after
11 the date of the enactment of the National Defense
12 Authorization Act for Fiscal Year 1996 and that
13 refers specifically to this subsection.”; and

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

16 “(d) With respect to each budget activity within an
17 appropriation for any fiscal year for operations and main-
18 tenance, the Secretary of Defense shall ensure that there are
19 employed during that fiscal year employees in the number,
20 and of the type and with the skill mix, that are necessary
21 to carry out the functions within that budget activity for
22 which funds are provided for that fiscal year.”.

1 **SEC. 332. MANAGEMENT OF DEPOT EMPLOYEES.**

2 (a) *DEPOT EMPLOYEES.*—Chapter 146 of title 10,
3 *United States Code*, is amended by adding at the end the
4 *following new section:*

5 **“§ 2472. Management of depot employees**

6 “(a) *PROHIBITION ON MANAGEMENT BY END*
7 *STRENGTH.*—*The civilian employees of the Department of*
8 *Defense involved in the depot-level maintenance and repair*
9 *of materiel may not be managed on the basis of any end-*
10 *strength constraint or limitation on the number of such em-*
11 *ployees who may be employed on the last day of a fiscal*
12 *year. Such employees shall be managed solely on the basis*
13 *of the available workload and the funds made available for*
14 *such depot-level maintenance and repair.*

15 “(b) *ANNUAL REPORT.*—*Not later than 60 days after*
16 *the beginning of each fiscal year, the Secretary of Defense*
17 *shall submit to the Committee on Armed Services of the*
18 *Senate and the Committee on National Security of the*
19 *House of Representatives a report on the number of employ-*
20 *ees employed and expected to be employed by the Depart-*
21 *ment of Defense during that fiscal year to perform depot-*
22 *level maintenance and repair of materiel. The report shall*
23 *indicate whether that number is sufficient to perform the*
24 *depot-level maintenance and repair functions for which*
25 *funds have been appropriated for that fiscal year for per-*
26 *formance by Department of Defense employees.”.*

1 (b) *CLERICAL AMENDMENT.*—The table of sections at
2 the beginning of chapter 146 of such title is amended by
3 adding at the end the following new item:

“2472. Management of depot employees.”.

4 **SEC. 333. CONVERSION TO PERFORMANCE BY CIVILIAN EM-**
5 **PLOYEES OF ACTIVE-DUTY POSITIONS.**

6 (a) *CONVERSION TO CIVILIAN PERFORMANCE.*—Dur-
7 ing fiscal year 1996, the Secretary of Defense shall change
8 to performance by employees of the Department of Defense
9 the performance of not less than 10,000 positions in the De-
10 partment of Defense that, as of September 30, 1995, were
11 designated to be performed by members of the Armed Forces
12 on active duty.

13 (b) *IMPLEMENTATION PLAN.*—Not later than March
14 31, 1996, the Secretary of Defense shall submit to the Com-
15 mittee on Armed Services of the Senate and the Committee
16 on National Security of the House of Representatives a plan
17 for the implementation of subsection (a).

18 **SEC. 334. PERSONNEL ACTIONS INVOLVING EMPLOYEES OF**
19 **NONAPPROPRIATED FUND INSTRUMENTAL-**
20 **ITIES.**

21 (a) *CLARIFICATION OF DEFINITION OF NONAP-*
22 *PROPRIATED FUND INSTRUMENTALITY EMPLOYEE.*—Sub-
23 section (a)(1) of section 1587 of title 10, United States Code,
24 is amended by adding at the end the following new sentence:
25 “Such term includes a civilian employee of a support orga-

1 nization within the Department of Defense or a military
2 department, such as the Defense Finance and Accounting
3 Service, who is paid from nonappropriated funds on ac-
4 count of the nature of the employee's duties.”.

5 (b) *DIRECT REPORTING OF VIOLATIONS.*—Subsection
6 (e) of such section is amended in the second sentence by
7 inserting before the period the following: “and to permit
8 the direct reporting of alleged violations of subsection (b)
9 to the Inspector General of the Department of Defense”.

10 (c) *TECHNICAL AMENDMENT.*—Subsection (a)(1) of
11 such section is further amended by striking out “Navy Re-
12 sale and Services Support Office” and inserting in lieu
13 thereof “Navy Exchange Service Command”.

14 (d) *CLERICAL AMENDMENTS.*—(1) The heading of such
15 section is amended to read as follows:

16 **“§1587. Employees of nonappropriated fund instru-**
17 **mentalities: personnel actions”.**

18 (2) The item relating to section 1587 in the table of
19 sections at the beginning of chapter 81 of such title is
20 amended to read as follows:

“1587. Employees of nonappropriated fund instrumentalities: personnel actions.”.

21 **SEC. 335. TERMINATION OF OVERSEAS LIVING QUARTERS**
22 **ALLOWANCES FOR NONAPPROPRIATED FUND**
23 **INSTRUMENTALITY EMPLOYEES.**

24 (a) *PROHIBITION OF ALLOWANCE FOR NEW EMPLOY-*
25 *EES.*—A nonappropriated fund instrumentality employee

1 *hired after the date of the enactment of this Act may not*
2 *be paid an overseas living quarters allowance from*
3 *nonappropriated funds of the nonappropriated fund instru-*
4 *mentality that employs the employee.*

5 *(b) TERMINATION OF ALLOWANCE FOR CURRENT EM-*
6 *PLOYEES.—A nonappropriated fund instrumentality em-*
7 *ployee who is eligible for an overseas living quarters allow-*
8 *ance on the date of the enactment of this Act shall cease*
9 *to be eligible for such an allowance after the earlier of—*

10 *(1) September 30, 1998; or*

11 *(2) the date on which the employee otherwise*
12 *ceases to be eligible for such an allowance.*

13 *(c) NONAPPROPRIATED FUND INSTRUMENTALITY EM-*
14 *PLOYEE DEFINED.—For purposes of this section, the term*
15 *“nonappropriated fund instrumentality employee” has the*
16 *meaning given such term in section 1587(a)(1) of title 10,*
17 *United States Code.*

18 **SEC. 336. OVERTIME EXEMPTION FOR NONAPPROPRIATED**
19 **FUND EMPLOYEES.**

20 *Section 6121(2) of title 5, United States Code, is*
21 *amended to read as follows:*

22 *“(2) ‘employee’ has the meaning given it by sec-*
23 *tion 2105(a) and also includes those paid from*
24 *nonappropriated funds of the Army and Air Force*
25 *Exchange Service, Navy Ship’s Stores Ashore, Navy*

1 *exchanges, Marine Corps exchanges, Coast Guard ex-*
2 *changes, and other instrumentalities of the United*
3 *States under the jurisdiction of the armed forces con-*
4 *ducted for the comfort, pleasure, contentment, and*
5 *mental and physical improvement of personnel of the*
6 *armed forces;”.*

7 **SEC. 337. CONTINUED HEALTH INSURANCE COVERAGE.**

8 *Section 8905a(d)(4) of title 5, United States Code, is*
9 *amended—*

10 (1) *in subparagraph (A), by inserting “, or a*
11 *voluntary separation from a surplus position,” after*
12 *“an involuntary separation from a position”; and*

13 (2) *by adding at the end the following new sub-*
14 *paragraph:*

15 *“(C) For the purpose of this paragraph, ‘surplus posi-*
16 *tion’ means a position which is identified in pre-reduction*
17 *in force planning as no longer required, and which is ex-*
18 *pected to be eliminated under formal reduction-in-force pro-*
19 *cedures.”.*

20 **SEC. 338. CREDITABILITY OF CERTAIN NAFL SERVICE**
21 **UNDER THE FEDERAL EMPLOYEES’ RETIRE-**
22 **MENT SYSTEM.**

23 (a) *IN GENERAL.*—*Subject to subsections (b) and (c),*
24 *upon application to the Office of Personnel Management,*
25 *any individual who, on the date of making such applica-*

1 *tion, is an employee within the Department of Defense or*
2 *the legislative branch of the Government shall be allowed*
3 *credit under chapter 84 of title 5, United States Code (for*
4 *purposes of benefits payable out of the Fund) for any service*
5 *if—*

6 *(1) such service was performed by such individ-*
7 *ual as an employee of a nonappropriated fund instru-*
8 *mentality of the Department of Defense or the Coast*
9 *Guard, described in section 2105(c) of such title; and*

10 *(2) such individual has served continuously,*
11 *since moving (after December 31, 1986, and without*
12 *a break in service of more than 3 days) from a*
13 *nonappropriated fund instrumentality referred to in*
14 *paragraph (1), in—*

15 *(A) the Department of Defense; or*

16 *(B) the legislative branch of the Govern-*
17 *ment.*

18 *(b) CONDITIONS.—An individual may not be allowed*
19 *credit for service under this section unless—*

20 *(1) an application is filed before the deadline*
21 *under subsection (c);*

22 *(2) such individual has been subject to chapter*
23 *84 of title 5, United States Code, since moving in the*
24 *manner described in subsection (a)(2); and*

1 (3) *such individual deposits to the credit of the*
2 *Fund an amount equal to 1.3 percent of the basic pay*
3 *paid to such individual for such service, with interest*
4 *(computed in accordance with paragraphs (2) and (3)*
5 *of section 8334(e) of title 5, United States Code).*

6 (c) *DEADLINE.—An application under this section*
7 *may not be filed after—*

8 (1) *the end of the 6-month period beginning on*
9 *the date of the enactment of this Act; or*

10 (2) *if earlier, the date on which a written deter-*
11 *mination is made by the Office of Personnel Manage-*
12 *ment that the actuarial present value of all benefits*
13 *payable as a result of the enactment of this section*
14 *has reached \$50,000,000.*

15 (d) *REGULATIONS.—The Office of Personnel Manage-*
16 *ment shall prescribe any regulations necessary to carry out*
17 *this section.*

18 (e) *DEFINITION.—For purposes of this section, the*
19 *term “Fund” means the Civil Service Retirement and Dis-*
20 *ability Fund under section 8348 of title 5, United States*
21 *Code.*

1 **Subtitle E—Commissaries and**
2 **Nonappropriated Fund Instru-**
3 **mentalities**

4 **SEC. 341. OPERATION OF COMMISSARY STORE SYSTEM.**

5 (a) *COOPERATION WITH OTHER ENTITIES.*—Section
6 2482 of title 10, United States Code, is amended—

7 (1) in the section heading, by striking out “**pri-**
8 **vate**”;

9 (2) by inserting “(a) *PRIVATE OPERATION.*—”
10 before “Private persons”; and

11 (3) by adding at the end the following new sub-
12 section:

13 “(b) *CONTRACTS WITH OTHER AGENCIES AND IN-*
14 *STRUMENTALITIES.*—(1) The Defense Commissary Agency,
15 and other agencies of the Department of Defense that sup-
16 port the operation of the commissary store system, may
17 enter into contracts or other agreements with other appro-
18 priated fund or nonappropriated fund instrumentalities of
19 the Department of Defense or other departments or agencies
20 of the United States to facilitate efficiency in the manage-
21 ment and operation of the commissary store system.

22 “(2) A commissary store operated by a
23 nonappropriated fund instrumentality shall be operated in
24 accordance with section 2484 of this title. Subject to such
25 section, the Secretary of Defense may authorize a transfer

1 *of goods, supplies, and facilities of, and funds appropriated*
2 *for, the Defense Commissary Agency to a nonappropriated*
3 *fund instrumentality operating a commissary store.”.*

4 *(b) AUTHORIZATION FOR DISTRIBUTORS TO SERVE AS*
5 *VENDOR AGENTS.—Such section is further amended by*
6 *adding after subsection (b), as added by subsection (a), the*
7 *following new subsection:*

8 *“(c) PAYMENTS TO VENDOR AGENTS.—If a distributor*
9 *for a vendor of resale products under contract to the Defense*
10 *Commissary Agency is designated as an agent by and for*
11 *the vendor, the distributor may invoice the agency and ac-*
12 *cept payments from the agency under the vendor’s contract.*
13 *A distributor designated as a agent for purposes of this sub-*
14 *section may request payment for more than one product of*
15 *the vendor on the same invoice. All payments made by the*
16 *agency to a distributor designated by a vendor as the ven-*
17 *dor’s agent shall be considered payments under the vendor’s*
18 *contract, and the payments shall fulfill the payment obliga-*
19 *tions of the United States in the same manner as if the*
20 *payments had been made directly to the vendor.”.*

21 *(c) CLERICAL AMENDMENT.—The item relating to such*
22 *section in the table of sections at the beginning of chapter*
23 *147 of such title is amended to read as follows:*

“2482. Commissary stores: operation.”.

1 **SEC. 342. PRICING POLICIES FOR COMMISSARY STORE MER-**
2 **CHANDISE.**

3 *Section 2486(d)(1) of title 10, United States Code, is*
4 *amended—*

5 *(1) by striking out “each item” and inserting in*
6 *lieu thereof “items”; and*

7 *(2) by striking out “actual product cost of the*
8 *item” and inserting in lieu thereof “total average*
9 *product cost of merchandise sold”.*

10 **SEC. 343. LIMITED RELEASE OF COMMISSARY STORES**
11 **SALES INFORMATION TO MANUFACTURERS,**
12 **DISTRIBUTORS, AND OTHER VENDORS DOING**
13 **BUSINESS WITH DEFENSE COMMISSARY**
14 **AGENCY.**

15 *Section 2487(b) of title 10, United States Code, is*
16 *amended in the second sentence by inserting before the pe-*
17 *riod the following: “unless the agreement is between the De-*
18 *fense Commissary Agency and a manufacturer, distributor,*
19 *or other vendor doing business with the Agency and is re-*
20 *stricted to information directly related to merchandise pro-*
21 *vided by that manufacturer, distributor, or vendor”.*

22 **SEC. 344. ECONOMICAL DISTRIBUTION OF DISTILLED SPIR-**
23 **ITS BY NONAPPROPRIATED FUND INSTRU-**
24 **MENTALITIES.**

25 *(a) ECONOMICAL DISTRIBUTION.—Subsection (a)(1) of*
26 *section 2488 of title 10, United States Code, is amended*

1 *by inserting after “most competitive source” the following:*
2 *“and distributed in the most economical manner”.*

3 *(b) DETERMINATION OF MOST ECONOMICAL DIS-*
4 *TRIBUTION METHOD.—Such section is further amended—*

5 *(1) by redesignating subsection (c) as subsection*
6 *(d); and*

7 *(2) by inserting after subsection (b) the following*
8 *new subsection:*

9 *“(c)(1) In the case of covered alcoholic beverage pur-*
10 *chases of distilled spirits, to determine whether a*
11 *nonappropriated fund instrumentality of the Department*
12 *of Defense represents the most economical method of dis-*
13 *tribution to package stores, the Secretary of Defense shall*
14 *consider all components of the distribution costs incurred*
15 *by the nonappropriated fund instrumentality, such as over-*
16 *head costs (including management, logistics, administra-*
17 *tion, depreciation, and utilities), the costs of carrying in-*
18 *ventory, and handling and distribution costs.*

19 *“(2) If the use of a private distributor would subject*
20 *covered alcoholic beverage purchases of distilled spirits to*
21 *direct or indirect State taxation, a nonappropriated fund*
22 *instrumentality shall be considered to be the most economi-*
23 *cal method of distribution regardless the results of the deter-*
24 *mination under paragraph (1).*

1 “(3) *The Secretary shall use the agencies performing*
2 *audit functions on behalf of the armed forces and the In-*
3 *spector General of the Department of Defense to make deter-*
4 *minations under this subsection.*”

5 **SEC. 345. TRANSPORTATION BY COMMISSARIES AND EX-**
6 **CHANGES TO OVERSEAS LOCATIONS.**

7 (a) *IN GENERAL.*—Chapter 157 of title 10, United
8 *States Code, is amended by adding at the end the following*
9 *new section:*

10 **“§2643. Commissary and exchange services: transpor-**
11 **tation overseas**

12 *“The Secretary of Defense shall give the officials re-*
13 *sponsible for operation of commissaries and military ex-*
14 *changes the authority to negotiate directly with private car-*
15 *riers for the most cost-effective transportation of com-*
16 *missary and exchange supplies by sea without relying on*
17 *the Military Sealift Command or the Military Traffic Man-*
18 *agement Command. Section 2631 of this title, regarding the*
19 *preference for vessels of the United States or belonging to*
20 *the United States in the transportation of supplies by sea,*
21 *shall apply to the negotiation of transportation contracts*
22 *under the authority of this section.*”

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

“2643. Commissary and exchange services: transportation overseas.”

1 **SEC. 346. DEMONSTRATION PROGRAM FOR UNIFORM FUND-**
2 **ING OF MORALE, WELFARE, AND RECREATION**
3 **ACTIVITIES AT CERTAIN MILITARY INSTALLA-**
4 **TIONS.**

5 (a) *DEMONSTRATION PROGRAM REQUIRED.*—The Sec-
6 retary of Defense shall conduct a demonstration program
7 at six military installations, under which funds appro-
8 priated for the support of morale, welfare, and recreation
9 programs at the installations are combined with
10 nonappropriated funds available for such programs and
11 treated as nonappropriated funds. Under this demonstra-
12 tion program, the combined appropriated funds shall be ex-
13 pended pursuant to the laws and regulations that apply
14 to nonappropriated funds.

15 (b) *COVERED MILITARY INSTALLATIONS.*—The Sec-
16 retary of Defense shall select two military installations from
17 each military department to participate in the demonstra-
18 tion program.

19 (c) *EFFECT ON CIVILIAN EMPLOYEES.*—Civilian em-
20 ployees of the Department of Defense who are normally paid
21 using the appropriated funds that are combined under sub-
22 section (a) shall be considered to be nonappropriated fund
23 instrumentality employees unless they continue to be paid
24 using other appropriated funds. Any converted employee
25 shall automatically revert to the employee's former status
26 at the end of the program or upon any action by manage-

1 *ment to terminate the employee, whichever occurs first. Any*
2 *converted employee shall retain retirement and medical*
3 *benefits under the employee's former status.*

4 (d) *PERIOD OF DEMONSTRATION PROGRAM.*—The
5 *demonstration program shall terminate at the end of the*
6 *first full fiscal year beginning on or after the date of the*
7 *enactment of this Act.*

8 (e) *REPORT.*—Not later than 90 days after the end of
9 *the demonstration program, the Secretary of Defense shall*
10 *submit to Congress a report describing the results of the*
11 *demonstration program.*

12 **SEC. 347. CONTINUED OPERATION OF BASE EXCHANGE**
13 **MART AT FORT WORTH NAVAL AIR STATION**
14 **AND AUTHORITY TO EXPAND BASE EX-**
15 **CHANGE MART PROGRAM.**

16 (a) *CONTINUED OPERATION OF BASE EXCHANGE*
17 *MART.*—Section 375 of the National Defense Authorization
18 *Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat.*
19 *2736) is amended by striking out “; until December 31,*
20 *1995,”.*

21 (b) *EXPANSION OF BASE EXCHANGE MART PRO-*
22 *GRAM.*—(1) *Subject to paragraph (2), the Secretary of De-*
23 *fense may provide for the operation by a nonappropriated*
24 *fund instrumentality of not more than ten combined ex-*
25 *change and commissary stores, in which groceries are sold*

1 *at five percent above cost and other items are sold at the*
2 *typical military exchange markup.*

3 *(2) The Secretary may select a military installation*
4 *as the location for a combined exchange and commissary*
5 *store only if—*

6 *(A) the installation has been or is selected for*
7 *closure or realignment; or*

8 *(B) the continued operation of a separate mili-*
9 *tary exchange and commissary store at the installa-*
10 *tion is not economically feasible.*

11 *(3) If a nonappropriated fund instrumentality incurs*
12 *a loss in operating a commissary store as a result of the*
13 *pricing requirements specified in paragraph (1), the Sec-*
14 *retary may authorize a transfer of funds appropriated for*
15 *the Defense Commissary Agency to the nonappropriated*
16 *fund instrumentality to offset the loss. However, the total*
17 *amount of appropriated funds transferred during a fiscal*
18 *year to support the operation of a commissary store may*
19 *not exceed an amount equal to 25 percent of the appro-*
20 *priated funds provided during the last full year of operation*
21 *of the commissary store by the Defense Commissary Agency.*

22 *(4) The combined military exchange and commissary*
23 *stores authorized under this subsection shall include the*
24 *combined military exchange and commissary store operated*

1 *at the Naval Air Station Fort Worth, Joint Reserve Center,*
2 *Carswell Field, Texas.*

3 (5) *For purposes of this section, the term*
4 *“nonappropriated fund instrumentality” means the Army*
5 *and Air Force Exchange Service, Navy Exchange Service*
6 *Command, Marine Corps exchanges, or any other instru-*
7 *mentality of the United States under the jurisdiction of the*
8 *Armed Forces which is conducted for the comfort, pleasure,*
9 *contentment, or physical or mental improvement of mem-*
10 *bers of the Armed Forces.*

11 **SEC. 348. UNIFORM DEFERRED PAYMENTS PROGRAM FOR**
12 **MILITARY EXCHANGES.**

13 (a) *USE OF COMMERCIAL BANKING INSTITUTIONS.—*
14 *As soon as possible after the date of the enactment of this*
15 *Act, the Secretary of Defense shall endeavor to enter into*
16 *an agreement with a commercial banking institution under*
17 *which the commercial banking institution will fund and op-*
18 *erate the deferred payment programs of the Army and Air*
19 *Force Exchange Service and Navy Exchange Service Com-*
20 *mand. To ease the transition to commercial operation, the*
21 *Secretary may initially limit the agreement to one of the*
22 *two military exchange services.*

23 (b) *UNIFORM EXCHANGE CREDIT PROGRAM.—Not*
24 *later than January 1, 1997, the Secretary shall establish*
25 *a uniform deferred payment program for use in all military*

1 *exchanges to replace the separate deferred payment pro-*
2 *grams currently operated by the Army and Air Force Ex-*
3 *change Service and Navy Exchange Service Command.*

4 (c) *REPORT.*—Not later than December 31, 1995, the
5 Secretary of Defense shall submit to Congress a report de-
6 scribing the implementation of this section.

7 **SEC. 349. AVAILABILITY OF FUNDS TO OFFSET EXPENSES**
8 **INCURRED BY ARMY AND AIR FORCE EX-**
9 **CHANGE SERVICE ON ACCOUNT OF TROOP**
10 **REDUCTIONS IN EUROPE.**

11 *Of funds authorized to be appropriated under section*
12 *301(5), not more than \$70,000,000 shall be available to the*
13 *Secretary of Defense for transfer to the Army and Air Force*
14 *Exchange Service to offset expenses incurred by the Army*
15 *and Air Force Exchange Service on account of reductions*
16 *in the number of members of the United States Armed*
17 *Forces assigned to permanent duty ashore in Europe.*

18 **SEC. 350. STUDY REGARDING IMPROVING EFFICIENCIES IN**
19 **OPERATION OF MILITARY EXCHANGES AND**
20 **OTHER MORALE, WELFARE, AND RECREATION**
21 **ACTIVITIES AND COMMISSARY STORES.**

22 (a) *STUDY REQUIRED.*—The Secretary of Defense shall
23 conduct a study regarding the manner in which greater effi-
24 ciencies can be achieved in the operation of—

25 (1) *military exchanges;*

1 (2) *other instrumentalities of the United States*
2 *under the jurisdiction of the Armed Forces which are*
3 *conducted for the comfort, pleasure, contentment, or*
4 *physical or mental improvement of members of the*
5 *Armed Forces; and*

6 (3) *commissary stores.*

7 (b) *REPORT OF STUDY.*—Not later than March 1,
8 1996, the Secretary of Defense shall submit to Congress a
9 report describing the results of the study and containing
10 such recommendations as the Secretary considers appro-
11 priate to implement efficiency-building options identified
12 in the study.

13 **SEC. 351. EXTENSION OF DEADLINE FOR CONVERSION OF**
14 **NAVY SHIPS' STORES TO OPERATION AS**
15 **NONAPPROPRIATED FUND INSTRUMENTAL-**
16 **ITIES.**

17 (a) *EXTENSION.*—Section 371(a) of the National De-
18 fense Authorization Act for Fiscal Year 1994 (Public Law
19 103–160; 10 U.S.C. 7604 note) is amended by striking out
20 “December 31, 1995” and inserting in lieu thereof “Decem-
21 ber 31, 1996”.

22 (b) *INSPECTOR GENERAL REVIEW.*—Not later than
23 April 1, 1996, the Inspector General of the Department of
24 Defense shall submit to Congress a report—

1 (2) *The table of sections at the beginning of such chap-*
2 *ter is amended by inserting after the item relating to section*
3 *2483 the following new item:*

“2483a. Procurement of electricity from most economical source.”.

4 (b) *EFFECTIVE DATE; RULE OF CONSTRUCTION.—The*
5 *amendment made by subsection (a) shall take effect on*
6 *March 1, 1996, except that the amendment shall not be con-*
7 *strued to require the termination of any contract for the*
8 *purchase of electricity for the Department of Defense entered*
9 *into before that date.*

10 ***SEC. 358. PROCUREMENT OF CERTAIN COMMODITIES FROM***
11 ***MOST ECONOMICAL SOURCE.***

12 (a) *PROCUREMENT OF SUPPLIES.—In the case of sup-*
13 *plies for the Department of Defense procured through the*
14 *General Services Administration as of the date of the enact-*
15 *ment of this Act, the Secretary of Defense shall procure such*
16 *supplies from another source if the Secretary determines*
17 *that the source can provide the supplies at a lower cost.*
18 *The Secretary shall make the determinations required by*
19 *this section in the manner provided in section 2462 of title*
20 *10, United States Code.*

21 (b) *EFFECTIVE DATE; RULE OF CONSTRUCTION.—The*
22 *amendment made by subsection (a) shall take effect on*
23 *March 1, 1996, except that the amendment shall not be con-*
24 *strued to require the termination of any contract between*

1 *the Secretary of Defense and the General Services Adminis-*
2 *tration entered into before that date.*

3 **SEC. 359. INCREASE IN COMMERCIAL PROCUREMENT OF**
4 **PRINTING AND DUPLICATION SERVICES.**

5 *Notwithstanding any other provision of law, during*
6 *fiscal year 1996, the Defense Printing Service may use pri-*
7 *vate printing sources for up to 70 percent of its printing*
8 *and duplication services.*

9 **SEC. 360. DIRECT DELIVERY OF ASSORTED CONSUMABLE**
10 **INVENTORY ITEMS OF DEPARTMENT OF DE-**
11 **FENSE.**

12 *To reduce the expense and necessity of maintaining ex-*
13 *tensive warehouses for consumable inventory items of the*
14 *Department of Defense, the Secretary of Defense shall ar-*
15 *range for direct vendor delivery of food, clothing, medical*
16 *and pharmaceutical supplies, automotive, electrical, fuel,*
17 *and construction supplies, and other consumable inventory*
18 *items for military installations throughout the United*
19 *States. The Secretary shall complete implementation of this*
20 *direct vendor delivery system not later than September 30,*
21 *1996.*

22 **SEC. 361. OPERATIONS OF DEFENSE REUTILIZATION AND**
23 **MARKETING SERVICE.**

24 *The Secretary of Defense shall enter into a contract,*
25 *not later than July 1, 1996, for the performance by a com-*

1 *mercial entity of all of the operations of the unit of the*
2 *Defense Logistics Agency known as the Defense*
3 *Reutilization and Marketing Service.*

4 **SEC. 362. PRIVATE OPERATION OF PAYROLL FUNCTIONS OF**
5 **DEPARTMENT OF DEFENSE FOR PAYMENT OF**
6 **CIVILIAN EMPLOYEES.**

7 (a) *PLAN ON CONTRACTING OUT.*—Not later than
8 March 1, 1996, the Secretary of Defense shall submit to
9 Congress a plan regarding private operation of payroll
10 functions for civilian employees of the Department of De-
11 fense.

12 (b) *IMPLEMENTATION.*—Not later than October 1,
13 1996, the Secretary shall implement the plan developed
14 under subsection (a).

15 **SEC. 363. DEMONSTRATION PROGRAM TO IDENTIFY**
16 **UNDERDEDUCTIONS AND OVERPAYMENTS**
17 **MADE TO VENDORS.**

18 (a) *DEMONSTRATION PROGRAM REQUIRED.*—The Sec-
19 retary of Defense shall conduct a demonstration program
20 at the Defense Personnel Support Center, Philadelphia,
21 Pennsylvania, to evaluate the feasibility of using private
22 contractors to audit accounting and procurement records
23 of the Department of Defense to identify moneys due the
24 United States because of underdeductions and overpay-
25 ments made to vendors. Pursuant to an agreement between

1 *the Secretary and one or more private contractors selected*
2 *by the Secretary, the contractors shall perform an audit of*
3 *accounting and procurement records of the Department for*
4 *at least fiscal years 1993, 1994, and 1995 using commercial*
5 *sector data processing techniques, which would compare*
6 *purchase documents and agreements with vendor invoices*
7 *to discover discrepancies in allowances, pricing, discounts,*
8 *billback allowances, backhaul allowances, and freight rout-*
9 *ing instructions. The audit shall also attempt to identify*
10 *duplicate payments and unauthorized invoice charges.*

11 *(b) BONUS PAYMENT.—From amounts made available*
12 *to conduct the demonstration program, the Secretary may*
13 *pay the contractors a negotiated amount not to exceed 25*
14 *percent of all amounts recovered as a result of the audit.*

15 *(c) AVAILABILITY OF FUNDS.—From amounts author-*
16 *ized to be appropriated pursuant to section 301(5), not*
17 *more than \$5,000,000 shall be available to cover the costs*
18 *of the demonstration program, including the cost of any*
19 *bonus payment under subsection (b).*

20 **SEC. 364. PILOT PROGRAM TO EVALUATE POTENTIAL FOR**
21 **PRIVATE OPERATION OF OVERSEAS DEPEND-**
22 **ENTS' SCHOOLS.**

23 *(a) PILOT PROGRAM.—The Secretary of Defense may*
24 *conduct a pilot program to assess the feasibility of using*
25 *private contractors to operate schools of the defense depend-*

1 *ents' education system established under section 1402(a) of*
2 *the Defense Dependents' Education Act of 1978 (20 U.S.C.*
3 *921(a)).*

4 *(b) SELECTION OF SCHOOL FOR PROGRAM.—If the*
5 *Secretary of Defense conducts the pilot program, the Sec-*
6 *retary shall select one school of the defense dependents' edu-*
7 *cation system for participation in the program. Under the*
8 *pilot program, the Secretary shall provide for the operation*
9 *of the school by an appropriate private contractor for not*
10 *less than one complete school year.*

11 *(c) REPORT.—Not later than 30 days after the end of*
12 *the first school year in which the pilot program is con-*
13 *ducted, the Secretary of Defense shall submit to Congress*
14 *a report on the results of the program. The report shall in-*
15 *clude the recommendation of the Secretary with respect to*
16 *the extent to which other schools of the defense dependents'*
17 *education system should be operated by private contractors.*

18 **SEC. 365. PILOT PROGRAM FOR EVALUATION OF IMPROVED**

19 **DEFENSE TRAVEL PROCESSING PROTOTYPES.**

20 *(a) PILOT PROGRAM REQUIRED; LOCATION.—(1) The*
21 *Secretary of Defense, acting through the Under Secretary*
22 *of Defense (Comptroller), shall conduct a pilot program re-*
23 *garding two prototype tests of commercial travel applica-*
24 *tions to determine the best approach for the Department*
25 *of Defense Travel System.*

1 (2) *The Secretary shall conduct the pilot program at*
2 *six military installations containing approximately equal*
3 *numbers of members of the Armed Forces. Two installations*
4 *shall be selected from each military department.*

5 (b) *DESCRIPTION OF PROTOTYPE TESTS.—The two re-*
6 *spective tests shall be as follows:*

7 (1) *In this test, three installations (one for each*
8 *military department), with the Department of Defense*
9 *acting as its own integrator, will implement the trav-*
10 *el processes proposed by the task force on travel man-*
11 *agement chartered by the Secretary of Defense in July*
12 *1994, and will offer specific business opportunities in*
13 *the services areas currently utilized, namely reserva-*
14 *tions and credit card technologies.*

15 (2) *In this test, three installations (one for each*
16 *military department), will contract out their entire*
17 *travel process, reserving only essential elements, such*
18 *as travel authorization, for performance by employees*
19 *of the Department of Defense. Particular attention*
20 *will be focused on the ability of the vendor to inte-*
21 *grate all processes into a responsive, reasonably*
22 *priced, uniform travel system.*

23 (c) *CONDUCT OF TESTS.—The two prototype tests shall*
24 *be conducted as follows:*

1 (1) *Each test must accommodate the guidelines*
2 *for travel management issued by the Under Secretary*
3 *of Defense (Comptroller).*

4 (2) *The tests must take no more than 60 days to*
5 *set up and be operational for one year.*

6 (d) *EVALUATION CRITERIA.—The Secretary of Defense*
7 *shall establish evaluation criteria that include, at a mini-*
8 *mum—*

9 (1) *aligning travel policy and cost estimates*
10 *with mission at the point of reservation;*

11 (2) *using fully integrated solutions envisioned by*
12 *the Department of Defense travel reengineering report*
13 *of January 1995;*

14 (3) *matching credit card data and reservation*
15 *data with cost estimate data;*

16 (4) *matching data with a trip pro forma plan*
17 *to eliminate the need for further approvals; and*

18 (5) *a responsive and flexible management infor-*
19 *mation system for managers at all levels to monitor*
20 *travel expenses throughout the year, budget accurately*
21 *for any future year, and assess cost and value rela-*
22 *tionship regarding temporary duty travel for each*
23 *mission.*

1 (e) *PLAN FOR PROGRAM.*—Before conducting the pilot
2 program, the Secretary of Defense shall develop a plan for
3 the program that addresses the following:

4 (1) *The purposes of the prototype test, including*
5 *the objective of reducing the total costs of managing*
6 *travel by at least one-half.*

7 (2) *The methodology, duration, and anticipated*
8 *costs, including an arrangement whereby the contrac-*
9 *tor would receive its agreed upon contract payment*
10 *plus an additional negotiated amount not to exceed*
11 *50 percent of the dollar savings achieved in excess of*
12 *the objective specified in paragraph (1).*

13 (3) *A specific citation to any provision or law,*
14 *rule, or regulation that, if not waived, would prohibit*
15 *the conduct of the program or any part of the pro-*
16 *gram.*

17 (4) *The evaluation mechanism required by sub-*
18 *section (d).*

19 (5) *A provision for implementing the most suc-*
20 *cessful prototype Department-wide, based upon final*
21 *assessment of results.*

1 **SEC. 366. PILOT PROGRAM FOR PRIVATE OPERATION OF**
2 **CONSOLIDATED INFORMATION TECHNOLOGY**
3 **FUNCTIONS OF DEPARTMENT OF DEFENSE.**

4 (a) *PILOT PROGRAM REQUIRED.*—(1) *The Secretary*
5 *of Defense shall enter into discussions with private sector*
6 *entities for the purpose of issuing a request for proposal*
7 *to establish a pilot program to test and evaluate the cost*
8 *savings and efficiencies of private operation of all informa-*
9 *tion technology services for the Department of Defense cur-*
10 *rently being consolidated in Defense MegaCenters. The nego-*
11 *tiations shall be conducted so that the request for proposal*
12 *may be issued within 60 days after the date of the enact-*
13 *ment of this Act.*

14 (2) *The minimum workload to be contracted out in*
15 *the pilot program shall be equivalent to the workload of at*
16 *least three Defense MegaCenters.*

17 (b) *ESTABLISHMENT AND DURATION.*—*The Secretary*
18 *of Defense shall implement private operations under the*
19 *pilot program within one year after the date of the enact-*
20 *ment of this Act. The pilot program shall operate for not*
21 *more than a three-year period after implementation.*

22 (c) *GOAL OF PROGRAM.*—*The goal of the pilot program*
23 *is to receive proposals from private sector entities that, if*
24 *implemented, would reduce operating costs to the Depart-*
25 *ment of Defense for information technology functions by at*

1 *least 35 percent in comparison to annual operating cost*
2 *as of the date of the enactment of this Act.*

3 *(d) PLAN OF PROGRAM.—Before conducting the pilot*
4 *program, the Secretary of Defense shall develop a plan for*
5 *the program that addresses the following:*

6 *(1) The purposes of the program.*

7 *(2) The methodology, duration, and anticipated*
8 *costs of the program, including the cost of an arrange-*
9 *ment whereby the private contractor would receive the*
10 *agreed upon contract payment plus an additional ne-*
11 *gotiated amount not to exceed 50 percent of the dollar*
12 *savings achieved in excess of the goal specified in sub-*
13 *section (c).*

14 *(3) A specific citation to any provisions of law,*
15 *rule, or regulation that, if not waived, would prohibit*
16 *the conduct of the program or any part of the pro-*
17 *gram.*

18 *(4) An evaluation mechanism for the program.*

19 *(5) A provision for expanding the program to all*
20 *information technology functions of the Department of*
21 *Defense, based upon final assessment of the results of*
22 *the program.*

23 *(e) SUSPENSION OF FURTHER CONSOLIDATION.—*
24 *Until the completion of the pilot program and submission*
25 *of the final report required under subsection (f)(2), none*

1 *of the funds appropriated to the Department of Defense for*
2 *a fiscal year after fiscal year 1995 may be used to reduce*
3 *the number of data centers of the Department of Defense*
4 *to fewer than the 16 Defense MegaCenters identified as of*
5 *the date of the enactment of this Act.*

6 *(f) REPORTING REQUIREMENTS.—(1) Not later than*
7 *six months after commencing contracting out activities*
8 *under the pilot program, the Secretary of Defense shall sub-*
9 *mit to Congress an initial assessment report regarding the*
10 *implementation of the pilot program.*

11 *(2) The Secretary shall submit to Congress a final as-*
12 *essment report, including a recommendation for expanding*
13 *the program as appropriate, not later than one year after*
14 *commencing contracting out activities under the pilot pro-*
15 *gram.*

16 **SEC. 367. REPORT ON EFFORTS TO CONTRACT OUT CER-**
17 **TAIN FUNCTIONS OF DEPARTMENT OF DE-**
18 **FENSE.**

19 *Not later than March 1, 1996, the Secretary of Defense*
20 *shall submit to Congress a report describing the advantages*
21 *and disadvantages of using contractor personnel, rather*
22 *than civilian employees of the Department of Defense, to*
23 *perform functions of the Department that are not essential*
24 *to the warfighting mission of the Armed Forces. The report*

1 *shall specify all legislative and regulatory impediments to*
2 *contracting those functions for private performance.*

3 **SEC. 368. PILOT PROGRAM FOR PRIVATE OPERATION OF**
4 **PAYROLL AND ACCOUNTING FUNCTIONS OF**
5 **NONAPPROPRIATED FUND INSTRUMENTAL-**
6 **ITIES.**

7 (a) *PILOT PROGRAM REQUIRED; LOCATION.—(1) The*
8 *Secretary of Defense, acting through the Under Secretary*
9 *of Defense (Comptroller), shall enter into discussions with*
10 *private sector entities for the purpose of issuing a request*
11 *for proposal to establish a pilot program to test and evalu-*
12 *ate the cost savings and efficiencies of private operation of*
13 *accounting and payroll function of nonappropriated fund*
14 *instrumentalities of the Department of Defense. The nego-*
15 *tiations shall be conducted so that the request for proposal*
16 *may be issued within 60 days after the date of the enact-*
17 *ment of this Act.*

18 (2) *The pilot program shall consist of a major Depart-*
19 *ment of Defense Nonappropriated Fund Accounting and*
20 *Payroll function.*

21 (b) *GOAL OF PROGRAM.—The goal of the pilot pro-*
22 *gram is to receive proposals from private sector entities*
23 *that, if implemented, would reduce by at least 25 percent*
24 *the total costs to the Government for each pay event.*

1 (c) *PLAN OF PROGRAM.*—*Before conducting the pilot*
2 *program, the Secretary of Defense shall develop a plan for*
3 *the program that addresses the following:*

4 (1) *The purposes of the program.*

5 (2) *The methodology, duration, and anticipated*
6 *costs of the program, including the cost of an arrange-*
7 *ment whereby the private contractor would receive the*
8 *agreed upon contract payment plus an additional ne-*
9 *gotiated amount not to exceed 50 percent of the dollar*
10 *savings achieved in excess of the goal specified in sub-*
11 *section (b).*

12 (3) *A specific citation to any provisions of law,*
13 *rule, or regulation that, if not waived, would prohibit*
14 *the conduct of the program or any part of the pro-*
15 *gram.*

16 (4) *An evaluation mechanism for the program.*

17 (5) *A provision for expanding the program to all*
18 *accounting and payroll functions of nonappropriated*
19 *fund instrumentalities of the Department of Defense,*
20 *based upon final assessment of the results of the pro-*
21 *gram.*

1 ***Subtitle G—Miscellaneous Reviews,***
2 ***Studies, and Reports***

3 ***SEC. 371. QUARTERLY READINESS REPORTS.***

4 (a) *IN GENERAL.*—(1) *Chapter 22 of title 10, United*
5 *States Code, is amended by adding at the end the following*
6 *new section:*

7 ***“§ 452. Quarterly readiness reports***

8 “(a) *REQUIREMENT.*—*Not later than 30 days after the*
9 *end of each calendar-year quarter, the Secretary of Defense*
10 *shall submit to the Committee on Armed Services of the*
11 *Senate and the Committee on National Security of the*
12 *House of Representatives a report on military readiness.*
13 *The report for any quarter shall be based on assessments*
14 *that are provided during that quarter—*

15 “(1) *to any council, committee, or other body of*
16 *the Department of Defense (A) that has responsibility*
17 *for readiness oversight, and (B) the membership of*
18 *which includes at least one civilian officer in the Of-*
19 *fice of the Secretary of Defense at the level of Assist-*
20 *ant Secretary of Defense or higher;*

21 “(2) *by senior civilian and military officers of*
22 *the military departments and the commanders of the*
23 *unified and specified commands; and*

1 “(3) as part of any regularly established process
2 of periodic readiness reviews for the Department of
3 Defense as a whole.

4 “(b) *MATTERS TO BE INCLUDED.*—Each such re-
5 port—

6 “(1) shall specifically describe identified readi-
7 ness problems or deficiencies and planned remedial
8 actions; and

9 “(2) shall include the key indicators and other
10 relevant data related to the identified problem area or
11 deficiency.

12 “(c) *CLASSIFICATION OF REPORTS.*—Reports under
13 this section shall be submitted in unclassified form and
14 may, as the Secretary determines necessary, also be submit-
15 ted in classified form.”.

16 (2) The table of sections at the beginning of such chap-
17 ter is amended by adding at the end the following new item:

 “452. Quarterly readiness reports.”.

18 (b) *EFFECTIVE DATE.*—Section 452 of title 10, United
19 States Code, as added by subsection (a), shall take effect
20 with the calendar-year quarter during which this Act is en-
21 acted.

1 **SEC. 372. REPORTS REQUIRED REGARDING EXPENDITURES**
2 **FOR EMERGENCY AND EXTRAORDINARY EX-**
3 **PENSES.**

4 *Subsection (c) of section 127 of title 10, United States*
5 *Code, is amended to read as follows:*

6 *“(c)(1) In any fiscal year in which funds are expended*
7 *under the authority of this section, the Secretary of Defense*
8 *shall submit a report of such expenditures on a quarterly*
9 *basis to the committees specified in paragraph (3).*

10 *“(2) An obligation or expenditure in an amount of*
11 *\$1,000,000 or more may not be made under the authority*
12 *of this section for any single transaction until the Secretary*
13 *of Defense has notified the committees specified in para-*
14 *graph (3).*

15 *“(3) The committees referred to in paragraphs (1) and*
16 *(2) are—*

17 *“(A) the Committee on Armed Services and the*
18 *Committee on Appropriations of the Senate; and*

19 *“(B) the Committee on National Security and*
20 *the Committee on Appropriations of the House of*
21 *Representatives.”.*

1 **SEC. 373. RESTATEMENT OF REQUIREMENT FOR SEMI-**
2 **ANNUAL REPORTS TO CONGRESS ON TRANS-**
3 **FERS FROM HIGH-PRIORITY READINESS AP-**
4 **PROPRIATIONS.**

5 *Section 361 of the National Defense Authorization Act*
6 *for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2732)*
7 *is amended to read as follows:*

8 **“SEC. 361. SEMIANNUAL REPORTS TO CONGRESS ON**
9 **TRANSFERS FROM HIGH-PRIORITY READI-**
10 **NESS APPROPRIATIONS.**

11 *“(a) ANNUAL REPORTS.—(1) During 1996 and 1997,*
12 *the Secretary of Defense shall submit to the congressional*
13 *defense committees a report on transfers during the preced-*
14 *ing fiscal year from funds available for the budget activities*
15 *specified in subsection (d) (hereinafter in this section re-*
16 *ferred to as ‘covered budget activities’). The report each year*
17 *shall be submitted not later than the date in that year on*
18 *which the President submits the budget for the next fiscal*
19 *year to Congress pursuant to section 1105 of title 31,*
20 *United States Code.*

21 *“(2) Each such report shall include—*

22 *“(A) specific identification of each transfer dur-*
23 *ing the preceding fiscal year of funds available for*
24 *any covered budget activity, showing the amount of*
25 *the transfer, the covered budget activity from which*

1 *the transfer was made, and the budget activity to*
2 *which the transfer was made; and*

3 “(B) *with respect to each such transfer, a state-*
4 *ment of whether that transfer was made to a budget*
5 *activity within a different appropriation than the ap-*
6 *propriation containing the covered budget activity*
7 *from which the transfer was made or to a budget ac-*
8 *tivity within the same appropriation.*

9 “(b) *MIDYEAR REPORTS.—On May 1 of each year*
10 *specified in subsection (a), the Secretary of Defense shall*
11 *submit to the congressional defense committees a report pro-*
12 *viding the same information, with respect to the first six*
13 *months of the fiscal year in which the report is submitted,*
14 *that is provided in reports under subsection (a) with respect*
15 *to the preceding fiscal year.*

16 “(c) *MATTERS TO BE INCLUDED.—In each report*
17 *under this section, the Secretary shall include the following:*

18 “(1) *With respect to each transfer of funds iden-*
19 *tified in the report, a statement of the specific reason*
20 *for the transfer.*

21 “(2) *For each covered budget activity—*

22 “(A) *a statement, for the period covered by*
23 *the report, of—*

24 “(i) *the total amount of transfers into*
25 *funds available for that activity;*

1 “(ii) the total amount of transfers from
2 funds available for that activity; and

3 “(iii) the net amount of transfers into,
4 or out of, funds available for that activity;
5 and

6 “(B) a detailed explanation of the transfers
7 into, and out of, funds available for that activity
8 during the period covered by the report.

9 “(d) COVERED BUDGET ACTIVITIES.—The budget ac-
10 tivities to which this section applies are the following:

11 “(1) The budget activity groups (known as
12 ‘subactivities’) within the Operating Forces budget ac-
13 tivity of the annual Operation and Maintenance,
14 Army, appropriation that are designated as follows:

15 “(A) Combat Units.

16 “(B) Tactical Support.

17 “(C) Force-Related Training/Special Activi-
18 ties.

19 “(D) Depot Maintenance.

20 “(E) JCS Exercises.

21 “(2) The budget activity groups (known as
22 ‘subactivities’) within the Operating Forces budget ac-
23 tivity of the annual Operation and Maintenance,
24 Navy, appropriation that are designated as follows:

25 “(A) Mission and Other Flight Operations.

1 “(B) Mission and Other Ship Operations.

2 “(C) Fleet Air Training.

3 “(D) Ship Operational Support and Train-
4 ing.

5 “(E) Aircraft Depot Maintenance.

6 “(F) Ship Depot Maintenance.

7 “(3) The budget activity groups (known as
8 ‘subactivities’), or other activity, within the Operat-
9 ing Forces budget activity of the annual Operation
10 and Maintenance, Air Force, appropriation that are
11 designated or otherwise identified as follows:

12 “(A) Primary Combat Forces.

13 “(B) Primary Combat Weapons.

14 “(C) Global and Early Warning.

15 “(D) Air Operations Training.

16 “(E) Depot Maintenance.

17 “(F) JCS Exercises.”.

18 **SEC. 374. MODIFICATION OF NOTIFICATION REQUIREMENT**
19 **REGARDING USE OF CORE LOGISTICS FUNC-**
20 **TIONS WAIVER.**

21 Section 2464(b) of title 10, United States Code, is
22 amended by striking out paragraphs (3) and (4) and insert-
23 ing in lieu thereof the following new paragraph:

24 “(3) A waiver under paragraph (2) may not take effect
25 until the end of the 30-day period beginning on the date

1 *on which the Secretary submits a report on the waiver to*
2 *the Committee on Armed Services and the Committee on*
3 *Appropriations of the Senate and the Committee on Na-*
4 *tional Security and the Committee on Appropriations of*
5 *the House of Representatives.”.*

6 **SEC. 375. LIMITATION ON DEVELOPMENT OR MODERNIZA-**
7 **TION OF AUTOMATED INFORMATION SYS-**
8 **TEMS OF DEPARTMENT OF DEFENSE PEND-**
9 **ING REPORT.**

10 (a) *OBLIGATIONS AND EXPENDITURES SUBJECT TO*
11 *REPORT.*—*Of the amounts appropriated pursuant to the*
12 *authorization of appropriations in section 301, the Sec-*
13 *retary of Defense may not obligate or expend amounts in*
14 *excess of \$2,411,947,000 for the development and mod-*
15 *ernization of automated data processing programs of the*
16 *Department of Defense until after the end of the 30-day pe-*
17 *riod beginning on the date on which the Inspector General*
18 *of the Department of Defense submits to Congress a report*
19 *that—*

20 (1) *addresses the ongoing concerns about per-*
21 *formance measures and management controls regard-*
22 *ing automated information systems;*

23 (2) *certifies that the Inspector General has com-*
24 *pleted review of the Base Level System Modernization*
25 *and the Sustaining Base Information System;*

1 (3) certifies that the Inspector General has com-
2 pleted the tasks identified in the review of Standard
3 Installation/Division Personnel System-3;

4 (4) provides complete functional economic analy-
5 ses for Automated System for Transportation Data,
6 Electronic Data Interchange, Flexible Computer Inte-
7 grated Manufacturing, Navy Tactical Command Sup-
8 port System, and Defense Information System Net-
9 work;

10 (5) contains the resolution of the existing prob-
11 lems with the Defense Information System Network,
12 Continuous Acquisition and Life-Cycle Support, and
13 the Joint Computer-Aided Acquisition and Logistics
14 Support;

15 (6) provides the necessary waivers regarding
16 compelling military value, or provides complete func-
17 tional economic analyses, regarding Air Force
18 Wargaming Center Air Force Command Exercise
19 System, Cheyenne Mountain Upgrade, Transpor-
20 tation Coordinator Automated Command and Control
21 Information Systems, and Wing Command and Con-
22 trol System; and

23 (7) certifies the termination of the Personnel
24 Electronic Record Management System or provides
25 justification for the continued need for the program.

1 (b) *AUTOMATED INFORMATION SYSTEM DEFINED.*—
2 *For purposes of this section, the term “automated informa-*
3 *tion system” means an automated information system of*
4 *the Department of Defense subject to section 381 of the Na-*
5 *tional Defense Authorization Act for Fiscal Year 1995 (Pub-*
6 *lic Law 103–337; 108 Stat. 2738; 10 U.S.C. 113 note).*

7 **SEC. 376. REPORT REGARDING REDUCTION OF COSTS ASSO-**
8 **CIATED WITH CONTRACT MANAGEMENT**
9 **OVERSIGHT.**

10 (a) *REPORT REQUIRED.*—*Not later than April 1,*
11 *1996, the Comptroller General of the United States shall*
12 *submit to Congress a report identifying methods to reduce*
13 *the cost to the Department of Defense of management over-*
14 *sight of contracts in connection with major defense acquisi-*
15 *tion programs.*

16 (b) *MAJOR DEFENSE ACQUISITION PROGRAMS DE-*
17 *FINED.*—*For purposes of this section, the term “major de-*
18 *fense acquisition programs” has the meaning given that*
19 *term in section 2430(a) of title 10, United States Code.*

20 **Subtitle H—Other Matters**

21 **SEC. 381. PROHIBITION ON CAPITAL LEASE FOR DEFENSE**
22 **BUSINESS MANAGEMENT UNIVERSITY.**

23 *None of the funds appropriated to the Department of*
24 *Defense for fiscal year 1996 may be used to enter into any*
25 *lease with respect to the Center for Financial Management*

1 *Education and Training of the Defense Business Manage-*
2 *ment University if the lease would be treated as a capital*
3 *lease for budgetary purposes.*

4 **SEC. 382. AUTHORITY OF INSPECTOR GENERAL OVER IN-**
5 **VESTIGATIONS OF PROCUREMENT FRAUD.**

6 (a) *AUTHORITY.*—Section 141 of title 10, United
7 States Code, is amended by adding at the end the following
8 new subsection:

9 “(c) *The Inspector General shall be responsible for and*
10 *shall oversee all investigations of procurement fraud within*
11 *the Department of Defense.*”

12 (b) *IMPLEMENTATION.*—The Secretary of Defense shall
13 take such action as may be necessary to implement the
14 amendment made by subsection (a).

15 **SEC. 383. PROVISION OF EQUIPMENT AND FACILITIES TO**
16 **ASSIST IN EMERGENCY RESPONSE ACTIONS.**

17 Section 372 of title 10, United States Code, is amended
18 by adding at the end the following new sentence: “Assistance
19 provided under this section may include training facilities,
20 sensors, protective clothing, antidotes, and other materials
21 and expertise of the Department of Defense appropriate for
22 use by a Federal, State, or local law enforcement agency
23 in preparing for or responding to an emergency involving
24 chemical or biological agents if the Secretary determines

1 *that the materials or services to be provided are not reason-*
2 *ably available from another source.”.*

3 **SEC. 384. CONVERSION OF CIVILIAN MARKSMANSHIP PRO-**
4 **GRAM TO NONAPPROPRIATED FUND INSTRU-**
5 **MENTALITY AND ACTIVITIES UNDER PRO-**
6 **GRAM.**

7 (a) *CONVERSION.*—Section 4307 of title 10, United
8 States Code, is amended to read as follows:

9 **“§ 4307. Promotion of rifle practice and firearms safe-**
10 **ty: administration**

11 “(a) *NONAPPROPRIATED FUND INSTRUMENTALITY.*—
12 *On and after October 1, 1995, the Civilian Marksmanship*
13 *Program shall be operated as a nonappropriated fund in-*
14 *strumentality of the United States within the Department*
15 *of Defense for the benefit of members of the armed forces*
16 *and for the promotion of rifle practice and firearms safety*
17 *among civilians.*

18 “(b) *NATIONAL BOARD.*—(1) *The Civilian Marksman-*
19 *ship Program shall be under the general supervision of a*
20 *National Board for the Promotion of Rifle Practice and*
21 *Firearms Safety, which shall replace the National Board*
22 *for the Promotion of Rifle Practice. The National Board*
23 *shall consist of nine members who are appointed by the Sec-*
24 *retary of the Army.*

1 “(2) *The term of office of a member of the National*
2 *Board shall be two years. However, in the case of the initial*
3 *National Board, the Secretary shall appoint four members*
4 *who will have a one-year term.*

5 “(3) *Members of the National Board shall serve with-*
6 *out compensation, except that members shall be allowed*
7 *travel expenses, including per diem in lieu of subsistence,*
8 *at rates authorized for employees of agencies under sub-*
9 *chapter I of chapter 57 of title 5, while away from their*
10 *homes or regular places of business in the performance of*
11 *services for the National Board.*

12 “(c) *DIRECTOR AND STAFF.—The National Board*
13 *shall appoint a person to serve as director of the Civilian*
14 *Marksmanship Program. The compensation and benefits of*
15 *the director and all other civilian employees of the Depart-*
16 *ment of Defense used by the Civilian Marksmanship Pro-*
17 *gram shall be paid from nonappropriated funds available*
18 *to the Civilian Marksmanship Program.*

19 “(d) *FUNDING.—(1) Except as provided in section*
20 *4310 of this title, funds appropriated or otherwise made*
21 *available to the Department of Defense in appropriation*
22 *Acts may not be obligated or expended to benefit the Civil-*
23 *ian Marksmanship Program or activities conducted by the*
24 *Civilian Marksmanship Program.*

1 “(2) The National Board and the director may solicit,
2 accept, hold, use, and dispose of, in furtherance of the ac-
3 tivities of the Civilian Marksmanship Program, donations
4 of money, property, and services received by gift, devise, be-
5 quest, or otherwise. Donations may be accepted from muni-
6 tions and firearms manufacturers notwithstanding any
7 legal restrictions otherwise arising from their procurement
8 relationships with the United States.

9 “(3) Amounts collected under the Civilian Marksman-
10 ship Program, including the proceeds from the sale of arms,
11 ammunition, targets, and other supplies and appliances
12 under section 4308 of this title, shall be credited to the Civil-
13 ian Marksmanship Program and shall be available to carry
14 out the Civilian Marksmanship Program. Amounts collected
15 by, and available to, the National Board for the Promotion
16 of Rifle Practice before the date of the enactment of this
17 section from rifle sales programs and from fees in connec-
18 tion with competitions sponsored by that Board shall be
19 transferred to the National Board to be available to carry
20 out the Civilian Marksmanship Program.

21 “(4) Funds held on behalf of the Civilian Marksman-
22 ship Program shall not be construed to be Government or
23 public funds or appropriated funds and shall not be avail-
24 able to support other nonappropriated fund instrumental-
25 ities of the Department of Defense. Funds held on behalf

1 *of other nonappropriated fund instrumentalities of the De-*
2 *partment of Defense shall not be available to support the*
3 *Civilian Marksmanship Program. Expenditures on behalf*
4 *of the Civilian Marksmanship Program, including com-*
5 *penensation and benefits for civilian employees, may not ex-*
6 *ceed \$5,000,000 during any fiscal year. The approval of the*
7 *National Board shall be required for any expenditure in*
8 *excess of \$50,000. Notwithstanding any other provision of*
9 *law, funds held on behalf of the Civilian Marksmanship*
10 *Program shall remain available until expended.*

11 “(e) *DEFINITIONS.*—*In this section and sections 4308*
12 *through 4313 of this title:*

13 “(1) *The term ‘Civilian Marksmanship Program’*
14 *means the rifle practice and firearms safety program*
15 *carried out by the National Board under section 4308*
16 *and includes the National Matches and small-arms*
17 *firing schools referred to in section 4312 of this title.*

18 “(2) *The term ‘National Board’ means the Na-*
19 *tional Board for the Promotion of Rifle Practice and*
20 *Firearms Safety.”.*

21 “(b) *ACTIVITIES.*—*Section 4308 of such title is amended*
22 *to read as follows:*

1 **“§ 4308. Promotion of rifle practice and firearms safe-**
2 **ty: activities**

3 “(a) *INSTRUCTION, SAFETY, AND COMPETITION PRO-*
4 *GRAMS.—(1) The Civilian Marksmanship Program shall*
5 *provide for—*

6 “(A) *the operation and maintenance of indoor*
7 *and outdoor rifle ranges and their accessories and ap-*
8 *pliances;*

9 “(B) *the instruction of citizens of the United*
10 *States in marksmanship, and the employment of nec-*
11 *essary instructors for that purpose;*

12 “(C) *the promotion of practice in the use of ri-*
13 *fled arms and the maintenance and management of*
14 *matches or competitions in the use of those arms; and*

15 “(D) *the award to competitors of trophies, prizes,*
16 *badges, and other insignia.*

17 “(2) *In carrying out this subsection, the Civilian*
18 *Marksmanship Program shall give priority to activities*
19 *that benefit firearms safety training and competition for*
20 *youth and reach as many youth participants as possible.*

21 “(3) *Before a person may participate in any activity*
22 *sponsored or supported by the Civilian Marksmanship Pro-*
23 *gram under this subsection, the person shall be required to*
24 *certify that the person has not violated any Federal or State*
25 *firearms laws.*

1 “(b) *SALE AND ISSUANCE OF ARMS AND AMMUNI-*
2 *TION.—(1) The Civilian Marksmanship Program may*
3 *issue, without cost, the arms, ammunition (including cali-*
4 *ber .22 and caliber .30 ammunition), targets, and other*
5 *supplies and appliances necessary for activities conducted*
6 *under subsection (a). Issuance shall be made only to gun*
7 *clubs under the direction of the National Board that provide*
8 *training in the use of rifled arms to youth, the Boy Scouts*
9 *of America, 4-H Clubs, Future Farmers of America, and*
10 *other youth-oriented organizations for training and com-*
11 *petition.*

12 “(2) *The Civilian Marksmanship Program may sell at*
13 *fair market value caliber .30 rifles, caliber .22 rifles, and*
14 *air rifles, and ammunition for such rifles, to gun clubs that*
15 *are under the direction of the National Board and provide*
16 *training in the use of rifled arms. In lieu of sales, the Civil-*
17 *ian Marksmanship Program may loan such rifles to such*
18 *gun clubs.*

19 “(3) *The Civilian Marksmanship Program may sell at*
20 *fair market value small arms, ammunition, targets, and*
21 *other supplies and appliances necessary for target practice*
22 *to citizens of the United States over 18 years of age who*
23 *are members of a gun club under the direction of the Na-*
24 *tional Board.*

1 “(4) Before conveying any weapon or ammunition to
2 a person, whether by sale or lease, the National Board shall
3 provide for a criminal records check of the person with ap-
4 propriate Federal and State law enforcement agencies.

5 “(c) OTHER AUTHORITIES.—The National Board shall
6 provide for—

7 “(1) the procurement of necessary supplies, ap-
8 pliances, trophies, prizes, badges, and other insignia,
9 clerical and other services, and labor to carry out the
10 Civilian Marksmanship Program; and

11 “(2) the transportation of employees, instructors,
12 and civilians to give or to receive instruction or to as-
13 sist or engage in practice in the use of rifled arms,
14 and the transportation and subsistence, or an allow-
15 ance instead of subsistence, of members of teams au-
16 thorized by the National Board to participate in
17 matches or competitions in the use of rifled arms.

18 “(d) FEES.—The National Board may impose reason-
19 able fees for persons and gun clubs participating in any
20 program or competition conducted under the Civilian
21 Marksmanship Program for the promotion of rifle practice
22 and firearms safety among civilians.

23 “(e) RECEIPT OF EXCESS ARMS AND AMMUNITION.—
24 (1) The Secretary of the Army shall reserve for the Civilian
25 Marksmanship Program all remaining M-1 Garand rifles,

1 *and ammunition for such rifles, still held by the Army.*
2 *After the date of the enactment of this section, the Secretary*
3 *of the Army shall cease demilitarization of remaining M-*
4 *1 Garand rifles in the Army inventory unless such rifles*
5 *are determined to be irreparable by the Defense Logistics*
6 *Agency.*

7 “(2) *Transfers under this subsection shall be made*
8 *without cost to the Civilian Marksmanship Program, except*
9 *that the National Board shall assume the costs of transpor-*
10 *tation for the transferred small arms and ammunition.*

11 “(f) *PARTICIPATION CONDITIONS.—(1) All partici-*
12 *pants in the Civilian Marksmanship Program and activi-*
13 *ties sponsored or supported by the National Board shall be*
14 *required, as a condition of participation, to sign affidavits*
15 *stating that—*

16 “(A) *they have never been convicted of a firearms*
17 *violation under State or Federal law; and*

18 “(B) *they are not members of any organization*
19 *which advocates the violent overthrow of the United*
20 *States Government.*

21 “(2) *Any person found to have violated this subsection*
22 *shall be ineligible to participate in the Civilian Marksmanship*
23 *Program and future activities sponsored or supported*
24 *by the National Board.”.*

1 *pate in a competition sponsored by the Civilian Marksmanship*
2 *Program or who provide instruction or other services*
3 *in support of the Civilian Marksmanship Program.”.*

4 (d) *CONFORMING AMENDMENTS.—(1) Section 4312(a)*
5 *of such title is amended by striking out “as prescribed by*
6 *the Secretary of the Army” and inserting in lieu thereof*
7 *“as part of the Civilian Marksmanship Program”.*

8 (2) *Section 4313 of such title is amended—*

9 (A) *in subsection (a), by striking out “Secretary*
10 *of the Army” both places it appears and inserting in*
11 *lieu thereof “National Board”; and*

12 (B) *in subsection (b), by striking out “Appropriated*
13 *funds available for the Civilian Marksmanship*
14 *Program (as defined in section 4308(e) of this*
15 *title) may” and inserting in lieu thereof*
16 *“Nonappropriated funds available to the Civilian*
17 *Marksmanship Program shall”.*

18 (e) *CLERICAL AMENDMENTS.—The table of sections at*
19 *the beginning of chapter 401 of such title is amended by*
20 *striking out the items relating to sections 4307, 4308, and*
21 *4310 and inserting in lieu thereof the following new items:*

“4307. Promotion of rifle practice and firearms safety: administration.

“4308. Promotion of rifle practice and firearms safety: activities.

“4310. Rifle instruction and competitions: participation of members.”.

22 (f) *EFFECTIVE DATE.—The amendments made by this*
23 *section shall take effect on October 1, 1995.*

1 **SEC. 385. PERSONNEL SERVICES AND LOGISTICAL SUP-**
2 **PORT FOR CERTAIN ACTIVITIES HELD ON**
3 **MILITARY INSTALLATIONS.**

4 *Section 2544 of title 10, United States Code, is amend-*
5 *ed—*

6 *(1) by redesignating subsection (g) as subsection*
7 *(h); and*

8 *(2) by inserting after subsection (f) the following*
9 *new subsection:*

10 *“(g) In the case of a Boy Scout Jamboree held on a*
11 *United States military installation, the Secretary of De-*
12 *fense may provide personnel services and logistical support*
13 *at the military installation in addition to the support au-*
14 *thorized under subsections (a) and (d).”.*

15 **SEC. 386. RETENTION OF MONETARY AWARDS.**

16 *(a) MONETARY AWARDS.—Chapter 155 of title 10,*
17 *United States Code, is amended by adding at the end the*
18 *following new section:*

19 **“§ 2610. Acceptance of monetary awards from competi-**
20 **tion for excellence**

21 *“(a) ACCEPTANCE AUTHORIZED.—The Secretary of*
22 *Defense may accept any monetary award given to the De-*
23 *partment of Defense by a nongovernmental entity as an*
24 *award in competition recognizing excellence or innovation*
25 *in providing services or administering programs.*

1 “(b) *DISPOSITION OF AWARDS.*—(1) *Subject to para-*
2 *graph (2), a monetary award accepted under subsection (a)*
3 *shall be credited to the appropriation supporting the oper-*
4 *ation of the command, installation, or other activity that*
5 *is recognized for the award and, in such amount as is pro-*
6 *vided in advance in appropriation Acts, shall be available*
7 *for the same purposes as the underlying appropriation.*

8 “(2) *Subject to such limitations as may be provided*
9 *in appropriation Acts, the Secretary of Defense may dis-*
10 *burse an amount not to exceed 50 percent of the monetary*
11 *award to persons who are responsible for the excellence or*
12 *innovation recognized by the award. A person may not re-*
13 *ceive more than \$10,000 under the authority of this para-*
14 *graph from any monetary reward.*

15 “(c) *INCIDENTAL EXPENSES.*—*Subject to such limita-*
16 *tions as may be provided in appropriation Acts, appropria-*
17 *tions available to the Department of Defense may be used*
18 *to pay incidental expenses incurred to compete in a com-*
19 *petition described in subsection (a) or to accept a monetary*
20 *award under this section.*

21 “(d) *REGULATIONS AND REPORTING.*—(1) *The Sec-*
22 *retary of Defense shall prescribe regulations to determine*
23 *the disposition of any monetary awards accepted under this*
24 *section and the payment of incidental expenses under sub-*
25 *section (c).*

1 “(2) The Secretary of Defense shall submit to Congress
2 an annual report describing the disposition of any mone-
3 tary awards accepted under this section and the payment
4 of any incidental expenses under this subsection (c).”.

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

“2610. Acceptance of monetary awards from competition for excellence.”.

8 **SEC. 387. CIVIL RESERVE AIR FLEET.**

9 Section 9512 of title 10, United States Code, is amend-
10 ed by striking out “full” before “Civil Reserve Air Fleet”
11 in subsections (b)(2) and (e).

12 **SEC. 388. PERMANENT AUTHORITY REGARDING USE OF**
13 **PROCEEDS FROM SALE OF LOST, ABAN-**
14 **DONED, AND UNCLAIMED PERSONAL PROP-**
15 **ERTY AT CERTAIN INSTALLATIONS.**

16 (a) *CONVERSION OF EXISTING DEMONSTRATION*
17 *PROJECT.*—Section 343 the National Defense Authorization
18 Act for Fiscal Years 1992 and 1993 (Public Law 102–190;
19 105 Stat. 1343) is amended by striking out subsections (d)
20 and (e) and inserting in lieu thereof the following new sub-
21 section:

22 “(d) *APPLICATION OF SPECIAL RULE.*—The special
23 rule provided by subsection (a) shall apply with respect to
24 the disposal under section 2575 of title 10, United States

1 *Code, of property found on the military installations re-*
2 *ferred to in subsection (b).”.*

3 (b) *CONFORMING AMENDMENTS.*—*Subsection (a) of*
4 *such section is amended—*

5 (1) *by striking out “DEMONSTRATION PROJECT”*
6 *in the subsection heading and inserting in lieu thereof*
7 *“SPECIAL RULE REGARDING PROCEEDS”; and*

8 (2) *by striking out “demonstration project” and*
9 *inserting in lieu thereof “permanent program”.*

10 ***SEC. 389. TRANSFER OF EXCESS PERSONAL PROPERTY TO***
11 ***SUPPORT LAW ENFORCEMENT ACTIVITIES.***

12 *Section 1208(a)(1)(A) of the National Defense Author-*
13 *ization Act for Fiscal Years 1990 and 1991 (P.L. 101-189;*
14 *10 U.S.C. 372 note) is amended by striking out “counter-*
15 *drug activities” and inserting in lieu thereof “law enforce-*
16 *ment activities, including counter-drug activities”.*

17 ***SEC. 390. DEVELOPMENT AND IMPLEMENTATION OF INNO-***
18 ***VATIVE PROCESSES TO IMPROVE OPERATION***
19 ***AND MAINTENANCE.***

20 *Of the amounts authorized to be appropriated under*
21 *section 301(5), \$350,000,000 shall be available to the Sec-*
22 *retary of Defense for the development or acquisition of in-*
23 *formation technologies and reengineered functional proc-*
24 *esses, such as in the areas of personnel management, fi-*
25 *nance, and depot-level maintenance, for implementation*

1 *within the Department of Defense. Before obligating or ex-*
2 *pending funds under this section for an information tech-*
3 *nology or reengineered functional process, the Secretary*
4 *shall certify to Congress that the information technology or*
5 *reengineered functional process—*

6 *(1) demonstrates a rate of return, within three*
7 *years, of 300 percent compared to the investment*
8 *made under this section; or*

9 *(2) would have a measurable effect upon the ef-*
10 *fectiveness of the readiness of the Armed Forces or the*
11 *operation and management of the Department of De-*
12 *fense.*

13 **SEC. 391. REVIEW OF USE OF DEFENSE LOGISTICS AGENCY**
14 **TO MANAGE INVENTORY CONTROL POINTS.**

15 *(a) REVIEW OF CONSOLIDATION OF INVENTORY CON-*
16 *TROL POINTS.—The Secretary of Defense shall conduct a*
17 *review regarding the consolidation under the Defense Logis-*
18 *tics Agency of all inventory control points, including the*
19 *inventory management and acquisition of depot-level*
20 *repairables.*

21 *(b) SUBMISSION OF RESULTS.—Not later than March*
22 *31, 1996, the Secretary shall complete the review and sub-*
23 *mit a report to the congressional defense committees describ-*
24 *ing the results the review.*

1 (c) *LIMITATION ON IMPLEMENTATION OF MATERIEL*
2 *MANAGEMENT STANDARD SYSTEM.*—Pending the submis-
3 sion of the report, the Secretary of Defense may not proceed
4 with the implementation of the automated data processing
5 program of the Department of Defense known as the Mate-
6 riel Management Standard System.

7 **SEC. 392. SALE OF 50 PERCENT OF CURRENT WAR RESERVE**
8 **FUEL STOCKS.**

9 (a) *SALE REQUIRED.*—Notwithstanding section
10 2390(a) of title 10, United States Code, the Secretary of
11 Defense shall reduce war reserve fuel stocks of the Depart-
12 ment of Defense to a level equal to 50 percent of the level
13 of such stocks on January 1, 1995. The Secretary shall
14 achieve the reduction through consumption of fuel in the
15 Department of Defense and, if necessary, sales of fuel out-
16 side the Department to the highest qualified bidders.

17 (b) *SUBSEQUENT FUEL PURCHASES.*—After the date
18 of the enactment of this Act, fuel purchases for the Depart-
19 ment of Defense shall be made on the basis of the actual
20 fuel needs of the Department.

21 (c) *REPORT.*—Not later than March 1, 1996, the Sec-
22 retary of Defense shall submit to Congress a report describ-
23 ing the manner in which the reduction of war reserve fuel
24 stocks is to be made and the time period within which the
25 reduction is to be achieved.

