

Union Calendar No. 276

104TH CONGRESS
2^D Session

H. R. 3230

[Report No. 104-563]

A BILL

To authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes.

MAY 7, 1996

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

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IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 1996

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

MAY 7, 1996

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 April 15, 1996]

A BILL

To authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, 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 1997”.*

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:*

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

Sec. 3. Congressional defense committees defined.

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TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

- Sec. 3201. Authorization.*

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

- Sec. 3301. Definitions.*
- Sec. 3302. Authorized uses of stockpile funds.*

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- Sec. 3311. Biennial report on stockpile requirements.*
- Sec. 3312. Notification requirements.*
- Sec. 3313. Importation of strategic and critical materials.*

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. Authorization of appropriations.*
- Sec. 3402. Price requirement on sale of certain petroleum during fiscal year 1997.*

TITLE XXXV—PANAMA CANAL COMMISSION

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- Sec. 3501. Short title.*
- Sec. 3502. Authorization of expenditures.*
- Sec. 3503. Purchase of vehicles.*
- Sec. 3504. Expenditures only in accordance with Treaties.*

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- Sec. 3521. Short title; references.*
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Sec. 3528. Travel and transportation expenses.
Sec. 3529. Clarification of definition of agency.
Sec. 3530. Panama Canal Employment System; merit and other employment requirements.
Sec. 3531. Employment standards.
Sec. 3532. Repeal of obsolete provision regarding interim application of Canal Zone Merit System.
Sec. 3533. Repeal of provision relating to recruitment and retention remuneration.
Sec. 3534. Benefits based on basic pay.
Sec. 3535. Vesting of general administrative authority of Commission.
Sec. 3536. Applicability of certain laws.
Sec. 3537. Repeal of provision relating to transferred or reemployed employees.
Sec. 3538. Administration of special disability benefits.
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Sec. 3540. Printing.
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Sec. 3546. Miscellaneous repeals.
Sec. 3547. Exemption.
Sec. 3548. Miscellaneous conforming amendments to title 5, United States Code.
Sec. 3549. Repeal of Panama Canal Code.
Sec. 3550. Miscellaneous clerical and conforming amendments.

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.*

1 ***DIVISION A—DEPARTMENT OF***
2 ***DEFENSE AUTHORIZATIONS***
3 ***TITLE I—PROCUREMENT***
4 ***Subtitle A—Authorization of***
5 ***Appropriations***

6 ***SEC. 101. ARMY.***

7 *Funds are hereby authorized to be appropriated for fis-*
8 *cal year 1997 for procurement for the Army as follows:*

9 (1) *For aircraft, \$1,556,615,000.*

10 (2) *For missiles, \$1,027,829,000.*

11 (3) *For weapons and tracked combat vehicles,*
12 *\$1,334,814,000.*

13 (4) *For ammunition, \$1,160,728,000.*

14 (5) *For other procurement, \$2,812,240,000.*

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

16 (a) *NAVY.—Funds are hereby authorized to be appro-*
17 *priated for fiscal year 1997 for procurement for the Navy*
18 *as follows:*

19 (1) *For aircraft, \$6,668,952,000.*

20 (2) *For weapons, including missiles and tor-*
21 *pedoes, \$1,305,308,000.*

22 (3) *For shipbuilding and conversion,*
23 *\$5,479,930,000.*

24 (4) *For other procurement, \$2,871,495,000.*

1 (b) *MARINE CORPS.*—*Funds are hereby authorized to*
 2 *be appropriated for fiscal year 1997 for procurement for*
 3 *the Marine Corps in the amount of \$546,748,000.*

4 (c) *NAVY AND MARINE CORPS AMMUNITION.*—*Funds*
 5 *are hereby authorized to be appropriated for procurement*
 6 *of ammunition for Navy and the Marine Corps in the*
 7 *amount of \$599,239,000.*

8 **SEC. 103. AIR FORCE.**

9 *Funds are hereby authorized to be appropriated for fis-*
 10 *cal year 1997 for procurement for the Air Force as follows:*

11 (1) *For aircraft, \$7,271,928,000.*

12 (2) *For missiles, \$4,341,178,000.*

13 (3) *For ammunition, \$303,899,000.*

14 (4) *For other procurement, \$6,117,419,000.*

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

16 *Funds are hereby authorized to be appropriated for fis-*
 17 *cal year 1997 for Defense-wide procurement in the amount*
 18 *of \$1,890,212,000.*

19 **SEC. 105. RESERVE COMPONENTS.**

20 *Funds are hereby authorized to be appropriated for fis-*
 21 *cal year 1997 for procurement of aircraft, vehicles, commu-*
 22 *nications equipment, and other equipment for the reserve*
 23 *components of the Armed Forces as follows:*

24 (1) *For the Army National Guard, \$118,000,000.*

25 (2) *For the Air National Guard, \$158,000,000.*

1 (3) *For the Army Reserve, \$106,000,000.*

2 (4) *For the Naval Reserve, \$192,000,000.*

3 (5) *For the Air Force Reserve, \$148,000,000.*

4 (6) *For the Marine Corps Reserve, \$83,000,000.*

5 **SEC. 106. DEFENSE INSPECTOR GENERAL.**

6 *Funds are hereby authorized to be appropriated for fis-*
7 *cal year 1997 for procurement for the Inspector General of*
8 *the Department of Defense in the amount of \$2,000,000.*

9 **SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.**

10 *There is hereby authorized to be appropriated for fiscal*
11 *year 1997 the amount of \$799,847,000 for—*

12 (1) *the destruction of lethal chemical agents and*
13 *munitions in accordance with section 1412 of the De-*
14 *partment of Defense Authorization Act, 1986 (50*
15 *U.S.C. 1521); and*

16 (2) *the destruction of chemical warfare materiel*
17 *of the United States that is not covered by section*
18 *1412 of such Act.*

19 **SEC. 108. DEFENSE HEALTH PROGRAMS.**

20 *Funds are hereby authorized to be appropriated for fis-*
21 *cal year 1997 for the Department of Defense for procure-*
22 *ment for carrying out health care programs, projects, and*
23 *activities of the Department of Defense in the total amount*
24 *of \$269,470,000.*

1 ***Subtitle B—Army Programs***

2 ***SEC. 111. REPEAL OF LIMITATION ON PROCUREMENT OF***
 3 ***CERTAIN AIRCRAFT.***

4 (a) *APACHE HELICOPTERS.*—Section 132 of the Na-
 5 tional Defense Authorization Act for Fiscal Years 1990 and
 6 1991 (Public Law 101–189; 103 Stat. 1383) is repealed.

7 (b) *OH–58D ARMED KIOWA WARRIOR HELI-*
 8 *COPTERS.*—Section 133 the National Defense Authorization
 9 Act for Fiscal Years 1990 and 1991 (Public Law 101–189;
 10 103 Stat. 1383) is repealed.

11 ***SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR***
 12 ***ARMY PROGRAMS.***

13 (a) *AVENGER AIR DEFENSE MISSILE SYSTEM.*—Not-
 14 withstanding the limitation in subsection (k) of section
 15 2306b of title 10, United States Code, relating to the maxi-
 16 mum duration of a multiyear contract under the authority
 17 of that section, the Secretary of the Army may extend the
 18 multiyear contract in effect during fiscal year 1996 for the
 19 Avenger Air Defense Missile system through fiscal year 1997
 20 and may award such an extension.

21 (b) *ARMY TACTICAL MISSILE SYSTEM.*—The Secretary
 22 of the Army may, in accordance with section 2306b of title
 23 10, United States Code, enter into a multiyear procurement
 24 contract, beginning with the fiscal year 1997 program year,

1 *for procurement of the Army Tactical Missile System*
 2 *(Army TACMS).*

3 ***Subtitle C—Navy Programs***

4 ***SEC. 121. NUCLEAR ATTACK SUBMARINE PROGRAMS.***

5 *(a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—*

6 *Of the amount authorized by section 102 to be appropriated*
 7 *for Shipbuilding and Conversion, Navy, for fiscal year*
 8 *1997—*

9 *(1) \$699,071,000 is available for continued con-*
 10 *struction of the third vessel (designated SSN-23) in*
 11 *the Seawolf attack submarine class, which shall be the*
 12 *final vessel in that class;*

13 *(2) \$296,186,000 is available for long-lead and*
 14 *advance construction and procurement of components*
 15 *for construction of a submarine (previously des-*
 16 *ignated by the Navy as the New Attack Submarine)*
 17 *beginning in fiscal year 1998 to be built by Electric*
 18 *Boat Division; and*

19 *(3) \$504,000,000 is available for long-lead and*
 20 *advance construction and procurement of components*
 21 *for construction of a second submarine (previously*
 22 *designated by the Navy as the New Attack Sub-*
 23 *marine) beginning in fiscal year 1999 to be built by*
 24 *Newport News Shipbuilding.*

1 (b) AMOUNTS AUTHORIZED FROM NAVY RDT&E AC-
2 COUNT.—(1) Of the amount authorized to be appropriated
3 by section 201 for Research, Development, Test, and Eval-
4 uation, Navy, \$489,443,000 is available for the design of
5 the submarine previously designated by the Navy as the
6 New Attack Submarine. Such funds shall be available for
7 obligation and expenditure under contracts with Electric
8 Boat Division and Newport News Shipbuilding to carry out
9 the provisions of the “Memorandum of Agreement Among
10 the Department of the Navy, Electric Boat Corporation
11 (EB) and Newport News Shipbuilding and Drydock Com-
12 pany (NNS) Concerning the New Attack Submarine”, dated
13 April 5, 1996, relating to design data transfer, design im-
14 provements, integrated process teams, updated design base,
15 and other research and development initiatives related to
16 the design of such submarine.

17 (2)(A) Of the amount authorized to be appropriated
18 by section 201(2), \$60,000,000 is available to address the
19 inclusion on future nuclear attack submarines of the spe-
20 cific advanced technologies that are identified by the Sec-
21 retary of Defense (in the report of the Secretary entitled
22 “Report on Nuclear Attack Submarine Procurement and
23 Submarine Technology”, submitted to Congress on March
24 26, 1996) as those technologies the maturation of which the
25 Submarine Technology Assessment Panel recommended be

1 *addressed in its March 15, 1996, final report to the Assist-*
2 *ant Secretary of the Navy for Research, Development, and*
3 *Acquisition, as follows: hydrodynamics, alternative sail de-*
4 *signs, advanced arrays, electric drive, external weapons and*
5 *active controls and mounts.*

6 *(B) Of the amount referred to in subparagraph (A),*
7 *\$20,000,000 shall be equally divided between the two ship-*
8 *yards for the purpose of ensuring that the shipyards are*
9 *principal participants in the process of addressing the in-*
10 *clusion of technologies referred to in subparagraph (A). The*
11 *Secretary of the Navy shall ensure that those shipyards have*
12 *access for such purpose (under procedures prescribed by the*
13 *Secretary) to the Navy laboratories and the Office of Naval*
14 *Intelligence and (in accordance with arrangements to be*
15 *made by the Secretary) to the Defense Advanced Research*
16 *Projects Agency.*

17 *(3) Of the amount authorized to be appropriated by*
18 *section 201(2), \$38,000,000 is available to begin funding*
19 *those Category I and Category II advanced technologies de-*
20 *scribed in Appendix C of the report of the Secretary of De-*
21 *fense referred to in paragraph (2).*

22 *(4) Of the amount authorized to be appropriated by*
23 *section 201(2), \$40,000,000 is available to provide funds*
24 *for the design improvements in accordance with subsection*
25 *(f), to be equally divided between the two shipyards.*

1 (5)(A) *Of the amount authorized to be appropriated*
2 *by section 201(2), \$50,000,000 is available to initiate the*
3 *design of a new, next-generation nuclear attack submarine,*
4 *the design of which is not intended to be an outgrowth of*
5 *the submarine program described in section 131 of the Na-*
6 *tional Defense Authorization Act for Fiscal Year 1996 (Pub-*
7 *lic Law 104–106; 110 Stat. 208). Those funds shall be*
8 *equally divided between the two shipyards and shall provide*
9 *alternatives to the design or designs to be derived in accord-*
10 *ance with subsection (f). The Secretary of the Navy shall*
11 *compete those alternative designs with the design or designs*
12 *to be derived in accordance with subsection (f) for serial*
13 *production beginning not earlier than fiscal year 2003.*

14 (B) *The design under subparagraph (A) should proceed*
15 *from, but not be limited to, the technology specified in para-*
16 *graph (2)(A), especially with respect to hydrodynamics con-*
17 *cepts and technologies. The Secretary shall require the two*
18 *shipyards to submit to the Secretary an annual report on*
19 *the progress of the design work under subparagraph (A) and*
20 *shall transmit each such report to the committees specified*
21 *in subsection (d)(1).*

22 (c) *CONTRACTS AUTHORIZED.—(1) The Secretary of*
23 *the Navy is authorized, using funds available pursuant to*
24 *paragraphs (2) and (3) of subsection (a), to enter into con-*
25 *tracts with Electric Boat Division and Newport News Ship-*

1 *building, and suppliers of components, during fiscal year*
2 *1997 for—*

3 *(A) the procurement of long-lead components for*
4 *the fiscal year 1998 submarine and the fiscal year*
5 *1999 submarine under this section; and*

6 *(B) advance construction of such components*
7 *and other components for such submarines.*

8 *(2) The Secretary may enter into a contract or con-*
9 *tracts under this section with the shipbuilder of the fiscal*
10 *year 1998 submarine only if the Secretary enters into a*
11 *contract or contracts under this section with the shipbuilder*
12 *of the fiscal year 1999 submarine.*

13 *(d) LIMITATIONS.—(1) Of the amounts specified in*
14 *subsection (a), not more than \$50,000,000 may be obligated*
15 *until the Secretary of Defense certifies in writing to the*
16 *Committee on Armed Services of the Senate and the Com-*
17 *mittee on National Security of the House of Representatives*
18 *that procurement of nuclear attack submarines to be con-*
19 *structed after four submarines are procured as provided for*
20 *in the plan described in section 131(c) of the National De-*
21 *fense Authorization Act for fiscal year 1996 will be under*
22 *one or more contracts that are entered into after competi-*
23 *tion between Electric Boat Division and Newport News*
24 *Shipbuilding in which the Secretary of the Navy solicits*

1 competitive proposals and awards the contract or contracts
2 on the basis of best value to the Government.

3 (2) Of the amounts specified in subsection (a), not
4 more than \$50,000,000 may be obligated until the Under
5 Secretary of Defense for Acquisition and Technology sub-
6 mits to the congressional committees specified in paragraph
7 (1) a report in writing detailing the following:

8 (A) The Under Secretary's oversight activities to
9 date, and plans for the future, for the development
10 and improvement of the nuclear attack submarine
11 program of the Navy as required by section
12 131(b)(2)(C) of the National Defense Authorization
13 Act for Fiscal Year 1996.

14 (B) The implementation of, and activities con-
15 ducted under, the program required to be established
16 by the Director of the Defense Advanced Research
17 Projects Agency by section 131(i) of the National De-
18 fense Authorization Act for Fiscal Year 1996 for the
19 development and demonstration of advanced sub-
20 marine technologies and a rapid prototype acquisi-
21 tion strategy for both land-based and at-sea subsystem
22 and system demonstrations of such technologies.

23 (C) A description of all research, development,
24 test, and evaluation programs, projects, or activities
25 within the Department of Defense which are designed

1 to or which could, in the opinion of the Under Sec-
2 retary, contribute to the development and demonstra-
3 tion of advanced submarine technologies leading to a
4 more capable, more affordable nuclear attack sub-
5 marine, specifically identifying ongoing involvement,
6 and plans for future involvement, in any such pro-
7 gram, project or activity by either Electric Boat Divi-
8 sion, Newport News Shipbuilding, or both.

9 (3) Of the amount specified in subsection (b)(1), not
10 more than \$50,000,000 may be obligated or expended until
11 the Under Secretary of Defense (Comptroller) certifies in
12 writing to the congressional committees specified in para-
13 graph (1) that the Department has complied with section
14 132 of the National Defense Authorization Act for Fiscal
15 Year 1996 and that the funds specified in paragraphs (2),
16 (3), and (4) of subsection (b), have been obligated.

17 (e) ACQUISITION SIMPLIFICATION.—(1) In furtherance
18 of the direction provided by subsection (d) of section 131
19 of the National Defense Authorization Act for Fiscal Year
20 1996 to the Secretary of Defense regarding the application
21 of acquisition reform policies and procedures to the sub-
22 marine program under that section, the Secretary shall di-
23 rect the Secretary of the Navy to implement for the sub-
24 marine programs of the Navy the acquisition reform initia-
25 tives begun by the Secretary of the Air Force in May 1995

1 referred to as the “Lightning Bolt” initiatives. The Sec-
2 retary of the Navy shall, not later than March 31, 1997,
3 submit to the congressional committees specified in sub-
4 section (d)(1) a report on the results of the implementation
5 of such initiatives.

6 (f) *DESIGN RESPONSIBILITY.*—(1) The Secretary of the
7 Navy shall carry out the submarine program described in
8 section 131 of the National Defense Authorization Act for
9 Fiscal Year 1996 in a manner that ensures that neither
10 of the two shipyards has the lead responsibility for sub-
11 marine design under the program. Each of the two ship-
12 yards involved in the design and construction of the four
13 submarines described in that section shall be allowed to pro-
14 pose to the Secretary any design improvement that ship-
15 yard considers appropriate for the submarines to be built
16 at that shipyard as part of those four submarines. Control
17 of the configuration of each of the four submarines shall
18 be separately maintained, and there shall be no single de-
19 sign to compete for serial production with those designs de-
20 rived from the design work under subsection (b)(5), such
21 competition to occur not earlier than fiscal year 2003.

22 (2) The Secretary of the Navy shall submit an annual
23 report to the committees specified in subsection (d)(1) on
24 the design improvements proposed by the two shipyards
25 under paragraph (1) for incorporation on any of the four

1 *submarines using the funds specified in subsection (b)(4).*

2 *Each annual report shall set forth each design improvement*

3 *proposed and whether that proposal was—*

4 *(A) reviewed, approved, and funded by the Navy;*

5 *(B) reviewed and approved, but not funded; or*

6 *(C) not approved, in which case the report shall*

7 *include the reasons therefor and any views of the*

8 *shipyard making the proposal.*

9 **SEC. 122. COST LIMITATIONS FOR SEAWOLF SUBMARINE**

10 **PROGRAM.**

11 *(a) FIRST TWO SUBMARINES.—The total amount obli-*

12 *gated or expended for procurement of the first two Seawolf-*

13 *class submarines (designated as SSN-21 and SSN-22) may*

14 *not exceed \$4,793,557,000.*

15 *(b) THIRD SUBMARINE.—The total amount obligated*

16 *or expended for procurement of the third Seawolf-class sub-*

17 *marine (designated as SSN-23) may not exceed*

18 *\$2,430,102,000.*

19 *(c) AUTOMATIC INCREASE IN SSN-21 AND SSN-22*

20 *LIMITATION AMOUNT.—The amount of the limitation set*

21 *forth in subsection (a) is increased by the following*

22 *amounts:*

23 *(1) The amounts of outfitting costs and post-de-*

24 *livery costs incurred for the submarines referred to in*

25 *that subsection.*

1 (2) *The amounts of increases in costs for those*
 2 *submarines attributable to economic inflation after*
 3 *September 30, 1995.*

4 (3) *The amounts of increases in costs for those*
 5 *submarines attributable to compliance with changes*
 6 *in Federal, State, or local laws enacted after Septem-*
 7 *ber 30, 1995.*

8 (d) *AUTOMATIC INCREASE IN SSN-23 LIMITATION*
 9 *AMOUNT.—The amount of the limitation set forth in sub-*
 10 *section (b) is increased by the following amounts:*

11 (1) *The amounts of outfitting costs and post-de-*
 12 *livery costs incurred for the submarine referred to in*
 13 *that subsection.*

14 (2) *The amounts of increases in costs for that*
 15 *submarine attributable to economic inflation after*
 16 *September 30, 1995.*

17 (3) *The amounts of increases in costs for that*
 18 *submarine attributable to compliance with changes in*
 19 *Federal, State, or local laws enacted after September*
 20 *30, 1995.*

21 (e) *REPEAL OF SUPERSEDED PROVISION.—Section*
 22 *133 of the National Defense Authorization Act for Fiscal*
 23 *Year 1996 (Public Law 104–106; 110 Stat. 211) is repealed.*

1 **SEC. 123. PULSE DOPPLER RADAR MODIFICATION.**

2 *The Secretary of the Navy shall, to the extent specifi-*
 3 *cally provided in an appropriations Act enacted after the*
 4 *date of the enactment of this Act, spend \$29,000,000 solely*
 5 *for development and procurement of the Pulse Doppler Up-*
 6 *grade modification to the AN/SPS-48E radar system, to*
 7 *be derived by the Secretary from amounts appropriated for*
 8 *Other Procurement, Navy, for fiscal years before fiscal year*
 9 *1997 that are unobligated and remain available for*
 10 *obligation.*

11 **SEC. 124. REDUCTION IN NUMBER OF VESSELS EXCLUDED**
 12 **FROM LIMIT ON PURCHASE OF VESSELS**
 13 **BUILT IN FOREIGN SHIPYARDS.**

14 *Section 1023 of the National Defense Authorization*
 15 *Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat.*
 16 *2838) is amended by striking out “three ships” and insert-*
 17 *ing in lieu thereof “one ship”.*

18 **SEC. 125. T-39N TRAINER AIRCRAFT FOR THE NAVY.**

19 *(a) PROCUREMENT.—The Secretary of the Navy shall,*
 20 *using funds appropriated for fiscal year 1996 for procure-*
 21 *ment of T-39N trainer aircraft for the Navy that remain*
 22 *available for obligation for such purpose, enter into a con-*
 23 *tract only for the acquisition of not less than 17 T-39N*
 24 *aircraft for naval flight officer training that are suitable*
 25 *for low-level training flights. The Secretary shall use pro-*
 26 *curement procedures authorized under section 2304(c) of*

1 *title 10, United States Code, for a contract under subsection*
 2 *(a). The Secretary shall enter into such a contract not later*
 3 *than 15 days after the date of the enactment of this Act.*

4 *(b) CONFORMING REPEAL.—Subsection (a) of section*
 5 *137 of the National Defense Authorization Act for Fiscal*
 6 *Year 1996 (Public Law 104–106; 110 Stat. 212) is repealed.*

7 ***Subtitle D—Air Force Programs***

8 ***SEC. 141. REPEAL OF LIMITATION ON PROCUREMENT OF F–*** 9 ***15E AIRCRAFT.***

10 *Section 134 of the National Defense Authorization Act*
 11 *for Fiscal Years 1990 and 1991 (Public Law 101–189; 103*
 12 *Stat. 1383) is repealed.*

13 ***SEC. 142. C–17 AIRCRAFT PROCUREMENT.***

14 *The Secretary of the Air Force may, in accordance*
 15 *with section 2306b of title 10, United States Code, enter*
 16 *into a multiyear contract under the C–17 aircraft program*
 17 *for the procurement of a total of not more than 80 aircraft.*
 18 *Such a contract may (notwithstanding subsection (k) of*
 19 *such section 2306b) be entered into for a period of six pro-*
 20 *gram years, beginning with fiscal year 1997.*

1 ***TITLE II—RESEARCH, DEVELOP-***
 2 ***MENT, TEST, AND EVALUA-***
 3 ***TION***

4 ***Subtitle A—Authorization of***
 5 ***Appropriations***

6 ***SEC. 201. AUTHORIZATION OF APPROPRIATIONS.***

7 *Funds are hereby authorized to be appropriated for fis-*
 8 *cal year 1997 for the use of the Department of Defense for*
 9 *research, development, test, and evaluation as follows:*

10 *(1) For the Army, \$4,669,979,000.*

11 *(2) For the Navy, \$8,189,957,000.*

12 *(3) For the Air Force, \$13,271,087,000.*

13 *(4) For Defense-wide activities, \$9,406,377,000,*

14 *of which—*

15 *(A) \$252,038,000 is authorized for the ac-*
 16 *tivities of the Director, Test and Evaluation; and*

17 *(B) \$21,968,000 is authorized for the Direc-*
 18 *tor of Operational Test and Evaluation.*

19 ***SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.***

20 *(a) FISCAL YEAR 1997.—Of the amounts authorized*
 21 *to be appropriated by section 201, \$4,088,043,000 shall be*
 22 *available for basic research and applied research projects.*

23 *(b) BASIC RESEARCH AND APPLIED RESEARCH DE-*
 24 *FINED.—For purposes of this section, the term “basic re-*
 25 *search and applied research” means work funded in pro-*

1 *gram elements for defense research and development under*
 2 *Department of Defense category 6.1 or 6.2.*

3 **SEC. 203. DUAL-USE TECHNOLOGY PROGRAMS.**

4 (a) *DESIGNATION OF OFFICIAL FOR DUAL-USE PRO-*
 5 *GRAMS.—The Secretary of Defense shall designate a senior*
 6 *official in the Office of the Secretary of Defense whose sole*
 7 *responsibility is developing policy relating to, and ensuring*
 8 *effective implementation of, dual-use programs and the in-*
 9 *tegration of commercial technologies into current and future*
 10 *military systems for the period beginning on October 1,*
 11 *1996, and ending on September 30, 2000. Such official shall*
 12 *report directly to the Under Secretary of Defense for Acqui-*
 13 *sition and Technology.*

14 (b) *FUNDING REQUIREMENT.—Of the amounts appro-*
 15 *priated for the Department of Defense for science and tech-*
 16 *nology programs for each of fiscal years 1997 through 2000,*
 17 *at least the following percentages of such amounts shall be*
 18 *available in the applicable fiscal year only for dual-use pro-*
 19 *grams of the Department of Defense:*

20 (1) *For fiscal year 1997, five percent.*

21 (2) *For fiscal year 1998, seven percent.*

22 (3) *For fiscal year 1999, 10 percent.*

23 (4) *For fiscal year 2000, 15 percent.*

24 (c) *LIMITATION ON OBLIGATIONS.—(1) Except as pro-*
 25 *vided in paragraph (2), funds made available pursuant to*

1 subsection (b) may not be obligated until the senior official
2 designated under subsection (a) approves the obligation.

3 (2) Paragraph (1) does not apply with respect to funds
4 made available pursuant to subsection (b) to the Depart-
5 ment of the Air Force or to the Defense Advanced Research
6 Projects Agency.

7 (d) *TRANSFER AUTHORITY.*—The Secretary of Defense
8 may transfer funds made available pursuant to subsection
9 (b) for a dual-use program from a military department or
10 defense agency to another military department or defense
11 agency to ensure efficient implementation of the program.
12 The Secretary may delegate the authority provided in the
13 preceding sentence to the senior official designated under
14 subsection (a).

15 (e) *FEDERAL COST SHARE.*—(1) The share contributed
16 by the Secretary of a military department for the cost of
17 a dual-use program during the fiscal years 1997, 1998,
18 1999, and 2000 may not be greater than 50 percent.

19 (2) In calculating the share of the costs of a dual-use
20 program contributed by a military department or a non-
21 Government entity, the Secretaries of the military depart-
22 ments may not consider in-kind contributions.

23 (f) *DEFINITIONS.*—In this section:

24 (1) The term “dual-use program” means a pro-
25 gram of a military department—

1 (A) under which research or development of
 2 a dual-use technology (as defined in section 2491
 3 of title 10, United States Code) is carried out;
 4 and

5 (B) the costs of which are shared between
 6 the Department of Defense and non-Government
 7 entities.

8 (2) The term “science and technology program”
 9 means a program of a military department under
 10 which basic research, applied research, or advanced
 11 technology development is carried out.

12 ***Subtitle B—Program Requirements,***
 13 ***Restrictions, and Limitations***

14 ***SEC. 211. SPACE LAUNCH MODERNIZATION.***

15 (a) *ALLOCATION OF FUNDS.*—Of the amount appro-
 16 priated pursuant to the authorization in section 201(3),
 17 \$50,000,000 shall be available for a competitive reusable
 18 launch vehicle technology program (PE 63401F).

19 (b) *LIMITATION.*—Funds made available pursuant to
 20 subsection (a)(1) may be obligated only to the extent that
 21 the fiscal year 1997 current operating plan of the National
 22 Aeronautics and Space Administration allocates at least an
 23 equal amount for its Reusable Space Launch Vehicle pro-
 24 gram.

1 **SEC. 212. LIVE-FIRE SURVIVABILITY TESTING OF V-22 AIR-**
2 **CRAFT.**

3 (a) *AUTHORITY FOR RETROACTIVE WAIVER.*—The
4 Secretary of Defense may exercise the waiver authority in
5 section 2366(c) of title 10, United States Code, with respect
6 to the application of survivability testing to the V-22 air-
7 craft system, notwithstanding that such system has entered
8 engineering and manufacturing development.

9 (b) *REPORT TO CONGRESS.*—In exercising the waiver
10 authority in section 2366(c), the Secretary shall submit to
11 Congress a report explaining how the Secretary plans to
12 evaluate the survivability of the V-22 aircraft system and
13 assessing possible alternatives to realistic survivability test-
14 ing of the system.

15 (c) *ALTERNATIVE SURVIVABILITY TESTING REQUIRE-*
16 *MENTS.*—If the Secretary of Defense submits a certification
17 under section 2366(c)(2) of such title that live-fire testing
18 of the V-22 aircraft system under such section would be
19 unreasonably expensive and impractical, the Secretary
20 shall require that sufficiently large and realistic compo-
21 nents and subsystems that could affect the survivability of
22 the V-22 aircraft system be made available for any alter-
23 native live-fire testing of such system.

24 (d) *FUNDING.*—The funds required to carry out any
25 alternative live-fire testing of the V-22 aircraft system shall

1 *be made available from amounts appropriated for the V-*
 2 *22 program.*

3 **SEC. 213. LIVE-FIRE SURVIVABILITY TESTING OF F-22 AIR-**
 4 **CRAFT.**

5 (a) *AUTHORITY FOR RETROACTIVE WAIVER.*—*The*
 6 *Secretary of Defense may exercise the waiver authority in*
 7 *section 2366(c) of title 10, United States Code, with respect*
 8 *to the application of survivability testing to the F-22 air-*
 9 *craft system, notwithstanding that such system has entered*
 10 *engineering and manufacturing development.*

11 (b) *ALTERNATIVE SURVIVABILITY TESTING REQUIRE-*
 12 *MENTS.*—*If the Secretary of Defense submits a certification*
 13 *under section 2366(c)(2) of such title that live-fire testing*
 14 *of the F-22 aircraft system under such section would be*
 15 *unreasonably expensive and impractical, the Secretary of*
 16 *Defense shall require that sufficiently large and realistic*
 17 *components and subsystems that could affect the surviv-*
 18 *ability of the F-22 aircraft system be made available for*
 19 *any alternative live-fire testing of such system.*

20 (c) *FUNDING.*—*The funds required to carry out any*
 21 *alternative live-fire testing of the F-22 aircraft system shall*
 22 *be made available from amounts appropriated for the F-*
 23 *22 program.*

1 **SEC. 214. DEMILITARIZATION OF CONVENTIONAL MUNI-**
2 **TIONS, ROCKETS, AND EXPLOSIVES.**

3 (a) *ESTABLISHMENT OF CONVENTIONAL MUNITIONS,*
4 *ROCKETS, AND EXPLOSIVES DEMILITARIZATION PRO-*
5 *GRAM.*—*The Secretary of Defense shall establish an inte-*
6 *grated program for the development and demonstration of*
7 *technologies for the demilitarization and disposal of conven-*
8 *tional munitions, rockets, and explosives in a manner that*
9 *complies with applicable environmental laws.*

10 (b) *DURATION OF PROGRAM.*—*The program estab-*
11 *lished pursuant to subsection (a) shall be in effect for a pe-*
12 *riod of at least five years, beginning with fiscal year 1997.*

13 (c) *FUNDING.*—*Of the amount authorized to be appro-*
14 *priated in section 201, \$15,000,000 is authorized to be ap-*
15 *propriated for the program established pursuant to sub-*
16 *section (a). The funding request for the program shall be*
17 *set forth separately in the budget justification documents*
18 *for the budget of the Department of Defense for each fiscal*
19 *year during which the program is in effect.*

20 (d) *REPORTS.*—*The Secretary of Defense shall submit*
21 *to Congress a report on the plan for the program established*
22 *pursuant to subsection (a) at the same time the President*
23 *submits to Congress the budget for fiscal year 1998. The*
24 *Secretary shall submit an updated version of such report,*
25 *setting forth in detail the progress of the program, at the*
26 *same time the President submits the budget for each fiscal*

1 *year after fiscal year 1998 during which the program is*
 2 *in effect.*

3 **SEC. 215. RESEARCH ACTIVITIES OF THE DEFENSE AD-**
 4 **VANCED RESEARCH PROJECTS AGENCY RE-**
 5 **LATING TO CHEMICAL AND BIOLOGICAL WAR-**
 6 **FARE DEFENSE TECHNOLOGY.**

7 *(a) AUTHORITY.—Section 1701(c) of the National De-*
 8 *fense Authorization Act for Fiscal Year 1994 (Public Law*
 9 *103–160; 107 Stat. 1853; 50 U.S.C. 1522) is amended—*

10 *(1) by inserting “(1)” before “The Secretary”;*
 11 *and*

12 *(2) by adding at the end the following new para-*
 13 *graph:*

14 *“(2) The Director of the Defense Advanced Research*
 15 *Projects Agency may conduct a program of basic and ap-*
 16 *plied research and advanced technology development on*
 17 *chemical and biological warfare defense technologies and*
 18 *systems. In conducting such program, the Director shall*
 19 *seek to avoid unnecessary duplication of the activities under*
 20 *the program with chemical and biological warfare defense*
 21 *activities of the military departments and defense agencies*
 22 *and shall coordinate the activities under the program with*
 23 *those of the military departments and defense agencies.”.*

24 *(b) FUNDING.—Section 1701(d) of such Act is amend-*
 25 *ed—*

1 (1) in paragraph (1), by striking out “military
2 departments” and inserting in lieu thereof “Depart-
3 ment of Defense”;

4 (2) in paragraph (2), by inserting after “re-
5 quests for the program” in the first sentence the fol-
6 lowing: “(other than for activities under the program
7 conducted by the Defense Advanced Research Projects
8 Agency under subsection (c)(2))”;

9 (3) by redesignating paragraph (3) as para-
10 graph (4); and

11 (4) by inserting after paragraph (2) the follow-
12 ing new paragraph (3):

13 “(3) The program conducted by the Defense Advanced
14 Research Projects Agency under subsection (c)(2) shall be
15 set forth as a separate program element in the budget of
16 that agency.”.

17 **SEC. 216. LIMITATION ON FUNDING FOR F-16 TACTICAL**
18 **MANNED RECONNAISSANCE AIRCRAFT.**

19 (a) *LIMITATION.*—Effective on the date of the enact-
20 ment of this Act, not more than \$50,000,000 (in fiscal year
21 1997 constant dollars) may be obligated or expended for—

22 (1) research, development, test, and evaluation
23 for, and acquisition and modification of, the F-16
24 tactical manned reconnaissance aircraft program;
25 and

1 (2) *costs associated with the termination of such*
2 *program.*

3 (b) *EXCEPTION.—The limitation in subsection (a)*
4 *shall not apply to obligations required for improvements*
5 *planned before the date of the enactment of this Act to incor-*
6 *porate the common data link into the F-16 tactical manned*
7 *reconnaissance aircraft.*

8 **SEC. 217. UNMANNED AERIAL VEHICLES.**

9 (a) *PROHIBITION.—(1) The Secretary of Defense may*
10 *not enter into a contract for the Joint Tactical Unmanned*
11 *Aerial Vehicle project, and no funds authorized to be appro-*
12 *priated by this Act may be obligated for such project, until*
13 *a period of 30 days has expired after the date on which*
14 *the Secretary of Defense submits to Congress a certification*
15 *that the reconnaissance programs of the Department of De-*
16 *fense—*

17 (A) *are justified on the basis of the projected na-*
18 *tional security threat;*

19 (B) *have been subjected to a roles and missions*
20 *determination;*

21 (C) *are supported by an overall national, joint,*
22 *and tactical reconnaissance plan;*

23 (D) *are affordable within the budget of the De-*
24 *partment of Defense as projected by the future-years*
25 *defense program; and*

1 (E) are fully programmed for in the future-years
2 defense program.

3 (2) In this subsection, the term ‘reconnaissance pro-
4 grams of the Department of Defense’ means programs for
5 tactical unmanned aerial vehicles, endurance unmanned
6 aerial vehicles, airborne reconnaissance, manned reconnais-
7 sance, and distributed common ground systems that—

8 (A) are described in the budget justification doc-
9 uments of the Defense Airborne Reconnaissance Office;

10 (B) are included in the funding request for the
11 Department of Defense; or

12 (C) are certified as acquisition reconnaissance
13 requirements by the Joint Requirements Oversight
14 Council for the future-years defense program.

15 (b) *PROCUREMENT FUNDING REQUEST.*—The funding
16 request for procurement for unmanned aerial vehicles for
17 any fiscal year shall be set forth under the funding requests
18 for the military departments in the budget of the Depart-
19 ment of Defense.

20 (c) *TRANSFER OF PROGRAM MANAGEMENT.*—Program
21 management for the Predator Unmanned Aerial Vehicle,
22 and programmed funding for such vehicle for fiscal years
23 1998, 1999, 2000, 2001, and 2002 (as set forth in the future-
24 years defense program), shall be transferred to the Depart-

1 *ment of the Air Force, effective October 1, 1996, or the date*
 2 *of the enactment of this Act, whichever is later.*

3 *(d) PROHIBITION ON PROVIDING OPERATING CAPABIL-*
 4 *ITY FROM NAVAL VESSELS.—No funds authorized to be ap-*
 5 *propriated by this Act may be obligated for purposes of pro-*
 6 *viding the capability of the Predator Unmanned Aerial Ve-*
 7 *hicle to operate from naval vessels.*

8 *(e) FUNDING.—Of the amounts authorized to be appro-*
 9 *priated by section 201 for program element 35154D,*
 10 *\$10,000,000 shall be available only for an advanced con-*
 11 *cepts technology demonstration of air-to-surface precision*
 12 *guided munitions employment using a Predator, Hunter,*
 13 *or Pioneer unmanned aerial vehicle and a nondevelopmental*
 14 *laser target designator.*

15 **SEC. 218. HYDRA-70 ROCKET PRODUCT IMPROVEMENT PRO-**
 16 **GRAM.**

17 *(a) FUNDING AUTHORIZATION.—Of the amount au-*
 18 *thorized to be appropriated under section 201(1) for the*
 19 *Army for Other Missile Product Improvement Programs,*
 20 *\$15,000,000 is authorized as specified in subsection (b) for*
 21 *completion of the Hydra-70 product improvement program*
 22 *authorized for fiscal year 1996.*

23 *(b) AUTHORIZED ACTIONS.—Funding is authorized to*
 24 *be appropriated for the following:*

1 (1) *Procurement for test and flight qualification*
 2 *of at least one nondevelopmental item 2.75-inch com-*
 3 *posite rocket motor type, along with other nondevel-*
 4 *opmental item candidate motors that use composite*
 5 *propellant as the propulsion component and that have*
 6 *passed initial insensitive munition criteria tests.*

7 (2) *Platform integration, including additional*
 8 *quantities of the motor chosen for operational certifi-*
 9 *cation on the Apache attack helicopter.*

10 (c) *DEFINITION.—In this section, the term “nondevel-*
 11 *opmental item” has the meaning provided in section 4 of*
 12 *the Office of Federal Procurement Policy Act (41 U.S.C.*
 13 *403) and also includes an item the flight capability of*
 14 *which has been demonstrated from a current Hydra–70*
 15 *rocket launcher.*

16 **SEC. 219. SPACE-BASED INFRARED SYSTEM PROGRAM.**

17 (a) *FUNDING.—Funds appropriated pursuant to the*
 18 *authorization of appropriations in section 201(3) are au-*
 19 *thorized to be made available for the Space-Based Infrared*
 20 *System program for purposes and in amounts as follows:*

21 (1) *For Space Segment High, \$180,390,000.*

22 (2) *For Space Segment Low (the Space and Mis-*
 23 *sile Tracking System), \$247,221,000.*

24 (3) *For Cobra Brass, \$6,930,000.*

1 (b) *LIMITATION.*—None of the funds authorized under
 2 subsection (a) to be made available for the Space-Based In-
 3 frared System program may be obligated or expended until
 4 the Secretary of Defense certifies to Congress that the re-
 5 quirements of section 216(a) of Public Law 104–106 (110
 6 Stat. 220) have been carried out.

7 (c) *PROGRAM MANAGEMENT.*—Before the submission of
 8 the President’s budget for fiscal year 1998, the Secretary
 9 of Defense shall conduct a review of the appropriate man-
 10 agement responsibilities for the Space and Missile Tracking
 11 System, including whether transferring such management
 12 responsibility from the Air Force to the Ballistic Missile
 13 Defense Organization would result in improved program ef-
 14 ficiencies and support.

15 **SEC. 220. JOINT ADVANCED STRIKE TECHNOLOGY (JAST)**
 16 **PROGRAM.**

17 (a) *ALLOCATION OF FUNDS.*—Of the amounts author-
 18 ized to be appropriated pursuant to the authorizations in
 19 section 201, \$589,069,000 shall be available only for ad-
 20 vanced technology development for the Joint Advanced
 21 Strike Technology (JAST) program. Of that amount—

22 (1) \$246,833,000 shall be available only for pro-
 23 gram element 63800N in the budget of the Depart-
 24 ment of Defense for fiscal year 1997;

1 (2) \$263,836,000 shall be available only for pro-
 2 gram element 63800F in the budget of the Depart-
 3 ment of Defense for fiscal year 1997; and

4 (3) \$78,400,000 shall be available only for pro-
 5 gram element 63800E in the budget of the Depart-
 6 ment of Defense for fiscal year 1997.

7 (b) *LIMITATION.*—None of the funds authorized to be
 8 appropriated pursuant to the authorizations in section 201
 9 may be used for Advanced Short Takeoff and Vertical Land-
 10 ing aircraft development.

11 (c) *FORCE STRUCTURE ANALYSIS.*—Of the amount
 12 made available under subsection (a), up to \$10,000,000
 13 shall be available for the conduct of an analysis by the In-
 14 stitutes of Defense Analysis of the following:

15 (1) The weapons systems force structure require-
 16 ments to meet the projected threat for the period be-
 17 ginning on January 1, 2000, and ending on Decem-
 18 ber 31, 2025.

19 (2) Alternative force structures, including, at a
 20 minimum, JAST derivative aircraft; remanufactured
 21 AV-8 aircraft; F-18C/D, F-18E/F, AH-64, AH-1W,
 22 F-14, F-16, F-15, F-117, and F-22 aircraft; and
 23 air-to-surface and surface-to-surface weapons systems.

1 (3) *Affordability, effectiveness, commonality, and*
 2 *roles and missions alternatives related to the alter-*
 3 *native force structures analyzed under paragraph (2).*

4 (d) *COST REVIEW.*—*The cost analysis and improve-*
 5 *ment group of the Office of the Secretary of Defense shall*
 6 *review cost estimates made under the analysis conducted*
 7 *under subsection (c) and shall provide a sensitivity analysis*
 8 *for the alternatives evaluated under paragraphs (2) and (3)*
 9 *of subsection (c).*

10 (e) *DEADLINE.*—*The Secretary of Defense shall submit*
 11 *to the congressional defense committees a copy of the analy-*
 12 *sis conducted under subsection (c) and the review conducted*
 13 *under subsection (d) not later than February 1, 1997.*

14 **SEC. 221. JOINT UNITED STATES-ISRAELI NAUTILUS LASER/**
 15 **THEATER HIGH ENERGY LASER PROGRAM.**

16 *The Congress strongly supports the Joint United*
 17 *States-Israeli Nautilus Laser/Theater High Energy Laser*
 18 *programs and encourages the Secretary of Defense to request*
 19 *authorization to develop these programs as agreed to on*
 20 *April 28, 1996, in the statement of intent signed by the*
 21 *Secretary of Defense and the Prime Minister of the State*
 22 *of Israel.*

1 **SEC. 222. NONLETHAL WEAPONS RESEARCH AND DEVELOP-**
 2 **MENT PROGRAM.**

3 *Of the amounts authorized to be appropriated by sec-*
 4 *tion 201 for program element 63640M, \$3,000,000 shall be*
 5 *available for the Nonlethal Weapons Research and Develop-*
 6 *ment Program.*

7 ***Subtitle C—Ballistic Missile***
 8 ***Defense Programs***

9 **SEC. 231. FUNDING FOR BALLISTIC MISSILE DEFENSE PRO-**
 10 **GRAMS FOR FISCAL YEAR 1997.**

11 *Of the amount appropriated pursuant to section*
 12 *201(4), not more than \$3,258,982,000 may be obligated for*
 13 *programs managed by the Ballistic Missile Defense Organi-*
 14 *zation.*

15 **SEC 232. CERTIFICATION OF CAPABILITY OF UNITED**
 16 **STATES TO DEFEND AGAINST SINGLE BALLIS-**
 17 **TIC MISSILE.**

18 *Not later than 15 days after the date of the enactment*
 19 *of this Act, the President shall submit to Congress a certifi-*
 20 *cation in writing stating specifically whether or not the*
 21 *United States has the military capability (as of the time*
 22 *of the certification) to intercept and destroy a single ballis-*
 23 *tic missile launched at the territory of the United States.*

24 **SEC. 233. POLICY ON COMPLIANCE WITH THE ABM TREATY.**

25 *(a) POLICY CONCERNING SYSTEMS SUBJECT TO ABM*
 26 *TREATY.—Congress finds that, unless and until a missile*

1 *defense system, system upgrade, or system component is*
2 *flight tested in an ABM-qualifying flight test (as defined*
3 *in subsection (c)), such system, system upgrade, or system*
4 *component—*

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

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

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

13 (A) *prescribing, enforcing, or implementing any*
14 *Executive order, regulation, or policy that would*
15 *apply the ABM Treaty (or any limitation or obliga-*
16 *tion under such Treaty) to research, development,*
17 *testing, or deployment of a theater missile defense sys-*
18 *tem, a theater missile defense system upgrade, or a*
19 *theater missile defense system component; or*

20 (B) *taking any other action to provide for the*
21 *ABM Treaty (or any limitation or obligation under*
22 *such Treaty) to be applied to research, development,*
23 *testing, or deployment of a theater missile defense sys-*
24 *tem, a theater missile defense system upgrade, or a*
25 *theater missile defense system component.*

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

5 (3) *This subsection shall cease to apply with respect*
 6 *to a missile defense system, missile defense system upgrade,*
 7 *or missile defense system component when that system, sys-*
 8 *tem upgrade, or system component has been flight tested*
 9 *in an ABM-qualifying flight test.*

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

15 **SEC. 234. REQUIREMENT THAT MULTILATERALIZATION OF**
 16 **THE ABM TREATY BE DONE ONLY THROUGH**
 17 **TREATY-MAKING POWER.**

18 *Any addition of a new signatory party to the ABM*
 19 *Treaty (in addition to the United States and the Russian*
 20 *Federation) constitutes an amendment to the treaty that*
 21 *can only be agreed to by the United States through the trea-*
 22 *ty-making power of the United States. No funds appro-*
 23 *priated or otherwise available for any fiscal year may be*
 24 *obligated or expended for the purpose of implementing or*
 25 *making binding upon the United States the participation*

1 *of any additional nation as a party to the ABM Treaty*
2 *unless that nation is made a party to the treaty by an*
3 *amendment to the Treaty that is made in the same manner*
4 *as the manner by which a treaty is made.*

5 **SEC. 235. REPORT ON BALLISTIC MISSILE DEFENSE AND**
6 **PROLIFERATION.**

7 *The Secretary of Defense shall submit to Congress a*
8 *report on ballistic missile defense and the proliferation of*
9 *weapons of mass destruction, including nuclear, chemical,*
10 *and biological weapons, and the missiles that can be used*
11 *to deliver them. The report shall be submitted not later than*
12 *December 31, 1996, and shall include the following:*

13 *(1) An assessment of how United States theater*
14 *missile defenses contribute to United States efforts to*
15 *prevent proliferation, including an evaluation of the*
16 *specific effect United States theater missile defense*
17 *systems can have on dissuading other states from ac-*
18 *quiring ballistic missiles.*

19 *(2) An assessment of how United States national*
20 *missile defenses contribute to United States efforts to*
21 *prevent proliferation.*

22 *(3) An assessment of the effect of the lack of na-*
23 *tional missile defenses on the desire of other states to*
24 *acquire ballistic missiles and an evaluation of the*

1 *types of missiles other states might seek to acquire as*
 2 *a result.*

3 (4) *A detailed review of the linkages between*
 4 *missile defenses (both theater and national) and each*
 5 *of the categories of counterproliferation activities*
 6 *identified by the Secretary of Defense as part of the*
 7 *Defense Counterproliferation Initiative announced by*
 8 *the Secretary in December 1993.*

9 (5) *A description of how theater and national*
 10 *ballistic missile defenses can augment the effectiveness*
 11 *of other counterproliferation tools.*

12 **SEC. 236. REVISION TO ANNUAL REPORT ON BALLISTIC**
 13 **MISSILE DEFENSE PROGRAM.**

14 *Section 224(b) of the National Defense Authorization*
 15 *Act for Fiscal Years 1990 and 1991 (10 U.S.C. 2431 note)*
 16 *is amended—*

17 (1) *by striking out paragraphs (3), (4), and*
 18 *(10);*

19 (2) *by redesignating paragraphs (5) and (6) as*
 20 *paragraphs (3) and (4), respectively;*

21 (3) *by redesignating paragraph (7) as para-*
 22 *graph (5) and in that paragraph by striking out “of*
 23 *the Soviet Union” and “for the Soviet Union”;*

24 (4) *by redesignating paragraph (8) as para-*
 25 *graph (6); and*

1 (5) by redesignating paragraph (9) as para-
2 graph (7) and in that paragraph—

3 (A) by striking out “of the Soviet Union”
4 in subparagraph (A);

5 (B) by striking out subparagraphs (C)
6 through (F); and

7 (C) by redesignating subparagraph (G) as
8 subparagraph (C).

9 **SEC. 237. ABM TREATY DEFINED.**

10 *For purposes of this subtitle, the term “ABM Treaty”*
11 *means the Treaty Between the United States of America*
12 *and the Union of Soviet Socialist Republics on the Limita-*
13 *tion of Anti-Ballistic Missile Systems, and signed at Mos-*
14 *cow on May 26, 1972, and includes the Protocols to that*
15 *Treaty, signed at Moscow on July 3, 1974.*

16 **SEC. 238. CAPABILITY OF NATIONAL MISSILE DEFENSE SYS-**
17 **TEM.**

18 *The Secretary of Defense shall ensure that any Na-*
19 *tional Missile Defense system deployed by the United States*
20 *is capable of defeating the threat posed by the Taepo Dong*
21 *II missile of North Korea.*

1 ***Subtitle D—Other Matters***

2 ***SEC. 241. UNIFORM PROCEDURES AND CRITERIA FOR MAIN-***
 3 ***TENANCE AND REPAIR AT AIR FORCE INSTAL-***
 4 ***LATIONS.***

5 *The Secretary of the Air Force shall apply uniform*
 6 *procedures and criteria to allocate funds authorized to be*
 7 *appropriated pursuant to this title and title III of this Act*
 8 *for maintenance and repair of real property at military*
 9 *installations of the Department of the Air Force.*

10 ***SEC. 242. REQUIREMENTS RELATING TO SMALL BUSINESS***
 11 ***INNOVATION RESEARCH PROGRAM.***

12 *(a) MANAGEMENT AND EXECUTION BY PROGRAM MAN-*
 13 *AGER.—The Secretary of Defense, in conducting within the*
 14 *Department of Defense the Small Business Innovation Re-*
 15 *search Program (as defined by section 2491(13) of title 10,*
 16 *United States Code), shall ensure that the Program is man-*
 17 *aged and executed, for each program element for research*
 18 *and development for which \$20,000,000 or more is author-*
 19 *ized for a fiscal year, by the program manager for that ele-*
 20 *ment.*

21 *(b) REPORT.—Not later than March 30, 1997, the*
 22 *Comptroller General shall submit to Congress and to the*
 23 *Secretary of Defense a report setting forth an assessment*
 24 *of whether there has been a demonstrable reduction in the*
 25 *quality of research performed under funding agreements*

1 *awarded by the Department of Defense under the Small*
 2 *Business Innovation Research Program since fiscal year*
 3 *1995.*

4 **SEC. 243. EXTENSION OF DEADLINE FOR DELIVERY OF EN-**
 5 **HANCED FIBER OPTIC GUIDED MISSILE**
 6 **(EFOG-M) SYSTEM.**

7 *Section 272(a)(2) of the National Defense Authoriza-*
 8 *tion Act for Fiscal Year 1996 (Public Law 104-106; 110*
 9 *Stat. 239) is amended by striking out “September 30,*
 10 *1998,” and inserting in lieu thereof “September 30, 1999.”.*

11 **SEC. 244. AMENDMENT TO UNIVERSITY RESEARCH INITIA-**
 12 **TIVE SUPPORT PROGRAM.**

13 *Section 802(c) of the National Defense Authorization*
 14 *Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat.*
 15 *1701; 10 U.S.C. 2358 note) is amended by striking out “fis-*
 16 *cal years before the fiscal year in which the institution sub-*
 17 *mits a proposal” and inserting in lieu thereof “most recent*
 18 *fiscal years for which complete statistics are available when*
 19 *proposals are requested”.*

20 **SEC. 245. AMENDMENTS TO DEFENSE EXPERIMENTAL PRO-**
 21 **GRAM TO STIMULATE COMPETITIVE RE-**
 22 **SEARCH.**

23 *Section 257(d) of the National Defense Authorization*
 24 *Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat.*
 25 *2705; 10 U.S.C. 2358 note) is amended—*

1 (1) in paragraph (1)—

2 (A) by striking out “Director of the Na-
3 tional Science Foundation” and inserting in lieu
4 thereof “Under Secretary of Defense for Acquisi-
5 tion and Technology”; and

6 (B) by striking out “and shall notify the
7 Director of Defense Research and Engineering of
8 the States so designated”; and

9 (2) in paragraph (2)—

10 (A) by striking out “Director of the Na-
11 tional Science Foundation” and inserting in lieu
12 thereof “Under Secretary of Defense for Acquisi-
13 tion and Technology”;

14 (B) by striking out “as determined by the
15 Director” and inserting in lieu thereof “as deter-
16 mined by the Under Secretary”;

17 (C) in subparagraph (A), by striking out
18 “(to be determined in consultation with the Sec-
19 retary of Defense);” and inserting in lieu thereof
20 “; and”;

21 (D) by striking out “; and” at the end of
22 subparagraph (B) and inserting in lieu thereof a
23 period; and

24 (E) by striking out subparagraph (C).

1 **SEC. 246. ELIMINATION OF REPORT ON THE USE OF COM-**
2 **PETITIVE PROCEDURES FOR THE AWARD OF**
3 **CERTAIN CONTRACTS TO COLLEGES AND UNI-**
4 **VERSITIES.**

5 *Section 2361 of title 10, United States Code, is amend-*
6 *ed by striking out subsection (c).*

7 **SEC. 247. NATIONAL OCEANOGRAPHIC PARTNERSHIP PRO-**
8 **GRAM.**

9 *(a) FINDINGS.—Congress finds the following:*

10 *(1) The oceans and coastal areas of the United*
11 *States are among the Nation's most valuable natural*
12 *resources, making substantial contributions to eco-*
13 *nomie growth, quality of life, and national security.*

14 *(2) Oceans drive global and regional climate.*
15 *Hence, they contain information affecting agriculture,*
16 *fishing, and the prediction of severe weather.*

17 *(3) Understanding of the oceans through basic*
18 *and applied research is essential for using the oceans*
19 *wisely and protecting their limited resources. There-*
20 *fore, the United States should maintain its world*
21 *leadership in oceanography as one key to its competi-*
22 *tive future.*

23 *(4) Ocean research and education activities take*
24 *place within Federal agencies, academic institutions,*
25 *and industry. These entities often have similar re-*

1 *quirements for research facilities, data, and other re-*
 2 *sources (such as oceanographic research vessels).*

3 *(5) The need exists for a formal mechanism to*
 4 *coordinate existing partnerships and establish new*
 5 *partnerships for the sharing of resources, intellectual*
 6 *talent, and facilities in the ocean sciences and edu-*
 7 *cation, so that optimal use can be made of this most*
 8 *important natural resource for the well-being of all*
 9 *Americans.*

10 *(b) PROGRAM REQUIRED.—(1) Subtitle C of title 10,*
 11 *United States Code, is amended by adding after chapter*
 12 *663 the following new chapter:*

13 **“CHAPTER 665—NATIONAL OCEANO-**
 14 **GRAPHIC PARTNERSHIP PROGRAM**

“Sec.

“7901. *National Oceanographic Partnership Program.*

“7902. *National Ocean Research Leadership Council.*

“7903. *Ocean Research Partnership Coordinating Group.*

“7904. *Ocean Research Advisory Panel.*

15 **“§ 7901. *National Oceanographic Partnership Pro-***
 16 ***gram***

17 *“(a) ESTABLISHMENT.—The Secretary of the Navy*
 18 *shall establish a program to be known as the ‘National*
 19 *Oceanographic Partnership Program’.*

20 *“(b) PURPOSES.—The purposes of the program are as*
 21 *follows:*

22 *“(1) To promote the national goals of assuring*
 23 *national security, advancing economic development,*

1 *protecting quality of life, and strengthening science*
2 *education and communication through improved*
3 *knowledge of the ocean.*

4 “(2) *To coordinate and strengthen oceanographic*
5 *efforts in support of those goals by—*

6 “(A) *identifying and carrying out partner-*
7 *ships among Federal agencies, academia, indus-*
8 *try, and other members of the oceanographic sci-*
9 *entific community in the areas of data, re-*
10 *sources, education, and communication; and*

11 “(B) *reporting annually to Congress on the*
12 *program.*

13 **“§ 7902. National Ocean Research Leadership Council**

14 “(a) *COUNCIL.—There is a National Ocean Research*
15 *Leadership Council (hereinafter in this chapter referred to*
16 *as the ‘Council’).*

17 “(b) *MEMBERSHIP.—The Council is composed of the*
18 *following members:*

19 “(1) *The Secretary of the Navy, who shall be the*
20 *Chairman of the Council.*

21 “(2) *The Administrator of the National Oceanic*
22 *and Atmospheric Administration, who shall be the*
23 *Vice Chairman of the Council.*

24 “(3) *The Director of the National Science Foun-*
25 *dation.*

1 “(4) *The Administrator of the National Aero-*
2 *navitics and Space Administration.*

3 “(5) *The Deputy Secretary of Energy.*

4 “(6) *The Administrator of the Environmental*
5 *Protection Agency.*

6 “(7) *The Commandant of the Coast Guard.*

7 “(8) *The Director of the Geological Survey of the*
8 *Department of the Interior.*

9 “(9) *The Director of the Defense Advanced Re-*
10 *search Projects Agency.*

11 “(10) *The Director of the Minerals Management*
12 *Service of the Department of the Interior.*

13 “(11) *The President of the National Academy of*
14 *Sciences, the President of the National Academy of*
15 *Engineering, and the President of the Institute of*
16 *Medicine.*

17 “(12) *The Director of the Office of Science and*
18 *Technology.*

19 “(13) *The Director of the Office of Management*
20 *and Budget.*

21 “(14) *One member appointed by the Chairman*
22 *from among individuals who will represent the views*
23 *of ocean industries.*

1 “(15) One member appointed by the Chairman
2 from among individuals who will represent the views
3 of State governments.

4 “(16) One member appointed by the Chairman
5 from among individuals who will represent the views
6 of academia.

7 “(17) One member appointed by the Chairman
8 from among individuals who will represent such other
9 views as the Chairman considers appropriate.

10 “(c) *TERM OF OFFICE.*—The term of office of a mem-
11 ber of the Council appointed under paragraph (14), (15),
12 (16), or (17) of subsection (b) shall be two years, except
13 that any person appointed to fill a vacancy occurring before
14 the expiration of the term for which his predecessor was
15 appointed shall be appointed for the remainder of such
16 term.

17 “(d) *RESPONSIBILITIES.*—The Council shall have the
18 following responsibilities:

19 “(1) To establish the Ocean Research Partner-
20 ship Coordinating Group as provided in section 7903.

21 “(2) To establish the Ocean Research Advisory
22 Panel as provided in section 7904.

23 “(3) To submit to Congress an annual report
24 pursuant to subsection (e).

1 “(e) *ANNUAL REPORT.*—Not later than March 1 of
2 each year, the Council shall submit to Congress a report
3 on the National Oceanographic Partnership Program. The
4 report shall contain the following:

5 “(1) A description of activities of the program
6 carried out during the fiscal year before the fiscal
7 year in which the report is prepared. The description
8 also shall include a list of the members of the Ocean
9 Research Partnership Coordinating Group, the Ocean
10 Research Advisory Panel, and any working groups in
11 existence during the fiscal year covered.

12 “(2) A general outline of the activities planned
13 for the program during the fiscal year in which the
14 report is prepared.

15 “(3) A summary of projects continued from the
16 fiscal year before the fiscal year in which the report
17 is prepared and projects expected to be started during
18 the fiscal year in which the report is prepared and
19 during the following fiscal year.

20 “(4) A description of the involvement of the pro-
21 gram with Federal interagency coordinating entities.

22 “(5) The amounts requested, in the budget sub-
23 mitted to Congress pursuant to section 1105(a) of title
24 31 for the fiscal year following the fiscal year in
25 which the report is prepared, for the programs,

6 “(a) *ESTABLISHMENT.*—*The Council shall establish an*
7 *entity to be known as the ‘Ocean Research Partnership Co-*
8 *ordinating Group’ (hereinafter in this chapter referred to*
9 *as the ‘Coordinating Group’).*”

14 “(c) CHAIRMAN.—The Council shall appoint the
15 Chairman of the Coordinating Group.

19 “(1) To prescribe policies and procedures to im-
20 plement the National Oceanographic Partnership Pro-
21 gram.

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1 “(A) Whether the project addresses critical
2 research objectives or operational goals, such as
3 data accessibility and quality assurance, sharing
4 of resources, education, or communication.

5 “(B) Whether the project has broad partici-
6 pation within the oceanographic community.

7 “(C) Whether the partners have a long-term
8 commitment to the objectives of the project.

9 “(D) Whether the resources supporting the
10 project are shared among the partners.

11 “(E) Whether the project has been subjected
12 to adequate peer review.

13 “(3) To promote participation in partnership
14 projects by each Federal department and agency in-
15 volved with oceanographic research and development
16 by publicizing the program and by prescribing guide-
17 lines for participation in the program.

18 “(4) To submit to the Council an annual report
19 pursuant to subsection (i).

20 “(e) *PARTNERSHIP PROGRAM OFFICE.*—The Coordi-
21 nating Group shall establish, using competitive procedures,
22 and oversee a partnership program office to carry out such
23 duties as the Chairman of the Coordinating Group consid-
24 ers appropriate to implement the National Oceanographic
25 Partnership Program, including the following:

1 “(1) *To establish and oversee working groups to*
2 *propose partnership projects to the Coordinating*
3 *Group and advise the Group on such projects.*

4 “(2) *To manage peer review of partnership*
5 *projects proposed to the Coordinating Group and*
6 *competitions for projects selected by the Group.*

7 “(3) *To submit to the Coordinating Group an*
8 *annual report on the status of all partnership projects*
9 *and activities of the office.*

10 “(f) *CONTRACT AND GRANT AUTHORITY.—The Coordi-*
11 *nating Group may authorize one or more of the depart-*
12 *ments or agencies represented in the Group to enter into*
13 *contracts and make grants, using funds appropriated pur-*
14 *suant to an authorization for the National Oceanographic*
15 *Partnership Program, for the purpose of implementing the*
16 *program and carrying out the Coordinating Group’s re-*
17 *sponsibilities.*

18 “(g) *FORMS OF PARTNERSHIP PROJECTS.—Partner-*
19 *ship projects selected by the Coordinating Group may be*
20 *in any form that the Coordinating Group considers appro-*
21 *priate, including memoranda of understanding, demonstra-*
22 *tion projects, cooperative research and development agree-*
23 *ments, and similar instruments.*

24 “(h) *ANNUAL REPORT.—Not later than February 1 of*
25 *each year, the Coordinating Group shall submit to the*

1 *Council a report on the National Oceanographic Partner-*
 2 *ship Program. The report shall contain, at a minimum,*
 3 *copies of any recommendations or reports to the Coordinat-*
 4 *ing Group by the Ocean Research Advisory Panel.*

5 **“§ 7904. Ocean Research Advisory Panel**

6 “(a) *ESTABLISHMENT.*—*The Council shall appoint an*
 7 *Ocean Research Advisory Panel (hereinafter in this chapter*
 8 *referred to as the ‘Advisory Panel’) consisting of not less*
 9 *than 10 and not more than 18 members.*

10 “(b) *MEMBERSHIP.*—*Members of the Advisory Panel*
 11 *shall be appointed from among persons who are eminent*
 12 *in the fields of marine science or marine policy, or related*
 13 *fields, and who are representative, at a minimum, of the*
 14 *interests of government, academia, and industry.*

15 “(c) *RESPONSIBILITIES.*—(1) *The Coordinating Group*
 16 *shall refer to the Advisory Panel, and the Advisory Panel*
 17 *shall review, each proposed partnership project estimated*
 18 *to cost more than \$500,000. The Advisory Panel shall make*
 19 *any recommendations to the Coordinating Group that the*
 20 *Advisory Panel considers appropriate regarding such*
 21 *projects.*

22 “(2) *The Advisory Panel shall make any recommenda-*
 23 *tions to the Coordinating Group regarding activities that*
 24 *should be addressed by the National Oceanographic Part-*

1 *nership Program that the Advisory Panel considers appro-*
 2 *priate.”.*

3 (2) *The tables of chapters at the beginning of subtitle*
 4 *C of title 10, United States Code, and at the beginning of*
 5 *part IV of such subtitle, are each amended by inserting after*
 6 *the item relating to chapter 663 the following:*

“665. National Oceanographic Partnership Program 7901”.

7 (c) *INITIAL APPOINTMENTS OF COUNCIL MEMBERS.—*
 8 *The Secretary of the Navy shall make the appointments re-*
 9 *quired by section 7902(b) of title 10, United States Code,*
 10 *as added by subsection (b)(1), not later than December 1,*
 11 *1996.*

12 (d) *INITIAL APPOINTMENTS OF ADVISORY PANEL*
 13 *MEMBERS.—The National Ocean Research Leadership*
 14 *Council established by section 7902 of title 10, United*
 15 *States Code, as added by subsection (b)(1), shall make the*
 16 *appointments required by section 7904 of such title not*
 17 *later than January 1, 1997.*

18 (e) *FIRST ANNUAL REPORT OF NATIONAL OCEAN RE-*
 19 *SEARCH LEADERSHIP COUNCIL.—The first annual report*
 20 *required by section 7902(e) of title 10, United States Code,*
 21 *as added by subsection (b)(1), shall be submitted to Congress*
 22 *not later than March 1, 1997. The first report shall include,*
 23 *in addition to the information required by such section, in-*
 24 *formation about the terms of office, procedures, and respon-*

1 *sibilities of the Ocean Research Advisory Panel established*
 2 *by the Council.*

3 *(f) AUTHORIZATION.—Of the amount authorized to be*
 4 *appropriated to the Department of Defense in section 201,*
 5 *\$30,000,000 is authorized for the National Oceanographic*
 6 *Partnership Program established pursuant to section 7901*
 7 *of title 10, United States Code, as added by subsection*
 8 *(b)(1).*

9 *(g) REQUIRED FUNDING FOR PROGRAM OFFICE.—Of*
 10 *the amount appropriated for the National Oceanographic*
 11 *Partnership Program for fiscal year 1997, at least*
 12 *\$500,000, or 3 percent of the amount appropriated, which-*
 13 *ever is greater, shall be available for operations of the part-*
 14 *nership program office established pursuant to section*
 15 *7903(e) of title 10, United States Code, for such fiscal year.*

16 ***TITLE III—OPERATION AND*** 17 ***MAINTENANCE***

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

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

21 *Funds are hereby authorized to be appropriated for fis-*
 22 *cal year 1997 for the use of the Armed Forces and other*
 23 *activities and agencies of the Department of Defense for ex-*
 24 *penses, not otherwise provided for, for operation and main-*
 25 *tenance, in amounts as follows:*

1 (1) *For the Army, \$18,436,929,000.*

2 (2) *For the Navy, \$20,433,797,000.*

3 (3) *For the Marine Corps, \$2,524,677,000.*

4 (4) *For the Air Force, \$17,982,955,000.*

5 (5) *For Defense-wide activities, \$10,375,368,000.*

6 (6) *For the Army Reserve, \$1,155,436,000.*

7 (7) *For the Naval Reserve, \$858,927,000.*

8 (8) *For the Marine Corps Reserve, \$106,467,000.*

9 (9) *For the Air Force Reserve, \$1,504,553,000.*

10 (10) *For the Army National Guard,*
11 *\$2,297,477,000.*

12 (11) *For the Air National Guard,*
13 *\$2,688,473,000.*

14 (12) *For the Defense Inspector General,*
15 *\$136,501,000.*

16 (13) *For the United States Court of Appeals for*
17 *the Armed Forces, \$6,797,000.*

18 (14) *For Environmental Restoration, Defense,*
19 *\$1,333,016,000.*

20 (15) *For Drug Interdiction and Counter-drug*
21 *Activities, Defense-wide, \$682,724,000.*

22 (16) *For Medical Programs, Defense,*
23 *\$9,831,288,000.*

24 (17) *For Cooperative Threat Reduction pro-*
25 *grams, \$302,900,000.*

1 (18) *For Overseas Humanitarian, Disaster, and*
 2 *Civic Aid programs, \$60,544,000.*

3 (19) *For payment to Kaho'olawe Island,*
 4 *\$10,000,000.*

5 **SEC. 302. WORKING CAPITAL FUNDS.**

6 *Funds are hereby authorized to be appropriated for fis-*
 7 *cal year 1997 for the use of the Armed Forces and other*
 8 *activities and agencies of the Department of Defense for*
 9 *providing capital for working capital and revolving funds*
 10 *in amounts as follows:*

11 (1) *For the Defense Business Operations Fund,*
 12 *\$947,900,000.*

13 (2) *For the National Defense Sealift Fund,*
 14 *\$1,123,002,000.*

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

16 *There is hereby authorized to be appropriated for fiscal*
 17 *year 1997 from the Armed Forces Retirement Home Trust*
 18 *Fund the sum of \$57,300,000 for the operation of the Armed*
 19 *Forces Retirement Home, including the United States Sol-*
 20 *diers' and Airmen's Home and the Naval Home.*

21 **SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE**
 22 **TRANSACTION FUND.**

23 (a) *TRANSFER AUTHORITY.—To the extent provided in*
 24 *appropriations Acts, not more than \$250,000,000 is author-*
 25 *ized to be transferred from the National Defense Stockpile*

1 *Transaction Fund to operation and maintenance accounts*
 2 *for fiscal year 1997 in amounts as follows:*

3 (1) *For the Army, \$83,334,000.*

4 (2) *For the Navy, \$83,333,000.*

5 (3) *For the Air Force, \$83,333,000.*

6 (b) *TREATMENT OF TRANSFERS.—Amounts trans-*
 7 *ferred under this section—*

8 (1) *shall be merged with, and be available for the*
 9 *same purposes and the same period as, the amounts*
 10 *in the accounts to which transferred; and*

11 (2) *may not be expended for an item that has*
 12 *been denied authorization of appropriations by Con-*
 13 *gress.*

14 (c) *RELATIONSHIP TO OTHER TRANSFER AUTHOR-*
 15 *ITY.—The transfer authority provided in this section is in*
 16 *addition to the transfer authority provided in section 1001.*

17 ***Subtitle B—Depot-Level Activities***

18 ***SEC. 311. EXTENSION OF AUTHORITY FOR AVIATION DE-***
 19 ***POTS AND NAVAL SHIPYARDS TO ENGAGE IN***
 20 ***DEFENSE-RELATED PRODUCTION AND SERV-***
 21 ***ICES.***

22 *Section 1425(e) of the National Defense Authorization*
 23 *Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat.*
 24 *1684) is amended by striking out “September 30, 1996”*
 25 *and inserting in lieu thereof “September 30, 1997”.*

1 **SEC. 312. EXCLUSION OF LARGE MAINTENANCE AND RE-**
 2 **PAIR PROJECTS FROM PERCENTAGE LIMITA-**
 3 **TION ON CONTRACTING FOR DEPOT-LEVEL**
 4 **MAINTENANCE.**

5 *Section 2466 of title 10, United States Code, is amend-*
 6 *ed by inserting after subsection (a) the following new sub-*
 7 *section:*

8 “(b) *TREATMENT OF CERTAIN LARGE PROJECTS.—If*
 9 *a single maintenance or repair project contracted for per-*
 10 *formance by non-Federal Government personnel accounts*
 11 *for five percent or more of the funds made available in a*
 12 *fiscal year to a military department or a Defense Agency*
 13 *for depot-level maintenance and repair workload, the*
 14 *project and the funds necessary for the project shall not be*
 15 *considered when applying the percentage limitation speci-*
 16 *fied in subsection (a) to that military department or De-*
 17 *fense Agency.”.*

18 ***Subtitle C—Environmental***
 19 ***Provisions***

20 **SEC. 321. REPEAL OF REPORT ON CONTRACTOR REIM-**
 21 **BURSEMENT COSTS.**

22 *Section 2706 of title 10, United States Code, is amend-*
 23 *ed—*

- 24 (1) *by striking out subsection (c); and*
 25 (2) *by redesignating subsection (d) as subsection*
 26 *(c).*

1 **SEC. 322. PAYMENTS OF STIPULATED PENALTIES ASSESSED**
2 **UNDER CERCLA.**

3 *The Secretary of Defense may pay, from funds appro-*
4 *riated pursuant to section 301(14), the following:*

5 *(1) Stipulated civil penalties, to the Hazardous*
6 *Substance Superfund established under section 9507*
7 *of the Internal Revenue Code of 1986, in amounts as*
8 *follows:*

9 *(A) Not more than \$34,000 assessed against*
10 *the United States Army at Fort Riley, Kansas,*
11 *under the Comprehensive Environmental Re-*
12 *sponse, Compensation, and Liability Act of 1980*
13 *(42 U.S.C. 9601 et seq.).*

14 *(B) Not more than \$55,000 assessed against*
15 *the Massachusetts Military Reservation, Massa-*
16 *chusetts, under such Act.*

17 *(C) Not more than \$10,000 assessed against*
18 *the F.E. Warren Air Force Base, Wyoming,*
19 *under such Act.*

20 *(D) Not more than \$30,000 assessed against*
21 *the Naval Education and Training Center, New-*
22 *port, Rhode Island, under such Act.*

23 *(E) Not more than \$37,500 assessed against*
24 *Lake City Army Ammunition Plant, under such*
25 *Act.*

1 (2) *Not more than \$500,000 to carry out two en-*
2 *vironmental restoration projects, as part of a nego-*
3 *tiated agreement in lieu of stipulated penalties as-*
4 *essed under the Comprehensive Environmental Re-*
5 *sponse, Compensation, and Liability Act of 1980 (42*
6 *U.S.C. 9601 et seq.) against the Massachusetts Mili-*
7 *tary Reservation, Massachusetts.*

8 **SEC. 323. CONSERVATION AND READINESS PROGRAM.**

9 (a) *ESTABLISHMENT.*—*The Secretary of Defense may*
10 *establish and carry out a program to be known as the “Con-*
11 *servation and Readiness Program”.*

12 (b) *PURPOSE.*—*The purpose of the Conservation and*
13 *Readiness Program is to conduct and manage in a coordi-*
14 *nated manner those conservation and cultural activities*
15 *that have regional, multicomponent, or Department of De-*
16 *fense-wide significance and are necessary to meet legal re-*
17 *quirements or to support military operations. These activi-*
18 *ties include the following:*

19 (1) *The development of ecosystem-wide land*
20 *management plans.*

21 (2) *The conduct of wildlife studies to ensure the*
22 *safety of military operations.*

23 (3) *The identification and return of Native*
24 *American human remains and cultural items in the*
25 *possession or control of the Department of Defense, or*

1 *discovered on land under the jurisdiction of the De-*
2 *partment of Defense, to the appropriate Native Amer-*
3 *ican tribes.*

4 (4) *The control of invasive species that may*
5 *hinder military activities or degrade military train-*
6 *ing ranges.*

7 (5) *The establishment of a regional curation sys-*
8 *tem for artifacts found on military installations.*

9 (c) *COOPERATIVE AGREEMENTS AND GRANTS.—The*
10 *Secretary of Defense may negotiate and enter into coopera-*
11 *tive agreements with, and award grants to, public and pri-*
12 *vate agencies, organizations, institutions, individuals, or*
13 *other entities to carry out the Conservation and Readiness*
14 *Program.*

15 (d) *EFFECT ON OTHER LAWS.—Nothing in this section*
16 *shall be construed or interpreted as preempting any other-*
17 *wise applicable Federal, State, or local law or regulation*
18 *relating to the management of natural and cultural re-*
19 *sources on military installations.*

20 **SEC. 324. NAVY COMPLIANCE WITH SHIPBOARD SOLID**
21 **WASTE CONTROL REQUIREMENTS.**

22 (a) *AMENDMENT TO THE ACT TO PREVENT POLLUTION*
23 *FROM SHIPS.—Subsection (c) of section 3 of the Act to Pre-*
24 *vent Pollution from Ships (33 U.S.C. 1902(c)) is amend-*
25 *ed—*

1 (1) in paragraph (1), by inserting “, except as
2 provided in paragraphs (4) and (5) of this sub-
3 section” before the period at the end;

4 (2) by striking out paragraph (4); and

5 (3) by adding at the end the following new para-
6 graphs:

7 “(4) A vessel owned or operated by the Department
8 of the Navy for which the Secretary of the Navy determines
9 under the compliance plan submitted under paragraph (2)
10 that, due to unique military design, construction, manning,
11 or operating requirements, full compliance with paragraph
12 (1) would not be technologically feasible, would impair the
13 vessel’s operations, and would impair the vessel’s oper-
14 ational capability, is authorized to discharge garbage con-
15 sisting of either of the following:

16 “(A) A slurry of seawater, paper, cardboard, and
17 food waste that does not contain more than the mini-
18 mum amount practicable of plastic, if such slurry is
19 discharged not less than 3 nautical miles from the
20 nearest land and is capable of passing through a
21 screen with openings of no greater than 12 millime-
22 ters.

23 “(B) Metal and glass garbage that has been
24 shredded and bagged to ensure negative buoyancy and

1 *is discharged not less than 12 nautical miles from the*
2 *nearest land.*

3 *“(5) Not later than December 31, 2000, the Secretary*
4 *of the Navy shall publish in the Federal Register—*

5 *“(A) a list of those surface ships planned to be*
6 *decommissioned between January 1, 2001, and De-*
7 *cember 31, 2005; and*

8 *“(B) standards to ensure, so far as is reasonable*
9 *and practicable, without impairing the operations or*
10 *operational capabilities of such ships, that such ships*
11 *act in a manner consistent with the special area re-*
12 *quirements of Regulation 5 of Annex V to the Conven-*
13 *tion.”.*

14 *(b) GOAL TO ACHIEVE FULL COMPLIANCE.—It shall*
15 *be the goal of the Secretary of the Navy to achieve full com-*
16 *pliance with Annex V to the International Convention for*
17 *the Prevention of Pollution from Ships, 1973, as soon as*
18 *practicable.*

19 **SEC. 325. AUTHORITY TO DEVELOP AND IMPLEMENT LAND**
20 **USE PLANS FOR DEFENSE ENVIRONMENTAL**
21 **RESTORATION PROGRAM.**

22 *(a) AUTHORITY.—The Secretary of Defense may, to the*
23 *extent possible and practical, develop and implement, as*
24 *part of the Defense Environmental Restoration Program*
25 *provided for in chapter 160 of title 10, United States Code,*

1 *a land use plan for any defense site selected by the Secretary*
 2 *under subsection (b).*

3 *(b) SELECTION OF SITES.—The Secretary may select*
 4 *up to 10 defense sites, from among sites where the Secretary*
 5 *is planning or implementing environmental restoration ac-*
 6 *tivities, for which land use plans may be developed under*
 7 *this section.*

8 *(c) REQUIREMENT TO CONSULT WITH REVIEW COM-*
 9 *MITTEE OR ADVISORY BOARD.—In developing a land use*
 10 *plan under this section, the Secretary of Defense shall con-*
 11 *sult with a technical review committee established pursuant*
 12 *to section 2705(c) of title 10, United States Code, a restora-*
 13 *tion advisory board established pursuant to section 2705(d)*
 14 *of such title, a local land use redevelopment authority, or*
 15 *another appropriate State agency.*

16 *(d) 50-YEAR PLANNING PERIOD.—A land use plan de-*
 17 *veloped under this section shall cover a period of at least*
 18 *50 years.*

19 *(e) IMPLEMENTATION.—For each defense site for which*
 20 *the Secretary develops a land use plan under this section,*
 21 *the Secretary shall take into account the land use plan in*
 22 *selecting and implementing, in accordance with applicable*
 23 *law, environmental restoration activities at the site.*

24 *(f) DEADLINES.—For each defense site for which the*
 25 *Secretary of Defense intends to develop a land use plan*

1 *under this section, the Secretary shall develop a draft land*
2 *use plan by October 1, 1997, and a final land use plan*
3 *by March 15, 1998.*

4 (g) *DEFINITION OF DEFENSE SITE.*—*For purposes of*
5 *this section, the term “defense site” means (A) any building,*
6 *structure, installation, equipment, pipe or pipeline (includ-*
7 *ing any pipe into a sewer or publicly owned treatment*
8 *works), well, pit, pond, lagoon, impoundment, ditch, land-*
9 *fill, storage container, motor vehicle, rolling stock, or air-*
10 *craft under the jurisdiction of the Department of Defense,*
11 *or (B) any site or area under the jurisdiction of the Depart-*
12 *ment of Defense where a hazardous substance has been de-*
13 *posited, stored, disposed of, or placed, or otherwise come to*
14 *be located; but does not include any consumer product in*
15 *consumer use or any vessel.*

16 (h) *REPORT.*—*Not later than December 31, 1998, the*
17 *Secretary of Defense shall submit to Congress a report on*
18 *the land use plans developed under this section and the ef-*
19 *fect such plans have had on environmental restoration ac-*
20 *tivities at the defense sites where they have been imple-*
21 *mented. The report shall include recommendations on*
22 *whether such land use plans should be developed and imple-*
23 *mented throughout the Department of Defense.*

24 (h) *SAVINGS PROVISIONS.*—*(1) Nothing in this section*
25 *or in a land use plan developed under this section with*

1 *respect to a defense site shall be construed as requiring any*
 2 *modification to a land use plan that was developed before*
 3 *the date of the enactment of this Act.*

4 (2) *Nothing in this section may be construed to affect*
 5 *statutory requirements for an environmental restoration or*
 6 *waste management activity or project or to modify or other-*
 7 *wise affect applicable statutory or regulatory environmental*
 8 *restoration and waste management requirements, including*
 9 *substantive standards intended to protect public health and*
 10 *the environment, nor shall anything in this section be con-*
 11 *strued to preempt or impair any local land use planning*
 12 *or zoning authority or State authority.*

13 **SEC. 326. PILOT PROGRAM TO TEST ALTERNATIVE TECH-**
 14 **NOLOGIES FOR LIMITING AIR EMISSIONS**
 15 **DURING SHIPYARD BLASTING AND COATING**
 16 **OPERATIONS.**

17 (a) *PILOT PROGRAM.*—*The Secretary of the Navy shall*
 18 *establish a pilot program to test an alternative technology*
 19 *designed to capture and destroy or remove particulate emis-*
 20 *sions and volatile air pollutants that occur during abrasive*
 21 *blasting and coating operations at naval shipyards. In con-*
 22 *ducting the test, the Secretary shall seek to demonstrate*
 23 *whether the technology is valid, cost effective, and in com-*
 24 *pliance with environmental laws and regulations.*

1 (b) *REPORT.*—Upon completion of the test conducted
 2 under the pilot program, the Secretary of the Navy shall
 3 submit to the Committee on Armed Services of the Senate
 4 and the Committee on National Security of the House of
 5 Representatives a report setting forth in detail the results
 6 of the test. The report shall include recommendations on
 7 whether the alternative technology merits implementation
 8 at naval shipyards and such other recommendations as the
 9 Secretary considers appropriate.

10 **SEC. 327. NAVY PROGRAM TO MONITOR ECOLOGICAL EF-**
 11 **FECTS OF ORGANOTIN.**

12 (a) *MONITORING REQUIREMENT.*—The Secretary of
 13 the Navy shall, in consultation with the Administrator of
 14 the Environmental Protection Agency, develop and imple-
 15 ment a program to monitor the concentrations of organotin
 16 in the water column, sediments, and aquatic organisms of
 17 representative estuaries and near-coastal waters in the
 18 United States, as described in section 7(a) of the Organotin
 19 Antifouling Paint Control Act of 1988 (33 U.S.C. 2406(a)).
 20 The program shall be designed to produce high-quality data
 21 to enable the Environmental Protection Agency to develop
 22 water quality criteria concerning organotin compounds.

23 (b) *REPORT.*—Not later than June 1, 1997, the Sec-
 24 retary of the Navy shall submit to Congress a report con-
 25 taining the following:

1 (1) *A description of the monitoring program de-*
2 *veloped pursuant to subsection (a).*

3 (2) *An analysis of the results of the monitoring*
4 *program as of the date of the submission of the report.*

5 (3) *Information about the progress of Navy pro-*
6 *grams, referred to in section 7(c) of Organotin*
7 *Antifouling Paint Control Act of 1988 (33 U.S.C.*
8 *2406(c)), for evaluating the laboratory toxicity and*
9 *environmental risks associated with the use of*
10 *antifouling paints containing organotin.*

11 (4) *An assessment, developed in consultation*
12 *with the Administrator of the Environmental Protec-*
13 *tion Agency, of the effectiveness of existing laws and*
14 *rules concerning organotin compounds in ensuring*
15 *protection of human health and the environment.*

16 (c) *SENSE OF CONGRESS.—It is the sense of Congress*
17 *that the Administrator of the Environmental Protection*
18 *Agency, in consultation with the Secretary of the Navy,*
19 *should develop, for purposes of the national pollutant dis-*
20 *charge elimination system, a model permit for the discharge*
21 *of organotin compounds at shipbuilding and ship repair*
22 *facilities. For purposes of this subsection, the term*
23 *“organotin” has the meaning provided in section 3 of the*
24 *Organotin Antifouling Paint Control Act of 1988 (33*
25 *U.S.C. 2402).*

1 ***Subtitle D—Civilian Employees and***
 2 ***Nonappropriated Fund Instru-***
 3 ***mentality Employees***

4 ***SEC. 331. REPEAL OF PROHIBITION ON PAYMENT OF LODG-***
 5 ***ING EXPENSES WHEN ADEQUATE GOVERN-***
 6 ***MENT QUARTERS ARE AVAILABLE.***

7 (a) *REPEAL.*—Section 1589 of title 10, United States
 8 Code, is repealed.

9 (b) *CLERICAL AMENDMENT.*—The table of sections at
 10 the beginning of chapter 81 of such title is amended by
 11 striking out the item relating to section 1589.

12 ***SEC. 332. VOLUNTARY SEPARATION INCENTIVE PAY MODI-***
 13 ***FICATION.***

14 (a) *IN GENERAL.*—Section 5597(g) of title 5, United
 15 States Code, is amended by adding at the end the following
 16 new paragraph:

17 “(5) If the employment is without compensation, the
 18 appointing official may waive the repayment.”.

19 (b) *APPLICABILITY.*—The amendment made by sub-
 20 section (a) shall apply with respect to employment accepted
 21 on or after the date of the enactment of this Act.

22 ***SEC. 333. WAGE-BOARD COMPENSATORY TIME OFF.***

23 (a) *IN GENERAL.*—Section 5543 of title 5, United
 24 States Code, is amended—

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

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

5 “(b) The head of an agency may, on request of an em-
6 ployee, grant the employee compensatory time off from his
7 scheduled tour of duty instead of payment under section
8 5544 or section 7 of the Fair Labor Standards Act of 1938
9 for an equal amount of time spent in irregular or occasional
10 overtime work.”.

11 (b) *CONFORMING AMENDMENT.*—Section 5544(c) of
12 title 5, United States Code, is amended by inserting “and
13 the provisions of section 5543(b)” before “shall apply”.

14 **SEC. 334. SIMPLIFICATION OF RULES RELATING TO THE OB-**
15 **SERVANCE OF CERTAIN HOLIDAYS.**

16 *Section 6103 of title 5, United States Code, is amended*
17 *by adding at the end the following new subsection:*

18 “(d)(1) For purposes of this subsection—

19 “(A) the term ‘compressed schedule’ has the
20 meaning given such term by section 6121(5); and

21 “(B) the term ‘adverse agency impact’ has the
22 meaning given such term by section 6131(b).

