

Calendar No. 379

107TH CONGRESS
2^D SESSION

H. R. 4546

IN THE SENATE OF THE UNITED STATES

MAY 14 (legislative day, MAY 9), 2002

Received

MAY 16 (legislative day, MAY 9), 2002

Read twice and placed on the calendar

AN ACT

To authorize appropriations for fiscal year 2003 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.

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

3 **SECTION 1. SHORT TITLE; FINDINGS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Bob Stump National Defense Authorization Act for Fis-
6 cal Year 2003”.

7 (b) FINDINGS.—Congress makes the following find-
8 ings:

9 (1) Representative Bob Stump of Arizona was
10 elected to the House of Representatives in 1976 for
11 service in the 95th Congress, after serving in the Ar-
12 izona legislature for 18 years and serving as Presi-
13 dent of the Arizona State Senate from 1975 to
14 1976, and he has been reelected to each subsequent
15 Congress.

16 (2) A World War II combat veteran, Represent-
17 ative Stump entered service in the United States
18 Navy in 1943, just after his 16th birthday, and
19 served aboard the USS LUNGA POINT and the
20 USS TULAGI, which participated in the invasions
21 of Luzon, Iwo Jima, and Okinawa.

22 (3) Representative Stump was elected to the
23 Committee on Armed Services in 1978 and has
24 served on nearly all of its subcommittees and panels
25 during 25 years of distinguished service on the com-

1 mittee. He has served as chairman of the committee
2 during the 107th Congress and has championed
3 United States national security as the paramount
4 function of the Federal Government.

5 (4) Also serving on the Committee on Veterans'
6 Affairs of the House of Representatives, chairing
7 that committee from 1995 to 2000, and serving on
8 the Permanent Select Committee on Intelligence of
9 the House of Representatives, including service as
10 the ranking minority member in 1985 and 1986,
11 Representative Stump has dedicated his entire con-
12 gressional career to steadfastly supporting America's
13 courageous men and women in uniform both on and
14 off the battlefield.

15 (5) Representative Stump's tireless efforts on
16 behalf of those in the military and veterans have
17 been recognized with numerous awards for out-
18 standing service from active duty and reserve mili-
19 tary, veterans' service, military retiree, and industry
20 organizations.

21 (6) During his tenure as chairman of the Com-
22 mittee on Armed Services of the House of Rep-
23 resentatives, Representative Stump has—

1 (A) overseen the largest sustained increase
2 to defense spending since the Reagan adminis-
3 tration;

4 (B) led efforts to improve the quality of
5 military life, including passage of the largest
6 military pay raise since 1982;

7 (C) supported military retirees, including
8 efforts to reverse concurrent receipt law and to
9 save the Armed Forces Retirement Homes;

10 (D) championed military readiness by de-
11 fending military access to critical training facili-
12 ties such Vieques, Puerto Rico, expanding the
13 National Training Center at Ft. Irwin, Cali-
14 fornia, and working to restore balance between
15 environmental concerns and military readiness
16 requirements;

17 (E) reinvigorated efforts to defend America
18 against ballistic missiles by supporting an in-
19 crease in fiscal year 2002 of nearly 50 percent
20 above the fiscal year 2001 level for missile de-
21 fense programs; and

22 (F) honored America's war heroes by ex-
23 panding Arlington National Cemetery, estab-
24 lishing a site for the Air Force Memorial, and

**DIVISION A—DEPARTMENT OF DEFENSE
AUTHORIZATIONS**

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

- Sec. 101. Army.
- Sec. 102. Navy and Marine Corps.
- Sec. 103. Air Force.
- Sec. 104. Defense-wide activities.
- Sec. 105. Defense Inspector General.
- Sec. 106. Chemical demilitarization program.
- Sec. 107. Defense health programs.

Subtitle B—Navy Programs

- Sec. 111. Shipbuilding initiative.
- Sec. 112. Prohibition on acquisition of Champion-class, T-5 fuel tankers.

Subtitle C—Air Force Programs

- Sec. 121. Multiyear procurement authority for C-130J aircraft program.
- Sec. 122. Reallocation of certain funds for Air Force Reserve Command F-16 aircraft procurement.

Subtitle D—Other Programs

- Sec. 141. Revisions to multiyear contracting authority.
- Sec. 142. Transfer of technology items and equipment in support of homeland security.
- Sec. 143. Destruction of existing stockpile of lethal chemical agents and munitions.
- Sec. 144. Report on unmanned aerial vehicle systems.
- Sec. 145. Report on impact of Army Aviation Modernization Plan on the Army National Guard.

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

Subtitle A—Authorization of Appropriations

- Sec. 201. Authorization of appropriations.
- Sec. 202. Amount for defense science and technology.

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

- Sec. 211. RAH-66 Comanche aircraft program.
- Sec. 212. Extension of requirement relating to management responsibility for naval mine countermeasures programs.
- Sec. 213. Extension of authority to carry out pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense.
- Sec. 214. Revised requirements for plan for Manufacturing Technology Program.
- Sec. 215. Technology Transition Initiative.
- Sec. 216. Defense Acquisition Challenge Program.

Subtitle C—Ballistic Missile Defense

- Sec. 231. Limitation on obligation of funds for procurement of Patriot (PAC-3) missiles pending submission of required certification.
- Sec. 232. Responsibility of Missile Defense Agency for research, development, test, and evaluation related to system improvements of programs transferred to military departments.
- Sec. 233. Amendments to reflect change in name of Ballistic Missile Defense Organization to Missile Defense Agency.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

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

Subtitle B—Environmental Provisions

- Sec. 311. Incidental taking of migratory birds during military readiness activity.
- Sec. 312. Military readiness and the conservation of protected species.
- Sec. 313. Single point of contact for policy and budgeting issues regarding unexploded ordnance, discarded military munitions, and munitions constituents.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

- Sec. 321. Authority for each military department to provide base operating support to fisher houses.
- Sec. 322. Use of commissary stores and MWR retail facilities by members of National Guard serving in national emergency.
- Sec. 323. Uniform funding and management of morale, welfare, and recreation programs.

Subtitle D—Workplace and Depot Issues

- Sec. 331. Notification requirements in connection with required studies for conversion of commercial or industrial type functions to contractor performance.
- Sec. 332. Waiver authority regarding prohibition on contracts for performance of security-guard functions.
- Sec. 333. Exclusion of certain expenditures from percentage limitation on contracting for performance of depot-level maintenance and repair workloads.
- Sec. 334. Repeal of obsolete provision regarding depot-level maintenance and repair workloads that were performed at closed or realigned military installations.
- Sec. 335. Clarification of required core logistics capabilities.

Subtitle E—Defense Dependents Education

- Sec. 341. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.

- Sec. 342. Availability of quarters allowance for unaccompanied defense department teacher required to reside on overseas military installation.
- Sec. 343. Provision of summer school programs for students who attend defense dependents' education system.

Subtitle F—Information Technology

- Sec. 351. Authorized duration of base contract for Navy-Marine Corps Intranet.
- Sec. 352. Annual submission of information on national security and information technology capital assets.
- Sec. 353. Implementation of policy regarding certain commercial off-the-shelf information technology products.
- Sec. 354. Installation and connection policy and procedures regarding Defense Switch Network.