1 (d) *SUSPENSION OF REDUCTION; INCREASES.*—The
2 Secretary of Defense may suspend the reduction of war re-
3 serve fuel stocks, and in fact increase such stocks as other-
4 wise authorized by law, in the event of a national emer-
5 gency or to advance the national security interests of the
6 United States.

7 **SEC. 393. MILITARY CLOTHING SALES STORES, REPLACE-**
8 **MENT SALES.**

9 (a) *IN GENERAL.*—(1) Chapter 651 of title 10, United
10 States Code, is amended by adding at the end the following
11 new section:

12 **“§ 7606. Subsistence and other supplies: members of**
13 **armed forces; veterans; executive or mili-**
14 **tary departments and employees; prices**

15 “(a) The branch, office, or officer designated by the
16 Secretary of the Navy shall procure and sell, for cash or
17 credit—

18 “(1) articles specified by the Secretary of the
19 Navy or a person designated by the Secretary, to
20 members of the Navy and Marine Corps; and

21 “(2) items of individual clothing and equipment
22 to members of the Navy and Marine Corps, under
23 such restrictions as the Secretary may prescribe.

24 An account of sales on credit shall be kept and the amount
25 due reported to any branch office, or officer designated by

1 *the Secretary. Except for articles and items acquired*
2 *through the use of working capital funds under section 2208*
3 *of this title, sales of articles shall be at cost, and sales of*
4 *individual clothing and equipment shall be at average cur-*
5 *rent prices, including overhead, as determined by the Sec-*
6 *retary.*

7 “(b) *The branch, office, or officer designated by the*
8 *Secretary shall sell subsistence supplies to members of other*
9 *armed forces at the prices at which like property is sold*
10 *to members of the Navy and Marine Corps.*

11 “(c) *The branch, office, or officer designated by the Sec-*
12 *retary may sell serviceable supplies, other than subsistence*
13 *supplies, to members of other armed forces at the prices at*
14 *which like property is sold to members of the Navy and*
15 *Marine Corps.*

16 “(d) *A person who has been discharged honorably or*
17 *under honorable conditions from the Army, Navy, Air*
18 *Force, or Marine Corps and who is receiving care and medi-*
19 *cal treatment from the Public Health Service or the Depart-*
20 *ment of Veterans Affairs may buy subsistence supplies and*
21 *other supplies, except articles of uniform, at the prices at*
22 *which like property is sold to members of the Navy and*
23 *Marine Corps.*

24 “(e) *Under such conditions as the Secretary may pre-*
25 *scribe, exterior articles of uniform may be sold to a person*

1 *who has been discharged from the Navy or Marine Corps*
2 *honorably or under honorable conditions at the prices at*
3 *which like articles are sold to members of the Navy or Ma-*
4 *rine Corps. This subsection does not modify section 772 or*
5 *773 of this title.*

6 “(f) *Under regulations prescribed by the Secretary,*
7 *payment for subsistence supplies shall be made in cash or*
8 *by commercial credit.*

9 “(g) *The Secretary may provide for the procurement*
10 *and sale of stores designated by him to such civilian officers*
11 *and employees of the United States, and such other persons,*
12 *as he considers proper—*

13 “(1) *at military installations outside the United*
14 *States (provided such sales conform with host nation*
15 *support agreements); and*

16 “(2) *at military installations inside the United*
17 *States where the Secretary determines that it is im-*
18 *practicable for those civilian officers, employees, and*
19 *persons to obtain those stores from commercial enter-*
20 *prises without impairing the efficient operation of*
21 *military activities.*

22 *However, sales to such civilian officers and employees inside*
23 *the United States may be only to those who reside within*
24 *military installations.*

1 “(h) Appropriations for subsistence of the Navy or Ma-
2 rine Corps may be applied to the purchase of subsistence
3 supplies for sale to members of the Navy and Marine Corps
4 on active duty for the use of themselves and their families.”.

5 (2) The table of sections at the beginning of such chap-
6 ter is amended by adding at the end the following new item:

 “7606. Subsistence and other supplies: members of armed forces; veterans; execu-
 tive or military departments and employees; prices.”.

7 (b) *CONFORMING AMENDMENTS FOR OTHER ARMED*
8 *FORCES.*—(1) Section 4621(f) of such title is amended by
9 inserting before the period at the end the following: “or by
10 commercial credit”.

11 (2) Section 9621(f) of such title is amended by insert-
12 ing before the period at the end the following: “or by com-
13 mercial credit”.

14 **SEC. 394. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**
15 **THAT BENEFIT DEPENDENTS OF MEMBERS**
16 **OF THE ARMED FORCES AND DEPARTMENT**
17 **OF DEFENSE CIVILIAN EMPLOYEES.**

18 (a) *CONTINUATION OF DEPARTMENT OF DEFENSE*
19 *PROGRAM.*—Of the amounts authorized to be appropriated
20 in section 301(5)—

21 (1) \$50,000,000 shall be available for providing
22 educational agencies assistance (as defined in sub-
23 section (d)(1)) to local educational agencies; and

1 (2) \$8,000,000 shall be available for making edu-
2 cational agencies payments (as defined in subsection
3 (d)(2)) to local educational agencies.

4 (b) NOTIFICATION OF AVAILABILITY OF FUNDS.—Not
5 later than June 30, 1996—

6 (1) the Secretary of Defense shall notify each
7 local educational agency that is eligible for edu-
8 cational agencies assistance for fiscal year 1996 of
9 that agency's eligibility for such assistance and the
10 amount of such assistance for which that agency is el-
11 igible; and

12 (2) the Secretary of Education shall notify each
13 local educational agency that is eligible for an edu-
14 cational agencies payment for fiscal year 1996 of that
15 agency's eligibility for such payment and the amount
16 of the payment for which that agency is eligible.

17 (c) DISBURSEMENT.—The Secretary of Defense (with
18 respect to funds made available under subsection (a)(1))
19 and the Secretary of Education (with respect to funds made
20 available under subsection (a)(2)) shall disburse such funds
21 not later than 30 days after the date on which notification
22 to the eligible local education agencies is provided pursuant
23 to subsection (b).

24 (d) DEFINITIONS.—For purposes of this section:

1 (1) *The term “educational agencies assistance”*
2 *means assistance authorized under subsection (b) of*
3 *section 386 of the National Defense Authorization Act*
4 *for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C.*
5 *238 note).*

6 (2) *The term “educational agencies payments”*
7 *means payments authorized under subsection (d) of*
8 *that section.*

9 (e) *REDUCTION IN IMPACT THRESHOLD.—Subsection*
10 *(c)(1) of section 386 of the National Defense Authorization*
11 *Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C.*
12 *238 note) is amended—*

13 (1) *by striking out “30 percent” and inserting in*
14 *lieu thereof “20 percent”; and*

15 (2) *by striking out “counted under subsection (a)*
16 *or (b) of section 3 of the Act of September 30, 1950*
17 *(Public Law 874, Eighty-first Congress; 20 U.S.C.*
18 *238)”.*

19 (f) *EXTENSION OF REPORTING REQUIREMENT.—Sub-*
20 *section (e)(1) of section 386 of the National Defense Author-*
21 *ization Act for Fiscal Year 1993 (Public Law 102–484; 20*
22 *U.S.C. 238 note) is amended by striking out “and 1995”*
23 *and inserting in lieu thereof “1995, and 1996”.*

24 (g) *TECHNICAL AMENDMENTS TO CORRECT REF-*
25 *ERENCES TO REPEALED LAW.—Section 386 of the National*

1 *Defense Authorization Act for Fiscal Year 1993 (Public*
2 *Law 102-484; 20 U.S.C. 238 note) is amended—*

3 *(1) in subsection (d), by striking out “under sec-*
4 *tion 3” and all that follows through “of such sub-*
5 *section that result from” and inserting in lieu thereof*
6 *“payments under section 8003(e) of the Elementary*
7 *and Secondary Education Act of 1965 (20 U.S.C.*
8 *7703(e)) as a result of”;*

9 *(2) in subsection (e)(2)(C), by inserting after “et*
10 *seq.,” the following: “title VIII of the Elementary*
11 *and Secondary Education Act of 1965 (20 U.S.C.*
12 *7701 et seq.),”;*

13 *(3) in subsection (e)(2)(D), by striking out*
14 *“under subsections (a) and (b) of section 3 of such Act*
15 *(20 U.S.C. 238)”;* and

16 *(4) in subsection (h)—*

17 *(A) in paragraph (1), by striking out “sec-*
18 *tion 1471(12) of the Elementary and Secondary*
19 *Education Act of 1965 (20 U.S.C. 2891(12))”*
20 *and inserting in lieu thereof “section 8013(9) of*
21 *the Elementary and Secondary Education Act of*
22 *1965 (20 U.S.C. 7713(9))”;* and

23 *(B) by striking out paragraph (3) and in-*
24 *serting in lieu thereof the following new para-*
25 *graph:*

1 “(3) The term ‘State’ does not include Puerto
2 Rico, Wake Island, Guam, American Samoa, the
3 Northern Mariana Islands, or the Virgin Islands.”.

4 **SEC. 395. CORE LOGISTICS CAPABILITIES OF THE DEPART-**
5 **MENT OF DEFENSE.**

6 (a) *IN GENERAL.*—Chapter 146 of title 10, United
7 States Code, is amended by adding at the end the following
8 new section:

9 **“§ 2473. Depot-level maintenance and repair workload**

10 “(a) *IMPORTANCE OF DEPOT-LEVEL MAINTENANCE*
11 *AND REPAIR CORE CAPABILITIES.*—It is essential for the
12 national defense that the United States maintain a core
13 depot-level maintenance and repair capability (including
14 skilled personnel, equipment, and facilities) within facilities
15 owned and operated by the Department of Defense that—

16 “(1) is of the proper size (A) to ensure a ready
17 and controlled source of technical competence and re-
18 pair and maintenance capability necessary to meet
19 the requirements of the National Military Strategy
20 and other requirements for responding to military
21 contingencies, and (B) to provide for rapid aug-
22 mentation in time of emergency; and

23 “(2) is assigned sufficient workload to ensure
24 cost efficiency and proficiency in time of peace.

1 “(b) *DETERMINATION OF CORE DEPOT MAINTENANCE*
2 *ACTIVITIES.*—(1) *The Secretary of each military depart-*
3 *ment shall identify those depot-level maintenance and re-*
4 *pair activities under that Secretary’s jurisdiction that are*
5 *necessary to ensure for that military department the depot-*
6 *level maintenance and repair capability described in sub-*
7 *section (a) and as required by section 2464 of this title.*

8 “(2) *The Secretary of each military department shall*
9 *prescribe the procedures to be used to quantify the require-*
10 *ments necessary to support the capability described in sub-*
11 *section (a).*

12 “(c) *PERFORMANCE OF WORKLOAD THAT SUPPORTS*
13 *DEPOT-LEVEL MAINTENANCE AND REPAIR CORE CAPABILI-*
14 *TIES.*—*The Secretary of each military department shall re-*
15 *quire the performance of depot-level maintenance and re-*
16 *pair of activities identified under subsection (b) at organic*
17 *Department of Defense maintenance depots at levels suffi-*
18 *cient to ensure that the Department of Defense maintains*
19 *the core depot-level maintenance and repair capability de-*
20 *scribed in subsection (a).*

21 “(d) *INTERSERVICING OF WORKLOAD.*—*The Secretary*
22 *of Defense, after consultation with the Secretaries of the*
23 *military departments, may transfer workload that supports*
24 *the core capability described in subsection (a) from one*

1 *military department to another. The Secretary of Defense*
2 *shall use merit-based criteria in evaluating such transfers.*

3 “(e) *SOURCE OF REPAIR FOR OTHER DEPOT-LEVEL*
4 *WORKLOADS.—In the case of depot-level maintenance and*
5 *repair workloads in excess of the workload required pursu-*
6 *ant to subsection (c) to be performed at organic Department*
7 *of Defense depots, the Secretary of Defense, after consulta-*
8 *tion with the Secretaries of the military departments, may*
9 *provide for the performance of those workloads through*
10 *sources selected by competition. The Secretary of Defense*
11 *shall use competition between private firms and organic De-*
12 *partment of Defense depots for any such workload when the*
13 *Secretary determines there are less than two qualified*
14 *sources of supply among private firms for the performance*
15 *of that specific depot-level maintenance workload.*

16 “(f) *DEPOT-LEVEL WORKLOAD COMPETITIONS.—In*
17 *any competition under this section for a depot-level work-*
18 *load (whether among private firms or between Department*
19 *of Defense activities and private firms), bids from any en-*
20 *tity participating in the competition shall accurately dis-*
21 *close all costs properly and consistently derived from ac-*
22 *counting systems and practices that comply with laws, poli-*
23 *cies, and standards applicable to that entity. In any com-*
24 *petition between Department of Defense activities and pri-*
25 *vate firms, the Government calculation for the cost of per-*

1 *formance of the function by Department of Defense civilian*
2 *employees shall be based on an estimate using the most effi-*
3 *cient and cost effective manner for performance of such*
4 *function by Department of Defense civilian employees.*

5 “(g) *ANNUAL REPORT.*—Not later than March 1 of
6 *each year, the Secretary of Defense shall submit to Congress*
7 *a report specifying depot maintenance core capability re-*
8 *quirements determined in accordance with the procedures*
9 *established to comply with subsection (b)(2) and the*
10 *planned amount of workload to be accomplished in the or-*
11 *ganic depots of each military department in support of*
12 *those requirements for the following fiscal year. The report*
13 *shall identify the planned amount of workload measured*
14 *by direct labor hours and by amounts expended and shall*
15 *be shown separately for each commodity group.”.*

16 (b) *REPEAL OF 60/40 REQUIREMENT AND REQUIRE-*
17 *MENT RELATING TO COMPETITION.*—Effective December 31,
18 *1996—*

19 (1) *section 2466 of title 10, United States Code,*
20 *is repealed unless Congress takes further action re-*
21 *garding such repeal; and*

22 (2) *section 2469 of title 10, United States Code,*
23 *is repealed unless Congress takes further action re-*
24 *garding such repeal.*

1 (c) *INTERIM EXCLUSION OF LARGE MAINTENANCE AND*
2 *REPAIR PROJECTS FROM 60/40 REQUIREMENT.*—Effective
3 *on the date of the enactment of this Act, section 2466(d)*
4 *of title 10, United States Code, is amended—*

5 (1) *by striking out “EXCEPTION.—” and insert-*
6 *ing in lieu thereof “EXCEPTIONS.—(1)”;* and

7 (2) *by adding at the end the following new para-*
8 *graph:*

9 “(2) *If a maintenance or repair project for a single*
10 *item that is contracted for performance by non-Federal*
11 *Government personnel accounts for 5 percent or more of the*
12 *funds made available in a fiscal year to a military depart-*
13 *ment or a Defense Agency for depot-level maintenance and*
14 *repair workload, the project and the funds necessary for the*
15 *project shall not be considered when applying the percent-*
16 *age limitation specified in subsection (a) to that military*
17 *department or Defense Agency.”.*

18 (d) *CLERICAL AMENDMENTS.*—*The table of sections at*
19 *the beginning of chapter 146 of such title is amended—*

20 (1) *effective December 31, 1996, by striking out*
21 *the items relating to sections 2466 and 2469; and*

22 (2) *by adding at the end the following new item:*
“2473. Depot-level maintenance and repair workload.”.

23 (e) *REPORT ON DEPOT-LEVEL MAINTENANCE AND RE-*
24 *PAIR WORKLOAD.*—*Not later than March 1, 1996, the Sec-*
25 *retary of Defense shall submit to Congress a report on the*

1 *depot-level maintenance and repair workload of the Depart-*
2 *ment of Defense. The report shall include the following:*

3 (1) *The analysis required by subsection (f) of the*
4 *effect on that workload of the so-called 60/40 require-*
5 *ment.*

6 (2) *The analysis required by subsection (g) of the*
7 *projected effect on that workload using a definition of*
8 *core capability consistent with the description in sec-*
9 *tion 2473(a) of title 10, United States Code, as added*
10 *by subsection (a).*

11 (3) *The comparison of those analyses required by*
12 *subsection (h).*

13 (4) *Identification and analysis of significant is-*
14 *ssues that arise if organic Department of Defense de-*
15 *pots are allowed to participate in a full and open*
16 *competition with private firms for repair workloads*
17 *in excess of work that supports core capabilities.*

18 (f) *60/40 REQUIREMENT.—(1) The report under sub-*
19 *section (e) shall include an analysis of the requirement*
20 *under section 2466 of title 10, United States Code, that no*
21 *more than 40 percent of the depot-level maintenance and*
22 *repair work of the Department of Defense be contracted for*
23 *performance by non-Government personnel. That analysis*
24 *shall include the following:*

1 (A) A description of the effect on military readi-
2 ness and the national security resulting from that re-
3 quirement, including a description of any specific dif-
4 ficulties experienced by the Department of Defense as
5 a result of that requirement.

6 (B) A determination of the depot-level mainte-
7 nance and repair workload of the Department of De-
8 fense allocated for performance by organic Depart-
9 ment of Defense depots for any fiscal year during
10 which the requirement has been in effect, the percent-
11 age of funds for that workload that were obligated to
12 private sector entities, shown for each such fiscal year
13 and for the entire period during which the require-
14 ment has been in effect.

15 (2) That analysis shall be made with respect to—

16 (A) the distribution during the five fiscal years
17 ending with fiscal year 1995 of the depot-level main-
18 tenance and repair workload of the Department of
19 Defense between organic Department of Defense depots
20 and non-Government personnel, measured by direct
21 labor hours and by amounts expended, and displayed,
22 for that five-year period and for each year of that pe-
23 riod, so as to show (for each military department
24 (and separately for the Navy and Marine Corps))

1 *such distribution for each commodity group (such as*
2 *naval vessels, aircraft, tracked combat vehicles); and*

3 *(B) the projected distribution during the five fis-*
4 *cal years beginning with fiscal year 1996 of the*
5 *depot-level maintenance and repair workload of the*
6 *Department of Defense between organic Department*
7 *of Defense depots and non-Government personnel, set*
8 *forth in the same manner as described in subpara-*
9 *graph (A).*

10 *(g) CORE WORKLOAD ANALYSIS.—The report under*
11 *subsection (e) shall include an analysis of the depot-level*
12 *maintenance and repair workload of the Department of De-*
13 *fense in which the Secretary uses the capability described*
14 *in section 2473(a) of title 10, United States Code, as added*
15 *by subsection (a), as the standard for determining that por-*
16 *tion of such workload that is required to be performed in*
17 *organic Department of Defense facilities. That analysis*
18 *shall be made with respect to—*

19 *(1) the distribution that would (using that*
20 *standard) have been made during the five fiscal years*
21 *ending with fiscal year 1995 of the depot-level main-*
22 *tenance and repair workload of the Department of*
23 *Defense between organic Department of Defense depots*
24 *and non-Government personnel, measured by direct*
25 *labor hours and by amounts expended, and displayed,*

1 for that five-year period and for each year of that pe-
2 riod, so as to show (for each military department
3 (and separately for the Navy and Marine Corps))
4 such distribution for each commodity group (such as
5 naval vessels, aircraft, tracked combat vehicles); and

6 (2) the projected distribution (using that stand-
7 ard) during the five fiscal years beginning with fiscal
8 year 1996 of the depot-level maintenance and repair
9 workload of the Department of Defense between or-
10 ganic Department of Defense depots and non-Govern-
11 ment personnel, set forth in the same manner as de-
12 scribed in paragraph (1).

13 (h) *COMPARISON.*—The report under subsection (e)
14 shall include a comparison of the results of the analysis of
15 the depot-level maintenance and repair workload of the De-
16 partment of Defense under subsection (f) with the results
17 of the analysis of that workload under subsection (g). The
18 comparison shall include a comparison of the two analyses
19 by service and commodity group with respect to each of the
20 following:

21 (1) Identification, based on each analysis, of core
22 workloads and of the capabilities and equipment
23 needed to perform depot-level maintenance and repair
24 for those core workloads.

1 (2) *Identification, based on each analysis, of*
2 *depot-level maintenance and repair work performed*
3 *(or that would be performed) at organic Department*
4 *of Defense depots and of depot-level maintenance and*
5 *repair work performed (or that would be performed)*
6 *by non-Government personnel.*

7 (3) *Readiness.*

8 (4) *The Department of Defense budget.*

9 (5) *The depot-level maintenance and repair*
10 *workload distribution, under each analysis, by direct*
11 *labor hours performed and by dollars expended.*

12 (6) *Projected level, for each analysis, of Govern-*
13 *ment capital investment in public and private depot-*
14 *level maintenance and repair facilities.*

15 (i) *REVIEW BY GAO.—(1) The Comptroller General of*
16 *the United States shall conduct an independent audit of*
17 *the findings of the Secretary of Defense in the report under*
18 *subsection (e). The Secretary of Defense shall provide to the*
19 *Comptroller General for such purpose all information used*
20 *by the Secretary in preparing such report.*

21 (2) *Not later than April 1, 1996, the Comptroller Gen-*
22 *eral shall submit to the congressional defense committees a*
23 *report on the analysis by the Comptroller General of the*
24 *report submitted by the Secretary of Defense under this sec-*
25 *tion.*

1 **TITLE IV—MILITARY PERSONNEL**
2 **AUTHORIZATIONS**
3 **Subtitle A—Active Forces**

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

5 *The Armed Forces are authorized strengths for active*
6 *duty personnel as of September 30, 1996 , as follows:*

7 *(1) The Army, 495,000.*

8 *(2) The Navy, 428,000.*

9 *(3) The Marine Corps, 174,000.*

10 *(4) The Air Force, 388,200.*

11 **SEC. 402. TEMPORARY VARIATIONS IN DOPMA AUTHORIZED**
12 **END STRENGTH LIMITATIONS FOR ACTIVE**
13 **DUTY NAVY AND AIR FORCE OFFICERS IN**
14 **CERTAIN GRADES.**

15 *(a) AIR FORCE OFFICERS IN GRADE OF MAJOR.—Not-*
16 *withstanding section 523(a)(1) of title 10, United States*
17 *Code, and except as provided in section 523(c) of such title,*
18 *of the total number of commissioned officers serving on ac-*
19 *tive duty in the Air Force at the end of any fiscal year*
20 *through fiscal year 1997 (excluding officers in categories*
21 *specified in section 523(b) of title 10, United States Code),*
22 *the number of officers who may be serving on active duty*
23 *in the grade of major may not, as of the end of such fiscal*
24 *year, exceed the number determined in accordance with the*
25 *following table:*

<i>Total number of Air Force commissioned officers (excluding officers in categories specified in section 523(b) of title 10, United States Code) on active duty</i>	<i>Number of officers who may be serving on active duty in grade of major</i>
70,000	14,612
75,000	15,407
80,000	16,202
85,000	16,997
90,000	17,792
95,000	18,587
100,000	19,382
105,000	20,177
110,000	20,971
115,000	21,766
120,000	22,561
125,000	23,356

1 **(b) NAVY OFFICERS IN GRADES OF LIEUTENANT COM-**
2 *MANDER, COMMANDER, AND CAPTAIN.—Notwithstanding*
3 *section 523(a)(2) of title 10, United States Code, and except*
4 *as provided in section 523(c) of such title, of the total num-*
5 *ber of commissioned officers serving on active duty in the*
6 *Navy at the end of any fiscal year through fiscal year 1997*
7 *(excluding officers in categories specified in section 523(b)*
8 *of title 10, United States Code), the number of officers who*
9 *may be serving on active duty in each of the grades of lieu-*
10 *tenant commander, commander, and captain may not, as*
11 *of the end of such fiscal year, exceed a number determined*
12 *in accordance with the following table:*

<i>Total number of Navy commissioned officers (excluding officers in categories specified in section 523(b) of title 10, United States Code) on active duty</i>	<i>Number of officers who may be serving on active duty in grade of</i>		
	<i>Lieutenant Commander</i>	<i>Commander</i>	<i>Captain</i>
45,000	10,034	6,498	2,801
48,000	10,475	6,706	2,902
51,000	10,916	6,912	3,002
54,000	11,357	7,120	3,103
57,000	11,798	7,328	3,204
60,000	12,239	7,535	3,305
63,000	12,680	7,742	3,406

Total number of Navy commissioned officers (excluding officers in categories specified in section 523(b) of title 10, United States Code) on active duty	Number of officers who may be serving on active duty in grade of		
	Lieutenant Commander	Commander	Captain
66,000	13,121	7,949	3,506
70,000	13,709	8,226	3,641
90,000	16,649	9,608	4,313

1 **Subtitle B—Reserve Forces**

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

3 (a) *IN GENERAL.*—The Armed Forces are authorized
4 *strengths for Selected Reserve personnel of the reserve com-*
5 *ponents as of September 30, 1996, as follows:*

6 (1) *The Army National Guard of the United*
7 *States, 373,000.*

8 (2) *The Army Reserve, 230,000.*

9 (3) *The Naval Reserve, 98,608.*

10 (4) *The Marine Corps Reserve, 42,000.*

11 (5) *The Air National Guard of the United*
12 *States, 109,458.*

13 (6) *The Air Force Reserve, 73,969.*

14 (7) *The Coast Guard Reserve, 8,000.*

15 (b) *WAIVER AUTHORITY.*—The Secretary of Defense
16 *may vary the end strength authorized by subsection (a) by*
17 *not more than 2 percent.*

18 (c) *ADJUSTMENTS.*—The end strengths prescribed by
19 *subsection (a) for the Selected Reserve of any reserve compo-*
20 *nent shall be proportionately reduced by—*

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

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

11 *Whenever such units or such individual members are re-*
12 *leased from active duty during any fiscal year, the end*
13 *strength prescribed for such fiscal year for the Selected Re-*
14 *serve of such reserve component shall be proportionately in-*
15 *creased by the total authorized strengths of such units and*
16 *by the total number of such individual members.*

17 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
18 **DUTY IN SUPPORT OF THE RESERVES.**

19 *Within the end strengths prescribed in section 411(a),*
20 *the reserve components of the Armed Forces are authorized,*
21 *as of September 30, 1996 , the following number of Reserves*
22 *to be serving on full-time active duty or full-time duty, in*
23 *the case of members of the National Guard, for the purpose*
24 *of organizing, administering, recruiting, instructing, or*
25 *training the reserve components:*

1 (1) *The Army National Guard of the United*
2 *States, 23,390.*

3 (2) *The Army Reserve, 11,575.*

4 (3) *The Naval Reserve, 17,490.*

5 (4) *The Marine Corps Reserve, 2,285.*

6 (5) *The Air National Guard of the United*
7 *States, 9,817.*

8 (6) *The Air Force Reserve, 628.*

9 **SEC. 413. COUNTING OF CERTAIN ACTIVE COMPONENT PER-**
10 **SONNEL ASSIGNED IN SUPPORT OF RESERVE**
11 **COMPONENT TRAINING.**

12 *Section 414(c) of the National Defense Authorization*
13 *Act for Fiscal Years 1992 and 1993 (Public Law 102-190;*
14 *10 U.S.C. 12001 note) is amended—*

15 (1) *by inserting “(1)” before “The Secretary”;*
16 *and*

17 (2) *by adding at the end the following new para-*
18 *graph:*

19 “(2) *The Secretary of Defense may count toward the*
20 *number of active component personnel required under para-*
21 *graph (1) to be assigned to serve as advisers under the pro-*
22 *gram under this section any active component personnel*
23 *who are assigned to an active component unit (A) that was*
24 *established principally for the purpose of providing dedi-*
25 *cated training support to reserve component units, and (B)*

1 *the primary mission of which is to provide such dedicated*
2 *training support.”.*

3 ***Subtitle C—Military Training***
4 ***Student Loads***

5 ***SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.***

6 (a) *IN GENERAL.*—*For fiscal year 1996, the compo-*
7 *nents of the Armed Forces are authorized average military*
8 *training loads as follows:*

9 (1) *The Army, 75,013.*

10 (2) *The Navy, 44,238.*

11 (3) *The Marine Corps, 26,095.*

12 (4) *The Air Force, 33,232.*

13 (b) *SCOPE.*—*The average military training student*
14 *loads authorized for an armed force under subsection (a)*
15 *apply to the active and reserve components of that armed*
16 *force.*

17 (c) *ADJUSTMENTS.*—*The average military student*
18 *loads authorized in subsection (a) shall be adjusted consist-*
19 *ent with the end strengths authorized in subtitles A and*
20 *B. The Secretary of Defense shall prescribe the manner in*
21 *which such adjustments shall be apportioned.*

1 **Subtitle D—Authorization of**
2 **Appropriations**

3 **SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILI-**
4 **TARY PERSONNEL.**

5 *There is hereby authorized to be appropriated to the*
6 *Department of Defense for military personnel for fiscal year*
7 *1996 a total of \$68,951,663,000. The authorization in the*
8 *preceding sentence supersedes any other authorization of*
9 *appropriations (definite or indefinite) for such purpose for*
10 *fiscal year 1996.*

11 **SEC. 432. AUTHORIZATION FOR INCREASE IN ACTIVE-DUTY**
12 **END STRENGTHS.**

13 *(a) AUTHORIZATION.—There is hereby authorized to be*
14 *appropriated to the Department of Defense for fiscal year*
15 *1996 for military personnel the sum of \$112,000,000. Any*
16 *amount appropriated pursuant to this section shall be allo-*
17 *cated, in such manner as the Secretary of Defense pre-*
18 *scribes, among appropriations for active-component mili-*
19 *tary personnel for that fiscal year and shall be available*
20 *only to increase the number of members of the Armed Forces*
21 *on active duty during that fiscal year (compared to the*
22 *number of members that would be on active duty but for*
23 *such appropriation).*

24 *(b) EFFECT ON END STRENGTHS.—The end-strength*
25 *authorizations in section 401 shall each be deemed to be*

1 *increased by such number as necessary to take account of*
2 *additional members of the Armed Forces authorized by the*
3 *Secretary of Defense pursuant to subsection (a).*

4 ***TITLE V—MILITARY PERSONNEL***
5 ***POLICY***

6 ***Subtitle A—Officer Personnel Policy***

7 ***SEC. 501. AUTHORITY TO EXTEND TRANSITION PERIOD FOR***
8 ***OFFICERS SELECTED FOR EARLY RETIRE-***
9 ***MENT.***

10 *(a) SELECTIVE RETIREMENT OF WARRANT OFFI-*
11 *CERS.—Section 581 of title 10, United States Code, is*
12 *amended by adding at the end the following new subsection:*

13 *“(e) The Secretary concerned may defer for not more*
14 *than 90 days the retirement of an officer otherwise approved*
15 *for early retirement under this section in order to prevent*
16 *a personal hardship to the officer or for other humanitarian*
17 *reasons.”.*

18 *(b) SELECTIVE EARLY RETIREMENT OF ACTIVE-DUTY*
19 *OFFICERS.—Section 638(b) of title 10, United States Code,*
20 *is amended by adding at the end the following new para-*
21 *graph:*

22 *“(3) The Secretary concerned may defer for not more*
23 *than 90 days the retirement of an officer otherwise approved*
24 *for early retirement under this section or section 638a of*

1 *this title in order to prevent a personal hardship to the offi-*
2 *cer or for other humanitarian reasons.”.*

3 ***Subtitle B—Matters Relating to***
4 ***Reserve Components***

5 ***SEC. 511. MILITARY TECHNICIAN FULL-TIME SUPPORT PRO-***
6 ***GRAM FOR ARMY AND AIR FORCE RESERVE***
7 ***COMPONENTS.***

8 (a) *REQUIREMENT OF ANNUAL AUTHORIZATION OF*
9 *END STRENGTH.—(1) Section 115 of title 10, United States*
10 *Code, is amended by adding at the end the following new*
11 *subsection:*

12 “(g) *Congress shall authorize for each fiscal year the*
13 *end strength for military technicians for each reserve com-*
14 *ponent of the Army and Air Force. Funds available to the*
15 *Department of Defense for any fiscal year may not be used*
16 *for the pay of a military technician during that fiscal year*
17 *unless the technician fills a position that is within the num-*
18 *ber of such positions authorized by law for that fiscal year*
19 *for the reserve component of that technician. This subsection*
20 *applies without regard to section 129 of this title.”.*

21 (2) *The amendment made by paragraph (1) does not*
22 *apply with respect to fiscal year 1995.*

23 (b) *AUTHORIZATION FOR FISCAL YEARS 1996 AND*
24 *1997.—For each of fiscal years 1996 and 1997, the number*
25 *of military technicians, as of the last day of that fiscal year,*

1 *for the Army and the Air Force (notwithstanding section*
2 *129 of title 10, United States Code) may not exceed the fol-*
3 *lowing:*

4 (1) *Army National Guard, 25,500.*

5 (2) *Army Reserve, 6,630.*

6 (3) *Air National Guard, 22,906.*

7 (4) *Air Force Reserve, 9,802.*

8 (c) *ADMINISTRATION OF MILITARY TECHNICIAN PRO-*
9 *GRAM.—(1) Chapter 1007 of title 10, United States Code,*
10 *is amended by adding at the end the following new section:*

11 ***“§ 10216. Military technicians***

12 “(a) *PRIORITY FOR MANAGEMENT OF MILITARY TECH-*
13 *NICIANS.—(1) As a basis for making the annual request to*
14 *Congress pursuant to section 115 of this title for authoriza-*
15 *tion of end strengths for military technicians of the Army*
16 *and Air Force reserve components, the Secretary of Defense*
17 *shall give priority to supporting authorizations for dual*
18 *status military technicians in the following high-priority*
19 *units and organizations:*

20 “(A) *Units of the Selected Reserve that are sched-*
21 *uled to deploy no later than 90 days after mobiliza-*
22 *tion.*

23 “(B) *Units of the Selected Reserve that are or*
24 *will deploy to relieve active duty peacetime operations*
25 *tempo.*

1 “(C) Those organizations with the primary mis-
2 sion of providing direct support surface and aviation
3 maintenance for the reserve components of the Army
4 and Air Force, to the extent that the military techni-
5 cians in such units would mobilize and deploy in a
6 skill that is compatible with their civilian position
7 skill.

8 “(2) For each fiscal year, the Secretary of Defense
9 shall, for the high-priority units and organizations referred
10 to in paragraph (1), achieve a programmed manning level
11 for military technicians that is not less than 90 percent
12 of the programmed manpower structure for those units and
13 organizations for military technicians for that fiscal year.

14 “(3) For each fiscal year, the Secretary of Defense
15 shall, for reserve component management headquarters or-
16 ganizations (including national and State-level National
17 Guard headquarters, in United States Property and Fiscal
18 Offices, and in similar management-level headquarters in
19 the Army and Air Force Reserve), achieve a programmed
20 manning level for military technicians that is not more
21 than 70 percent of the programmed manpower structure for
22 those organizations for military technicians for that fiscal
23 year.

24 “(4) Military technician authorizations and personnel
25 in high-priority units and organizations specified in para-

1 *graph (1) shall be exempt from any requirement (imposed*
2 *by law or otherwise) for reductions in Department of De-*
3 *fense civilian personnel and shall only be reduced as part*
4 *of military force structure reductions. Planned reductions*
5 *in Department of Defense civilian personnel that would*
6 *apply to such technician authorizations and personnel but*
7 *for this paragraph shall be reallocated by the Secretary of*
8 *Defense on a proportional basis throughout the Department*
9 *of Defense, with an emphasis on reducing headquarters per-*
10 *sonnel.*

11 “(b) *DUAL-STATUS REQUIREMENT.*—*The Secretary of*
12 *Defense shall require the Secretary of the Army and the Sec-*
13 *retary of the Air Force to establish as a condition of em-*
14 *ployment for each individual who is hired after the date*
15 *of the enactment of this section as a military technician*
16 *that the individual maintain membership in the Selected*
17 *Reserve (so as to be a so-called ‘dual-status’ technician) and*
18 *shall require that the civilian and military position skill*
19 *requirements of dual-status military technicians be compat-*
20 *ible. No Department of Defense funds may be spent for com-*
21 *ensation for any military technician hired after the date*
22 *of the enactment of this section who is not a member of*
23 *the Selected Reserve, except that compensation may be paid*
24 *for up to six months following loss of membership in the*

1 *selected reserve if such loss of membership was not due to*
2 *the failure to meet military standards.”.*

3 (2) *The table of sections at the beginning of such chap-*
4 *ter is amended by adding at the end the following new item:*
5 *“10216. Military technicians.”.*

6 (d) *REVIEW OF RESERVE COMPONENT MANAGEMENT*
7 *HEADQUARTERS.—(1) The Secretary of Defense shall, with-*
8 *in six months after the date of the enactment of this Act,*
9 *undertake steps to reduce, consolidate, and streamline man-*
10 *agement headquarters operations of the reserve components.*
11 *As part of those steps, the Secretary shall identify those*
12 *military technicians positions in such headquarters oper-*
13 *ations that are excess to the requirements of those head-*
14 *quarters.*

15 (2) *Of the military technicians positions that are iden-*
16 *tified under paragraph (1), the Secretary shall reallocate*
17 *up to 95 percent of those positions to the high-priority units*
18 *and activities specified in section 10216(a) of title 10,*
19 *United States Code, as added by subsection (c).*

20 (e) *ANNUAL DEFENSE MANPOWER REQUIREMENTS*
21 *REPORT.—Section 115a of title 10, United States Code, is*
22 *amended by adding at the end the following new subsection:*

23 “(h) *In each such report, the Secretary shall include*
24 *a separate report on the Army and Air Force military tech-*
25 *nician programs. The report shall include a presentation,*
shown by reserve component and shown both as of the end

1 *of the preceding fiscal year and for the next fiscal year,*
2 *of the following:*

3 “(1) *The number of military technicians re-*
4 *quired to be employed (as specified in accordance*
5 *with Department of Defense procedures), the number*
6 *authorized to be employed under Department of De-*
7 *fense personnel procedures, and the number actually*
8 *employed.*

9 “(2) *Within each of the numbers under para-*
10 *graph (1)—*

11 “(A) *the number applicable to a reserve*
12 *component management headquarter organiza-*
13 *tion; and*

14 “(B) *the number applicable to high-priority*
15 *units and organizations (as specified in section*
16 *10216(a) of this title).*

17 “(3) *Within each of the numbers under para-*
18 *graph (1), the numbers of military technicians who*
19 *are not themselves members of a reserve component*
20 *(so-called ‘single-status’ technicians), with a further*
21 *display of such numbers as specified in paragraph*
22 *(2).”.*

1 **SEC. 512. MILITARY LEAVE FOR MILITARY RESERVE TECH-**
2 **NICIANS FOR CERTAIN DUTY OVERSEAS.**

3 *Section 6323 of title 5, United States Code is amended*
4 *by adding at the end the following new subsection:*

5 *“(d)(1) A military reserve technician described in sec-*
6 *tion 8401(30) is entitled at such person’s request to leave*
7 *without loss of, or reduction in, pay, leave to which such*
8 *person is otherwise entitled, credit for time or service, or*
9 *performance or efficiency rating for each day, not to exceed*
10 *44 workdays in a calendar year, in which such person is*
11 *on active duty without pay, as authorized pursuant to sec-*
12 *tion 12315 of title 10, under section 12301(b) or 12301(d)*
13 *of title 10 (other than active duty during a war or national*
14 *emergency declared by the President or Congress) for par-*
15 *ticipation in noncombat operations outside the United*
16 *States, its territories and possessions.*

17 *“(2) An employee who requests annual leave or com-*
18 *pensatory time to which the employee is otherwise entitled,*
19 *for a period during which the employee would have been*
20 *entitled upon request to leave under this subsection, may*
21 *be granted such annual leave or compensatory time without*
22 *regard to this section or section 5519.”.*

1 **SEC. 513. REVISIONS TO ARMY GUARD COMBAT REFORM**
2 **INITIATIVE TO INCLUDE ARMY RESERVE**
3 **UNDER CERTAIN PROVISIONS AND MAKE**
4 **CERTAIN REVISIONS.**

5 (a) *PRIOR ACTIVE DUTY PERSONNEL.*—Section 1111
6 of the Army National Guard Combat Readiness Reform Act
7 of 1992 (title XI of Public Law 102–484) is amended—

8 (1) in the section heading, by striking out the
9 first three words;

10 (2) by striking out subsections (a) and (b) and
11 inserting in lieu thereof the following:

12 “(a) *ADDITIONAL PRIOR ACTIVE DUTY OFFICERS.*—
13 The Secretary of the Army shall increase the number of
14 qualified prior active-duty officers in the Army National
15 Guard by providing a program that permits the separation
16 of officers on active duty with at least two, but less than
17 three, years of active service upon condition that the officer
18 is accepted for appointment in the Army National Guard.
19 The Secretary shall have a goal of having not fewer than
20 150 officers become members of the Army National Guard
21 each year under this section.

22 “(b) *ADDITIONAL PRIOR ACTIVE DUTY ENLISTED*
23 *MEMBERS.*—The Secretary of the Army shall increase the
24 number of qualified prior active-duty enlisted members in
25 the Army National Guard through the use of enlistments
26 as described in section 8020 of the Department of Defense

1 *Appropriations Act, 1994 (Public Law 103–139). The Sec-*
2 *retary shall enlist not fewer than 1,000 new enlisted mem-*
3 *bers each year under enlistments described in that section.”;*
4 *and*

5 (3) *by striking out subsections (d) and (e).*

6 (b) *SERVICE IN THE SELECTED RESERVE IN LIEU OF*
7 *ACTIVE DUTY SERVICE FOR ROTC GRADUATES.—Section*
8 *1112(b) of such Act (106 Stat. 2537) is amended by striking*
9 *out “National Guard” before the period at the end and in-*
10 *serting in lieu thereof “Selected Reserve”.*

11 (c) *REVIEW OF OFFICER PROMOTIONS.—Section 1113*
12 *of such Act (106 Stat. 2537) is amended—*

13 (1) *in subsection (a), by striking out “National*
14 *Guard” both places it appears and inserting in lieu*
15 *thereof “Selected Reserve”;*

16 (2) *by striking out subsection (b) and inserting*
17 *in lieu thereof the following:*

18 “(b) *COVERAGE OF SELECTED RESERVE COMBAT AND*
19 *EARLY DEPLOYING UNITS.—(1) Subsection (a) applies to*
20 *officers in all units of the Selected Reserve that are des-*
21 *ignated as combat units or that are designated for deploy-*
22 *ment within 75 days of mobilization.*

23 “(2) *Subsection (a) shall take effect with respect to offi-*
24 *cers of the Army Reserve, and with respect to officers of*
25 *the Army National Guard in units not subject to subsection*

1 (a) *as of the date of the enactment of the National Defense*
2 *Authorization Act for Fiscal Year 1996, at the end of the*
3 *90-day period beginning on such date of enactment.”.*

4 (d) *INITIAL ENTRY TRAINING AND NONDEPLOYABLE*
5 *PERSONNEL.—Section 1115 of such Act (106 Stat. 2538)*
6 *is amended—*

7 (1) *in subsections (a) and (b), by striking out*
8 *“National Guard” each place it appears and insert-*
9 *ing in lieu thereof “Selected Reserve”; and*

10 (2) *in subsection (c)—*

11 (A) *by striking out “a member of the Army*
12 *National Guard enters the National Guard” and*
13 *inserting in lieu thereof “a member of the Army*
14 *Selected Reserve enters the Army Selected Re-*
15 *serve”; and*

16 (B) *by striking out “from the Army Na-*
17 *tional Guard”.*

18 (e) *ACCOUNTING OF MEMBERS WHO FAIL PHYSICAL*
19 *DEPLOYABILITY STANDARDS.—Section 1116 of such Act*
20 *(106 Stat. 2539) is amended by striking out “National*
21 *Guard” each place it appears and inserting in lieu thereof*
22 *“Selected Reserve”.*

23 (f) *USE OF COMBAT SIMULATORS.—Section 1120 of*
24 *such Act (106 Stat. 2539) is amended by inserting “and*
25 *the Army Reserve” before the period at the end.*

1 **SEC. 514. ROTC SCHOLARSHIPS FOR THE NATIONAL GUARD.**

2 (a) *CLARIFICATION OF RESTRICTION ON ACTIVE*
3 *DUTY.*—*Paragraph (2) of section 2107(h) of title 10, United*
4 *States Code, is amended by inserting “full-time” before “ac-*
5 *tive duty” in the second sentence.*

6 (b) *REDESIGNATION OF ROTC SCHOLARSHIPS.*—*Such*
7 *paragraph is further amended by inserting after the first*
8 *sentence the following new sentence: “A cadet designated*
9 *under this paragraph who, having initially contracted for*
10 *service as provided in subsection (b)(5)(A) and having re-*
11 *ceived financial assistance for two years under an award*
12 *providing for four years of financial assistance under this*
13 *section, modifies such contract with the consent of the Sec-*
14 *retary of the Army to provide for service as described in*
15 *subsection (b)(5)(B), may be counted, for the year in which*
16 *the contract is modified, toward the number of appoint-*
17 *ments required under the preceding sentence for financial*
18 *assistance awarded for a period of four years.”.*

19 **SEC. 515. REPORT ON FEASIBILITY OF PROVIDING EDU-**
20 **CATION BENEFITS PROTECTION INSURANCE**
21 **FOR SERVICE ACADEMY AND ROTC SCHOLAR-**
22 **SHIP STUDENTS WHO BECOME MEDICALLY**
23 **UNABLE TO SERVE.**

24 *Not later than June 30, 1996, the Secretary of Defense*
25 *shall submit to Congress a report on the desirability and*
26 *the feasibility of the establishment of an insurance program,*

1 *to operate at no cost to the Government, to insure individ-*
2 *uals who are cadets or midshipmen at one of the service*
3 *academies or who hold Reserve Officer Training Corps*
4 *scholarships under section 2107 or 2107a of title 10, United*
5 *States Code, against the loss of the value of attendance at*
6 *such service academy (in terms of the cost of education at*
7 *another institution), or the value of the scholarship, in cases*
8 *in which such attendance or such scholarship is terminated*
9 *by the Secretary of the military department concerned be-*
10 *cause the individual has become, through no fault of the*
11 *individual, medically disqualified from military service.*

12 **SEC. 516. ACTIVE DUTY OFFICERS DETAILED TO ROTC DUTY**
13 **AT SENIOR MILITARY COLLEGES TO SERVE AS**
14 **COMMANDANT AND ASSISTANT COM-**
15 **MANDANT OF CADETS AND AS TACTICAL OF-**
16 **FICERS.**

17 (a) *IN GENERAL.*—Chapter 103 of title 10, United
18 States Code, is amended by adding at the end the following
19 new section:

20 **“§2111a. Detail of officers to senior military colleges**

21 **“(a) DETAIL OF OFFICERS TO SERVE AS COM-**
22 **MANDANT OR ASSISTANT COMMANDANT OF CADETS.—(1)**
23 *Upon the request of a senior military college, the Secretary*
24 *of Defense shall detail an officer on the active-duty list to*
25 *serve as Commandant of Cadets at that college or (in the*

1 *case of a college with an Assistant Commandant of Cadets)*
2 *detail an officer on the active-duty list to serve as Assistant*
3 *Commandant of Cadets at that college (but not both).*

4 “(2) *In the case of an officer detailed as Commandant*
5 *of Cadets, the officer may, upon the request of the college,*
6 *be assigned from among the Professor of Military Science,*
7 *the Professor of Naval Science (if any), and the Professor*
8 *of Aerospace Science (if any) at that college or may be in*
9 *addition to any other officer detailed to that college in sup-*
10 *port of the program.*

11 “(3) *In the case of an officer detailed as Assistant*
12 *Commandant of Cadets, the officer may, upon the request*
13 *of the college, be assigned from among officers otherwise de-*
14 *tailed to duty at that college in support of the program or*
15 *may be in addition to any other officer detailed to that col-*
16 *lege in support of the program.*

17 “(b) *DESIGNATION OF OFFICERS AS TACTICAL OFFI-*
18 *CERS.—Upon the request of a senior military college, the*
19 *Secretary of Defense shall authorize officers (other than offi-*
20 *cers covered by subsection (a)) who are detailed to duty as*
21 *instructors at that college to act simultaneously as tactical*
22 *officers (with or without compensation) for the Corps of Ca-*
23 *dets at that college.*

24 “(c) *DETAIL OF OFFICERS.—The Secretary of a mili-*
25 *tary department shall designate officers for detail to the*

1 *program at a senior military college in accordance with*
 2 *criteria provided by the college. An officer may not be de-*
 3 *tailed to a senior military college without the approval of*
 4 *that college.*

5 “(d) *SENIOR MILITARY COLLEGES.*—*The senior mili-*
 6 *tary colleges are the following:*

7 “(1) *Texas A&M University.*

8 “(2) *Norwich College.*

9 “(3) *The Virginia Military Institute.*

10 “(4) *The Citadel.*

11 “(5) *Virginia Polytechnic Institute and State*
 12 *University.*

13 “(6) *North Georgia College.*”

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

“2111a. *Detail of officers to senior military colleges.*”

17 ***SEC. 517. MOBILIZATION INCOME INSURANCE PROGRAM***
 18 ***FOR MEMBERS OF READY RESERVE.***

19 (a) *ESTABLISHMENT OF PROGRAM.*—(1) *Subtitle E of*
 20 *title 10, United States Code, is amended by inserting after*
 21 *chapter 1213 the following new chapter:*

22 ***“CHAPTER 1214—READY RESERVE INCOME***
 23 ***INSURANCE***

“Sec.

“12521. *Definitions.*

“12522. *Establishment and purpose of program.*

“12523. Program administration.

“12524. Eligible insurance companies.

“12525. Persons insured; amount.

“12526. Deductions; payment.

“12527. Payment of insurance; beneficiaries.

“12528. Premiums; accounting to the Secretary.

“12529. Forfeiture.

1 **“§ 12521. Definitions**

2 *“In this chapter:*

3 *“(1) The term ‘covered service’ means active duty*
4 *in the armed forces performed by a member of a re-*
5 *serve component under orders for more than 30 days*
6 *which specify that the member’s service is in support*
7 *of an operational mission for which members of the*
8 *reserve components have been ordered to active duty*
9 *without their consent or in support of forces activated*
10 *during a period of war or during a period of national*
11 *emergency as declared by the President or Congress.*

12 *“(2) The term ‘covered member’ means a member*
13 *of the Ready Reserve who is eligible for and who has*
14 *not declined coverage under this chapter.*

15 *“(3) The term ‘Secretary’ means the Secretary of*
16 *Defense.*

17 *“(4) The term ‘Department’ means the Depart-*
18 *ment of Defense.*

19 *“(5) The term ‘Board’ means the Board of Actu-*
20 *aries established under section 2006(e)(1) of this title.*

21 *“(6) The term ‘Fund’ means the Department of*
22 *Defense Ready Reserve Income Insurance Fund.*

1 **“§ 12522. Establishment and purpose of program**

2 “(a) *ESTABLISHMENT.*—There is established an insur-
3 *ance program for members of the Ready Reserve to be*
4 *known as the Department of Defense Ready Reserve Income*
5 *Insurance Program which shall be administered by the Sec-*
6 *retary. There is also established on the books of the Treasury*
7 *a fund to be known as the Department of Defense Ready*
8 *Reserve Income Insurance Fund, which shall be adminis-*
9 *tered by the Secretary of the Treasury. The Fund shall be*
10 *used for the accumulation of funds in order to finance on*
11 *an actuarially sound basis liabilities of the Program.*

12 “(b) *ASSETS OF FUND.*—There shall be deposited into
13 *the Fund the following, which shall constitute the assets of*
14 *the Fund:*

15 “(1) *Amounts paid into the Fund under sections*
16 *12526 and 12528 of this title.*

17 “(2) *Any amount appropriated to the Fund.*

18 “(3) *Any return on investment of the assets of*
19 *the Fund.*

20 “(c) *BOARD OF ACTUARIES.*—The Department of De-
21 *fense Education Benefits Fund Board of Actuaries shall*
22 *have the actuarial responsibility for the Program.*

23 “(d) *DETERMINATION OF CONTRIBUTIONS TO THE*
24 *FUND.*—(1) *Not later than six months after the Program*
25 *is established, the Board shall determine (project) the pre-*
26 *mium rate for the coverage to be offered.*

1 “(2) If at the time of any such valuation there has
2 been a change in benefits under the Program that has been
3 made since the last such valuation and such change in bene-
4 fits increases or decreases the present value of amounts pay-
5 able from the Fund, the Board shall determine a premium
6 rate methodology and schedule for the liquidation of any
7 liability (or actuarial gain to the Fund) created by such
8 change and any previous such changes so that the present
9 value of the sum of the scheduled premium payments (or
10 reduction in payments that would otherwise be made)
11 equals the cumulative increase (or decrease) in the present
12 value of such benefits.

13 “(3) If at the time of any such valuation the Board
14 determines that, based upon changes in actuarial assump-
15 tions since the last valuation, there has been an actuarial
16 gain or loss to the Fund, the Board shall recommend a pre-
17 mium rate schedule for the amortization of the cumulative
18 gain or loss to the Fund created by such change in assump-
19 tions and any previous such changes in assumptions
20 through an increase or decrease in the payments that would
21 otherwise be made to the Fund.

22 “(4) If at any time liabilities exceed assets of the Fund
23 as a result of a call up, and funds are unavailable to pay
24 benefits, the Secretary shall seek a special appropriation to
25 cover the unfunded liability. If appropriations are not

1 *made, in any fiscal year, the Secretary shall limit the value*
2 *of any benefits conferred by this program to an amount*
3 *that does not exceed assets of the Fund expected to accrue*
4 *at the end of such fiscal year. Benefits that cannot be paid*
5 *because of such limitation of funds shall be deferred and*
6 *paid only after funds become available.*

7 “(e) *PAYMENTS INTO THE FUND.—(1) Payment into*
8 *the Fund under this subsection shall accumulate in accord-*
9 *ance with the provisions of section 12526 of this title.*

10 “(2) *At the beginning of each fiscal year, the Secretary*
11 *shall determine the sum of the following:*

12 “(A) *The projected amount of the premiums to be*
13 *collected, investment earnings, and any special appro-*
14 *priations received for that fiscal year.*

15 “(B) *The amount for that year of any cumu-*
16 *lative unfunded liability (including any negative*
17 *amount or any gain to the Fund) resulting from pay-*
18 *ments of benefits.*

19 “(C) *The amount for that year (including any*
20 *negative amount) of any cumulative actuarial gain or*
21 *loss to the Fund.*

22 “(f) *INVESTMENT OF ASSETS OF FUND.—The Sec-*
23 *retary of the Treasury shall invest such portion of the Fund*
24 *as is not in the judgment of the Secretary of Defense re-*
25 *quired to meet current liabilities. Such investments shall*

1 *be in public debt securities with maturities suitable to the*
2 *needs of the Fund, as determined by the Secretary of De-*
3 *fense, and bearing interest at rates determined by the Sec-*
4 *retary of the Treasury, taking into consideration current*
5 *market yields on outstanding marketable obligations of the*
6 *United States of comparable maturities. The income on*
7 *such investments shall be credited to and form a part of*
8 *the Fund.*

9 **“§ 12523. Program administration**

10 *“The insurance program provided for in this chapter*
11 *shall be administered by the Secretary, who is authorized*
12 *to adopt such rules, procedures, and policies as in the Sec-*
13 *retary’s judgment may be necessary or appropriate to carry*
14 *out the purposes of this chapter.*

15 **“§ 12524. Eligible insurance companies**

16 *“(a) The Secretary may, without regard to section*
17 *3709 of the Revised Statutes (41 U.S.C. 5), purchase from*
18 *one or more insurance companies a policy or policies of*
19 *group insurance to offer benefits to all members. Each such*
20 *insurance company shall (1) be licensed to issue insurance*
21 *in each of the 50 States and in the District of Columbia,*
22 *and (2) as of the most recent December 31 for which infor-*
23 *mation is available to the Secretary, have in effect at least*
24 *1 percent of the total amount of insurance which all such*
25 *insurance companies have in effect in the United States.*

1 “(b) Any insurance company which issues a policy
2 under subsection (a) shall establish an administrative office
3 at a place and under a name designated by the Secretary.

4 “(c) The Secretary may use the facilities and services
5 of any insurance company issuing any policy under this
6 chapter and may designate one such company as the rep-
7 resentative of the other companies and contract to pay a
8 reasonable fee to the designated company for its services.

9 “(d) The Secretary shall arrange with the insurance
10 company issuing any policy under this chapter to reinsure,
11 under conditions approved by the Secretary, portions of the
12 total amount of insurance under such policy or policies
13 with such other insurance companies (which meet qualify-
14 ing criteria set forth by the Secretary) as may elect to par-
15 ticipate in such reinsurance.

16 “(e) The Secretary may at any time discontinue any
17 policy purchased under this section.

18 **“§ 12525. Persons insured; amount**

19 “(a)(1) Any policy of insurance provided under this
20 chapter shall insure each covered member of the Ready Re-
21 serve against covered service. Any covered member ordered
22 into covered service shall be entitled to payment of a basic
23 benefit of \$1,000 for each month of covered service which
24 is in excess of the initial 30 days of covered service, unless
25 the member has elected in writing (A) not to be insured

1 under this chapter, (B) to be insured for a lower benefit
2 of half the basic benefit, or (C) to be insured in a greater
3 amount, in increments of \$500, above the basic benefit not
4 to exceed \$5,000 per month of covered service (adjusted pur-
5 suant to paragraph (2)), following the initial 30 days of
6 covered service, except that no member may be paid under
7 this chapter for more than 12 months of covered service
8 served during any period of 18 months. Payment for any
9 period of covered service less than one month shall be at
10 the rate of one-thirtieth of the monthly rate for each day
11 served. Payment shall be based solely on insured status and
12 on the period of covered service served; no proof of lost in-
13 come or expenses incurred as a result of covered service shall
14 be required.

15 “(2) The Secretary shall determine annually the effect
16 of inflation on the benefits and establish an adjustment rate
17 which ensures that there is no loss of value in the benefits
18 payable to a member. Adjustments shall apply to benefits
19 for members with existing coverage and for newly eligible
20 members. Such adjustments for inflation will be rounded
21 to the nearest \$10 increment.

22 “(3) Members of the Ready Reserve who, under regula-
23 tions prescribed by the Secretary of Defense in coordination
24 with the Secretary of Transportation, are serving on active
25 duty (or full-time National Guard duty) shall not be eligible

1 to purchase insurance under this chapter. Additional cat-
2 egories of members of the Ready Reserve, in the discretion
3 of the Secretary of Defense, may also be excluded from eligi-
4 bility to purchase insurance under this chapter.

5 “(b) Promptly following the effective date of this chap-
6 ter, the Secretary shall make a one-time offer of insurance
7 coverage under this chapter to all persons who were mem-
8 bers of the Ready Reserve of an armed force on that date
9 and who remain members of the Ready Reserve. Members
10 of the Ready Reserve, first becoming eligible for coverage
11 after the effective date of this chapter, shall be automatically
12 enrolled for the basic benefit unless declined, or another
13 amount is elected under subsection (a)(1).

14 “(c) Members shall be given a written explanation of
15 the insurance and be advised that they have the right (1)
16 to decline coverage altogether, (2) to select half the basic
17 benefit, or (3) to select increased benefits. The right of a
18 member of the Ready Reserve to decline, increase, or de-
19 crease coverage shall be exercised within 30 days of first
20 being eligible for coverage.

21 **“§ 12526. Deductions; payment**

22 “(a)(1) During any period in which a member insured
23 under this chapter is participating in paid reserve training
24 or other duty, there shall be deducted each month from the
25 member’s basic pay or compensation for inactive duty

1 *training an amount determined by the Secretary to be the*
2 *same for all members of the Ready Reserve who subscribe*
3 *to the same amount of insurance as the share of the cost*
4 *attributable to insuring such member. As provided in sec-*
5 *tion 12525 of this title, the Secretary may establish grad-*
6 *uated monthly premiums for an amount of insurance less*
7 *than the basic amount of coverage or in excess of the basic*
8 *coverage amount.*

9 “(2) *Any member insured under this chapter who is*
10 *not in a pay status in which the member receives pay on*
11 *a monthly basis shall pay the cost attributable to insuring*
12 *such member in accordance with regulations to be adopted*
13 *by the Secretary.*

14 “(b) *An amount equal to the first amount due on in-*
15 *surance under this chapter may be advanced from current*
16 *appropriations for military pay to any such member, which*
17 *amount shall constitute a lien upon the pay for military*
18 *service accruing to the person to whom such advance was*
19 *made, and shall be collected therefrom if not otherwise paid.*
20 *No disbursing or certifying officer shall be responsible for*
21 *any loss by reason of such advance.*

22 “(c) *The sums withheld from the basic or other pay*
23 *of insured members or deposited by insured members, to-*
24 *gether with the income derived from any dividends or pre-*
25 *mium rate adjustments, shall be deposited to the credit of*

1 *the Fund. All premium payments for insurance issued*
2 *under this chapter shall be deposited into the Fund.*

3 **“§ 12527. Payment of insurance; beneficiaries**

4 “(a) *A member insured under this chapter who serves*
5 *in excess of 30 days of covered service shall be paid the*
6 *amount to which such member is entitled on a monthly*
7 *basis, with the first payment due no later than one month*
8 *following the 30th day of covered service. The Secretary*
9 *shall adopt regulations prescribing the manner in which*
10 *payments shall be made, either to the member or, in accord-*
11 *ance with subsection (d), to a designated person or entity.*

12 “(b) *A member may designate in writing another per-*
13 *son (including a spouse, parent, or other person with an*
14 *insurable interest as determined by the Secretary by regula-*
15 *tion) to whom the insurance payments to which such mem-*
16 *ber is entitled are to be paid. Such designation may be*
17 *made to a bank or other financial institution, to the credit*
18 *of a designated person. In the latter event, insurance pay-*
19 *ments to which a member becomes entitled shall be paid*
20 *to the designated person, bank or financial institution.*

21 “(c) *Any amount of insurance payable under this*
22 *chapter on account of a deceased member’s period of covered*
23 *service shall be paid, upon the establishment of a valid*
24 *claim therefor, to the beneficiary or beneficiaries which the*
25 *former member had designated in writing. If no such des-*

1 *ignation has been made, the amount shall be payable in*
2 *accordance with the laws of the State of the member's domi-*
3 *cile.*

4 **“§ 12528. Premiums; accounting to the Secretary**

5 “(a) *Each policy of insurance provided by the Sec-*
6 *retary under this chapter shall include for the first policy*
7 *years a fixed monetary premium per \$1,000 of insurance,*
8 *based, in consultation with the Board, on the best available*
9 *estimate of risk and financial exposure, levels of subscrip-*
10 *tion by members, and other relevant factors. Different pre-*
11 *mium levels may be established for different amounts of cov-*
12 *erage, provided that the premium rate established for the*
13 *basic benefit shall not be at a premium rate higher than*
14 *the premium rate set for increased coverages.*

15 “(b) *Each policy shall include provisions whereby the*
16 *premium rate for the first policy year shall be continued*
17 *for subsequent policy years (but the premium amount may*
18 *be increased to account or inflation-adjusted benefit in-*
19 *creases). The rate may be readjusted for any subsequent*
20 *year with the consent of the Secretary based on prior con-*
21 *sultation with the Board of Actuaries.*

22 **“§ 12529. Forfeiture**

23 “*Any person found guilty of mutiny, treason, spying,*
24 *or desertion, or who refuses to perform service in the armed*
25 *forces or refuses to wear the uniform of any of the armed*

1 *each reorganization option considered against a common*
2 *set of criteria.*

3 (c) *SELECTION OF REORGANIZATION OPTION FOR IM-*
4 *PLEMENTATION.—Based on the findings resulting from the*
5 *cost-benefit analysis under subsection (b) and such other*
6 *factors as the Secretary considers appropriate, the Sec-*
7 *retary shall select one reorganization option for implemen-*
8 *tation. The Secretary may select an option for implementa-*
9 *tion only if the Secretary finds that the cost-benefit analysis*
10 *and other factors considered clearly demonstrate that such*
11 *option, better than any other option considered—*

12 (1) *provides the structure to meet projected mis-*
13 *sion requirements;*

14 (2) *achieves the most significant personnel and*
15 *cost savings;*

16 (3) *uses existing basic and advanced camp facili-*
17 *ties to the maximum extent possible;*

18 (4) *minimizes additional military construction*
19 *costs; and*

20 (5) *makes maximum use of the reserve compo-*
21 *nents to support basic and advanced camp oper-*
22 *ations, thereby minimizing the effect of those oper-*
23 *ations on active duty units.*

24 (d) *REPORT.—Not later than 60 days after the date*
25 *of the enactment of this Act, the Secretary of the Army shall*

1 *submit to the Committee on Armed Services of the Senate*
2 *and the Committee on National Security of the House of*
3 *Representatives a report describing the reorganization op-*
4 *tion selected under subsection (c). The report shall include*
5 *the results of the cost-benefit analysis under subsection (b)*
6 *and a detailed rationale for the reorganization option se-*
7 *lected.*

8 ***Subtitle C—Matters Relating to***
9 ***Force Levels***

10 ***SEC. 521. FLOOR ON END STRENGTHS.***

11 (a) *IN GENERAL.*—Chapter 39 of title 10, United
12 *States Code, is amended by adding at the end the following*
13 *new section:*

14 ***“§ 691. Permanent end strength levels to support two***
15 ***major regional contingencies***

16 “(a) *The end strengths specified in subsection (b) are*
17 *the minimum strengths necessary to enable the armed forces*
18 *to fulfill a national defense strategy calling for the United*
19 *States to be able to successfully conduct two nearly simulta-*
20 *neous major regional contingencies.*

21 “(b) *Unless otherwise provided by law, the number of*
22 *members of the armed forces (other than the Coast Guard)*
23 *on active duty at the end of any fiscal year shall be not*
24 *less than the following:*

25 “(1) *For the Army, 495,000.*

1 “(2) For the Navy, 395,000.

2 “(3) For the Marine Corps, 174,000.

3 “(4) For the Air Force, 381,000.

4 “(c) No funds appropriated to the Department of De-
5 fense may be used to reduce the active duty end strengths
6 for the armed forces below the levels specified in subsection
7 (b) unless the Secretary of Defense submits to Congress no-
8 tice of the proposed lower end strength levels and a justifica-
9 tion for those levels. No action may then be taken to reduce
10 such end strengths below the levels specified in subsection
11 (b) until the end of the six-month period beginning on the
12 date of the submission of such notification to Congress.

13 “(d) The number of members of the armed forces on
14 active duty shall be counted for purposes of this section in
15 the same manner as applies under section 115(a)(1) of this
16 title.”.

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

“691. Permanent end strength levels to support two major regional contin-
gencies.”.

20 **SEC. 522. ARMY OFFICER MANNING LEVELS.**

21 (a) *IN GENERAL.*—(1) Chapter 331 of title 10, United
22 States Code, is amended by inserting after the table of sec-
23 tions the following new section:

1 **“§3201. Officers on active duty: minimum strength**
2 **based on requirements**

3 “(a) The Secretary of the Army shall ensure that (be-
4 ginning with fiscal year 1999) the strength at the end of
5 each fiscal year of officers on active duty is sufficient to
6 enable the Army to meet at least 90 percent of the pro-
7 grammed manpower structure for the active component of
8 the Army.

9 “(b) The number of officers on active duty shall be
10 counted for purposes of this section in the same manner
11 as applies under section 115(a)(1) of this title.

12 “(c) In this section:

13 “(1) The term ‘programmed manpower structure’
14 means the aggregation of billets describing the full
15 manpower requirements for units and organizations
16 in the programmed force structure.

17 “(2) The term ‘programmed force structure’
18 means the set of units and organizations that exist in
19 the current year and that is planned to exist in each
20 future year under the then-current Future-Years De-
21 fense Program.”.

22 (2) The table of sections at the beginning of such chap-
23 ter is amended by inserting after “Sec.” the following new
24 item:

“3201. Officers on active duty: minimum strength based on requirements.”.

1 **(b) ASSISTANCE IN ACCOMPLISHING REQUIREMENT.**—
2 *The Secretary of Defense shall provide to the Army suffi-*
3 *cient personnel and financial resources (including resources*
4 *from outside Army accounts) to enable the Army to meet*
5 *the requirement specified in section 3201 of title 10, United*
6 *States Code, as added by subsection (a).*

7 **SEC. 523. COMPTROLLER GENERAL REVIEW OF PROPOSED**
8 **ARMY END STRENGTH ALLOCATIONS.**

9 **(a) IN GENERAL.**—*During fiscal years 1996 through*
10 *2001, the Comptroller General of the United States shall*
11 *analyze the plans of the Secretary of the Army for the allo-*
12 *cation of assigned active component end strengths for the*
13 *Army through the requirements process known as Total*
14 *Army Analysis 2003 and through any subsequent similar*
15 *requirements process of the Army that is conducted before*
16 *2002. The Comptroller General's analysis shall consider*
17 *whether the proposed active component end strengths and*
18 *planned allocation of forces for that period will be sufficient*
19 *to implement the national military strategy. In monitoring*
20 *those plans, the Comptroller General shall determine the ex-*
21 *tent to which the Army will be able during that period—*
22 **(1) to man fully the combat force based on the**
23 *projected active component Army end strength for*
24 *each of fiscal years 1996 through 2001;*

1 (2) to meet the support requirements for the force
2 and strategy specified in the report of the Bottom-Up
3 Review, including requirements for operations other
4 than war; and

5 (3) to streamline further Army infrastructure in
6 order to eliminate duplication and inefficiencies and
7 replace active duty personnel in overhead positions,
8 whenever practicable, with civilian or reserve person-
9 nel.

10 (b) ACCESS TO DOCUMENTS, ETC.—The Secretary of
11 the Army shall ensure that the Comptroller General is pro-
12 vided access, on a timely basis and in accordance with the
13 needs of the Comptroller General, to all analyses, models,
14 memoranda, reports, and other documents prepared or used
15 in connection with the requirements process of the Army
16 known as Total Army Analysis 2003 and any subsequent
17 similar requirements process of the Army that is conducted
18 before 2002.

19 (c) ANNUAL REPORT.—Not later than March 1 of each
20 year through 2002, the Comptroller General shall submit
21 to Congress a report on the findings and conclusions of the
22 Comptroller General under this section.

1 **SEC. 524. MANNING STATUS OF HIGHLY DEPLOYABLE SUP-**
2 **PORT UNITS.**

3 *Not later than September 30, 1996, the Secretary of*
4 *each military department shall submit to the Committee on*
5 *Armed Services of the Senate and the Committee on Na-*
6 *tional Security of the House of Representatives a report on*
7 *the units under that Secretary's jurisdiction that (as deter-*
8 *mined by the Secretary) are high-priority support units*
9 *that would deploy early in a contingency operation or other*
10 *crisis and that are, as a matter of policy, managed at less*
11 *than 100 percent of their authorized strengths. The Sec-*
12 *retary shall include in the report the number of such high-*
13 *priority support units (shown by type of unit), the level*
14 *of manning within such high-priority support units, and*
15 *either the justification for manning of less than 100 percent*
16 *or the status of corrective action.*

17 **SEC. 525. SENSE OF CONGRESS CONCERNING PERSONNEL**
18 **TEMPO RATES.**

19 *(a) FINDINGS.—Congress makes the following findings:*
20 *(1) Excessively high personnel tempo rates for*
21 *members of the Armed Forces resulting from high-*
22 *tempo unit operations degrades unit readiness and*
23 *morale and eventually can be expected to adversely af-*
24 *fect unit retention.*

1 (2) *The Armed Forces have begun to develop*
2 *methods to measure and manage personnel tempo*
3 *rates.*

4 (3) *The Armed Forces have attempted to reduce*
5 *operations and personnel tempo for heavily tasked*
6 *units by employing alternative capabilities and re-*
7 *ducing tasking requirements.*

8 (b) *SENSE OF CONGRESS.—The Secretary of Defense*
9 *should continue to enhance the knowledge within the Armed*
10 *Forces of personnel tempo and to improve the techniques*
11 *by which personnel tempo is managed with a view toward*
12 *establishing and achieving reasonable personnel tempo*
13 *standards for all personnel, regardless of unit or assign-*
14 *ment.*

15 ***Subtitle D—Amendments to the***
16 ***Uniform Code of Military Justice***

17 ***SEC. 541. REFERENCES TO UNIFORM CODE OF MILITARY***
18 ***JUSTICE.***

19 *Except as otherwise expressly provided, whenever in*
20 *this subtitle an amendment or repeal is expressed in terms*
21 *of an amendment to, or repeal of, a section or other provi-*
22 *sion, the reference shall be considered to be made to a section*
23 *or other provision of chapter 47 of title 10, United States*
24 *Code (the Uniform Code of Military Justice).*

1 **SEC. 542. FORFEITURE OF PAY AND ALLOWANCES DURING**
2 **CONFINEMENT BY SENTENCE OF COURT-MAR-**
3 **TIAL.**

4 (a) *FORFEITURE.*—(1) *Subchapter VIII is amended by*
5 *inserting after section 857 (article 57) the following new*
6 *section (article):*

7 **“§857a. Art. 57a. Sentences: forfeiture of pay and al-**
8 **lowances during confinement by sentence**
9 **of court-martial**

10 “(a) *A court-martial sentence, as announced by the*
11 *sentencing authority, that includes confinement shall result*
12 *in the forfeiture of pay and allowances due that member*
13 *during the period of the confinement or while on parole.*
14 *The forfeiture shall be effective on the date on which the*
15 *sentence is announced. The percentage of pay and allow-*
16 *ances forfeited shall be the maximum percentage that the*
17 *court-martial could have directed as part of the sentence.*

18 “(b) *If the sentence of a member who forfeits pay and*
19 *allowances under subsection (a) is set aside or disapproved*
20 *or, as finally approved, does not provide for confinement,*
21 *the member shall be paid the pay and allowances which*
22 *the member would have been paid, but for the forfeiture,*
23 *for the period during which the forfeiture was in effect.”.*

1 (2) *The table of sections at the beginning of subchapter*
2 *VIII is amended by inserting after the item relating to sec-*
3 *tion 857 (article 57) the following new item:*

“857a. 57a. Sentences: forfeiture of pay and allowances during confinement by sentence of court-martial.”.