23 “(2) An agency may prescribe rules under which em-
24 ployees on a compressed schedule may, in the case of a holi-
25 day that occurs on a regularly scheduled non-workday for

1 *such employees, and notwithstanding any other provision*
 2 *of law or the terms of any collective bargaining agreement,*
 3 *be required to observe such holiday on a workday other than*
 4 *as provided by subsection (b), if the agency head determines*
 5 *that it is necessary to do so in order to prevent an adverse*
 6 *agency impact.”.*

7 **SEC. 335. PHASED RETIREMENT.**

8 (a) *CIVIL SERVICE RETIREMENT SYSTEM.*—Section
 9 8344 of title 5, United States Code, is amended by adding
 10 at the end the following new subsection:

11 “(m)(1) *In order to promote the retention of employees*
 12 *having knowledge, skills, or expertise needed by the Depart-*
 13 *ment of Defense, in a manner consistent with ongoing*
 14 *downsizing efforts, the Secretary of Defense or his designee*
 15 *may waive the application of subsection (a), with respect*
 16 *to reemployed annuitants of the Department of Defense,*
 17 *under this subsection.*

18 “(2) *A waiver under this subsection—*

19 “(A) *may not be granted except upon appro-*
 20 *priate written application submitted and approved*
 21 *not later than the date of separation on which entitle-*
 22 *ment to annuity is based;*

23 “(B) *shall be contingent on the reemployment*
 24 *commencing within such time as the Secretary or his*
 25 *designee may require, may remain in effect for a pe-*

1 *riod of not to exceed 2 years, and shall not be renew-*
2 *able; and*

3 *“(C) may be granted and thereafter remain in*
4 *effect only if, with respect to the position in which re-*
5 *employed, the number of regularly scheduled hours in*
6 *each week or other period is at least $\frac{1}{2}$ but not more*
7 *than $\frac{3}{4}$ those last in effect for the individual before*
8 *the separation referred to in subparagraph (A).*

9 *“(3)(A) In no event shall the sum of the rate of basic*
10 *pay for, plus annuity allocable to, any period of service*
11 *as a reemployed annuitant under this subsection exceed the*
12 *rate of basic pay that would then be in effect for service*
13 *performed during such period if separation had not oc-*
14 *curred.*

15 *“(B) If the limitation under subparagraph (A) would*
16 *otherwise be exceeded, an amount equal to the excess shall*
17 *be deducted from basic pay for the period involved (but not*
18 *to exceed total basic pay for such period), and any amount*
19 *so deducted shall be deposited in the Treasury of the United*
20 *States to the credit of the Fund.*

21 *“(4) The number of reemployed annuitants under this*
22 *subsection at any given time may not, when taken together*
23 *with the then current number under section 8468(j), exceed*
24 *a total of 50.*

1 “(5) *All waivers under this subsection shall cease to*
 2 *be effective after September 30, 2001.*”.

3 (b) *FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.*—
 4 *Section 8468 of title 5, United States Code, is amended by*
 5 *adding at the end the following new subsection:*

6 “(j)(1) *In order to promote the retention of employees*
 7 *having knowledge, skills, or expertise needed by the Depart-*
 8 *ment of Defense, in a manner consistent with ongoing*
 9 *downsizing efforts, the Secretary of Defense or his designee*
 10 *may waive the application of subsections (a) and (b), with*
 11 *respect to reemployed annuitants of the Department of De-*
 12 *fense, under this subsection.*

13 “(2) *A waiver under this subsection—*

14 “(A) *may not be granted except upon appro-*
 15 *prate written application submitted and approved*
 16 *not later than the date of separation on which entitle-*
 17 *ment to annuity is based;*

18 “(B) *shall be contingent on the reemployment*
 19 *commencing within such time as the Secretary or his*
 20 *designee may require, may remain in effect for a pe-*
 21 *riod of not to exceed 2 years, and shall not be renew-*
 22 *able; and*

23 “(C) *may be granted and thereafter remain in*
 24 *effect only if, with respect to the position in which re-*
 25 *employed, the number of regularly scheduled hours in*

1 *each week or other period is at least $\frac{1}{2}$ but not more*
2 *than $\frac{3}{4}$ those last in effect for the individual before*
3 *the separation referred to in subparagraph (A).*

4 *“(3)(A) In no event shall the sum of the rate of basic*
5 *pay for, plus annuity allocable to, any period of service*
6 *as a reemployed annuitant under this subsection exceed the*
7 *rate of basic pay that would then be in effect for service*
8 *performed during such period if separation had not oc-*
9 *curred.*

10 *“(B) If the limitation under subparagraph (A) would*
11 *otherwise be exceeded, an amount equal to the excess shall*
12 *be deducted from basic pay for the period involved (but not*
13 *to exceed total basic pay for such period), and any amount*
14 *so deducted shall be deposited in the Treasury of the United*
15 *States to the credit of the Fund.*

16 *“(4) The number of reemployed annuitants under this*
17 *subsection at any given time may not, when taken together*
18 *with the then current number under section 8344(m), exceed*
19 *a total of 50.*

20 *“(5) All waivers under this subsection shall cease to*
21 *be effective after September 30, 2001.”.*

22 *(c) REPORTING REQUIREMENT.—Not later than De-*
23 *cember 31, 2000, the Secretary of Defense shall submit to*
24 *each House of Congress and the Office of Personnel Manage-*
25 *ment a written report on the operation of sections 8344(m)*

1 *and 8468(j) of title 5, United States Code, as amended by*
 2 *this section. Such report shall include—*

3 *(1) recommendations as to whether or not those*
 4 *provisions of law should be continued beyond Septem-*
 5 *ber 30, 2001, and, if so, under what conditions or*
 6 *constraints; and*

7 *(2) any other information which the Secretary of*
 8 *Defense may consider appropriate.*

9 **SEC. 336. MODIFICATION OF AUTHORITY FOR CIVILIAN EM-**
 10 **PLOYEES OF DEPARTMENT OF DEFENSE TO**
 11 **PARTICIPATE VOLUNTARILY IN REDUCTIONS**
 12 **IN FORCE.**

13 *Section 3502(f) of title 5, United States Code, is*
 14 *amended to read as follows:*

15 *“(f)(1) The Secretary of Defense or the Secretary of*
 16 *a military department may—*

17 *“(A) separate from service any employee who*
 18 *volunteers to be separated under this subparagraph*
 19 *even though the employee is not otherwise subject to*
 20 *separation due to a reduction in force; and*

21 *“(B) for each employee voluntarily separated*
 22 *under subparagraph (A), retain an employee in a*
 23 *similar position who would otherwise be separated*
 24 *due to a reduction in force.*

1 “(2) *The separation of an employee under paragraph*
 2 *(1)(A) shall be treated as an involuntary separation due*
 3 *to a reduction in force.*

4 “(3) *An employee with critical knowledge and skills*
 5 *(as defined by the Secretary concerned) may not participate*
 6 *in a voluntary separation under paragraph (1)(A) if the*
 7 *Secretary concerned determines that such participation*
 8 *would impair the performance of the mission of the Depart-*
 9 *ment of Defense or the military department concerned.*

10 “(4) *The regulations prescribed under this section shall*
 11 *incorporate the authority provided in this subsection.*

12 “(5) *No authority under paragraph (1) may be exer-*
 13 *cised after September 30, 2001.”.*

14 ***Subtitle E—Commissaries and Non-***
 15 ***appropriated Fund Instrumen-***
 16 ***talities***

17 ***SEC. 341. CONTRACTS WITH OTHER AGENCIES AND INSTRU-***
 18 ***MENTALITIES FOR GOODS AND SERVICES.***

19 ***(a) CONTRACTS TO PROMOTE EFFICIENT OPERATION***
 20 ***AND MANAGEMENT.—Chapter 147 of title 10, United States***
 21 ***Code, is amended by adding at the end the following new***
 22 ***section:***

1 **“§ 2490b. Contracts with other agencies and instru-**
 2 **mentalities for goods and services**

3 *“An agency or instrumentality of the Department of*
 4 *Defense that supports the operation of the exchange or mo-*
 5 *rale, welfare, and recreation systems of the Department of*
 6 *Defense may enter into a contract or other agreement with*
 7 *another department, agency, or instrumentality of the De-*
 8 *partment of Defense or another Federal agency to provide*
 9 *goods and services beneficial to the efficient management*
 10 *and operation of the exchange or morale, welfare, and recre-*
 11 *ation systems.”.*

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

“2490b. Contracts with other agencies and instrumentalities for goods and serv-
ices.”.

15 **SEC. 342. NONCOMPETITIVE PROCUREMENT OF BRAND-**
 16 **NAME COMMERCIAL ITEMS FOR RESALE IN**
 17 **COMMISSARY STORES.**

18 (a) *CLARIFICATION OF EXCEPTION TO COMPETITIVE*
 19 *PROCUREMENT.—Section 2486 of title 10, United States*
 20 *Code, is amended by adding at the end the following new*
 21 *subsection:*

22 *“(e) The Secretary of Defense may not use the excep-*
 23 *tion provided in section 2304(c)(5) of this title regarding*
 24 *the procurement of a brand-name commercial item for re-*

1 *sale in commissary stores unless the commercial item is reg-*
 2 *ularly sold outside of commissary stores under the same*
 3 *brand name as the name by which the commercial item will*
 4 *be sold in commissary stores.”.*

5 (b) *EFFECT ON EXISTING CONTRACTS.—The amend-*
 6 *ment made by subsection (a) shall not affect the terms, con-*
 7 *ditions, or duration of any contract entered into by the Sec-*
 8 *retary of Defense before the date of the enactment of this*
 9 *Act for the procurement of commercial items for resale in*
 10 *commissary stores.*

11 **SEC. 343. PROHIBITION OF SALE OR RENTAL OF SEXUALLY**
 12 **EXPLICIT MATERIAL.**

13 (a) *IN GENERAL—*(1) Chapter 147 of title 10, United
 14 States Code, is amended by adding after section 2490b, as
 15 added by section 341, the following new section:

16 **“§2490c. Sale or rental of sexually explicit material**
 17 **prohibited**

18 “(a) *PROHIBITION OF SALE OR RENTAL.—The Sec-*
 19 *retary of Defense may not permit the sale or rental of sexu-*
 20 *ally explicit written or videotaped material on property*
 21 *under the jurisdiction of the Department of Defense.*

22 “(b) *PROHIBITION OF OFFICIALLY PROVIDED SEXU-*
 23 *ALLY EXPLICIT MATERIAL.—A member of the armed forces*
 24 *or a civilian officer or employee of the Department of De-*
 25 *fense acting in an official capacity for sale, remuneration,*

1 *or rental may not provide sexually explicit material to an-*
 2 *other person.*

3 “(c) *REGULATIONS.*—*The Secretary of Defense shall*
 4 *prescribe regulations to implement this section.*

5 “(d) *DEFINITIONS.*—*In this section:*

6 “(1) *The term ‘sexually explicit material’ means*
 7 *an audio recording, a film or video recording, or a*
 8 *periodical with visual depictions, produced in any*
 9 *medium, the dominant theme of which depicts or de-*
 10 *scribes nudity, including sexual or excretory activities*
 11 *or organs, in a lascivious way.*

12 “(2) *The term ‘property under the jurisdiction of*
 13 *the Department of Defense’ includes commissaries, all*
 14 *facilities operated by the Army and Air Force Ex-*
 15 *change Service, the Navy Exchange Service Com-*
 16 *mand, the Navy Resale and Services Support Office,*
 17 *Marine Corps exchanges, and ship stores.”.*

18 (2) *The table of sections at the beginning of such chap-*
 19 *ter is amended by adding after the item relating to section*
 20 *2490b, as added by section 341, the following new item:*

“2490c. Sale or rental of sexually explicit material prohibited.”.

21 (b) *EFFECTIVE DATE.*—*Subsection (a) of section 2490c*
 22 *of title 10, United States Code, as added by subsection (a)*
 23 *of this section, shall take effect 90 days after the date of*
 24 *the enactment of this Act.*

1 ***Subtitle F—Performance of***
 2 ***Functions by Private-Sector Sources***

3 ***SEC. 351. EXTENSION OF REQUIREMENT FOR COMPETITIVE***
 4 ***PROCUREMENT OF PRINTING AND DUPLICA-***
 5 ***TION SERVICES.***

6 (a) *EXTENSION.*—Section 351(a) of the National De-
 7 fense Authorization Act for Fiscal Year 1996 (Public Law
 8 104–106; 110 Stat. 266) is amended by striking out “fiscal
 9 year 1996” and inserting in lieu thereof “fiscal years 1996
 10 and 1997”.

11 (b) *REPORTING REQUIREMENTS.*—Such section is fur-
 12 ther amended by adding at the end the following new sub-
 13 section:

14 “(c) *REPORTING REQUIREMENTS.*—(1) Not later than
 15 90 days after the end of each fiscal year in which the re-
 16 quirement of subsection (a) applies, the Secretary of Defense
 17 shall submit to Congress a report—

18 “(A) describing the extent of the compliance of
 19 the Secretary with the requirement during that fiscal
 20 year;

21 “(B) specifying the total volume of printing and
 22 duplication services procured by Department of De-
 23 fense during that fiscal year—

24 “(i) from sources within the Department of
 25 Defense;

1 “(ii) from private-sector sources; and

2 “(iii) from other sources in the Federal
3 Government; and

4 “(C) specifying the total volume of printed and
5 duplicated material during that fiscal year covered by
6 the exception in subsection (b).

7 “(2) The report required for fiscal year 1996 shall also
8 include the plans of the Secretary for further implementa-
9 tion of the requirement of subsection (a) during fiscal year
10 1997.”.

11 **SEC. 352. REQUIREMENT REGARDING USE OF PRIVATE**
12 **SHIPYARDS FOR COMPLEX NAVAL SHIP RE-**
13 **PAIR 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. Use of private shipyards for complex ship re-**
18 **pair work: limitation to certain shipyards**

19 “(a) *LIMITATION ON REPAIR LOCATIONS.*—Whenever
20 a naval vessel (other than a submarine) is to undergo com-
21 plex ship repairs and the Secretary of the Navy determines
22 that a private shipyard contractor is to be used for the work
23 required, such work—

24 “(1) may be performed only by a qualifying
25 shipyard contractor; and

1 “(2) shall be performed at the shipyard facility
2 of the contractor selected unless the Secretary deter-
3 mines that the work should be conducted elsewhere in
4 the interest of national security.

5 “(b) QUALIFYING SHIPYARD CONTRACTOR.—For the
6 purposes of this section, a qualifying shipyard contractor,
7 with respect to the award of any contract for ship repair
8 work, is a private shipyard that—

9 “(1) is capable of performing the repair and
10 overhaul of ships with a displacement of 800 tons or
11 more;

12 “(2) performs at least 55 percent of repairs with
13 its own facilities and work force;

14 “(3) possesses or has access to a dry-dock and a
15 pier with the capability to berth a ship with a dis-
16 placement of 800 tons or more; and

17 “(4) has all the facilities and organizational ele-
18 ments needed for the repair of a ship with a displace-
19 ment of 800 tons or more.

20 “(c) COMPLEX SHIP REPAIRS.—In this section, the
21 term ‘complex ship repairs’ means repairs to a vessel per-
22 formed at a shipyard that are estimated (before work on
23 the repairs by a shipyard begins) to require expenditure
24 of \$750,000 or more.

1 “(d) *EXCEPTION REGARDING PACIFIC COAST.*—This
 2 *section shall not apply in the case of complex ship repairs*
 3 *to be performed at a shipyard facility located on the Pacific*
 4 *Coast of the United States.”.*

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:*

“7315. Use of private shipyards for complex ship repair work: limitation to cer-
tain shipyards.”.

7 (b) *EFFECTIVE DATE.*—Section 7315 of title 10, *Unit-*
 8 *ed States Code*, as added by subsection (a), shall apply with
 9 *respect to contracts for complex ship repairs that are*
 10 *awarded after the date of the enactment of this Act.*

11 ***Subtitle G—Other Matters***

12 ***SEC. 360. TERMINATION OF DEFENSE BUSINESS OPER-*** 13 ***ATIONS FUND AND PREPARATION OF PLAN*** 14 ***REGARDING IMPROVED OPERATION OF*** 15 ***WORKING-CAPITAL FUNDS.***

16 (a) *REPEAL OF DEFENSE BUSINESS OPERATIONS*
 17 *FUND.*—(1) *Section 2216 of title 10, United States Code,*
 18 *as added by section 371(a) of the National Defense Author-*
 19 *ization Act for Fiscal Year 1996 (Public Law 104–106; 110*
 20 *Stat. 277), is repealed.*

21 (2) *The table of sections at the beginning of chapter*
 22 *131 of title 10, United States Code, is amended by striking*
 23 *out the item relating to such section.*

1 (3) *The amendments made by this subsection shall take*
2 *effect on October 1, 1998.*

3 (b) *PLAN FOR IMPROVED OPERATION OF WORKING-*
4 *CAPITAL FUNDS.—Not later than September 30, 1997, the*
5 *Secretary of Defense shall submit to Congress a plan to im-*
6 *prove the management and performance of the industrial,*
7 *commercial, and support type activities of the military de-*
8 *partments or the Defense Agencies that are currently man-*
9 *aged through the Defense Business Operations Fund.*

10 (c) *ELEMENTS OF PLAN.—The plan required by sub-*
11 *section (b) shall address the following issues:*

12 (1) *The ability of each military department to*
13 *set working capital requirements and set charges at*
14 *its own industrial and supply activities.*

15 (2) *The desirability of separate business accounts*
16 *for the management of both industrial and supply ac-*
17 *tivities for each military department.*

18 (3) *Liability for operating losses at industrial*
19 *and supply activities.*

20 (4) *Reimbursement to the Department of Defense*
21 *for each military department's fair share of the costs*
22 *of legitimate common business support services pro-*
23 *vided by the Department of Defense (such as account-*
24 *ing and financial services and central logistics serv-*
25 *ices).*

1 (5) *The role of the Department of Defense in set-*
 2 *ting charges or imposing surcharges for activities*
 3 *managed by the military department business ac-*
 4 *counts (except for the common business support costs*
 5 *described in paragraph (4)), and what such charges*
 6 *should properly reflect.*

7 (6) *The appropriate use of operating profits*
 8 *arising from the operations of the industrial and sup-*
 9 *ply activities of a military department.*

10 (7) *The ability of military departments to pur-*
 11 *chase industrial and supply services from, and pro-*
 12 *vide such services to, other military departments.*

13 (8) *Standardization of financial management*
 14 *and accounting practices employed by military de-*
 15 *partment business accounts.*

16 (9) *Reporting requirements related to actual and*
 17 *projected performance of military department busi-*
 18 *ness management account activities.*

19 **SEC. 361. INCREASE IN CAPITAL ASSET THRESHOLD UNDER**
 20 **DEFENSE BUSINESS OPERATIONS FUND.**

21 *Section 2216 of title 10, United States Code, as added*
 22 *by section 371(a) of the National Defense Authorization Act*
 23 *for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 227),*
 24 *is amended in subsection (i)(1) by striking out “\$50,000”*
 25 *and inserting in lieu thereof “\$100,000”.*

1 **SEC. 362. TRANSFER OF EXCESS PERSONAL PROPERTY TO**
2 **SUPPORT LAW ENFORCEMENT ACTIVITIES.**

3 (a) *TRANSFER AUTHORITY.*—(1) Chapter 153 of title
4 10, United States Code, is amended by inserting after sec-
5 tion 2576 the following new section:

6 **“§2576a. Excess personal property: sale or donation**
7 **for law enforcement activities**

8 “(a) *TRANSFER AUTHORIZED.*—(1) Notwithstanding
9 any other provision of law and subject to subsection (b),
10 the Secretary of Defense may transfer to Federal and State
11 agencies personal property of the Department of Defense,
12 including small arms and ammunition, that the Secretary
13 determines is—

14 “(A) suitable for use by the agencies in law en-
15 forcement activities, including counter-drug activities;
16 and

17 “(B) excess to the needs of the Department of De-
18 fense.

19 “(2) The Secretary shall carry out this section in con-
20 sultation with the Attorney General and the Director of Na-
21 tional Drug Control Policy.

22 “(b) *CONDITIONS FOR TRANSFER.*—The Secretary
23 may transfer personal property under this section only if—

24 “(1) the property is drawn from existing stocks
25 of the Department of Defense; and

1 “(2) *the transfer is made without the expenditure*
 2 *of any funds available to the Department of Defense*
 3 *for the procurement of defense equipment.*

4 “(c) *CONSIDERATION.—Personal property may be*
 5 *transferred under this section without cost to the recipient*
 6 *agency.*

7 “(d) *PREFERENCE FOR CERTAIN TRANSFERS.—In*
 8 *considering applications for the transfer of personal prop-*
 9 *erty under this section, the Secretary shall give a preference*
 10 *to those applications indicating that the transferred prop-*
 11 *erty will be used in the counter-drug activities of the recipi-*
 12 *ent agency.*”.

13 (2) *The table of sections at the beginning of such chap-*
 14 *ter is amended by inserting after the item relating to section*
 15 *2576 the following new item:*

“2576a. Excess personal property: sale or donation for law enforcement activi-
ties.”.

16 (b) *CONFORMING AMENDMENTS.—(1) Section 1208 of*
 17 *the National Defense Authorization Act for Fiscal Years*
 18 *1990 and 1991 (Public Law 101–189; 10 U.S.C. 372 note)*
 19 *is repealed.*

20 (2) *Section 1005 of the National Defense Authorization*
 21 *Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat.*
 22 *1630) is amended by striking out “section 1208 of the Na-*
 23 *tional Defense Authorization Act for Fiscal Years 1990 and*

1 1991 (10 U.S.C. 372 note) and section 372” and inserting
 2 in lieu thereof “sections 372 and 2576a”.

3 **SEC. 363. STORAGE OF MOTOR VEHICLE IN LIEU OF TRANS-**
 4 **PORTATION.**

5 (a) STORAGE AUTHORIZED.—(1) Section 2634 of title
 6 10, United States Code, is amended by adding at the end
 7 the following new subsection:

8 “(g)(1) In lieu of transportation authorized by this sec-
 9 tion, if a member is ordered to make a change of permanent
 10 station to a foreign country and the laws, regulations, or
 11 other restrictions imposed by the foreign country or the
 12 United States preclude entry of a motor vehicle described
 13 in subsection (a) into that country, or would require exten-
 14 sive modification of the vehicle as a condition to entry, the
 15 member may elect to have the vehicle stored at the expense
 16 of the United States at a location approved by the Secretary
 17 concerned.

18 “(2) If a member is transferred or assigned to duty
 19 at a location other than the permanent station of the mem-
 20 ber for a period of more than 30 consecutive days, but the
 21 transfer or assignment is not considered a change of perma-
 22 nent station, the member may elect to have a motor vehicle
 23 described in subsection (a) stored at the expense of the Unit-
 24 ed States at a location approved by the Secretary concerned.

1 “(3) *Authorized expenses under this subsection include*
 2 *costs associated with the delivery of the motor vehicle for*
 3 *storage and removal of the vehicle for delivery to a destina-*
 4 *tion approved by the Secretary concerned.*”.

5 (2)(A) *The heading of such section is amended to read*
 6 *as follows:*

7 **“§2634. Motor vehicles: transportation or storage for**
 8 ***members on change of permanent station***
 9 ***or extended deployment*”.**

10 (B) *The item relating to such section in the table of*
 11 *sections at the beginning of chapter 157 of title 10, United*
 12 *States Code, is amended to read as follows:*

*“2634. Motor vehicles: transportation or storage for members on change of perma-
 nent station or extended deployment.”.*

13 (b) *CONFORMING AMENDMENT.—Section 406(h)(1) of*
 14 *title 37, United States Code, is amended by striking out*
 15 *subparagraph (B) and inserting in lieu thereof the follow-*
 16 *ing new subparagraph:*

17 “(B) *in the case of a member described in para-*
 18 *graph (2)(A), authorize the transportation of one*
 19 *motor vehicle, which is owned or leased by the mem-*
 20 *ber (or a dependent of the member) and is for the per-*
 21 *sonal use of a dependent of the member, to that loca-*
 22 *tion by means of transportation authorized under sec-*
 23 *tion 2634 of title 10 or authorize the storage of the*

1 *motor vehicle pursuant to subsection (g) of such sec-*
 2 *tion.”.*

3 (c) *EFFECTIVE DATE.*—*The amendments made by this*
 4 *section shall take effect on July 1, 1997.*

5 **SEC. 364. CONTROL OF TRANSPORTATION SYSTEMS IN**
 6 **TIME OF WAR.**

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

10 **“§2644. Control of transportation systems in time of**
 11 **war**

12 *“In time of war, the President, acting through the Sec-*
 13 *retary of Defense, may take possession and assume control*
 14 *of all or any part of a system of transportation to transport*
 15 *troops, war material, and equipment, or for other purposes*
 16 *related to the emergency. So far as necessary, the Secretary*
 17 *may use the transportation system to the exclusion of other*
 18 *traffic.”.*

19 (b) *CONFORMING REPEALS.*—*Sections 4742 and 9742*
 20 *of title 10, United States Code are repealed.*

21 (c) *CLERICAL AMENDMENTS.*—(1) *The table of sections*
 22 *at the beginning of chapter 447 of such title is amended*
 23 *by striking out the item relating to section 4742.*

1 (2) *The table of sections at the beginning of chapter*
 2 *947 of such title is amended by striking out the item relat-*
 3 *ing to section 9742.*

4 (3) *The table of sections at the beginning of chapter*
 5 *157 of such title 10 is amended by inserting after the item*
 6 *relating to section 2643 the following new item:*

“2644. Control of transportation systems in time of war.”.

7 **SEC. 365. SECURITY PROTECTIONS AT DEPARTMENT OF DE-**
 8 **FENSE FACILITIES IN NATIONAL CAPITAL RE-**
 9 **GION.**

10 (a) *EXPANSION OF AUTHORITY.*—Subsection (b) of sec-
 11 *tion 2674 of title 10, United States Code, is amended by*
 12 *striking out “at the Pentagon Reservation” and inserting*
 13 *in lieu thereof “in the National Capital Region”.*

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

16 **“§2674. Operation and control of Pentagon Reserva-**
 17 **tion and defense facilities in National**
 18 **Capital Region”.**

19 (2) *The item relating to such section in the table of*
 20 *sections at the beginning of chapter 159 of such title is*
 21 *amended to read as follows:*

*“2674. Operation and control of Pentagon Reservation and defense facilities in
 National Capital Region.”.*

1 **SEC. 366. MODIFICATIONS TO ARMED FORCES RETIREMENT**

2 **HOME ACT OF 1991.**

3 (a) *TERM OF OFFICE.*—Section 1515 of the Armed
4 *Forces Retirement Home Act of 1991* (24 U.S.C. 415) is
5 amended—

6 (1) in subsection (e), by adding at the end the
7 following:

8 “(3) The chairman of the Retirement Home Board
9 may appoint a member of the Retirement Home Board for
10 a second consecutive term. The chairman of a Local Board
11 may appoint a member of that Local Board for a second
12 consecutive term.”; and

13 (2) by striking out subsection (f) and inserting
14 in lieu thereof the following:

15 “(f) *EARLY EXPIRATION OF TERM.*—A member of the
16 Armed Forces or Federal civilian employee who is ap-
17 pointed as a member of the Retirement Home Board or a
18 Local Board may serve as a board member only so long
19 as the member of the Armed Forces or Federal civilian em-
20 ployee is assigned to or serving in the duty position that
21 gave rise to the appointment as a board member.”.

22 (b) *DISPOSAL OF REAL PROPERTY.*—Section 1516(d)
23 of such Act (24 U.S.C. 416(d)) is amended by striking out
24 “(d)” and all that follows through the end of paragraph
25 (1) and inserting in lieu thereof the following:

1 “(d) *DISPOSAL OF REAL PROPERTY.*—(1) *The Retirement Home Board may dispose of real property of the Retirement Home by sale or otherwise, except that the disposal*
2 *may not occur until after the end of a period of 30 legislative days or 60 calendar days, whichever is longer, beginning on the date on which the Retirement Home Board notifies the Committee on Armed Services of the Senate and*
3 *the Committee on National Security of the House of Representatives of the proposed disposal. The Federal Property*
4 *and Administrative Services Act of 1949 (40 U.S.C. 471*
5 *et seq.), section 501 of the Stewart B. McKinney Homeless*
6 *Assistance Act (42 U.S.C. 11411), and any other provision*
7 *of law or regulation relating to the handling or disposal*
8 *of real property by the United States shall not apply to*
9 *the disposal of real property by the Retirement Home*
10 *Board.”.*

11 (c) *ANNUAL EVALUATION OF DIRECTORS.*—Section
12 1517 of such Act (24 U.S.C. 417) is amended by striking
13 out subsection (f) and inserting in lieu thereof the following:

14 “(f) *ANNUAL EVALUATION OF DIRECTORS.*—The chairman of the Retirement Home Board shall annually evaluate
15 the performance of the Directors and shall make such recommendations to the Secretary of Defense as the chairman
16 considers appropriate in light of the evaluation.”.

1 (d) *EFFECT OF AMENDMENT.*—*The amendment made*
 2 *by subsection (a)(2) shall not affect the staggered terms of*
 3 *members of the Armed Forces Retirement Home Board or*
 4 *a Local Board of the Retirement Home under section*
 5 *1515(f) of such Act, as in effect before the date of the enact-*
 6 *ment of this Act.*

7 **SEC. 367. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**
 8 **THAT BENEFIT DEPENDENTS OF MEMBERS**
 9 **OF THE ARMED FORCES AND DEPARTMENT**
 10 **OF DEFENSE CIVILIAN EMPLOYEES.**

11 (a) *CONTINUATION OF DEPARTMENT OF DEFENSE*
 12 *PROGRAM FOR FISCAL YEAR 1997.*—*Of the amounts au-*
 13 *thorized to be appropriated in section 301(5)—*

14 (1) *\$50,000,000 shall be available for providing*
 15 *educational agencies assistance (as defined in sub-*
 16 *section (d)(1)) to local educational agencies; and*

17 (2) *\$8,000,000 shall be available for making edu-*
 18 *cational agencies payments (as defined in subsection*
 19 *(d)(2)) to local educational agencies.*

20 (b) *NOTIFICATION.*—*Not later than June 30, 1997, the*
 21 *Secretary of Defense shall—*

22 (1) *notify each local educational agency that is*
 23 *eligible for educational agencies assistance for fiscal*
 24 *year 1997 of that agency's eligibility for such assist-*

1 *ance and the amount of such assistance for which that*
 2 *agency is eligible; and*

3 *(2) notify each local educational agency that is*
 4 *eligible for an educational agencies payment for fiscal*
 5 *year 1997 of that agency's eligibility for such pay-*
 6 *ment and the amount of the payment for which that*
 7 *agency is eligible.*

8 *(c) DISBURSEMENT OF FUNDS.—The Secretary of De-*
 9 *fense shall disburse funds made available under paragraphs*
 10 *(1) and (2) of subsection (a) not later than 30 days after*
 11 *the date on which notification to the eligible local edu-*
 12 *cational agencies is provided pursuant to subsection (b).*

13 *(d) DEFINITIONS.—In this section:*

14 *(1) The term “educational agencies assistance”*
 15 *means assistance authorized under section 386(b) of*
 16 *the National Defense Authorization Act for Fiscal*
 17 *Year 1993 (Public Law 102–484; 20 U.S.C. 7703*
 18 *note).*

19 *(2) The term “educational agencies payments”*
 20 *means payments authorized under section 386(d) of*
 21 *the National Defense Authorization Act for Fiscal*
 22 *Year 1993 (Public Law 102–484; 20 U.S.C. 7703*
 23 *note).*

24 *(3) The term “local educational agency” has the*
 25 *meaning given that term in section 8013(9) of the El-*

1 *ementary and Secondary Education Act of 1965 (20*
2 *U.S.C. 7713(9)).*

3 **SEC. 368. RETENTION OF CIVILIAN EMPLOYEE POSITIONS**
4 **AT MILITARY TRAINING BASES TRANSFERRED**
5 **TO NATIONAL GUARD.**

6 (a) *MILITARY TRAINING INSTALLATIONS AFFECTED.—*
7 *This section applies with respect to each military training*
8 *installation that—*

9 (1) *was approved for closure in 1995 under the*
10 *Defense Base Closure and Realignment Act of 1990*
11 *(part A of title XXIX of Public Law 101–510; 10*
12 *U.S.C. 2687 note);*

13 (2) *is scheduled for transfer during fiscal year*
14 *1997 to National Guard operation and control; and*

15 (3) *will continue to be used, after such transfer,*
16 *to provide training support to active and reserve com-*
17 *ponents of the Armed Forces.*

18 (b) *RETENTION OF EMPLOYEE POSITIONS.—In the*
19 *case of a military training installation described in sub-*
20 *section (a), the Secretary of Defense shall retain civilian*
21 *employee positions of the Department of Defense at the in-*
22 *stallation after transfer to the National Guard to facilitate*
23 *active and reserve component training at the installation.*

24 (c) *MAXIMUM POSITIONS RETAINED.—The maximum*
25 *number of civilian employee positions retained at an instal-*

1 *lation under this section shall not exceed 20 percent of the*
 2 *Federal civilian workforce employed at the installation as*
 3 *of September 8, 1995.*

4 *(d) REMOVAL OF POSITION.—The requirement to*
 5 *maintain a civilian employee position at an installation*
 6 *under this section shall terminate upon the later of the fol-*
 7 *lowing:*

8 *(1) The date of the departure or retirement of the*
 9 *civilian employee initially employed or retained in a*
 10 *civilian employee position at the installation as a re-*
 11 *sult of this section.*

12 *(2) The date on which the Secretary certifies to*
 13 *Congress that a civilian employee position at the in-*
 14 *stallation is no longer required to ensure that effective*
 15 *support is provided at the installation for active and*
 16 *reserve component training.*

17 **SEC. 369. EXPANSION OF AUTHORITY TO DONATE UNUS-**
 18 **ABLE FOOD.**

19 *(a) AUTHORITY FOR DONATIONS FROM DEFENSE*
 20 *AGENCIES.—Section 2485 of title 10, United States Code,*
 21 *is amended by striking out “Secretary of a military depart-*
 22 *ment” in subsections (a) and (b) and inserting in lieu*
 23 *thereof “Secretary of Defense”.*

24 *(b) EXPANSION OF ELIGIBLE RECIPIENTS.—Such sec-*
 25 *tion is further amended—*

1 (1) in subsection (a), by striking out “authorized
2 charitable nonprofit food banks” and inserting in lieu
3 thereof “entities specified under subsection (d)”; and

4 (2) in subsection (d), by striking out “may only
5 be made” and all that follows and inserting in lieu
6 thereof the following: “may only be made to an entity
7 that is one of the following:

8 “(1) A charitable nonprofit food bank that is des-
9 ignated by the Secretary of Defense or the Secretary
10 of Health and Human Services as authorized to re-
11 ceive such donations.

12 “(2) A State or local agency that is designated
13 by the Secretary of Defense or the Secretary of Health
14 and Human Services as authorized to receive such do-
15 nations.

16 “(3) A chapter or other local unit of a recognized
17 national veterans organization that provides services
18 to persons without adequate shelter and is designated
19 by the Secretary of Veterans Affairs as authorized to
20 receive such donations.

21 “(4) A not-for-profit organization that provides
22 care for homeless veterans and is designated by the
23 Secretary of Veterans Affairs as authorized to receive
24 such donations.”.

1 (c) *CLARIFICATION OF FOOD THAT MAY BE DO-*
 2 *NATED.—Subsection (b) of such section is further amended*
 3 *by inserting “rations known as humanitarian daily rations*
 4 *(HDRs),” after “(MREs),”.*

5 ***TITLE IV—MILITARY PERSONNEL***
 6 ***AUTHORIZATIONS***

7 ***Subtitle A—Active Forces***

8 ***SEC. 401. END STRENGTHS FOR ACTIVE FORCES.***

9 *The Armed Forces are authorized strengths for active*
 10 *duty personnel as of September 30, 1997, as follows:*

11 (1) *The Army, 495,000.*

12 (2) *The Navy, 407,318.*

13 (3) *The Marine Corps, 174,000.*

14 (4) *The Air Force, 381,100.*

15 ***SEC. 402. PERMANENT END STRENGTH LEVELS TO SUP-***
 16 ***PORT TWO MAJOR REGIONAL CONTIN-***
 17 ***GENCIES.***

18 *Section 691 of title 10, United States Code, is amend-*
 19 *ed—*

20 (1) *by redesignating subsections (d) and (e) as*
 21 *subsections (e) and (f), respectively; and*

22 (2) *by striking out subsection (c) and inserting*
 23 *in lieu thereof the following:*

24 *“(c) The budget for the Department of Defense for any*
 25 *fiscal year as submitted to Congress shall include amounts*

1 *for funding for each of the armed forces (other than the*
 2 *Coast Guard) at least in the amounts necessary to maintain*
 3 *the active duty end strengths prescribed in subsection (b),*
 4 *as in effect at the time that such budget is submitted.*

5 “(d) No funds appropriated to the Department of De-
 6 fense may be used to implement a reduction of the active
 7 duty end strength for any of the armed forces (other than
 8 the Coast Guard) for any fiscal year below the level specified
 9 in subsection (b) unless the reduction in end strength for
 10 that armed force for that fiscal year is specifically author-
 11 ized by law.”.

12 **SEC. 403. AUTHORIZED STRENGTHS FOR COMMISSIONED**
 13 **OFFICERS ON ACTIVE DUTY IN GRADES OF**
 14 **MAJOR, LIEUTENANT COLONEL, AND COLO-**
 15 **NEL AND NAVY GRADES OF LIEUTENANT**
 16 **COMMANDER, COMMANDER, AND CAPTAIN.**

17 (a) *REVISION IN ARMY, AIR FORCE, AND MARINE*
 18 *CORPS LIMITATIONS.—The table in paragraph (1) of sec-*
 19 *tion 523(a) of title 10, United States Code, is amended to*
 20 *read as follows:*

“Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
<i>Army:</i>			
35,000	8,922	6,419	2,163
40,000	9,614	6,807	2,347
45,000	10,305	7,196	2,530
50,000	10,997	7,584	2,713
55,000	11,688	7,973	2,897
60,000	12,380	8,361	3,080
65,000	13,071	8,750	3,264

“Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
70,000	13,763	9,138	3,447
75,000	14,454	9,527	3,631
80,000	15,146	9,915	3,814
85,000	15,837	10,304	3,997
90,000	16,529	10,692	4,181
95,000	17,220	11,081	4,364
100,000	17,912	11,469	4,548
110,000	19,295	12,246	4,915
120,000	20,678	13,023	5,281
130,000	22,061	13,800	5,648
170,000	27,593	16,908	7,116
<i>Air Force:</i>			
35,000	9,216	7,090	2,125
40,000	10,025	7,478	2,306
45,000	10,835	7,866	2,487
50,000	11,645	8,253	2,668
55,000	12,454	8,641	2,849
60,000	13,264	9,029	3,030
65,000	14,073	9,417	3,211
70,000	14,883	9,805	3,392
75,000	15,693	10,193	3,573
80,000	16,502	10,582	3,754
85,000	17,312	10,971	3,935
90,000	18,121	11,360	4,115
95,000	18,931	11,749	4,296
100,000	19,741	12,138	4,477
105,000	20,550	12,527	4,658
110,000	21,360	12,915	4,838
115,000	22,169	13,304	5,019
120,000	22,979	13,692	5,200
125,000	23,789	14,081	5,381
<i>Marine Corps:</i>			
10,000	2,525	1,480	571
12,500	2,900	1,600	592
15,000	3,275	1,720	613
17,500	3,650	1,840	633
20,000	4,025	1,960	654
22,500	4,400	2,080	675
25,000	4,775	2,200	695.”

- 1 (b) *REVISION IN NAVY LIMITATIONS.—The table in*
- 2 *paragraph (2) of such section is amended to read as follows:*

“Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in grade of:		
	Lieutenant commander	Commander	Captain
<i>Navy:</i>			
30,000	7,331	5,018	2,116
33,000	7,799	5,239	2,223
36,000	8,267	5,460	2,330
39,000	8,735	5,681	2,437
42,000	9,203	5,902	2,544

“Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in grade of:		
	Lieutenant commander	Commander	Captain
45,000	9,671	6,123	2,651
48,000	10,139	6,343	2,758
51,000	10,606	6,561	2,864
54,000	11,074	6,782	2,971
57,000	11,541	7,002	3,078
60,000	12,009	7,222	3,185
63,000	12,476	7,441	3,292
66,000	12,944	7,661	3,398
70,000	13,567	7,954	3,541
90,000	16,683	9,419	4,254.”

1 (c) *EFFECTIVE DATE.*—The amendments made by sub-
2 sections (a) and (b) shall take effect on September 1, 1997,
3 except that with the approval of the Secretary of Defense
4 the Secretary of a military department may prescribe an
5 earlier date for that Secretary’s military department. Any
6 such date shall be published in the Federal Register.

7 **Subtitle B—Reserve Forces**

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

9 (a) *FISCAL YEAR 1997.*—The Armed Forces are au-
10 thorized strengths for Selected Reserve personnel of the re-
11 serve components as of September 30, 1997, as follows:

12 (1) *The Army National Guard of the United*
13 *States, 366,758.*

14 (2) *The Army Reserve, 215,179.*

15 (3) *The Naval Reserve, 96,304.*

16 (4) *The Marine Corps Reserve, 42,000.*

17 (5) *The Air National Guard of the United*
18 *States, 108,843.*

19 (6) *The Air Force Reserve, 73,281.*

1 (7) *The Coast Guard Reserve, 8,000.*

2 (b) *WAIVER AUTHORITY.—The Secretary of Defense*
3 *may vary the end strength authorized by subsection (a) by*
4 *not more than 2 percent.*

5 (c) *ADJUSTMENTS.—The end strengths prescribed by*
6 *subsection (a) for the Selected Reserve of any reserve compo-*
7 *nent for a fiscal year shall be proportionately reduced by—*

8 (1) *the total authorized strength of units orga-*
9 *nized to serve as units of the Selected Reserve of such*
10 *component which are on active duty (other than for*
11 *training) at the end of the fiscal year, and*

12 (2) *the total number of individual members not*
13 *in units organized to serve as units of the Selected*
14 *Reserve of such component who are on active duty*
15 *(other than for training or for unsatisfactory partici-*
16 *pation in training) without their consent at the end*
17 *of the fiscal year.*

18 *Whenever such units or such individual members are re-*
19 *leased from active duty during any fiscal year, the end*
20 *strength prescribed for such fiscal year for the Selected Re-*
21 *serve of such reserve component shall be proportionately in-*
22 *creased by the total authorized strengths of such units and*
23 *by the total number of such individual members.*

1 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
 2 **DUTY IN SUPPORT OF THE RESERVES.**

3 *Within the end strengths prescribed in section 411(a),*
 4 *the reserve components of the Armed Forces are authorized,*
 5 *as of September 30, 1997, the following number of Reserves*
 6 *to be serving on full-time active duty or full-time duty, in*
 7 *the case of members of the National Guard, for the purpose*
 8 *of organizing, administering, recruiting, instructing, or*
 9 *training the reserve components:*

10 (1) *The Army National Guard of the United*
 11 *States, 22,798.*

12 (2) *The Army Reserve, 11,729.*

13 (3) *The Naval Reserve, 16,603.*

14 (4) *The Marine Corps Reserve, 2,559.*

15 (5) *The Air National Guard of the United*
 16 *States, 10,378.*

17 (6) *The Air Force Reserve, 625.*

18 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS.**

19 (a) *AUTHORIZATION FOR FISCAL YEAR 1997.—The*
 20 *minimum number of military technicians as of the last day*
 21 *of fiscal year 1997 for the reserve components of the Army*
 22 *and the Air Force (notwithstanding section 129 of title 10,*
 23 *United States Code) shall be the following:*

24 (1) *For the Army Reserve, 6,799.*

25 (2) *For the Army National Guard of the United*
 26 *States, 25,500.*

1 (3) *For the Air Force Reserve, 9,802.*

2 (4) *For the Air National Guard of the United*
3 *States, 22,906.*

4 (b) *INFORMATION TO BE PROVIDED WITH FUTURE*
5 *AUTHORIZATION REQUESTS.—Section 10216 of title 10,*
6 *United States Code, is amended—*

7 (1) *by redesignating subsection (b) as subsection*
8 *(c); and*

9 (2) *by inserting after subsection (a) the following*
10 *new subsection (b):*

11 “(b) *INFORMATION REQUIRED TO BE SUBMITTED*
12 *WITH ANNUAL END STRENGTH AUTHORIZATION RE-*
13 *QUEST.—(1) The Secretary of Defense shall include as part*
14 *of the budget justification documents submitted to Congress*
15 *with the budget of the Department of Defense for any fiscal*
16 *year the following information with respect to the end*
17 *strengths for military technicians requested in that budget*
18 *pursuant to section 115(g) of this title, shown separately*
19 *for each of the Army and Air Force reserve components:*

20 “(A) *The number of dual-status technicians in*
21 *the high priority units and organizations specified in*
22 *subsection (a)(1).*

23 “(B) *The number of technicians other than dual-*
24 *status technicians in the high priority units and or-*
25 *ganizations specified in subsection (a)(1).*

1 “(C) *The number of dual-status technicians in*
2 *other than high priority units and organizations*
3 *specified in subsection (a)(1).*

4 “(D) *The number of technicians other than dual-*
5 *status technicians in other than high priority units*
6 *and organizations specified in subsection (a)(1).*

7 “(2)(A) *If the budget submitted to Congress for any*
8 *fiscal year requests authorization for that fiscal year under*
9 *section 115(g) of this title of a military technician end*
10 *strength for a reserve component of the Army or Air Force*
11 *in a number that constitutes a reduction from the end*
12 *strength minimum established by law for that reserve com-*
13 *ponent for the fiscal year during which the budget is sub-*
14 *mitted, the Secretary of Defense shall submit to the congres-*
15 *sional defense committees with that budget a justification*
16 *providing the basis for that requested reduction in techni-*
17 *cian end strength.*

18 “(B) *Any justification submitted under subparagraph*
19 *(A) shall clearly delineate—*

20 “(i) *in the case of a reduction that includes a re-*
21 *duction in technicians described in subparagraph (A)*
22 *or (C) of paragraph (1), the specific force structure*
23 *reductions forming the basis for such requested techni-*
24 *cian reduction (and the numbers related to those force*
25 *structure reductions); and*

1 “(ii) in the case of a reduction that includes re-
 2 ductions in technicians described in subparagraphs
 3 (B) or (D) of paragraph (1), the specific force struc-
 4 ture reductions, Department of Defense civilian per-
 5 sonnel reductions, or other reasons forming the basis
 6 for such requested technician reduction (and the num-
 7 bers related to those reductions).”.

8 (c) *TECHNICAL AMENDMENTS.*—Such section is fur-
 9 ther amended—

10 (1) in subsection (a), by striking out “section
 11 115” and inserting in lieu thereof “section 115(g)”;
 12 and

13 (2) in subsection (c), as redesignated by sub-
 14 section (b)(1), by striking out “after the date of the
 15 enactment of this section” both places it appears and
 16 inserting in lieu thereof “after February 10, 1996,”.

17 ***Subtitle C—Authorization of***
 18 ***Appropriations***

19 ***SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-***
 20 ***TARY PERSONNEL.***

21 *There is hereby authorized to be appropriated to the*
 22 *Department of Defense for military personnel for fiscal year*
 23 *1997 a total of \$70,206,030,000. The authorization in the*
 24 *preceding sentence supersedes any other authorization of*

1 *appropriations (definite or indefinite) for such purpose for*
 2 *fiscal year 1997.*

3 ***TITLE V—MILITARY PERSONNEL***
 4 ***POLICY***

5 ***Subtitle A—Personnel Management***

6 ***SEC. 501. AUTHORIZATION FOR SENIOR ENLISTED MEM-***
 7 ***BERS TO REENLIST FOR AN INDEFINITE PE-***
 8 ***RIOD OF TIME.***

9 *Subsection (d) of section 505 of title 10, United States*
 10 *Code, is amended to read as follows:*

11 *“(d)(1) For a member with less than 10 years of serv-*
 12 *ice, the Secretary concerned may accept a reenlistment in*
 13 *the Regular Army, Regular Navy, Regular Air Force, Regu-*
 14 *lar Marine Corps, or Regular Coast Guard, as the case may*
 15 *be, for periods of at least two but not more than six years.*

16 *“(2) At the discretion of the Secretary concerned, a*
 17 *member with 10 or more years of service who reenlists in*
 18 *the Regular Army, Regular Navy, Regular Air Force, Regu-*
 19 *lar Marine Corps, or Regular Coast Guard, as the case may*
 20 *be, and who meets all qualifications for continued service,*
 21 *may be accepted for reenlistment of an unspecified period*
 22 *of time.”.*

1 **SEC. 502. AUTHORITY TO EXTEND ENTRY ON ACTIVE DUTY**
 2 **UNDER THE DELAYED ENTRY PROGRAM.**

3 *Section 513(b) of title 10, United States Code, is*
 4 *amended—*

5 *(1) by adding after the first sentence the follow-*
 6 *ing new sentence: “The Secretary concerned may ex-*
 7 *tend the 365-day period for any person for up to an*
 8 *additional 180 days if the Secretary considers such*
 9 *extension to be warranted on a case-by-case basis.”;*
 10 *and*

11 *(2) in the last sentence, by striking out “the pre-*
 12 *ceding sentence” and inserting in lieu thereof “under*
 13 *this subsection”.*

14 **SEC. 503. PERMANENT AUTHORITY FOR NAVY SPOT PRO-**
 15 **MOTIONS FOR CERTAIN LIEUTENANTS.**

16 *Section 5721 of title 10, United States Code, is amend-*
 17 *ed by striking out subsection (g).*

18 **SEC. 504. REPORTS ON RESPONSE TO RECOMMENDATIONS**
 19 **CONCERNING IMPROVEMENTS TO DEPART-**
 20 **MENT OF DEFENSE JOINT MANPOWER PROC-**
 21 **ESS.**

22 *(a) SEMIANNUAL REPORT.—The Secretary of Defense*
 23 *shall submit to Congress a semiannual report on the status*
 24 *of actions taken by the Secretary to implement the rec-*
 25 *ommendations made by the Department of Defense Inspec-*
 26 *tor General in the report of November 29, 1995, entitled*

1 *“Inspection of the Department of Defense Joint Manpower*
2 *Process” (Report No. 96–029). The first such report shall*
3 *be submitted not later than February 1, 1997.*

4 *(b) ADDITIONAL MATTER FOR FIRST REPORT.—As*
5 *part of the first report under subsection (a), the Secretary*
6 *shall include the following:*

7 *(1) The Secretary’s assessment as to the need to*
8 *establish a joint, centralized permanent organization*
9 *in the Department of Defense to determine, validate,*
10 *approve, and manage military and civilian man-*
11 *power requirements resources at joint organizations.*

12 *(2) The Secretary’s assessment of the Department*
13 *of Defense timeline and plan to increase the capabil-*
14 *ity of the joint professional military education system*
15 *(including the Armed Forces Staff College) to over-*
16 *come the capacity limitations cited in the report re-*
17 *ferred to in subsection (a).*

18 *(3) The Secretary’s plan and timeline to provide*
19 *the necessary training and education of reserve com-*
20 *ponent officers.*

21 *(c) GAO ASSESSMENT.—The Comptroller General of*
22 *the United States shall assess the completeness and ade-*
23 *quacy of the corrective actions taken by the Secretary with*
24 *respect to the matters covered in the report referred to in*
25 *subsection (a) and shall submit a report to Congress, not*

1 *later than one year after the date of enactment of this Act,*
 2 *providing the Comptroller General's findings and rec-*
 3 *ommendations.*

4 **SEC. 505. FREQUENCY OF REPORTS TO CONGRESS ON**
 5 **JOINT OFFICER MANAGEMENT POLICIES.**

6 (a) *CHANGE FROM SEMIANNUAL TO ANNUAL RE-*
 7 *PORT.—Section 662(b) of title 10, United States Code, is*
 8 *amended by striking out “REPORT.—The Secretary of De-*
 9 *fense shall periodically (and not less often than every six*
 10 *months) report to Congress on the promotion rates” and*
 11 *inserting in lieu thereof “ANNUAL REPORT.—Not later than*
 12 *January 1 of each year, the Secretary of Defense shall sub-*
 13 *mit to Congress a report on the promotion rates during the*
 14 *preceding fiscal year”.*

15 (b) *TECHNICAL AND CONFORMING AMENDMENTS.—*
 16 *Such section is further amended—*

17 (1) *in the first sentence, by striking out*
 18 *“clauses” and inserting in lieu thereof “paragraphs”;*
 19 *and*

20 (2) *in the second sentence—*

21 (A) *by inserting “for any fiscal year” after*
 22 *“such objectives”; and*

23 (B) *by striking out “periodic report re-*
 24 *quired by this subsection” and inserting in lieu*
 25 *thereof “report for that fiscal year”.*

1 **SEC. 506. REPEAL OF REQUIREMENT THAT COMMISSIONED**
 2 **OFFICERS BE INITIALLY APPOINTED IN A RE-**
 3 **SERVE GRADE.**

4 *Section 532 of title 10, United States Code, is amended*
 5 *by striking out subsection (e).*

6 **SEC. 507. CONTINUATION ON ACTIVE STATUS FOR CERTAIN**
 7 **RESERVE OFFICERS OF THE AIR FORCE.**

8 *(a) AUTHORITY.—Section 14507 of title 10, United*
 9 *States Code, is amended by adding at the end the following*
 10 *new subsection:*

11 *“(c) TEMPORARY AUTHORITY TO RETAIN CERTAIN*
 12 *OFFICERS DESIGNATED AS JUDGE ADVOCATES.—(1) Not-*
 13 *withstanding the provisions of subsections (a) and (b), the*
 14 *Secretary of the Air Force may retain on the reserve active-*
 15 *status list any reserve officer of the Air Force who is des-*
 16 *ignated as a judge advocate and who obtained the first pro-*
 17 *fessional degree in law while on an educational delay pro-*
 18 *gram subsequent to being commissioned through the Reserve*
 19 *Officers’ Training Corps.*

20 *“(2) No more than 50 officers may be retained on the*
 21 *reserve active-status list under the authority of paragraph*
 22 *(1) at any time.*

23 *“(3) No officer may be retained on the reserve active-*
 24 *status list under the authority of paragraph (1) for a period*
 25 *exceeding three years from the date on which, but for that*

1 *authority, that officer would have been removed from the*
 2 *reserve active-status list under subsection (a) or (b).*

3 “(4) *The authority of the Secretary of the Air Force*
 4 *under paragraph (1) expires on September 30, 2003.*”.

5 (b) *EFFECTIVE DATE.*—*Subsection (c) of section 14507*
 6 *of title 10, United States Code, as added by subsection (a),*
 7 *shall take effect on October 1, 1996.*

8 ***Subtitle B—Reserve Component***
 9 ***Matters***

10 ***SEC. 511. INDIVIDUAL READY RESERVE ACTIVATION AU-***
 11 ***THORITY.***

12 (a) *IRR MEMBERS SUBJECT TO ORDER TO ACTIVE*
 13 *DUTY OTHER THAN DURING WAR OR NATIONAL EMER-*
 14 *GENCY.*—*Section 10144 of title 10, United States Code, is*
 15 *amended—*

16 (1) *by inserting “(a)” before “Within the Ready*
 17 *Reserve”; and*

18 (2) *by adding at the end the following:*

19 “(b)(1) *Within the Individual Ready Reserve of each*
 20 *reserve component there is a mobilization category of mem-*
 21 *bers, as designated by the Secretary concerned, who are sub-*
 22 *ject to being ordered to active duty involuntarily in accord-*
 23 *ance with section 12304 of this title. A member may not*
 24 *be placed in that mobilization category unless—*

1 “(A) *the member volunteers for that category;*
2 *and*

3 “(B) *the member is selected for that category by*
4 *the Secretary concerned, based upon the needs of the*
5 *service and the grade and military skills of that mem-*
6 *ber.*

7 “(2) *A member of the Individual Ready Reserve may*
8 *not be carried in the mobilization category of members*
9 *under paragraph (1) after the end of the 24-month period*
10 *beginning on the date of the separation of the member from*
11 *active service.*

12 “(3) *The Secretary shall designate the grades and criti-*
13 *cal military skills or specialities of members to be eligible*
14 *for placement in such mobilization category.*

15 “(4) *A member in such mobilization category shall be*
16 *eligible for benefits (other than pay and training) as are*
17 *normally available to members of the Selected Reserve, as*
18 *determined by the Secretary of Defense.”.*

19 (b) *CRITERIA FOR ORDERING TO ACTIVE DUTY.—Sub-*
20 *section (a) of section 12304 of title 10, United States Code,*
21 *is amended by inserting after “of this title),” the following:*
22 *“or any member in the Individual Ready Reserve mobiliza-*
23 *tion category and designated as essential under regulations*
24 *prescribed by the Secretary concerned,”.*

1 (c) *MAXIMUM NUMBER.*—*Subsection (c) of such section*
 2 *is amended—*

3 (1) *by inserting “and the Individual Ready Re-*
 4 *serve” after “Selected Reserve”; and*

5 (2) *by inserting “, of whom not more than*
 6 *30,000 may be members of the Individual Ready Re-*
 7 *serve” before the period at the end.*

8 (d) *CONFORMING AMENDMENTS.*—*Such section is fur-*
 9 *ther amended—*

10 (1) *in subsection (f), by inserting “or Individual*
 11 *Ready Reserve” after “Selected Reserve”;*

12 (2) *in subsection (g), by inserting “, or member*
 13 *of the Individual Ready Reserve,” after “to serve as*
 14 *a unit”; and*

15 (3) *by adding at the end the following new sub-*
 16 *section:*

17 “(i) *For purposes of this section, the term ‘Individual*
 18 *Ready Reserve mobilization category’ means, in the case of*
 19 *any reserve component, the category of the Individual*
 20 *Ready Reserve described in section 10144(b) of this title.”.*

21 (e) *CLERICAL AMENDMENTS.*—(1) *The heading of such*
 22 *section is amended to read as follows:*

1 **“§ 12304. Selected Reserve and certain Individual**
 2 **Ready Reserve members; order to active**
 3 **duty other than during war or national**
 4 **emergency”.**

5 (2) *The item relating to section 12304 in the table of*
 6 *sections at the beginning of chapter 1209 of such title is*
 7 *amended to read as follows:*

*“12304. Selected Reserve and certain Individual Ready Reserve members; order
 to active duty other than during war or national emergency”.*

8 **SEC. 512. TRAINING FOR RESERVES ON ACTIVE DUTY IN**
 9 **SUPPORT OF THE RESERVES.**

10 *Subsection (b) of section 12310 of title 10, United*
 11 *States Code, is amended to read as follows:*

12 *“(b) A Reserve on active duty as described in sub-*
 13 *section (a) may be provided training and professional de-*
 14 *velopment opportunities consistent with those provided to*
 15 *other members on active duty, as the Secretary concerned*
 16 *sees fit.”.*

17 **SEC. 513. CLARIFICATION TO DEFINITION OF ACTIVE STA-**
 18 **TUS.**

19 *Section 101(d)(4) of title 10, United States Code, is*
 20 *amended by striking out “a reserve commissioned officer,*
 21 *other than a commissioned warrant officer” and inserting*
 22 *in lieu thereof “a member of a reserve component”.*

1 **SEC. 514. APPOINTMENT ABOVE GRADE OF 0-2 IN THE**
 2 **NAVAL RESERVE.**

3 *Paragraph (3) of section 12205(b) of title 10, United*
 4 *States Code, is amended by inserting “or the Seaman to*
 5 *Admiral Program” before the period at the end.*

6 **SEC. 515. REPORT ON NUMBER OF ADVISERS IN ACTIVE**
 7 **COMPONENT SUPPORT OF RESERVES PILOT**
 8 **PROGRAM.**

9 *(a) REPORT ON NUMBER OF ACTIVE COMPONENT AD-*
 10 *VISERS.—Not later than six months after the date of the*
 11 *enactment of this Act, the Secretary of Defense shall submit*
 12 *to the Committee on Armed Services of the Senate and the*
 13 *Committee on National Security of the House of Represent-*
 14 *atives a report setting forth the Secretary’s determination*
 15 *as to the appropriate number of active component personnel*
 16 *to be assigned to serve as advisers to reserve components*
 17 *under section 414 of the National Defense Authorization Act*
 18 *for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note).*
 19 *If the Secretary’s determination is that such number should*
 20 *be a number other than the required minimum number in*
 21 *effect under subsection (c) of such section, the Secretary*
 22 *shall include in the report an explanation providing the*
 23 *Secretary’s justification for the number recommended.*

24 *(b) TECHNICAL AMENDMENT.—Section 414(a) of the*
 25 *National Defense Authorization Act for Fiscal Years 1992*
 26 *and 1993 (10 U.S.C. 12001 note) is amended by striking*

1 out “During fiscal years 1992 and 1993, the Secretary of
 2 the Army shall institute” and inserting in lieu thereof “The
 3 Secretary of the Army shall carry out”.

4 **SEC. 516. SENSE OF CONGRESS AND REPORT REGARDING**
 5 **REEMPLOYMENT RIGHTS FOR MOBILIZED RE-**
 6 **SERVISTS EMPLOYED IN FOREIGN COUN-**
 7 **TRIES.**

8 (a) *SENSE OF CONGRESS.*—Congress is concerned
 9 about the lack of reemployment rights afforded Reserve com-
 10 ponent members who reside in foreign countries and either
 11 work for United States companies that maintain offices or
 12 operations in foreign countries or work for foreign employ-
 13 ers. Being outside the jurisdiction of the United States, these
 14 employers are not subject to the provisions of chapter 43
 15 of title 38, United States Code, known as the Uniformed
 16 Services Employment and Reemployment Rights Act
 17 (USERRA). The purpose of that Act is to provide statutory
 18 employment protections that include reinstatement, senior-
 19 ity, status, and rate of pay coverage for Reservists who are
 20 ordered to active duty for a specified period of time, includ-
 21 ing involuntary active duty in support of an operational
 22 contingency. While most Reserve members are afforded the
 23 protections of that Act (which covers reemployment rights
 24 in their civilian jobs upon completion of military service),
 25 approximately 2,000 members of the Selected Reserve reside

1 *outside the United States and its territories and, not being*
2 *guaranteed the job protection envisioned by the USERRA,*
3 *are potentially subject to reemployment problems after re-*
4 *lease from active duty. During Operation Joint Endeavor,*
5 *a number of Reservists who are currently living and work-*
6 *ing abroad and who were involuntarily ordered to active*
7 *duty in support of that operation did in fact face reemploy-*
8 *ment problems with their civilian employers. This situation*
9 *poses a continuing personnel management challenge for the*
10 *reserve components.*

11 *(b) RECOGNITION OF PROBLEM.—Congress, while rec-*
12 *ognizing that foreign governments and companies located*
13 *abroad, not being within the jurisdiction of the United*
14 *States, cannot be required to comply with the provisions*
15 *of the Uniformed Services Employment and Reemployment*
16 *Rights Act, also recognizes that there is a need to provide*
17 *assistance to Reservists in the situation described in sub-*
18 *section (a), both in the near term and the long term.*

19 *(c) REPORT REQUIREMENT.—Not later than April 1,*
20 *1997, the Secretary of Defense shall submit to the Commit-*
21 *tee on Armed Services of the Senate and the Committee on*
22 *National Security of the House of Representatives a report*
23 *that sets forth recommended actions to help alleviate reem-*
24 *ployment problems for Reservists who are employed outside*
25 *the United States and its territories by United States com-*

panies that maintain offices or operations in foreign countries or by foreign employers. The report shall include recommendations on the assistance and support that may be required by other organizations of the Government, including the Defense Attaché Offices, the Department of Labor, and the Department of State. The report shall be prepared in consultation with the Secretary of State and the Secretary of Labor.

Subtitle C—Jurisdiction and Powers of Courts-Martial for the National Guard When Not in Federal Service

SEC. 531. COMPOSITION, JURISDICTION, AND PROCEDURES OF COURTS-MARTIAL.

Section 326 of title 32, United States Code, is amended—

(1) by inserting “(a)” at the beginning of the text of the section;

(2) by striking out the second sentence and inserting in lieu thereof the following: “They shall follow substantially the forms and procedures provided for those courts and shall provide accused members of the National Guard the rights and protections provided in those courts.”; and

(3) by adding at the end the following:

1 “(b) *Courts-martial of the National Guard not in Fed-*
 2 *eral service do not have jurisdiction over those persons who*
 3 *are subject to the jurisdiction of a court-martial pursuant*
 4 *to section 802 of title 10.*

5 “(c) *A court-martial of the National Guard not in*
 6 *Federal service shall have such jurisdiction and powers,*
 7 *consistent with the provisions of this chapter, as may be*
 8 *provided by the law of the State or Territory, Puerto Rico,*
 9 *or District of Columbia in which the court-martial is con-*
 10 *vened.”.*

11 **SEC. 532. GENERAL COURTS-MARTIAL.**

12 (a) *CONVENING AUTHORITY.*—Subsection (a) of section
 13 327 of title 32, United States Code, is amended by inserting
 14 “or adjutant general” after “governor”.

15 (b) *PUNISHMENTS.*—Subsection (b) of such section is
 16 amended to read as follows:

17 “(b) *A general court-martial may sentence an accused,*
 18 *upon conviction, to any of the following punishments:*

19 “(1) *A fine of not more than \$500 for a single*
 20 *offense.*

21 “(2) *Forfeiture of pay and allowances in an*
 22 *amount of not more than \$500 for a single offense or*
 23 *any forfeiture of pay for not more than six months.*

24 “(3) *A reprimand.*

1 “(4) *Dismissal, bad conduct discharge, or dis-*
2 *honorable discharge.*

3 “(5) *In the case of an enlisted member, reduction*
4 *to a lower grade.*

5 “(6) *Confinement for not more than 180 days.*

6 “(7) *Any combination of the punishments speci-*
7 *fied in paragraphs (1) through (6).”.*

8 (c) *LIMITATION ON PUNITIVE DISCHARGES.*—*Such*
9 *section is further amended by adding at the end the follow-*
10 *ing new subsection:*

11 “(c)(1) *A dismissal or bad conduct or dishonorable dis-*
12 *charge may not be adjudged unless counsel was detailed to*
13 *represent the accused and a military judge was detailed to*
14 *the trial.*

15 “(2) *In a case in which the sentence adjudged includes*
16 *dismissal or a bad conduct or dishonorable discharge, a ver-*
17 *batim record of the proceedings shall be made.”.*

18 **SEC. 533. SPECIAL COURTS-MARTIAL.**

19 (a) *CONVENING AUTHORITY.*—*Subsection (a) of section*
20 *328 of title 32, United States Code, is amended by inserting*
21 *“, if a National Guard officer,” after “the commanding offi-*
22 *cer”.*

23 (b) *PUNISHMENTS.*—*Subsection (b) of such section is*
24 *amended to read as follows:*

1 “(b) *A special court-martial may sentence an accused,*
 2 *upon conviction, to any of the following punishments:*

3 “(1) *A fine of not more than \$300 for a single*
 4 *offense.*

5 “(2) *Forfeiture of pay and allowances in an*
 6 *amount of not more than \$300 for a single offense,*
 7 *but adjudged forfeiture of pay may not exceed two-*
 8 *thirds pay per month and forfeitures may not extend*
 9 *for more than six months.*

10 “(3) *A reprimand.*

11 “(4) *Bad conduct discharge.*

12 “(5) *In the case of an enlisted member, reduction*
 13 *to a lower grade.*

14 “(6) *Confinement for not more than 100 days.*

15 “(7) *Any combination of the punishments speci-*
 16 *fied in paragraphs (1) through (6).”.*

17 (c) *LIMITATION ON BAD CONDUCT DISCHARGES.—*
 18 *Subsection (c) of such section is amended to read as follows:*

19 “(c)(1) *A bad conduct discharge may not be adjudged*
 20 *unless counsel was detailed to represent the accused and a*
 21 *military judge was detailed to the trial.*

22 “(2) *In a case in which the sentence adjudged includes*
 23 *a bad conduct discharge, a verbatim record of the proceed-*
 24 *ings shall be made.”.*

1 **SEC. 534. SUMMARY COURTS-MARTIAL.**

2 (a) *CONVENING AUTHORITY.*—Subsection (a) of section
3 329 of title 32, United States Code, is amended—

4 (1) by inserting “, if a National Guard officer,”
5 after “the commanding officer”; and

6 (2) by inserting after the first sentence the fol-
7 lowing new sentence: “Summary courts-martial may
8 also be convened by superior authority.”.

9 (b) *JURISDICTION.*—Subsection (a) of such section is
10 further amended—

11 (1) by inserting “(1)” after “(a)”; and

12 (2) by adding at the end the following:

13 “(2) A summary court-martial may not try a commis-
14 sioned officer.”.

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

17 “(b) A summary court-martial may sentence an ac-
18 cused, upon conviction, to any of the following punishments:

19 “(1) A fine of not more than \$200 for a single
20 offense.

21 “(2) Forfeiture of pay and allowances in an
22 amount of not more than \$200 for a single offense,
23 but not to exceed two-thirds of one month’s pay.

24 “(3) Reduction to a lower grade.

25 “(4) Any combination of the punishments speci-
26 fied in paragraphs (1) through (3).”.

1 (d) *CONSENT OF ACCUSED FOR SUMMARY COURT-*
 2 *MARTIAL.*—*Such section is further amended by adding at*
 3 *the end the following new subsection:*

4 “(c) *An accused with respect to whom summary*
 5 *courts-martial have jurisdiction may not be brought to trial*
 6 *before a summary court-martial if the accused objects there-*
 7 *to. If an accused so objects to trial by summary court-mar-*
 8 *tial, the convening authority may order trial by special or*
 9 *general court-martial, as may be appropriate.”.*

10 **SEC. 535. REPEAL OF AUTHORITY FOR CONFINEMENT IN**
 11 **LIEU OF FINE.**

12 *Section 330 of title 32, United States Code, is repealed.*

13 **SEC. 536. APPROVAL OF SENTENCE OF BAD CONDUCT DIS-**
 14 **CHARGE OR CONFINEMENT.**

15 (a) *IN GENERAL.*—*Section 331 of title 32, United*
 16 *States Code, is amended by striking out “or dishonorable*
 17 *discharge” and inserting in lieu thereof “, bad conduct dis-*
 18 *charge, dishonorable discharge, or confinement for three*
 19 *months or more”.*

20 (b) *CONFORMING AMENDMENT.*—*The heading of such*
 21 *section is amended to read as follows:*

22 **“§331. Sentences requiring approval of governor”.**

23 **SEC. 537. AUTHORITY OF MILITARY JUDGES.**

24 *Section 332 of title 32, United States Code, is amended*
 25 *by inserting “or military judge” after “the president”.*

1 **SEC. 538. STATUTORY REORGANIZATION.**

2 (a) *NEW TITLE 32 CHAPTER.*—(1) *Title 32, United*
 3 *States Code, is amended by inserting after section 325 the*
 4 *following:*

5 **“CHAPTER 4—COURTS-MARTIAL FOR THE**
 6 **NATIONAL GUARD WHEN NOT IN FED-**
 7 **ERAL SERVICE**

“Sec.
 “401. Courts-martial: composition, jurisdiction, and procedures.
 “402. General courts-martial.
 “403. Special courts-martial.
 “404. Summary courts-martial.
 “405. Sentences requiring approval of governor.
 “406. Compelling attendance of accused and witnesses.
 “407. Execution of process and sentence.”.

8 (2) *The table of chapters at the beginning of such title*
 9 *is amended by inserting after the item relating to chapter*
 10 *3 the following new item:*

“4. Courts-Martial for the National Guard When not in Federal Service 401”.

11 (3) *The table of sections at the beginning of chapter*
 12 *3 of such title is amended by striking out the items relating*
 13 *to sections 326 through 333.*

14 (b) *REDESIGNATION OF SECTIONS.*—*The following sec-*
 15 *tions of title 32, United States Code (as amended by this*
 16 *subtitle), are redesignated as follows:*

Section	Redesignated section
326	401
327	402
328	403
329	404
331	405
332	406
333	407

1 (c) *SECTION HEADINGS.*—*The headings for sections*
 2 *401, 402, 403, and 404 of title 32, United States Code, as*
 3 *redesignated by subsection (b), are amended by striking out*
 4 ***“of National Guard not in Federal service”.***

5 ***SEC. 539. EFFECTIVE DATE.***

6 *The amendments made by this subtitle shall take effect*
 7 *on the date of the enactment of this Act, except that for*
 8 *an offense committed before that date the maximum punish-*
 9 *ment shall be the maximum punishment in effect at the*
 10 *time of the commission of the offense.*

11 ***SEC. 540. CONFORMING AMENDMENTS TO UNIFORM CODE***
 12 ***OF MILITARY JUSTICE.***

13 (a) *ARTICLE 20.*—*Section 820 of title 10, United*
 14 *States Code, is amended—*

15 (1) *by inserting “(a)” before “Subject to”;*

16 (2) *by striking out the second and third sentences*
 17 *and inserting in lieu thereof the following:*

18 “(b) *An accused with respect to whom summary*
 19 *courts-martial have jurisdiction may not be brought to trial*
 20 *before a summary court-martial if the accused objects there-*
 21 *to. If an accused so objects to trial by summary court-mar-*
 22 *tial, the convening authority may order trial by special or*
 23 *general court-martial, as may be appropriate.”; and*

24 (3) *by designating as subsection (c) the sentence*
 25 *beginning “Summary courts-martial may,”.*

1 (b) *ARTICLE 54.*—Section 854(c)(1) of such title is
 2 amended by striking out “complete record of the proceedings
 3 and testimony” and inserting in lieu thereof “verbatim
 4 record of the proceedings”.

5 ***Subtitle D—Education and***
 6 ***Training Programs***

7 ***SEC. 551. EXTENSION OF MAXIMUM AGE FOR APPOINTMENT***
 8 ***AS A CADET OR MIDSHIPMAN IN THE SENIOR***
 9 ***RESERVE OFFICERS’ TRAINING CORPS AND***
 10 ***THE SERVICE ACADEMIES.***

11 (a) *SENIOR RESERVE OFFICERS’ TRAINING CORPS.*—
 12 Sections 2107(a) and 2107a(a) of title 10, United States
 13 Code, are amended—

14 (1) by striking out “25 years of age” and insert-
 15 ing in lieu thereof “27 years of age”; and

16 (2) by striking out “29 years of age” and insert-
 17 ing in lieu thereof “30 years of age”.

18 (b) *UNITED STATES MILITARY ACADEMY.*—Section
 19 4346(a) of such title is amended by striking out “twenty-
 20 second birthday” and inserting in lieu thereof “twenty-
 21 third birthday”.

22 (c) *UNITED STATES NAVAL ACADEMY.*—Section
 23 6958(a)(1) of such title is amended by striking out “twenty-
 24 second birthday” and inserting in lieu thereof “twenty-
 25 third birthday”.

1 (d) *UNITED STATES AIR FORCE ACADEMY.*—Section
 2 9346(a) of such title is amended by striking out “twenty-
 3 second birthday” and inserting in lieu thereof “twenty-
 4 third birthday”.

5 **SEC. 552. OVERSIGHT AND MANAGEMENT OF SENIOR RE-**
 6 **SERVE OFFICERS’ TRAINING CORPS PRO-**
 7 **GRAM.**

8 (a) *ENROLLMENT PRIORITY TO BE CONSISTENT WITH*
 9 *PURPOSE OF PROGRAM.*—(1) Section 2103 of title 10, *Unit-*
 10 *ed States Code*, is amended by adding at the end the follow-
 11 *ing new subsection:*

12 “(e) *An educational institution at which a unit of the*
 13 *program has been established shall give priority for enroll-*
 14 *ment in the program to students who are eligible for ad-*
 15 *vanced training under section 2104 of this title.”.*

16 (2) Section 2109 of such title is amended by adding
 17 *at the end the following new subsection:*

18 “(c)(1) *A person who is not qualified for, and (as de-*
 19 *termined by the Secretary concerned) will not be able to*
 20 *become qualified for, advanced training by reason of one*
 21 *or more of the requirements prescribed in paragraphs (1)*
 22 *through (3) of section 2104(b) of this title shall not be per-*
 23 *mitted to participate in—*

24 “(A) *field training or a practice cruise under*
 25 *section 2106(b)(6) of this title; or*

1 “(B) *practical military training under sub-*
 2 *section (a).*

3 “(2) *The Secretary of the military department con-*
 4 *cerned may waive the limitation in paragraph (1) under*
 5 *procedures prescribed by the Secretary.*”.

6 (b) *WEAR OF THE MILITARY UNIFORM.*—Section
 7 772(h) of such title is amended by inserting before the pe-
 8 riod at the end the following: “if the wear of such uniform
 9 is specifically authorized under regulations prescribed by
 10 the Secretary of the military department concerned”.

11 **SEC. 553. ROTC SCHOLARSHIP STUDENT PARTICIPATION IN**
 12 **SIMULTANEOUS MEMBERSHIP PROGRAM.**

13 Section 2103 of title 10, United States Code, is amend-
 14 ed by adding after subsection (e), as added by section 552,
 15 the following new subsection:

16 “(f) *The Secretary of Defense shall ensure that, in car-*
 17 *rying out the program, the Secretaries of the military de-*
 18 *partments permit any person who is receiving financial as-*
 19 *sistance under section 2107 of this title simultaneously to*
 20 *be a member of the Selected Reserve.*”.

21 **SEC. 554. EXPANSION OF ROTC ADVANCED TRAINING PRO-**
 22 **GRAM TO INCLUDE GRADUATE STUDENTS.**

23 (a) *IN GENERAL.*—Section 2107(c) of title 10, United
 24 States Code, is amended by inserting before the last sentence
 25 the following new sentence: “The Secretary of the military

1 *department concerned may provide similar financial assist-*
 2 *ance to a student enrolled in an advanced education pro-*
 3 *gram beyond the baccalaureate degree level if the student*
 4 *also is a cadet or midshipman in an advanced training*
 5 *program.”.*

6 (b) *DEFINITIONAL CHANGE.*—Paragraph (3) of section
 7 2101 of title 10, United States Code, is amended by insert-
 8 ing “students enrolled in an advanced education program
 9 beyond the baccalaureate degree level or to” after ‘instruc-
 10 tion offered in the Senior Reserve Officers’ Training Corps
 11 to”.

12 **SEC. 555. RESERVE CREDIT FOR MEMBERS OF ARMED**
 13 **FORCES HEALTH PROFESSIONS SCHOLAR-**
 14 **SHIP AND FINANCIAL ASSISTANCE PROGRAM.**

15 (a) *SERVICE CREDIT.*—Section 2126 of title 10, Unit-
 16 ed States Code, is amended—

17 (1) by striking out “Service performed” and in-
 18 serting in lieu thereof “(a) *GENERAL RULE AGAINST*
 19 *PROVISION OF SERVICE CREDIT.*—Except as provided
 20 in subsection (b), service performed”; and

21 (2) by adding at the end the following:

22 “(b) *SERVICE CREDIT FOR CERTAIN PURPOSES.*—(1)
 23 This subsection applies with respect to a member of the Se-
 24 lected Reserve who—

1 “(A) completed a course of study under this sub-
2 chapter as a member of the program;

3 “(B) completed the active duty obligation im-
4 posed under section 2123(a) of this title; and

5 “(C) possesses a specialty designated by the Sec-
6 retary concerned as critically needed in wartime.

7 “(2) Upon satisfactory completion of a year of service
8 in the Selected Reserve by a member of the Selected Reserve
9 described in paragraph (1), the Secretary concerned may
10 credit the member with a maximum of 50 points creditable
11 toward the computation of the member’s years of service
12 under section 12732(a)(2) of this title for one year of par-
13 ticipation in a course of study under this subchapter. Not
14 more than four years of participation in a course of study
15 under this subchapter may be considered under this para-
16 graph.

17 “(3) In the case of a member of the Selected Reserve
18 described in paragraph (1), the Secretary concerned may
19 also credit the service of the member while pursuing a
20 course of study under this subchapter, but not to exceed a
21 total of four years, for purposes of computing years of serv-
22 ice creditable under section 205 of title 37.

23 “(c) LIMITATIONS.—(1) A member of the Selected Re-
24 serve relieved of any portion of the minimum active duty

1 obligation imposed under section 2123(a) of this title may
 2 not receive any point or service credit under subsection (b).

3 “(2) A member of the Selected Reserve awarded points
 4 or service credit under subsection (b) shall not be considered
 5 to have been in an active status, by reason of the award
 6 of the points or credit, while pursuing a course of study
 7 under this subchapter for purposes of any provision of law
 8 other than section 12732(a)(2) of this title and section 205
 9 of title 37.”.

10 (b) *RETROACTIVITY BARRED.*—A member of the Se-
 11 lected Reserve is not entitled to any retroactive award or
 12 increase in pay or allowances as a result of the amendments
 13 made by subsection (a).

14 (c) *EFFECTIVE DATE.*—The amendments made by this
 15 section shall apply to individuals receiving financial assist-
 16 ance under section 2107 of title 10, United States Code,
 17 after September 30, 1996.

18 **SEC. 556. EXPANSION OF ELIGIBILITY FOR EDUCATION**
 19 **BENEFITS TO INCLUDE CERTAIN RESERVE**
 20 **OFFICERS’ TRAINING CORPS (ROTC) PARTICI-**
 21 **PANTS.**

22 (a) *ACTIVE DUTY SERVICE.*—Section 3011(c) of title
 23 38, United States Code, is amended—

1 (1) *by striking out “or upon completion of a pro-*
 2 *gram of educational assistance under section 2107 of*
 3 *title 10” in paragraph (2); and*

4 (2) *by adding at the end the following:*

5 “(3) *An individual who after December 31, 1976, re-*
 6 *ceives a commission as an officer in the Armed Forces upon*
 7 *completion of a program of educational assistance under*
 8 *section 2107 of title 10 is not eligible for educational assist-*
 9 *ance under this section if the individual enters on active*
 10 *duty—*

11 “(A) *before October 1, 1996; or*

12 “(B) *after September 30, 1996, and while par-*
 13 *ticipating in such program received more than \$2,000*
 14 *for each year of such participation.”.*

15 (b) *SELECTED RESERVE.—Section 3012(d) of title 38,*
 16 *United States Code, is amended—*

17 (1) *by striking out “or upon completion of a pro-*
 18 *gram of educational assistance under section 2107 of*
 19 *title 10” in paragraph (2); and*

20 (2) *by adding at the end the following:*

21 “(3) *An individual who after December 31, 1976, re-*
 22 *ceives a commission as an officer in the Armed Forces upon*
 23 *completion of a program of educational assistance under*
 24 *section 2107 of title 10 is not eligible for educational assist-*

1 *ance under this section if the individual enters on active*
 2 *duty—*

3 *“(A) before October 1, 1996; or*

4 *“(B) after September 30, 1996, and while par-*
 5 *ticipating in such program received more than \$2,000*
 6 *for each year of such participation.”.*

7 **SEC. 557. COMPTROLLER GENERAL REPORT ON COST AND**
 8 **POLICY IMPLICATIONS OF PERMITTING UP**
 9 **TO FIVE PERCENT OF SERVICE ACADEMY**
 10 **GRADUATES TO BE ASSIGNED DIRECTLY TO**
 11 **RESERVE DUTY UPON GRADUATION.**

12 *(a) REPORT REQUIRED.—The Comptroller General of*
 13 *the United States shall submit to the Committee on Armed*
 14 *Services of the Senate and the Committee on National Secu-*
 15 *rity of the House of Representatives a report providing an*
 16 *analysis of the cost implications, and the policy implica-*
 17 *tions, of permitting up to 5 percent of each graduating class*
 18 *of each of the service academies to be placed, upon gradua-*
 19 *tion and commissioning, in an active status in the appro-*
 20 *priate reserve component (without a minimum period of*
 21 *obligated active duty service), with a corresponding increase*
 22 *in the number of ROTC graduates each year who are per-*
 23 *mitted to serve on active duty upon commissioning.*

24 *(b) INFORMATION ON CURRENT ACADEMY GRADUATES*
 25 *IN RESERVE COMPONENTS.—The Comptroller General shall*

1 *include in the report information (shown in the aggregate*
 2 *and separately for each of the Armed Forces and for grad-*
 3 *uates of each service academy) on—*

4 *(1) the number of academy graduates who at the*
 5 *time of the report are serving in an active status in*
 6 *a reserve component; and*

7 *(2) within the number under paragraph (1), the*
 8 *number for each reserve component and, of those, the*
 9 *number within each reserve component who are on*
 10 *active duty under section 12301(d) of title 10, United*
 11 *States Code, for the purpose of organizing, admin-*
 12 *istering, recruiting, instructing, or training the re-*
 13 *serve components.*

14 *(c) SUBMISSION OF REPORT.—The report shall be sub-*
 15 *mitted not later than six months after the date of the enact-*
 16 *ment of this Act.*

17 *(d) SERVICE ACADEMIES.—For purposes of this sec-*
 18 *tion, the term “service academies” means—*

19 *(1) the United States Military Academy;*

20 *(2) the United States Naval Academy; and*

21 *(3) the United States Air Force Academy.*

22 ***Subtitle E—Other Matters***

23 ***SEC. 561. HATE CRIMES IN THE MILITARY.***

24 *(a) HUMAN RELATIONS TRAINING.—(1) The Secretary*
 25 *of Defense shall ensure that the Secretary of each military*

1 department conducts ongoing programs for human relations
2 training for all members of the Armed Forces under the ju-
3 risdiction of the Secretary. Matters to be covered by such
4 training include race relations, equal opportunity, opposi-
5 tion to gender discrimination, and sensitivity to “hate
6 group” activity. Such training shall be provided during
7 basic training (or other initial military training) and on
8 a regular basis thereafter.

9 (2) The Secretary of Defense shall also ensure that unit
10 commanders are aware of their responsibilities in ensuring
11 that impermissible activity based upon discriminatory mo-
12 tives does not occur in units under their command.

13 (b) INFORMATION TO BE PROVIDED TO PROSPECTIVE
14 RECRUITS.—The Secretary of Defense shall ensure that each
15 individual preparing to enter an officer accession program
16 or to execute an original enlistment agreement is provided
17 information concerning the meaning of the oath of office
18 or oath of enlistment for service in the Armed Forces in
19 terms of the equal protection and civil liberties guarantees
20 of the Constitution, and each such individual shall be in-
21 formed that if supporting those guarantees is not possible
22 personally for that individual, then that individual should
23 decline to enter the Armed Forces.

24 (c) ANNUAL SURVEY.—(1) Section 451 of title 10,
25 United States Code, is amended to read as follows:

1 **“§451. Race relations, gender discrimination, and**
 2 **hate group activity: annual survey and re-**
 3 **port**

4 “(a) *ANNUAL SURVEY.*—*The Secretary of Defense shall*
 5 *carry out an annual survey to measure the state of racial,*
 6 *ethnic, and gender issues and discrimination among mem-*
 7 *bers of the armed forces serving on active duty and the ex-*
 8 *tent (if any) of activity among such members that may be*
 9 *seen as so-called ‘hate group’ activity. The survey shall so-*
 10 *licit information on the race relations and gender relations*
 11 *climate in the armed forces, including—*

12 “(1) *indicators of positive and negative trends of*
 13 *relations among all racial and ethnic groups and be-*
 14 *tween the sexes;*

15 “(2) *the effectiveness of Department of Defense*
 16 *policies designed to improve race, ethnic, and gender*
 17 *relations; and*

18 “(3) *the effectiveness of current processes for com-*
 19 *plaints on and investigations into racial, ethnic, and*
 20 *gender discrimination.*

21 “(b) *IMPLEMENTING ENTITY.*—*The Secretary shall*
 22 *carry out each annual survey through the entity in the De-*
 23 *partment of Defense known as the Armed Forces Survey on*
 24 *Race/Ethnic Issues.*

25 “(c) *REPORTS TO CONGRESS.*—*Upon completion of bi-*
 26 *ennial survey under subsection (a), the Secretary shall sub-*

1 mit to Congress a report containing the results of the sur-
 2 vey.”.

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

“451. Race relations, gender discrimination, and hate group activity: annual survey and report.”.

6 **SEC. 562. AUTHORITY OF A RESERVE JUDGE ADVOCATE TO**
 7 **ACT AS A NOTARY PUBLIC.**

8 (a) *NOTARY PUBLIC AUTHORITY TO INCLUDE RE-*
 9 *SERVE LAWYERS OF THE ARMED FORCES.*—Section
 10 1044a(b) of title 10, United States Code, is amended—

11 (1) *in paragraph (1), by striking out “on active*
 12 *duty or performing inactive-duty training” and in-*
 13 *serting in lieu thereof “, including reserve judge advo-*
 14 *cates not on active duty”;*

15 (2) *in paragraph (3), by striking out “adjutants*
 16 *on active duty or performing inactive-duty training”*
 17 *and inserting in lieu thereof “adjutants, including re-*
 18 *serve members not on active duty”; and*

19 (3) *in paragraph (4), by striking out “persons*
 20 *on active duty or performing inactive-duty training”*
 21 *and inserting in lieu thereof “members of the armed*
 22 *forces, including reserve members not on active*
 23 *duty,”.*

1 (b) *RATIFICATION OF PRIOR NOTARIAL ACTS.*—Any
 2 notarial act performed before the enactment of this Act, the
 3 validity of which has not been challenged or negated in a
 4 case pending before or decided by a court or administrative
 5 agency of competent jurisdiction, on or before the date of
 6 the enactment of this Act, is hereby confirmed, ratified, and
 7 approved with full effect as if such act was performed after
 8 the enactment of this Act.

9 **SEC. 563. AUTHORITY TO PROVIDE LEGAL ASSISTANCE TO**
 10 **PUBLIC HEALTH SERVICE OFFICERS.**

11 (a) *LEGAL ASSISTANCE AVAILABLE.*—Subsection (a)
 12 of section 1044 of title 10, United States Code, is amended
 13 by striking out paragraph (3) and inserting in lieu thereof
 14 the following:

15 “(3) Officers of the commissioned corps of the
 16 Public Health Service who are on active duty or enti-
 17 tled to retired or equivalent pay.

18 “(4) Dependents of members and former members
 19 described in paragraphs (1), (2), and (3).”.

20 (b) *LIMITATION ON ASSISTANCE.*—Subsection (c) of
 21 such section is amended—

22 (1) by striking out “armed forces” and inserting
 23 in lieu thereof “uniformed services described in sub-
 24 section (a)”; and

25 (2) by inserting “such” after “dependent of”.

1 (c) *CLARIFYING AMENDMENTS.*—Subsection (a) of such
 2 section is further amended by striking out “under his juris-
 3 diction” in paragraphs (1) and (2).

4 (d) *STYLISTIC AMENDMENTS.*—Subsection (a) of such
 5 section is further amended—

6 (1) in the matter preceding paragraph (1), by
 7 striking out “to—” and inserting in lieu thereof “to
 8 the following persons:”;

9 (2) by capitalizing the first letter of the first
 10 word of paragraphs (1) and (2);

11 (3) by striking out the semicolon at the end of
 12 paragraph (1) and inserting in lieu thereof a period;
 13 and

14 (4) by striking out “; and” at the end of para-
 15 graph (2) and inserting in lieu thereof a period.

16 **SEC. 564. EXCEPTED APPOINTMENT OF CERTAIN JUDICIAL**
 17 **NON-ATTORNEY STAFF IN THE UNITED**
 18 **STATES COURT OF APPEALS FOR THE ARMED**
 19 **FORCES.**

20 Section 943(c) of title 10, United States Code, is
 21 amended—

22 (1) in the heading for the subsection, by insert-
 23 ing “AND CERTAIN OTHER” after “ATTORNEY”; and

1 (2) in paragraph (1), by inserting “and non-at-
 2 torney positions on the personal staff of a judge” after
 3 “Court of Appeals for the Armed Forces”.