Subtitle G—Other Matters

- Sec. 361. Distribution of monthly reports on allocation of funds within operation and maintenance budget subactivities.
- Sec. 362. Minimum deduction from pay of certain members of the Armed Forces to support Armed Forces Retirement Home.
- Sec. 363. Condition on conversion of Defense Security Service to a working capital funded entity.
- Sec. 364. Continuation of Arsenal support program initiative.
- Sec. 365. Training range sustainment plan, Global Status of Resources and Training System, and training range inventory.
- Sec. 366. Amendments to certain education and nutrition laws relating to acquisition and improvement of military housing.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

- Sec. 401. End strengths for active forces.
- Sec. 402. Revision in permanent end strength minimum levels.
- Sec. 403. Authority for military department Secretaries to increase active-duty end strengths by up to 1 percent.
- Sec. 404. General and flag officer management.
- Sec. 405. Extension of certain authorities relating to management of numbers of general and flag officers in certain grades.

Subtitle B—Reserve Forces

- Sec. 411. End strengths for Selected Reserve.
- Sec. 412. End strengths for reserves on active duty in support of the Reserves.
- Sec. 413. End strengths for military technicians (dual status).
- Sec. 414. Fiscal year 2003 limitation on non-dual status technicians.

Subtitle C—Authorization of Appropriations

- Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—General Personnel Management Authorities

- Sec. 501. Increase in number of Deputy Commandants of the Marine Corps.
 Sec. 502. Extension of good-of-the-service waiver authority for officers appointed to a Reserve Chief or Guard Director position.

Subtitle B—Reserve Component Management

- Sec. 511. Reviews of National Guard strength accounting and management and other issues.
 Sec. 512. Courts-martial for the National Guard when not in Federal service.
 Sec. 513. Matching funds requirements under National Guard Youth Challenge Program.

Subtitle C—Reserve Component Officer Personnel Policy

- Sec. 521. Exemption from active status strength limitation for reserve component general and flag officers serving on active duty in certain joint duty assignments designated by the Chairman of the Joint Chiefs of Staff.
 Sec. 522. Eligibility for consideration for promotion to grade of major general for certain reserve component brigadier generals who do not otherwise qualify for consideration for promotion under the one-year rule.
 Sec. 523. Retention of promotion eligibility for reserve component general and flag officers transferred to an inactive status.
 Sec. 524. Authority for limited extension of medical deferment of mandatory retirement or separation for reserve officers.

Subtitle D—Education and Training

- Sec. 531. Authority for phased increase to 4,400 in authorized strengths for the service academies.
 Sec. 532. Enhancement of reserve component delayed training program.
 Sec. 533. Preparation for, participation in, and conduct of athletic competitions by the National Guard and members of the National Guard.

Subtitle E—Decorations and Awards

- Sec. 541. Waiver of time limitations for award of certain decorations to certain persons.
 Sec. 542. Option to convert award of Armed Forces Expeditionary Medal awarded for Operation Frequent Wind to Vietnam Service Medal.

Subtitle F—Administrative Matters

- Sec. 551. Staffing and funding for Defense Prisoner of War/Missing Personnel Office.
 Sec. 552. Three-year freeze on reductions of personnel of agencies responsible for review and correction of military records.
 Sec. 553. Department of Defense support for persons participating in military funeral honors details.
 Sec. 554. Authority for use of volunteers as proctors for administration of Armed Services Vocational Aptitude Battery test.
 Sec. 555. Annual report on status of female members of the Armed Forces.

Subtitle G—Benefits

- Sec. 561. Voluntary leave sharing program for members of the Armed Forces.

- Sec. 562. Enhanced flexibility in medical loan repayment program.
- Sec. 563. Expansion of overseas tour extension benefits.
- Sec. 564. Vehicle storage in lieu of transportation when member is ordered to a nonforeign duty station outside continental United States.

Subtitle H—Military Justice Matters

- Sec. 571. Right of convicted accused to request sentencing by military judge.
- Sec. 572. Report on desirability and feasibility of consolidating separate courses of basic instruction for judge advocates.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

- Sec. 601. Increase in basic pay for fiscal year 2003.
- Sec. 602. Expansion of basic allowance for housing low-cost or no-cost moves authority to members assigned to duty outside United States.

Subtitle B—Bonuses and Special and Incentive Pays

- Sec. 611. One-year extension of certain bonus and special pay authorities for reserve forces.
- Sec. 612. One-year extension of certain bonus and special pay authorities for certain health care professionals.
- Sec. 613. One-year extension of special pay and bonus authorities for nuclear officers.
- Sec. 614. One-year extension of other bonus and special pay authorities.
- Sec. 615. Minimum levels of hardship duty pay for duty on the ground in Antarctica or on Arctic icepack.
- Sec. 616. Increase in maximum rates for prior service enlistment bonus.
- Sec. 617. Retention incentives for health care providers qualified in a critical military skill.

Subtitle C—Travel and Transportation Allowances

- Sec. 631. Extension of leave travel deferral period for members performing consecutive overseas tours of duty.

Subtitle D—Retired Pay and Survivors Benefits

- Sec. 641. Phase-in of full concurrent receipt of military retired pay and veterans disability compensation for military retirees with disabilities rated at 60 percent or higher.
- Sec. 642. Change in service requirements for eligibility for retired pay for non-regular service.
- Sec. 643. Elimination of possible inversion in retired pay cost-of-living adjustment for initial COLA computation.
- Sec. 644. Technical revisions to so-called “forgotten widows” annuity program.

Subtitle E—Reserve Component Montgomery GI Bill

- Sec. 651. Extension of Montgomery GI Bill-Selected Reserve eligibility period.

Subtitle F—Other Matters

- Sec. 661. Addition of definition of continental United States in title 37.

TITLE VII—HEALTH CARE MATTERS

Subtitle A—Health Care Program Improvements

- Sec. 701. Elimination of requirement for TRICARE preauthorization of inpatient mental health care for medicare-eligible beneficiaries.
- Sec. 702. Expansion of TRICARE Prime Remote for certain dependents.
- Sec. 703. Enabling dependents of certain members who died while on active duty to enroll in the TRICARE dental program.
- Sec. 704. Improvements regarding the Department of Defense Medicare-Eligible Retiree Health Care Fund.
- Sec. 705. Certification of institutional and non-institutional providers under the TRICARE program.
- Sec. 706. Technical correction regarding transitional health care.

Subtitle B—Reports

- Sec. 711. Comptroller General report on TRICARE claims processing.
- Sec. 712. Comptroller General report on provision of care under the TRICARE program.
- Sec. 713. Repeal of report requirement.

Subtitle C—Department of Defense-Department of Veterans Affairs Health Resources Sharing

- Sec. 721. Short title.
- Sec. 722. Findings and sense of Congress concerning status of health resources sharing between the Department of Veterans Affairs and the Department of Defense.
- Sec. 723. Revised coordination and sharing guidelines.
- Sec. 724. Health care resources sharing and coordination project.
- Sec. 725. Joint review of coordination and sharing of health care and related services following domestic acts of terrorism or domestic use of weapons of mass destruction.
- Sec. 726. Adoption by Department of Veterans Affairs of Department of Defense Pharmacy Data Transaction System.
- Sec. 727. Joint pilot program for providing graduate medical education and training for physicians.
- Sec. 728. Repeal of certain limits on Department of Veterans Affairs resources.
- Sec. 729. Reports.