4 (b) *ACTION BY THE CONVENING AUTHORITY.—Section*
5 *860 (article 60) is amended—*

6 (1) *by redesignating subsections (d) and (e) as*
7 *subsections (e) and (f) respectively; and*

8 (2) *by inserting after subsection (c) the following*
9 *new subsection:*

10 *“(d) In a case involving an accused who has depend-*
11 *ents and in which the sentence, as approved, includes con-*
12 *finement, the convening authority or other person taking*
13 *action under this section may waive some or all of the for-*
14 *feiture of pay and allowances otherwise required by section*
15 *857a of this title (article 57a). Any amount of pay and*
16 *allowances payable only by reason of such a waiver shall*
17 *be paid, as the convening authority or other person taking*
18 *action under this section directs, to the dependents of the*
19 *accused.”*

20 (c) *CONFORMING AMENDMENT.—(1) Section 804 of*
21 *title 37, United States Code, is repealed.*

22 (2) *The table of sections at the beginning of chapter*
23 *15 of such title is amended by striking out the item relating*
24 *to section 804.*

1 **SEC. 543. REFUSAL TO TESTIFY BEFORE COURT-MARTIAL.**

2 *Section 847(b) (article 47(b)) is amended by striking*
3 *out “shall be” in the second sentence and all that follows*
4 *inserting in lieu thereof “shall be fined or imprisoned, or*
5 *both, at the court’s discretion.”.*

6 **SEC. 544. FLIGHT FROM APPREHENSION.**

7 *(a) IN GENERAL.—Section 895 (article 95) is amended*
8 *to read as follows:*

9 **“§ 895. Art. 95. Resistance, flight, breach of arrest,**
10 **and escape**

11 *“Any person subject to this chapter who—*

12 *“(1) resists apprehension;*

13 *“(2) flees from apprehension;*

14 *“(3) breaks arrest; or*

15 *“(4) escapes from custody or confinement;*

16 *shall be punished as a court-martial may direct.”.*

17 *(b) CLERICAL AMENDMENT.—The item relating to sec-*
18 *tion 895 (article 95) in the table of sections at the beginning*
19 *of subchapter X is amended to read as follows:*

“895. 95. Resistance, flight, breach of arrest, and escape.”.

20 **SEC. 545. CARNAL KNOWLEDGE.**

21 *(a) GENDER NEUTRALITY.—Subsection (b) of section*
22 *920 (article 120) is amended to read as follows:*

23 *“(b) Any person subject to this chapter who, under cir-*
24 *cumstances not amounting to rape, commits an act of sex-*
25 *ual intercourse with a person—*

1 “(1) who is not that person’s spouse; and

2 “(2) who has not attained the age of sixteen
3 years;

4 is guilty of carnal knowledge and shall be punished as a
5 court-martial may direct.”.

6 (b) *MISTAKE OF FACT*.—Such section (article) is fur-
7 ther amended by adding at the end the following new sub-
8 section:

9 “(d) In a prosecution under subsection (b), it is a de-
10 fense that—

11 “(1) the person with whom the accused commit-
12 ted the act of sexual intercourse had at the time of the
13 alleged offense attained the age of twelve years; and

14 “(2) the accused reasonably believed that that
15 person had at the time of the alleged offense attained
16 the age of sixteen years.”.

17 **SEC. 546. TIME AFTER ACCESSION FOR INITIAL INSTRUC-**
18 **TION IN THE UNIFORM CODE OF MILITARY**
19 **JUSTICE.**

20 Section 937(a)(1) (article 137(a)(1)) is amended by
21 striking out “within six days” and inserting in lieu thereof
22 “within fourteen days”.

1 **SEC. 547. PERSONS WHO MAY APPEAR BEFORE THE UNITED**
2 **STATES COURT OF APPEALS FOR THE ARMED**
3 **FORCES.**

4 *Section 944 (article 144) is amended by adding at the*
5 *end the following new sentence: “However, no person may*
6 *appear before the court (whether on a brief or in person)*
7 *other than an attorney who is admitted to practice before*
8 *the court or who is authorized to appear by the court in*
9 *a particular case (except that the court may permit a third-*
10 *year law student certified under a State rule for practical*
11 *training of law students to appear as an amicus curiae).”.*

12 **SEC. 548. DISCRETIONARY REPRESENTATION BY GOVERN-**
13 **MENT APPELLATE DEFENSE COUNSEL IN PE-**
14 **TITIONING SUPREME COURT FOR WRIT OF**
15 **CERTIORARI.**

16 *Section 870 (article 70) is amended—*

17 *(1) in subsection (c), by inserting “(except as*
18 *provided in subsection (f))” before “the Supreme*
19 *Court”; and*

20 *(2) by adding at the end the following new sub-*
21 *section:*

22 *“(f) Representation of the accused by appellate defense*
23 *counsel in preparation of a petition to the Supreme Court*
24 *for a writ of certiorari shall be at the discretion of the ap-*
25 *pellate defense counsel.”.*

1 **SEC. 549. REPEAL OF TERMINATION OF AUTHORITY FOR**
2 **CHIEF JUSTICE OF UNITED STATES TO DES-**
3 **IGNATE ARTICLE III JUDGES FOR TEM-**
4 **PORARY SERVICE ON COURT OF APPEALS**
5 **FOR THE ARMED FORCES.**

6 *Subsection (i) of section 1301 of the National Defense*
7 *Authorization Act for Fiscal Years 1990 and 1991 (Public*
8 *Law 101–189; 10 U.S.C. 942 note) is repealed.*

9 **SEC. 550. TECHNICAL AMENDMENT.**

10 *Section 866(f) (article 66(f)) is amended by striking*
11 *out “Courts of Military Review” both places it appears and*
12 *inserting in lieu thereof “Courts of Criminal Appeals”.*

13 **Subtitle E—Other Matters**

14 **SEC. 551. EQUALIZATION OF ACCRUAL OF SERVICE CREDIT**
15 **FOR OFFICERS AND ENLISTED MEMBERS.**

16 *(a) ENLISTED SERVICE CREDIT.—Section 972 of title*
17 *10, United States Code, is amended—*

18 *(1) by inserting “(a) ENLISTED MEMBERS RE-*
19 *QUIRED TO MAKE UP TIME LOST.—” before “An en-*
20 *listed member”;*

21 *(2) by striking out paragraphs (3) and (4) and*
22 *inserting in lieu thereof the following:*

23 *“(3) is confined by military or civilian authori-*
24 *ties for more than one day before, during, or after*
25 *trial; or”; and*

1 (3) by redesignating paragraph (5) as para-
2 graph (4).

3 (b) *OFFICER SERVICE CREDIT*.—Such section is fur-
4 ther amended by adding at the end the following:

5 “(b) *OFFICERS NOT ALLOWED SERVICE CREDIT FOR*
6 *TIME LOST*.—In the case of an officer of an armed force
7 who after the date of the enactment of the National Defense
8 Authorization Act for Fiscal Year 1996—

9 “(1) deserts;

10 “(2) is absent from his organization, station, or
11 duty for more than one day without proper authority,
12 as determined by competent authority;

13 “(3) is confined by military or civilian authori-
14 ties for more than one day before, during, or after
15 trial; or

16 “(4) is unable for more than one day, as deter-
17 mined by competent authority, to perform his duties
18 because of intemperate use of drugs or alcoholic liq-
19 uor, or because of disease or injury resulting from his
20 misconduct;

21 the period of such desertion, absence, confinement, or inabil-
22 ity to perform duties may not be counted in computing,
23 for any purpose other than basic pay under section 205 of
24 title 37, the officer’s length of service.”.

1 (c) *CLERICAL AMENDMENTS.*—(1) *The heading of such*
2 *section is amended to read as follows:*

3 **“§ 972. Members: effect of time lost**

4 (2) *The item relating to section 972 in the table of*
5 *sections at the beginning of chapter 49 of such title is*
6 *amended to read as follows:*

“972. Members: effect of time lost.”.

7 (d) *CONFORMING AMENDMENTS.*—(1) *Section 1405(c)*
8 *is amended—*

9 (A) *by striking out “MADE UP.—Time” and in-*
10 *serting in lieu thereof “MADE UP OR EXCLUDED.—*
11 *(1) Time”;*

12 (B) *by striking out “section 972” and inserting*
13 *in lieu thereof “section 972(a)”;*

14 (C) *by inserting after “of this title” the follow-*
15 *ing: “, or required to be made up by an enlisted mem-*
16 *ber of the Navy, Marine Corps, or Coast Guard under*
17 *that section with respect to a period of time after the*
18 *date of the enactment of the National Defense Author-*
19 *ization Act for Fiscal Year 1995,”; and*

20 (D) *by adding at the end the following:*

21 “*(2) Section 972(b) of this title excludes from computa-*
22 *tion of an officer’s years of service for purposes of this sec-*
23 *tion any time identified with respect to that officer under*
24 *that section.”.*

25 (2) *Chapter 367 of such title is amended—*

1 *tember 30, 1995” and inserting in lieu thereof “September*
2 *30, 1996”.*

3 *(c) YEARS OF SERVICE FOR MANDATORY TRANSFER*
4 *TO THE RETIRED RESERVE.—Section 1016(d) of the De-*
5 *partment of Defense Authorization Act, 1984 (10 U.S.C.*
6 *3360 note), is amended by striking out “September 30,*
7 *1995” and inserting in lieu thereof “September 30, 1996”.*

8 *(d) AUTHORITY FOR TEMPORARY PROMOTIONS OF*
9 *CERTAIN NAVY LIEUTENANTS.—Section 5721 of title 10,*
10 *United States Code, is amended by striking out “September*
11 *30, 1995” and inserting in lieu thereof “September 30,*
12 *1998”.*

13 ***SEC. 553. INCREASE IN EDUCATIONAL ASSISTANCE ALLOW-***
14 ***ANCE WITH RESPECT TO SKILLS OR SPECIAL-***
15 ***TIES FOR WHICH THERE IS A CRITICAL***
16 ***SHORTAGE OF PERSONNEL.***

17 *Section 16131 of title 10, United States Code, is*
18 *amended by adding at the end the following new subsection:*

19 *“(j)(1) In the case of a person who has a skill or spe-*
20 *cialty designated by the Secretary concerned as a skill or*
21 *specialty in which there is a critical shortage of personnel*
22 *or for which it is difficult to recruit or, in the case of criti-*
23 *cal units, retain personnel, the Secretary concerned may in-*
24 *crease the rate of the educational assistance allowance ap-*
25 *plicable to that person to such rate in excess of the rate*

1 *prescribed under subparagraphs (A) through (D) of sub-*
2 *section (b)(1) as the Secretary of Defense considers appro-*
3 *priate, but the amount of any such increase may not exceed*
4 *\$350 per month.*

5 *“(2) The authority provided by paragraph (1) shall*
6 *be exercised by the Secretaries of the military departments*
7 *under regulations prescribed by the Secretary of Defense.”.*

8 **SEC. 554. AMENDMENTS TO EDUCATION LOAN REPAYMENT**
9 **PROGRAMS.**

10 *(a) GENERAL EDUCATION LOAN REPAYMENT PRO-*
11 *GRAM.—Section 2171(a)(1) of title 10, United States Code,*
12 *is amended—*

13 *(1) by striking out “or” at the end of subpara-*
14 *graph (A);*

15 *(2) by redesignating subparagraph (B) as sub-*
16 *paragraph (C); and*

17 *(3) by inserting after subparagraph (A) the fol-*
18 *lowing new subparagraph (B):*

19 *“(B) any loan made under part D of such title*
20 *(the William D. Ford Federal Direct Loan Program,*
21 *20 U.S.C. 1087a et seq.); or”.*

22 *(b) EDUCATION LOAN REPAYMENT PROGRAM FOR EN-*
23 *LISTED MEMBERS OF SELECTED RESERVE WITH CRITICAL*
24 *SPECIALTIES.—Section 16301(a)(1) of such title is amend-*
25 *ed—*

1 (1) by striking out “or” at the end of subpara-
2 graph (A);

3 (2) by redesignating subparagraph (B) as sub-
4 paragraph (C); and

5 (3) by inserting after subparagraph (A) the fol-
6 lowing new subparagraph (B):

7 “(B) any loan made under part D of such title
8 (the William D. Ford Federal Direct Loan Program,
9 20 U.S.C. 1087a et seq.); or”.

10 (c) *EDUCATION LOAN REPAYMENT PROGRAM FOR*
11 *HEALTH PROFESSIONS OFFICERS SERVING IN SELECTED*
12 *RESERVE WITH WARTIME CRITICAL MEDICAL SKILL*
13 *SHORTAGES.*—Section 16302(a) of such title is amended—

14 (1) by redesignating paragraphs (2) through (4)
15 as paragraphs (3) through (5) respectively; and

16 (2) by inserting after paragraph (1) the follow-
17 ing new paragraph (2):

18 “(2) any loan made under part D of such title
19 (the William D. Ford Federal Direct Loan Program,
20 20 U.S.C. 1087a et seq.); or”.

1 **SEC. 555. RECOGNITION BY STATES OF LIVING WILLS OF**
2 **MEMBERS, CERTAIN FORMER MEMBERS, AND**
3 **THEIR DEPENDENTS.**

4 (a) *RECOGNITION BY STATES REQUIRED.*—(1) Chap-
5 *ter 53 of title 10, United States Code, is amended by insert-*
6 *ing after section 1044b the following new section:*

7 **“§ 1044c. Military advance medical directives: require-**
8 **ment for recognition by States**

9 “(a) *INSTRUMENTS TO BE GIVEN LEGAL EFFECT*
10 *WITHOUT REGARD TO STATE LAW.*—A military advance
11 *medical directive—*

12 “(1) *is exempt from any requirement of form,*
13 *substance, formality, or recording that is provided for*
14 *advance medical directives under the laws of a State;*
15 *and*

16 “(2) *shall be given the same legal effect as an ad-*
17 *vance medical directive prepared and executed in ac-*
18 *cordance with the laws of the State concerned.*

19 “(b) *MILITARY ADVANCE MEDICAL DIRECTIVES.*—For
20 *the purposes of this section, a military advance medical di-*
21 *rective is any written declaration regarding future medical*
22 *treatment that—*

23 “(1) *is executed by a person eligible for legal as-*
24 *sistance under section 1044(a) of this title or regula-*
25 *tions of the Secretary concerned; and*

26 “(2) *is intended—*

1 “(A) to provide, withdraw, or withhold life-
2 prolonging procedures, including hydration and
3 sustenance, in the event of a terminal condition
4 or persistent vegetative state of the declarant; or

5 “(B) to appoint another person to make
6 health care decisions for the declarant under cir-
7 cumstances stated in the declaration if the de-
8 clarant is determined to be incapable of making
9 informed health care decisions.

10 “(c) *STATEMENT TO BE INCLUDED.*—Under regula-
11 tions prescribed by the Secretary concerned, a written dec-
12 laration described in subsection (b) shall contain a state-
13 ment that clearly indicates the purpose of the declaration
14 to serve as the military advance medical directive of the
15 declarant. However, the failure of a military advance medi-
16 cal directive to include such a statement shall not be con-
17 strued to negate the legal effect of the directive under sub-
18 section (a).

19 “(d) *STATE DEFINED.*—In this section, the term
20 ‘State’ includes the District of Columbia, the Common-
21 wealth of Puerto Rico, and a possession of the United
22 States.”.

1 (2) *The table of sections at the beginning of such chap-*
2 *ter is amended by inserting after the item relating to section*
3 *1044b the following new item:*

“1044c. Military advance medical directives: requirement for recognition by States.”.

4 (b) *EFFECTIVE DATE.*—*Section 1044c of title 10,*
5 *United States Code, as added by subsection (a), shall apply*
6 *with respect to any military advance medical directive de-*
7 *scribed in such section declared before, on, or after the date*
8 *of the enactment of this Act.*

9 **SEC. 556. TRANSITIONAL COMPENSATION FOR DEPEND-**
10 **ENTS OF MEMBERS OF THE ARMED FORCES**
11 **SEPARATED FOR DEPENDENT ABUSE.**

12 (a) *MANDATORY PROGRAM.*—*Subsection (a) of section*
13 *1059 of title 10, United States Code, is amended by striking*
14 *out “may each establish a program” and inserting in lieu*
15 *thereof “shall each establish a program”.*

16 (b) *PAYMENT TO DEPENDENTS OF MEMBERS NOT DIS-*
17 *CHARGED.*—*Subsection (d) of such section is amended by*
18 *striking out “of a separation from active duty as” in the*
19 *first sentence.*

20 **SEC. 557. ARMY RANGER TRAINING.**

21 (a) *IN GENERAL.*—(1) *Chapter 401 of title 10, United*
22 *States Code, is amended by inserting after section 4302 the*
23 *following new section:*

1 **“§ 4303. Army Ranger Training: instructor staffing;**
2 **safety**

3 “(a) *LEVELS OF PERSONNEL ASSIGNED TO BE NOT*
4 *LESS THAN NUMBER REQUIRED.*—(1) *The Secretary of the*
5 *Army shall ensure that at all times the number of officers,*
6 *and the number of enlisted members, permanently assigned*
7 *to the Army Ranger Training Brigade (or other organiza-*
8 *tional element of the Army primarily responsible for ranger*
9 *student training) are not less than the required manning*
10 *spaces for that brigade.*

11 “(2) *If at any time the number of officers, or the num-*
12 *ber of enlisted members, permanently assigned to the Rang-*
13 *er Training Brigade is less than the required manning*
14 *spaces for officers, or for enlisted members, as the case may*
15 *be, for the Brigade, the Secretary of the Army shall submit*
16 *to Congress a notice of such shortage, together with a state-*
17 *ment of the reasons for the shortage and of the expected date*
18 *when the number assigned will be not less than the required*
19 *manning spaces, in accordance with paragraph (1).*

20 “(b) *REQUIRED MANNING SPACES.*—(1) *The Secretary*
21 *of the Army may not (except as provided in paragraph (3))*
22 *reduce the required manning spaces for the Ranger Train-*
23 *ing Brigade below the baseline required manning spaces.*

24 “(2) *In this section:*

25 “(A) *The term ‘required manning spaces’ means*
26 *the number of personnel spaces for officers, and the*

1 *number of personnel spaces for enlisted members, that*
2 *are designated in Army authorization documents as*
3 *the number required to accomplish the missions of a*
4 *particular unit or organization.*

5 *“(B) The term ‘baseline required manning*
6 *spaces’ means the required manning spaces for the*
7 *Army Ranger Training Brigade as of February 10,*
8 *1995, of 94 officers and 658 enlisted members.*

9 *“(3) The Secretary may (subject to paragraph (4))*
10 *make reductions in required manning spaces for the Army*
11 *Ranger Training Brigade from the baseline required man-*
12 *ning spaces if—*

13 *“(A) reductions in ranger student training loads*
14 *result in decreased instructor workload; and*

15 *“(B) one or more of the three major phases of the*
16 *Ranger Course (conducted at Fort Benning, Georgia,*
17 *at the Mountain Ranger Camp, and in Florida) is*
18 *eliminated.*

19 *“(4) Before making a reduction authorized by para-*
20 *graph (3) in required manning spaces, the Secretary of the*
21 *Army shall submit to Congress a report on the proposed*
22 *reduction. Such a reduction may not be made unless the*
23 *report includes a certification by the Secretary that the re-*
24 *duction will not reduce the ability of the commander of the*
25 *Ranger Training Brigade to conduct training safely. The*

1 report shall include a description of the reduction (includ-
2 ing specification of the number of officers and the number
3 of enlisted members that will be considered to be required
4 to carry out the missions of the Army Ranger Training Bri-
5 gade after the reduction) and shall set forth the rationale
6 of the Secretary for the reduction.

7 “(c) TRAINING SAFETY CELLS.—(1) The Secretary of
8 the Army shall establish and maintain an organizational
9 entity known as a ‘safety cell’ as part of the organizational
10 elements of the Army responsible for conducting each of the
11 three major phases of the Ranger Course. The safety cell
12 in each different geographic area of Ranger Course training
13 shall be comprised of personnel who have sufficient continu-
14 ity and experience in that geographic area of such training
15 to be knowledgeable of the local conditions year-round, in-
16 cluding conditions of terrain, weather, water, and climate
17 and other conditions and the potential effect on those condi-
18 tions on Ranger student training and safety.

19 “(2) Members of each safety cell shall be assigned in
20 sufficient numbers to serve as advisers to the officers in
21 charge of the major phase of Ranger training and shall as-
22 sist those officers in making informed daily ‘go’ and ‘no-
23 go’ decisions regarding training in light of all relevant con-
24 ditions, including conditions of terrain, weather, water,
25 and climate and other conditions.”.

1 (2) *The table of sections at the beginning of such chap-*
2 *ter is amended by inserting after the item relating to section*
3 *4302 the following new item:*

“4303. Army Ranger Training: instructor staffing; safety.”.

4 (b) *ACCOMPLISHMENT OF REQUIRED MANNING LEV-*
5 *ELS.—(1) If, as of the date of the enactment of this Act,*
6 *the number of officers, or the number of enlisted members,*
7 *permanently assigned to the Ranger Training Brigade is*
8 *not 100 percent (or more) of the requirement specified in*
9 *subsection (b) of section 4303 of title 10, United States*
10 *Code, as added by subsection (a), the Secretary of the*
11 *Army—*

12 (A) *shall take such steps as necessary to accom-*
13 *plish that requirement within 12 months after such*
14 *date of enactment; and*

15 (B) *not later than 90 days after such date of en-*
16 *actment, shall submit to Congress a plan to achieve*
17 *and maintain that requirement.*

18 (2) *If the Secretary does not accomplish the require-*
19 *ment referred to in paragraph (1) with respect to both offi-*
20 *cers and enlisted members within 12 months after the date*
21 *of the enactment of this Act (as required by paragraph*
22 *(1)(A)), the Secretary shall halt all training activities of*
23 *the Ranger Training Brigade until the requirement is met.*

1 **SEC. 558. REPEAL OF CERTAIN CIVIL-MILITARY PROGRAMS.**

2 (a) *REPEAL OF CIVIL-MILITARY COOPERATIVE ACTION*
3 *PROGRAM.*—(1) *Section 410 of title 10, United States Code,*
4 *and section 1081(a) of the National Defense Authorization*
5 *Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C.*
6 *410 note) are repealed.*

7 (2) *The table of sections at the beginning of chapter*
8 *20 of title 10, United States Code, is amended by striking*
9 *out the item relating to section 410.*

10 (b) *REPEAL OF RELATED PROVISIONS.*—*The following*
11 *sections of the National Defense Authorization Act for Fis-*
12 *cal Year 1993 (Public Law 102–484) are repealed.*

13 (1) *Section 1045 (10 U.S.C. 410 note), relating*
14 *to a pilot outreach program to reduce demand for ille-*
15 *gal drugs.*

16 (2) *Section 1091 (32 U.S.C. 501 note), relating*
17 *to the National Guard Civilian Youth Opportunities*
18 *Program.*

19 (c) *TERMINATION OF SUPPORT OF CIVILIAN COMMU-*
20 *NITY CORPS.*—(1) *The Secretary of Defense may not pro-*
21 *vide support to, or participate in, the Civilian Community*
22 *Corps Demonstration Program established under subtitle E*
23 *of title I of the National and Community Service Act of*
24 *1990 (42 U.S.C. 12611–12626) or the Civilian Community*
25 *Corps required as part of that demonstration program.*

1 (2) *Section 1093 of the National Defense Authorization*
2 *Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C.*
3 *12612 note), relating to coordination between the National*
4 *Guard Civilian Youth Opportunities Pilot Program and the*
5 *Civilian Community Corps Demonstration Program, is re-*
6 *pealed.*

7 **SEC. 559. ELIGIBILITY FOR ARMED FORCES EXPEDITION-**
8 **ARY MEDAL BASED UPON SERVICE IN EL SAL-**
9 **VADOR.**

10 (a) *IN GENERAL.*—*For the purpose of determining eli-*
11 *gibility of members and former members of the Armed*
12 *Forces for the Armed Forces Expeditionary Medal, the*
13 *country of El Salvador during the period beginning on*
14 *January 1, 1981 and ending on February 1, 1992, shall*
15 *be treated as having been designated as an area and a pe-*
16 *riod of time in which members of the Armed Forces partici-*
17 *ipated in operations in significant numbers and otherwise*
18 *met the general requirements for the award of that medal.*

19 (b) *INDIVIDUAL DETERMINATION.*—*The Secretary of*
20 *the military department concerned shall determine whether*
21 *individual members or former members of the Armed Forces*
22 *who served in El Salvador during the period beginning on*
23 *January 1, 1981 and ending on February 1, 1992 meet the*
24 *individual service requirements for award of the Armed*
25 *Forces Expeditionary Medal as established in applicable*

1 *regulations. Such determinations shall be made as expedi-*
 2 *tiously as possible after the date of the enactment of this*
 3 *Act.*

4 **SEC. 560. REVISION AND CODIFICATION OF MILITARY FAM-**
 5 **ILY ACT AND MILITARY CHILD CARE ACT.**

6 (a) *IN GENERAL.*—(1) *Subtitle A of title 10, United*
 7 *States Code, is amended by inserting after chapter 87 the*
 8 *following new chapter:*

9 **“CHAPTER 88—MILITARY FAMILY**
 10 **PROGRAMS AND MILITARY CHILD CARE**

<i>“Subchapter</i>	<i>Sec.</i>
<i>“I. Military Family Programs</i>	<i>1781</i>
<i>“II. Military Child Care</i>	<i>1791</i>

11 **“SUBCHAPTER I—MILITARY FAMILY PROGRAMS**

<i>“Sec.</i>
<i>“1781. Office of Family Policy.</i>
<i>“1782. Surveys of military families.</i>
<i>“1783. Family members serving on advisory committees.</i>
<i>“1784. Employment opportunities for military spouses.</i>
<i>“1785. Youth sponsorship program.</i>
<i>“1786. Dependent student travel within the United States.</i>
<i>“1787. Reporting of child abuse.</i>

12 **“§ 1781. Office of Family Policy**

13 *“(a) ESTABLISHMENT.—There is in the Office of the*
 14 *Secretary of Defense an Office of Family Policy (hereinafter*
 15 *in this section referred to as the ‘Office’). The Office shall*
 16 *be under the Assistant Secretary of Defense for Force Man-*
 17 *agement and Personnel.*

18 *“(b) DUTIES.—The Office—*

1 “(1) shall coordinate programs and activities of
2 the military departments to the extent that they relate
3 to military families; and

4 “(2) shall make recommendations to the Sec-
5 retaries of the military departments with respect to
6 programs and policies regarding military families.

7 “(c) *STAFF*.—The Office shall have not less than five
8 professional staff members.

9 **“§ 1782. Surveys of military families**

10 “(a) *AUTHORITY*.—The Secretary of Defense may con-
11 duct surveys of members of the armed forces on active duty
12 or in an active status, members of the families of such mem-
13 bers, and retired members of the armed forces to determine
14 the effectiveness of Federal programs relating to military
15 families and the need for new programs.

16 “(b) *RESPONSES TO BE VOLUNTARY*.—Responses to
17 surveys conducted under this section shall be voluntary.

18 “(c) *FEDERAL RECORDKEEPING REQUIREMENTS*.—
19 With respect to such surveys, family members of members
20 of the armed forces and reserve and retired members of the
21 armed forces shall be considered to be employees of the Unit-
22 ed States for purposes of section 3502(4)(A) of title 44.

1 **“§ 1783. Family members serving on advisory commit-**
2 **tees**

3 *“A committee within the Department of Defense which*
4 *advises or assists the Department in the performance of any*
5 *function which affects members of military families and*
6 *which includes members of military families in its member-*
7 *ship shall not be considered an advisory committee under*
8 *section 3(2) of the Federal Advisory Committee Act (5*
9 *U.S.C. App.) solely because of such membership.*

10 **“§ 1784. Employment opportunities for military**
11 **spouses**

12 *“(a) AUTHORITY.—The President shall order such*
13 *measures as the President considers necessary to increase*
14 *employment opportunities for spouses of members of the*
15 *armed forces. Such measures may include—*

16 *“(1) excepting, pursuant to section 3302 of title*
17 *5, from the competitive service positions in the De-*
18 *partment of Defense located outside of the United*
19 *States to provide employment opportunities for quali-*
20 *fied spouses of members of the armed forces in the*
21 *same geographical area as the permanent duty sta-*
22 *tion of the members; and*

23 *“(2) providing preference in hiring for positions*
24 *in nonappropriated fund activities to qualified*
25 *spouses of members of the armed forces stationed in*
26 *the same geographical area as the nonappropriated*

1 *fund activity for positions in wage grade UA-8 and*
2 *below and equivalent positions and for positions paid*
3 *at hourly rates.*

4 *“(b) REGULATIONS.—The Secretary of Defense shall*
5 *prescribe regulations—*

6 *“(1) to implement such measures as the Presi-*
7 *dent orders under subsection (a);*

8 *“(2) to provide preference to qualified spouses of*
9 *members of the armed forces in hiring for any civil-*
10 *ian position in the Department of Defense if the*
11 *spouse is among persons determined to be best quali-*
12 *fied for the position and if the position is located in*
13 *the same geographical area as the permanent duty*
14 *station of the member;*

15 *“(3) to ensure that notice of any vacant position*
16 *in the Department of Defense is provided in a man-*
17 *ner reasonably designed to reach spouses of members*
18 *of the armed forces whose permanent duty stations*
19 *are in the same geographic area as the area in which*
20 *the position is located; and*

21 *“(4) to ensure that the spouse of a member of the*
22 *armed forces who applies for a vacant position in the*
23 *Department of Defense shall, to the extent practicable,*
24 *be considered for any such position located in the*

1 **“§ 1787. Reporting of child abuse**

2 “(a) *IN GENERAL.*—*The Secretary of Defense shall re-*
 3 *quest each State to provide for the reporting to the Sec-*
 4 *retary of any report the State receives of known or suspected*
 5 *instances of child abuse and neglect in which the person*
 6 *having care of the child is a member of the armed forces*
 7 *(or the spouse of the member).*

8 “(b) *DEFINITION.*—*In this section, the term ‘child*
 9 *abuse and neglect’ has the meaning provided in section 3(1)*
 10 *of the Child Abuse Prevention and Treatment Act (42*
 11 *U.S.C. 5102).*

12 “*SUBCHAPTER II—MILITARY CHILD CARE*

“*Sec.*

“1791. *Funding for military child care.*

“1792. *Child care employees.*

“1793. *Parent fees.*

“1794. *Child abuse prevention and safety at facilities.*

“1795. *Parent partnerships with child development centers.*

“1796. *Subsidies for family home day care.*

“1797. *Early childhood education program.*

“1798. *Definitions.*

13 **“§ 1791. Funding for military child care**

14 “*It is the policy of Congress that the amount of appro-*
 15 *priated funds available during a fiscal year for operating*
 16 *expenses for military child development centers and pro-*
 17 *grams shall be not less than the amount of child care fee*
 18 *receipts that are estimated to be received by the Department*
 19 *of Defense during that fiscal year.*

1 **“§ 1792. Child care employees**

2 “(a) *REQUIRED TRAINING.*—(1) *The Secretary of De-*
3 *fense shall prescribe regulations implementing, a training*
4 *program for child care employees. Those regulations shall*
5 *apply uniformly among the military departments. Subject*
6 *to paragraph (2), satisfactory completion of the training*
7 *program shall be a condition of employment of any person*
8 *as a child care employee.*

9 “(2) *Under those regulations, the Secretary shall re-*
10 *quire that each child care employee complete the training*
11 *program not later than six months after the date on which*
12 *the employee is employed as a child care employee.*

13 “(3) *The training program established under this sub-*
14 *section shall cover, at a minimum, training in the follow-*
15 *ing:*

16 “(A) *Early childhood development.*

17 “(B) *Activities and disciplinary techniques ap-*
18 *propriate to children of different ages.*

19 “(C) *Child abuse prevention and detection.*

20 “(D) *Cardiopulmonary resuscitation and other*
21 *emergency medical procedures.*

22 “(b) *TRAINING AND CURRICULUM SPECIALISTS.*—(1)
23 *The Secretary of Defense shall require that at least one em-*
24 *ployee at each military child development center be a spe-*
25 *cialist in training and curriculum development. The Sec-*

1 *retary shall ensure that such employees have appropriate*
2 *credentials and experience.*

3 “(2) *The duties of such employees shall include the fol-*
4 *lowing:*

5 “(A) *Special teaching activities at the center.*

6 “(B) *Daily oversight and instruction of other*
7 *child care employees at the center.*

8 “(C) *Daily assistance in the preparation of les-*
9 *son plans.*

10 “(D) *Assistance in the center’s child abuse pre-*
11 *vention and detection program.*

12 “(E) *Advising the director of the center on the*
13 *performance of other child care employees.*

14 “(3) *Each employee referred to in paragraph (1) shall*
15 *be an employee in a competitive service position.*

16 “(c) *COMPETITIVE RATES OF PAY.—For the purpose*
17 *of providing military child development centers with a*
18 *qualified and stable civilian workforce, employees at a mili-*
19 *tary installation who are directly involved in providing*
20 *child care and are paid from nonappropriated funds—*

21 “(1) *in the case of entry-level employees, shall be*
22 *paid at rates of pay competitive with the rates of pay*
23 *paid to other entry-level employees at that installa-*
24 *tion who are drawn from the same labor pool; and*

1 “(2) in the case of other employees, shall be paid
2 at rates of pay substantially equivalent to the rates
3 of pay paid to other employees at that installation
4 with similar training, seniority, and experience.

5 “(d) *EMPLOYMENT PREFERENCE PROGRAM FOR MILI-*
6 *TARY SPOUSES.—(1) The Secretary of Defense shall conduct*
7 *a program under which qualified spouses of members of the*
8 *armed forces shall be given a preference in hiring for the*
9 *position of child care employee in a position paid from*
10 *nonappropriated funds if the spouse is among persons de-*
11 *termined to be best qualified for the position.*

12 “(2) A spouse who is provided a preference under this
13 subsection at a military child development center may not
14 be precluded from obtaining another preference, in accord-
15 ance with section 1794 of this title, in the same geographic
16 area as the military child development center.

17 “(e) *COMPETITIVE SERVICE POSITION DEFINED.—In*
18 *this section, the term ‘competitive service position’ means*
19 *a position in the competitive service, as defined in section*
20 *2102(a)(1) of title 5.*

21 **“§ 1793. Parent fees**

22 “(a) *IN GENERAL.—The Secretary of Defense shall*
23 *prescribe regulations establishing fees to be charged parents*
24 *for the attendance of children at military child development*
25 *centers. Those regulations shall be uniform for the military*

1 departments and shall require that, in the case of children
2 who attend the centers on a regular basis, the fees shall be
3 based on family income.

4 “(b) LOCAL WAIVER AUTHORITY.—The Secretary of
5 Defense may provide authority to installation commanders,
6 on a case-by-case basis, to establish fees for attendance of
7 children at child development centers at rates lower than
8 those prescribed under subsection (a) if the rates prescribed
9 under subsection (a) are not competitive with rates at local
10 non-military child development centers.

11 **“§ 1794. Child abuse prevention and safety at facili-**
12 **ties**

13 “(a) CHILD ABUSE TASK FORCE.—The Secretary of
14 Defense shall maintain a special task force to respond to
15 allegations of widespread child abuse at a military installa-
16 tion. The task force shall be composed of personnel from ap-
17 propriate disciplines, including, where appropriate, medi-
18 cine, psychology, and childhood development. In the case of
19 such allegations, the task force shall provide assistance to
20 the commander of the installation, and to parents at the
21 installation, in helping them to deal with such allegations.

22 “(b) NATIONAL HOTLINE.—(1) The Secretary of De-
23 fense shall maintain a national telephone number for per-
24 sons to use to report suspected child abuse or safety viola-
25 tions at a military child development center or family home

1 day care site. The Secretary shall ensure that such reports
2 may be made anonymously if so desired by the person mak-
3 ing the report. The Secretary shall establish procedures for
4 following up on complaints and information received over
5 that number.

6 “(2) The Secretary shall publicize the existence of the
7 number.

8 “(c) ASSISTANCE FROM LOCAL AUTHORITIES.—The
9 Secretary of Defense shall prescribe regulations requiring
10 that, in a case of allegations of child abuse at a military
11 child development center or family home day care site, the
12 commander of the military installation or the head of the
13 task force established under subsection (a) shall seek the as-
14 sistance of local child protective authorities if such assist-
15 ance is available.

16 “(d) SAFETY REGULATIONS.—The Secretary of De-
17 fense shall prescribe regulations on safety and operating
18 procedures at military child development centers. Those reg-
19 ulations shall apply uniformly among the military depart-
20 ments.

21 “(e) INSPECTIONS.—The Secretary of Defense shall re-
22 quire that each military child development center be in-
23 spected not less often than four times a year. Each such
24 inspection shall be unannounced. At least one inspection a
25 year shall be carried out by a representative of the installa-

1 *tion served by the center, and one inspection a year shall*
2 *be carried out by a representative of the major command*
3 *under which that installation operates.*

4 “(f) *REMEDIES FOR VIOLATIONS.—(1) Except as pro-*
5 *vided in paragraph (2), any violation of a safety, health,*
6 *or child welfare law or regulation (discovered at an inspec-*
7 *tion or otherwise) at a military child development center*
8 *shall be remedied immediately.*

9 “(2) *In the case of a violation that is not life threaten-*
10 *ing, the commander of the major command under which*
11 *the installation concerned operates may waive the require-*
12 *ment that the violation be remedied immediately for a pe-*
13 *riod of up to 90 days beginning on the date of the discovery*
14 *of the violation. If the violation is not remedied as of the*
15 *end of that 90-day period, the military child development*
16 *center shall be closed until the violation is remedied. The*
17 *Secretary of the military department concerned may waive*
18 *the preceding sentence and authorize the center to remain*
19 *open in a case in which the violation cannot reasonably*
20 *be remedied within that 90-day period or in which major*
21 *facility reconstruction is required.*

22 “(3) *If a military child development center is closed*
23 *under paragraph (2), the Secretary of the military depart-*
24 *ment concerned shall promptly submit to the Committee on*
25 *Armed Services of the Senate and the Committee on Na-*

1 *tional Security of the House of Representatives a report no-*
2 *tifying those committees of the closing. The report shall in-*
3 *clude—*

4 “(A) *notice of the violation that resulted in the*
5 *closing and the cost of remedying the violation; and*

6 “(B) *a statement of the reasons why the violation*
7 *has not been remedied as of the time of the report.*

8 **“§ 1795. Parent partnerships with child development**
9 **centers**

10 “(a) *PARENT BOARDS.—The Secretary of Defense shall*
11 *require that there be established at each military child de-*
12 *velopment center a board of parents, to be composed of par-*
13 *ents of children attending the center. The board shall meet*
14 *periodically with staff of the center and the commander of*
15 *the installation served by the center for the purpose of dis-*
16 *cussing problems and concerns. The board, together with the*
17 *staff of the center, shall be responsible for coordinating the*
18 *parent participation program described in subsection (b).*

19 “(b) *PARENT PARTICIPATION PROGRAMS.—The Sec-*
20 *retary of Defense shall require the establishment of a parent*
21 *participation program at each military child development*
22 *center. As part of such program, the Secretary of Defense*
23 *may establish fees for attendance of children at such a cen-*
24 *ter, in the case of parents who participate in the parent*

1 participation program at that center, at rates lower than
2 the rates that otherwise apply.

3 **“§ 1796. Subsidies for family home day care**

4 “The Secretary of Defense may use appropriated funds
5 available for military child care purposes to provide assist-
6 ance to family home day care providers so that family home
7 day care services can be provided to members of the armed
8 forces at a cost comparable to the cost of services provided
9 by military child development centers. The Secretary shall
10 prescribe regulations for the provision of such assistance.

11 **“§ 1797. Early childhood education program**

12 “The Secretary of Defense shall require that all mili-
13 tary child development centers meet standards of operation
14 necessary for accreditation by an appropriate national
15 early childhood programs accrediting body.

16 **“§ 1798. Definitions**

17 “In this subchapter:

18 “(1) The term ‘military child development cen-
19 ter’ means a facility on a military installation (or on
20 property under the jurisdiction of the commander of
21 a military installation) at which child care services
22 are provided for members of the armed forces or any
23 other facility at which such child care services are
24 provided that is operated by the Secretary of a mili-
25 tary department.

1 “(2) The term ‘family home day care’ means
2 home-based child care services that are provided for
3 members of the armed forces by an individual who
4 (A) is certified by the Secretary of the military de-
5 partment concerned as qualified to provide those serv-
6 ices, and (B) provides those services on a regular
7 basis for compensation.

8 “(3) The term ‘child care employee’ means a ci-
9 vilian employee of the Department of Defense who is
10 employed to work in a military child development
11 center (regardless of whether the employee is paid
12 from appropriated funds or nonappropriated funds).

13 “(4) The term ‘child care fee receipts’ means
14 those nonappropriated funds that are derived from
15 fees paid by members of the armed forces for child
16 care services provided at military child development
17 centers.”.

18 (2) The tables of chapters at the beginning of subtitle
19 A, and at the beginning of part II of subtitle A, of title
20 10, United States Code, are amended by inserting after the
21 item relating to chapter 87 the following new item:

“88. Military Family Programs and Military Child Care ... 1781”.

22 (b) REPORT ON FIVE-YEAR DEMAND FOR CHILD
23 CARE.—(1) Not later than the date of the submission of the
24 budget for fiscal year 1997 pursuant to section 1105 of title
25 31, United States Code, the Secretary of Defense shall sub-

1 *mit to Congress a report on the expected demand for child*
2 *care by military and civilian personnel of the Department*
3 *of Defense during fiscal years 1997 through 2001.*

4 *(2) The report shall include—*

5 *(A) a plan for meeting the expected child care*
6 *demand identified in the report; and*

7 *(B) an estimate of the cost of implementing that*
8 *plan.*

9 *(3) The report shall also include a description of meth-*
10 *ods for monitoring family home day care programs of the*
11 *military departments.*

12 *(c) PLAN FOR IMPLEMENTATION OF ACCREDITATION*
13 *REQUIREMENT.—The Secretary of Defense shall submit to*
14 *the Committee on Armed Services of the Senate and the*
15 *Committee on National Security of the House of Represent-*
16 *atives a plan for carrying out the requirements of section*
17 *1787 of title 10, United States Code, as added by subsection*
18 *(a). The plan shall be submitted not later than April 1,*
19 *1997.*

20 *(d) CONTINUATION OF DELEGATION OF AUTHORITY*
21 *WITH RESPECT TO HIRING PREFERENCE FOR QUALIFIED*
22 *MILITARY SPOUSES.—The provisions of Executive Order*
23 *No. 12568, issued October 2, 1986 (10 U.S.C. 113 note),*
24 *shall apply as if the reference in that Executive order to*
25 *section 806(a)(2) of the Department of Defense Authoriza-*

1 *tion Act of 1986 refers to section 1784 of title 10, United*
2 *States Code, as added by subsection (a).*

3 *(e) CONFORMING AMENDMENT.—Effective October 1,*
4 *1995, section 1782(c) of title 10, United States Code, as*
5 *added by subsection (a), is amended by striking out “section*
6 *3502(4)(A) of title 44” and inserting in lieu thereof “section*
7 *3502(3)(A)(i) of title 44”.*

8 *(f) REPEALER.—The following provisions of law are*
9 *repealed:*

10 *(1) The Military Family Act of 1985 (title VIII*
11 *of Public Law 99–145; 10 U.S.C. 113 note).*

12 *(2) The Military Child Care Act of 1989 (title*
13 *XV of Public Law 101–189; 10 U.S.C. 113 note).*

14 **SEC. 561. DISCHARGE OF MEMBERS OF THE ARMED FORCES**

15 **WHO HAVE THE HIV-1 VIRUS.**

16 *(a) IN GENERAL.—(1) Section 1177 of title 10, United*
17 *States Code, is amended to read as follows:*

18 **“§ 1177. Members infected with HIV-1 virus: manda-**
19 **tory discharge or retirement**

20 *“(a) MANDATORY SEPARATION.—A member of the*
21 *armed forces who is HIV-positive shall be separated. Such*
22 *separation shall be made on a date determined by the Sec-*
23 *retary concerned, which shall be as soon as practicable after*
24 *the date on which the determination is made that the mem-*

1 *ber is HIV-positive and not later than the last day of the*
2 *sixth month beginning after such date.*

3 “(b) *FORM OF SEPARATION.*—*If a member to be sepa-*
4 *rated under this section is eligible to retire under any provi-*
5 *sion of law or to be transferred to the Fleet Reserve or Fleet*
6 *Marine Corps Reserve, the member shall be so retired or*
7 *so transferred. Otherwise, the member shall be discharged.*
8 *The characterization of the service of the member shall be*
9 *determined without regard to the determination that the*
10 *member is HIV-positive.*

11 “(c) *DEFERRAL OF SEPARATION FOR MEMBERS IN 18-*
12 *YEAR RETIREMENT SANCTUARY.*—*In the case of a member*
13 *to be discharged under this section who on the date on which*
14 *the member is to be discharged is within two years of quali-*
15 *fying for retirement under any provision of law, or of quali-*
16 *fying for transfer to the Fleet Reserve or Fleet Marine Corps*
17 *Reserve under section 6330 of this title, the member may,*
18 *as determined by the Secretary concerned, be retained on*
19 *active duty until the member is qualified for retirement or*
20 *transfer to the Fleet Reserve or Fleet Marine Corps Reserve,*
21 *as the case may be, and then be so retired or transferred,*
22 *unless the member is sooner retired or discharged under any*
23 *other provision of law.*

24 “(d) *SEPARATION TO BE CONSIDERED INVOLUN-*
25 *TARY.*—*A separation under this section shall be considered*

1 *to be an involuntary separation for purposes of any other*
2 *provision of law.*

3 “(e) *COUNSELING ABOUT AVAILABLE MEDICAL*
4 *CARE.—A member to be separated under this section shall*
5 *be provided information, in writing, before such separation*
6 *of the available medical care (through the Department of*
7 *Veterans Affairs and otherwise) to treat the member’s condi-*
8 *tion. Such information shall include identification of spe-*
9 *cific medical locations near the member’s home of record*
10 *or point of discharge at which the member may seek nec-*
11 *essary medical care.*

12 “(f) *HIV-POSITIVE MEMBERS.—A member shall be*
13 *considered to be HIV-positive for purposes of this section*
14 *if there is serologic evidence that the member is infected*
15 *with the virus known as Human Immunodeficiency Virus-*
16 *1 (HIV-1), the virus most commonly associated with the*
17 *acquired immune deficiency syndrome (AIDS) in the Unit-*
18 *ed States. Such serologic evidence shall be considered to*
19 *exist if there is a reactive result given by an enzyme-linked*
20 *immunosorbent assay (ELISA) serologic test that is con-*
21 *firmed by a reactive and diagnostic immunoelectrophoresis*
22 *test (Western blot) on two separate samples. Any such sero-*
23 *logic test must be one that is approved by the Food and*
24 *Drug Administration.”.*

1 (2) *The item relating to such section in the table of*
2 *sections at the beginning of chapter 59 of such title is*
3 *amended to read as follows:*

“1177. Members infected with HIV-1 virus: mandatory discharge or retirement.”.

4 (b) *EFFECTIVE DATE.*—*Section 1177 of title 10, Unit-*
5 *ed States Code, as amended by subsection (a), applies with*
6 *respect to members of the Armed Forces determined to be*
7 *HIV-positive before, on, or after the date of the enactment*
8 *of this Act. In the case of a member of the Armed Forces*
9 *determined to be HIV-positive before such date, the deadline*
10 *for separation of the member under subsection (a) of such*
11 *section, as so amended, shall be determined from the date*
12 *of the enactment of this Act (rather than from the date of*
13 *such determination).*

14 ***SEC. 562. AUTHORITY TO APPOINT BRIGADIER GENERAL***
15 ***CHARLES E. YEAGER, UNITED STATES AIR***
16 ***FORCES (RETIRED) TO THE GRADE OF MAJOR***
17 ***GENERAL ON THE RETIRED LIST.***

18 *The President is authorized to appoint, by and with*
19 *the advice and consent of the Senate, Brigadier General*
20 *Charles E. Yeager, United States Air Force (retired), to the*
21 *grade of major general on the retired list of the Air Force.*
22 *Any such appointment shall not affect the retired pay or*
23 *other benefits of Charles E. Yeager or any benefits to which*
24 *any other person is or may become entitled based upon his*
25 *service.*

1 **SEC. 563. DETERMINATION OF WHEREABOUTS AND STATUS**
 2 **OF MISSING PERSONS.**

3 (a) *PURPOSE.*—*The purpose of this section is to ensure*
 4 *that any member of the Armed Forces and any civilian em-*
 5 *ployee of the Department of Defense or contractor of the*
 6 *Department of Defense who serves with or accompanies the*
 7 *Armed Forces in the field under orders is accounted for by*
 8 *the United States (by the return of such person alive, by*
 9 *the return of the remains of such person, or by the decision*
 10 *that credible evidence exists to support another determina-*
 11 *tion of the status of such person) and, as a general rule,*
 12 *is not declared dead solely because of the passage of time.*

13 (b) *IN GENERAL.*—(1) *Part II of subtitle A of title 10,*
 14 *United States Code, is amended by inserting after chapter*
 15 *75 the following new chapter:*

16 **“CHAPTER 76—MISSING PERSONS**

“Sec.

“1501. System for accounting for missing persons.

“1502. Missing persons: initial report.

“1503. Initial inquiry.

“1504. Subsequent inquiry.

“1505. Further review.

“1506. Personnel files.

“1507. Recommendation of status of death.

“1508. Persons previously declared dead.

“1509. Return alive of person declared missing or dead.

“1510. Effect on State law.

“1511. Definitions.

17 **“§ 1501. System for accounting for missing persons**

18 *“(a) OFFICE FOR MISSING PERSONS.*—*The Secretary*
 19 *of Defense shall establish within the Office of the Secretary*
 20 *of Defense an office to be responsible for the policy, control,*

1 *and oversight of the entire process for investigation and re-*
2 *covery related to persons covered by subsection (c). In carry-*
3 *ing out the responsibilities of that office, the head of the*
4 *office shall coordinate the efforts of the office with those of*
5 *other departments and agencies of the Government and*
6 *other elements of the Department of Defense for such pur-*
7 *poses and shall be responsible for the coordination for such*
8 *purposes within the Department of Defense among the mili-*
9 *tary departments, the Joint Staff, and the commanders of*
10 *the combatant commands.*

11 “(b) *UNIFORM DOD PROCEDURES.*—(1) *The Sec-*
12 *retary of Defense shall prescribe procedures, to apply uni-*
13 *formly through the Department of Defense, for—*

14 “(A) *the determination of the status of persons*
15 *described in subsection (c); and*

16 “(B) *for the systematic, comprehensive, and*
17 *timely collection, analysis, review, dissemination, and*
18 *periodic update of information related to such per-*
19 *sons.*

20 “(2) *Such procedures shall be prescribed in a single*
21 *directive applicable to all elements of the Department of De-*
22 *fense.*

23 “(c) *COVERED PERSONS.*—*This chapter applies to the*
24 *following persons:*

1 “(1) Any member of the Army, Navy, Air Force,
2 or Marine Corps on active duty who, during a period
3 of war or national emergency or any other period of
4 hostilities specified by the Secretary of Defense for the
5 purposes of this section, disappears in the theater of
6 such hostilities (except under circumstances suggesting
7 that the disappearance is voluntary).

8 “(2) Any civilian employee of the Department of
9 Defense (including an employee of a contractor of the
10 Department of Defense) who, during a period de-
11 scribed in paragraph (1), disappears in the theater of
12 such hostilities (except under circumstances suggesting
13 that the disappearance is voluntary) while serving
14 with or accompanying the Army, Navy, Air Force, or
15 Marine Corps in the field during such period.

16 “(d) PRIMARY NEXT OF KIN.—The individual who is
17 primary next of kin of any person described in subsection
18 (c) may for purposes of this chapter designate another indi-
19 vidual to act on behalf of that individual as primary next
20 of kin. The Secretary of Defense shall treat an individual
21 so designated as if the individual designated were the pri-
22 mary next of kin for purposes of this chapter. A designation
23 under this subsection may be revoked at any time by the
24 person who made the designation.

1 **“§ 1502. Missing persons: initial report**

2 “(a) *PRELIMINARY ASSESSMENT AND RECOMMENDA-*
3 *TION BY COMMANDER.*—After receiving information that
4 *the whereabouts or status of a person covered by this chapter*
5 *is uncertain and that the absence of the person may be in-*
6 *voluntary, the commander of the unit, facility, or area to*
7 *or in which the person is assigned shall make a preliminary*
8 *assessment of the circumstances. If, as a result of that as-*
9 *essment, the commander concludes that the person is miss-*
10 *ing, the commander shall—*

11 “(1) *recommend that the person be placed in a*
12 *missing status; and*

13 “(2) *submit that recommendation to the com-*
14 *mander of the unified command for that area in ac-*
15 *cordance with procedures prescribed under section*
16 *1501(b) of this title.*

17 “(b) *FORWARDING OF RECORDS.*—The commander
18 *making the initial assessment shall (in accordance with*
19 *procedures prescribed under section 1501(b) of this title)*
20 *safeguard and forward for official use any information re-*
21 *lating to the whereabouts or status of the person that result*
22 *from the preliminary assessment or from actions taken to*
23 *locate the person.*

24 **“§ 1503. Initial inquiry**

25 “(a) *APPOINTMENT OF BOARD.*—Not later than ten
26 *days after receiving notification under section 1502(a)(2)*

1 *of this title that a person has been recommended for place-*
2 *ment in a missing status, the commander of the unified*
3 *command having responsibility for the area in which the*
4 *disappearance occurred shall appoint a board to conduct*
5 *an inquiry into the whereabouts and status of the person.*

6 “(b) *INQUIRIES INVOLVING MORE THAN ONE MISSING*
7 *PERSON.—If it appears to the commander who appoints*
8 *a board under this section that the absence or missing status*
9 *of two or more persons is factually related, the commander*
10 *may appoint a single board under this section to conduct*
11 *the inquiry into the whereabouts or status of all such per-*
12 *sons.*

13 “(c) *COMPOSITION.—(1) A board appointed under this*
14 *section shall consist of at least one individual described in*
15 *paragraph (2) who has experience with and understanding*
16 *of military operations or activities similar to the operation*
17 *or activity in which the person disappeared.*

18 “(2) *An individual referred to in paragraph (1) is the*
19 *following:*

20 “(A) *A military officer, in the case of an inquiry*
21 *with respect to a member of the armed forces.*

22 “(B) *A civilian, in the case of an inquiry with*
23 *respect to a civilian employee of the United States or*
24 *of a contractor of the Department of Defense.*

1 “(3) An individual may be appointed as a member
2 of a board under this section only if the individual has a
3 security clearance that affords the member access to all in-
4 formation relating to the whereabouts and status of the
5 missing persons covered by the inquiry.

6 “(d) DUTIES OF BOARD.—A board appointed to con-
7 duct an inquiry into the whereabouts or status of a missing
8 person under this section shall—

9 “(1) collect, develop, and investigate all facts and
10 evidence relating to the disappearance, whereabouts,
11 or status of that person;

12 “(2) collect appropriate documentation of the
13 facts and evidence covered by the investigation;

14 “(3) analyze the facts and evidence, make find-
15 ings based on that analysis, and draw conclusions as
16 to the current whereabouts and status of the person;
17 and

18 “(4) with respect to each person covered by the
19 inquiry, recommend to the commander who appointed
20 the board that—

21 “(A) the person be placed in a missing sta-
22 tus; or

23 “(B) the person be declared to have deserted,
24 to be absent without leave, or to be dead.

1 “(e) *INQUIRY PROCEEDINGS.*—During the proceedings
2 of an inquiry under this section, a board shall—

3 “(1) collect, record, and safeguard all facts, docu-
4 ments, statements, photographs, tapes, messages,
5 maps, sketches, reports, and other information (wheth-
6 er classified or unclassified) relating to the where-
7 abouts or status of each person covered by the in-
8 quiry;

9 “(2) gather information relating to actions taken
10 to find the person, including any evidence of the
11 whereabouts or status of the person arising from such
12 actions; and

13 “(3) maintain a record of its proceedings.

14 “(f) *COUNSEL FOR MISSING PERSON.*—(1) The com-
15 mander appointing a board to conduct an inquiry under
16 this section shall appoint counsel to represent each person
17 covered by the inquiry, or, in the case described by 1503(c)
18 of this title, one counsel to represent all persons covered by
19 the inquiry. Counsel appointed under this paragraph may
20 be referred to as ‘missing person’s counsel’.

21 “(2) To be appointed as a missing person’s counsel,
22 a person must—

23 “(A) have the qualifications specified in section
24 827(b) of this title (article 27(b) of the Uniform Code

1 *of Military Justice) for trial counsel or defense coun-*
2 *sel detailed for a general court-martial; and*

3 *“(B) have a security clearance that affords the*
4 *counsel access to all information relating to the*
5 *whereabouts or status of the person or persons covered*
6 *by the inquiry.*

7 *“(3) A missing person’s counsel—*

8 *“(A) shall have access to all facts and evidence*
9 *considered by the board during the proceedings under*
10 *the inquiry for which the counsel is appointed;*

11 *“(B) shall observe all official activities of the*
12 *board during such proceedings;*

13 *“(C) may question witnesses before the board;*
14 *and*

15 *“(D) shall monitor the deliberations of the board;*
16 *and*

17 *“(4) A missing person’s counsel shall review the report*
18 *of the board under subsection (i) and submit to the com-*
19 *mander who appointed the board an independent review of*
20 *that report. That review shall be made an official part of*
21 *the record of the board.*

22 *“(g) ACCESS TO PROCEEDINGS.—The proceedings of a*
23 *board during an inquiry under this section shall be closed*
24 *to the public (including, with respect to any missing person*
25 *covered by the inquiry, the primary next of kin, other mem-*

1 *bers of the immediate family, and any other previously des-*
2 *ignated person designated under section 655 of this title).*

3 “(h) *RECOMMENDATION ON STATUS OF MISSING PER-*
4 *SONS.—(1) Upon completion of its inquiry, a board ap-*
5 *pointed under this section shall make a recommendation to*
6 *the commander who appointed the board as to the appro-*
7 *priate determination of the current whereabouts or status*
8 *of each person whose whereabouts were covered by the in-*
9 *quiry.*

10 “(2)(A) *A board may not recommend under paragraph*
11 *(1) that a person be declared dead unless the board deter-*
12 *mines that the evidence before it established conclusive proof*
13 *of the death of the person.*

14 “(B) *In this paragraph, the term ‘conclusive proof of*
15 *death’ means evidence establishing that death is the only*
16 *credible explanation for the absence of the person.*

17 “(i) *REPORT.—(1) A board appointed under this sec-*
18 *tion shall submit to the commander who appointed it a re-*
19 *port on the inquiry carried out by the board. The report*
20 *shall include—*

21 “(A) *a discussion of the facts and evidence con-*
22 *sidered by the board in the inquiry;*

23 “(B) *the recommendation of the board under sub-*
24 *section (h) with respect to each person covered by the*
25 *report; and*

1 “(C) disclosure of whether classified documents
2 and information were reviewed by the board or were
3 otherwise used by the board in forming recommenda-
4 tions under subparagraph (B).

5 “(2) A report submitted under this subsection may not
6 be made public until one year after the date on which the
7 report is submitted.

8 “(j) ACTIONS BY REGIONAL COMMANDER.—(1) Not
9 later than 15 days after the date of the receipt of a report
10 under subsection (i), the commander who appointed the
11 board shall review—

12 “(A) the report; and

13 “(B) the review of that report submitted under
14 subsection (f)(4) by the missing person’s counsel.

15 “(2) In reviewing a report under paragraph (1), the
16 commander receiving the report shall determine whether or
17 not the report is complete and free of administrative error.
18 If the commander determines that the report is incomplete,
19 or that the report is not free of administrative error, the
20 commander may return the report to the board for further
21 action on the report by the board.

22 “(3) Upon a determination by the commander con-
23 cerned that a report reviewed under this subsection is com-
24 plete and free of administrative error, the commander shall

1 *make a recommendation concerning the status of each per-*
2 *son covered by the report.*

3 “(4) *The report, together with the recommendations*
4 *under paragraph (3), shall be forwarded to the Secretary*
5 *of Defense in accordance with procedures prescribed under*
6 *section 1501(b) of this title.*

7 “(k) *DETERMINATION BY SECRETARY.—The Secretary*
8 *of Defense (or the Secretary of the military department con-*
9 *cerned acting under delegation of authority from the Sec-*
10 *retary of Defense) shall review the recommendations of a*
11 *report forwarded under subsection (j)(4). After conducting*
12 *such review, the Secretary shall make a determination, with*
13 *respect to each person whose status is covered by the report,*
14 *whether such person shall (1) continue to have a missing*
15 *status, (2) be declared to have deserted, (3) be declared to*
16 *be absent without leave, or (4) be declared to be dead. In*
17 *making such determination, the Secretary may convene a*
18 *board in accordance with section 1504 of this title.*

19 “(l) *REPORT TO FAMILY MEMBERS AND OTHER IN-*
20 *TERESTED PERSONS.—Not later than 30 days after the date*
21 *on which the Secretary makes a determination under sub-*
22 *section (k), the Secretary of Defense, acting through the*
23 *head of the office established under section 1501(a) of this*
24 *title, shall—*

1 “(1) provide an unclassified summary of the re-
2 port of the board (including the name of the missing
3 person’s counsel for the inquiry, the names of the
4 members of the board, and the name of the com-
5 mander who convened the board) to the primary next
6 of kin, to the other members of the immediate family,
7 and to any other previously designated person of the
8 missing person; and

9 “(2) inform each individual referred to in para-
10 graph (1) that the United States will conduct a subse-
11 quent inquiry into the whereabouts or status of the
12 person not earlier than one year after the date of the
13 first official notice of the disappearance of the person,
14 unless information becomes available sooner that
15 would result in a substantial change in the official
16 status of the person.

17 **“§ 1504. Subsequent inquiry**

18 “(a) *ADDITIONAL BOARD.*—If information on the
19 whereabouts or status of a person covered by an inquiry
20 under section 1503 of this title becomes available within
21 one year after the date of the submission of the report sub-
22 mitted under section 1502 of this title, the Secretary of De-
23 fense, acting through the head of the office established under
24 section 1501(a) of this title, shall appoint a board under
25 this section to conduct an inquiry into the information.

1 “(b) *AUTHORITY FOR INQUIRY.*—*The Secretary of De-*
2 *fense may delegate authority over such subsequent inquiry*
3 *to the Secretary concerned.*

4 “(c) *SECRETARY CONCERNED.*—*In this section, the*
5 *term ‘Secretary concerned’ includes, in the case of a civilian*
6 *employee of the Department of Defense or contractor of the*
7 *Department of Defense, the Secretary of the military de-*
8 *partment or head of the agency employing the employee or*
9 *contracting with the contractor, as the case may be.*

10 “(d) *DATE OF APPOINTMENT.*—*The Secretary shall*
11 *appoint a board under this section to conduct an inquiry*
12 *into the whereabouts and status of a missing person on or*
13 *about one year after the date of the report concerning that*
14 *person submitted under section 1502 of this title.*

15 “(e) *COMBINED INQUIRIES.*—*If it appears to the Sec-*
16 *retary that the absence or status of two or more persons*
17 *is factually related, the Secretary may appoint one board*
18 *under this section to conduct the inquiry into the where-*
19 *abouts or status of all such persons.*

20 “(f) *COMPOSITION.*—(1) *Subject to paragraphs (2) and*
21 *(3), a board appointed under this section shall consist of*
22 *the following:*

23 “(A) *In the case of a board appointed to inquire*
24 *into the whereabouts or status of a member of the*

1 *armed forces, not less than three officers having the*
2 *grade of major or lieutenant commander or above.*

3 *“(B) In the case of a board appointed to inquire*
4 *into the whereabouts or status of a civilian employee*
5 *of the Department of Defense or contractor of the De-*
6 *partment of Defense—*

7 *“(i) not less than three employees of the De-*
8 *partment of Defense whose rate of annual pay is*
9 *equal to or greater than the rate of annual pay*
10 *payable for grade GS-13 of the General Schedule*
11 *under section 5332 of title 5; and*

12 *“(ii) such members of the armed forces as*
13 *the Secretary of Defense considers advisable.*

14 *“(2) The Secretary shall designate one member of a*
15 *board appointed under this section as president of the*
16 *board. The president of the board shall have a security*
17 *clearance that affords the president access to all information*
18 *relating to the whereabouts and status of each person cov-*
19 *ered by the inquiry.*

20 *“(3)(A) One member of each board appointed under*
21 *this subsection shall be an attorney or judge advocate who*
22 *has expertise in the public law relating to missing persons,*
23 *the determination of death of such persons, and the rights*
24 *of family members and dependents of such persons.*

1 “(B) One member of each board appointed under this
2 subsection shall be an individual who—

3 “(i) has an occupational specialty similar to
4 that of one or more of the persons covered by the in-
5 quiry; and

6 “(ii) has an understanding of and expertise in
7 the official activities of one or more such persons at
8 the time such person or persons disappeared.

9 “(g) DUTIES OF BOARD.—A board appointed under
10 this section to conduct an inquiry into the whereabouts or
11 status of a person shall—

12 “(1) review the report under subsection (i) of sec-
13 tion 1503 of this title of the board appointed to con-
14 duct the inquiry into the status or whereabouts of the
15 person under section 1503 of this title and the rec-
16 ommendation under subsection (j)(3) of that section of
17 the commander who appointed the board under that
18 subsection as to the status of the person;

19 “(2) collect and evaluate any document, fact, or
20 other evidence with respect to the whereabouts or sta-
21 tus of the person that has become available since the
22 completion of the inquiry under section 1503 of this
23 title;

24 “(3) draw conclusions as to the whereabouts or
25 status of the person;

1 “(4) determine on the basis of the activities
2 under paragraphs (1) and (2) whether the status of
3 the person should be continued or changed; and

4 “(5) submit to the Secretary of Defense a report
5 describing the findings and conclusions of the board,
6 together with a recommendation for a determination
7 by the Secretary concerning the whereabouts or status
8 of the person.

9 “(h) COUNSEL FOR MISSING PERSONS.—(1) When the
10 Secretary appoints a board to conduct an inquiry under
11 this section, the Secretary shall appoint counsel to represent
12 each person covered by the inquiry.

13 “(2) A person appointed as counsel under this sub-
14 section shall meet the qualifications and have the duties set
15 forth in section 1503(f) of this title for a missing person’s
16 counsel appointed under that section.

17 “(3) The review of the report of a board on an inquiry
18 that is submitted by such counsel shall be made an official
19 part of the record of the board with respect to the inquiry.

20 “(i) ATTENDANCE OF FAMILY MEMBERS AND CERTAIN
21 OTHER INTERESTED PERSONS AT PROCEEDINGS.—(1)
22 With respect to any person covered by an inquiry under
23 this section, the primary next of kin, other members of the
24 immediate family, and any other previously designated per-
25 sons of the missing person may attend the proceedings of

1 *the board during the inquiry in accordance with this sec-*
2 *tion.*

3 “(2) *The Secretary shall notify each individual re-*
4 *ferred to in paragraph (1) of the opportunity to attend the*
5 *proceedings of a board. Such notice shall be provided not*
6 *less than 60 days before the first meeting of the board.*

7 “(3) *An individual who receives a notice under para-*
8 *graph (2) shall notify the Secretary of the intent, if any,*
9 *of that individual to attend the proceedings of the board*
10 *not less than 21 days after the date on which the individual*
11 *receives the notice.*

12 “(4) *Each individual who notifies the Secretary under*
13 *paragraph (3) of the individual’s intent to attend the pro-*
14 *ceedings of the board—*

15 “(A) *in the case of an individual who is the pri-*
16 *mary next of kin or another member of the immediate*
17 *family of a missing person whose status is a subject*
18 *of the inquiry and whose receipt of the pay or allow-*
19 *ances (including allotments) of the missing person*
20 *could be reduced or terminated as a result of a revi-*
21 *sion in the status of the missing person, may attend*
22 *the proceedings of the board with private counsel;*

23 “(B) *shall have access to the personnel file of the*
24 *missing person, to unclassified reports (if any) of the*
25 *board appointed under section 1503 of this title to*

1 *conduct the inquiry into the whereabouts and status*
2 *of the person, and to any other unclassified informa-*
3 *tion or documents relating to the whereabouts and*
4 *status of the person;*

5 *“(C) shall be afforded the opportunity to present*
6 *information at the proceedings of the board that such*
7 *individual considers to be relevant to those proceed-*
8 *ings; and*

9 *“(D) subject to paragraph (5), shall be given the*
10 *opportunity to submit in writing objection to any*
11 *recommendation of the board under subsection (k) as*
12 *to the status of the missing person.*

13 *“(5) Objections under paragraph (4)(D) to any rec-*
14 *ommendation of the board shall be submitted to the presi-*
15 *dent of the board not later than 24 hours after the date*
16 *on which the recommendations are made. The president*
17 *shall include any such objections in the report of the board*
18 *under subsection (k).*

19 *“(6) An individual referred to in paragraph (1) who*
20 *attends the proceedings of a board under this subsection*
21 *shall not be entitled to reimbursement by the United States*
22 *for any costs (including travel, lodging, meals, local trans-*
23 *portation, legal fees, transcription costs, witness expenses,*
24 *and other expenses) incurred by that individual in attend-*
25 *ing such proceedings.*

1 “(j) *AVAILABILITY OF INFORMATION TO BOARDS.—(1)*
2 *In conducting proceedings in an inquiry under this section,*
3 *a board may secure directly from any department or agency*
4 *of the United States any information that the board consid-*
5 *ers necessary in order to conduct the proceedings.*

6 “(2) *Upon written request from the president of a*
7 *board, the head of a department or agency of the United*
8 *States shall release information covered by the request to*
9 *the board. In releasing such information, the head of the*
10 *department or agency shall—*

11 “(A) *declassify to an appropriate degree classi-*
12 *fied information; or*

13 “(B) *release the information in a manner not re-*
14 *quiring the removal of markings indicating the classi-*
15 *fied nature of the information.*

16 “(3)(A) *If a request for information under paragraph*
17 *(2) covers classified information that cannot be declassified,*
18 *cannot be removed before release from the information cov-*
19 *ered by the request, or cannot be summarized in a manner*
20 *that prevents the release of classified information, the classi-*
21 *fied information shall be made available only to president*
22 *of the board making the request and the counsel for the miss-*
23 *ing person appointed under subsection (f).*

24 “(B) *The president of a board shall close to persons*
25 *who do not have appropriate security clearances the pro-*

1 *ceeding of the board at which classified information is dis-*
2 *cussed. Participants at a proceeding of a board at which*
3 *classified information is discussed shall comply with all ap-*
4 *plicable laws and regulations relating to the disclosure of*
5 *classified information. The Secretary concerned shall assist*
6 *the president of a board in ensuring that classified informa-*
7 *tion is not compromised through board proceedings.*

8 “(k) *RECOMMENDATION ON STATUS.*—(1) *Upon com-*
9 *pletion of an inquiry under this subsection, a board shall*
10 *make a recommendation as to the current whereabouts or*
11 *status of each missing person covered by the inquiry.*

12 “(2) *A board may not recommend under paragraph*
13 *(1) that a person be declared dead unless—*

14 “(A) *proof of death is established by the board;*
15 *and*

16 “(B) *in making the recommendation, the board*
17 *complies with section 1507 of this title.*

18 “(l) *REPORT.*—*A board appointed under this section*
19 *shall submit to the Secretary of Defense a report on the in-*
20 *quiry carried out by the board, together with the evidence*
21 *considered by the board during the inquiry. The report may*
22 *include a classified annex.*

23 “(m) *ACTIONS BY SECRETARY.*—(1) *Not later than 30*
24 *days after the receipt of a report from a board under sub-*
25 *section (k), the Secretary shall review—*

1 “(A) the report;

2 “(B) the review of the report submitted to the
3 Secretary under subsection (f)(3) by the counsel for
4 each person covered by the report; and

5 “(C) the objections, if any, to the report submit-
6 ted to the president of the board under subsection
7 (g)(6).