4 **SEC. 565. REPLACEMENT OF CERTAIN AMERICAN THEATER**
 5 **CAMPAIGN RIBBONS.**

6 (a) *REPLACEMENT RIBBONS.*—The Secretary of the
 7 Army, pursuant to section 3751 of title 10, United States
 8 Code, may replace any World War II decoration known as
 9 the American Theater Campaign Ribbon that was awarded
 10 to a person listed in the order described in subsection (b).

11 (b) *RIBBONS PROPERLY AWARDED.*—Any person list-
 12 ed in the document titled “General Order Number 1”, issued
 13 by the Third Auxiliary Surgical Group, APO 647, United
 14 States Army, dated February 1, 1943, shall be considered
 15 to have been properly awarded the American Theater Cam-
 16 paign Ribbon for service during World War II.

17 **SEC. 566. RESTORATION OF REGULATIONS PROHIBITING**
 18 **SERVICE OF HOMOSEXUALS IN THE ARMED**
 19 **FORCES.**

20 (a) *TERMINATION OF EXISTING ADMINISTRATIVE POL-*
 21 *ICY.*—Effective on the date of the enactment of this Act, the
 22 following measures of the executive branch are rescinded
 23 and shall cease to be effective:

24 (1) The memorandum of the Secretary of Defense
 25 to the Secretaries of the military departments and the

1 *Chairman of the Joint Chiefs of Staff dated July 19,*
2 *1993, that stated its subject to be: “Policy on*
3 *Homosexual Conduct in the Armed Forces”.*

4 *(2) The four-page document entitled “Policy*
5 *Guidelines on Homosexual Conduct in the Armed*
6 *Forces” that was issued by the Secretary of Defense*
7 *as an attachment to the memorandum referred to in*
8 *paragraph (1).*

9 *(3) The revisions to Department of Defense direc-*
10 *tives 1332.30, 1332.14, and 1304.26 that were di-*
11 *rected to be made by the General Counsel of the De-*
12 *partment of Defense by memorandum dated February*
13 *28, 1994, to the Director of Administration and Man-*
14 *agement of the Department of Defense.*

15 *(b) REINSTATEMENT OF FORMER REGULATIONS.—Im-*
16 *mediately upon the enactment of this Act and effective as*
17 *of the date of the enactment of this Act—*

18 *(1) the Secretary of Defense shall reinstate the*
19 *regulations (including Department of Defense direc-*
20 *tives) of the Department of Defense regarding service*
21 *of homosexuals in the Armed Forces that were in ef-*
22 *fect on January 19, 1993; and*

23 *(2) the Secretary of each military department*
24 *shall reinstate the regulations of that military depart-*

1 *ment regarding service of homosexuals in the Armed*
2 *Forces that were in effect on January 19, 1993.*

3 *(c) REVISION PROHIBITED.—The regulations (includ-*
4 *ing Department of Defense directives) reinstated pursuant*
5 *to subsection (b), insofar as they relate to the service of ho-*
6 *mosexuals in the Armed Forces, may not be revised except*
7 *as specifically provided by a law enacted after the enact-*
8 *ment of this Act.*

9 *(d) RULE OF CONSTRUCTION.—In the case of a conflict*
10 *between the regulations required to be prescribed by sub-*
11 *section (b) and the provisions of section 654 of title 10,*
12 *United States Code, or any other provision of law, the re-*
13 *quirements of such provision of law shall be given effect.*

14 *(e) RESTORATION OF QUESTIONING OF NEW EN-*
15 *TRANTS INTO MILITARY SERVICE.—(1) Not later than 90*
16 *days after the date of the enactment of this Act, the Sec-*
17 *retary of Defense shall issue instructions for the resumption*
18 *of questioning of potential new entrants into the Armed*
19 *Forces as to homosexuality in accordance with the policy*
20 *and practices of the Department of Defense as of January*
21 *19, 1993 (as reinstated pursuant to subsection (b)).*

22 *(2) Section 571(d) of the National Defense Authoriza-*
23 *tion Act for Fiscal Year 1994 (Public Law 103–160; 107*
24 *Stat. 1673; 10 U.S.C. 654 note) is repealed.*

1 **SEC. 567. REENACTMENT AND MODIFICATION OF MANDA-**
 2 **TORY SEPARATION FROM SERVICE FOR MEM-**
 3 **BERS DIAGNOSED WITH HIV-1 VIRUS.**

4 (a) *REENACTMENT AND MODIFICATION.*—(1) *Chapter*
 5 *59 of title 10, United States Code, is amended by inserting*
 6 *after section 1176 the following:*

7 **“§1177. Members infected with HIV-1 virus: manda-**
 8 **tory discharge or retirement**

9 “(a) *MANDATORY SEPARATION.*—(1) *A member of the*
 10 *Army, Navy, Air Force, or Marine Corps who is HIV-posi-*
 11 *tive and who on the date on which the medical determina-*
 12 *tion is made that the member is HIV-positive has less than*
 13 *15 years of creditable service shall be separated. Such sepa-*
 14 *ration shall be made on a date determined by the Secretary*
 15 *concerned, which shall be as soon as practicable after the*
 16 *date on which the medical determination is made that the*
 17 *member is HIV-positive and not later than the last day of*
 18 *the second month beginning after such date.*

19 “(2) *In determining the years of creditable service of*
 20 *a member for purposes of paragraph (1)—*

21 “(A) *in the case of a member on active duty or*
 22 *full-time National Guard duty, the member’s years of*
 23 *creditable service are the number of years of service*
 24 *of the member as computed for the purpose of deter-*
 25 *mining the member’s eligibility for retirement under*

1 any provision of law (other than chapter 61 or 1223
2 of this title); and

3 “(B) in the case of a member in an active status,
4 the member’s years of creditable service are the num-
5 ber of years of service creditable to the member under
6 section 12732 of this title.

7 “(b) *FORM OF SEPARATION.*—The characterization of
8 the service of the member shall be determined without re-
9 gard to the determination that the member is HIV-positive.

10 “(c) *SEPARATION TO BE CONSIDERED INVOLUN-*
11 *TARY.*—A separation under this section shall be considered
12 to be an involuntary separation for purposes of any other
13 provision of law.

14 “(d) *COUNSELING ABOUT AVAILABLE MEDICAL*
15 *CARE.*—A member to be separated under this section shall
16 be provided information, in writing, before such separation
17 of the available medical care (through the Department of
18 Veterans Affairs and otherwise) to treat the member’s condi-
19 tion. Such information shall include identification of spe-
20 cific medical locations near the member’s home of record
21 or point of discharge at which the member may seek nec-
22 essary medical care.

23 “(e) *HIV-POSITIVE MEMBERS.*—A member shall be
24 considered to be HIV-positive for purposes of this section
25 if there is serologic evidence that the member is infected

1 *with the virus known as Human Immunodeficiency Virus—*
 2 *1 (HIV-1), the virus most commonly associated with the*
 3 *acquired immune deficiency syndrome (AIDS) in the Unit-*
 4 *ed States. Such serologic evidence shall be considered to*
 5 *exist if there is a reactive result given by an enzyme-linked*
 6 *immunosorbent assay (ELISA) serologic test that is con-*
 7 *firmed by a reactive and diagnostic immunoelectrophoresis*
 8 *test (Western blot) on two separate samples. Any such sero-*
 9 *logic test must be one that is approved by the Food and*
 10 *Drug Administration.”.*

11 *(2) The table of sections at the beginning of chapter*
 12 *59 of such title is amended by inserting after the item relat-*
 13 *ing to section 1176 the following new item:*

“1177. Members infected with HIV-1 virus: mandatory discharge or retirement.”.

14 *(b) EFFECTIVE DATE.—Section 1177 of title 10, Unit-*
 15 *ed States Code, as added by subsection (a), applies with*
 16 *respect to members of the Army, Navy, Air Force, and Ma-*
 17 *rine Corps determined to be HIV-positive before, on, or after*
 18 *the date of the enactment of this Act. In the case of a mem-*
 19 *ber of the Army, Navy, Air Force, or Marine Corps deter-*
 20 *mined to be HIV-positive before such date, the deadline for*
 21 *separation of the member under subsection (a) of such sec-*
 22 *tion shall be determined from the date of the enactment of*
 23 *this Act (rather than from the date of such determination),*
 24 *except that no such member shall be separated by reason*

1 of such section (without the consent of the member) before
 2 October 1, 1996.

3 **TITLE VI—COMPENSATION AND**
 4 **OTHER PERSONNEL BENEFITS**
 5 **Subtitle A—Pay and Allowances**

6 **SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1997.**

7 (a) *WAIVER OF SECTION 1009 ADJUSTMENT.*—Any
 8 adjustment required by section 1009 of title 37, United
 9 States Code, in elements of compensation of members of the
 10 uniformed services to become effective during fiscal year
 11 1997 shall not be made.

12 (b) *INCREASE IN BASIC PAY AND BAS.*—Effective on
 13 January 1, 1997, the rates of basic pay and basic allowance
 14 for subsistence of members of the uniformed services are in-
 15 creased by 3 percent.

16 (c) *INCREASE IN BAQ.*—Effective on January 1, 1997,
 17 the rates of basic allowance for quarters of members of the
 18 uniformed services are increased by 4.6 percent.

19 **SEC. 602. AVAILABILITY OF BASIC ALLOWANCE FOR QUAR-**
 20 **TERS FOR CERTAIN MEMBERS WITHOUT DE-**
 21 **PENDENTS WHO SERVE ON SEA DUTY.**

22 (a) *AVAILABILITY OF ALLOWANCE.*—Section 403(c)(2)
 23 of title 37, United States Code, is amended—

1 (1) *by striking out “A member” in the first sen-*
2 *tence and inserting in lieu thereof “(A) Except as*
3 *provided in subparagraph (B) or (C), a member”;*

4 (2) *by striking out the second sentence; and*

5 (3) *by adding at the end the following new sub-*
6 *paragraphs:*

7 “(B) *Under regulations prescribed by the Secretary*
8 *concerned, the Secretary may authorize the payment of a*
9 *basic allowance for quarters to a member of a uniformed*
10 *service under the jurisdiction of the Secretary when the*
11 *member is without dependents, is serving in pay grade E-*
12 *5, and is assigned to sea duty. In prescribing regulations*
13 *under this subparagraph, the Secretary concerned shall con-*
14 *sider the availability of quarters for members serving in*
15 *pay grade E-5.*

16 “(C) *Notwithstanding section 421 of this title, two*
17 *members of the uniformed services in a pay grade below*
18 *pay grade E-5 who are married to each other, have no other*
19 *dependents, and are simultaneously assigned to sea duty*
20 *are entitled to a single basic allowance for quarters during*
21 *the period of such simultaneous sea duty. The amount of*
22 *the allowance shall be based on the without dependents rate*
23 *for the pay grade of the senior member.”.*

24 (b) *EFFECTIVE DATE.—The amendment made by sub-*
25 *section (a) shall take effect on July 1, 1997.*

1 **SEC. 603. ESTABLISHMENT OF MINIMUM MONTHLY AMOUNT**
2 **OF VARIABLE HOUSING ALLOWANCE FOR**
3 **HIGH HOUSING COST AREAS.**

4 (a) *MINIMUM MONTHLY AMOUNT OF ALLOWANCE.—*

5 *Subsection (c) of section 403a of title 37, United States*
6 *Code, is amended by striking out paragraph (1) and insert-*
7 *ing in lieu thereof the following new paragraph:*

8 “(1) *The monthly amount of a variable housing allow-*
9 *ance under this section for a member of a uniformed service*
10 *with respect to an area is equal to the greater of the follow-*
11 *ing amounts:*

12 “(A) *An amount equal to the difference be-*
13 *tween—*

14 “(i) *the median monthly cost of housing in*
15 *that area for members of the uniformed services*
16 *serving in the same pay grade and with the*
17 *same dependency status as that member; and*

18 “(ii) *80 percent of the median monthly cost*
19 *of housing in the United States for members of*
20 *the uniformed services serving in the same pay*
21 *grade and with the same dependency status as*
22 *that member.*

23 “(B) *An amount equal to the difference be-*
24 *tween—*

25 “(i) *the adequate housing allowance floor*
26 *determined by the Secretary of Defense for all*

1 *members of the uniformed services in that area*
 2 *entitled to a variable housing allowance under*
 3 *this section; and*

4 “(ii) *the monthly basic allowance for quar-*
 5 *ters for members of the uniformed services serv-*
 6 *ing in the same pay grade and with the same de-*
 7 *pendency status as that member.”.*

8 (b) *ADEQUATE HOUSING ALLOWANCE FLOOR.*—*Such*
 9 *subsection is further amended by adding at the end the fol-*
 10 *lowing new paragraph:*

11 “(7)(A) *For purposes of paragraph (1)(B)(i), the Sec-*
 12 *retary of Defense shall establish an adequate housing allow-*
 13 *ance floor for members of the uniformed services in an area*
 14 *as a selected percentage, not to exceed 85 percent, of the*
 15 *cost of adequate housing in that area based on an index*
 16 *of housing costs selected by the Secretary of Defense from*
 17 *among the following:*

18 “(i) *The fair market rentals established annually*
 19 *by the Secretary of Housing and Urban Development*
 20 *under section 8(c)(1) of the United States Housing*
 21 *Act of 1937 (42 U.S.C. 1437f(c)(1)).*

22 “(ii) *An index developed in the private sector*
 23 *that the Secretary of Defense determines is com-*
 24 *parable to the fair market rentals referred to in clause*

1 (i) and is appropriate for use to determine the ade-
2 quate housing allowance floor.

3 “(B) The Secretary of Defense shall carry out this
4 paragraph in consultation with the Secretary of Transpor-
5 tation, the Secretary of Commerce, and the Secretary of
6 Health and Human Services.”.

7 (c) *EFFECT ON TOTAL AMOUNT AVAILABLE FOR AL-*
8 *LOWANCE.*—Subsection (d)(3) of such section is amended in
9 the second sentence by striking out “the second sentence of
10 subsection (c)(3)” and inserting in lieu thereof “paragraph
11 (1)(B) of subsection (c) and the second sentence of para-
12 graph (3) of that subsection”.

13 (d) *CONFORMING AMENDMENTS.*—Subsection (c) of
14 such section is further amended—

15 (1) in paragraph (3), by striking out “this sub-
16 section” in the first sentence and inserting lieu thereof
17 “paragraph (1)(A) or the minimum amount of a
18 variable housing allowance under paragraph (1)(B)”;
19 and

20 (2) in paragraph (5), by inserting “or minimum
21 amount of a variable housing allowance” after “costs
22 of housing”.

23 (e) *EFFECTIVE DATE.*—The amendments made by this
24 section shall take effect on January 1, 1997, except that the
25 Secretary of Defense may delay implementation of the re-

1 *quirements imposed by the amendments to such later date*
 2 *as the Secretary considers appropriate upon publication of*
 3 *notice to that effect in the Federal Register.*

4 ***Subtitle B—Bonuses and Special***
 5 ***and Incentive Pays***

6 ***SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE***
 7 ***FORCES.***

8 *(a) SELECTED RESERVE REENLISTMENT BONUS.—*
 9 *Section 308b(f) of title 37, United States Code, is amended*
 10 *by striking out “September 30, 1997” and inserting in lieu*
 11 *thereof “September 30, 1998”.*

12 *(b) SELECTED RESERVE ENLISTMENT BONUS.—Sec-*
 13 *tion 308c(e) of title 37, United States Code, is amended by*
 14 *striking out “September 30, 1997” and inserting in lieu*
 15 *thereof “September 30, 1998”.*

16 *(c) SELECTED RESERVE AFFILIATION BONUS.—Sec-*
 17 *tion 308e(e) of title 37, United States Code, is amended by*
 18 *striking out “September 30, 1997” and inserting in lieu*
 19 *thereof “September 30, 1998”.*

20 *(d) READY RESERVE ENLISTMENT AND REENLIST-*
 21 *MENT BONUS.—Section 308h(g) of title 37, United States*
 22 *Code, is amended by striking out “September 30, 1997” and*
 23 *inserting in lieu thereof “September 30, 1998”.*

24 *(e) PRIOR SERVICE ENLISTMENT BONUS.—Section*
 25 *308i(i) of title 37, United States Code, is amended by strik-*

1 ing out “September 30, 1997” and inserting in lieu thereof
 2 “September 30, 1998”.

3 **SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL**
 4 **PAY FOR NURSE OFFICER CANDIDATES, REG-**
 5 **ISTERED NURSES, AND NURSE ANES-**
 6 **THETISTS.**

7 (a) *NURSE OFFICER CANDIDATE ACCESSION PRO-*
 8 *GRAM.*—Section 2130a(a)(1) of title 10, United States Code,
 9 is amended by striking out “September 30, 1997” and in-
 10 serting in lieu thereof “September 30, 1998”.

11 (b) *ACCESSION BONUS FOR REGISTERED NURSES.*—
 12 Section 302d(a)(1) of title 37, United States Code, is
 13 amended by striking out “September 30, 1997” and insert-
 14 ing in lieu thereof “September 30, 1998”.

15 (c) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*
 16 *THETISTS.*—Section 302e(a)(1) of title 37, United States
 17 Code, is amended by striking out “September 30, 1997” and
 18 inserting in lieu thereof “September 30, 1998”.

19 **SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAY-**
 20 **MENT OF OTHER BONUSES AND SPECIAL**
 21 **PAYS.**

22 (a) *AVIATION OFFICER RETENTION BONUS.*—Section
 23 301b(a) of title 37, United States Code, is amended by strik-
 24 ing out “September 30, 1997” and inserting in lieu thereof
 25 “September 30, 1998,”.

1 (b) *SPECIAL PAY FOR HEALTH CARE PROFESSIONALS*
2 *WHO SERVE IN THE SELECTED RESERVE IN CRITICALLY*
3 *SHORT WARTIME SPECIALTIES.*—Section 302g(f) of title
4 37, United States Code, is amended by striking out “Sep-
5 tember 30, 1997” and inserting in lieu thereof “September
6 30, 1998”.

7 (c) *REENLISTMENT BONUS FOR ACTIVE MEMBERS.*—
8 Section 308(g) of title 37, United States Code, is amended
9 by striking out “September 30, 1997” and inserting in lieu
10 thereof “September 30, 1998”.

11 (d) *ENLISTMENT BONUSES FOR CRITICAL SKILLS.*—
12 Sections 308a(c) and 308f(c) of title 37, United States Code,
13 are each amended by striking out “September 30, 1997”
14 and inserting in lieu thereof “September 30, 1998”.

15 (e) *SPECIAL PAY FOR ENLISTED MEMBERS OF THE*
16 *SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIOR-*
17 *ITY UNITS.*—Section 308d(c) of title 37, United States
18 Code, is amended by striking out “September 30, 1997” and
19 inserting in lieu thereof “September 30, 1998”.

20 (f) *SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS*
21 *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(e)
22 of title 37, United States Code, is amended by striking out
23 “September 30, 1997” and inserting in lieu thereof “Sep-
24 tember 30, 1998”.

1 (g) *NUCLEAR CAREER ACCESSION BONUS*.—Section
 2 312b(c) of title 37, United States Code, is amended by strik-
 3 ing out “September 30, 1997” and inserting in lieu thereof
 4 “September 30, 1998”.

5 (h) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS*.—
 6 Section 312c(d) of title 37, United States Code, is amended
 7 by striking out “October 1, 1997” and inserting in lieu
 8 thereof “October 1, 1998”.

9 (i) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*
 10 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*
 11 *RESERVE*.—Section 16302(d) of title 10, United States
 12 Code, is amended by striking out “October 1, 1997” and
 13 inserting in lieu thereof “October 1, 1998”.

14 **SEC. 614. SPECIAL INCENTIVES TO RECRUIT AND RETAIN**
 15 **DENTAL OFFICERS.**

16 (a) *VARIABLE, ADDITIONAL, AND BOARD CERTIFIED*
 17 *SPECIAL PAYS FOR ACTIVE DUTY DENTAL OFFICERS*.—
 18 Section 302b(a) of title 37, United States Code is amend-
 19 ed—

20 (1) in paragraph (2)—

21 (A) in subparagraph (A), by striking out
 22 “\$1,200” and inserting in lieu thereof “\$3,000”;

23 (B) in subparagraph (B), by striking out
 24 “\$2,000” and inserting in lieu thereof “\$7,000”;

25 and

1 (C) in subparagraph (C), by striking out
2 “\$4,000” and inserting in lieu thereof “\$7,000”;
3 (2) in paragraph (4), by striking out subpara-
4 graphs (A), (B), and (C) and inserting in lieu thereof
5 the following:

6 “(A) \$4,000 per year, if the officer has less than
7 three years of creditable service.

8 “(B) \$6,000 per year, if the officer has at least
9 three but less than 14 years of creditable service.

10 “(C) \$8,000 per year, if the officer has at least
11 14 but less than 18 years of creditable service.

12 “(D) \$10,000 per year, if the officer has at least
13 18 or more years of creditable service.”; and

14 (3) in paragraph (5), by striking out subpara-
15 graphs (A), (B), and (C) and inserting in lieu thereof
16 the following:

17 “(A) \$2,500 per year, if the officer has less than
18 10 years of creditable service.

19 “(B) \$3,500 per year, if the officer has at least
20 10 but less than 12 years of creditable service.

21 “(C) \$4,000 per year, if the officer has at least
22 12 but less than 14 years of creditable service.

23 “(D) \$5,000 per year, if the officer has at least
24 14 but less than 18 years of creditable service.

1 “(E) \$6,000 per year, if the officer has 18 or
2 more years of creditable service.”.

3 (b) *RESERVE DENTAL OFFICERS SPECIAL PAY.*—Sec-
4 tion 302b of title 37, United States Code, is amended by
5 adding at the end the following new subsection:

6 “(h) *RESERVE DENTAL OFFICERS SPECIAL PAY.*—(1)
7 A reserve dental officer described in paragraph (2) is enti-
8 tled to special pay at the rate of \$350 a month for each
9 month of active duty, including active duty in the form of
10 annual training, active duty for training, and active duty
11 for special work.

12 “(2) A reserve dental officer referred to in paragraph
13 (1) is a reserve officer who—

14 “(A) is an officer of the Dental Corps of the
15 Army or the Navy or an officer of the Air Force des-
16 ignated as a dental officer; and

17 “(B) is on active duty under a call or order to
18 active duty for a period of less than one year.”.

19 (c) *ACCESSION BONUS FOR DENTAL SCHOOL GRAD-*
20 *UATES WHO ENTER THE ARMED FORCES.*—(1) Chapter 5
21 of title 37, United States Code, is amended by inserting
22 after section 302g the following new section:

1 **“§ 302h. Special pay: accession bonus for dental offi-**
 2 **cers**

3 “(a) *ACCESSION BONUS AUTHORIZED.*—(1) *A person*
 4 *who is a graduate of an accredited dental school and who,*
 5 *during the period beginning on the date of the enactment*
 6 *of this section, and ending on September 30, 2002, executes*
 7 *a written agreement described in subsection (c) to accept*
 8 *a commission as an officer of the armed forces and remain*
 9 *on active duty for a period of not less than four years may,*
 10 *upon the acceptance of the agreement by the Secretary con-*
 11 *cerned, be paid an accession bonus in an amount deter-*
 12 *mined by the Secretary concerned.*

13 “(2) *The amount of an accession bonus under para-*
 14 *graph (1) may not exceed \$30,000.*

15 “(b) *LIMITATION ON ELIGIBILITY FOR BONUS.*—*A per-*
 16 *son may not be paid a bonus under subsection (a) if—*

17 “(1) *the person, in exchange for an agreement to*
 18 *accept an appointment as an officer, received finan-*
 19 *cial assistance from the Department of Defense to*
 20 *pursue a course of study in dentistry; or*

21 “(2) *the Secretary concerned determines that the*
 22 *person is not qualified to become and remain certified*
 23 *and licensed as a dentist.*

24 “(c) *AGREEMENT.*—*The agreement referred to in sub-*
 25 *section (a) shall provide that, consistent with the needs of*
 26 *the armed service concerned, the person executing the agree-*

1 *ment will be assigned to duty, for the period of obligated*
2 *service covered by the agreement, as an officer of the Dental*
3 *Corps of the Army or the Navy or an officer of the Air*
4 *Force designated as a dental officer.*

5 “(d) *REPAYMENT.*—(1) *An officer who receives a pay-*
6 *ment under subsection (a) and who fails to become and re-*
7 *main certified or licensed as a dentist during the period*
8 *for which the payment is made shall refund to the United*
9 *States an amount equal to the full amount of such payment.*

10 “(2) *An officer who voluntarily terminates service on*
11 *active duty before the end of the period agreed to be served*
12 *under subsection (a) shall refund to the United States an*
13 *amount that bears the same ratio to the amount paid to*
14 *the officer as the unserved part of such period bears to the*
15 *total period agreed to be served.*

16 “(3) *An obligation to reimburse the United States im-*
17 *posed under paragraph (1) or (2) is for all purposes a debt*
18 *owed to the United States.*

19 “(4) *A discharge in bankruptcy under title 11 that is*
20 *entered less than five years after the termination of an*
21 *agreement under this section does not discharge the person*
22 *signing such agreement from a debt arising under such*
23 *agreement or this subsection. This paragraph applies to any*
24 *case commenced under title 11 after the date of the enact-*
25 *ment of this section.”.*

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 *302g the following new item:*

“302h. Special pay: accession bonus for dental officers.”.

4 (3) *Section 303a of title 37, United States Code, is*
 5 *amended by striking out “302g” each place it appears and*
 6 *inserting in lieu thereof “302h”.*

7 (d) *REPORT ON ADDITIONAL ACTIVITIES TO INCREASE*
 8 *RECRUITMENT OF DENTISTS.—Not later than April 1,*
 9 *1997, the Secretary of Defense shall submit to Congress a*
 10 *report describing the feasibility of increasing the number*
 11 *of persons enrolled in the Armed Forces Health Professions*
 12 *Scholarship and Financial Assistance program who are*
 13 *pursuing a course of study in dentistry in anticipation of*
 14 *service as an officer of the Dental Corps of the Army or*
 15 *the Navy or an officer of the Air Force designated as a den-*
 16 *tal officer.*

17 (e) *STYLISTIC AMENDMENTS.—Section 302b of title 37,*
 18 *United States Code, is amended—*

19 (1) *in subsection (a), by inserting “VARIABLE,*
 20 *ADDITIONAL, AND BOARD CERTIFICATION SPECIAL*
 21 *PAY.—” after “(a)”;*

22 (2) *in subsection (b), by inserting “ACTIVE-DUTY*
 23 *AGREEMENT.—” after “(b)”;*

24 (3) *in subsection (c), by inserting “REGULA-*
 25 *TIONS.—” after “(c)”;*

(4) in subsection (d), by inserting “FREQUENCY OF PAYMENTS.—” after “(d)”;

(5) in subsection (e), by inserting “REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—” after “(e)”;

(6) in subsection (f), by inserting “EFFECT OF DISCHARGE IN BANKRUPTCY.—” after “(f)”;

(7) in subsection (g), by inserting “DETERMINATION OF CREDITABLE SERVICE.—” after “(g)”.

Subtitle C—Travel and Transportation Allowances

SEC. 621. TEMPORARY LODGING EXPENSES OF MEMBER IN CONNECTION WITH FIRST PERMANENT CHANGE OF STATION.

(a) PAYMENT OR REIMBURSEMENT AUTHORIZED.—
Section 404a(a) of title 37, United States Code, is amended—

(1) by striking out “or” at the end of paragraph (1);

(2) in paragraph (2), by inserting “or” after “Alaska;”; and

(3) by inserting after paragraph (2) the following new paragraph:

“(3) from home of record or initial technical school to first duty station;”.

1 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
 2 *section (a) shall take effect on January 1, 1997.*

3 **SEC. 622. ALLOWANCE IN CONNECTION WITH SHIPPING**
 4 **MOTOR VEHICLE AT GOVERNMENT EXPENSE.**

5 (a) *ALLOWANCE AUTHORIZED.*—*Section 406(b)(1)(B)*
 6 *of title 37, United States Code, is amended by adding at*
 7 *the end the following: “If clause (i)(I) applies to the trans-*
 8 *portation by the member of a motor vehicle from the old*
 9 *duty station, the monetary allowance under this subpara-*
 10 *graph shall also cover return travel to the old duty station*
 11 *by the member or other person transporting the vehicle. In*
 12 *the case of transportation described in clause (ii), the mone-*
 13 *tary allowance shall also cover travel from the new duty*
 14 *station to the port of debarkation to pick up the vehicle.”.*

15 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
 16 *section (a) shall take effect on January 1, 1997.*

17 **SEC. 623. DISLOCATION ALLOWANCE AT A RATE EQUAL TO**
 18 **TWO AND ONE-HALF MONTHS BASIC ALLOW-**
 19 **ANCE FOR QUARTERS.**

20 (a) *Section 407(a) of title 37, United States Code, is*
 21 *amended in the matter preceding the paragraphs by strik-*
 22 *ing out “two months” and inserting in lieu thereof “two*
 23 *and one-half months”.*

24 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
 25 *section (a) shall take effect on January 1, 1997.*

1 **SEC. 624. ALLOWANCE FOR TRAVEL PERFORMED IN CON-**
 2 **NECTION WITH LEAVE BETWEEN CONSECU-**
 3 **TIVE OVERSEAS TOURS.**

4 (a) *ADDITIONAL DEFERRAL.*—Section 411b(a)(2) of
 5 title 37, United States Code, is amended by adding at the
 6 end the following: “If the member is unable to undertake
 7 the travel before the end of such one-year period as a result
 8 of the participation of the member in a critical operational
 9 mission, as determined by the Secretary concerned, the
 10 member may defer the travel, under the regulations referred
 11 to in paragraph (1), for a period not to exceed one year
 12 after the date on which the member’s participation in the
 13 critical operational mission ends.”.

14 (b) *APPLICATION OF AMENDMENT.*—The amendment
 15 made by subsection (a) shall apply to members of the uni-
 16 formed services participating, on or after November 1, 1995,
 17 in critical operational missions designated by the Secretary
 18 of Defense.

19 ***Subtitle D—Retired Pay, Survivor***
 20 ***Benefits, and Related Matters***

21 **SEC. 631. INCREASE IN ANNUAL LIMIT ON DAYS OF INAC-**
 22 **TIVE DUTY TRAINING CREDITABLE TOWARDS**
 23 **RESERVE RETIREMENT.**

24 (a) *INCREASE IN LIMIT.*—Section 12733(3) is amend-
 25 ed by inserting before the period at the end the following:
 26 “before the year in which the date of the enactment of the

1 *National Defense Authorization Act for Fiscal Year 1997*
 2 *occurs and not more than 75 days in any subsequent year”.*

3 (b) *TRACKING SYSTEM FOR AWARD OF RETIREMENT*
 4 *POINTS.—To better enable the Secretary of Defense and*
 5 *Congress to assess the cost and the effect on readiness of*
 6 *the amendment made by subsection (a) and of other poten-*
 7 *tial changes to the Reserve retirement system under chapter*
 8 *1223 of title 10, United States Code, the Secretary of De-*
 9 *fense shall require the Secretary of each military depart-*
 10 *ment to implement a system to monitor the award of retire-*
 11 *ment points for purposes of that chapter by categories in*
 12 *accordance with the recommendation set forth in the August*
 13 *1988 report of the Sixth Quadrennial Review of Military*
 14 *Compensation.*

15 (c) *RECOMMENDATIONS TO CONGRESS.—The Secretary*
 16 *shall submit to Congress, not later than one year after the*
 17 *date of the enactment of this Act, the recommendations of*
 18 *the Secretary with regard to the adoption of the following*
 19 *Reserve retirement initiatives recommended in the August*
 20 *1988 report of the Sixth Quadrennial Review of Military*
 21 *Compensation:*

22 (1) *Elimination of membership points under*
 23 *subparagraph (C) of section 12732(a)(2) of title 10,*
 24 *United States Code, in conjunction with a decrease*

1 *from 50 to 35 in the number of points required for*
 2 *a satisfactory year under that section.*

3 *(2) Limitation to 60 in any year on the number*
 4 *of points that may be credited under subparagraph*
 5 *(B) of section 12732(a)(2) of such title at two points*
 6 *per day.*

7 *(3) Limitation to 360 in any year on the total*
 8 *number of retirement points countable for purposes of*
 9 *section 12733 of such title.*

10 **SEC. 632. AUTHORITY FOR RETIREMENT IN GRADE IN**
 11 **WHICH A MEMBER HAS BEEN SELECTED FOR**
 12 **PROMOTION WHEN A PHYSICAL DISABILITY**
 13 **INTERVENES.**

14 *Section 1372 of title 10, United States Code, is amend-*
 15 *ed by striking out “his physical examination for pro-*
 16 *motion” in paragraphs (3) and (4) and inserting in lieu*
 17 *thereof “a physical examination”.*

18 **SEC. 633. ELIGIBILITY FOR RESERVE DISABILITY RETIRE-**
 19 **MENT FOR RESERVES INJURED WHILE AWAY**
 20 **FROM HOME OVERNIGHT FOR INACTIVE-DUTY**
 21 **TRAINING.**

22 *Section 1204(2) of title 10, United States Code, is*
 23 *amended by inserting before the semicolon at the end the*
 24 *following: “or is incurred in line of duty while remaining*
 25 *overnight, between successive periods of inactive-duty train-*

1 *ing, at or in the vicinity of the site of the inactive-duty*
 2 *training, if the site is outside reasonable commuting dis-*
 3 *tance from the member's residence”.*

4 **SEC. 634. RETIREMENT OF RESERVE ENLISTED MEMBERS**
 5 **WHO QUALIFY FOR ACTIVE DUTY RETIRE-**
 6 **MENT AFTER ADMINISTRATIVE REDUCTION**
 7 **IN ENLISTED GRADE.**

8 *(a) ARMY.—(1) Chapter 369 of title 10, United States*
 9 *Code, is amended by inserting after section 3962 the follow-*
 10 *ing new section:*

11 **“§ 3963. Highest grade held satisfactorily: Reserve en-**
 12 **listed members reduced in grade not as a**
 13 **result of the member's misconduct**

14 *“(a) A Reserve enlisted member of the Army described*
 15 *in subsection (b) who is retired under section 3914 of this*
 16 *title shall be retired in the highest enlisted grade in which*
 17 *the member served on active duty satisfactorily (or, in the*
 18 *case of a member of the National Guard, in which the mem-*
 19 *ber served on full-time duty satisfactorily), as determined*
 20 *by the Secretary of the Army.*

21 *“(b) This section applies to a Reserve enlisted member*
 22 *who—*

23 *“(1) at the time of retirement is serving on ac-*
 24 *tive duty (or, in the case of a member of the National*
 25 *Guard, on full-time National Guard duty) in a grade*

1 *lower than the highest enlisted grade held by the*
 2 *member while on active duty (or full-time National*
 3 *Guard duty); and*

4 “(2) *was previously administratively reduced in*
 5 *grade not as a result of the member’s own misconduct,*
 6 *as determined by the Secretary of the Army.*

7 “(c) *This section applies with respect to Reserve en-*
 8 *listed members who are retired under section 3914 of this*
 9 *title after September 30, 1996.”.*

10 (2) *The table of sections at the beginning of such chap-*
 11 *ter is amended by inserting after the item relating to section*
 12 *3962 the following new item:*

“3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member’s misconduct.”.

13 (b) *NAVY AND MARINE CORPS.—(1) Chapter 571 of*
 14 *title 10, United States Code, is amended by adding at the*
 15 *end the following new section:*

16 **“§ 6336. Highest grade held satisfactorily: Reserve en-**
 17 ***listed members reduced in grade not as a***
 18 ***result of the member’s misconduct***

19 “(a) *A member of the Naval Reserve or Marine Corps*
 20 *Reserve described in subsection (b) who is transferred to the*
 21 *Fleet Reserve or the Fleet Marine Corps Reserve under sec-*
 22 *tion 6330 of this title shall be transferred in the highest*
 23 *enlisted grade in which the member served on active duty*
 24 *satisfactorily, as determined by the Secretary of the Navy.*

1 “(b) *This section applies to a Reserve enlisted member*
2 *who—*

3 “(1) *at the time of transfer to the Fleet Reserve*
4 *or Fleet Marine Corps Reserve is serving on active*
5 *duty in a grade lower than the highest enlisted grade*
6 *held by the member while on active duty; and*

7 “(2) *was previously administratively reduced in*
8 *grade not as a result of the member’s own misconduct,*
9 *as determined by the Secretary of the Navy.*

10 “(c) *This section applies with respect to enlisted mem-*
11 *bers of the Naval Reserve and Marine Corps Reserve who*
12 *are transferred to the Fleet Reserve or the Fleet Marine*
13 *Corps Reserve after September 30, 1996.”.*

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

*“6336. Highest grade held satisfactorily: Reserve enlisted members reduced in
grade not as a result of the member’s misconduct.”.*

16 (c) *AIR FORCE.—(1) Chapter 869 of title 10, United*
17 *States Code, is amended by inserting after section 8962 the*
18 *following new section:*

19 **“§ 8963. Highest grade held satisfactorily: Reserve en-**
20 ***listed members reduced in grade not as a***
21 ***result of the member’s misconduct***

22 “(a) *A Reserve enlisted member of the Air Force de-*
23 *scribed in subsection (b) who is retired under section 8914*
24 *of this title shall be retired in the highest enlisted grade*

1 *in which the member served on active duty satisfactorily*
 2 *(or, in the case of a member of the National Guard, in*
 3 *which the member served on full-time duty satisfactorily),*
 4 *as determined by the Secretary of the Air Force.*

5 “(b) *This section applies to a Reserve enlisted member*
 6 *who—*

7 “(1) *at the time of retirement is serving on ac-*
 8 *tive duty (or, in the case of a member of the National*
 9 *Guard, on full-time National Guard duty) in a grade*
 10 *lower than the highest enlisted grade held by the*
 11 *member while on active duty (or full-time National*
 12 *Guard duty); and*

13 “(2) *was previously administratively reduced in*
 14 *grade not as a result of the member’s own misconduct,*
 15 *as determined by the Secretary of the Air Force.*

16 “(c) *This section applies with respect to Reserve en-*
 17 *listed members who are retired under section 8914 of this*
 18 *title after September 30, 1996.”.*

19 (2) *The table of sections at the beginning of such chap-*
 20 *ter is amended by inserting after the item relating to section*
 21 *8962 the following new item:*

“8963. *Highest grade held satisfactorily; Reserve enlisted members reduced in*
grade not as a result of the member’s misconduct.”.

22 (d) *COMPUTATION OF RETIRED AND RETAINER PAY*
 23 *BASED UPON RETIRED GRADE.—(1) Section 3991 of such*

1 *title is amended by adding at the end the following new*
 2 *subsection:*

3 “(c) *SPECIAL RULE FOR RETIRED RESERVE EN-*
 4 *LISTED MEMBERS COVERED BY SECTION 3963.—In the*
 5 *case of a Reserve enlisted member retired under section 3914*
 6 *of this title whose retired grade is determined under section*
 7 *3963 of this title and who first became a member of a uni-*
 8 *formed service before October 1, 1980, the retired pay base*
 9 *of the member (notwithstanding section 1406(a)(1) of this*
 10 *title) is the amount of the monthly basic pay of the mem-*
 11 *ber’s retired grade (determined based upon the rates of basic*
 12 *pay applicable on the date of the member’s retirement), and*
 13 *that amount shall be used for the purposes of subsection*
 14 *(a)(1)(A) rather than the amount computed under section*
 15 *1406(c) of this title.”.*

16 (2) *Section 6333 of such title is amended by adding*
 17 *at the end the following new subsection:*

18 “(c) *In the case of a Reserve enlisted member whose*
 19 *grade upon transfer to the Fleet Reserve or Fleet Marine*
 20 *Corps Reserve is determined under section 6336 of this title*
 21 *and who first became a member of a uniformed service be-*
 22 *fore October 1, 1980, the retainer pay base of the member*
 23 *(notwithstanding section 1406(a)(1) of this title) is the*
 24 *amount of the monthly basic pay of the grade in which the*
 25 *member is so transferred (determined based upon the rates*

1 of basic pay applicable on the date of the member's trans-
 2 fer), and that amount shall be used for the purposes of the
 3 table in subsection (a) rather than the amount computed
 4 under section 1406(d) of this title.”.

5 (3) Section 8991 of such title is amended by adding
 6 at the end the following new subsection:

7 “(c) *SPECIAL RULE FOR RETIRED RESERVE EN-*
 8 *LISTED MEMBERS COVERED BY SECTION 8963.*—In the
 9 case of a Reserve enlisted member retired under section 8914
 10 of this title whose retired grade is determined under section
 11 8963 of this title and who first became a member of a uni-
 12 formed service before October 1, 1980, the retired pay base
 13 of the member (notwithstanding section 1406(a)(1) of this
 14 title) is the amount of the monthly basic pay of the mem-
 15 ber's retired grade (determined based upon the rates of basic
 16 pay applicable on the date of the member's retirement), and
 17 that amount shall be used for the purposes of subsection
 18 (a)(1)(A) rather than the amount computed under section
 19 1406(e) of this title.”.

20 **SEC. 635. CLARIFICATION OF INITIAL COMPUTATION OF RE-**
 21 **TIREE COLAS AFTER RETIREMENT.**

22 (a) *IN GENERAL.*—Section 1401a of title 10, United
 23 States Code, is amended by striking out subsections (c) and
 24 (d) and inserting in lieu thereof the following new sub-
 25 sections:

1 “(c) *FIRST COLA ADJUSTMENT FOR MEMBERS WITH*
 2 *RETIRED PAY COMPUTED USING FINAL BASIC PAY.*—

3 “(1) *FIRST ADJUSTMENT WITH INTERVENING IN-*
 4 *CREASE IN BASIC PAY.*—*Notwithstanding subsection*
 5 *(b), if a person described in paragraph (3) becomes*
 6 *entitled to retired pay based on rates of monthly basic*
 7 *pay that became effective after the last day of the cal-*
 8 *endar quarter of the base index, the retired pay of the*
 9 *member or former member shall be increased on the*
 10 *effective date of the next adjustment of retired pay*
 11 *under subsection (b) only by the percent (adjusted to*
 12 *the nearest one-tenth of 1 percent) by which—*

13 “(A) *the price index for the base quarter of*
 14 *that year, exceeds*

15 “(B) *the price index for the calendar quar-*
 16 *ter immediately before the calendar quarter in*
 17 *which the rates of monthly basic pay on which*
 18 *the retired pay is based became effective.*

19 “(2) *FIRST ADJUSTMENT WITH NO INTERVENING*
 20 *INCREASE IN BASIC PAY.*—*If a person described in*
 21 *paragraph (3) becomes entitled to retired pay on or*
 22 *after the effective date of an adjustment in retired*
 23 *pay under subsection (b) but before the effective date*
 24 *of the next increase in the rates of monthly basic pay,*
 25 *the retired pay of the member or former member shall*

1 *be increased, effective on the date the member becomes*
2 *entitled to that pay, by the percent (adjusted to the*
3 *nearest one-tenth of 1 percent) by which—*

4 *“(A) the base index, exceeds*

5 *“(B) the price index for the calendar quar-*
6 *ter immediately before the calendar quarter in*
7 *which the rates of monthly basic pay on which*
8 *the retired pay is based became effective.*

9 *“(3) MEMBERS COVERED.—Paragraphs (1) and*
10 *(2) apply to a member or former member of an armed*
11 *force who first became a member of a uniformed serv-*
12 *ice before August 1, 1986, and whose retired pay base*
13 *is determined under section 1406 of this title.*

14 *“(d) FIRST COLA ADJUSTMENT FOR MEMBERS WITH*
15 *RETIRED PAY COMPUTED USING HIGH-THREE.—Notwith-*
16 *standing subsection (b), the retired pay of a member or*
17 *former member of an armed force who first became a mem-*
18 *ber of a uniformed service before August 1, 1986, and whose*
19 *retired pay base is determined under section 1407 of this*
20 *title shall be increased on the effective date of the first ad-*
21 *justment of retired pay under subsection (b) after the mem-*
22 *ber or former member becomes entitled to retired pay by*
23 *the percent (adjusted to the nearest one-tenth of 1 percent)*
24 *equal to the difference between the percent by which—*

1 “(1) the price index for the base quarter of that
2 year, exceeds

3 “(2) the price index for the calendar quarter im-
4 mediately before the calendar quarter during which
5 the member became entitled to retired pay.”.

6 (b) *EFFECTIVE DATE.*—The amendment made by sub-
7 section (a) shall apply only to adjustments of retired and
8 retainer pay effective after the date of the enactment of this
9 Act.

10 **SEC. 636. TECHNICAL CORRECTION TO PRIOR AUTHORITY**
11 **FOR PAYMENT OF BACK PAY TO CERTAIN**
12 **PERSONS.**

13 Section 634 of the National Defense Authorization Act
14 for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 366)
15 is amended—

16 (1) in subsection (b)(1), by striking out “Island
17 of Bataan” and inserting in lieu thereof “peninsula
18 of Bataan or island of Corregidor”; and

19 (2) in subsection (c), by inserting after the first
20 sentence the following: “For the purposes of this sub-
21 section, the Secretary of War shall be deemed to have
22 determined that conditions in the Philippines during
23 the specified period justified payment under applica-
24 ble regulations of quarters and subsistence allowances

1 *at the maximum special rate for duty where emer-*
 2 *gency conditions existed.”.*

3 **SEC. 637. AMENDMENTS TO THE UNIFORMED SERVICES**
 4 **FORMER SPOUSES’ PROTECTION ACT.**

5 *(a) MANNER OF SERVICE OF PROCESS.—Subsection*
 6 *(b)(1)(A) of section 1408 of title 10, United States Code,*
 7 *is amended by striking out “certified or registered mail, re-*
 8 *turn receipt requested” and inserting in lieu thereof “fac-*
 9 *simile or electronic transmission or by mail”.*

10 *(b) SUBSEQUENT COURT ORDER FROM ANOTHER*
 11 *STATE.—Subsection (d) of such section is amended by add-*
 12 *ing at the end the following new paragraph:*

13 *“(6)(A) The Secretary concerned may not accept serv-*
 14 *ice of a court order that is an out-of State modification,*
 15 *or comply with the provisions of such a court order, unless*
 16 *the court issuing that order has jurisdiction in the manner*
 17 *specified in subsection (c)(4) over both the member and the*
 18 *spouse or former spouse involved.*

19 *“(B) A court order shall be considered to be an out-*
 20 *of-State modification for purposes of this paragraph if the*
 21 *order—*

22 *“(i) modifies a previous court order under this*
 23 *section upon which payments under this subsection*
 24 *are based; and*

1 “(ii) is issued by a court of a State other than
2 the State of the court that issued the previous court
3 order.”.

4 **SEC. 638. ADMINISTRATION OF BENEFITS FOR SO-CALLED**
5 **MINIMUM INCOME WIDOWS.**

6 (a) *PAYMENTS TO BE MADE BY SECRETARY OF VET-*
7 *ERANS AFFAIRS.*—Section 4 of Public Law 92-425 (10
8 *U.S.C. 1448 note)* is amended by adding at the end the fol-
9 *lowing new subsection:*

10 “(e)(1) *Payment of annuities under this section shall*
11 *be made by the Secretary of Veterans Affairs. If appropriate*
12 *for administrative convenience (or otherwise determined*
13 *appropriate by the Secretary of Veterans Affairs), that Sec-*
14 *retary may combine a payment to any person for any*
15 *month under this section with any other payment for that*
16 *month under laws administered by the Secretary so as to*
17 *provide that person with a single payment for that month.*

18 “(2) *The Secretary concerned shall annually transfer*
19 *to the Secretary of Veterans Affairs such amounts as may*
20 *be necessary for payments by the Secretary of Veterans Af-*
21 *fairs under this section and for costs of the Secretary of*
22 *Veterans Affairs in administering this section. Such trans-*
23 *fers shall be made from amounts that would otherwise be*
24 *used for payment of annuities by the Secretary concerned*
25 *under this section. The authority to make such a transfer*

1 *is in addition to any other authority of the Secretary con-*
 2 *cerned to transfer funds for a purpose other than the pur-*
 3 *pose for which the funds were originally made available.*
 4 *In the case of a transfer by the Secretary of a military de-*
 5 *partment, the provisions of section 2215 of this title do not*
 6 *apply.*

7 “(3) *The Secretary concerned shall promptly notify the*
 8 *Secretary of Veterans Affairs of any change in beneficiaries*
 9 *under this section.*”.

10 (b) *EFFECTIVE DATE.*—Subsection (e) of section 4 of
 11 *Public Law 92–425, as added by subsection (a), shall apply*
 12 *with respect to payments of benefits for any month after*
 13 *June 1997.*

14 **SEC. 639. NONSUBSTANTIVE RESTATEMENT OF SURVIVOR**
 15 **BENEFIT PLAN STATUTE.**

16 *Subchapter II of chapter 73 of title 10, United States*
 17 *Code, is amended to read as follows:*

18 “SUBCHAPTER II—SURVIVOR BENEFIT PLAN

“Sec.

“1447. *Definitions.*

“1448. *Application of Plan.*

“1449. *Mental incompetency of member.*

“1450. *Payment of annuity: beneficiaries.*

“1451. *Amount of annuity.*

“1452. *Reduction in retired pay.*

“1453. *Recovery of amounts erroneously paid.*

“1454. *Correction of administrative errors.*

“1455. *Regulations.*

19 “§ 1447. **Definitions**

20 “*In this subchapter:*

1 “(1) *PLAN*.—The term ‘Plan’ means the Survivor
2 *Benefit Plan established by this subchapter.*

3 “(2) *STANDARD ANNUITY*.—The term ‘standard
4 *annuity’ means an annuity provided by virtue of eli-*
5 *gibility under section 1448(a)(1)(A) of this title.*

6 “(3) *RESERVE-COMPONENT ANNUITY*.—The term
7 ‘reserve-component annuity’ means an annuity pro-
8 vided by virtue of eligibility under section
9 1448(a)(1)(B) of this title.

10 “(4) *RETIRED PAY*.—The term ‘retired pay’ in-
11 cludes retainer pay paid under section 6330 of this
12 title.

13 “(5) *RESERVE-COMPONENT RETIRED PAY*.—The
14 term ‘reserve-component retired pay’ means retired
15 pay under chapter 1223 of this title (or under chapter
16 67 of this title as in effect before the effective date of
17 the Reserve Officer Personnel Management Act).

18 “(6) *BASE AMOUNT*.—The term ‘base amount’
19 means the following:

20 “(A) *FULL AMOUNT UNDER STANDARD AN-*
21 *NUITY*.—In the case of a person who dies after
22 becoming entitled to retired pay, such term
23 means the amount of monthly retired pay (deter-
24 mined without regard to any reduction under

1 *section 1409(b)(2) of this title) to which the per-*
2 *son—*

3 *“(i) was entitled when he became eligi-*
4 *ble for that pay; or*

5 *“(ii) later became entitled by being ad-*
6 *vanced on the retired list, performing active*
7 *duty, or being transferred from the tem-*
8 *porary disability retired list to the perma-*
9 *nent disability retired list.*

10 *“(B) FULL AMOUNT UNDER RESERVE-COM-*
11 *PONENT ANNUITY.—In the case of a person who*
12 *would have become eligible for reserve-component*
13 *retired pay but for the fact that he died before*
14 *becoming 60 years of age, such term means the*
15 *amount of monthly retired pay for which the*
16 *person would have been eligible—*

17 *“(i) if he had been 60 years of age on*
18 *the date of his death, for purposes of an an-*
19 *nuity to become effective on the day after*
20 *his death in accordance with a designation*
21 *made under section 1448(e) of this title.*

22 *“(ii) upon becoming 60 years of age (if*
23 *he had lived to that age), for purposes of an*
24 *annuity to become effective on the 60th an-*
25 *niversary of his birth in accordance with a*

1 *designation made under section 1448(e) of*
2 *this title.*

3 “(C) *REDUCED AMOUNT.*—*Such term means*
4 *any amount less than the amount otherwise ap-*
5 *plicable under subparagraph (A) or (B) with re-*
6 *spect to an annuity provided under the Plan but*
7 *which is not less than \$300 and which is des-*
8 *ignated by the person (with the concurrence of*
9 *the person’s spouse, if required under section*
10 *1448(a)(3) of this title) providing the annuity on*
11 *or before—*

12 “(i) *the first day for which he becomes*
13 *eligible for retired pay, in the case of a per-*
14 *son providing a standard annuity, or*

15 “(ii) *the end of the 90-day period be-*
16 *ginning on the date on which he receives the*
17 *notification required by section 12731(d) of*
18 *this title that he has completed the years of*
19 *service required for eligibility for reserve-*
20 *component retired pay, in the case of a per-*
21 *son providing a reserve-component annuity.*

22 “(7) *WIDOW.*—*The term ‘widow’ means the sur-*
23 *viving wife of a person who, if not married to the*
24 *person at the time he became eligible for retired*
25 *pay—*

1 “(A) was married to the person for at least
2 one year immediately before the person’s death;
3 or

4 “(B) is the mother of issue by that mar-
5 riage.

6 “(8) WIDOWER.—The term ‘widower’ means the
7 surviving husband of a person who, if not married to
8 the person at the time she became eligible for retired
9 pay—

10 “(A) was married to her for at least one
11 year immediately before her death; or

12 “(B) is the father of issue by that marriage.

13 “(9) SURVIVING SPOUSE.—The term ‘surviving
14 spouse’ means a widow or widower.

15 “(10) FORMER SPOUSE.—The term ‘former
16 spouse’ means the surviving former husband or wife
17 of a person who is eligible to participate in the Plan.

18 “(11) DEPENDENT CHILD.—

19 “(A) IN GENERAL.—The term ‘dependent
20 child’ means a person who—

21 “(i) is unmarried;

22 “(ii) is (I) under 18 years of age, (II)
23 at least 18, but under 22, years of age and
24 pursuing a full-time course of study or
25 training in a high school, trade school, tech-

1 *nical or vocational institute, junior college,*
2 *college, university, or comparable recognized*
3 *educational institution, or (III) incapable*
4 *of self support because of a mental or phys-*
5 *ical incapacity existing before the person's*
6 *eighteenth birthday or incurred on or after*
7 *that birthday, but before the person's twen-*
8 *ty-second birthday, while pursuing such a*
9 *full-time course of study or training; and*

10 *“(iii) is the child of a person to whom*
11 *the Plan applies, including (I) an adopted*
12 *child, and (II) a stepchild, foster child, or*
13 *recognized natural child who lived with that*
14 *person in a regular parent-child relation-*
15 *ship.*

16 *“(B) SPECIAL RULES FOR COLLEGE STU-*
17 *DENTS.—For the purpose of subparagraph (A), a*
18 *child whose twenty-second birthday occurs before*
19 *July 1 or after August 31 of a calendar year,*
20 *and while regularly pursuing such a course of*
21 *study or training, is considered to have become*
22 *22 years of age on the first day of July after that*
23 *birthday. A child who is a student is considered*
24 *not to have ceased to be a student during an in-*
25 *terim between school years if the interim is not*

1 *more than 150 days and if the child shows to the*
2 *satisfaction of the Secretary of Defense that the*
3 *child has a bona fide intention of continuing to*
4 *pursue a course of study or training in the same*
5 *or a different school during the school semester*
6 *(or other period into which the school year is di-*
7 *vided) immediately after the interim.*

8 *“(C) FOSTER CHILDREN.—A foster child, to*
9 *qualify under this paragraph as the dependent*
10 *child of a person to whom the Plan applies,*
11 *must, at the time of the death of that person, also*
12 *reside with, and receive over one-half of his sup-*
13 *port from, that person, and not be cared for*
14 *under a social agency contract. The temporary*
15 *absence of a foster child from the residence of*
16 *that person, while a student as described in this*
17 *paragraph, shall not be considered to affect the*
18 *residence of such a foster child.*

19 *“(12) COURT.—The term ‘court’ has the meaning*
20 *given that term by section 1408(a)(1) of this title.*

21 *“(13) COURT ORDER.—*

22 *“(A) IN GENERAL.—The term ‘court order’*
23 *means a court’s final decree of divorce, dissolu-*
24 *tion, or annulment or a court ordered, ratified,*
25 *or approved property settlement incident to such*

1 *a decree (including a final decree modifying the*
 2 *terms of a previously issued decree of divorce,*
 3 *dissolution, annulment, or legal separation, or of*
 4 *a court ordered, ratified, or approved property*
 5 *settlement agreement incident to such previously*
 6 *issued decree).*

7 *“(B) FINAL DECREE.—The term ‘final de-*
 8 *cree’ means a decree from which no appeal may*
 9 *be taken or from which no appeal has been taken*
 10 *within the time allowed for the taking of such*
 11 *appeals under the laws applicable to such ap-*
 12 *peals, or a decree from which timely appeal has*
 13 *been taken and such appeal has been finally de-*
 14 *cided under the laws applicable to such appeals.*

15 *“(C) REGULAR ON ITS FACE.—The term*
 16 *‘regular on its face’, when used in connection*
 17 *with a court order, means a court order that*
 18 *meets the conditions prescribed in section*
 19 *1408(b)(2) of this title.*

20 **“§ 1448. Application of plan**

21 *“(a) GENERAL RULES FOR PARTICIPATION IN THE*
 22 *PLAN.—*

23 *“(1) NAME OF PLAN; ELIGIBLE PARTICIPANTS.—*
 24 *The program established by this subchapter shall be*

1 *known as the Survivor Benefit Plan. The following*
2 *persons are eligible to participate in the Plan:*

3 “(A) *Persons entitled to retired pay.*

4 “(B) *Persons who would be eligible for re-*
5 *serve-component retired pay but for the fact that*
6 *they are under 60 years of age.*

7 “(2) *PARTICIPANTS IN THE PLAN.—The Plan ap-*
8 *plies to the following persons, who shall be partici-*
9 *pants in the Plan:*

10 “(A) *STANDARD ANNUITY PARTICIPANTS.—*
11 *A person who is eligible to participate in the*
12 *Plan under paragraph (1)(A) and who is mar-*
13 *ried or has a dependent child when he becomes*
14 *entitled to retired pay, unless he elects (with his*
15 *spouse’s concurrence, if required under para-*
16 *graph (3)) not to participate in the Plan before*
17 *the first day for which he is eligible for that pay.*

18 “(B) *RESERVE-COMPONENT ANNUITY PAR-*
19 *TICIPANTS.—A person who (i) is eligible to par-*
20 *ticipate in the Plan under paragraph (1)(B),*
21 *(ii) is married or has a dependent child when he*
22 *is notified under section 12731(d) of this title*
23 *that he has completed the years of service re-*
24 *quired for eligibility for reserve-component re-*
25 *tired pay, and (iii) elects to participate in the*

1 *Plan (and makes a designation under subsection*
 2 *(e)) before the end of the 90-day period beginning*
 3 *on the date he receives such notification.*

4 *A person described in clauses (i) and (ii) of subpara-*
 5 *graph (B) who does not elect to participate in the*
 6 *Plan before the end of the 90-day period referred to*
 7 *in that clause remains eligible, upon reaching 60*
 8 *years of age and otherwise becoming entitled to re-*
 9 *tired pay, to participate in the Plan in accordance*
 10 *with eligibility under paragraph (1)(A).*

11 “(3) *ELECTIONS.—*

12 “(A) *SPOUSAL CONSENT FOR CERTAIN*
 13 *ELECTIONS RESPECTING STANDARD ANNUITY.—A*
 14 *married person who is eligible to provide a*
 15 *standard annuity may not without the concur-*
 16 *rence of the person’s spouse elect—*

17 “(i) *not to participate in the Plan;*

18 “(ii) *to provide an annuity for the per-*
 19 *son’s spouse at less than the maximum level;*
 20 *or*

21 “(iii) *to provide an annuity for a de-*
 22 *pendent child but not for the person’s*
 23 *spouse.*

24 “(B) *SPOUSAL CONSENT FOR CERTAIN*
 25 *ELECTIONS RESPECTING RESERVE-COMPONENT*

1 *ANNUITY.—A married person who elects to pro-*
2 *vide a reserve-component annuity may not with-*
3 *out the concurrence of the person’s spouse elect—*

4 *“(i) to provide an annuity for the per-*
5 *son’s spouse at less than the maximum level;*
6 *or*

7 *“(ii) to provide an annuity for a de-*
8 *pendent child but not for the person’s*
9 *spouse.*

10 *“(C) EXCEPTION WHEN SPOUSE UNAVAIL-*
11 *ABLE.—A person may make an election de-*
12 *scribed in subparagraph (A) or (B) without the*
13 *concurrence of the person’s spouse if the person*
14 *establishes to the satisfaction of the Secretary*
15 *concerned—*

16 *“(i) that the spouse’s whereabouts can-*
17 *not be determined; or*

18 *“(ii) that, due to exceptional cir-*
19 *cumstances, requiring the person to seek the*
20 *spouse’s consent would otherwise be inap-*
21 *propriate.*

22 *“(D) CONSTRUCTION WITH FORMER SPOUSE*
23 *ELECTION PROVISIONS.—This paragraph does*
24 *not affect any right or obligation to elect to pro-*
25 *vide an annuity for a former spouse (or for a*

1 *former spouse and dependent child) under sub-*
2 *section (b)(2).*

3 “(E) NOTICE TO SPOUSE OF ELECTION TO
4 PROVIDE FORMER SPOUSE ANNUITY.—If a mar-
5 ried person who is eligible to provide a standard
6 annuity elects to provide an annuity for a
7 former spouse (or for a former spouse and de-
8 pendent child) under subsection (b)(2), that per-
9 son’s spouse shall be notified of that election.

10 “(4) IRREVOCABILITY OF ELECTIONS.—

11 “(A) STANDARD ANNUITY.—An election
12 under paragraph (2)(A) not to participate in the
13 Plan is irrevocable if not revoked before the date
14 on which the person first becomes entitled to re-
15 tired pay.

16 “(B) RESERVE-COMPONENT ANNUITY.—An
17 election under paragraph (2)(B) to participate
18 in the Plan is irrevocable if not revoked before
19 the end of the 90-day period referred to in that
20 paragraph.

21 “(5) PARTICIPATION BY PERSON MARRYING
22 AFTER RETIREMENT, ETC.—

23 “(A) ELECTION TO PARTICIPATE IN PLAN.—
24 A person who is not married and has no depend-
25 ent child upon becoming eligible to participate

1 *in the Plan but who later marries or acquires a*
2 *dependent child may elect to participate in the*
3 *Plan.*

4 “(B) *MANNER AND TIME OF ELECTION.—*
5 *Such an election must be written, signed by the*
6 *person making the election, and received by the*
7 *Secretary concerned within one year after the*
8 *date on which that person marries or acquires*
9 *that dependent child.*

10 “(C) *LIMITATION ON REVOCATION OF ELEC-*
11 *TION.—Such an election may not be revoked ex-*
12 *cept in accordance with subsection (b)(3).*

13 “(D) *EFFECTIVE DATE OF ELECTION.—The*
14 *election is effective as of the first day of the first*
15 *calendar month following the month in which the*
16 *election is received by the Secretary concerned.*

17 “(E) *DESIGNATION IF RCSBP ELECTION.—*
18 *In the case of a person providing a reserve-com-*
19 *ponent annuity, such an election shall include a*
20 *designation under subsection (e).*

21 “(6) *ELECTION OUT OF PLAN BY PERSON WITH*
22 *SPOUSE COVERAGE WHO REMARRIES.—*

23 “(A) *GENERAL RULE.—A person—*

1 “(i) *who is a participant in the Plan*
2 *and is providing coverage under the Plan*
3 *for a spouse (or a spouse and child);*

4 “(ii) *who does not have an eligible*
5 *spouse beneficiary under the Plan; and*

6 “(iii) *who remarries,*
7 *may elect not to provide coverage under the Plan*
8 *for the person’s spouse.*

9 “(B) *EFFECT OF ELECTION ON RETIRED*
10 *PAY.—If such an election is made, reductions in*
11 *the retired pay of that person under section 1452*
12 *of this title shall not be made.*

13 “(C) *TERMS AND CONDITIONS OF ELEC-*
14 *TION.—An election under this paragraph—*

15 “(i) *is irrevocable;*

16 “(ii) *shall be made within one year*
17 *after the person’s remarriage; and*

18 “(iii) *shall be made in such form and*
19 *manner as may be prescribed in regulations*
20 *under section 1455 of this title.*

21 “(D) *NOTICE TO SPOUSE.—If a person*
22 *makes an election under this paragraph—*

23 “(i) *not to participate in the Plan;*

1 “(ii) to provide an annuity for the per-
 2 son’s spouse at less than the maximum level;
 3 or

4 “(iii) to provide an annuity for a de-
 5 pendent child but not for the person’s
 6 spouse,

7 the person’s spouse shall be notified of that elec-
 8 tion.

9 “(E) CONSTRUCTION WITH FORMER SPOUSE
 10 ELECTION PROVISIONS.—This paragraph does
 11 not affect any right or obligation to elect to pro-
 12 vide an annuity to a former spouse under sub-
 13 section (b).

14 “(b) INSURABLE INTEREST AND FORMER SPOUSE
 15 COVERAGE.—

16 “(1) COVERAGE FOR PERSON WITH INSURABLE
 17 INTEREST.—

18 “(A) GENERAL RULE.—A person who is not
 19 married and does not have a dependent child
 20 upon becoming eligible to participate in the Plan
 21 may elect to provide an annuity under the Plan
 22 to a natural person with an insurable interest in
 23 that person. In the case of a person providing a
 24 reserve-component annuity, such an election
 25 shall include a designation under subsection (e).

1 “(B) *TERMINATION OF COVERAGE.*—An
2 election under subparagraph (A) for a bene-
3 ficiary who is not the former spouse of the person
4 providing the annuity may be terminated. Any
5 such termination shall be made by a participant
6 by the submission to the Secretary concerned of
7 a request to discontinue participation in the
8 Plan, and such participation in the Plan shall
9 be discontinued effective on the first day of the
10 first month following the month in which the re-
11 quest is received by the Secretary concerned. Ef-
12 fective on such date, the Secretary concerned
13 shall discontinue the reduction being made in
14 such person’s retired pay on account of partici-
15 pation in the Plan or, in the case of a person
16 who has been required to make deposits in the
17 Treasury on account of participation in the
18 Plan, such person may discontinue making such
19 deposits effective on such date.

20 “(C) *FORM FOR DISCONTINUATION.*—A re-
21 quest under subparagraph (B) to discontinue
22 participation in the Plan shall be in such form
23 and shall contain such information as may be
24 required under regulations prescribed by the Sec-
25 retary of Defense.

1 “(D) *WITHDRAWAL OF REQUEST FOR DIS-*
2 *CONTINUATION.*—*The Secretary concerned shall*
3 *furnish promptly to each person who submits a*
4 *request under subparagraph (B) to discontinue*
5 *participation in the Plan a written statement of*
6 *the advantages and disadvantages of participat-*
7 *ing in the Plan and the possible disadvantages*
8 *of discontinuing participation. A person may*
9 *withdraw the request to discontinue participa-*
10 *tion if withdrawn within 30 days after having*
11 *been submitted to the Secretary concerned.*

12 “(E) *CONSEQUENCES OF DISCONTINU-*
13 *ATION.*—*Once participation is discontinued, ben-*
14 *efits may not be paid in conjunction with the*
15 *earlier participation in the Plan and premiums*
16 *paid may not be refunded. Participation in the*
17 *Plan may not later be resumed except through a*
18 *qualified election under paragraph (5) of sub-*
19 *section (a).*

20 “(2) *FORMER SPOUSE COVERAGE UPON BECOM-*
21 *ING A PARTICIPANT IN THE PLAN.*—

22 “(A) *GENERAL RULE.*—*A person who has a*
23 *former spouse upon becoming eligible to partici-*
24 *pate in the Plan may elect to provide an annu-*
25 *ity to that former spouse.*

1 “(B) *EFFECT OF FORMER SPOUSE ELEC-*
2 *TION ON SPOUSE OR DEPENDENT CHILD.*—*In the*
3 *case of a person with a spouse or a dependent*
4 *child, such an election prevents payment of an*
5 *annuity to that spouse or child (other than a*
6 *child who is a beneficiary under an election*
7 *under paragraph (4)), including payment under*
8 *subsection (d).*

9 “(C) *DESIGNATION IF MORE THAN ONE*
10 *FORMER SPOUSE.*—*If there is more than one*
11 *former spouse, the person shall designate which*
12 *former spouse is to be provided the annuity.*

13 “(D) *DESIGNATION IF RCSBP ELECTION.*—
14 *In the case of a person providing a reserve-com-*
15 *ponent annuity, such an election shall include a*
16 *designation under subsection (e).*

17 “(3) *FORMER SPOUSE COVERAGE BY PERSONS*
18 *ALREADY PARTICIPATING IN PLAN.*—

19 “(A) *ELECTION OF COVERAGE.*—

20 “(i) *AUTHORITY FOR ELECTION.*—*A*
21 *person—*

22 “(I) *who is a participant in the*
23 *Plan and is providing coverage for a*
24 *spouse or a spouse and child (even*

1 *though there is no beneficiary currently*
2 *eligible for such coverage), and*

3 “(II) *who has a former spouse*
4 *who was not that person’s former*
5 *spouse when that person became eligi-*
6 *ble to participate in the Plan,*
7 *may (subject to subparagraph (B)) elect to*
8 *provide an annuity to that former spouse.*

9 “(ii) *TERMINATION OF PREVIOUS COV-*
10 *ERAGE.—Any such election terminates any*
11 *previous coverage under the Plan.*

12 “(iii) *MANNER AND TIME OF ELEC-*
13 *TION.—Any such election must be written,*
14 *signed by the person making the election,*
15 *and received by the Secretary concerned*
16 *within one year after the date of the decree*
17 *of divorce, dissolution, or annulment.*

18 “(B) *LIMITATION ON ELECTION.—A person*
19 *may not make an election under subparagraph*
20 *(A) to provide an annuity to a former spouse*
21 *who that person married after becoming eligible*
22 *for retired pay unless—*

23 “(i) *the person was married to that*
24 *former spouse for at least one year, or*

1 “(ii) that former spouse is the parent
2 of issue by that marriage.

3 “(C) *IRREVOCABILITY, EFFECTIVE DATE,*
4 *ETC.—An election under this paragraph may not*
5 *be revoked except in accordance with section*
6 *1450(f) of this title. Such an election is effective*
7 *as of the first day of the first calendar month fol-*
8 *lowing the month in which it is received by the*
9 *Secretary concerned. This paragraph does not*
10 *provide the authority to change a designation*
11 *previously made under subsection (e).*

12 “(D) *NOTICE TO SPOUSE.—If a person who*
13 *is married makes an election to provide an an-*
14 *nuity to a former spouse under this paragraph,*
15 *that person’s spouse shall be notified of the elec-*
16 *tion.*

17 “(4) *FORMER SPOUSE AND CHILD COVERAGE.—*
18 *A person who elects to provide an annuity for a*
19 *former spouse under paragraph (2) or (3) may, at the*
20 *time of the election, elect to provide coverage under*
21 *that annuity for both the former spouse and a de-*
22 *pendent child, if the child resulted from the person’s*
23 *marriage to that former spouse.*

24 “(5) *DISCLOSURE OF WHETHER ELECTION OF*
25 *FORMER SPOUSE COVERAGE IS REQUIRED.—A person*

1 *who elects to provide an annuity to a former spouse*
 2 *under paragraph (2) or (3) shall, at the time of mak-*
 3 *ing the election, provide the Secretary concerned with*
 4 *a written statement (in a form to be prescribed by*
 5 *that Secretary and signed by such person and the*
 6 *former spouse) setting forth—*

7 *“(A) whether the election is being made*
 8 *pursuant to the requirements of a court order; or*

9 *“(B) whether the election is being made*
 10 *pursuant to a written agreement previously en-*
 11 *tered into voluntarily by such person as a part*
 12 *of, or incident to, a proceeding of divorce, dis-*
 13 *solution, or annulment and (if so) whether such*
 14 *voluntary written agreement has been incor-*
 15 *porated in, or ratified or approved by, a court*
 16 *order.*

17 *“(c) PERSONS ON TEMPORARY DISABILITY RETIRED*
 18 *LIST.—The application of the Plan to a person whose name*
 19 *is on the temporary disability retired list terminates when*
 20 *his name is removed from that list and he is no longer enti-*
 21 *tled to disability retired pay.*

22 *“(d) COVERAGE FOR SURVIVORS OF RETIREMENT-ELI-*
 23 *GIBLE MEMBERS WHO DIE ON ACTIVE DUTY.—*

24 *“(1) SURVIVING SPOUSE ANNUITY.—The Sec-*
 25 *retary concerned shall pay an annuity under this*

1 *subchapter to the surviving spouse of a member who*
2 *dies on active duty after—*

3 “(A) *becoming eligible to receive retired*
4 *pay;*

5 “(B) *qualifying for retired pay except that*
6 *he has not applied for or been granted that pay;*
7 *or*

8 “(C) *completing 20 years of active service*
9 *but before he is eligible to retire as a commis-*
10 *sioned officer because he has not completed 10*
11 *years of active commissioned service.*

12 “(2) *DEPENDENT CHILD ANNUITY.—The Sec-*
13 *retary concerned shall pay an annuity under this*
14 *subchapter to the dependent child of a member de-*
15 *scribed in paragraph (1) if there is no surviving*
16 *spouse or if the member’s surviving spouse subse-*
17 *quently dies.*

18 “(3) *MANDATORY FORMER SPOUSE ANNUITY.—If*
19 *a member described in paragraph (1) is required*
20 *under a court order or spousal agreement to provide*
21 *an annuity to a former spouse upon becoming eligible*
22 *to be a participant in the Plan or has made an elec-*
23 *tion under subsection (b) to provide an annuity to a*
24 *former spouse, the Secretary—*

1 “(A) may not pay an annuity under para-
2 graph (1) or (2); but

3 “(B) shall pay an annuity to that former
4 spouse as if the member had been a participant
5 in the Plan and had made an election under
6 subsection (b) to provide an annuity to the
7 former spouse, or in accordance with that elec-
8 tion, as the case may be, if the Secretary receives
9 a written request from the former spouse con-
10 cerned that the election be deemed to have been
11 made in the same manner as provided in section
12 1450(f)(3) of this title.

13 “(4) *PRIORITY.*—An annuity that may be pro-
14 vided under this subsection shall be provided in pref-
15 erence to an annuity that may be provided under any
16 other provision of this subchapter on account of serv-
17 ice of the same member.

18 “(5) *COMPUTATION.*—The amount of an annuity
19 under this subsection is computed under section
20 1451(c) of this title.

21 “(e) *DESIGNATION FOR COMMENCEMENT OF RESERVE-*
22 *COMPONENT ANNUITY.*—In any case in which a person
23 electing to participate in the Plan is required to make a
24 designation under this subsection, the person making such
25 election shall designate whether, in the event he dies before

1 *becoming 60 years of age, the annuity provided shall become*
 2 *effective on—*

3 *“(1) the day after the date of his death; or*

4 *“(2) the 60th anniversary of his birth.*

5 *“(f) COVERAGE OF SURVIVORS OF PERSONS DYING*
 6 *WHEN ELIGIBLE TO ELECT RESERVE-COMPONENT ANNU-*
 7 *ITY.—*

8 *“(1) SURVIVING SPOUSE ANNUITY.—The Sec-*
 9 *retary concerned shall pay an annuity under this*
 10 *subchapter to the surviving spouse of a person who is*
 11 *eligible to provide a reserve-component annuity and*
 12 *who dies—*

13 *“(A) before being notified under section*
 14 *12731(d) of this title that he has completed the*
 15 *years of service required for eligibility for re-*
 16 *serve-component retired pay; or*

17 *“(B) during the 90-day period beginning on*
 18 *the date he receives notification under section*
 19 *12731(d) of this title that he has completed the*
 20 *years of service required for eligibility for re-*
 21 *serve-component retired pay if he had not made*
 22 *an election under subsection (a)(2)(B) to partici-*
 23 *pate in the Plan.*

24 *“(2) DEPENDENT CHILD ANNUITY.—The Sec-*
 25 *retary concerned shall pay an annuity under this*

1 *subchapter to the dependent child of a person de-*
2 *scribed in paragraph (1) if there is no surviving*
3 *spouse or if the person's surviving spouse subsequently*
4 *dies.*

5 *“(3) MANDATORY FORMER SPOUSE ANNUITY.—If*
6 *a person described in paragraph (1) is required under*
7 *a court order or spousal agreement to provide an an-*
8 *nuity to a former spouse upon becoming eligible to be*
9 *a participant in the Plan or has made an election*
10 *under subsection (b) to provide an annuity to a*
11 *former spouse, the Secretary—*

12 *“(A) may not pay an annuity under para-*
13 *graph (1) or (2); but*

14 *“(B) shall pay an annuity to that former*
15 *spouse as if the person had been a participant*
16 *in the Plan and had made an election under*
17 *subsection (b) to provide an annuity to the*
18 *former spouse, or in accordance with that elec-*
19 *tion, as the case may be, if the Secretary receives*
20 *a written request from the former spouse con-*
21 *cerned that the election be deemed to have been*
22 *made in the same manner as provided in section*
23 *1450(f)(3) of this title.*

1 “(4) *COMPUTATION.*—*The amount of an annuity*
2 *under this subsection is computed under section*
3 *1451(c) of this title.*

4 “(g) *ELECTION TO INCREASE COVERAGE UPON RE-*
5 *MARRIAGE.*—

6 “(1) *ELECTION.*—*A person—*

7 “(A) *who is a participant in the Plan and*
8 *is providing coverage under subsection (a) for a*
9 *spouse or a spouse and child, but at less than the*
10 *maximum level; and*

11 “(B) *who remarries,*
12 *may elect, within one year of such remarriage, to in-*
13 *crease the level of coverage provided under the Plan*
14 *to a level not in excess of the current retired pay of*
15 *that person.*

16 “(2) *PAYMENT REQUIRED.*—*Such an election*
17 *shall be contingent on the person paying to the Unit-*
18 *ed States the amount determined under paragraph*
19 *(3) plus interest on such amount at a rate determined*
20 *under regulations prescribed by the Secretary of De-*
21 *fense.*

22 “(3) *AMOUNT TO BE PAID.*—*The amount referred*
23 *to in paragraph (2) is the amount equal to the dif-*
24 *ference between—*

1 “(A) the amount that would have been with-
 2 held from such person’s retired pay under section
 3 1452 of this title if the higher level of coverage
 4 had been in effect from the time the person be-
 5 came a participant in the Plan; and

6 “(B) the amount of such person’s retired
 7 pay actually withheld.

8 “(4) MANNER OF MAKING ELECTION.—An elec-
 9 tion under paragraph (1) shall be made in such man-
 10 ner as the Secretary shall prescribe and shall become
 11 effective upon receipt of the payment required by
 12 paragraph (2).

13 “(5) DISPOSITION OF PAYMENTS.—A payment
 14 received under this subsection by the Secretary of De-
 15 fense shall be deposited into the Department of De-
 16 fense Military Retirement Fund. Any other payment
 17 received under this subsection shall be deposited in the
 18 Treasury as miscellaneous receipts.

19 **“§ 1449. Mental incompetency of member**

20 “(a) ELECTION BY SECRETARY CONCERNED ON BE-
 21 HALF OF MENTALLY INCOMPETENT MEMBER.—If a person
 22 to whom section 1448 of this title applies is determined to
 23 be mentally incompetent by medical officers of the armed
 24 force concerned or of the Department of Veterans Affairs,
 25 or by a court of competent jurisdiction, an election de-

1 scribed in subsection (a)(2) or (b) of section 1448 of this
 2 title may be made on behalf of that person by the Secretary
 3 concerned.

4 “(b) *REVOCATION OF ELECTION BY MEMBER.*—

5 “(1) *AUTHORITY UPON SUBSEQUENT DETER-*
 6 *MINATION OF MENTAL COMPETENCE.*—*If a person for*
 7 *whom the Secretary has made an election under sub-*
 8 *section (a) is later determined to be mentally com-*
 9 *petent by an authority named in that subsection, that*
 10 *person may, within 180 days after that determina-*
 11 *tion, revoke that election.*

12 “(2) *DEDUCTIONS FROM RETIRED PAY NOT TO*
 13 *BE REFUNDED.*—*Any deduction made from retired*
 14 *pay by reason of such an election may not be re-*
 15 *funded.*

16 **“§ 1450. *Payment of annuity: beneficiaries***

17 “(a) *IN GENERAL.*—*Effective as of the first day after*
 18 *the death of a person to whom section 1448 of this title*
 19 *applies (or on such other day as that person may provide*
 20 *under subsection (j)), a monthly annuity under section*
 21 *1451 of this title shall be paid to the person’s beneficiaries*
 22 *under the Plan, as follows:*

23 “(1) *SURVIVING SPOUSE OR FORMER SPOUSE.*—
 24 *The eligible surviving spouse or the eligible former*
 25 *spouse.*

1 “(2) *SURVIVING CHILDREN.*—*The surviving de-*
 2 *pendent children in equal shares, if the eligible sur-*
 3 *ving spouse or the eligible former spouse is dead,*
 4 *dies, or otherwise becomes ineligible under this sec-*
 5 *tion.*

6 “(3) *DEPENDENT CHILDREN.*—*The dependent*
 7 *children in equal shares if the person to whom section*
 8 *1448 of this title applies (with the concurrence of the*
 9 *person’s spouse, if required under section 1448(a)(3)*
 10 *of this title) elected to provide an annuity for depend-*
 11 *ent children but not for the spouse or former spouse.*

12 “(4) *NATURAL PERSON DESIGNATED UNDER ‘IN-*
 13 *SURABLE INTEREST’ COVERAGE.*—*The natural person*
 14 *designated under section 1448(b)(1) of this title, un-*
 15 *less the election to provide an annuity to the natural*
 16 *person has been changed as provided in subsection (f).*

17 “(b) *TERMINATION OF ANNUITY FOR DEATH, REMAR-*
 18 *RIAGE BEFORE AGE 55, ETC.*—

19 “(1) *GENERAL RULE.*—*An annuity payable to*
 20 *the beneficiary terminates effective as of the first day*
 21 *of the month in which eligibility is lost.*

22 “(2) *TERMINATION OF SPOUSE ANNUITY UPON*
 23 *DEATH OR REMARRIAGE BEFORE AGE 55.*—*An annu-*
 24 *ity for a surviving spouse or former spouse shall be*
 25 *paid to the surviving spouse or former spouse while*

1 *the surviving spouse or former spouse is living or, if*
2 *the surviving spouse or former spouse remarries before*
3 *reaching age 55, until the surviving spouse or former*
4 *spouse remarries.*

5 “(3) *EFFECT OF TERMINATION OF SUBSEQUENT*
6 *MARRIAGE BEFORE AGE 55.—If the surviving spouse*
7 *or former spouse remarries before reaching age 55 and*
8 *that marriage is terminated by death, annulment, or*
9 *divorce, payment of the annuity shall be resumed ef-*
10 *fective as of the first day of the month in which the*
11 *marriage is so terminated. However, if the surviving*
12 *spouse or former spouse is also entitled to an annuity*
13 *under the Plan based upon the marriage so termi-*
14 *nated, the surviving spouse or former spouse may not*
15 *receive both annuities but must elect which to receive.*

16 “(c) *OFFSET FOR AMOUNT OF DEPENDENCY AND IN-*
17 *DEMNITY COMPENSATION.—*

18 “(1) *REQUIRED OFFSET.—If, upon the death of*
19 *a person to whom section 1448 of this title applies,*
20 *the surviving spouse or former spouse of that person*
21 *is also entitled to dependency and indemnity com-*
22 *ensation under section 1311(a) of title 38, the sur-*
23 *ving spouse or former spouse may be paid an annu-*
24 *ity under this section, but only in the amount that*

1 *the annuity otherwise payable under this section*
 2 *would exceed that compensation.*

3 “(2) *EFFECTIVE DATE OF OFFSET.*—*A reduction*
 4 *in an annuity under this section required by para-*
 5 *graph (1) shall be effective on the date of the com-*
 6 *mencement of the period of payment of such depend-*
 7 *ency and indemnity compensation under title 38.*

8 “(d) *LIMITATION ON PAYMENT OF ANNUITIES WHEN*
 9 *COVERAGE UNDER CIVIL SERVICE RETIREMENT ELECT-*
 10 *ED.*—*If, upon the death of a person to whom section 1448*
 11 *of this title applies, that person had in effect a waiver of*
 12 *that person’s retired pay for the purposes of subchapter III*
 13 *of chapter 83 of title 5, an annuity under this section shall*
 14 *not be payable unless, in accordance with section 8339(j)*
 15 *of title 5, that person notified the Office of Personnel Man-*
 16 *agement that he did not desire any spouse surviving him*
 17 *to receive an annuity under section 8341(b) of that title.*

18 “(e) *REFUND OF AMOUNTS DEDUCTED FROM RE-*
 19 *TIRED PAY WHEN DIC OFFSET IS APPLICABLE.*—

20 “(1) *FULL REFUND WHEN DIC GREATER THAN*
 21 *SBP ANNUITY.*—*If an annuity under this section is*
 22 *not payable because of subsection (c), any amount de-*
 23 *ducted from the retired pay of the deceased under sec-*
 24 *tion 1452 of this title shall be refunded to the surviv-*
 25 *ing spouse or former spouse.*

1 “(2) *PARTIAL REFUND WHEN SBP ANNUITY RE-*
2 *DUCED BY DIC.*—If, because of subsection (c), the an-
3 *nuity payable is less than the amount established*
4 *under section 1451 of this title, the annuity payable*
5 *shall be recalculated under that section. The amount*
6 *of the reduction in the retired pay required to provide*
7 *that recalculated annuity shall be computed under*
8 *section 1452 of this title, and the difference between*
9 *the amount deducted before the computation of that*
10 *recalculated annuity and the amount that would have*
11 *been deducted on the basis of that recalculated annu-*
12 *ity shall be refunded to the surviving spouse or former*
13 *spouse.*

14 “(f) *CHANGE IN ELECTION OF INSURABLE INTEREST*
15 *OR FORMER SPOUSE BENEFICIARY.*—

16 “(1) *AUTHORIZED CHANGES.*—

17 “(A) *ELECTION IN FAVOR OF SPOUSE OR*
18 *CHILD.*—A person who elects to provide an an-
19 *nuity to a person designated by him under sec-*
20 *tion 1448(b) of this title may, subject to para-*
21 *graph (2), change that election and provide an*
22 *annuity to his spouse or dependent child.*

23 “(B) *NOTICE.*—The Secretary concerned
24 *shall notify the former spouse or other natural*
25 *person previously designated under section*

1 1448(b) of this title of any change of election
2 under subparagraph (A).

3 “(C) *PROCEDURES, EFFECTIVE DATE,*
4 *ETC.—Any such change of election is subject to*
5 *the same rules with respect to execution, revoca-*
6 *tion, and effectiveness as are set forth in section*
7 *1448(a)(5) of this title (without regard to the eli-*
8 *gibility of the person making the change of elec-*
9 *tion to make such an election under that sec-*
10 *tion).*

11 “(2) *LIMITATION ON CHANGE IN BENEFICIARY*
12 *WHEN FORMER SPOUSE COVERAGE IN EFFECT.—A*
13 *person who, incident to a proceeding of divorce, dis-*
14 *solution, or annulment, is required by a court order*
15 *to elect under section 1448(b) of this title to provide*
16 *an annuity to a former spouse (or to both a former*
17 *spouse and child), or who enters into a written agree-*
18 *ment (whether voluntary or required by a court*
19 *order) to make such an election, and who makes an*
20 *election pursuant to such order or agreement, may*
21 *not change that election under paragraph (1) unless,*
22 *of the following requirements, whichever are applica-*
23 *ble in a particular case are satisfied:*

24 “(A) *In a case in which the election is re-*
25 *quired by a court order, or in which an agree-*

1 *ment to make the election has been incorporated*
2 *in or ratified or approved by a court order, the*
3 *person—*

4 *“(i) furnishes to the Secretary con-*
5 *cerned a certified copy of a court order*
6 *which is regular on its face and which*
7 *modifies the provisions of all previous court*
8 *orders relating to such election, or the agree-*
9 *ment to make such election, so as to permit*
10 *the person to change the election; and*

11 *“(ii) certifies to the Secretary con-*
12 *cerned that the court order is valid and in*
13 *effect.*

14 *“(B) In a case of a written agreement that*
15 *has not been incorporated in or ratified or ap-*
16 *proved by a court order, the person—*

17 *“(i) furnishes to the Secretary con-*
18 *cerned a statement, in such form as the Sec-*
19 *retary concerned may prescribe, signed by*
20 *the former spouse and evidencing the former*
21 *spouse’s agreement to a change in the elec-*
22 *tion under paragraph (1); and*

23 *“(ii) certifies to the Secretary con-*
24 *cerned that the statement is current and in*
25 *effect.*

1 “(3) *REQUIRED FORMER SPOUSE ELECTION TO*
2 *BE DEEMED TO HAVE BEEN MADE.*—

3 “(A) *DEEMED ELECTION UPON REQUEST BY*
4 *FORMER SPOUSE.*—*If a person described in*
5 *paragraph (2) or (3) of section 1448(b) of this*
6 *title is required (as described in subparagraph*
7 *(B)) to elect under section 1448(b) of this title to*
8 *provide an annuity to a former spouse and such*
9 *person then fails or refuses to make such an elec-*
10 *tion, such person shall be deemed to have made*
11 *such an election if the Secretary concerned re-*
12 *ceives the following:*

13 “(i) *REQUEST FROM FORMER*
14 *SPOUSE.*—*A written request, in such man-*
15 *ner as the Secretary shall prescribe, from*
16 *the former spouse concerned requesting that*
17 *such an election be deemed to have been*
18 *made.*

19 “(ii) *COPY OF COURT ORDER OR*
20 *OTHER OFFICIAL STATEMENT.*—*Either—*

21 “(I) *a copy of the court order, reg-*
22 *ular on its face, which requires such*
23 *election or incorporates, ratifies, or ap-*
24 *proves the written agreement of such*
25 *person; or*

1 “(II) a statement from the clerk of
2 the court (or other appropriate official)
3 that such agreement has been filed with
4 the court in accordance with applicable
5 State law.

6 “(B) *PERSONS REQUIRED TO MAKE ELEC-*
7 *TION.*—A person shall be considered for purposes
8 of subparagraph (A) to be required to elect under
9 section 1448(b) of this title to provide an annu-
10 ity to a former spouse if—

11 “(i) the person enters, incident to a
12 proceeding of divorce, dissolution, or annul-
13 ment, into a written agreement to make
14 such an election and the agreement (I) has
15 been incorporated in or ratified or approved
16 by a court order, or (II) has been filed with
17 the court of appropriate jurisdiction in ac-
18 cordance with applicable State law; or

19 “(ii) the person is required by a court
20 order to make such an election.