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

- Sec. 801. Plan for acquisition management professional exchange pilot program.
- Sec. 802. Evaluation of training, knowledge, and resources regarding negotiation of intellectual property arrangements.
- Sec. 803. Limitation period for task and delivery order contracts.
- Sec. 804. One-year extension of program applying simplified procedures to certain commercial items; report.
- Sec. 805. Authority to make inflation adjustments to simplified acquisition threshold.
- Sec. 806. Improvement of personnel management policies and procedures applicable to the civilian acquisition workforce.
- Sec. 807. Modification of scope of ball and roller bearings covered for purposes of procurement limitation.

- Sec. 808. Rapid acquisition and deployment procedures.
- Sec. 809. Quick-reaction special projects acquisition team.
- Sec. 810. Report on development of anti-cyberterrorism technology.
- Sec. 811. Contracting with Federal Prison Industries.
- Sec. 812. Renewal of certain procurement technical assistance cooperative agreements at funding levels at least sufficient to support existing programs.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

- Sec. 901. Change in title of Secretary of the Navy to Secretary of the Navy and Marine Corps.
- Sec. 902. Report on implementation of United States Northern Command.
- Sec. 903. National defense mission of Coast Guard to be included in future Quadrennial Defense Reviews.
- Sec. 904. Change in year for submission of Quadrennial Defense Review.
- Sec. 905. Report on effect of noncombat operations on combat readiness of the Armed Forces.
- Sec. 906. Conforming amendment to reflect disestablishment of Department of Defense Consequence Management Program Integration Office.
- Sec. 907. Authority to accept gifts for National Defense University.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

- Sec. 1001. Transfer authority.
- Sec. 1002. Authorization of supplemental appropriations for fiscal year 2002.
- Sec. 1003. Uniform standards throughout Department of Defense for exposure of personnel to pecuniary liability for loss of Government property.
- Sec. 1004. Accountable officials in the Department of Defense.
- Sec. 1005. Improvements in purchase card management.
- Sec. 1006. Authority to transfer funds within a major acquisition program from procurement to RDT&E.
- Sec. 1007. Development and procurement of financial and nonfinancial management systems.

Subtitle B—Reports

- Sec. 1011. After-action reports on the conduct of military operations conducted as part of Operation Enduring Freedom.
- Sec. 1012. Report on biological weapons defense and counter-proliferation.
- Sec. 1013. Requirement that Department of Defense reports to Congress be accompanied by electronic version.
- Sec. 1014. Strategic force structure plan for nuclear weapons and delivery systems.
- Sec. 1015. Report on establishment of a joint national training complex and joint opposing forces.
- Sec. 1016. Repeal of various reports required of the Department of Defense.
- Sec. 1017. Report on the role of the Department of Defense in supporting homeland security.
- Sec. 1018. Study of short-term and long-term effects of nuclear earth penetrator weapon.
- Sec. 1019. Study of short-term and long-term effects of nuclear-tipped ballistic missile interceptor.

- Sec. 1021. Sense of Congress on maintenance of a reliable, flexible, and robust strategic deterrent.

Subtitle C—Other Matters

- Sec. 1021. Sense of Congress on maintenance of a reliable, flexible, and robust strategic deterrent.
- Sec. 1022. Time for transmittal of annual defense authorization legislative proposal.
- Sec. 1023. Technical and clerical amendments.
- Sec. 1024. War risk insurance for vessels in support of NATO-approved operations.
- Sec. 1025. Conveyance, Navy drydock, Portland, Oregon.
- Sec. 1026. Additional Weapons of Mass Destruction Civil Support Teams.
- Sec. 1027. Use for law enforcement purposes of DNA samples maintained by Department of Defense for identification of human remains.
- Sec. 1028. Sense of Congress concerning aircraft carrier force structure.
- Sec. 1029. Enhanced authority to obtain foreign language services during periods of emergency.
- Sec. 1030. Surface combatant industrial base.
- Sec. 1031. Enhanced cooperation between United States and Russian Federation to promote mutual security.
- Sec. 1032. Transfer of funds to increase amounts for PAC-3 missile procurement and Israeli Arrow Program.
- Sec. 1033. Assignment of members to assist Immigration and Naturalization Service and Customs Service.
- Sec. 1034. Sense of Congress on prohibition of use of funds for International Criminal Court.

TITLE XI—CIVILIAN PERSONNEL MATTERS

- Sec. 1101. Eligibility of Department of Defense nonappropriated fund employees for long-term care insurance.
- Sec. 1102. Extension of Department of Defense authority to make lump-sum severance payments.
- Sec. 1103. Common occupational and health standards for differential payments as a consequence of exposure to asbestos.
- Sec. 1104. Continuation of Federal Employee Health Benefits program eligibility.
- Sec. 1105. Triennial full-scale Federal wage system wage surveys.
- Sec. 1106. Certification for Department of Defense professional accounting positions.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

- Sec. 1201. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.
- Sec. 1202. Strengthening the defense of Taiwan.
- Sec. 1203. Administrative services and support for foreign liaison officers.
- Sec. 1204. Additional countries covered by loan guarantee program.
- Sec. 1205. Limitation on funding for Joint Data Exchange Center in Moscow.
- Sec. 1206. Limitation on number of military personnel in Colombia.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

- Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.

- Sec. 1302. Funding allocations.
- Sec. 1303. Prohibition against use of funds until submission of reports.
- Sec. 1304. Report on use of revenue generated by activities carried out under Cooperative Threat Reduction programs.
- Sec. 1305. Prohibition against use of funds for second wing of fissile material storage facility.
- Sec. 1306. Sense of Congress and report requirement regarding Russian proliferation to Iran.
- Sec. 1307. Prohibition against use of Cooperative Threat Reduction funds outside the States of the former Soviet Union.
- Sec. 1308. Limited waiver of restriction on use of funds.
- Sec. 1309. Limitation on use of funds until submission of report on defense and military contacts activities.

TITLE XIV—UTAH TEST AND TRAINING RANGE

- Sec. 1401. Definition of Utah Test and Training Range.
- Sec. 1402. Military operations and overflights at Utah Test and Training Range.
- Sec. 1403. Designation and management of lands in Utah Test and Training Range.
- Sec. 1404. Designation of Pilot Range Wilderness.
- Sec. 1405. Designation of Cedar Mountain Wilderness.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

- Sec. 2001. Short title; definition.

TITLE XXI—ARMY

- Sec. 2101. Authorized Army construction and land acquisition projects.
- Sec. 2102. Family housing.
- Sec. 2103. Improvements to military family housing units.
- Sec. 2104. Authorization of appropriations, Army.
- Sec. 2105. Modification of authority to carry out certain fiscal year 2002 projects.

TITLE XXII—NAVY

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

TITLE XXIII—AIR FORCE

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

TITLE XXIV—DEFENSE AGENCIES

- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
- Sec. 2402. Improvements to military family housing units.

- Sec. 2403. Energy conservation projects.
- Sec. 2404. Authorization of appropriations, Defense Agencies.
- Sec. 2405. Modification of authority to carry out certain fiscal year 2000 project.
- Sec. 2406. Modification of authority to carry out certain fiscal year 1999 project.
- Sec. 2407. Modification of authority to carry out certain fiscal year 1997 project.

**TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION
SECURITY INVESTMENT PROGRAM**

- Sec. 2501. Authorized NATO construction and land acquisition projects.
- Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

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

**TITLE XXVII—EXPIRATION AND EXTENSION OF
AUTHORIZATIONS**

- Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
- Sec. 2702. Extension of authorizations of certain fiscal year 2000 projects.
- Sec. 2703. Extension of authorizations of certain fiscal year 1999 projects.
- Sec. 2704. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

**Subtitle A—Military Construction Program and Military
Family Housing Changes**

- Sec. 2801. Changes to alternative authority for acquisition and improvement of military housing.
- Sec. 2802. Modification of authority to carry out construction projects as part of environmental response action.
- Sec. 2803. Leasing of military family housing in Korea.
- Sec. 2804. Pilot housing privatization authority for acquisition or construction of military unaccompanied housing.

Subtitle B—Real Property and Facilities Administration

- Sec. 2811. Agreements with private entities to limit encroachments and other constraints on military training, testing, and operations.
- Sec. 2812. Conveyance of surplus real property for natural resource conservation purposes.
- Sec. 2813. National emergency exemption from screening and other requirements of McKinney-Vento Homeless Assistance Act for property used in support of response activities.
- Sec. 2814. Demonstration program on reduction in long-term facility maintenance costs.
- Sec. 2815. Expanded authority to transfer property at military installations to be closed to persons who construct or provide military family housing.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

- Sec. 2821. Land conveyances, lands in Alaska no longer required for National Guard purposes.
- Sec. 2822. Land conveyance, Fort Campbell, Kentucky.
- Sec. 2823. Land conveyance, Army Reserve Training Center, Buffalo, Minnesota.
- Sec. 2824. Land conveyance, Fort Bliss, Texas
- Sec. 2825. Land conveyance, Fort Hood, Texas.
- Sec. 2826. Land conveyance, Fort Monmouth, New Jersey.

PART II—NAVY CONVEYANCES

- Sec. 2831. Land conveyance, Marine Corps Air Station, Miramar, San Diego, California.
- Sec. 2832. Boundary adjustments, Marine Corps Base, Quantico, and Prince William Forest Park, Virginia.

PART III—AIR FORCE CONVEYANCES

- Sec. 2841. Land conveyances, Wendover Air Force Base Auxiliary Field, Nevada.

Subtitle D—Other Matters

- Sec. 2861. Easement for construction of roads or highways, Marine Corps Base, Camp Pendleton, California.
- Sec. 2862. Sale of excess treated water and wastewater treatment capacity, Marine Corps Base, Camp Lejeune, North Carolina.
- Sec. 2863. Ratification of agreement regarding Adak Naval Complex, Alaska, and related land conveyances.
- Sec. 2864. Special requirements for adding military installation to closure list.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS**TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS****Subtitle A—National Security Programs Authorizations**

- Sec. 3101. National Nuclear Security Administration.
- Sec. 3102. Environmental and other defense activities.

Subtitle B—Department of Energy National Security Authorizations General Provisions

- Sec. 3120. Short title; definitions.
- Sec. 3121. Reprogramming.
- Sec. 3122. Minor construction projects.
- Sec. 3123. Limits on construction projects.
- Sec. 3124. Fund transfer authority.
- Sec. 3125. Authority for conceptual and construction design.
- Sec. 3126. Authority for emergency planning, design, and construction activities.
- Sec. 3127. Funds available for all national security programs of the Department of Energy.
- Sec. 3128. Availability of funds.

- Sec. 3129. Transfer of defense environmental management funds.
 Sec. 3130. Transfer of weapons activities funds.
 Sec. 3131. Scope of authority to carry out plant projects.

**Subtitle C—Program Authorizations, Restrictions, and
 Limitations**

- Sec. 3141. One-year extension of panel to assess the reliability, safety, and security of the United States nuclear stockpile.
 Sec. 3142. Transfer to National Nuclear Security Administration of Department of Defense’s Cooperative Threat Reduction program relating to elimination of weapons grade plutonium in Russia.
 Sec. 3143. Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia.
 Sec. 3144. Annual certification to the President and Congress on the condition of the United States nuclear weapons stockpile.
 Sec. 3145. Plan for achieving one-year readiness posture for resumption by the United States of underground nuclear weapons tests.
 Sec. 3146. Prohibition on development of low-yield nuclear weapons.

**Subtitle D—Matters Relating to Defense Environmental
 Management**

- Sec. 3151. Defense environmental management cleanup reform program.
 Sec. 3152. Report on status of environmental management initiatives to accelerate the reduction of environmental risks and challenges posed by the legacy of the Cold War.

**TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY
 BOARD**

- Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

- Sec. 3301. Authorized uses of National Defense Stockpile funds.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. Authorization of appropriations.

TITLE XXXV—MARITIME ADMINISTRATION

- Sec. 3501. Authorization of appropriations for fiscal year 2003.
 Sec. 3502. Authority to convey vessel USS SPHINX (ARL-24).
 Sec. 3503. Financial assistance to States for preparation of transferred obsolete ships for use as artificial reefs.
 Sec. 3504. Independent analysis of title XI insurance guarantee applications.

1 SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

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

1 (1) the Committee on Armed Services and the
2 Committee on Appropriations of the Senate; and

3 (2) the Committee on Armed Services and the
4 Committee on Appropriations of the House of Rep-
5 resentatives.

6 **DIVISION A—DEPARTMENT OF**
7 **DEFENSE AUTHORIZATIONS**
8 **TITLE I—PROCUREMENT**
9 **Subtitle A—Authorization of**
10 **Appropriations**

11 **SEC. 101. ARMY.**

12 Funds are hereby authorized to be appropriated for
13 fiscal year 2003 for procurement for the Army as follows:

14 (1) For aircraft, \$2,300,327,000.

15 (2) For missiles, \$1,693,896,000.

16 (3) For weapons and tracked combat vehicles,
17 \$2,372,958,000.

18 (4) For ammunition, \$1,320,026,000.

19 (5) For other procurement, \$6,119,447,000.

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

21 (a) NAVY.—Funds are hereby authorized to be appro-
22 priated for fiscal year 2003 for procurement for the Navy
23 as follows:

24 (1) For aircraft, \$8,971,555,000.

1 (2) For weapons, including missiles and tor-
2 pedoes, \$1,916,617,000.

3 (3) For shipbuilding and conversion,
4 \$9,279,494,000.

5 (4) For other procurement, \$4,527,763,000.

6 (b) MARINE CORPS.—Funds are hereby authorized to
7 be appropriated for fiscal year 2003 for procurement for
8 the Marine Corps in the amount of \$1,351,983,000.

9 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
10 are hereby authorized to be appropriated for fiscal year
11 2003 for procurement of ammunition for the Navy and
12 the Marine Corps in the amount of \$1,104,453,000.

13 **SEC. 103. AIR FORCE.**

14 Funds are hereby authorized to be appropriated for
15 fiscal year 2003 for procurement for the Air Force as fol-
16 lows:

17 (1) For aircraft, \$12,522,755,000.

18 (2) For missiles, \$3,482,639,000.