8 “(2) In reviewing a report under paragraph (1) (in-
9 cluding the review and objections described in subpara-
10 graphs (A) and (B) of that paragraph), the Secretary shall
11 determine whether or not the report is complete and free
12 of administrative error. If the Secretary determines that the
13 report is incomplete, or that the report is not free of admin-
14 istrative error, the Secretary may return the report to the
15 board for further action on the report by the board.

16 “(3) Upon a determination by the Secretary that a
17 report reviewed under this subsection is complete and free
18 of administrative error, the Secretary shall make a deter-
19 mination concerning the status of each person covered by
20 the report.

21 “(n) REPORT TO FAMILY MEMBERS AND OTHER IN-
22 TERESTED PERSONS.—Not later than 90 days after the date
23 on which a board submits a report on a person under sub-
24 section (l), the Secretary of Defense shall—

1 “(1) with respect to each missing person whose
2 status or whereabouts are covered by the report, pro-
3 vide an unclassified summary of the report to the pri-
4 mary next of kin, the other members of the immediate
5 family, and any other previously designated person;
6 and

7 “(2) in the case of a person who continues to be
8 in a missing status, inform each individual referred
9 to in paragraph (1) that the United States will con-
10 duct a further investigation into the whereabouts or
11 status of the person not later than three years after
12 the date of the official notice of the disappearance of
13 the person, unless information becomes available
14 within that time that would result in a substantial
15 change in the official status of the person.

16 **“§ 1505. Further review**

17 “(a) *SUBSEQUENT REVIEW.*—(1) The Secretary shall
18 conduct subsequent inquiries into the whereabouts or status
19 of any person determined by the Secretary under section
20 1504 of this title to be in a missing status.

21 “(2) Subject to paragraph (4), the Secretary shall ap-
22 point a board to conduct an inquiry with respect to a per-
23 son under this subsection—

24 “(A) on or about three years after the date of the
25 official notice of the disappearance of the person; and

1 “(B) not later than every three years thereafter.

2 “(3) In addition to appointment of boards under para-
3 graph (2), the Secretary shall appoint a board to conduct
4 an inquiry with respect to a person under this subsection
5 upon receipt of information that could result in a change
6 or revision of status of a missing person. Whenever the Sec-
7 retary appoints a board under this paragraph, the time for
8 subsequent appointments of a board under paragraph
9 (2)(B) shall be determined from the date of the receipt of
10 such information.

11 “(4) The Secretary is not required to appoint a board
12 under paragraph (2) with respect to the disappearance of
13 any person—

14 “(A) more than 20 years after the initial report
15 under section 1502 of this title of the disappearance
16 of that person; or

17 “(B) if, before the end of such 20-year period, the
18 missing person is accounted for.

19 “(b) CONDUCT OF PROCEEDINGS.—The appointment
20 of, and activities before, a board appointed under this sec-
21 tion shall be governed by the provisions of section 1504 of
22 this title with respect to a board appointed under that sec-
23 tion.

1 **“§ 1506. Personnel files**

2 “(a) *INFORMATION IN FILES.*—Except as provided in
3 subsection (b), the Secretary of the department having juris-
4 diction over a missing person at the time of the person’s
5 disappearance shall, to the maximum extent practicable,
6 ensure that the personnel file of the person contains all in-
7 formation in the possession of the United States relating
8 to the disappearance and whereabouts or status of the per-
9 son.

10 “(b) *CLASSIFIED INFORMATION.*—(1) The Secretary
11 concerned may withhold classified information from a per-
12 sonnel file under this section.

13 “(2) If the Secretary concerned withholds classified in-
14 formation from the personnel file of a person, the Secretary
15 shall ensure that the file contains the following:

16 “(A) A notice that the withheld information ex-
17 ists.

18 “(B) A notice of the date of the most recent re-
19 view of the classification of the withheld information.

20 “(c) *WRONGFUL WITHHOLDING.*—Any person who
21 knowingly and willfully withholds from the personnel file
22 of a missing person any information (other than classified
23 information) relating to the disappearance or whereabouts
24 or status of a missing person shall be fined as provided in
25 title 18 or imprisoned not more than one year, or both.

1 “(d) *AVAILABILITY OF INFORMATION.*—*The Secretary*
2 *concerned shall, upon request, make available the contents*
3 *of the personnel file of a missing person to the missing per-*
4 *son’s primary next of kin, the other members of the missing*
5 *person’s immediate family, or any other previously des-*
6 *ignated person of the missing person.*

7 “**§ 1507. Recommendation of status of death**

8 “(a) *REQUIREMENTS RELATING TO RECOMMENDA-*
9 *TION.*—*A board appointed under section 1504 or 1505 of*
10 *this title may not recommend that a person be declared*
11 *dead unless—*

12 “(1) *credible evidence exists to suggest that the*
13 *person is dead;*

14 “(2) *the United States possesses no credible evi-*
15 *dence that suggests that the person is alive;*

16 “(3) *representatives of the United States have*
17 *made a complete search of the area where the person*
18 *was last seen (unless, after making a good faith effort*
19 *to obtain access to such area, such representatives are*
20 *not granted such access); and*

21 “(4) *representatives of the United States have ex-*
22 *amined the records of the government or entity having*
23 *control over the area where the person was last seen*
24 *(unless, after making a good faith effort to obtain ac-*

1 *cess to such records, such representatives are not*
2 *granted such access).*

3 *“(b) SUBMITTAL OF INFORMATION ON DEATH.—If a*
4 *board appointed under section 1504 or 1505 of this title*
5 *makes a recommendation that a missing person be declared*
6 *dead, the board shall include in the report of the board with*
7 *respect to the person under such section the following:*

8 *“(1) A detailed description of the location where*
9 *the death occurred.*

10 *“(2) A statement of the date on which the death*
11 *occurred.*

12 *“(3) A description of the location of the body, if*
13 *recovered.*

14 *“(4) If the body has been recovered and is not*
15 *identifiable through visual means, a certification by*
16 *a practitioner of an appropriate forensic science that*
17 *the body recovered is that of the missing person.*

18 **“§ 1508. Persons previously declared dead**

19 *“(a) REVIEW OF STATUS.—(1) Not later than three*
20 *years after the date of the enactment of this chapter, a per-*
21 *son referred to in paragraph (2) may submit to the Sec-*
22 *retary of Defense a request for appointment by the Sec-*
23 *retary of a board to review the status of a person previously*
24 *declared dead, in a case in which the death is declared to*
25 *have occurred on or after January 1, 1950.*

1 “(2) A board shall be appointed under this section with
2 respect to the death of any person based on the request of
3 any of the following persons:

4 “(A) An adult member of the immediate family
5 of the person previously declared dead.

6 “(B) An adult dependent of such person.

7 “(C) The primary next of kin of such person.

8 “(D) A person previously designated by such
9 person.

10 “(3) A request under this paragraph shall be submitted
11 to the Secretary of the department of the United States that
12 had jurisdiction over the person covered by the request at
13 the time of the person’s disappearance.

14 “(b) APPOINTMENT OF BOARD.—Upon request of a
15 person under subsection (a), the Secretary of Defense shall
16 appoint a board to review the status of the person covered
17 by the request.

18 “(c) DUTIES OF BOARD.—A board appointed under
19 this section to review the status of a person shall—

20 “(1) conduct an investigation to determine the
21 status of the person; and

22 “(2) issue a report describing the findings of the
23 board under the investigation and the recommenda-
24 tions of the board as to the status of the person.

1 *of any political subdivision thereof, to find or declare a per-*
2 *son dead for purposes of such State or political subdivision.*

3 **“§ 1511. Definitions**

4 *“In this chapter:*

5 *“(1) The term ‘missing person’ means—*

6 *“(A) a member of the armed forces on active*
7 *duty who is missing; or*

8 *“(B) a civilian employee of the Department*
9 *of Defense or of a contractor of the Department*
10 *of Defense who is serving with or accompanying*
11 *an armed force under orders and who is missing.*

12 *“(2) The term ‘missing status’ means the status*
13 *of a missing person who is determined to be absent*
14 *in a status of—*

15 *“(A) missing;*

16 *“(B) missing in action;*

17 *“(C) interned in a foreign country;*

18 *“(D) captured, beleaguered, or besieged by a*
19 *hostile force; or*

20 *“(E) detained in a foreign country against*
21 *that person’s will.*

22 *“(3) The term ‘accounted for’, with respect to a*
23 *person in a missing status, means that the person is*
24 *returned to United States control alive, that the re-*
25 *mains of the person are returned to the United States,*

1 *or that credible evidence exists to support another de-*
2 *termination of the person's status.*

3 *“(4) The term ‘primary next of kin’, in the case*
4 *of a missing person, means—*

5 *“(A) the principal individual who, but for*
6 *the status of the person, would receive financial*
7 *support from the person; or*

8 *“(B) in the case of a missing person for*
9 *whom there is no individual described in sub-*
10 *paragraph (A), the family member or other indi-*
11 *vidual designated by the missing person to re-*
12 *ceive a death gratuity.*

13 *“(5) The term ‘member of the immediate family’,*
14 *in the case of a missing person, means the spouse or*
15 *a child, parent, or sibling of the person.*

16 *“(6) The term ‘previously designated person’, in*
17 *the case of a missing person, means an individual*
18 *(other than an individual who is a member of the im-*
19 *mediate family of the missing person) designated by*
20 *the missing person under section 655 of this title for*
21 *purposes of this chapter.*

22 *“(7) The term ‘classified information’ means any*
23 *information the unauthorized disclosure of which (as*
24 *determined under applicable law and regulations)*

1 *could reasonably be expected to damage the national*
2 *security.*

3 “(8) The term ‘State’ includes the District of Co-
4 *lumbia, the Commonwealth of Puerto Rico, and any*
5 *territory or possession of the United States.”.*

6 (2) *The tables of chapters at the beginning of subtitle*
7 *A, and at the beginning of part II of subtitle A, of title*
8 *10, United States Code, are amended by inserting after the*
9 *item relating to chapter 75 the following new item:*

“76. Missing Persons 1501”.

10 (c) *CONFORMING AMENDMENTS.—Chapter 10 of title*
11 *37, United States Code, is amended as follows:*

12 (1)(A) *Section 555 is repealed.*

13 (B) *The table of sections at the beginning of such*
14 *chapter is amended by striking out the item relating*
15 *to section 555.*

16 (2) *Section 552 is amended—*

17 (A) *in subsection (a), by striking out “for*
18 *all purposes,” in the second sentence of the flush*
19 *matter following paragraph (2) and all that fol-*
20 *lows through the end of the sentence and insert-*
21 *ing in lieu thereof “for all purposes.”;*

22 (B) *in subsection (b), by striking out para-*
23 *graph (2) and inserting in lieu thereof the fol-*
24 *lowing:*

1 “(2) that his death is determined under chapter
2 76 title 10.”; and

3 (C) in subsection (e), by striking out “sec-
4 tion 555 of this title” and inserting in lieu there-
5 of “chapter 76 of title 10”.

6 (3) Section 553 is amended—

7 (A) in subsection (f), by inserting “under
8 chapter 76 of title 10” after “When the Secretary
9 concerned”;

10 (B) in subsection (f), by striking out “the
11 Secretary concerned receives evidence” and in-
12 serting in lieu thereof “a board convened under
13 chapter 76 of title 10 reports”; and

14 (C) in subsection (g), by striking out “sec-
15 tion 555 of this title” and inserting “chapter 76
16 of title 10”.

17 (4) Section 556 is amended—

18 (A) in subsection (a)—

19 (i) by striking paragraphs (1), (5), (6),
20 and (7) and redesignating paragraphs (2),
21 (3), and (4) as paragraphs (1), (2), and (3),
22 respectively;

23 (ii) by inserting “and” at the end of
24 paragraph (2), as so redesignated; and

1 (iii) by striking out the semicolon at
2 the end of paragraph (3), as so redesign-
3 ated, and inserting in lieu thereof a pe-
4 riod;

5 (B) by striking out subsection (b) and redesi-
6 gnating subsections (c), (d), (e), (f), (g), and (h)
7 as subsections (b), (c), (d), (e), (f), and (g), re-
8 spectively; and

9 (C) in subsection (g), as so redesignated—
10 (i) by striking out the second sentence;
11 and

12 (ii) by striking out “status” and in-
13 serting in lieu thereof “pay”.

14 (5) Section 557(a)(1) is amended by striking out
15 “, 553, and 555” and inserting in lieu thereof “and
16 553”.

17 (6) Section 559(b)(4)(B) is amended by striking
18 out “section 556(f)” and inserting in lieu thereof “sec-
19 tion 556(e)”.

20 (d) DESIGNATION OF INDIVIDUALS HAVING INTEREST
21 IN STATUS OF SERVICE MEMBERS.—(1) Chapter 37 of title
22 10, United States Code, is amended by adding at the end
23 the following new section:

1 **“§655. Designation of persons having interest in sta-**
2 **tus of missing persons**

3 “(a) *The Secretary concerned shall, upon the enlist-*
4 *ment or appointment of a person in the Army, Navy, Air*
5 *Force, or Marine Corps, require that the person specify in*
6 *writing the person or persons, if any, to whom information*
7 *on the whereabouts or status of the member shall be provided*
8 *if such whereabouts or status are investigated under chapter*
9 *76 of this title. The Secretary shall periodically, and when-*
10 *ever the member is deployed as part of a contingency oper-*
11 *ation or in other circumstances specified by the Secretary,*
12 *require that such designation be reconfirmed, or modified,*
13 *by the member.*

14 “(b) *The Secretary concerned shall, upon the request*
15 *of a member, permit the member to revise the person or*
16 *persons specified by the member under subsection (a) at any*
17 *time. Any such revision shall be in writing.”.*

18 (2) *The table of sections at the beginning of such chap-*
19 *ter is amended by adding at the end the following new item:*
“655. Designation of persons having interest in status of missing persons.”.

20 **SEC. 564. NOMINATIONS TO SERVICE ACADEMIES FROM**
21 **COMMONWEALTH OF THE NORTHERN MARI-**
22 **ANAS ISLANDS.**

23 (a) *MILITARY ACADEMY.—Section 4342(a) of title 10,*
24 *United States Code, is amended by inserting after para-*
25 *graph (9) the following new paragraph:*

1 *to the Federal Bureau of Investigation for inclusion in the*
2 *Bureau's criminal history identification files.*

3 (b) *MATTERS TO BE INCLUDED.*—*In the report, the*
4 *Secretary shall—*

5 (1) *survey fingerprint cards and final disposi-*
6 *tion forms filled out in the past 24 months by each*
7 *investigative organization;*

8 (2) *compare the fingerprint cards and final dis-*
9 *position forms filled out to all judicial and*
10 *nonjudicial procedures initiated as a result of actions*
11 *taken by each investigative service in the past 24*
12 *months;*

13 (3) *account for any discrepancies between the*
14 *forms filled out and the judicial and nonjudicial pro-*
15 *cedures initiated;*

16 (4) *compare the fingerprint cards and final dis-*
17 *position forms filled out with the information held by*
18 *the Federal Bureau of Investigation criminal history*
19 *identification files;*

20 (5) *identify any weaknesses in the collection of*
21 *fingerprint cards and final disposition forms and in*
22 *the reporting of that information to the Federal Bu-*
23 *reau of Investigation; and*

24 (6) *determine whether or not other law enforce-*
25 *ment activities of the military services collect and re-*

1 *port such information or, if not, should collect and re-*
2 *port such information.*

3 *(c) SUBMISSION OF REPORT.—The report shall be sub-*
4 *mitted not later than 180 days after the date of the enact-*
5 *ment of this Act.*

6 *(d) DEFINITION.—For the purposes of this section, the*
7 *term “criminal history identification files”, with respect to*
8 *the Federal Bureau of Investigation, means the criminal*
9 *history record system maintained by the Federal Bureau*
10 *of Investigation based on fingerprint identification and any*
11 *other method of positive identification.*

12 **TITLE VI—COMPENSATION AND**
13 **OTHER PERSONNEL BENEFITS**
14 **Subtitle A—Pay and Allowances**

15 **SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1996.**

16 *(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any*
17 *adjustment required by section 1009 of title 37, United*
18 *States Code, in elements of compensation of members of the*
19 *uniformed services to become effective during fiscal year*
20 *1996 shall not be made.*

21 *(b) INCREASE IN BASIC PAY AND BAS.—Effective on*
22 *January 1, 1996, the rates of basic pay and basic allowance*
23 *for subsistence of members of the uniformed services are in-*
24 *creased by 2.4 percent.*

1 (c) *INCREASE IN BAQ.*—Effective on January 1, 1996,
2 the rates of basic allowance for quarters of members of the
3 uniformed services are increased by 5.2 percent.

4 (d) *UNIFORMED SERVICES DEFINED.*—For purposes of
5 this section, the term “uniformed services” does not include
6 the National Oceanic and Atmospheric Administration.

7 **SEC. 602. LIMITATION ON BASIC ALLOWANCE FOR SUBSIST-**
8 **ENCE FOR MEMBERS WITHOUT DEPENDENTS**
9 **RESIDING IN GOVERNMENT QUARTERS.**

10 (a) *PERCENTAGE LIMITATION.*—Subsection (b) of sec-
11 tion 402 of title 37, United States Code, is amended by add-
12 ing after the last sentence the following new paragraph:

13 “(4) In the case of members of the Army, Navy, Air
14 Force, or Marine Corps who, when present at their perma-
15 nent duty station, reside without dependents in Government
16 quarters, the Secretary concerned may not provide a basic
17 allowance for subsistence to more than 12 percent of such
18 members under the jurisdiction of the Secretary concerned.
19 The Secretary concerned may exceed such percentage during
20 a fiscal year if the Secretary determines that compliance
21 would increase costs to the Government, would impose fi-
22 nancial hardships on members otherwise entitled to a basic
23 allowance for subsistence, or would reduce the quality of life
24 for such members. This paragraph shall not apply to mem-
25 bers described in the first sentence when the members are

1 *not residing at their permanent duty station. The percent-*
2 *age limitation specified in this paragraph shall be achieved*
3 *as soon as possible after the date of the enactment of this*
4 *paragraph, but in no case later than September 30, 1996.”.*

5 (b) *STYLISTIC AMENDMENTS.—Such subsection is fur-*
6 *ther amended—*

7 (1) *by redesignating paragraphs (1), (2), and (3)*
8 *as subparagraphs (A), (B), and (C);*

9 (2) *by inserting “(1)” after “(b)”;*

10 (3) *by designating the second sentence as para-*
11 *graph (2); and*

12 (4) *by designating the fifth sentence as para-*
13 *graph (3).*

14 (c) *CONFORMING AMENDMENTS.—(1) Subsection (e) of*
15 *such section is amended—*

16 (A) *in paragraph (1), by striking out “the third*
17 *sentence of subsection (b)” and inserting in lieu there-*
18 *of “subsection (b)(2)”;* and

19 (B) *in paragraph (2), by striking out “sub-*
20 *section (b)” and inserting in lieu thereof “subsection*
21 *(b)(2)”.*

22 (2) *Section 1012 of title 37, United States Code, is*
23 *amended by striking out “the last sentence of section*
24 *402(b)” and inserting in lieu thereof “section 402(b)(3)”.*

1 (d) *REPORT REQUIRED.*—Not later than March 31,
2 1996, the Secretary of Defense shall submit to Congress a
3 report identifying, for the Army, Navy, Air Force, and the
4 Marine Corps—

5 (1) *the number of members without dependents*
6 *who reside in Government quarters at their perma-*
7 *nent duty stations and receive a basic allowance for*
8 *subsistence under section 402 of title 37, United*
9 *States Code;*

10 (2) *such number as a percentage of the total*
11 *number of members without dependents who reside in*
12 *Government quarters;*

13 (3) *a recommended maximum percentage of*
14 *members without dependents who reside in Govern-*
15 *ment quarters at their permanent duty station and*
16 *should receive a basic allowance for subsistence; and*

17 (4) *the reasons such maximum percentage was*
18 *selected.*

19 **SEC. 603. AUTHORIZATION OF PAYMENT OF BASIC ALLOW-**
20 **ANCE FOR QUARTERS TO ADDITIONAL MEM-**
21 **BERS ASSIGNED TO SEA DUTY.**

22 (a) *EXPANSION OF ELIGIBLE MEMBERS.*—Section
23 403(c)(2) of title 37, United States Code, is amended—

24 (1) *in the first sentence, by striking out “E-7”*
25 *and inserting in lieu thereof “E-6”; and*

1 (2) *in the second sentence, by striking out “E-*
2 *6” and inserting in lieu thereof “E-5”.*

3 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
4 *section (a) shall take effect on July 1, 1996.*

5 ***SEC. 604. ESTABLISHMENT OF MINIMUM AMOUNTS OF VARI-***
6 ***ABLE HOUSING ALLOWANCE FOR HIGH HOUS-***
7 ***ING COST AREAS AND ADDITIONAL LIMITA-***
8 ***TION ON REDUCTION OF ALLOWANCE FOR***
9 ***CERTAIN MEMBERS.***

10 (a) *MINIMUM AMOUNTS OF VHA.*—*Subsection (c) of*
11 *section 403a of title 37, United States Code, is amended*
12 *by striking out paragraph (1) and inserting in lieu thereof*
13 *the following new paragraph:*

14 “(1) *The monthly amount of a variable housing allow-*
15 *ance under this section for a member of a uniformed service*
16 *with respect to an area is equal to the greater of the follow-*
17 *ing:*

18 “(A) *An amount equal to the difference be-*
19 *tween—*

20 “(i) *the median monthly cost of housing in*
21 *that area for members of the uniformed services*
22 *serving in the same pay grade and with the*
23 *same dependency status as that member; and*

24 “(ii) *80 percent of the median monthly cost*
25 *of housing in the United States for members of*

1 *the uniformed services serving in the same pay*
2 *grade and with the same dependency status as*
3 *that member.*

4 “(B) *An amount determined by the Secretary of*
5 *Defense as the minimum necessary to meet the cost of*
6 *adequate housing in that area, as determined by the*
7 *Secretary, for all residents in that area with an ap-*
8 *propriate income level selected by the Secretary.”.*

9 **(b) LIMITATION ON REDUCTION IN VHA.—***Paragraph*
10 **(3) of such subsection is amended by adding at the end the**
11 *following new sentence: “However, on and after January*
12 *1, 1996, the monthly amount of a variable housing allow-*
13 *ance under this section for a member of a uniformed service*
14 *with respect to an area may not be reduced so long as the*
15 *member retains uninterrupted eligibility to receive a vari-*
16 *able housing allowance within that area and the member’s*
17 *certified housing costs are not reduced, as indicated by cer-*
18 *tifications provided by the member under subsection*
19 **(b)(4).”.**

20 **(c) EFFECT ON TOTAL AMOUNT AVAILABLE FOR**
21 **VHA.—***Subsection (d)(3) of such section is amended by in-*
22 *serting after the first sentence the following new sentence:*
23 *“In addition, the total amount determined under para-*
24 *graph (1) shall be adjusted to ensure that sufficient amounts*
25 *are available to allow payment of any additional variable*

1 *housing allowance necessary as a result of paragraph (1)(B)*
2 *and the requirements of the second sentence of paragraph*
3 *(3).”*

4 (d) *CONFORMING AMENDMENTS.—Subsection (c) of*
5 *such section is further amended—*

6 (1) *in paragraph (3), as amended by subsection*
7 *(b), by striking out “this subsection” and inserting in*
8 *lieu thereof “paragraph (1)(A) or minimum levels of*
9 *variable housing allowances under paragraph*
10 *(1)(B)”*; and

11 (2) *in paragraph (5), by inserting “or minimum*
12 *levels of variable housing allowances” after “costs of*
13 *housing”.*

14 (e) *DELAYED IMPLEMENTATION OF MINIMUM*
15 *AMOUNTS OF VHA.—Subsection (c)(1)(B) of section 403a*
16 *of title 37, United States Code, as added by subsection (a),*
17 *shall be used to determine the monthly amount of a variable*
18 *housing allowance under such section for members of the*
19 *uniformed services only for months beginning after June*
20 *30, 1996.*

21 (f) *REPORT ON IMPLEMENTATION.—Not later than*
22 *June 1, 1996, the Secretary of Defense shall submit to Con-*
23 *gress a report describing the procedures to be used to imple-*
24 *ment the amendments made by this section and the costs*
25 *of such amendments.*

1 **SEC. 605. CLARIFICATION OF LIMITATION ON RECEIPT OF**
2 **FAMILY SEPARATION ALLOWANCE.**

3 *Section 427(b)(4) of title 37, United States Code, is*
4 *amended by inserting before the period at the end of the*
5 *first sentence the following: “unless such entitlement is*
6 *based on paragraph (1)(B)”.*

7 **Subtitle B—Bonuses and Special**
8 **and Incentive Pays**

9 **SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE**
10 **FORCES.**

11 (a) *SELECTED RESERVE REENLISTMENT BONUS.*—
12 *Section 308b(f) of title 37, United States Code, is amended*
13 *by striking out “September 30, 1996” and inserting in lieu*
14 *thereof “September 30, 1998”.*

15 (b) *SELECTED RESERVE ENLISTMENT BONUS.*—*Sec-*
16 *tion 308c(e) of such title is amended by striking out “Sep-*
17 *tember 30, 1996” and inserting in lieu thereof “September*
18 *30, 1998”.*

19 (c) *SELECTED RESERVE AFFILIATION BONUS.*—*Sec-*
20 *tion 308e(e) of such title is amended by striking out “Sep-*
21 *tember 30, 1996” and inserting in lieu thereof “September*
22 *30, 1998”.*

23 (d) *READY RESERVE ENLISTMENT AND REENLIST-*
24 *MENT BONUS.*—*Section 308h(g) of such title is amended by*
25 *striking out “September 30, 1996” and inserting in lieu*
26 *thereof “September 30, 1998”.*

1 (e) *PRIOR SERVICE ENLISTMENT BONUS.*—Section
2 308i(i) of such title is amended by striking out “September
3 30, 1996” and inserting in lieu thereof “September 30,
4 1998”.

5 **SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL**
6 **PAY FOR NURSE OFFICER CANDIDATES, REG-**
7 **ISTERED NURSES, AND NURSE ANES-**
8 **THETISTS.**

9 (a) *NURSE OFFICER CANDIDATE ACCESSION PRO-*
10 *GRAM.*—Section 2130a(a)(1) of title 10, United States Code,
11 is amended by striking out “September 30, 1996” and in-
12 serting in lieu thereof “September 30, 1998”.

13 (b) *ACCESSION BONUS FOR REGISTERED NURSES.*—
14 Section 302d(a)(1) of title 37, United States Code, is
15 amended by striking out “September 30, 1996” and insert-
16 ing in lieu thereof “September 30, 1998”.

17 (c) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*
18 *THETISTS.*—Section 302e(a)(1) of title 37, United States
19 Code, is amended by striking out “September 30, 1996” and
20 inserting in lieu thereof “September 30, 1998”.

21 **SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAY-**
22 **MENT OF OTHER BONUSES AND SPECIAL**
23 **PAYS.**

24 (a) *AVIATION OFFICER RETENTION BONUS.*—Section
25 301b(a) of title 37, United States Code, is amended by strik-

1 ing out “September 30, 1995” and inserting in lieu thereof
2 “September 30, 1998”.

3 (b) *REENLISTMENT BONUS FOR ACTIVE MEMBERS.*—
4 Section 308(g) of such title is amended by striking out
5 “September 30, 1996” and inserting in lieu thereof “Sep-
6 tember 30, 1998”.

7 (c) *ENLISTMENT BONUSES FOR CRITICAL SKILLS.*—
8 Sections 308a(c) and 308f(c) of such title are each amended
9 by striking out “September 30, 1996” and inserting in lieu
10 thereof “September 30, 1998”.

11 (d) *SPECIAL PAY FOR ENLISTED MEMBERS OF THE*
12 *SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIOR-*
13 *ITY UNITS.*—Section 308d(c) of such title is amended by
14 striking out “September 30, 1996” and inserting in lieu
15 thereof “September 30, 1998”.

16 (e) *SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS*
17 *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(e)
18 of such title is amended by striking out “September 30,
19 1996” and inserting in lieu thereof “September 30, 1998”.

20 (f) *NUCLEAR CAREER ACCESSION BONUS.*—Section
21 312b(c) of such title is amended by striking out “September
22 30, 1996” and inserting in lieu thereof “September 30,
23 1998”.

24 (g) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS.*—
25 Section 312c(d) of such title is amended by striking out

1 “October 1, 1996’ and inserting in lieu thereof “October 1,
2 1998”.

3 (h) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*
4 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*
5 *RESERVE.*—Section 16302(d) of title 10, United States
6 Code, is amended by striking out “October 1, 1996” and
7 inserting in lieu thereof “October 1, 1998”.

8 **SEC. 614. CODIFICATION AND EXTENSION OF SPECIAL PAY**
9 **FOR CRITICALLY SHORT WARTIME HEALTH**
10 **SPECIALISTS IN THE SELECTED RESERVES.**

11 (a) *SPECIAL PAY AUTHORIZED.*—(1) Chapter 5 of title
12 37, United States Code, is amended by inserting after sec-
13 tion 302f the following new section:

14 **“§ 302g. Special pay: Selected Reserve health care pro-**
15 **fessionals in critically short wartime spe-**
16 **cialties**

17 “(a) *SPECIAL PAY AUTHORIZED.*—An officer of a re-
18 serve component of the armed forces described in subsection
19 (b) who executes a written agreement under which the offi-
20 cer agrees to serve in the Selected Reserve of an armed force
21 for a period of not less than one year nor more than three
22 years, beginning on the date the officer accepts the award
23 of special pay under this section, may be paid special pay
24 at an annual rate not to exceed \$10,000.

1 “(b) *ELIGIBLE OFFICERS.*—An officer referred to in
2 subsection (a) is an officer in a health care profession who
3 is qualified in a specialty designated by regulations as a
4 critically short wartime specialty.

5 “(c) *TIME FOR PAYMENT.*—Special pay under this sec-
6 tion shall be paid annually at the beginning of each twelve-
7 month period for which the officer has agreed to serve.

8 “(d) *REFUND REQUIREMENT.*—An officer who volun-
9 tarily terminates service in the Selected Reserve of an
10 armed force before the end of the period for which a pay-
11 ment was made to such officer under this section shall re-
12 fund to the United States the full amount of the payment
13 made for the period on which the payment was based.

14 “(e) *INAPPLICABILITY OF DISCHARGE IN BANK-*
15 *RUPTCY.*—A discharge in bankruptcy under title 11 that
16 is entered less than five years after the termination of an
17 agreement under this section does not discharge the person
18 receiving special pay under the agreement from the debt
19 arising under the agreement.

20 “(f) *TERMINATION OF AGREEMENT AUTHORITY.*—No
21 agreement under this section may be entered into after Sep-
22 tember 30, 1998.”.

1 (2) *The table of sections at the beginning of such chap-*
2 *ter is amended by inserting after the item relating to section*
3 *302f the following new item:*

*“302g. Special pay: Selected Reserve health care professionals in critically short
wartime specialties.”.*

4 (b) *CONFORMING AMENDMENT.—Section 303a of title*
5 *37, United States Code is amended by striking out “302,*
6 *302a, 302b, 302c, 302d, 302e,” each place it appears and*
7 *inserting in lieu thereof “302 through 302g.”.*

8 (c) *CONFORMING REPEAL.—(1) Section 613 of the Na-*
9 *tional Defense Authorization Act, Fiscal Year 1989 (Public*
10 *Law 100–456; 37 U.S.C. 302 note) is repealed.*

11 (2) *The repeal of section 613 of the National Defense*
12 *Authorization Act, Fiscal Year 1989, by paragraph (1)*
13 *shall not affect the validity or terms of any agreement en-*
14 *tered into under such section before the date of the enact-*
15 *ment of this Act.*

16 **SEC. 615. CHANGE IN ELIGIBILITY REQUIREMENTS FOR**
17 **CONTINUOUS MONTHLY AVIATION INCEN-**
18 **TIVE PAY.**

19 (a) *LOWER INCENTIVE PAY GATE.—Section*
20 *301a(a)(4) of title 37, United States Code, is amended by*
21 *striking out “9” in the first sentence and inserting in lieu*
22 *thereof “8”.*

23 (b) *EFFECTIVE DATE.—The amendment made by sub-*
24 *section (a) shall take effect on October 1, 1995.*

1 **SEC. 616. CONTINUOUS ENTITLEMENT TO CAREER SEA PAY**
2 **FOR CREWMEMBERS OF SHIPS DESIGNATED**
3 **AS TENDERS.**

4 (a) *CONTINUOUS ENTITLEMENT.*—Section
5 305a(d)(1)(A) of title 37, United States Code, is amended—

6 (1) by striking out “or” after “under way” and
7 inserting in lieu thereof a comma; and

8 (2) by inserting before the semicolon at the end
9 the following: “, or while serving as a member of a
10 tender-class ship (with the hull classification of sub-
11 marine or destroyer)”.

12 (b) *EFFECTIVE DATE.*—The amendments made by sub-
13 section (a) shall take effect on October 1, 1995.

14 **SEC. 617. INCREASE IN MAXIMUM RATE OF SPECIAL DUTY**
15 **ASSIGNMENT PAY FOR ENLISTED MEMBERS**
16 **SERVING AS RECRUITERS.**

17 (a) *SPECIAL MAXIMUM RATE FOR RECRUITERS.*—Sec-
18 tion 307(a) of title 37, United States Code, is amended by
19 adding at the end the following new sentence: “In the case
20 of a member who is serving as a military recruiter and
21 is eligible for special duty assignment pay under this sub-
22 section on account of such duty, the Secretary concerned
23 may increase the monthly rate of special duty assignment
24 pay for the member to not more than \$375.”.

25 (b) *EFFECTIVE DATE.*—The amendment made by sub-
26 section (a) shall take effect on January 1, 1996.

1 **Subtitle C—Travel and**
2 **Transportation Allowances**

3 **SEC. 621. AUTHORIZATION OF RETURN TO UNITED STATES**
4 **OF FORMERLY DEPENDENT CHILDREN OF**
5 **MEMBERS.**

6 (a) *RETURN AT GOVERNMENT EXPENSE.*—Section
7 406(h)(1) of title 37, United States Code, is amended in
8 the last sentence—

9 (1) by striking out “who became 21 years of age”
10 and inserting in lieu thereof “who, by reason of age
11 or graduation from (or cessation of enrollment in) an
12 institution of higher education, would otherwise cease
13 to be a dependent of the member”; and

14 (2) by inserting “still” after “shall”.

15 (b) *EFFECTIVE DATE.*—The amendments made by this
16 section shall take effect on October 1, 1995.

17 **SEC. 622. AUTHORIZATION OF DISLOCATION ALLOWANCE**
18 **FOR MOVES IN CONNECTION WITH BASE**
19 **REALIGNMENTS AND CLOSURES.**

20 (a) *DISLOCATION ALLOWANCE AUTHORIZED.*—Sub-
21 section (a) of section 407 of title 37, United States Code,
22 is amended—

23 (1) by striking out “or” at the end of paragraph

24 (3);

1 (2) by striking out the period at the end of para-
2 graph (4)(B) and inserting in lieu thereof “; or”; and

3 (3) by inserting after paragraph (4)(B) the fol-
4 lowing new paragraph:

5 “(5) the member’s dependents actually make an
6 authorized move in connection with the member’s di-
7 rected order to move as a result of the closure or re-
8 alignment of a military installation.”.

9 (b) *CONFORMING AMENDMENTS.*—Such section is fur-
10 ther amended—

11 (1) in the sentence following subsection (a)(4)—

12 (A) by striking out “clause (3) or (4)(B)”
13 and inserting in lieu thereof “paragraph (3) or
14 (4)(B)”; and

15 (B) by striking out “clause (1)” and insert-
16 ing in lieu thereof “paragraph (1) or (5)”;

17 (2) in subsection (b)—

18 (A) by striking out “subsection (a)(3) or
19 (a)(4)(B)” and inserting in lieu thereof “para-
20 graph (3) or (4)(B) of subsection (a)”; and

21 (B) by striking out “subsection (a)(1)” and
22 inserting in lieu thereof “paragraph (1) or (5) of
23 subsection (a)”.

1 **Subtitle D—Other Matters**

2 **SEC. 631. ELIMINATION OF UNNECESSARY ANNUAL RE-**
3 **PORTING REQUIREMENTS REGARDING COM-**
4 **PENSATION MATTERS.**

5 (a) *REPORT ON TRAVEL AND TRANSPORTATION AL-*
6 *LOWANCES FOR DEPENDENTS.*—(1) *Section 406 of title 37,*
7 *United States Code, is amended—*

8 (A) *by striking out subsection (i); and*

9 (B) *by redesignating subsections (j), (k), (l), (m),*
10 *and (n) as subsections (i), (j), (k), (l), and (m), re-*
11 *spectively.*

12 (2) *Section 2634(d) of title 10, United States Code,*
13 *is amended by striking out “section 406(l) of title 37” and*
14 *inserting in lieu thereof “section 406(k) of title 37”.*

15 (b) *ANNUAL REVIEW OF PAY AND ALLOWANCES.*—Sub-
16 *section (a) of section 1008 of title 37, United States Code,*
17 *is amended to read as follows:*

18 “(a) *Not later than March 31 of each year, the Presi-*
19 *dent shall submit to Congress such recommendations (if*
20 *any) as the President considers appropriate for adjustments*
21 *in the rates of pay and allowances authorized by this title*
22 *for members of the uniformed services.”.*

1 **SEC. 632. STUDY REGARDING JOINT PROCESS FOR DETER-**
2 **MINING LOCATION OF RECRUITING STA-**
3 **TIONS.**

4 (a) *STUDY REQUIRED.*—The Secretary of Defense shall
5 conduct a study regarding the feasibility of—

6 (1) *using a joint process among the Armed*
7 *Forces for determining the location of recruiting sta-*
8 *tions and the number of military personnel required*
9 *to operate such stations; and*

10 (2) *basing such determinations on market re-*
11 *search and analysis conducted jointly by the Armed*
12 *Forces.*

13 (b) *REPORT.*—Not later than March 31, 1996, the Sec-
14 retary of Defense shall submit to Congress a report describ-
15 ing the results of the study. The report shall include a rec-
16 ommended method for measuring the efficiency of individ-
17 ual recruiting stations, such as cost per accession or other
18 efficiency standard, as determined by the Secretary.

19 **SEC. 633. ELIMINATION OF DISPARITY BETWEEN EFFEC-**
20 **TIVE DATES FOR MILITARY AND CIVILIAN RE-**
21 **TIREE COST-OF-LIVING ADJUSTMENTS FOR**
22 **FISCAL YEAR 1996.**

23 (a) *IN GENERAL.*—The fiscal year 1996 increase in
24 military retired pay shall (notwithstanding subparagraph
25 (B) of section 1401a(b)(2) of title 10, United States Code)

1 *first be payable as part of such retired pay for the month*
2 *of March 1996.*

3 (b) *DEFINITIONS.*—*For the purposes of subsection (a):*

4 (1) *The term “fiscal year 1996 increase in mili-*
5 *tary retired pay” means the increase in retired pay*
6 *that, pursuant to paragraph (1) of section 1401a(b)*
7 *of title 10, United States Code, becomes effective on*
8 *December 1, 1995.*

9 (2) *The term “retired pay” includes retainer*
10 *pay.*

11 (c) *LIMITATION.*—*Subsection (a) shall be effective only*
12 *if there is appropriated to the Department of Defense Mili-*
13 *tary Retirement Fund (in an Act making appropriations*
14 *for the Department of Defense for fiscal year 1996 that is*
15 *enacted before March 1, 1996) such amount as is necessary*
16 *to offset increased outlays to be made from that fund during*
17 *fiscal year 1996 by reason of the provisions of subsection*
18 *(a).*

19 (d) *AUTHORIZATION OF APPROPRIATIONS.*—*There is*
20 *authorized to be appropriated for fiscal year 1996 to the*
21 *Department of Defense Military Retirement Fund the sum*
22 *of \$403,000,000 to offset increased outlays to be made from*
23 *that fund during fiscal year 1996 by reason of the provi-*
24 *sions of subsection (a).*

1 **TITLE VII—HEALTH CARE**
2 **PROVISIONS**
3 **Subtitle A—Health Care Services**

4 **SEC. 701. MODIFICATION OF REQUIREMENTS REGARDING**
5 **ROUTINE PHYSICAL EXAMINATIONS AND IM-**
6 **MUNIZATIONS UNDER CHAMPUS.**

7 *Section 1079(a) of title 10, United States Code, is*
8 *amended by striking out paragraph (2) and inserting in*
9 *lieu thereof the following new paragraph:*

10 “(2) consistent with such regulations as the Sec-
11 *retary of Defense may prescribe regarding the content*
12 *of health promotion and disease prevention visits, the*
13 *schedule of pap smears and mammograms, and the*
14 *types and schedule of immunizations—*

15 “(A) for dependents under six years of age,
16 *both health promotion and disease prevention*
17 *visits and immunizations may be provided; and*

18 “(B) for dependents six years of age or
19 *older, health promotion and disease prevention*
20 *visits may be provided in connection with im-*
21 *munizations or with diagnostic or preventive*
22 *pap smears and mammograms;”.*

1 **SEC. 702. CORRECTION OF INEQUITIES IN MEDICAL AND**
2 **DENTAL CARE AND DEATH AND DISABILITY**
3 **BENEFITS FOR CERTAIN RESERVISTS.**

4 (a) *MEDICAL AND DENTAL CARE.*—Section 1074a(a)
5 of title 10, United States Code, is amended by adding at
6 the end the following new paragraph:

7 “(3) Each member of the armed forces who in-
8 curs or aggravates an injury, illness, or disease in the
9 line of duty while remaining overnight, between suc-
10 cessive periods of inactive-duty training, at or in the
11 vicinity of the site of the inactive-duty training, and
12 the site is outside reasonable commuting distance
13 from the member’s residence.”.

14 (b) *RECOVERY, CARE, AND DISPOSITION OF RE-*
15 *MAINS.*—Section 1481(a)(2) of title 10, United States Code,
16 is amended—

17 (1) in subparagraph (C), by striking out “or” at
18 the end of the subparagraph;

19 (2) by redesignating subparagraph (D) as sub-
20 paragraph (E); and

21 (3) by inserting after subparagraph (C) the fol-
22 lowing new subparagraph:

23 “(D) remaining overnight, between succes-
24 sive periods of inactive-duty training, at or in
25 the vicinity of the site of the inactive-duty train-

1 *ing, and the site is outside reasonable commut-*
2 *ing distance from the member's residence; or”.*

3 (c) *ENTITLEMENT TO BASIC PAY.—(1) Subsection*
4 *(g)(1) of section 204 of title 37, United States Code, is*
5 *amended—*

6 (A) *in subparagraph (B), by striking out “or” at*
7 *the end of the subparagraph;*

8 (B) *in subparagraph (C), by striking out the pe-*
9 *riod at the end of the subparagraph and inserting in*
10 *lieu thereof “; or”; and*

11 (C) *by inserting after subparagraph (C) the fol-*
12 *lowing new subparagraph:*

13 “(D) *in line of duty while remaining overnight,*
14 *between successive periods of inactive-duty training,*
15 *at or in the vicinity of the site of the inactive-duty*
16 *training, and the site is outside reasonable commut-*
17 *ing distance from the member's residence.”.*

18 (2) *Subsection (h)(1) of such section is amended—*

19 (A) *in subparagraph (B), by striking out “or” at*
20 *the end of the subparagraph;*

21 (B) *in subparagraph (C), by striking out the pe-*
22 *riod at the end of the subparagraph and inserting in*
23 *lieu thereof “; or”; and*

24 (C) *by inserting after subparagraph (C) the fol-*
25 *lowing new subparagraph:*

1 “(D) in line of duty while remaining overnight,
2 between successive periods of inactive-duty training,
3 at or in the vicinity of the site of the inactive-duty
4 training, and the site is outside reasonable commut-
5 ing distance from the member’s residence.”.

6 (d) *COMPENSATION FOR INACTIVE-DUTY TRAINING.*—
7 Section 206(a)(3) of title 37, United States Code, is
8 amended—

9 (1) in subparagraph (A), by striking out “or” at
10 the end of clause (ii);

11 (2) in subparagraph (B), by striking out the pe-
12 riod at the end of the subparagraph and inserting in
13 lieu thereof “; or”; and

14 (3) by inserting after subparagraph (B) the fol-
15 lowing new subparagraph:

16 “(C) in line of duty while remaining over-
17 night, between successive periods of inactive-duty
18 training, at or in the vicinity of the site of the
19 inactive-duty training, and the site is outside
20 reasonable commuting distance from the mem-
21 ber’s residence.”.

1 **SEC. 703. MEDICAL AND DENTAL CARE FOR MEMBERS OF**
2 **THE SELECTED RESERVE.**

3 (a) *MEMBERS OF EARLY DEPLOYING UNITS OF THE*
4 *ARMY SELECTED RESERVE.*—Section 1074a of title 10,
5 *United States Code, is amended—*

6 (1) *in subsection (c), by striking out “this sec-*
7 *tion” and inserting in lieu thereof “subsection (b)”;*
8 *and*

9 (2) *by adding at the end the following new sub-*
10 *section:*

11 “(d)(1) *The Secretary of the Army shall provide to*
12 *members of the Selected Reserve of the Army who are as-*
13 *signed to units scheduled for deployment within 75 days*
14 *after mobilization the following medical and dental services:*

15 “(A) *An annual medical screening.*

16 “(B) *For members who are over 40 years of age,*
17 *a full physical examination not less often than once*
18 *every two years.*

19 “(C) *An annual dental screening.*

20 “(D) *The dental care identified in an annual*
21 *dental screening as required to ensure that a member*
22 *meets the dental standards required for deployment in*
23 *the event of mobilization.*

24 “(2) *The services provided under this subsection shall*
25 *be provided at no cost to the member.”.*

1 (b) *VOLUNTARY DEMONSTRATION PROGRAM TO IM-*
2 *PROVE DENTAL READINESS OF SELECTED RESERVE.—(1)*
3 *For members of the Selected Reserve who are not covered*
4 *by subsection (a), the Secretary of Defense shall conduct a*
5 *demonstration program to offer such members affordable*
6 *dental care for the purpose of ensuring that such members*
7 *meet the dental standards required for deployment in the*
8 *event of mobilization. The Secretary shall determine the geo-*
9 *graphical scope of the demonstration program and the num-*
10 *ber of members of the Selected Reserve who will be invited*
11 *to participate in the program. However, participation in*
12 *the demonstration program shall be offered to the members*
13 *of at least one ground combat maneuver unit of the Selected*
14 *Reserve of the Army scheduled for deployment within 90*
15 *days after mobilization.*

16 (2) *The Secretary may model the dental demonstration*
17 *program after the dependents' dental program authorized*
18 *under section 1076a of title 10, United States Code, except*
19 *that participants in the demonstration program shall be re-*
20 *sponsible for all costs incurred to provide dental care under*
21 *the program. The Secretary shall provide for allotment or*
22 *deduction from the military pay of participants as a means*
23 *to pay any premiums required under the demonstration*
24 *program.*

1 (3) *The authority to carry out the dental demonstra-*
2 *tion program under this subsection shall expire on Septem-*
3 *ber 30, 1997.*

4 (c) *EVALUATION OF DEMONSTRATION PROGRAM.*—Not
5 *later than March 1, 1997, the Secretary shall submit to*
6 *Congress a report evaluating the success of the dental dem-*
7 *onstration program conducted under subsection (b) in im-*
8 *proving the dental readiness of the Selected Reserve. The*
9 *Secretary shall submit a revised report under this sub-*
10 *section not later than 30 days after the expiration of the*
11 *demonstration program.*

12 (d) *CONFORMING REPEALS.*—Sections 1117 and 1118
13 *of the Army National Guard Combat Readiness Reform Act*
14 *of 1992 (title XI of Public Law 102–484; 10 U.S.C. 3077*
15 *note) are repealed.*

16 **Subtitle B—TRICARE Program**

17 **SEC. 711. PRIORITY USE OF MILITARY TREATMENT FACILI-** 18 **TIES FOR PERSONS ENROLLED IN MANAGED** 19 **CARE INITIATIVES.**

20 *Section 1097(c) of title 10, United States Code, is*
21 *amended in the third sentence by striking out “However,*
22 *the Secretary may” and inserting in lieu thereof “Notwith-*
23 *standing the preferences established by sections 1074(b) and*
24 *1076 of this title, the Secretary shall”.*

1 **SEC. 712. STAGGERED PAYMENT OF ENROLLMENT FEES**
2 **FOR TRICARE.**

3 *Section 1097(e) of title 10, United States Code, is*
4 *amended by adding at the end the following new sentence:*
5 *“Without imposing additional costs on covered beneficiaries*
6 *who participate in contracts for health care services under*
7 *this section or health care plans offered under section 1099*
8 *of this title, the Secretary shall permit such covered bene-*
9 *ficiaries to pay, on a monthly or quarterly basis, any en-*
10 *rollment fee required for such participation.”.*

11 **SEC. 713. REQUIREMENT OF BUDGET NEUTRALITY FOR**
12 **TRICARE TO BE BASED ON ENTIRE PROGRAM.**

13 *(a) CHANGE IN BUDGET NEUTRALITY REQUIRE-*
14 *MENTS.—Subsection (c) of section 731 of the National De-*
15 *fense Authorization Act for Fiscal Year 1994 (Public Law*
16 *103–160; 10 U.S.C. 1073 note) is amended—*

17 *(1) by striking out “each managed health care*
18 *initiative that includes the option” and inserting in*
19 *lieu thereof “the TRICARE program”; and*

20 *(2) by striking out “covered beneficiaries who en-*
21 *roll in the option” and inserting in lieu thereof*
22 *“members of the uniformed services and covered bene-*
23 *ficiaries who participate in the TRICARE program”.*

24 *(b) ADDITION OF DEFINITION OF TRICARE PRO-*
25 *GRAM.—Subsection (d) of such section is amended to read*
26 *as follows:*

1 “(d) *DEFINITIONS.*—*For purposes of this section:*

2 “(1) *The term ‘covered beneficiary’ means a ben-*
3 *eficiary under chapter 55 of title 10, United States*
4 *Code, other than a beneficiary under section 1074(a)*
5 *of such title.*

6 “(2) *The term ‘TRICARE program’ means the*
7 *managed health care program that is established by*
8 *the Secretary of Defense under the authority of chap-*
9 *ter 55 of title 10, United States Code, principally sec-*
10 *tion 1097 of such title, and includes the competitive*
11 *selection of contractors to financially underwrite the*
12 *delivery of health care services under the Civilian*
13 *Health and Medical Program of the Uniformed Serv-*
14 *ices.’.*”

15 **SEC. 714. TRAINING IN HEALTH CARE MANAGEMENT AND**
16 **ADMINISTRATION FOR TRICARE LEAD**
17 **AGENTS.**

18 (a) *PROVISION OF TRAINING.*—*Not later than six*
19 *months after the date of the enactment of this Act, the Sec-*
20 *retary of Defense shall implement a professional edu-*
21 *cational program to provide appropriate training in health*
22 *care management and administration to each commander*
23 *of a military medical treatment facility of the Department*
24 *of Defense who is selected to serve as a lead agent to coordi-*

1 *nate the delivery of health care by military and civilian*
2 *providers under the TRICARE program.*

3 *(b) TRICARE PROGRAM DEFINED.—For purposes of*
4 *this section, the term “TRICARE program” means the*
5 *managed health care program that is established by the Sec-*
6 *retary of Defense under the authority of chapter 55 of title*
7 *10, United States Code, principally section 1097 of such*
8 *title, and includes the competitive selection of contractors*
9 *to financially underwrite the delivery of health care services*
10 *under the Civilian Health and Medical Program of the Uni-*
11 *formed Services.*

12 *(c) REPORT ON IMPLEMENTATION.—Not later than six*
13 *months after the date of the enactment of this Act, the Sec-*
14 *retary of Defense shall submit to Congress a report describ-*
15 *ing the professional educational program implemented pur-*
16 *suant to this section.*

17 **SEC. 715. EVALUATION AND REPORT ON TRICARE EFFEC-**
18 **TIVENESS.**

19 *(a) EVALUATION REQUIRED.—The Secretary of De-*
20 *fense shall arrange for an on-going evaluation of the effec-*
21 *tiveness of the TRICARE program in meeting the goals of*
22 *increasing the access of covered beneficiaries under chapter*
23 *55 of title 10, United States Code, to health care and im-*
24 *proving the quality of health care provided to covered bene-*
25 *ficiaries, without increasing the costs incurred by the Gov-*

1 *ernment or covered beneficiaries. The evaluation shall spe-*
2 *cifically address the impact of the TRICARE program on*
3 *military retirees with regard to access, costs, and quality*
4 *of health care services and identify noncatchment areas in*
5 *which the HMO option of the TRICARE program will be*
6 *available. The Secretary shall use a federally funded re-*
7 *search and development center to conduct the evaluation re-*
8 *quired by this section.*

9 *(b) ANNUAL REPORT.—Not later than March 1 of each*
10 *year, the center conducting the evaluation under subsection*
11 *(a) shall submit to Congress a report describing the results*
12 *of the evaluation during the preceding year.*

13 *(c) TRICARE PROGRAM DEFINED.—For purposes of*
14 *this section, the term “TRICARE program” means the*
15 *managed health care program that is established by the Sec-*
16 *retary of Defense under the authority of chapter 55 of title*
17 *10, United States Code, principally section 1097 of such*
18 *title, and includes the competitive selection of contractors*
19 *to financially underwrite the delivery of health care services*
20 *under the Civilian Health and Medical Program of the Uni-*
21 *formed Services.*

1 **Subtitle C—Uniformed Services**
2 **Treatment Facilities**

3 **SEC. 721. LIMITATION ON EXPENDITURES TO SUPPORT UNI-**
4 **FORMED SERVICES TREATMENT FACILITIES**
5 **AND LIMITATION ON NUMBER OF PARTICI-**
6 **PANTS IN USTF MANAGED CARE PLANS.**

7 Subsection (f) of section 1252 of the Department of De-
8 fense Authorization Act, 1984 (42 U.S.C. 248d), is amended
9 to read as follows:

10 “(f) *LIMITATION ON EXPENDITURES AND PARTICI-*
11 *PANTS.—(1) The total amount of expenditures by the Sec-*
12 *retary of Defense to carry out this section and section 911*
13 *of the Military Construction Authorization Act, 1982 (42*
14 *U.S.C. 248c), for fiscal year 1996 may not exceed*
15 *\$300,000,000, adjusted by the Secretary to reflect the infla-*
16 *tion factor used by the Department of Defense for such year.*

17 “(2) *During fiscal year 1996, the number of covered*
18 *beneficiaries under chapter 55 of title 10, United States*
19 *Code (including covered beneficiaries described in section*
20 *1086(d)(1) of such title), who are enrolled in managed care*
21 *plans offered by facilities described in subsection (a) and*
22 *designated under subsection (c) may not exceed the number*
23 *of such covered beneficiaries so enrolled as of September 30,*
24 *1995.”.*

1 **SEC. 722. APPLICATION OF FEDERAL ACQUISITION REGULA-**
2 **TION TO PARTICIPATION AGREEMENTS WITH**
3 **UNIFORMED SERVICES TREATMENT FACILI-**
4 **TIES.**

5 *Section 718(c) of the National Defense Authorization*
6 *Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat.*
7 *1587) is amended—*

8 *(1) in the second sentence of paragraph (1), by*
9 *striking out “A participation agreement” and insert-*
10 *ing in lieu thereof “Except as provided in paragraph*
11 *(4), a participation agreement”;*

12 *(2) by redesignating paragraph (4) as para-*
13 *graph (6); and*

14 *(3) by inserting after paragraph (3) the follow-*
15 *ing new paragraph:*

16 *“(4) APPLICATION OF FEDERAL ACQUISITION*
17 *REGULATION.—On and after the date of the enact-*
18 *ment of this paragraph, Uniformed Services Treat-*
19 *ment Facilities and any participation agreement be-*
20 *tween Uniformed Services Treatment Facilities and*
21 *the Secretary of Defense shall be subject to the Federal*
22 *Acquisition Regulation issued pursuant to section*
23 *25(c) of the Office of Federal Procurement Policy Act*
24 *(41 U.S.C. 421(c)) notwithstanding any provision to*
25 *the contrary in such a participation agreement. The*
26 *requirements regarding competition in the Federal*

1 *Acquisition Regulation shall apply with regard to the*
2 *negotiation of any new participation agreement be-*
3 *tween the Uniformed Services Treatment Facilities*
4 *and the Secretary of Defense under this subsection or*
5 *any other provision of law.”.*

6 **SEC. 723. DEVELOPMENT OF PLAN FOR INTEGRATING UNI-**
7 **FORMED SERVICES TREATMENT FACILITIES**
8 **IN MANAGED CARE PROGRAMS OF DEPART-**
9 **MENT OF DEFENSE.**

10 *Section 718(c) of the National Defense Authorization*
11 *Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat.*
12 *1587) is amended by inserting after paragraph (4), as*
13 *added by section 722, the following new paragraph:*

14 “(5) *PLAN FOR INTEGRATING FACILITIES.*—(A)
15 *Not later than March 1, 1996, the Secretary of De-*
16 *fense shall submit to Congress a plan under which*
17 *Uniformed Services Treatment Facilities, on or before*
18 *September 30, 1997, shall be included in the exclusive*
19 *health care provider networks established by the Sec-*
20 *retary for the geographic regions in which the facili-*
21 *ties are located. The Secretary shall address in the*
22 *plan the feasibility of implementing the managed care*
23 *plan of the Uniformed Services Treatment Facilities,*
24 *known as Option II, on a mandatory basis for all*
25 *USTF Medicare-eligible beneficiaries and the poten-*

1 *tial cost savings to the Military Health Care Program*
2 *that could be achieved under such option.*

3 *“(B) The plan developed under this paragraph*
4 *shall be consistent with the requirements specified in*
5 *paragraph (4). If the plan is not submitted to Con-*
6 *gress by the expiration date of the participation*
7 *agreements entered into under this section, the par-*
8 *ticipation agreements shall remain in effect, at the*
9 *option of the Uniformed Services Treatment Facili-*
10 *ties, until the end of the 180-day period beginning on*
11 *the date the plan is finally submitted.*

12 *“(C) For purposes of this paragraph, the term*
13 *‘USTF Medicare-eligible beneficiaries’ means covered*
14 *beneficiaries under chapter 55 of title 10, United*
15 *States Code, who are enrolled in a managed health*
16 *plan offered by the Uniformed Services Treatment Fa-*
17 *cilities and entitled to hospital insurance benefits*
18 *under part A of title XVIII of the Social Security Act*
19 *(42 U.S.C. 1395c et seq.).”.*

20 **SEC. 724. EQUITABLE IMPLEMENTATION OF UNIFORM COST**
21 **SHARING REQUIREMENTS FOR UNIFORMED**
22 **SERVICES TREATMENT FACILITIES.**

23 *The uniform managed care benefit fee and copayment*
24 *schedule developed by the Secretary of Defense for use in*
25 *all managed care initiatives of the military health service*

1 *system, including the managed care program of the Uni-*
2 *formed Services Treatment Facilities, shall be extended to*
3 *the managed care program of a Uniformed Services Treat-*
4 *ment Facility only upon the implementation of the*
5 *TRICARE regional program covering the service area of*
6 *the Uniformed Services Treatment Facility.*

7 ***Subtitle D—Other Changes to Exist-***
8 ***ing Laws Regarding Health***
9 ***Care Management***

10 ***SEC. 731. MAXIMUM ALLOWABLE PAYMENTS TO INDIVIDUAL***
11 ***HEALTH-CARE PROVIDERS UNDER CHAMPUS.***

12 *(a) MAXIMUM PAYMENT.—Subsection (h) of section*
13 *1079 of title 10, United States Code, is amended by striking*
14 *out paragraph (1) and inserting in lieu thereof the follow-*
15 *ing new paragraph:*

16 *“(1) Payment for a charge for services by an individ-*
17 *ual health care professional (or other noninstitutional*
18 *health care provider) for which a claim is submitted under*
19 *a plan contracted for under subsection (a) may not exceed*
20 *the lesser of—*

21 *“(A) an amount equivalent to the 80th percentile*
22 *of billed charges made for similar services in the same*
23 *locality during a 12-month base period; or*

24 *“(B) an amount determined to be appropriate,*
25 *to the extent practicable, in accordance with the same*

1 *reimbursement rules as apply to payments for similar*
2 *services under title XVIII of the Social Security Act*
3 *(42 U.S.C. 1395 et seq.).”.*

4 *(b) COMPARISON TO MEDICARE PAYMENTS.—Such*
5 *subsection is further amended by adding at the end the fol-*
6 *lowing new paragraph:*

7 *“(3) For the purposes of paragraph (1)(B), the appro-*
8 *priate payment amount shall be determined by the Sec-*
9 *retary of Defense, in consultation with the other administer-*
10 *ing Secretaries.”.*

11 *(c) EXCEPTIONS AND LIMITATIONS.—Such subsection*
12 *is further amended by inserting after paragraph (3), as*
13 *added by subsection (b), the following new paragraphs:*

14 *“(4) The Secretary of Defense, in consultation with the*
15 *other administering Secretaries, shall prescribe regulations*
16 *to provide for such exceptions to the payment limitations*
17 *under paragraph (1) as the administering Secretaries deter-*
18 *mine to be necessary to assure that covered beneficiaries re-*
19 *tain adequate access to health care services. Such exceptions*
20 *may include the payment of amounts greater than the*
21 *amount allowed under paragraph (1) when enrollees in*
22 *managed care programs obtain covered emergency services*
23 *from nonparticipating providers. To transition from the*
24 *payment methods in effect before the date of the enactment*
25 *of this paragraph to the methodology required by paragraph*

1 (1), the amount allowable for any service may not be re-
2 duced by more than 15 percent from the amount allowed
3 for the same service during the immediately preceding 12-
4 month period (or other period as established by the Sec-
5 retary of Defense).

6 “(5) The Secretary of Defense, in consultation with the
7 other administering Secretaries, shall prescribe regulations
8 to establish limitations (similar to those limitations estab-
9 lished under title XVIII of the Social Security Act (42
10 U.S.C. 1395 et seq.)) on beneficiary liability for charges of
11 an individual health care professional (or other
12 noninstitutional health care provider).”.

13 (d) CONFORMING AMENDMENT.—Paragraph (2) of
14 such subsection is amended by striking out “paragraph (1)”
15 and inserting in lieu thereof “paragraph (1)(A)”.

16 (e) REPORT ON EFFECT OF AMENDMENTS.—Not later
17 than March 1, 1996, the Secretary of Defense shall submit
18 to Congress a report analyzing the effect of the amendments
19 made by this section on the ability or willingness of individ-
20 ual health care professionals and other noninstitutional
21 health care providers to participate in the Civilian Health
22 and Medical Program of the Uniformed Services.

1 **SEC. 732. EXPANSION OF EXISTING RESTRICTION ON USE**
2 **OF DEFENSE FUNDS FOR ABORTIONS.**

3 (a) *INCLUSION OF DEFENSE FACILITIES.*—Section
4 1093 of title 10, United States Code, is amended by insert-
5 ing after “Department of Defense” the following: “; and
6 medical treatment facilities or other facilities of the Depart-
7 ment of Defense.”.

8 (b) *CLERICAL AMENDMENTS.*—(1) The heading of such
9 section is amended by inserting “**or facilities**” after
10 “**funds**”.

11 (2) The item relating to such section in the table of
12 sections at the beginning of chapter 55 of such title is
13 amended to read as follows:

“1093. Restriction on use of funds or facilities for abortions.”.

14 **SEC. 733. IDENTIFICATION OF THIRD-PARTY PAYER SITUA-**
15 **TIONS.**

16 Section 1095 of title 10, United States Code, is amend-
17 ed by adding at the end the following new subsection:

18 “(k)(1) To improve the administration of this section
19 and sections 1079(j)(1) and 1086(d) of this title, the Sec-
20 retary of Defense, in consultation with the other administer-
21 ing Secretaries, may prescribe regulations to collect infor-
22 mation regarding insurance, medical service, or health
23 plans of third-party payers held by covered beneficiaries.

24 “(2) The collection of information under regulations
25 issued under paragraph (1) shall be conducted in the same

1 manner as provided in section 1862(b)(5) of the Social Se-
2 curity Act (42 U.S.C. 1395y(b)(5)). The Secretary may pro-
3 vide for obtaining from the Commissioner of Social Secu-
4 rity employment information comparable to the informa-
5 tion provided to the Administrator of the Health Care Fi-
6 nancing Administration pursuant to such section. Such
7 regulations may require the mandatory disclosure of social
8 security account numbers for all covered beneficiaries.

9 “(3) The Secretary of Defense may disclosure relevant
10 employment information collected under this subsection to
11 fiscal intermediaries or other designated contractors.

12 “(4) The Secretary of Defense may provide for contact-
13 ing employers of covered beneficiaries to obtain group health
14 plan information comparable to the information authorized
15 to be obtained under section 1862(b)(5)(C) of the Social Se-
16 curity Act (42 U.S.C. 1395y(b)(5)(C)). Clause (ii) of such
17 section regarding the imposition of civil money penalties
18 shall apply to the collection of information under this para-
19 graph.

20 “(5) Information obtained under this subsection may
21 not be disclosed for any purpose other than to carry out
22 the purpose of this section and sections 1079(j)(1) and
23 1086(d) of this title.”.

1 **SEC. 734. REDESIGNATION OF MILITARY HEALTH CARE AC-**
2 **COUNT AS DEFENSE HEALTH PROGRAM AC-**
3 **COUNT AND TWO-YEAR AVAILABILITY OF CER-**
4 **TAIN ACCOUNT FUNDS.**

5 (a) *REDESIGNATION.*—Section 1100 of title 10, United
6 States Code, is amended—

7 (1) in subsection (a)(1)—

8 (A) by striking out “Military Health Care
9 Account” and inserting in lieu thereof “Defense
10 Health Program Account”; and

11 (B) by striking out “the Civilian Health
12 and Medical Program of the Uniformed Serv-
13 ices” and inserting in lieu thereof “medical and
14 health care programs of the Department of De-
15 fense”; and

16 (2) in subsection (b)—

17 (A) by striking out “entering into a con-
18 tract” and inserting in lieu thereof “conducting
19 programs and activities under this chapter, in-
20 cluding contracts entered into”; and

21 (B) by inserting a comma after “title”.

22 (b) *TWO YEAR AVAILABILITY OF CERTAIN APPROPRIA-*
23 *TIONS.*—Subsection (a)(2) of such section is amended to
24 read as follows:

25 “(2) Three percent of the funds appropriated annually
26 for the operation and maintenance of the programs and ac-

1 *tivities authorized by this chapter shall remain available*
 2 *for obligation until the end of the fiscal year following the*
 3 *fiscal year for which the funds were appropriated. This*
 4 *paragraph shall not apply for a fiscal year to the extent*
 5 *that a provision of law specifically refers to this paragraph*
 6 *and specifies that this paragraph shall not apply for that*
 7 *fiscal year.”.*

8 *(c) CONFORMING AMENDMENTS.—Such section is fur-*
 9 *ther amended—*

10 *(1) by striking out subsections (c), (d), and (f);*

11 *and*

12 *(2) by redesignating subsection (e) as subsection*

13 *(c).*

14 *(d) CLERICAL AMENDMENTS.—(1) The heading of such*
 15 *section is amended to read as follows:*

16 **“§ 1100. Defense Health Program Account”.**

17 *(2) The item relating to such section in the table of*
 18 *sections at the beginning of chapter 55 of such title is*
 19 *amended to read as follows:*

“1100. Defense Health Program Account.”.

20 **SEC. 735. EXPANSION OF FINANCIAL ASSISTANCE PROGRAM**

21 **FOR HEALTH-CARE PROFESSIONALS IN RE-**

22 **SERVE COMPONENTS TO INCLUDE DENTAL**

23 **SPECIALTIES.**

24 *Section 16201(b) of title 10, United States Code, is*
 25 *amended—*

1 (1) *in the subsection heading, by inserting “AND*
2 *DENTISTS” after “PHYSICIANS”;*

3 (2) *in paragraph (1)(A), by inserting “or dental*
4 *school” after “medical school”;*

5 (3) *in paragraphs (1)(B) and (2)(B), by insert-*
6 *ing “or dental officer” after “medical officer”; and*

7 (4) *in paragraph (1)(C), by striking out “physi-*
8 *cians in a medical specialty” and inserting in lieu*
9 *thereof “physicians or dentists in a medical or dental*
10 *specialty”.*

11 **SEC. 736. ELIMINATION OF UNNECESSARY ANNUAL RE-**
12 **PORTING REQUIREMENTS REGARDING MILI-**
13 **TARY HEALTH CARE.**

14 *Section 1252 of the Department of Defense Authoriza-*
15 *tion Act, 1984 (42 U.S.C. 248d), is amended by striking*
16 *out subsection (d).*

17 **Subtitle E—Other Matters**

18 **SEC. 741. TERMINATION OF PROGRAM TO TRAIN AND UTI-**
19 **LIZE MILITARY PSYCHOLOGISTS TO PRE-**
20 **SCRIBE PSYCHOTROPIC MEDICATIONS.**

21 (a) *TERMINATION.*—*Immediately after the date of the*
22 *enactment of this Act, the Secretary of Defense shall termi-*
23 *nate the demonstration pilot program for training and uti-*
24 *lizing military psychologists in the prescription of psycho-*
25 *tropic medications, which is referred to in section 8097 of*

1 *the Department of Defense Appropriations Act, 1991 (Pub-*
2 *lic Law 101–511; 104 Stat. 1897). None of the funds appro-*
3 *priated to the Department of Defense for a fiscal year after*
4 *fiscal year 1995 may be used to train psychologists to be*
5 *able to prescribe psychotropic medications.*

6 (b) *EFFECT ON AUTHORITY TO PRESCRIBE PSYCHO-*
7 *TROPIC MEDICATIONS.—Psychologists who participated in*
8 *the demonstration pilot training program regarding the*
9 *prescription of psychotropic medications shall not be au-*
10 *thorized to prescribe such medications despite the comple-*
11 *tion of training under the program.*

12 **SEC. 742. WAIVER OF COLLECTION OF PAYMENTS DUE**
13 **FROM CERTAIN PERSONS UNAWARE OF LOSS**
14 **OF CHAMPUS ELIGIBILITY.**

15 (a) *AUTHORITY TO WAIVE COLLECTION.—The admin-*
16 *istering Secretaries may waive the collection of payments*
17 *otherwise due from a person described in subsection (b) as*
18 *a result of the receipt by the person of health benefits under*
19 *section 1086 of title 10, United States Code, after the termi-*
20 *nation of the person’s eligibility for such benefits.*

21 (b) *PERSONS ELIGIBLE FOR WAIVER.—A person shall*
22 *be eligible for relief under subsection (a) if the person—*
23 (1) *is a person described in paragraph (1) of*
24 *subsection (d) of section 1086 of title 10, United*
25 *States Code;*

1 (2) *in the absence of such paragraph, would have*
2 *been eligible for health benefits under such section;*
3 *and*

4 (3) *at the time of the receipt of such benefits, sat-*
5 *isfied the criteria specified in subparagraphs (A) and*
6 *(B) of paragraph (2) of such subsection.*

7 (c) *EXTENT OF WAIVER AUTHORITY.—The authority*
8 *to waive the collection of payments pursuant to this section*
9 *shall apply with regard to health benefits provided under*
10 *section 1086 of title 10, United States Code, to persons de-*
11 *scribed in subsection (b) during the period beginning on*
12 *January 1, 1967, and ending on the later of—*

13 (1) *the termination date of any special enroll-*
14 *ment period provided under title XVIII of the Social*
15 *Security Act (42 U.S.C. 1395c et seq.) specifically for*
16 *such persons; and*

17 (2) *July 1, 1996.*

18 (d) *DEFINITIONS.—For purposes of this section, the*
19 *term “administering Secretaries” has the meaning given*
20 *such term in section 1072(3) of title 10, United States Code.*

21 **SEC. 743. NOTIFICATION OF CERTAIN CHAMPUS COVERED**
22 **BENEFICIARIES OF LOSS OF CHAMPUS ELIGI-**
23 **BILITY.**

24 *Section 1086(d) of title 10, United States Code, is*
25 *amended by adding at the end the following new paragraph:*

1 “(4) *The administering Secretaries shall develop a*
2 *mechanism by which persons described in paragraph (1)*
3 *who satisfy only the criteria specified in subparagraphs (A)*
4 *and (B) of paragraph (2), but not subparagraph (C) of such*
5 *paragraph, are promptly notified of their ineligibility for*
6 *health benefits under this section. The administering Sec-*
7 *retaries shall consult with the Secretary of Health and*
8 *Human Services and the Health Care Financing Adminis-*
9 *tration regarding a method to promptly identify persons*
10 *requiring notice under this subsection.”.*

11 **SEC. 744. DEMONSTRATION PROGRAM TO TRAIN MILITARY**
12 **MEDICAL PERSONNEL IN CIVILIAN SHOCK**
13 **TRAUMA UNITS.**

14 (a) *DEMONSTRATION PROGRAM.*—*Not later than April*
15 *1, 1996, the Secretary of Defense shall implement a dem-*
16 *onstration program to evaluate the feasibility of providing*
17 *shock trauma training for military medical personnel*
18 *through the use of civilian hospitals. Pursuant to an agree-*
19 *ment between the Secretary and one or more public or non-*
20 *profit hospitals, the Secretary shall assign military medical*
21 *personnel participating in the demonstration program to*
22 *temporary duty in shock trauma units operated by the hos-*
23 *pitals that are parties to the agreement. As consideration*
24 *for the services provided by military medical personnel*
25 *under the agreement, the agreement shall require the hos-*

1 *pitals to provide appropriate care to members of the Armed*
2 *Forces and to other persons whose care in the hospital*
3 *would otherwise require reimbursement by the Secretary.*
4 *The value of the services provided by the hospitals shall be*
5 *at least equal to the value of the services provided by mili-*
6 *tary medical personnel under the agreement.*

7 *(b) TERMINATION OF PROGRAM.—The authority of the*
8 *Secretary of Defense to conduct the demonstration program*
9 *under this section, and any agreement entered into under*
10 *the demonstration program, shall expire on March 31, 1998.*

11 *(c) REPORT AND EVALUATION OF PROGRAM.—(1) Not*
12 *later than March 1 of each year in which the demonstration*
13 *program is conducted under this section, the Secretary of*
14 *Defense shall submit to Congress a report describing the*
15 *scope and activities of the demonstration program during*
16 *the preceding year.*

17 *(2) Not later than May 1, 1998, the Comptroller Gen-*
18 *eral of the United States shall submit to Congress a report*
19 *evaluating the effectiveness of the demonstration program*
20 *in providing shock trauma training for military medical*
21 *personnel.*

1 **SEC. 745. STUDY REGARDING DEPARTMENT OF DEFENSE**
2 **EFFORTS TO DETERMINE APPROPRIATE**
3 **FORCE LEVELS OF WARTIME MEDICAL PER-**
4 **SONNEL.**

5 (a) *STUDY REQUIRED.*—The Comptroller General of
6 the United States shall conduct a study to evaluate the rea-
7 sonableness of the models used by each military department
8 for determining the appropriate wartime force level for
9 medical personnel in the department. The study shall in-
10 clude the following:

11 (1) *An assessment of the modeling techniques*
12 *used by each department.*

13 (2) *An analysis of the data used in the models*
14 *to identify medical personnel requirements.*

15 (3) *An identification of the ability of the models*
16 *to integrate personnel of reserve components to meet*
17 *department requirements.*

18 (4) *An evaluation of the ability of the Secretary*
19 *of Defense to integrate the various modeling efforts*
20 *into a comprehensive, coordinated plan for obtaining*
21 *the optimum force level for wartime medical person-*
22 *nel.*

23 (b) *REPORT OF STUDY.*—Not later than June 30,
24 1996, the Comptroller General shall report to Congress on
25 the results of the study conducted under subsection (a).