21 “(C) *TIME LIMIT FOR REQUEST BY FORMER*
22 *SPOUSE.*—An election may not be deemed to
23 have been made under subparagraph (A) in the
24 case of any person unless the Secretary con-
25 cerned receives a request from the former spouse

1 *of the person within one year of the date of the*
 2 *court order or filing involved.*

3 “(D) *EFFECTIVE DATE OF DEEMED ELEC-*
 4 *TION.—An election deemed to have been made*
 5 *under subparagraph (A) shall become effective on*
 6 *the first day of the first month which begins after*
 7 *the date of the court order or filing involved.*

8 “(4) *FORMER SPOUSE COVERAGE MAY BE RE-*
 9 *QUIRED BY COURT ORDER.—A court order may re-*
 10 *quire a person to elect (or to enter into an agreement*
 11 *to elect) under section 1448(b) of this title to provide*
 12 *an annuity to a former spouse (or to both a former*
 13 *spouse and child).*

14 “(g) *LIMITATION ON CHANGING OR REVOKING ELEC-*
 15 *TIONS.—*

16 “(1) *IN GENERAL.—An election under this sec-*
 17 *tion may not be changed or revoked.*

18 “(2) *EXCEPTIONS.—Paragraph (1) does not*
 19 *apply to—*

20 “(A) *a revocation of an election under sec-*
 21 *tion 1449(b) of this title; or*

22 “(B) *a change in an election under sub-*
 23 *section (f).*

24 “(h) *TREATMENT OF ANNUITIES UNDER OTHER*
 25 *LAWS.—Except as provided in section 1451 of this title, an*

1 annuity under this section is in addition to any other pay-
 2 ment to which a person is entitled under any other provi-
 3 sion of law. Such annuity shall be considered as income
 4 under laws administered by the Secretary of Veterans Af-
 5 fairs.

6 “(i) ANNUITIES EXEMPT FROM CERTAIN LEGAL
 7 PROCESS.—Except as provided in subsection (l)(3)(B), an
 8 annuity under this section is not assignable or subject to
 9 execution, levy, attachment, garnishment, or other legal
 10 process.

11 “(j) EFFECTIVE DATE OF RESERVE-COMPONENT AN-
 12 NUITIES.—

13 “(1) PERSONS MAKING SECTION 1448(e) DESIGNA-
 14 TION.—An annuity elected by a person providing a
 15 reserve-component annuity shall be effective in ac-
 16 cordance with the designation made by such person
 17 under section 1448(e) of this title.

18 “(2) PERSONS DYING BEFORE MAKING SECTION
 19 1448(e) DESIGNATION.—An annuity payable under
 20 section 1448(f) of this title shall be effective on the
 21 day after the date of the death of the person upon
 22 whose service the right to the annuity is based.

23 “(k) ADJUSTMENT OF SPOUSE OR FORMER SPOUSE
 24 ANNUITY UPON LOSS OF DEPENDENCY AND INDEMNITY
 25 COMPENSATION.—

1 “(1) *READJUSTMENT IF BENEFICIARY 55 YEARS*
2 *OF AGE OR MORE.*—If a surviving spouse or former
3 spouse whose annuity has been adjusted under sub-
4 section (c) subsequently loses entitlement to depend-
5 ency and indemnity compensation under section
6 1311(a) of title 38 because of the remarriage of the
7 surviving spouse, or former spouse, and if at the time
8 of such remarriage the surviving spouse or former
9 spouse is 55 years of age or more, the amount of the
10 annuity of the surviving spouse or former spouse shall
11 be readjusted, effective on the effective date of such loss
12 of dependency and indemnity compensation, to the
13 amount of the annuity which would be in effect with
14 respect to the surviving spouse or former spouse if the
15 adjustment under subsection (c) had never been made.

16 “(2) *REPAYMENT OF AMOUNTS PREVIOUSLY RE-*
17 *FUNDED.*—

18 “(A) *GENERAL RULE.*—A surviving spouse
19 or former spouse whose annuity is readjusted
20 under paragraph (1) shall repay any amount re-
21 funded under subsection (e) by reason of the ad-
22 justment under subsection (c).

23 “(B) *INTEREST REQUIRED IF REPAYMENT*
24 *NOT A LUMP SUM.*—If the repayment is not
25 made in a lump sum, the surviving spouse or

1 *former spouse shall pay interest on the amount*
2 *to be repaid. Such interest shall commence on the*
3 *date on which the first such payment is due and*
4 *shall be applied over the period during which*
5 *any part of the repayment remains to be paid.*

6 *“(C) MANNER OF REPAYMENT; RATE OF IN-*
7 *TEREST.—The manner in which such repayment*
8 *shall be made, and the rate of any such interest,*
9 *shall be prescribed in regulations under section*
10 *1455 of this title.*

11 *“(D) DEPOSIT OF AMOUNTS REPAID.—An*
12 *amount repaid under this paragraph (including*
13 *any such interest) received by the Secretary of*
14 *Defense shall be deposited into the Department of*
15 *Defense Military Retirement Fund. Any other*
16 *amount repaid under this paragraph shall be de-*
17 *posited into the Treasury as miscellaneous re-*
18 *ceipts.*

19 *“(l) PARTICIPANTS IN THE PLAN WHO ARE MISS-*
20 *ING.—*

21 *“(1) AUTHORITY TO PRESUME DEATH OF MISS-*
22 *ING PARTICIPANT.—*

23 *“(A) IN GENERAL.—Upon application of*
24 *the beneficiary of a participant in the Plan who*
25 *is missing, the Secretary concerned may deter-*

1 *mine for purposes of this subchapter that the*
2 *participant is presumed dead.*

3 *“(B) PARTICIPANT WHO IS MISSING.—A*
4 *participant in the Plan is considered to be miss-*
5 *ing for purposes of this subsection if—*

6 *“(i) the retired pay of the participant*
7 *has been suspended on the basis that the*
8 *participant is missing; or*

9 *“(ii) in the case of a participant in the*
10 *Plan who would be eligible for reserve-com-*
11 *ponent retired pay but for the fact that he*
12 *is under 60 years of age, his retired pay, if*
13 *he were entitled to retired pay, would be*
14 *suspended on the basis that he is missing.*

15 *“(C) REQUIREMENTS APPLICABLE TO PRE-*
16 *SUMPTION OF DEATH.—Any such determination*
17 *shall be made in accordance with regulations*
18 *prescribed under section 1455 of this title. The*
19 *Secretary concerned may not make a determina-*
20 *tion for purposes of this subchapter that a par-*
21 *ticipant who is missing is presumed dead unless*
22 *the Secretary finds that—*

23 *“(i) the participant has been missing*
24 *for at least 30 days; and*

1 “(ii) the circumstances under which
2 the participant is missing would lead a rea-
3 sonably prudent person to conclude that the
4 participant is dead.

5 “(2) COMMENCEMENT OF ANNUITY.—Upon a de-
6 termination under paragraph (1) with respect to a
7 participant in the Plan, an annuity otherwise pay-
8 able under this subchapter shall be paid as if the par-
9 ticipant died on the date as of which the retired pay
10 of the participant was suspended.

11 “(3) EFFECT OF PERSON NOT BEING DEAD.—

12 “(A) TERMINATION OF ANNUITY.—If, after a
13 determination under paragraph (1), the Sec-
14 retary concerned determines that the participant
15 is alive—

16 “(i) any annuity being paid under this
17 subchapter by reason of this subsection shall
18 be terminated; and

19 “(ii) the total amount of any annuity
20 payments made by reason of this subsection
21 shall constitute a debt to the United States.

22 “(B) COLLECTION FROM PARTICIPANT OF
23 ANNUITY AMOUNTS ERRONEOUSLY PAID.—A debt
24 under subparagraph (A)(ii) may be collected or
25 offset—

1 “(i) from any retired pay otherwise
2 payable to the participant;

3 “(ii) if the participant is entitled to
4 compensation under chapter 11 of title 38,
5 from that compensation; or

6 “(iii) if the participant is entitled to
7 any other payment from the United States,
8 from that payment.

9 “(C) COLLECTION FROM BENEFICIARY.—If
10 the participant dies before the full recovery of the
11 amount of annuity payments described in sub-
12 paragraph (A)(ii) has been made by the United
13 States, the remaining amount of such annuity
14 payments may be collected from the participant’s
15 beneficiary under the Plan if that beneficiary
16 was the recipient of the annuity payments made
17 by reason of this subsection.

18 **“§ 1451. Amount of annuity**

19 “(a) COMPUTATION OF ANNUITY FOR A SPOUSE,
20 FORMER SPOUSE, OR CHILD.—

21 “(1) STANDARD ANNUITY.—In the case of a
22 standard annuity provided to a beneficiary under sec-
23 tion 1450(a) of this title (other than under section
24 1450(a)(4)), the monthly annuity payable to the bene-
25 ficiary shall be determined as follows:

1 “(A) *BENEFICIARY UNDER 62 YEARS OF*
2 *AGE.—If the beneficiary is under 62 years of age*
3 *or is a dependent child when becoming entitled*
4 *to the annuity, the monthly annuity shall be the*
5 *amount equal to 55 percent of the base amount.*

6 “(B) *BENEFICIARY 62 YEARS OF AGE OR*
7 *OLDER.—*

8 “(i) *GENERAL RULE.—If the bene-*
9 *ficiary (other than a dependent child) is 62*
10 *years of age or older when becoming entitled*
11 *to the annuity, the monthly annuity shall*
12 *be the amount equal to 35 percent of the*
13 *base amount.*

14 “(ii) *RULE IF BENEFICIARY ELIGIBLE*
15 *FOR SOCIAL SECURITY OFFSET COMPUTA-*
16 *TION.—If the beneficiary is eligible to have*
17 *the annuity computed under subsection (e)*
18 *and if, at the time the beneficiary becomes*
19 *entitled to the annuity, computation of the*
20 *annuity under that subsection is more fa-*
21 *vorable to the beneficiary than computation*
22 *under clause (i), the annuity shall be com-*
23 *puted under that subsection rather than*
24 *under clause (i).*

1 “(2) *RESERVE-COMPONENT ANNUITY*—*In the*
 2 *case of a reserve-component annuity provided to a*
 3 *beneficiary under section 1450(a) of this title (other*
 4 *than under section 1450(a)(4)), the monthly annuity*
 5 *payable to the beneficiary shall be determined as fol-*
 6 *lows:*

7 “(A) *BENEFICIARY UNDER 62 YEARS OF*
 8 *AGE.*—*If the beneficiary is under 62 years of age*
 9 *or is a dependent child when becoming entitled*
 10 *to the annuity, the monthly annuity shall be the*
 11 *amount equal to a percentage of the base amount*
 12 *that—*

13 “(i) *is less than 55 percent; and*

14 “(ii) *is determined under subsection*
 15 *(f).*

16 “(B) *BENEFICIARY 62 YEARS OF AGE OR*
 17 *OLDER.*—

18 “(i) *GENERAL RULE.*—*If the bene-*
 19 *ficiary (other than a dependent child) is 62*
 20 *years of age or older when becoming entitled*
 21 *to the annuity, the monthly annuity shall*
 22 *be the amount equal to a percentage of the*
 23 *base amount that—*

24 “(I) *is less than 35 percent; and*

1 “(II) is determined under sub-
2 section (f).

3 “(ii) *RULE IF BENEFICIARY ELIGIBLE*
4 *FOR SOCIAL SECURITY OFFSET COMPUTA-*
5 *TION.—If the beneficiary is eligible to have*
6 *the annuity computed under subsection (e)*
7 *and if, at the time the beneficiary becomes*
8 *entitled to the annuity, computation of the*
9 *annuity under that subsection is more fa-*
10 *vorable to the beneficiary than computation*
11 *under clause (i), the annuity shall be com-*
12 *puted under that subsection rather than*
13 *under clause (i).*

14 “(b) *INSURABLE INTEREST BENEFICIARY.—*

15 “(1) *STANDARD ANNUITY.—In the case of a*
16 *standard annuity provided to a beneficiary under sec-*
17 *tion 1450(a)(4) of this title, the monthly annuity*
18 *payable to the beneficiary shall be the amount equal*
19 *to 55 percent of the retired pay of the person who*
20 *elected to provide the annuity after the reduction in*
21 *that pay in accordance with section 1452(c) of this*
22 *title.*

23 “(2) *RESERVE-COMPONENT ANNUITY.—In the*
24 *case of a reserve-component annuity provided to a*
25 *beneficiary under section 1450(a)(4) of this title, the*

1 *monthly annuity payable to the beneficiary shall be*
2 *the amount equal to a percentage of the retired pay*
3 *of the person who elected to provide the annuity after*
4 *the reduction in such pay in accordance with section*
5 *1452(c) of this title that—*

6 “(A) *is less than 55 percent; and*

7 “(B) *is determined under subsection (f).*

8 “(3) *COMPUTATION OF RESERVE-COMPONENT AN-*
9 *NUITY WHEN PARTICIPANT DIES BEFORE AGE 60.—*
10 *For the purposes of paragraph (2), a person—*

11 “(A) *who provides an annuity that is deter-*
12 *mined in accordance with that paragraph;*

13 “(B) *who dies before becoming 60 years of*
14 *age; and*

15 “(C) *who at the time of death is otherwise*
16 *entitled to retired pay,*

17 *shall be considered to have been entitled to retired pay*
18 *at the time of death. The retired pay of such person*
19 *for the purposes of such paragraph shall be computed*
20 *on the basis of the rates of basic pay in effect on the*
21 *date on which the annuity provided by such person*
22 *is to become effective in accordance with the designa-*
23 *tion of such person under section 1448(e) of this title.*

1 “(c) *ANNUITIES FOR SURVIVORS OF CERTAIN PER-*
2 *SONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY*
3 *FOR SBP.*—

4 “(1) *IN GENERAL.*—*In the case of an annuity*
5 *provided under section 1448(d) or 1448(f) of this title,*
6 *the amount of the annuity shall be determined as fol-*
7 *lows:*

8 “(A) *BENEFICIARY UNDER 62 YEARS OF*
9 *AGE.*—*If the person receiving the annuity is*
10 *under 62 years of age or is a dependent child*
11 *when the member or former member dies, the*
12 *monthly annuity shall be the amount equal to 55*
13 *percent of the retired pay to which the member*
14 *or former member would have been entitled if the*
15 *member or former member had been entitled to*
16 *that pay based upon his years of active service*
17 *when he died.*

18 “(B) *BENEFICIARY 62 YEARS OF AGE OR*
19 *OLDER.*—

20 “(i) *GENERAL RULE.*—*If the person re-*
21 *ceiving the annuity (other than a dependent*
22 *child) is 62 years of age or older when the*
23 *member or former member dies, the monthly*
24 *annuity shall be the amount equal to 35*
25 *percent of the retired pay to which the*

1 *member or former member would have been*
2 *entitled if the member or former member*
3 *had been entitled to that pay based upon*
4 *his years of active service when he died.*

5 “(ii) *RULE IF BENEFICIARY ELIGIBLE*
6 *FOR SOCIAL SECURITY OFFSET COMPUTA-*
7 *TION.—If the beneficiary is eligible to have*
8 *the annuity computed under subsection (e)*
9 *and if, at the time the beneficiary becomes*
10 *entitled to the annuity, computation of the*
11 *annuity under that subsection is more fa-*
12 *vorable to the beneficiary than computation*
13 *under clause (i), the annuity shall be com-*
14 *puted under that subsection rather than*
15 *under clause (i).*

16 “(2) *DIC OFFSET.—An annuity computed under*
17 *paragraph (1) that is paid to a surviving spouse shall*
18 *be reduced by the amount of dependency and indem-*
19 *nity compensation to which the surviving spouse is*
20 *entitled under section 1311(a) of title 38. Any such*
21 *reduction shall be effective on the date of the com-*
22 *mencement of the period of payment of such com-*
23 *ensation under title 38.*

24 “(3) *OFFICER WITH ENLISTED SERVICE WHO IS*
25 *NOT YET ELIGIBLE TO RETIRE AS AN OFFICER.—In*

1 *the case of an annuity provided by reason of the serv-*
 2 *ice of a member described in section 1448(d)(1)(B) or*
 3 *1448(d)(1)(C) of this title who first became a member*
 4 *of a uniformed service before September 8, 1980, the*
 5 *retired pay to which the member would have been en-*
 6 *titled when he died shall be determined for purposes*
 7 *of paragraph (1) based upon the rate of basic pay in*
 8 *effect at the time of death for the grade in which the*
 9 *member was serving at the time of death, unless (as*
 10 *determined by the Secretary concerned) the member*
 11 *would have been entitled to be retired in a higher*
 12 *grade.*

13 “(4) *RATE OF PAY TO BE USED IN COMPUTING*
 14 *ANNUITY.—In the case of an annuity paid under sec-*
 15 *tion 1448(f) of this title by reason of the service of a*
 16 *person who first became a member of a uniformed*
 17 *service before September 8, 1980, the retired pay of*
 18 *the person providing the annuity shall for the pur-*
 19 *poses of paragraph (1) be computed on the basis of the*
 20 *rates of basic pay in effect on the effective date of the*
 21 *annuity.*

22 “(d) *REDUCTION OF ANNUITIES AT AGE 62.—*

23 “(1) *REDUCTION REQUIRED.—The annuity of a*
 24 *person whose annuity is computed under subpara-*
 25 *graph (A) of subsection (a)(1), (a)(2), or (c)(1) shall*

1 *be reduced on the first day of the month after the*
 2 *month in which the person becomes 62 years of age.*

3 “(2) *AMOUNT OF ANNUITY AS REDUCED.*—

4 “(A) *35 PERCENT ANNUITY.*—*Except as pro-*
 5 *vided in subparagraph (B), the reduced amount*
 6 *of the annuity shall be the amount of the annu-*
 7 *ity that the person would be receiving on that*
 8 *date if the annuity had initially been computed*
 9 *under subparagraph (B) of that subsection.*

10 “(B) *SAVINGS PROVISION FOR BENE-*
 11 *FICIARIES ELIGIBLE FOR SOCIAL SECURITY OFF-*
 12 *SET COMPUTATION.*—*In the case of a person eli-*
 13 *gible to have an annuity computed under sub-*
 14 *section (e) and for whom, at the time the person*
 15 *becomes 62 years of age, the annuity computed*
 16 *with a reduction under subsection (e)(3) is more*
 17 *favorable than the annuity with a reduction de-*
 18 *scribed in subparagraph (A), the reduction in*
 19 *the annuity shall be computed in the same man-*
 20 *ner as a reduction under subsection (e)(3).*

21 “(e) *SAVINGS PROVISION FOR CERTAIN BENE-*
 22 *FICIARIES.*—

23 “(1) *PERSONS COVERED.*—*The following bene-*
 24 *ficiaries under the Plan are eligible to have an annu-*
 25 *ity under the Plan computed under this subsection:*

1 “(A) *A beneficiary receiving an annuity*
2 *under the Plan on October 1, 1985, as the sur-*
3 *living spouse or former spouse of the person pro-*
4 *viding the annuity.*

5 “(B) *A spouse or former spouse beneficiary*
6 *of a person who on October 1, 1985—*

7 “(i) *was a participant in the Plan;*

8 “(ii) *was entitled to retired pay or was*
9 *qualified for that pay except that he had*
10 *not applied for and been granted that pay;*
11 *or*

12 “(iii) *would have been eligible for re-*
13 *serve-component retired pay but for the fact*
14 *that he was under 60 years of age.*

15 “(2) *AMOUNT OF ANNUITY.—Subject to para-*
16 *graph (3), an annuity computed under this subsection*
17 *is determined as follows:*

18 “(A) *STANDARD ANNUITY.—In the case of*
19 *the beneficiary of a standard annuity, the annu-*
20 *ity shall be the amount equal to 55 percent of the*
21 *base amount.*

22 “(B) *RESERVE COMPONENT ANNUITY.—In*
23 *the case of the beneficiary of a reserve-component*
24 *annuity, the annuity shall be the percentage of*
25 *the base amount that—*

1 “(i) is less than 55 percent; and

2 “(ii) is determined under subsection
3 (f).

4 “(C) *BENEFICIARIES OF PERSONS DYING*
5 *DURING A PERIOD OF SPECIAL ELIGIBILITY FOR*
6 *SBP.—In the case of the beneficiary of an annu-*
7 *ity under section 1448(d) or 1448(f) of this title,*
8 *the annuity shall be the amount equal to 55 per-*
9 *cent of the retired pay of the person providing*
10 *the annuity (as that pay is determined under*
11 *subsection (c)).*

12 “(3) *SOCIAL SECURITY OFFSET.—An annuity*
13 *computed under this subsection shall be reduced by*
14 *the lesser of the following:*

15 “(A) *SOCIAL SECURITY COMPUTATION.—The*
16 *amount of the survivor benefit, if any, to which*
17 *the surviving spouse (or the former spouse, in the*
18 *case of a former spouse beneficiary who became*
19 *a former spouse under a divorce that became*
20 *final after November 29, 1989) would be entitled*
21 *under title II of the Social Security Act (42*
22 *U.S.C. 401 et seq.) based solely upon service by*
23 *the person concerned as described in section*
24 *210(l)(1) of such Act (42 U.S.C. 410(l)(1)) and*

1 *calculated assuming that the person concerned*
2 *lives to age 65.*

3 “(B) *MAXIMUM AMOUNT OF REDUCTION.*—
4 *40 percent of the amount of the monthly annuity*
5 *as determined under paragraph (2).*

6 “(4) *SPECIAL RULES FOR SOCIAL SECURITY OFF-*
7 *SET COMPUTATION.*—

8 “(A) *TREATMENT OF DEDUCTIONS MADE ON*
9 *ACCOUNT OF WORK.*—*For the purpose of para-*
10 *graph (3), a surviving spouse (or a former*
11 *spouse, in the case of a person who becomes a*
12 *former spouse under a divorce that becomes final*
13 *after November 29, 1989) shall not be considered*
14 *as entitled to a benefit under title II of the So-*
15 *cial Security Act (42 U.S.C. 401 et seq.) to the*
16 *extent that such benefit has been offset by deduc-*
17 *tions under section 203 of such Act (42 U.S.C.*
18 *403) on account of work.*

19 “(B) *TREATMENT OF CERTAIN PERIODS FOR*
20 *WHICH SOCIAL SECURITY REFUNDS ARE MADE.*—
21 *In the computation of any reduction made under*
22 *paragraph (3), there shall be excluded any pe-*
23 *riod of service described in section 210(l)(1) of*
24 *the Social Security Act (42 U.S.C. 410(l)(1))—*

1 “(i) which was performed after Decem-
2 ber 1, 1980; and

3 “(ii) which involved periods of service
4 of less than 30 continuous days for which
5 the person concerned is entitled to receive a
6 refund under section 6413(c) of the Internal
7 Revenue Code of 1986 of the social security
8 tax which the person had paid.

9 “(f) DETERMINATION OF PERCENTAGES APPLICABLE
10 TO COMPUTATION OF RESERVE-COMPONENT ANNUITIES.—
11 The percentage to be applied in determining the amount
12 of an annuity computed under subsection (a)(2), (b)(2), or
13 (e)(2)(B) shall be determined under regulations prescribed
14 by the Secretary of Defense. Such regulations shall be pre-
15 scribed taking into consideration the following:

16 “(1) The age of the person electing to provide the
17 annuity at the time of such election.

18 “(2) The difference in age between such person
19 and the beneficiary of the annuity.

20 “(3) Whether such person provided for the annu-
21 ity to become effective (in the event he died before be-
22 coming 60 years of age) on the day after his death
23 or on the 60th anniversary of his birth.

24 “(4) Appropriate group annuity tables.

1 “(5) *Such other factors as the Secretary consid-*
2 *ers relevant.*

3 “(g) *ADJUSTMENTS TO ANNUITIES.—*

4 “(1) *PERIODIC ADJUSTMENTS FOR COST-OF-LIV-*
5 *ING.—*

6 “(A) *INCREASES IN ANNUITIES WHEN RE-*
7 *TIRED PAY INCREASED.—Whenever retired pay is*
8 *increased under section 1401a of this title (or*
9 *any other provision of law), each annuity that*
10 *is payable under the Plan shall be increased at*
11 *the same time.*

12 “(B) *PERCENTAGE OF INCREASE.—The in-*
13 *crease shall, in the case of any annuity, be by*
14 *the same percent as the percent by which the re-*
15 *tired pay of the person providing the annuity*
16 *would have been increased at such time if the*
17 *person were alive (and otherwise entitled to such*
18 *pay).*

19 “(C) *CERTAIN REDUCTIONS TO BE DIS-*
20 *REGARDED.—The amount of the increase shall be*
21 *based on the monthly annuity payable before*
22 *any reduction under section 1450(c) of this title*
23 *or under subsection (c)(2).*

24 “(2) *ROUNDING DOWN.—The monthly amount of*
25 *an annuity payable under this subchapter, if not a*

1 *multiple of \$1, shall be rounded to the next lower*
2 *multiple of \$1.*

3 “(h) *ADJUSTMENTS TO BASE AMOUNT.*—

4 “(1) *PERIODIC ADJUSTMENTS FOR COST-OF-LIV-*
5 *ING.*—

6 “(A) *INCREASES IN BASE AMOUNT WHEN*
7 *RETIRED PAY INCREASED.*—*Whenever retired*
8 *pay is increased under section 1401a of this title*
9 *(or any other provision of law), the base amount*
10 *applicable to each participant in the Plan shall*
11 *be increased at the same time.*

12 “(B) *PERCENTAGE OF INCREASE.*—*The in-*
13 *crease shall be by the same percent as the percent*
14 *by which the retired pay of the participant is so*
15 *increased.*

16 “(2) *RECOMPUTATION AT AGE 62.*—*When the re-*
17 *tired pay of a person who first became a member of*
18 *a uniformed service on or after August 1, 1986, and*
19 *who is a participant in the Plan is recomputed under*
20 *section 1410 of this title upon the person’s becoming*
21 *62 years of age, the base amount applicable to that*
22 *person shall be recomputed (effective on the effective*
23 *date of the recomputation of such retired pay under*
24 *section 1410 of this title) so as to be the amount equal*
25 *to the amount of the base amount that would be in*

1 *effect on that date if increases in such base amount*
2 *under paragraph (1) had been computed as provided*
3 *in paragraph (2) of section 1401a(b) of this title*
4 *(rather than under paragraph (3) of that section).*

5 “(3) *DISREGARDING OF RETIRED PAY REDUC-*
6 *TIONS FOR RETIREMENT BEFORE 30 YEARS OF SERV-*
7 *ICE.—Computation of a member’s retired pay for*
8 *purposes of this section shall be made without regard*
9 *to any reduction under section 1409(b)(2) of this title.*

10 “(i) *RECOMPUTATION OF ANNUITY FOR CERTAIN*
11 *BENEFICIARIES.—In the case of an annuity under the Plan*
12 *which is computed on the basis of the retired pay of a per-*
13 *son who would have been entitled to have that retired pay*
14 *recomputed under section 1410 of this title upon attaining*
15 *62 years of age, but who dies before attaining that age, the*
16 *annuity shall be recomputed, effective on the first day of*
17 *the first month beginning after the date on which the mem-*
18 *ber or former member would have attained 62 years of age,*
19 *so as to be the amount equal to the amount of the annuity*
20 *that would be in effect on that date if increases under sub-*
21 *section (h)(1) in the base amount applicable to that annuity*
22 *to the time of the death of the member or former member,*
23 *and increases in such annuity under subsection (g)(1), had*
24 *been computed as provided in paragraph (2) of section*

1 1401a(b) of this title (rather than under paragraph (3) of
2 that section).

3 **“§ 1452. Reduction in retired pay**

4 “(a) SPOUSE AND FORMER SPOUSE ANNUITIES.—

5 “(1) REQUIRED REDUCTION IN RETIRED PAY.—

6 *Except as provided in subsection (b), the retired pay*
7 *of a participant in the Plan who is providing spouse*
8 *coverage (as described in paragraph (5)) shall be re-*
9 *duced as follows:*

10 “(A) STANDARD ANNUITY.—*If the annuity*
11 *coverage being providing is a standard annuity,*
12 *the reduction shall be as follows:*

13 “(i) DISABILITY AND NONREGULAR
14 SERVICE RETIREES.—*In the case of a per-*
15 *son who is entitled to retired pay under*
16 *chapter 61 or chapter 1223 of this title, the*
17 *reduction shall be in whichever of the alter-*
18 *native reduction amounts is more favorable*
19 *to that person.*

20 “(ii) MEMBERS AS OF ENACTMENT OF
21 FLAT-RATE REDUCTION.—*In the case of a*
22 *person who first became a member of a uni-*
23 *formed service before March 1, 1990, the re-*
24 *duction shall be in whichever of the alter-*

1 *native reduction amounts is more favorable*
2 *to that person.*

3 “(iii) *NEW ENTRANTS AFTER ENACT-*
4 *MENT OF FLAT-RATE REDUCTION.*—*In the*
5 *case of a person who first becomes a member*
6 *of a uniformed service on or after March 1,*
7 *1990, and who is entitled to retired pay*
8 *under a provision of law other than chapter*
9 *61 or chapter 1223 of this title, the reduc-*
10 *tion shall be in an amount equal to 6½*
11 *percent of the base amount.*

12 “(iv) *ALTERNATIVE REDUCTION*
13 *AMOUNTS.*—*For purposes of clauses (i) and*
14 *(ii), the alternative reduction amounts are*
15 *the following:*

16 “(I) *FLAT-RATE REDUCTION.*—*An*
17 *amount equal to 6½ percent of the*
18 *base amount.*

19 “(II) *AMOUNT UNDER PRE-FLAT-*
20 *RATE REDUCTION.*—*An amount equal*
21 *to 2½ percent of the first \$421 (as ad-*
22 *justed under paragraph (4)) of the base*
23 *amount plus 10 percent of the remain-*
24 *der of the base amount.*

1 “(B) *RESERVE-COMPONENT ANNUITY.—If*
 2 *the annuity coverage being provided is a reserve-*
 3 *component annuity, the reduction shall be in*
 4 *whichever of the following amounts is more fa-*
 5 *vorable to that person:*

6 “(i) *FLAT-RATE REDUCTION.—An*
 7 *amount equal to 6½ percent of the base*
 8 *amount plus an amount determined in ac-*
 9 *cordance with regulations prescribed by the*
 10 *Secretary of Defense as a premium for the*
 11 *additional coverage provided through re-*
 12 *serve-component annuity coverage under the*
 13 *Plan.*

14 “(ii) *AMOUNT UNDER PRE-FLAT-RATE*
 15 *REDUCTION.—An amount equal to 2½ per-*
 16 *cent of the first \$421 (as adjusted under*
 17 *paragraph (4)) of the base amount plus 10*
 18 *percent of the remainder of the base amount*
 19 *plus an amount determined in accordance*
 20 *with regulations prescribed by the Secretary*
 21 *of Defense as a premium for the additional*
 22 *coverage provided through reserve-compo-*
 23 *nent annuity coverage under the Plan.*

24 “(2) *ADDITIONAL REDUCTION FOR CHILD COV-*
 25 *ERAGE.—If there is a dependent child as well as a*

1 spouse or former spouse, the amount prescribed under
2 paragraph (1) shall be increased by an amount pre-
3 scribed under regulations of the Secretary of Defense.

4 “(3) *NO REDUCTION WHEN NO BENEFICIARY.*—
5 *The reduction in retired pay prescribed by paragraph*
6 *(1) shall not be applicable during any month in*
7 *which there is no eligible spouse or former spouse ben-*
8 *eficiary.*

9 “(4) *PERIODIC ADJUSTMENTS.*—

10 “(A) *ADJUSTMENTS FOR INCREASES IN*
11 *RATES OF BASIC PAY.*—*Whenever there is an in-*
12 *crease in the rates of basic pay of members of the*
13 *uniformed services effective after January 1,*
14 *1996, the amounts under paragraph (1) with re-*
15 *spect to which the percentage factor of 2½ is ap-*
16 *plied shall be increased by the overall percentage*
17 *of such increase in the rates of basic pay. The in-*
18 *crease under the preceding sentence shall apply*
19 *only with respect to persons whose retired pay is*
20 *computed based on the rates of basic pay in ef-*
21 *fect on or after the date of such increase in rates*
22 *of basic pay.*

23 “(B) *ADJUSTMENTS FOR RETIRED PAY*
24 *COLAS.*—*In addition to the increase under sub-*
25 *paragraph (A), the amounts under paragraph*

1 (1) *with respect to which the percentage factor of*
2 *2¹/₂ is applied shall be further increased at the*
3 *same time and by the same percentage as an in-*
4 *crease in retired pay under section 1401a of this*
5 *title effective after January 1, 1996. Such in-*
6 *crease under the preceding sentence shall apply*
7 *only with respect to a person who initially par-*
8 *ticipates in the Plan on a date which is after*
9 *both the effective date of such increase under sec-*
10 *tion 1401a and the effective date of the rates of*
11 *basic pay upon which that person's retired pay*
12 *is computed.*

13 “(5) *SPOUSE COVERAGE DESCRIBED.—For the*
14 *purposes of paragraph (1), a participant in the Plan*
15 *who is providing spouse coverage is a participant*
16 *who—*

17 “(A) *has (i) a spouse or former spouse, or*
18 *(ii) a spouse or former spouse and a dependent*
19 *child; and*

20 “(B) *has not elected to provide an annuity*
21 *to a person designated by him under section*
22 *1448(b)(1) of this title or, having made such an*
23 *election, has changed his election in favor of his*
24 *spouse under section 1450(f) of this title.*

25 “(b) *CHILD-ONLY ANNUITIES.—*

1 “(1) *REQUIRED REDUCTION IN RETIRED PAY.*—
2 *The retired pay of a participant in the Plan who is*
3 *providing child-only coverage (as described in para-*
4 *graph (4)) shall be reduced by an amount prescribed*
5 *under regulations by the Secretary of Defense.*

6 “(2) *NO REDUCTION WHEN NO CHILD.*—*There*
7 *shall be no reduction in retired pay under paragraph*
8 *(1) for any month during which the participant has*
9 *no eligible dependent child.*

10 “(3) *SPECIAL RULE FOR CERTAIN RCSBP PAR-*
11 *TICIPANTS.*—*In the case of a participant in the Plan*
12 *who is participating in the Plan under an election*
13 *under section 1448(a)(2)(B) of this title and who pro-*
14 *vided child-only coverage during a period before the*
15 *participant becomes entitled to receive retired pay,*
16 *the retired pay of the participant shall be reduced by*
17 *an amount prescribed under regulations by the Sec-*
18 *retary of Defense to reflect the coverage provided*
19 *under the Plan during the period before the partici-*
20 *pant became entitled to receive retired pay. A reduc-*
21 *tion under this paragraph is in addition to any re-*
22 *duction under paragraph (1) and is made without re-*
23 *gard to whether there is an eligible dependent child*
24 *during a month for which the reduction is made.*

1 “(4) *CHILD-ONLY COVERAGE DEFINED.*—For the
 2 purposes of this subsection, a participant in the Plan
 3 who is providing child-only coverage is a participant
 4 who has a dependent child and who—

5 “(A) does not have an eligible spouse or
 6 former spouse; or

7 “(B) has a spouse or former spouse but has
 8 elected to provide an annuity for dependent chil-
 9 dren only.

10 “(c) *REDUCTION FOR INSURABLE INTEREST COV-*
 11 *ERAGE.*—

12 “(1) *REQUIRED REDUCTION IN RETIRED PAY.*—
 13 The retired pay of a person who has elected to provide
 14 an annuity to a person designated by him under sec-
 15 tion 1450(a)(4) of this title shall be reduced as fol-
 16 lows:

17 “(A) *STANDARD ANNUITY.*—In the case of a
 18 person providing a standard annuity, the reduc-
 19 tion shall be by 10 percent plus 5 percent for
 20 each full five years the individual designated is
 21 younger than that person.

22 “(B) *RESERVE COMPONENT ANNUITY.*—In
 23 the case of a person providing a reserve-compo-
 24 nent annuity, the reduction shall be by an

1 *amount prescribed under regulations of the Sec-*
2 *retary of Defense.*

3 “(2) *LIMITATION ON TOTAL REDUCTION.—The*
4 *total reduction under paragraph (1) may not exceed*
5 *40 percent.*

6 “(3) *DURATION OF REDUCTION.—The reduction*
7 *in retired pay prescribed by this subsection shall con-*
8 *tinue during the lifetime of the person designated*
9 *under section 1450(a)(4) of this title or until the per-*
10 *son receiving retired pay changes his election under*
11 *section 1450(f) of this title.*

12 “(4) *RULE FOR COMPUTATION.—Computation of*
13 *a member’s retired pay for purposes of this subsection*
14 *shall be made without regard to any reduction under*
15 *section 1409(b)(2) of this title.*

16 “(d) *DEPOSITS TO COVER PERIODS WHEN RETIRED*
17 *PAY NOT PAID.—*

18 “(1) *REQUIRED DEPOSITS.—If a person who has*
19 *elected to participate in the Plan has been awarded*
20 *retired pay and is not entitled to that pay for any*
21 *period, that person must deposit in the Treasury the*
22 *amount that would otherwise have been deducted from*
23 *his pay for that period.*

24 “(2) *DEPOSITS NOT REQUIRED WHEN PARTICI-*
25 *PANT ON ACTIVE DUTY.—Paragraph (1) does not*

1 *apply to a person with respect to any period when*
2 *that person is on active duty under a call or order*
3 *to active duty for a period of more than 30 days.*

4 *“(e) DEPOSITS NOT REQUIRED FOR CERTAIN PARTICI-*
5 *PANTS IN CSRS.—When a person who has elected to par-*
6 *ticipate in the Plan waives that person’s retired pay for*
7 *the purposes of subchapter III of chapter 83 of title 5, that*
8 *person shall not be required to make the deposit otherwise*
9 *required by subsection (d) as long as that waiver is in effect*
10 *unless, in accordance with section 8339(i) of title 5, that*
11 *person has notified the Office of Personnel Management that*
12 *he does not desire a spouse surviving him to receive an an-*
13 *nuity under section 8331(b) of title 5.*

14 *“(f) REFUNDS OF DEDUCTIONS NOT ALLOWED.—*

15 *“(1) GENERAL RULE.—A person is not entitled*
16 *to refund of any amount deducted from retired pay*
17 *under this section.*

18 *“(2) EXCEPTIONS.—Paragraph (1) does not*
19 *apply—*

20 *“(A) in the case of a refund authorized by*
21 *section 1450(e) of this title; or*

22 *“(B) in case of a deduction made through*
23 *administrative error.*

1 “(g) *DISCONTINUATION OF PARTICIPATION BY PAR-*
2 *TICIPANTS WHOSE SURVIVING SPOUSES WILL BE ENTI-*
3 *TLED TO DIC.*—

4 “(1) *DISCONTINUATION.*—

5 “(A) *CONDITIONS.*—*Notwithstanding any*
6 *other provision of this subchapter but subject to*
7 *paragraphs (2) and (3), a person who has elected*
8 *to participate in the Plan and who is suffering*
9 *from a service-connected disability rated by the*
10 *Secretary of Veterans Affairs as totally disabling*
11 *and has suffered from such disability while so*
12 *rated for a continuous period of 10 or more*
13 *years (or, if so rated for a lesser period, has suf-*
14 *fered from such disability while so rated for a*
15 *continuous period of not less than 5 years from*
16 *the date of such person’s last discharge or release*
17 *from active duty) may discontinue participation*
18 *in the Plan by submitting to the Secretary con-*
19 *cerned a request to discontinue participation in*
20 *the Plan.*

21 “(B) *EFFECTIVE DATE.*—*Participation in*
22 *the Plan of a person who submits a request*
23 *under subparagraph (A) shall be discontinued ef-*
24 *fective on the first day of the first month follow-*
25 *ing the month in which the request under sub-*

1 paragraph (A) is received by the Secretary con-
2 cerned. Effective on such date, the Secretary con-
3 cerned shall discontinue the reduction being
4 made in such person's retired pay on account of
5 participation in the Plan or, in the case of a
6 person who has been required to make deposits
7 in the Treasury on account of participation in
8 the Plan, such person may discontinue making
9 such deposits effective on such date.

10 “(C) FORM FOR REQUEST FOR DISCONTINU-
11 ATION.—Any request under this paragraph to
12 discontinue participation in the Plan shall be in
13 such form and shall contain such information as
14 the Secretary concerned may require by regula-
15 tion.

16 “(2) CONSENT OF BENEFICIARIES REQUIRED.—A
17 person described in paragraph (1) may not dis-
18 continue participation in the Plan under such para-
19 graph without the written consent of the beneficiary
20 or beneficiaries of such person under the Plan.

21 “(3) INFORMATION ON PLAN TO BE PROVIDED BY
22 SECRETARY CONCERNED.—

23 “(A) INFORMATION TO BE PROVIDED
24 PROMPTLY TO PARTICIPANT.—The Secretary con-
25 cerned shall furnish promptly to each person who

1 *files a request under paragraph (1) to dis-*
 2 *continue participation in the Plan a written*
 3 *statement of the advantages of participating in*
 4 *the Plan and the possible disadvantages of dis-*
 5 *continuing participation.*

6 *“(B) RIGHT TO WITHDRAW DISCONTINU-*
 7 *ATION REQUEST.—A person may withdraw a re-*
 8 *quest made under paragraph (1) if it is with-*
 9 *drawn within 30 days after having been submit-*
 10 *ted to the Secretary concerned.*

11 *“(4) REFUND OF DEDUCTIONS FROM RETIRED*
 12 *PAY.—Upon the death of a person described in para-*
 13 *graph (1) who discontinued participation in the Plan*
 14 *in accordance with this subsection, any amount de-*
 15 *ducted from the retired pay of that person under this*
 16 *section shall be refunded to the person’s surviving*
 17 *spouse.*

18 *“(5) RESUMPTION OF PARTICIPATION IN PLAN.—*

19 *“(A) CONDITIONS FOR RESUMPTION.—A*
 20 *person described in paragraph (1) who discon-*
 21 *tinued participation in the Plan may elect to*
 22 *participate again in the Plan if—*

23 *“(i) after having discontinued partici-*
 24 *pation in the Plan the Secretary of Veterans*
 25 *Affairs reduces that person’s service-con-*

1 *nected disability rating to a rating of less*
2 *than total; and*

3 *“(ii) that person applies to the Sec-*
4 *retary concerned, within such period of time*
5 *after the reduction in such person’s service-*
6 *connected disability rating has been made*
7 *as the Secretary concerned may prescribe, to*
8 *again participate in the Plan and includes*
9 *in such application such information as the*
10 *Secretary concerned may require.*

11 *“(B) EFFECTIVE DATE OF RESUMED COV-*
12 *ERAGE.—Such person’s participation in the*
13 *Plan under this paragraph is effective beginning*
14 *on the first day of the month after the month in*
15 *which the Secretary concerned receives the appli-*
16 *cation for resumption of participation in the*
17 *Plan.*

18 *“(C) RESUMPTION OF CONTRIBUTIONS.—*
19 *When a person elects to participate in the Plan*
20 *under this paragraph, the Secretary concerned*
21 *shall begin making reductions in that person’s*
22 *retired pay, or require such person to make de-*
23 *posits in the Treasury under subsection (d), as*
24 *appropriate, effective on the effective date of such*
25 *participation under subparagraph (B).*

1 “(h) *INCREASES IN REDUCTION WITH INCREASES IN*
2 *RETIRED PAY.*—Whenever retired pay is increased under
3 section 1401a of this title (or any other provision of law),
4 the amount of the reduction to be made under subsection
5 (a) or (b) in the retired pay of any person shall be increased
6 at the same time and by the same percentage as such retired
7 pay is so increased.

8 “(i) *RECOMPUTATION OF REDUCTION UPON RECOM-*
9 *PUTATION OF RETIRED PAY.*—When the retired pay of a
10 person who first became a member of a uniformed service
11 on or after August 1, 1986, and who is a participant in
12 the Plan is recomputed under section 1410 of this title upon
13 the person’s becoming 62 years of age, the amount of the
14 reduction in such retired pay under this section shall be
15 recomputed (effective on the effective date of the recomputa-
16 tion of such retired pay under section 1410 of this title)
17 so as to be the amount equal to the amount of such reduction
18 that would be in effect on that date if increases in such
19 retired pay under section 1401a(b) of this title, and in-
20 creases in reductions in such retired pay under subsection
21 (h), had been computed as provided in paragraph (2) of
22 section 1401a(b) of this title (rather than under paragraph
23 (3) of that section).

1 **“§ 1453. Recovery of amounts erroneously paid**

2 “(a) *RECOVERY*.—In addition to any other method of
3 recovery provided by law, the Secretary concerned may au-
4 thorize the recovery of any amount erroneously paid to a
5 person under this subchapter by deduction from later pay-
6 ments to that person.

7 “(b) *AUTHORITY TO WAIVE RECOVERY*.—Recovery of
8 an amount erroneously paid to a person under this sub-
9 chapter is not required if, in the judgment of the Secretary
10 concerned and the Comptroller General—

11 “(1) there has been no fault by the person to
12 whom the amount was erroneously paid; and

13 “(2) recovery of such amount would be contrary
14 to the purposes of this subchapter or against equity
15 and good conscience.

16 **“§ 1454. Correction of administrative errors**

17 “(a) *AUTHORITY*.—The Secretary concerned may,
18 under regulations prescribed under section 1455 of this title,
19 correct or revoke any election under this subchapter when
20 the Secretary considers it necessary to correct an adminis-
21 trative error.

22 “(b) *FINALITY*.—Except when procured by fraud, a
23 correction or revocation under this section is final and con-
24 clusive on all officers of the United States.

1 **“§ 1455. Regulations**

2 “(a) *IN GENERAL.*—*The President shall prescribe reg-*
 3 *ulations to carry out this subchapter. Those regulations*
 4 *shall, so far as practicable, be uniform for the uniformed*
 5 *services.*

6 “(b) *NOTICE OF ELECTIONS.*—*Regulations prescribed*
 7 *under this section shall provide that before the date on*
 8 *which a member becomes entitled to retired pay—*

9 “(1) *if the member is married, the member and*
 10 *the member’s spouse shall be informed of the elections*
 11 *available under section 1448(a) of this title and the*
 12 *effects of such elections; and*

13 “(2) *if the notification referred to in section*
 14 *1448(a)(3)(E) of this title is required, any former*
 15 *spouse of the member shall be informed of the elections*
 16 *available and the effects of such elections.*

17 “(c) *PROCEDURE FOR DEPOSITING CERTAIN RE-*
 18 *CEIPTS.*—*Regulations prescribed under this section shall es-*
 19 *tablish procedures for depositing the amounts referred to in*
 20 *sections 1448(g), 1450(k)(2), and 1452(d) of this title.*

21 “(d) *PAYMENTS TO GUARDIANS AND FIDUCIARIES.*—

22 “(1) *IN GENERAL.*—*Regulations prescribed under*
 23 *this section shall provide procedures for the payment*
 24 *of an annuity under this subchapter in the case of—*

25 “(A) *a person for whom a guardian or other*
 26 *fiduciary has been appointed; and*

1 “(B) a minor, mentally incompetent, or
2 otherwise legally disabled person for whom a
3 guardian or other fiduciary has not been ap-
4 pointed.

5 “(2) *AUTHORIZED PROCEDURES.*—The regula-
6 tions under paragraph (1) may include provisions for
7 the following:

8 “(A) In the case of an annuitant referred to
9 in paragraph (1)(A), payment of the annuity to
10 the appointed guardian or other fiduciary.

11 “(B) In the case of an annuitant referred to
12 in paragraph (1)(B), payment of the annuity to
13 any person who, in the judgment of the Sec-
14 retary concerned, is responsible for the care of
15 the annuitant.

16 “(C) Subject to subparagraphs (D) and (E),
17 a requirement for the payee of an annuity to
18 spend or invest the amounts paid on behalf of the
19 annuitant solely for benefit of the annuitant.

20 “(D) Authority for the Secretary concerned
21 to permit the payee to withhold from the annuity
22 payment such amount, not in excess of 4 percent
23 of the annuity, as the Secretary concerned con-
24 siders a reasonable fee for the fiduciary services
25 of the payee when a court appointment order

1 *provides for payment of such a fee to the payee*
2 *for such services or the Secretary concerned de-*
3 *termines that payment of a fee to such payee is*
4 *necessary in order to obtain the fiduciary serv-*
5 *ices of the payee.*

6 *“(E) Authority for the Secretary concerned*
7 *to require the payee to provide a surety bond in*
8 *an amount sufficient to protect the interests of*
9 *the annuitant and to pay for such bond out of*
10 *the annuity.*

11 *“(F) A requirement for the payee of an an-*
12 *nuity to maintain and, upon request, to provide*
13 *to the Secretary concerned an accounting of ex-*
14 *penditures and investments of amounts paid to*
15 *the payee.*

16 *“(G) In the case of an annuitant referred to*
17 *in paragraph (1)(B)—*

18 *“(i) procedures for determining incom-*
19 *petency and for selecting a payee to rep-*
20 *resent the annuitant for the purposes of this*
21 *section, including provisions for notifying*
22 *the annuitant of the actions being taken to*
23 *make such a determination and to select a*
24 *representative payee, an opportunity for the*
25 *annuitant to review the evidence being con-*

1 sidered, and an opportunity for the annu-
 2 itant to submit additional evidence before
 3 the determination is made; and

4 “(ii) standards for determining incom-
 5 petency, including standards for determin-
 6 ing the sufficiency of medical evidence and
 7 other evidence.

8 “(H) Provisions for any other matter that
 9 the President considers appropriate in connec-
 10 tion with the payment of an annuity in the case
 11 of a person referred to in paragraph (1).

12 “(3) *LEGAL EFFECT OF PAYMENT TO GUARDIAN*
 13 *OR FIDUCIARY.*—An annuity paid to a person on be-
 14 half of an annuitant in accordance with the regula-
 15 tions prescribed pursuant to paragraph (1) discharges
 16 the obligation of the United States for payment to the
 17 annuitant of the amount of the annuity so paid.”.

18 ***Subtitle E—Other Matters***

19 ***SEC. 651. TECHNICAL CORRECTION CLARIFYING ABILITY*** 20 ***OF CERTAIN MEMBERS TO ELECT NOT TO OC-*** 21 ***CUPY GOVERNMENT QUARTERS.***

22 *Effective July 1, 1996, section 403(b)(3) of title 37,*
 23 *United States Code, is amended by striking out “A mem-*
 24 *ber” and inserting in lieu thereof “Subject to the provisions*
 25 *of subsection (j), a member”.*

1 **SEC. 652. TECHNICAL CORRECTION CLARIFYING LIMITA-**
 2 **TION ON FURNISHING CLOTHING OR ALLOW-**
 3 **ANCES FOR ENLISTED NATIONAL GUARD**
 4 **TECHNICIANS.**

5 *Section 418(c) of title 37, United States Code, is*
 6 *amended by striking out “for which a uniform allowance*
 7 *is paid under section 415 or 416 of this title”, and inserting*
 8 *in lieu thereof “for which clothing is furnished or a uniform*
 9 *allowance is paid under this section”.*

10 **TITLE VII—HEALTH CARE**
 11 **PROVISIONS**

12 **Subtitle A—Health Care Services**

13 **SEC. 701. MEDICAL AND DENTAL CARE FOR RESERVE COM-**
 14 **PONENT MEMBERS IN A DUTY STATUS.**

15 *(a) AVAILABILITY OF MEDICAL AND DENTAL CARE.—*
 16 *(1) Section 1074a of title 10, United States Code, is amend-*
 17 *ed to read as follows:*

18 **“§ 1074a. Medical and dental care: reserve component**
 19 **members in a duty status**

20 *“(a) HEALTH CARE DESCRIBED.—A person described*
 21 *in subsection (b) is entitled to the medical and dental care*
 22 *appropriate for the treatment of the injury, illness, or dis-*
 23 *ease of the person until the person completes treatment and*
 24 *is physically able to resume the military duties of the per-*
 25 *son or has completed processing in accordance with chapter*
 26 *61 of this title.*

1 “(b) *MEMBERS ENTITLED TO CARE.*—Under joint reg-
2 ulations prescribed by the administering Secretaries, the
3 following persons are entitled to the benefits described in
4 this section:

5 “(1) *Each member of a reserve component who*
6 *incurs or aggravates an injury, illness, or disease in*
7 *the line of duty while performing—*

8 “(A) *active duty, including active duty for*
9 *training and annual training duty, or full-time*
10 *National Guard duty; or*

11 “(B) *inactive-duty training, regardless of*
12 *whether the member is in a pay or nonpay sta-*
13 *tus.*

14 “(2) *Each member of a reserve component who*
15 *incurs or aggravates an injury, illness, or disease*
16 *while traveling directly to or from the place at which*
17 *that member is to perform or has performed—*

18 “(A) *active duty, including active duty for*
19 *training and annual training duty, or full-time*
20 *National Guard duty, or*

21 “(B) *inactive-duty training, regardless of*
22 *whether the member is in a pay or nonpay sta-*
23 *tus.*

24 “(3) *Each member of a reserve component who*
25 *incurs or aggravates an injury, illness, or disease in*

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

6 “(c) *ADDITIONAL BENEFITS.—(1) At the request of a*
 7 *person described in paragraph (1)(A) or (2)(A) of sub-*
 8 *section (b), the person may continue on active duty or full-*
 9 *time National Guard duty during any period of hos-*
 10 *pitalization resulting from the injury, illness, or disease.*

11 “(2) *A person described in subsection (b) is entitled*
 12 *to the pay and allowances authorized in accordance with*
 13 *subsections (g) and (h) of section 204 of title 37.*

14 “(d) *LIMITATION.—A person described in subsection*
 15 *(b) is not entitled to benefits under this section if the injury,*
 16 *illness, or disease, or aggravation of the injury, illness, or*
 17 *disease, is the result of the gross negligence or misconduct*
 18 *of the person.”.*

19 (2) *The item relating to such section in the table of*
 20 *sections at the beginning of chapter 55 of title 10, United*
 21 *States Code, is amended to read as follows:*

“1074a. Medical and dental care: reserve component members in a duty status.”.

22 (b) *ANNUAL MEDICAL AND DENTAL SCREENINGS AND*
 23 *CARE FOR CERTAIN SELECTED RESERVE MEMBERS.—Sec-*
 24 *tion 10206 of title 10, United States Code, is amended by*
 25 *adding at the end the following new subsection:*

1 “(c)(1) *The Secretary of the Army shall provide to*
 2 *members of the Selected Reserve of the Army who are as-*
 3 *signed to units scheduled for deployment within 75 days*
 4 *after mobilization the following medical and dental services:*

5 “(A) *An annual medical screening.*

6 “(B) *For members who are over 40 years of age,*
 7 *a full physical examination not less often than once*
 8 *every two years.*

9 “(C) *An annual dental screening.*

10 “(D) *The dental care identified in an annual*
 11 *dental screening as required to ensure that a member*
 12 *meets the dental standards required for deployment in*
 13 *the event of mobilization.*

14 “(2) *The services provided under this subsection shall*
 15 *be provided at no cost to the member.”.*

16 ***Subtitle B—TRICARE Program***

17 ***SEC. 711. DEFINITION OF TRICARE PROGRAM.***

18 *For purposes of this subtitle, the term “TRICARE pro-*
 19 *gram” means the managed health care program that is es-*
 20 *tablished by the Secretary of Defense under the authority*
 21 *of chapter 55 of title 10, United States Code, principally*
 22 *section 1097 of such title, and includes the competitive selec-*
 23 *tion of contractors to financially underwrite the delivery*
 24 *of health care services under the Civilian Health and Medi-*
 25 *cal Program of the Uniformed Services.*

1 **SEC. 712. CHAMPUS PAYMENT LIMITS FOR TRICARE PRIME**
2 **ENROLLEES.**

3 *Section 1079(h)(4) of title 10, United States Code, is*
4 *amended in the second sentence by striking “emergency”.*

5 **SEC. 713. IMPROVED INFORMATION EXCHANGE BETWEEN**
6 **MILITARY TREATMENT FACILITIES AND**
7 **TRICARE PROGRAM CONTRACTORS.**

8 *(a) UNIFORM INTERFACES.—With respect to the auto-*
9 *mated medical information system being developed by the*
10 *Department of Defense and known as the Composite Health*
11 *Care System, the Secretary of Defense shall ensure that the*
12 *Composite Health Care System provides for uniform inter-*
13 *faces between information systems of military treatment fa-*
14 *cilities and private contractors under managed care pro-*
15 *grams of the TRICARE program. The uniform interface*
16 *shall provide for a full electronic two-way exchange of*
17 *health care information between the military treatment fa-*
18 *cilities and contractor information systems, including en-*
19 *rollment information, information regarding eligibility de-*
20 *terminations, provider network information, appointment*
21 *information, and information regarding the existence of*
22 *third-party payers.*

23 *(b) AMENDMENT OF EXISTING CONTRACTS.—To assure*
24 *a single consistent source of information throughout the*
25 *health care delivery system of the uniformed services, the*
26 *Secretary of Defense shall amend each TRICARE program*

1 contract, with the consent of the *TRICARE* program con-
 2 tractor and notwithstanding any requirement for competi-
 3 tion, to require the contractor—

4 (1) to use software furnished under the *Compos-*
 5 *ite Health Care System* to record military treatment
 6 facility provider appointments; and

7 (2) to record *TRICARE* program enrollment
 8 through direct use of the *Composite Health Care Sys-*
 9 *tem* software or through the uniform two-way inter-
 10 face between the contractor and military treatment
 11 facilities systems, where applicable.

12 (c) *PHASED IMPLEMENTATION.*—The Secretary of De-
 13 fense shall test the uniform version of the *Composite Health*
 14 *Care System* required under subsection (a) in one region
 15 of the *TRICARE* program for six months before deploying
 16 the information system throughout the health care delivery
 17 system of the uniformed services.

18 ***Subtitle C—Uniformed Services*** 19 ***Treatment Facilities***

20 ***SEC. 721. DEFINITIONS.***

21 *In this subtitle:*

22 (1) The term “administering Secretaries” means
 23 the Secretary of Defense, the Secretary of Transpor-
 24 tation, and the Secretary of Health and Human Serv-
 25 ices.

1 (2) *The term “agreement” means the agreement*
2 *required under section 722(b) between the Secretary of*
3 *Defense and a designated provider.*

4 (3) *The term “capitation payment” means an*
5 *actuarially sound payment for a defined set of health*
6 *care services that is established on a per enrollee per*
7 *month basis.*

8 (4) *The term “covered beneficiary” means a ben-*
9 *eficiary under chapter 55 of title 10, United States*
10 *Code, other than a beneficiary under section 1074(a)*
11 *of such title.*

12 (5) *The term “designated provider” means a*
13 *public or nonprofit private entity that was a trans-*
14 *feree of a Public Health Service hospital or other sta-*
15 *tion under section 987 of the Omnibus Budget Rec-*
16 *onciliation Act of 1981 (Public Law 97–35; 95 Stat.*
17 *603) and that, before the date of the enactment of this*
18 *Act, was deemed to be a facility of the uniformed*
19 *services for the purposes of chapter 55 of title 10,*
20 *United States Code. The term includes any legal suc-*
21 *cessor in interest of the transferee.*

22 (6) *The term “enrollee” means a covered bene-*
23 *ficiary who enrolls with a designated provider.*

24 (7) *The term “health care services” means the*
25 *health care services provided under the health plan*

1 *known as the TRICARE PRIME option under the*
 2 *TRICARE program.*

3 (8) *The term “Secretary” means the Secretary of*
 4 *Defense.*

5 (9) *The term “TRICARE program” means the*
 6 *managed health care program that is established by*
 7 *the Secretary of Defense under the authority of chap-*
 8 *ter 55 of title 10, United States Code, principally sec-*
 9 *tion 1097 of such title, and includes the competitive*
 10 *selection of contractors to financially underwrite the*
 11 *delivery of health care services under the Civilian*
 12 *Health and Medical Program of the Uniformed Serv-*
 13 *ices.*

14 **SEC. 722. INCLUSION OF DESIGNATED PROVIDERS IN UNI-**
 15 **FORMED SERVICES HEALTH CARE DELIVERY**
 16 **SYSTEM.**

17 (a) *INCLUSION IN SYSTEM.*—*The health care delivery*
 18 *system of the uniformed services shall include the designated*
 19 *providers.*

20 (b) *AGREEMENTS TO PROVIDE MANAGED HEALTH*
 21 *CARE SERVICES.*—(1) *After consultation with the other ad-*
 22 *ministering Secretaries, the Secretary of Defense shall nego-*
 23 *tiate and enter into an agreement with each designated pro-*
 24 *vider, under which the designated provider will provide*

1 *managed health care services to covered beneficiaries who*
2 *enroll with the designated provider.*

3 (2) *The agreement shall be entered into on a sole source*
4 *basis. The Federal Acquisition Regulation, except for those*
5 *requirements regarding competition, issued pursuant to sec-*
6 *tion 25(c) of the Office of Federal Procurement Policy Act*
7 *(41 U.S.C. 421(c)) shall apply to the agreements as acquisi-*
8 *tions of commercial items.*

9 (3) *The implementation of an agreement is subject to*
10 *availability of funds for such purpose.*

11 (c) *EFFECTIVE DATE OF AGREEMENTS.—(1) Unless*
12 *an earlier effective date is agreed upon by the Secretary*
13 *and the designated provider, the agreement shall take effect*
14 *upon the later of the following:*

15 (A) *The date on which a managed care support*
16 *contract under the TRICARE program is imple-*
17 *mented in the service area of the designated provider.*

18 (B) *October 1, 1997.*

19 (2) *Notwithstanding paragraph (1), the designated*
20 *provider whose service area includes Seattle, Washington,*
21 *shall implement its agreement as soon as the agreement per-*
22 *mits.*

23 (d) *TEMPORARY CONTINUATION OF EXISTING PARTICI-*
24 *PATION AGREEMENTS.—The Secretary shall extend the par-*
25 *ticipation agreement of a designated provider in effect im-*

1 *mediately before the date of the enactment of this Act under*
2 *section 718(c) of the National Defense Authorization Act for*
3 *Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1587)*
4 *until the agreement required by this section takes effect*
5 *under subsection (c).*

6 *(e) SERVICE AREA.—The Secretary may not reduce the*
7 *size of the service area of a designated provider below the*
8 *size of the service area in effect as of September 30, 1996.*

9 *(f) COMPLIANCE WITH ADMINISTRATIVE REQUIRE-*
10 *MENTS.—(1) Unless otherwise agreed upon by the Secretary*
11 *and a designated provider, the designated provider shall*
12 *comply with necessary and appropriate administrative re-*
13 *quirements established by the Secretary for other providers*
14 *of health care services and requirements established by the*
15 *Secretary of Health and Human Services for risk-sharing*
16 *contractors under section 1876 of the Social Security Act*
17 *(42 U.S.C. 1395mm). The Secretary and the designated*
18 *provider shall determine and apply only such administra-*
19 *tive requirements as are minimally necessary and appro-*
20 *priate. A designated provider shall not be required to com-*
21 *ply with a law or regulation of a State government requir-*
22 *ing licensure as a health insurer or health maintenance or-*
23 *ganization.*

24 *(2) A designated provider may not contract out more*
25 *than five percent of its primary care enrollment without*

1 *the approval of the Secretary, except in the case of primary*
 2 *care contracts between a designated provider and a primary*
 3 *care contractor in force on the date of the enactment of this*
 4 *Act.*

5 **SEC. 723. PROVISION OF UNIFORM BENEFIT BY DES-**
 6 **IGNATED PROVIDERS.**

7 (a) *UNIFORM BENEFIT REQUIRED.*—A designated pro-
 8 vider shall offer to enrollees the health benefit option pre-
 9 scribed and implemented by the Secretary under section 731
 10 of the National Defense Authorization Act for Fiscal Year
 11 1994 (Public Law 103–160; 10 U.S.C. 1073 note), includ-
 12 ing accompanying cost-sharing requirements.

13 (b) *TIME FOR IMPLEMENTATION OF BENEFIT.*—A des-
 14 ignated provider shall offer the health benefit option de-
 15 scribed in subsection (a) to enrollees upon the later of the
 16 following:

17 (1) *The date on which health care services within*
 18 *the health care delivery system of the uniformed serv-*
 19 *ices are rendered through the TRICARE program in*
 20 *the region in which the designated provider operates.*

21 (2) *October 1, 1996.*

22 (c) *ADJUSTMENTS.*—The Secretary may establish a
 23 later date under subsection (b)(2) or prescribe reduced cost-
 24 sharing requirements for enrollees.

1 **SEC. 724. ENROLLMENT OF COVERED BENEFICIARIES.**

2 (a) *FISCAL YEAR 1997 LIMITATION.*—(1) *During fis-*
3 *cal year 1997, the number of covered beneficiaries who are*
4 *enrolled in managed care plans offered by designated pro-*
5 *viders may not exceed the number of such enrollees as of*
6 *October 1, 1995.*

7 (2) *The Secretary may waive the limitation under*
8 *paragraph (1) if the Secretary determines that additional*
9 *enrollment authority for a designated provider is required*
10 *to accommodate covered beneficiaries who are dependents*
11 *of members of the uniformed services entitled to health care*
12 *under section 1074(a) of title 10, United States Code.*

13 (b) *PERMANENT LIMITATION.*—*For each fiscal year*
14 *after fiscal year 1997, the number of enrollees in managed*
15 *care plans offered by designated providers may not exceed*
16 *110 percent of the number of such enrollees as of the first*
17 *day of the immediately preceding fiscal year. The Secretary*
18 *may waive this limitation as provided in subsection (a)(2).*

19 (c) *RETENTION OF CURRENT ENROLLEES.*—*An en-*
20 *rollee in the managed care program of a designated pro-*
21 *vider as of September 30, 1997, or such earlier date as the*
22 *designated provider and the Secretary may agree upon,*
23 *shall continue receiving services from the designated pro-*
24 *vider pursuant to the agreement entered into under section*
25 *722 unless the enrollee disenrolls from the designated pro-*
26 *vider. Except as provided in subsection (e), the administer-*

1 *ing Secretaries may not disenroll such an enrollee unless*
 2 *the disenrollment is agreed to by the Secretary and the des-*
 3 *ignated provider.*

4 *(d) ADDITIONAL ENROLLMENT AUTHORITY.—Other*
 5 *covered beneficiaries may also receive health care services*
 6 *from a designated provider, except that the designated pro-*
 7 *vider may market such services to, and enroll, only those*
 8 *covered beneficiaries who—*

9 *(1) do not have other primary health insurance*
 10 *coverage (other than medicare coverage) covering*
 11 *basic primary care and inpatient and outpatient*
 12 *services; or*

13 *(2) are enrolled in the direct care system under*
 14 *the TRICARE program, regardless of whether the cov-*
 15 *ered beneficiaries were users of the health care deliv-*
 16 *ery system of the uniformed services in prior years.*

17 *(e) SPECIAL RULE FOR MEDICARE-ELIGIBLE BENE-*
 18 *FICIARIES.—If a covered beneficiary who desires to enroll*
 19 *in the managed care program of a designated provider is*
 20 *also entitled to hospital insurance benefits under part A*
 21 *of title XVIII of the Social Security Act (42 U.S.C. 1395c*
 22 *et seq.), the covered beneficiary shall elect whether to receive*
 23 *health care services as an enrollee or under part A of title*
 24 *XVIII of the Social Security Act. The Secretary may*
 25 *disenroll an enrollee who subsequently violates the election*

1 *made under this subsection and receives benefits under part*
 2 *A of title XVIII of the Social Security Act.*

3 (f) *INFORMATION REGARDING ELIGIBLE COVERED*
 4 *BENEFICIARIES.*—*The Secretary shall provide, in a timely*
 5 *manner, a designated provider with an accurate list of cov-*
 6 *ered beneficiaries within the marketing area of the des-*
 7 *ignated provider to whom the designated provider may offer*
 8 *enrollment.*

9 **SEC. 725. APPLICATION OF CHAMPUS PAYMENT RULES.**

10 (a) *APPLICATION OF PAYMENT RULES.*—*Subject to*
 11 *subsection (b), the Secretary shall require a private facility*
 12 *or health care provider that is a health care provider under*
 13 *the Civilian Health and Medical Program of the Uniformed*
 14 *Services to apply the payment rules described in section*
 15 *1074(c) of title 10, United States Code, in imposing charges*
 16 *for health care that the private facility or provider provides*
 17 *to enrollees of a designated provider.*

18 (b) *AUTHORIZED ADJUSTMENTS.*—*The payment rules*
 19 *imposed under subsection (a) shall be subject to such modi-*
 20 *fications as the Secretary considers appropriate. The Sec-*
 21 *retary may authorize a lower rate than the maximum rate*
 22 *that would otherwise apply under subsection (a) if the lower*
 23 *rate is agreed to by the designated provider and the private*
 24 *facility or health care provider.*

1 (c) *REGULATIONS.*—*The Secretary shall prescribe reg-*
2 *ulations to implement this section after consultation with*
3 *the other administering Secretaries.*

4 (d) *CONFORMING AMENDMENT.*—*Section 1074 of title*
5 *10, United States Code, is amended by striking out sub-*
6 *section (d).*

7 **SEC. 726. PAYMENTS FOR SERVICES.**

8 (a) *FORM OF PAYMENT.*—*Unless otherwise agreed to*
9 *by the Secretary and a designated provider, the form of*
10 *payment for services provided by a designated provider*
11 *shall be full risk capitation. The capitation payments shall*
12 *be negotiated and agreed upon by the Secretary and the*
13 *designated provider. In addition to such other factors as*
14 *the parties may agree to apply, the capitation payments*
15 *shall be based on the utilization experience of enrollees and*
16 *competitive market rates for equivalent health care services*
17 *for a comparable population to such enrollees in the area*
18 *in which the designated provider is located.*

19 (b) *LIMITATION ON TOTAL PAYMENTS.*—*Total capita-*
20 *tion payments to a designated provider shall not exceed an*
21 *amount equal to the cost that would have been incurred by*
22 *the Government if the enrollees had received their care*
23 *through a military treatment facility, the TRICARE pro-*
24 *gram, or the medicare program, as the case may be.*

1 (c) *ESTABLISHMENT OF PAYMENT RATES ON ANNUAL*
 2 *BASIS.*—*The Secretary and a designated provider shall es-*
 3 *tablish capitation payments on an annual basis, subject to*
 4 *periodic review for actuarial soundness and to adjustment*
 5 *for any adverse or favorable selection reasonably antici-*
 6 *pated to result from the design of the program.*

7 (d) *ALTERNATIVE BASIS FOR CALCULATING PAY-*
 8 *MENTS.*—*After September 30, 1999, the Secretary and a*
 9 *designated provider may mutually agree upon a new basis*
 10 *for calculating capitation payments.*

11 **SEC. 727. REPEAL OF SUPERSEDED AUTHORITIES.**

12 (a) *REPEALS.*—*The following provisions of law are re-*
 13 *pealed:*

14 (1) *Section 911 of the Military Construction Au-*
 15 *thorization Act, 1982 (42 U.S.C. 248c).*

16 (2) *Section 1252 of the Department of Defense*
 17 *Authorization Act, 1984 (42 U.S.C. 248d).*

18 (3) *Section 718(c) of the National Defense Au-*
 19 *thorization Act for Fiscal year 1991 (Public Law*
 20 *101–510; 42 U.S.C. 248c note).*

21 (4) *Section 726 of the National Defense Author-*
 22 *ization Act for Fiscal Year 1996 (Public Law 104–*
 23 *106; 42 U.S.C. 248c note).*

24 (b) *EFFECTIVE DATE.*—*The amendments made by this*
 25 *section shall take effect on October 1, 1997.*

1 ***Subtitle D—Other Changes to Exist-***
2 ***ing Laws Regarding Health***
3 ***Care Management***

4 ***SEC. 731. AUTHORITY TO WAIVE CHAMPUS EXCLUSION RE-***
5 ***GARDING NONMEDICALLY NECESSARY***
6 ***TREATMENT IN CONNECTION WITH CERTAIN***
7 ***CLINICAL TRIALS.***

8 *(a) WAIVER AUTHORITY.—Paragraph (13) of section*
9 *1079(a) of title 10, United States Code, is amended—*

10 *(1) by striking out “any service” and inserting*
11 *in lieu thereof “Any service”;*

12 *(2) by striking out the semicolon at the end and*
13 *inserting in lieu thereof a period; and*

14 *(3) by adding at the end the following: “Pursu-*
15 *ant to an agreement with the Secretary of Health and*
16 *Human Services and under such regulations as the*
17 *Secretary of Defense may prescribe, the Secretary of*
18 *Defense may waive the operation of this paragraph in*
19 *connection with clinical trials sponsored or approved*
20 *by the National Institutes of Health if the Secretary*
21 *of Defense determines that such a waiver will promote*
22 *access by covered beneficiaries to promising new*
23 *treatments and contribute to the development of such*
24 *treatments.”.*

1 (b) *CLERICAL AMENDMENTS.*—*Such section is further*
 2 *amended—*

3 (1) *in the matter preceding paragraph (1), by*
 4 *striking out “except that—” and inserting in lieu*
 5 *thereof “except as follows:”;*

6 (2) *by capitalizing the first letter of the first*
 7 *word of each of paragraphs (1) through (17);*

8 (3) *by striking out the semicolon at the end of*
 9 *each of paragraphs (1) through (15) and inserting in*
 10 *lieu thereof a period; and*

11 (4) *in paragraph (16), by striking out “; and”*
 12 *and inserting in lieu thereof a period.*

13 **SEC. 732. AUTHORITY TO WAIVE OR REDUCE CHAMPUS DE-**
 14 **DUCTIBLE AMOUNTS FOR RESERVISTS**
 15 **CALLED TO ACTIVE DUTY IN SUPPORT OF**
 16 **CONTINGENCY OPERATIONS.**

17 *Section 1079(b) of title 10, United States Code, is*
 18 *amended—*

19 (1) *by redesignating paragraphs (1) through (5)*
 20 *as subparagraphs (A) through (E), respectively;*

21 (2) *by inserting “(1)” after “(b)”;*

22 (3) *in subparagraph (B), as so redesignated, by*
 23 *striking out “clause (3)” and inserting in lieu thereof*
 24 *“subparagraph (C)”;*

25 (4) *in subparagraph (D), as so redesignated—*

1 (A) by striking out “this clause” and insert-
2 ing in lieu thereof “this subparagraph”; and

3 (B) by striking out “clauses (2) and (3)”
4 and inserting in lieu thereof “subparagraphs (B)
5 and (C)”; and

6 (5) by adding at the end the following new para-
7 graph:

8 “(2) The Secretary of Defense may waive or reduce the
9 deductible amounts required by subparagraphs (B) and (C)
10 of paragraph (1) in the case of the dependents of a member
11 of a reserve component of the uniformed services who serves
12 on active duty in support of a contingency operation under
13 a call or order to active duty of less than one year.”.

14 **SEC. 733. EXCEPTION TO MAXIMUM ALLOWABLE PAYMENTS**
15 **TO INDIVIDUAL HEALTH-CARE PROVIDERS**
16 **UNDER CHAMPUS.**

17 Section 1079(h) of title 10, United States Code, is
18 amended—

19 (1) by redesignating paragraph (5) as para-
20 graph (6); and

21 (2) by inserting after paragraph (4) the follow-
22 ing new paragraph:

23 “(5) Except in an area in which the Secretary of De-
24 fense has entered into an at-risk contract for the provision
25 of health care services, the Secretary may authorize the com-

1 *mander of a facility of the uniformed services, the lead*
 2 *agent (if other than the commander), and the health care*
 3 *contractor to modify the payment limitations under para-*
 4 *graph (1) for certain health care providers when necessary*
 5 *to ensure both the availability of certain services for covered*
 6 *beneficiaries and costs lower than standard CHAMPUS for*
 7 *the required services.”.*

8 **SEC. 734. CODIFICATION OF ANNUAL AUTHORITY TO CRED-**
 9 **IT CHAMPUS REFUNDS TO CURRENT YEAR**
 10 **APPROPRIATION.**

11 *(a) CODIFICATION.—(1) Chapter 55 of title 10, United*
 12 *States Code, is amended by inserting after section 1079 the*
 13 *following new section:*

14 **“§ 1079a. CHAMPUS: treatment of refunds and other**
 15 **amounts collected**

16 *“All refunds and other amounts collected in the admin-*
 17 *istration of the Civilian Health and Medical Program of*
 18 *the Uniformed Services shall be credited to the appropria-*
 19 *tion supporting the program in the year in which the*
 20 *amount is collected.”.*

21 *(2) The table of sections at the beginning of such chap-*
 22 *ter is amended by inserting after the item relating to section*
 23 *1079 the following new item:*

“1079a. CHAMPUS: treatment of refunds and other amounts collected.”.

1 (b) *CONFORMING REPEAL.*—Section 8094 of the De-
 2 partment of Defense Appropriations Act, 1996 (Public Law
 3 104–61; 109 Stat. 671), is repealed.

4 **SEC. 735. EXCEPTIONS TO REQUIREMENTS REGARDING OB-**
 5 **TAINING NONAVAILABILITY-OF-HEALTH-CARE**
 6 **STATEMENTS.**

7 (a) *REFERENCE TO INPATIENT MEDICAL CARE.*—(1)
 8 Section 1080(a) of title 10, United States Code, is amended
 9 by inserting “inpatient” before “medical care” in the first
 10 sentence.

11 (2) Section 1086(e) of such title is amended in the first
 12 sentence by striking out “benefits” and inserting in lieu
 13 thereof “inpatient medical care”.

14 (b) *WAIVERS AND EXCEPTIONS TO REQUIREMENTS.*—
 15 (1) Section 1080 of such title is amended by adding at the
 16 end the following new subsection:

17 “(c) *WAIVERS AND EXCEPTIONS TO REQUIREMENTS.*—
 18 (1) A covered beneficiary enrolled in a managed care plan
 19 offered pursuant to any contract or agreement under this
 20 chapter for the provision of health care services shall not
 21 be required to obtain a nonavailability-of-health-care state-
 22 ment as a condition for the receipt of health care.

23 “(2) The Secretary of Defense may waive the require-
 24 ment to obtain nonavailability-of-health-care statements
 25 following an evaluation of the effectiveness of such state-

1 *ments in optimizing the use of facilities of the uniformed*
 2 *services.”.*

3 *(2) Section 1086(e) of such title is amended in the last*
 4 *sentence by striking out “section 1080(b)” and inserting in*
 5 *lieu thereof “subsections (b) and (c) of section 1080”.*

6 *(c) CONFORMING AMENDMENT.—Section 1080(b) of*
 7 *such title is amended—*

8 *(1) by striking out “NONAVAILABILITY OF*
 9 *HEALTH CARE STATEMENTS” and inserting in lieu*
 10 *thereof “NONAVAILABILITY-OF-HEALTH-CARE STATE-*
 11 *MENTS; and*

12 *(2) by striking out “nonavailability of health*
 13 *care statement” and inserting in lieu thereof “non-*
 14 *availability of health care statement”.*

15 **SEC. 736. EXPANSION OF COLLECTION AUTHORITIES FROM**
 16 **THIRD-PARTY PAYERS.**

17 *(a) EXPANSION OF COLLECTION AUTHORITIES.—Sec-*
 18 *tion 1095 of title 10, United States Code, is amended—*

19 *(1) in subsection (g)(1), by inserting “or*
 20 *through” after “provided at”;*

21 *(2) in subsection (h)(1), by inserting before the*
 22 *period at the end of the first sentence the following:*
 23 *“and a workers’ compensation program or plan”; and*

24 *(3) in subsection (h)(2)—*

1 (A) by striking “organization and” and in-
 2 serting in lieu thereof “organization,”; and

3 (B) by inserting before the period at the end
 4 the following: “, and personal injury protection
 5 or medical payments benefits in cases involving
 6 personal injuries resulting from operation of a
 7 motor vehicle”.

8 (b) *INCLUSION OF THIRD PARTY PAYER IN COLLEC-*
 9 *TION EFFORTS.*—Section 1079(j)(1) of such title is amended
 10 by inserting after “or health plan” the following: “(includ-
 11 ing any plan offered by a third-party payer (as defined
 12 in section 1095(h)(1) of this title))”.

13 ***Subtitle E—Other Matters***

14 ***SEC. 741. ALTERNATIVES TO ACTIVE DUTY SERVICE OBLI-***
 15 ***GATION UNDER ARMED FORCES HEALTH***
 16 ***PROFESSIONS SCHOLARSHIP AND FINANCIAL***
 17 ***ASSISTANCE PROGRAM AND UNIFORMED***
 18 ***SERVICES UNIVERSITY OF THE HEALTH***
 19 ***SCIENCES.***

20 (a) *ARMED FORCES HEALTH PROFESSIONS SCHOLAR-*
 21 *SHIP AND FINANCIAL ASSISTANCE PROGRAM.*—Subsection
 22 (e) of section 2123 of title 10, United States Code, is amend-
 23 ed to read as follows:

24 “(e)(1) A member of the program who is relieved of
 25 the member’s active duty obligation under this subchapter

1 *before the completion of that active duty obligation may be*
2 *given, with or without the consent of the member, any of*
3 *the following alternative obligations, as determined by the*
4 *Secretary of the military department concerned:*

5 “(A) *A service obligation in a component of the*
6 *Selected Reserve for a period not less than twice as*
7 *long as the member’s remaining active duty service*
8 *obligation.*

9 “(B) *A service obligation as a civilian employee*
10 *employed as a health care professional in a facility*
11 *of the uniformed services for a period of time equal*
12 *to the member’s remaining active duty service obliga-*
13 *tion.*

14 “(C) *With the concurrence of the Secretary of*
15 *Health and Human Services, transfer of the active*
16 *duty service obligation to an obligation equal in time*
17 *in the National Health Service Corps under section*
18 *338C of the Public Health Service Act (42 U.S.C.*
19 *254m) and subject to all requirements and procedures*
20 *applicable to obligated members of the National*
21 *Health Service Corps.*

22 “(D) *Repayment to the Secretary of Defense of*
23 *a percentage of the total cost incurred by the Sec-*
24 *retary under this subchapter on behalf of the member*

1 *equal to the percentage of the member's total active*
2 *duty service obligation being relieved, plus interest.*

3 “(2) *The Secretary of Defense shall prescribe regula-*
4 *tions describing the manner in which an alternative obliga-*
5 *tion may be given under paragraph (1).”.*

6 (b) *UNIFORMED SERVICES UNIVERSITY OF THE*
7 *HEALTH SCIENCES.—Section 2114 of title 10, United*
8 *States Code is amended by adding at the end the following*
9 *new subsection:*

10 “(h) *A graduate of the University who is relieved of*
11 *the graduate's active-duty service obligation under sub-*
12 *section (b) before the completion of that active-duty service*
13 *obligation may be given, with or without the consent of the*
14 *graduate, an alternative obligation comparable to the alter-*
15 *native obligations authorized in subparagraphs (A) and (B)*
16 *of section 2123(e)(1) of this title for members of the Armed*
17 *Forces Health Professions Scholarship and Financial As-*
18 *sistance program.”.*

19 (c) *APPLICATION OF AMENDMENTS.—The amendments*
20 *made by this section shall apply with respect to individuals*
21 *who first become members of the Armed Forces Health Pro-*
22 *fessions Scholarship and Financial Assistance program or*
23 *students of the Uniformed Services University of the Health*
24 *Sciences on or after October 1, 1996.*

1 (d) *TRANSITION PROVISION.*—(1) *In the case of any*
2 *member of the Armed Forces Health Professions Scholarship*
3 *and Financial Assistance program who, as of October 1,*
4 *1996, is serving an active duty obligation under the pro-*
5 *gram or is incurring an active duty obligation as a partici-*
6 *pant in the program, and who is subsequently relieved of*
7 *the active duty obligation before the completion of the obli-*
8 *gation, the alternative obligations authorized by the amend-*
9 *ment made by subsection (a) may be used by the Secretary*
10 *of the military department concerned with the agreement*
11 *of the member.*

12 (2) *In the case of any person who, as of October 1,*
13 *1996, is serving an active-duty service obligation as a grad-*
14 *uate of the Uniformed Services University of the Health*
15 *Sciences or is incurring an active-duty service obligation*
16 *as a student of the University, and who is subsequently re-*
17 *lieved of the active-duty service obligation before the comple-*
18 *tion of the obligation, the alternative obligations authorized*
19 *by the amendment made by subsection (b) may be imple-*
20 *mented by the Secretary of Defense with the agreement of*
21 *the person.*

1 **SEC. 742. EXCEPTION TO STRENGTH LIMITATIONS FOR**
 2 **PUBLIC HEALTH SERVICE OFFICERS AS-**
 3 **SIGNED TO DEPARTMENT OF DEFENSE.**

4 *Section 206 of the Public Health Service Act (42*
 5 *U.S.C. 207) is amended by adding at the end the following*
 6 *new subsection:*

7 *“(f) In computing the maximum number of commis-*
 8 *sioned officers of the Public Health Service authorized by*
 9 *law or administrative determination to serve on active*
 10 *duty, there may be excluded from such computation officers*
 11 *who are assigned to duty in the Department of Defense.”.*

12 **SEC. 743. CONTINUED OPERATION OF UNIFORMED SERV-**
 13 **ICES UNIVERSITY OF THE HEALTH SCIENCES.**

14 *(a) CLOSURE PROHIBITED.—In light of the important*
 15 *role of the Uniformed Services University of the Health*
 16 *Sciences in providing trained health care providers for the*
 17 *uniformed services, Congress reaffirms the requirement con-*
 18 *tained in section 922 of the National Defense Authorization*
 19 *Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat*
 20 *2829) that the Uniformed Services University of the Health*
 21 *Sciences may not be closed.*

22 *(b) BUDGETARY COMMITMENT TO CONTINUATION.—It*
 23 *is the sense of Congress that the Secretary of Defense should*
 24 *budget for the operation of the Uniformed Services Univer-*
 25 *sity of the Health Sciences during fiscal year 1998 at a*

1 *level at least equal to the level of operations conducted at*
2 *the University during fiscal year 1995.*

3 **SEC. 744. SENSE OF CONGRESS REGARDING TAX TREAT-**
4 **MENT OF ARMED FORCES HEALTH PROFES-**
5 **SIONS SCHOLARSHIP AND FINANCIAL ASSIST-**
6 **ANCE PROGRAM.**

7 *It is the sense of Congress that the Secretary of Defense*
8 *should work with the Secretary of the Treasury to interpret*
9 *section 117 of the Internal Revenue Code of 1986 so that*
10 *the limitation on the amount of a qualified scholarship or*
11 *qualified tuition reduction excluded from gross income does*
12 *not apply to any portion of a scholarship or financial as-*
13 *sistance provided by the Secretary of Defense to a person*
14 *enrolled in the Armed Forces Health Professions Scholar-*
15 *ship and Financial Assistance program under subchapter*
16 *I of chapter 105 of title 10, United States Code.*

17 **SEC. 745. REPORT REGARDING SPECIALIZED TREATMENT**
18 **FACILITY PROGRAM.**

19 *Not later than April 1, 1997, the Secretary of Defense*
20 *shall submit to Congress a report evaluating the impact on*
21 *the military health care system of limiting the service area*
22 *of a facility designated as part of the specialized treatment*
23 *facility program under section 1105 of title 10, United*
24 *States Code, to not more than 100 miles from the facility.*

1 **TITLE VIII—ACQUISITION POL-**
 2 **ICY, ACQUISITION MANAGE-**
 3 **MENT, AND RELATED MAT-**
 4 **TERS**

5 ***Subtitle A—Acquisition***
 6 ***Management***

7 **SEC. 801. AUTHORITY TO WAIVE CERTAIN REQUIREMENTS**
 8 **FOR DEFENSE ACQUISITION PILOT PRO-**
 9 **GRAMS.**

10 (a) *AUTHORITY.*—*The Secretary of Defense may waive*
 11 *sections 2399, 2403, 2432, and 2433 of title 10, United*
 12 *States Code, in accordance with this section for any defense*
 13 *acquisition program designated by the Secretary of Defense*
 14 *for participation in the defense acquisition pilot program*
 15 *authorized by section 809 of the National Defense Author-*
 16 *ization Act for Fiscal Year 1991 (Public Law 101–510; 10*
 17 *U.S.C. 2340 note).*

18 (b) *OPERATIONAL TEST AND EVALUATION.*—*The Sec-*
 19 *retary of Defense may waive the requirements for oper-*
 20 *ational test and evaluation for such a defense acquisition*
 21 *program as set forth in section 2399 of title 10, United*
 22 *States Code, if the Secretary—*

23 (1) *determines (without delegation) that such test*
 24 *would be unreasonably expensive or impractical;*

1 (2) *develops a suitable alternate operational test*
2 *program for the system concerned;*

3 (3) *describes in the test and evaluation master*
4 *plan, as approved by the Director of Operational Test*
5 *and Evaluation, the method of evaluation that will be*
6 *used to evaluate whether the system will be effective*
7 *and suitable for combat; and*

8 (4) *submits to the congressional defense commit-*
9 *tees a report containing the determination that was*
10 *made under paragraph (1), a justification for that de-*
11 *termination, and a copy of the plan required by*
12 *paragraph (3).*

13 (c) *CONTRACTOR GUARANTEES FOR MAJOR WEAPONS*
14 *SYSTEMS.—The Secretary of Defense may waive the re-*
15 *quirements of section 2403 of title 10, United States Code,*
16 *for such a defense acquisition program if an alternative*
17 *guarantee is used that ensures high quality weapons sys-*
18 *tems.*

19 (d) *SELECTED ACQUISITION REPORTS.—The Sec-*
20 *retary of Defense may waive the requirements of sections*
21 *2432 and 2433 of title 10, United States Code, for such a*
22 *defense acquisition program if the Secretary provides a sin-*
23 *gle annual report to Congress at the end of each fiscal year*
24 *that describes the status of the program in relation to the*

1 *baseline description for the program established under sec-*
 2 *tion 2435 of such title.*

3 **SEC. 802. EXCLUSION FROM CERTAIN POST-EDUCATION**
 4 **DUTY ASSIGNMENTS FOR MEMBERS OF AC-**
 5 **QUISITION CORPS.**

6 *Section 663(d) of title 10, United States Code, is*
 7 *amended by adding at the end the following new paragraph:*

8 *“(3) The Secretary of Defense may exclude from the*
 9 *requirements of paragraph (1) or (2) an officer who is a*
 10 *member of an Acquisition Corps established pursuant to*
 11 *1731 of this title if the officer—*

12 *“(A) has graduated from a senior level course of*
 13 *instruction designed for personnel serving in critical*
 14 *acquisition positions; and*

15 *“(B) is assigned, upon graduation, to a critical*
 16 *acquisition position designated pursuant to section*
 17 *1733 of this title.”.*

18 **SEC. 803. EXTENSION OF AUTHORITY TO CARRY OUT CER-**
 19 **TAIN PROTOTYPE PROJECTS.**

20 *(a) AUTHORITY.—Section 845(a) of the National De-*
 21 *fense Authorization Act for Fiscal Year 1994 (Public Law*
 22 *103–160; 107 Stat. 1721) is amended by inserting after*
 23 *“Agency” the following: “, the Secretary of a military de-*
 24 *partment, or any other official designated by the Secretary*
 25 *of Defense”.*

1 (b) *PERIOD OF AUTHORITY.*—Section 845(c) of such
 2 Act is amended by striking out “3 years after the date of
 3 the enactment of this Act” and inserting in lieu thereof “on
 4 September 30, 1999”.