19 (3) For ammunition, \$1,176,864,000.

20 (4) For other procurement, \$10,907,730,000.

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

22 Funds are hereby authorized to be appropriated for
23 fiscal year 2003 for Defense-wide procurement in the
24 amount of \$2,621,009,000.

1 **SEC. 105. DEFENSE INSPECTOR GENERAL.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 2003 for procurement for the Inspector General
4 of the Department of Defense in the amount of
5 \$2,000,000.

6 **SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.**

7 There is hereby authorized to be appropriated for fis-
8 cal year 2003 the amount of \$1,490,199,000 for—

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

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

16 **SEC. 107. DEFENSE HEALTH PROGRAMS.**

17 Funds are hereby authorized to be appropriated for
18 fiscal year 2003 for the Department of Defense for pro-
19 curement for carrying out health care programs, projects,
20 and activities of the Department of Defense in the total
21 amount of \$278,742,000.

22 **SEC. 111. SHIPBUILDING INITIATIVE.**

23 (a) USE OF SPECIFIED SHIPBUILDING AUTHORIZA-
24 TION AMOUNT SUBJECT TO CONTRACTOR AGREEMENT.—
25 Of the amounts authorized to be appropriated by section
26 102(a)(3) for fiscal year 2003, \$810,000,000 shall be

1 available for shipbuilding programs of the Navy either in
2 accordance with subsection (b) or in accordance with sub-
3 section (c).

4 (b) DDG-51 AUTHORIZATION IF AGREEMENT
5 REACHED.—If as of the date of the enactment of this Act
6 the Secretary of the Navy has submitted to Congress a
7 certification described in subsection (d), then the amount
8 referred to in subsection (a) shall be available for procure-
9 ment of one Arleigh Burke class (DDG-51) destroyer.

10 (c) AUTHORIZATION IF AGREEMENT NOT
11 REACHED.—If as of the date of the enactment of this Act
12 the Secretary of the Navy has not submitted to Congress
13 a certification described in subsection (d), then the
14 amount referred to in subsection (a) shall be available as
15 follows:

16 (1) \$415,000,000 shall be available for advance
17 procurement for Virginia class submarines.

18 (2) \$210,000,000 shall be available for advance
19 procurement for cruiser conversion.

20 (3) \$185,000,000 shall be available for nuclear-
21 powered submarine (SSN) engineered refueling over-
22 haul.

23 (d) CERTIFICATION.—A certification referred to in
24 subsections (b) and (c) is a certification by the Secretary
25 of the Navy that the prime contractor for the Virginia

1 class submarine program has entered into a binding agree-
2 ment with the United States to expend from its own funds
3 an amount not less than \$385,000,000 for economic order
4 quantity procurement of nuclear and nonnuclear compo-
5 nents for Virginia class submarines beginning in fiscal
6 year 2003.

7 (e) MULTIYEAR PROCUREMENT AUTHORITY.—(1) If
8 the terms of an agreement described in subsection (d) be-
9 tween the United States and the prime contractor for the
10 Virginia class submarine program include a requirement
11 for the Secretary of the Navy to seek to acquire Virginia
12 class submarines through a multiyear procurement con-
13 tract, the Secretary of the Navy may, in accordance with
14 section 2306b of title 10, United States Code, enter into
15 a multiyear contract for procurement of Virginia class
16 submarines, beginning with the fiscal year 2003 program
17 year.

18 (2)(A) In the case of a contract authorized by para-
19 graph (1), a certification under subsection (i)(1)(A) of sec-
20 tion 2306b of title 10, United States Code, with respect
21 to that contract may only be submitted if the certification
22 includes an additional certification that each of the condi-
23 tions specified in subsection (a) of that section has been
24 satisfied with respect to that contract.

1 (B) Upon transmission to Congress of a certification
2 referred to in subparagraph (A) with respect to a contract
3 authorized by paragraph (1), the contract may then be
4 entered into only after a period of 30 days has elapsed
5 after the date of the transmission of such certification.

6 **SEC. 112. PROHIBITION ON ACQUISITION OF CHAMPION-**
7 **CLASS, T-5 FUEL TANKERS.**

8 (a) PROHIBITION.—Except as provided in subsection
9 (b), a Champion-class fuel tanker, known as a T-5, which
10 features a double hull and reinforcement against ice dam-
11 age, may not be acquired for the Military Sealift Com-
12 mand or for other Navy purposes.

13 (b) TERMINATION.—The prohibition in sub-
14 section (a) shall not apply if the acquisition of a T-
15 5 tanker is specifically authorized in a defense au-
16 thorization Act that—

17 (1) is enacted after the date of the enactment
18 of this Act;

19 (2) specifically refers to subsection (a); and

20 (3) specifically states that the prohibition in
21 such subsection does not apply.

1 **Subtitle C—Air Force Programs**

2 **SEC. 121. MULTIYEAR PROCUREMENT AUTHORITY FOR** 3 **C-130J AIRCRAFT PROGRAM.**

4 (a) MULTIYEAR AUTHORITY.—Beginning with the
5 fiscal year 2003 program year, the Secretary of the Air
6 Force may, in accordance with section 2306b of title 10,
7 United States Code, enter into a multiyear contract for
8 procurement of C-130J aircraft.

9 (b) LIMITATION.—The Secretary of Defense may not
10 enter into a contract authorized by subsection (a) until—

11 (1) the Secretary submits to the congressional
12 defense committees a certification described in sub-
13 section (c); and

14 (2) a period of 30 days has expired after such
15 certification is submitted.

16 (c) REQUIRED CERTIFICATION AS TO PROGRESS TO-
17 WARD SUCCESSFUL OPERATIONAL TEST AND EVALUA-
18 TION.—A certification under subsection (b)(1) is a certifi-
19 cation by the Secretary of Defense that the C-130J pro-
20 gram is making satisfactory progress towards a successful
21 operational test and evaluation.

22 (d) REQUIRED CERTIFICATION WITH RESPECT TO
23 MULTIYEAR CONTRACTING CONDITIONS.—(1) In the case
24 of a contract authorized by subsection (a) of this section,
25 a certification under subsection (i)(1)(A) of section 2306b

1 of title 10, United States Code, with respect to that con-
2 tract may only be submitted if the certification includes
3 an additional certification that each of the conditions spec-
4 ified in subsection (a) of that section has been satisfied
5 with respect to that contract.

6 (2) Upon transmission to Congress of a certification
7 referred to in paragraph (1) with respect to a contract
8 authorized by subsection (a), the contract may then be en-
9 tered into only after a period of 30 days has elapsed after
10 the date of the transmission of such certification.

11 **SEC. 122. REALLOCATION OF CERTAIN FUNDS FOR AIR**
12 **FORCE RESERVE COMMAND F-16 AIRCRAFT**
13 **PROCUREMENT.**

14 Of the funds authorized to be appropriated by section
15 103(1) that are available for procurement of F-16 aircraft
16 for the Air Force Reserve Command, \$14,400,000 shall
17 be available for 36 Litening II modernization upgrade kits
18 for the F-16 block 25 and block 30 aircraft (rather than
19 for Litening AT pods for such aircraft).