1 **SEC. 746. STUDY REGARDING EXPANDED MENTAL HEALTH**
2 **SERVICES FOR CERTAIN COVERED BENE-**
3 **FICIARIES.**

4 (a) *STUDY REQUIRED.*—In connection with the mental
5 health services already available for covered beneficiaries
6 under chapter 55 of title 10, United States Code, who are
7 children and require residential treatment, the Secretary of
8 Defense shall conduct a study regarding the feasibility of
9 expanding such services to include a program of individual-
10 ized continued care following completion of the residential
11 treatment to compliment the residential treatment and pre-
12 vent recidivism.

13 (b) *REPORT OF STUDY.*—Not later than March 1,
14 1996, the Secretary of Defense shall submit to Congress a
15 report describing the results of the study conducted under
16 subsection (a).

17 **SEC. 747. REPORT ON IMPROVED ACCESS TO MILITARY**
18 **HEALTH CARE FOR COVERED BENEFICIARIES**
19 **ENTITLED TO MEDICARE.**

20 Not later than March 1, 1996, the Secretary of Defense
21 shall submit to Congress a report evaluating the feasibility,
22 costs, and consequences for the military health care system
23 of improving access to the system for covered beneficiaries
24 under chapter 55 of title 10, United States Code, who have
25 limited access to military medical treatment facilities and
26 are ineligible for the Civilian Health and Medical Program

1 of the Uniformed Services under section 1086(d)(1) of such
2 title. The alternatives the Secretary shall consider to im-
3 prove access for such covered beneficiaries shall include—

4 (1) whether CHAMPUS should serve as a second
5 payer for covered beneficiaries who are entitled to hos-
6 pital insurance benefits under part A of title XVIII
7 of the Social Security Act (42 U.S.C. 1395c et seq.);
8 and

9 (2) whether such covered beneficiaries should be
10 offered enrollment in the Federal Employees Health
11 Benefits program under chapter 89 of title 5, United
12 States Code.

13 **SEC. 748. SENSE OF CONGRESS ON CONTINUITY OF HEALTH**
14 **CARE SERVICES FOR COVERED BENE-**
15 **FICIARIES ADVERSELY AFFECTED BY CLO-**
16 **SURES OF MILITARY MEDICAL TREATMENT**
17 **FACILITIES.**

18 (a) *FINDING.*—Congress finds the following:

19 (1) Military installations selected for closure in
20 the 1991 and 1993 rounds of the base closure process
21 are approaching their closing dates.

22 (2) Additional military installations are being
23 selected for closure in the 1995 round of the base clo-
24 sure process.

1 (3) *As a result of these base closures, tens of*
2 *thousands of covered beneficiaries under chapter 55 of*
3 *title 10, United States Code, who reside in the vicin-*
4 *ity of affected installations will be left without imme-*
5 *diate access to military medical treatment facilities.*

6 (b) *SENSE OF CONGRESS.—In light of the findings*
7 *specified in subsection (a), it is the sense of Congress that*
8 *the Secretary of Defense should take all appropriate steps*
9 *necessary to ensure the continuation of medical and phar-*
10 *maceutical benefits to covered beneficiaries adversely af-*
11 *ected by the closure of military installations.*

12 **TITLE VIII—ACQUISITION POL-**
13 **ICY, ACQUISITION MANAGE-**
14 **MENT, AND RELATED MAT-**
15 **TERS**

16 **SEC. 801. REPEALS OF CERTAIN PROCUREMENT PROVI-**
17 **SIONS.**

18 (a) *POST-EMPLOYMENT RESTRICTIONS.—Sections*
19 *2397, 2397a, 2397b, and 2397c of title 10, United States*
20 *Code, are repealed.*

21 (b) *LIMITATION ON EXPENDITURE OF APPROPRIA-*
22 *TIONS.—Section 2207 of such title is repealed.*

23 (c) *CERTAIN DELEGATION AUTHORITY.—Section 2356*
24 *of such title is repealed.*

1 (d) *SPARE PARTS CONTROL*.—Section 2383 of such
2 title is repealed.

3 (e) *CLERICAL AMENDMENTS*.—(1) The table of sections
4 at the beginning of chapter 131 of title 10, United States
5 Code, is amended by striking out the item relating to section
6 2207.

7 (2) The table of sections at the beginning of chapter
8 139 of such title is amended by striking out the item relat-
9 ing to section 2356.

10 (3) The table of sections at the beginning of chapter
11 141 of title 10, United States Code, is amended by striking
12 out the items relating to sections 2383, 2397, 2397a, 2397b,
13 and 2397c.

14 **SEC. 802. FEES FOR CERTAIN TESTING SERVICES.**

15 Section 2539b(c) of title 10, United States Code, is
16 amended by inserting “and indirect” after “recoup the di-
17 rect”.

18 **SEC. 803. TESTING OF DEFENSE ACQUISITION PROGRAMS.**

19 (a) *IN GENERAL*.—Section 2366 to title 10, United
20 States Code, is amended—

21 (1) by striking out “survivability” each place it
22 appears (including in the section heading) and insert-
23 ing in lieu thereof “vulnerability”; and

24 (2) in subsection (b)—

1 (A) by striking out “Survivability” and in-
2 serting in lieu thereof “Vulnerability”; and

3 (B) by inserting after paragraph (2) the fol-
4 lowing new paragraph:

5 “(3) Testing should begin at the component, subsystem,
6 and subassembly level, culminating with tests of the com-
7 plete system configured for combat.”.

8 (b) CLERICAL AMENDMENT.—The item relating to
9 such section in the table of sections at the beginning of chap-
10 ter 139 of such title is amended to read as follows:

“2366. Major systems and munitions programs: vulnerability testing and lethality testing required before full-scale production.”.

11 **SEC. 804. COORDINATION AND COMMUNICATION OF DE-**
12 **FENSE RESEARCH ACTIVITIES.**

13 Section 2364 of title 10, United States Code, is amend-
14 ed—

15 (1) in subsection (b)(5), by striking out “mile-
16 stone O, milestone I, and milestone II” and inserting
17 in lieu thereof “acquisition program”; and

18 (2) in subsection (c), by striking out paragraphs
19 (2), (3), and (4) and inserting in lieu thereof the fol-
20 lowing:

21 “(2) The term ‘acquisition program decisions’
22 has the meaning prescribed by the Secretary of De-
23 fense in regulations.”.

1 **SEC. 805. ADDITION OF CERTAIN ITEMS TO DOMESTIC**

2 **SOURCE LIMITATION.**

3 (a) *LIMITATION.*—Paragraph (3) of section 2534(a) of
4 title 10, United States Code, is amended to read as follows:

5 “(3) *VESSEL COMPONENTS.*—(A) *The following*
6 *components of vessels:*

7 “(i) *Air circuit breakers.*

8 “(ii) *Vessel propellers with a diameter of six*
9 *feet or more, if the propellers incorporate only*
10 *castings poured and finished in the United*
11 *States.*

12 “(iii) *Welded shipboard anchor and moor-*
13 *ing chain with a diameter of four inches or less.*

14 “(B) *The following components of vessels, to the*
15 *extent they are unique to marine applications: ship*
16 *and marine cable assemblies, hose assemblies, hydrau-*
17 *lics and pumps for steering, gyrocompasses, marine*
18 *autopilots, electronic navigation chart systems, atti-*
19 *tude and heading reference units, power supplies, and*
20 *steering controls.”.*

21 (b) *EXTENSION OF LIMITATION RELATING TO BALL*
22 *BEARINGS AND ROLLER BEARINGS.*—Section 2534(c)(3) of
23 such title is amended by striking out “October 1, 1995” and
24 inserting in lieu thereof “October 1, 2000”.

25 (c) *INAPPLICABILITY OF SIMPLIFIED ACQUISITION*
26 *LIMITATION TO CONTRACTS FOR BALL BEARINGS AND*

1 *ROLLER BEARINGS.*—Section 2534(g) of title 10, United
2 States Code, is amended—

3 (1) by inserting “(1)” before “This section”; and

4 (2) by adding at the end the following new para-
5 graph:

6 “(2) Paragraph (1) does not apply to contracts for
7 items described in subsection (a)(5) (relating to ball bear-
8 ings and roller bearings).”.

9 **SEC. 806. REVISIONS TO PROCUREMENT NOTICE PROVI-**
10 **SIONS.**

11 Section 18(a) of the Office of Federal Procurement Pol-
12 icy Act (41 U.S.C. 416(a)) is amended—

13 (1) in subparagraph (B) of paragraph (1)—

14 (A) by striking out “subsection (f)—” and
15 all that follows through the end of the subpara-
16 graph and inserting in lieu thereof “subsection
17 (b); and”; and

18 (B) by inserting after “property or services”
19 the following: “for a price expected to exceed
20 \$10,000 but not to exceed \$25,000”;

21 (2) by striking out paragraph (4); and

22 (3) by redesignating paragraphs (5) and (6) as
23 paragraphs (4) and (5), respectively.

1 **SEC. 807. INTERNATIONAL COMPETITIVENESS.**

2 (a) *REPEAL OF PROVISION RELATING TO RESEARCH,*
3 *DEVELOPMENT, AND PRODUCTION COSTS.*—Section 21(e) of
4 *the Arms Export Control Act (22 U.S.C. 2761(e)) is amend-*
5 *ed—*

6 (1) *by inserting “and” after the semicolon at the*
7 *end of paragraph (1)(A);*

8 (2) *by striking out subparagraph (B) of para-*
9 *graph (1);*

10 (3) *by redesignating subparagraph (C) of para-*
11 *graph (1) as subparagraph (B);*

12 (4) *by striking out paragraph (2); and*

13 (5) *by redesignating paragraph (3) as para-*
14 *graph (2).*

15 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
16 *section (a) shall be effective with respect to sales agreements*
17 *pursuant to sections 21 and 22 of the Arms Export Control*
18 *Act (22 U.S.C. 2761 and 2762) entered into on or after*
19 *the date of the enactment of this Act.*

20 **SEC. 808. ENCOURAGEMENT OF USE OF LEASING AUTHOR-**

21 **ITY.**

22 (a) *IN GENERAL.*—(1) *Chapter 137 of title 10, United*
23 *States Code, is amended by inserting after section 2316 the*
24 *following new section:*

1 **“§ 2317. Equipment leasing**

2 *“The Secretary of Defense shall authorize and encour-*
3 *age the use of leasing in the acquisition of equipment when-*
4 *ever such leasing is practicable and otherwise authorized*
5 *by law.”.*

6 *(2) The table of sections at the beginning of such chap-*
7 *ter is amended by adding at the end the following new item:*
8 *“2317. Equipment leasing.”.*

9 *(b) REPORT.—Not later than 90 days after the date*
10 *of the enactment of this Act, the Secretary of Defense shall*
11 *submit to Congress a report setting forth changes in legisla-*
12 *tion that would be required in order to facilitate the use*
13 *of leases by the Department of Defense in the acquisition*

14 **TITLE IX—DEPARTMENT OF DE-**
15 **FENSE ORGANIZATION AND**
16 **MANAGEMENT**

17 **SEC. 901. REORGANIZATION OF OFFICE OF THE SECRETARY**
18 **OF DEFENSE.**

19 *(a) REORGANIZATION.—The Secretary of Defense shall*
20 *carry out in accordance with this section a reorganization*
21 *of the Office of the Secretary of Defense. The reorganization*
22 *shall include a substantial streamlining and reduction in*
23 *size of that office, as provided in this section.*

24 *(b) PLAN FOR REORGANIZATION.—The Secretary shall*
25 *submit to Congress a report setting forth a comprehensive*

1 *plan by which the Secretary will carry out the reorganiza-*
2 *tion of the Office of the Department of Defense required by*
3 *this section. The Secretary shall include in the report iden-*
4 *tification of all provisions of law (or other congressional*
5 *directives) that preclude or inhibit any proposed reorga-*
6 *nization or streamlining of the Office of the Secretary of*
7 *Defense set forth in the plan. The report shall be submitted*
8 *when the budget of the President for fiscal year 1997 is sub-*
9 *mitted to Congress.*

10 (c) *CONTENT OF PLAN.*—*The plan required by sub-*
11 *section (b) shall enable the Secretary to accomplish the fol-*
12 *lowing:*

13 (1) *Reduce the number of military and civilian*
14 *personnel assigned to, or employed in, the Office of*
15 *the Secretary of Defense by 25 percent over a period*
16 *of four years, as required by subsection (e).*

17 (2) *Increase organizational efficiency and civil-*
18 *ian control.*

19 (3) *Eliminate (or substantially reduce) duplica-*
20 *tion of functions between the Office of the Secretary*
21 *of Defense and the military departments.*

22 (4) *Eliminate (or substantially reduce) duplica-*
23 *tion of functions between the Office of the Secretary*
24 *of Defense and the Joint Chiefs of Staff.*

1 (d) *DEVELOPMENT OF PLAN.*—In developing the plan
2 required by subsection (b), the Secretary shall—

3 (1) reassess the appropriate function and mis-
4 sion of the Office of the Secretary of Defense;

5 (2) reassess whether the current organization of
6 the Office of the Secretary of Defense provides the
7 most efficient and effective organization to support
8 the Secretary in carrying out the Secretary's respon-
9 sibilities;

10 (3) examine alternative organizational structures
11 for that office and alternative allocations of func-
12 tional responsibilities within that office, including—

13 (A) a reduction in the number of Under
14 Secretaries of Defense;

15 (B) a reduction in the number of Deputy
16 Assistant Secretaries of Defense and Deputy
17 Under Secretaries of Defense; and

18 (C) decentralizing functions of the Office of
19 the Secretary of Defense; and

20 (4) reassess the size, number, and functional al-
21 location of the Defense Agencies and other Depart-
22 ment of Defense support organizations.

23 (e) *PERSONNEL REDUCTION.*—(1) The number of mili-
24 tary and civilian personnel of the Department of Defense
25 who as of October 1, 1998, are assigned to, or employed

1 *in, functions in the Office of the Secretary of Defense (in-*
2 *cluding Direct Support Activities of that Office and the*
3 *Washington Headquarters Services of the Department of*
4 *Defense) may not exceed 75 percent of the number of such*
5 *personnel as of October 1, 1994.*

6 (2) *In carrying out reductions under paragraph (1),*
7 *the Secretary may not reassign functions solely in order*
8 *to evade the requirement contained in that paragraph.*

9 (f) *REDUCTION IN NUMBER AND SPECIFICATION OF*
10 *ASSISTANT SECRETARY OF DEFENSE POSITIONS.—(1) Sec-*
11 *tion 138 of title 10, United States Code, is amended—*

12 (A) *in subsection (a), by striking out “eleven”*
13 *and inserting in lieu thereof “nine”; and*

14 (B) *by striking out subsection (b) and inserting*
15 *in lieu thereof the following:*

16 “(b) *The Assistant Secretaries shall perform such du-*
17 *ties and exercise such powers as the Secretary of Defense*
18 *may prescribe.”.*

19 (2) *Section 5315 of title 5, United States Code, is*
20 *amended by striking out “(11)” after “Assistant Secretaries*
21 *of Defense” and inserting in lieu thereof “(9)”.*

22 (g) *REPEAL OF STATUTORY ESTABLISHMENT OF VAR-*
23 *IOUS OSD POSITIONS.—(1)(A) The following sections of*
24 *chapter 4 of title 10, United States Code, are repealed: sec-*
25 *tions 133a, 134a, 137, 139, and 142.*

1 (B) *The table of sections at the beginning of such chap-*
2 *ter is amended by striking out the items relating to the sec-*
3 *tions specified in paragraph (1).*

4 (2) *Section 1056 is amended by striking out subsection*
5 *(d).*

6 (h) *SENIOR STAFF FLOOR FOR SPECIFIED ASSISTANT*
7 *SECRETARY OF DEFENSE.—Section 355 of the National De-*
8 *fense Authorization Act for Fiscal Year 1991 (Public Law*
9 *101–510; 104 Stat. 1540) is repealed.*

10 (i) *CONFORMING AMENDMENTS TO TITLE 10, UNITED*
11 *STATES CODE.—Title 10, United States Code, is amended*
12 *as follows:*

13 (1) *Section 131(b) is amended—*

14 (A) *by striking out paragraphs (6) and (8);*

15 *and*

16 (B) *by redesignating paragraphs (7), (9),*
17 *(10), and (11), as paragraphs (6), (7), (8), and*
18 *(9), respectively.*

19 (2) *Section 138(d) is amended by striking out*
20 *“the Under Secretaries of Defense, and the Director of*
21 *Defense Research and Engineering” and inserting in*
22 *lieu thereof “and the Under Secretaries of Defense”.*

23 (3) *Section 176(a)(3) is amended—*

24 (A) *by striking out “Assistant Secretary of*
25 *Defense for Health Affairs” and inserting in lieu*

1 *thereof “official in the Department of Defense*
2 *with principal responsibility for health affairs”;*
3 *and*

4 *(B) by striking out “Chief Medical Director*
5 *of the Department of Veterans Affairs” and in-*
6 *serting in lieu thereof “Under Secretary for*
7 *Health of the Department of Veterans Affairs”.*

8 *(4) Section 1216(d) is amended by striking out*
9 *“Assistant Secretary of Defense for Health Affairs”*
10 *and inserting in lieu thereof “official in the Depart-*
11 *ment of Defense with principal responsibility for*
12 *health affairs”.*

13 *(5) Section 1587(d) is amended by striking out*
14 *“Assistant Secretary of Defense for Manpower and*
15 *Logistics” and inserting in lieu thereof “official in*
16 *the Department of Defense with principal responsibil-*
17 *ity for personnel and readiness”.*

18 *(6) The text of section 10201 is amended to read*
19 *as follows:*

20 *“The official in the Department of Defense with re-*
21 *sponsibility for overall supervision of reserve component af-*
22 *fairs of the Department of Defense is the official designated*
23 *by the Secretary of Defense to have that responsibility.”.*

1 (j) *CONFORMING AMENDMENTS RELATING TO OPER-*
2 *ATIONAL TEST AND EVALUATION AUTHORITY.*—Section
3 *2399 of such title is amended—*

4 (1) *in subsection (a)—*

5 (A) *in paragraph (2)—*

6 (i) *by inserting “a conventional weap-*
7 *ons system that” after “means” in the mat-*
8 *ter preceding subparagraph (A); and*

9 (ii) *in subparagraph (A), by striking*
10 *out “a conventional weapons system that”;*
11 *and*

12 (B) *by adding at the end the following new*
13 *paragraph:*

14 “(3) *The Secretary of Defense shall designate an offi-*
15 *cial of the Department of Defense to perform the duties of*
16 *the position referred to in this section as the ‘designated*
17 *OT&E official.’”;*

18 (2) *in subsection (b)—*

19 (A) *by striking out “Director of Operational*
20 *Test and Evaluation of the Department of De-*
21 *fense” in paragraph (1) and inserting in lieu*
22 *thereof “designated OT&E official”; and*

23 (B) *by striking out “Director” each place it*
24 *appears in paragraphs (2) and (3) and inserting*
25 *in lieu thereof “designated OT&E official”;*

1 (3) in subsection (c), by striking out “Director of
2 Operational Test and Evaluation of the Department
3 of Defense” and inserting in lieu thereof “designated
4 OT&E official”;

5 (4) in subsection (e), by striking out “Director”
6 each place it appears and inserting in lieu thereof
7 “designated OT&E official”;

8 (5) by striking out subsection (g); and

9 (6) by redesignating subsection (h) as subsection
10 (g).

11 (k) *OTHER CONFORMING AMENDMENT.*—Section
12 1211(b)(2) of the National Defense Authorization Act for
13 Fiscal Year 1988 and 1989 (P.L. 100–180; 101 Stat 1155;
14 10 U.S.C. 167 note) is amended by striking out “the Assist-
15 ant Secretary of Defense for Special Operations and Low
16 Intensity Conflict” and inserting in lieu thereof “the official
17 designated by the Secretary of Defense to have principal
18 responsibility for matters relating to special operations and
19 low intensity conflict”.

20 **SEC. 902. RESTRUCTURING OF DEPARTMENT OF DEFENSE**
21 **ACQUISITION ORGANIZATION AND**
22 **WORKFORCE.**

23 (a) *RESTRUCTURING REPORT.*—Not later than March
24 1, 1996, the Secretary of Defense shall submit to Congress

1 *a report on the acquisition organization and workforce of*
2 *the Department of Defense. The report shall include—*

3 *(1) the plan described in subsection (b); and*

4 *(2) the assessment of streamlining and restruc-*
5 *turing options described in subsection (c).*

6 *(b) PLAN FOR RESTRUCTURING.—(1) The Secretary*
7 *shall include in the report under subsection (a) a plan on*
8 *how to restructure the current acquisition organization of*
9 *the Department of Defense in a manner that would enable*
10 *the Secretary to accomplish the following:*

11 *(A) Reduce the number of military and civilian*
12 *personnel assigned to, or employed in, acquisition or-*
13 *ganizations of the Department of Defense by 25 per-*
14 *cent over a period of four years, as required by sub-*
15 *section (d).*

16 *(B) Eliminate duplication of functions among*
17 *existing acquisition organizations of the Department*
18 *of Defense.*

19 *(C) Maximize opportunity for consolidation*
20 *among acquisition organizations of the Department of*
21 *Defense to reduce management overhead.*

22 *(2) In the report, the Secretary shall also identify any*
23 *statutory requirement or congressional directive that inhib-*
24 *its any proposed restructuring plan or reduction in the size*
25 *of the defense acquisition organization.*

1 (3) *In designing the plan under paragraph (1), the*
2 *Secretary shall give full consideration to the process effi-*
3 *ciencies expected to be achieved through the implementation*
4 *of the Federal Acquisition Streamlining Act of 1994 (Public*
5 *Law 103–355) and other ongoing initiatives to increase the*
6 *use of commercial practices and reduce contract overhead*
7 *in the defense procurement system.*

8 (c) *ASSESSMENT OF SPECIFIED RESTRUCTURING OP-*
9 *TIONS.—The Secretary shall include in the report under*
10 *subsection (a) a detailed assessment of each of the following*
11 *options for streamlining and restructuring the existing de-*
12 *fense acquisition organization, together with a specific rec-*
13 *ommendation as to whether each such option should be im-*
14 *plemented:*

15 (1) *Consolidation of certain functions of the De-*
16 *fense Contract Audit Agency and the Defense Contract*
17 *Management Command.*

18 (2) *Contracting for performance of a significant*
19 *portion of the workload of the Defense Contract Audit*
20 *Agency and other Defense Agencies that perform ac-*
21 *quisition functions.*

22 (3) *Consolidation or selected elimination of De-*
23 *partment of Defense acquisition organizations.*

1 (4) Any other defense acquisition infrastructure
2 streamlining or restructuring option the Secretary
3 may determine.

4 (d) *REDUCTION OF ACQUISITION WORKFORCE.—*(1)
5 Effective as of October 1, 1998, the total number of defense
6 acquisition personnel may not exceed 75 percent of the total
7 number of defense acquisition personnel as of October 1,
8 1994.

9 (2) In carrying out paragraph (1), the Secretary of
10 Defense shall exempt personnel who possess technical com-
11 petence in trade-skill maintenance and repair positions in-
12 volved in performing depot maintenance functions for the
13 Department of Defense.

14 (3) In carrying out paragraph (1), the Secretary of
15 Defense shall accomplish reductions in defense acquisition
16 personnel positions during fiscal year 1996 so that the total
17 number of such personnel as of October 1, 1996, is less than
18 the total number of such personnel as of October 1, 1995,
19 by at least 30,000.

20 (4) For purposes of this section, the term “defense ac-
21 quisition personnel” means military and civilian personnel
22 of the Department of Defense assigned to, or employed in,
23 acquisition organizations of the Department of Defense.

24 (e) *ACQUISITION ORGANIZATION DEFINED.—*For pur-
25 poses of this section, acquisition organizations of the De-

1 *partment of Defense are those organizations specified in De-*
2 *partment of Defense Instruction Numbered 5000.58, dated*
3 *January 14, 1992.*

4 ***SEC. 903. PLAN FOR INCORPORATION OF DEPARTMENT OF***
5 ***ENERGY NATIONAL SECURITY FUNCTIONS IN***
6 ***DEPARTMENT OF DEFENSE.***

7 *(a) REPORT REQUIRED.—The Secretary of Defense*
8 *shall submit to Congress a report setting forth the Sec-*
9 *retary's plan for the incorporation into the Department of*
10 *Defense of the national security programs of the Depart-*
11 *ment of Energy. The plan submitted shall be one which*
12 *could be implemented if the Department of Energy is abol-*
13 *ished and the national security programs of that depart-*
14 *ment are transferred to the Department of Defense and con-*
15 *solidated with programs of the Department of Defense.*

16 *(b) MATTERS TO BE INCLUDED.—The plan submitted*
17 *in the report under subsection (a) shall include the follow-*
18 *ing:*

19 *(1) A detailed plan for the integration into the*
20 *Department of Defense of the offices and laboratories*
21 *of the Department of Energy which could be antici-*
22 *pated to be transferred to the Department of Defense*
23 *as part of such a transfer of functions.*

1 (2) *An assessment of the personnel end-strength*
2 *reductions estimated to be achieved as a result of such*
3 *a transfer of functions.*

4 (3) *An assessment of costs, or savings, associated*
5 *with the various transfer of function options.*

6 (4) *An identification of all applicable provisions*
7 *of law that may inhibit or preclude such a transfer*
8 *of functions.*

9 (c) *PRESERVATION OF INTEGRITY OF DOE NATIONAL*
10 *SECURITY PROGRAMS.—In developing the plan under sub-*
11 *section (a), the Secretary shall make every effort to ensure*
12 *that the mission and functioning of the national security*
13 *programs of the Department of Energy are not unduly af-*
14 *ected adversely during the transfer of those functions to the*
15 *Department of Defense and the consolidation of those func-*
16 *tions into activities of the Department.*

17 (d) *SUBMISSION OF REPORT.—The report required*
18 *under subsection (a) shall be submitted not later than Feb-*
19 *ruary 1, 1996.*

20 **SEC. 904. CHANGE IN TITLES OF CERTAIN MARINE CORPS**
21 **GENERAL OFFICER BILLETS RESULTING**
22 **FROM REORGANIZATION OF THE HEAD-**
23 **QUARTERS, MARINE CORPS.**

24 (a) *HEADQUARTERS, MARINE CORPS, FUNCTION;*
25 *COMPOSITION.—Subsection (b) of section 5041 of title 10,*

1 *United States Code, is amended by striking out paragraphs*
2 *(2) through (5) and inserting in lieu thereof the following:*

3 “(2) *The Vice Commandant of the Marine Corps.*

4 “(3) *The Director of the Marine Corps Staff.*

5 “(4) *The Deputy Commandants of the Marine*
6 *Corps.*

7 “(5) *The Assistant Commandants of the Marine*
8 *Corps.”.*

9 **(b) VICE COMMANDANT.**—(1) *Section 5044 of such title*
10 *is amended by striking out “Assistant Commandant” each*
11 *place it appears and inserting in lieu thereof “Vice Com-*
12 *mandant”.*

13 (2) *The heading of such section is amended to read*
14 *as follows:*

15 **“§ 5044. Vice Commandant of the Marine Corps”.**

16 **(c) DIRECTOR OF THE MARINE CORPS STAFF; DEPUTY**
17 **AND ASSISTANT COMMANDANTS.**—*Section 5045 of such title*
18 *is amended to read as follows:*

19 **“§ 5045. Director of the Marine Corps Staff; Deputy**
20 **and Assistant Commandants**

21 “(a) *There are in the Headquarters, Marine Corps, the*
22 *following:*

23 “(1) *A Director of the Marine Corps Staff.*

24 “(2) *Not more than five Deputy Commandants*
25 *of the Marine Corps.*

1 “(3) Not more than three Assistant Com-
2 mandants of the Marine Corps.

3 “(b) The officers specified in subsection (a) shall be de-
4 tailed by the Secretary of the Navy from officers on the ac-
5 tive-duty list of the Marine Corps.”.

6 (d) CLERICAL AMENDMENT.—The items relating to
7 sections 5044 and 5045 in the table of sections at the begin-
8 ning of chapter 506 of such title are amended to read as
9 follows:

“5044. Vice Commandant of the Marine Corps.

“5045. Director of the Marine Corps Staff; Deputy and Assistant Commandants.”.

10 **SEC. 905. INCLUSION OF INFORMATION RESOURCES MAN-**
11 **AGEMENT COLLEGE IN THE NATIONAL DE-**
12 **FENSE UNIVERSITY.**

13 (a) TECHNICAL AMENDMENT AND ADDITION OF INFOR-
14 MATION RESOURCES MANAGEMENT COLLEGE TO THE DEF-
15 INITION OF THE NATIONAL DEFENSE UNIVERSITY.—Sec-
16 tion 1595(d)(2) of title 10, United States Code, is amended
17 by striking out “the Institute for National Strategic
18 Study,” and inserting in lieu thereof “the Institute for Na-
19 tional Strategic Studies, the Information Resources Man-
20 agement College,”.

21 (b) CONFORMING AMENDMENT.—Section 2162(d)(2) of
22 such title is amended by inserting “the Institute for Na-
23 tional Strategic Studies, the Information Resources Man-
24 agement College,” after “the Armed Forces Staff College,”.

1 **SEC. 906. EMPLOYMENT OF CIVILIANS AT THE ASIA-PACIFIC**
2 **CENTER FOR SECURITY STUDIES.**

3 *Section 1595 of title 10, United States Code, is amend-*
4 *ed—*

5 *(1) in subsection (c), by adding at the end the*
6 *following new paragraph:*

7 *“(4) The Asia-Pacific Center for Security Stud-*
8 *ies.”; and*

9 *(2) by adding at the end the following new sub-*
10 *section:*

11 *“(f) APPLICATION TO DIRECTOR AND DEPUTY DIREC-*
12 *TOR AT ASIA-PACIFIC CENTER FOR SECURITY STUDIES.—*
13 *In the case of the Asia-Pacific Center for Security Studies,*
14 *this section also applies with respect to the Director and*
15 *the Deputy Director.”.*

16 **SEC. 907. CONTINUED OPERATION OF UNIFORMED SERV-**
17 **ICES UNIVERSITY OF THE HEALTH SCIENCES.**

18 *(a) CLOSURE PROHIBITED.—In light of the important*
19 *role of the Uniformed Services University of the Health*
20 *Sciences in providing trained health care providers for the*
21 *uniformed services, Congress reaffirms the requirement con-*
22 *tained in section 922 of the National Defense Authorization*
23 *Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat*
24 *2829) that the Uniformed Services University of the Health*
25 *Sciences may not be closed.*

1 (b) *BUDGETARY COMMITMENT TO CONTINUATION.*—It
2 *is the sense of Congress that the Secretary of Defense should*
3 *budget for the operation of the Uniformed Services Univer-*
4 *sity of the Health Sciences during fiscal year 1997 at a*
5 *level at least equal to the level of operations conducted at*
6 *the University during fiscal year 1995.*

7 **SEC. 908. REDESIGNATION OF ADVANCED RESEARCH**
8 **PROJECTS AGENCY.**

9 (a) *REDESIGNATION.*—The agency in the Department
10 *of Defense known as the Advanced Research Projects Agency*
11 *shall after the date of the enactment of this Act be des-*
12 *ignated as the Defense Advanced Research Projects Agency.*

13 (b) *REFERENCES.*—Any reference in any law, regula-
14 *tion, document, record, or other paper of the United States*
15 *to the Advanced Research Projects Agency shall be consid-*
16 *ered to be a reference to the Defense Advanced Research*
17 *Projects Agency.*

18 **TITLE X—GENERAL PROVISIONS**

19 **Subtitle A—Financial Matters**

20 **SEC. 1001. TRANSFER AUTHORITY.**

21 (a) *AUTHORITY TO TRANSFER AUTHORIZATIONS.*—(1)
22 *Upon determination by the Secretary of Defense that such*
23 *action is necessary in the national interest, the Secretary*
24 *may transfer amounts of authorizations made available to*
25 *the Department of Defense in this division for fiscal year*

1 1996 between any such authorizations for that fiscal year
2 (or any subdivisions thereof). Amounts of authorizations so
3 transferred shall be merged with and be available for the
4 same purposes as the authorization to which transferred.

5 (2) The total amount of authorizations that the Sec-
6 retary of Defense may transfer under the authority of this
7 section may not exceed \$2,000,000,000.

8 (b) *LIMITATIONS.*—The authority provided by this sec-
9 tion to transfer authorizations—

10 (1) may only be used to provide authority for
11 items that have a higher priority than the items from
12 which authority is transferred; and

13 (2) may not be used to provide authority for an
14 item that has been denied authorization by Congress.

15 (c) *EFFECT ON AUTHORIZATION AMOUNTS.*—A trans-
16 fer made from one account to another under the authority
17 of this section shall be deemed to increase the amount au-
18 thorized for the account to which the amount is transferred
19 by an amount equal to the amount transferred.

20 **SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.**

21 (a) *STATUS OF CLASSIFIED ANNEX.*—The Classified
22 Annex prepared by the Committee on National Security of
23 the House of Representatives to accompany the bill H.R.
24 1530 of the One Hundred Fourth Congress and transmitted
25 to the President is hereby incorporated into this Act.

1 (b) *CONSTRUCTION WITH OTHER PROVISIONS OF*
2 *ACT.*—The amounts specified in the Classified Annex are
3 not in addition to amounts authorized to be appropriated
4 by other provisions of this Act.

5 (c) *LIMITATION ON USE OF FUNDS.*—Funds appro-
6 priated pursuant to an authorization contained in this Act
7 that are made available for a program, project, or activity
8 referred to in the Classified Annex may only be expended
9 for such program, project, or activity in accordance with
10 such terms, conditions, limitations, restrictions, and re-
11 quirements as are set out for that program, project, or activ-
12 ity in the Classified Annex.

13 (d) *DISTRIBUTION OF CLASSIFIED ANNEX.*—The
14 President shall provide for appropriate distribution of the
15 Classified Annex, or of appropriate portions of the annex,
16 within the executive branch of the Government.

17 **SEC. 1003. IMPROVED FUNDING MECHANISMS FOR**
18 **UNBUDGETED OPERATIONS.**

19 (a) *REVISION OF FUNDING MECHANISM.*—(1) Chapter
20 3 of title 10, United States Code, is amended by striking
21 out section 127a and inserting in lieu thereof the following:

1 **“§ 127a. Operations for which funds are not provided**
2 **in advance: funding mechanisms**

3 “(a) *IN GENERAL.*—(1) *The Secretary of Defense shall*
4 *use the procedures prescribed by this section with respect*
5 *to any operation of the Department of Defense—*

6 “(A) *that involves the deployment (other than for*
7 *a training exercise) of elements of the armed forces for*
8 *a purpose other than a purpose for which funds have*
9 *been specifically provided in advance; or*

10 “(B) *that involves humanitarian assistance, dis-*
11 *aster relief, or support for law enforcement (including*
12 *immigration control) for which funds have not been*
13 *specifically provided in advance.*

14 “(2) *Whenever any operation described in paragraph*
15 *(1) is commenced, the Secretary of Defense shall designate*
16 *and identify that operation for the purposes of this section*
17 *and shall promptly notify Congress of that designation (and*
18 *of the identification of the operation).*

19 “(3) *This section does not provide authority for the*
20 *President or the Secretary of Defense to carry out any oper-*
21 *ation, but establishes mechanisms for the Department of De-*
22 *fense by which funds are provided for operations that the*
23 *armed forces are required to carry out under some other*
24 *authority.*

25 “(b) *WAIVER OF REQUIREMENT TO REIMBURSE SUP-*
26 *PORT UNITS.*—(1) *The Secretary of Defense shall direct*

1 *that, when a unit of the armed forces participating in an*
2 *operation described in subsection (a) receives services from*
3 *an element of the Department of Defense that operates*
4 *through the Defense Business Operations Fund (or a succes-*
5 *sor fund), such unit of the armed forces may not be required*
6 *to reimburse that element for the incremental costs incurred*
7 *by that element in providing such services, notwithstanding*
8 *any other provision of law or any Government accounting*
9 *practice.*

10 “(2) *The amounts which but for paragraph (1) would*
11 *be required to be reimbursed to an element of the Depart-*
12 *ment of Defense (or a fund) shall be recorded as an expense*
13 *attributable to the operation and shall be accounted for sep-*
14 *arately.*

15 “(c) *TRANSFER AUTHORITY.—(1) Whenever there is*
16 *an operation of the Department of Defense described in sub-*
17 *section (a), the Secretary of Defense may, subject to the pro-*
18 *visions of appropriations Acts, transfer amounts described*
19 *in paragraph (3) to accounts from which incremental ex-*
20 *penses for that operation were incurred in order to reim-*
21 *burse those accounts for those incremental expenses.*
22 *Amounts so transferred shall be merged with and be avail-*
23 *able for the same purposes as the accounts to which trans-*
24 *ferred.*

1 “(2) The total amount that the Secretary of Defense
2 may transfer under the authority of this section in any fis-
3 cal year is \$200,000,000.

4 “(3) Transfers under this subsection may only be made
5 from amounts appropriated to the Department of Defense
6 for any fiscal year that remain available for obligation
7 from any of the following accounts:

8 “(A) Environmental Restoration, Defense.

9 “(B) Cooperative Threat Reduction programs.

10 “(C) Overseas Humanitarian, Disaster, and
11 Civic Aid (OHDACA) programs.

12 “(D) Operations and Maintenance, Defense-Wide
13 (but only from funds available for administration
14 and service-wide activities).

15 “(4) The authority provided by this subsection is in
16 addition to any other authority provided by law authoriz-
17 ing the transfer of amounts available to the Department of
18 Defense. However, the Secretary may not use any such au-
19 thority under another provision of law for a purpose de-
20 scribed in paragraph (1) if there is authority available
21 under this subsection for that purpose.

22 “(5) The authority provided by this subsection to
23 transfer amounts may not be used to provide authority for
24 an activity that has been denied authorization by Congress.

1 “(6) A transfer made from one account to another
2 under the authority of this subsection shall be deemed to
3 increase the amount authorized for the account to which
4 the amount is transferred by an amount equal to the
5 amount transferred.

6 “(d) *FINANCIAL PLAN*.—(1) Within 30 days after the
7 beginning of an operation described in subsection (a), the
8 Secretary of Defense shall submit to Congress a financial
9 plan for the operation that sets forth the manner by which
10 the Secretary proposes to obtain funds for the cost to the
11 United States of the operation. The plan shall specify in
12 detail how the Secretary proposes to restore balances in the
13 Defense Business Operations Fund (or a successor fund) to
14 the levels that would have been anticipated but for the pro-
15 visions of subsection (b). The Secretary may not include
16 in such a plan a means to restore such balances that is
17 prohibited by paragraph (2) or (4).

18 “(2) The Secretary may not restore (or propose in a
19 plan under paragraph (1) to restore) balances in the De-
20 fense Business Operations Fund through increases in rates
21 charged by that fund in order to compensate for costs in-
22 curred and not reimbursed due to subsection (b).

23 “(3) If the Secretary of Defense transfers funds under
24 subsection (c), the Secretary shall submit to Congress, with-
25 in 30 days of such transfer, a plan for the restoration of

1 *the balance in the each account from which the transfer was*
2 *made to the level that would have been the case but for the*
3 *transfer.*

4 “(4) *The Secretary may not restore (or propose in a*
5 *plan under paragraph (1) or (3) to restore) balances in any*
6 *the Defense Business Operations Fund or any other fund*
7 *or account through the use of unobligated amounts in an*
8 *appropriation made for operation and maintenance that*
9 *are available within that appropriation for an account*
10 *(known as a budget activity 1 account) that is specified*
11 *as being for operating forces.*

12 “(e) *SUBMISSION OF REQUESTS FOR SUPPLEMENTAL*
13 *APPROPRIATIONS.—(1) Whenever there is an operation de-*
14 *scribed in subsection (a), the President shall submit to Con-*
15 *gress a request for the enactment of supplemental appro-*
16 *priations for the then-current fiscal year, to be designated*
17 *as an emergency supplemental appropriations, in order to*
18 *provide funds to replenish the Defense Business Operations*
19 *Fund or any other fund or account of the Department of*
20 *Defense from which funds for the incremental expenses of*
21 *that operation were derived under this section.*

22 “(2) *A request under paragraph (1) shall be submitted*
23 *not later than the earlier of (A) the time at which incremen-*
24 *tal expenses for the operation exceed \$10,000,000, or (B)*
25 *90 days after the date on which the operation begins. The*

1 request shall be submitted as a separate request from any
2 other legislative proposal.

3 “(f) *INCREMENTAL COSTS.*—For purposes of this sec-
4 tion, incremental costs of the Department of Defense with
5 respect to an operation are the costs of the Department that
6 are directly attributable to the operation (and would not
7 have been incurred but for the operation).

8 “(g) *RELATIONSHIP TO WAR POWERS RESOLUTION.*—
9 This section may not be construed as altering or supersed-
10 ing the War Powers Resolution. This section does not pro-
11 vide authority to conduct any military operation.

12 “(h) *GAO COMPLIANCE REVIEWS.*—The Comptroller
13 General of the United States shall from time to time, and
14 when requested by a committee of Congress, conduct a re-
15 view of the defense funding structure under this section to
16 determine whether the Department of Defense is complying
17 with the requirements and limitations of this section.

18 **“§ 127b. Budgeting for ongoing operations**

19 “(a) *REQUIREMENT FOR INCLUSION IN BUDGET.*—In
20 the case of an operation of the Department of Defense de-
21 scribed in subsection (c), the President shall include with
22 the budget submitted to Congress pursuant to section 1105
23 of title 31 for the next fiscal year a specific request for en-
24 actment of legislation to provide for the provision of funds
25 for such operation for that fiscal year in a manner that

1 *will result in there not being a lower amount of funds avail-*
2 *able to the Department of Defense for that fiscal year than*
3 *would be the case if that operation were not carried out*
4 *during that year. Such a request shall include one or more*
5 *of the following:*

6 “(1) A request for enactment of appropriation of
7 funds for the incremental costs for that operation that
8 are expected to be incurred by the Department of De-
9 fense during the fiscal year for which the budget is
10 submitted, with such funds to be provided in, and
11 charged to, a budget function other than the national
12 defense budget function (function 050).

13 “(2) A request for enactment of appropriation of
14 funds for the incremental costs for that operation that
15 are expected to be incurred by the Department of De-
16 fense during the fiscal year for which the budget is
17 submitted, with such designations or waivers as may
18 be necessary to ensure that (if enacted) such appro-
19 priations are not counted against the total amount of
20 funds for the Department of Defense, or for the na-
21 tional defense budget function, for purpose of any
22 statutory limitation or restriction.

23 “(3) A request for enactment of rescissions.

24 “(b) *LIMITATION.*—In the case of any operation to
25 which the requirement of subsection (a) applies, no funds

1 *may be obligated or expended for that operation after the*
2 *beginning of the fiscal year for which the budget is submit-*
3 *ted if the requirement in subsection (a) is not complied*
4 *with.*

5 *“(c) COVERED OPERATIONS.—This section applies*
6 *with respect to any operation of the Department of Defense*
7 *involving the use of the Armed Forces that—*

8 *“(1) is ongoing in the first quarter of a fiscal*
9 *year;*

10 *“(2) is not expected to end during the current*
11 *fiscal year;*

12 *“(3) for which appropriations were not specifi-*
13 *cally provided in advance for the current fiscal year.*

14 *“(d) WAIVER AUTHORITY.—The President may waive*
15 *the provisions of this section for any fiscal year—*

16 *“(1) during which there is in effect a declaration*
17 *of war; or*

18 *“(2) during which authority is in effect pursuant*
19 *to section 12302 of this title to order units and mem-*
20 *bers of the Ready Reserve to active duty without the*
21 *consent of the persons concerned.”.*

22 *(2) The table of sections at the beginning of such chap-*
23 *ter is amended by striking out the item relating to section*
24 *127a and inserting in lieu thereof the following:*

“127a. Operations for which funds are not provided in advance: funding mecha-
nisms.

“127b. Budgeting for ongoing operations.”.

1 (b) *EFFECTIVE DATE.*—The amendment to section
2 127a of title 10, United States Code, made by subsection
3 (a) shall take effect on October 1, 1995, and shall apply
4 to any operation of the Department of Defense, whether
5 begun before, on, or after such date. In the case of any oper-
6 ation begun before such date, any reference in such section
7 to the date of the beginning of such operation shall be treat-
8 ed as referring to the effective date under the preceding sen-
9 tence.

10 **SEC. 1004. DESIGNATION AND LIABILITY OF DISBURSING**
11 **AND CERTIFYING OFFICIALS.**

12 (a) *DISBURSING OFFICIALS.*—(1) Section 3321(c) of
13 title 31, United States Code, is amended by striking out
14 paragraph (2) and inserting in lieu thereof the following:

15 “(2) The Department of Defense.

16 “(3) The Coast Guard (when not operating as a
17 service in the Navy).”.

18 (2) Section 2773 of title 10, United States Code, is
19 amended—

20 (A) in subsection (a)—

21 (i) by striking out “With the approval of
22 the Secretary of a military department when the
23 Secretary considers it necessary, a disbursing of-
24 ficial of the military department” and inserting
25 in lieu thereof “Subject to paragraph (3), a dis-

1 *disbursing official of the Department of Defense”;*

2 *and*

3 *(ii) by adding at the end the following new*

4 *paragraph:*

5 *“(3) A disbursing official may make a designation*
6 *under paragraph (1) only with the approval of the Sec-*
7 *retary of Defense or, in the case of a disbursing official of*
8 *a military department, the Secretary of that military de-*
9 *partment.”; and*

10 *(B) in subsection (b)(1)—*

11 *(i) by striking out “any military depart-*
12 *ment” and inserting in lieu thereof “the Depart-*
13 *ment of Defense”; and*

14 *(ii) by striking out “2d month” and insert-*
15 *ing in lieu thereof “second month”.*

16 *(b) DESIGNATION OF MEMBERS OF THE ARMED*
17 *FORCES TO HAVE AUTHORITY TO CERTIFY VOUCHERS.—*

18 *(1) Section 3325(b) of title 31, United States Code, is*
19 *amended to read as follows:*

20 *“(b) In addition to officers and employees referred to*
21 *in subsection (a)(1)(B) of this section as having authoriza-*
22 *tion to certify vouchers, the Secretary of Defense and the*
23 *Secretary of Transportation (with respect to the Coast*
24 *Guard when it is not operating as a service in the Navy)*

1 *may authorize, in writing, members of the armed forces*
2 *under their jurisdiction to certify vouchers.”.*

3 (2) *Section 3528(d) of title 31, United States Code,*
4 *is repealed.*

5 (c) *RELIEF OF ACCOUNTABLE OFFICIALS AND AGENTS*
6 *FROM LIABILITY.—Section 3527(b)(1) of title 31, United*
7 *States Code, is amended—*

8 (1) *by striking out “armed forces” in the matter*
9 *preceding subparagraph (A) and inserting in lieu*
10 *thereof “Department of Defense or the Coast Guard”;*
11 *and*

12 (2) *in subparagraph (A), by striking out “appro-*
13 *prate Secretary of the military department of the De-*
14 *partment of Defense” and inserting in lieu thereof*
15 *“Secretary of Transportation (with respect to the*
16 *Coast Guard when it is not operating as a service in*
17 *the Navy)”.*

18 (d) *CONFORMING AMENDMENTS.—(1) Section 1012 of*
19 *title 37, United States Code, is amended by striking out*
20 *“Secretary concerned” both places it appears and inserting*
21 *in lieu thereof “Secretary of Defense”.*

22 (2)(A) *Section 7863 of title 10, United States Code,*
23 *is amended—*

1 (i) in the first sentence, by striking out “dis-
2 bursements of public moneys or” and “the money was
3 paid or”; and

4 (ii) in the second sentence, by striking out “dis-
5 bursement or”.

6 (B)(i) The heading of such section is amended to read
7 as follows:

8 “**§ 7863. Disposal of public stores by order of com-
9 manding officer**”.

10 (ii) The item relating to such section in the table of
11 sections at the beginning of chapter 661 of such title is
12 amended to read as follows:

“7863. Disposal of public stores by order of commanding officer.”.

13 **SEC. 1005. AUTHORITY FOR OBLIGATION OF CERTAIN UN-
14 AUTHORIZED FISCAL YEAR 1995 DEFENSE AP-
15 PROPRIATIONS.**

16 (a) *AUTHORITY.*—The amounts described in subsection
17 (b) may be obligated and expended for programs, projects,
18 and activities of the Department of Defense in accordance
19 with fiscal year 1995 defense appropriations.

20 (b) *COVERED AMOUNTS.*—The amounts referred to in
21 subsection (a) are the amounts provided for programs,
22 projects, and activities of the Department of Defense in fis-
23 cal year 1995 defense appropriations that are in excess of
24 the amounts provided for such programs, projects, and ac-
25 tivities in fiscal year 1995 defense authorizations.

1 (c) *DEFINITIONS.*—*For the purposes of this section:*

2 (1) *FISCAL YEAR 1995 DEFENSE APPROPRIA-*
3 *TIONS.*—*The term “fiscal year 1995 defense appro-*
4 *priations” means amounts appropriated or otherwise*
5 *made available to the Department of Defense for fiscal*
6 *year 1995 in the Department of Defense Appropria-*
7 *tions Act, 1995 (Public Law 103–335).*

8 (2) *FISCAL YEAR 1995 DEFENSE AUTHORIZA-*
9 *TIONS.*—*The term “fiscal year 1995 defense author-*
10 *izations” means amounts authorized to be appro-*
11 *priated for the Department of Defense for fiscal year*
12 *1995 in the National Defense Authorization Act for*
13 *Fiscal Year 1995 (Public Law 103–337).*

14 **SEC. 1006. AUTHORIZATION OF PRIOR EMERGENCY SUPPLE-**
15 **MENTAL APPROPRIATIONS FOR FISCAL YEAR**
16 **1995.**

17 (a) *ADJUSTMENT TO PREVIOUS AUTHORIZATIONS.*—
18 *Amounts authorized to be appropriated to the Department*
19 *of Defense for fiscal year 1995 in the National Defense Au-*
20 *thorization Act for Fiscal Year 1995 (Public Law 103–337)*
21 *are hereby adjusted, with respect to any such authorized*
22 *amount, by the amount by which appropriations pursuant*
23 *to such authorization were increased (by a supplemental*
24 *appropriation) or decreased (by a rescission), or both, in*
25 *title I of the Emergency Supplemental Appropriations and*

1 *Rescissions for the Department of Defense to Preserve and*
2 *Enhance Military Readiness Act of 1995 (Public Law 104–*
3 *6).*

4 (b) *NEW AUTHORIZATION.*—*The appropriation pro-*
5 *vided in section 104 of such Act is hereby authorized.*

6 **SEC. 1007. PROHIBITION OF INCREMENTAL FUNDING OF**
7 **PROCUREMENT ITEMS.**

8 *Section 114 of title 10, United States Code, is amended*
9 *by adding at the end the following new subsection:*

10 “(f)(1) *No funds may be appropriated, or authorized*
11 *to be appropriated, for any fiscal year for a purpose named*
12 *in paragraph (1), (3), (4), or (5) of subsection (a) using*
13 *incremental funding.*

14 “(2) *In the budget submitted by the President for any*
15 *fiscal year, the President may not request appropriations,*
16 *or authorization of appropriations, on the basis of incre-*
17 *mental funding for a purpose specified in paragraph (1).*

18 “(3) *In this subsection, the term ‘incremental funding’*
19 *means the provision of funds for a fiscal year for a procure-*
20 *ment in less than the full amount required for procurement*
21 *of a complete and usable product, with the expectation (or*
22 *plan) for additional funding to be made for subsequent fis-*
23 *cal years to complete the procurement of a complete and*
24 *usable product.*

1 “(4) This subsection does not apply with respect to
2 funding classified as advance procurement funding.”.

3 ***Subtitle B—Naval Vessels and***
4 ***Shipyards***

5 ***SEC. 1021. CONTRACT OPTIONS FOR LMSR VESSELS.***

6 (a) *FINDINGS.*—Congress makes the following findings:

7 (1) A requirement for the Department of the
8 Navy to acquire 19 large, medium-speed, roll-on/roll-
9 off (LMSR) vessels was established by the Secretary of
10 Defense in the Mobility Requirements Study con-
11 ducted after the Persian Gulf War pursuant to section
12 909 of the National Defense Authorization Act for
13 Fiscal Year 1991 (Public law 101–510; 104 Stat.
14 1623) and was revalidated by the Secretary of De-
15 fense in the report entitled “Mobility Requirements
16 Study Bottom-Up Review Update”, submitted to Con-
17 gress in April 1995.

18 (2) The Strategic Sealift Program is a vital ele-
19 ment of the national military strategy calling for the
20 Nation to be able to fight and win two nearly simul-
21 taneous major regional contingencies.

22 (3) The Secretary of the Navy has entered into
23 contracts with shipyards covering acquisition of a
24 total of 17 such LMSR vessels, of which five are vessel
25 conversions and 12 are new construction vessels.

1 *Under those contracts, the Secretary has placed orders*
2 *for the acquisition of 11 vessels and has options for*
3 *the acquisition of six more, all of which would be new*
4 *construction vessels. The options allow the Secretary*
5 *to place orders for one vessel to be constructed at each*
6 *of two shipyards for award before December 31, 1995,*
7 *December 31, 1996, and December 31, 1997, respec-*
8 *tively.*

9 *(4) Acquisition of an additional two such LMSR*
10 *vessels, for a total of 19 vessels (the requirement de-*
11 *scribed in paragraph (1)) would contribute to preser-*
12 *vation of the industrial base of United States ship-*
13 *yards capable of building auxiliary and sealift ves-*
14 *sels.*

15 *(b) SENSE OF CONGRESS.—It is the sense of Congress*
16 *that the Secretary of the Navy should plan for, and budget*
17 *to provide for, the acquisition as soon as possible of a total*
18 *of 19 large, medium-speed, roll-on/roll-off (LMSR) vessels*
19 *(the number determined to be required in the Mobility Re-*
20 *quirements Study referred to in subsection (a)(1)), rather*
21 *than only 17 such vessels (the number of vessels under con-*
22 *tract as of May 1995).*

23 *(c) ADDITIONAL NEW CONSTRUCTION CONTRACT OP-*
24 *TION.—The Secretary of the Navy should negotiate with*
25 *each of the two shipyards holding new construction con-*

1 tracts referred to in subsection (a)(3) (Department of the
2 Navy contracts numbered N00024-93-C-2203 and
3 N00024-93-C-2205) for an option under each such con-
4 tract for construction of one additional such LMSR vessel,
5 with such option to be available to the Secretary for exercise
6 during 1995, 1996, or 1997.

7 (d) *REPORT.*—The Secretary of the Navy shall submit
8 to the congressional defense committees, by March 31, 1996,
9 a report stating the intentions of the Secretary regarding
10 the acquisition of options for the construction of two addi-
11 tional LMSR vessels as described in subsection (c).

12 **SEC. 1022. VESSELS SUBJECT TO REPAIR UNDER PHASED**
13 **MAINTENANCE CONTRACTS.**

14 (a) *IN GENERAL.*—(1) Chapter 633 of title 10, United
15 States Code, is amended by adding at the end the following
16 new section:

17 **“§ 7315. Phased maintenance contracts: vessels cov-**
18 **ered**

19 “In any case in which the Secretary of the Navy enters
20 into a contract for the phased maintenance of a class of
21 vessels or vessels of an identified type, the Secretary shall
22 ensure that—

23 “(1) any vessel that is covered by the contract
24 when it is entered into remains covered by the con-
25 tract, regardless of operating command to which the

1 vessel is subsequently assigned, unless the vessel is
2 taken out of service for the Department of the Navy;
3 and

4 “(2) any vessel of a class or type covered by the
5 contract that is delivered to the Navy while the con-
6 tract is in effect is covered by the contract.”.

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

“7315. Phased maintenance contracts: vessels covered.”.

9 (b) *EFFECTIVE DATE.*—Section 7315 of title 10, United
10 States Code, as added by subsection (a), shall apply with
11 respect to contracts entered into after the date of the enact-
12 ment of this Act.

13 **SEC. 1023. CLARIFICATION OF REQUIREMENTS RELATING**
14 **TO REPAIRS OF VESSELS.**

15 Section 7310(a) of title 10, United States Code, is
16 amended by inserting “or Guam” after “the United States”
17 the second place it appears.

18 **SEC. 1024. NAMING OF NAVAL VESSEL.**

19 It is the sense of Congress that the Secretary of the
20 Navy should name an appropriate ship of the United States
21 Navy the U.S.S. Joseph Vittori, in honor of Marine Cor-
22 poral Joseph Vittori (1929–1951) of Beverly, Massachusetts,
23 who was posthumously awarded the Medal of Honor for ac-
24 tions against the enemy in Korea on September 15–16,
25 1951.

1 **SEC. 1025. TRANSFER OF RIVERINE PATROL CRAFT.**

2 (a) *AUTHORITY TO TRANSFER VESSEL.*—Notwith-
3 standing subsections (a) and (d) of section 7306 of title 10,
4 United States Code, but subject to subsections (b) and (c)
5 of that section, the Secretary of the Navy may transfer a
6 vessel described in subsection (b) to Tidewater Community
7 College, Portsmouth, Virginia, for scientific and edu-
8 cational purposes.

9 (b) *VESSEL.*—The authority under subsection (a) ap-
10 plies in the case of a riverine patrol craft of the U.S.S.
11 Swift class.

12 (c) *LIMITATION.*—The transfer authorized by sub-
13 section (a) may be made only if the Secretary determines
14 that the vessel to be transferred is of no further use to the
15 United States for national security purposes.

16 (d) *TERMS AND CONDITIONS.*—The Secretary may re-
17 quire such terms and conditions in connection with the
18 transfer authorized by this section as the Secretary consid-
19 ers appropriate.

Subtitle C—Other Matters

SEC. 1031. TERMINATION AND MODIFICATION OF AUTHORITIES REGARDING NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE, DEFENSE REINVESTMENT, AND DEFENSE CONVERSION PROGRAMS.

(a) CONGRESSIONAL DEFENSE POLICY.—Section 2501 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out paragraph (5); and

(2) in subsection (b)—

(A) by striking out “DEFENSE REINVESTMENT, DIVERSIFICATION, AND CONVERSION” in the subsection heading and inserting in lieu thereof “TECHNOLOGY DEVELOPMENT FOR NATIONAL SECURITY”;

(B) by striking out “, during a period of reduction in defense expenditures,” in the matter preceding paragraph (1);

(C) by striking out “of reinvestment, diversification, and conversion of defense resources” in the matter preceding paragraph (1); and

(D) in paragraph (5), by striking out “defense economic reinvestment” and inserting in lieu thereof “economic investment”.

1 (b) *NATIONAL DEFENSE TECHNOLOGY AND INDUS-*
2 *TRIAL BASE COUNCIL.*—Section 2502(c) of such title is
3 *amended—*

4 (1) *in paragraph (1)(B), by striking out “, dur-*
5 *ing a period of reduction in defense expenditures, the*
6 *defense reinvestment, diversification, and conversion*
7 *objectives” and inserting in lieu thereof “the objec-*
8 *tives”;*

9 (2) *by striking out paragraph (2); and*

10 (3) *by redesignating paragraph (3) as para-*
11 *graph (2).*

12 (c) *MODIFICATION OF DEFENSE DUAL-USE CRITICAL*
13 *TECHNOLOGY PARTNERSHIPS PROGRAM.*—(1) *Subsection*
14 *(a) of section 2511 of such title is amended—*

15 (A) *by striking out “PARTNERSHIPS” in the sub-*
16 *section heading and inserting in lieu thereof “PRO-*
17 *GRAM”;*

18 (B) *in the first sentence, by striking out “, by*
19 *providing for the establishment” and all that follows*
20 *through “encourage and provide” and inserting in*
21 *lieu thereof “by encouraging and providing”;*

22 (C) *in the second sentence, by striking out “in*
23 *order to establish the partnerships” and inserting in*
24 *lieu thereof “in furtherance of the program”; and*

1 (D) by adding at the end the following new sen-
2 tence: “The Secretary shall identify projects to be con-
3 ducted as part of the program.”.

4 (2) Such section is further amended by striking out
5 subsections (b), (c), and (d) and inserting in lieu thereof
6 the following new subsection:

7 “(b) ASSISTANCE AUTHORIZED.—The Secretary of De-
8 fense may provide technical and other assistance to facili-
9 tate the achievement of the purposes of projects conducted
10 under the program. In providing such assistance, the Sec-
11 retary may make available, as appropriate for the work to
12 be performed, equipment and facilities of Department of De-
13 fense laboratories (including the scientists and engineers at
14 those laboratories) for purposes of projects selected by the
15 Secretary.”.

16 (3) Such section is further amended—

17 (A) by redesignating subsections (e), (f), and (g),
18 as subsections (c), (d), and (e), respectively;

19 (B) in subsection (c), as so redesignated, by
20 striking out “establishment of partnerships” and in-
21 serting in lieu thereof “conduct of the program”; and

22 (C) in subsection (d), as so redesignated—

23 (i) by striking out “proposed partnerships
24 for establishment under this section” in the mat-

1 *ter preceding paragraph (1) and inserting in*
2 *lieu thereof “projects under the program”;*

3 (ii) *in paragraphs (1) and (2), by striking*
4 *out “program proposed to be conducted by the*
5 *partnership” both places it appears and insert-*
6 *ing in lieu thereof “proposed project”;*

7 (iii) *in paragraph (3), by striking out*
8 *“partnership’s” and inserting in lieu thereof*
9 *“proposed project’s”; and*

10 (iv) *in paragraphs (4) through (7), by strik-*
11 *ing out “partnership” each place it appears and*
12 *inserting in lieu thereof “project”.*

13 (d) *REPEAL OF COMMERCIAL-MILITARY INTEGRATION*
14 *PARTNERSHIPS PROGRAM.—Section 2512 of such title is re-*
15 *pealed.*

16 (e) *REPEAL OF REGIONAL TECHNOLOGY ALLIANCES*
17 *ASSISTANCE PROGRAM.—Section 2513 of such title is re-*
18 *pealed.*

19 (f) *MILITARY-CIVILIAN INTEGRATION AND TECH-*
20 *NOLOGY TRANSFER ADVISORY BOARD.—Section 2516(b) of*
21 *such title is amended—*

22 (1) *by inserting “and” at the end of paragraph*
23 (2);

24 (2) *by striking out “; and” at the end of para-*
25 *graph (3) and inserting in lieu thereof a period; and*

1 (3) by striking out paragraph (4).

2 (g) *FEDERAL DEFENSE LABORATORY DIVERSIFICA-*
3 *TION PROGRAM.*—Section 2519 of such title is amended—

4 (1) in subsection (b), by striking out “referred to
5 in section 2511(b) of this title”;

6 (2) in subsection (d)—

7 (A) by striking out “(1)” before “The Sec-
8 retary shall”; and

9 (B) by striking out paragraph (2); and

10 (3) in subsection (f), by striking out “section
11 2511(f)” and inserting in lieu thereof “section
12 2511(d)”.

13 (h) *REPEAL OF NAVY REINVESTMENT PROGRAM.*—
14 Section 2520 of such title is repealed.

15 (i) *REPEAL OF NATIONAL DEFENSE MANUFACTURING*
16 *TECHNOLOGY PROGRAM.*—Section 2521 of such title is re-
17 *pealed.*

18 (j) *REPEAL OF DEFENSE ADVANCED MANUFACTURING*
19 *TECHNOLOGY PARTNERSHIPS PROGRAM.*—Section 2522 of
20 *such title is repealed.*

21 (k) *REPEAL OF MANUFACTURING EXTENSION PRO-*
22 *GRAM.*—Section 2523 of such title is repealed.

23 (l) *REPEAL OF DEFENSE DUAL-USE ASSISTANCE EX-*
24 *TENSION PROGRAM.*—Section 2524 of such title is repealed.

1 (2) *The tables of sections at the beginning of subtitle*
2 *A, and at the beginning of part IV of subtitle A, of such*
3 *title are each amended by striking out the item relating to*
4 *chapter 171.*

5 (c) *ANNUAL AUTHORIZATION OF MILITARY TRAINING*
6 *STUDENT LOADS.—Section 115 of such title is amended—*

7 (1) *in subsection (a), by striking out paragraph*

8 (3);

9 (2) *in subsection (b)—*

10 (A) *by inserting “or” at the end of para-*
11 *graph (1);*

12 (B) *by striking out “; or” at the end of*
13 *paragraph (2) and inserting in lieu thereof a pe-*
14 *riod; and*

15 (C) *by striking out paragraph (3); and*

16 (3) *by striking out subsection (f).*

17 (d) *PORTIONS OF ANNUAL MANPOWER REQUIREMENTS*
18 *REPORT.—Section 115a of such title is amended—*

19 (1) *in subsection (b)(2), by striking out subpara-*
20 *graph (C);*

21 (2) *by striking out subsection (d);*

22 (3) *by redesignating subsection (e) as subsection*
23 *(d) and striking out paragraphs (4) and (5) thereof;*

24 (4) *by striking out subsection (f); and*

1 (5) by redesignating subsection (g) as subsection
2 (e).

3 (e) *OBSOLETE AUTHORITY FOR PAYMENT OF STI-*
4 *PENDS FOR MEMBERS OF CERTAIN ADVISORY COMMITTEES*
5 *AND BOARDS OF VISITORS OF SERVICE ACADEMIES.—(1)*
6 *The second sentence of each of sections 173(b) and 174(b)*
7 *of such title is amended to read as follows: “Other members*
8 *and part-time advisers shall (except as otherwise specifi-*
9 *cally authorized by law) serve without compensation for*
10 *such service.”.*

11 (2) *Sections 4355(h), 6968(h), and 9355(h) of such title*
12 *are amended by striking out “is entitled to not more than*
13 *\$5 a day and”.*

14 (f) *ANNUAL BUDGET INFORMATION CONCERNING RE-*
15 *CRUITING COSTS.—(1) Section 227 of such title is repealed.*

16 (2) *The table of sections at the beginning of chapter*
17 *9 of such title is amended by striking out the item relating*
18 *to section 227.*

19 (g) *EXPIRED AUTHORITY RELATING TO PEACEKEEP-*
20 *ING ACTIVITIES.—(1) Section 403 of such title is repealed.*

21 (2) *The table of sections at the beginning of subchapter*
22 *I of chapter 20 of such title is amended by striking out*
23 *the item relating to section 403.*

1 (h) *MANAGEMENT TRAINING PROGRAM IN JAPANESE*
2 *LANGUAGE AND CULTURE.*—(1) *Section 2198 of such title*
3 *is repealed.*

4 (2) *The table of sections at the beginning of chapter*
5 *111 of such title is amended by striking out the item relat-*
6 *ing to section 2198.*

7 (i) *PROCUREMENT OF GASOHOL FOR DEPARTMENT OF*
8 *DEFENSE MOTOR VEHICLES.*—(1) *Subsection (a) of section*
9 *2398 of such title is repealed.*

10 (2) *Such section is further amended—*

11 (A) *by redesignating subsections (b) and (c) as*
12 *subsections (a) and (b), respectively; and*

13 (B) *in subsection (b), as so redesignated, by*
14 *striking out “subsection (b)” and inserting in lieu*
15 *thereof “subsection (a)”.*

16 (j) *REQUIREMENT OF NOTICE OF CERTAIN DISPOSALS*
17 *AND GIFTS BY SECRETARY OF NAVY.*—*Section 7545 of such*
18 *title is amended by striking out subsection (c).*

19 (k) *ANNUAL REPORT ON BIOLOGICAL DEFENSE RE-*
20 *SEARCH PROGRAM.*—(1) *Section 2370 of such title is re-*
21 *pealed.*

22 (2) *The table of sections at the beginning of chapter*
23 *139 of such title is amended by striking out the item relat-*
24 *ing to such section.*

1 *(l) REPORTS AND NOTIFICATIONS RELATING TO*
2 *CHEMICAL AND BIOLOGICAL AGENTS.—(1) Subsection (a)*
3 *of section 409 of Public Law 91–121 (50 U.S.C. 1511) is*
4 *repealed.*

5 *(2) Subsection (b) of such section (50 U.S.C. 1512) is*
6 *amended—*

7 *(A) by inserting “and” at the end of paragraph*
8 *(2);*

9 *(B) by striking out “; and” at the end of para-*
10 *graph (3) and inserting in lieu thereof a period; and*

11 *(C) by striking out paragraph (4).*

12 *(3) Subsection (c) of such section (50 U.S.C. 1513) is*
13 *amended by striking out the second sentence of paragraph*
14 *(1).*

15 *(m) PROVISION GIVING PERMANENT STATUS TO EXEC-*
16 *UTIVE ORDER RELATING TO NAVAL NUCLEAR PROPULSION*
17 *PROGRAM.—Section 1634 of the Department of Defense Au-*
18 *thorization, 1985 (Public Law 98–525; 98 Stat. 2649; 42*
19 *U.S.C. 7158 note), is repealed.*

20 *(n) ANNUAL REPORT ON BALANCED TECHNOLOGY INI-*
21 *TIATIVE.—Subsection (e) of section 211 of the National De-*
22 *fense Authorization Act for Fiscal Years 1990 and 1991*
23 *(Public Law 101–189; 103 Stat. 1394) is repealed.*

24 *(o) OBSOLETE AUTHORITY REGARDING ANNISTON*
25 *ARMY DEPOT, ALABAMA.—Section 352 of the National De-*

1 *fense Authorization Act for Fiscal Year 1991 (Public Law*
2 *101-510; 104 Stat. 1539) is repealed.*

3 (p) *REPORT ON ENVIRONMENTAL RESTORATION*
4 *COSTS FOR INSTALLATIONS TO BE CLOSED UNDER 1990*
5 *BASE CLOSURE LAW.*—Section 2827 of the National De-
6 *fense Authorization Act for Fiscal Years 1992 and 1993*
7 *(Public Law 102-190; 10 U.S.C. 2687 note) is amended by*
8 *striking out subsection (b).*

9 (q) *LIMITATION ON AMERICAN DIPLOMATIC FACILI-*
10 *TIES IN GERMANY.*—Section 1432 of the National Defense
11 *Authorization Act for Fiscal Year 1994 (Public Law 103-*
12 *160; 107 Stat. 1833) is repealed.*

13 (r) *REQUIREMENT RELATING TO ATHLETIC DIRECTOR*
14 *OF NAVAL ACADEMY.*—Section 556(b) of the National De-
15 *fense Authorization Act for Fiscal Year 1995 (Public Law*
16 *103-337; 108 Stat. 2774) (including the section of title 10,*
17 *United States Code, added by that section effective January*
18 *1, 1996, and the table of sections item added by that section)*
19 *is repealed.*

1 **TITLE** **XI—COOPERATIVE**
2 **THREAT REDUCTION WITH**
3 **STATES OF FORMER SOVIET**
4 **UNION**

5 **SEC. 1101. SPECIFICATION OF COOPERATIVE THREAT RE-**
6 **DUCTION PROGRAMS.**

7 (a) *IN GENERAL.*—For purposes of section 301 and
8 other provisions of this Act, Cooperative Threat Reduction
9 programs are the programs specified in subsection (b).