5 (c) *CONFORMING AND TECHNICAL AMENDMENTS.*—
 6 Section 845 of such Act is further amended—

7 (1) in subsection (b)—

8 (A) in paragraph (1), by striking out
 9 “(c)(2) and (c)(3) of such section 2371, as redes-
 10 ignated by section 827(b)(1)(B),” and inserting
 11 in lieu thereof “(e)(2) and (e)(3) of such section
 12 2371”; and

13 (B) in paragraph (2), by inserting after
 14 “Director” the following: “, Secretary, or other
 15 official”; and

16 (2) in subsection (c), by striking out “of the Di-
 17 rector”.

18 **SEC. 804. INCREASE IN THRESHOLD AMOUNTS FOR MAJOR**
 19 **SYSTEMS.**

20 Section 2302(5) of title 10, United States Code, is
 21 amended—

22 (1) by striking out “\$75,000,000 (based on fiscal
 23 year 1980 constant dollars)” and inserting in lieu
 24 thereof “\$115,000,000 (based on fiscal year 1990 dol-
 25 lars)”;

(2) *by striking out “\$300,000,000 (based on fiscal year 1980 constant dollars)” and inserting in lieu thereof “\$540,000,000 (based on fiscal year 1990 constant dollars)”*; and

(3) *by adding at the end the following: “The Secretary of Defense may adjust the amounts and the base fiscal year provided in clause (A) on the basis of Department of Defense escalation rates. An adjustment under this paragraph shall be effective after the Secretary transmits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a written notification of the adjustment.”*.

SEC. 805. REVISIONS IN INFORMATION REQUIRED TO BE INCLUDED IN SELECTED ACQUISITION REPORTS.

Section 2432 of title 10, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out “and” at the end of subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following new subparagraph (C):

1 “(C) the current procurement unit cost for each
 2 major defense acquisition program included in the re-
 3 port and the history of that cost from the date the
 4 program was first included in a Selected Acquisition
 5 Report to the end of the quarter for which the current
 6 report is submitted; and”; and

7 (2) in subsection (e), by striking out paragraph
 8 (8) and redesignating paragraph (9) as paragraph
 9 (8).

10 **SEC. 806. INCREASE IN SIMPLIFIED ACQUISITION THRESH-**
 11 **OLD FOR HUMANITARIAN OR PEACEKEEPING**
 12 **OPERATIONS.**

13 Section 2302(7) of title 10, United States Code, is
 14 amended—

15 (1) by inserting “(A)” after “(7)”;

16 (2) by inserting after “contingency operation”
 17 the following: “or a humanitarian or peacekeeping
 18 operation”; and

19 (3) by adding at the end the following:

20 “(B) In subparagraph (A), the term ‘humani-
 21 tarian or peacekeeping operation’ means a military
 22 operation in support of the provision of humani-
 23 tarian or foreign disaster assistance or in support of
 24 a peacekeeping operation under chapter VI or VII of
 25 the Charter of the United Nations. The term does not

1 *include routine training, force rotation, or station-*
 2 *ing.”.*

3 **SEC. 807. EXPANSION OF AUDIT RECIPROCITY AMONG FED-**
 4 **ERAL AGENCIES TO INCLUDE POST-AWARD**
 5 **AUDITS.**

6 *(a) ARMED SERVICES ACQUISITIONS.—Subsection (d)*
 7 *of section 2313 of title 10, United States Code, is amended*
 8 *to read as follows:*

9 “(d) *LIMITATION ON AUDITS RELATING TO INDIRECT*
 10 *COSTS.—The head of an agency may not perform an audit*
 11 *of indirect costs under a contract, subcontract, or modifica-*
 12 *tion before or after entering into the contract, subcontract,*
 13 *or modification in any case in which the contracting officer*
 14 *determines that the objectives of the audit can reasonably*
 15 *be met by accepting the results of an audit that was con-*
 16 *ducted by any other department or agency of the Federal*
 17 *Government within one year preceding the date of the con-*
 18 *tracting officer’s determination.”.*

19 *(b) CIVILIAN AGENCY ACQUISITIONS.—Subsection (d)*
 20 *of section 304C of the Federal Property and Administrative*
 21 *Services Act of 1949 (41 U.S.C. 254d) is amended to read*
 22 *as follows:*

23 “(d) *LIMITATION ON AUDITS RELATING TO INDIRECT*
 24 *COSTS.—An executive agency may not perform an audit*
 25 *of indirect costs under a contract, subcontract, or modifica-*

1 *tion before or after entering into the contract, subcontract,*
 2 *or modification in any case in which the contracting officer*
 3 *determines that the objectives of the audit can reasonably*
 4 *be met by accepting the results of an audit that was con-*
 5 *ducted by any other department or agency of the Federal*
 6 *Government within one year preceding the date of the con-*
 7 *tracting officer's determination.”.*

8 (c) *GUIDELINES FOR ACCEPTANCE OF AUDITS BY*
 9 *STATE AND LOCAL GOVERNMENTS RECEIVING FEDERAL*
 10 *ASSISTANCE.—The Director of the Office and Management*
 11 *and Budget shall issue guidelines to ensure that an audit*
 12 *of indirect costs performed by the Federal Government is*
 13 *accepted by State and local governments that receive Fed-*
 14 *eral funds under contracts, grants, or other Federal assist-*
 15 *ance programs.*

16 **SEC. 808. EXTENSION OF PILOT MENTOR-PROTEGE PRO-**
 17 **GRAM.**

18 *Paragraphs (1) and (2) of section 831(j) of the Na-*
 19 *tional Defense Authorization Act for Fiscal Year 1991 (10*
 20 *U.S.C. 2302 note) are each amended by striking out “1996”*
 21 *and inserting in lieu thereof “1997”.*

1 ***Subtitle B—Other Matters***

2 ***SEC. 821. AMENDMENT TO DEFINITION OF NATIONAL SECU-***
 3 ***RITY SYSTEM UNDER INFORMATION TECH-***
 4 ***NOLOGY MANAGEMENT REFORM ACT OF 1995.***

5 *Section 5142(a) of the Information Technology Man-*
 6 *agement Reform Act of 1996 (division E of Public Law*
 7 *104–106; 110 Stat. 689; 40 U.S.C. 1452) is amended—*

8 *(1) by striking out “or” at the end of paragraph*
 9 *(4);*

10 *(2) by striking out the period at the end of para-*
 11 *graph (5) and inserting in lieu thereof “; or”; and*

12 *(3) by adding at the end the following new para-*
 13 *graph:*

14 *“(6) involves the storage, processing, or forward-*
 15 *ing of classified information and is protected at all*
 16 *times by procedures established for the handling of*
 17 *classified information.”.*

18 ***SEC. 822. PROHIBITION ON RELEASE OF CONTRACTOR PRO-***
 19 ***POSALS UNDER FREEDOM OF INFORMATION***
 20 ***ACT.***

21 *(a) ARMED SERVICES ACQUISITIONS.—Section 2305 of*
 22 *title 10, United States Code, is amended by adding at the*
 23 *end the following new subsection:*

24 *“(g) PROHIBITION ON RELEASE OF CONTRACTOR PRO-*
 25 *POSALS.—(1) A proposal in the possession or control of the*

1 *Department of Defense may not be made available to any*
 2 *person under section 552 of title 5.*

3 “(2) *In this subsection, the term ‘proposal’ means any*
 4 *proposal, including a technical, management, or cost pro-*
 5 *posal, submitted by a contractor in response to the require-*
 6 *ments of a solicitation for a competitive proposal.”.*

7 (b) *CIVILIAN AGENCY ACQUISITIONS.—Section 303B of*
 8 *the Federal Property and Administrative Services Act of*
 9 *1949 (41 U.S.C. 253b) is amended by adding at the end*
 10 *the following new subsection:*

11 “(m) *PROHIBITION ON RELEASE OF CONTRACTOR*
 12 *PROPOSALS.—(1) A proposal in the possession or control*
 13 *of an executive agency may not be made available to any*
 14 *person under section 552 of title 5.*

15 “(2) *In this subsection, the term ‘proposal’ means any*
 16 *proposal, including a technical, management, or cost pro-*
 17 *posal, submitted by a contractor in response to the require-*
 18 *ments of a solicitation for a competitive proposal.”.*

19 **SEC. 823. REPEAL OF ANNUAL REPORT BY ADVOCATE FOR**
 20 **COMPETITION.**

21 *Section 20(b) of the Office of Federal Procurement Pol-*
 22 *icy Act (41 U.S.C. 418(b)) is amended—*

23 (1) *by striking out “and” at the end of para-*
 24 *graph (3)(B);*

25 (2) *by striking out paragraph (4); and*

1 (3) by redesignating paragraphs (5), (6), and (7)
 2 as paragraphs (4), (5), and (6), respectively.

3 **SEC. 824. REPEAL OF BIENNIAL REPORT ON PROCUREMENT**
 4 **REGULATORY ACTIVITY.**

5 Subsection (g) of section 25 of the Office of Federal
 6 Procurement Policy Act (41 U.S.C. 421) is repealed.

7 **SEC. 825. REPEAL OF MULTIYEAR LIMITATION ON CON-**
 8 **TRACTS FOR INSPECTION, MAINTENANCE,**
 9 **AND REPAIR.**

10 Paragraph (14) of section 210(a) of the Federal Prop-
 11 erty and Administrative Services Act of 1949 (40 U.S.C.
 12 490(a)) is amended by striking out “for periods not exceed-
 13 ing three years”.

14 **SEC. 826. STREAMLINED NOTICE REQUIREMENTS TO CON-**
 15 **TRACTORS AND EMPLOYEES REGARDING**
 16 **TERMINATION OR SUBSTANTIAL REDUCTION**
 17 **IN CONTRACTS UNDER MAJOR DEFENSE PRO-**
 18 **GRAMS.**

19 (a) *ELIMINATION OF UNNECESSARY REQUIRE-*
 20 *MENTS.*—Section 4471 of the Defense Conversion, Reinvest-
 21 ment, and Transition Assistance Act of 1992 (division D
 22 of Public Law 102–484; 10 U.S.C. 2501 note) is amended—
 23 (1) by striking out subsection (a);
 24 (2) by striking out subsection (f), except para-
 25 graph (4);

1 (3) by redesignating subsections (b), (c), (d), (e),
2 and (g) as subsections (a), (b), (c), (d), and (f), re-
3 spectively; and

4 (4) by redesignating such paragraph (4) as sub-
5 section (e).

6 (b) NOTICE TO CONTRACTORS.—Subsection (a) of such
7 section, as redesignated by subsection (a)(3), is amended by
8 striking out paragraphs (1) and (2) and inserting in lieu
9 thereof the following:

10 “(1) shall identify each contract (if any) under
11 major defense programs of the Department of Defense
12 that will be terminated or substantially reduced as a
13 result of the funding levels provided in that Act; and

14 “(2) shall ensure that notice of the termination
15 of, or substantial reduction in, the funding of the con-
16 tract is provided—

17 “(A) directly to the prime contractor under
18 the contract; and

19 “(B) directly to the Secretary of Labor.”.

20 (c) NOTICE TO SUBCONTRACTORS.—Subsection (b) of
21 such section, as redesignated by subsection (a)(3), is amend-
22 ed—

23 (1) by striking out “As soon as” and all that fol-
24 lows through “that program,” in the matter preceding
25 paragraph (1) and inserting in lieu thereof “Not later

1 *than 60 days after the date on which the prime con-*
 2 *tractor for a contract under a major defense program*
 3 *receives notice under subsection (a),”;*

4 *(2) in paragraph (1)—*

5 *(A) by striking out “for that program under*
 6 *a contract” and inserting in lieu thereof “for*
 7 *that prime contract for subcontracts”; and*

8 *(B) by striking out “for the program”; and*

9 *(3) in paragraph (2)(A), by striking out “for the*
 10 *program under a contract” and inserting in lieu*
 11 *thereof “for subcontracts”.*

12 *(d) NOTICE TO EMPLOYEES AND STATE DISLOCATED*
 13 *WORKER UNIT.—Subsection (c) of such section, as redesign-*
 14 *ated by subsection (a)(3), is amended by striking out*
 15 *“under subsection (a)(1)” and all that follows through “a*
 16 *defense program,” in the matter preceding paragraph (1)*
 17 *and inserting in lieu thereof “under subsection (a),”.*

18 *(e) CROSS REFERENCES AND CONFORMING AMEND-*
 19 *MENTS.—(1) Subsection (d) of such section, as redesignated*
 20 *by subsection (a)(3), is amended—*

21 *(A) by striking out “a major defense program*
 22 *provided under subsection (d)(1)” and inserting in*
 23 *lieu thereof “a defense contract provided under sub-*
 24 *section (c)(1)”;* and

1 (B) by striking out “the program” and inserting
2 in lieu thereof “the contract”.

3 (2) Subsection (e) of such section, as redesignated by
4 subsection (a)(4), is amended—

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

7 (B) by striking out “under paragraph (3)” and
8 inserting in lieu thereof “or cancellation of the termi-
9 nation of, or substantial reduction in, contract fund-
10 ing”.

11 (3) Subsection (f) of such section, as redesignated by
12 subsection (a)(3), is amended in paragraph (2)—

13 (A) by inserting “a defense contract under” be-
14 fore “a major defense program”; and

15 (B) by striking out “contracts under the pro-
16 gram” and inserting in lieu thereof “the funds obli-
17 gated by the contract”.

18 **SEC. 827. REPEAL OF NOTICE REQUIREMENTS FOR SUB-**
19 **STANTIALLY OR SERIOUSLY AFFECTED PAR-**
20 **TIES IN DOWNSIZING EFFORTS.**

21 Sections 4101 and 4201 of the National Defense Au-
22 thorization Act for Fiscal Year 1991 (Public Law 101–510;
23 104 Stat. 1850, 1851; 10 U.S.C. 2391 note) are repealed.

1 **SEC. 828. TESTING OF DEFENSE ACQUISITION PROGRAMS.**

2 (a) *IN GENERAL.*—Section 2366 of title 10, United
3 States Code, is amended—

4 (1) by striking out “survivability” each place it
5 appears (including in the section heading) and insert-
6 ing in lieu thereof “vulnerability”; and

7 (2) in subsection (b)—

8 (A) by striking out “Survivability” and in-
9 serting in lieu thereof “Vulnerability”; and

10 (B) by inserting after paragraph (2) the fol-
11 lowing new paragraph:

12 “(3) Testing should begin at the component, subsystem,
13 and subassembly level, culminating with tests of the com-
14 plete system configured for combat.”.

15 (b) *CLERICAL AMENDMENT.*—The item relating to
16 such section in the table of sections at the beginning of chap-
17 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.”.

18 **SEC. 829. DEPENDENCY OF NATIONAL TECHNOLOGY AND**

19 **INDUSTRIAL BASE ON SUPPLIES AVAILABLE**

20 **ONLY FROM FOREIGN COUNTRIES.**

21 (a) *NATIONAL SECURITY OBJECTIVES FOR NATIONAL*
22 *TECHNOLOGY AND INDUSTRIAL BASE.*—Section 2501(a) of
23 title 10, United States Code, is amended by adding at the
24 end the following:

1 “(5) *Providing for the development, manufac-*
2 *ture, and supply of items and technologies critical to*
3 *the production and sustainment of advanced military*
4 *weapon systems with minimal reliance on items for*
5 *which the source of supply, manufacture, or tech-*
6 *nology is outside of the United States and Canada*
7 *and for which there is no immediately available*
8 *source in the United States or Canada.”.*

9 (b) *ASSESSMENT OF EXTENT OF UNITED STATES DE-*
10 *PENDENCY ON FOREIGN SOURCE ITEMS.*—Subsection (c) of
11 *section 2505 of such title is amended to read as follows:*

12 “(c) *ASSESSMENT OF EXTENT OF DEPENDENCY ON*
13 *FOREIGN SOURCE ITEMS.*—Each assessment under sub-
14 *section (a) shall include a separate discussion and presen-*
15 *tation regarding the extent to which the national technology*
16 *and industrial base is dependent on items for which the*
17 *source of supply, manufacture, or technology is outside of*
18 *the United States and Canada and for which there is no*
19 *immediately available source in the United States or Can-*
20 *ada. The discussion and presentation shall include the fol-*
21 *lowing:*

22 “(1) *An assessment of the overall degree of de-*
23 *pendence by the national technology and industrial*
24 *base on such foreign items, including a comparison*

1 *with the degree of dependence identified in the preced-*
2 *ing assessment.*

3 “(2) *Identification of major systems (as defined*
4 *in section 2302 of this title) under development or*
5 *production containing such foreign items, including*
6 *an identification of all such foreign items for each*
7 *system.*

8 “(3) *An analysis of the production or develop-*
9 *ment risks resulting from the possible disruption of*
10 *access to such foreign items, including consideration*
11 *of both peacetime and wartime scenarios.*

12 “(4) *An analysis of the importance of retaining*
13 *domestic production sources for the items specified in*
14 *section 2534 of this title.*

15 “(5) *A discussion of programs and initiatives in*
16 *place to reduce dependence by the national technology*
17 *and industrial base on such foreign items.*

18 “(6) *A discussion of proposed policy or legisla-*
19 *tive initiatives recommended to reduce the dependence*
20 *of the national technology and industrial base on such*
21 *foreign items.”.*

22 (c) *TIME FOR COMPLETION OF NEXT DEFENSE CAPA-*
23 *BILITY ASSESSMENT.*—*Notwithstanding the schedule pre-*
24 *scribed by the Secretary of Defense under subsection (d) of*
25 *section 2505 of title 10, United States Code, the National*

1 *Defense Technology and Industrial Base Council shall com-*
 2 *plete the next defense capability assessment required under*
 3 *such section not later than March 1, 1997.*

4 **SEC. 830. SENSE OF CONGRESS REGARDING TREATMENT OF**
 5 **DEPARTMENT OF DEFENSE CABLE TELE-**
 6 **VISION FRANCHISE AGREEMENTS.**

7 *It is the sense of Congress that the United States Court*
 8 *of Federal Claims should transmit to Congress the report*
 9 *required by section 823 of Public Law 104–106 (110 Stat.*
 10 *399) on or before the date specified in that section.*

11 **SEC. 831. EXTENSION OF DOMESTIC SOURCE LIMITATION**
 12 **FOR VALVES AND MACHINE TOOLS.**

13 *Subparagraph (C) of section 2534(c)(2) is amended by*
 14 *striking out “1996” and inserting in lieu thereof “2001”.*

15 **TITLE IX—DEPARTMENT OF DE-**
 16 **FENSE ORGANIZATION AND**
 17 **MANAGEMENT**

18 **SEC. 901. ADDITIONAL REQUIRED REDUCTION IN DEFENSE**
 19 **ACQUISITION WORKFORCE.**

20 *Section 906(d) of the National Defense Authorization*
 21 *Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.*
 22 *405) is amended—*

23 *(1) in paragraph (1), by striking out “during*
 24 *fiscal year 1996” and all that follows and inserting*
 25 *in lieu thereof “so that—*

1 “(A) the total number of such positions as of Oc-
 2 tober 1, 1996, is less than the baseline number by at
 3 least 15,000; and

4 “(B) the total number of such positions as of Oc-
 5 tober 1, 1997, is less than the baseline number by at
 6 least 40,000.”; and

7 (2) by adding at the end the following new para-
 8 graph:

9 “(3) For purposes of this subsection, the term ‘baseline
 10 number’ means the total number of defense acquisition per-
 11 sonnel positions as of October 1, 1995.”.

12 **SEC. 902. REDUCTION OF PERSONNEL ASSIGNED TO OF-**
 13 **FICE OF THE SECRETARY OF DEFENSE.**

14 (a) *PERMANENT LIMITATION ON OSD PERSONNEL.*—
 15 Effective October 1, 1999, the number of OSD personnel
 16 may not exceed 75 percent of the baseline number.

17 (b) *PHASED REDUCTION.*—The number of OSD per-
 18 sonnel—

19 (1) as of October 1, 1997, may not exceed 85 per-
 20 cent of the baseline number; and

21 (2) as of October 1, 1998, may not exceed 80 per-
 22 cent of the baseline number.

23 (c) *BASELINE NUMBER.*—For purposes of this section,
 24 the term “baseline number” means the number of OSD per-
 25 sonnel as of October 1, 1994.

1 (d) *OSD PERSONNEL DEFINED.*—For purposes of this
2 section, the term “OSD personnel” means military and ci-
3 vilian personnel of the Department of Defense who are as-
4 signed to, or employed in, functions in the Office of the Sec-
5 retary of Defense (including Direct Support Activities of
6 that Office and the Washington Headquarters Services of
7 the Department of Defense).

8 (e) *LIMITATION ON REASSIGNMENT OF FUNCTIONS.*—
9 In carrying out reductions in the number of personnel as-
10 signed to, or employed in, the Office of the Department of
11 Defense in order to comply with this section, the Secretary
12 of Defense may not reassign functions solely in order to
13 evade the requirements contained in this section.

14 (f) *FLEXIBILITY.*—If the Secretary of Defense deter-
15 mines, and certifies to Congress, that the limitation in sub-
16 section (b) with respect to any fiscal year would adversely
17 affect United States national security, the limitation under
18 that subsection with respect to that fiscal year may be
19 waived. If the Secretary of Defense determines, and certifies
20 to Congress, that the limitation in subsection (a) during
21 fiscal year 1999 would adversely affect United States na-
22 tional security, the limitation under that subsection with
23 respect to that fiscal year may be waived. The authority
24 under this subsection may be used only once, with respect
25 to a single fiscal year.

1 (g) *REPEAL OF PRIOR REQUIREMENT.*—Section
2 901(d) of the National Defense Authorization Act for Fiscal
3 Year 1996 (Public Law 104–106; 110 Stat. 410) is repealed.

4 **SEC. 903. REPORT ON MILITARY DEPARTMENT HEAD-**
5 **QUARTERS STAFFS.**

6 (a) *REVIEW BY SECRETARY OF DEFENSE.*—The Sec-
7 retary of Defense shall conduct a review of the size, mission,
8 organization, and functions of the military department
9 headquarters staffs. This review shall include the following:

10 (1) *An assessment on the adequacy of the present*
11 *organization structure to efficiently and effectively*
12 *support the mission of the military departments.*

13 (2) *An assessment of options to reduce the num-*
14 *ber of personnel assigned to the military department*
15 *headquarters staffs.*

16 (3) *An assessment of the extent of unnecessary*
17 *duplication of functions between the Office of the Sec-*
18 *retary of Defense and the military department head-*
19 *quarters staffs.*

20 (4) *An assessment of the possible benefits that*
21 *could be derived from further functional consolidation*
22 *between the civilian secretariat of the military de-*
23 *partments and the staffs of the military service chiefs.*

24 (5) *An assessment of the possible benefits that*
25 *could be derived from reducing the number of civilian*

1 *officers in the military departments who are ap-*
2 *pointed by and with the advice and consent of the*
3 *Senate.*

4 *(b) REPORT.—Not later than March 1, 1997, the Sec-*
5 *retary of Defense shall submit to the congressional defense*
6 *committees a report containing—*

7 *(1) the findings and conclusions of the Secretary*
8 *resulting from the review under subsection (a); and*

9 *(2) a plan for implementing resulting rec-*
10 *ommendations, including proposals for legislation*
11 *(with supporting rationale) that would be required as*
12 *result of the review.*

13 *(c) REDUCTION IN TOTAL NUMBER OF PERSONNEL*
14 *ASSIGNED.—In developing the plan under subsection (b)(2),*
15 *the Secretary shall make every effort to provide for signifi-*
16 *cant reductions in the overall number of military and civil-*
17 *ian personnel assigned to or serving in the military depart-*
18 *ment headquarters staffs.*

19 *(d) MILITARY DEPARTMENT HEADQUARTERS STAFFS*
20 *DEFINED.—For the purposes of this section, the term “mili-*
21 *tary department headquarters staffs” means the offices, or-*
22 *ganizations, and other elements of the Department of De-*
23 *fense comprising the following:*

24 *(1) The Office of the Secretary of the Army.*

25 *(2) The Army Staff.*

1 (3) *The Office of the Secretary of the Air Force.*

2 (4) *The Air Staff.*

3 (5) *The Office of the Secretary of the Navy.*

4 (6) *The Office of the Chief of Naval Operations.*

5 (7) *Headquarters, Marine Corps.*

6 **SEC. 904. EXTENSION OF EFFECTIVE DATE FOR CHARTER**
 7 **FOR JOINT REQUIREMENTS OVERSIGHT**
 8 **COUNCIL.**

9 *Section 905(b) of the National Defense Authorization*
 10 *Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.*
 11 *404) is amended by striking out “January 31, 1997” and*
 12 *inserting in lieu thereof “January 31, 1998”.*

13 **SEC. 905. REMOVAL OF SECRETARY OF THE ARMY FROM**
 14 **MEMBERSHIP ON THE FOREIGN TRADE ZONE**
 15 **BOARD.**

16 *The first section of the Act of June 18, 1934 (Public*
 17 *Law Numbered 397, Seventy-third Congress; 48 Stat. 998)*
 18 *(19 U.S.C. 81a), popularly known as the “Foreign Trade*
 19 *Zones Act”, is amended—*

20 (1) *in subsection (b), by striking out “the Sec-*
 21 *retary of the Treasury, and the Secretary of War”*
 22 *and inserting in lieu thereof “and the Secretary of the*
 23 *Treasury”; and*

24 (2) *in subsection (c), by striking out “Alaska,*
 25 *Hawaii,”.*

1 **SEC. 906. MEMBERSHIP OF THE AMMUNITION STORAGE**
 2 **BOARD.**

3 *Section 172(a) of title 10, United States Code, is*
 4 *amended by striking out “a joint board of officers selected*
 5 *by them” and inserting in lieu thereof “a joint board se-*
 6 *lected by them composed of officers, civilian officers and em-*
 7 *ployees of the Department of Defense, or both”.*

8 **SEC. 907. DEPARTMENT OF DEFENSE DISBURSING OFFI-**
 9 **CIAL CHECK CASHING AND EXCHANGE**
 10 **TRANSACTIONS.**

11 *Section 3342(b) of title 31, United States Code, is*
 12 *amended—*

13 *(1) by striking out the period at the end of para-*
 14 *graph (3) and inserting in lieu thereof a semicolon;*

15 *(2) by striking out “and” at the end of para-*
 16 *graph (5);*

17 *(3) by striking out the period at the end of para-*
 18 *graph (6) and inserting in lieu thereof “; or”; and*

19 *(4) by adding at the end the following new para-*
 20 *graph:*

21 *“(7) a Federal credit union that at the request*
 22 *of the Secretary of Defense is operating on a United*
 23 *States military installation in a foreign country, but*
 24 *only if that country does not permit contractor-oper-*
 25 *ated military banking facilities to operate on such in-*
 26 *stallations.”.*

1 ***TITLE X—GENERAL PROVISIONS***

2 ***Subtitle A—Financial Matters***

3 ***SEC. 1001. TRANSFER AUTHORITY.***

4 (a) *AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1)*

5 *Upon determination by the Secretary of Defense that such*
6 *action is necessary in the national interest, the Secretary*
7 *may transfer amounts of authorizations made available to*
8 *the Department of Defense in this division for fiscal year*
9 *1997 between any such authorizations for that fiscal year*
10 *(or any subdivisions thereof). Amounts of authorizations so*
11 *transferred shall be merged with and be available for the*
12 *same purposes as the authorization to which transferred.*

13 (2) *The total amount of authorizations that the Sec-*
14 *retary of Defense may transfer under the authority of this*
15 *section may not exceed \$2,000,000,000.*

16 (b) *LIMITATIONS.—The authority provided by this sec-*
17 *tion to transfer authorizations—*

18 (1) *may only be used to provide authority for*
19 *items that have a higher priority than the items from*
20 *which authority is transferred; and*

21 (2) *may not be used to provide authority for an*
22 *item that has been denied authorization by Congress.*

23 (c) *EFFECT ON AUTHORIZATION AMOUNTS.—A trans-*
24 *fer made from one account to another under the authority*
25 *of this section shall be deemed to increase the amount au-*

1 *thorized for the account to which the amount is transferred*
2 *by an amount equal to the amount transferred.*

3 (d) *NOTICE TO CONGRESS.—The Secretary shall*
4 *promptly notify Congress of each transfer made under sub-*
5 *section (a).*

6 **SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.**

7 (a) *STATUS OF CLASSIFIED ANNEX.—The Classified*
8 *Annex prepared by the Committee on National Security of*
9 *the House of Representatives to accompany the bill H.R.*
10 *3230 of the One Hundred Fourth Congress and transmitted*
11 *to the President is hereby incorporated into this Act.*

12 (b) *CONSTRUCTION WITH OTHER PROVISIONS OF*
13 *ACT.—The amounts specified in the Classified Annex are*
14 *not in addition to amounts authorized to be appropriated*
15 *by other provisions of this Act.*

16 (c) *LIMITATION ON USE OF FUNDS.—Funds appro-*
17 *riated pursuant to an authorization contained in this Act*
18 *that are made available for a program, project, or activity*
19 *referred to in the Classified Annex may only be expended*
20 *for such program, project, or activity in accordance with*
21 *such terms, conditions, limitations, restrictions, and re-*
22 *quirements as are set out for that program, project, or activ-*
23 *ity in the Classified Annex.*

24 (d) *DISTRIBUTION OF CLASSIFIED ANNEX.—The*
25 *President shall provide for appropriate distribution of the*

1 *Classified Annex, or of appropriate portions of the annex,*
 2 *within the executive branch of the Government.*

3 **SEC. 1003. AUTHORITY FOR OBLIGATION OF CERTAIN UN-**
 4 **AUTHORIZED FISCAL YEAR 1996 DEFENSE AP-**
 5 **PROPRIATIONS.**

6 (a) *AUTHORITY.*—*The amounts described in subsection*
 7 *(b) may be obligated and expended for programs, projects,*
 8 *and activities of the Department of Defense in accordance*
 9 *with fiscal year 1996 defense appropriations.*

10 (b) *COVERED AMOUNTS.*—*The amounts referred to in*
 11 *subsection (a) are the amounts provided for programs,*
 12 *projects, and activities of the Department of Defense in fis-*
 13 *cal year 1996 defense appropriations that are in excess of*
 14 *the amounts provided for such programs, projects, and ac-*
 15 *tivities in fiscal year 1996 defense authorizations.*

16 (c) *DEFINITIONS.*—*For the purposes of this section:*

17 (1) *FISCAL YEAR 1996 DEFENSE APPROPRIA-*
 18 *TIONS.*—*The term “fiscal year 1996 defense appro-*
 19 *priations” means amounts appropriated or otherwise*
 20 *made available to the Department of Defense for fiscal*
 21 *year 1996 in the Department of Defense Appropria-*
 22 *tions Act, 1996 (Public Law 104–61).*

23 (2) *FISCAL YEAR 1996 DEFENSE AUTHORIZA-*
 24 *TIONS.*—*The term “fiscal year 1996 defense author-*
 25 *izations” means amounts authorized to be appro-*

1 *priated for the Department of Defense for fiscal year*
2 *1996 in the National Defense Authorization Act for*
3 *Fiscal Year 1996 (Public Law 104–106).*

4 **SEC. 1004. AUTHORIZATION OF PRIOR EMERGENCY SUPPLE-**
5 **MENTAL APPROPRIATIONS FOR FISCAL YEAR**
6 **1996.**

7 *Amounts authorized to be appropriated to the Depart-*
8 *ment of Defense for fiscal year 1996 in the National Defense*
9 *Authorization Act for Fiscal Year 1996 (Public Law 104–*
10 *106) are hereby adjusted, with respect to any such author-*
11 *ized amount, by the amount by which appropriations pur-*
12 *suant to such authorization were increased (by a supple-*
13 *mental appropriation) or decreased (by a rescission), or*
14 *both, in the Omnibus Consolidated Rescissions and Appro-*
15 *priations Act of 1996 (Public Law 104–134).*

16 **SEC. 1005. FORMAT FOR BUDGET REQUESTS FOR NAVY/**
17 **MARINE CORPS AND AIR FORCE AMMUNITION**
18 **ACCOUNTS.**

19 *Section 114 of title 10, United States Code, is amended*
20 *by adding at the end the following new subsection:*

21 *“(f) In each budget submitted by the President to Con-*
22 *gress under section 1105 of title 31, amounts requested for*
23 *procurement of ammunition for the Navy and Marine*
24 *Corps, and for procurement of ammunition for the Air*

1 *Force, shall be set forth separately from other amounts re-*
2 *quested for procurement.”.*

3 **SEC. 1006. FORMAT FOR BUDGET REQUESTS FOR DEFENSE**

4 **AIRBORNE RECONNAISSANCE PROGRAM.**

5 (a) *REQUIREMENT.*—*The Secretary of Defense shall*
6 *ensure that in the budget justification documents for any*
7 *fiscal year there is set forth separately amounts requested*
8 *for each program, project, or activity within the Defense*
9 *Airborne Reconnaissance Program, with a unique program*
10 *element provided for funds requested for research, develop-*
11 *ment, test, and evaluation for each such program, project,*
12 *or activity and a unique procurement line item provided*
13 *for funds requested for procurement for each such program,*
14 *project, or activity.*

15 (b) *DEFENSE BUDGET.*—*For purposes of subsection*
16 *(a), the term “budget justification documents” means the*
17 *supporting budget documentation submitted to the congres-*
18 *sional defense committees in support of the budget of the*
19 *Department of Defense for a fiscal year as included in the*
20 *budget of the President submitted under section 1105 of title*
21 *31, United States Code, for that fiscal year.*

1 ***Subtitle B—Reports and Studies***

2 ***SEC. 1021. ANNUAL REPORT ON OPERATION PROVIDE COM-***
3 ***FORT AND OPERATION ENHANCED SOUTH-***
4 ***ERN WATCH.***

5 *(a) ANNUAL REPORT.—Not later than March 1 of each*
6 *year, the Secretary of Defense shall submit to Congress a*
7 *report on Operation Provide Comfort and Operation En-*
8 *hanced Southern Watch.*

9 *(b) MATTERS RELATING TO OPERATION PROVIDE*
10 *COMFORT.—Each report under subsection (a) shall include,*
11 *with respect to Operation Provide Comfort, the following:*

12 *(1) A detailed presentation of the projected costs*
13 *to be incurred by the Department of Defense for that*
14 *operation during the fiscal year in which the report*
15 *is submitted and projected for the following fiscal*
16 *year, together with a discussion of missions and func-*
17 *tions expected to be performed by the Department as*
18 *part of that operation during each of those fiscal*
19 *years.*

20 *(2) A detailed presentation of the projected costs*
21 *to be incurred by other departments and agencies of*
22 *the Federal Government participating in or providing*
23 *support to that operation during each of those fiscal*
24 *years.*

1 (3) *A discussion of options being pursued to re-*
2 *duce the involvement of the Department of Defense in*
3 *those aspects of that operation that are not directly*
4 *related to the military mission of the Department of*
5 *Defense.*

6 (4) *A discussion of the exit strategy for United*
7 *States involvement in, and support for, that oper-*
8 *ation.*

9 (5) *A description of alternative approaches to ac-*
10 *complishing the mission of that operation that are de-*
11 *signed to limit the scope and cost to the Department*
12 *of Defense of accomplishing that mission while main-*
13 *taining mission success.*

14 (6) *The contributions (both in-kind and actual)*
15 *by other nations to the costs of conducting that oper-*
16 *ation.*

17 (7) *A detailed presentation of significant Iraqi*
18 *military activity (including specific violations of the*
19 *no-fly zone) determined to jeopardize the security of*
20 *the Kurdish population in northern Iraq.*

21 (c) *MATTERS RELATING TO OPERATION ENHANCED*
22 *SOUTHERN WATCH.—Each report under subsection (a)*
23 *shall include, with respect to Operation Enhanced Southern*
24 *Watch, the following:*

1 (1) *The expected duration and annual costs of*
2 *the various elements of that operation.*

3 (2) *The political and military objectives associ-*
4 *ated with that operation.*

5 (3) *The contributions (both in-kind and actual)*
6 *by other nations to the costs of conducting that oper-*
7 *ation.*

8 (4) *A description of alternative approaches to ac-*
9 *complishing the mission of that operation that are de-*
10 *signed to limit the scope and cost of accomplishing*
11 *that mission while maintaining mission success.*

12 (5) *A comprehensive discussion of the political*
13 *and military objectives and initiatives that the De-*
14 *partment of Defense has pursued, and intends to pur-*
15 *sue, in order to reduce United States involvement in*
16 *that operation.*

17 (6) *A detailed presentation of significant Iraqi*
18 *military activity (including specific violations of the*
19 *no-fly zone) determined to jeopardize the security of*
20 *the Shiite population in southern Iraq.*

21 (d) *TERMINATION OF REPORT REQUIREMENT.—The*
22 *requirement under subsection (a) shall cease to apply with*
23 *respect to an operation named in that subsection upon the*
24 *termination of United States involvement in that operation.*

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

1 (1) *OPERATION ENHANCED SOUTHERN WATCH.*—
 2 *The term “Operation Enhanced Southern Watch”*
 3 *means the operation of the Department of Defense*
 4 *that as of October 30, 1995, is designated as Oper-*
 5 *ation Enhanced Southern Watch.*

6 (2) *OPERATION PROVIDE COMFORT.*—*The term*
 7 *“Operation Provide Comfort” means the operation of*
 8 *the Department of Defense that as of October 30,*
 9 *1995, is designated as Operation Provide Comfort.*

10 **SEC. 1022. REPORT ON PROTECTION OF NATIONAL INFOR-**
 11 **MATION INFRASTRUCTURE.**

12 (a) *REPORT REQUIREMENT.*—*Not later than 180 days*
 13 *after the date of the enactment of this Act, the President*
 14 *shall submit to Congress a report setting forth the national*
 15 *policy on protecting the national information infrastruc-*
 16 *ture against strategic attacks.*

17 (b) *MATTERS TO BE INCLUDED.*—*The report shall in-*
 18 *clude the following:*

19 (1) *A description of the national policy and*
 20 *plans to meet essential Government and civilian*
 21 *needs during a national security emergency associ-*
 22 *ated with a strategic attack on elements of the na-*
 23 *tional infrastructure the functioning of which depend*
 24 *on networked computer systems.*

1 (2) *The identification of information infrastruc-*
 2 *ture functions that must be performed during such an*
 3 *emergency.*

4 (3) *The assignment of responsibilities to Federal*
 5 *departments and agencies, and a description of the*
 6 *roles of Government and industry, relating to indica-*
 7 *tions and warning of, assessment of, response to, and*
 8 *reconstitution after, potential strategic attacks on the*
 9 *critical national infrastructures described under*
 10 *paragraph (1).*

11 (c) *OUTSTANDING ISSUES.—The report shall also iden-*
 12 *tify any outstanding issues in need of further study and*
 13 *resolution, such as technology and funding shortfalls, and*
 14 *legal and regulatory considerations.*

15 **SEC. 1023. REPORT ON WITNESS INTERVIEW PROCEDURES**
 16 **FOR DEPARTMENT OF DEFENSE CRIMINAL IN-**
 17 **VESTIGATIONS.**

18 (a) *SURVEY OF MILITARY DEPARTMENT POLICIES AND*
 19 *PRACTICES.—The Comptroller General of the United States*
 20 *shall conduct a survey of the policies and practices of the*
 21 *military criminal investigative organizations with respect*
 22 *to the manner in which interviews of suspects and witnesses*
 23 *are conducted in connection with criminal investigations.*
 24 *The purpose of the survey shall be to ascertain whether or*
 25 *not investigators and agents from those organizations en-*

1 *gage in illegal, unnecessary, or inappropriate harassment*
2 *and intimidation of individuals being interviewed.*

3 (b) *REPORT.*—*Not later than 180 days after the date*
4 *of the enactment of this Act, the Comptroller General shall*
5 *submit to the Committee on National Security of the House*
6 *of Representatives and the Committee on Armed Services*
7 *of the Senate a report concerning the survey under sub-*
8 *section (a). The report shall specifically address the follow-*
9 *ing:*

10 (1) *The extent to which investigators of the mili-*
11 *tary criminal investigative organizations engage in*
12 *illegal or inappropriate practices in connection with*
13 *interviews of suspects in or witnesses to crimes.*

14 (2) *The extent to which the interview policies es-*
15 *tablished by the Department of Defense directive or*
16 *service regulation are adequate to instruct and guide*
17 *investigators in the proper conduct of subject and wit-*
18 *ness interviews.*

19 (3) *The desirability and feasibility of requiring*
20 *the video and audio recording of all interviews.*

21 (4) *The desirability and feasibility of making*
22 *such recordings or written transcriptions of inter-*
23 *views, or both, available on demand to the subject or*
24 *witness interviewed.*

1 (5) *The extent to which existing directives or reg-*
2 *ulations specify a prohibition against the display by*
3 *agents of those organizations of weapons during inter-*
4 *views and the extent to which agents conducting*
5 *interviews inappropriately display weapons during*
6 *interviews.*

7 (6) *The extent to which existing directives or reg-*
8 *ulations forbid agents of those organizations from*
9 *making judgmental statements during interviews re-*
10 *garding the guilt of the interviewee or the con-*
11 *sequences of failing to cooperate with investigators,*
12 *and the extent to which agents conducting interviews*
13 *nevertheless engage in such practices.*

14 (7) *Any recommendation for legislation to ensure*
15 *that investigators and agents of the military criminal*
16 *investigative organizations use legal and proper tac-*
17 *tics during interviews in connection with Department*
18 *of Defense criminal investigations.*

19 (c) *RESULTS OF INTERVIEWS AND SURVEYS.—The*
20 *Comptroller General shall include in the report under sub-*
21 *section (b) the results of interviews and surveys conducted*
22 *under subsection (a) with persons who were witnesses or*
23 *subjects in investigations conducted by military criminal*
24 *investigative organizations.*

1 (d) *DEFINITION.*—For the purposes of this section, the
 2 term “military criminal investigative organization” means
 3 any of the following:

4 (1) *The Army Criminal Investigation Command.*

5 (2) *The Air Force Office of Special Investiga-*
 6 *tions.*

7 (3) *The Naval Criminal Investigative Service.*

8 (4) *The Defense Criminal Investigative Service.*

9 ***Subtitle C—Other Matters***

10 ***SEC. 1031. INFORMATION SYSTEMS SECURITY PROGRAM.***

11 (a) *ALLOCATION.*—Of the amounts appropriated for
 12 the Department of Defense for the Defense Information In-
 13 frastructure for each of fiscal years 1998 through 2001, the
 14 Secretary of Defense shall allocate to an information sys-
 15 tems security program, under a separate program element,
 16 amounts as follows:

17 (1) *For fiscal year 1998, 2.5 percent.*

18 (2) *For fiscal year 1999, 3.0 percent.*

19 (3) *For fiscal year 2000, 3.5 percent.*

20 (4) *For fiscal year 2001, 4.0 percent.*

21 (b) *RELATIONSHIP TO OTHER AMOUNTS.*—Amounts
 22 allocated under subsection (a) are in addition to amounts
 23 appropriated to the National Security Agency and the De-
 24 fense Advanced Research Projects Agency for information
 25 security development, acquisition, and operations.

1 (c) *ANNUAL REPORT.*—*The Secretary of Defense shall*
 2 *submit to the congressional defense committee and congres-*
 3 *sional intelligence committees a report not later than April*
 4 *15 of each year from 1998 through 2002 that describes in-*
 5 *formation security objectives of the Department of Defense,*
 6 *the progress made during the previous year in meeting those*
 7 *objectives, and plans of the Secretary with respect to meet-*
 8 *ing those objectives for the next fiscal year.*

9 **SEC. 1032. AVIATION AND VESSEL WAR RISK INSURANCE.**

10 (a) *AVIATION RISK INSURANCE.*—(1) *Chapter 931 of*
 11 *title 10, United States Code, is amended by adding at the*
 12 *end the following new section:*

13 **“§9514. Indemnification of Department of Transpor-**
 14 *tation for losses covered by defense-relat-*
 15 *ed aviation insurance*

16 “(a) *PROMPT INDEMNIFICATION REQUIRED.*—*In the*
 17 *event of a loss that is covered by defense-related aviation*
 18 *insurance, the Secretary of Defense shall promptly indem-*
 19 *nify the Secretary of Transportation for the amount of the*
 20 *loss. The Secretary of Defense shall make such indemnifica-*
 21 *tion—*

22 “(1) *in the case of a claim for the loss of an air-*
 23 *craft hull, not later than 30 days following the date*
 24 *of the presentment of the claim to the Secretary of*
 25 *Transportation; and*

1 “(2) *in the case of any other claim, not later*
2 *than 180 days after the date on which the claim is*
3 *determined by the Secretary of Transportation to be*
4 *payable.*

5 “(b) *SOURCE OF FUNDS FOR PAYMENT OF INDEM-*
6 *NITY.—The Secretary may pay an indemnity described in*
7 *subsection (a) from any funds available to the Department*
8 *of Defense for operation and maintenance, and such sums*
9 *as may be necessary for payment of such indemnity are*
10 *hereby authorized to be transferred to the Secretary of*
11 *Transportation for such purpose.*

12 “(c) *NOTICE TO CONGRESS.—In the event of a loss that*
13 *is covered by defense-related aviation insurance in the case*
14 *of an incident in which the covered loss is (or is expected*
15 *to be) in an amount in excess of \$1,000,000, the Secretary*
16 *of Defense shall submit to Congress—*

17 “(1) *notification of the loss as soon after the oc-*
18 *currence of the loss as possible and in no event more*
19 *than 30 days after the date of the loss; and*

20 “(2) *semiannual reports thereafter updating the*
21 *information submitted under paragraph (1) and*
22 *showing with respect to losses arising from such inci-*
23 *dent the total amount expended to cover such losses,*
24 *the source of those funds, pending litigation, and esti-*
25 *mated total cost to the Government.*

1 “(d) *IMPLEMENTING MATTERS.*—(1) *Payment of in-*
2 *demnification under this section is not subject to section*
3 *2214 or 2215 of this title or any other provision of law*
4 *requiring notification to Congress before funds may be*
5 *transferred.*

6 “(2) *Consolidation of claims arising from the same in-*
7 *cident is not required before indemnification of the Sec-*
8 *retary of Transportation for payment of a claim may be*
9 *made under this section.*

10 “(e) *CONSTRUCTION WITH OTHER TRANSFER AU-*
11 *THORITY.*—*Authority to transfer funds under this section*
12 *is in addition to any other authority provided by law to*
13 *transfer funds (whether enacted before, on, or after the date*
14 *of the enactment of this section) and is not subject to any*
15 *dollar limitation or notification requirement contained in*
16 *any other such authority to transfer funds.*

17 “(f) *DEFINITIONS.*—*In this section:*

18 “(1) *DEFENSE-RELATED AVIATION INSURANCE.*—
19 *The term ‘defense-related aviation insurance’ means*
20 *aviation insurance and reinsurance provided through*
21 *policies issued by the Secretary of Transportation*
22 *under chapter 443 of title 49 that pursuant to section*
23 *44305(b) of that title is provided by that Secretary*
24 *without premium at the request of the Secretary of*
25 *Defense and is covered by an indemnity agreement*

1 *between the Secretary of Transportation and the Sec-*
 2 *retary of Defense.*

3 “(2) *LOSS.*—*The term ‘loss’ includes damage to*
 4 *or destruction of property, personal injury or death,*
 5 *and other liabilities and expenses covered by the de-*
 6 *fense-related aviation insurance.”.*

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:*

“9514. Indemnification of Department of Transportation for losses covered by de-
 fense-related aviation insurance.”.

9 *(b) VESSEL WAR RISK INSURANCE.*—*(1) Chapter 157*
 10 *of title 10, United States Code, is amended by adding after*
 11 *section 2644, as added by section 364(a), the following new*
 12 *section:*

13 **“§2645. Indemnification of Department of Transpor-**
 14 ***tation for losses covered by vessel war risk***
 15 ***insurance***

16 *“(a) PROMPT INDEMNIFICATION REQUIRED.*—*In the*
 17 *event of a loss that is covered by vessel war risk insurance,*
 18 *the Secretary of Defense shall promptly indemnify the Sec-*
 19 *retary of Transportation for the amount of the loss. The*
 20 *Secretary of Defense shall make such indemnification—*

21 *“(1) in the case of a claim for a loss to a vessel,*
 22 *not later than 90 days following the date of the adju-*
 23 *ication or settlement of the claim by the Secretary*
 24 *of Transportation; and*

1 “(2) *in the case of any other claim, not later*
2 *than 180 days after the date on which the claim is*
3 *determined by the Secretary of Transportation to be*
4 *payable.*

5 “(b) *SOURCE OF FUNDS FOR PAYMENT OF INDEM-*
6 *NITY.—The Secretary may pay an indemnity described in*
7 *subsection (a) from any funds available to the Department*
8 *of Defense for operation and maintenance, and such sums*
9 *as may be necessary for payment of such indemnity are*
10 *hereby authorized to be transferred to the Secretary of*
11 *Transportation for such purpose.*

12 “(c) *DEPOSIT OF FUNDS.—(1) Any amount trans-*
13 *ferred to the Secretary of Transportation under this section*
14 *shall be deposited in, and merged with amounts in, the Ves-*
15 *sel War Risk Insurance Fund as provided in the second*
16 *sentence of section 1208(a) of the Merchant Marine Act,*
17 *1936 (46 U.S.C. App. 1288(a)).*

18 “(2) *In this subsection, the term ‘Vessel War Risk In-*
19 *surance Fund’ means the insurance fund referred to in the*
20 *first sentence of section 1208(a) of the Merchant Marine Act,*
21 *1936 (46 U.S.C. App. 1288(a)).*

22 “(d) *NOTICE TO CONGRESS.—In the event of a loss*
23 *that is covered by vessel war risk insurance in the case of*
24 *an incident in which the covered loss is (or is expected to*

1 *be) in an amount in excess of \$1,000,000, the Secretary of*
2 *Defense shall submit to Congress—*

3 “(1) *notification of the loss as soon after the oc-*
4 *currence of the loss as possible and in no event more*
5 *than 30 days after the date of the loss; and*

6 “(2) *semiannual reports thereafter updating the*
7 *information submitted under paragraph (1) and*
8 *showing with respect to losses arising from such inci-*
9 *dent the total amount expended to cover such losses,*
10 *the source of such funds, pending litigation, and esti-*
11 *mated total cost to the Government.*

12 “(e) *IMPLEMENTING MATTERS.—(1) Payment of in-*
13 *demnification under this section is not subject to section*
14 *2214 or 2215 of this title or any other provision of law*
15 *requiring notification to Congress before funds may be*
16 *transferred.*

17 “(2) *Consolidation of claims arising from the same in-*
18 *cident is not required before indemnification of the Sec-*
19 *retary of Transportation for payment of a claim may be*
20 *made under this section.*

21 “(f) *CONSTRUCTION WITH OTHER TRANSFER AU-*
22 *THORITY.—Authority to transfer funds under this section*
23 *is in addition to any other authority provided by law to*
24 *transfer funds (whether enacted before, on, or after the date*
25 *of the enactment of this section) and is not subject to any*

1 *dollar limitation or notification requirement contained in*
 2 *any other such authority to transfer funds.*

3 “(g) *DEFINITIONS.—In this section:*

4 “(1) *VESSEL WAR RISK INSURANCE.—The term*
 5 *‘vessel war risk insurance’ means insurance and rein-*
 6 *surance provided through policies issued by the Sec-*
 7 *retary of Transportation under title XII of the Mer-*
 8 *chant Marine Act, 1936 (46 U.S.C. App. 1281 et*
 9 *seq.), that is provided by that Secretary without pre-*
 10 *mium at the request of the Secretary of Defense and*
 11 *is covered by an indemnity agreement between the*
 12 *Secretary of Transportation and the Secretary of De-*
 13 *fense.*

14 “(2) *LOSS.—The term ‘loss’ includes damage to*
 15 *or destruction of property, personal injury or death,*
 16 *and other liabilities and expenses covered by the vessel*
 17 *war risk insurance.”.*

18 (2) *The table of sections at the beginning of such chap-*
 19 *ter is amended by adding after the item relating to section*
 20 *2644, as added by section 364(c)(3), the following new item:*

“2645. Indemnification of Department of Transportation for losses covered by ves-
sel war risk insurance.”.

21 **SEC. 1033. AIRCRAFT ACCIDENT INVESTIGATION BOARDS.**

22 (a) *INDEPENDENCE AND OBJECTIVITY OF BOARDS.—*

23 (1) *Chapter 134 of title 10, United States Code, is amended*
 24 *by adding at the end the following new section:*

1 **“§ 2255. Aircraft accident investigation boards: inde-**
2 ***pendence and objectivity***

3 “(a) *REQUIRED MEMBERSHIP OF BOARDS.*—Whenever
4 *the Secretary of a military department convenes a aircraft*
5 *accident investigation board to conduct an accident inves-*
6 *tigation of an accident involving an aircraft under the ju-*
7 *risdiction of the Secretary, the Secretary shall select the*
8 *membership of the board so that—*

9 “(1) *a majority of the voting members of the*
10 *board are selected from units outside the chain of*
11 *command of the mishap unit; and*

12 “(2) *at least one voting member of the board is*
13 *an officer or an employee assigned to the relevant*
14 *service safety center.*

15 “(b) *DETERMINATION OF UNITS OUTSIDE SAME*
16 *CHAIN OF COMMAND.*—*For purposes of this section, a unit*
17 *shall be considered to be outside the chain of command of*
18 *another unit if the two units do not have a common com-*
19 *mander in their respective chains of command below a posi-*
20 *tion for which the authorized grade is major general or rear*
21 *admiral.*

22 “(c) *MISHAP UNIT DEFINED.*—*In this section, the*
23 *term ‘mishap unit’, with respect to an aircraft accident in-*
24 *vestigation, means the unit of the armed forces (at the*
25 *squadron level or equivalent) to which was assigned the*

1 *flight crew of the aircraft that sustained the accident that*
 2 *is the subject of the investigation.*

3 “(d) *SERVICE SAFETY CENTER.*—*For purposes of this*
 4 *section, a service safety center is the single office or separate*
 5 *operating agency of a military department that has respon-*
 6 *sibility for the management of aviation safety matters for*
 7 *that military department.”.*

8 (2) *The table of sections at the beginning of subchapter*
 9 *II of such chapter is amended by adding at the end the*
 10 *following new item:*

“2255. *Aircraft accident investigation boards: independence and objectivity.*”.

11 (b) *EFFECTIVE DATE.*—*Section 2255 of title 10, Unit-*
 12 *ed States Code, as added by subsection (a), shall apply with*
 13 *respect to any aircraft accident investigation board con-*
 14 *vened by the Secretary of a military department after the*
 15 *end of the six-month period beginning on the date of the*
 16 *enactment of this Act.*

17 **SEC. 1034. AUTHORITY FOR USE OF APPROPRIATED FUNDS**
 18 **FOR RECRUITING FUNCTIONS.**

19 (a) *AUTHORITY.*—*Chapter 31 of title 10, United States*
 20 *Code, is amended by adding at the end the following new*
 21 *section:*

22 **“§ 520c. Recruiting functions: use of funds**

23 “*Under regulations prescribed by the Secretary con-*
 24 *cerned, funds appropriated to the Department of Defense*

1 *may be expended for small meals and snacks during recruit-*
 2 *ing functions for the following persons:*

3 “(1) *Persons who have entered the Delayed*
 4 *Entry Program under section 513 of this title and*
 5 *other persons who are the subject of recruiting efforts.*

6 “(2) *Persons in communities who assist the mili-*
 7 *tary departments in recruiting efforts.*

8 “(3) *Military or civilian personnel whose attend-*
 9 *ance at such functions is mandatory.*

10 “(4) *Other persons whose presence at recruiting*
 11 *functions will contribute to recruiting efforts.”.*

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

“520c. Recruiting functions: use of funds.”.

15 **SEC. 1035. AUTHORITY FOR AWARD OF MEDAL OF HONOR**
 16 **TO CERTAIN AFRICAN AMERICAN SOLDIERS**
 17 **WHO SERVED DURING WORLD WAR II.**

18 **(a) INAPPLICABILITY OF TIME LIMITATIONS.**—*Not-*
 19 *withstanding the time limitations in section 3744(b) of title*
 20 *10, United States Code, or any other time limitation, the*
 21 *President may award the Medal of Honor to the persons*
 22 *specified in subsection (b), each of whom has been found*
 23 *by the Secretary of the Army to have distinguished himself*
 24 *conspicuously by gallantry and intrepidity at the risk of*

1 *his life above and beyond the call of duty while serving in*
2 *the United States Army during World War II.*

3 (b) *PERSONS ELIGIBLE TO RECEIVE THE MEDAL OF*
4 *HONOR.—The persons referred to in subsection (a) are the*
5 *following:*

6 (1) *Vernon J. Baker, who served as a first lieu-*
7 *tenant in the 370th Infantry Regiment, 92nd Infan-*
8 *try Division.*

9 (2) *Edward A. Carter, who served as a staff ser-*
10 *geant in the 56th Armored Infantry Battalion,*
11 *Twelfth Armored Division.*

12 (3) *John R. Fox, who served as a first lieutenant*
13 *in the 366th Infantry Regiment, 92nd Infantry Divi-*
14 *sion.*

15 (4) *Willy F. James, Jr., who served as a private*
16 *first class in 413th Infantry Regiment, 104th Infan-*
17 *try Division.*

18 (5) *Ruben Rivers, who served as a staff sergeant*
19 *in the 761st Tank Battalion.*

20 (6) *Charles L. Thomas, who served as a first*
21 *lieutenant in the 614th Tank Destroyer Battalion.*

22 (7) *George Watson, who served as a private in*
23 *the 29th Quartermaster Regiment.*

1 (c) *POSTHUMOUS AWARD.*—*The Medal of Honor may*
 2 *be awarded under this section posthumously, as provided*
 3 *in section 3752 of title 10, United States Code.*

4 (d) *PRIOR AWARD.*—*The Medal of Honor may be*
 5 *awarded under this section for service for which a Distin-*
 6 *guished-Service Cross, or other award, has been awarded.*

7 **SEC. 1036. COMPENSATION FOR PERSONS AWARDED PRIS-**
 8 **ONER OF WAR MEDAL WHO DID NOT PRE-**
 9 **VIOUSLY RECEIVE COMPENSATION AS A PRIS-**
 10 **ONER OF WAR.**

11 (a) *AUTHORITY TO MAKE PAYMENTS.*—*The Secretary*
 12 *of the military department concerned shall make payments*
 13 *in the manner provided in section 6 of the War Claims Act*
 14 *of 1948 (50 U.S.C. App. 2005) to (or on behalf of) any per-*
 15 *son described in subsection (b) who submits an application*
 16 *for such payment in accordance with subsection (d).*

17 (b) *ELIGIBLE PERSONS.*—*This section applies with re-*
 18 *spect to a member or former member of the Armed Forces*
 19 *who—*

20 (1) *has received the prisoner of war medal under*
 21 *section 1128 of title 10, United States Code; and*

22 (2) *has not previously received a payment under*
 23 *section 6 of the War Claims Act of 1948 (50 U.S.C.*
 24 *App. 2005) with respect to the period of internment*

1 *for which the person received the prisoner of war*
2 *medal.*

3 (c) *AMOUNT OF PAYMENT.*—*The amount of the pay-*
4 *ment to any person under this section shall be determined*
5 *based upon the provisions of section 6 of the War Claims*
6 *Act of 1948 that are applicable with respect to the period*
7 *of time during which the internment occurred for which the*
8 *person received the prisoner of war medal.*

9 (d) *ONE-YEAR PERIOD FOR SUBMISSION OF APPLICA-*
10 *TIONS.*—*A payment may be made by reason of this section*
11 *only in the case of a person who submits an application*
12 *to the Secretary concerned for such payment during the one-*
13 *year period beginning on the date of the enactment of this*
14 *Act. Any such application shall be submitted in such form*
15 *and manner as the Secretary may require.*

16 **SEC. 1037. GEORGE C. MARSHALL EUROPEAN CENTER FOR**
17 **STRATEGIC SECURITY STUDIES.**

18 (a) *ACCEPTANCE OF CONTRIBUTIONS.*—*The Secretary*
19 *of Defense may accept, on behalf of the George C. Marshall*
20 *European Center for Security Studies, from any foreign na-*
21 *tion any contribution of money or services made by such*
22 *nation to defray the cost of, or enhance the operations of,*
23 *the George C. Marshall European Center for Security Stud-*
24 *ies. Such contributions may include guest lecturers, faculty*

1 *services, research materials, and other donations through*
2 *foundations or similar sources.*

3 (b) *NOTICE TO CONGRESS.—The Secretary of Defense*
4 *shall notify Congress if total contributions of money under*
5 *subsection (a) exceed \$2,000,000 in any fiscal year. Any*
6 *such notice shall list the nations and the amounts of each*
7 *such contribution.*

8 (c) *MARSHALL CENTER ATTENDANCE AND REPORTING*
9 *REQUIREMENT.—(1) The Secretary of Defense may author-*
10 *ize participation by a European or Eurasian nation in*
11 *Marshall Center programs if—*

12 (A) *the Secretary determines, after consultation*
13 *with the Secretary of State, that such participation is*
14 *in the national interest of the United States; and*

15 (B) *the Secretary determines that such partici-*
16 *pation (notwithstanding any other provision of law)*
17 *by that nation in Marshall Center programs will ma-*
18 *terially contribute to the reform of the electoral proc-*
19 *ess or development of democratic institutions or demo-*
20 *cratic political parties in that nation.*

21 (2) *The Secretary of Defense shall notify Congress of*
22 *such determination not less than 90 days in advance of any*
23 *such participation by such nation pursuant to the deter-*
24 *mination concerning that nation.*

1 (3) *The Secretary of Defense shall submit to Congress*
 2 *an annual report on the participation of European and*
 3 *Eurasian nations in programs of the Marshall Center.*

4 (d) *MARSHALL CENTER BOARD OF VISITORS.—(1) In*
 5 *the case of any United States citizen invited to serve with-*
 6 *out compensation on the Marshall Center Board of Visitors,*
 7 *the Secretary of Defense may waive any requirement for*
 8 *financial disclosure that would otherwise be applicable to*
 9 *that person by reason of service on such Board of Visitors.*

10 (2) *Notwithstanding section 219 of title 18, United*
 11 *States Code, a non-United States citizen may serve on the*
 12 *Board even though registered as a foreign agent.*

13 **SEC. 1038. PARTICIPATION OF MEMBERS, DEPENDENTS,**
 14 **AND OTHER PERSONS IN CRIME PREVENTION**
 15 **EFFORTS AT INSTALLATIONS.**

16 (a) *CRIME PREVENTION.—The Secretary of Defense*
 17 *shall prescribe regulations intended to require members of*
 18 *the Armed Forces, dependents of members, civilian employ-*
 19 *ees of the Department of Defense, and employees of defense*
 20 *contractors performing work at military installations to re-*
 21 *port to an appropriate military law enforcement agency*
 22 *any crime or criminal activity that the person reasonably*
 23 *believes occurred on a military installation.*

24 (b) *SANCTIONS.—As part of the regulations, the Sec-*
 25 *retary shall consider the feasibility of imposing sanctions*

1 *against a person described in subsection (a), particularly*
 2 *a member of the Armed Forces, who fails to report the occur-*
 3 *rence of a crime or criminal activity as required by the*
 4 *regulations.*

5 *(c) REPORT REGARDING IMPLEMENTATION.—Not later*
 6 *than February 1, 1997, the Secretary shall submit to Con-*
 7 *gress a report describing the plans of the Secretary to imple-*
 8 *ment this section.*

9 **SEC. 1039. TECHNICAL AND CLERICAL AMENDMENTS.**

10 *(a) CORRECTIONS IN STATUTORY REFERENCES.—*

11 *(1) REFERENCE TO COMMAND FORMERLY KNOWN*
 12 *AS THE NORTH AMERICAN AIR DEFENSE COMMAND.—*
 13 *Section 162(a) of title 10, United States Code, is*
 14 *amended by striking out “North American Air De-*
 15 *fense Command” in paragraphs (1), (2), and (3) and*
 16 *inserting in lieu thereof “North American Aerospace*
 17 *Defense Command”.*

18 *(2) REFERENCES TO FORMER NAVAL RECORDS*
 19 *AND HISTORY OFFICE AND FUND.—(A) Section 7222*
 20 *of title 10, United States Code, is amended in sub-*
 21 *sections (a) and (c) by striking out “Office of Naval*
 22 *Records and History” each place it appears and in-*
 23 *serting in lieu thereof “Naval Historical Center”.*

24 *(B)(i) The heading of such section is amended to*
 25 *read as follows:*

1 **“§ 7222. Naval Historical Center Fund”.**

2 (ii) *The item relating to such section in the table*
 3 *of sections at the beginning of chapter 631 of title 10,*
 4 *United States Code, is amended to read as follows:*

“7222. Naval Historical Center Fund.”.

5 (C) *Section 2055(g) of the Internal Revenue Code*
 6 *of 1986 is amended by striking out paragraph (4)*
 7 *and inserting in lieu thereof the following:*

***“(4) For treatment of gifts and bequests for the
 benefit of the Naval Historical Center as gifts or be-
 quests to or for the use of the United States, see sec-
 tion 7222 of title 10, United States Code.”.***

8 (3) *CHEMICAL DEMILITARIZATION CITIZENS AD-*
 9 *VISORY COMMISSIONS.—Section 172 of the National*
 10 *Defense Authorization Act for Fiscal Year 1993 (Pub-*
 11 *lic Law 102–484; 106 Stat. 2341; 50 U.S.C. 1521*
 12 *note) is amended by striking out “Assistant Secretary*
 13 *of the Army (Installations, Logistics, and Environ-*
 14 *ment)” in subsections (b) and (f) and inserting in*
 15 *lieu thereof “Assistant Secretary of the Army (Re-*
 16 *search, Development and Acquisition)”.*

17 (b) *MISCELLANEOUS AMENDMENTS TO TITLE 10,*
 18 *United States Code.—Title 10, United States Code, is*
 19 *amended as follows:*

20 (1) *Section 129(a) is amended by striking out*
 21 *“the date of the enactment of the National Defense*

1 *Authorization Act for Fiscal Year 1996” and insert-*
2 *ing in lieu thereof “February 10, 1996.”.*

3 (2) *Section 401 is amended—*

4 (A) *in subsection (a)(4), by striking out*
5 *“Armed Forces” both places it appears and in-*
6 *serting in lieu thereof “armed forces”; and*

7 (B) *in subsection (e), by inserting “any of*
8 *the following” after “means”.*

9 (3) *Section 528(b) is amended by striking out*
10 *“(1)” after “(b)” and inserting “(1)” before “The lim-*
11 *itation”.*

12 (4) *Section 1078a(a) is amended by striking out*
13 *“Beginning on October 1, 1994, the” and inserting in*
14 *lieu thereof “The”.*

15 (5) *Section 1161(b)(2) is amended by striking*
16 *out “section 1178” and inserting in lieu thereof “sec-*
17 *tion 1167”.*

18 (6) *Section 1167 is amended by striking out*
19 *“person” and inserting in lieu thereof “member”.*

20 (7) *The table of sections at the beginning of*
21 *chapter 81 is amended by striking out “Sec.” in the*
22 *item relating to section 1599a.*

23 (8) *Section 1588(d)(1)(C) is amended by striking*
24 *out “Section 522a” and inserting in lieu thereof “Sec-*
25 *tion 552a”.*

1 (9) *Chapter 87 is amended—*

2 (A) *in section 1723(a), by striking out the*
3 *second sentence;*

4 (B) *in section 1724, by striking out “, be-*
5 *ginning on October 1, 1993,” in subsections (a)*
6 *and (b);*

7 (C) *in section 1733(a), by striking out “On*
8 *and after October 1, 1993, a” and inserting in*
9 *lieu thereof “A”; and*

10 (D) *in section 1734—*

11 (i) *in subsection (a)(1), by striking out*
12 *“, on and after October 1, 1993,”; and*

13 (ii) *in subsection (b)(1)(A), by striking*
14 *out “, on and after October 1, 1991,”.*

15 (10) *Section 2216, as added by section 371 of the*
16 *National Defense Authorization Act for Fiscal Year*
17 *1996 (Public Law 104–106; 107 Stat. 277), is redes-*
18 *ignated as section 2216a, and the item relating to*
19 *that section in the table of sections at the beginning*
20 *of chapter 131 is revised so as to reflect such redesign-*
21 *ation.*

22 (11) *Section 2305(b)(6) is amended—*

23 (A) *in subparagraph (B), by striking out*
24 *“of this section” and “of this paragraph”;*

1 (B) in subparagraph (C), by striking out
2 “this subsection” and inserting in lieu thereof
3 “subparagraph (A)”; and

4 (C) in subparagraph (D), by striking out
5 “pursuant to this subsection” and inserting in
6 lieu thereof “under subparagraph (A)”.

7 (12) Section 2306a(h)(3) is amended by insert-
8 ing “(41 U.S.C. 403(12))” before the period at the
9 end.

10 (13) Section 2323a(a) is amended by striking
11 out “section 1207 of the National Defense Authoriza-
12 tion Act for Fiscal Year 1987 (10 U.S.C. 2301 note)”
13 and inserting in lieu thereof “section 2323 of this
14 title”.

15 (14) Section 2534(c)(4) is amended by striking
16 out “the date occurring two years after the date of the
17 enactment of the National Defense Authorization Act
18 for Fiscal Year 1996” and inserting in lieu thereof
19 “February 10, 1998”.

20 (15) The table of sections at the beginning of
21 chapter 155 is amended by striking out the item re-
22 lating to section 2609.

23 (16) Section 2610(e) is amended by striking out
24 “two years after the date of the enactment of the Na-
25 tional Defense Authorization Act for Fiscal Year

1 1996” and inserting in lieu thereof “on February 10,
2 1998”.

3 (17) Sections 2824(c) and 2826(i)(1) are amend-
4 ed by striking out “the date of the enactment of the
5 National Defense Authorization Act for Fiscal Year
6 1996” and inserting in lieu thereof “February 10,
7 1996”.

8 (18) Section 3036(d) is amended by striking out
9 “For purposes of this subsection,” and inserting in
10 lieu thereof “In this subsection,”.

11 (19) The table of sections at the beginning of
12 chapter 641 is amended by striking out the item re-
13 lating to section 7434.

14 (20) Section 10542(b)(21) is amended by strik-
15 ing out “261” and inserting in lieu thereof “12001”.

16 (21) Section 12205(a) is amended by striking
17 out “After September 30, 1995, no person” and in-
18 serting in lieu thereof “No person”.

19 (c) AMENDMENTS TO PUBLIC LAW 104–106.—The Na-
20 tional Defense Authorization Act for Fiscal Year 1996 (Pub-
21 lic Law 104–106; 110 Stat. 186 et seq.) is amended as fol-
22 lows:

23 (1) Section 561(d)(1) (110 Stat. 322) is amended
24 by inserting “of such title” after “Section 1405(c)”.

1 (2) *Section 903(e)(1) (110 Stat. 402) is amend-*
2 *ed—*

3 (A) *in subparagraph (A), by striking out*
4 *“paragraphs (6) and (8)” and inserting in lieu*
5 *thereof “paragraph (6)”;* and

6 (B) *in subparagraph (B), by inserting*
7 *“(8),” after “(7),” and by striking out “and*
8 *(9),” and inserting in lieu thereof “(9), and*
9 *(10),”.*

10 (3) *Section 1092(b)(2) (110 Stat. 460) is amend-*
11 *ed by striking out the period at the end and inserting*
12 *in lieu thereof “; and”.*

13 (4) *Section 4301(a)(1) (110 Stat. 656) is amend-*
14 *ed by inserting “of subsection (a)” after “in para-*
15 *graph (2)”.*

16 (5) *Section 5601 (110 Stat. 699) is amended—*

17 (A) *in subsection (a), by inserting “of title*
18 *10, United States Code,” before “is amended”;*
19 and

20 (B) *in subsection (c), by striking out “use*
21 *of equipment or services, if” in the second quoted*
22 *matter therein and inserting in lieu thereof “use*
23 *of the equipment or services”.*

24 (d) *PROVISIONS EXECUTED BEFORE ENACTMENT OF*
25 *PUBLIC LAW 104–106.—*

1 (1) *Section 533(b) of the National Defense Au-*
2 *thorization Act for Fiscal Year 1996 (Public Law*
3 *104–106; 110 Stat. 315) shall apply as if enacted as*
4 *of December 31, 1995.*

5 (2) *The authority provided under section 942(f)*
6 *of title 10, United States Code, shall be effective as if*
7 *section 1142 of the National Defense Authorization*
8 *Act for Fiscal Year 1996 (Public Law 104–106; 110*
9 *Stat. 467) had been enacted on September 29, 1995.*

10 (e) *AMENDMENTS TO OTHER ACTS.—*

11 (1) *The last section of the Office of Federal Pro-*
12 *curement Policy Act (41 U.S.C. 434), as added by*
13 *section 5202 of Public Law 104–106 (110 Stat. 690),*
14 *is redesignated as section 38, and the item appearing*
15 *after section 34 in the table of contents in the first*
16 *section of that Act is transferred to the end of such*
17 *table of contents and revised so as to reflect such re-*
18 *designation.*

19 (2) *Section 1412(g)(2) of the Department of De-*
20 *fense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)),*
21 *is amended—*

22 (A) *in the matter preceding subparagraph*
23 (A), *by striking out “shall contain—” and in-*
24 *serting in lieu thereof “shall include the follow-*
25 *ing:”;*

1 (B) in subparagraph (A)—

2 (i) by striking out “a” before “site-by-
3 site” and inserting in lieu thereof “A”; and

4 (ii) by striking out the semicolon at the
5 end and inserting in lieu thereof a period;
6 and

7 (C) in subparagraphs (B) and (C), by strik-
8 ing out “an” at the beginning of the subpara-
9 graph and and inserting in lieu thereof “An”.

10 (f) *COORDINATION WITH OTHER AMENDMENTS.*—For
11 purposes of applying amendments made by provisions of
12 this Act other than provisions of this section, this section
13 shall be treated as having been enacted immediately before
14 the other provisions of this Act.

15 **SEC. 1040. PROHIBITION ON CARRYING OUT SR-71 STRATE-**
16 **GIC RECONNAISSANCE PROGRAM DURING**
17 **FISCAL YEAR 1997.**

18 *The Secretary of Defense may not carry out any aerial*
19 *reconnaissance program during fiscal year 1997 using the*
20 *SR-71 aircraft.*

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 programs with respect
12 to states of the former Soviet Union:

13 (1) *Programs to facilitate the elimination, and*
14 *the safe and secure transportation and storage, of nu-*
15 *clear, chemical, and other weapons and their delivery*
16 *vehicles.*

17 (2) *Programs to facilitate the safe and secure*
18 *storage of fissile materials derived from the elimi-*
19 *nation of nuclear weapons.*

20 (3) *Programs to prevent the proliferation of*
21 *weapons, weapons components, and weapons-related*
22 *technology and expertise.*

23 (4) *Programs to expand military-to-military*
24 *and defense contacts.*

1 **SEC. 1102. FISCAL YEAR 1997 FUNDING ALLOCATIONS.**

2 *Of the amount appropriated pursuant to the author-*
3 *ization of appropriations in section 301 for Cooperative*
4 *Threat Reduction programs, not more than the following*
5 *amounts may be obligated for the purposes specified:*

6 *(1) For planning and design of a chemical weap-*
7 *ons destruction facility in Russia, \$74,500,000.*

8 *(2) For elimination of strategic offensive weap-*
9 *ons in Russia, Ukraine, Belarus, and Kazakhstan,*
10 *\$52,000,000.*

11 *(3) For nuclear infrastructure elimination in*
12 *Ukraine, Belarus, and Kazakhstan, \$47,000,000.*

13 *(4) For planning and design of a storage facility*
14 *for Russian fissile material, \$46,000,000.*

15 *(5) For fissile material containers in Russia,*
16 *\$38,500,000.*

17 *(6) For weapons storage security in Russia,*
18 *\$15,000,000.*

19 *(7) For activities designated as Defense and*
20 *Military-to-Military Contacts in Russia, Ukraine,*
21 *Belarus, and Kazakhstan, \$10,000,000.*

22 *(8) For activities designated as Other Assess-*
23 *ments/Administrative Support \$19,900,000.*

1 **SEC. 1103. PROHIBITION ON USE OF FUNDS FOR SPECIFIED**
2 **PURPOSES.**

3 *None of the funds appropriated pursuant to the au-*
4 *thorization in section 301 for Cooperative Threat Reduction*
5 *programs, or appropriated for such programs for any prior*
6 *fiscal year and remaining available for obligation, may be*
7 *obligated or expended for any of the following purposes:*

8 (1) *Conducting with Russia any peacekeeping*
9 *exercise or other peacekeeping-related activity.*

10 (2) *Provision of housing.*

11 (3) *Provision of assistance to promote defense*
12 *conversion.*

13 (4) *Provision of assistance to promote environ-*
14 *mental restoration.*

15 (5) *Provision of assistance to promote job re-*
16 *training.*

17 **SEC. 1104. LIMITATION ON USE OF FUNDS UNTIL SPECIFIED**
18 **REPORTS ARE SUBMITTED.**

19 *None of the funds appropriated pursuant to the au-*
20 *thorization in section 301 for Cooperative Threat Reduction*
21 *programs may be obligated or expended until 15 days after*
22 *the date which is the latest of the following:*

23 (1) *The date on which the President submits to*
24 *Congress the determinations required under subsection*
25 *(c) of section 211 of Public Law 102–228 (22 U.S.C.*
26 *2551 note) with respect to any certification transmit-*

1 *ted to Congress under subsection (b) of that section be-*
 2 *fore the date of the enactment of this Act.*

3 *(2) The date on which the Secretary of Defense*
 4 *submits to Congress the first report under section*
 5 *1206(a) of the National Defense Authorization Act for*
 6 *Fiscal Year 1996 (Public Law 104–106; 110 Stat.*
 7 *471).*

8 *(3) The date on which the Secretary of Defense*
 9 *submits to Congress the report for fiscal year 1997 re-*
 10 *quired under section 1205(c) of the National Defense*
 11 *Authorization Act for Fiscal Year 1995 (Public Law*
 12 *103–337; 108 Stat. 2883).*

13 **SEC. 1105. AVAILABILITY OF FUNDS.**

14 *Funds appropriated pursuant to the authorization of*
 15 *appropriations in section 301 for Cooperative Threat Re-*
 16 *duction programs shall be available for obligation for three*
 17 *fiscal years.*

18 **TITLE XII—RESERVE FORCES**
 19 **REVITALIZATION**

20 **SEC. 1201. SHORT TITLE.**

21 *This title may be cited as the “Reserve Forces Revital-*
 22 *ization Act of 1996”.*

23 **SEC. 1202. PURPOSE.**

24 *The purpose of this title is to revise the basic statutory*
 25 *authorities governing the organization and administration*

1 *of the reserve components of the Armed Forces in order to*
 2 *recognize the realities of reserve component partnership in*
 3 *the Total Force and to better prepare the American citizen-*
 4 *soldier, sailor, airman, and Marine in time of peace for*
 5 *duties in war.*

6 ***Subtitle A—Reserve Component***
 7 ***Structure***

8 ***SEC. 1211. RESERVE COMPONENT COMMANDS.***

9 *(a) ESTABLISHMENT.—(1) Part I of subtitle E of title*
 10 *10, United States Code, is amended by inserting after chap-*
 11 *ter 1005 the following new chapter:*

12 ***“CHAPTER 1006—RESERVE COMPONENT***
 13 ***COMMANDS***

“Sec.

“10171. Army Reserve Command.

“10172. Naval Reserve Force.

“10173. Marine Forces Reserve.

“10174. Air Force Reserve Command.

14 ***“§ 10171. Army Reserve Command***

15 *“(a) ESTABLISHMENT OF COMMAND.—The Secretary*
 16 *of the Army, with the advice and assistance of the Chief*
 17 *of Staff of the Army, shall establish a United States Army*
 18 *Reserve Command. The Army Reserve Command shall be*
 19 *operated as a separate command of the Army.*

20 *“(b) COMMANDER.—The Chief of Army Reserve is the*
 21 *commander of the Army Reserve Command. The com-*

1 *mander of the Army Reserve Command reports directly to*
2 *the Chief of Staff of the Army.*

3 “(c) *ASSIGNMENT OF FORCES.—The Secretary of the*
4 *Army—*

5 “(1) *shall assign to the Army Reserve Command*
6 *all forces of the Army Reserve stationed in the con-*
7 *tinental United States other than forces assigned to*
8 *the unified combatant command for special oper-*
9 *ations forces established pursuant to section 167 of*
10 *this title; and*

11 “(2) *except as otherwise directed by the Secretary*
12 *of Defense in the case of forces assigned to carry out*
13 *functions of the Secretary of the Army specified in*
14 *section 3013 of this title, shall assign all such forces*
15 *assigned to the Army Reserve Command under para-*
16 *graph (1) to the commanders of the combatant com-*
17 *mands in the manner specified by the Secretary of*
18 *Defense.*

19 **“§ 10172. Naval Reserve Force**

20 “(a) *ESTABLISHMENT OF COMMAND.—The Secretary*
21 *of the Navy, with the advice and assistance of the Chief*
22 *of Naval Operations, shall establish a Naval Reserve Force.*
23 *The Naval Reserve Force shall be operated as a separate*
24 *command of the Navy.*

1 “(b) *COMMANDER.*—*The Chief of Naval Reserve shall*
 2 *be the commander of the Naval Reserve Force. The com-*
 3 *mander of the Naval Reserve Force reports directly to the*
 4 *Chief of Naval Operations.*

5 “(c) *ASSIGNMENT OF FORCES.*—*The Secretary of the*
 6 *Navy—*

7 “(1) *shall assign to the Naval Reserve Force*
 8 *specified portions of the Naval Reserve other than*
 9 *forces assigned to the unified combatant command for*
 10 *special operations forces established pursuant to sec-*
 11 *tion 167 of this title; and*

12 “(2) *except as otherwise directed by the Secretary*
 13 *of Defense in the case of forces assigned to carry out*
 14 *functions of the Secretary of the Navy specified in sec-*
 15 *tion 5013 of this title, shall assign to the combatant*
 16 *commands all such forces assigned to the Naval Re-*
 17 *serve Force under paragraph (1) in the manner speci-*
 18 *fied by the Secretary of Defense.*

19 **“§ 10173. Marine Forces Reserve**

20 “(a) *ESTABLISHMENT.*—*The Secretary of the Navy,*
 21 *with the advice and assistance of the Commandant of the*
 22 *Marine Corps, shall establish in the Marine Corps a com-*
 23 *mand known as the Marine Forces Reserve.*

24 “(b) *COMMANDER.*—*The Marine Forces Reserve is*
 25 *commanded by the Commander, Marine Forces Reserve.*

1 *The Commander, Marine Forces Reserve, reports directly*
2 *to the Commandant of the Marine Corps.*

3 “(c) *ASSIGNMENT OF FORCES.*—*The Commandant of*
4 *the Marine Corps—*

5 “(1) *shall assign to the Marine Forces Reserve*
6 *the forces of the Marine Corps Reserve stationed in*
7 *the continental United States other than forces as-*
8 *signed to the unified combatant command for special*
9 *operations forces established pursuant to section 167*
10 *of this title; and*

11 “(2) *except as otherwise directed by the Secretary*
12 *of Defense in the case of forces assigned to carry out*
13 *functions of the Secretary of the Navy specified in sec-*
14 *tion 5013 of this title, shall assign to the combatant*
15 *commands (through the Marine Corps component*
16 *commander for each such command) all such forces*
17 *assigned to the Marine Forces Reserve under para-*
18 *graph (1) in the manner specified by the Secretary of*
19 *Defense.*

20 **“§ 10174. Air Force Reserve Command**

21 “(a) *ESTABLISHMENT OF COMMAND.*—*The Secretary*
22 *of the Air Force, with the advice and assistance of the Chief*
23 *of Staff of the Air Force, shall establish an Air Force Re-*
24 *serve Command. The Air Force Reserve Command shall be*
25 *operated as a separate command of the Air Force.*

1 “(b) *COMMANDER.*—*The Chief of Air Force Reserve is*
 2 *the Commander of the Air Force Reserve Command. The*
 3 *commander of the Air Force Reserve Command reports di-*
 4 *rectly to the Chief of Staff of the Air Force.*

5 “(c) *ASSIGNMENT OF FORCES.*—*The Secretary of the*
 6 *Air Force—*

7 “(1) *shall assign to the Air Force Reserve Com-*
 8 *mand all forces of the Air Force Reserve stationed in*
 9 *the continental United States other than forces as-*
 10 *signed to the unified combatant command for special*
 11 *operations forces established pursuant to section 167*
 12 *of this title; and*

13 “(2) *except as otherwise directed by the Secretary*
 14 *of Defense in the case of forces assigned to carry out*
 15 *functions of the Secretary of the Air Force specified*
 16 *in section 8013 of this title, shall assign to the com-*
 17 *batant commands all such forces assigned to the Air*
 18 *Force Reserve Command under paragraph (1) in the*
 19 *manner specified by the Secretary of Defense.”.*

20 “(2) *The tables of chapters at the beginning of part I*
 21 *of such subtitle and at the beginning of such subtitle are*
 22 *each amended by inserting after the item relating to chapter*
 23 *1005 the following new item:*

“1006. Reserve Component Commands 10171”.

1 (b) *CONFORMING REPEAL.*—Section 903 of the Na-
 2 tional Defense Authorization Act for Fiscal Year 1991 (10
 3 U.S.C. 3074 note) is repealed.

4 (c) *IMPLEMENTATION SCHEDULE.*—Implementation of
 5 chapter 1006 of title 10, United States Code, as added by
 6 subsection (a), shall begin not later than 90 days after the
 7 date of the enactment of this Act and shall be completed
 8 not later than one year after such date.

9 **SEC. 1212. RESERVE COMPONENT CHIEFS.**

10 (a) *CHIEF OF ARMY RESERVE.*—Section 3038 of title
 11 10, United States Code, is amended by adding at the end
 12 the following new subsections:

13 “(d) *BUDGET.*—The Chief of Army Reserve is the offi-
 14 cial within the executive part of the Department of the
 15 Army who, subject to the authority, direction, and control
 16 of the Secretary of the Army and the Chief of Staff, is re-
 17 sponsible for justification and execution of the personnel,
 18 operation and maintenance, and construction budgets for
 19 the Army Reserve. As such, the Chief of Army Reserve is
 20 the director and functional manager of appropriations
 21 made for the Army Reserve in those areas.

22 “(e) *FULL-TIME SUPPORT PROGRAM.*—The Chief of
 23 Army Reserve manages, with respect to the Army Reserve,
 24 the personnel program of the Department of Defense known
 25 as the Full Time Support Program.

1 “(f) *ANNUAL REPORT.*—(1) *The Chief of Army Reserve*
 2 *shall submit to the Secretary of Defense, through the Sec-*
 3 *retary of the Army, an annual report on the state of the*
 4 *Army Reserve and the ability of the Army Reserve to meet*
 5 *its missions. The report shall be prepared in conjunction*
 6 *with the Chief of Staff of the Army and may be submitted*
 7 *in classified and unclassified versions.*

8 “(2) *The Secretary of Defense shall transmit the an-*
 9 *nual report of the Chief of Army Reserve under paragraph*
 10 *(1) to Congress, together with such comments on the report*
 11 *as the Secretary considers appropriate. The report shall be*
 12 *transmitted at the same time each year that the annual*
 13 *report of the Secretary under section 113 of this title is sub-*
 14 *mitted to Congress.”.*

15 (b) *CHIEF OF NAVAL RESERVE.*—(1) *Chapter 513 of*
 16 *such title is amended by inserting after section 5142a the*
 17 *following new section:*

18 **“§5143. Office of Naval Reserve: appointment of Chief**

19 “(a) *ESTABLISHMENT OF OFFICE: CHIEF OF NAVAL*
 20 *RESERVE.*—*There is in the executive part of the Depart-*
 21 *ment of the Navy, on the staff of the Chief of Naval Oper-*
 22 *ations, an Office of the Naval Reserve, which is headed by*
 23 *a Chief of Naval Reserve. The Chief of Naval Reserve—*

24 “(1) *is the principal adviser on Naval Reserve*
 25 *matters to the Chief of Naval Operations; and*

1 “(2) *is the commander of the Naval Reserve*
2 *Force.*

3 “(b) *APPOINTMENT.—The President, by and with the*
4 *advice and consent of the Senate, shall appoint the Chief*
5 *of Naval Reserve from officers who—*

6 “(1) *have had at least 10 years of commissioned*
7 *service;*

8 “(2) *are in a grade above captain; and*

9 “(3) *have been recommended by the Secretary of*
10 *the Navy.*

11 “(c) *GRADE.—(1) The Chief of Naval Reserve holds of-*
12 *fice for a term determined by the Chief of Naval Operations,*
13 *normally four years, but may be removed for cause at any*
14 *time. He is eligible to succeed himself.*

15 “(2) *The Chief of Naval Reserve, while so serving, has*
16 *a grade above rear admiral (lower half), without vacating*
17 *the officer’s permanent grade.*

18 “(d) *BUDGET.—The Chief of Naval Reserve is the offi-*
19 *cial within the executive part of the Department of the Navy*
20 *who, subject to the authority, direction, and control of the*
21 *Secretary of the Navy and the Chief of Naval Operations,*
22 *is responsible for preparation, justification, and execution*
23 *of the personnel, operation and maintenance, and construc-*
24 *tion budgets for the Naval Reserve. As such, the Chief of*

1 *Naval Reserve is the director and functional manager of*
 2 *appropriations made for the Naval Reserve in those areas.*

3 “(e) *ANNUAL REPORT.*—(1) *The Chief of Naval Re-*
 4 *serve shall submit to the Secretary of Defense, through the*
 5 *Secretary of the Navy, an annual report on the state of the*
 6 *Naval Reserve and the ability of the Naval Reserve to meet*
 7 *its missions. The report shall be prepared in conjunction*
 8 *with the Chief of Naval Operations and may be submitted*
 9 *in classified and unclassified versions.*

10 “(2) *The Secretary of Defense shall transmit the an-*
 11 *nual report of the Chief of Naval Reserve under paragraph*
 12 *(1) to Congress, together with such comments on the report*
 13 *as the Secretary considers appropriate. The report shall be*
 14 *transmitted at the same time each year that the annual*
 15 *report of the Secretary under section 113 of this title is sub-*
 16 *mitted to Congress.”.*

17 (2) *The table of sections at the beginning of such chap-*
 18 *ter is amended by inserting after the item relating to section*
 19 *5142a the following new item:*

“5143. Office of Naval Reserve: appointment of Chief.”.