20 **Subtitle D—Other Programs**

21 **SEC. 141. REVISIONS TO MULTIYEAR CONTRACTING AU-**
22 **THORITY.**

23 (a) USE OF PROCUREMENT AND ADVANCE PROCURE-
24 MENT FUNDS.—Section 2306b(i) of title 10, United

1 States Code, is amended by adding at the end the fol-
2 lowing new paragraph:

3 “(4)(A) Unless otherwise authorized by law, the Sec-
4 retary of Defense may obligate funds for procurement of
5 an end item under a multiyear contract for the purchase
6 of property only for procurement of a complete and usable
7 end item.

8 “(B) Unless otherwise authorized by law, the Sec-
9 retary of Defense may obligate funds appropriated for any
10 fiscal year for advance procurement under a multiyear
11 contract for the purchase of property only for the procure-
12 ment of those long-lead items necessary in order to meet
13 a planned delivery schedule for complete major end items
14 that are programmed under the contract to be acquired
15 with funds appropriated for a subsequent fiscal year.”.

16 (b) EFFECTIVE DATE.—Paragraph (4) of section
17 2306b(i) of title 10, United States Code, as added by sub-
18 section (a), shall not apply with respect to any multiyear
19 contract authorized by law before the date of the enact-
20 ment of this Act.

21 **SEC. 142. TRANSFER OF TECHNOLOGY ITEMS AND EQUIP-**
22 **MENT IN SUPPORT OF HOMELAND SECURITY.**

23 (a) IN GENERAL.—Subchapter III of chapter 148 of
24 title 10, United States Code, is amended by adding at the
25 end the following new section:

1 **“§ 2520. Transfer of technology items and equipment**
2 **in support of homeland security**

3 “The Secretary of Defense shall enter into an agree-
4 ment with an independent, nonprofit, technology-oriented
5 entity that has demonstrated the ability to facilitate the
6 transfer of defense technologies, developed by both the pri-
7 vate and public sectors, to aid Federal, State, and local
8 first responders. Under the agreement the entity shall de-
9 velop and deploy technology items and equipment, through
10 coordination between Government agencies and private
11 sector, commercial developers and suppliers of technology,
12 that will enhance public safety and shall—

13 “(1) work in coordination with the InterAgency
14 Board for Equipment Standardization and Inter-
15 operability;

16 “(2) develop technology items and equipment
17 that meet the standardization requirements estab-
18 lished by the Board;

19 “(3) evaluate technology items and equipment
20 that have been identified using the standards devel-
21 oped by the Board and other state-of-the-art tech-
22 nology items and equipment that may benefit first
23 responders;

24 “(4) identify and coordinate among the public
25 and private sectors research efforts applicable to na-
26 tional security and homeland security;

1 “(5) facilitate the timely transfer of technology
2 items and equipment between public and private
3 sources;

4 “(6) eliminate redundant research efforts with
5 respect to technologies to be deployed to first re-
6 sponders;

7 “(7) expedite the advancement of high priority
8 projects from research through implementation of
9 initial manufacturing; and

10 “(8) establish an outreach program, in coordi-
11 nation with the Board, with first responders to fa-
12 cilitate awareness of available technology items and
13 equipment to support crisis response.”.

14 (b) DEADLINE FOR AGREEMENT.—The Secretary of
15 Defense shall enter into the agreement required by section
16 2520 of title 10, United States Code (as added by sub-
17 section (a)) not later than January 15, 2003.

18 (c) STRATEGIC PLAN.—The entity described in sec-
19 tion 2520 of such title shall develop a strategic plan to
20 carry out the goals described in such section, which shall
21 include identification of—

22 (1) the initial technology items and equipment
23 considered for development; and

24 (2) the program schedule timelines for such
25 technology items and equipment.

1 (d) REPORT REQUIRED.—Not later than March 15,
2 2003, the Secretary of Defense shall submit to the Com-
3 mittees on Armed Services of the Senate and the House
4 of Representatives a report on—

5 (1) the actions taken to carry out such section
6 2520;

7 (2) the relationship of the entity described in
8 such section to the InterAgency Board for Equip-
9 ment Standardization and Interoperability; and

10 (3) the strategic plan of such entity to meet the
11 goals described in such section.

12 (e) CLERICAL AMENDMENT.—The table of sections
13 at the beginning of subchapter III of chapter 148 of title
14 10, United States Code, is amended by adding at the end
15 the following new item:

“2520. Transfer of technology items and equipment in support of homeland se-
curity.”.

16 **SEC. 143. DESTRUCTION OF EXISTING STOCKPILE OF LE-**
17 **THAL CHEMICAL AGENTS AND MUNITIONS.**

18 (a) PROGRAM MANAGEMENT.—The Secretary of De-
19 fense shall ensure that the program for destruction of the
20 United States stockpile of lethal chemical agents and mu-
21 nitions is managed as a major defense acquisition program
22 (as defined in section 2430 of title 10, United States
23 Code) in accordance with the essential elements of such
24 programs as may be determined by the Secretary.

1 (b) REQUIREMENT FOR UNDER SECRETARY OF DE-
2 FENSE (COMPTROLLER) ANNUAL CERTIFICATION.—Be-
3 ginning with respect to the budget request for fiscal year
4 2004, the Under Secretary of Defense (Comptroller) shall
5 submit to the congressional defense committees on an an-
6 nual basis a certification that the budget request for the
7 chemical agents and munitions destruction program has
8 been submitted in accordance with the requirements of ap-
9 plicable Federal laws.

10 **SEC. 144. REPORT ON UNMANNED AERIAL VEHICLE SYS-**
11 **TEMS.**

12 (a) REPORT.—Not later than January 1, 2003, the
13 Secretary of Defense shall submit to Congress a report
14 on unmanned aerial vehicle systems of the Department of
15 Defense.

16 (b) MATTERS TO BE INCLUDED CONCERNING UN-
17 MANNED AERIAL VEHICLE SYSTEMS.—The Secretary
18 shall include in the report under subsection (a) the fol-
19 lowing, shown for each system referred to in that sub-
20 section:

21 (1) A description of the infrastructure that the
22 Department of Defense has (or is planning) for the
23 system.

24 (2) A description of the operational require-
25 ments document (ORD) for the system.

1 (3) A description of the physical infrastructure
2 of the Department for training and basing.

3 (4) A description of the manner in which the
4 Department is interfacing with the industrial base.

5 (5) A description of the acquisition plan for the
6 system.

7 (c) SUGGESTIONS FOR CHANGES IN LAW.—The Sec-
8 retary shall also include in the report under subsection (a)
9 such suggestions as the Secretary considers appropriate
10 for changes in law that would facilitate the way the De-
11 partment acquires unmanned aerial vehicle systems.

12 **SEC. 145. REPORT ON IMPACT OF ARMY AVIATION MOD-**
13 **ERNIZATION PLAN ON THE ARMY NATIONAL**
14 **GUARD.**

15 (a) REPORT BY CHIEF OF THE NATIONAL GUARD
16 BUREAU.—Not later than February 1, 2003, the Chief of
17 the National Guard Bureau shall submit to the Commit-
18 tees on Armed Services of the Senate and the House of
19 Representatives a report on the requirements for Army
20 National Guard aviation. The report shall include the fol-
21 lowing:

22 (1) An analysis of the impact of the Army Avia-
23 tion Modernization Plan on the ability of the Army
24 National Guard to conduct its aviation missions.