10 (b) *SPECIFIED PROGRAMS.*—The programs referred to
11 in subsection (a) are the following:

12 (1) *Programs to facilitate the elimination, and*
13 *the safe and secure transportation and storage, of nu-*
14 *clear, chemical, and other weapons and their delivery*
15 *vehicles.*

16 (2) *Programs to facilitate the safe and secure*
17 *storage of fissile materials derived from the elimi-*
18 *nation of nuclear weapons.*

19 (3) *Programs to prevent the proliferation of*
20 *weapons, weapons components, and weapons-related*
21 *technology and expertise.*

22 (4) *Programs to expand military-to-military*
23 *and defense contacts.*

1 **SEC. 1102. FISCAL YEAR 1996 AUTHORIZATION.**

2 *Of the amount authorized in section 301 for Coopera-*
3 *tive Threat Reduction programs, not more than the follow-*
4 *ing amounts shall be available for the purposes specified:*

5 *(1) \$50,000,000 for elimination of Russian stra-*
6 *tegic offensive weapons.*

7 *(2) \$20,000,000 for elimination of Ukraine stra-*
8 *tegic nuclear weapons.*

9 *(3) \$15,000,000 for elimination of Kazakhstan*
10 *strategic nuclear weapons.*

11 *(4) \$5,000,000 for elimination of Belarus strate-*
12 *gic nuclear weapons.*

13 *(5) \$6,000,000 for design of a storage facility for*
14 *Russian fissile material.*

15 *(6) \$42,500,000 for weapons security in Russia.*

16 *(7) \$35,000,000 for nuclear infrastructure elimi-*
17 *nation in Ukraine, Belarus, and Kazakhstan.*

18 *(8) \$10,000,000 for activities designated as De-*
19 *fense and Military Contacts/General Support/Train-*
20 *ing in Russia, Ukraine, Belarus, and Kazakhstan.*

21 *(9) \$16,500,000 for activities designated as Other*
22 *Assessments/Support.*

1 **SEC. 1103. REPEAL OF DEMILITARIZATION ENTERPRISE**
2 **FUND AUTHORITY.**

3 *Section 1204 of the Cooperative Threat Reduction Act*
4 *of 1993 (title XII of Public Law 103–160; 22 U.S.C. 5953)*
5 *is repealed.*

6 **SEC. 1104. PROHIBITION ON USE OF FUNDS FOR PEACE-**
7 **KEEPING EXERCISES AND RELATED ACTIVI-**
8 **TIES WITH RUSSIA.**

9 *None of the funds appropriated pursuant to the au-*
10 *thorization in section 301 for Cooperative Threat Reduction*
11 *programs may be obligated or expended for the purpose of*
12 *conducting with Russia any peacekeeping exercise or other*
13 *peacekeeping-related activity.*

14 **SEC. 1105. REVISION TO AUTHORITY FOR ASSISTANCE FOR**
15 **WEAPONS DESTRUCTION.**

16 *Section 211(b) of Public Law 102–228 (105 Stat.*
17 *1694) is amended by striking out “committed to” in the*
18 *matter preceding paragraph (1).*

19 **SEC. 1106. PRIOR NOTICE TO CONGRESS OF OBLIGATION OF**
20 **FUNDS.**

21 *(a) ANNUAL REQUIREMENT.—(1) Not less than 15*
22 *days before any obligation of any funds appropriated for*
23 *any fiscal year for a program specified under section 1101*
24 *as a Cooperative Threat Reduction program, the Secretary*
25 *of Defense shall submit to the congressional committees spec-*

1 *ified in paragraph (2) a report on that proposed obligation*
2 *for that program for that fiscal year.*

3 *(2) The congressional committees referred to in para-*
4 *graph (1) are the following:*

5 *(A) The Committee on Armed Services, the Com-*
6 *mittee on Foreign Relations, and the Committee on*
7 *Appropriations of the Senate.*

8 *(B) The Committee on National Security, the*
9 *Committee on International Relations, and the Com-*
10 *mittee on Appropriations of the House of Representa-*
11 *tives.*

12 *(b) MATTERS TO BE SPECIFIED IN REPORTS.—Each*
13 *such report shall specify—*

14 *(1) the activities and forms of assistance for*
15 *which the Secretary of Defense plans to obligate*
16 *funds;*

17 *(2) the amount of the proposed obligation; and*

18 *(3) the projected involvement (if any) of any de-*
19 *partment or agency of the United States (in addition*
20 *to the Department of Defense) and of the private sec-*
21 *tor of the United States in the activities and forms*
22 *of assistance for which the Secretary of Defense plans*
23 *to obligate such funds.*

1 **SEC. 1107. REPORT ON ACCOUNTING FOR UNITED STATES**
2 **ASSISTANCE.**

3 (a) *REPORT.*—(1) *The Secretary of Defense shall sub-*
4 *mit to Congress an annual report on the efforts made by*
5 *the United States (including efforts through the use of au-*
6 *dits, examinations, and on-site inspections) to ensure that*
7 *assistance provided under Cooperative Threat Reduction*
8 *programs is fully accounted for and that such assistance*
9 *is being used for its intended purposes.*

10 (2) *A report shall be submitted under this section not*
11 *later than January 31 of each year until the Cooperative*
12 *Threat Reduction programs are completed.*

13 (b) *INFORMATION TO BE INCLUDED.*—*Each report*
14 *under this section shall include the following:*

15 (1) *A list of cooperative threat reduction assist-*
16 *ance that has been provided before the date of the re-*
17 *port.*

18 (2) *A description of the current location of the*
19 *assistance provided and the current condition of such*
20 *assistance.*

21 (3) *A determination of whether the assistance*
22 *has been used for its intended purpose.*

23 (4) *A description of the activities planned to be*
24 *carried out during the next fiscal year to ensure that*
25 *cooperative threat reduction assistance provided dur-*

1 *for the Department of Defense may not be obligated or ex-*
2 *pended for activities of any element of the Armed Forces*
3 *that after the date of the enactment of this section is placed*
4 *under United Nations command or control, as defined in*
5 *subsection (f).*

6 “(b) *EXCEPTION FOR PRESIDENTIAL CERTIFI-*
7 *CATION.—(1) Subsection (a) shall not apply in the case of*
8 *a proposed placement of an element of the Armed Forces*
9 *under United Nations command or control if the President,*
10 *not less than 15 days before the date on which such United*
11 *Nations command or control is to become effective (or as*
12 *provided in paragraph (2)), meets the requirements of sub-*
13 *section (d).*

14 “(2) *If the President certifies to Congress that an emer-*
15 *gency exists that precludes the President from meeting the*
16 *requirements of subsection (d) 15 days before placing an*
17 *element of the Armed Forces under United Nations com-*
18 *mand or control, the President may place such forces under*
19 *such command or control and meet the requirements of sub-*
20 *section (d) in a timely manner, but in no event later than*
21 *48 hours after such command or control becomes effective.*

22 “(c) *ADDITIONAL EXCEPTIONS.—*

23 “(1) *EXCEPTION FOR AUTHORIZATION BY LAW.—*
24 *Subsection (a) shall not apply in the case of a pro-*
25 *posed placement of any element of the Armed Forces*

1 *under United Nations command or control if the Con-*
2 *gress specifically authorizes by law that particular*
3 *placement of United States forces under United Na-*
4 *tions command or control.*

5 *“(2) EXCEPTION FOR NATO OPERATIONS.—Sub-*
6 *section (a) shall not apply in the case of a proposed*
7 *placement of any element of the armed forces in an*
8 *operation conducted by the North Atlantic Treaty Or-*
9 *ganization.*

10 *“(d) PRESIDENTIAL CERTIFICATIONS.—The require-*
11 *ments referred to in subsection (b)(1) are that the President*
12 *submit to Congress the following:*

13 *“(1) Certification by the President that—*

14 *“(A) such a United Nations command or*
15 *control arrangement is necessary to protect na-*
16 *tional security interests of the United States;*

17 *“(B) the commander of any unit of the*
18 *Armed Forces proposed for placement under*
19 *United Nations command or control will at all*
20 *times retain the right—*

21 *“(i) to report independently to supe-*
22 *rior United States military authorities; and*

23 *“(ii) to decline to comply with orders*
24 *judged by the commander to be illegal, mili-*
25 *tarily imprudent, or beyond the mandate of*

1 *the mission to which the United States*
2 *agreed with the United Nations, until such*
3 *time as that commander receives direction*
4 *from superior United States military au-*
5 *thorities with respect to the orders that the*
6 *commander has declined to comply with;*

7 “(C) *any element of the Armed Forces pro-*
8 *posed for placement under United Nations com-*
9 *mand or control will at all times remain under*
10 *United States administrative command for such*
11 *purposes as discipline and evaluation; and*

12 “(D) *the United States will retain the au-*
13 *thority to withdraw any element of the Armed*
14 *Forces from the proposed operation at any time*
15 *and to take any action it considers necessary to*
16 *protect those forces if they are engaged.*

17 “(2) *A report setting forth the following:*

18 “(A) *A description of the national security*
19 *interests that require the placement of United*
20 *States forces under United Nations command or*
21 *control.*

22 “(B) *The mission of the United States forces*
23 *involved.*

24 “(C) *The expected size and composition of*
25 *the United States forces involved.*

1 “(D) *The incremental cost to the United*
2 *States of participation in the United Nations*
3 *operation by the United States forces which are*
4 *proposed to be placed under United Nations com-*
5 *mand or control.*

6 “(E) *The precise command and control re-*
7 *lationship between the United States forces in-*
8 *volved and the United Nations command struc-*
9 *ture.*

10 “(F) *The precise command and control rela-*
11 *tionship between the United States forces in-*
12 *volved and the commander of the United States*
13 *unified command for the region in which those*
14 *United States forces are to operate.*

15 “(G) *The extent to which the United States*
16 *forces involved will rely on non-United States*
17 *forces for security and self-defense and an assess-*
18 *ment on the ability of those non-United States*
19 *forces to provide adequate security to the United*
20 *States forces involved.*

21 “(H) *The timetable for complete withdrawal*
22 *of the United States forces involved.*

23 “(e) *CLASSIFICATION OF REPORT.—A report under*
24 *subsection (d) shall be submitted in unclassified form and,*
25 *if necessary, in classified form.*

1 “(f) UNITED NATIONS COMMAND OR CONTROL.—For
2 purposes of this section, an element of the Armed Forces
3 shall be considered to be placed under United Nations com-
4 mand or control if—

5 “(1) that element is under the command or oper-
6 ational control of an individual acting on behalf of
7 the United Nations for the purpose of international
8 peacekeeping, peacemaking, peace-enforcing, or simi-
9 lar activity that is authorized by the Security Council
10 under chapter VI or VII of the Charter of the United
11 Nations; and

12 “(2) the senior military commander of the Unit-
13 ed Nations force or operation—

14 “(A) is a foreign national or is a citizen of
15 the United States who is not a United States
16 military officer serving on active duty; or

17 “(B) is a United States military officer
18 serving on active duty but—

19 “(i) that element of the armed forces is
20 under the command or operational control
21 of a subordinate commander who is a for-
22 eign national or a citizen of the United
23 States who is not a United States military
24 officer serving on active duty; and

1 “(ii) that senior military commander
2 does not have the authority—

3 “(I) to dismiss any subordinate
4 officer in the chain of command who is
5 exercising command or operational
6 control over United States forces and
7 who is a foreign national or a citizen
8 of the United States who is not a Unit-
9 ed States military officer serving on
10 active duty;

11 “(II) to establish rules of engage-
12 ment for United States forces involved;
13 and

14 “(III) to establish criteria govern-
15 ing the operational employment of
16 United States forces involved.

17 “(g) INTERPRETATION.—Nothing in this section may
18 be construed—

19 “(1) as authority for the President to use any
20 element of the armed forces in any operation;

21 “(2) as authority for the President to place any
22 element of the armed forces under the command or
23 operational control of a foreign national; or

24 “(3) as an unconstitutional infringement on the
25 authority of the President as commander-in-chief.”.

1 (2) *The table of sections at the beginning of subchapter*
2 *I of such chapter is amended by adding at the end the fol-*
3 *lowing new item:*

“405. Placement of United States forces under United Nations command or con-
trol: limitation.”.

4 (b) *REPORT RELATING TO CONSTITUTIONALITY.—No*
5 *certification may be submitted by the President under sec-*
6 *tion 405(d)(1) of title 10, United States Code, as added by*
7 *subsection (a), until the President has submitted to the Con-*
8 *gress (after the date of the enactment of this Act) a memo-*
9 *randum of legal points and authorities explaining why the*
10 *placement of elements of United States Armed Forces under*
11 *the command or operational control of a foreign national*
12 *acting on behalf of the United Nations does not violate the*
13 *Constitution.*

14 (c) *EXCEPTION FOR ONGOING OPERATIONS IN MAC-*
15 *EDONIA AND CROATIA.—Section 405 of title 10, United*
16 *States Code, as added by subsection (a), does not apply in*
17 *the case of activities of the Armed Forces as part of the*
18 *United Nations force designated as the United Nations Pro-*
19 *tection Force (UNPROFOR) that are carried out—*

20 (1) *in Macedonia pursuant to United Nations*
21 *Security Council Resolution 795, adopted December*
22 *11, 1992, and subsequent reauthorization Resolutions;*
23 *or*

1 (2) in Croatia pursuant to United Nations Secu-
2 rity Council Resolution 743, adopted February 21,
3 1992, and subsequent reauthorization Resolutions.

4 **SEC. 1202. LIMITATION ON USE OF DEPARTMENT OF DE-**
5 **FENSE FUNDS FOR UNITED STATES SHARE**
6 **OF COSTS OF UNITED NATIONS PEACEKEEP-**
7 **ING ACTIVITIES.**

8 (a) *IN GENERAL.*—(1) Chapter 20 of title 10, United
9 States Code, is amended by inserting after section 405, as
10 added by section 1201, the following new section:

11 **“§ 406. Use of Department of Defense funds for United**
12 **States share of costs of United Nations**
13 **peacekeeping activities: limitation**

14 “(a) *PROHIBITION ON USE OF FUNDS.*—Funds avail-
15 able to the Department of Defense may not be used to make
16 a financial contribution (directly or through another de-
17 partment or agency of the United States) to the United Na-
18 tions—

19 “(1) for the costs of a United Nations peacekeep-
20 ing activity; or

21 “(2) for any United States arrearage to the
22 United Nations.

23 “(b) *APPLICATION OF PROHIBITION.*—The prohibition
24 in subsection (a) applies to voluntary contributions, as well
25 as to contributions pursuant to assessment by the United

1 *Nations for the United States share of the costs of a peace-*
2 *keeping activity.”.*

3 (2) *The table of sections at the beginning of such chap-*
4 *ter is amended by inserting after the item relating to section*
5 *405, as added by section 1201, the following new item:*

“406. Use of Department of Defense funds for United States share of costs of Unit-
ed Nations peacekeeping activities: limitation.”.

6 (b) *EFFECTIVE DATE.*—*Section 406 of title 10, United*
7 *States Code, as added by subsection (a), shall take effect*
8 *on October 1, 1995.*

9 ***Subtitle B—Humanitarian***
10 ***Assistance Programs***

11 ***SEC. 1211. OVERSEAS HUMANITARIAN, DISASTER, AND***
12 ***CIVIC AID PROGRAMS.***

13 *For purposes of section 301 and other provisions of*
14 *this Act, programs of the Department of Defense designated*
15 *as Overseas Humanitarian, Disaster, and Civic Aid*
16 *(OHDACA) programs are the programs provided by sec-*
17 *tions 401, 402, 404, 2547, and 2551 of title 10, United*
18 *States Code.*

19 ***SEC. 1212. HUMANITARIAN ASSISTANCE.***

20 *Section 2551 of title 10, United States Code is amend-*
21 *ed—*

22 (1) *by striking out subsections (b) and (c);*

23 (2) *by redesignating subsection (d) as subsection*
24 *(b);*

1 (3) by striking out subsection (e) and inserting
2 in lieu thereof the following:

3 “(c) *STATUS REPORTS.*—(1) *The Secretary of Defense*
4 *shall submit to the congressional committees specified in*
5 *subsection (f) an annual report on the provision of humani-*
6 *tarian assistance pursuant to this section for the prior fis-*
7 *cal year. The report shall be submitted each year at the*
8 *time of the budget submission by the President for the next*
9 *fiscal year.*

10 “(2) *Each report required by paragraph (1) shall cover*
11 *all provisions of law that authorize appropriations for hu-*
12 *manitarian assistance to be available from the Department*
13 *of Defense for the purposes of this section.*

14 “(3) *Each report under this subsection shall set forth*
15 *the following information regarding activities during the*
16 *previous fiscal year:*

17 “(A) *The total amount of funds obligated for hu-*
18 *manitarian relief under this section.*

19 “(B) *The number of scheduled and completed*
20 *transportation missions for purposes of providing hu-*
21 *manitarian assistance under this section.*

22 “(C) *A description of any transfer of excess*
23 *nonlethal supplies of the Department of Defense made*
24 *available for humanitarian relief purposes under sec-*
25 *tion 2547 of this title. The description shall include*

1 *the date of the transfer, the entity to whom the trans-*
2 *fer is made, and the quantity of items transferred.”;*

3 (4) *by redesignating subsection (f) as subsection*
4 *(d) and in that subsection striking out “the Commit-*
5 *tees on” and all that follows through “House of Rep-*
6 *resentatives of the” and inserting in lieu thereof “the*
7 *congressional committees specified in subsection (f)*
8 *and the Committees on Appropriations of the Senate*
9 *and House of Representatives of the”;*

10 (5) *by redesignating subsection (g) as subsection*
11 *(e); and*

12 (6) *by adding at the end the following new sub-*
13 *section:*

14 “(f) *CONGRESSIONAL COMMITTEES.—The congres-*
15 *sional committees referred to in subsections (c)(1) and (d)*
16 *are the following:*

17 “(1) *The Committee on Armed Services and the*
18 *Committee on Foreign Relations of the Senate.*

19 “(2) *The Committee on National Security and*
20 *the Committee on International Relations of the*
21 *House of Representatives.”.*

22 **SEC. 1213. LANDMINE CLEARANCE PROGRAM.**

23 (a) *INCLUSION IN GENERAL HUMANITARIAN ASSIST-*
24 *ANCE PROGRAM.—Subsection (e) of section 401 of title 10,*
25 *United States Code, is amended—*

1 (1) by striking out “means—” and inserting in
2 *lieu thereof “means:”;*

3 (2) by revising the first word in each of para-
4 *graphs (1) through (4) so that the first letter of such*
5 *word is upper case;*

6 (3) by striking out the semicolon at the end of
7 *paragraphs (1) and (2) and inserting in lieu thereof*
8 *a period;*

9 (4) by striking out “; and” at the end of para-
10 *graph (3) and inserting in lieu thereof a period; and*

11 (5) by adding at the end the following new para-
12 *graph:*

13 “(5) *Detection and clearance of landmines, in-*
14 *cluding activities relating to the furnishing of edu-*
15 *cation, training, and technical assistance with respect*
16 *to the detection and clearance of landmines.”.*

17 (b) *LIMITATION ON LANDMINE ASSISTANCE BY MEM-*
18 *BERS OF ARMED FORCES.—Subsection (a) of such section*
19 *is amended by adding at the end the following new para-*
20 *graph:*

21 “(4) *The Secretary of Defense shall ensure that no*
22 *member of the armed forces, while providing assistance*
23 *under this section that is described in subsection (e)(5)—*

24 “(A) *engages in the physical detection, lifting, or*
25 *destroying of landmines (unless the member does so*

1 for the concurrent purpose of supporting a United
2 States military operation); or

3 “(B) provides such assistance as part of a mili-
4 tary operation that does not involve the armed
5 forces.”.

6 (c) *REPEAL*.—Section 1413 of the National Defense
7 Authorization Act for Fiscal Year 1995 (Public Law 103–
8 337; 108 Stat. 2913; 10 U.S.C. 401 note) is repealed.

9 **Subtitle C—Other Matters**

10 **SEC. 1221. REVISION OF DEFINITION OF LANDMINE FOR**

11 **PURPOSES OF LANDMINE EXPORT MORATO-**

12 **RIUM.**

13 Section 1423(d)(3) of the National Defense Authoriza-
14 tion Act for Fiscal Year 1994 (Public Law 103–160; 107
15 Stat. 1831) is amended by striking out “by remote control
16 or”.

17 **SEC. 1222. EXTENSION AND AMENDMENT OF**

18 **COUNTERPROLIFERATION AUTHORITIES.**

19 (a) *ONE-YEAR EXTENSION OF PROGRAM*.—Section
20 1505 of the Weapons of Mass Destruction Control Act of
21 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a)
22 is amended—

23 (1) in subsection (a), by striking out “during fis-
24 cal years 1994 and 1995”;

1 (2) in subsection (e)(1), by striking out “fiscal
2 years 1994 and 1995” and inserting in lieu thereof
3 “a fiscal year during which the authority of the Sec-
4 retary of Defense to provide assistance under this sec-
5 tion is in effect”; and

6 (3) by adding at the end the following new sub-
7 section:

8 “(f) *TERMINATION OF AUTHORITY.*—The authority of
9 the Secretary of Defense to provide assistance under this
10 section terminates at the close of fiscal year 1996.”.

11 (b) *PROGRAM AUTHORITIES.*—(1) Subsections (b)(2)
12 and (d)(3) of such section are amended by striking out “the
13 On-Site Inspection Agency” and inserting in lieu thereof
14 “the Department of Defense”.

15 (2) Subsection (c)(3) of such section is amended by
16 striking out “will be counted” and all that follows and in-
17 serting in lieu thereof “will be counted as discretionary
18 spending in the national defense budget function (function
19 050).”.

20 (c) *AMOUNT OF ASSISTANCE.*—Subsection (d) of such
21 section is amended—

22 (1) in paragraph (1)—

23 (A) by striking out “for fiscal year 1994”
24 the first place it appears and all that follows
25 through the period at the end of the second sen-

1 *tence and inserting in lieu thereof “for any fiscal*
 2 *year shall be derived from amounts made avail-*
 3 *able to the Department of Defense for that fiscal*
 4 *year.”; and*

5 *(B) by striking out “referred to in this*
 6 *paragraph”;* and

7 *(2) in paragraph (3)—*

8 *(A) by striking out “may not exceed” and*
 9 *all that follows through “1995”;* and

10 *(B) by inserting before the period at the end*
 11 *the following: “, may not exceed \$25,000,000 for*
 12 *fiscal year 1994, \$20,000,000 for fiscal year*
 13 *1995, or \$15,000,000 for fiscal year 1996”.*

14 **SEC. 1223. PROHIBITION ON USE OF FUNDS FOR ACTIVITIES**
 15 **ASSOCIATED WITH THE UNITED STATES-PEO-**
 16 **PLE'S REPUBLIC OF CHINA JOINT DEFENSE**
 17 **CONVERSION COMMISSION.**

18 *Funds appropriated to the Department of Defense for*
 19 *fiscal year 1996 may not be obligated or expended for any*
 20 *activity associated with the United States-People's Republic*
 21 *of China Joint Defense Conversion Commission.*

22 **SEC. 1224. DEFENSE EXPORT LOAN GUARANTEES.**

23 *(a) ESTABLISHMENT OF PROGRAM.—(1) Chapter 148*
 24 *of title 10, United States Code, is amended by adding at*
 25 *the end the following new subchapter:*

1 “(c) *AUTHORITY SUBJECT TO PROVISIONS OF APPRO-*
2 *PRIATION ACTS.*—*The Secretary may guarantee a loan*
3 *under this subchapter only to such extent or in such*
4 *amounts as may be provided in advance in appropriations*
5 *Acts.*

6 **“§ 2540a. Transferability**

7 “A *guarantee issued under this subchapter shall be*
8 *fully and freely transferable.*

9 **“§ 2540b. Limitations**

10 “(a) *TERMS AND CONDITIONS OF LOAN GUARAN-*
11 *TEES.*—*In issuing a guarantee under this subchapter for*
12 *a medium-term or long-term loan, the Secretary may not*
13 *offer terms and conditions more beneficial than those that*
14 *would be provided to the recipient by the Export-Import*
15 *Bank of the United States under similar circumstances in*
16 *conjunction with the provision of guarantees for nondefense*
17 *articles and services.*

18 “(b) *LOSSES ARISING FROM FRAUD OR MISREPRE-*
19 *SENTATION.*—*No payment may be made under a guarantee*
20 *issued under this subchapter for a loss arising out of fraud*
21 *or misrepresentation for which the party seeking payment*
22 *is responsible.*

23 “(c) *NO RIGHT OF ACCELERATION.*—*The Secretary of*
24 *Defense may not accelerate any guaranteed loan or incre-*
25 *ment, and may not pay any amount, in respect of a guar-*

1 *antee issued under this subchapter, other than in accord-*
2 *ance with the original payment terms of the loan.*

3 **“§ 2540c. Fees charged and collected**

4 “(a) *IN GENERAL.*—*The Secretary of Defense shall*
5 *charge a fee (known as ‘exposure fee’) for each guarantee*
6 *issued under this subchapter.*

7 “(b) *AMOUNT.*—*To the extent that the cost of the loan*
8 *guarantees under this subchapter is not otherwise provided*
9 *for in appropriations Acts, the fee imposed under this sec-*
10 *tion with respect to a loan guarantee shall be fixed in an*
11 *amount sufficient to meet potential liabilities of the United*
12 *States under the loan guarantee.*

13 “(c) *PAYMENT TERMS.*—*The fee for each guarantee*
14 *shall become due as the guarantee is issued. In the case of*
15 *a guarantee for a loan which is disbursed incrementally,*
16 *and for which the guarantee is correspondingly issued in-*
17 *crementally as portions of the loan are disbursed, the fee*
18 *shall be paid incrementally in proportion to the amount*
19 *of the guarantee that is issued.*

20 **“§ 2540d. Definitions**

21 *“In this subchapter:*

22 “(1) *The terms ‘defense article’, ‘defense services’,*
23 *and ‘design and construction services’ have the mean-*
24 *ings given those terms in section 47 of the Arms Ex-*
25 *port Control Act (22 U.S.C. 2794).*

1 “(2) The term ‘cost’, with respect to a loan guar-
2 antee, has the meaning given that term in section 502
3 of the Congressional Budget and Impoundment Con-
4 trol Act of 1974 (2 U.S.C. 661a).”.

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

 “VI. Defense Export Loan Guarantees 2540”.

8 (b) REPORT.—Not later than two years after the date
9 of the enactment of this Act, the President shall submit to
10 Congress a report on the loan guarantee program estab-
11 lished pursuant to section 2540 of title 10, United States
12 Code, as added by subsection (a). The report shall include—

13 (1) an analysis of the costs and benefits of the
14 loan guarantee program; and

15 (2) any recommendations for modification of the
16 program that the President considers appropriate, in-
17 cluding—

18 (A) any recommended addition to the list of
19 countries for which a guarantee may be issued
20 under the program; and

21 (B) any proposed legislation necessary to
22 authorize a recommended modification.

1 **SEC. 1225. ACCOUNTING FOR BURDENSARING CONTRIBU-**
2 **TIONS.**

3 (a) *AUTHORITY TO MANAGE CONTRIBUTIONS IN*
4 *LOCAL CURRENCY, ETC.—Subsection (b) of section 2350j*
5 *of title 10, United States Code, is amended to read as fol-*
6 *lows:*

7 “(b) *ACCOUNTING.—Contributions accepted under sub-*
8 *section (a) which are not related to security assistance may*
9 *be accepted, managed, and expended in dollars or in the*
10 *currency of the host nation (or, in the case of a contribution*
11 *from a regional organization, in the currency in which the*
12 *contribution was provided). Any such contribution shall be*
13 *placed in an account established for such purpose and shall*
14 *remain available until expended for the purposes specified*
15 *in subsection (c). The Secretary of Defense shall establish*
16 *a separate account for such purpose for each country or re-*
17 *gional organization from which such contributions are ac-*
18 *cepted under subsection (a).”.*

19 (b) *CONFORMING AMENDMENT.—Subsection (d) of*
20 *such section is amended by striking out “credited under*
21 *subsection (b) to an appropriation account of the Depart-*
22 *ment of Defense” and inserting in lieu thereof “placed in*
23 *an account established under subsection (b).”.*

24 (c) *TECHNICAL AMENDMENT.—Such section is further*
25 *amended—*

1 (1) *in subsection (e)(1), by striking out “a report*
2 *to the congressional defense committees” and inserting*
3 *in lieu thereof “to the congressional committees speci-*
4 *fied in subsection (g) a report”*; and

5 (2) *by adding at the end the following new sub-*
6 *section:*

7 “(g) *CONGRESSIONAL COMMITTEES.—The congres-*
8 *sional committees referred to in subsection (e)(1) are—*

9 *“(1) the Committee on Armed Services and the*
10 *Committee on Appropriations of the Senate; and*

11 *“(2) the Committee on National Security and the*
12 *Committee on Appropriations of the House of Rep-*
13 *resentatives.”*

14 **SEC. 1226. AUTHORITY TO ACCEPT CONTRIBUTIONS FOR**
15 **EXPENSES OF RELOCATION WITHIN HOST NA-**
16 **TION OF UNITED STATES ARMED FORCES**
17 **OVERSEAS.**

18 (a) *IN GENERAL.—(1) Subchapter II of chapter 138*
19 *of title 10, United States Code, is amended by adding at*
20 *the end the following new section:*

21 **“§ 2350k. Relocation within host nation of elements of**
22 **armed forces overseas**

23 “(a) *AUTHORITY TO ACCEPT CONTRIBUTIONS.—The*
24 *Secretary of Defense may accept contributions from any na-*
25 *tion because of or in support of the relocation of elements*

1 *of the armed forces from or to any location within that na-*
2 *tion. Such contributions may be accepted in dollars or in*
3 *the currency of the host nation. Any such contribution shall*
4 *be placed in an account established for such purpose and*
5 *shall remain available until expended for the purposes spec-*
6 *ified in subsection (b). The Secretary shall establish a sepa-*
7 *rate account for such purpose for each country from which*
8 *such contributions are accepted.*

9 “(b) *USE OF CONTRIBUTIONS.*—*The Secretary may*
10 *use a contribution accepted under subsection (a) only for*
11 *payment of costs incurred in connection with the relocation*
12 *concerning which the contribution was made. Those costs*
13 *include the following:*

14 “(1) *Design and construction services, including*
15 *development and review of statements of work, master*
16 *plans and designs, acquisition of construction, and*
17 *supervision and administration of contracts relating*
18 *thereto.*

19 “(2) *Transportation and movement services, in-*
20 *cluding packing, unpacking, storage, and transpor-*
21 *tation.*

22 “(3) *Communications services, including instal-*
23 *lation and deinstallation of communications equip-*
24 *ment, transmission of messages and data, and rental*
25 *of transmission capability.*

1 “(4) *Supply and administration, including ac-*
2 *quisition of expendable office supplies, rental of office*
3 *space, budgeting and accounting services, auditing*
4 *services, secretarial services, and translation services.*

5 “(5) *Personnel costs, including salary, allow-*
6 *ances and overhead of employees whether full-time or*
7 *part-time, temporary or permanent (except for mili-*
8 *tary personnel), and travel and temporary duty costs.*

9 “(6) *All other clearly identifiable expenses di-*
10 *rectly related to relocation.*

11 “(c) *METHOD OF CONTRIBUTION.—Contributions may*
12 *be accepted in any of the following forms:*

13 “(1) *Irrevocable letter of credit issued by a fi-*
14 *nancial institution acceptable to the Treasurer of the*
15 *United States.*

16 “(2) *Drawing rights on a commercial bank ac-*
17 *count established and funded by the host nation,*
18 *which account is blocked such that funds deposited*
19 *cannot be withdrawn except by or with the approval*
20 *of the United States.*

21 “(3) *Cash, which shall be deposited in a separate*
22 *trust fund in the United States Treasury pending ex-*
23 *penditure and which shall accrue interest in accord-*
24 *ance with section 9702 of title 31.*

1 “(d) *ANNUAL REPORT TO CONGRESS.*—Not later than
2 30 days after the end of each fiscal year, the Secretary shall
3 submit to Congress a report specifying—

4 “(1) the amount of the contributions accepted by
5 the Secretary during the preceding fiscal year under
6 subsection (a) and the purposes for which the con-
7 tributions were made; and

8 “(2) the amount of the contributions expended by
9 the Secretary during the preceding fiscal year and the
10 purposes for which the contributions were expended.”.

11 (2) The table of sections at the beginning of subchapter
12 II of chapter 138 of such title is amended by adding at
13 the end the following new item:

 “2350k. *Relocation within host nation of elements of armed forces overseas.*”.

14 (b) *EFFECTIVE DATE.*—Section 2350k of title 10,
15 United States Code, as added by subsection (a), shall take
16 effect on October 1, 1995, and shall apply to contributions
17 for relocation of elements of the Armed Forces in or to any
18 nation received on or after such date.

19 **SEC. 1227. SENSE OF CONGRESS ON ABM TREATY VIOLA-**
20 **TIONS.**

21 (a) *FINDINGS.*—The Congress finds the following:

22 (1) The 1972 Anti-Ballistic Missile Treaty pro-
23 hibits either party from deploying ballistic missile
24 early warning radars except at locations along the pe-

1 *riphery of its national territory and oriented out-*
2 *ward.*

3 *(2) The 1972 Anti-Ballistic Missile Treaty pro-*
4 *hibits either party from deploying an ABM system to*
5 *defend its national territory and from providing a*
6 *base for any such nationwide defense.*

7 *(3) Large phased-array radars were recognized*
8 *during negotiation of the Anti-Ballistic Missile Trea-*
9 *ty as the critical long lead-time element of a nation-*
10 *wide defense against ballistic missiles.*

11 *(4) In 1983 the United States discovered the con-*
12 *struction, in the interior of the Soviet Union near the*
13 *town of Krasnoyarsk, of a large phased-array radar*
14 *that was judged to be for ballistic missile early warn-*
15 *ing and tracking.*

16 *(5) The Krasnoyarsk radar was certified by the*
17 *Reagan Administration and previous sessions of Con-*
18 *gress as an unequivocal violation by the Soviet Union*
19 *of the Anti-Ballistic Missile Treaty.*

20 *(6) Retired Soviet General Y.V. Votintsev, Direc-*
21 *tor of the Soviet National Air Defense Forces from*
22 *1967 to 1985, has publicly stated that he was directed*
23 *by the Chief of the Soviet General staff to locate the*
24 *large phased-array radar at Krasnoyarsk despite the*

1 *recognition that its location would be a clear viola-*
2 *tion of the ABM Treaty.*

3 *(7) General Votintsev has publicly stated that*
4 *Marshal D.F. Ustinov, Soviet Minister of Defense,*
5 *threatened to relieve from duty any Soviet officer who*
6 *continued to object to the construction of a large-*
7 *phased array radar at Krasnoyarsk.*

8 *(b) SENSE OF CONGRESS.—It is the sense of Congress*
9 *that—*

10 *(1) the government of the Soviet Union inten-*
11 *tionally violated its legal obligations under the 1972*
12 *Anti-Ballistic Missile Treaty in order to advance its*
13 *national security interests; and*

14 *(2) the United States should remain vigilant in*
15 *ensuring compliance by Russia with its arms control*
16 *obligations and should, when pursuing future arms*
17 *control agreements with Russia, bear in mind viola-*
18 *tions of arms control obligations by the Soviet Union.*

19 ***DIVISION B—MILITARY CON-***
20 ***STRUCTION AUTHORIZA-***
21 ***TIONS***

22 ***SEC. 2001. SHORT TITLE.***

23 *This division may be cited as the “Military Construc-*
24 *tion Authorization Act for Fiscal Year 1996”.*

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

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

Army: Inside the United States

State	Installation or location	Amount
Alabama	Fort Rucker	\$5,900,000
	Redstone Arsenal	\$5,000,000
Arizona	Fort Huachuca	\$18,550,000
California	Fort Irwin	\$25,500,000
	Presidio of San Francisco	\$3,000,000
Colorado	Fort Carson	\$30,850,000
District of Columbia	Fort McNair	\$13,500,000
Georgia	Fort Benning	\$37,900,000
	Fort Gordon	\$5,750,000
	Fort Stewart	\$8,400,000
Hawaii	Schofield Barracks	\$15,000,000
Kentucky	Fort Knox	\$5,600,000
Missouri	Fort Leonard Wood	\$3,900,000
New Jersey	Picatinny Arsenal	\$5,500,000
New Mexico	White Sands Missile Range	\$2,050,000
New York	Fort Drum	\$11,450,000
	United States Military Academy	\$8,300,000
	Watervliet Arsenal	\$680,000
North Carolina	Fort Bragg	\$29,700,000
Oklahoma	Fort Sill	\$14,300,000
South Carolina	Naval Weapons Station, Charleston	\$25,700,000
	Fort Jackson	\$32,000,000
Texas	Fort Hood	\$32,500,000
	Fort Bliss	\$56,900,000
	Fort Sam Houston	\$7,000,000
Virginia	Fort Eustis	\$16,400,000
	Fort Myer	\$17,000,000
Washington	Fort Lewis	\$32,100,000

Army: Inside the United States—Continued

State	Installation or location	Amount
CONUS Classified	Classified Location	\$1,900,000
	Total:	\$472,330,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
 2 appropriated pursuant to the authorization of appropria-
 3 tions in section 2104(a)(2), the Secretary of the Army may
 4 acquire real property and carry out military construction
 5 projects for the locations outside the United States, and in
 6 the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Korea	Camp Casey	\$4,150,000
	Camp Hovey	\$13,500,000
	Camp Pelham	\$5,600,000
	Camp Stanley	\$6,800,000
	Yongsan	\$1,450,000
Overseas Classified	Classified Location	\$48,000,000
	Total:	\$79,500,000

7 **SEC. 2102. FAMILY HOUSING.**

8 (a) *CONSTRUCTION AND ACQUISITION.*—Using
 9 amounts appropriated pursuant to the authorization of ap-
 10 propriations in section 2104(a)(5)(A), the Secretary of the
 11 Army may construct or acquire family housing units (in-
 12 cluding land acquisition) at the installations, for the pur-
 13 poses, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Amount
Alabama	Redstone Arsenal	118 units	\$12,000,000

1 *tary family housing functions of the Department of the*
2 *Army in the total amount of \$2,167,190,000 as follows:*

3 *(1) For military construction projects inside the*
4 *United States authorized by section 2101(a),*
5 *\$472,330,000.*

6 *(2) For military construction projects outside the*
7 *United States authorized by section 2101(b),*
8 *\$79,500,000.*

9 *(3) For unspecified minor military construction*
10 *projects authorized by section 2805 of title 10, United*
11 *States Code, \$9,000,000.*

12 *(4) For architectural and engineering services*
13 *and construction design under section 2807 of title*
14 *10, United States Code, \$70,778,000.*

15 *(5) For military family housing functions:*

16 *(A) For construction and acquisition, plan-*
17 *ning and design, and improvements of military*
18 *family housing and facilities, \$126,400,000.*

19 *(B) For support of military family housing*
20 *(including the functions described in section*
21 *2833 of title 10, United States Code),*
22 *\$1,333,596,000.*

23 *(6) For the Homeowners Assistance Program, as*
24 *authorized by section 2832 of title 10, United States*

1 Code, \$75,586,000, to remain available until ex-
2 pended.

3 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
4 *PROJECTS.*—Notwithstanding the cost variations author-
5 ized by section 2853 of title 10, United States Code, and
6 any other cost variation authorized by law, the total cost
7 of all projects carried out under section 2101 of this Act
8 may not exceed the total amount authorized to be appro-
9 priated under paragraphs (1) and (2) of subsection (a).

10 **TITLE XXII—NAVY**

11 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND** 12 **ACQUISITION PROJECTS.**

13 (a) *INSIDE THE UNITED STATES.*—Using amounts ap-
14 propriated pursuant to the authorization of appropriations
15 in section 2204(a)(1), the Secretary of the Navy may ac-
16 quire real property and carry out military construction
17 projects for the installations and locations inside the United
18 States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	\$2,490,000
	Marine Corps Base, Camp Pendleton	\$27,584,000
	Nav Com Control & Ocean Sur Cen RDT&E Div, San Diego	\$3,170,000
	Naval Air Station, Lemoore	\$7,600,000
	Naval Air Station, North Island	\$99,150,000
	Naval Air Warfare Center Weapons Divi- sion, China Lake	\$3,700,000
	Naval Air Warfare Center Weapons Divi- sion, Point Mugu	\$1,300,000
	Naval Construction Batallion Center, Port Hueneme	\$16,700,000
	Naval Station, San Diego	\$19,960,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Florida	Naval School Explosive Ordinance Disposal, Eglin Air Force Base	\$16,150,000
	Naval Technical Training Center, Corry Station, Pensacola	\$2,565,000
Georgia	Strategic Weapons Facility, Atlantic, Kings Bay	\$2,450,000
	Marine Corps Logistics Base, Albany	\$1,300,000
Hawaii	Intelligence Center Pacific, Pearl Harbor	\$2,200,000
	Naval Com & Telecoms Area MASTSTA EASTPAC, Honolulu	\$1,980,000
	Naval Submarine Base, Pearl Harbor	\$22,500,000
Illinois	Naval Training Center, Great Lakes	\$12,440,000
Indiana	Crane Naval Surface Warfare Center	\$3,300,000
Maryland	Naval Academy, Annapolis	\$3,600,000
	Various Maryland Locations	\$1,200,000
New Jersey	Naval Air Warfare Center Aircraft Division, Lakehurst	\$1,700,000
North Carolina	Marine Corps Air Station, Cherry Point	\$11,430,000
	Marine Corps Air Station, New River	\$14,650,000
	Marine Corps Base, Camp LeJeune	\$59,300,000
Pennsylvania	Philadelphia Naval Shipyard	\$6,000,000
South Carolina	Marine Corps Air Station, Beaufort	\$15,000,000
Texas	Naval Air Station, Corpus Christi	\$4,400,000
	Naval Air Station, Kingsville	\$2,710,000
	Naval Station, Ingleside	\$2,640,000
Virginia	Fleet and Industrial Supply Center, Williamsburg	\$8,390,000
	Marine Corps Combat Development Command, Quantico	\$3,500,000
	Naval Hospital, Portsmouth	\$9,500,000
	Naval Station, Norfolk	\$28,580,000
	Naval Weapons Station, Yorktown	\$1,300,000
Washington	Naval Undersea Warfare Center Division, Keyport	\$5,300,000
	Puget Sound Naval Shipyard, Bremerton ...	\$19,870,000
	Total:	\$445,609,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the Unit-

1 *ed States, and in the amounts, set forth in the following*
 2 *table:*

Navy: Outside the United States

Country	Installation or location	Amount
Guam	Naval Com & Telecoms Area MASTSTA WESTPAC	\$2,250,000
	Navy Public Works Center, Guam	\$16,180,000
Italy	Naval Air Station, Sigonella	\$12,170,000
	Naval Support Activity, Naples	\$24,950,000
Puerto Rico	Naval Security Group Activity, Sabana Seca	\$2,200,000
	Naval Station, Roosevelt Roads	\$11,500,000
	<i>Total</i>	<i>\$69,250,000</i>

3 **SEC. 2202. FAMILY HOUSING.**

4 (a) *CONSTRUCTION AND ACQUISITION.*—Using
 5 amounts appropriated pursuant to the authorization of ap-
 6 propriations in section 2204(a)(5)(A), the Secretary of the
 7 Navy may construct or acquire family housing units (in-
 8 cluding land acquisition) at the installations, for the pur-
 9 poses, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
California	Marine Corps Base, Camp Pendleton	205 units	\$30,080,000
	Marine Corps Base, Camp Pendleton	Community Center ...	\$1,438,000
	Marine Corps Base, Camp Pendleton	Housing Office	\$707,000
	Naval Air Station, Lemoore	240 units	\$34,900,000
	Pacific Missile Test Cen- ter, Point Mugu	Housing Office	\$1,020,000
	Public Works Center, San Diego	346 units	\$49,310,000
	Hawaii	Naval Complex, Oahu	252 units
Maryland	Naval Air Test Center, Patuxent River	Warehouse	\$890,000
	US Naval Academy, An- napolis	Housing Office	\$800,000

1 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

2 (a) *IN GENERAL.*—Funds are hereby authorized to be
3 appropriated for fiscal years beginning after September 30,
4 1994, for military construction, land acquisition, and mili-
5 tary family housing functions of the Department of the
6 Navy in the total amount of \$2,164,861,000 as follows:

7 (1) *For military construction projects inside the*
8 *United States authorized by section 2201(a),*
9 *\$445,609,000.*

10 (2) *For military construction projects outside the*
11 *United States authorized by section 2201(b),*
12 *\$69,250,000.*

13 (3) *For unspecified minor construction projects*
14 *authorized by section 2805 of title 10, United States*
15 *Code, \$7,200,000.*

16 (4) *For architectural and engineering services*
17 *and construction design under section 2807 of title*
18 *10, United States Code, \$66,184,000.*

19 (5) *For military family housing functions:*

20 (A) *For construction and acquisition, plan-*
21 *ning and design, and improvement of military*
22 *family housing and facilities, \$531,289,000.*

23 (B) *For support of military housing (in-*
24 *cluding functions described in section 2833 of*
25 *title 10, United States Code), \$1,045,329,000.*

1 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
 2 *PROJECTS.*—Notwithstanding the cost variations author-
 3 ized by section 2853 of title 10, United States Code, and
 4 any other cost variation authorized by law, the total cost
 5 of all projects carried out under section 2201 of this Act
 6 may not exceed the total amount authorized to be appro-
 7 priated under paragraphs (1) and (2) of subsection (a).

8 **TITLE XXIII—AIR FORCE**

9 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND** 10 **LAND ACQUISITION PROJECTS.**

11 (a) *INSIDE THE UNITED STATES.*—Using amounts ap-
 12 propriated pursuant to the authorization of appropriations
 13 in section 2304(a)(1), the Secretary of the Air Force may
 14 acquire real property and carry out military construction
 15 projects for the installations and locations inside the United
 16 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	\$3,700,000
Alaska	Eielson Air Force Base	\$3,850,000
	Elmendorf Air Force Base	\$9,100,000
	Tin City Long Range RADAR Site	\$2,500,000
Arizona	Davis-Monthan Air Force Base	\$4,800,000
	Luke Air Force Base	\$5,200,000
Arkansas	Little Rock Air Force Base	\$2,500,000
California	Beale Air Force Base	\$7,500,000
	Edwards Air Force Base	\$33,800,000
	Travis Air Force Base	\$26,700,000
	Vandenberg Air Force Base	\$6,000,000
Colorado	Buckley Air National Guard Base	\$5,500,000
	Peterson Air Force Base	\$4,390,000
	US Air Force Academy	\$12,874,000
Delaware	Dover Air Force Base	\$5,500,000
District of Columbia	Bolling Air Force Base	\$12,100,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Florida	Cape Canaveral Air Force Station	\$1,600,000
	Eglin Air Force Base	\$13,500,000
	Tyndall Air Force Base	\$1,200,000
Georgia	Moody Air Force Base	\$19,190,000
	Robins Air Force Base	\$6,900,000
Hawaii	Hickam Air Force Base	\$10,700,000
Idaho	Mountain Home Air Force Base	\$18,650,000
Illinois	Scott Air Force Base	\$12,700,000
Kansas	McConnell Air Force Base	\$15,950,000
Louisiana	Barksdale Air Force Base	\$2,500,000
Maryland	Andrews Air Force Base	\$12,886,000
Mississippi	Columbus Air Force Base	\$1,150,000
	Keesler Air Force Base	\$14,800,000
Missouri	Whiteman Air Force Base	\$24,600,000
Nevada	Nellis Air Force Base	\$10,500,000
New Jersey	McGuire Air Force Base	\$21,500,000
New Mexico	Cannon Air Force Base	\$13,420,000
	Kirtland Air Force Base	\$9,156,000
North Carolina	Pope Air Force Base	\$8,250,000
	Seymour Johnson Air Force Base	\$7,530,000
North Dakota	Grand Forks Air Force Base	\$14,800,000
	Minot Air Force Base	\$1,550,000
Ohio	Wright Patterson Air Force Base	\$4,100,000
Oklahoma	Altus Air Force Base	\$5,200,000
	Tinker Air Force Base	\$5,100,000
South Carolina	Charleston Air Force Base	\$12,500,000
	Shaw Air Force Base	\$1,300,000
Tennessee	Arnold Air Force Base	\$5,000,000
Texas	Dyess Air Force Base	\$5,400,000
	Goodfellow Air Force Base	\$1,000,000
	Kelly Air Force Base	\$3,244,000
	Laughlin Air Force Base	\$1,400,000
	Randolph Air Force Base	\$3,100,000
	Reese Air Force Base	\$1,200,000
Virginia	Sheppard Air Force Base	\$1,500,000
	Langley Air Force Base	\$1,000,000
Washington	Fairchild Air Force Base	\$15,700,000
	McChord Air Force Base	\$9,900,000
Wyoming	F.E. Warren Air Force Base	\$13,000,000
CONUS Classified	Classified Location	\$700,000
	Total:	\$479,390,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-

1 tions in section 2304(a)(2), the Secretary of the Air Force
 2 may acquire real property and may carry out military con-
 3 struction projects for the installations and locations outside
 4 the United States, and in the amounts, set forth in the fol-
 5 lowing table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Spangdahlem Air Base	\$8,380,000
	Vogelweh Annex	2,600,000
Greece	Araxos Radio Relay Site	1,950,000
Italy	Aviano Air Base	2,350,000
	Gheddi Radio Relay Site	1,450,000
Turkey	Ankara Air Station	7,000,000
	Incirlik Air Base	4,500,000
United Kingdom	Lakenheath Royal Air Force Base	1,820,000
	Mildenhall Royal Air Force Base	2,250,000
Overseas Classified	Classified Location	17,100,000
	Total:	\$49,400,000

6 **SEC. 2302. FAMILY HOUSING.**

7 (a) CONSTRUCTION AND ACQUISITION.—Using
 8 amounts appropriated pursuant to the authorization of ap-
 9 propriations in section 2304(a)(5)(A), the Secretary of the
 10 Air Force may construct or acquire family housing units
 11 (including land acquisition) at the installations, for the
 12 purposes, and in the amounts set forth in the following
 13 table:

Air Force: Family Housing

State/Country	Installation	Purpose	Amount
Alaska	Elmendorf Air Force Base	Housing Office/Main- tenance Facility	\$3,000,000
Arizona	Davis-Monthan Air Force Base	80 units	9,498,000

Air Force: Family Housing—Continued

State/Country	Installation	Purpose	Amount
Arkansas	Little Rock Air Force Base	Replace 1 General Officer Quarters ...	210,000
California	Beale Air Force Base	Family Housing Office	842,000
	Edwards Air Force Base	127 units	20,750,000
	Vandenberg Air Force Base	Family Housing Office	900,000
	Vandenberg Air Force Base	143 units	20,200,000
Colorado	Peterson Air Force Base	Family Housing Office	570,000
District of Columbia ..	Bolling Air Force Base ..	32 units	4,100,000
Florida	Eglin Air Force Base	Family Housing Office	500,000
	Eglin Auxiliary Field 9	Family Housing Office	880,000
	MacDill Air Force Base	Family Housing Office	646,000
	Patrick Air Force Base .	70 units	7,947,000
	Tyndall Air Force Base .	82 units	9,800,000
Georgia	Moody Air Force Base ...	1 Officer & 1 General Officer Quarter	513,000
Guam	Andersen Air Force Base	Housing Maintenance Facility	1,700,000
Idaho	Mountain Home Air Force Base	Housing Management Facility	844,000
Kansas	McConnell Air Force Base	39 units	5,193,000
Louisiana	Barksdale Air Force Base	62 units	10,299,000
Massachusetts	Hanscom Air Force Base	32 units	4,900,000
Mississippi	Keesler Air Force Base ..	98 units	9,300,000
Missouri	Whiteman Air Force Base	72 units	9,948,000
Nevada	Nellis Air Force Base	143 Units	22,357,000
New Mexico	Holloman Air Force Base	1 General Officer Quarters	225,000
	Kirtland Air Force Base	105 units	11,000,000
North Carolina	Pope Air Force Base	104 units	9,984,000
	Seymour Johnson Air Force Base	1 General Officer Quarters	204,000
South Carolina	Shaw Air Force Base	Housing Maintenance Facility	715,000
Texas	Dyess Air Force Base	Housing Maintenance Facility	580,000
	Lackland Air Force Base	67 units	6,200,000
	Sheppard Air Force Base	Management Office ...	500,000

Air Force: Family Housing—Continued

State/Country	Installation	Purpose	Amount
	Sheppard Air Force Base	Housing Maintenance Facility	600,000
Turkey	Incirlik Air Base	150 units	10,146,000
Washington	McChord Air Force Base	50 units	9,504,000
		Total:	\$194,555,000

1 (b) *PLANNING AND DESIGN.*—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2304(a)(5)(A), the Secretary of the Air Force may
4 carry out architectural and engineering services and con-
5 struction design activities with respect to the construction
6 or improvement of military family housing units in an
7 amount not to exceed \$8,989,000.

8 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States Code,
11 and using amounts appropriated pursuant to the author-
12 ization of appropriations in section 2304(a)(5)(A), the Sec-
13 retary of the Air Force may improve existing military fam-
14 ily housing units in an amount not to exceed \$90,959,000.

15 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
16 **FORCE.**

17 (a) *IN GENERAL.*—Funds are hereby authorized to be
18 appropriated for fiscal years beginning after September 30,
19 1995, for military construction, land acquisition, and mili-

1 *tary family housing functions of the Department of the Air*
2 *Force in the total amount of \$1,727,557,000 as follows:*

3 *(1) For military construction projects inside the*
4 *United States authorized by section 2301(a),*
5 *\$479,390,000.*

6 *(2) For military construction projects outside the*
7 *United States authorized by section 2301(b),*
8 *\$49,400,000.*

9 *(3) For unspecified minor construction projects*
10 *authorized by section 2805 of title 10, United States*
11 *Code, \$9,030,000.*

12 *(4) For architectural and engineering services*
13 *and construction design under section 2807 of title*
14 *10, United States Code, \$49,021,000.*

15 *(5) For military housing functions:*

16 *(A) For construction and acquisition, plan-*
17 *ning and design and improvement of military*
18 *family housing and facilities, \$294,503,000.*

19 *(B) For support of military family housing*
20 *(including the functions described in section*
21 *2833 of title 10, United States Code),*
22 *\$846,213,000.*

23 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*
24 *PROJECTS.—Notwithstanding the cost variations author-*
25 *ized by section 2853 of title 10, United States Code, and*

1 *any other cost variation authorized by law, the total cost*
2 *of all projects carried out under section 2301 of this Act*
3 *may not exceed the total amount authorized to be appro-*
4 *priated under paragraphs (1) and (2) of subsection (a).*

5 **SEC. 2305. RETENTION OF ACCRUED INTEREST ON FUNDS**

6 **DEPOSITED FOR CONSTRUCTION OF FAMILY**

7 **HOUSING, SCOTT AIR FORCE BASE, ILLINOIS.**

8 *(a) RETENTION OF INTEREST.—Section 2310 of the*
9 *Military Construction Authorization Act for Fiscal Year*
10 *1994 (division B of Public Law 103–160; 107 Stat. 1874)*
11 *is amended—*

12 *(1) by redesignating subsection (b) as subsection*
13 *(c); and*

14 *(2) by inserting after subsection (a) the following*
15 *new subsection:*

16 *“(b) RETENTION OF INTEREST.—Interest accrued on*
17 *the funds transferred to the County pursuant to subsection*
18 *(a) shall be retained in the same account as the transferred*
19 *funds and shall be available to the County for the same pur-*
20 *pose as the transferred funds.”.*

21 *(b) LIMITATION ON UNITS CONSTRUCTED.—Subsection*
22 *(c) of such section, as redesignated by subsection (a)(1), is*
23 *amended by adding at the end the following new sentence:*
24 *“The number of units constructed using the transferred*
25 *funds (and interest accrued on these funds) may not exceed*

1 *the number of units of military family housing authorized*
2 *for Scott Air Force Base, Illinois, in section 2302(a) of the*
3 *Military Construction Authorization Act for Fiscal Year*
4 *1993 (division B of Public Law 102–484; 106 Stat. 2595).”.*

5 (c) *EFFECT OF COMPLETION OF CONSTRUCTION.—*
6 *Such section is further amended by adding at the end the*
7 *following new subsection:*

8 “(d) *COMPLETION OF CONSTRUCTION.—Upon the com-*
9 *pletion of the construction authorized by this section, all*
10 *funds remaining from the funds transferred pursuant to*
11 *subsection (a) and the interest accrued on these funds shall*
12 *be deposited in the general fund of the Treasury of the Unit-*
13 *ed States.”.*

14 ***TITLE XXIV—DEFENSE***
15 ***AGENCIES***

16 ***SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-***
17 ***TION AND LAND ACQUISITION PROJECTS.***

18 (a) *INSIDE THE UNITED STATES.—Using amounts ap-*
19 *propriated pursuant to the authorization of appropriations*
20 *in section 2405(a)(1), and, in the case of the project de-*
21 *scribed in section 2405(b)(2), other amounts appropriated*
22 *pursuant to authorizations enacted after this Act for that*
23 *project, the Secretary of Defense may acquire real property*
24 *and carry out military construction projects for the instal-*

- 1 *lations and locations inside the United States, and in the*
 2 *amounts, set forth in the following table:*

Defense Agencies: Inside the United States

<i>Agency/State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Ballistic Missile Defense Organization</i>		
<i>Texas</i>	<i>Fort Bliss</i>	<i>\$13,600,000</i>
<i>Defense Finance & Accounting Service</i>		
<i>Ohio</i>	<i>Columbus Center</i>	<i>\$72,403,000</i>
<i>Defense Intelligence Agency</i>		
<i>District of Columbia</i>	<i>Bolling Air Force Base</i>	<i>\$1,743,000</i>
<i>Defense Logistics Agency</i>		
<i>Alabama</i>	<i>Defense Distribution Anniston</i>	<i>\$3,550,000</i>
<i>California</i>	<i>Defense Distribution Stockton</i>	<i>\$15,000,000</i>
	<i>DFSC, Point Mugu</i>	<i>\$750,000</i>
<i>Delaware</i>	<i>DFSC, Dover Air Force Base</i>	<i>\$15,554,000</i>
<i>Florida</i>	<i>DFSC, Eglin Air Force Base</i>	<i>\$2,400,000</i>
<i>Louisiana</i>	<i>DFSC, Barksdale Air Force Base</i>	<i>\$13,100,000</i>
<i>New Jersey</i>	<i>DFSC, McGuire Air Force Base</i>	<i>\$12,000,000</i>
<i>Pennsylvania</i>	<i>Def Distribution New Cumberland—DDSP</i>	<i>\$4,600,000</i>
<i>Virginia</i>	<i>Defense Distribution Depot—DDNV</i>	<i>\$10,400,000</i>
<i>Defense Mapping Agency</i>		
<i>Missouri</i>	<i>Defense Mapping Agency Aerospace Center..</i>	<i>\$40,300,000</i>
<i>Defense Medical Facility Office</i>		
<i>Arizona</i>	<i>Luke Air Force Base</i>	<i>\$8,100,000</i>
<i>California</i>	<i>Fort Irwin</i>	<i>\$6,900,000</i>
	<i>Marine Corps Base, Camp Pendleton</i>	<i>\$1,700,000</i>
	<i>Vandenberg Air Force Base</i>	<i>\$5,700,000</i>
<i>Delaware</i>	<i>Dover Air Force Base</i>	<i>\$4,400,000</i>
<i>Georgia</i>	<i>Fort Benning</i>	<i>\$5,600,000</i>
<i>Louisiana</i>	<i>Barksdale Air Force Base</i>	<i>\$4,100,000</i>
<i>Maryland</i>	<i>Bethesda Naval Hospital</i>	<i>\$1,300,000</i>
	<i>Walter Reed Army Institute of Research</i>	<i>\$1,550,000</i>
<i>Texas</i>	<i>Fort Hood</i>	<i>\$5,500,000</i>
	<i>Lackland Air Force Base</i>	<i>\$6,100,000</i>
	<i>Reese Air Force Base</i>	<i>\$1,000,000</i>
<i>Virginia</i>	<i>Northwest Naval Security Group Activity ..</i>	<i>\$4,300,000</i>
<i>National Security Agency</i>		

Defense Agencies: Inside the United States—Continued

Agency/State	Installation or location	Amount
Maryland	Fort Meade	\$18,733,000
Office of the Secretary of Defense		
Inside the United States	Classified location	\$11,500,000
Department of Defense Dependents Schools		
Alabama	Maxwell Air Force Base	\$5,479,000
Georgia	Fort Benning	\$1,116,000
South Carolina	Fort Jackson	\$576,000
Special Operations Command		
California	Naval Air Station, Miramar	\$5,200,000
Florida	Duke Field	\$2,400,000
	Eglin Auxiliary Field 9	\$14,150,000
Louisiana	Naval Support Activity, New Orleans	\$730,000
North Carolina	Fort Bragg	\$23,800,000
Pennsylvania	Olmstead Field, Harrisburg IAP	\$1,643,000
Virginia	Dam Neck	\$6,100,000
	Naval Amphibious Base, Little Creek	\$4,500,000
	Total:	\$357,577,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropri-
3 ations in section 2405(a)(2), the Secretary of Defense may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the Unit-
6 ed States, and in the amounts, set forth in the following
7 table:

Defense Agencies: Outside the United States

Agency/Country	Installation Name	Amount
Defense Logistics Agency		
Puerto Rico	Defense Fuel Support Point, Roosevelt Roads	\$6,200,000
Spain	DFSC Rota	\$7,400,000

Defense Agencies: Outside the United States—Continued

Agency/Country	Installation Name	Amount
Defense Medical Facility Office		
Italy	Naval Support Activity, Naples	\$5,000,000
Department of Defense Dependents Schools		
Germany	Ramstein Air Force Base	\$19,205,000
Italy	Naval Air Station, Sigonella	\$7,595,000
National Security Agency		
United Kingdom	Menwith Hill Station	\$677,000
Special Operations Command		
Guam	Naval Station, Guam	\$8,800,000
	Total:	\$54,877,000

1 **SEC. 2402. FAMILY HOUSING PRIVATE INVESTMENT.**

2 Using amounts appropriated pursuant to the author-
3 ization of appropriations in section 2405(a)(13)(A), the
4 Secretary of Defense may enter into agreements to con-
5 struct, acquire, and improve family housing units (includ-
6 ing land acquisition) at or near military installations, for
7 the purpose of encouraging private investments, in the
8 amount of \$22,000,000. Amounts appropriated pursuant to
9 such section may be transferred from the Department of De-
10 fense Family Housing Improvement Fund established under
11 section 2873 of title 10, United States Code, to the family
12 housing accounts of the military departments for the pur-
13 pose of encouraging private investments.

1 **SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING**

2 **UNITS.**

3 *Subject to section 2825 of title 10, United States Code,*
4 *and using amounts appropriated pursuant to the author-*
5 *ization of appropriations in section 2405(a)(13)(A), the*
6 *Secretary of Defense may improve existing military family*
7 *housing units in an amount not to exceed \$3,772,000.*

8 **SEC. 2404. ENERGY CONSERVATION PROJECTS.**

9 *Using amounts appropriated pursuant to the author-*
10 *ization of appropriations in section 2405(a)(11), the Sec-*
11 *retary of Defense may carry out energy conservation*
12 *projects under section 2865 of title 10, United States Code.*

13 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**
14 **AGENCIES.**

15 *(a) IN GENERAL.—Funds are hereby authorized to be*
16 *appropriated for fiscal years beginning after September 30,*
17 *1995, for military construction, land acquisition, and mili-*
18 *tary family housing functions of the Department of Defense*
19 *(other than the military departments), in the total amount*
20 *of \$4,692,463,000 as follows:*

21 *(1) For military construction projects inside the*
22 *United States authorized by section 2401(a),*
23 *\$322,574,000.*

24 *(2) For military construction projects outside the*
25 *United States authorized by section 2401(b),*
26 *\$54,877,000.*

1 (3) For military construction projects at Ports-
2 mouth Naval Hospital, Virginia, authorized by sec-
3 tion 2401(a) of the Military Construction Authoriza-
4 tion Act for Fiscal Years 1990 and 1991 (division B
5 of Public Law 101-189; 103 Stat. 1640), \$47,900,000.

6 (4) For military construction projects at Elmen-
7 dorf Air Force Base, Alaska, hospital replacement,
8 authorized by section 2401(a) of the Military Con-
9 struction Authorization Act for Fiscal Year 1993 (di-
10 vision B of Public Law 102-484; 106 Stat. 2599),
11 \$28,100,000.

12 (5) For military construction projects at Walter
13 Reed Army Institute of Research, Maryland, hospital
14 replacement, authorized by section 2401(a) of the
15 Military Construction Authorization Act for Fiscal
16 Year 1993 (division B of Public Law 102-484; 106
17 Stat. 2599), \$27,000,000.

18 (6) For military construction projects at Pine
19 Bluff Arsenal, Arkansas, authorized by section
20 2401(a) of the Military Construction Authorization
21 Act for Fiscal Year 1995 (division B of Public Law
22 103-337; 108 Stat. 3040), \$40,000,000.

23 (7) For military construction projects at
24 Umatilla Army Depot, Oregon, authorized by section
25 2401(a) of the Military Construction Authorization

1 *Act for Fiscal Year 1995 (division B of Public Law*
2 *103–337; 108 Stat. 3040), \$55,000,000.*

3 *(8) For unspecified minor construction projects*
4 *under section 2805 of title 10, United States Code,*
5 *\$23,007,000.*

6 *(9) For contingency construction projects of the*
7 *Secretary of Defense under section 2804 of title 10,*
8 *United States Code, \$11,037,000.*

9 *(10) For architectural and engineering services*
10 *and construction design under section 2807 of title*
11 *10, United State Code, \$68,837,000.*

12 *(11) For energy conservation projects authorized*
13 *by section 2404, \$50,000,000.*

14 *(12) For base closure and realignment activities*
15 *as authorized by the Defense Base Closure and Re-*
16 *alignment Act of 1990 (part A of title XXIX of Public*
17 *Law 101–510; 10 U.S.C. 2687 note), \$3,897,892,000.*

18 *(13) For military family housing functions:*

19 *(A) For construction and acquisition and*
20 *improvement of military family housing and fa-*
21 *cilities, \$25,772,000.*

22 *(B) For support of military housing (in-*
23 *cluding functions described in section 2833 of*
24 *title 10, United States Code), \$40,467,000, of*
25 *which not more than \$24,874,000 may be obli-*

1 gated or expended for the leasing of military
2 family housing units worldwide.

3 (b) *LIMITATION OF TOTAL COST OF CONSTRUCTION*
4 *PROJECTS.*—Notwithstanding the cost variation authorized
5 by section 2853 of title 10, United States Code, and any
6 other cost variations authorized by law, the total cost of
7 all projects carried out under section 2401 of this Act may
8 not exceed—

9 (1) the total amount authorized to be appro-
10 priated under paragraphs (1) and (2) of subsection
11 (a); and

12 (2) \$35,003,000 (the balance of the amount au-
13 thorized under section 2401(a) for the construction of
14 a center of the Defense Finance and Accounting Serv-
15 ice at Columbus, Ohio).

16 **SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT**
17 **FISCAL YEAR 1995 PROJECTS.**

18 The table in section 2401 of the Military Construction
19 Authorization Act for Fiscal Year 1995 (division B of Pub-
20 lic Law 103-337; 108 Stat. 3040), under the agency head-
21 ing relating to Chemical Weapons and Munitions Destruc-
22 tion, is amended—

23 (1) in the item relating to Pine Bluff Arsenal,
24 Arkansas, by striking out “\$3,000,000” in the amount

1 *column and inserting in lieu thereof “\$115,000,000”;*
2 *and*

3 (2) *in the item relating to Umatilla Army*
4 *Depot, Oregon, by striking out “\$12,000,000” in the*
5 *amount column and inserting in lieu thereof*
6 *“\$186,000,000”.*

7 ***SEC. 2407. LIMITATION ON EXPENDITURES FOR CONSTRUC-***
8 ***TION PROJECT AT UMATILLA ARMY DEPOT,***
9 ***OREGON.***

10 *None of the funds appropriated to the Department of*
11 *Defense for fiscal year 1996 for the construction of a chemi-*
12 *cal munitions incinerator facility at Umatilla Army Depot*
13 *may be obligated or expended before March 1, 1996.*

14 ***TITLE XXV—NORTH ATLANTIC***
15 ***TREATY ORGANIZATION IN-***
16 ***FRAStructure***

17 ***SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND***
18 ***ACQUISITION PROJECTS.***

19 *The Secretary of Defense may make contributions for*
20 *the North Atlantic Treaty Organization Infrastructure pro-*
21 *gram as provided in section 2806 of title 10, United States*
22 *Code, in an amount not to exceed the sum of the amount*
23 *authorized to be appropriated for this purpose in section*
24 *2502 and the amount collected from the North Atlantic*

1 *Treaty Organization as a result of construction previously*
2 *financed by the United States.*

3 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

4 *Funds are hereby authorized to be appropriated for fis-*
5 *cal years beginning after September 30, 1995, for contribu-*
6 *tions by the Secretary of Defense under section 2806 of title*
7 *10, United States Code, for the share of the United States*
8 *of the cost of projects for the North Atlantic Treaty Organi-*
9 *zation Infrastructure program, as authorized by section*
10 *2501, in the amount of \$161,000,000.*

11 **TITLE XXVI—GUARD AND**
12 **RESERVE FORCES FACILITIES**

13 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**
14 **TION AND LAND ACQUISITION PROJECTS.**

15 *There are authorized to be appropriated for fiscal*
16 *years beginning after September 30, 1995, for the costs of*
17 *acquisition, architectural and engineering services, and*
18 *construction of facilities for the Guard and Reserve Forces,*
19 *and for contributions therefor, under chapter 133 of title*
20 *10, United States Code (including the cost of acquisition*
21 *of land for those facilities), the following amounts:*

22 *(1) For the Department of the Army—*

23 *(A) for the Army National Guard of the*
24 *United States, \$72,537,000; and*

25 *(B) for the Army Reserve, \$42,963,000.*

1 (2) *For the Department of the Navy, for the*
2 *Naval and Marine Corps Reserve, \$19,655,000.*

3 (3) *For the Department of the Air Force—*

4 (A) *for the Air National Guard of the Unit-*
5 *ed States, \$118,267,000; and*

6 (B) *for the Air Force Reserve, \$31,502,000.*

7 **SEC. 2602. CORRECTION IN AUTHORIZED USES OF FUNDS**
8 **FOR ARMY NATIONAL GUARD PROJECTS IN**
9 **MISSISSIPPI.**

10 *Amounts appropriated pursuant to the authorization*
11 *of appropriations in section 2601(1)(A) of the Military*
12 *Construction Authorization Act for Fiscal Year 1994 (divi-*
13 *sion B of Public Law 103–160; 107 Stat. 1878) for the ad-*
14 *dition or alteration of Army National Guard Armories at*
15 *various locations in the State of Mississippi shall be avail-*
16 *able for the addition, alteration, or new construction of ar-*
17 *mory facilities and an operation and maintenance shop fa-*
18 *cility (including the acquisition of land for such facilities)*
19 *at various locations in the State of Mississippi.*

1 **TITLE XXVII—EXPIRATION AND**
2 **EXTENSION OF AUTHORIZA-**
3 **TIONS**

4 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
5 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
6 **LAW.**

7 (a) *EXPIRATION OF AUTHORIZATIONS AFTER THREE*
8 *YEARS.*—*Except as provided in subsection (b), all author-*
9 *izations contained in titles XXI through XXVI for military*
10 *construction projects, land acquisition, family housing*
11 *projects and facilities, and contributions to the North At-*
12 *lantic Treaty Organization Infrastructure program (and*
13 *authorizations of appropriations therefor) shall expire on*
14 *the later of—*

15 (1) *October 1, 1998; or*

16 (2) *the date of the enactment of an Act authoriz-*
17 *ing funds for military construction for fiscal year*
18 *1999.*

19 (b) *EXCEPTION.*—*Subsection (a) shall not apply to au-*
20 *thorizations for military construction projects, land acqui-*
21 *sition, family housing projects and facilities, and contribu-*
22 *tions to the North Atlantic Treaty Organization Infrastruc-*
23 *ture program (and authorizations of appropriations there-*
24 *for), for which appropriated funds have been obligated be-*
25 *fore the later of—*

- 1 (1) *October 1, 1998; or*
- 2 (2) *the date of the enactment of an Act authoriz-*
- 3 *ing funds for fiscal year 1999 for military construc-*
- 4 *tion projects, land acquisition, family housing*
- 5 *projects and facilities, or contributions to the North*
- 6 *Atlantic Treaty Organization Infrastructure program.*

7 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 8 **FISCAL YEAR 1993 PROJECTS.**

9 (a) *EXTENSIONS.*—*Notwithstanding section 2701 of*
 10 *the Military Construction Authorization Act for Fiscal Year*
 11 *1993 (division B of Public Law 102–484; 106 Stat. 2602),*
 12 *authorizations for the projects set forth in the tables in sub-*
 13 *section (b), as provided in section 2101, 2102, 2201, 2301,*
 14 *or 2601 of that Act, shall remain in effect until October*
 15 *1, 1996, or the date of the enactment of an Act authorizing*
 16 *funds for military construction for fiscal year 1997, which-*
 17 *ever is later.*

18 (b) *TABLES.*—*The tables referred to in subsection (a)*
 19 *are as follows:*

Army: Extension of 1993 Project Authorizations

State	Installation or loca- tion	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demili- tarization Support Fa- cility	\$15,000,000
Hawaii	Schofield Barracks	Additions and Alterations Sewage Treatment Plant	\$17,500,000
Virginia	Fort Pickett	Sewage Treatment Plant Family Housing (26 Units)	\$5,800,000 \$2,300,000

Navy: Extension of 1993 Project Authorizations

State	Installation or location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Treatment Plant	\$19,740,000
Maryland	Patuxent River Naval Warfare Center	Advanced Systems Integration Facility	\$60,990,000
Mississippi	Meridian Naval Air Station	Child Development Center	\$1,100,000
Virginia	Dam Neck Fleet Combat Training Center	Land Acquisition	\$4,500,000

Air Force: Extension of 1993 Project Authorization

State or country	Installation or location	Project	Amount
District of Columbia	Bolling Air Force Base ...	Base Engineer Complex ..	\$1,300,000
North Carolina ..	Pope Air Force Base	Munitions Storage Complex	\$4,300,000
Virginia	Langley Air Force Base ..	Civil Engineer Complex ..	\$5,300,000
Guam	Andersen Air Force Base	Solid Waste Complex	\$10,000,000
Portugal	Lajes Field	Water Wells	\$865,000
		Fire Training Facility ...	\$1,300,000

Army Reserve: Extension of 1993 Project Authorizations

State	Location	Project	Amount
West Virginia	Bluefield	Additions and Alterations Reserve Center	\$1,921,000
	Clarksburg	Additions and Alterations AMSA	\$1,156,000
	Grantville	Reserve Center/OMS	\$2,785,000
	Jane Lew	Reserve Center	\$1,566,000
	Lewisburg	Reserve Center/OMS	\$1,631,000
	Weirton	Reserve Center/OMS	\$3,481,000

Army National Guard: Extension of 1993 Project Authorizations

State	Location	Project	Amount
New Jersey	Fort Dix	Additions and Alterations Armory	\$4,750,000
Oregon	La Grande	OMS	\$995,000
		Armory Addition	\$3,049,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 2 **FISCAL YEAR 1992 PROJECTS.**

3 (a) *EXTENSIONS.*—Notwithstanding section 2701 of
 4 the Military Construction Authorization Act for Fiscal Year
 5 1992 (division B of Public Law 102–190; 105 Stat. 1535),
 6 authorizations for the projects set forth in the tables in sub-
 7 section (b), as provided in section 2101 or 2601 of that Act
 8 and extended by section 2702(a) of the Military Construc-
 9 tion Authorization Act for Fiscal Year 1995 (division B
 10 of Public Law 103–337; 108 Stat. 3047), shall remain in
 11 effect until October 1, 1996, or the date of the enactment
 12 of an Act authorizing funds for military construction for
 13 fiscal year 1997, whichever is later.