20 (c) *CHIEF OF MARINE FORCES RESERVE.*—(1) *Chap-*
 21 *ter 513 of such title is amended by inserting after section*
 22 *5143 (as added by subsection (b)) the following new section:*

1 **“§ 5144. Office of Marine Forces Reserve: appointment**
 2 **of Commander**

3 “(a) *ESTABLISHMENT OF OFFICE; COMMANDER, MA-*
 4 *RINE FORCES RESERVE.*—*There is in the executive part of*
 5 *the Department of the Navy an Office of the Marine Forces*
 6 *Reserve, which is headed by the Commander, Marine Forces*
 7 *Reserve. The Commander, Marine Forces Reserve is the*
 8 *principal adviser to the Commandant on Marine Forces Re-*
 9 *serve matters.*

10 “(b) *APPOINTMENT.*—*The President, by and with the*
 11 *advice and consent of the Senate, shall appoint the Com-*
 12 *mander, Marine Forces Reserve, from officers of the Marine*
 13 *Corps who—*

14 “(1) *have had at least 10 years of commissioned*
 15 *service;*

16 “(2) *are in a grade above colonel; and*

17 “(3) *have been recommended by the Secretary of*
 18 *the Navy.*

19 “(c) *TERM OF OFFICE; GRADE.*—(1) *The Commander,*
 20 *Marine Forces Reserve, holds office for a term determined*
 21 *by the Commandant of the Marine Corps, normally four*
 22 *years, but may be removed for cause at any time. He is*
 23 *eligible to succeed himself.*

24 “(2) *The Commander, Marine Forces Reserve, while so*
 25 *serving, has a grade above brigadier general, without*
 26 *vacating the officer’s permanent grade.*

1 “(d) *ANNUAL REPORT.*—(1) *The Commander, Marine*
 2 *Forces Reserve, shall submit to the Secretary of Defense,*
 3 *through the Secretary of the Navy, an annual report on the*
 4 *state of the Marine Corps Reserve and the ability of the*
 5 *Marine Corps Reserve to meet its missions. The report shall*
 6 *be prepared in conjunction with the Commandant of the*
 7 *Marine Corps and may be submitted in classified and un-*
 8 *classified versions.*

9 “(2) *The Secretary of Defense shall transmit the an-*
 10 *nual report of the Commander, Marine Forces Reserve,*
 11 *under paragraph (1) to Congress, together with such com-*
 12 *ments on the report as the Secretary considers appropriate.*
 13 *The report shall be transmitted at the same time each year*
 14 *that the annual report of the Secretary under section 113*
 15 *of this title is submitted to Congress.”.*

16 (2) *The table of sections at the beginning of such chap-*
 17 *ter is amended by inserting after the item relating to section*
 18 *5143 (as added by subsection (b)) the following new item:*

“5144. *Office of Marine Forces Reserve: appointment of Commander.”.*

19 (d) *CHIEF OF AIR FORCE RESERVE.*—Section 8038 of
 20 *such title is amended by adding at the end the following*
 21 *new subsections:*

22 “(d) *BUDGET.*—*The Chief of Air Force Reserve is the*
 23 *official within the executive part of the Department of the*
 24 *Air Force who, subject to the authority, direction, and con-*
 25 *trol of the Secretary of the Air Force and the Chief of Staff,*

1 *is responsible for preparation, justification, and execution*
2 *of the personnel, operation and maintenance, and construc-*
3 *tion budgets for the Air Force Reserve. As such, the Chief*
4 *of Air Force Reserve is the director and functional manager*
5 *of appropriations made for the Air Force Reserve in those*
6 *areas.*

7 “(e) *FULL TIME SUPPORT PROGRAM.—(1) The Chief*
8 *of Air Force Reserve manages, with respect to the Air Force*
9 *Reserve, the personnel program of the Department of De-*
10 *fense known as the Full Time Support Program.*

11 “(f) *ANNUAL REPORT.—(1) The Chief of Air Force Re-*
12 *serve shall submit to the Secretary of Defense, through the*
13 *Secretary of the Air Force, an annual report on the state*
14 *of the Air Force Reserve and the ability of the Air Force*
15 *Reserve to meet its missions. The report shall be prepared*
16 *in conjunction with the Chief of Staff of the Air Force and*
17 *may be submitted in classified and unclassified versions.*

18 “(2) *The Secretary of Defense shall transmit the an-*
19 *nual report of the Chief of Air Force Reserve under para-*
20 *graph (1) to Congress, together with such comments on the*
21 *report as the Secretary considers appropriate. The report*
22 *shall be transmitted at the same time each year that the*
23 *annual report of the Secretary under section 113 of this*
24 *title is submitted to Congress.”.*

1 (e) *CONFORMING AMENDMENT.*—Section 641(1)(B) of
 2 such title is amended by inserting “5143, 5144,” after
 3 “3038,”.

4 **SEC. 1213. REVIEW OF ACTIVE DUTY AND RESERVE GEN-**
 5 **ERAL AND FLAG OFFICER AUTHORIZATIONS.**

6 (a) *REPORT TO CONGRESS.*—Not later than six
 7 months after the date of the enactment of this Act, the Sec-
 8 retary of Defense shall submit to Congress a report contain-
 9 ing any recommendations of the Secretary (together with
 10 the rationale of the Secretary for the recommendations) con-
 11 cerning the following:

12 (1) *Revision of the limitations on general and*
 13 *flag officer grade authorizations and distribution in*
 14 *grade prescribed by sections 525, 526, and 12004 of*
 15 *title 10, United States Code.*

16 (2) *Statutory designation of the positions and*
 17 *grades of any additional general and flag officers in*
 18 *the commands and offices created by sections 1211*
 19 *and 1212.*

20 (b) *MATTERS TO BE INCLUDED.*—The Secretary shall
 21 include in the report under subsection (a) the Secretary’s
 22 views on whether current limitations referred to in sub-
 23 section (a)—

24 (1) *permit the Secretaries of the military depart-*
 25 *ments, in view of increased requirements for assign-*

1 *ment of general and flag officers in positions external*
2 *to their organic services, to meet adequately both in-*
3 *ternal and external requirements for general and flag*
4 *officers;*

5 *(2) adequately recognize the significantly in-*
6 *creased role of the reserve components in both service-*
7 *specific and joint operations; and*

8 *(3) permit the Secretaries of the military depart-*
9 *ments and reserve components to assign general and*
10 *flag officers to active and reserve component positions*
11 *with grades commensurate with the scope of duties*
12 *and responsibilities of the position.*

13 *(c) EXEMPTIONS FROM ACTIVE-DUTY CEILINGS.—(1)*
14 *The Secretary shall include in the report under subsection*
15 *(a) the Secretary's recommendations regarding the merits*
16 *of exempting from any active-duty ceiling (established by*
17 *law or administrative action) the following officers:*

18 *(A) Reserve general and flag officers assigned to*
19 *positions specified in the organizations created by this*
20 *title.*

21 *(B) Reserve general and flag officers serving on*
22 *active duty, but who are excluded from the active-*
23 *duty list.*

24 *(2) If the Secretary determines under paragraph (1)*
25 *that any Reserve general or flag officers should be exempt*

1 *from active duty limits, the Secretary shall include in the*
2 *report under subsection (a) the Secretary's recommenda-*
3 *tions for—*

4 (A) *the effective management of those Reserve*
5 *general and flag officers; and*

6 (B) *revision of active duty ceilings so as to pre-*
7 *vent an increase in the numbers of active general and*
8 *flag officers authorizations due solely to the removal*
9 *of Reserve general and flag officers from under the ac-*
10 *tive duty authorizations.*

11 (3) *If the Secretary determines under paragraph (1)*
12 *that active and reserve general officers on active duty should*
13 *continue to be managed under a common ceiling, the Sec-*
14 *retary shall make recommendations for the appropriate ap-*
15 *portionment of numbers for general and flag officers among*
16 *active and reserve officers.*

17 (d) *RESERVE FORCES POLICY BOARD PARTICIPA-*
18 *TION.—The Secretary of Defense shall ensure that the Re-*
19 *serve Forces Policy Board participates in the internal De-*
20 *partment of Defense process for development of the rec-*
21 *ommendations of the Secretary contained in the report*
22 *under subsection (a). If the Board submits to the Secretary*
23 *any comments or recommendations for inclusion in the re-*
24 *port, the Secretary shall transmit them to Congress, with*

1 *the report, in the same form as that in which they were*
 2 *submitted to the Secretary.*

3 (e) *GAO REVIEW.*—*The Comptroller General of the*
 4 *United States shall assess the criteria used by the Secretary*
 5 *of Defense to develop recommendations for purposes of the*
 6 *report under this section and shall submit to Congress, not*
 7 *later than 30 days after the date on which the report of*
 8 *the Secretary under this section is submitted, a report set-*
 9 *ting forth the Comptroller General’s conclusions concerning*
 10 *the adequacy and completeness of the recommendations*
 11 *made by the Secretary in the report.*

12 **SEC. 1214. GUARD AND RESERVE TECHNICIANS.**

13 (a) *IN GENERAL.*—*Section 10216 of title 10, United*
 14 *States Code, as amended by section 413, is amended—*

15 (1) *by redesignating subsections (a), (b), and (c)*
 16 *as subsections (b), (c), and (d), respectively;*

17 (2) *by inserting after the section heading the fol-*
 18 *lowing new subsection (a):*

19 “(a) *IN GENERAL.*—*Military technicians are Federal*
 20 *civilian employees hired under title 5 and title 32 who are*
 21 *required to maintain dual-status as drilling reserve compo-*
 22 *nent members as a condition of their Federal civilian em-*
 23 *ployment. Such employees shall be authorized and ac-*
 24 *counted for as a separate category of dual-status civilian*
 25 *employees, exempt as specified in subsection (b)(3) from*

1 *any general or regulatory requirement for adjustments in*
 2 *Department of Defense civilian personnel.”; and*

3 *(3) in paragraph (3) of subsection (b), as redes-*
 4 *ignated by paragraph (1), by striking out “in high-*
 5 *priority units and organizations specified in para-*
 6 *graph (1)”.*

7 ***Subtitle B—Reserve Component***
 8 ***Accessibility***

9 ***SEC. 1231. REPORT TO CONGRESS ON MEASURES TO IM-***
 10 ***PROVE NATIONAL GUARD AND RESERVE***
 11 ***ABILITY TO RESPOND TO EMERGENCIES.***

12 *(a) REPORT.—Not later than six months after the date*
 13 *of the enactment of this Act, the Secretary of Defense shall*
 14 *submit to Congress a report regarding reserve component*
 15 *responsiveness to both domestic emergencies and national*
 16 *contingency operations. The report shall set forth the meas-*
 17 *ures taken, underway, and projected to be taken to improve*
 18 *the timeliness, adequacy, and effectiveness of reserve compo-*
 19 *nent responses to such emergencies and operations.*

20 *(b) MATTERS RELATED TO RESPONSIVENESS TO DO-*
 21 *MESTIC EMERGENCIES.—The report shall address the fol-*
 22 *lowing:*

23 *(1) The need to expand the time period set by*
 24 *section 12301(b) of title 10, United States Code,*
 25 *which permits the involuntary recall at any time to*

1 *active duty of units and individuals for up to 15*
2 *days per year.*

3 *(2) The recommendations of the 1995 report of*
4 *the RAND Corporation entitled “Assessing the State*
5 *and Federal Missions of the National Guard”, as fol-*
6 *lows:*

7 *(A) That Federal law be clarified and*
8 *amended to authorize Presidential use of the*
9 *Federal reserves of all military services for do-*
10 *mestic emergencies and disasters without any*
11 *time constraint.*

12 *(B) That the Secretary of Defense develop*
13 *and support establishment of an appropriate na-*
14 *tional level compact for interstate sharing of re-*
15 *sources, including the domestic capabilities of the*
16 *national guards of the States, during emer-*
17 *gencies and disasters.*

18 *(C) That Federal level contingency stocks be*
19 *created to support the National Guard in domes-*
20 *tic disasters.*

21 *(D) That Federal funding and regulatory*
22 *support be provided for Federal-State disaster*
23 *emergency response planning exercises.*

24 *(c) MATTERS RELATED TO PRESIDENTIAL RESERVE*
25 *CALL-UP AUTHORITY.—The report under this section shall*

1 *specifically address matters related to the authority of the*
2 *President to activate for service on active duty units and*
3 *members of reserve components under sections 12301,*
4 *12302, and 12304 of title 10, United States Code, includ-*
5 *ing—*

6 (1) *whether such authority is adequate to meet*
7 *the full range of reserve component missions for the*
8 *21st century, particularly with regard to the time pe-*
9 *riods for which such units and members may be on*
10 *active duty under those authorities and the ability to*
11 *activate both units and individual members; and*

12 (2) *whether the three-tiered set of statutory au-*
13 *thorities (under such sections 12301, 12302, and*
14 *12304) should be consolidated, modified, or in part*
15 *eliminated in order to facilitate current and future*
16 *use of Reserve units and individual reserve compo-*
17 *nent members for a broader range of missions, and,*
18 *if so, in what manner.*

19 (d) *MATTERS RELATED TO RELEASE FROM ACTIVE*
20 *DUTY.—The report under this section shall include findings*
21 *and recommendations (based upon a review of current poli-*
22 *cies and procedures) concerning procedures for release from*
23 *active duty of units and members of reserve components who*
24 *have been involuntarily called or ordered to active duty*
25 *under section 12301, 12302, or 12304 of title 10, United*

1 *States Code, with specific recommendations concerning the*
2 *desirability of statutory provisions to—*

3 (1) *establish specific guidelines for when it is ap-*
4 *propriate (or inappropriate) to retain on active duty*
5 *such reserve component units when active component*
6 *units are available to perform the mission being per-*
7 *formed by the reserve component unit;*

8 (2) *minimize the effects of frequent mobilization*
9 *of the civilian employers, as well as the effects of fre-*
10 *quent mobilization on recruiting and retention in the*
11 *reserve components; and*

12 (3) *address other matters relating to the needs of*
13 *such members of reserve components, their employers,*
14 *and (in the case of such members who own businesses)*
15 *their employees, while such members are on active*
16 *duty.*

17 (e) *RESERVE FORCES POLICY BOARD PARTICIPA-*
18 *TION.—The Secretary of Defense shall ensure that the Re-*
19 *serve Forces Policy Board participates in the internal De-*
20 *partment of Defense process for development of the rec-*
21 *ommendations of the Secretary contained in the report*
22 *under subsection (a). If the Board submits to the Secretary*
23 *any comments or recommendations for inclusion in the re-*
24 *port, the Secretary shall transmit them to Congress, with*

1 *the report, in the same form as that in which they were*
2 *submitted to the Secretary.*

3 (f) *GAO REVIEW.—The Comptroller General of the*
4 *United States shall assess the criteria used by the Secretary*
5 *of Defense to develop recommendations for purposes of the*
6 *report under this section and shall submit to Congress, not*
7 *later than 30 days after the date on which the report of*
8 *the Secretary under this section is submitted, a report set-*
9 *ting forth the Comptroller General's conclusions concerning*
10 *the adequacy and completeness of the recommendations*
11 *made by the Secretary in the report.*

12 **SEC. 1232. REPORT TO CONGRESS CONCERNING TAX INCEN-**
13 **TIVES FOR EMPLOYERS OF MEMBERS OF RE-**
14 **SERVE COMPONENTS.**

15 *Not later than 180 days after the date of the enactment*
16 *of this Act, the Secretary of Defense shall submit to Congress*
17 *a report setting forth a draft of legislation to provide tax*
18 *incentives to employers of members of reserve components*
19 *in order to compensate employers for absences of those em-*
20 *ployees due to required training and for absences due to*
21 *performance of active duty.*

1 **SEC. 1233. REPORT TO CONGRESS CONCERNING INCOME**
2 **INSURANCE PROGRAM FOR ACTIVATED RE-**
3 **SERVISTS.**

4 *Not later than 180 days after the date of the enactment*
5 *of this Act, the Secretary of Defense shall submit to Congress*
6 *a report setting forth legislative recommendations for*
7 *changes to chapter 1214 of title 10, United States Code.*
8 *Such recommendations shall in particular provide, in the*
9 *case of a mobilized member who owns a business, income*
10 *replacement for that business and for employees of that*
11 *member or business who have a loss of income during the*
12 *period of such activation attributable to the activation of*
13 *the member.*

14 **SEC. 1234. REPORT TO CONGRESS CONCERNING SMALL**
15 **BUSINESS LOANS FOR MEMBERS RELEASED**
16 **FROM RESERVE SERVICE DURING CONTIN-**
17 **GENCY OPERATIONS.**

18 *Not later than 180 days after the date of the enactment*
19 *of this Act, the Secretary of Defense shall submit to Congress*
20 *a report setting forth a draft of legislation to establish a*
21 *small business loan program to provide members of reserve*
22 *components who are ordered to active duty or active Federal*
23 *service (other than for training) during a contingency oper-*
24 *ation (as defined in section 101 of title 10, United States*
25 *Code) low-cost loans to assist those members in retaining*

1 *or rebuilding businesses that were affected by their service*
 2 *on active duty or in active Federal service.*

3 ***Subtitle C—Reserve Forces***
 4 ***Sustainment***

5 ***SEC. 1251. REPORT CONCERNING TAX DEDUCTIBILITY OF***
 6 ***NONREIMBURSABLE EXPENSES.***

7 *Not later than 180 days after the date of the enactment*
 8 *of this Act, the Secretary of Defense shall submit to Congress*
 9 *a report setting forth a draft of legislation to restore the*
 10 *tax deductibility of nonreimbursable expenses incurred by*
 11 *members of reserve components in connection with military*
 12 *service.*

13 ***SEC. 1252. CODIFICATION OF ANNUAL AUTHORITY TO PAY***
 14 ***TRANSIENT HOUSING CHARGES OR PROVIDE***
 15 ***LODGING IN KIND FOR MEMBERS PERFORM-***
 16 ***ING ACTIVE DUTY FOR TRAINING OR INAC-***
 17 ***TIVE-DUTY TRAINING.***

18 *(a) CODIFICATION.—Section 404(j) of title 37, United*
 19 *States Code, is amended—*

20 *(1) in paragraph (1)—*

21 *(A) by striking out “annual training duty”*
 22 *and inserting in lieu thereof “active duty for*
 23 *training”; and*

24 *(B) by striking out “the Secretary con-*
 25 *cerned may” and all that follows through the pe-*

1 *riod and inserting in lieu thereof the following*
 2 *“the Secretary concerned—*

3 *“(A) may reimburse the member for housing*
 4 *service charge expenses incurred by the member in oc-*
 5 *cupying transient government housing during the*
 6 *performance of such duty; or*

7 *“(B) if transient government quarters are un-*
 8 *available, may provide the member with contract*
 9 *quarters as lodging in kind as if the member were en-*
 10 *titled to such an allowance under subsection (a).”;*
 11 *and*

12 *(2) in paragraph (3), by inserting “and expenses*
 13 *for contract quarters” after “service charge expenses”.*

14 *(b) CONFORMING REPEAL.—Section 8057 of the De-*
 15 *partment of Defense Appropriations Act, 1996 (Public Law*
 16 *104–61; 109 Stat. 663), is repealed.*

17 **SEC. 1253. SENSE OF CONGRESS CONCERNING QUARTERS**

18 **ALLOWANCE DURING SERVICE ON ACTIVE**

19 **DUTY FOR TRAINING.**

20 *It is the sense of Congress that the United States should*
 21 *continue to pay members of reserve components appropriate*
 22 *quarters allowances during periods of service on active duty*
 23 *for training.*

1 **SEC. 1254. SENSE OF CONGRESS CONCERNING MILITARY**
2 **LEAVE POLICY.**

3 *It is the sense of Congress that military leave policies*
4 *in effect as of the date of the enactment of this Act with*
5 *respect to members of the reserve components should not be*
6 *changed.*

7 **SEC. 1255. COMMENDATION OF RESERVE FORCES POLICY**
8 **BOARD.**

9 *(a) COMMENDATION.—The Congress commends the Re-*
10 *serve Forces Policy Board, created by the Armed Forces Re-*
11 *serve Act of 1952 (Public Law 82–476), for its fine work*
12 *in the past as an independent source of advice to the Sec-*
13 *retary of Defense on all matters pertaining to the reserve*
14 *components.*

15 *(b) SENSE OF CONGRESS.—It is the sense of Congress*
16 *that the Reserve Forces Policy Board and the reserve forces*
17 *policy committees for the individual branches of the Armed*
18 *Forces should continue to perform the vital role of providing*
19 *the civilian leadership of the Department of Defense with*
20 *independent advice on matters pertaining to the reserve*
21 *components.*

22 **SEC. 1256. REPORT ON PARITY OF BENEFITS FOR ACTIVE**
23 **DUTY SERVICE AND RESERVE SERVICE.**

24 *No later than six months after the date of the enact-*
25 *ment of this Act, the Secretary of Defense shall submit to*
26 *Congress a report providing recommendations for changes*

1 *in law that the Secretary considers necessary, feasible, and*
 2 *affordable to reduce the disparities in pay and benefits that*
 3 *occur between active component members of the Armed*
 4 *Forces and reserve component members as a result of eligi-*
 5 *bility based on length of time on active duty.*

6 ***TITLE XIII—ARMS CONTROL AND***
 7 ***RELATED MATTERS***

8 ***Subtitle A—Miscellaneous Matters***

9 ***SEC. 1301. ONE-YEAR EXTENSION OF COUNTER-***
 10 ***PROLIFERATION AUTHORITIES.***

11 *Section 1505 of the Weapons of Mass Destruction Con-*
 12 *trol Act of 1992 (title XV of Public Law 102–484; 22 U.S.C.*
 13 *5859a) is amended—*

14 *(1) in subsection (d)(3), by striking out “or”*
 15 *after “fiscal year 1995,” and by inserting “, or*
 16 *\$15,000,000 for fiscal year 1997” before the period at*
 17 *the end; and*

18 *(2) in subsection (f), by striking out “1996” and*
 19 *inserting in lieu thereof “1997”.*

20 ***SEC. 1302. LIMITATION ON RETIREMENT OR DISMANTLE-***
 21 ***MENT OF STRATEGIC NUCLEAR DELIVERY***
 22 ***SYSTEMS.***

23 *(a) LIMITATION ON USE OF FUNDS.—Funds available*
 24 *to the Department of Defense may not be obligated or ex-*
 25 *pended during fiscal year 1997 for retiring or dismantling,*

1 *or for preparing to retire or dismantle, any of the strategic*
 2 *nuclear delivery systems specified in subsection (b).*

3 *(b) SPECIFIED SYSTEMS.—Subsection (a) applies with*
 4 *respect to the following systems:*

5 *(1) B–52H bomber aircraft.*

6 *(2) Trident ballistic missile submarines.*

7 *(3) Minuteman III intercontinental ballistic*
 8 *missiles.*

9 *(4) Peacekeeper intercontinental ballistic mis-*
 10 *siles.*

11 **SEC. 1303. CERTIFICATION REQUIRED BEFORE OBSERV-**
 12 **ANCE OF MORATORIUM ON USE BY ARMED**
 13 **FORCES OF ANTIPERSONNEL LANDMINES.**

14 *Any moratorium imposed by law (whether enacted be-*
 15 *fore, on, or after the date of the enactment of this Act) on*
 16 *the use of antipersonnel landmines by the Armed Forces*
 17 *may be implemented only if (and after) the Secretary of*
 18 *Defense, after consultation with the Chairman of the Joint*
 19 *Chiefs of Staff, certifies to Congress that—*

20 *(1) the moratorium will not adversely affect the*
 21 *ability of United States forces to defend against at-*
 22 *tack on land by hostile forces; and*

23 *(2) the Armed Forces have systems that are effec-*
 24 *tive substitutes for antipersonnel landmines.*

1 **SEC. 1304. DEPARTMENT OF DEFENSE DEMINING PROGRAM.**

2 *Section 401(c) of title 10, United States Code, is*
3 *amended—*

4 *(1) by redesignating paragraph (2) as para-*
5 *graph (3); and*

6 *(2) by inserting after paragraph (1) the follow-*
7 *ing new paragraph (2):*

8 *“(2) In the case of assistance described in subsection*
9 *(e)(5), expenses that may be paid out of funds appropriated*
10 *pursuant to paragraph (1) include—*

11 *“(A) expenses for travel, transportation, and sub-*
12 *sistence of members of the armed forces participating*
13 *in activities described in that subsection; and*

14 *“(B) the cost of equipment, supplies, and services*
15 *acquired for the purpose of carrying out or directly*
16 *supporting activities described in that subsection.”.*

17 **SEC. 1305. REPORT ON MILITARY CAPABILITIES OF PEO-**
18 **PLE’S REPUBLIC OF CHINA.**

19 *(a) REPORT.—The Secretary of Defense shall prepare*
20 *a report, in both classified and unclassified form, on the*
21 *future pattern of military modernization of the People’s Re-*
22 *public of China. The report shall address both the probable*
23 *course of military-technological development in the People’s*
24 *Liberation Army and the development of Chinese military*
25 *strategy and operational concepts.*

1 (b) *MATTERS TO BE INCLUDED.*—*The report shall in-*
2 *clude analyses and forecasts of the following:*

3 (1) *Trends that would lead the People’s Republic*
4 *of China toward the development of advanced intel-*
5 *ligence, surveillance, and reconnaissance capabilities,*
6 *including gaining access to commercial or third-party*
7 *systems with military significance.*

8 (2) *Efforts by the People’s Republic of China to*
9 *develop highly accurate and stealthy ballistic and*
10 *cruise missiles, particularly in numbers sufficient to*
11 *conduct attacks capable of overwhelming projected de-*
12 *fense capabilities in the region.*

13 (3) *Development by the People’s Republic of*
14 *China of command and control networks, particularly*
15 *those capable of battle management of long-range pre-*
16 *cision strikes.*

17 (4) *Programs of the People’s Republic of China*
18 *involving unmanned aerial vehicles, particularly*
19 *those with extended ranges or loitering times.*

20 (5) *Exploitation by the People’s Republic of*
21 *China of the Global Positioning System or other simi-*
22 *lar systems for military purposes, including commer-*
23 *cial land surveillance satellites, particularly those*
24 *signs indicative of an attempt to increase accuracy of*
25 *weapons or situational awareness of operating forces.*

1 (6) *Development by the People's Republic of*
 2 *China of capabilities for denial of sea control, such as*
 3 *advanced sea mines or improved submarine capabili-*
 4 *ties.*

5 (7) *Continued development by the People's Re-*
 6 *public of China of follow-on forces, particularly those*
 7 *capable of rapid air or amphibious assault.*

8 (c) *SUBMISSION OF REPORT.—The report shall be sub-*
 9 *mitted to Congress not later than February 1, 1997.*

10 **SEC. 1306. UNITED STATES-PEOPLE'S REPUBLIC OF CHINA**

11 **JOINT DEFENSE CONVERSION COMMISSION.**

12 *None of the funds appropriated or otherwise available*
 13 *for the Department of Defense for fiscal year 1997 or any*
 14 *prior fiscal year may be obligated or expended for any ac-*
 15 *tivity associated with the United States-People's Republic*
 16 *of China Joint Defense Conversion Commission until 15*
 17 *days after the date on which the first semiannual report*
 18 *required by section 1343 of the National Defense Authoriza-*
 19 *tion Act for Fiscal Year 1996 (Public Law 104–106; 110*
 20 *Stat. 487) is received by Congress.*

21 **SEC. 1307. AUTHORITY TO ACCEPT SERVICES FROM FOR-**

22 **EIGN GOVERNMENTS AND INTERNATIONAL**
 23 **ORGANIZATIONS FOR DEFENSE PURPOSES.**

24 *Section 2608(a) of title 10, United States Code, is*
 25 *amended by inserting before the period at the end the follow-*

1 ing: “and may accept from any foreign government or
 2 international organization any contribution of services
 3 made by such foreign government or international organi-
 4 zation for use by the Department of Defense”.

5 **SEC. 1308. REVIEW BY DIRECTOR OF CENTRAL INTEL-**
 6 **LIGENCE OF NATIONAL INTELLIGENCE ESTI-**
 7 **MATE 95–19**

8 (a) *REVIEW.*—The Director of Central Intelligence
 9 shall conduct a review of the underlying assumptions and
 10 conclusions of the National Intelligence Estimate designated
 11 as NIE 95–19 and entitled “Emerging Missile Threats to
 12 North America During the Next 15 Years”, released by the
 13 Director in November 1995.

14 (b) *METHODOLOGY FOR REVIEW.*—The Director shall
 15 carry out the review under subsection (a) through a panel
 16 of independent, nongovernmental individuals with appro-
 17 priate expertise and experience. Such a panel shall be con-
 18 vened by the Director not later than 45 days after the date
 19 of the enactment of this Act.

20 (c) *REPORT.*—The Director shall submit the findings
 21 resulting from the review under subsection (a), together with
 22 any comments of the Director on the review and the find-
 23 ings, to Congress not later than three months after the ap-
 24 pointment of the Commission under section 1321.

1 ***Subtitle B—Commission to Assess***
2 ***the Ballistic Missile Threat to***
3 ***the United States***

4 **SEC. 1321. ESTABLISHMENT OF COMMISSION.**

5 (a) *ESTABLISHMENT.*—There is hereby established a
6 commission to be known as the “Commission to Assess the
7 Ballistic Missile Threat to the United States” (hereinafter
8 in this subtitle referred to as the “Commission”).

9 (b) *COMPOSITION.*—The Commission shall be composed
10 of nine members appointed by the Director of Central Intel-
11 ligence. In selecting individuals for appointment to the
12 Commission, the Director should consult with—

13 (1) the Speaker of the House of Representatives
14 concerning the appointment of three of the members
15 of the Commission;

16 (2) the majority leader of the Senate concerning
17 the appointment of three of the members of the Com-
18 mission; and

19 (3) minority leader of the House of Representa-
20 tives and the minority leader of the Senate concerning
21 the appointment of three of the members of the Com-
22 mission.

23 (c) *QUALIFICATIONS.*—Members of the Commission
24 shall be appointed from among private United States citi-
25 zens with knowledge and expertise in the political and mili-

1 *tary aspects of proliferation of ballistic missiles and the bal-*
2 *listic missile threat to the United States.*

3 (d) *CHAIRMAN.*—*The Speaker of the House of Rep-*
4 *resentatives, after consultation with the majority leader of*
5 *the Senate and the minority leaders of the House of Rep-*
6 *resentatives and the Senate, shall designate one of the mem-*
7 *bers of the Commission to serve as chairman of the Commis-*
8 *sion.*

9 (e) *PERIOD OF APPOINTMENT; VACANCIES.*—*Members*
10 *shall be appointed for the life of the Commission. Any va-*
11 *cancy in the Commission shall be filled in the same manner*
12 *as the original appointment.*

13 (f) *SECURITY CLEARANCES.*—*All members of the Com-*
14 *mission shall hold appropriate security clearances.*

15 (g) *INITIAL ORGANIZATION REQUIREMENTS.*—(1) *All*
16 *appointments to the Commission shall be made not later*
17 *than 45 days after the date of the enactment of this Act.*

18 (2) *The Commission shall convene its first meeting not*
19 *later than 30 days after the date as of which all members*
20 *of the Commission have been appointed, but not earlier than*
21 *October 15, 1996.*

22 **SEC. 1322. DUTIES OF COMMISSION.**

23 (a) *REVIEW OF BALLISTIC MISSILE THREAT.*—*The*
24 *Commission shall assess the nature and magnitude of the*

1 *existing and emerging ballistic missile threat to the United*
2 *States.*

3 (b) *COOPERATION FROM GOVERNMENT OFFICIALS.—*
4 *In carrying out its duties, the Commission should receive*
5 *the full and timely cooperation of the Secretary of Defense,*
6 *the Director of Central Intelligence, and any other United*
7 *States Government official responsible for providing the*
8 *Commission with analyses, briefings, and other information*
9 *necessary for the fulfillment of its responsibilities.*

10 **SEC. 1323. REPORT.**

11 *The Commission shall, not later than six months after*
12 *the date of its first meeting, submit to the Congress a report*
13 *on its findings and conclusions.*

14 **SEC. 1324. POWERS.**

15 (a) *HEARINGS.—The Commission or, at its direction,*
16 *any panel or member of the Commission, may, for the pur-*
17 *pose of carrying out the provisions of this subtitle, hold*
18 *hearings, sit and act at times and places, take testimony,*
19 *receive evidence, and administer oaths to the extent that the*
20 *Commission or any panel or member considers advisable.*

21 (b) *INFORMATION.—The Commission may secure di-*
22 *rectly from the Department of Defense, the Central Intel-*
23 *ligence Agency, and any other Federal department or agen-*
24 *cy information that the Commission considers necessary to*

1 *enable the Commission to carry out its responsibilities*
2 *under this subtitle.*

3 **SEC. 1325. COMMISSION PROCEDURES.**

4 (a) *MEETINGS.*—*The Commission shall meet at the*
5 *call of the Chairman.*

6 (b) *QUORUM.*—(1) *Five members of the Commission*
7 *shall constitute a quorum other than for the purpose of hold-*
8 *ing hearings.*

9 (2) *The Commission shall act by resolution agreed to*
10 *by a majority of the members of the Commission.*

11 (c) *COMMISSION.*—*The Commission may establish*
12 *panels composed of less than full membership of the Com-*
13 *mission for the purpose of carrying out the Commission's*
14 *duties. The actions of each such panel shall be subject to*
15 *the review and control of the Commission. Any findings and*
16 *determinations made by such a panel shall not be consid-*
17 *ered the findings and determinations of the Commission un-*
18 *less approved by the Commission.*

19 (d) *AUTHORITY OF INDIVIDUALS TO ACT FOR COMMIS-*
20 *SION.*—*Any member or agent of the Commission may, if*
21 *authorized by the Commission, take any action which the*
22 *Commission is authorized to take under this subtitle.*

1 **SEC. 1326. PERSONNEL MATTERS.**

2 (a) *PAY OF MEMBERS.*—*Members of the Commission*
3 *shall serve without pay by reason of their work on the Com-*
4 *mission.*

5 (b) *TRAVEL EXPENSES.*—*The members of the Commis-*
6 *sion shall be allowed travel expenses, including per diem*
7 *in lieu of subsistence, at rates authorized for employees of*
8 *agencies under subchapter I of chapter 57 of title 5, United*
9 *States Code, while away from their homes or regular places*
10 *of business in the performance of services for the Commis-*
11 *sion.*

12 (c) *STAFF.*—(1) *The chairman of the Commission*
13 *may, without regard to the provisions of title 5, United*
14 *States Code, governing appointments in the competitive*
15 *service, appoint a staff director and such additional person-*
16 *nel as may be necessary to enable the Commission to per-*
17 *form its duties. The appointment of a staff director shall*
18 *be subject to the approval of the Commission.*

19 (2) *The chairman of the Commission may fix the pay*
20 *of the staff director and other personnel without regard to*
21 *the provisions of chapter 51 and subchapter III of chapter*
22 *53 of title 5, United States Code, relating to classification*
23 *of positions and General Schedule pay rates, except that*
24 *the rate of pay fixed under this paragraph for the staff di-*
25 *rector may not exceed the rate payable for level V of the*
26 *Executive Schedule under section 5316 of such title and the*

1 *rate of pay for other personnel may not exceed the maxi-*
2 *mum rate payable for grade GS-15 of the General Schedule.*

3 *(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon re-*
4 *quest of the chairman of the Commission, the head of any*
5 *Federal department or agency may detail, on a non-*
6 *reimbursable basis, any personnel of that department or*
7 *agency to the Commission to assist it in carrying out its*
8 *duties.*

9 *(e) PROCUREMENT OF TEMPORARY AND INTERMIT-*
10 *TENT SERVICES.—The chairman of the Commission may*
11 *procure temporary and intermittent services under section*
12 *3109(b) of title 5, United States Code, at rates for individ-*
13 *uals which do not exceed the daily equivalent of the annual*
14 *rate of basic pay payable for level V of the Executive Sched-*
15 *ule under section 5316 of such title.*

16 **SEC. 1327. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.**

17 *(a) POSTAL AND PRINTING SERVICES.—The Commis-*
18 *sion may use the United States mails and obtain printing*
19 *and binding services in the same manner and under the*
20 *same conditions as other departments and agencies of the*
21 *Federal Government.*

22 *(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT*
23 *SERVICES.—The Director of Central Intelligence shall fur-*
24 *nish the Commission, on a reimbursable basis, any admin-*
25 *istrative and support services requested by the Commission.*

1 **SEC. 1328. FUNDING.**

2 *Funds for activities of the Commission shall be pro-*
 3 *vided from amounts appropriated for the Department of*
 4 *Defense for operation and maintenance for Defense-wide ac-*
 5 *tivities for fiscal year 1997. Upon receipt of a written cer-*
 6 *tification from the Chairman of the Commission specifying*
 7 *the funds required for the activities of the Commission, the*
 8 *Secretary of Defense shall promptly disburse to the Commis-*
 9 *sion, from such amounts, the funds required by the Commis-*
 10 *sion as stated in such certification.*

11 **SEC. 1329. TERMINATION OF THE COMMISSION.**

12 *The Commission shall terminate 60 days after the date*
 13 *of the submission of its report.*

14 **TITLE XIV—SIKES ACT**
 15 **IMPROVEMENT**

16 **SEC. 1401. SHORT TITLE.**

17 *This title may be cited as the “Sikes Act Improvement*
 18 *Amendments of 1996”.*

19 **SEC. 1402. DEFINITION OF SIKES ACT FOR PURPOSES OF**
 20 **AMENDMENTS.**

21 *In this title, the term “Sikes Act” means the Act enti-*
 22 *tled “An Act to promote effectual planning, development,*
 23 *maintenance, and coordination of wildlife, fish, and game*
 24 *conservation and rehabilitation in military reservations”,*
 25 *approved September 15, 1960 (16 U.S.C. 670a et seq.), com-*
 26 *monly referred to as the “Sikes Act”.*

1 **SEC. 1403. CODIFICATION OF SHORT TITLE OF ACT.**

2 *The Sikes Act (16 U.S.C. 670a et seq.) is amended by*
3 *inserting before title I the following new section:*

4 **“SECTION 1. SHORT TITLE.**

5 *“This Act may be cited as the ‘Sikes Act’.”.*

6 **SEC. 1404. INTEGRATED NATURAL RESOURCE MANAGE-**
7 **MENT PLANS.**

8 *(a) PLANS REQUIRED.—Section 101(a) of the Sikes*
9 *Act (16 U.S.C. 670a(a)) is amended—*

10 *(1) by striking out “is authorized to” and insert-*
11 *ing in lieu thereof “shall”;*

12 *(2) by striking out “in each military reservation*
13 *in accordance with a cooperative plan” and inserting*
14 *in lieu thereof the following: “on military installa-*
15 *tions. Under the program, the Secretary shall prepare*
16 *and implement for each military installation in the*
17 *United States an integrated natural resource manage-*
18 *ment plan”;*

19 *(3) by inserting after “reservation is located” the*
20 *following: “, except that the Secretary is not required*
21 *to prepare such a plan for a military installation if*
22 *the Secretary determines that preparation of such a*
23 *plan for the installation is not appropriate”; and*

24 *(4) by inserting “(1)” after “(a)” and adding at*
25 *the end the following new paragraph:*

1 “(2) *Consistent with essential military requirements*
 2 *to enhance the national security of the United States, the*
 3 *Secretary of Defense shall manage each military installa-*
 4 *tion to provide—*

5 “(A) *for the conservation of fish and wildlife on*
 6 *the military installation and sustained multipurpose*
 7 *uses of those resources, including hunting, fishing,*
 8 *and trapping; and*

9 “(B) *public access that is necessary or appro-*
 10 *priate for those uses.”.*

11 (b) *CONFORMING AMENDMENTS.—Title I of the Sikes*
 12 *Act is amended—*

13 (1) *in section 101(b) (16 U.S.C. 670a(b)), in the*
 14 *matter preceding paragraph (1) by striking out “co-*
 15 *operative plan” and inserting in lieu thereof “inte-*
 16 *grated natural resource management plan”;*

17 (2) *in section 101(b)(4) (16 U.S.C. 670a(b)(4)),*
 18 *by striking out “cooperative plan” each place it ap-*
 19 *pears and inserting in lieu thereof “integrated natu-*
 20 *ral resource management plan”;*

21 (3) *in section 101(c) (16 U.S.C. 670a(c)), in the*
 22 *matter preceding paragraph (1) by striking out “a co-*
 23 *operative plan” and inserting in lieu thereof “an in-*
 24 *tegrated natural resource management plan”;*

1 (4) in section 101(d) (16 U.S.C. 670a(d)), in the
2 matter preceding paragraph (1) by striking out “co-
3 operative plans” and inserting in lieu thereof “inte-
4 grated natural resource management plans”;

5 (5) in section 101(e) (16 U.S.C. 670a(e)), by
6 striking out “Cooperative plans” and inserting in
7 lieu thereof “Integrated natural resource management
8 plans”;

9 (6) in section 102 (16 U.S.C. 670b), by striking
10 out “a cooperative plan” and inserting in lieu thereof
11 “an integrated natural resource management plan”;

12 (7) in section 103 (16 U.S.C. 670c), by striking
13 out “a cooperative plan” and inserting in lieu thereof
14 “an integrated natural resource management plan”;

15 (8) in section 106(a) (16 U.S.C. 670f(a)), by
16 striking out “cooperative plans” and inserting in lieu
17 thereof “integrated natural resource management
18 plans”; and

19 (9) in section 106(c) (16 U.S.C. 670f(c)), by
20 striking out “cooperative plans” and inserting in lieu
21 thereof “integrated natural resource management
22 plans”.

23 (c) *CONTENTS OF PLANS*.—Section 101(b) of the Sikes
24 Act (16 U.S.C. 670a(b)) is amended—

25 (1) in paragraph (1)—

1 (A) in subparagraph (C), by striking out
2 “and” after the semicolon;

3 (B) in subparagraph (D), by striking out
4 the semicolon at the end and inserting in lieu
5 thereof a comma; and

6 (C) by adding at the end the following new
7 subparagraphs:

8 “(E) wetland protection and restoration,
9 and wetland creation where necessary, for sup-
10 port of fish or wildlife,

11 “(F) consideration of conservation needs for
12 all biological communities, and

13 “(G) the establishment of specific natural
14 resource management goals, objectives, and time-
15 frames for proposed actions;”;

16 (2) by striking out paragraph (3);

17 (3) by redesignating paragraph (2) as para-
18 graph (3);

19 (4) by inserting after paragraph (1) the follow-
20 ing new paragraph:

21 “(2) shall for the military installation for which
22 it is prepared—

23 “(A) address the needs for fish and wildlife
24 management, land management, forest manage-
25 ment, and wildlife-oriented recreation,

1 “(B) ensure the integration of, and consist-
2 ency among, the various activities conducted
3 under the plan,

4 “(C) ensure that there is no net loss in the
5 capability of installation lands to support the
6 military mission of the installation,

7 “(D) provide for sustained use by the public
8 of natural resources, to the extent that such use
9 is not inconsistent with the military mission of
10 the installation or the needs of fish and wildlife
11 management,

12 “(E) provide the public access to the instal-
13 lation that is necessary or appropriate for that
14 use, to the extent that access is not inconsistent
15 with the military mission of the installation,
16 and

17 “(F) provide for professional enforcement of
18 natural resource laws and regulations;” and

19 (5) in paragraph (4)(A), by striking out “collect
20 the fees therefor,” and inserting in lieu thereof “col-
21 lect, spend, administer, and account for fees there-
22 for,”.

23 (d) *PUBLIC COMMENT.*—Section 101 of the Sikes Act
24 (16 U.S.C. 670a) is amended by adding at the end the fol-
25 lowing new subsection:

1 “(f) *PUBLIC COMMENT.*—*The Secretary of Defense*
 2 *shall provide an opportunity for public comment on each*
 3 *integrated natural resource management plan prepared*
 4 *under subsection (a).”.*

5 **SEC. 1405. REVIEW FOR PREPARATION OF INTEGRATED**
 6 **NATURAL RESOURCE MANAGEMENT PLANS.**

7 *(a) REVIEW OF MILITARY INSTALLATIONS.—*

8 *(1) REVIEW.*—*The Secretary of each military de-*
 9 *partment shall, by not later than nine months after*
 10 *the date of the enactment of this Act—*

11 *(A) review each military installation in the*
 12 *United States that is under the jurisdiction of*
 13 *that Secretary to determine the military instal-*
 14 *lations for which the preparation of an inte-*
 15 *grated natural resource management plan under*
 16 *section 101 of the Sikes Act, as amended by this*
 17 *title, is appropriate; and*

18 *(B) submit to the Secretary of Defense a re-*
 19 *port on those determinations.*

20 *(2) REPORT TO CONGRESS.*—*The Secretary of*
 21 *Defense shall, by not later than 12 months after the*
 22 *date of the enactment of this Act, submit to the Con-*
 23 *gress a report on the reviews conducted under para-*
 24 *graph (1). The report shall include—*

1 (A) a list of those military installations re-
2 viewed under paragraph (1) for which the Sec-
3 retary of Defense determines the preparation of
4 an integrated natural resource management plan
5 is not appropriate; and

6 (B) for each of the military installations
7 listed under subparagraph (A), an explanation
8 of the reasons such a plan is not appropriate.

9 (b) *DEADLINE FOR INTEGRATED NATURAL RESOURCE*
10 *MANAGEMENT PLANS.*—Not later than two years after the
11 date of the submission of the report required under sub-
12 section (a)(2), the Secretary of Defense shall, for each mili-
13 tary installation for which the Secretary has not deter-
14 mined under subsection (a)(2)(A) that preparation of an
15 integrated natural resource management plan is not appro-
16 priate—

17 (1) prepare and begin implementing such a plan
18 mutually agreed to by the Secretary of the Interior
19 and the head of the appropriate State agencies under
20 section 101(a) of the Sikes Act, as amended by this
21 title; or

22 (2) in the case of a military installation for
23 which there is in effect a cooperative plan under sec-
24 tion 101(a) of the Sikes Act on the day before the date
25 of the enactment of this Act, complete negotiations

1 *with the Secretary of the Interior and the heads of the*
 2 *appropriate State agencies regarding changes to that*
 3 *plan that are necessary for the plan to constitute an*
 4 *integrated natural resource plan that complies with*
 5 *that section, as amended by this title.*

6 (c) *PUBLIC COMMENT.*—*The Secretary of Defense shall*
 7 *provide an opportunity for the submission of public com-*
 8 *ments on—*

9 (1) *integrated natural resource management*
 10 *plans proposed pursuant to subsection (b)(1); and*

11 (2) *changes to cooperative plans proposed pursu-*
 12 *ant to subsection (b)(2).*

13 **SEC. 1406. ANNUAL REVIEWS AND REPORTS.**

14 *Section 101 of the Sikes Act (16 U.S.C. 670a) is*
 15 *amended by adding after subsection (f) (as added by section*
 16 *1404(d)) the following new subsection:*

17 “(g) *REVIEWS AND REPORTS.*—

18 “(1) *SECRETARY OF DEFENSE.*—*The Secretary of*
 19 *Defense shall, by not later than March 1 of each year,*
 20 *review the extent to which integrated natural resource*
 21 *management plans were prepared or in effect and im-*
 22 *plemented in accordance with this Act in the preced-*
 23 *ing year, and submit a report on the findings of that*
 24 *review to the committees. Each report shall include—*

1 “(A) the number of integrated natural re-
2 source management plans in effect in the year
3 covered by the report, including the date on
4 which each plan was issued in final form or
5 most recently revised;

6 “(B) the amount of moneys expended on
7 conservation activities conducted pursuant to
8 those plans in the year covered by the report, in-
9 cluding amounts expended under the Legacy Re-
10 source Management Program established under
11 section 8120 of the Act of November 5, 1990
12 (Public Law 101–511; 104 Stat. 1905); and

13 “(C) an assessment of the extent to which
14 the plans comply with the requirements of sub-
15 section (b)(1) and (2), including specifically the
16 extent to which the plans ensure in accordance
17 with subsection (b)(2)(C) that there is no net loss
18 of lands to support the military missions of mili-
19 tary installations.

20 “(2) SECRETARY OF THE INTERIOR.—The Sec-
21 retary of the Interior, by not later than March 1 of
22 each year and in consultation with State agencies re-
23 sponsible for conservation or management of fish or
24 wildlife, shall submit a report to the committees on
25 the amount of moneys expended by the Department of

1 *the Interior and those State agencies in the year cov-*
 2 *ered by the report on conservation activities con-*
 3 *ducted pursuant to integrated natural resource man-*
 4 *agement plans.*

5 “(3) *COMMITTEES DEFINED.*—For purposes of
 6 *this subsection, the term ‘committees’ means the Com-*
 7 *mittee on Resources and the Committee on National*
 8 *Security of the House of Representatives and the*
 9 *Committee on Armed Services and the Committee on*
 10 *Environment and Public Works of the Senate.”.*

11 **SEC. 1407. TRANSFER OF WILDLIFE CONSERVATION FEES**
 12 **FROM CLOSED MILITARY INSTALLATIONS.**

13 *Section 101(b)(4)(B) of the Sikes Act (16 U.S.C.*
 14 *670a(b)(4)(B)) is amended by inserting before the period*
 15 *at the end the following: “, unless that military installation*
 16 *is subsequently closed, in which case the fees may be trans-*
 17 *ferred to another military installation to be used for the*
 18 *same purposes”.*

19 **SEC. 1408. FEDERAL ENFORCEMENT OF INTEGRATED NATU-**
 20 **RAL RESOURCE MANAGEMENT PLANS AND**
 21 **ENFORCEMENT OF OTHER LAWS.**

22 *Title I of the Sikes Act (16 U.S.C. 670a et seq.) is*
 23 *amended—*

24 (1) *by redesignating section 106, as amended by*
 25 *section 1404(b), as section 109; and*

1 (2) *by inserting after section 105 the following*
2 *new section:*

3 **“SEC. 106. FEDERAL ENFORCEMENT OF OTHER LAWS.**

4 *“All Federal laws relating to the conservation of natu-*
5 *ral resources on Federal lands may be enforced by the Sec-*
6 *retary of Defense with respect to violations of those laws*
7 *which occur on military installations within the United*
8 *States.”.*

9 **SEC. 1409. NATURAL RESOURCE MANAGEMENT SERVICES.**

10 *Title I of the Sikes Act (16 U.S.C. 670a et seq.) is*
11 *amended by inserting after section 106 (as added by section*
12 *1408) the following new section:*

13 **“SEC. 107. NATURAL RESOURCE MANAGEMENT SERVICES.**

14 *“The Secretary of each military department shall en-*
15 *sure that sufficient numbers of professionally trained natu-*
16 *ral resource management personnel and natural resource*
17 *law enforcement personnel are available and assigned re-*
18 *sponsibility to perform tasks necessary to comply with this*
19 *Act, including the preparation and implementation of inte-*
20 *grated natural resource management plans.”.*

21 **SEC. 1410. DEFINITIONS.**

22 *Title I of the Sikes Act (16 U.S.C. 670a et seq.) is*
23 *amended by inserting after section 107 (as added by section*
24 *1409) the following new section:*

1 **“SEC. 108. DEFINITIONS.**

2 *“In this title:*

3 *“(1) MILITARY INSTALLATION.—The term ‘mili-*
4 *tary installation’—*

5 *“(A) means any land or interest in land*
6 *owned by the United States and administered by*
7 *the Secretary of Defense or the Secretary of a*
8 *military department; and*

9 *“(B) includes all public lands withdrawn*
10 *from all forms of appropriation under public*
11 *land laws and reserved for use by the Secretary*
12 *of Defense or the Secretary of a military depart-*
13 *ment.*

14 *“(2) STATE FISH AND WILDLIFE AGENCY.—The*
15 *term ‘State fish and wildlife agency’ means an agen-*
16 *cy of State government that is responsible under State*
17 *law for managing fish or wildlife resources.*

18 *“(3) UNITED STATES.—The term ‘United States’*
19 *means the States, the District of Columbia, and the*
20 *territories and possessions of the United States.”.*

21 **SEC. 1411. COOPERATIVE AGREEMENTS.**

22 *(a) COST SHARING.—Section 103a(b) of the Sikes Act*
23 *(16 U.S.C. 670c–1(b)) is amended by striking out “match-*
24 *ing basis” each place it appears and inserting in lieu there-*
25 *of “cost-sharing basis”.*

1 (b) *ACCOUNTING*.—Section 103a(c) of the Sikes Act (16
 2 U.S.C. 670c–1(c)) is amended by inserting before the period
 3 at the end the following: “, and shall not be subject to sec-
 4 tion 1535 of that title”.

5 **SEC. 1412. REPEAL OF SUPERSEDED PROVISION.**

6 Section 2 of the Act of October 27, 1986 (Public Law
 7 99–651; 16 U.S.C. 670a–1), is repealed.

8 **SEC. 1413. CLERICAL AMENDMENTS.**

9 Title I of the Sikes Act, as amended by this title, is
 10 amended—

11 (1) in the heading for the title by striking out
 12 “MILITARY RESERVATIONS” and inserting in lieu
 13 thereof “MILITARY INSTALLATIONS”;

14 (2) in section 101(a) (16 U.S.C. 670a(a)), by
 15 striking out “the reservation” and inserting in lieu
 16 thereof “the installation”;

17 (3) in section 101(b)(4) (16 U.S.C.
 18 670a(b)(4))—

19 (A) in subparagraph (A), by striking out
 20 “the reservation” and inserting in lieu thereof
 21 “the installation”; and

22 (B) in subparagraph (B), by striking out
 23 “the military reservation” and inserting in lieu
 24 thereof “the military installation”;

25 (4) in section 101(c) (16 U.S.C. 670a(c))—

1 (A) in paragraph (1), by striking out “a
2 military reservation” and inserting in lieu there-
3 of “a military installation”; and

4 (B) in paragraph (2), by striking out “the
5 reservation” and inserting in lieu thereof “the
6 installation”;

7 (5) in section 102 (16 U.S.C. 670b), by striking
8 out “military reservations” and inserting in lieu
9 thereof “military installations”; and

10 (6) in section 103 (16 U.S.C. 670c)—

11 (A) by striking out “military reservations”
12 and inserting in lieu thereof “military installa-
13 tions”; and

14 (B) by striking out “such reservations” and
15 inserting in lieu thereof “such installations”.

16 **SEC. 1414. AUTHORIZATIONS OF APPROPRIATIONS.**

17 (a) *PROGRAMS ON MILITARY INSTALLATIONS.*—Sub-
18 sections (b) and (c) of section 109 of the Sikes Act (as redes-
19 ignated by section 1408) are each amended by striking out
20 “1983” and all that follows through “1993,” and inserting
21 in lieu thereof “1983 through 1998,”.

22 (b) *PROGRAMS ON PUBLIC LANDS.*—Section 209 of the
23 Sikes Act (16 U.S.C. 670o) is amended—

24 (1) in subsection (a), by striking out “the sum
25 of \$10,000,000” and all that follows through “to en-

1 *able the Secretary of the Interior” and inserting in*
 2 *lieu thereof “\$4,000,000 for each of fiscal years 1997*
 3 *and 1998, to enable the Secretary of the Interior”;*
 4 *and*

5 *(2) in subsection (b), by striking out “the sum*
 6 *of \$12,000,000” and all that follows through “to en-*
 7 *able the Secretary of Agriculture” and inserting in*
 8 *lieu thereof “\$5,000,000 for each of fiscal years 1997*
 9 *and 1998, to enable the Secretary of Agriculture”.*

10 ***DIVISION B—MILITARY CON-***
 11 ***STRUCTION AUTHORIZA-***
 12 ***TIONS***

13 ***SEC. 2001. SHORT TITLE.***

14 *This division may be cited as the “Military Construc-*
 15 *tion Authorization Act for Fiscal Year 1997”.*

16 ***TITLE XXI—ARMY***

17 ***SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND***
 18 ***ACQUISITION PROJECTS.***

19 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*
 20 *propriated pursuant to the authorization of appropriations*
 21 *in section 2104(a)(1), the Secretary of the Army may ac-*
 22 *quire real property and carry out military construction*
 23 *projects for the installations and locations inside the United*
 24 *States, and in the amounts, set forth in the following table:*

Army: Inside the United States

State	Installation or location	Total
<i>Arizona</i>	<i>Fort Huachuca</i>	\$21,000,000
<i>California</i>	<i>Army project, Naval Weapons Station, Concord</i>	\$27,000,000
	<i>Camp Roberts</i>	\$5,500,000
	<i>Fort Irwin</i>	\$7,000,000
<i>Colorado</i>	<i>Fort Carson</i>	\$17,550,000
<i>District of Columbia</i>	<i>Fort McNair</i>	\$6,900,000
<i>Georgia</i>	<i>Fort Benning</i>	\$53,400,000
	<i>Fort McPherson</i>	\$9,100,000
	<i>Fort Stewart, Hunter Army Air Field</i>	\$6,000,000
<i>Kansas</i>	<i>Fort Riley</i>	\$26,000,000
<i>Kentucky</i>	<i>Fort Campbell</i>	\$51,100,000
	<i>Fort Knox</i>	\$20,500,000
<i>New Jersey</i>	<i>Picatinny Arsenal</i>	\$7,500,000
<i>New Mexico</i>	<i>White Sands Missile Range</i>	\$10,000,000
<i>New York</i>	<i>Fort Drum</i>	\$11,400,000
<i>North Carolina</i>	<i>Fort Bragg</i>	\$14,000,000
<i>Texas</i>	<i>Fort Hood</i>	\$52,700,000
<i>Virginia</i>	<i>Fort Eustis</i>	\$3,550,000
<i>Washington</i>	<i>Fort Lewis</i>	\$54,600,000
<i>CONUS Classified</i>	<i>Classified Location</i>	\$4,600,000
	<i>Total</i>	\$409,400,000

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	Total
<i>Germany</i>	<i>Lincoln Village</i>	\$7,300,000
	<i>Spinelli Barracks</i>	\$8,100,000
	<i>Taylor Barracks</i>	\$9,300,000
<i>Italy</i>	<i>Camp Ederle, Vincenza</i>	\$3,100,000
<i>Korea</i>	<i>Camp Casey</i>	\$16,000,000
	<i>Camp Red Cloud</i>	\$14,000,000
<i>Overseas Classified</i>	<i>Classified Location</i>	\$64,000,000
	<i>Total</i>	\$121,800,000

7 SEC. 2102. FAMILY HOUSING.

8 (a) *CONSTRUCTION AND ACQUISITION.*—Using
9 amounts appropriated pursuant to the authorization of ap-

1 *appropriations in section 2104(a)(6)(A), the Secretary of the*
 2 *Army may construct or acquire family housing units (in-*
 3 *cluding land acquisition) at the installations, for the pur-*
 4 *poses, and in the amounts set forth in the following table:*

Army: Family Housing

<i>State</i>	<i>Installation</i>	<i>Purpose</i>	<i>Total</i>
<i>Alabama</i>	<i>Redstone Arsenal</i>	<i>70 Units</i>	<i>\$8,000,000</i>
<i>Hawaii</i>	<i>Schofield Barracks</i>	<i>54 Units</i>	<i>\$10,000,000</i>
<i>North Carolina</i>	<i>Fort Bragg</i>	<i>88 Units</i>	<i>\$9,800,000</i>
<i>Pennsylvania</i>	<i>Tobyhanna Army Depot</i>	<i>200 Units</i>	<i>\$890,000</i>
<i>Texas</i>	<i>Fort Bliss</i>	<i>85 Units</i>	<i>\$12,000,000</i>
	<i>Fort Hood</i>	<i>140 Units</i>	<i>\$18,500,000</i>
		<i>Total:</i>	<i>\$59,190,000</i>

5 (b) *PLANNING AND DESIGN.*—Using amounts appro-
 6 *priated pursuant to the authorization of appropriations in*
 7 *section 2104(a)(6)(A), the Secretary of the Army may carry*
 8 *out architectural and engineering services and construction*
 9 *design activities with respect to the construction or im-*
 10 *provement of family housing units in an amount not to*
 11 *exceed \$2,963,000.*

12 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
 13 **UNITS.**

14 Subject to section 2825 of title 10, United States Code,
 15 and using amounts appropriated pursuant to the author-
 16 ization of appropriations in sections 2104(a)(6)(A), the
 17 Secretary of the Army may improve existing military fam-
 18 ily housing units in an amount not to exceed \$114,450,000.

1 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

2 (a) *IN GENERAL.*—Funds are hereby authorized to be
3 appropriated for fiscal years beginning after September 30,
4 1996, for military construction, land acquisition, and mili-
5 tary family housing functions of the Department of the
6 Army in the total amount of \$2,037,653,000 as follows:

7 (1) *For military construction projects inside the*
8 *United States authorized by section 2101(a),*
9 *\$409,400,000.*

10 (2) *For military construction projects outside the*
11 *United States authorized by section 2101(b),*
12 *\$121,800,000.*

13 (3) *For unspecified minor military construction*
14 *projects authorized by section 2805 of title 10, United*
15 *States Code, \$8,000,000.*

16 (4) *For architectural and engineering services*
17 *and construction design under section 2807 of title*
18 *10, United States Code, \$54,384,000.*

19 (5) *For demolition of excess facilities under sec-*
20 *tion 2814 of title 10, United States Code, as added*
21 *by section 2802, \$10,000,000.*

22 (6) *For military family housing functions:*

23 (A) *For construction and acquisition, plan-*
24 *ning and design, and improvement of military*
25 *family housing and facilities, \$176,603,000.*

1 (B) *For support of military family housing*
 2 *(including the functions described in section*
 3 *2833 of title 10, United States Code),*
 4 *\$1,257,466,000.*

5 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
 6 *PROJECTS.—Notwithstanding the cost variations author-*
 7 *ized by section 2853 of title 10, United States Code, and*
 8 *any other cost variation authorized by law, the total cost*
 9 *of all projects carried out under section 2101 of this Act*
 10 *may not exceed the total amount authorized to be appro-*
 11 *priated under paragraphs (1) and (2) of subsection (a).*

12 **SEC. 2105. CORRECTION IN AUTHORIZED USES OF FUNDS,**
 13 **FORT IRWIN, CALIFORNIA.**

14 *In the case of amounts appropriated pursuant to the*
 15 *authorization of appropriations in section 2104(a)(1) of the*
 16 *Military Construction Authorization Act for Fiscal Year*
 17 *1995 (division B of Public Law 103–337) and section*
 18 *2104(a)(1) of the Military Construction Authorization Act*
 19 *for Fiscal Year 1996 (division B of Public Law 104–106)*
 20 *for a military construction project for Fort Irwin, Califor-*
 21 *nia, involving the construction of an air field for the Na-*
 22 *tional Training Center at Barstow-Daggett, California, the*
 23 *Secretary of the Army may use such amounts for the con-*
 24 *struction of a heliport at the same location.*

TITLE XXII—NAVY

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

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

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Navy Detachment, Camp Navajo	\$3,920,000
	Marine Corps Air Station, Yuma	\$14,600,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	\$4,020,000
	Marine Corps Air Station, Camp Pendleton	\$6,240,000
	Marine Corps Base, Camp Pendleton	\$51,630,000
	Naval Air Station, North Island	\$86,502,000
	Naval Facility, San Clemente Island	\$17,000,000
	Naval Station, San Diego	\$7,050,000
	Naval Command Control & Ocean Surveillance Center, San Diego	\$1,960,000
Connecticut	Naval Submarine Base, New London	\$13,830,000
District of Columbia	Naval District, Washington	\$19,300,000
Florida	Naval Air Station, Key West	\$2,250,000
	Naval Station, Mayport	\$2,800,000
Georgia	Marine Corps Logistics Base, Albany	\$1,630,000
	Naval Submarine Base, Kings Bay	\$1,550,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	\$20,080,000
	Naval Station, Pearl Harbor	\$19,600,000
	Naval Submarine Base, Pearl Harbor	\$35,890,000
Idaho	Naval Surface Warfare Center, Bayview	\$7,150,000
Illinois	Naval Hospital, Great Lakes	\$15,200,000
	Naval Training Center, Great Lakes	\$22,900,000
Indiana	Naval Surface Warfare Center, Crane	\$5,000,000
Maryland	Naval Air Warfare Center, Patuxent River	\$1,270,000
Nevada	Naval Air Station, Fallon	\$16,200,000
North Carolina	Marine Corps Air Station, Cherry Point	\$1,630,000
	Marine Corps Air Station, New River	\$20,290,000
	Marine Corps Base, Camp LeJeune	\$20,750,000
Pennsylvania	Philadelphia Naval Shipyard	\$8,300,000
South Carolina	Marine Corps Recruit Detachment, Parris Island	\$4,990,000
Texas	Naval Station, Ingleside	\$16,850,000
	Naval Air Station, Kingsville	\$1,810,000
Virginia	Armed Forces Staff College, Norfolk	\$12,900,000
	Fleet Combat Training Command, Dam Neck	\$7,000,000

Navy: Inside the United States—Continued

<i>State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Washington</i>	<i>Marine Corps Combat Development Command, Quantico</i>	\$14,570,000
	<i>Naval Station, Norfolk</i>	\$56,120,000
	<i>Naval Surface Warfare Center, Dahlgren</i>	\$8,030,000
	<i>Naval Station, Everett</i>	\$25,740,000
	<i>Naval Undersea Warfare Center</i>	\$6,800,000
	<i>CONUS Various</i>	\$300,000
	<i>Total</i>	\$583,652,000

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
6 United States, and in the amounts, set forth in the following
7 table:

Navy: Outside the United States

<i>Country</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Bahrain</i>	<i>Administrative Support Unit, Bahrain</i>	\$5,980,000
<i>Greece</i>	<i>Naval Support Activity, Souda Bay</i>	\$11,050,000
<i>Italy</i>	<i>Naval Air Station, Sigonella</i>	\$15,700,000
	<i>Naval Support Activity, Naples</i>	\$8,620,000
<i>United Kingdom</i>	<i>Joint Maritime Communications Center, St. Mawgan</i>	\$4,700,000
	<i>Total</i>	\$46,050,000

8 **SEC. 2202. FAMILY HOUSING.**

9 (a) *CONSTRUCTION AND ACQUISITION.*—Using
10 amounts appropriated pursuant to the authorization of ap-
11 propriations in section 2204(a)(6)(A), the Secretary of the
12 Navy may construct or acquire family housing units (in-
13 cluding land acquisition) at the installations, for the pur-
14 poses, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
Arizona	Marine Corps Air Station, Yuma	Ancillary Facility.	\$709,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	Ancillary Facility.	\$2,938,000
	Marine Corps Base, Camp Pendleton	202 Units	\$29,483,000
	Naval Air Station, Lemoore	276 Units	\$39,837,000
	Navy Public Works Center, San Diego	466 Units	\$63,429,000
Florida	Naval Station, Mayport	100 Units	\$10,000,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	54 Units	\$11,676,000
	Navy Public Works Center, Pearl Harbor	264 Units	\$52,586,000
Maine	Naval Air Station, Brunswick	92 Units	\$10,925,000
Maryland	Naval Air Warfare Center, Patuxent River	Ancillary Facility.	\$1,233,000
North Carolina	Marine Corps Base, Camp LeJeune	Ancillary Facility.	\$845,000
	Marine Corps Base, Camp LeJeune	125 Units	\$13,360,000
South Carolina	Marine Corps Air Station, Beaufort	200 Units	\$19,110,000
Texas	Corpus Christi Naval Complex	156 Units	\$17,425,000
	Naval Air Station, Kingsville	48 Units	\$7,550,000
Virginia	AEGIS Combat Systems Center, Wallops Island	20 Units	\$2,975,000
	Naval Security Group Activity, Northwest	Ancillary Facility.	\$741,000
Washington	Naval Station, Everett ...	100 Units	\$15,015,000
	Naval Submarine Base, Bangor	Ancillary Facility.	\$934,000
		Total	\$300,771,000

1 (b) *PLANNING AND DESIGN.*—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2204(a)(6)(A), the Secretary of the Navy may carry
4 out architectural and engineering services and construction
5 design activities with respect to the construction or im-

1 *provement of military family housing units in an amount*
2 *not to exceed \$22,552,000.*

3 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
4 **UNITS.**

5 *Subject to section 2825 of title 10, United States Code,*
6 *and using amounts appropriated pursuant to the author-*
7 *ization of appropriations in section 2204(a)(6)(A), the Sec-*
8 *retary of the Navy may improve existing military family*
9 *housing units in an amount not to exceed \$209,133,000.*

10 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

11 *(a) IN GENERAL.—Funds are hereby authorized to be*
12 *appropriated for fiscal years beginning after September 30,*
13 *1996, for military construction, land acquisition, and mili-*
14 *tary family housing functions of the Department of the*
15 *Navy in the total amount of \$2,309,273,000 as follows:*

16 *(1) For military construction projects inside the*
17 *United States authorized by section 2201(a),*
18 *\$583,652,000.*

19 *(2) For military construction projects outside the*
20 *United States authorized by section 2201(b),*
21 *\$46,050,000.*

22 *(3) For unspecified minor construction projects*
23 *authorized by section 2805 of title 10, United States*
24 *Code, \$8,115,000.*

1 (4) *For architectural and engineering services*
2 *and construction design under section 2807 of title*
3 *10, United States Code, \$50,959,000.*

4 (5) *For demolition of excess facilities under sec-*
5 *tion 2814 of title 10, United States Code, as added*
6 *by section 2802, \$10,000,000.*

7 (6) *For military family housing functions:*

8 (A) *For construction and acquisition, plan-*
9 *ning and design, and improvement of military*
10 *family housing and facilities, \$532,456,000.*

11 (B) *For support of military housing (in-*
12 *cluding functions described in section 2833 of*
13 *title 10, United States Code), \$1,058,241,000.*

14 (7) *For the construction of a bachelor enlisted*
15 *quarters at the Naval Construction Battalion Center,*
16 *Port Hueneme, California, authorized by section*
17 *2201(a) of the Military Construction Authorization*
18 *Act for Fiscal Year 1996 (division B of Public Law*
19 *104–106; 110 Stat. 525), \$7,700,000.*

20 (8) *For the construction of a Strategic Maritime*
21 *Research Center at the Naval War College, Newport,*
22 *Rhode Island, authorized by section 2201(a) of the*
23 *Military Construction Authorization Act for Fiscal*
24 *Year 1995 (division B of Public Law 103–337; 108*
25 *Stat. 3031), \$8,000,000.*

1 (9) *For the construction of the large anechoic*
 2 *chamber facility at the Patuxent River Naval Warfare*
 3 *Center, Aircraft Division, Maryland, authorized by*
 4 *section 2201(a) of the Military Construction Author-*
 5 *ization Act for Fiscal Year 1993 (division B of Public*
 6 *Law 102-484; 106 Stat. 2590), \$10,000,000.*

7 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
 8 *PROJECTS.—Notwithstanding the cost variations author-*
 9 *ized by section 2853 of title 10, United States Code, and*
 10 *any other cost variation authorized by law, the total cost*
 11 *of all projects carried out under section 2201 of this Act*
 12 *may not exceed the total amount authorized to be appro-*
 13 *priated under paragraphs (1) and (2) of subsection (a).*

14 (c) *ADJUSTMENT.—The total amount authorized to be*
 15 *appropriated pursuant to paragraphs (1) through (9) of*
 16 *subsection (a) is the sum of the amounts authorized to be*
 17 *appropriated in such paragraphs, reduced by \$12,000,000,*
 18 *which represents the combination of project savings result-*
 19 *ing from favorable bids, reduced overhead costs, and can-*
 20 *cellations due to force structure changes.*

21 **SEC. 2205. BEACH REPLENISHMENT, NAVAL AIR STATION,**
 22 **NORTH ISLAND, CALIFORNIA.**

23 (a) *COST-SHARING AGREEMENT.—With regard to the*
 24 *portion of the military construction project for Naval Air*
 25 *Station, North Island, California, authorized by section*

1 2201(a) and involving on-shore and near-shore beach re-
 2 plenishment, the Secretary of the Navy shall endeavor to
 3 enter into an agreement with the State of California and
 4 local governments in the vicinity of the project, under which
 5 the State and local governments agree to cover not less than
 6 50 percent of the cost incurred by the Secretary to carry
 7 out the beach replenishment portion of the project.

8 (b) *ACTIVITIES PENDING AGREEMENT.*—The Secretary
 9 shall not delay commencement of, or activities under, the
 10 construction project described in subsection (a), including
 11 the beach replenishment portion of the project, pending the
 12 execution of the cost-sharing agreement, except that, within
 13 amounts appropriated for the project, Federal expenditures
 14 may not exceed \$9,630,000 for beach replenishment.

15 **SEC. 2206. LEASE TO FACILITATE CONSTRUCTION OF RE-**
 16 **SERVE CENTER, NAVAL AIR STATION, MERID-**
 17 **IAN, MISSISSIPPI.**

18 (a) *LEASE OF PROPERTY FOR CONSTRUCTION OF RE-*
 19 *SERVE CENTER.*—(1) The Secretary of the Navy may lease,
 20 without reimbursement, to the State of Mississippi (in this
 21 section referred to as the “State”), approximately five acres
 22 of real property located at Naval Air Station, Meridian,
 23 Mississippi. The State shall use the property to construct
 24 a reserve center of approximately 22,000 square feet and
 25 ancillary supporting facilities.

1 (2) *The term of the lease under this subsection shall*
2 *expire on the same date that the lease authorized by sub-*
3 *section (b) expires.*

4 (b) *LEASEBACK OF RESERVE CENTER.—(1) The Sec-*
5 *retary may lease from the State the property and improve-*
6 *ments constructed pursuant to subsection (a) for a five-year*
7 *period. The term of the lease shall begin on the date on*
8 *which the improvements are available for occupancy, as de-*
9 *termined by the Secretary.*

10 (2) *Rental payments under the lease under paragraph*
11 *(1) may not exceed \$200,000 per year, and the total amount*
12 *of the rental payments for the entire period may not exceed*
13 *20 percent of the total cost of constructing the reserve center*
14 *and ancillary supporting facilities.*

15 (3) *Subject to the availability of appropriations for*
16 *this purpose, the Secretary may use funds appropriated*
17 *pursuant to an authorization of appropriations for the op-*
18 *eration and maintenance of the Naval Reserve to make rent-*
19 *al payments required under this subsection.*

20 (c) *EFFECT OF TERMINATION OF LEASES.—At the end*
21 *of the lease term under subsection (b), the State shall con-*
22 *vey, without reimbursement, to the United States all right,*
23 *title, and interest of the State in the reserve center and an-*
24 *cillary supporting facilities subject to the lease.*

(d) *ADDITIONAL TERMS AND CONDITIONS.*—The Secretary may require such additional terms and conditions in connection with the leases under this section as the Secretary considers appropriate to protect the interests of the United States.

TITLE XXIII—AIR FORCE

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

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

Air Force: Inside the United States

State	Installation or location	Amount
<i>Alabama</i>	<i>Maxwell Air Force Base</i>	<i>\$7,875,000</i>
<i>Alaska</i>	<i>Elmendorf Air Force Base</i>	<i>\$21,530,000</i>
<i>Arizona</i>	<i>Davis–Monthan Air Force Base</i>	<i>\$9,920,000</i>
	<i>Luke Air Force Base</i>	<i>\$6,700,000</i>
<i>Arkansas</i>	<i>Little Rock Air Force Base</i>	<i>\$18,105,000</i>
<i>California</i>	<i>Beale Air Force Base</i>	<i>\$14,425,000</i>
	<i>Edwards Air Force Base</i>	<i>\$20,080,000</i>
	<i>Travis Air Force Base</i>	<i>\$16,230,000</i>
	<i>Vandenberg Air Force Base</i>	<i>\$3,290,000</i>
<i>Colorado</i>	<i>Buckley Air National Guard Base</i>	<i>\$17,960,000</i>
	<i>Falcon Air Force Station</i>	<i>\$2,095,000</i>
	<i>Peterson Air Force Base</i>	<i>\$20,720,000</i>
	<i>United States Air Force Academy</i>	<i>\$12,165,000</i>
<i>Delaware</i>	<i>Dover Air Force Base</i>	<i>\$7,980,000</i>
<i>Florida</i>	<i>Eglin Air Force Base</i>	<i>\$4,590,000</i>
	<i>Eglin Auxiliary Field 9</i>	<i>\$6,825,000</i>
	<i>Patrick Air Force Base</i>	<i>\$2,595,000</i>
	<i>Tyndall Air Force Base</i>	<i>\$3,600,000</i>
<i>Georgia</i>	<i>Robins Air Force Base</i>	<i>\$22,645,000</i>
<i>Idaho</i>	<i>Mountain Home Air Force Base</i>	<i>\$15,845,000</i>
<i>Kansas</i>	<i>McConnell Air Force Base</i>	<i>\$15,580,000</i>
<i>Louisiana</i>	<i>Barksdale Air Force Base</i>	<i>\$4,890,000</i>
<i>Maryland</i>	<i>Andrews Air Force Base</i>	<i>\$5,990,000</i>
<i>Mississippi</i>	<i>Keesler Air Force Base</i>	<i>\$14,465,000</i>
<i>Nevada</i>	<i>Indian Springs Air Force Auxiliary Air Field</i>	<i>\$4,690,000</i>

Air Force: Inside the United States—Continued

<i>State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>New Jersey</i>	<i>McGuire Air Force Base</i>	\$8,080,000
<i>North Carolina</i>	<i>Pope Air Force Base</i>	\$5,915,000
	<i>Seymour Johnson Air Force Base</i>	\$11,280,000
<i>North Dakota</i>	<i>Grand Forks Air Force Base</i>	\$12,470,000
	<i>Minot Air Force Base</i>	\$3,940,000
<i>Ohio</i>	<i>Wright–Patterson Air Force Base</i>	\$7,400,000
<i>Oklahoma</i>	<i>Tinker Air Force Base</i>	\$9,880,000
<i>South Carolina</i>	<i>Charleston Air Force Base</i>	\$37,410,000
	<i>Shaw Air Force Base</i>	\$5,665,000
<i>Tennessee</i>	<i>Arnold Engineering Development Center</i>	\$12,481,000
<i>Texas</i>	<i>Brooks Air Force Base</i>	\$5,400,000
	<i>Dyess Air Force Base</i>	\$12,295,000
	<i>Kelly Air Force Base</i>	\$3,250,000
	<i>Lackland Air Force Base</i>	\$9,413,000
	<i>Sheppard Air Force Base</i>	\$9,400,000
<i>Utah</i>	<i>Hill Air Force Base</i>	\$3,690,000
<i>Virginia</i>	<i>Langley Air Force Base</i>	\$8,005,000
<i>Washington</i>	<i>Fairchild Air Force Base</i>	\$18,155,000
	<i>McChord Air Force Base</i>	\$57,065,000
<i>Wyoming</i>	<i>F. E. Warren Air Force Base</i>	\$3,700,000
	<i>Total</i>	\$525,684,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2304(a)(2), the Secretary of the Air Force
4 may acquire real property and carry out military construc-
5 tion projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the following
7 table:

Air Force: Outside the United States

<i>Country</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Germany</i>	<i>Ramstein Air Force Base</i>	\$5,370,000
	<i>Spangdahlem Air Base</i>	\$1,890,000
<i>Italy</i>	<i>Aviano Air Base</i>	\$10,060,000
<i>Korea</i>	<i>Osan Air Base</i>	\$9,780,000
<i>Turkey</i>	<i>Incirlik Air Base</i>	\$7,160,000
<i>United Kingdom</i>	<i>Croughton Royal Air Force Base</i>	\$1,740,000
	<i>Lakenheath Royal Air Force Base</i>	\$17,525,000
	<i>Mildenhall Royal Air Force Base</i>	\$6,195,000
<i>Overseas Classified</i>	<i>Classified Locations</i>	\$18,395,000
	<i>Total</i>	\$78,115,000

1 **SEC. 2302. FAMILY HOUSING.**

2 (a) CONSTRUCTION AND ACQUISITION.—Using
 3 amounts appropriated pursuant to the authorization of ap-
 4 propriations in section 2304(a)(6)(A), the Secretary of the
 5 Air Force may construct or acquire family housing units
 6 (including land acquisition) at the installations, for the
 7 purposes, and in the amounts set forth in the following
 8 table:

Air Force: Family Housing

State	Installation	Purpose	Amount
Alaska	Eielson Air Force Base	72 units	\$21,127,000
	Eielson Air Force Base	Ancillary Facil- ity	\$2,950,000
California	Beale Air Force Base	56 units	\$8,893,000
	Los Angeles Air Force Base.	25 units	\$6,425,000
	Travis Air Force Base ...	70 units	\$8,631,000
	Vandenberg Air Force Base	112 units	\$20,891,000
District of Columbia	Bolling Air Force Base	40 units	\$5,000,000
Florida	Eglin Auxiliary Field 9	1 units	\$249,000
	MacDill Air Force Base	56 units	\$8,822,000
	Patrick Air Force Base	Ancillary Facil- ity	\$2,430,000
	Tyndall Air Force Base	42 Units	\$6,000,000
Georgia	Robins Air Force Base ...	46 units	\$5,252,000
Louisiana	Barksdale Air Force Base	80 units	\$9,570,000
	Hanscom Air Force Base	32 units	\$5,100,000
Maryland	Whiteman Air Force Base	68 units	\$9,600,000
Nevada	Nellis Air Force Base	50 units	\$7,955,000
New Mexico	Kirtland Air Force Base	50 units	\$5,450,000
North Dakota	Grand Forks Air Force Base	66 units	\$7,784,000
	Minot Air Force Base	46 units	\$8,740,000
	Lackland Air Force Base	132 units	\$11,500,000
Texas	Lackland Air Force Base	Ancillary Facil- ity.	\$800,000
	McChord Air Force Base	50 units	\$5,659,000
Total			\$168,828,000

9 (b) PLANNING AND DESIGN.—Using amounts appro-
 10 priated pursuant to the authorization of appropriations in
 11 section 2304(a)(6)(A), the Secretary of the Air Force may

1 *carry out architectural and engineering services and con-*
2 *struction design activities with respect to the construction*
3 *or improvement of military family housing units in an*
4 *amount not to exceed \$9,590,000.*

5 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
6 **UNITS.**

7 *Subject to section 2825 of title 10, United States Code,*
8 *and using amounts appropriated pursuant to the author-*
9 *ization of appropriations in section 2304(a)(6)(A), the Sec-*
10 *retary of the Air Force may improve existing military fam-*
11 *ily housing units in an amount not to exceed \$125,650,000.*

12 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
13 **FORCE.**

14 *(a) IN GENERAL.—Funds are hereby authorized to be*
15 *appropriated for fiscal years beginning after September 30,*
16 *1996, for military construction, land acquisition, and mili-*
17 *tary family housing functions of the Department of the Air*
18 *Force in the total amount of \$1,823,456,000 as follows:*

19 *(1) For military construction projects inside the*
20 *United States authorized by section 2301(a),*
21 *\$525,684,000.*

22 *(2) For military construction projects outside the*
23 *United States authorized by section 2301(b),*
24 *\$78,115,000.*

1 (3) *For unspecified minor construction projects*
2 *authorized by section 2805 of title 10, United States*
3 *Code, \$12,328,000.*

4 (4) *For architectural and engineering services*
5 *and construction design under section 2807 of title*
6 *10, United States Code, \$47,387,000.*

7 (5) *For demolition of excess facilities under sec-*
8 *tion 2814 of title 10, United States Code, as added*
9 *by section 2802, \$10,000,000.*

10 (6) *For military housing functions:*

11 (A) *For construction and acquisition, plan-*
12 *ning and design, and improvement of military*
13 *family housing and facilities, \$304,068,000.*

14 (B) *For support of military family housing*
15 *(including the functions described in section*
16 *2833 of title 10, United States Code),*
17 *\$840,474,000.*

18 (7) *For the construction of a corrosion control*
19 *facility at Tinker Air Force Base, Oklahoma, author-*
20 *ized by section 2301(a) of the Military Construction*
21 *Authorization Act for Fiscal Year 1996 (division B of*
22 *Public Law 104–106; 110 Stat. 530), \$5,400,000.*

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 **TITLE XXIV—DEFENSE** 6 **AGENCIES**

7 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-** 8 **TION AND LAND ACQUISITION PROJECTS.**

9 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*
 10 *propriated pursuant to the authorization of appropriations*
 11 *in section 2406(a)(1), and, in the case of the projects de-*
 12 *scribed in paragraphs (2) and (3) of section 2406(b), other*
 13 *amounts appropriated pursuant to authorizations enacted*
 14 *after this Act for such projects, the Secretary of Defense may*
 15 *acquire real property and carry out military construction*
 16 *projects for the installations and locations inside the United*
 17 *States, and in the amounts, set forth in the following table:*

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
<i>Chemical Demilitarization Program</i>	<i>Pueblo Chemical Activity, Colorado ...</i>	<i>\$179,000,000</i>
<i>Defense Finance & Accounting Service</i>	<i>Charleston, South Carolina</i>	<i>\$6,200,000</i>
	<i>Gentile Air Force Station, Ohio</i>	<i>\$11,400,000</i>
	<i>Griffiss Air Force Base, New York</i>	<i>\$10,200,000</i>
	<i>Loring Air Force Base, Maine</i>	<i>\$6,900,000</i>
	<i>Naval Training Center, Orlando, Florida</i>	<i>\$2,600,000</i>
	<i>Norton Air Force Base, California</i>	<i>\$13,800,000</i>
	<i>Offutt Air Force Base, Nebraska</i>	<i>\$7,000,000</i>
	<i>Rock Island Arsenal, Illinois</i>	<i>\$14,400,000</i>
<i>Defense Intelligence Agency</i>	<i>Bolling Air Force Base, District of Columbia</i>	<i>\$6,790,000</i>
<i>Defense Logistics Agency</i>	<i>Altus Air Force Base, Oklahoma</i>	<i>\$3,200,000</i>
	<i>Andrews Air Force Base, Maryland ...</i>	<i>\$12,100,000</i>
	<i>Barksdale Air Force Base, Louisiana</i>	<i>\$4,300,000</i>

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
<i>Defense Medical Facility Office</i>	<i>Defense Construction Supply Center, Columbus, Ohio</i>	<i>\$600,000</i>
	<i>Defense Distribution, San Diego, California</i>	<i>\$15,700,000</i>
	<i>Elmendorf Air Force Base, Alaska</i>	<i>\$18,000,000</i>
	<i>McConnell Air Force Base, Kansas</i>	<i>\$2,200,000</i>
	<i>Naval Air Facility, El Centro, California</i>	<i>\$5,700,000</i>
	<i>Naval Air Station, Fallon, Nevada</i>	<i>\$2,100,000</i>
	<i>Naval Air Station, Oceana, Virginia</i>	<i>\$1,500,000</i>
	<i>Shaw Air Force Base, South Carolina</i>	<i>\$2,900,000</i>
	<i>Travis Air Force Base, California</i>	<i>\$15,200,000</i>
	<i>Andrews Air Force Base, Maryland ...</i>	<i>\$15,500,000</i>
	<i>Charleston Air Force Base, South Carolina</i>	<i>\$1,300,000</i>
	<i>Fort Bliss, Texas</i>	<i>\$6,600,000</i>
	<i>Fort Bragg, North Carolina</i>	<i>\$11,400,000</i>
	<i>Fort Hood, Texas</i>	<i>\$1,950,000</i>
	<i>Marine Corps Base, Camp Pendleton, California</i>	<i>\$3,300,000</i>
	<i>Maxwell Air Force Base, Alabama</i>	<i>\$25,000,000</i>
	<i>Naval Air Station, Key West, Florida</i>	<i>\$15,200,000</i>
	<i>Naval Air Station, Norfolk, Virginia</i>	<i>\$1,250,000</i>
	<i>Naval Air Station, Lemoore, California</i>	<i>\$38,000,000</i>
<i>Special Operations Command</i>	<i>Fort Bragg, North Carolina</i>	<i>\$14,000,000</i>
	<i>Fort Campbell, Kentucky</i>	<i>\$4,200,000</i>
	<i>MacDill Air Force Base, Florida</i>	<i>\$9,600,000</i>
	<i>Naval Amphibious Base, Coronado, California</i>	<i>\$7,700,000</i>
	<i>Naval Station, Ford Island, Pearl Harbor, Hawaii</i>	<i>\$12,800,000</i>
	<i>Total</i>	<i>\$509,590,000</i>

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2406(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
6 United States, and in the amounts, set forth in the following
7 table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
<i>Defense Logistics Agency</i>	<i>Moron Air Base, Spain</i>	<i>\$12,958,000</i>
	<i>Naval Air Station, Sigonella, Italy</i>	<i>\$6,100,000</i>
<i>Defense Medical Facility Office</i>	<i>Administrative Support Unit, Bahrain, Bahrain</i>	<i>\$4,600,000</i>

Defense Agencies: Outside the United States—Continued

<i>Agency</i>	<i>Installation or location</i>	<i>Amount</i>
	<i>Total</i>	\$23,658,000

1 ***SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.***

2 *Using amounts appropriated pursuant to the author-*
3 *ization of appropriation in section 2406(a)(14)(A), the Sec-*
4 *retary of Defense may carry out architectural and engineer-*
5 *ing services and construction design activities with respect*
6 *to the construction or improvement of military family hous-*
7 *ing units in an amount not to exceed \$500,000.*

8 ***SEC. 2403. 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 appropriation in section 2406(a)(14)(A), the Sec-*
13 *retary of Defense may improve existing military family*
14 *housing units in an amount not to exceed \$3,871,000.*

15 ***SEC. 2404. MILITARY HOUSING IMPROVEMENT PROGRAM.***

16 *(a) AVAILABILITY OF FUNDS FOR CREDIT TO FAMILY*
17 *HOUSING IMPROVEMENT FUND.—(1) Of the amount au-*
18 *thorized to be appropriated pursuant to section*
19 *2406(a)(14)(C), \$35,000,000 shall be available for credit to*
20 *the Department of Defense Family Housing Improvement*
21 *Fund established by section 2883(a)(1) of title 10, United*
22 *States Code.*

1 (2) *Of the amount authorized to be appropriated pur-*
 2 *suant to section 2406(a)(14)(D), \$10,000,000 shall be avail-*
 3 *able for credit to the Department of Defense Military Unac-*
 4 *companied Housing Improvement Fund established by sec-*
 5 *tion 2883(a)(2) of such title.*

6 (b) *USE OF FUNDS.—(1) The Secretary of Defense may*
 7 *use funds credited to the Department of Defense Family*
 8 *Housing Improvement Fund under subsection (a)(1) to*
 9 *carry out any activities authorized by subchapter IV of*
 10 *chapter 169 of such title with respect to military family*
 11 *housing.*

12 (2) *The Secretary of Defense may use funds credited*
 13 *to the Department of Defense Military Unaccompanied*
 14 *Housing Improvement Fund under subsection (a)(2) to*
 15 *carry out any activities authorized by subchapter IV of*
 16 *chapter 169 of such title with respect to military unaccom-*
 17 *panied housing.*

18 **SEC. 2405. ENERGY CONSERVATION PROJECTS.**

19 *Using amounts appropriated pursuant to the author-*
 20 *ization of appropriations in section 2406(a)(12), the Sec-*
 21 *retary of Defense may carry out energy conservation*
 22 *projects under section 2865 of title 10, United States Code.*

1 **SEC. 2406. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**
2 **AGENCIES.**

3 (a) *IN GENERAL.*—Funds are hereby authorized to be
4 appropriated for fiscal years beginning after September 30,
5 1996, for military construction, land acquisition, and mili-
6 tary family housing functions of the Department of Defense
7 (other than the military departments), in the total amount
8 of \$3,431,670,000 as follows:

9 (1) *For military construction projects inside the*
10 *United States authorized by section 2401(a),*
11 *\$346,487,000.*

12 (2) *For military construction projects outside the*
13 *United States authorized by section 2401(b),*
14 *\$23,658,000.*

15 (3) *For military construction projects at Naval*
16 *Hospital, Portsmouth, Virginia, hospital replacement,*
17 *authorized by section 2401(a) of the Military Con-*
18 *struction Authorization Act for Fiscal Years 1990 and*
19 *1991 (division B of Public Law 101–189; 103 Stat.*
20 *1640), \$24,000,000.*

21 (4) *For military construction projects at Walter*
22 *Reed Army Institute of Research, Maryland, hospital*
23 *replacement, authorized by section 2401(a) of the*
24 *Military Construction Authorization Act for Fiscal*
25 *Year 1993 (division B of Public Law 102–484; 106*
26 *Stat. 2599), \$72,000,000.*

1 (5) *For military construction projects at Fort*
2 *Bragg, North Carolina, hospital replacement, author-*
3 *ized by section 2401(a) of the Military Construction*
4 *Authorization Act for Fiscal Year 1993 (106 Stat.*
5 *2599), \$89,000,000.*

6 (6) *For military construction projects at Pine*
7 *Bluff Arsenal, Arkansas, authorized by section*
8 *2401(a) of the Military Construction Authorization*
9 *Act for Fiscal Year 1995 (division B of the Public*
10 *Law 103–337; 108 Stat. 3040), \$46,000,000.*

11 (7) *For military construction projects at*
12 *Umatilla Army Depot, Oregon, authorized by section*
13 *2401(a) of the Military Construction Authorization*
14 *Act for Fiscal Year 1995 (108 Stat. 3040),*
15 *\$64,000,000.*

16 (8) *For military construction projects at Defense*
17 *Finance and Accounting Service, Columbus, Ohio,*
18 *authorized by section 2401(a) of the Military Con-*
19 *struction Authorization Act of Fiscal Year 1996 (divi-*
20 *sion B of Public Law 104–106; 110 Stat. 535),*
21 *\$20,822,000.*

22 (9) *For contingency construction projects of the*
23 *Secretary of Defense under section 2804 of title 10,*
24 *United States Code, \$16,874,000.*

1 (10) *For unspecified minor construction projects*
2 *under section 2805 of title 10, United States Code,*
3 *\$9,500,000.*

4 (11) *For architectural and engineering services*
5 *and construction design under section 2807 of title*
6 *10, United States Code, \$12,239,000.*

7 (12) *For energy conservation projects under sec-*
8 *tion 2865 of title 10, United States Code,*
9 *\$47,765,000.*

10 (13) *For base closure and realignment activities*
11 *as authorized by the Defense Base Closure and Re-*
12 *alignment Act of 1990 (part A of title XXIX of Public*
13 *Law 101–510; 10 U.S.C. 2687 note), \$2,507,476,000.*

14 (14) *For military family housing functions:*

15 (A) *For improvement and planning of mili-*
16 *tary family housing and facilities, \$4,371,000.*

17 (B) *For support of military housing (in-*
18 *cluding functions described in section 2833 of*
19 *title 10, United States Code), \$30,963,000, of*
20 *which not more than \$25,637,000 may be obli-*
21 *gated or expended for the leasing of military*
22 *family housing units worldwide.*

23 (C) *For credit to the Department of Defense*
24 *Family Housing Improvement Fund as author-*

1 *ized by section 2404(a)(1) of this Act,*
2 *\$35,000,000.*

3 *(D) For credit to the Department of Defense*
4 *Military Unaccompanied Housing Improvement*
5 *Fund as authorized by section 2404(a)(2) of this*
6 *Act, \$10,000,000.*

7 *(E) For the Homeowners Assistance Pro-*
8 *gram as authorized by section 2832 of title 10,*
9 *United States Code, \$36,181,000, to remain*
10 *available until expended.*

11 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*
12 *PROJECTS.—Notwithstanding the cost variation authorized*
13 *by section 2853 of title 10, United States Code, and any*
14 *other cost variations authorized by law, the total cost of*
15 *all projects carried out under section 2401 of this Act may*
16 *not exceed—*

17 *(1) the total amount authorized to be appro-*
18 *priated under paragraphs (1) and (2) of subsection*
19 *(a);*

20 *(2) \$161,503,000 (the balance of the amount au-*
21 *thorized under section 2401(a) of this Act for the con-*
22 *struction of a chemical demilitarization facility at*
23 *Pueblo Army Depot, Colorado); and*

24 *(3) \$1,600,000 (the balance of the amount au-*
25 *thorized under section 2401(a) of this Act for the con-*

1 *struction of a replacement facility for the medical and*
2 *dental clinic, Key West Naval Air Station, Florida).*

3 ***TITLE XXV—NORTH ATLANTIC***
4 ***TREATY ORGANIZATION SE-***
5 ***CURITY INVESTMENT PRO-***
6 ***GRAM***

7 ***SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND***
8 ***ACQUISITION PROJECTS.***

9 *The Secretary of Defense may make contributions for*
10 *the North Atlantic Treaty Organization Security Invest-*
11 *ment Program as provided in section 2806 of title 10, Unit-*
12 *ed States Code, in an amount not to exceed the sum of the*
13 *amount authorized to be appropriated for this purpose in*
14 *section 2502 and the amount collected from the North At-*
15 *lantic Treaty Organization as a result of construction pre-*
16 *viously financed by the United States.*

17 ***SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.***

18 *Funds are hereby authorized to be appropriated for fis-*
19 *cal years beginning after September 30, 1996, for contribu-*
20 *tions by the Secretary of Defense under section 2806 of title*
21 *10, United States Code, for the share of the United States*
22 *of the cost of projects for the North Atlantic Treaty Security*
23 *Investment Program as authorized by section 2501, in the*
24 *amount of \$177,000,000.*

**TITLE XXVI—GUARD AND
RESERVE FORCES FACILITIES**

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

There are authorized to be appropriated for fiscal years beginning after September 30, 1996, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, \$41,316,000; and

(B) for the Army Reserve, \$50,159,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, \$33,169,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, \$118,394,000; and

(B) for the Air Force Reserve, \$51,655,000.