1 (2) The plan under that aviation modernization
2 plan for the transfer of aircraft from the active com-
3 ponent of the Army to the Army reserve compo-
4 nents, including a timeline for those transfers.

5 (3) The progress, as of January 1, 2003, in
6 carrying out the transfers under the plan referred to
7 in paragraph (2).

8 (4) An evaluation of the suitability of existing
9 Commercial Off The Shelf (COTS) light-twin engine
10 helicopters for performance of Army National Guard
11 aviation missions.

12 (b) VIEWS OF THE CHIEF OF STAFF OF THE
13 ARMY.—If, before the report under subsection (a) is sub-
14 mitted, the Chief of the National Guard Bureau receives
15 from the Chief of Staff of the Army the views of the Chief
16 of Staff on the matters to be covered in the report, the
17 Chief of the Bureau shall include those views with the re-
18 port as submitted under subsection (a).

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
8 fiscal year 2003 for the use of the Department of Defense
9 for research, development, test, and evaluation as follows:

10 (1) For the Army, \$6,933,319,000.

11 (2) For the Navy, \$13,274,540,000.

12 (3) For the Air Force, \$18,803,184,000.

13 (4) For Defense-wide activities,
14 \$17,413,291,000, of which \$222,054,000 is author-
15 ized for the Director of Operational Test and Eval-
16 uation.

17 **SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-**
18 **NOLOGY.**

19 (a) FISCAL YEAR 2003.—Of the amounts authorized
20 to be appropriated by section 201, \$10,023,658,000 shall
21 be available for the Defense Science and Technology Pro-
22 gram, including basic research, applied research, and ad-
23 vanced technology development projects.

24 (b) BASIC RESEARCH, APPLIED RESEARCH, AND AD-
25 VANCED TECHNOLOGY DEVELOPMENT DEFINED.—For

1 purposes of this section, the term “basic research, applied
2 research, and advanced technology development” means
3 work funded in program elements for defense research and
4 development under Department of Defense category 6.1,
5 6.2, or 6.3.

6 **Subtitle B—Program Requirements, Restrictions, and Limita-**
7 **ments, Restrictions, and Limita-**
8 **tions**

9 **SEC. 211. RAH-66 COMANCHE AIRCRAFT PROGRAM.**

10 (a) LIMITATION.—None of the funds authorized to
11 be appropriated for fiscal year 2003 for engineering and
12 manufacturing development for the RAH-66 Comanche
13 aircraft program may be obligated until the Secretary of
14 the Army submits to the congressional defense committees
15 a report, prepared in coordination with the Under Sec-
16 retary of Defense for Acquisition, Technology, and Logis-
17 ties, containing an accurate estimate of funds required to
18 complete engineering and manufacturing development for
19 that aircraft and the new time line and plan for bringing
20 that aircraft to initial operational capability, as called for
21 in the joint explanatory statement of the committee of con-
22 ference on the bill S. 1438 of the One Hundred Seventh
23 Congress (at page 535 of House Report 107-333, sub-
24 mitted December 12, 2001).

1 (b) LIMITATION ON TOTAL COST OF ENGINEERING
2 AND MANUFACTURING DEVELOPMENT.—The total
3 amount obligated or expended for engineering and manu-
4 facturing development under the RAH–66 Comanche air-
5 craft program may not exceed \$6,000,000,000.

6 (c) ADJUSTMENT OF LIMITATION AMOUNTS.—(1)
7 Subject to paragraph (2), the Secretary of the Army shall
8 adjust the amount of the limitation set forth in subsection
9 (b) by the following amounts:

10 (A) The amounts of increases or decreases in
11 costs attributable to economic inflation after Sep-
12 tember 30, 2002.

13 (B) The amounts of increases or decreases in
14 costs attributable to compliance with changes in
15 Federal, State, or local laws enacted after Sep-
16 tember 30, 2002.

17 (2) Before making any adjustment under paragraph
18 (1) in an amount greater than \$20,000,000, the Secretary
19 of the Army shall submit to the congressional defense com-
20 mittees notice in writing of the proposed increase.

21 (d) ANNUAL DOD INSPECTOR GENERAL REVIEW.—
22 (1) Not later than March 1 of each year, the Department
23 of Defense Inspector General shall review the RAH–66
24 Comanche aircraft program and submit to Congress a re-
25 port on the results of the review.

1 (2) The report submitted on the program each year
2 shall include the following:

3 (A) The extent to which engineering and manu-
4 facturing development under the program is meeting
5 the goals established for engineering and manufac-
6 turing development under the program, including the
7 performance, cost, and schedule goals.

8 (B) The status of modifications expected to
9 have a significant effect on cost, schedule, or per-
10 formance of RAH-66 aircraft.

11 (C) The plan for engineering and manufac-
12 turing development (leading to production) under
13 the program for the fiscal year that begins in the
14 following year.

15 (D) A conclusion regarding whether the plan
16 referred to in subparagraph (C) is consistent with
17 the limitation in subsection (a).

18 (E) A conclusion regarding whether engineering
19 and manufacturing development (leading to produc-
20 tion) under the program is likely to be completed at
21 a total cost not in excess of the amount specified in
22 subsection (a).

23 (3) No report is required under this subsection after
24 the RAH-66 aircraft has completed engineering and man-
25 ufacturing development.

1 (e) LIMITATION ON OBLIGATION OF FUNDS.—Of the
2 total amount authorized to be appropriated for the RAH–
3 66 Comanche aircraft program for research, development,
4 test, and evaluation for a fiscal year, not more than 90
5 percent of that amount may be obligated until the Depart-
6 ment of Defense Inspector General submits to Congress
7 the report required to be submitted in that fiscal year
8 under subsection (d).

9 **SEC. 212. EXTENSION OF REQUIREMENT RELATING TO**
10 **MANAGEMENT RESPONSIBILITY FOR NAVAL**
11 **MINE COUNTERMEASURES PROGRAMS.**

12 Section 216(a) of the National Defense Authorization
13 Act for Fiscal Years 1992 and 1993 (Public Law 102–
14 190; 105 Stat. 1317), as most recently amended by sec-
15 tion 211 of the Strom Thurmond National Defense Au-
16 thorization Act for Fiscal Year 1999 (Public Law 105–
17 261; 112 Stat. 1946), is amended by striking “through
18 2003” and inserting “through 2008”.

19 **SEC. 213. EXTENSION OF AUTHORITY TO CARRY OUT PILOT**
20 **PROGRAM FOR REVITALIZING THE LABORA-**
21 **TORIES AND TEST AND EVALUATION CEN-**
22 **TERS OF THE DEPARTMENT OF DEFENSE.**

23 Section 246 of the Strom Thurmond National De-
24 fense Authorization Act for Fiscal Year 1999 (Public Law

1 105–261; 112 Stat. 1955; 10 U.S.C. 2358 note) is
2 amended—

3 (1) in subsection (a)(1), by inserting before the
4 period at the end the following: “, and to dem-
5 onstrate improved efficiency in the performance of
6 the research, development, test, and evaluation func-
7 tions of the Department of Defense”;

8 (2) in subsection (a)(4), by striking “for a pe-
9 riod” and all that follows through the period at the
10 end and inserting “until March 1, 2008.”;

11 (3) in subsection (b)(2), by striking “Promptly
12 after” and all that follows through “The report shall
13 contain” and inserting “Not later than December 31
14 of each year, the Secretary of Defense shall submit
15 to the congressional defense committees a report on
16 the activities of the pilot program during the pre-
17 ceding fiscal year. Each such report shall contain,
18 for each laboratory or center in the pilot program,”;
19 and

20 (4) by adding at the end of subsection (b) the
21 following new paragraph:

22 “(3) Not later than March 1, 2007, the Secretary of
23 Defense shall submit to the committees referred to in
24 paragraph (2) the Secretary’s recommendation as to

1 whether, and to what extent, the authority to carry out
2 the pilot program should be extended.”.