14 (b) *TABLES.*—The tables referred to in subsection (a)
 15 are as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or loca- tion	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demili- tarization Support Fa- cility	\$3,600,000
		Ammunition Demili- tarization Utilities	\$7,500,000

Army Reserve: Extension of 1992 Project Authorization

State	Location	Project	Amount
Tennessee	Jackson	Joint Training Facility ..	\$1,537,000

16 **SEC. 2704. EFFECTIVE DATE.**

17 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall
 18 take effect on the later of—

1 (1) *October 1, 1995; or*

2 (2) *the date of the enactment of this Act.*

3 **TITLE XXVIII—GENERAL**

4 **PROVISIONS**

5 **Subtitle A—Military Construction**
6 **Program and Military Family**
7 **Housing Changes**

8 **SEC. 2801. ALTERNATIVE MEANS OF ACQUIRING AND IM-**
9 **PROVING MILITARY FAMILY HOUSING AND**
10 **SUPPORTING FACILITIES FOR THE ARMED**
11 **FORCES.**

12 (a) *FINDINGS AND PURPOSE.—(1) Congress finds the*
13 *following:*

14 (A) *Adequate military family housing is essen-*
15 *tial to the retention of well-trained and professional*
16 *members of the Armed Forces.*

17 (B) *Current military family housing is in many*
18 *circumstances substandard, inadequately maintained,*
19 *or obsolete. Of the more than 375,000 military fami-*
20 *lies living on military installations, two-thirds of*
21 *such families reside in unsuitable quarters.*

22 (C) *Traditional military construction techniques*
23 *are frequently lengthy and more expensive than com-*
24 *mercial methods. At current appropriation levels,*
25 *modernization of military family housing located on*

1 *military installations could require more than 30*
2 *years to accomplish.*

3 *(D) A combination of private housing capital*
4 *and commercial construction techniques could help to*
5 *alleviate the shortage of suitable military family*
6 *housing in a far more timely and cost effective man-*
7 *ner.*

8 *(2) It is the purpose of this section to obtain new and*
9 *improved military family housing and ancillary support-*
10 *ing facilities for the Armed Forces using private capital*
11 *and expertise.*

12 *(b) ALTERNATIVE PROVISION OF HOUSING AND FA-*
13 *CILITIES.—(1) Chapter 169 of title 10, United States Code,*
14 *is amended by adding at the end the following new sub-*
15 *chapter:*

16 “SUBCHAPTER IV—ALTERNATIVE PROVISION OF
17 MILITARY FAMILY HOUSING

“Sec.

“2871. Definitions.

“2872. General limitations and authorities.

“2873. Department of Defense Family Housing Improvement Fund.

“2875. Housing finance and acquisition authorities.

“2876. Expiration of authority.

18 “**§ 2871. Definitions**

19 *“In this subchapter:*

20 *“(1) The term ‘construction’ means the construc-*
21 *tion of additional units of military family housing*
22 *and ancillary supporting facilities or the replacement*

1 *or renovation of existing units or ancillary support-*
2 *ing facilities.*

3 “(2) The term ‘ancillary supporting facilities’
4 *means facilities related to military family housing,*
5 *such as day care centers, community centers, housing*
6 *offices, maintenance complexes, tot lots, and parks.*
7 *Such term does not include commercial facilities that*
8 *could not otherwise be constructed using funds appro-*
9 *priated to the Department of Defense.*

10 “(3) The term ‘contract’ includes any contract,
11 *lease, or other agreement entered into under the au-*
12 *thority of this subchapter.*

13 “(4) The term ‘Fund’ means the Department of
14 *Defense Family Housing Improvement Fund estab-*
15 *lished under section 2873(a) of this title.*

16 **“§ 2872. General limitations and authorities**

17 “(a) *USE OF AUTHORITIES.*—*The Secretary concerned*
18 *may use the authorities provided by this subchapter, singly*
19 *or in conjunction with other authorities provided under this*
20 *chapter, to help meet the military family housing needs of*
21 *members of the armed forces and the dependents of such*
22 *members at military installations at which there is a short-*
23 *age of suitable housing for members and their dependents.*

24 “(b) *TERM.*—*Subject to section 2873(d)(2) of this title,*
25 *a contract entered into under this subchapter may be for*

1 *such term as the Secretary concerned considers to be in the*
2 *best interests of the United States.*

3 “(c) *PHASED OCCUPANCY.*—A contract under this sub-
4 *chapter may provide for phased occupancy of completed*
5 *family housing units under one or more interim leases dur-*
6 *ing the period of the construction or renovation of the hous-*
7 *ing units. In no case shall any such interim lease extend*
8 *beyond the construction or renovation period.*

9 “(d) *UNIT SIZE AND TYPE.*—Section 2826 of this title
10 *shall not apply to military family housing units acquired*
11 *or constructed under this subchapter, except that room and*
12 *floor area size of such housing units should generally be*
13 *comparable to private sector housing available in the same*
14 *locality. When acquiring existing family housing in lieu of*
15 *construction under section 2824 of this title, the Secretary*
16 *concerned may vary the number of types of units to be ac-*
17 *quired as long as the total number of units is substantially*
18 *the same as authorized by law.*

19 “(e) *LOCATION.*—The Secretary concerned may use the
20 *authorities provided under this subchapter to acquire or*
21 *construct military family housing units and ancillary sup-*
22 *porting facilities in the United States, the Commonwealth*
23 *of Puerto Rico, and in any territory or possession of the*
24 *United States.*

1 “(f) *NOTIFICATION REQUIRED FOR CONTRACTS.*—The
2 Secretary concerned may not enter into a contract under
3 this subchapter until after the end of the 21-day period be-
4 ginning on the date the Secretary concerned submits to the
5 appropriate committees of Congress written notice of the
6 nature and terms of the contract.

7 “(g) *ASSIGNMENTS.*—The Secretary concerned may as-
8 sign members of the armed forces to any military family
9 housing obtained using the authorities provided in this sub-
10 chapter in accordance with section 403(b) of title 37.

11 “(h) *ALLOTMENTS.*—The Secretary concerned may re-
12 quire a member of the armed forces to pay rent by allotment
13 as a condition of occupying military family housing ob-
14 tained using the authorities provided in this subchapter.

15 “(i) *SUPPORTING FACILITIES.*—Any contract entered
16 into under this subchapter may include provisions for the
17 construction or acquisition of ancillary supporting facili-
18 ties.

19 “(j) *AUTHORITY TO LEASE OR SELL LAND, HOUSING,*
20 *AND SUPPORTING FACILITIES.*—(1) The Secretary con-
21 cerned may lease or sell land, housing, and ancillary sup-
22 porting facilities under the jurisdiction of the Secretary for
23 the purpose of providing additional military family hous-
24 ing or improving existing military family housing under
25 this subchapter, except that the authority to lease or sell

1 *real property under this subchapter shall not extend to*
2 *property located at a military installation approved for clo-*
3 *sure.*

4 “(2) *A sale or lease under this subsection may be made*
5 *for such consideration and upon such terms and conditions*
6 *as the Secretary concerned shall determine to be consistent*
7 *with the purposes of this subchapter and the public interest.*
8 *The acreage and legal description of any property leased*
9 *or conveyed under this subsection shall be determined by*
10 *a survey satisfactory to the Secretary concerned.*

11 “(3) *Section 2667 of this title, the Federal Property*
12 *and Administrative Services Act of 1949 (40 U.S.C. 471),*
13 *section 501 of the Stewart B. McKinney Homeless Assist-*
14 *ance Act (42 U.S.C. 11411), and section 321 of the Act of*
15 *June 30, 1932 (47 Stat. 412) shall not apply to leases and*
16 *sales under this subsection.*

17 “(4) *As part or all of the consideration for the sale*
18 *or lease of property under this subsection, the Secretary con-*
19 *cerned shall require an ancillary agreement under which*
20 *the person receiving the property agrees to give priority to*
21 *military members and their dependents in the leasing of*
22 *existing or new housing units under the control or provided*
23 *by the person. Such agreements may provide for the pay-*
24 *ment by the Secretary concerned of security or damage de-*
25 *posits.*

1 **“§ 2873. Department of Defense Family Housing Im-**
2 **provement Fund**

3 “(a) *ESTABLISHMENT.*—*There is hereby established on*
4 *the books of the Treasury an account to be known as the*
5 *Department of Defense Family Housing Improvement*
6 *Fund, which shall be administered by the Secretary of De-*
7 *fense as a single account. Amounts in the Fund shall be*
8 *available without fiscal year limitation.*

9 “(b) *DEPOSITS.*—*There shall be deposited into the*
10 *Fund the following:*

11 “(1) *Amounts authorized for and appropriated*
12 *into the Fund.*

13 “(2) *Subject to subsection (c), any amounts that*
14 *the Secretary of Defense may transfer to the Fund*
15 *from amounts appropriated to the Department of De-*
16 *fense for construction of military family housing.*

17 “(3) *Proceeds received from the conveyance or*
18 *lease of real property under section 2872(j) of this*
19 *title, income from operations conducted under this*
20 *subchapter, including refunds of deposits, and any re-*
21 *turn of capital or return on investments entered into*
22 *under this subchapter.*

23 “(c) *NOTIFICATION REQUIRED FOR TRANSFERS.*—*A*
24 *transfer of appropriated amounts to the Fund under sub-*
25 *section (b)(2) may be made only after the end of the 30-*
26 *day period beginning on the date the Secretary of Defense*

1 *submits written notice of, and justification for, the transfer*
2 *to the appropriate committees of Congress.*

3 “(d) *USE OF FUNDS.—(1) In such total amount as is*
4 *provided in advance in appropriation Acts, the Secretary*
5 *of Defense may use amounts in the Fund for alternative*
6 *means of financing military family housing and ancillary*
7 *supporting facilities as authorized in this subchapter.*

8 “(2) *The Secretary may not enter into a contract*
9 *under this subchapter unless the Fund contains sufficient*
10 *amounts, as of the time the contract is entered into, to sat-*
11 *isfy the total obligations to be incurred by the United States*
12 *under the contract.*

13 “(3) *The total value in budget authority of all con-*
14 *tracts and investments undertaken using the authorities*
15 *provided in the subchapter shall not exceed \$1,000,000,000.*

16 “(e) *LOANS AND LOAN GUARANTEES.—Loans and loan*
17 *guarantees may be entered into under this subchapter only*
18 *to the extent that appropriations of budget authority to*
19 *cover their costs (as defined in section 502(5) of the Federal*
20 *Credit Reform Act of 1990 (2 U.S.C. 661a(5))) are made*
21 *in advance, or authority is otherwise provided in appro-*
22 *priations Acts.*

23 “(f) *ANNUAL REPORT.—The Secretary of Defense shall*
24 *submit to the appropriate committees of Congress an an-*
25 *nual report detailing the expenditures from and deposits*

1 *into the Fund during the preceding year and the utilization*
2 *and effectiveness of the authorities provided by this sub-*
3 *chapter. The Secretary shall submit the report at the same*
4 *time that the President submits the budget to Congress*
5 *under section 1105 of title 31.*

6 **“§ 2875. Housing finance and acquisition authorities**

7 “(a) *GUARANTEES.—(1) The Secretary concerned may*
8 *enter into contracts that provide for guarantees, insurance,*
9 *or other contingent payments to owners, mortgagors, or as-*
10 *signees of housing units and ancillary supporting facilities*
11 *that are made available for use by members of the armed*
12 *forces.*

13 “(2) *Contingencies under which payments may be*
14 *made under such a contract include the following:*

15 “(A) *A failure to pay interest or principal on*
16 *mortgages, generally or as a result of a base closure*
17 *or realignment, a reduction in force, an extended de-*
18 *ployment of assigned forces, or similar contingencies.*

19 “(B) *A failure to achieve specified occupancy lev-*
20 *els of, or rental income from, housing units covered*
21 *by a contract.*

22 “(3) *Such contracts may be on such terms and condi-*
23 *tions as the Secretary concerned considers necessary or de-*
24 *sirable to induce the provision of housing and ancillary*
25 *supporting facilities, whether by acquisition or construc-*

1 *tion, for use by members of the armed forces, and to protect*
2 *the financial interests of the United States.*

3 “(b) *LEASES.*—*The Secretary concerned may enter*
4 *into a contract for the lease of housing units to be acquired*
5 *or constructed on or near a military installation. Such a*
6 *contract may provide for the owner of the property to oper-*
7 *ate and maintain the facilities.*

8 “(c) *DIFFERENTIAL PAYMENTS.*—*In entering into con-*
9 *tracts under this subchapter, the Secretary concerned may*
10 *make a differential payment in addition to rental payments*
11 *made by individual members.*

12 “(d) *INVESTMENTS.*—(1) *The Secretary concerned may*
13 *make investments in nongovernmental entities involved in*
14 *the acquisition or construction of housing and ancillary*
15 *supporting facilities on or near a military installation for*
16 *such consideration and upon such terms and conditions as*
17 *the Secretary concerned determines to be consistent with the*
18 *purposes of this subchapter and the public interest.*

19 “(2) *Such investments may take the form of limited*
20 *partnership interests, stock, debt instruments, or a com-*
21 *bination thereof.*

22 “(3) *The investment made by the Secretary concerned*
23 *in an acquisition or construction project under this sub-*
24 *section, whether the investment is in the form of cash, land*
25 *or buildings under section 2872(j) of this title, or other*

1 *form, may not exceed 35 percent of the capital costs of the*
 2 *acquisition or construction project.*

3 “(e) *COLLATERAL INCENTIVE AGREEMENTS.*—The
 4 *Secretary concerned may also enter into collateral incentive*
 5 *agreements in connection with investments made under sub-*
 6 *section (d) to ensure that a suitable preference will be af-*
 7 *forded members of the armed forces to lease or purchase,*
 8 *at affordable rates, a reasonable number of the housing*
 9 *units covered by the investment contract.*

10 **“§ 2876. Expiration of authority**

11 *“The authority of the Secretaries concerned to enter*
 12 *into contracts and partnerships and to make investments*
 13 *under this subchapter shall expire on September 30, 2000.”.*

14 (2) *The table of subchapters at the beginning of chapter*
 15 *169 of title 10, United States Code, is amended by inserting*
 16 *after the item relating to subchapter III the following new*
 17 *item:*

“IV. Alternative Provision of Military Family Housing 2871”.

18 **SEC. 2802. INCLUSION OF OTHER ARMED FORCES IN NAVY**
 19 **PROGRAM OF LIMITED PARTNERSHIPS WITH**
 20 **PRIVATE DEVELOPERS FOR MILITARY**
 21 **HOUSING.**

22 (a) *EXPANDED AUTHORITY FOR HOUSING PARTNER-*
 23 *SHIPS.*—(1) *Subchapter IV of chapter 169 of title 10, Unit-*
 24 *ed States Code, as added by section 2801, is amended by*
 25 *inserting after section 2873 the following new section:*

1 **§“2874. Limited partnerships with private developers**
2 **of housing**

3 “(a) *LIMITED PARTNERSHIPS.*—In order to meet the
4 housing requirements of members of the armed forces, and
5 the dependents of such members, at a military installation
6 described in section 2872(a) of this title, the Secretary con-
7 cerned may enter into a limited partnership with one or
8 more private developers to encourage the construction of
9 housing and ancillary supporting facilities within commut-
10 ing distance of the installation. Section 2875(d) of this title
11 shall apply with respect to the investments the Secretary
12 concerned may make toward development costs under a lim-
13 ited partnership.

14 “(b) *COLLATERAL INCENTIVE AGREEMENTS.*—The
15 Secretary concerned may also enter into collateral incentive
16 agreements with private developers who enter into a limited
17 partnership under subsection (a) to ensure that, where ap-
18 propriate—

19 “(1) a suitable preference will be afforded mem-
20 bers of the armed forces in the lease or purchase, as
21 the case may be, of a reasonable number of the hous-
22 ing units covered by the limited partnership; or

23 “(2) the rental rates or sale prices, as the case
24 may be, for some or all of such units will be afford-
25 able for such members.

1 “(c) *SELECTION OF INVESTMENT OPPORTUNITIES.*—
2 (1) *The Secretary concerned shall use publicly advertised,*
3 *competitively bid or competitively negotiated, contracting*
4 *procedures, as provided in chapter 137 of this title, to enter*
5 *into limited partnerships under subsection (a).*

6 “(2) *When a decision is made by the Secretary con-*
7 *cerned to enter into a limited partnership under subsection*
8 *(a), the Secretary shall submit a report in writing to the*
9 *appropriate committees of Congress on that decision. Each*
10 *such report shall include the justification for the limited*
11 *partnership, the terms and conditions of the limited part-*
12 *nership, a description of the development costs for projects*
13 *under the limited partnership, and a description of the*
14 *share of such costs to be incurred by the Secretary con-*
15 *cerned. The Secretary concerned may then enter into the*
16 *limited partnership only after the end of the 21-day period*
17 *beginning on the date the report is received by such commit-*
18 *tees.*

19 “(d) *HOUSING INVESTMENT BOARDS.*—(1) *Each Sec-*
20 *retary concerned shall establish a housing investment board,*
21 *which shall have the duties—*

22 “(A) *of advising the Secretary concerned regard-*
23 *ing those proposed limited partnerships under sub-*
24 *section (a), if any, that are financially and otherwise*

1 *sound investments for meeting the objectives of this*
2 *section;*

3 *“(B) of administering amounts in the Account*
4 *established under section 2873 of this title that are*
5 *made available to the Secretary concerned to carry*
6 *out this section; and*

7 *“(C) of performing such other tasks as the Sec-*
8 *retary concerned determines to be necessary and ap-*
9 *propriate to assist the Secretary to carry out the du-*
10 *ties of the Secretary under this section.*

11 *“(2) A housing investment board shall be composed of*
12 *seven members appointed for a two-year term by the Sec-*
13 *retary concerned. Among such members, the Secretary con-*
14 *cerned may appoint two persons from the private sector who*
15 *have knowledge and experience in the financing and the*
16 *construction of housing. The Secretary concerned shall des-*
17 *ignate one of the members as chairperson.*

18 *“(3) Members of a housing investment board, other*
19 *than those members regularly employed by the Federal Gov-*
20 *ernment, may be paid while attending meetings of the board*
21 *or otherwise serving at the request of the Secretary con-*
22 *cerned, compensation at a rate equal to the daily equivalent*
23 *of the minimum annual rate of basic pay payable for level*
24 *IV of the Executive Schedule under section 5315 of title 5*
25 *for each day (including travel time) during which the mem-*

1 *ber is engaged in the actual performance of duties vested*
2 *in the board. Members shall receive travel expenses, includ-*
3 *ing per diem in lieu of subsistence, in accordance with sec-*
4 *tions 5702 and 5703 of title 5.*

5 *“(4) The Federal Advisory Committee Act (5 U.S.C.*
6 *App.) shall not apply to the housing investment boards.*

7 *“(5) The housing investment boards shall terminate on*
8 *September 30, 2000.”.*

9 *(2) The table of sections at the beginning of such sub-*
10 *chapter is amended by inserting after the item relating to*
11 *section 2873 the following new item:*

“2874. Limited partnerships with private developers of housing.”.

12 *(b) PROCEEDS FROM PARTICIPATION IN PARTNER-*
13 *SHIPS.—Section 2873(b) of title 10, United States Code, as*
14 *added by section 2801, is amended by adding at the end*
15 *the following new paragraph:*

16 *“(4) Proceeds received by the Secretary concerned*
17 *from the repayment of investments or profits on in-*
18 *vestments of the Secretary under section 2874(a) of*
19 *this title.”.*

20 *(c) CONFORMING REPEAL.—(1) Section 2837 of title*
21 *10, United States Code, is repealed. The repeal of such sec-*
22 *tion shall not be construed to affect the validity or terms*
23 *of any limited partnership or collateral incentive agreement*
24 *entered into by the Secretary of the Navy under such section*
25 *before the date of the enactment of this Act. Amounts in*

1 *the Navy Housing Investment Account shall be transferred*
2 *to the Department of Defense Family Housing Improvement*
3 *Fund established under section 2873 of such title, as added*
4 *by section 2801.*

5 (2) *The table of sections at the beginning of subchapter*
6 *II of chapter 169 of title 10, United States Code, is amended*
7 *by striking out the item relating to section 2837.*

8 **SEC. 2803. SPECIAL UNSPECIFIED MINOR CONSTRUCTION**
9 **THRESHOLDS FOR PROJECTS TO CORRECT**
10 **LIFE, HEALTH, AND SAFETY DEFICIENCIES**
11 **AND CLARIFICATION OF UNSPECIFIED MINOR**
12 **CONSTRUCTION AUTHORITY.**

13 (a) *SPECIAL THRESHOLDS.—Section 2805 of title 10,*
14 *United States Code, is amended—*

15 (1) *in subsection (a)(1), by adding at the end the*
16 *following new sentence: “However, if the military con-*
17 *struction project is intended solely to correct a life,*
18 *health, or safety deficiency, a minor military con-*
19 *struction project may have an approved cost equal to*
20 *or less than \$3,000,000.”; and*

21 (2) *in subsection (c)(1), by striking out “not*
22 *more than \$300,000.” and inserting in lieu thereof*
23 *the following: “not more than—*

1 “(A) \$1,000,000, in the case of an unspecified
2 military construction project intended solely to cor-
3 rect a life, health, or safety deficiency; or

4 “(B) \$300,000, in the case of other unspecified
5 military construction projects.”.

6 (b) *DESCRIPTION OF MINOR CONSTRUCTION.*—Sub-
7 section (a)(1) of such section is further amended by striking
8 out “(1) that is for a single undertaking at a military in-
9 stallation, and (2)”.

10 **SEC. 2804. DISPOSITION OF AMOUNTS RECOVERED AS A RE-**
11 **SULT OF DAMAGE TO REAL PROPERTY.**

12 (a) *IN GENERAL.*—Chapter 165 of title 10, United
13 States Code, is amended by inserting after section 2781 the
14 following new section:

15 **“§2782. Damage to real property: disposition of**
16 **amounts recovered**

17 “Except as provided in section 2775 of this title,
18 amounts recovered for damage caused to real property
19 under the jurisdiction of the Secretary of a military depart-
20 ment or, with respect to the Defense Agencies, under the
21 jurisdiction of the Secretary of Defense shall be credited to
22 the account available for the repair or replacement of the
23 real property at the time of recovery. In such amounts as
24 are provided in advance in appropriation Acts, amounts
25 so credited shall be available for use for the same purposes

1 *and under the same circumstances as other funds in the*
2 *account.”.*

3 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
4 *the beginning of such chapter is amended by inserting after*
5 *the item relating to section 2781 the following new item:*
“2782. Damage to real property: disposition of amounts recovered.”.

6 **SEC. 2805. RENTAL OF FAMILY HOUSING IN FOREIGN**
7 **COUNTRIES.**

8 *Section 2828(e) of title 10, United States Code, is*
9 *amended—*

10 (1) *in paragraph (1)—*

11 (A) *by striking out “300 units” in the first*
12 *sentence and inserting in lieu thereof “450*
13 *units”;* and

14 (B) *by striking out “220 such units” in the*
15 *second sentence and inserting in lieu thereof*
16 *“350 such units”;* and

17 (2) *in paragraph (2), by striking out “300*
18 *units” and inserting in lieu thereof “450 units”.*

19 **SEC. 2806. PILOT PROGRAM TO PROVIDE INTEREST RATE**
20 **BUY DOWN AUTHORITY ON LOANS FOR HOUS-**
21 **ING WITHIN HOUSING SHORTAGE AREAS AT**
22 **MILITARY INSTALLATIONS.**

23 (a) *SHORT TITLE.*—*This section may be cited as the*
24 *“Military Housing Assistance Act of 1995”.*

1 *tary installation in the United States designated by*
2 *the Secretary of Defense as a housing shortage area;*

3 *“(3) at the time the loan referred to in subsection*
4 *(a) is made, the individual is an enlisted member,*
5 *warrant officer, or an officer (other than a warrant*
6 *officer) at a pay grade of O-3 or below;*

7 *“(4) the individual has not previously used any*
8 *of the individual’s entitlement to housing loan bene-*
9 *fits under this chapter; and*

10 *“(5) the individual receives comprehensive*
11 *prepurchase counseling from the Secretary (or the des-*
12 *ignee of the Secretary) before making application for*
13 *a loan guaranteed under this chapter.*

14 *“(c) Loans with respect to which the Secretary may*
15 *exercise the buy down authority under subsection (a)*
16 *shall—*

17 *“(1) provide for a buy down period of not more*
18 *than three years in duration;*

19 *“(2) specify the maximum and likely amounts of*
20 *increases in mortgage payments that the loans would*
21 *require; and*

22 *“(3) be subject to such other terms and condi-*
23 *tions as the Secretary may prescribe by regulation.*

24 *“(d) The Secretary shall promulgate underwriting*
25 *standards for loans for which the interest rate assistance*

1 *payments may be made under subsection (a). Such stand-*
2 *ards shall be based on the interest rate for the second year*
3 *of the loan.*

4 “(e) *The Secretary or lender shall provide comprehen-*
5 *sive prepurchase counseling to eligible veterans explaining*
6 *the features of interest rate buy downs under subsection (a),*
7 *including a hypothetical payment schedule that displays the*
8 *increases in monthly payments to the mortgagor over the*
9 *first five years of the mortgage term. For the purposes of*
10 *this subsection, the Secretary may assign personnel to mili-*
11 *tary installations referred to in subsection (b)(2).*

12 “(f) *There is authorized to be appropriated \$3,000,000*
13 *annually to carry out this section.*

14 “(g) *The Secretary may not guarantee a loan under*
15 *this chapter after September 30, 1998, on which the Sec-*
16 *retary is obligated to make payments under this section.”.*

17 (2) *The table of sections at the beginning of chapter*
18 *37 of title 38, United States Code, is amended by inserting*
19 *after the item relating to section 3707 to following new*
20 *item:*

“3708. Authority to buy down interest rates: pilot program.”.

21 (c) *AUTHORITY OF SECRETARY OF DEFENSE.—*

22 (1) *REIMBURSEMENT FOR BUY DOWN COSTS.—*

23 *The Secretary of Defense shall reimburse the Sec-*
24 *retary of Veterans Affairs for amounts paid by the*

1 *Secretary of Veterans Affairs to mortgagees under sec-*
2 *tion 3708 of title 38, United States Code.*

3 (2) *DESIGNATION OF HOUSING SHORTAGE*
4 *AREAS.—For purposes of section 3708 of title 38,*
5 *United States Code, the Secretary of Defense may des-*
6 *ignate as a housing shortage area a military installa-*
7 *tion in the United States at which the Secretary de-*
8 *termines there is a shortage of suitable housing to*
9 *meet the military family needs of members of the*
10 *Armed Forces and the dependents of such members.*

11 (3) *REPORT.—Not later than six months after*
12 *September 30, 1998, the Secretary shall submit a re-*
13 *port to Congress regarding the effectiveness in provid-*
14 *ing housing to members of the Armed Forces and*
15 *their dependents through the provisions of this sub-*
16 *section and section 3708 of title 38, United States*
17 *Code.*

18 (4) *EARMARK.—Of the amount provided in sec-*
19 *tion 2405(a)(13)(B), \$10,000,000 for fiscal year 1996*
20 *shall be available to carry out this subsection.*

21 (5) *SUNSET.—This subsection shall not apply*
22 *with respect to housing loans guaranteed after Sep-*
23 *tember 30, 1998, for which assistance payments are*
24 *paid under section 3708 of title 38, United States*
25 *Code.*

1 **Subtitle B—Base Closure and**
2 **Realignment**

3 **SEC. 2811. AUTHORITY TO TRANSFER PROPERTY AT MILI-**
4 **TARY INSTALLATIONS TO BE CLOSED TO PER-**
5 **SONS WHO CONSTRUCT OR PROVIDE MILI-**
6 **TARY FAMILY HOUSING.**

7 (a) *BASE CLOSURES UNDER 1988 ACT.*—Section 204
8 *of the Defense Authorization Amendments and Base Closure*
9 *and Realignment Act (title II of Public Law 100–526; 10*
10 *U.S.C. 2687 note) is amended by adding at the end the fol-*
11 *lowing new subsection:*

12 “(e) *TRANSFER AUTHORITY IN CONNECTION WITH*
13 *CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUS-*
14 *ING.*—(1) *Subject to paragraph (2), the Secretary may*
15 *enter into an agreement to transfer by deed real property*
16 *or facilities located at an installation closed or to be closed*
17 *under this title with any person who agrees, in exchange*
18 *for the real property or facilities, to transfer to the Sec-*
19 *retary housing units that are constructed or provided by*
20 *the person and located at or near a military installation*
21 *at which there is a shortage of suitable housing to meet the*
22 *requirements of members of the Armed Forces and their de-*
23 *pendents. The Secretary may not select real property for*
24 *transfer under this paragraph if the property is identified*

1 *in the redevelopment plan for the installation as items es-*
2 *sential to the reuse or redevelopment of the installation.*

3 “(2) A transfer of real property or facilities may be
4 made under paragraph (1) only if—

5 “(A) the fair market value of the housing units
6 to be received by the Secretary in exchange for the
7 property or facilities to be transferred is equal to or
8 greater than the fair market value of such property
9 or facilities, as determined by the Secretary; or

10 “(B) the recipient of the property or facilities
11 agrees to pay to the Secretary the difference between
12 the fair market values if the fair market value of the
13 housing units is lower than the fair market value of
14 the property or facilities to be transferred.

15 “(3) Notwithstanding section 207(a)(7), the Secretary
16 shall deposit funds received under paragraph (2)(B) in the
17 Department of Defense Family Housing Improvement Fund
18 established under section 2873(a) of title 10, United States
19 Code.

20 “(4) The Secretary shall submit to the appropriate
21 committees of Congress a report describing each agreement
22 proposed to be entered into under paragraph (1), including
23 the consideration to be received by the United States under
24 the agreement. The Secretary may not enter into the agree-
25 ment until the end of the 21-day period beginning on the

1 *date the appropriate committees of Congress receive the re-*
2 *port regarding the agreement.*

3 “(5) *The Secretary may require any additional terms*
4 *and conditions in connection with an agreement authorized*
5 *by this subsection as the Secretary considers appropriate*
6 *to protect the interests of the United States.”.*

7 **(b) BASE CLOSURES UNDER 1990 ACT.—Section 2905**
8 *of the Defense Base Closure and Realignment Act of 1990*
9 *(part A of title XXIX of Public Law 101–510; 10 U.S.C.*
10 *2687 note) is amended by adding at the end the following*
11 *new subsection:*

12 “(f) **TRANSFER AUTHORITY IN CONNECTION WITH**
13 **CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUS-**
14 **ING.—(1) Subject to paragraph (2), the Secretary may**
15 *enter into an agreement to transfer by deed real property*
16 *or facilities located at an installation closed or to be closed*
17 *under this part with any person who agrees, in exchange*
18 *for the real property or facilities, to transfer to the Sec-*
19 *retary housing units that are constructed or provided by*
20 *the person and located at or near a military installation*
21 *at which there is a shortage of suitable housing to meet the*
22 *requirements of members of the Armed Forces and their de-*
23 *pendents. The Secretary may not select real property for*
24 *transfer under this paragraph if the property is identified*

1 *in the redevelopment plan for the installation as items es-*
2 *sential to the reuse or redevelopment of the installation.*

3 “(2) A transfer of real property or facilities may be
4 made under paragraph (1) only if—

5 “(A) the fair market value of the housing units
6 to be received by the Secretary in exchange for the
7 property or facilities to be transferred is equal to or
8 greater than the fair market value of such property
9 or facilities, as determined by the Secretary; or

10 “(B) the recipient of the property or facilities
11 agrees to pay to the Secretary the difference between
12 the fair market values if the fair market value of the
13 housing units is lower than the fair market value of
14 the property or facilities to be transferred.

15 “(3) Notwithstanding section 2906(a)(2), the Secretary
16 shall deposit funds received under paragraph (2)(B) in the
17 Department of Defense Family Housing Improvement Fund
18 established under section 2873(a) of title 10, United States
19 Code.

20 “(4) The Secretary shall submit to the appropriate
21 committees of Congress a report describing each agreement
22 proposed to be entered into under paragraph (1), including
23 the consideration to be received by the United States under
24 the agreement. The Secretary may not enter into the agree-
25 ment until the end of the 30-day period beginning on the

1 *date the appropriate committees of Congress receive the re-*
2 *port regarding the agreement.*

3 “(5) *The Secretary may require any additional terms*
4 *and conditions in connection with an agreement authorized*
5 *by this subsection as the Secretary considers appropriate*
6 *to protect the interests of the United States.”.*

7 (c) *REGULATIONS.—Not later than nine months after*
8 *the date of the enactment of this Act, the Secretary of De-*
9 *fense shall prescribe any regulations necessary to carry out*
10 *subsection (e) of section 204 of the Defense Authorization*
11 *Amendments and Base Closure and Realignment Act (title*
12 *II of Public Law 100–526; 10 U.S.C. 2687 note), as added*
13 *by subsection (a), and subsection (f) of section 2905 of the*
14 *Defense Base Closure and Realignment Act of 1990 (part*
15 *A of title XXIX of Public Law 101–510; 10 U.S.C. 2687*
16 *note), as added by subsection (b).*

17 **SEC. 2812. DEPOSIT OF PROCEEDS FROM LEASES OF PROP-**
18 **ERTY LOCATED AT INSTALLATIONS BEING**
19 **CLOSED OR REALIGNED.**

20 (a) *EXCEPTION TO EXISTING REQUIREMENTS.—Sec-*
21 *tion 2667(d) of title 10, United States Code, is amended—*

22 (1) *in paragraph (1)(A)(ii), by inserting “or*
23 *(5)” after “paragraph (4)”;* and

24 (2) *by adding at the end the following new para-*
25 *graph:*

1 “(5) Money rentals received by the United States from
2 a lease under subsection (f) shall be deposited into the rel-
3 evant account established under section 207(a) of the De-
4 fense Authorization Amendments and Base Closure and Re-
5 alignment Act (Public Law 100–526; 10 U.S.C. 2687 note)
6 or section 2906(a) of the Defense Base Closure and Realign-
7 ment Act of 1990 (part A of title XXIX of Public Law 101–
8 510; 10 U.S.C. 2687 note).”.

9 (b) CORRESPONDING AMENDMENTS TO BASE CLOSURE
10 LAWS.—(1) Section 207(a) of the Defense Authorization
11 Amendments and Base Closure and Realignment Act (Pub-
12 lic Law 100–526; 10 U.S.C. 2687 note) is amended—

13 (A) in paragraph (2)—

14 (i) by striking out “and” at the end of sub-
15 paragraph (B);

16 (ii) by striking out the period at the end of
17 subparagraph (C) and inserting in lieu thereof “;
18 and”; and

19 (iii) by adding at the end the following new
20 subparagraph:

21 “(D) proceeds from leases of property under sec-
22 tion 2667(f) of title 10, United States Code, at a mili-
23 tary installation to be closed or realigned under this
24 title.”; and

1 *or other community services by such governments at mili-*
2 *tary installations to be closed under this title if the Sec-*
3 *retary determines that the provision of such services under*
4 *such an agreement is in the best interests of the Department*
5 *of Defense.”.*

6 **(b) CLOSURES UNDER 1990 ACT.**—*Section 2905(b)(8)*
7 *of the Defense Base Closure and Realignment Act of 1990*
8 *(part A of title XXIX of Public Law 101–510; 10 U.S.C.*
9 *2867 note) is amended by striking out subparagraph (A)*
10 *and inserting in lieu thereof the following new subpara-*
11 *graph:*

12 “(A) *Subject to subparagraph (C), the Secretary may*
13 *enter into agreements (including contracts, cooperative*
14 *agreements, or other arrangements for reimbursement) with*
15 *local governments for the provision of police or security*
16 *services, fire protection services, airfield operation services,*
17 *or other community services by such governments at mili-*
18 *tary installations to be closed under this part if the Sec-*
19 *retary determines that the provision of such services under*
20 *such an agreement is in the best interests of the Department*
21 *of Defense.”.*

1 **Subtitle C—Land Conveyances**
2 **Generally**

3 **SEC. 2821. TRANSFER OF JURISDICTION, FORT SAM HOUS-**
4 **TON, TEXAS.**

5 (a) *TRANSFER OF LAND FOR NATIONAL CEMETERY.*—
6 *The Secretary of the Army may transfer, without reim-*
7 *bursement, to the administrative jurisdiction of the Sec-*
8 *retary of Veterans Affairs a parcel of real property (includ-*
9 *ing any improvements thereon) consisting of approximately*
10 *53 acres and comprising a portion of Fort Sam Houston,*
11 *Texas.*

12 (b) *USE OF LAND.*—*The Secretary of Veterans Affairs*
13 *shall use the real property transferred under subsection (a)*
14 *as a national cemetery under chapter 24 of title 38, United*
15 *States Code.*

16 (c) *RETURN OF UNUSED LAND.*—*If the Secretary of*
17 *Veterans Affairs determines that any portion of the real*
18 *property transferred under subsection (a) is not needed for*
19 *use as a national cemetery, the Secretary of Veterans Af-*
20 *fairs shall return such portion to the administrative juris-*
21 *isdiction of the Secretary of the Army.*

22 (d) *LEGAL DESCRIPTION.*—*The exact acreage and*
23 *legal description of the real property to be transferred under*
24 *this section shall be determined by surveys that are satisfac-*

1 tory to the Secretary of the Army. The cost of such surveys
2 shall be borne by the Secretary of Veterans Affairs.

3 (e) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-
4 retary of the Army may require such additional terms and
5 conditions in connection with the transfer under this section
6 as the Secretary of the Army considers appropriate to pro-
7 tect the interests of the United States.

8 **SEC. 2822. LAND ACQUISITION OR EXCHANGE, SHAW AIR**
9 **FORCE BASE, SUMTER, SOUTH CAROLINA.**

10 (a) *LAND ACQUISITION.*—By means of an exchange of
11 property, acceptance as a gift, or other means that does not
12 require the use of appropriated funds, the Secretary of the
13 Air Force may acquire all right, title, and interest in and
14 to a parcel of real property (together with any improve-
15 ments thereon) consisting of approximately 1,100 acres and
16 located adjacent to the eastern end of Shaw Air Force Base,
17 South Carolina, and extending to Stamey Livestock Road
18 in Sumter County, South Carolina.

19 (b) *LAND EXCHANGE AUTHORIZED.*—For purposes of
20 acquiring the real property described in subsection (a), the
21 Secretary may participate in a land exchange and convey
22 all right, title, and interest of the United States in and to
23 a parcel of real property in the possession of the Air Force
24 if—

1 (1) *the Secretary determines that the land ex-*
2 *change is in the best interests of the Air Force; and*

3 (2) *the fair market value of the Air Force parcel*
4 *to be conveyed does not exceed the fair market value*
5 *of the parcel to be acquired.*

6 (c) *DETERMINATIONS OF FAIR MARKET VALUE.—The*
7 *Secretary shall determine the fair market value of the par-*
8 *cels of real property to be conveyed pursuant to subsections*
9 *(a) and (b). Such determinations shall be final.*

10 (d) *DESCRIPTIONS OF PROPERTY.—The exact acreage*
11 *and legal descriptions of the parcels of real property to be*
12 *conveyed pursuant to subsections (a) and (b) shall be deter-*
13 *mined by surveys that are satisfactory to the Secretary.*

14 (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
15 *retary may require such additional terms and conditions*
16 *in connection with the acquisition under subsection (a) or*
17 *conveyance under subsection (b) as the Secretary considers*
18 *appropriate to protect the interests of the United States.*

19 (f) *REVERSION OF GIFT CONVEYANCE.—If the Sec-*
20 *retary acquires the real property described in subsection (a)*
21 *by way of gift, the Secretary may accept in the deed of con-*
22 *veyance terms or conditions that require that the land be*
23 *reconveyed to the donor, or the heirs of the donor, if Shaw*
24 *Air Force Base ceases operations and is closed.*

1 **SEC. 2823. TRANSFER OF CERTAIN REAL PROPERTY AT**
2 **NAVAL WEAPONS INDUSTRIAL RESERVE**
3 **PLANT, CALVERTON, NEW YORK, FOR USE AS**
4 **NATIONAL CEMETERY.**

5 (a) *TRANSFER AUTHORIZED.*—Notwithstanding sec-
6 tion 2854 of the Military Construction Authorization Act
7 for Fiscal Year 1993 (division B of Public Law 102–484;
8 106 Stat. 2626), the Secretary of the Navy may transfer,
9 without reimbursement, to the Secretary of Veterans Affairs
10 a parcel of real property consisting of approximately 150
11 acres located adjacent to the Calverton National Cemetery,
12 Calverton, New York, and comprising a portion of the buffer
13 zone of the Naval Weapons Industrial Reserve Plant,
14 Calverton.

15 (b) *USE OF PROPERTY.*—The Secretary of Veterans Af-
16 fairs shall use the real property transferred under sub-
17 section (a) as an addition to the Calverton National Ceme-
18 tery and administer such real property pursuant to chapter
19 24 of title 38, United States Code.

20 (c) *SURVEYS.*—The cost of any surveys necessary for
21 the transfer of jurisdiction of the real property described
22 in subsection (a) from the Secretary of the Navy to the Sec-
23 retary of Veterans Affairs shall be borne by the Secretary
24 of Veterans Affairs.

1 **SEC. 2824. LAND CONVEYANCE, FORT ORD, CALIFORNIA.**

2 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
3 *Army may convey to the City of Seaside, California (in*
4 *this section referred to as the “City”), all right, title, and*
5 *interest of the United States in and to a parcel of real prop-*
6 *erty (including improvements thereon) consisting of ap-*
7 *proximately 477 acres located in Monterey County, Califor-*
8 *nia, and comprising a portion of the former Fort Ord Mili-*
9 *tary Complex. The real property to be conveyed to the City*
10 *includes the two Fort Ord Golf Courses, Black Horse and*
11 *Bayonet, and the Hayes Housing Facilities.*

12 (b) *CONSIDERATION.*—*As consideration for the convey-*
13 *ance of the real property and improvements under sub-*
14 *section (a), the City shall pay to the United States an*
15 *amount equal to the fair market value of the property to*
16 *be conveyed, as determined by the Secretary under such*
17 *terms and conditions as are determined to be fair and equi-*
18 *table to both parties.*

19 (c) *USE AND DEPOSIT OF PROCEEDS.*—(1) *From the*
20 *funds paid by the City under subsection (b), the Secretary*
21 *shall deposit in the Morale, Welfare, and Recreation Fund*
22 *Account of the Department of the Army an amount equal*
23 *to the portion of such funds corresponding to the fair mar-*
24 *ket value of the two Fort Ord Golf Courses conveyed under*
25 *subsection (a), as established under subsection (b).*

1 (2) *The Secretary shall deposit the balance of the funds*
2 *paid by the City under subsection (b), after deducting the*
3 *amount deposited under paragraph (1), in the Department*
4 *of Defense Base Closure Account 1990.*

5 (d) *DESCRIPTION OF PROPERTY.—The exact acreage*
6 *and legal description of the real property (including im-*
7 *provements thereon) to be conveyed under subsection (a)*
8 *shall be determined by a survey satisfactory to the Secretary*
9 *and the City. The cost of the survey shall be borne by the*
10 *City.*

11 (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
12 *retary may require such additional terms and conditions*
13 *in connection with the conveyance under this section as the*
14 *Secretary considers appropriate to protect the interests of*
15 *the United States.*

16 **SEC. 2825. LAND CONVEYANCE, INDIANA ARMY AMMUNI-**
17 **TION PLANT, CHARLESTOWN, INDIANA.**

18 (a) *CONVEYANCE AUTHORIZED.—The Secretary of the*
19 *Army may convey, without consideration, to the State of*
20 *Indiana (in this section referred to as the “State”), all*
21 *right, title, and interest of the United States in and to a*
22 *parcel of real property, including any improvements there-*
23 *on, that consists of approximately 1125 acres at the inac-*
24 *tivated Indiana Army Ammunition Plant in Charlestown,*

1 *Indiana, and is the subject of a 25-year lease between the*
2 *Secretary and the State.*

3 *(b) CONDITION OF CONVEYANCE.—The conveyance au-*
4 *thorized under subsection (a) shall be subject to the condi-*
5 *tion that the State use the conveyed property for rec-*
6 *reational purposes.*

7 *(c) DESCRIPTION OF PROPERTY.—The exact acreage*
8 *and legal description of the real property to be conveyed*
9 *under subsection (a) shall be determined by a survey satis-*
10 *factory to the Secretary. The cost of such survey shall be*
11 *borne by the State.*

12 *(d) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
13 *retary may require such additional terms and conditions*
14 *in connection with the conveyance under subsection (a) as*
15 *the Secretary considers appropriate to protect the interests*
16 *of the United States.*

17 **SEC. 2826. LAND CONVEYANCE, NAVAL AIR STATION, PEN-**
18 **SACOLA, FLORIDA.**

19 *(a) CONVEYANCE AUTHORIZED.—The Secretary of the*
20 *Navy may convey to West Florida Developers, Inc. (in this*
21 *section referred to as “WFD”), all right, title, and interest*
22 *of the United States in and to a parcel of unimproved real*
23 *property consisting of approximately 135 acres at Naval*
24 *Air Station, Pensacola, Florida.*

1 (b) *CONSIDERATION.*—(1) *As consideration for the con-*
2 *veyance under subsection (a), WFD shall agree to restrict*
3 *the use of all lands located within the Air Installation Com-*
4 *patible Use Zones of Naval Air Station Pensacola and*
5 *owned by WFD at the time of the conveyance under sub-*
6 *section (a) in such manner as specified by the Secretary.*
7 *The lands subject to such restriction shall total at least 300*
8 *acres.*

9 (2) *If the fair market value of the property conveyed*
10 *under subsection (a) is more than the fair market value of*
11 *the restriction on usage under paragraph (1), WFD shall*
12 *pay to the United States an amount equal to the difference*
13 *between the fair market values.*

14 (c) *DETERMINATION OF FAIR MARKET VALUE.*—*The*
15 *Secretary shall determine the fair market value of the prop-*
16 *erty to be conveyed under subsection (a) and the fair market*
17 *value of the restriction on usage under subsection (b)(1).*
18 *Such determination shall be final.*

19 (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
20 *and legal description of the real property to be conveyed*
21 *under subsection (a) shall be determined by a survey satis-*
22 *factory to the Secretary. The cost of such survey shall be*
23 *borne by WFD.*

24 (e) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
25 *retary may require such additional terms and conditions*

1 *in connection with the conveyance authorized by subsection*
2 *(a) as the Secretary considers appropriate to protect the*
3 *interests of the United States.*

4 **SEC. 2827. LAND CONVEYANCE, AVON PARK AIR FORCE**
5 **RANGE, SEBRING, FLORIDA.**

6 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
7 *Air Force may convey, without consideration, to Highlands*
8 *County, Florida (in this section referred to as the “Coun-*
9 *ty”), all right, title, and interest of the United States in*
10 *and to a parcel of real property (including any improve-*
11 *ments thereon) located within the boundaries of the Avon*
12 *Park Air Force Range near Sebring, Florida, which has*
13 *previously served as the location of a support complex and*
14 *recreational facilities for the Avon Park Air Force Range.*

15 (b) *CONDITIONS OF CONVEYANCE.*—*The conveyance*
16 *authorized under subsection (a) shall be subject to the condi-*
17 *tions that the County—*

18 (1) *directly or through an agreement with an ap-*
19 *propriate public or private entity, use the conveyed*
20 *property, including the support complex and rec-*
21 *reational facilities, for operation of a juvenile or other*
22 *correctional facility; and*

23 (2) *enter into an agreement with the Secretary*
24 *to reconvey the property to the United States if the*
25 *Secretary determines that the conveyed property is*

1 *necessary to accomplish the military mission of the*
2 *Avon Park Air Force Range.*

3 (c) *REVERSIONARY INTEREST.*—*If the Secretary deter-*
4 *mines at any time that the property conveyed under sub-*
5 *section (a) is not being used in accordance with subsection*
6 *(b), all right, title, and interest in the property shall revert*
7 *to the United States, and the United States shall have the*
8 *right of immediate entry onto the property.*

9 (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
10 *and legal description of the real property to be conveyed*
11 *under subsection (a) shall be determined by a survey satis-*
12 *factory to the Secretary. The cost of such survey shall be*
13 *borne by the County.*

14 (e) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
15 *retary may require such additional terms and conditions*
16 *in connection with the conveyance under this section as the*
17 *Secretary considers appropriate to protect the interests of*
18 *the United States.*

19 **SEC. 2828. LAND CONVEYANCE, PARKS RESERVE FORCES**
20 **TRAINING AREA, DUBLIN, CALIFORNIA.**

21 (a) *CONVEYANCE AUTHORIZED.*—(1) *Except as pro-*
22 *vided in paragraph (2), the Secretary of the Army may*
23 *convey to the County of Alameda, California (in this section*
24 *referred to as the “County”), all right, title, and interest*
25 *of the United States in and to a parcel of real property*

1 *consisting of approximately 31 acres, together with im-*
2 *provements thereon, located at Parks Reserve Forces Train-*
3 *ing Area, Dublin, California.*

4 (2) *The conveyance authorized by this section shall not*
5 *include any oil, gas, or mineral interest of the United States*
6 *in the real property to be conveyed.*

7 (b) *CONSIDERATION.—(1) As consideration for the con-*
8 *veyance under subsection (a)(1), the County shall provide*
9 *the Army with services at the portion of Parks Reserve*
10 *Forces Training Area retained by the Army—*

11 (A) *to relocate the main gate of the retained*
12 *Army Training Area from Dougherty Road to Dublin*
13 *Boulevard across from the Bay Area Rapid Transit*
14 *District East Dublin station, including the closure of*
15 *the existing main gate on Dougherty Road, construc-*
16 *tion of a security facility, and construction of a road-*
17 *way from the new entrance to Fifth Street;*

18 (B) *to fence and landscape the southern bound-*
19 *ary of the retained Army Training Area installation*
20 *located northerly of Dublin Boulevard;*

21 (C) *to fence and landscape the eastern boundary*
22 *of the retained Army Training Area from Dublin*
23 *Boulevard to Gleason Drive;*

24 (D) *to resurface roadways within the retained*
25 *Army Training Area;*

1 (E) to provide such other services in connection
2 with the retained Army Training Area, including re-
3 location or reconstruction of water lines, relocation or
4 reconstruction of sewer lines, construction of drainage
5 improvements, and construction of buildings, as the
6 Secretary and the County may determine to be appro-
7 priate; and

8 (F) to provide for and fund any environmental
9 mitigation that is necessary as a result of a change
10 in use of the conveyed property by the County.

11 (2) The detailed specifications for the services to be
12 provided under paragraph (1) may be determined and ap-
13 proved on behalf of the Secretary by the Commander of
14 Parks Reserve Forces Training Area. The preparation costs
15 of such specifications shall be borne by the County.

16 (3) The value of improvements and services received
17 by the United States from the County under paragraph (1)
18 must be equal to or exceed the appraised value of the real
19 property to be conveyed under subsection (a)(1). The ap-
20 praisal of the value of the property shall be subject to Gov-
21 ernment review and approval.

22 (c) DESCRIPTION OF PROPERTY.—The exact acreage
23 and legal description of the real property to be conveyed
24 under subsection (a)(1) shall be determined by a survey sat-

1 *isfactory to the Secretary. The cost of such survey shall be*
2 *borne by the County.*

3 (d) *TIME FOR TRANSFER OF TITLE.*—*The transfer of*
4 *title to the County under subsection (a)(1) may be executed*
5 *by the Secretary only upon the satisfactory guarantee by*
6 *the County of completion of the services to be provided*
7 *under subsection (b).*

8 (e) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
9 *retary may require such additional terms and conditions*
10 *in connection with the conveyance under subsection (a)(1)*
11 *as the Secretary considers appropriate to protect the inter-*
12 *ests of the United States.*

13 **SEC. 2829. LAND CONVEYANCE, HOLSTON ARMY AMMUNI-**
14 **TION PLANT, MOUNT CARMEL, TENNESSEE.**

15 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
16 *Army may convey, without reimbursement, to the City of*
17 *Mount Carmel, Tennessee (in this section referred to as the*
18 *“City”), all right, title, and interest of the United States*
19 *in and to a parcel of real property consisting of approxi-*
20 *mately 6.5 acres, together with any improvements thereon,*
21 *located at Holston Army Ammunition Plant, Tennessee.*
22 *The property is located adjacent to the Mount Carmel Cem-*
23 *etry and is intended for expansion of the cemetery.*

24 (b) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
25 *and legal description of the real property to be conveyed*

1 *under subsection (a) shall be determined by a survey satis-*
2 *factory to the Secretary. The cost of such survey shall be*
3 *borne by the City.*

4 (c) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
5 *retary may require such additional terms and conditions*
6 *in connection with the conveyance under subsection (a) as*
7 *the Secretary considers appropriate to protect the interests*
8 *of the United States.*

9 **SEC. 2830. LAND CONVEYANCE, NAVAL WEAPONS INDUS-**
10 **TRIAL RESERVE PLANT, MCGREGOR, TEXAS.**

11 (a) *CONVEYANCE AUTHORIZED.—The Secretary of the*
12 *Navy may convey, without consideration, to the City of*
13 *McGregor, Texas (in this section referred to as the “City”),*
14 *all right, title, and interest of the United States in and to*
15 *a parcel of real property, including any improvements*
16 *thereon, containing the Naval Weapons Industrial Reserve*
17 *Plant in McGregor, Texas. After screening the facilities,*
18 *equipment, and fixtures (including special tooling and spe-*
19 *cial test equipment) located on the parcel for other uses*
20 *within the Department of the Navy, the Secretary may in-*
21 *clude in the conveyance remaining facilities, equipment,*
22 *and fixtures if the Secretary determines that manufacturing*
23 *activities requiring the use of such facilities, equipment,*
24 *and fixtures are likely to continue or be reinstated on the*
25 *parcel after conveyance.*

1 (b) *LEASE AUTHORITY.*—Until such time as the real
2 property described in subsection (a) is conveyed by deed,
3 the Secretary may lease the property, along with improve-
4 ments thereon, to the City in exchange for security services,
5 fire protection, and maintenance provided by the City for
6 the property.

7 (c) *CONDITION OF CONVEYANCE.*—The conveyance au-
8 thorized under subsection (a) shall be subject to the condi-
9 tion that the City, directly or through an agreement with
10 a public or private entity, use the conveyed property (or
11 offer the conveyed property for use) for economic redevelop-
12 ment to replace all or a part of the economic activity being
13 lost at the parcel.

14 (d) *DESCRIPTION OF PROPERTY.*—The exact acreage
15 and legal description of the real property to be conveyed
16 under subsection (a) shall be determined by a survey satis-
17 factory to the Secretary. The cost of such survey shall be
18 borne by the City.

19 (e) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-
20 retary may require such additional terms and conditions
21 in connection with the conveyance under subsection (a) or
22 a lease under subsection (b) as the Secretary considers ap-
23 propriate to protect the interests of the United States.

1 **SEC. 2831. TRANSFER OF JURISDICTION AND LAND CON-**
2 **VEYANCE, FORT DEVENS MILITARY RESERVA-**
3 **TION, MASSACHUSETTS.**

4 (a) *TRANSFER OF LAND FOR WILDLIFE REFUGE.*—
5 *Subject to subsection (b), the Secretary of the Army shall*
6 *transfer, without reimbursement, to the administrative ju-*
7 *risdiction of the Secretary of the Interior that portion of*
8 *Fort Devens Military Reservation in the State of Massachu-*
9 *setts that is situated south of Massachusetts State Route 2,*
10 *for inclusion in the Oxbow National Wildlife Refuge. The*
11 *transfer shall be made as soon as possible after the date*
12 *on which the property is determined to be excess to the needs*
13 *of the Department of Defense.*

14 (b) *LAND CONVEYANCE AUTHORIZED.*—*The Secretary*
15 *of the Army shall convey to the Town of Lancaster, Massa-*
16 *chusetts (in this section referred to as the “Town”), all*
17 *right, title, and interest of the United States in and to a*
18 *parcel of real property consisting of approximately 100*
19 *acres of the parcel available for transfer under subsection*
20 *(a) and located adjacent to Massachusetts State Highway*
21 *70.*

22 (c) *LEGAL DESCRIPTION.*—(1) *The exact acreage and*
23 *legal description of the real property to be transferred under*
24 *subsection (a) shall be determined by surveys that are mutu-*
25 *ally satisfactory to the Secretary of the Army and the Sec-*

1 *retary of the Interior. The cost of such surveys shall be borne*
2 *by the Secretary of the Interior.*

3 (2) *The exact acreage and legal description of the real*
4 *property to be conveyed under subsection (b) shall be deter-*
5 *mined by surveys that are mutually satisfactory to the Sec-*
6 *retary of the Army, the Secretary of the Interior, and the*
7 *Board of Selectman of the Town. The cost of such surveys*
8 *shall be borne by the Town.*

9 (d) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
10 *retary of the Army may require such additional terms and*
11 *conditions in connection with the transfer and conveyance*
12 *under this section as the Secretary of the Army considers*
13 *appropriate to protect the interests of the United States.*

14 **SEC. 2832. LAND CONVEYANCE, ELMENDORF AIR FORCE**
15 **BASE, ALASKA.**

16 (a) *SALE TO PRIVATE PERSON AUTHORIZED.—(1)*
17 *The Secretary of the Air Force may sell to a private person*
18 *all right, title, and interest of the United States in and to*
19 *a parcel of real property consisting of approximately 31.69*
20 *acres that is located at Elmendorf Air Force Base, Anchor-*
21 *age, Alaska, and identified in land lease W-95-507-ENG-*
22 *58.*

23 (2) *The Secretary may select as purchaser of the real*
24 *property such private person as the Secretary, in the sole*
25 *exercise of the Secretary's discretion, considers appropriate.*

1 *The conveyance shall be subject to the condition that the*
2 *purchaser agree to provide appropriate maintenance for the*
3 *apartment complex located on the property to be conveyed*
4 *and used by members of the Armed Forces stationed at El-*
5 *mendorf Air Force Base and their dependents.*

6 (b) *CONSIDERATION.*—*In consideration for the convey-*
7 *ance under subsection (a), the purchaser shall pay to the*
8 *United States an amount equal to the fair market value*
9 *of the real property to be conveyed, as determined by an*
10 *appraisal satisfactory to the Secretary. In determining the*
11 *fair market value of the real property, the Secretary shall*
12 *consider the property as encumbered by land lease W-95-*
13 *507-ENG-58, with an expiration date of June 13, 2024.*

14 (c) *DEPOSIT OF PROCEEDS.*—*The Secretary shall de-*
15 *posit the amount received from the purchaser under sub-*
16 *section (b) in the special account established under section*
17 *204(h)(2) of the Federal Property and Administrative Serv-*
18 *ices Act of 1949 (40 U.S.C. 585(h)(2)).*

19 (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
20 *and legal description of the real property to be conveyed*
21 *under subsection (a) shall be determined by a survey satis-*
22 *factory to the Secretary. The cost of such survey shall be*
23 *borne by the purchaser.*

24 (e) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
25 *retary may require such additional terms and conditions*

1 *in connection with the conveyance under this section as the*
2 *Secretary considers appropriate to protect the interests of*
3 *the United States.*

4 **SEC. 2833. LAND CONVEYANCE ALTERNATIVE TO EXISTING**
5 **LEASE AUTHORITY, NAVAL SUPPLY CENTER,**
6 **OAKLAND, CALIFORNIA.**

7 *Section 2834(b) of the Military Construction Author-*
8 *ization Act for Fiscal Year 1993 (division B of Public Law*
9 *102–484; 106 Stat. 2614), as amended by section 2833 of*
10 *the Military Construction Authorization Act for Fiscal Year*
11 *1994 (division B of Public Law 103–160) and section 2821*
12 *of the Military Construction Authorization Act for Fiscal*
13 *Year 1995 (division B of Public Law 103–337), is further*
14 *amended by adding at the end the following new para-*
15 *graphs:*

16 *“(4) In lieu of entering into a lease under paragraph*
17 *(1), or in place of an existing lease under such paragraph,*
18 *the Secretary may convey, without consideration, the prop-*
19 *erty described in such paragraph to the City of Oakland,*
20 *California, the Port of Oakland, California, or the City of*
21 *Alameda, California, under such terms and conditions as*
22 *the Secretary considers appropriate.*

23 *“(5) The exact acreage and legal description of any*
24 *property conveyed under paragraph (4) shall be determined*

1 *by a survey satisfactory to the Secretary. The cost of each*
2 *survey shall be borne by the recipient of the property.”.*

3 ***Subtitle D—Land Conveyances***
4 ***Involving Utilities***

5 ***SEC. 2841. CONVEYANCE OF RESOURCE RECOVERY FACIL-***
6 ***ITY, FORT DIX, NEW JERSEY.***

7 (a) *AUTHORITY TO CONVEY.*—*The Secretary of the*
8 *Army may convey to Burlington County, New Jersey (in*
9 *this section referred to as the “County”), all right, title, and*
10 *interest of the United States in and to a parcel of real prop-*
11 *erty at Fort Dix, New Jersey, consisting of approximately*
12 *two acres and containing a resource recovery facility,*
13 *known as the Fort Dix resource recovery facility.*

14 (b) *RELATED EASEMENTS.*—*The Secretary may grant*
15 *to the County any easement that is necessary for access to*
16 *and operation of the resource recovery facility conveyed*
17 *under subsection (a).*

18 (c) *CONDITIONS ON CONVEYANCE.*—*The conveyance of*
19 *the resource recovery facility authorized by subsection (a)*
20 *is subject to the following conditions:*

21 (1) *That the County accept the resource recovery*
22 *facility in its existing condition at the time of con-*
23 *veyance.*

24 (2) *That the County provide refuse and steam*
25 *service to Fort Dix, New Jersey, at the rate estab-*

1 *lished by the appropriate Federal or State regulatory*
2 *authority.*

3 (3) *That the County comply with all applicable*
4 *environmental laws and regulations relating to the re-*
5 *source recovery facility, including any permit or li-*
6 *cence requirements.*

7 (4) *That the County assume full responsibility*
8 *for ownership, operation, maintenance, repair, and*
9 *all regulatory compliance requirements for the re-*
10 *source recovery facility.*

11 (d) *CONDITION ON EXPANSION.—The conveyance of the*
12 *resource recovery facility under subsection (a) shall also be*
13 *subject to the condition that the County may not expand*
14 *the resource recovery facility without prior approval by the*
15 *Secretary.*

16 (e) *ENVIRONMENTAL COMPLIANCE.—The County shall*
17 *be responsible for owning, operating, and upgrading the re-*
18 *source recovery facility in accordance with all applicable*
19 *Federal, State, and municipal laws and regulations pro-*
20 *mulgated thereunder.*

21 (f) *DESCRIPTION OF THE PROPERTY.—The exact acre-*
22 *age and legal description of the real property to be conveyed*
23 *under subsection (a), and of any easements to be granted*
24 *under subsection (b), shall be determined by a survey satis-*

1 *factory to the Secretary. The cost of such survey shall be*
2 *borne by the County.*

3 (g) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
4 *retary may require such additional terms and conditions*
5 *in connection with the conveyance under subsection (a) and*
6 *the grant of any easement under subsection (b) as the Sec-*
7 *retary considers appropriate to protect the interests of the*
8 *United States.*

9 **SEC. 2842. CONVEYANCE OF WATER AND WASTEWATER**
10 **TREATMENT PLANTS, FORT GORDON, GEOR-**
11 **GIA.**

12 (a) *CONVEYANCE AUTHORIZED.—The Secretary of the*
13 *Army may convey to the city of Augusta, Georgia (in this*
14 *section referred to as the “City”), all right, title, and inter-*
15 *est of the United States to several parcels of real property*
16 *located at Fort Gordon, Georgia, and consisting of approxi-*
17 *mately seven acres each. The parcels are improved with a*
18 *water filtration plant, water distribution system with stor-*
19 *age tanks, sewage treatment plant, and sewage collection*
20 *system.*

21 (b) *RELATED EASEMENTS.—The Secretary may grant*
22 *to the City any easement that is necessary for access to the*
23 *real property conveyed under subsection (a) and operation*
24 *of the conveyed facilities.*

1 (c) *CONDITIONS ON CONVEYANCE.*—The conveyance
2 authorized by subsection (a) is subject to the following con-
3 ditions:

4 (1) *That the City accept the water and*
5 *wastewater treatment plants and distribution and*
6 *collection systems in their existing condition at the*
7 *time of conveyance.*

8 (2) *That the City provide water and sewer serv-*
9 *ice to Fort Gordon, Georgia, at a rate established by*
10 *the appropriate Federal or State regulatory author-*
11 *ity.*

12 (3) *That the City comply with all applicable en-*
13 *vironmental laws and regulations regarding the real*
14 *property conveyed under subsection (a), including*
15 *any permit or license requirements.*

16 (4) *That the City assume full responsibility for*
17 *ownership, operation, maintenance, repair, and all*
18 *regulatory compliance requirements for the water and*
19 *wastewater treatment plants and distribution and*
20 *collection systems.*

21 (d) *CONDITION ON EXPANSION.*—The conveyance
22 under subsection (a) shall also be subject to the condition
23 that the City may not expand the water and wastewater
24 treatment plants and distribution and collection systems
25 without prior approval by the Secretary.

1 (e) *ENVIRONMENTAL COMPLIANCE.*—The City shall be
2 responsible for owning, operating, and upgrading the water
3 and wastewater treatment plants and distribution and col-
4 lection systems in accordance with all applicable Federal,
5 State, and municipal laws and regulations promulgated
6 thereunder.

7 (f) *DESCRIPTION OF PROPERTY.*—The exact acreage
8 and legal description of the real property to be conveyed
9 under subsection (a), and of any easements granted under
10 subsection (b), shall be determined by a survey satisfactory
11 to the Secretary. The cost of such survey shall be borne by
12 the City.

13 (g) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-
14 retary may require such additional terms and conditions
15 in connection with the conveyance under subsection (a) and
16 the grant of any easement under subsection (b) as the Sec-
17 retary considers appropriate to protect the interests of the
18 United States.

19 **SEC. 2843. CONVEYANCE OF ELECTRICAL DISTRIBUTION**
20 **SYSTEM, FORT IRWIN, CALIFORNIA.**

21 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the
22 Army may convey to the Southern California Edison Com-
23 pany, California (in this section referred to as the “Com-
24 pany”), all right, title, and interest of the United States

1 *in and to the electrical distribution system located at Fort*
2 *Irwin, California.*

3 **(b) DESCRIPTION OF SYSTEM AND CONVEYANCE.**—*The*
4 *electrical distribution system authorized to be conveyed*
5 *under subsection (a) consists of approximately 115 miles*
6 *of electrical distribution lines, including poles, switches,*
7 *reclosers, transformers, regulators, switchgears, and service*
8 *lines. The conveyance includes the equipment, fixtures,*
9 *structures, and other improvements the Federal Government*
10 *utilizes to provide electrical services at Fort Irwin. The con-*
11 *veyance shall not include any real property.*

12 **(c) RELATED EASEMENTS.**—*The Secretary may grant*
13 *to the Company any easement that is necessary for access*
14 *to and operation of the electrical distribution system con-*
15 *veyed under subsection (a).*

16 **(d) CONDITIONS ON CONVEYANCE.**—*The conveyance*
17 *authorized by subsection (a) is subject to the following con-*
18 *ditions:*

19 **(1)** *That the Company accept the electrical dis-*
20 *tribution system in its existing condition at the time*
21 *of conveyance.*

22 **(2)** *That the Company provide electrical service*
23 *to Fort Irwin, California, at a rate established by the*
24 *appropriate Federal or State regulatory authority.*

1 (3) *That the Company comply with all applica-*
2 *ble environmental laws and regulations regarding the*
3 *electrical distribution system, including any permit*
4 *or license requirements.*

5 (4) *That the Company assume full responsibility*
6 *for ownership, operation, maintenance, repair, and*
7 *all regulatory compliance requirements for the elec-*
8 *trical distribution system.*

9 (e) *CONDITION ON EXPANSION.*—*The conveyance under*
10 *subsection (a) shall also be subject to the condition that the*
11 *Company may not expand the electrical distribution system*
12 *without prior approval by the Secretary.*

13 (f) *ENVIRONMENTAL COMPLIANCE.*—*The Company*
14 *shall be responsible for owning, operating, and upgrading*
15 *the electrical distribution system in accordance with all ap-*
16 *plicable Federal, State, and municipal laws and regula-*
17 *tions promulgated thereunder.*

18 (g) *DESCRIPTION OF EASEMENT.*—*The exact acreage*
19 *and legal description of any easement granted under sub-*
20 *section (c) shall be determined by a survey satisfactory to*
21 *the Secretary. The cost of such survey shall be borne by the*
22 *Company.*

23 (h) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
24 *retary may require such additional terms and conditions*
25 *in connection with the conveyance under subsection (a) and*

1 *the grant of any easement under subsection (c) as the Sec-*
2 *retary considers appropriate to protect the interests of the*
3 *United States.*

4 ***Subtitle E—Other Matters***

5 ***SEC. 2851. EXPANSION OF AUTHORITY TO SELL ELEC-***
6 ***TRICITY.***

7 *(a) INCLUSION OF ADDITIONAL ENERGY PRODUCTION*
8 *FACILITIES.—Subsection (a) of section 2483 of title 10,*
9 *United States Code, is amended by striking out “alternate*
10 *energy and cogeneration type production facilities” in the*
11 *first sentence and inserting in lieu thereof “energy produc-*
12 *tion facilities”.*

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

15 ***“§2483. Special sale authority regarding electricity”.***

16 *(2) The table of sections at the beginning of chapter*
17 *147 of title 10, United States Code, is amended by striking*
18 *out the item relating to section 2483 and inserting in lieu*
19 *thereof the following new item:*

“2483. Special sale authority regarding electricity.”.