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, 1999; or*

16 (2) *the date of the enactment of an Act authoriz-*
 17 *ing funds for military construction for fiscal year*
 18 *2000.*

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, 1999; or*

2 (2) *the date of the enactment of an Act authoriz-*
 3 *ing funds for fiscal year 2000 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 1994 PROJECTS.**

9 (a) *EXTENSIONS.*—Notwithstanding section 2701 of
 10 *the Military Construction Authorization Act for Fiscal Year*
 11 *1994 (division B of Public Law 103–160; 107 Stat. 1880),*
 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, 1997, or the date of the enactment of an Act authorizing*
 16 *funds for military construction for fiscal year 1998, which-*
 17 *ever is later.*

18 (b) *TABLES.*—*The tables referred to in subsection (a)*
 19 *are as follows:*

Army: Extension of 1994 Project Authorizations

<i>State</i>	<i>Installation or loca-</i> <i>tion</i>	<i>Project</i>	<i>Amount</i>
<i>New Jersey</i>	<i>Picatinny Arsenal</i>	<i>Advance War-</i> <i>head Develop-</i> <i>ment Facility</i>	<i>\$4,400,000</i>
<i>North Carolina</i>	<i>Fort Bragg</i>	<i>Land Acquisi-</i> <i>tion</i>	<i>\$15,000,000</i>
<i>Wisconsin</i>	<i>Fort McCoy</i>	<i>Family Hous-</i> <i>ing Construc-</i> <i>tion (16</i> <i>units)</i>	<i>\$2,950,000</i>

Navy: Extension of 1994 Project Authorizations

<i>State or Location</i>	<i>Installation or location</i>	<i>Project</i>	<i>Amount</i>
<i>California</i>	<i>Camp Pendleton Marine Corps Base</i>	<i>Sewage Facility</i>	<i>\$7,930,000</i>
<i>Connecticut</i>	<i>New London Naval Submarine Base</i>	<i>Hazardous Waste Transfer Facility ...</i>	<i>\$1,450,000</i>
<i>New Jersey</i>	<i>Earle Naval Weapons Station</i>	<i>Explosives Holding Yard</i>	<i>\$1,290,000</i>
<i>Virginia</i>	<i>Oceana Naval Air Station</i>	<i>Jet Engine Test Cell Replacement</i>	<i>\$5,300,000</i>
<i>Various Locations</i>	<i>Various Locations</i>	<i>Land Acquisition Inside the United States</i>	<i>\$540,000</i>
<i>Various Locations</i>	<i>Various Locations</i>	<i>Land Acquisition Outside the United States</i>	<i>\$800,000</i>

Air Force: Extension of 1994 Project Authorizations

<i>State</i>	<i>Installation or Location</i>	<i>Project</i>	<i>Amount</i>
<i>Alaska</i>	<i>Eielson Air Force Base</i>	<i>Upgrade Water Treatment Plant</i>	<i>\$3,750,000</i>
	<i>Elmendorf Air Force Base</i>	<i>Corrosion Control Facility</i>	<i>\$5,975,000</i>
<i>California</i>	<i>Beale Air Force Base</i>	<i>Educational Center</i>	<i>\$3,150,000</i>
<i>Florida</i>	<i>Tyndall Air Force Base</i>	<i>Base Supply Logistics Center</i>	<i>\$2,600,000</i>
<i>Mississippi</i>	<i>Keesler Air Force Base</i>	<i>Upgrade Student Dormitory</i>	<i>\$4,500,000</i>
<i>North Carolina</i>	<i>Pope Air Force Base</i>	<i>Add To and Alter Dormitories</i>	<i>\$4,300,000</i>
<i>Virginia</i>	<i>Langley Air Force Base</i>	<i>Fire Station</i>	<i>\$3,850,000</i>

Army National Guard: Extension of 1994 Project Authorizations

<i>State</i>	<i>Installation or Location</i>	<i>Project</i>	<i>Amount</i>
<i>Alabama</i>	<i>Birmingham</i>	<i>Aviation Support Facility</i>	<i>\$4,907,000</i>
<i>Arizona</i>	<i>Marana</i>	<i>Organizational Maintenance Shop</i>	<i>\$553,000</i>
	<i>Marana</i>	<i>Dormitory/Dining Facility</i>	<i>\$2,919,000</i>

**Army National Guard: Extension of 1994 Project
Authorizations—Continued**

State	Installation or Location	Project	Amount
<i>California</i>	<i>Fresno</i>	<i>Organizational Maintenance Shop Modification</i>	<i>\$905,000</i>
	<i>Van Nuys</i>	<i>Armory Addition</i>	<i>\$6,518,000</i>
<i>New Mexico</i>	<i>White Sands Missile Range</i>	<i>Organizational Maintenance Shop</i>	<i>\$2,940,000</i>
		<i>Tactical Site</i>	<i>\$1,995,000</i>
<i>Pennsylvania</i>		<i>MATES</i>	<i>\$3,570,000</i>
	<i>Indiantown Gap</i>	<i>State Military Building</i>	<i>\$9,200,000</i>
	<i>Johnstown</i>	<i>Armory Addition/Flight Facility</i>	<i>\$5,004,000</i>
	<i>Johnstown</i>	<i>Armory</i>	<i>\$3,000,000</i>

1 SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN
2 FISCAL YEAR 1993 PROJECTS.

3 (a) *EXTENSIONS.*—Notwithstanding section 2701 of
4 *the Military Construction Authorization Act for Fiscal Year*
5 *1993 (division B of Public Law 102–484; 106 Stat. 2602),*
6 *authorizations for the projects set forth in the tables in sub-*
7 *section (b), as provided in section 2101, 2301, or 1601 of*
8 *that Act and extended by section 2702 of the Military Con-*
9 *struction Authorization Act for Fiscal Year 1996 (division*
10 *B of Public Law 104–106; 110 Stat. 541), shall remain in*
11 *effect until October 1, 1997, or the date of the enactment*
12 *of an Act authorizing funds for military construction for*
13 *fiscal year 1998, whichever is later.*

14 (b) *TABLES.*—The tables referred to in subsection (a)
15 *are as follows:*

Army: Extension of 1993 Project Authorization

State	Installation or location	Project	Amount
<i>Arkansas</i>	<i>Pine Bluff Arsenal</i>	<i>Ammunition Demilitariza- tion Support Facility</i>	<i>\$15,000,000</i>

Air Force: Extension of 1993 Project Authorization

Country	Installation or location	Project	Amount
<i>Portugal</i>	<i>Lajes Field</i>	<i>Water Wells</i>	<i>\$865,000</i>

Army National Guard: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
<i>Alabama</i>	<i>Tuscaloosa</i>	<i>Armory</i>	<i>\$2,273,000</i>
	<i>Union Springs</i>	<i>Armory</i>	<i>\$813,000</i>

1 **SEC. 2704. 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 table in sub-
7 section (b), as provided in section 2201 of that Act and ex-
8 tended by section 2702(a) of the Military Construction Au-
9 thorization Act for Fiscal Year 1995 (division B of Public
10 Law 103–337; 108 Stat. 3047) and section 2703(a) of the
11 Military Construction Authorization Act for Fiscal Year
12 1996 (division B of Public Law 104–106; 110 Stat. 543),
13 shall remain in effect until October 1, 1997, or the date
14 of the enactment of an Act authorizing funds for military
15 construction for fiscal year 1998, whichever is later.

(b) *TABLE.*—The table referred to in subsection (a) is as follows:

Army: Extension of 1992 Project Authorizations

<i>State</i>	<i>Installation or location</i>	<i>Project</i>	<i>Amount</i>
<i>Oregon</i>	<i>Umatilla Army Depot ...</i>	<i>Ammunition Demilitarization Support Facility</i>	<i>\$3,600,000</i>
	<i>Umatilla Army Depot</i>	<i>Ammunition Demilitarization Utilities</i>	<i>\$7,500,000</i>

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction and Military Family Housing

SEC. 2801. NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM.

(a) CHANGE IN REFERENCE TO EARLIER PROGRAM.—

(1) Section 2806(b) of title 10, United States Code, is amended by striking out “North Atlantic Treaty Organization Infrastructure program” and inserting in lieu thereof “North Atlantic Treaty Organization Security Investment Program”.

1 (2) Section 2861(b)(3) of such title is amended by
 2 striking out “North Atlantic Treaty Organization Infra-
 3 structure program” and inserting in lieu thereof “North At-
 4 lantic Treaty Organization Security Investment Program”.

5 (b) CLERICAL AMENDMENTS.—(1) The heading of sec-
 6 tion 2806 of such title is amended to read as follows:

7 **“§2806. Contributions for North Atlantic Treaty Orga-
 8 nization Security Investment Program”.**

9 (2) The item relating to such section in the table of
 10 sections at the beginning of subchapter I of chapter 169 of
 11 such title is amended to read as follows:

*“2806. Contributions for North Atlantic Treaty Organization Security Investment
 Program.”.*

12 **SEC. 2802. AUTHORITY TO DEMOLISH EXCESS FACILITIES.**

13 (a) DEMOLITION AUTHORIZED.—Subchapter I of
 14 chapter 169 of title 10, United States Code, is amended by
 15 adding at the end the following new section:

16 **“§2814. Demolition of excess facilities**

17 “(a) DEMOLITION USING MILITARY CONSTRUCTION
 18 APPROPRIATIONS.—Within an amount equal to 125 percent
 19 of the amount appropriated for such purpose in the mili-
 20 tary construction account, the Secretary concerned may
 21 carry out the demolition of a facility on a military installa-
 22 tion when the facility is determined by the Secretary con-
 23 cerned to be—

1 “(1) *excess to the needs of the military depart-*
2 *ment or Defense Agency concerned; and*

3 “(2) *not suitable for reuse.*

4 “(b) *DEMOLITIONS USING OPERATIONS AND MAINTENANCE FUNDS.—Using funds available to the Secretary*
5 *concerned for operation and maintenance, the Secretary*
6 *concerned may carry out a demolition project involving an*
7 *excess facility described in subsection (a), except that the*
8 *amount obligated on the project may not exceed the maxi-*
9 *mum amount authorized for a minor construction project*
10 *under section 2805(c)(1) of this title.*

12 “(c) *ADVANCE APPROVAL OF CERTAIN PROJECTS.—(1)*
13 *A demolition project under this section that would cost more*
14 *than \$500,000 may not be carried out under this section*
15 *unless approved in advance by the Secretary concerned.*

16 “(2) *When a decision is made to demolish a facility*
17 *covered by paragraph (1), the Secretary concerned shall*
18 *submit a report in writing to the appropriate committees*
19 *of Congress on that decision. Each such report shall in-*
20 *clude—*

21 “(A) *the justification for the demolition and the*
22 *current estimate of its costs, and*

23 “(B) *the justification for carrying out the project*
24 *under this section.*

1 “(3) *The demolition project may be carried out only*
2 *after the end of the 21-day period beginning on the date*
3 *the notification is received by such committees.*

4 “(d) *CERTAIN PROJECTS PROHIBITED.—(1) A demoli-*
5 *tion project involving military family housing may not be*
6 *carried out under the authority of this section.*

7 “(2) *A demolition project required as a result of a base*
8 *closure action authorized by title II of the Defense Author-*
9 *ization Amendments and Base Closure and Realignment*
10 *Act (Public Law 100–526; 10 U.S.C. 2687 note) or the De-*
11 *fense Base Closure and Realignment Act of 1990 (part A*
12 *of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note)*
13 *may not be carried out under the authority of this section.*

14 “(3) *A demolition project required as a result of envi-*
15 *ronmental contamination shall be carried out under the au-*
16 *thority of the environmental restoration program under sec-*
17 *tion 2701(b)(3) of this title.*

18 “(e) *DEMOLITION INCLUDED IN SPECIFIC MILITARY*
19 *CONSTRUCTION PROJECT.—Nothing in this section is in-*
20 *tended to preclude the inclusion of demolition of facilities*
21 *as an integral part of a specific military construction*
22 *project when the demolition is required for accomplishment*
23 *of the intent of that construction project.”.*

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

“2814. Demolition of excess facilities.”.

4 **SEC. 2803. IMPROVEMENTS TO FAMILY HOUSING UNITS.**

5 (a) *AUTHORIZED IMPROVEMENTS.*—*Subsection (a)(2)*
 6 *of section 2825 of title 10, United States Code, is amend-*
 7 *ed—*

8 (1) *by inserting “major” before “maintenance”;*
 9 *and*

10 (2) *by adding at the end the following: “Such*
 11 *term does not include day-to-day maintenance and*
 12 *repair.”.*

13 (b) *LIMITATION.*—*Subsection (b) of such is amended*
 14 *by striking out paragraph (2) and inserting in lieu thereof*
 15 *the following new paragraph:*

16 *“(2) In determining the applicability of the limitation*
 17 *contained in paragraph (1), the Secretary concerned shall*
 18 *include as part of the cost of the improvement the following:*

19 “(A) *The cost of major maintenance or repair*
 20 *work (excluding day-to-day maintenance and repair)*
 21 *undertaken in connection with the improvement.*

22 “(B) *Any cost, beyond the five-foot line of a*
 23 *housing unit, in connection with—*

24 *“(i) the furnishing of electricity, gas, water,*
 25 *and sewage disposal;*

1 “(ii) the construction or repair of roads,
 2 drives, and walks; and
 3 “(iii) grading and drainage work.”.

4 ***Subtitle B—Defense Base Closure***
 5 ***and Realignment***

6 ***SEC. 2811. RESTORATION OF AUTHORITY FOR CERTAIN***
 7 ***INTRAGOVERNMENT TRANSFERS UNDER 1988***
 8 ***BASE CLOSURE LAW.***

9 *Section 204(b)(2) of the Defense Authorization Amend-*
 10 *ments and Base Closure and Realignment Act (Public Law*
 11 *100–526; 10 U.S.C. 2687 note), is amended—*

12 *(1) by redesignating subparagraphs (D) and (E)*
 13 *as subparagraphs (E) and (F), respectively; and*

14 *(2) by inserting after subparagraph (C) the fol-*
 15 *lowing new subparagraph:*

16 *“(D) The Secretary of Defense may transfer real prop-*
 17 *erty or facilities located at a military installation to be*
 18 *closed or realigned under this title, with or without reim-*
 19 *bursement, to a military department or other entity (in-*
 20 *cluding a nonappropriated fund instrumentality) within*
 21 *the Department of Defense or the Coast Guard.”.*

1 **SEC. 2812. CONTRACTING FOR CERTAIN SERVICES AT FA-**
2 **CILITIES REMAINING ON CLOSED INSTALLA-**
3 **TIONS.**

4 (a) 1988 LAW.—Section 204(b)(8)(A) of the Defense
5 Authorization Amendments and Base Closure and Realign-
6 ment Act (title II of Public Law 100–526; 10 U.S.C. 2687
7 note), is amended by inserting “or at facilities remaining
8 on installations closed under this title” after “under this
9 title”.

10 (b) 1990 LAW.—Section 2905(b)(8)(A) of the Defense
11 Base Closure and Realignment Act of 1990 (part A of title
12 XXIX of Public Law 101–510; 10 U.S.C. 2687 note), is
13 amended by inserting “or at facilities remaining on instal-
14 lations closed under this part” after “under this part”.

15 **SEC. 2813. AUTHORITY TO COMPENSATE OWNERS OF MANU-**
16 **FACTURED HOUSING.**

17 (a) 1988 LAW.—Section 204 of the Defense Authoriza-
18 tion Amendments and Base Closure and Realignment Act
19 (title II of Public Law 100–526; 10 U.S.C. 2687 note), is
20 amended by adding at the end the following new subsection:

21 “(f) ACQUISITION OF MANUFACTURED HOUSING.—(1)
22 In closing or realigning any military installation under
23 this title, the Secretary may purchase any or all right, title,
24 and interest of a member of the Armed Forces and any
25 spouse of the member in manufactured housing located at
26 a manufactured housing park established at an installation

1 closed or realigned under this title, or make a payment to
 2 the member to relocate the manufactured housing to a suit-
 3 able new site, if the Secretary determines that—

4 “(A) it is in the best interests of the Federal Gov-
 5 ernment to eliminate or relocate the manufactured
 6 housing park; and

7 “(B) the elimination or relocation of the manu-
 8 factured housing park would result in an unreason-
 9 able financial hardship to the owners of the manufac-
 10 tured housing.

11 “(2) Any payment made under this subsection shall
 12 not exceed 90 percent of the purchase price of the manufac-
 13 tured housing, as paid by the member or any spouse of the
 14 member, plus the cost of any permanent improvements sub-
 15 sequently made to the manufactured housing by the member
 16 or spouse of the member.

17 “(3) The Secretary shall dispose of manufactured hous-
 18 ing acquired under this subsection through resale, donation,
 19 trade or otherwise within one year of acquisition.”.

20 (b) 1990 LAW.—Section 2905 of the Defense Base Clo-
 21 sure and Realignment Act of 1990 (part A of title XXIX
 22 of Public Law 101–510; 10 U.S.C. 2687 note), is amended
 23 by adding at the end the following new subsection:

24 “(g) ACQUISITION OF MANUFACTURED HOUSING.—(1)
 25 In closing or realigning any military installation under

1 *this part, the Secretary may purchase any or all right, title,*
2 *and interest of a member of the Armed Forces and any*
3 *spouse of the member in manufactured housing located at*
4 *a manufactured housing park established at an installation*
5 *closed or realigned under this part, or make a payment to*
6 *the member to relocate the manufactured housing to a suit-*
7 *able new site, if the Secretary determines that—*

8 “(A) *it is in the best interests of the Federal Gov-*
9 *ernment to eliminate or relocate the manufactured*
10 *housing park; and*

11 “(B) *the elimination or relocation of the manu-*
12 *factured housing park would result in an unreason-*
13 *able financial hardship to the owners of the manufac-*
14 *tured housing.*

15 “(2) *Any payment made under this subsection shall*
16 *not exceed 90 percent of the purchase price of the manufac-*
17 *tured housing, as paid by the member or any spouse of the*
18 *member, plus the cost of any permanent improvements sub-*
19 *sequently made to the manufactured housing by the member*
20 *or spouse of the member.*

21 “(3) *The Secretary shall dispose of manufactured hous-*
22 *ing acquired under this subsection through resale, donation,*
23 *trade or otherwise within one year of acquisition.”.*

1 **SEC. 2814. ADDITIONAL PURPOSE FOR WHICH ADJUSTMENT**
 2 **AND DIVERSIFICATION ASSISTANCE IS AU-**
 3 **THORIZED.**

4 *Section 2391(b)(5) of title 10, United States Code, is*
 5 *amended—*

6 *(1) by inserting “(A)” after “(5)”;* and

7 *(2) by adding at the end the following new sub-*
 8 *paragraph:*

9 *“(B) The Secretary of Defense may also make grants,*
 10 *conclude cooperative agreements, and supplement other*
 11 *Federal funds in order to assist a State in enhancing its*
 12 *capacities—*

13 *“(i) to assist communities, businesses, and work-*
 14 *ers adversely affected by an action described in para-*
 15 *graph (1);*

16 *“(ii) to support local adjustment and diversifica-*
 17 *tion initiatives; and*

18 *“(iii) to stimulate cooperation between statewide*
 19 *and local adjustment and diversification efforts.”.*

20 **SEC. 2815. PAYMENT OF STIPULATED PENALTIES ASSESSED**
 21 **UNDER CERCLA IN CONNECTION WITH**
 22 **LORING AIR FORCE BASE, MAINE.**

23 *From amounts in the Department of Defense Base Clo-*
 24 *sure Account 1990 established by section 2906(a)(1) of the*
 25 *Defense Base Closure and Realignment Act of 1990 (part*
 26 *A of title XXIX of Public Law 101–510; 10 U.S.C. 2687*

1 *note), the Secretary of Defense may expend not more than*
 2 *\$50,000 to pay stipulated civil penalties assessed under the*
 3 *Comprehensive Environmental Response, Compensation,*
 4 *and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against*
 5 *Loring Air Force Base, Maine.*

6 ***Subtitle C—Land Conveyances***

7 ***PART I—ARMY CONVEYANCES***

8 ***SEC. 2821. TRANSFER AND EXCHANGE OF JURISDICTION,*** 9 ***ARLINGTON NATIONAL CEMETERY, ARLING-*** 10 ***TON, VIRGINIA.***

11 *(a) TRANSFER OF CERTAIN SECTION 29 LANDS.—(1)*
 12 *The Secretary of the Interior shall transfer to the Secretary*
 13 *of the Army administrative jurisdiction over the following*
 14 *lands located in section 29 of the unit of the National Park*
 15 *System known as Arlington National Cemetery, Virginia:*

16 *(A) The lands known as the Arlington National*
 17 *Cemetery Interment Zone.*

18 *(B) The lands known as the Robert E. Lee Me-*
 19 *morial Preservation Zone, except those lands in the*
 20 *preservation zone that the Secretary of the Interior*
 21 *determines to retain because of the historical signifi-*
 22 *cance of the lands.*

23 *(2) The transfer of lands under paragraph (1) shall*
 24 *be carried out in accordance with the Interagency Agree-*

1 *ment entered into by the Secretary of the Army and the*
2 *Secretary of the Interior on February 22, 1995.*

3 (b) *EXCHANGE OF ADDITIONAL LAND.*—(1) *The Sec-*
4 *retary of the Interior shall transfer to the Secretary of the*
5 *Army administrative jurisdiction over a parcel of land, in-*
6 *cluding any improvements thereon, consisting of approxi-*
7 *mately 2.43 acres, located in the Memorial Drive entrance*
8 *area to Arlington National Cemetery.*

9 (2) *In exchange for the transfer under paragraph (1),*
10 *the Secretary of the Army shall transfer to the Secretary*
11 *of the Interior administrative jurisdiction over a parcel of*
12 *land, including any improvements thereon, consisting of*
13 *approximately 0.17 acres, located at Arlington National*
14 *Cemetery, and known as the Old Administrative Building*
15 *site. The Secretary of the Army shall grant to the Secretary*
16 *of the Interior a perpetual right of ingress and egress to*
17 *the parcel transferred this paragraph.*

18 (c) *LEGAL DESCRIPTION.*—*The exact acreage and legal*
19 *descriptions of the lands to be transferred pursuant to this*
20 *section shall be determined by surveys satisfactory to the*
21 *Secretary of the Interior and the Secretary of the Army.*
22 *The costs of the surveys shall be borne by the Secretary of*
23 *the Army.*

1 **SEC. 2822. LAND CONVEYANCE, ARMY RESERVE CENTER,**
2 **RUSHVILLE, INDIANA.**

3 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the
4 Army may convey, without consideration, to the City of
5 Rushville, Indiana (in this section referred to as the
6 “City”), all right, title, and interest of the United States
7 in and to a parcel of excess real property, including im-
8 provements thereon, that is located in Rushville, Indiana,
9 and contains the Rushville Army Reserve Center.

10 (b) *CONDITION OF CONVEYANCE.*—The conveyance au-
11 thorized under subsection (a) shall be subject to the condi-
12 tion that the City retain the conveyed property for the use
13 and benefit of the Rushville Police Department.

14 (c) *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 the survey shall be borne
18 by the City.

19 (d) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-
20 retary may require such additional terms and conditions
21 in connection with the conveyance under subsection (a) as
22 the Secretary considers appropriate to protect the interests
23 of the United States.

1 **SEC. 2823. LAND CONVEYANCE, ARMY RESERVE CENTER,**
2 **ANDERSON, SOUTH CAROLINA.**

3 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
4 *Army may convey, without consideration, to the County of*
5 *Anderson, South Carolina (in this section referred to as the*
6 *“County”), all right, title, and interest of the United States*
7 *in and to a parcel of real property, including improvements*
8 *thereon, that is located at 805 East Whitner Street in An-*
9 *derson, South Carolina, and contains an Army Reserve*
10 *Center.*

11 (b) *CONDITION OF CONVEYANCE.*—*The conveyance au-*
12 *thorized under subsection (a) shall be subject to the condi-*
13 *tion that the County retain the conveyed property for the*
14 *use and benefit of the Anderson County Department of Edu-*
15 *cation.*

16 (c) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
17 *and legal description of the real property to be conveyed*
18 *under subsection (a) shall be determined by a survey satis-*
19 *factory to the Secretary. The cost of the survey shall be borne*
20 *by the County.*

21 (d) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
22 *retary may require such additional terms and conditions*
23 *in connection with the conveyance under subsection (a) as*
24 *the Secretary considers appropriate to protect the interests*
25 *of the United States.*

PART II—NAVY CONVEYANCES

**SEC. 2831. RELEASE OF CONDITION ON RECONVEYANCE OF
TRANSFERRED LAND, GUAM.**

(a) *IN GENERAL.*—Section 818(b)(2) of the Military Construction Authorization Act, 1981 (Public Law 96–418; 94 Stat. 1782), relating to a condition on disposal by Guam of lands conveyed to Guam by the United States, shall have no force or effect and is repealed.

(b) *EXECUTION OF INSTRUMENTS.*—The Secretary of the Navy and the Administrator of General Services shall execute all instruments necessary to implement this section.

**SEC. 2832. LAND EXCHANGE, ST. HELENA ANNEX, NORFOLK
NAVAL SHIPYARD, VIRGINIA.**

(a) *CONVEYANCE AUTHORIZED.*—(1) The Secretary of the Navy may convey to such private person as the Secretary considers appropriate (in this section referred to as the “transferee”) all right, title, and interest of the United States in and to a parcel of real property that is located at the Norfolk Naval Shipyard, Virginia, and, as of the date of the enactment of this Act, is a portion of the property leased to the Norfolk Shipbuilding and Drydock Company pursuant to the Department of the Navy lease N00024–84–L–0004, effective October 1, 1984, as extended.

(2) Pending completion of the conveyance authorized by paragraph (1), the Secretary may lease the real property

1 *to the transferee upon such terms as the Secretary considers*
2 *appropriate.*

3 (b) *CONSIDERATION.*—*As consideration for the convey-*
4 *ance under subsection (a), including any interim lease au-*
5 *thorized by such subsection, the transferee shall—*

6 (1) *convey to the United States all right, title,*
7 *and interest to a parcel or parcels of real property,*
8 *together with any improvements thereon, located in*
9 *the area of Portsmouth, Virginia, which are deter-*
10 *mined to be acceptable to the Secretary; and*

11 (2) *pay to the Secretary an amount equal to the*
12 *amount, if any, by which the fair market value of the*
13 *parcel conveyed by the Secretary under subsection (a)*
14 *exceeds the fair market value of the parcel conveyed*
15 *to the United States under paragraph (1).*

16 (c) *USE OF RENTAL AMOUNTS.*—*The Secretary may*
17 *use the amounts received as rent from any lease entered into*
18 *under the authority of subsection (a)(2) to fund environ-*
19 *mental studies of the parcels of real property to be conveyed*
20 *under this section.*

21 (d) *IN-KIND CONSIDERATION.*—*The Secretary and the*
22 *transferee may agree that, in lieu of all or any part of the*
23 *consideration required by subsection (b)(2), the transferee*
24 *may provide and the Secretary may accept the improve-*
25 *ment, maintenance, protection, repair, or restoration of real*

1 *property under the control of the Secretary in the area of*
 2 *Hampton Roads, Virginia.*

3 (e) *DETERMINATION OF FAIR MARKET VALUE AND*
 4 *PROPERTY DESCRIPTION.*—*The Secretary shall determine*
 5 *the fair market value of the parcels of real property to be*
 6 *conveyed under subsections (a) and (b)(1). The exact acre-*
 7 *age and legal description of the parcels shall be determined*
 8 *by a survey satisfactory to the Secretary. The cost of the*
 9 *survey shall be borne by the transferee.*

10 (f) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
 11 *retary may require such additional terms and conditions*
 12 *in connection with the conveyances under this section as*
 13 *the Secretary considers appropriate to protect the interests*
 14 *of the United States.*

15 **SEC. 2833. LAND CONVEYANCE, CALVERTON PINE BARRENS,**
 16 **NAVAL WEAPONS INDUSTRIAL RESERVE**
 17 **PLANT, CALVERTON, NEW YORK.**

18 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
 19 *Navy may convey, without consideration, to the Depart-*
 20 *ment of Environmental Conservation of the State of New*
 21 *York (in this section referred to as the “Department”), all*
 22 *right, title, and interest of the United States in and to the*
 23 *Calverton Pine Barrens located at the Naval Weapons In-*
 24 *dustrial Reserve Plant, Calverton, New York.*

1 (b) *EFFECT ON OTHER CONVEYANCE AUTHORITY.*—

2 *The conveyance authorized by this subsection shall not affect*
3 *the transfer of jurisdiction of a portion of the Calverton*
4 *Pine Barrens authorized by section 2865 of the Military*
5 *Construction Authorization Act for Fiscal Year 1996 (divi-*
6 *sion B of Public Law 104–106; 110 Stat. 576).*

7 (c) *CONDITION OF CONVEYANCE.*—*The conveyance*
8 *under subsection (a) shall be subject to the condition that*
9 *the Department agree—*

10 (1) *to maintain the conveyed property as a na-*
11 *ture preserve, as required by section 2854 of the Mili-*
12 *tary Construction Authorization Act for Fiscal Year*
13 *1993 (division B of Public Law 102–484; 106 Stat.*
14 *2626), as amended by section 2823 of the Military*
15 *Construction Authorization Act for Fiscal Year 1995*
16 *(division B of Public Law 103–337; 108 Stat. 3058);*

17 (2) *to designate the conveyed property as the*
18 *“Otis G. Pike Preserve”; and*

19 (3) *to continue to allow the level of sporting ac-*
20 *tivities on the conveyed property as permitted at the*
21 *time of the conveyance.*

22 (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
23 *and legal description of the real property to be conveyed*
24 *under subsection (a) shall be determined by a survey satis-*

1 *factory to the Secretary. The cost of the survey shall be borne*
 2 *by the Department.*

3 (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
 4 *retary may require such additional terms and conditions*
 5 *in connection with the conveyance under subsection (a) as*
 6 *the Secretary considers appropriate to protect the interests*
 7 *of the United States.*

8 (f) *CALVERTON PINE BARRENS DEFINED.—In this sec-*
 9 *tion, the term “Calverton Pine Barrens” has the meaning*
 10 *given that term in section 2854(d)(1) of the Military Con-*
 11 *struction Authorization Act for Fiscal Year 1993 (division*
 12 *B of Public Law 102–484; 106 Stat. 2626).*

13 **PART III—AIR FORCE CONVEYANCES**

14 **SEC. 2841. CONVEYANCE OF PRIMATE RESEARCH COMPLEX,** 15 **HOLLOMAN AIR FORCE BASE, NEW MEXICO.**

16 (a) *CONVEYANCE AUTHORIZED.—Notwithstanding*
 17 *any other provision of law, the Secretary of the Air Force*
 18 *may dispose of all right, title, and interest of the United*
 19 *States in and to the primate research complex at Holloman*
 20 *Air Force Base, New Mexico. The conveyance may include*
 21 *the colony of chimpanzees owned by the Air Force that are*
 22 *housed at or managed from the primate research complex.*
 23 *The conveyance may not include the real property on which*
 24 *the primate research complex is located.*

1 (b) *COMPETITIVE PROCEDURES REQUIRED.*—*The Sec-*
2 *retary shall use competitive procedures in making the con-*
3 *veyance authorized by subsection (a).*

4 (c) *CARE AND USE STANDARDS.*—*As part of the solici-*
5 *tation of bids for the conveyance authorized by subsection*
6 *(a), the Secretary shall develop standards for the care and*
7 *use of the primate research complex, and of chimpanzees.*
8 *The Secretary shall develop the standards in consultation*
9 *with the Secretary of Agriculture and the Director of the*
10 *National Institutes of Health.*

11 (d) *CONDITIONS OF CONVEYANCE.*—*The conveyance*
12 *authorized by subsection (a) shall be subject to the*
13 *followings conditions:*

14 (1) *That the recipient of the primate research*
15 *complex—*

16 (A) *utilize any chimpanzees included in the*
17 *conveyance for scientific research or medical re-*
18 *search purposes; or*

19 (B) *retire and provide adequate care for*
20 *such chimpanzees.*

21 (2) *That the recipient of the primate research*
22 *complex assume from the Secretary any leases at the*
23 *primate research complex that are in effect at the*
24 *time of the conveyance.*

1 (e) *DESCRIPTION OF COMPLEX.*—*The exact legal de-*
 2 *scription of the primate research complex to be conveyed*
 3 *under subsection (a) shall be determined by a survey or*
 4 *other means satisfactory to the Secretary. The cost of any*
 5 *survey or other services performed at the direction of the*
 6 *Secretary under the authority in the preceding sentence*
 7 *shall be borne by the recipient of the primate research com-*
 8 *plex.*

9 (f) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
 10 *retary may require such additional terms and conditions*
 11 *in connection with the conveyance under subsection (a) as*
 12 *the Secretary considers appropriate to protect the interests*
 13 *of the United States.*

14 **SEC. 2842. LAND CONVEYANCE, RADAR BOMB SCORING**
 15 **SITE, BELLE FOURCHE, SOUTH DAKOTA.**

16 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
 17 *Air Force may convey, without consideration, to the Belle*
 18 *Fourche School District, Belle Fourche, South Dakota (in*
 19 *this section referred to as the “District”), all right, title,*
 20 *and interest of the United States in and to a parcel of real*
 21 *property, together with any improvements thereon, consist-*
 22 *ing of approximately 37 acres located in Belle Fourche,*
 23 *South Dakota, which has served as the location of a support*
 24 *complex and housing facilities for Detachment 21 of the*
 25 *554th Range Squadron, an Air Force Radar Bomb Scoring*

1 *Site located in Belle Fourche, South Dakota. The convey-*
2 *ance may not include any portion of the radar bomb scor-*
3 *ing site located in the State of Wyoming.*

4 (b) *CONDITION OF CONVEYANCE.—The conveyance au-*
5 *thorized under subsection (a) shall be subject to the condi-*
6 *tion that the District—*

7 (1) *use the property and facilities conveyed*
8 *under such subsection for education, economic devel-*
9 *opment, and housing purposes; or*

10 (2) *enter into an agreement with an appropriate*
11 *public or private entity to sell or lease the property*
12 *and facilities to such entity for such purposes.*

13 (c) *DESCRIPTION OF PROPERTY.—The exact acreage*
14 *and legal description of the property conveyed under this*
15 *section shall be determined by a survey satisfactory to the*
16 *Secretary. The cost of the survey shall be borne by the Dis-*
17 *trict.*

18 (d) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
19 *retary may require such additional terms and conditions*
20 *in connection with the conveyance under this section as the*
21 *Secretary considers appropriate to protect the interests of*
22 *the United States.*

1 **PART IV—OTHER CONVEYANCES**
2 **SEC. 2851. LAND CONVEYANCE, TATUM SALT DOME TEST**
3 **SITE, MISSISSIPPI.**

4 (a) *TRANSFER.*—*The Secretary of Energy may convey,*
5 *without compensation, to the State of Mississippi (in this*
6 *section referred to as the “State”) the property known as*
7 *the Tatum Salt Dome Test Site, as generally depicted on*
8 *the map of the Department of Energy numbered*
9 *301913.104.02 and dated June 25, 1993.*

10 (b) *CONDITION ON CONVEYANCE.*—*The conveyance*
11 *under this section shall be subject to the condition that the*
12 *State use the conveyed property as a wilderness area and*
13 *working demonstration forest.*

14 (c) *DESIGNATION.*—*The property to be conveyed is*
15 *hereby designated as the “Jamie Whitten Wilderness Area”.*

16 (d) *RETAINED RIGHTS.*—*The conveyance under this*
17 *section shall be subject to each of the following rights to be*
18 *retained by the United States:*

19 (1) *Retention by the United States of the sub-*
20 *surface estate below a specified depth. The specified*
21 *depth shall be 1000 feet below sea level unless a lesser*
22 *depth is agreed upon by the Secretary and the State.*

23 (2) *Retention by the United States of rights of*
24 *access, by easement or otherwise, for such purposes as*
25 *the Secretary considers appropriate, including access*
26 *to monitoring wells for sampling.*

1 (3) *Retention by the United States of the right*
2 *to install wells additional to those identified in the re-*
3 *mediation plan for the property to the extent such ad-*
4 *ditional wells are considered necessary by the Sec-*
5 *retary to monitor potential pathways of contaminant*
6 *migration. Such wells shall be in such locations as*
7 *specified by the Secretary.*

8 (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
9 *retary may require such additional terms and conditions*
10 *in connection with the conveyance under this section as the*
11 *Secretary determines appropriate to protect the interests of*
12 *the United States.*

13 **SEC. 2852. LAND CONVEYANCE, WILLIAM LANGER JEWEL**
14 **BEARING PLANT, ROLLA, NORTH DAKOTA.**

15 (a) *AUTHORITY TO CONVEY.—The Administrator of*
16 *General Services may convey, without consideration, to the*
17 *Job Development Authority of the City of Rolla, North Da-*
18 *kota (in this section referred to as the “Authority”), all*
19 *right, title, and interest of the United States in and to a*
20 *parcel of real property, with improvements thereon and all*
21 *associated personal property, consisting of approximately*
22 *9.77 acres and comprising the William Langer Jewel Bear-*
23 *ing Plant in Rolla, North Dakota.*

1 (b) *CONDITION OF CONVEYANCE.*—*The conveyance au-*
 2 *thorized under subsection (a) shall be subject to the condi-*
 3 *tion that the Authority—*

4 (1) *use the real and personal property and im-*
 5 *provements conveyed under that subsection for eco-*
 6 *nomie development relating to the jewel bearing*
 7 *plant;*

8 (2) *enter into an agreement with an appropriate*
 9 *public or private entity or person to lease such prop-*
 10 *erty and improvements to that entity or person for*
 11 *such economic development; or*

12 (3) *enter into an agreement with an appropriate*
 13 *public or private entity or person to sell such prop-*
 14 *erty and improvements to that entity or person for*
 15 *such economic development.*

16 (c) *PREFERENCE FOR DOMESTIC DISPOSAL OF JEWEL*
 17 *BEARINGS.*—(1) *In offering to enter into agreements pursu-*
 18 *ant to any provision of law for the disposal of jewel bear-*
 19 *ings from the National Defense Stockpile, the President*
 20 *shall give a right of first refusal on all such offers to the*
 21 *Authority or to the appropriate public or private entity or*
 22 *person with which the Authority enters into an agreement*
 23 *under subsection (b).*

24 (2) *For the purposes of this section, the term “National*
 25 *Defense Stockpile” means the stockpile provided for in sec-*

tion 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98(c)).

(d) *AVAILABILITY OF FUNDS FOR MAINTENANCE AND CONVEYANCE OF PLANT.*—Notwithstanding any other provision of law, funds available in fiscal year 1995 for the maintenance of the William Langer Jewel Bearing Plant in Public Law 103–335 shall be available for the maintenance of that plant in fiscal year 1996, pending conveyance, and for the conveyance of that plant under this section.

(e) *DESCRIPTION OF PROPERTY.*—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Administrator. The cost of the survey shall be borne by the Administrator.

(f) *ADDITIONAL TERMS AND CONDITIONS.*—The Administrator may require such additional terms and conditions in connection with the conveyance under this section as the Administrator determines appropriate to protect the interests of the United States.

Subtitle D—Other Matters

SEC. 2861. EASEMENTS FOR RIGHTS-OF-WAY.

Section 2668(a) of title 10, United States Code, is amended—

1 (1) *by striking out “and” at the end of para-*
 2 *graph (9);*

3 (2) *by redesignating paragraph (10) as para-*
 4 *graph (12);*

5 (3) *in paragraph (12), as so redesignated, by*
 6 *striking out “or by the Act of March 4, 1911 (43*
 7 *U.S.C. 961)”;* and

8 (4) *by inserting after paragraph (9) the follow-*
 9 *ing new paragraph:*

10 “(10) *poles and lines for the transmission and*
 11 *distribution of electrical power;*

12 “(11) *poles and lines for communication pur-*
 13 *poses, and for radio, television, and other forms of*
 14 *communication transmitting, relay, and receiving*
 15 *structures and facilities; and”.*

16 **SEC. 2862. AUTHORITY TO ENTER INTO COOPERATIVE**
 17 **AGREEMENTS FOR THE MANAGEMENT OF**
 18 **CULTURAL RESOURCES ON MILITARY INSTAL-**
 19 **LATIONS.**

20 (a) *AGREEMENTS AUTHORIZED.*—Chapter 159 of title
 21 *10, United States Code, is amended by inserting after sec-*
 22 *tion 2683 the following new section:*

1 **“§2684. Cooperative agreements for management of**
2 **cultural resources**

3 “(a) *AUTHORITY.*—*The Secretary of Defense or the*
4 *Secretary of a military department may enter into a coop-*
5 *erative agreement with a State, local government, or other*
6 *entity for the preservation, management, maintenance, and*
7 *improvement of cultural resources on military installations*
8 *and for the conducting of research regarding the cultural*
9 *resources. Activities under the cooperative agreement shall*
10 *be subject to the availability of funds to carry out the coop-*
11 *erative agreement.*

12 “(b) *APPLICATION OF OTHER LAWS.*—*Section 1535*
13 *and chapter 63 of title 31 shall not apply to a cooperative*
14 *agreement entered into under this section.*

15 “(c) *CULTURAL RESOURCE DEFINED.*—*In this section,*
16 *the term ‘cultural resource’ means any of the following:*

17 “(1) *Any building, structure, site, district, or ob-*
18 *ject included in or eligible for inclusion in the Na-*
19 *tional Register of Historic Places under section 101*
20 *of the National Historic Preservation Act (16 U.S.C.*
21 *470a).*

22 “(2) *Cultural items, as defined in section 2(3) of*
23 *the Native American Graves Protection and Repatri-*
24 *ation Act (25 U.S.C. 3001(3)).*

1 “(3) *An archaeological resource, as defined in*
 2 *section 3(1) of the Archaeological Resources Protection*
 3 *Act of 1979 (16 U.S.C. 470bb(1)).*

4 “(4) *Archaeological artifact collections and asso-*
 5 *ciated records, as defined in section 79 of title 36,*
 6 *Code of Federal Regulations.”.*

7 **(b) CLERICAL AMENDMENT.**—*The table of sections at*
 8 *the beginning of such chapter is amended by inserting after*
 9 *the item relating to section 2683 the following new item:*

“2684. Cooperative agreements for management of cultural resources.”.

10 **SEC. 2863. DEMONSTRATION PROJECT FOR INSTALLATION**
 11 **AND OPERATION OF ELECTRIC POWER DIS-**
 12 **TRIBUTION SYSTEM AT YOUNGSTOWN AIR RE-**
 13 **SERVE STATION, OHIO.**

14 **(a) AUTHORITY.**—*The Secretary of the Air Force may*
 15 *carry out a demonstration project to assess the feasibility*
 16 *and advisability of permitting private entities to install,*
 17 *operate, and maintain electric power distribution systems*
 18 *at military installations. The Secretary shall carry out the*
 19 *demonstration project through an agreement under sub-*
 20 *section (b).*

21 **(b) AGREEMENT.**—*(1) In order to carry out the dem-*
 22 *onstration project, the Secretary shall enter into an agree-*
 23 *ment with an electric utility or other company in the*
 24 *Youngstown, Ohio, area, consistent with State law, under*
 25 *which the utility or company installs, operates, and main-*

1 tains (in a manner satisfactory to the Secretary and the
2 utility or company) an electric power distribution system
3 at Youngstown Air Reserve Station, Ohio.

4 (2) The Secretary may not enter into an agreement
5 under this subsection until—

6 (A) the Secretary submits to the congressional
7 defense committees a report on the agreement to be en-
8 tered into, including the costs to be incurred by the
9 United States under the agreement; and

10 (B) a period of 30 days has elapsed from the
11 date of the receipt of the report by the committees.

12 (c) *LICENSES AND EASEMENTS.*—In order to facilitate
13 the installation, operation, and maintenance of the electric
14 power distribution system under the agreement under sub-
15 section (b), the Secretary may grant the utility or company
16 with which the Secretary enters into the agreement such li-
17 censes, easements, and rights-of-way, consistent with State
18 law, as the Secretary and the utility or company jointly
19 determine necessary for such purposes.

20 (d) *OWNERSHIP OF SYSTEM.*—The agreement between
21 the Secretary and the utility or company under subsection
22 (b) may provide that the utility or company shall own the
23 electric power distribution system installed under the agree-
24 ment.

1 (e) *RATE.*—*The rate charged by the utility or company*
2 *for providing and distributing electric power at Youngs-*
3 *town Air Reserve Station through the electric power dis-*
4 *tribution system installed under the agreement under sub-*
5 *section (b) shall be the rate established by the appropriate*
6 *Federal or State regulatory authority.*

7 (f) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
8 *retary may require such additional terms and conditions*
9 *in the agreement under subsection (b) as the Secretary con-*
10 *siders appropriate to protect the interests of the United*
11 *States.*

12 **SEC. 2864. DESIGNATION OF MICHAEL O'CALLAGHAN MILI-**
13 **TARY HOSPITAL.**

14 (a) *DESIGNATION.*—*The Nellis Federal Hospital, a*
15 *Federal building located at 4700 North Las Vegas Boule-*
16 *vard, Las Vegas, Nevada, shall be known and designated*
17 *as the “Michael O’Callaghan Military Hospital”.*

18 (b) *REFERENCES.*—*Any reference in a law, map, regu-*
19 *lation, document, paper, or other record of the United*
20 *States to the Federal building referred to in subsection (a)*
21 *shall be deemed to be a reference to the “Michael*
22 *O’Callaghan Military Hospital”.*

1 ***TITLE XXIX—MILITARY LAND***
 2 ***WITHDRAWALS***
 3 ***Subtitle A—Fort Carson-Pinon***
 4 ***Canyon Military Lands Withdrawal***

5 ***SEC. 2901. SHORT TITLE.***

6 *This subtitle may be cited as the “Fort Carson-Pinon*
 7 *Canyon Military Lands Withdrawal Act”.*

8 ***SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS AT***
 9 ***FORT CARSON MILITARY RESERVATION.***

10 *(a) WITHDRAWAL.—Subject to valid existing rights*
 11 *and except as otherwise provided in this subtitle, the lands*
 12 *at the Fort Carson Military Reservation, Colorado, that are*
 13 *described in subsection (c) are hereby withdrawn from all*
 14 *forms of appropriation under the public land laws, includ-*
 15 *ing the mining laws, the mineral and geothermal leasing*
 16 *laws, and the mineral materials disposal laws.*

17 *(b) RESERVATION.—The lands withdrawn under sub-*
 18 *section (a) are reserved for use by the Secretary of the*
 19 *Army—*

20 *(1) for military maneuvering, training and*
 21 *weapons firing; and*

22 *(2) for other defense related purposes consistent*
 23 *with the uses specified in paragraph (1).*

24 *(c) LAND DESCRIPTION.—The lands referred to in sub-*
 25 *section (a) comprise 3,133.02 acres of public land and*

1 11,415.16 acres of federally-owned minerals in El Paso,
2 Pueblo, and Fremont Counties, Colorado, as generally de-
3 picted on the map entitled “Fort Carson Proposed With-
4 drawal—Fort Carson Base”, dated February 6, 1992, and
5 published in accordance with section 4.

6 **SEC. 2903. WITHDRAWAL AND RESERVATION OF LANDS AT**
7 **PINON CANYON MANEUVER SITE.**

8 (a) *WITHDRAWAL.*—Subject to valid existing rights
9 and except as otherwise provided in this subtitle, the lands
10 at the Pinon Canyon Maneuver Site, Colorado, that are de-
11 scribed in subsection (c) are hereby withdrawn from all
12 forms of appropriation under the public land laws, includ-
13 ing the mining laws, the mineral and geothermal leasing
14 laws, and the mineral materials disposal laws.

15 (b) *RESERVATION.*—The lands withdrawn under sub-
16 section (a) are reserved for use by the Secretary of the
17 Army—

18 (1) for military maneuvering and training; and
19 (2) for other defense related purposes consistent
20 with the uses specified in paragraph (1).

21 (c) *LAND DESCRIPTION.*—The lands referred to in sub-
22 section (a) comprise 2,517.12 acres of public lands and
23 130,139 acres of federally-owned minerals in Las Animas
24 County, Colorado, as generally depicted on the map entitled
25 “Fort Carson Proposed Withdrawal—Fort Carson Maneu-

1 *ver Area—Pinon Canyon site*”, dated February 6, 1992,
2 *and published in accordance with section 2904.*

3 **SEC. 2904. MAPS AND LEGAL DESCRIPTIONS.**

4 (a) *PREPARATION OF MAPS AND LEGAL DESCRIPTION.*—As soon as practicable after the date of the enact-
5 *ment of this subtitle, the Secretary of the Interior shall pre-*
6 *pare maps depicting the lands withdrawn and reserved by*
7 *this subtitle and publish in the Federal Register a notice*
8 *containing the legal description of such lands.*

10 (b) *LEGAL EFFECT.*—Such maps and legal descrip-
11 *tions shall have the same force and effect as if they were*
12 *included in this subtitle, except that the Secretary of the*
13 *Interior may correct clerical and typographical errors in*
14 *such maps and legal descriptions.*

15 (c) *AVAILABILITY OF MAPS AND LEGAL DESCRIPTION.*—Copies of such maps and legal descriptions shall be
16 *available for public inspection in the offices of the Colorado*
17 *State Director and the Canon City District Manager of the*
18 *Bureau of Land Management and in the offices of the Com-*
19 *mander of Fort Carson, Colorado.*

21 (d) *COSTS.*—The Secretary of the Army shall reim-
22 *burse the Secretary of the Interior for the costs of imple-*
23 *menting this section.*

24 **SEC. 2905. MANAGEMENT OF WITHDRAWN LANDS.**

25 (a) *MANAGEMENT GUIDELINES.*—

1 (1) *MANAGEMENT BY SECRETARY OF THE*
2 *ARMY.—Except as provided in section 6, during the*
3 *period of withdrawal, the Secretary of the Army shall*
4 *manage for military purposes the lands covered by*
5 *this subtitle and may authorize use of the lands by*
6 *the other military departments and agencies of the*
7 *Department of Defense, and the National Guard, as*
8 *appropriate.*

9 (2) *ACCESS RESTRICTIONS.—When military op-*
10 *erations, public safety, or national security, as deter-*
11 *mined by the Secretary of the Army, require the clo-*
12 *sure of roads and trails on the lands withdrawn by*
13 *this subtitle commonly in public use, the Secretary of*
14 *the Army is authorized to take such action, except*
15 *that such closures shall be limited to the minimum*
16 *areas and periods required for the purposes specified*
17 *in this subsection. Appropriate warning notices shall*
18 *be kept posted during closures.*

19 (3) *SUPPRESSION OF FIRES.—The Secretary of*
20 *the Army shall take necessary precautions to prevent*
21 *and suppress brush and range fires occurring within*
22 *and outside the lands as a result of military activities*
23 *and may seek assistance from the Bureau of Land*
24 *Management in suppressing such fires. The memoran-*
25 *dum of understanding required by this section shall*

1 *provide for Bureau of Land Management assistance*
2 *in the suppression of such fires, and for a transfer of*
3 *funds from the Department of the Army to the Bu-*
4 *reau of Land Management as compensation for such*
5 *assistance.*

6 **(b) MANAGEMENT PLAN.—**

7 **(1) DEVELOPMENT REQUIRED.—***The Secretary of*
8 *the Army, with the concurrence of the Secretary of the*
9 *Interior, shall develop a plan for the management of*
10 *acquired lands and lands withdrawn under sections*
11 *2902 and 2903 for the period of withdrawal. The plan*
12 *shall—*

13 **(A)** *be consistent with applicable law;*

14 **(B)** *include such provisions as may be nec-*
15 *essary for proper resource management and pro-*
16 *tection of the natural, cultural, and other re-*
17 *sources and values of such lands; and*

18 **(C)** *identify those withdrawn and acquired*
19 *lands, if any, which are to be open to mining or*
20 *mineral and geothermal leasing, including min-*
21 *eral materials disposal.*

22 **(2) TIME FOR DEVELOPMENT.—***The management*
23 *plan required by this subsection shall be developed not*
24 *later than 5 years after the date of the enactment of*
25 *this subtitle.*

1 (c) *IMPLEMENTATION OF MANAGEMENT PLAN.*—

2 (1) *MEMORANDUM OF UNDERSTANDING RE-*
 3 *QUIRED.*—*The Secretary of the Army and the Sec-*
 4 *retary of the Interior shall enter into a memorandum*
 5 *of understanding to implement the management plan*
 6 *developed under subsection (b).*

7 (2) *DURATION.*—*The duration of any such*
 8 *memorandum of understanding shall be the same as*
 9 *the period of withdrawal specified in section 8(a).*

10 (3) *AMENDMENT.*—*The memorandum of under-*
 11 *standing may be amended by agreement of both Sec-*
 12 *retaries.*

13 (d) *USE OF CERTAIN RESOURCES.*—*The Secretary of*
 14 *the Army is authorized to utilize sand, gravel, or similar*
 15 *mineral or mineral material resources from the lands with-*
 16 *drawn by this subtitle when the use of such resources is re-*
 17 *quired for construction needs of the Fort Carson Reserva-*
 18 *tion or Pinon Canyon Maneuver Site.*

19 **SEC. 2906. MANAGEMENT OF WITHDRAWN AND ACQUIRED**
 20 **MINERAL RESOURCES.**

21 *Except as provided in section 2905(d), the Secretary*
 22 *of the Interior shall manage all withdrawn and acquired*
 23 *mineral resources within the boundaries of the Fort Carson*
 24 *Military Reservation and Pinon Canyon Maneuver Site in*
 25 *the same manner as provided in section 12 of the Military*

1 *Lands Withdrawal Act of 1986 (Public Law 99–606; 100*
2 *Stat. 3466) for mining and mineral leasing on certain*
3 *lands withdrawn by that Act from all forms of appropri-*
4 *ation under the public land laws.*

5 **SEC. 2907. HUNTING, FISHING, AND TRAPPING.**

6 *All hunting, fishing, and trapping on the lands with-*
7 *drawn and reserved by this subtitle shall be conducted in*
8 *accordance with section 2671 of title 10, United States*
9 *Code.*

10 **SEC. 2908. TERMINATION OF WITHDRAWAL AND RESERVA-**
11 **TION.**

12 (a) *TERMINATION DATE.*—*The withdrawal and res-*
13 *ervation made by this subtitle shall terminate 15 years after*
14 *the date of the enactment of this subtitle.*

15 (b) *DETERMINATION OF CONTINUING MILITARY*
16 *NEED.*—

17 (1) *DETERMINATION REQUIRED.*—*At least three*
18 *years before the termination under subsection (a) of*
19 *the withdrawal and reservation established by this*
20 *subtitle, the Secretary of the Army shall advise the*
21 *Secretary of the Interior as to whether or not the De-*
22 *partment of the Army will have a continuing mili-*
23 *tary need for any of the lands after the termination*
24 *date.*

1 (2) *METHOD OF MAKING DETERMINATION.*—If
2 the Secretary of the Army concludes under paragraph
3 (1) that there will be a continuing military need for
4 any of the lands after the termination date established
5 by subsection (a), the Secretary of the Army, in ac-
6 cordance with applicable law, shall—

7 (A) evaluate the environmental effects of re-
8 newal of such withdrawal and reservation;

9 (B) hold at least one public hearing in Col-
10 orado concerning such evaluation; and

11 (C) file, after completing the requirements
12 of subparagraphs (A) and (B), an application
13 for extension of the withdrawal and reservation
14 of such lands in accordance with the regulations
15 and procedures of the Department of the Interior
16 applicable to the extension of withdrawals for
17 military uses.

18 (3) *NOTIFICATION.*—The Secretary of the Inte-
19 rior shall notify the Congress concerning a filing
20 under paragraph (3)(C).

21 (c) *EARLY RELINQUISHMENT OF WITHDRAWAL.*—If
22 the Secretary of the Army concludes under subsection (b)
23 that before the termination date established by subsection
24 (a) there will be no military need for all or any part of
25 the lands withdrawn and reserved by this subtitle, or if,

1 *during the period of withdrawal, the Secretary of the Army*
2 *otherwise decides to relinquish any or all of the lands with-*
3 *drawn and reserved under this subtitle, the Secretary of the*
4 *Army shall file with the Secretary of the Interior a notice*
5 *of intention to relinquish such lands.*

6 (d) *ACCEPTANCE OF LANDS PROPOSED FOR RELIN-*
7 *QUISHMENT.—Notwithstanding any other provision of law,*
8 *the Secretary of the Interior, upon deciding that it is in*
9 *the public interest to accept jurisdiction over the lands pro-*
10 *posed for relinquishment, may revoke the withdrawal and*
11 *reservation established by this subtitle as it applies to the*
12 *lands proposed for relinquishment. Should the decision be*
13 *made to revoke the withdrawal and reservation, the Sec-*
14 *retary of the Interior shall publish in the Federal Register*
15 *an appropriate order which shall—*

- 16 (1) *terminate the withdrawal and reservation;*
17 (2) *constitute official acceptance of full jurisdic-*
18 *tion over the lands by the Secretary of the Interior;*
19 *and*
20 (3) *state the date upon which the lands will be*
21 *opened to the operation of the public land laws, in-*
22 *cluding the mining laws if appropriate.*

1 **SEC. 2909. DETERMINATION OF PRESENCE OF CONTAMINA-**
2 **TION AND EFFECT OF CONTAMINATION.**

3 (a) *DETERMINATION OF PRESENCE OF CONTAMINA-*
4 *TION.—*

5 (1) *BEFORE RELINQUISHMENT NOTICE.—Before*
6 *filing a relinquishment notice under section 2908(c),*
7 *the Secretary of the Army shall prepare a written de-*
8 *termination as to whether and to what extent the*
9 *lands to be relinquished are contaminated with explo-*
10 *sive, toxic, or other hazardous materials. A copy of*
11 *the determination made by the Secretary of the Army*
12 *shall be supplied with the relinquishment notice. Cop-*
13 *ies of both the relinquishment notice and the deter-*
14 *mination under this subsection shall be published in*
15 *the Federal Register by the Secretary of the Interior.*

16 (2) *UPON TERMINATION OF WITHDRAWAL.—At*
17 *the expiration of the withdrawal period made by this*
18 *Act, the Secretary of the Interior shall determine*
19 *whether and to what extent the lands withdrawn by*
20 *this subtitle are contaminated to an extent which pre-*
21 *vents opening such contaminated lands to operation*
22 *of the public land laws.*

23 (b) *PROGRAM OF DECONTAMINATION.—*

24 (1) *IN GENERAL.—Throughout the duration of*
25 *the withdrawal and reservation made by this subtitle,*
26 *the Secretary of the Army, to the extent funds are*

1 *made available, shall maintain a program of decon-*
2 *tamination of the lands withdrawn by this subtitle at*
3 *least at the level of effort carried out during fiscal*
4 *year 1992.*

5 (2) *DECONTAMINATION OF LANDS TO BE RELIN-*
6 *QUISHED.—In the case of lands subject to a relin-*
7 *quishment notice under section 2908(c) that are con-*
8 *taminated, the Secretary of the Army shall decon-*
9 *taminate the land to the extent that funds are appro-*
10 *priated for such purpose if the Secretary of the Inte-*
11 *rior, in consultation with the Secretary of the Army,*
12 *determines that—*

13 (A) *decontamination of the lands is prac-*
14 *ticable and economically feasible, taking into*
15 *consideration the potential future use and value*
16 *of the land; and*

17 (B) *upon decontamination, the land could*
18 *be opened to the operation of some or all of the*
19 *public land laws, including the mining laws.*

20 (c) *AUTHORITY OF SECRETARY OF THE INTERIOR TO*
21 *REFUSE CONTAMINATED LANDS.—The Secretary of the In-*
22 *terior shall not be required to accept lands proposed for re-*
23 *linquishment if the Secretary of the Army and the Secretary*
24 *of the Interior conclude that—*

1 (1) *decontamination of any or all of the lands*
2 *proposed for relinquishment is not practicable or eco-*
3 *nomically feasible;*

4 (2) *the lands cannot be decontaminated suffi-*
5 *ciently to allow them to be opened to the operation of*
6 *the public land laws; or*

7 (3) *insufficient funds are appropriated for the*
8 *purpose of decontaminating the lands.*

9 (d) *EFFECT OF CONTINUED CONTAMINATION.—If the*
10 *Secretary of the Interior declines under subsection (c) to*
11 *accept jurisdiction of lands proposed for relinquishment or*
12 *if the Secretary of the Interior determines under subsection*
13 *(a)(2) that some of the lands withdrawn by this subtitle*
14 *are contaminated to an extent that prevents opening the*
15 *contaminated lands to operation of the public land laws—*

16 (1) *the Secretary of the Army shall take appro-*
17 *priate steps to warn the public of the contaminated*
18 *state of such lands and any risks associated with*
19 *entry onto such lands;*

20 (2) *after the expiration of the withdrawal, the*
21 *Secretary of the Army shall undertake no activities on*
22 *such lands except in connection with decontamination*
23 *of such lands; and*

24 (3) *the Secretary of the Army shall report to the*
25 *Secretary of the Interior and to the Congress concern-*

1 *ing the status of such lands and all actions taken*
2 *under paragraphs (1) and (2).*

3 *(e) EFFECT OF SUBSEQUENT DECONTAMINATION.—If*
4 *the lands described in subsection (d) are subsequently decon-*
5 *taminated, upon certification by the Secretary of the Army*
6 *that the lands are safe for all nonmilitary uses, the Sec-*
7 *retary of the Interior shall reconsider accepting jurisdiction*
8 *over the lands.*

9 *(f) EFFECT ON OTHER LAWS.—Nothing in this subtitle*
10 *shall affect, or be construed to affect, the obligations of the*
11 *Secretary of the Army, if any, to decontaminate lands with-*
12 *drawn by this subtitle pursuant to applicable law, includ-*
13 *ing the Comprehensive Environmental Response Compensa-*
14 *tion and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and*
15 *the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).*

16 **SEC. 2910. DELEGATION.**

17 *The functions of the Secretary of the Army under this*
18 *subtitle may be delegated. The functions of the Secretary*
19 *of the Interior under this subtitle may be delegated, except*
20 *that the order referred to in section 2908(d) may be ap-*
21 *proved and signed only by the Secretary of the Interior,*
22 *the Deputy Secretary of the Interior, or an Assistant Sec-*
23 *retary of the Department of the Interior.*

1 **SEC. 2911. HOLD HARMLESS.**

2 *Any party conducting any mining, mineral, or geo-*
 3 *thermal leasing activity on lands comprising the Fort Car-*
 4 *son Reservation or Pinon Canyon Maneuver Site shall in-*
 5 *demnify the United States against any costs, fees, damages,*
 6 *or other liabilities (including costs of litigation) incurred*
 7 *by the United States and arising from or relating to such*
 8 *mining activities, including costs of mineral materials dis-*
 9 *posal, whether arising under the Comprehensive Environ-*
 10 *mental Response Compensation and Liability Act of 1980,*
 11 *the Solid Waste Disposal Act, or otherwise.*

12 **SEC. 2912. AMENDMENT TO MILITARY LANDS WITHDRAWAL**
 13 **ACT OF 1986.**

14 *(a) USE OF CERTAIN RESOURCES.—Section 3(f) of the*
 15 *Military Lands Withdrawal Act of 1986 (Public Law 99–*
 16 *606; 100 Stat. 3461) is amended by adding at the end the*
 17 *following new paragraph:*

18 *“(2) Subject to valid existing rights, the Secretary of*
 19 *the military department concerned may utilize sand, grav-*
 20 *el, or similar mineral or material resources when the use*
 21 *of such resources is required for construction needs on the*
 22 *respective lands withdrawn by this Act.”.*

23 *(b) TECHNICAL CORRECTION.—Section 9(b) of the*
 24 *Military Lands Withdrawal Act of 1986 (Public Law 99–*
 25 *606; 100 Stat. 3466) is amended by striking “section 7(f)”*
 26 *and inserting in lieu thereof “section 8(f)”.*

1 **SEC. 2913. AUTHORIZATION OF APPROPRIATIONS.**

2 *There are hereby authorized to be appropriated such*
3 *sums as may be necessary to carry out the purposes of this*
4 *subtitle.*

5 ***Subtitle B—El Centro Naval Air***
6 ***Facility Ranges Withdrawal***

7 **SEC. 2921. SHORT TITLE AND DEFINITIONS.**

8 (a) *SHORT TITLE.*—*This subtitle may be cited as the*
9 *“El Centro Naval Air Facility Ranges Withdrawal Act”.*

10 (b) *DEFINITIONS.*—*In this subtitle:*

11 (1) *The term “El Centro” means the Naval Air*
12 *Facility, El Centro, California.*

13 (2) *The term “cooperative agreement” means the*
14 *cooperative agreement entered into between the Bu-*
15 *reau of Land Management, the Bureau of Reclama-*
16 *tion, and the Department of the Navy, dated June 29,*
17 *1987, with regard to the defense-related uses of Fed-*
18 *eral lands to further the mission of El Centro.*

19 (3) *The term “relinquishment notice” means a*
20 *notice of intention by the Secretary of the Navy under*
21 *section 2928(a) to relinquish, before the termination*
22 *date specified in section 2925, the withdrawal and*
23 *reservation of certain lands withdrawn under this*
24 *subtitle.*

1 **SEC. 2922. WITHDRAWAL AND RESERVATION OF LANDS FOR**
2 **EL CENTRO.**

3 (a) *WITHDRAWALS.*—Subject to valid existing rights,
4 and except as otherwise provided in this subtitle, the Fed-
5 eral lands utilized in the mission of the Naval Air Facility,
6 El Centro, California, that are described in subsection (c)
7 are hereby withdrawn from all forms of appropriation
8 under the public land laws, including the mining laws, but
9 not the mineral leasing or geothermal leasing laws or the
10 mineral materials sales laws.

11 (b) *RESERVATION.*—The lands withdrawn under sub-
12 section (a) are reserved for the use by the Secretary of the
13 Navy—

14 (1) for defense-related purposes in accordance
15 with the cooperative agreement; and

16 (2) subject to notice to the Secretary of the Inte-
17 rior under section 2924(e), for other defense-related
18 purposes determined by the Secretary of the Navy.

19 (c) *DESCRIPTION OF WITHDRAWN LANDS.*—The lands
20 withdrawn and reserved under subsection (a) are—

21 (1) the Federal lands comprising approximately
22 46,600 acres in Imperial County, California, as gen-
23 erally depicted in part on a map entitled “Exhibit A,
24 Naval Air Facility, El Centro, California, Land Ac-
25 quisition Map, Range 2510 (West Mesa)” and dated
26 March 1993 and in part on a map entitled “Exhibit

1 *B, Naval Air Facility, El Centro, California, Land*
2 *Acquisition Map Range 2512 (East Mesa)” and dated*
3 *March 1993; and*

4 *(2) and all other areas within the boundaries of*
5 *such lands as depicted on such maps that may become*
6 *subject to the operation of the public land laws.*

7 **SEC. 2923. MAPS AND LEGAL DESCRIPTIONS.**

8 *(a) PUBLICATION AND FILING REQUIREMENTS.—As*
9 *soon as practicable after the date of the enactment of this*
10 *subtitle, the Secretary of the Interior shall—*

11 *(1) publish in the Federal Register a notice con-*
12 *taining the legal description of the lands withdrawn*
13 *and reserved under this subtitle; and*

14 *(2) file maps and the legal description of the*
15 *lands withdrawn and reserved under this subtitle*
16 *with the Committee on Energy and Natural Resources*
17 *of the Senate and with the Committee on Resources*
18 *of the House of Representatives.*

19 *(b) LEGAL EFFECT.—The maps and legal description*
20 *prepared under subsection (a) shall have the same force and*
21 *effect as if they were included in this subtitle, except that*
22 *the Secretary of the Interior may correct clerical and typo-*
23 *graphical errors in the maps and legal description.*

1 (c) *AVAILABILITY FOR PUBLIC INSPECTION.*—Copies of
 2 the maps and legal description prepared under subsection
 3 (a) shall be available for public inspection in—

4 (1) *the Office of the State Director, California*
 5 *State Office of the Bureau of Land Management, Sac-*
 6 *ramento, California;*

7 (2) *the Office of the District Manager, California*
 8 *Desert District of the Bureau of Land Management,*
 9 *Riverside, California; and*

10 (3) *the Office of the Commanding Officer, Ma-*
 11 *rine Corps Air Station, Yuma, Arizona.*

12 (d) *REIMBURSEMENT.*—The Secretary of Navy shall
 13 reimburse the Secretary of the Interior for the cost of imple-
 14 menting this section.

15 **SEC. 2924. MANAGEMENT OF WITHDRAWN LANDS.**

16 (a) *MANAGEMENT CONSISTENT WITH COOPERATIVE*
 17 *AGREEMENT.*—The lands and resources shall be managed
 18 in accordance with the cooperative agreement, revised as
 19 necessary to conform to the provisions of this subtitle. The
 20 parties to the cooperative agreement shall review the cooper-
 21 ative agreement for conformance with this subtitle and
 22 amend the cooperative agreement, if appropriate, within
 23 120 days after the date of the enactment of this subtitle.
 24 The term of the cooperative agreement shall be amended so
 25 that its duration is at least equal to the duration of the

1 *withdrawal made by section 2925. The cooperative agree-*
2 *ment may be reviewed and amended by the managing agen-*
3 *cies as necessary.*

4 *(b) MANAGEMENT BY SECRETARY OF THE INTERIOR.—*

5 *(1) GENERAL MANAGEMENT AUTHORITY.—Dur-*
6 *ing the period of withdrawal, the Secretary of the In-*
7 *terior shall manage the lands withdrawn and reserved*
8 *under this subtitle pursuant to the Federal Land Pol-*
9 *icy and Management Act of 1976 (43 U.S.C. 1701 et*
10 *seq.) and other applicable laws, including this sub-*
11 *title.*

12 *(2) SPECIFIC AUTHORITIES.—To the extent con-*
13 *sistent with applicable laws, Executive orders, and*
14 *the cooperative agreement, the lands withdrawn and*
15 *reserved under this subtitle may be managed in a*
16 *manner permitting—*

17 *(A) protection of wildlife and wildlife habi-*
18 *tat;*

19 *(B) control of predatory and other animals;*

20 *(C) the prevention and appropriate sup-*
21 *pression of brush and range fires resulting from*
22 *nonmilitary activities; and*

23 *(D) geothermal leasing and development*
24 *and related power production, mineral leasing*
25 *and development, and mineral material sales.*

1 (3) *EFFECT OF WITHDRAWAL.*—*The Secretary of*
2 *the Interior shall manage the lands withdrawn and*
3 *reserved under this subtitle, in coordination with the*
4 *Secretary of the Navy, such that all nonmilitary use*
5 *of such lands, including the uses described in para-*
6 *graph (2), shall be subject to such conditions and re-*
7 *strictions as may be necessary to permit the military*
8 *use of such lands for the purposes specified in the co-*
9 *operative agreement or authorized pursuant to this*
10 *subtitle.*

11 (c) *CERTAIN ACTIVITIES SUBJECT TO CONCURRENCE*
12 *OF NAVY.*—*The Secretary of the Interior may issue a lease,*
13 *easement, right-of-way, or other authorization with respect*
14 *to the nonmilitary use of the withdrawn lands only with*
15 *the concurrence of the Secretary of the Navy and under the*
16 *terms of the cooperative agreement.*

17 (d) *ACCESS RESTRICTIONS.*—*If the Secretary of the*
18 *Navy determines that military operations, public safety, or*
19 *national security require the closure to public use of any*
20 *road, trail, or other portion of the lands withdrawn under*
21 *this subtitle, the Secretary may take such action as the Sec-*
22 *retary determines necessary or desirable to effect and main-*
23 *tain such closure. Any such closure shall be limited to the*
24 *minimum areas and periods which the Secretary of the*
25 *Navy determines are required to carry out this subsection.*

1 *Before and during any closure under this subsection, the*
2 *Secretary of the Navy shall keep appropriate warning no-*
3 *tices posted and take appropriate steps to notify the public*
4 *concerning such closures.*

5 (e) *ADDITIONAL MILITARY USES.—Lands withdrawn*
6 *under this subtitle may be used for defense-related uses other*
7 *than those specified in the cooperative agreement. The Sec-*
8 *retary of the Navy shall promptly notify the Secretary of*
9 *the Interior in the event that the lands withdrawn under*
10 *this subtitle will be used for additional defense-related pur-*
11 *poses. Such notification shall indicate the additional use*
12 *or uses involved, the proposed duration of such uses, and*
13 *the extent to which such additional military uses of the*
14 *withdrawn lands will require that additional or more strin-*
15 *gent conditions or restrictions be imposed on otherwise-per-*
16 *mitted nonmilitary uses of all or any portion of the with-*
17 *drawn lands.*

18 **SEC. 2925. DURATION OF WITHDRAWAL AND RESERVATION.**

19 *The withdrawal and reservation made under this sub-*
20 *title shall terminate 25 years after the date of the enactment*
21 *of this subtitle.*

22 **SEC. 2926. CONTINUATION OF ONGOING DECONTAMINA-**
23 **TION ACTIVITIES.**

24 *Throughout the duration of the withdrawal and res-*
25 *ervation made under this subtitle, and subject to the avail-*

1 ability of funds, the Secretary of the Navy shall maintain
2 a program of decontamination of the lands withdrawn
3 under this subtitle at least at the level of decontamination
4 activities performed on such lands in fiscal year 1995. Such
5 activities shall be subject to applicable laws, such as the
6 amendments made by the Federal Facility Compliance Act
7 of 1992 (Public Law 102–386; 106 Stat. 1505) and the De-
8 fense Environmental Restoration Program established
9 under section 2701 of title 10, United States Code.

10 **SEC. 2927. REQUIREMENTS FOR EXTENSION.**

11 (a) NOTICE OF CONTINUED MILITARY NEED.—Not
12 later than five years before the termination date specified
13 in section 2925, the Secretary of the Navy shall advise the
14 Secretary of the Interior as to whether or not the Navy will
15 have a continuing military need for any or all of the lands
16 withdrawn and reserved under this subtitle after the termi-
17 nation date.

18 (b) APPLICATION FOR EXTENSION.—If the Secretary
19 of the Navy determines that there will be a continuing mili-
20 tary need for any or all of the withdrawn lands after the
21 termination date specified in section 2925, the Secretary
22 of the Navy shall file an application for extension of the
23 withdrawal and reservation of the lands in accordance with
24 the then existing regulations and procedures of the Depart-
25 ment of the Interior applicable to extension of withdrawal

1 of lands for military purposes and that are consistent with
2 this subtitle. Such application shall be filed with the De-
3 partment of the Interior not later than four years before
4 the termination date.

5 (c) *EXTENSION PROCESS.*—The withdrawal and res-
6 ervation established by this subtitle may not be extended
7 except by an Act or Joint Resolution of Congress.

8 **SEC. 2928. EARLY RELINQUISHMENT OF WITHDRAWAL.**

9 (a) *FILING OF RELINQUISHMENT NOTICE.*—If, during
10 the period of withdrawal and reservation specified in sec-
11 tion 2925, the Secretary of the Navy decides to relinquish
12 all or any portion of the lands withdrawn and reserved
13 under this subtitle, the Secretary of the Navy shall file a
14 notice of intention to relinquish with the Secretary of the
15 Interior.

16 (b) *DETERMINATION OF PRESENCE OF CONTAMINA-*
17 *TION.*—Before transmitting a relinquishment notice under
18 subsection (a), the Secretary of the Navy, in consultation
19 with the Secretary of the Interior, shall prepare a written
20 determination concerning whether and to what extent the
21 lands to be relinquished are contaminated with explosive,
22 toxic, or other hazardous wastes and substances. A copy of
23 such determination shall be transmitted with the relinquis-
24 ment notice.

1 (c) *DECONTAMINATION AND REMEDIATION.*—*In the*
 2 *case of contaminated lands which are the subject of a relin-*
 3 *quishment notice, the Secretary of the Navy shall decon-*
 4 *taminate or remediate the land to the extent that funds are*
 5 *appropriated for such purpose if the Secretary of the Inte-*
 6 *rior, in consultation with the Secretary of the Navy, deter-*
 7 *mines that—*

8 (1) *decontamination or remediation of the lands*
 9 *is practicable and economically feasible, taking into*
 10 *consideration the potential future use and value of the*
 11 *land; and*

12 (2) *upon decontamination or remediation, the*
 13 *land could be opened to the operation of some or all*
 14 *of the public land laws, including the mining laws.*

15 (d) *DECONTAMINATION AND REMEDIATION ACTIVITIES*
 16 *SUBJECT TO OTHER LAWS.*—*The activities of the Secretary*
 17 *of the Navy under subsection (c) are subject to applicable*
 18 *laws and regulations, including the Defense Environmental*
 19 *Restoration Program established under section 2701 of title*
 20 *10, United States Code, the Comprehensive Environmental*
 21 *Response Compensation and Liability Act of 1980 (42*
 22 *U.S.C. 9601 et seq.), and the Solid Waste Disposal Act (42*
 23 *U.S.C. 6901 et seq.).*

24 (e) *AUTHORITY OF SECRETARY OF THE INTERIOR TO*
 25 *REFUSE CONTAMINATED LANDS.*—*The Secretary of the In-*

1 *terior shall not be required to accept lands specified in a*
2 *relinquishment notice if the Secretary of the Interior, after*
3 *consultation with the Secretary of the Navy, concludes*
4 *that—*

5 *(1) decontamination or remediation of any land*
6 *subject to the relinquishment notice is not practicable*
7 *or economically feasible;*

8 *(2) the land cannot be decontaminated or reme-*
9 *diated sufficiently to be opened to operation of some*
10 *or all of the public land laws; or*

11 *(3) a sufficient amount of funds are not appro-*
12 *priated for the decontamination of the land.*

13 *(f) STATUS OF CONTAMINATED LANDS.—If, because of*
14 *the condition of the lands, the Secretary of the Interior de-*
15 *clines to accept jurisdiction of lands proposed for relin-*
16 *quishment or, if at the expiration of the withdrawal made*
17 *under this subtitle, the Secretary of the Interior determines*
18 *that some of the lands withdrawn under this subtitle are*
19 *contaminated to an extent which prevents opening such con-*
20 *taminated lands to operation of the public land laws—*

21 *(1) the Secretary of the Navy shall take appro-*
22 *priate steps to warn the public of the contaminated*
23 *state of such lands and any risks associated with*
24 *entry onto such lands;*

1 (2) *after the expiration of the withdrawal, the*
2 *Secretary of the Navy shall retain jurisdiction over*
3 *the withdrawn lands, but shall undertake no activities*
4 *on such lands except in connection with the decon-*
5 *tamination or remediation of such lands; and*

6 (3) *the Secretary of the Navy shall report to the*
7 *Secretary of the Interior and to the Congress concern-*
8 *ing the status of such lands and all actions taken*
9 *under paragraphs (1) and (2).*

10 (g) *SUBSEQUENT DECONTAMINATION OR REMEDI-*
11 *ATION.—If lands covered by subsection (f) are subsequently*
12 *decontaminated or remediated and the Secretary of the*
13 *Navy certifies that the lands are safe for nonmilitary uses,*
14 *the Secretary of the Interior shall reconsider accept- ing ju-*
15 *risdiction over the lands.*

16 (h) *REVOCATION AUTHORITY.—Notwithstanding any*
17 *other provision of law, upon deciding that it is in the public*
18 *interest to accept jurisdiction over lands specified in a re-*
19 *linquishment notice, the Secretary of the Interior may re-*
20 *voke the withdrawal and reservation made under this sub-*
21 *title as it applies to such lands. If the decision be made*
22 *to accept the relinquishment and to revoke the withdrawal*
23 *and reservation, the Secretary of the Interior shall publish*
24 *in the Federal Register an appropriate order which shall—*

25 (1) *terminate the withdrawal and reservation;*

1 (2) *constitute official acceptance of full jurisdic-*
2 *tion over the lands by the Secretary of the Interior;*
3 *and*

4 (3) *state the date upon which the lands will be*
5 *opened to the operation of the public land laws, in-*
6 *cluding the mining laws, if appropriate.*

7 **SEC. 2929. DELEGATION OF AUTHORITY.**

8 (a) *DEPARTMENT OF THE NAVY.—The functions of the*
9 *Secretary of the Navy under this subtitle may be delegated.*

10 (b) *DEPARTMENT OF INTERIOR.—The functions of the*
11 *Secretary of the Interior under this subtitle may be dele-*
12 *gated, except that an order described in section 2928(h)*
13 *may be approved and signed only by the Secretary of the*
14 *Interior, the Deputy Secretary of the Interior, or an Assist-*
15 *ant Secretary of the Department of the Interior.*

16 **SEC. 2930. HUNTING, FISHING, AND TRAPPING.**

17 *All hunting, fishing, and trapping on the lands with-*
18 *drawn under this subtitle shall be conducted in accordance*
19 *with section 2671 of title 10, United States Code.*

20 **SEC. 2931. HOLD HARMLESS.**

21 *Any party conducting any mining, mineral, or geo-*
22 *thermal leasing activity on lands withdrawn and reserved*
23 *under this subtitle shall indemnify the United States*
24 *against any costs, fees, damages, or other liabilities (includ-*
25 *ing costs of litigation) incurred by the United States and*

1 arising from or relating to such mining activities, includ-
 2 ing costs of mineral materials disposal, whether arising
 3 under the Comprehensive Environmental Response Com-
 4 pensation and Liability Act of 1980, the Solid Waste Dis-
 5 posal Act, or otherwise.

6 ***DIVISION C—DEPARTMENT OF***
 7 ***ENERGY NATIONAL***
 8 ***SECURITY AUTHORIZATIONS***
 9 ***AND OTHER AUTHORIZATIONS***
 10 ***TITLE XXXI—DEPARTMENT OF***
 11 ***ENERGY NATIONAL SECURITY***
 12 ***PROGRAMS***

13 ***Subtitle A—National Security***
 14 ***Programs Authorizations***

15 ***SEC. 3101. WEAPONS ACTIVITIES.***

16 (a) *STOCKPILE STEWARDSHIP.*—Funds are hereby au-
 17 thorized to be appropriated to the Department of Energy
 18 for fiscal year 1997 for stockpile stewardship in carrying
 19 out weapons activities necessary for national security pro-
 20 grams in the amount of \$1,676,767,000, to be allocated as
 21 follows:

22 (1) For core stockpile stewardship,
 23 \$1,250,907,000 for fiscal year 1997, to be allocated as
 24 follows:

1 (A) *For operation and maintenance,*
2 \$1,162,570,000.

3 (B) *For plant projects (including mainte-*
4 *nance, restoration, planning, construction, ac-*
5 *quisition, modification of facilities, and the con-*
6 *tinuation of projects authorized in prior years,*
7 *and land acquisition related thereto),*
8 \$88,337,000, *to be allocated as follows:*

9 *Project 96–D–102, stockpile steward-*
10 *ship facilities revitalization, Phase VI, var-*
11 *ious locations, \$19,250,000.*

12 *Project 96–D–103, ATLAS, Los Ala-*
13 *mos National Laboratory, Los Alamos, New*
14 *Mexico, \$15,100,000.*

15 *Project 96–D–104, processing and en-*
16 *vironmental technology laboratory (PETL),*
17 *Sandia National Laboratories, Albuquerque,*
18 *New Mexico, \$14,100,000.*

19 *Project 96–D–105, contained firing fa-*
20 *cility addition, Lawrence Livermore Na-*
21 *tional Laboratory, Livermore, California,*
22 *\$17,100,000.*

23 *Project 95–D–102, Chemical and Met-*
24 *allurgy Research Building upgrades project,*

1 *Los Alamos National Laboratory, Los Ala-*
2 *mos, New Mexico, \$15,000,000.*

3 *Project 94–D–102, nuclear weapons re-*
4 *search, development, and testing facilities*
5 *revitalization, Phase V, various locations,*
6 *\$7,787,000.*

7 *(2) For inertial fusion, \$366,460,000, to be allo-*
8 *cated as follows:*

9 *(A) For operation and maintenance,*
10 *\$234,560,000.*

11 *(B) For plant projects (including mainte-*
12 *nance, restoration, planning, construction, ac-*
13 *quisition, modification of facilities, and the con-*
14 *tinuation of projects authorized in prior years,*
15 *and land acquisition related thereto),*
16 *\$131,900,000 to be allocated as follows:*

17 *Project 96–D–111, national ignition*
18 *facility, TBD, \$131,900,000.*

19 *(3) For technology transfer and education,*
20 *\$59,400,000.*

21 *(b) STOCKPILE MANAGEMENT.—Funds are hereby au-*
22 *thorized to be appropriated to the Department of Energy*
23 *for fiscal year 1997 for stockpile management in carrying*
24 *out weapons activities necessary for national security pro-*

1 *grams in the amount of \$1,923,831,000, to be allocated as*
2 *follows:*

3 (1) *For operation and maintenance,*
4 *\$1,829,470,000.*

5 (2) *For plant projects (including maintenance,*
6 *restoration, planning, construction, acquisition, modi-*
7 *fication of facilities, and the continuation of projects*
8 *authorized in prior years, and land acquisition relat-*
9 *ed thereto), \$94,361,000, to be allocated as follows:*

10 *Project 97-D-121, consolidation pit pack-*
11 *aging system, Pantex Plant, Amarillo, Texas,*
12 *\$870,000.*

13 *Project 97-D-122, nuclear materials stor-*
14 *age facility renovation, LANL, Los Alamos, New*
15 *Mexico, \$4,000,000.*

16 *Project 97-D-123, structural upgrades,*
17 *Kansas City Plant, Kansas City, Missouri,*
18 *\$1,400,000.*

19 *Project 97-D-124, steam plant wastewater*
20 *treatment facility upgrade, Y-12 plant, Oak*
21 *Ridge, Tennessee, \$600,000.*

22 *Project 96-D-122, sewage treatment quality*
23 *upgrade (STQU), Pantex Plant, Amarillo,*
24 *Texas, \$100,000.*

1 *Project 96–D–123, retrofit HVAC and*
2 *chillers for ozone protection, Y–12 Plant, Oak*
3 *Ridge, Tennessee, \$7,000,000.*

4 *Project 96–D–125, Washington measure-*
5 *ments operations facility, Andrews Air Force*
6 *Base, Camp Springs, Maryland, \$3,825,000.*

7 *Project 95–D–122, sanitary sewer upgrade,*
8 *Y–12 Plant, Oak Ridge, Tennessee, \$10,900,000.*

9 *Project 94–D–124, hydrogen fluoride supply*
10 *system, Y–12 Plant, Oak Ridge, Tennessee,*
11 *\$4,900,000.*

12 *Project 94–D–125, upgrade life safety, Kan-*
13 *sas City Plant, Kansas City, Missouri,*
14 *\$5,200,000.*

15 *Project 94–D–127, emergency notification*
16 *system, Pantex Plant, Amarillo, Texas,*
17 *\$2,200,000.*

18 *Project 93–D–122, life safety upgrades, Y–*
19 *12 Plant, Oak Ridge, Tennessee, \$7,200,000.*

20 *Project 93–D–123, complex-21, various lo-*
21 *cations, \$14,487,000.*

22 *Project 88–D–122, facilities capability as-*
23 *surance program, various locations, \$21,940,000.*

24 *Project 88–D–123, security enhancement,*
25 *Pantex Plant, Amarillo, Texas, \$9,739,000.*

1 (c) *PROGRAM DIRECTION.*—*Funds are hereby author-*
2 *ized to be appropriated to the Department of Energy for*
3 *fiscal year 1997 for program direction in carrying out*
4 *weapons activities necessary for national security programs*
5 *in the amount of \$334,404,000.*

6 **SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE**
7 **MANAGEMENT.**

8 (a) *ENVIRONMENTAL RESTORATION.*—*Subject to sub-*
9 *section (i), funds are hereby authorized to be appropriated*
10 *to the Department of Energy for fiscal year 1997 for envi-*
11 *ronmental restoration in carrying out environmental res-*
12 *toration and waste management activities necessary for na-*
13 *tional security programs in the amount of \$1,812,194,000,*
14 *of which \$376,648,000 shall be allocated to the uranium en-*
15 *richment decontamination and decommissioning fund.*

16 (b) *WASTE MANAGEMENT.*—*Subject to subsection (i),*
17 *funds are hereby authorized to be appropriated to the De-*
18 *partment of Energy for fiscal year 1997 for waste manage-*
19 *ment in carrying out environmental restoration and waste*
20 *management activities necessary for national security pro-*
21 *grams in the amount of \$1,536,653,000, to be allocated as*
22 *follows:*

23 (1) *For operation and maintenance,*
24 *\$1,448,326,000.*

1 (2) *For plant projects (including maintenance,*
2 *restoration, planning, construction, acquisition, modi-*
3 *fication of facilities, and the continuation of projects*
4 *authorized in prior years, and land acquisition relat-*
5 *ed thereto), \$88,327,000, to be allocated as follows:*

6 *Project 97–D–402, tank farm restoration*
7 *and safe operations, Richland, Washington,*
8 *\$7,584,000.*

9 *Project 96–D–408, waste management up-*
10 *grades, various locations, \$11,246,000.*

11 *Project 95–D–402, install permanent elec-*
12 *trical service for the Waste Isolation Pilot Plant,*
13 *Carlsbad, New Mexico, \$752,000.*

14 *Project 95–D–405, industrial landfill V and*
15 *construction/demolition landfill VII, Y–12 Plant,*
16 *Oak Ridge, Tennessee, \$200,000.*

17 *Project 94–D–404, Melton Valley storage*
18 *tank capacity increase, Oak Ridge National Lab-*
19 *oratory, Oak Ridge, Tennessee, \$6,345,000.*

20 *Project 94–D–407, initial tank retrieval*
21 *systems, Richland, Washington, \$12,600,000.*

22 *Project 93–D–182, replacement of cross-site*
23 *transfer system, Richland, Washington,*
24 *\$8,100,000.*

1 *Project 93–D–187, high-level waste removal*
2 *from filled waste tanks, Savannah River Site,*
3 *Aiken, South Carolina, \$20,000,000.*

4 *Project 89–D–174, replacement high-level*
5 *waste evaporator, Savannah River Site, Aiken,*
6 *South Carolina, \$11,500,000.*

7 *Project 86–D–103, decontamination and*
8 *waste treatment facility, Lawrence Livermore*
9 *National Laboratory, Livermore, California,*
10 *\$10,000,000.*

11 (c) *NUCLEAR MATERIALS AND FACILITIES STABILIZA-*
12 *TION.—Subject to subsection (i), funds are hereby author-*
13 *ized to be appropriated to the Department of Energy for*
14 *fiscal year 1997 for nuclear materials and facilities sta-*
15 *bilization in carrying out environmental restoration and*
16 *waste management activities necessary for national security*
17 *programs in the amount of \$1,269,290,000 to be allocated*
18 *as follows:*

19 (1) *For operation and maintenance,*
20 *\$1,151,718,000.*

21 (2) *For plant projects (including maintenance,*
22 *restoration, planning, construction, acquisition, modi-*
23 *fication of facilities, and the continuation of projects*
24 *authorized in prior years, and land acquisition relat-*
25 *ed thereto), \$117,572,000, to be allocated as follows:*

1 *Project 97–D–450, Actinide packaging and*
2 *storage facility, Savannah River Site, Aiken,*
3 *South Carolina, \$7,900,000.*

4 *Project 97–D–451, B-Plant safety class ven-*
5 *tilation upgrades, Richland, Washington,*
6 *\$1,500,000.*

7 *Project 97–D–470, environmental monitor-*
8 *ing laboratory, Savannah River, Aiken, South*
9 *Carolina, \$2,500,000.*

10 *Project 97–D–473, health physics site sup-*
11 *port facility, Savannah River, Aiken, South*
12 *Carolina, \$2,000,000.*

13 *Project 96–D–406, spent nuclear fuels can-*
14 *ister storage and stabilization facility, Richland,*
15 *Washington, \$60,672,000.*

16 *Project 96–D–461, electrical distribution*
17 *upgrade, Idaho National Engineering Labora-*
18 *tory, Idaho, \$6,790,000.*

19 *Project 96–D–464, electrical and utility sys-*
20 *tems upgrade, Idaho Chemical Processing Plant,*
21 *Idaho National Engineering Laboratory, Idaho,*
22 *\$10,440,000.*

23 *Project 96–D–471, CFC HVAC/chiller retro-*
24 *fit, Savannah River Site, Aiken, South Carolina,*
25 *\$8,541,000.*

1 *Project 95–E–600, hazardous materials*
2 *management and emergency response training*
3 *center, Richland, Washington, \$7,900,000.*

4 *Project 95–D–155, upgrade site road infra-*
5 *structure, Savannah River, South Carolina,*
6 *\$4,137,000.*

7 *Project 95–D–456, security facilities con-*
8 *solidation, Idaho Chemical Processing Plant,*
9 *Idaho National Engineering Laboratory, Idaho,*
10 *\$4,645,000.*

11 *Project 94–D–401, emergency response facil-*
12 *ity, Idaho National Engineering Laboratory,*
13 *Idaho, \$547,000.*

14 *(d) PROGRAM DIRECTION.—Subject to subsection (i),*
15 *funds are hereby authorized to be appropriated to the De-*
16 *partment of Energy for fiscal year 1997 for program direc-*
17 *tion in carrying out environmental restoration and waste*
18 *management activities necessary for national security pro-*
19 *grams in the amount of \$375,511,000.*

20 *(e) TECHNOLOGY DEVELOPMENT.—Subject to sub-*
21 *section (i), funds are hereby authorized to be appropriated*
22 *to the Department of Energy for fiscal year 1997 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 \$303,771,000.*

1 (f) *POLICY AND MANAGEMENT.*—*Subject to subsection*
2 *(i), funds are hereby authorized to be appropriated to the*
3 *Department of Energy for fiscal year 1997 for policy and*
4 *management in carrying out environmental restoration*
5 *and waste management activities necessary for national se-*
6 *curity programs in the amount of \$23,155,000.*

7 (g) *ENVIRONMENTAL SCIENCE PROGRAM.*—*Subject to*
8 *subsection (i), funds are hereby authorized to be appro-*
9 *priated to the Department of Energy for fiscal year 1997*
10 *for the environmental science program in carrying out envi-*
11 *ronmental restoration and waste management activities*
12 *necessary for national security programs in the amount of*
13 *\$62,136,000.*

14 (h) *ENVIRONMENTAL MANAGEMENT PRIVATIZATION.*—
15 *Subject to subsection (i), funds are hereby authorized to be*
16 *appropriated to the Department of Energy for fiscal year*
17 *1997 for environmental management privatization in car-*
18 *rying out environmental restoration and waste manage-*
19 *ment activities necessary for national security programs in*
20 *the amount of \$185,000,000.*

21 (i) *ADJUSTMENTS.*—*The total amount authorized to be*
22 *appropriated pursuant to this section is the sum of the*
23 *amounts specified in subsections (a) through (h) reduced by*
24 *the sum of—*

1 (1) \$150,400,000, for use of prior year balances;

2 *and*

3 (2) \$8,000,000 for Savannah River Pension Re-

4 *fund.*

5 **SEC. 3103. DEFENSE FIXED ASSET ACQUISITION.**

6 *Funds are hereby authorized to be appropriated to the*

7 *Department of Energy for fiscal year 1997 for the defense*

8 *fixed asset acquisition/privatization program in the*

9 *amount of \$182,000,000.*

10 **SEC. 3104. OTHER DEFENSE ACTIVITIES.**

11 *Funds are hereby authorized to be appropriated to the*

12 *Department of Energy for fiscal year 1997 for other defense*

13 *activities in carrying out programs necessary for national*

14 *security in the amount of \$1,487,800,000, to be allocated*

15 *as follows:*

16 (1) *For verification and control technology,*

17 *\$399,648,000, to be allocated as follows:*

18 (A) *For nonproliferation and verification*

19 *research and development, \$194,919,000.*

20 (B) *For arms control, \$169,544,000.*

21 (C) *For intelligence, \$35,185,000.*

22 (2) *For nuclear safeguards and security,*

23 *\$47,208,000.*

24 (3) *For security investigations, \$22,000,000.*

25 (4) *For emergency management, \$16,794,000.*

1 (5) *For program direction, nonproliferation, and*
2 *national security, \$95,622,000.*

3 (6) *For environment, safety, and health, defense,*
4 *\$63,800,000.*

5 (7) *For worker and community transition assist-*
6 *ance, \$67,000,000.*

7 (8) *For fissile materials disposition, \$93,796,000,*
8 *to be allocated as follows:*

9 (A) *For operations and maintenance,*
10 *\$76,796,000.*

11 (B) *For the following plant project (includ-*
12 *ing maintenance, restoration, planning, con-*
13 *struction, acquisition, modification of facilities,*
14 *and the continuation of projects authorized in*
15 *prior years, and land acquisition related there-*
16 *to):*

17 *Project 97–D–140, consolidated special*
18 *nuclear materials storage facility, site to be*
19 *determined, \$17,000,000.*

20 (9) *For naval reactors development,*
21 *\$681,932,000, to be allocated as follows:*

22 (A) *For operation and infrastructure,*
23 *\$649,330,000.*

24 (B) *For program direction, \$18,902,000.*

1 (C) *For plant projects (including maintenance,*
2 *restoration, planning, construction, acquisition,*
3 *modification of facilities, and the continuation*
4 *of projects authorized in prior years,*
5 *and land acquisition related thereto),*
6 *\$13,700,000, to be allocated as follows:*

7 *Project 97–D–201, advanced test reactor*
8 *secondary coolant refurbishment, Idaho*
9 *National Engineering Laboratory, Idaho,*
10 *\$400,000.*

11 *Project 95–D–200, laboratory systems*
12 *and hot cell upgrades, various locations,*
13 *\$4,800,000.*

14 *Project 95–D–201, advanced test reactor*
15 *radioactive waste system upgrades,*
16 *Idaho National Engineering Laboratory,*
17 *Idaho, \$500,000.*

18 *Project 90–N–102, expended core facility*
19 *dry cell project, Naval Reactors facility,*
20 *Idaho, \$8,000,000.*

21 **SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.**

22 *Funds are hereby authorized to be appropriated to the*
23 *Department of Energy for fiscal year 1997 for payment to*
24 *the Nuclear Waste Fund established in section 302(c) of the*

1 *Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in*
2 *the amount of \$200,000,000.*

3 ***Subtitle B—Recurring General***
4 ***Provisions***

5 ***SEC. 3121. REPROGRAMMING.***

6 (a) *IN GENERAL.*—Until the Secretary of Energy sub-
7 mits to the congressional defense committees the report re-
8 ferred to in subsection (b) and a period of 30 days has
9 elapsed after the date on which such committees receive the
10 report, the Secretary may not use amounts appropriated
11 pursuant to this title for any program—

12 (1) *in amounts that exceed, in a fiscal year—*

13 (A) *110 percent of the amount authorized*
14 *for that program by this title; or*

15 (B) *\$1,000,000 more than the amount au-*
16 *thorized for that program by this title; or*

17 (2) *which has not been presented to, or requested*
18 *of, Congress.*

19 (b) *REPORT.*—(1) *The report referred to in subsection*
20 *(a) is a report containing a full and complete statement*
21 *of the action proposed to be taken and the facts and cir-*
22 *cumstances relied upon in support of such proposed action.*

23 (2) *In the computation of the 30-day period under sub-*
24 *section (a), there shall be excluded any day on which either*

1 *House of Congress is not in session because of an adjourn-*
 2 *ment of more than 3 days to a day certain.*

3 (c) *LIMITATIONS.—(1) In no event may the total*
 4 *amount of funds obligated pursuant to this title exceed the*
 5 *total amount authorized to be appropriated by this title.*

6 (2) *Funds appropriated pursuant to this title may not*
 7 *be used for an item for which Congress has specifically de-*
 8 *nied funds.*

9 **SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.**

10 (a) *IN GENERAL.—The Secretary of Energy may carry*
 11 *out any construction project under the general plant*
 12 *projects authorized by this title if the total estimated cost*
 13 *of the construction project does not exceed \$2,000,000.*

14 (b) *REPORT TO CONGRESS.—If, at any time during*
 15 *the construction of any general plant project authorized by*
 16 *this title, the estimated cost of the project is revised because*
 17 *of unforeseen cost variations and the revised cost of the*
 18 *project exceeds \$2,000,000, the Secretary shall immediately*
 19 *furnish a complete report to the congressional defense com-*
 20 *mittees explaining the reasons for the cost variation.*

21 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

22 (a) *IN GENERAL.—(1) Except as provided in para-*
 23 *graph (2), construction on a construction project may not*
 24 *be started or additional obligations incurred in connection*
 25 *with the project above the total estimated cost, whenever the*

1 *current estimated cost of the construction project, which is*
2 *authorized by section 3101, 3102, or 3103, or which is in*
3 *support of national security programs of the Department*
4 *of Energy and was authorized by any previous Act, exceeds*
5 *by more than 25 percent the higher of—*

6 *(A) the amount authorized for the project; or*

7 *(B) the amount of the total estimated cost for the*
8 *project as shown in the most recent budget justifica-*
9 *tion data submitted to Congress.*

10 *(2) An action described in paragraph (1) may be taken*
11 *if—*

12 *(A) the Secretary of Energy has submitted to the*
13 *congressional defense committees a report on the ac-*
14 *tions and the circumstances making such action nec-*
15 *essary; and*

16 *(B) a period of 30 days has elapsed after the*
17 *date on which the report is received by the commit-*
18 *tees.*

19 *(3) In the computation of the 30-day period under*
20 *paragraph (2), there shall be excluded any day on which*
21 *either House of Congress is not in session because of an*
22 *adjournment of more than 3 days to a day certain.*

23 *(b) EXCEPTION.—Subsection (a) shall not apply to*
24 *any construction project which has a current estimated cost*
25 *of less than \$5,000,000.*

1 **SEC. 3124. FUND TRANSFER AUTHORITY.**

2 (a) *TRANSFER TO OTHER FEDERAL AGENCIES.*—The
3 *Secretary of Energy may transfer funds authorized to be*
4 *appropriated to the Department of Energy pursuant to this*
5 *title to other Federal agencies for the performance of work*
6 *for which the funds were authorized. Funds so transferred*
7 *may be merged with and be available for the same purposes*
8 *and for the same period as the authorizations of the Federal*
9 *agency to which the amounts are transferred.*

10 (b) *TRANSFER WITHIN DEPARTMENT OF ENERGY;*
11 *LIMITATIONS.*—(1) *Subject to paragraph (2), the Secretary*
12 *of Energy may transfer funds authorized to be appropriated*
13 *to the Department of Energy pursuant to this title between*
14 *any such authorizations. Amounts of authorizations so*
15 *transferred may be merged with and be available for the*
16 *same purposes and for the same period as the authorization*
17 *to which the amounts are transferred.*

18 (2) *Not more than five percent of any such authoriza-*
19 *tion may be transferred between authorizations under para-*
20 *graph (1). No such authorization may be increased or de-*
21 *creased by more than five percent by a transfer under such*
22 *paragraph.*

23 (3) *The authority provided by this section to transfer*
24 *authorizations—*

25 (A) *may only be used to provide funds for items*
26 *relating to weapons activities necessary for national*

1 *security programs that have a higher priority than*
2 *the items from which the funds are transferred; and*

3 *(B) may not be used to provide authority for an*
4 *item that has been denied funds by Congress.*

5 *(c) NOTICE TO CONGRESS.—The Secretary of Energy*
6 *shall promptly notify the Committee on Armed Services of*
7 *the Senate and the Committee on National Security of the*
8 *House of Representatives of any transfer of funds to or from*
9 *authorizations under this title.*

10 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRU-**
11 **CTION DESIGN.**

12 *(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1)*
13 *Subject to paragraph (2) and except as provided in para-*
14 *graph (3), before submitting to Congress a request for funds*
15 *for a construction project that is in support of a national*
16 *security program of the Department of Energy, the Sec-*
17 *retary of Energy shall complete a conceptual design for that*
18 *project.*

19 *(2) If the estimated cost of completing a conceptual*
20 *design for a construction project exceeds \$3,000,000, the*
21 *Secretary shall submit to Congress a request for funds for*
22 *the conceptual design before submitting a request for funds*
23 *for the construction project.*

24 *(3) The requirement in paragraph (1) does not apply*
25 *to a request for funds—*

1 (A) for a construction project the total estimated
2 cost of which is less than \$2,000,000; or

3 (B) for emergency planning, design, and con-
4 struction activities under section 3126.

5 (b) *AUTHORITY FOR CONSTRUCTION DESIGN.*—(1)
6 Within the amounts authorized by this title, the Secretary
7 of Energy may carry out construction design (including ar-
8 chitectural and engineering services) in connection with
9 any proposed construction project if the total estimated cost
10 for such design does not exceed \$600,000.

11 (2) If the total estimated cost for construction design
12 in connection with any construction project exceeds
13 \$600,000, funds for such design must be specifically author-
14 ized by law.

15 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**
16 **SIGN, AND CONSTRUCTION ACTIVITIES.**

17 (a) *AUTHORITY.*—The Secretary of Energy may use
18 any funds available to the Department of Energy pursuant
19 to an authorization in this title, including those funds au-
20 thorized to be appropriated for advance planning and con-
21 struction design under sections 3101, 3102, and 3103, to
22 perform planning, design, and construction activities for
23 any Department of Energy national security program con-
24 struction project that, as determined by the Secretary, must
25 proceed expeditiously in order to protect public health and

1 *safety, to meet the needs of national defense, or to protect*
2 *property.*

3 (b) *LIMITATION.*—*The Secretary may not exercise the*
4 *authority under subsection (a) in the case of any construc-*
5 *tion project until the Secretary has submitted to the con-*
6 *gressional defense committees a report on the activities that*
7 *the Secretary intends to carry out under this section and*
8 *the circumstances making such activities necessary.*

9 (c) *SPECIFIC AUTHORITY.*—*The requirement of section*
10 *3125(b)(2) does not apply to emergency planning, design,*
11 *and construction activities conducted under this section.*

12 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**
13 **RITY PROGRAMS OF THE DEPARTMENT OF**
14 **ENERGY.**

15 *Subject to the provisions of appropriations Acts and*
16 *section 3121, amounts appropriated pursuant to this title*
17 *for management and support activities and for general*
18 *plant projects are available for use, when necessary, in con-*
19 *nection with all national security programs of the Depart-*
20 *ment of Energy.*

21 **SEC. 3128. AVAILABILITY OF FUNDS.**

22 *When so specified in an appropriation Act, amounts*
23 *appropriated for operation and maintenance or for plant*
24 *projects may remain available until expended.*

1 **Subtitle C—Program Authoriza-**
2 **tions, Restrictions, and Limita-**
3 **tions**

4 **SEC. 3131. STOCKPILE STEWARDSHIP PROGRAM.**

5 (a) *FUNDING.*—Of the funds authorized to be appro-
6 priated to the Department of Energy pursuant to section
7 3101, \$100,000,000 shall be available to carry out the fol-
8 lowing activities within the stockpile stewardship program:

9 (1) \$20,000,000 for enhanced surveillance involv-
10 ing the nuclear production plants and the nuclear
11 weapons design laboratories.

12 (2) \$15,000,000 for a production capability as-
13 surance program for critical non-nuclear components.

14 (3) \$25,000,000 for an accelerated capability to
15 produce prototype war reserve-quality plutonium pits.

16 (4) \$20,000,000 for dual revalidation of war-
17 heads in the nuclear weapons stockpile.

18 (5) \$20,000,000 for the stockpile life extension
19 program.

20 (b) *REPORT.*—Not later than October 15, 1996, the
21 Secretary of Energy shall submit to the congressional de-
22 fense committees a report on the obligations the Secretary
23 has incurred, and plans to incur, during fiscal year 1997
24 for the stockpile stewardship program.

1 **SEC. 3132. MANUFACTURING INFRASTRUCTURE FOR NU-**
2 **CLEAR WEAPONS STOCKPILE.**

3 (a) *FUNDING.*—Of the funds authorized to be appro-
4 priated to the Department of Energy pursuant to section
5 3101, \$125,000,000 shall be available to carry out the stock-
6 pile manufacturing infrastructure program.

7 (b) *REQUIRED CAPABILITIES.*—The manufacturing
8 infrastructure established under the program shall include
9 the capabilities listed in subsection (b) of section 3137 of
10 Public Law 104–106 (110 Stat. 620).

11 (c) *REPORT.*—Not later than October 15, 1996, the
12 Secretary of Energy shall submit to the congressional de-
13 fense committees a report on the obligations the Secretary
14 has incurred, and plans to incur, during fiscal year 1997
15 for the stockpile manufacturing infrastructure program.

16 (d) *STOCKPILE MANUFACTURING INFRASTRUCTURE*
17 *PROGRAM.*—In this section, the term “stockpile manufac-
18 turing infrastructure program” means the program carried
19 out pursuant to section 3137 of the National Defense Au-
20 thorization Act for Fiscal Year 1996 (Public Law 104–106;
21 110 Stat. 620).

22 **SEC. 3133. PRODUCTION OF HIGH EXPLOSIVES.**

23 The manufacture and fabrication of high explosives
24 and energetic materials for use as components in nuclear
25 weapons systems shall be carried out at the Pantex Plant,
26 Amarillo, Texas. No funds appropriated or otherwise made

1 *available to the Department of Energy may be used to move,*
2 *or prepare to move, the manufacture and fabrication of high*
3 *explosives and energetic materials for use as components in*
4 *nuclear weapons systems from the Pantex Plant to any*
5 *other site or facility of the Department of Energy.*

6 **SEC. 3134. LIMITATION ON USE OF FUNDS BY LABORA-**
7 **TORIES FOR LABORATORY-DIRECTED RE-**
8 **SEARCH AND DEVELOPMENT.**

9 (a) *REDUCTION OF FUNDING.*—Section 3132(c) of
10 *Public Law 101–510 (104 Stat. 1832) is amended by strik-*
11 *ing out “6 percent” and inserting in lieu thereof “2 per-*
12 *cent”.*

13 (b) *LIMITATION.*—None of the funds provided in a fis-
14 *cal year, beginning with fiscal year 1997, by the Secretary*
15 *of Energy to be used by laboratories for laboratory-directed*
16 *research and development pursuant to section 3132(c) of*
17 *Public Law 101–510 (42 U.S.C. 7257a(c)) may be obligated*
18 *or expended by such laboratories until a period of 15 days*
19 *has expired after the Secretary of Energy submits to the*
20 *congressional defense committees a report setting forth in*
21 *detail information about the manner in which such funds*
22 *are planned to be used during that fiscal year. The report*
23 *shall include a description and justification of the planned*
24 *uses of the funds.*

1 **SEC. 3135. PROHIBITION ON FUNDING NUCLEAR WEAPONS**
2 **ACTIVITIES WITH PEOPLE'S REPUBLIC OF**
3 **CHINA.**

4 (a) *FUNDING PROHIBITION.*—*Funds authorized to be*
5 *appropriated to, or otherwise available to, the Department*
6 *of Energy for fiscal year 1997 may not be obligated or ex-*
7 *pended for any activity associated with the conduct of coop-*
8 *erative programs relating to nuclear weapons or nuclear*
9 *weapons technology, including stockpile stewardship, safety,*
10 *and use control, with the People's Republic of China.*

11 (b) *REPORT.*—(1) *The Secretary of Energy shall pre-*
12 *pare, in consultation with the Secretary of Defense, a report*
13 *containing a description of all discussions and activities*
14 *between the United States and the People's Republic of*
15 *China regarding nuclear weapons matters that have oc-*
16 *curred before the date of the enactment of this Act and that*
17 *are planned to occur after such date. For each such discus-*
18 *sion or activity, the report shall include—*

19 (A) *the authority under which the discussion or*
20 *activity took or will take place;*

21 (B) *the subject of the discussion or activity;*

22 (C) *participants or likely participants;*

23 (D) *the source and amount of funds used or to*
24 *be used to pay for the discussion or activity; and*

25 (E) *a description of the actions taken or to be*
26 *taken to ensure that no classified or restricted data*

8 SEC. 3136. INTERNATIONAL COOPERATIVE STOCKPILE
9 STEWARDSHIP PROGRAMS.

15 (b) *EXCEPTION.*—Subsection (a) does not apply with
16 respect to such activities conducted between the United
17 States and the United Kingdom, and between the United
18 States and France.

(a) *TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.*—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense envi-

1 *ronmental management funds from a program or project*
2 *under the jurisdiction of the office to another such program*
3 *or project. Any such transfer may be done only one time*
4 *in a fiscal year to or from each program or project, and*
5 *the amount transferred to or from the program or project*
6 *may not exceed \$5,000,000 in a fiscal year.*

7 *(b) DETERMINATION.—A transfer may not be carried*
8 *out by a manager of a field office pursuant to the authority*
9 *provided under subsection (a) unless the manager deter-*
10 *mines that such transfer is necessary to address a risk to*
11 *health, safety, or the environment or to assure the most effi-*
12 *cient use of defense environmental management funds at*
13 *that field office.*

14 *(c) EXEMPTION FROM REPROGRAMMING REQUIRE-*
15 *MENTS.—The requirements of section 3121 shall not apply*
16 *to transfers of funds pursuant to subsection (a).*

17 *(d) NOTIFICATION.—The Secretary of Energy, acting*
18 *through the Assistant Secretary of Energy for Environ-*
19 *mental Management, shall notify Congress of any transfer*
20 *of funds pursuant to subsection (a) not later than 30 days*
21 *after such a transfer occurs.*

22 *(e) LIMITATION.—Funds transferred pursuant to sub-*
23 *section (a) may not be used for an item for which Congress*
24 *has specifically denied funds or for a new program or*
25 *project that has not been authorized by Congress.*

1 (f) *DEFINITIONS.*—*In this section:*

2 (1) *The term “program or project” means, with*
3 *respect to a field office of the Department of Energy,*
4 *any of the following:*

5 (A) *A project listed in subsection (b) or (c)*
6 *of section 3102 being carried out by the office.*

7 (B) *A program referred to in subsection (a),*
8 *(b), (c), (e), (g), or (h) of section 3102 being car-*
9 *ried out by the office.*

10 (C) *A project or program not described in*
11 *subparagraph (A) or (B) that is for environ-*
12 *mental restoration or waste management activi-*
13 *ties necessary for national security programs of*
14 *the Department of Energy, that is being carried*
15 *out by the office, and for which defense environ-*
16 *mental management funds have been authorized*
17 *and appropriated before the date of the enact-*
18 *ment of this Act.*

19 (2) *The term “defense environmental manage-*
20 *ment funds” means funds appropriated to the Depart-*
21 *ment of Energy pursuant to an authorization for car-*
22 *rying out environmental restoration and waste man-*
23 *agement activities necessary for national security pro-*
24 *grams.*

1 (g) *DURATION OF AUTHORITY.*—*The authority pro-*
 2 *vided under subsection (a) to a manager of a field office*
 3 *shall be in effect from the date of the enactment of this Act*
 4 *to September 30, 1997.*

5 **SEC. 3138. MANAGEMENT STRUCTURE FOR NUCLEAR WEAP-**
 6 **ONS PRODUCTION FACILITIES AND NUCLEAR**
 7 **WEAPONS LABORATORIES.**

8 (a) *LIMITATION ON DELEGATION OF AUTHORITY.*—(1)
 9 *The Secretary of Energy, in carrying out national security*
 10 *programs, may delegate specific management and planning*
 11 *authority over matters relating to site operation of the fa-*
 12 *cilities and laboratories covered by this section only to the*
 13 *Assistant Secretary of Energy for Defense Programs. Such*
 14 *Assistant Secretary may redelegate such authority only to*
 15 *managers of area offices of the Department of Energy lo-*
 16 *cated at such facilities and laboratories.*

17 (2) *Nothing in this section may be construed as affect-*
 18 *ing the delegation by the Secretary of Energy of authority*
 19 *relating to reporting, management, and oversight of matters*
 20 *relating to the Department of Energy generally, or safety,*
 21 *environment, and health at such facilities and laboratories.*

22 (b) *REQUIREMENT TO CONSULT WITH AREA OF-*
 23 *FICES.*—*The Assistant Secretary of Energy for Defense Pro-*
 24 *grams, in exercising any delegated authority to oversee*
 25 *management of matters relating to site operation of a facil-*

1 *ity or laboratory, shall exercise such authority only after*
2 *direct consultation with the manager of the area office of*
3 *the Department of Energy located at the facility or labora-*
4 *tory.*

5 (c) *REQUIREMENT FOR DIRECT COMMUNICATION*
6 *FROM AREA OFFICES.*—*The Secretary of Energy, acting*
7 *through the Assistant Secretary of Energy for Defense Pro-*
8 *grams, shall require the head of each area office of the De-*
9 *partment of Energy located at each facility and laboratory*
10 *covered by this section to report on matters relating to site*
11 *operation other than those matters set forth in subsection*
12 *(a)(2) directly to the Assistant Secretary of Energy for De-*
13 *fense Programs, without obtaining the approval or concur-*
14 *rence of any other official within the Department of Energy.*

15 (d) *DEFENSE PROGRAMS REORGANIZATION PLAN AND*
16 *REPORT.*—(1) *The Secretary of Energy shall develop a plan*
17 *to reorganize the field activities and management of the na-*
18 *tional security functions of the Department of Energy.*

19 (2) *Not later than 120 days after the date of the enact-*
20 *ment of this Act, the Secretary shall submit to Congress a*
21 *report on the plan developed under paragraph (1). The re-*
22 *port shall specifically identify all significant functions per-*
23 *formed by the operations offices relating to any of the facili-*
24 *ties and laboratories covered by this section and which of*
25 *those functions could be performed—*

1 (A) by the area offices of the Department of En-
2 ergy located at the facilities and laboratories covered
3 by this section; or

4 (B) by the Assistant Secretary of Energy for De-
5 fense Programs.

6 (3) The report also shall address and make rec-
7 ommendations with respect to other internal streamlining
8 and reorganization initiatives that the Department could
9 pursue with respect to military or national security pro-
10 grams.

11 (e) *DEFENSE PROGRAMS MANAGEMENT COUNCIL.*—
12 The Secretary of Energy shall establish a Defense Programs
13 Management Council to advise the Secretary on policy mat-
14 ters, operational concerns, strategic planning, and develop-
15 ment of priorities relating to the national security functions
16 of the Department of Energy. The Council shall be composed
17 of the directors of the facilities and laboratories and shall
18 report directly to the Assistant Secretary of Energy for De-
19 fense Programs.

20 (f) *COVERED SITE OPERATIONS.*—For purposes of this
21 section, matters relating to site operation of a facility or
22 laboratory include matters relating to personnel, budget,
23 and procurement in national security programs.

1 (g) *COVERED FACILITIES AND LABORATORIES.*—*This*
 2 *section applies to the following facilities and laboratories*
 3 *of the Department of Energy:*

4 (1) *The Kansas City Plant, Kansas City, Mis-*
 5 *souri.*

6 (2) *The Pantex Plant, Amarillo, Texas.*

7 (3) *The Y-12 Plant, Oak Ridge, Tennessee.*

8 (4) *The Savannah River Site, Aiken, South*
 9 *Carolina.*

10 (5) *Los Alamos National Laboratory, Los Ala-*
 11 *mos, New Mexico.*

12 (6) *Sandia National Laboratories, Albuquerque,*
 13 *New Mexico.*

14 (7) *Lawrence Livermore National Laboratory,*
 15 *Livermore, California.*

16 (8) *The Nevada Test Site, Nevada.*

17 ***Subtitle D—Other Matters***

18 ***SEC. 3141. REPORT ON NUCLEAR WEAPONS STOCKPILE***

19 ***MEMORANDUM.***

20 (a) *SUBMISSION OF COPY OF MEMORANDUM.*—*Not less*
 21 *than 15 days after the date of the enactment of this Act,*
 22 *the President shall submit to the congressional defense com-*
 23 *mittees a copy of the Nuclear Weapons Stockpile Memorand-*
 24 *um approved by the President in April 1996.*

1 (b) *SUBMISSION OF COPY OF MEMORANDUM AND RE-*
2 *PORT.*—Not less than 30 days after the President has ap-
3 proved any update to the Nuclear Weapons Stockpile Memo-
4 randum, the President shall submit to the congressional de-
5 fense committees a copy of that Memorandum, together with
6 a report describing the changes to the Memorandum com-
7 pared to the previous submission.

8 (c) *FORM.*—The submissions required by this section
9 shall be in classified and unclassified form.

10 **SEC. 3142. REPORT ON PLUTONIUM PIT PRODUCTION AND**
11 **REMANUFACTURING PLANS.**

12 (a) *REPORT REQUIREMENT.*—The Secretary of Energy
13 shall submit to the congressional defense committees a re-
14 port on plans for achieving the capability to produce and
15 remanufacture plutonium pits. The report shall include a
16 description of the baseline plan of the Department of En-
17 ergy for achieving such capability, including the following:

18 (1) *The funding necessary, by fiscal year, to*
19 *achieve the capability.*

20 (2) *The schedule necessary to achieve the capabil-*
21 *ity, including important technical and programmatic*
22 *milestones.*

23 (3) *Siting, capacity for expansion, and other is-*
24 *ssues included in the baseline plan.*

1 (b) *DEADLINE*.—The report required by subsection (a)
 2 shall be submitted not later than 60 days after the date of
 3 the enactment of this Act.

4 **SEC. 3143. AMENDMENTS RELATING TO BASELINE ENVI-**
 5 **RONMENTAL MANAGEMENT REPORTS.**

6 Section 3153 of the National Defense Authorization
 7 Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat.
 8 1950) is amended—

9 (1) in subsection (b)—

10 (A) by striking out the first word in the
 11 heading and inserting in lieu thereof “BIEN-
 12 NIAL”; and

13 (B) in paragraph (2)(B), by inserting be-
 14 fore “year after 1995” the following: “odd-num-
 15 bered”; and

16 (2) in subsection (d)—

17 (A) by striking out the first word in the
 18 heading and inserting in lieu thereof “BIEN-
 19 NIAL”; and

20 (B) in paragraph (1)(B), by striking out
 21 “in each year thereafter” and inserting in lieu
 22 thereof “in each odd-numbered year thereafter”.

1 **SEC. 3144. REQUIREMENT TO DEVELOP FUTURE USE PLANS**
2 **FOR ENVIRONMENTAL MANAGEMENT PRO-**
3 **GRAM.**

4 (a) *AUTHORITY TO DEVELOP FUTURE USE PLANS.—*

5 *The Secretary may develop future use plans for any defense*
6 *nuclear facility at which environmental restoration and*
7 *waste management activities are occurring.*

8 (b) *REQUIREMENT TO DEVELOP FUTURE USE*
9 *PLANS.—The Secretary of Energy shall develop a future use*
10 *plan for each of the following defense nuclear facilities:*

11 (1) *Hanford Site, Richland, Washington.*

12 (2) *Rocky Flats Plant, Golden, Colorado.*

13 (3) *Savannah River Site, Aiken, South Carolina.*

14 (4) *Idaho National Engineering Laboratory,*
15 *Idaho.*

16 (c) *FUTURE USE ADVISORY BOARD.—(1) At a defense*
17 *nuclear facility where the Secretary of Energy intends to*
18 *develop a future use plan and no citizen advisory board*
19 *has been established, the Secretary shall establish a future*
20 *use advisory board.*

21 (2) *The Secretary may prescribe regulations regarding*
22 *the establishment, characteristics, composition, and funding*
23 *of future use advisory boards pursuant to this subsection.*

24 (3) *The Secretary may authorize the manager of a de-*
25 *fense nuclear facility for which a future use plan is devel-*
26 *oped (or, if there is no such manager, an appropriate offi-*

1 cial of the Department of Energy designated by the Sec-
2 retary) to pay routine administrative expenses of a future
3 use advisory board established for that site. Such payments
4 shall be made from funds available to the Secretary for pro-
5 gram direction in carrying out environmental restoration
6 and waste management activities necessary for national se-
7 curity programs.

8 (d) *REQUIREMENT TO CONSULT WITH FUTURE USE*
9 *ADVISORY BOARD.*—In developing a future use plan under
10 this section with respect to a defense nuclear facility, the
11 Secretary of Energy shall consult with a future use advisory
12 board established pursuant to subsection (c) or a similar
13 advisory board already in existence as of the date of the
14 enactment of this Act for such facility, affected local govern-
15 ments (including any local future use redevelopment au-
16 thorities), and other appropriate State agencies.

17 (e) *50-YEAR PLANNING PERIOD.*—A future use plan
18 developed under this section shall cover a period of at least
19 50 years.

20 (f) *DEADLINES.*—For each site listed in subsection (b),
21 the Secretary shall develop a draft plan by October 1, 1997,
22 and a final plan by March 15, 1998.

23 (g) *REPORT.*—Not later than 60 days after completing
24 development of a final plan for a site listed in subsection
25 (b), the Secretary of Energy shall submit to Congress a re-

1 port on the plan. The report shall describe the plan and
2 contain such findings and recommendations with respect to
3 the site as the Secretary considers appropriate.

4 (h) SAVINGS PROVISIONS.—(1) Nothing in this section
5 or in a future use plan developed under this section with
6 respect to a defense nuclear facility shall be construed as
7 requiring any modification to a future use plan that was
8 developed before the date of the enactment of this Act.

9 (2) Nothing in this section may be construed to affect
10 statutory requirements for an environmental restoration or
11 waste management activity or project or to modify or other-
12 wise affect applicable statutory or regulatory environmental
13 restoration and waste management requirements, including
14 substantive standards intended to protect public health and
15 the environment, nor shall anything in this section be con-
16 strued to preempt or impair any local land use planning
17 or zoning authority or State authority.

18 **Subtitle E—Defense Nuclear Envi-**
19 **ronmental Cleanup and Man-**
20 **agement**

21 **SEC. 3151. PURPOSE.**

22 The purpose of this subtitle is to provide for the exped-
23 ited environmental restoration and waste management of
24 Department of Energy defense nuclear facilities through the

1 *use of cost-effective management mechanisms and innova-*
 2 *tive technologies.*

3 **SEC. 3152. COVERED DEFENSE NUCLEAR FACILITIES.**

4 (a) *APPLICABILITY.*—*This subtitle applies to any de-*
 5 *fense nuclear facility of the Department of Energy for which*
 6 *the fiscal year 1996 environmental management budget was*
 7 *\$350,000,000 or more.*

8 (b) *DEFENSE NUCLEAR FACILITY DEFINED.*—*In this*
 9 *subtitle, the term “defense nuclear facility” means a former*
 10 *or current defense nuclear production facility that is owned*
 11 *and managed by the Department of Energy.*

12 **SEC. 3153. SITE MANAGER.**

13 (a) *APPOINTMENT.*—*The Secretary of Energy shall ex-*
 14 *pediently appoint a Site Manager for each Department*
 15 *of Energy defense nuclear facility (in this subtitle referred*
 16 *to as the “Site Manager”).*

17 (b) *SCOPE.*—(1) *In addition to other authorities pro-*
 18 *vided for in this Act, the Secretary of Energy may delegate*
 19 *to the Site Manager of a defense nuclear facility authority*
 20 *to oversee and direct environmental management operations*
 21 *at the facility, including the authority to—*

22 (A) *enter into and modify contractual agree-*
 23 *ments to enhance environmental restoration and*
 24 *waste management at the facility;*

1 (B) request that the Department of Energy head-
2 quarters submit to Congress a reprogramming pack-
3 age shifting funds among accounts in order to facili-
4 tate the most efficient and timely environmental res-
5 toration and waste management of the facility, and,
6 in the event that the Department headquarters does
7 not act upon the request within 60 days, submit such
8 request to the appropriate congressional committees
9 for review;

10 (C) subject to paragraph (2), negotiate amend-
11 ments to environmental agreements for the Depart-
12 ment of Energy;

13 (D) manage Department of Energy personnel at
14 the facility;

15 (E) consider the costs, risk reduction benefits,
16 and other benefits for the purposes of ensuring protec-
17 tion of human health and the environment or safety,
18 with respect to any environmental remediation activ-
19 ity the cost of which exceeds \$25,000,000; and

20 (F) have assessments prepared for environmental
21 restoration activities (in several documents or a single
22 document, as determined by the Site Manager).

23 (2) In using the authority described in paragraph
24 (1)(C), a Site Manager may not negotiate an amendment
25 that is expected to result in additional significant life cycle

1 *costs to the Department of Energy without the approval of*
2 *the Secretary of Energy.*

3 (3) *In using any authority described in paragraph (1),*
4 *a Site Manager of a facility shall consult with the State*
5 *where the facility is located and the advisory board for the*
6 *facility.*

7 (4) *The delegation of any authority pursuant to this*
8 *subsection shall not be construed as restricting the Secretary*
9 *of Energy's authority to delegate other authorities as nec-*
10 *essary.*

11 (c) *INFORMATION TO SECRETARY OF ENERGY.—The*
12 *Site Manager of a defense nuclear facility shall regularly*
13 *inform the Secretary of Energy, Congress, and the advisory*
14 *board for the facility of the progress made by the Site Man-*
15 *ager to achieve the expedited environmental restoration and*
16 *waste management of the facility.*

17 **SEC. 3154. DEPARTMENT OF ENERGY ORDERS.**

18 *An order imposed after the date of the enactment of*
19 *this Act relating to the execution of environmental restora-*
20 *tion, waste management, or technology development activi-*
21 *ties at a defense nuclear facility under the Atomic Energy*
22 *Act of 1954 (42 U.S.C. 2011 et seq.) may be imposed by*
23 *the Secretary of Energy at the defense nuclear facility only*
24 *if the Secretary finds that the order is necessary for the*

1 *protection of human health and the environment or safety,*
2 *or the fulfillment of current legal requirements.*

3 **SEC. 3155. DEPLOYMENT OF TECHNOLOGY FOR REMEDI-**
4 **ATION OF DEFENSE NUCLEAR WASTE.**

5 *(a) IN GENERAL.—The Secretary of Energy shall en-*
6 *courage the Site Manager of each defense nuclear facility*
7 *to promote the deployment of innovative environmental*
8 *technologies for remediation of defense nuclear waste at the*
9 *facility.*

10 *(b) CRITERIA.—To carry out subsection (a), the Sec-*
11 *retary shall encourage the Site Manager of a defense nuclear*
12 *facility to establish a program at the facility to enhance*
13 *the deployment of innovative environmental technologies at*
14 *the facility. The Secretary may require the Site Manager,*
15 *in establishing such a program—*

16 *(1) to establish a simplified, standardized, and*
17 *timely process for the acceptance and deployment of*
18 *environmental technologies;*

19 *(2) to solicit applications to deploy environ-*
20 *mental technologies suitable for environmental res-*
21 *toration and waste management activities at the fa-*
22 *cility, including prevention, control, characterization,*
23 *treatment, and remediation of contamination;*

1 (3) *to enter into contracts and other agreements*
2 *with other public and private entities to deploy envi-*
3 *ronmental technologies at the facility; and*

4 (4) *to include incentives, such as product per-*
5 *formance specifications, in contracts to encourage the*
6 *implementation of innovative environmental tech-*
7 *nologies.*

8 **SEC. 3156. PERFORMANCE-BASED CONTRACTING.**

9 (a) *PROGRAM.*—*The Secretary of Energy shall develop*
10 *and implement a program for performance-based contract-*
11 *ing for contracts entered into for environmental remedi-*
12 *ation at defense nuclear facilities. The program shall ensure*
13 *that, to the maximum extent practicable and appropriate,*
14 *such contracts include the following:*

15 (1) *Clearly stated and results oriented perform-*
16 *ance criteria and measures.*

17 (2) *Appropriate incentives for contractors to*
18 *meet and exceed the performance criteria effectively*
19 *and efficiently.*

20 (3) *Appropriate criteria and incentives for con-*
21 *tractors to seek and engage subcontractors who may*
22 *more effectively and efficiently perform either unique*
23 *and technologically challenging tasks or routine and*
24 *interchangeable services.*

25 (4) *Specific incentives for cost savings.*

1 (5) *Financial accountability.*

2 (6) *When appropriate, allocation of fee or profit*
 3 *reduction for failure to meet minimum performance*
 4 *criteria and standards.*

5 (b) *CRITERIA AND MEASURES.—Performance criteria*
 6 *and measures should take into consideration, at a mini-*
 7 *imum, the following: managerial control; elimination or re-*
 8 *duction of risk to public health and the environment; work-*
 9 *place safety; financial control; goal-oriented work scope; use*
 10 *of innovative and alternative technologies and techniques*
 11 *that result in cleanups being performed less expensively,*
 12 *more quickly, and within quality parameters; and perform-*
 13 *ing within benchmark cost estimates.*

14 (c) *CONSULTATION.—In implementing this section, the*
 15 *Secretary of Energy shall consult with interested parties.*

16 (d) *DEADLINE.—The Secretary of Energy shall imple-*
 17 *ment this section not later than October 1, 1997, unless the*
 18 *Secretary submits to Congress before that date a report with*
 19 *a schedule for completion of action under this section.*

20 **SEC. 3157. DESIGNATION OF DEFENSE NUCLEAR FACILI-**
 21 **TIES AS NATIONAL ENVIRONMENTAL CLEAN-**
 22 **UP DEMONSTRATION AREAS.**

23 (a) *DESIGNATION.—The Secretary of Energy, upon re-*
 24 *ceipt of a request from a Governor of a State in which a*
 25 *defense nuclear facility is situated, may designate the facil-*

1 *ity as a “National Environmental Cleanup Demonstration*
 2 *Area” to carry out the purposes of this subtitle.*

3 (b) *SENSE OF CONGRESS.—It is the sense of Congress*
 4 *that Federal and State regulatory agencies, members of the*
 5 *community surrounding the facilities designated under sub-*
 6 *section (a), and other affected parties should work to develop*
 7 *expedited and streamlined processes and systems for clean-*
 8 *ing up the facilities, to eliminate unnecessary bureaucratic*
 9 *delay, and to proceed expeditiously with environmental res-*
 10 *toration activities.*

11 ***TITLE XXXII—DEFENSE NU-***
 12 ***CLEAR FACILITIES SAFETY***
 13 ***BOARD***

14 ***SEC. 3201. AUTHORIZATION.***

15 *There are authorized to be appropriated for fiscal year*
 16 *1997, \$17,000,000 for the operation of the Defense Nuclear*
 17 *Facilities Safety Board under chapter 21 of the Atomic En-*
 18 *ergy Act of 1954 (42 U.S.C. 2286 et seq.).*

19 ***TITLE XXXIII—NATIONAL***
 20 ***DEFENSE STOCKPILE***
 21 ***Subtitle A—Authorization of***
 22 ***Disposals and Use of Funds***

23 ***SEC. 3301. DEFINITIONS.***

24 *In this title:*

1 (1) *The term “National Defense Stockpile”*
 2 *means the stockpile provided for in section 4 of the*
 3 *Strategic and Critical Materials Stock Piling Act (50*
 4 *U.S.C. 98c).*

5 (2) *The term “National Defense Stockpile Trans-*
 6 *action Fund” means the fund in the Treasury of the*
 7 *United States established under section 9(a) of the*
 8 *Strategic and Critical Materials Stock Piling Act (50*
 9 *U.S.C. 98h(a)).*

10 **SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.**

11 (a) *OBLIGATION OF STOCKPILE FUNDS.—During fis-*
 12 *cal year 1997, the National Defense Stockpile Manager may*
 13 *obligate up to \$60,000,000 of the funds in the National De-*
 14 *fense Stockpile Transaction Fund for the authorized uses*
 15 *of such funds under section 9(b)(2) of the Strategic and*
 16 *Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).*

17 (b) *ADDITIONAL OBLIGATIONS.—The National Defense*
 18 *Stockpile Manager may obligate amounts in excess of the*
 19 *amount specified in subsection (a) if the National Defense*
 20 *Stockpile Manager notifies Congress that extraordinary or*
 21 *emergency conditions necessitate the additional obligations.*
 22 *The National Defense Stockpile Manager may make the ad-*
 23 *ditional obligations described in the notification after the*
 24 *end of the 45-day period beginning on the date Congress*
 25 *receives the notification.*

1 (c) *LIMITATIONS.*—*The authorities provided by this*
 2 *section shall be subject to such limitations as may be pro-*
 3 *vided in appropriations Acts.*

4 ***Subtitle B—Programmatic Change***

5 ***SEC. 3311. BIENNIAL REPORT ON STOCKPILE REQUIRE-*** 6 ***MENTS.***

7 (a) *NATIONAL EMERGENCY PLANNING ASSUMP-*
 8 *TIONS.*—*Section 14 of the Strategic and Critical Materials*
 9 *Stock Piling Act (50 U.S.C. 98h–5) is amended—*

10 (1) *by redesignating subsection (c) as subsection*
 11 *(e); and*

12 (2) *by striking out subsection (b) and inserting*
 13 *in lieu thereof the following new subsection:*

14 “(b) *Each report under this section shall set forth the*
 15 *national emergency planning assumptions used by the Sec-*
 16 *retary in making the Secretary’s recommendations under*
 17 *subsection (a)(1) with respect to stockpile requirements. The*
 18 *Secretary shall base the national emergency planning as-*
 19 *sumptions on a military conflict scenario consistent with*
 20 *the scenario used by the Secretary in budgeting and defense*
 21 *planning purposes. The assumptions to be set forth include*
 22 *assumptions relating to each of the following:*

23 “(1) *The length and intensity of the assumed*
 24 *military conflict.*

25 “(2) *The military force structure to be mobilized.*

1 “(3) *The losses anticipated from enemy action.*

2 “(4) *The military, industrial, and essential civil-*
3 *ian requirements to support the national emergency.*

4 “(5) *The availability of supplies of strategic and*
5 *critical materials from foreign sources during the mo-*
6 *bilization period, the military conflict, and the subse-*
7 *quent period of replenishment, taking into consider-*
8 *ation possible shipping losses.*

9 “(6) *The domestic production of strategic and*
10 *critical materials during the mobilization period, the*
11 *military conflict, and the subsequent period of replen-*
12 *ishment, taking into consideration possible shipping*
13 *losses.*

14 “(7) *Civilian austerity measures required during*
15 *the mobilization period and military conflict.*

16 “(c) *The stockpile requirements shall be based on those*
17 *strategic and critical materials necessary for the United*
18 *States to replenish or replace, within three years of the end*
19 *of the military conflict scenario required under subsection*
20 *(b), all munitions, combat support items, and weapons sys-*
21 *tems that would be consumed or exhausted during such a*
22 *military conflict.*

23 “(d) *The Secretary shall also include in each report*
24 *under this section an examination of the effect that alter-*
25 *native mobilization periods under the military conflict sce-*

1 nario required under subsection (b), as well as a range of
 2 other military conflict scenarios addressing potentially
 3 more serious threats to national security, would have on
 4 the Secretary's recommendations under subsection (a)(1)
 5 with respect to stockpile requirements.”.

6 (b) *CONFORMING AMENDMENT.*—Section 2 of such Act
 7 (50 U.S.C. 98a) is amended by striking out subsection (c)
 8 and inserting in lieu thereof the following new subsection:
 9 “(c) The purpose of the National Defense Stockpile is
 10 to serve the interest of national defense only. The National
 11 Defense Stockpile is not to be used for economic or budg-
 12 etary purposes.”.

13 (c) *EFFECTIVE DATE.*—The amendments made by this
 14 section shall take effect on October 1, 1996.

15 **SEC. 3312. NOTIFICATION REQUIREMENTS.**

16 (a) *PROPOSED CHANGES IN STOCKPILE QUAN-*
 17 *TITIES.*—Section 3(c)(2) of the Strategic and Critical Mate-
 18 rials Stock Piling Act (50 U.S.C. 98b(c)(2)) is amended—

19 (1) by striking out “effective on or after the 30th
 20 legislative day following” and inserting in lieu thereof
 21 “after the end of the 45-day period beginning on”;
 22 and

23 (2) by striking out the last sentence.

24 (b) *WAIVER OF ACQUISITION AND DISPOSAL REQUIRE-*
 25 *MENTS.*—Section 6(d)(1) of such Act (50 U.S.C. 98e(d)(1))

1 *is amended by striking out “thirty days” and inserting in*
 2 *lieu thereof “45 days”.*

3 (c) *TIME TO BEGIN DISPOSAL.*—Section 6(d)(2) of
 4 *such Act (50 U.S.C. 98e(d)(2)) is amended by striking out*
 5 *“thirty days” and inserting in lieu thereof “45 days”.*

6 **SEC. 3313. IMPORTATION OF STRATEGIC AND CRITICAL MA-**
 7 **TERIALS.**

8 *Section 13 of the Strategic and Critical Materials*
 9 *Stock Piling Act (50 U.S.C. 98h–4) is amended—*

10 (1) *by striking out “as a Communist-dominated*
 11 *country or area”; and*

12 (2) *by striking out “such Communist-dominated*
 13 *countries or areas” and inserting in lieu thereof “a*
 14 *country or area listed in such general note”.*

15 **TITLE XXXIV—NAVAL**
 16 **PETROLEUM RESERVES**

17 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

18 *There is hereby authorized to be appropriated to the*
 19 *Secretary of Energy \$149,500,000 for fiscal year 1997 for*
 20 *the purpose of carrying out activities under chapter 641*
 21 *of title 10, United States Code, relating to the naval petro-*
 22 *leum reserves (as defined in section 7420(2) of such title).*
 23 *Funds appropriated pursuant to such authorization shall*
 24 *remain available until expended.*

1 **SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PE-**
 2 **TROLEUM DURING FISCAL YEAR 1997.**

3 *Notwithstanding section 7430(b)(2) of title 10, United*
 4 *States Code, during fiscal year 1997, any sale of any part*
 5 *of the United States share of petroleum produced from*
 6 *Naval Petroleum Reserves Numbered 1, 2, and 3 shall be*
 7 *made at a price not less than 90 percent of the current sales*
 8 *price, as estimated by the Secretary of Energy, of com-*
 9 *parable petroleum in the same area.*

10 **TITLE XXXV—PANAMA CANAL**
 11 **COMMISSION**

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

14 **SEC. 3501. SHORT TITLE.**

15 *This subtitle may be cited as the “Panama Canal*
 16 *Commission Authorization Act, Fiscal Year 1997”.*

17 **SEC. 3502. AUTHORIZATION OF EXPENDITURES.**

18 *(a) IN GENERAL.—Subject to subsection (b), the Pan-*
 19 *ama Canal Commission is authorized to use amounts in*
 20 *the Panama Canal Commission Revolving Fund to make*
 21 *such expenditures within the limits of funds and borrowing*
 22 *authority available to it in accordance with law, and to*
 23 *make such contracts and commitments, as may be necessary*
 24 *under the Panama Canal Act of 1979 (22 U.S.C. 3601 et*
 25 *seq.) for the operation, maintenance, improvement, and ad-*
 26 *ministration of the Panama Canal for fiscal year 1997.*

1 (b) *LIMITATIONS.*—*For fiscal year 1997, the Panama*
2 *Canal Commission may expend funds in the Panama*
3 *Canal Commission Revolving Fund not more than \$73,000*
4 *for reception and representation expenses, of which—*

5 (1) *not more than \$18,000 may be used for offi-*
6 *cial reception and representation expenses of the Su-*
7 *pervisory Board of the Commission;*

8 (2) *not more than \$10,000 may be used for offi-*
9 *cial reception and representation expenses of the Sec-*
10 *retary of the Commission; and*

11 (3) *not more than \$45,000 may be used for offi-*
12 *cial reception and representation expenses of the Ad-*
13 *ministrator of the Commission.*

14 **SEC. 3503. PURCHASE OF VEHICLES.**

15 *Notwithstanding any other provisions of law, the funds*
16 *available to the Commission shall be available for the pur-*
17 *chase and transportation to the Republic of Panama, of*
18 *passenger motor vehicles built in the United States, includ-*
19 *ing large, heavy-duty vehicles.*

20 **SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH**
21 **TREATIES.**

22 *Expenditures authorized under this subtitle may be*
23 *made only in accordance with the Panama Canal Treaties*
24 *of 1977 and any law of the United States implementing*
25 *those treaties.*

***Subtitle B—Amendments to
Panama Canal Act of 1979***

SEC. 3521. SHORT TITLE; REFERENCES.

(a) *SHORT TITLE.*—*This subtitle may be cited as the “Panama Canal Act Amendments of 1996”.*

(b) *REFERENCES.*—*Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).*

SEC. 3522. DEFINITIONS AND RECOMMENDATION FOR LEGISLATION.

(a) *IN GENERAL.*—*In section 3 (22 U.S.C. 3602)—*

(1) the heading is amended to read as follows:

“DEFINITIONS

(2) in subsection (b), by inserting “and” after the semicolon at the end of paragraph (4), by striking the semicolon at the end of paragraph (5) and inserting a period, and striking paragraphs (6) and (7); and

(3) by striking subsection (d).

(b) *CLERICAL AMENDMENT.*—*The table of contents in section 1 is amended in the item relating to section 3 by striking “and recommendation for legislation”.*

1 **SEC. 3523. ADMINISTRATOR.**

2 (a) *IN GENERAL.*—Section 1103 (22 U.S.C. 3613) is
3 amended to read as follows:

4 “ADMINISTRATOR

5 “SEC. 1103. (a) *There shall be an Administrator of*
6 *the Commission who shall be appointed by the President,*
7 *by and with the advice and consent of the Senate, and shall*
8 *hold office at the pleasure of the President.*

9 “(b) *The Administrator shall be paid compensation in*
10 *an amount, established by the Board, not to exceed level*
11 *III of the Executive Schedule.”.*

12 (b) *SAVINGS PROVISIONS.*—*Nothing in this section (or*
13 *section 3549(3)) shall be considered to affect—*

14 (1) *the tenure of the individual serving as Ad-*
15 *ministrator of the Commission on the day before sub-*
16 *section (a) takes effect; or*

17 (2) *until modified under section 1103(b) of the*
18 *Panama Canal Act of 1979, as amended by subsection*
19 *(a), the compensation of the individual so serving.*

20 **SEC. 3524. DEPUTY ADMINISTRATOR AND CHIEF ENGINEER.**

21 (a) *IN GENERAL.*—Section 1104 (22 U.S.C. 3614) is
22 amended to read as follows:

23 “DEPUTY ADMINISTRATOR

24 “SEC. 1104. (a) *There shall be a Deputy Adminis-*
25 *trator of the Commission who shall be appointed by the*

1 *President. The Deputy Administrator shall perform such*
2 *duties as may be prescribed by the Board.*

3 “(b) *The Deputy Administrator shall be paid com-*
4 *pensation at a rate of pay, established by the Board, which*
5 *does not exceed the rate of basic pay in effect for level IV*
6 *of the Executive Schedule, and, if eligible, shall be paid the*
7 *overseas recruitment and retention difference provided for*
8 *in section 1217 of this Act.”.*

9 (b) *CLERICAL AMENDMENT.—The table of contents in*
10 *section 1 is amended in the item relating to section 1104*
11 *by striking “and Chief Engineer”.*

12 (c) *SAVINGS PROVISIONS.—Nothing in this section*
13 *shall be considered to affect—*

14 (1) *the tenure of the individual serving as Dep-*
15 *uty Administrator of the Commission on the day be-*
16 *fore subsection (a) takes effect; or*

17 (2) *until modified under section 1104(b) of the*
18 *Panama Canal Act of 1979, as amended by subsection*
19 *(a), the compensation of the individual so serving.*

20 **SEC. 3525. OFFICE OF OMBUDSMAN.**

21 *Section 1113 (22 U.S.C. 3623) is amended by striking*
22 *subsection (d) and redesignating subsection (e) as subsection*
23 *(d).*

1 **SEC. 3526. APPOINTMENT AND COMPENSATION; DUTIES.**

2 *Section 1202 (22 U.S.C. 3642) is amended to read as*
3 *follows:*

4 “APPOINTMENT AND COMPENSATION; DUTIES

5 “SEC. 1202. (a) *In accordance with this chapter, the*
6 *Commission may appoint, fix the compensation of, and de-*
7 *fine the authority and duties of officers and employees*
8 *(other than the Administrator and Deputy Administrator)*
9 *necessary for the management, operation, and maintenance*
10 *of the Panama Canal and its complementary works, instal-*
11 *lations, and equipment.*

12 “(b) *Individuals serving in any Executive agency*
13 *(other than the Commission) or the Smithsonian Institu-*
14 *tion, including individuals in the uniform services, may,*
15 *if appointed under this section or section 1104 of this Act,*
16 *serve as officers or employees of the Commission.”.*

17 **SEC. 3527. APPLICABILITY OF CERTAIN BENEFITS.**

18 (a) *IN GENERAL.*—*Section 1209 (22 U.S.C. 3649) is*
19 *amended to read as follows:*

20 “APPLICABILITY OF CERTAIN BENEFITS

21 “SEC. 1209. *Chapter 81 of title 5, United States Code,*
22 *relating to compensation for work injuries, chapters 83 and*
23 *84 of such title 5, relating to retirement, chapter 87 of such*
24 *title 5, relating to life insurance, and chapter 89 of such*
25 *title 5, relating to health insurance, are applicable to Com-*
26 *mission employees, except any individual—*

1 “(1) *who is not a citizen of the United States;*

2 “(2) *whose initial appointment by the Commis-*
3 *sion occurs after October 1, 1979; and*

4 “(3) *who is covered by the Social Security Sys-*
5 *tem of the Republic of Panama pursuant to any pro-*
6 *vision of the Panama Canal Treaty of 1977 and re-*
7 *lated agreements.”.*

8 (b) *CLERICAL AMENDMENT.—The table of contents in*
9 *section 1 is amended by striking the item relating to section*
10 *1209 and inserting the following:*

“Sec. 1209. Applicability of certain benefits.”.

11 **SEC. 3528. TRAVEL AND TRANSPORTATION EXPENSES.**

12 *Section 1210 (22 U.S.C. 3650) is amended to read as*
13 *follows:*

14 “*TRAVEL AND TRANSPORTATION EXPENSES*

15 “*SEC. 1210. (a) Subject to subsections (b) and (c), the*
16 *Commission may pay travel and transportation expenses*
17 *for employees in accordance with subchapter II of chapter*
18 *57 of title 5, United States Code.*

19 “(b) *For an employee to whom section 1206 applies,*
20 *the Commission may pay travel and transportation ex-*
21 *penses associated with vacation leave for the employee and*
22 *the immediate family of the employee notwithstanding re-*
23 *quirements regarding periods of service established by sub-*
24 *chapter II of chapter 57 of title 5, United States Code, or*
25 *the regulations promulgated thereunder.*

1 “(c) *For an employee to whom section 1206 does not*
 2 *apply, the Commission may pay travel and transportation*
 3 *expenses associated with vacation leave for the employee*
 4 *and the immediate family of the employee notwithstanding*
 5 *requirements regarding a written agreement concerning the*
 6 *duration of a continuing service obligation established by*
 7 *subchapter II of chapter 57 of title 5, United States Code*
 8 *or the regulations promulgated thereunder.”.*

9 **SEC. 3529. CLARIFICATION OF DEFINITION OF AGENCY.**

10 *Subparagraph (B) of section 1211(1) (22 U.S.C.*
 11 *3651(1)(B)) is amended to read as follows:*

12 “(B) *any other Executive agency or the*
 13 *Smithsonian Institution, to the extent of any*
 14 *election in effect under section 1212(b) of this*
 15 *Act;”.*

16 **SEC. 3530. PANAMA CANAL EMPLOYMENT SYSTEM; MERIT**
 17 **AND OTHER EMPLOYMENT REQUIREMENTS.**

18 *(a) IN GENERAL.—Section 1212 (22 U.S.C. 3652) is*
 19 *amended to read as follows:*

20 “*PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER*
 21 *EMPLOYMENT REQUIREMENTS*

22 “*SEC. 1212. (a) The Commission shall establish a Pan-*
 23 *ama Canal Employment System and prescribe the regula-*
 24 *tions necessary for its administration. The Panama Canal*
 25 *Employment System shall—*

1 “(1) be established in accordance with and be
2 subject to the provisions of the Panama Canal Treaty
3 of 1977 and related agreements, the provisions of this
4 chapter, and any other applicable provision of law;

5 “(2) be based on the consideration of the merit
6 of each employee or candidate for employment and
7 the qualifications and fitness of the employee to hold
8 the position concerned;

9 “(3) conform, to the extent practicable and con-
10 sistent with the provisions of this Act, to the policies,
11 principles, and standards applicable to the competi-
12 tive service;

13 “(4) in the case of employees who are citizens of
14 the United States, provide for the appropriate inter-
15 change of those employees between positions under the
16 Panama Canal Employment System and positions in
17 the competitive service; and

18 “(5) not be subject to the provisions of title 5,
19 United States Code, unless specifically made applica-
20 ble by this Act.

21 “(b)(1) The head of any Executive agency (other than
22 the Commission) and the Smithsonian Institution may elect
23 to have the Panama Canal Employment System made ap-
24 plicable in whole or in part to personnel of that agency
25 in the Republic of Panama.

1 “(2) *Any Executive agency (other than the Commis-*
 2 *sion) and the Smithsonian Institution, to the extent of any*
 3 *election under paragraph (1), shall conduct its employment*
 4 *and pay practices relating to employees in accordance with*
 5 *the Panama Canal Employment System.*

6 “(c) *The Commission may exclude any employee or po-*
 7 *sition from coverage under any provision of this subchapter,*
 8 *other than the interchange rights extended under subsection*
 9 *(a)(4).”.*

10 (b) *SAVINGS PROVISIONS.—The Panama Canal Em-*
 11 *ployment System and all elections, rules, regulations, and*
 12 *orders relating thereto, as last in effect before the amend-*
 13 *ment made by subsection (a) takes effect, shall continue in*
 14 *effect, according to their terms, until modified, terminated,*
 15 *or superseded under section 1212 of the Panama Canal Act*
 16 *of 1979, as amended by subsection (a).*

17 **SEC. 3531. EMPLOYMENT STANDARDS.**

18 Section 1213 (22 U.S.C. 3653) is amended in the first
 19 sentence by striking “The head of each agency” and insert-
 20 ing “The Commission”.

21 **SEC. 3532. REPEAL OF OBSOLETE PROVISION REGARDING**
 22 **INTERIM APPLICATION OF CANAL ZONE**
 23 **MERIT SYSTEM.**

24 (a) *REPEAL.—Section 1214 (22 U.S.C. 3654) is re-*
 25 *pealed.*

1 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
 2 *section 1 is amended by striking the item relating to section*
 3 *1214.*

4 **SEC. 3533. REPEAL OF PROVISION RELATING TO RECRUIT-**
 5 **MENT AND RETENTION REMUNERATION.**

6 *Section 1217(d) (22 U.S.C. 3657(d)) is repealed.*

7 **SEC. 3534. BENEFITS BASED ON BASIC PAY.**

8 *Section 1218(2) (22 U.S.C. 3658(2)) is amended to*
 9 *read as follows:*

10 “(2) *benefits under subchapter III of chapter 83*
 11 *and subchapter II of chapter 84 of title 5, United*
 12 *States Code, relating to retirement;”.*

13 **SEC. 3535. VESTING OF GENERAL ADMINISTRATIVE AU-**
 14 **THORITY OF COMMISSION.**

15 (a) *IN GENERAL.*—*Section 1223 (22 U.S.C. 3663) is*
 16 *amended to read as follows:*

17 “CENTRAL EXAMINING OFFICE

18 “SEC. 1223. *The Commission shall establish a Central*
 19 *Examining Office. The purpose of the office shall be to im-*
 20 *plement the provisions of the Panama Canal Treaty of 1977*
 21 *and related agreements with respect to recruitment, exam-*
 22 *ination, determination of qualification standards, and*
 23 *similar matters relating to employment of the Commis-*
 24 *sion.”.*

1 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
 2 *section 1 is amended by striking the item relating to section*
 3 *1223 and inserting the following:*

“Sec. 1223. Central Examining Office.”.

4 **SEC. 3536. APPLICABILITY OF CERTAIN LAWS.**

5 (a) *IN GENERAL.*—*Section 1224 (22 U.S.C. 3664) is*
 6 *amended to read as follows:*

7 “*APPLICABILITY OF TITLE 5, UNITED STATES CODE*

8 “*SEC. 1224. The following provisions of title 5, United*
 9 *States Code, apply to the Panama Canal Commission:*

10 “(1) *Part I of title 5 (relating to agencies gen-*
 11 *erally).*

12 “(2) *Chapter 21 (relating to employee defini-*
 13 *tions).*

14 “(3) *Section 2302(b)(8) (relating to whistle-*
 15 *blower protection) and all provisions of title 5 relat-*
 16 *ing to the administration or enforcement or any other*
 17 *aspect thereof, as identified in regulations prescribed*
 18 *by the Commission in consultation with the Office of*
 19 *Personnel Management.*

20 “(4) *All provisions relating to preference eligi-*
 21 *bles.*

22 “(5) *Section 5514 (relating to offset from sal-*
 23 *ary).*

24 “(6) *Section 5520a (relating to garnishments).*

1 “(7) *Sections 5531-5535 (relating to dual pay*
2 *and employment).*

3 “(8) *Subchapter VI of chapter 55 (relating to ac-*
4 *cumulated and accrued leave).*

5 “(9) *Subchapter IX of chapter 55 (relating to*
6 *severance and back pay).*

7 “(10) *Chapter 57 (relating to travel and trans-*
8 *portation).*

9 “(11) *Chapter 59 (relating to allowances).*

10 “(12) *Chapter 63 (relating to leave).*

11 “(13) *Section 6323 (relating to military leave;*
12 *Reserves and National Guardsmen).*

13 “(14) *Chapter 71 (relating to labor relations).*

14 “(15) *Subchapters II and III of chapter 73 (re-*
15 *lating to employment limitations and political activi-*
16 *ties, respectively) and all provisions of title 5 relating*
17 *to the administration or enforcement or any other as-*
18 *pect thereof, as identified in regulations prescribed by*
19 *the Commission in consultation with the Office of*
20 *Personnel Management.*

21 “(16) *Chapter 81 (relating to compensation for*
22 *work injuries).*

23 “(17) *Chapters 83 and 84 (relating to retire-*
24 *ment).*

1 “(18) Chapter 85 (relating to unemployment
2 compensation).

3 “(19) Chapter 87 (relating to life insurance).

4 “(20) Chapter 89 (relating to health insur-
5 ance).”.

6 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
7 *section 1 is amended by striking the item relating to section*
8 *1224 and inserting the following:*

“Sec. 1224. Applicability of title 5, United States Code.”.

9 **SEC. 3537. REPEAL OF PROVISION RELATING TO TRANS-**
10 **FERRED OR REEMPLOYED EMPLOYEES.**

11 *Section 1231(a)(3) (22 U.S.C. 3671(a)(3)) is repealed.*

12 **SEC. 3538. ADMINISTRATION OF SPECIAL DISABILITY BENE-**
13 **FITS.**

14 (a) *IN GENERAL.*—*Section 1245 (22 U.S.C. 3682) is*
15 *amended by striking so much as precedes subsection (b) and*
16 *inserting the following:*

17 “ADMINISTRATION OF CERTAIN DISABILITY BENEFITS

18 “SEC. 1245. (a)(1) *The Commission, or any other*
19 *United States Government agency or private entity acting*
20 *pursuant to an agreement with the Commission, under the*
21 *Act entitled ‘An Act authorizing cash relief for certain em-*
22 *ployees of the Panama Canal not coming within the provi-*
23 *sions of the Canal Zone Retirement Act’, approved July 8,*
24 *1937 (50 Stat. 478; 68 Stat. 17), may continue the pay-*
25 *ments of cash relief to those individual former employees*

1 *of the Canal Zone Government or Panama Canal Company*
 2 *or their predecessor agencies not coming within the scope*
 3 *of the former Canal Zone Retirement Act whose services*
 4 *were terminated prior to October 5, 1958, because of*
 5 *unfitness for further useful service by reason of mental or*
 6 *physical disability resulting from age or disease.*

7 “(2) *Subject to subsection (b), cash relief under this*
 8 *subsection may not exceed \$1.50 per month for each year*
 9 *of service of the employees so furnished relief, with a maxi-*
 10 *mum of \$45 per month, plus the amount of any cost-of-*
 11 *living increases in such cash relief granted before October*
 12 *1, 1979, pursuant to section 181 of title 2 of the Canal Zone*
 13 *Code (as in effect on September 30, 1979), nor be paid to*
 14 *any employee who, at the time of termination for disability*
 15 *prior to October 5, 1958, had less than 10 years’ service*
 16 *with the Canal Zone Government, the Panama Canal Com-*
 17 *pany, or their predecessor agencies on the Isthmus of Pan-*
 18 *ama.”.*

19 **(b) CLERICAL AMENDMENT.**—*The table of contents in*
 20 *section 1 is amended by striking the item relating to section*
 21 *1245 and inserting the following:*

“Sec. 1245. Administration of certain disability benefits.”.

22 **SEC. 3539. PANAMA CANAL REVOLVING FUND.**

23 *Section 1302 of the Panama Canal Act of 1979 (22*
 24 *U.S.C. 3712) is amended to read as follows:*

1 “PANAMA CANAL REVOLVING FUND

2 “SEC. 1302. (a) *There is established in the Treasury*
3 *of the United States a revolving fund to be known as ‘Pan-*
4 *ama Canal Revolving Fund’.* *The Panama Canal Revolving*
5 *Fund shall, subject to subsection (b), be available to the*
6 *Commission to carry out the purposes, functions, and pow-*
7 *ers authorized by this Act, including for—*

8 “(1) *the hire of passenger motor vehicles and air-*
9 *craft;*

10 “(2) *uniforms or allowances therefor;*

11 “(3) *official receptions and representation ex-*
12 *penses of the Board, the Secretary of the Commission,*
13 *and the Administrator;*

14 “(4) *the operation of guide services;*

15 “(5) *a residence for the Administrator;*

16 “(6) *disbursements by the Administrator for em-*
17 *ployee and community projects;*

18 “(7) *the procurement of expert and consultant*
19 *services;*

20 “(8) *promotional activities, including the prepa-*
21 *ration, distribution, or use of any kit, pamphlet,*
22 *booklet, publication, radio, television, film, or other*
23 *media presentation designed to promote the Panama*
24 *Canal as a resource of the world shipping industry;*
25 *and*

1 “(9) the purchase and transportation to the Re-
2 public of Panama of passenger motor vehicles built in
3 the United States, including large, heavy-duty vehi-
4 cles.

5 “(b)(1) There shall be deposited in the Panama Canal
6 Revolving Fund, on a continuing basis, toll receipts (other
7 than amounts of toll receipts deposited into the Panama
8 Canal Commission Dissolution Fund under section 1305)
9 and all other receipts of the Commission. Except as pro-
10 vided in section 1303, no funds may be obligated or ex-
11 pended by the Commission in any fiscal year unless such
12 obligation or expenditure has been specifically authorized
13 by law.

14 “(2) No funds may be authorized for the use of the
15 Commission, or obligated or expended by the Commission
16 in any fiscal year, in excess of—

17 “(A) the amount of revenues deposited in the
18 Panama Canal Revolving Fund and the Panama
19 Canal Dissolution Fund during such fiscal year, plus

20 “(B) the amount of revenues deposited in the
21 Panama Canal Revolving Fund before such fiscal
22 year and remaining unobligated at the beginning of
23 such fiscal year; plus

24 “(C) the \$100,000,000 borrowing authority pro-
25 vided for in section 1304 of this Act.

1 *Not later than 30 days after the end of each fiscal year,*
2 *the Secretary of the Treasury shall report to the Congress*
3 *the amount of revenues deposited in the Panama Canal Re-*
4 *volving Fund during such fiscal year.*

5 “(c) *With the approval of the Secretary of the Treas-*
6 *ury, the Commission may deposit amounts in the Panama*
7 *Canal Revolving Fund in any Federal Reserve bank, any*
8 *depository for public funds, or such other place and in such*
9 *manner as the Commission and the Secretary may agree.*

10 “(d)(1) *It is the sense of the Congress that the addi-*
11 *tional costs resulting from the implementation of the Pan-*
12 *ama Canal Treaty of 1977 and related agreements should*
13 *be kept to the absolute minimum level. To this end, the Con-*
14 *gress declares appropriated costs of implementation to be*
15 *borne by the taxpayers over the life of such Treaty should*
16 *be kept to a level no greater than the March 1979 estimate*
17 *of those costs (\$870,700,000) presented to the Congress by*
18 *the executive branch during consideration of this Act by the*
19 *Congress, less personnel retirement costs of \$205,000,000,*
20 *which were subtracted and charged to tolls, therefore result-*
21 *ing in net taxpayer cost of approximately \$665,700,000,*
22 *plus appropriate adjustments for inflation.*

23 “(2) *It is further the sense of the Congress that the*
24 *actual costs of implementation be consistent with the obliga-*

1 *tions of the United States to operate the Panama Canal*
 2 *safely and efficiently and keep it secure.”.*

3 **SEC. 3540. PRINTING.**

4 *(a) IN GENERAL.—Title I is amended in chapter 3 (22*
 5 *U.S.C. 3711 et seq.) by adding at the end of subchapter*
 6 *I the following new section:*

7 *“PRINTING*

8 *“SEC. 1306. (a) Section 501 of title 44, United States*
 9 *Code, shall not apply to direct purchase by the Commission*
 10 *for its use of printing, binding, and blank-book work in*
 11 *the Republic of Panama when the Commission determines*
 12 *that such direct purchase is in the best interest of the Gov-*
 13 *ernment.*

14 *“(b) This section shall not affect the Commission’s au-*
 15 *thority, under chapter 5 of title 44, United States Code,*
 16 *to operate a field printing plant.”.*

17 *(b) CLERICAL AMENDMENT.—The table of contents in*
 18 *section 1 is amended by inserting after the item relating*
 19 *to section 1305 the following new item:*

“Sec. 1306. Printing.”.

20 **SEC. 3541. ACCOUNTING POLICIES.**

21 *Section 1311 (22 U.S.C. 3721), the first sentence in*
 22 *subsection (a) is amended to read as follows: “The Commis-*
 23 *sion shall establish and maintain its accounts in accord-*
 24 *ance with chapter 91 of title 31, United States Code, and*
 25 *the provisions of this chapter.”.*

1 **SEC. 3542. INTERAGENCY SERVICES; REIMBURSEMENTS.**

2 Section 1321(e) (22 U.S.C. 3731(e)) is amended by
3 adding at the end the following sentence:

4 “Notwithstanding section 5924 of title 5, United States
5 Code, the Commission shall by regulation determine the ex-
6 tent to which costs of educational services may be defrayed
7 under this subsection.”.

8 **SEC. 3543. POSTAL SERVICE.**

9 Section 1331 (22 U.S.C. 3741) is amended to read as
10 follows:

11 “POSTAL SERVICE

12 “SEC. 1331. (a) The Commission shall take possession
13 of and administer the funds of the Canal Zone postal service
14 and shall assume its obligations.

15 “(b) Effective December 1, 1999, neither the Commis-
16 sion nor the United States Government shall be responsible
17 for the distribution of any accumulated unpaid balances re-
18 lating to Canal Zone postal-savings deposits, postal-savings
19 certificates, and postal money orders.

20 “(c) Mail addressed to the Canal Zone from or through
21 the continental United States may be routed by the United
22 States Postal Service to the military post offices of the
23 United States Armed Forces in the Republic of Panama.
24 Such military post offices shall provide the required direc-
25 tory services and shall accept such mail to the extent per-
26 mitted under the Panama Canal Treaty of 1977 and related

1 *agreements. The Commission shall furnish personnel,*
2 *records, and other services to such military post offices to*
3 *assure wherever appropriate the distribution, rerouting, or*
4 *return of such mail.”.*

5 **SEC. 3544. INVESTIGATION OF ACCIDENTS OR INJURY GIV-**
6 **ING RISE TO CLAIM.**

7 *Section 1417(1) (22 U.S.C. 3777(1)) is amended to*
8 *read as follows:*

9 *“(1) an investigation of the accident or injury*
10 *giving rise to the claim has been completed, which*
11 *shall include a hearing by the Board of Local Inspec-*
12 *tors of the Commission; and”.*

13 **SEC. 3545. OPERATIONS REGULATIONS.**

14 *Section 1801 (22 U.S.C. 3811) is amended by striking*
15 *“President” and inserting “Commission”.*

16 **SEC. 3546. MISCELLANEOUS REPEALS.**

17 *(a) REPEALS.—The following provisions are repealed:*

18 *(1) Section 1605 (22 U.S.C. 3795), relating to*
19 *interim toll adjustment.*

20 *(2) Section 1701 (22 U.S.C. 3801), relating to*
21 *the authority of the President to prescribe certain reg-*
22 *ulations.*

23 *(3) Section 1702 (22 U.S.C. 3802), relating to*
24 *the authority of the Panama Canal Commission to*
25 *prescribe certain regulations.*

(4) *Title II (22 U.S.C. 3841–3852), relating to the Treaty transition period.*

3 (5) Chapter 1 of title III (22 U.S.C. 3861), relat-
4 ing to cemeteries.

5 (6) *Section 1246, relating to appliances for cer-*
6 *tain injured employees.*

7 (7) *Section 1251, relating to leave for jury or*
8 *witness service.*

9 (8) *Section 1301, relating to Canal Zone Gov-*
10 *ernment funds.*

11 (9) *Section 1313(c), relating to audits.*

(b) *CLERICAL AMENDMENTS.*—Section 1 is amended in the table of contents by striking each of the items relating to a title, chapter, or section repealed by subsection (a).

15 **SEC. 3547. EXEMPTION.**

16 (a) *IN GENERAL.*—Section 3302 is amended to read
17 *as follows:*

18 “*EXEMPTION*

19 “SEC. 3302. The Commission is exempt from the provi-
20 sions of subchapter II of chapter 6 of title 15, United States
21 Code.”.

(b) *CLERICAL AMENDMENT.*—The table of contents in section 1 is amended by striking the item relating to section 3302 and inserting the following:

“Sec. 3302. *Exemption.*”.

1 **SEC. 3548. MISCELLANEOUS CONFORMING AMENDMENTS**

2 **TO TITLE 5, UNITED STATES CODE.**

3 *Title 5, United States Code, is amended—*

4 *(1) in section 3401(1) by striking clause (v) and*
5 *redesignating clauses (vi) through (viii) as clauses (v)*
6 *through (vii), respectively;*

7 *(2) in section 5102(a)(1) by striking clause (vi)*
8 *and redesignating clauses (vii) through (xi) as clauses*
9 *(vi) through (ix), respectively;*

10 *(3) in section 5315 by striking “Administrator*
11 *of the Panama Canal Commission.”;*

12 *(4) in section 5342(a)(1) by striking subpara-*
13 *graph (G) and redesignating subparagraphs (H)*
14 *through (L) as subparagraphs (G) through (K), re-*
15 *spectively;*

16 *(5) in section 5343(a)(5) by striking “the areas*
17 *and installations” and all that follows through “Pan-*
18 *ama Canal Act of 1979),”;*

19 *(6) in section 5348—*

20 *(A) by striking subsection (b) and redesign-*
21 *ating subsection (c) as subsection (b); and*

22 *(B) in subsection (a) by striking “sub-*
23 *sections (b) and (c)” and inserting “subsection*
24 *(b)”;*

1 (7) in section 5373 by striking paragraph (1)
2 and redesignating paragraphs (2) through (4) as
3 paragraphs (1) through (3), respectively;

4 (8) in section 5537(c) by striking “the United
5 States District Court for the District of the Canal
6 Zone, the District Court of Guam, and the District
7 Court of the Virgin Islands.” and inserting “the Dis-
8 trict Court of Guam and the District Court of the
9 Virgin Islands.”;

10 (9) in section 5541(2)(xii)—

11 (A) by inserting “or” after “Services Ad-
12 ministration,”; and

13 (B) by striking “, or a vessel employee of
14 the Panama Canal Commission”;

15 (10) in section 7901 by amending subsection (f)
16 to read as follows:

17 “(f) The health programs conducted by the Tennessee
18 Valley Authority are not affected by this section.”;

19 (11) in section 5102(c) by repealing paragraph
20 (12);

21 (12) in section 5924(3) by striking the last sen-
22 tence thereof; and

23 (13) in section 6322(a) by striking “, or the Re-
24 public of Panama”.

1 **SEC. 3549. REPEAL OF PANAMA CANAL CODE.**

2 Section 3303 (22 U.S.C. 3602 note) is amended by
3 adding at the end the following new subsection:

4 “(c) The Panama Canal Code is repealed effective on
5 the date of the enactment of the Panama Canal Act Amend-
6 ments of 1996.”.

7 **SEC. 3550. MISCELLANEOUS CLERICAL AND CONFORMING**
8 **AMENDMENTS.**

9 (a) *CLERICAL AMENDMENTS.*—The table of contents in
10 section 1 is amended in the items relating to sections 1101,
11 1102a, 1102b, and 1313 by inserting “Sec.” before the sec-
12 tion number.

13 (b) *CONFORMING AMENDMENT.*—Section 1303 (22
14 U.S.C. 3713) is amended by striking “section 1302(c)(1)”
15 each place it appears and inserting “section 1302(b)(1)”.

Amend the title so as to read: “A bill to authorize appropriations for fiscal year 1997 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.”.