20 ***SEC. 2852. AUTHORITY FOR MISSISSIPPI STATE PORT AU-***
21 ***THORITY TO USE NAVY PROPERTY AT NAVAL***
22 ***CONSTRUCTION BATTALION CENTER, GULF-***
23 ***PORT, MISSISSIPPI.***

24 *(a) JOINT USE AGREEMENT AUTHORIZED.—The Sec-*
25 *retary of the Navy may enter into an agreement with the*

1 *Port Authority of the State of Mississippi (in this section*
2 *referred to as the “Port Authority”), under which the Port*
3 *Authority may use real property comprising up to 50 acres*
4 *located at the Naval Construction Battalion Center, Gulf-*
5 *port, Mississippi (in this section referred to as the “Cen-*
6 *ter”).*

7 (b) *TERM OF AGREEMENT.—The agreement authorized*
8 *under subsection (a) may be for an initial period of not*
9 *more than 15 years. Under the agreement, the Secretary*
10 *shall provide the Port Authority with an option to extend*
11 *the agreement for at least three additional periods of five*
12 *years each.*

13 (c) *CONDITIONS ON USE.—The agreement authorized*
14 *under subsection (a) shall require the Port Authority—*

15 (1) *to suspend operations under the agreement in*
16 *the event Navy contingency operations are conducted*
17 *at the Center; and*

18 (2) *to use the property covered by the agreement*
19 *in a manner consistent with Navy operations con-*
20 *ducted at the Center.*

21 (d) *CONSIDERATION.—(1) As consideration for the use*
22 *of the property covered by the agreement under subsection*
23 *(a), the Port Authority shall pay to the Navy an amount*
24 *equal to the fair market rental value of the property, as*

1 *determined by the Secretary taking into consideration the*
2 *Port Authority's use of the property.*

3 (2) *The Secretary may include a provision in the*
4 *agreement requiring the Port Authority—*

5 (A) *to pay the Navy an amount (as determined*
6 *by the Secretary) to cover the costs of replacing at the*
7 *Center any facilities vacated by the Navy on account*
8 *of the agreement or to construct suitable replacement*
9 *facilities for the Navy; and*

10 (B) *to pay the Navy an amount (as determined*
11 *by the Secretary) for the costs of relocating Navy op-*
12 *erations from the vacated facilities to the replacement*
13 *facilities.*

14 (e) *CONGRESSIONAL NOTIFICATION.—The Secretary*
15 *may not enter into the agreement authorized by subsection*
16 *(a) until the end of the 21-day period beginning on the date*
17 *on which the Secretary submits to Congress a report con-*
18 *taining an explanation of the terms of the proposed agree-*
19 *ment and a description of the consideration that the Sec-*
20 *retary expects to receive under the agreement.*

21 (f) *USE OF PAYMENT.—(1) In such amounts as are*
22 *provided in advance in appropriation Acts, the Secretary*
23 *may use amounts paid under subsection (d)(1) to pay for*
24 *general supervision, administration, and overhead expenses*
25 *and for improvement, maintenance, repair, construction, or*

1 *restoration of the roads, railways, and facilities serving the*
2 *Center.*

3 (2) *In such amounts as are provided in advance in*
4 *appropriation Acts, the Secretary may use amounts paid*
5 *under subsection (d)(2) to pay for constructing new facili-*
6 *ties, or making modifications to existing facilities, that are*
7 *necessary to replace facilities vacated by the Navy on ac-*
8 *count of the agreement under subsection (a) and for relocat-*
9 *ing operations of the Navy from the vacated facilities to*
10 *replacement facilities.*

11 (g) *CONSTRUCTION BY PORT AUTHORITY.—The Sec-*
12 *retary may authorize the Port Authority to demolish exist-*
13 *ing facilities located on the property covered by the agree-*
14 *ment under subsection (a) and, consistent with the restric-*
15 *tion specified in subsection (c)(2), construct new facilities*
16 *on the property for joint use by the Port Authority and*
17 *the Navy.*

18 (h) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
19 *retary may require such additional terms and conditions*
20 *in connection with the agreement authorized under sub-*
21 *section (a) as the Secretary considers appropriate to protect*
22 *the interests of the United States.*

1 **SEC. 2853. PROHIBITION ON JOINT CIVIL AVIATION USE OF**
2 **NAVAL AIR STATION MIRAMAR, CALIFORNIA.**

3 *The Secretary of the Navy may not enter into any*
4 *agreement that would provide for or permit civil aircraft*
5 *to regularly use Naval Air Station Miramar, California.*

6 **SEC. 2854. REPORT REGARDING ARMY WATER CRAFT SUP-**
7 **PORT FACILITIES AND ACTIVITIES.**

8 *Not later than February 15, 1996, the Secretary of the*
9 *Army shall submit to Congress a report describing—*

10 *(1) the location, assets, and mission of each*
11 *Army facility, active or reserve component, that sup-*
12 *ports water transportation operations;*

13 *(2) an infrastructure inventory and utilization*
14 *rate of each Army facility supporting water transpor-*
15 *tation operations;*

16 *(3) options for consolidating these operations to*
17 *reduce overhead; and*

18 *(4) actions that can be taken to affirmatively re-*
19 *spond to requests from the residents of Marcus Hook,*
20 *Pennsylvania, to close the Army Reserve facility lo-*
21 *cated in Marcus Hook and make the facility available*
22 *for use by the community.*

1 ***DIVISION C—DEPARTMENT OF***
2 ***ENERGY NATIONAL***
3 ***SECURITY AUTHORIZATIONS***
4 ***AND OTHER AUTHORIZATIONS***
5 ***TITLE XXXI—DEPARTMENT OF***
6 ***ENERGY NATIONAL SECURITY***
7 ***PROGRAMS***
8 ***Subtitle A—National Security***
9 ***Programs Authorizations***

10 ***SEC. 3101. WEAPONS ACTIVITIES.***

11 *(a) STOCKPILE STEWARDSHIP.—Subject to subsection*
12 *(d), funds are hereby authorized to be appropriated to the*
13 *Department of Energy for fiscal year 1996 for stockpile*
14 *stewardship in carrying out weapons activities necessary*
15 *for national security programs in the amount of*
16 *\$3,610,914,000, to be allocated as follows:*

17 *(1) For core stockpile stewardship,*
18 *\$1,189,708,000 for fiscal year 1996, to be allocated as*
19 *follows:*

20 *(A) For operation and maintenance,*
21 *\$1,098,403,000.*

22 *(B) For plant projects (including mainte-*
23 *nance, restoration, planning, construction, ac-*
24 *quisition, modification of facilities, and the con-*
25 *tinuation of projects authorized in prior years,*

1 *and land acquisition related thereto),*
2 *\$96,305,000, to be allocated as follows:*

3 *Project 96–D–102, stockpile steward-*
4 *ship facilities revitalization, Phase VI, var-*
5 *ious locations, \$2,520,000.*

6 *Project 96–D–103, ATLAS, Los Ala-*
7 *mos National Laboratory, Los Alamos, New*
8 *Mexico, \$8,400,000.*

9 *Project 96–D–104, processing and en-*
10 *vironmental technology laboratory (PETL),*
11 *Sandia National Laboratories, Albuquerque,*
12 *New Mexico, \$1,800,000.*

13 *Project 96–D–105, contained firing fa-*
14 *cility addition, Lawrence Livermore Na-*
15 *tional Laboratory, Livermore, California,*
16 *\$6,600,000.*

17 *Project 95–D–102, Chemical and Met-*
18 *allurgy Research Building upgrades project,*
19 *Los Alamos National Laboratory, Los Ala-*
20 *mos, New Mexico, \$9,940,000.*

21 *Project 94–D–102, nuclear weapons re-*
22 *search, development, and testing facilities*
23 *revitalization, Phase V, various locations,*
24 *\$12,200,000.*

1 *Project 93–D–102, Nevada support fa-*
2 *cility, North Las Vegas, Nevada,*
3 *\$15,650,000.*

4 *Project 90–D–102, nuclear weapons re-*
5 *search, development, and testing facilities*
6 *revitalization, Phase III, various locations,*
7 *\$6,200,000.*

8 *Project 88–D–106, nuclear weapons re-*
9 *search, development, and testing facilities*
10 *revitalization, Phase II, various locations,*
11 *\$27,995,000.*

12 *(2) For inertial fusion, \$240,667,000, to be allo-*
13 *cated as follows:*

14 *(A) For operation and maintenance,*
15 *\$203,267,000.*

16 *(B) For plant projects (including mainte-*
17 *nance, restoration, planning, construction, ac-*
18 *quisition, modification of facilities, and the con-*
19 *tinuation of projects authorized in prior years,*
20 *and land acquisition related thereto),*
21 *\$37,400,000 to be allocated as follows:*

22 *Project 96–D–111, national ignition*
23 *facility, TBD, \$37,400,000.*

24 *(3) For technology transfer, \$25,000,000.*

25 *(4) For Marshall Islands, \$6,800,000.*

1 (b) *STOCKPILE MANAGEMENT.*—*Subject to subsection*
2 *(d), funds are hereby authorized to be appropriated to the*
3 *Department of Energy for fiscal year 1996 for stockpile*
4 *management in carrying out weapons activities necessary*
5 *for national security programs in the amount of*
6 *\$2,142,083,000, to be allocated as follows:*

7 (1) *For operation and maintenance,*
8 *\$2,028,458,000.*

9 (2) *For plant projects (including maintenance,*
10 *restoration, planning, construction, acquisition, modi-*
11 *fication of facilities, and the continuation of projects*
12 *authorized in prior years, and land acquisition relat-*
13 *ed thereto), \$113,625,000, to be allocated as follows:*

14 *Project 96–D–122, sewage treatment quality*
15 *upgrade (STQU), Pantex Plant, Amarillo,*
16 *Texas, \$600,000.*

17 *Project 96–D–123, retrofit HVAC and*
18 *chillers for ozone protection, Y–12 Plant, Oak*
19 *Ridge, Tennessee, \$3,100,000.*

20 *Project 96–D–125, Washington measure-*
21 *ments operations facility, Andrews Air Force*
22 *Base, Camp Springs, Maryland, \$900,000.*

23 *Project 96–D–126, tritium loading line*
24 *modifications, Savannah River Site, South*
25 *Carolina, \$12,200,000.*

1 *Project 95-D-122, sanitary sewer upgrade,*
2 *Y-12 Plant, Oak Ridge, Tennessee, \$6,300,000.*

3 *Project 94-D-124, hydrogen fluoride supply*
4 *system, Y-12 Plant, Oak Ridge, Tennessee,*
5 *\$8,700,000.*

6 *Project 94-D-125, upgrade life safety, Kan-*
7 *sas City Plant, Kansas City, Missouri,*
8 *\$5,500,000.*

9 *Project 94-D-127, emergency notification*
10 *system, Pantex Plant, Amarillo, Texas,*
11 *\$2,000,000.*

12 *Project 94-D-128, environmental safety*
13 *and health analytical laboratory, Pantex Plant,*
14 *Amarillo, Texas, \$4,000,000.*

15 *Project 93-D-122, life safety upgrades, Y-*
16 *12 Plant, Oak Ridge, Tennessee, \$7,200,000.*

17 *Project 93-D-123, complex-21, various lo-*
18 *cations, \$41,065,000.*

19 *Project 88-D-122, facilities capability as-*
20 *urance program, various locations, \$8,660,000.*

21 *Project 88-D-123, security enhancement,*
22 *Pantex Plant, Amarillo, Texas, \$13,400,000.*

23 *(c) PROGRAM DIRECTION.—Subject to subsection (d),*
24 *funds are hereby authorized to be appropriated to the De-*
25 *partment of Energy for fiscal year 1996 for program direc-*

1 *tion in carrying out weapons activities necessary for na-*
2 *tional security programs in the amount of \$118,000,000.*

3 (d) *ADJUSTMENTS.—The total amount authorized to*
4 *be appropriated pursuant to this section is the sum of the*
5 *amounts authorized to be appropriated in subsections (a)*
6 *through (c) reduced by the sum of—*

7 (1) *\$25,000,000, for savings resulting from pro-*
8 *curement reform; and*

9 (2) *\$86,344,000, for use in prior year balances.*

10 **SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE**
11 **MANAGEMENT.**

12 (a) *CORRECTIVE ACTIVITIES.—Subject to subsection*
13 *(i), funds are hereby authorized to be appropriated to the*
14 *Department of Energy for fiscal year 1996 for corrective*
15 *activities in carrying out environmental restoration and*
16 *waste management activities necessary for national security*
17 *programs in the amount of \$3,406,000, all of which shall*
18 *be available for the following plant project (including main-*
19 *tenance, restoration, planning, construction, acquisition,*
20 *modification of facilities, and land acquisition related*
21 *thereto):*

22 *Project 90–D–103, environment, safety and*
23 *health improvements, weapons research and develop-*
24 *ment complex, Los Alamos National Laboratory, Los*
25 *Alamos, New Mexico.*

1 (b) *ENVIRONMENTAL RESTORATION.*—Subject to sub-
2 section (i), funds are hereby authorized to be appropriated
3 to the Department of Energy for fiscal year 1996 for envi-
4 ronmental restoration in carrying out environmental res-
5 toration and waste management activities necessary for na-
6 tional security programs in the amount of \$1,575,973,000.

7 (c) *WASTE MANAGEMENT.*—Subject to subsection (i),
8 funds are hereby authorized to be appropriated to the De-
9 partment of Energy for fiscal year 1996 for waste manage-
10 ment in carrying out environmental restoration and waste
11 management activities necessary for national security pro-
12 grams in the amount of \$2,351,596,000, to be allocated as
13 follows:

14 (1) For operation and maintenance,
15 \$2,168,994,000.

16 (2) For plant projects (including maintenance,
17 restoration, planning, construction, acquisition, modi-
18 fication of facilities, and the continuation of projects
19 authorized in prior years, and land acquisition relat-
20 ed thereto), \$182,602,000, to be allocated as follows:

21 Project 96–D–406, K-Basin operations pro-
22 gram, Richland, Washington, \$26,000,000.

23 Project 96–D–407, mixed waste low level
24 waste treatment projects, Rocky Flats, Golden,
25 Colorado, \$2,900,000.

1 *Project 96-D-408, waste management up-*
2 *grades, various locations, \$5,615,000.*

3 *Project 95-D-402, install permanent elec-*
4 *trical service for the Waste Isolation Pilot Plant,*
5 *Carlsbad, New Mexico, \$4,314,000.*

6 *Project 95-D-405, industrial landfill V and*
7 *construction/demolition landfill VII, Phase III,*
8 *Y-12 Plant, Oak Ridge, Tennessee, \$4,600,000.*

9 *Project 95-D-406, road 5-01 reconstruc-*
10 *tion, area 5, Nevada Test Site, Nevada,*
11 *\$1,023,000.*

12 *Project 94-D-400, high explosive*
13 *wastewater treatment system, Los Alamos Na-*
14 *tional Laboratory, Los Alamos, New Mexico,*
15 *\$4,445,000.*

16 *Project 94-D-402, liquid waste treatment*
17 *system, Nevada Test Site, Nevada, \$282,000.*

18 *Project 94-D-404, Melton Valley storage*
19 *tanks capacity increase, Oak Ridge National*
20 *Laboratory, Oak Ridge, Tennessee, \$11,000,000.*

21 *Project 94-D-407, initial tank retrieval*
22 *systems, Richland, Washington, \$9,400,000.*

23 *Project 94-D-411, solid waste operations*
24 *complex project, Richland, Washington,*
25 *\$5,500,000.*

1 *Project 94-D-417, intermediate level and*
2 *low activity waste vaults, Savannah River Site,*
3 *Aiken, South Carolina, \$2,704,000.*

4 *Project 93-D-178, building 374 liquid*
5 *waste treatment facility, Rocky Flats Environ-*
6 *mental Technology Site, Golden, Colorado,*
7 *\$3,900,000.*

8 *Project 93-D-182, replacement of cross-site*
9 *transfer system, Richland, Washington,*
10 *\$19,795,000.*

11 *Project 93-D-183, multi-function waste re-*
12 *mediation facility, Richland, Washington,*
13 *\$31,000,000.*

14 *Project 93-D-187, high-level waste removal*
15 *from filled waste tanks, Savannah River Site,*
16 *Aiken, South Carolina, \$19,700,000.*

17 *Project 92-D-171, mixed waste receiving*
18 *and storage facility, Los Alamos National Lab-*
19 *oratory, Los Alamos, New Mexico, \$1,105,000.*

20 *Project 92-D-188, waste management envi-*
21 *ronmental, safety and health (ES&H) and com-*
22 *pliance activities, various locations, \$1,100,000.*

23 *Project 90-D-172, aging waste transfer*
24 *lines, Richland, Washington, \$2,000,000.*

1 *Project 90-D-177, RWMC transuranic*
2 *(TRU) waste characterization and storage facil-*
3 *ity, Idaho National Engineering Laboratory,*
4 *Idaho, \$1,428,000.*

5 *Project 90-D-178, TSA retrieval enclosure,*
6 *Idaho National Engineering Laboratory, Idaho,*
7 *\$2,606,000.*

8 *Project 89-D-173, tank farm ventilation*
9 *upgrade, Richland, Washington, \$800,000.*

10 *Project 89-D-174, replacement high-level*
11 *waste evaporator, Savannah River Site, Aiken,*
12 *South Carolina, \$11,500,000.*

13 *Project 86-D-103, decontamination and*
14 *waste treatment facility, Lawrence Livermore*
15 *National Laboratory, Livermore, California,*
16 *\$8,885,000.*

17 *Project 83-D-148, nonradioactive hazard-*
18 *ous waste management, Savannah River Site,*
19 *Aiken, South Carolina, \$1,000,000.*

20 *(d) TECHNOLOGY DEVELOPMENT.—Subject to sub-*
21 *section (i), funds are hereby authorized to be appropriated*
22 *to the Department of Energy for fiscal year 1996 for tech-*
23 *nology development in carrying out environmental restora-*
24 *tion and waste management activities necessary for na-*
25 *tional security programs in the amount of \$390,510,000.*

1 (e) *TRANSPORTATION MANAGEMENT.*—Subject to sub-
2 section (i), funds are hereby authorized to be appropriated
3 to the Department of Energy for fiscal year 1996 for trans-
4 portation management in carrying out environmental res-
5 toration and waste management activities necessary for na-
6 tional security programs in the amount of \$10,158,000.

7 (f) *NUCLEAR MATERIALS AND FACILITIES STABILIZA-*
8 *TION.*—Subject to subsection (i), funds are hereby author-
9 ized to be appropriated to the Department of Energy for
10 fiscal year 1996 for nuclear materials and facilities sta-
11 bilization in carrying out environmental restoration and
12 waste management activities necessary for national security
13 programs in the amount of \$1,514,504,000 to be allocated
14 as follows:

15 (1) For operation and maintenance,
16 \$1,427,108,000.

17 (2) For plant projects (including maintenance,
18 restoration, planning, construction, acquisition, modi-
19 fication of facilities, and the continuation of projects
20 authorized in prior years, and land acquisition relat-
21 ed thereto), \$87,396,000, to be allocated as follows:

22 Project 96–D–458, site drainage control,
23 Mound Plant, Miamisburg, Ohio, \$885,000.

24 Project 96–D–461, Idaho National Engi-
25 neering Laboratory electrical distribution up-

1 *grade, Idaho National Engineering Laboratory,*
2 *Idaho, \$1,539,000.*

3 *Project 96-D-462, health physics instru-*
4 *ment laboratory, Idaho National Engineering*
5 *Laboratory, Idaho, \$1,126,000.*

6 *Project 96-D-464, electrical and utility sys-*
7 *tems upgrade, Idaho Chemical Processing Plant,*
8 *Idaho National Engineering Laboratory, Idaho,*
9 *\$4,952,000.*

10 *Project 96-D-470, environmental monitor-*
11 *ing laboratory, Savannah River Site, Aiken,*
12 *South Carolina, \$3,500,000.*

13 *Project 96-D-471, CFC HVAC/chiller retro-*
14 *fit, Savannah River Site, Aiken, South Carolina,*
15 *\$1,500,000.*

16 *Project 96-D-473, health physics site sup-*
17 *port facility, Savannah River Site, Aiken, South*
18 *Carolina, \$2,000,000.*

19 *Project 95-D-155, upgrade site road infra-*
20 *structure, Savannah River site, Aiken, South*
21 *Carolina, \$2,900,000.*

22 *Project 95-D-156, radio trunking system,*
23 *Savannah River site, Aiken, South Carolina,*
24 *\$6,000,000.*

1 *Project 95-D-454, 324 facility compliance/
2 renovation, Richland, Washington, \$3,500,000.*

3 *Project 95-D-456, security facilities con-
4 solidation, Idaho Chemical Processing Plant,
5 Idaho National Engineering Laboratory, Idaho,
6 \$8,382,000.*

7 *Project 94-D-122, underground storage
8 tanks, Rocky Flats Plant, Golden, Colorado,
9 \$5,000,000.*

10 *Project 94-D-401, emergency response facil-
11 ity, Idaho National Engineering Laboratory,
12 Idaho, \$5,074,000.*

13 *Project 94-D-412, 300 area process sewer
14 piping system upgrade, Richland, Washington,
15 \$1,000,000.*

16 *Project 94-D-415, Idaho National Engi-
17 neering Laboratory medical facilities, Idaho Na-
18 tional Engineering Laboratory, Idaho,
19 \$3,601,000.*

20 *Project 94-D-451, infrastructure replace-
21 ment, Rocky Flats Plant, Golden, Colorado,
22 \$2,940,000.*

23 *Project 93-D-147, domestic water system
24 upgrade, Phase I and II, Savannah River Site,
25 Aiken, South Carolina, \$7,130,000.*

1 *Project 93-D-172, Idaho National Engi-*
2 *neering Laboratory electrical upgrade, Idaho Na-*
3 *tional Engineering Laboratory, Idaho, \$124,000.*

4 *Project 92-D-123, plant fire/security alarm*
5 *system replacement, Rocky Flats Plant, Golden,*
6 *Colorado, \$9,560,000.*

7 *Project 92-D-125, master safeguards and*
8 *security agreement/materials surveillance task*
9 *force security upgrades, Rocky Flats Plant, Gold-*
10 *en, Colorado, \$7,000,000.*

11 *Project 92-D-181, Idaho National Engi-*
12 *neering Laboratory fire and life safety improve-*
13 *ments, Idaho National Engineering Laboratory,*
14 *Idaho, \$6,883,000.*

15 *Project 91-D-127, criticality alarm and*
16 *plant annunciation utility replacement, Rocky*
17 *Flats Plant, Golden, Colorado, \$2,800,000.*

18 *(g) COMPLIANCE AND PROGRAM COORDINATION.—*
19 *Subject to subsection (i), funds are hereby authorized to be*
20 *appropriated to the Department of Energy for fiscal year*
21 *1996 for compliance and program coordination in carrying*
22 *out environmental restoration and waste management ac-*
23 *tivities necessary for national security programs in the*
24 *amount of \$31,251,000, to be allocated as follows:*

1 (1) For operation and maintenance,
2 \$16,251,000.

3 (2) For the following plant project (including
4 maintenance, restoration, planning, construction, ac-
5 quisition, modification of facilities, and the continu-
6 ation of projects authorized in prior years, and land
7 acquisition related thereto):

8 Project 95-E-600, hazardous materials
9 management and emergency response training
10 center, Richland, Washington, \$15,000,000.

11 (h) ANALYSIS, EDUCATION, AND RISK MANAGE-
12 MENT.—Subject to subsection (i), funds are hereby author-
13 ized to be appropriated to the Department of Energy for
14 fiscal year 1996 analysis, education, and risk management
15 in carrying out environmental restoration and waste man-
16 agement activities necessary for national security programs
17 in the amount of \$77,022,000.

18 (i) ADJUSTMENTS.—The total amount authorized to be
19 appropriated pursuant to this section is the sum of the
20 amounts specified in subsections (a) through (h) reduced by
21 the sum of—

22 (1) \$651,942,000, for use of prior year balances;

23 and

24 (2) \$37,000,000 for Savannah River Pension Re-
25 fund.

1 **SEC. 3103. PAYMENT OF PENALTIES.**

2 *The Secretary of Energy may pay to the Hazardous*
3 *Substance Superfund established under section 9507 of the*
4 *Internal Revenue Code of 1986 (26 U.S.C. 9507), from*
5 *funds appropriated to the Department of Energy for envi-*
6 *ronmental restoration and waste management activities*
7 *pursuant to section 3102, stipulated civil penalties assessed*
8 *under the Comprehensive Environmental Response, Com-*
9 *pensation, and Liability Act of 1980 (42 U.S.C. 9601 et*
10 *seq.) in the amount of \$350,000 assessed against the Rocky*
11 *Flats site, Colorado, under such Act.*

12 **SEC. 3104. OTHER DEFENSE ACTIVITIES.**

13 *(a) OTHER DEFENSE ACTIVITIES.—Subject to sub-*
14 *section (b), funds are hereby authorized to be appropriated*
15 *to the Department of Energy for fiscal year 1996 for other*
16 *defense activities in carrying out programs necessary for*
17 *national security in the amount of \$1,328,841,000, to be*
18 *allocated as follows:*

19 *(1) For verification and control technology,*
20 *\$353,200,000, to be allocated as follows:*

21 *(A) For nonproliferation and verification*
22 *research and development, \$163,500,000.*

23 *(B) For arms control, \$147,364,000.*

24 *(C) For intelligence, \$42,336,000.*

25 *(2) For nuclear safeguards and security,*
26 *\$83,395,000.*

1 (3) For security investigations, \$25,000,000.

2 (4) For security evaluations, \$14,707,000.

3 (5) For the Office of Nuclear Safety,
4 \$15,050,000.

5 (6) For worker and community transition assist-
6 ance, \$75,000,000.

7 (7) For fissile materials disposition, \$70,000,000.

8 (8) For emergency management, \$23,321,000.

9 (9) For naval reactors development,
10 \$682,168,000, to be allocated as follows:

11 (A) For operation and infrastructure,
12 \$659,168,000.

13 (B) For plant projects (including mainte-
14 nance, restoration, planning, construction, ac-
15 quisition, modification of facilities, and the con-
16 tinuation of projects authorized in prior years,
17 and land acquisition related thereto),
18 \$23,000,000, to be allocated as follows:

19 Project 95-D-200, laboratory systems
20 and hot cell upgrades, various locations,
21 \$11,300,000.

22 Project 95-D-201, advanced test reac-
23 tor radioactive waste system upgrades,
24 Idaho National Engineering Laboratory,
25 Idaho, \$4,800,000.

1 *Project 93-D-200, engineering services*
2 *facilities, Knolls Atomic Power Laboratory,*
3 *Niskayuna, New York, \$3,900,000.*

4 *Project 90-N-102, expended core facil-*
5 *ity dry cell project, Naval Reactors facility,*
6 *Idaho, \$3,000,000.*

7 *(b) ADJUSTMENT.—The total amount that may be ap-*
8 *propriated pursuant to this section is the amount author-*
9 *ized to be appropriated in subsection (a) reduced by the*
10 *sum of \$13,000,000, for use of prior year balances.*

11 **SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.**

12 *Funds are hereby authorized to be appropriated to the*
13 *Department of Energy for fiscal year 1996 for payment to*
14 *the Nuclear Waste Fund established in section 302(c) of the*
15 *Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in*
16 *the amount of \$198,400,000.*

17 **Subtitle B—Recurring General**
18 **Provisions**

19 **SEC. 3121. REPROGRAMMING.**

20 *(a) IN GENERAL.—Until the Secretary of Energy sub-*
21 *mits to the congressional defense committees the report re-*
22 *ferred to in subsection (b) and a period of 30 days has*
23 *elapsed after the date on which such committees receive the*
24 *report, the Secretary may not use amounts appropriated*
25 *pursuant to this title for any program—*

1 (1) *in amounts that exceed, in a fiscal year—*

2 (A) *110 percent of the amount authorized*
3 *for that program by this title; or*

4 (B) *\$1,000,000 more than the amount au-*
5 *thorized for that program by this title; or*

6 (2) *which has not been presented to, or requested*
7 *of, Congress.*

8 (b) *REPORT.—(1) The report referred to in subsection*
9 *(a) is a report containing a full and complete statement*
10 *of the action proposed to be taken and the facts and cir-*
11 *cumstances relied upon in support of such proposed action.*

12 (2) *In the computation of the 30-day period under sub-*
13 *section (a), there shall be excluded any day on which either*
14 *House of Congress is not in session because of an adjourn-*
15 *ment of more than 3 days to a day certain.*

16 (c) *LIMITATIONS.—(1) In no event may the total*
17 *amount of funds obligated pursuant to this title exceed the*
18 *total amount authorized to be appropriated by this title.*

19 (2) *Funds appropriated pursuant to this title may not*
20 *be used for an item for which Congress has specifically de-*
21 *nied funds.*

22 **SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.**

23 (a) *IN GENERAL.—The Secretary of Energy may carry*
24 *out any construction project under the general plant*

1 *projects authorized by this title if the total estimated cost*
2 *of the construction project does not exceed \$2,000,000.*

3 *(b) REPORT TO CONGRESS.—If, at any time during*
4 *the construction of any general plant project authorized by*
5 *this title, the estimated cost of the project is revised because*
6 *of unforeseen cost variations and the revised cost of the*
7 *project exceeds \$2,000,000, the Secretary shall immediately*
8 *furnish a complete report to the congressional defense com-*
9 *mittees explaining the reasons for the cost variation.*

10 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

11 *(a) IN GENERAL.—(1) Except as provided in para-*
12 *graph (2), construction on a construction project may not*
13 *be started or additional obligations incurred in connection*
14 *with the project above the total estimated cost, whenever the*
15 *current estimated cost of the construction project, which is*
16 *authorized by sections 3101, 3102, and 3104, or which is*
17 *in support of national security programs of the Department*
18 *of Energy and was authorized by any previous Act, exceeds*
19 *by more than 25 percent the higher of—*

20 *(A) the amount authorized for the project; or*

21 *(B) the amount of the total estimated cost for the*
22 *project as shown in the most recent budget justifica-*
23 *tion data submitted to Congress.*

24 *(2) An action described in paragraph (1) may be taken*
25 *if—*

1 (A) the Secretary of Energy has submitted to the
2 congressional defense committees a report on the ac-
3 tions and the circumstances making such action nec-
4 essary; and

5 (B) a period of 30 days has elapsed after the
6 date on which the report is received by the commit-
7 tees.

8 (3) In the computation of the 30-day period under
9 paragraph (2), there shall be excluded any day on which
10 either House of Congress is not in session because of an
11 adjournment of more than 3 days to a day certain.

12 (b) *EXCEPTION.*—Subsection (a) shall not apply to
13 any construction project which has a current estimated cost
14 of less than \$5,000,000.

15 **SEC. 3124. FUND TRANSFER AUTHORITY.**

16 (a) *TRANSFER TO OTHER FEDERAL AGENCIES.*—The
17 Secretary of Energy may transfer funds authorized to be
18 appropriated to the Department of Energy pursuant to this
19 title to other Federal agencies for the performance of work
20 for which the funds were authorized. Funds so transferred
21 may be merged with and be available for the same purposes
22 and for the same time period as the authorizations of the
23 Federal agency to which the amounts are transferred.

24 (b) *TRANSFER WITHIN DEPARTMENT OF ENERGY;*
25 *LIMITATIONS.*—(1) Subject to paragraph (2), the Secretary

1 *of Energy may transfer funds authorized to be appropriated*
2 *to the Department of Energy pursuant to this title between*
3 *any such authorizations. Amounts of authorizations so*
4 *transferred may be merged with and be available for the*
5 *same purposes and for the same time period as the author-*
6 *ization to which the amounts are transferred.*

7 (2) *Not more than 5 percent of any such authorization*
8 *may be transferred between authorizations under para-*
9 *graph (1). No such authorization may be increased or de-*
10 *creased by more than 5 percent by a transfer under such*
11 *paragraph.*

12 (3) *The authority provided by this section to transfer*
13 *authorizations—*

14 (A) *may only be used to provide funds for items*
15 *that have a higher priority than the items from which*
16 *the funds are transferred; and*

17 (B) *may not be used to provide authority for an*
18 *item that has been denied funds by Congress.*

19 (c) *NOTICE TO CONGRESS.—The Secretary of Energy*
20 *shall promptly notify the Committee on Armed Services of*
21 *the Senate and the Committee on National Security of the*
22 *House of Representatives of any transfer of funds to or from*
23 *authorizations under this title.*

1 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**
2 **TION DESIGN.**

3 (a) *REQUIREMENT FOR CONCEPTUAL DESIGN.—(1)*
4 *Subject to paragraph (2) and except as provided in para-*
5 *graph (3), before submitting to Congress a request for funds*
6 *for a construction project that is in support of a national*
7 *security program of the Department of Energy, the Sec-*
8 *retary of Energy shall complete a conceptual design for that*
9 *project.*

10 (2) *If the estimated cost of completing a conceptual*
11 *design for a construction project exceeds \$3,000,000, the*
12 *Secretary shall submit to Congress a request for funds for*
13 *the conceptual design before submitting a request for funds*
14 *for the construction project.*

15 (3) *The requirement in paragraph (1) does not apply*
16 *to a request for funds—*

17 (A) *for a construction project the total estimated*
18 *cost of which is less than \$2,000,000, or*

19 (B) *for emergency planning, design, and con-*
20 *struction activities under section 3126.*

21 (b) *AUTHORITY FOR CONSTRUCTION DESIGN.—(1)*
22 *Within the amounts authorized by this title, the Secretary*
23 *of Energy may carry out construction design services (in-*
24 *cluding architectural and engineering services) in connec-*
25 *tion with any proposed construction project if the total esti-*
26 *mated cost for such design does not exceed \$600,000.*

1 (2) *If the total estimated cost for construction design*
2 *in connection with any construction project exceeds*
3 *\$600,000, funds for such design must be specifically author-*
4 *ized by law.*

5 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**
6 **SIGN, AND CONSTRUCTION ACTIVITIES.**

7 (a) *AUTHORITY.*—*The Secretary of Energy may use*
8 *any funds available to the Department of Energy pursuant*
9 *to an authorization in this title, including those funds au-*
10 *thorized to be appropriated for advance planning and con-*
11 *struction design under sections 3101, 3102, and 3104, to*
12 *perform planning, design, and construction activities for*
13 *any Department of Energy defense activity construction*
14 *project that, as determined by the Secretary, must proceed*
15 *expeditiously in order to protect public health and safety,*
16 *meet the needs of national defense, or to protect property.*

17 (b) *LIMITATION.*—*The Secretary may not exercise the*
18 *authority under subsection (a) in the case of any construc-*
19 *tion project until the Secretary has submitted to the con-*
20 *gressional defense committees a report on the activities that*
21 *the Secretary intends to carry out under this section and*
22 *the circumstances making such activities necessary.*

23 (c) *SPECIFIC AUTHORITY.*—*The requirement of section*
24 *3125(b)(2) does not apply to emergency planning, design,*
25 *and construction activities conducted under this section.*

1 (d) *REPORT.*—The Secretary of Energy shall report to
2 the congressional defense committees any exercise of author-
3 ity under this section.

4 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**
5 **RITY PROGRAMS OF THE DEPARTMENT OF**
6 **ENERGY.**

7 Subject to the provisions of appropriations Acts and
8 section 3121 of this title, amounts appropriated pursuant
9 to this title for management and support activities and for
10 general plant projects are available for use, when necessary,
11 in connection with all national security programs of the
12 Department of Energy.

13 **SEC. 3128. AVAILABILITY OF FUNDS.**

14 When so specified in an appropriation Act, amounts
15 appropriated for operating expenses or for plant and cap-
16 ital equipment may remain available until expended.

17 **Subtitle C—Program Authoriza-**
18 **tions, Restrictions, and Limita-**
19 **tions**

20 **SEC. 3131. AUTHORITY TO CONDUCT PROGRAM RELATING**
21 **TO FISSILE MATERIALS.**

22 (a) *AUTHORITY.*—The Secretary of Energy may con-
23 duct programs designed to improve the protection, control,
24 and accountability of fissile materials in Russia.

1 (b) *PRIOR NOTICE TO CONGRESS OF OBLIGATION OF*
2 *FUNDS.—*

3 (1) *ANNUAL REQUIREMENT.—(A) Not less than*
4 *15 days before any obligation of any funds appro-*
5 *propriated for any fiscal year for a program described*
6 *in subsection (a), the Secretary of Energy shall sub-*
7 *mit to the congressional committees specified in sub-*
8 *paragraph (B) a report on that proposed obligation*
9 *for that program for that fiscal year.*

10 (B) *The congressional committees referred to in*
11 *subparagraph (A) are the following:*

12 (i) *The Committee on Armed Services, the*
13 *Committee on Foreign Relations, and the Com-*
14 *mittee on Appropriations of the Senate.*

15 (ii) *The Committee on National Security,*
16 *the Committee on International Relations, and*
17 *the Committee on Appropriations of the House of*
18 *Representatives.*

19 (2) *MATTERS TO BE SPECIFIED IN REPORTS.—*
20 *Each such report shall specify—*

21 (A) *the activities and forms of assistance for*
22 *which the Secretary of Energy plans to obligate*
23 *funds;*

24 (B) *the amount of the proposed obligation;*
25 *and*

1 (C) the projected involvement (if any) of
2 any department or agency of the United States
3 (in addition to the Department of Energy) and
4 of the private sector of the United States in the
5 activities and forms of assistance for which the
6 Secretary of Energy plans to obligate such funds.

7 **SEC. 3132. NATIONAL IGNITION FACILITY.**

8 None of the funds appropriated pursuant to this title
9 for the National Ignition Facility may be obligated until—

10 (1) the Secretary of Energy concludes that the
11 construction of the National Ignition Facility will not
12 impede the nuclear nonproliferation objectives of the
13 United States; and

14 (2) the Secretary of Energy notifies the congress-
15 sional defense committees of that conclusion.

16 **SEC. 3133. TRITIUM PRODUCTION.**

17 (a) *NEW TRITIUM PRODUCTION ACTIVITIES.*—Funds
18 authorized to be appropriated for fiscal year 1996 for new
19 tritium production activities shall be available only for the
20 following purposes and in the following amounts:

21 (1) For implementation of multipurpose water
22 reactor technology, \$60,000,000, of which—

23 (A) \$14,000,000 shall be made available to
24 private industry to begin implementation of the
25 privatized multipurpose reactor program plan

1 *submitted to the Department of Energy on*
2 *March 31, 1994; and*

3 *(B) \$20,000,000 shall be made available to*
4 *the Idaho National Engineering Laboratory for*
5 *the test and development of both the Light Water*
6 *Reactor Tritium Target Program and Mixed*
7 *Oxide Fuels.*

8 *(2) For research and development of accelerator*
9 *technology, \$40,000,000.*

10 *(b) FISSILE MATERIALS CONTROL AND DISPOSI-*
11 *TION.—Funds authorized to be appropriated for fiscal year*
12 *1996 for fissile materials storage and disposition activities*
13 *shall be available only for completing the evaluation and*
14 *beginning the implementation of the plutonium storage and*
15 *disposition option, including the multipurpose advanced*
16 *light water reactor, in the amount of \$70,000,000, of*
17 *which—*

18 *(1) \$5,000,000 shall be made available to the*
19 *Idaho National Engineering Laboratory for evalua-*
20 *tion of plutonium conversion to oxide fuel material in*
21 *the multipurpose advanced light water reactor; and*

22 *(2) sufficient funds shall be made available for a*
23 *complete consideration of the multipurpose advanced*
24 *light water reactor in the Department of Energy pro-*
25 *grammatic environmental impact statement.*

1 (c) *ACCELERATOR RESEARCH AND DEVELOPMENT.*—

2 (1) *Subject to paragraph (2), funds authorized in subsection*
3 *(a)(2) shall be used to continue research and development*
4 *of the accelerator technologies in defense areas, including*
5 *its potential use as a backup technology to the advanced*
6 *light-water reactor technology for tritium production.*

7 (2) *Funds authorized in subsection (a)(2) may be ex-*
8 *pended only after the Secretary begins implementation of*
9 *the program described in subsection (a)(1)(A).*

10 ***Subtitle D—Other Matters***

11 ***SEC. 3141. REPORT ON FOREIGN TRITIUM PURCHASES.***

12 *Not later than February 1, 1996, the President shall*
13 *submit to Congress a report on the feasibility of, the cost*
14 *of, and the political, legal, and other issues associated with*
15 *purchasing tritium from various foreign suppliers in order*
16 *to ensure an adequate supply of tritium in the United*
17 *States for nuclear weapons.*

18 ***SEC. 3142. STUDY ON NUCLEAR TEST READINESS POS-*** 19 ***TURES.***

20 *Not later than February 15, 1996, the Secretary of En-*
21 *ergy shall submit to Congress a report on the cost of, and*
22 *the programmatic and other issues associated with, sustain-*
23 *ing an ability to conduct an underground nuclear test in*
24 *6, 18, and 36 months from the date on which the President*

1 *determines that such a test is necessary to ensure the na-*
2 *tional security of the United States.*

3 **SEC. 3143. MASTER PLAN ON WARHEADS IN THE ENDURING**
4 **STOCKPILE.**

5 (a) *MASTER PLAN.*—Not later than March 15, 1996,
6 the President shall submit to Congress a master plan that
7 describes in detail how the Government plans to dem-
8 onstrate, by 2002—

9 (1) *the capability to refabricate and certify war-*
10 *heads in the enduring stockpile; and*

11 (2) *the capability to design, fabricate, and cer-*
12 *tify new warheads.*

13 (b) *FORM OF PLAN.*—The plan should be submitted in
14 *classified and unclassified forms.*

15 **SEC. 3144. PROHIBITION ON INTERNATIONAL INSPECTIONS**
16 **OF DEPARTMENT OF ENERGY FACILITIES UN-**
17 **LESS PROTECTION OF RESTRICTED DATA IS**
18 **CERTIFIED.**

19 (a) *PROHIBITION ON INSPECTIONS.*—The Secretary of
20 Energy may not allow an inspection of a nuclear weapons
21 facility by the International Atomic Energy Agency until—

22 (1) *the Secretary certifies to Congress that no re-*
23 *stricted data or classified information will be revealed*
24 *during such inspection; and*

1 (2) a period of 30 days has passed since the date
2 on which such certification was made.

3 (b) *RESTRICTED DATA DEFINED.*—In this section, the
4 term “restricted data” has the meaning provided by section
5 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

6 **TITLE XXXII—DEFENSE NU-**
7 **CLEAR FACILITIES SAFETY**
8 **BOARD**

9 **SEC. 3201. AUTHORIZATION.**

10 There are authorized to be appropriated for fiscal year
11 1996 \$17,000,000 for the operation of the Defense Nuclear
12 Facilities Safety Board under chapter 21 of the Atomic En-
13 ergy Act of 1954 (42 U.S.C. 2286 et seq.)

14 **TITLE XXXIII—NATIONAL**
15 **DEFENSE STOCKPILE**

16 **SEC. 3301. FISCAL YEAR 1996 AUTHORIZED USES OF STOCK-**
17 **PILE FUNDS.**

18 (a) *OBLIGATION OF STOCKPILE FUNDS.*—During fis-
19 cal year 1996, the National Defense Stockpile Manager may
20 obligate up to \$77,100,000 of the funds in the National De-
21 fense Stockpile Transaction Fund established under sub-
22 section (a) of section 9 of the Strategic and Critical Mate-
23 rials Stock Piling Act (50 U.S.C. 98h) for the authorized
24 uses of such funds under subsection (b)(2) of such section.

1 (b) *ADDITIONAL OBLIGATIONS.*—*The National Defense*
2 *Stockpile Manager may obligate amounts in excess of the*
3 *amount specified in subsection (a) if the National Defense*
4 *Stockpile Manager notifies Congress that extraordinary or*
5 *emergency conditions necessitate the additional obligations.*
6 *The National Defense Stockpile Manager may make the ad-*
7 *ditional obligations described in the notification after the*
8 *end of the 45-day period beginning on the date Congress*
9 *receives the notification.*

10 (c) *LIMITATIONS.*—*The authorities provided by this*
11 *section shall be subject to such limitations as may be pro-*
12 *vided in appropriations Acts.*

13 ***SEC. 3302. PREFERENCE FOR DOMESTIC UPGRADERS IN***
14 ***DISPOSAL OF CHROMITE AND MANGANESE***
15 ***ORES AND CHROMIUM FERRO AND MAN-***
16 ***GANESE METAL ELECTROLYTIC.***

17 (a) *PREFERENCE FOR DOMESTIC UPGRADING.*—*In of-*
18 *fering to enter into agreements pursuant to any provision*
19 *of law for the disposal from the National Defense Stockpile*
20 *of chromite and manganese ores of metallurgical grade or*
21 *chromium ferro and manganese metal electrolytic, the*
22 *President shall give a right of first refusal on all such offers*
23 *to domestic ferroalloy upgraders.*

24 (b) *DOMESTIC FERROALLOY UPGRADER DEFINED.*—
25 *For purposes of this section, the term “domestic ferroalloy*

1 *upgrader*” means a company or other business entity that,
2 as determined by the President—

3 (1) is engaged in (or is capable of engaging in)
4 operations to upgrade chromite or manganese ores of
5 metallurgical grade or chromium ferro and man-
6 ganese metal electrolytic; and

7 (2) conducts a significant level of its research,
8 development, engineering, and upgrading operations
9 in the United States.

10 (c) *NATIONAL DEFENSE STOCKPILE DEFINED.*—For
11 purposes of this section, the term “National Defense Stock-
12 pile” means the stockpile provided for in section 4 of the
13 Strategic and Critical Materials Stock Piling Act (50
14 U.S.C. 98c).

15 **SEC. 3303. RESTRICTIONS ON DISPOSAL OF MANGANESE**
16 **FERRO.**

17 (a) *DISPOSAL OF LOWER GRADE MATERIAL FIRST.*—
18 The President may not dispose of high carbon manganese
19 ferro in the National Defense Stockpile that meets the Na-
20 tional Defense Stockpile classification of Grade One, Speci-
21 fication 30(a), as revised on May 22, 1992, until completing
22 the disposal of all manganese ferro in the National Defense
23 Stockpile that does not meet such classification. The Presi-
24 dent may not reclassify manganese ferro in the National
25 Defense Stockpile after the date of the enactment of this Act.

1 (b) *REQUIREMENT FOR DOMESTIC UPGRADING.*—
2 *Manganese ferro in the National Defense Stockpile that does*
3 *not meet the classification specified in subsection (a) shall*
4 *only be sold for domestic remelting in a submerged arc*
5 *ferromanganese furnace.*

6 (c) *NATIONAL DEFENSE STOCKPILE DEFINED.*—*For*
7 *purposes of this section, the term “National Defense Stock-*
8 *pile” means the stockpile provided for in section 4 of the*
9 *Strategic and Critical Materials Stock Piling Act (50*
10 *U.S.C. 98c).*

11 ***SEC. 3304. TITANIUM INITIATIVE TO SUPPORT BATTLE***
12 ***TANK UPGRADE PROGRAM.***

13 (a) *TRANSFER OF TITANIUM.*—*During each of the fis-*
14 *cal years 1996 through 2003, the Secretary of Defense shall*
15 *transfer from stocks of the National Defense Stockpile up*
16 *to 250 short tons of titanium sponge to the Secretary of*
17 *the Army for use in the weight reduction portion of the*
18 *main battle tank upgrade program. Transfers under this*
19 *section shall be without charge to the Army, except that the*
20 *Secretary of the Army shall pay all transportation and re-*
21 *lated costs incurred in connection with the transfer.*

22 (b) *NATIONAL DEFENSE STOCKPILE DEFINED.*—*For*
23 *purposes of this section, the term “National Defense Stock-*
24 *pile” means the stockpile provided for in section 4 of the*

1 *Strategic and Critical Materials Stock Piling Act (50*
2 *U.S.C. 98c).*

3 **TITLE XXXIV—NAVAL**
4 **PETROLEUM RESERVES**

5 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

6 *There is hereby authorized to be appropriated to the*
7 *Secretary of Energy \$101,028,000 for fiscal year 1996 for*
8 *the purpose of carrying out activities under chapter 641*
9 *of title 10, United States Code, relating to the naval petro-*
10 *leum reserves (as defined in section 7420(2) of such title).*
11 *Funds appropriated pursuant to such authorization shall*
12 *remain available until expended.*

13 **SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PE-**
14 **TROLEUM DURING FISCAL YEAR 1996.**

15 *Notwithstanding section 7430(b)(2) of title 10, United*
16 *States Code, during fiscal year 1996, any sale of any part*
17 *of the United States share of petroleum produced from*
18 *Naval Petroleum Reserves Numbered 1, 2, and 3 shall be*
19 *made at a price not less than 90 percent of the current sales*
20 *price, as estimated by the Secretary of Energy, of com-*
21 *parable petroleum in the same area.*

1 **SEC. 3403. SALE OF NAVAL PETROLEUM RESERVE NUM-**
2 **BERED 1 (ELK HILLS).**

3 (a) *SALE OF ELK HILLS UNIT REQUIRED.*—Chapter
4 641 of title 10, United States Code, is amended by inserting
5 after section 7421 the following new section:

6 **“§ 7421a. Sale of Naval Petroleum Reserve Numbered**
7 **1 (Elk Hills)**

8 “(a) *SALE REQUIRED.*—(1) Notwithstanding any
9 other provision of this chapter, the Secretary shall sell all
10 right, title, and interest of the United States in and to lands
11 owned or controlled by the United States inside Naval Pe-
12 troleum Reserve Numbered 1, commonly referred to as the
13 Elk Hills Unit, located in Kern County, California, and
14 established by Executive order of the President, dated Sep-
15 tember 2, 1912. Within one year after the effective date, the
16 Secretary shall enter into one or more contracts for the sale
17 of all of the interest of the United States in the reserve.

18 “(2) In this section:

19 “(A) The term ‘reserve’ means Naval Petroleum
20 Reserve Numbered 1.

21 “(B) The term ‘unit plan contract’ means the
22 unit plan contract between equity owners of the lands
23 within the boundaries of Naval Petroleum Reserve
24 Numbered 1 entered into on June 19, 1944.

1 “(C) The term ‘effective date’ means the date of
2 the enactment of the National Defense Authorization
3 Act for Fiscal Year 1996.

4 “(b) EQUITY FINALIZATION.—(1) Not later than five
5 months after the effective date, the Secretary shall finalize
6 equity interests of the known oil and gas zones in Naval
7 Petroleum Reserve Numbered 1 in the manner provided by
8 this subsection.

9 “(2) The Secretary shall retain the services of an inde-
10 pendent petroleum engineer, mutually acceptable to the eq-
11 uity owners, who shall prepare a recommendation on final
12 equity figures. The Secretary may accept the recommenda-
13 tion of the independent petroleum engineer for final equity
14 in each known oil and gas zone and establish final equity
15 interest in the Naval Petroleum Reserve Numbered 1 in ac-
16 cordance with such recommendation, or the Secretary may
17 use such other method to establish final equity interest in
18 the reserve as the Secretary considers appropriate.

19 “(3) If, on the effective date, there is an ongoing equity
20 redetermination dispute between the equity owners under
21 section 9(b) of the unit plan contract, such dispute shall
22 be resolved in the manner provided in the unit plan con-
23 tract within five months after the effective date. Such reso-
24 lution shall be considered final for all purposes under this
25 section.

1 “(c) *TIMING AND ADMINISTRATION OF SALE.*—(1) *Not*
2 *later than two months after the effective date, the Secretary*
3 *shall retain the services of five independent experts in the*
4 *valuation of oil and gas fields to conduct separate assess-*
5 *ments, in a manner consistent with commercial practices,*
6 *of the fair market value of the interest of the United States*
7 *in Naval Petroleum Reserve Numbered 1. In making their*
8 *assessments, the independent experts shall consider (among*
9 *other factors) all equipment and facilities to be included*
10 *in the sale, the net present value of the reserve, and the*
11 *net present value of the anticipated revenue stream that the*
12 *Secretary determines the Treasury would receive from the*
13 *reserve if the reserve were not sold, adjusted for any antici-*
14 *pated increases in tax revenues that would result if the re-*
15 *serve were sold. The independent experts shall complete their*
16 *assessments within five months after the effective date. In*
17 *setting the minimum acceptable price for the reserve, the*
18 *Secretary shall consider the average of the five assessments*
19 *or, if more advantageous to the Government, the average*
20 *of three assessments after excluding the high and low assess-*
21 *ments.*

22 “(2) *Not later than two months after the effective date,*
23 *the Secretary shall retain the services of an investment*
24 *banker to independently administer, in a manner consistent*
25 *with commercial practices and in a manner that maximizes*

1 *sale proceeds to the Government, the sale of Naval Petro-*
2 *leum Reserve Numbered 1 under this section.*

3 “(3) *Not later than five months after the effective date,*
4 *the sales administrator selected under paragraph (2) shall*
5 *complete a draft contract for the sale of Naval Petroleum*
6 *Reserve Numbered 1, which shall accompany the invitation*
7 *for bids and describe the terms and provisions of the sale*
8 *of the interest of the United States in the reserve. The draft*
9 *contract shall identify all equipment and facilities to be in-*
10 *cluded in the sale. The draft contract, including the terms*
11 *and provisions of the sale of the interest of the United States*
12 *in the reserve, shall be subject to review and approval by*
13 *the Secretary, the Secretary of the Treasury, and the Direc-*
14 *tor of the Office of Management and Budget.*

15 “(4) *Not later than six months after the effective date,*
16 *the Secretary shall publish an invitation for bids for the*
17 *purchase of the reserve.*

18 “(5) *Not later than nine months after the effective date,*
19 *the Secretary shall accept the highest responsible offer for*
20 *purchase of the interest of the United States in Naval Petro-*
21 *leum Reserve Numbered 1 that meets or exceeds the mini-*
22 *imum acceptable price determined under paragraph (1).*

23 “(d) *FUTURE LIABILITIES.—The United States shall*
24 *hold harmless and fully indemnify the purchaser of the in-*
25 *terest of the United States in Naval Petroleum Reserve*

1 *Numbered 1 from and against any claim or liability as*
2 *a result of ownership in the reserve by the United States.*

3 “(e) *TREATMENT OF STATE OF CALIFORNIA CLAIM.—*
4 *After deducting the costs incurred to conduct the sale of*
5 *Naval Petroleum Reserve Numbered 1 under this section,*
6 *seven percent of the remaining proceeds from the sale of the*
7 *reserve shall be paid to the State of California, subject to*
8 *the conditions that—*

9 “(1) *the State credit the payment to the Supple-*
10 *mental Benefits Maintenance Account within the*
11 *Teachers’ Retirement Fund; and*

12 “(2) *all claims against the United States by the*
13 *State and the Teachers’ Retirement Fund are released*
14 *with respect to production and proceeds of sale from*
15 *the reserve.*

16 “(f) *PRODUCTION ALLOCATION FOR SALE.—(1) As*
17 *part of the contract for purchase of Naval Petroleum Re-*
18 *serve Numbered 1, the purchaser of the interest of the United*
19 *States in the reserve shall agree to make up to 25 percent*
20 *of the purchaser’s share of annual petroleum production*
21 *from the purchased lands available for sale to small refiners,*
22 *which do not have their own adequate sources of supply of*
23 *petroleum, for processing or use only in their own refineries.*
24 *None of the reserved production sold to small refiners may*
25 *be resold in kind. The purchaser of the reserve may reduce*

1 *the quantity of petroleum reserved under this subsection in*
2 *the event of an insufficient number of qualified bids. The*
3 *seller of this petroleum production has the right to refuse*
4 *bids that are less than the prevailing market price of com-*
5 *parable oil.*

6 “(2) *The purchaser of the reserve shall also agree to*
7 *ensure that the terms of every sale of the purchaser’s share*
8 *of annual petroleum production from the purchased lands*
9 *shall be so structured as to give full and equal opportunity*
10 *for the acquisition of petroleum by all interested persons,*
11 *including major and independent oil producers and refiners*
12 *alike.*

13 “(g) *MAINTAINING ELK HILLS UNIT PRODUCTION.—*
14 *Until the sale of Naval Petroleum Reserve Numbered 1 is*
15 *completed under this section, the Secretary shall continue*
16 *to produce the reserve at the maximum daily oil or gas rate*
17 *from a reservoir, which will permit maximum economic de-*
18 *velopment of the reservoir consistent with sound oil field*
19 *engineering practices in accordance with section 3 of the*
20 *unit plan contract. The definition of maximum efficient*
21 *rate in section 7420(6) of this title shall not apply to the*
22 *reserve.*

23 “(h) *EFFECT ON EXISTING CONTRACTS.—(1) In the*
24 *case of any contract, in effect on the effective date, for the*
25 *purchase of production from any part of the United States’*

1 *share of Naval Petroleum Reserve Numbered 1, the sale of*
2 *the interest of the United States in the reserve shall be sub-*
3 *ject to the contract for a period of three months after the*
4 *closing date of the sale or until termination of the contract,*
5 *whichever occurs first. The term of any contract entered*
6 *into after the effective date for the purchase of such produc-*
7 *tion shall not exceed the anticipated closing date for the*
8 *sale of the reserve.*

9 “(2) *The Secretary shall exercise the termination pro-*
10 *cedures provided in the contract between the United States*
11 *and Bechtel Petroleum Operation, Inc., Contract Number*
12 *DE-ACO1-85FE60520 so that the contract terminates not*
13 *later than the date of closing of the sale of Naval Petroleum*
14 *Reserve Numbered 1 under subsection (c).*

15 “(3) *The Secretary shall exercise the termination pro-*
16 *cedures provided in the unit plan contract so that the unit*
17 *plan contract terminates not later than the date of closing*
18 *of the sale of reserve under subsection (c).*

19 “(i) *EFFECT ON ANTITRUST LAWS.—Nothing in this*
20 *section shall be construed to alter the application of the*
21 *antitrust laws of the United States to the purchaser of*
22 *Naval Petroleum Reserve Numbered 1 or to the lands in*
23 *the reserve subject to sale under this section upon the com-*
24 *pletion of the sale.*

1 “(j) *PRESERVATION OF PRIVATE RIGHT, TITLE, AND*
2 *INTEREST.*—Nothing in this section shall be construed to
3 adversely affect the ownership interest of any other entity
4 having any right, title, and interest in and to lands within
5 the boundaries of Naval Petroleum Reserve Numbered 1 and
6 which are subject to the unit plan contract.

7 “(k) *CONGRESSIONAL NOTIFICATION.*—Section 7431 of
8 this title shall not apply to the sale of Naval Petroleum
9 Reserve Numbered 1 under this section. However, the Sec-
10 retary may not enter into a contract for the sale of the re-
11 serve until the end of the 31-day period beginning on the
12 date on which the Secretary notifies the Committee on
13 Armed Services of the Senate and the Committee on Na-
14 tional Security and the Committee on Commerce of the
15 House of Representatives of the proposed sale.”.

16 “(b) *CLERICAL AMENDMENT.*—The table of sections at
17 the beginning of such chapter is amended by inserting after
18 the item relating to section 7421 the following new item:
19 “7421a. *Sale of Naval Petroleum Reserve Numbered 1 (Elk Hills).*”.

20 **SEC. 3404. STUDY REGARDING FUTURE OF NAVAL PETRO-**
21 **LEUM RESERVES (OTHER THAN NAVAL PE-**
22 **TROLEUM RESERVE NUMBERED 1).**

23 “(a) *STUDY REQUIRED.*—The Secretary of Energy shall
24 conduct a study to determine which of the following options
25 regarding the naval petroleum reserves represents the most
cost-effective option for the United States:

1 (1) *Retention and operation of the naval petro-*
2 *leum reserves by the Secretary under chapter 641 of*
3 *title 10, United States Code.*

4 (2) *Transfer of all or a part of the naval petro-*
5 *leum reserves to the jurisdiction of another Federal*
6 *agency.*

7 (3) *Lease of the naval petroleum reserves.*

8 (4) *Sale of the interest of the United States in*
9 *the naval petroleum reserves.*

10 (b) *CONDUCT OF STUDY.*—*The Secretary shall retain*
11 *an independent petroleum consultant to conduct the study.*

12 (c) *CONSIDERATIONS UNDER STUDY.*—*An examina-*
13 *tion of the benefits to be derived by the United States from*
14 *the sale of the naval petroleum reserves shall include an*
15 *assessment and estimate, in a manner consistent with com-*
16 *mercial practices, of the fair market value of the interest*
17 *of the United States in the naval petroleum reserves. An*
18 *examination of the benefits to be derived by the United*
19 *States from the lease of the naval petroleum reserves shall*
20 *consider full exploration, development, and production of*
21 *petroleum products in the naval petroleum reserves, with*
22 *a royalty payment to the United States.*

23 (d) *REPORT REGARDING STUDY.*—*Not later than De-*
24 *cember 31, 1995, the Secretary shall submit to Congress a*
25 *report describing the results of the study and containing*

1 *such recommendations as the Secretary considers necessary*
2 *to implement the most cost-effective option identified in the*
3 *study.*

4 *(e) NAVAL PETROLEUM RESERVES DEFINED.—For*
5 *purposes of this section, the term “naval petroleum re-*
6 *serves” has the meaning given that term in section 7420(2)*
7 *of title 10, United States Code, except that such term does*
8 *not include Naval Petroleum Reserve Numbered 1.*

9 **TITLE XXXV—PANAMA CANAL**
10 **COMMISSION**
11 **Subtitle A—Authorization of**
12 **Appropriations**

13 **SEC. 3501. SHORT TITLE.**

14 *This subtitle may be cited as the “Panama Canal*
15 *Commission Authorization Act for Fiscal Year 1996”.*

16 **SEC. 3502. AUTHORIZATION OF EXPENDITURES.**

17 *(a) IN GENERAL.—Subject to subsection (b), the Pan-*
18 *ama Canal Commission is authorized to make such expend-*
19 *itures within the limits of funds and borrowing authority*
20 *available to it in accordance with law, and to make such*
21 *contracts and commitments without regard to fiscal year*
22 *limitations, as may be necessary under the Panama Canal*
23 *Act of 1979 (22 U.S.C. 3601 et seq.) for the operation,*
24 *maintenance, and improvement of the Panama Canal for*
25 *fiscal year 1996.*

1 (b) *LIMITATIONS.*—For fiscal year 1996, the Panama
2 Canal Commission may expend from funds in the Panama
3 Canal Revolving Fund not more than \$50,741,000 for ad-
4 ministrative expenses, of which not more than—

5 (1) \$11,000 may be used for official reception
6 and representation expenses of the Supervisory Board
7 of the Commission;

8 (2) \$5,000 may be used for official reception and
9 representation expenses of the Secretary of the Com-
10 mission; and

11 (3) \$30,000 may be used for official reception
12 and representation expenses of the Administrator of
13 the Commission.

14 (c) *REPLACEMENT VEHICLES.*—Funds available to the
15 Panama Canal Commission shall be available for the pur-
16 chase of not to exceed 38 passenger motor vehicles built in
17 the United States (including large heavy-duty vehicles to
18 be used to transport Commission personnel across the isth-
19 mus of Panama). A vehicle may be purchased with such
20 funds only as necessary to replace another passenger motor
21 vehicle of the Commission.

22 **SEC. 3503. EXPENDITURES IN ACCORDANCE WITH OTHER**
23 **LAWS.**

24 Expenditures authorized under this subtitle may be
25 made only in accordance with the Panama Canal Treaties

1 of 1977 and any law of the United States implementing
2 those treaties.

3 **Subtitle B—Reconstitution of Com-**
4 **mission as Government Corpora-**
5 **tion**

6 **SEC. 3521. SHORT TITLE.**

7 This subtitle may be cited as the “Panama Canal
8 Amendments Act of 1995”.

9 **SEC. 3522. RECONSTITUTION OF COMMISSION AS GOVERN-**
10 **MENT CORPORATION.**

11 Section 1101 of the Panama Canal Act of 1979 (22
12 U.S.C. 3611) is amended to read as follows:

13 “ESTABLISHMENT, PURPOSES, OFFICES, AND RESIDENCE
14 OF THE COMMISSION

15 “SEC. 1101. (a) For the purposes of managing, operat-
16 ing, and maintaining the Panama Canal and its com-
17 plementary works, installations and equipment, and of con-
18 ducting operations incident thereto, in accordance with the
19 Panama Canal Treaty of 1977 and related agreements, the
20 Panama Canal Commission (hereinafter in this Act re-
21 ferred to as the ‘Commission’) is established as a wholly
22 owned government corporation (as that term is used in
23 chapter 91 of title 31, United States Code) within the execu-
24 tive branch of the Government of the United States. The
25 authority of the President with respect to the Commission
26 shall be exercised through the Secretary of Defense.

1 “(b) The principal office of the Commission shall be
2 located in the Republic of Panama in one of the areas made
3 available for use of the United States under the Panama
4 Canal Treaty of 1977 and related agreements, but the Com-
5 mission may establish branch offices in such other places
6 as it deems necessary or appropriate for the conduct of its
7 business. Within the meaning of the laws of the United
8 States relating to venue in civil actions, the Commission
9 is an inhabitant and resident of the District of Columbia
10 and the eastern judicial district of Louisiana.”.

11 **SEC. 3523. SUPERVISORY BOARD.**

12 Section 1102 of the Panama Canal Act of 1979 (22
13 U.S.C. 3612) is amended by striking so much as precedes
14 subsection (b) and inserting the following:

15 “SUPERVISORY BOARD

16 “SEC. 1102. (a) The Commission shall be supervised
17 by a Board composed of nine members, one of whom shall
18 be the Secretary of Defense or an officer of the Department
19 of Defense designated by the Secretary. Not less than five
20 members of the Board shall be nationals of the United
21 States and the remaining members of the Board shall be
22 nationals of the Republic of Panama. Three members of the
23 Board who are nationals of the United States shall hold
24 no other office in, and shall not be employed by, the Govern-
25 ment of the United States, and shall be chosen for the inde-
26 pendent perspective they can bring to the Commission’s af-

1 *fairs. Members of the Board who are nationals of the United*
2 *States shall cast their votes as directed by the Secretary*
3 *of Defense or a designee of the Secretary of Defense.”.*

4 **SEC. 3524. INTERNATIONAL ADVISORS.**

5 *Section 1102 of the Panama Canal Act of 1979 (22*
6 *U.S.C. 3612) is amended by adding at the end the following*
7 *new subsection:*

8 *“(d)(1) In order to enhance the prestige of the Commis-*
9 *sion in the world shipping community and allow for the*
10 *exchange of varied perspectives between the Board and dis-*
11 *tinguished international guests in the important delibera-*
12 *tions of the Commission, the Government of the United*
13 *States and the Republic of Panama may each invite to at-*
14 *tend meetings of the Board, as a designated international*
15 *advisor to the Board, one individual chosen for the inde-*
16 *pendent perspective that individual can bring to the Com-*
17 *mission’s affairs, and who—*

18 *“(A) is not a citizen of Panama;*

19 *“(B) does not represent any user or customer of*
20 *the Panama Canal, or any particular interest group*
21 *or nation; and*

22 *“(C) does not have any financial interest which*
23 *could constitute an actual or apparent conflict with*
24 *regard to the relationship of the individual with the*
25 *Board of the Commission.*

1 “(A) *its amenability to suit is limited by*
2 *Article VIII of the Panama Canal Treaty of*
3 *1977, section 1401 of this Act, and otherwise by*
4 *law;*

5 “(B) *an attachment, garnishment, or simi-*
6 *lar process may not be issued against salaries or*
7 *other moneys owed by the Commission to its em-*
8 *ployees except as provided by section 5520a of*
9 *title 5, United States Code, and section 459, 461,*
10 *and 462 of the Social Security Act (42 U.S.C.*
11 *659, 661, 662), or as otherwise specifically au-*
12 *thorized by the laws of the United States; and*

13 “(C) *it is exempt from the payment of in-*
14 *terest on claims and judgments;*

15 “(4) *may enter into contracts, leases, agreements,*
16 *or other transactions; and*

17 “(5) *may determine the character of, and neces-*
18 *sity for, its obligations and expenditures and the*
19 *manner in which they shall be incurred, allowed, and*
20 *paid, and may incur, allow, and pay them, subject to*
21 *pertinent provisions of law generally applicable to*
22 *Government corporations.*

23 “(b) *The Commission shall have the priority of the*
24 *Government of the United States in the payment of debts*
25 *out of bankrupt estates.*

1 “SPECIFIC POWERS OF COMMISSION

2 “SEC. 1102b. (a) Subject to the Panama Canal Treaty
3 of 1977 and related agreements, and to chapter 91 of title
4 31, United States Code, popularly known as the Govern-
5 ment Corporation Control Act, the Commission may—

6 “(1) manage, operate, and maintain the Pan-
7 ama Canal;

8 “(2) construct or acquire, establish, maintain,
9 and operate docks, wharves, piers, shoreline facilities,
10 shops, yards, marine railways, salvage and towing fa-
11 cilities, fuel-handling facilities, motor transportation
12 facilities, power systems, water systems, a telephone
13 system, construction facilities, living quarters and
14 other buildings, warehouses, storehouses, a printing
15 plant, and manufacturing, processing, or service fa-
16 cilities in connection therewith, recreational facilities,
17 and other activities, facilities, and appurtenances
18 necessary and appropriate for the accomplishment of
19 the purposes of this Act;

20 “(3) use the United States mails in the same
21 manner and under the same conditions as the execu-
22 tive departments of the Federal Government; and

23 “(4) take such actions as are necessary or appro-
24 priate to carry out the powers specifically conferred
25 upon it.”.

1 **SEC. 3526. CONGRESSIONAL REVIEW OF BUDGET.**

2 *Section 1302 of the Panama Canal Act of 1979 (22*
3 *U.S.C. 3712) is amended—*

4 *(1) in subsection (c)(1) by striking “and subject*
5 *to paragraph (2)”;*

6 *(2) by striking paragraph (2);*

7 *(3) by redesignating paragraph (3) as para-*
8 *graph (2); and*

9 *(4) by amending subsection (e) to read as fol-*
10 *lows:*

11 *“(e) In accordance with section 9104 of title 31, United*
12 *States Code, the Congress shall review the annual budget*
13 *of the Commission.”.*

14 **SEC. 3527. AUDITS.**

15 *Section 1313 of the Panama Canal Act of 1979 (22*
16 *U.S.C. 3723) is amended—*

17 *(1) by striking the heading for the section and*
18 *inserting the following:*

19 *“AUDITS”;*

20 *(2) in subsection (a) by striking “Financial*
21 *transactions” and inserting “Subject to subsection*
22 *(d), financial transactions”;*

23 *(3) in subsection (b) in the first sentence by*
24 *striking “The Comptroller General” and inserting*
25 *“Subject to subsection (d), the Comptroller General”;*
26 *and*

1 “(2) the tolls that shall be levied for use of the
2 Panama Canal.”.

3 **SEC. 3529. PROCEDURES FOR CHANGES IN RULES OF MEAS-**
4 **UREMENT AND RATES OF TOLLS.**

5 Section 1604 of the Panama Canal Act of 1979 (22
6 U.S.C. 3794) is amended—

7 (1) in subsection (a) in the first sentence by
8 striking “1601(a)” and inserting “1601”;

9 (2) by amending subsection (c) to read as fol-
10 lows:

11 “(c) After the proceedings have been conducted pursu-
12 ant to subsections (a) and (b) of this section, the Commis-
13 sion may change the rules of measurement or rates of tolls,
14 as the case may be. The Commission shall, however, publish
15 notice of such change in the Federal Register not less than
16 30 days before the effective date of the change.”; and

17 (3) by striking subsections (d) and (e) and redesi-
18 gnating subsection (f) as subsection (d).

19 **SEC. 3530. MISCELLANEOUS TECHNICAL AMENDMENTS.**

20 The Panama Canal Act of 1979 is amended—

21 (1) in section 1205 (22 U.S.C. 3645) in the last
22 sentence by striking “appropriation” and inserting
23 “fund”;

1 (2) in section 1303 (22 U.S.C. 3713) by striking
2 “The authority of this section may not be used for ad-
3 ministrative expenses.”;

4 (3) in section 1321(d) (22 U.S.C. 3731(d)) in the
5 second sentence by striking “appropriations or”;

6 (4) in section 1401(c) (22 U.S.C. 3761(c)) by
7 striking “appropriated for or”;

8 (5) in section 1415 (22 U.S.C. 3775) by striking
9 “appropriated or”; and

10 (6) in section 1416 (22 U.S.C. 3776) in the third
11 sentence by striking “appropriated or”.

12 **SEC. 3531. CONFORMING AMENDMENT TO TITLE 31, UNITED**
13 **STATES CODE.**

14 Section 9101(3) of title 31, United States Code, is
15 amended by adding at the end the following:

16 “(P) the Panama Canal Commission.”.

Amend the title so as to read: “A bill to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.”.