3 **SEC. 214. REVISED REQUIREMENTS FOR PLAN FOR MANU-**
4 **FACTURING TECHNOLOGY PROGRAM.**

5 (a) STREAMLINED CONTENTS OF PLAN.—Subsection
6 (e) of section 2521 of title 10, United States Code, is
7 amended by striking “prepare a five-year plan” in para-
8 graph (1) and all that follows through the end of subpara-
9 graph (B) of paragraph (2) and inserting the following:
10 “prepare and maintain a five-year plan for the program.

11 “(2) The plan shall establish the following:

12 “(A) The overall manufacturing technology ob-
13 jectives, milestones, priorities, and investment strat-
14 egy for the program.

15 “(B) The specific objectives of, and funding for
16 the program by, each military department and each
17 Defense Agency participating in the program.”.

18 (b) BIENNIAL REPORT.—Such subsection is further
19 amended in paragraph (3)—

20 (1) by striking “annually” and inserting “bien-
21 nially”; and

22 (2) by striking “for a fiscal year” and inserting
23 “for each even-numbered fiscal year”.

1 **SEC. 215. TECHNOLOGY TRANSITION INITIATIVE.**

2 (a) ESTABLISHMENT AND CONDUCT.—Chapter 139
3 of title 10, United States Code, is amended by inserting
4 after section 2359 the following new section:

5 **“§ 2359a. Technology Transition Initiative**

6 “(a) INITIATIVE REQUIRED.—The Secretary of De-
7 fense, acting through the Under Secretary of Defense for
8 Acquisition, Technology, and Logistics, shall carry out an
9 initiative, to be known as the Technology Transition Ini-
10 tiative (hereinafter in this section referred to as the ‘Ini-
11 tiative’), to facilitate the rapid transition of new tech-
12 nologies from science and technology programs of the De-
13 partment of Defense into acquisition programs of the De-
14 partment for the production of such technologies.

15 “(b) OBJECTIVES.—The Initiative shall have the fol-
16 lowing objectives:

17 “(1) To accelerate the introduction of new tech-
18 nologies into appropriate acquisition programs.

19 “(2) To successfully demonstrate new tech-
20 nologies in relevant environments.

21 “(3) To ensure that new technologies are suffi-
22 ciently mature for production.

23 “(c) MANAGEMENT OF INITIATIVE.—(1) The Initia-
24 tive shall be managed by a senior official in the Office
25 of the Secretary of Defense designated by the Secretary
26 (hereinafter in this section referred to as the ‘Manager’).

1 In managing the Initiative, the Manager shall report di-
2 rectly to the Under Secretary of Defense for Acquisition,
3 Technology, and Logistics.

4 “(2) The Secretary shall establish a board of direc-
5 tors (hereinafter in this section referred to as the ‘Board’),
6 composed of the acquisition executive of each military de-
7 partment, the members of the Joint Requirements Over-
8 sight Council, and the commander of the Joint Forces
9 Command. The Board shall assist the Manager in man-
10 aging the Initiative.

11 “(3) The Secretary shall establish, under the auspices
12 of the Under Secretary of Defense for Acquisition, Tech-
13 nology, and Logistics, a panel of highly qualified scientists
14 and engineers. The panel shall advise the Under Secretary
15 on matters relating to the Initiative.

16 “(d) DUTIES OF MANAGER.—The Manager shall
17 have following duties:

18 “(1) To identify, in consultation with the
19 Board, promising technologies that have been dem-
20 onstrated in science and technology programs of the
21 Department.

22 “(2) To identify potential sponsors in the De-
23 partment to undertake the transition of such tech-
24 nologies into production.

1 “(3) To work with the science and technology
2 community and the acquisition community to de-
3 velop memoranda of agreement, joint funding agree-
4 ments, and other cooperative arrangements to pro-
5 vide for the transition of such technologies into pro-
6 duction.

7 “(4) Provide funding support for projects se-
8 lected under subsection (e).

9 “(e) JOINTLY FUNDED PROJECTS.—(1) The acquisi-
10 tion executive of each military department shall identify
11 technology projects of that military department to rec-
12 ommend for funding support under the Initiative and shall
13 submit to the Manager a list of such recommended
14 projects, ranked in order of priority. Such executive shall
15 identify such projects, and establish priorities among such
16 projects, using a competitive process, on the basis of the
17 greatest potential benefits in areas of interest identified
18 by the Secretary of that military department.

19 “(2) The Manager, in consultation with the Board,
20 shall select projects for funding support from among the
21 projects on the lists submitted under paragraph (1). From
22 the funds made available to the Manager for the Initiative,
23 the Manager shall provide funds for each selected project
24 in an amount determined by mutual agreement between
25 the Manager and the acquisition executive of the military

1 department concerned, but not less than 50 percent of the
2 total cost of the project.

3 “(3) The acquisition executive of the military depart-
4 ment concerned shall manage each project selected under
5 paragraph (2) that is undertaken by the military depart-
6 ment. Memoranda of agreement, joint funding agree-
7 ments, and other cooperative arrangements between the
8 science and technology community and the acquisition
9 community shall be used in carrying out the project if the
10 acquisition executive determines that it is appropriate to
11 do so to achieve the objectives of the project.

12 “(f) REQUIREMENT FOR PROGRAM ELEMENT.—In
13 the budget justification materials submitted to Congress
14 in support of the Department of Defense budget for any
15 fiscal year (as submitted with the budget of the President
16 under section 1105(a) of title 31), the amount requested
17 for activities of the Initiative shall be set forth in a sepa-
18 rate program element within amounts requested for re-
19 search, development, test, and evaluation for Defense-wide
20 activities.

21 “(g) DEFINITION OF ACQUISITION EXECUTIVE.—In
22 this section, the term ‘acquisition executive’, with respect
23 to a military department, means the official designated as
24 the senior procurement executive for that military depart-

1 ment under section 16(3) of the Office of Federal Procure-
2 ment Policy Act (41 U.S.C. 414(3)).”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of such chapter is amended by inserting
5 after the item relating to section 2359 the following new
6 item:

“2359a. Technology Transition Initiative.”.

7 **SEC. 216. DEFENSE ACQUISITION CHALLENGE PROGRAM.**

8 (a) IN GENERAL.—(1) Chapter 139 of title 10,
9 United States Code, is amended by inserting after section
10 2359a (as added by section 215) the following new section:

11 **“§ 2359b. Defense Acquisition Challenge Program**

12 “(a) PROGRAM REQUIRED.—The Secretary of De-
13 fense shall carry out a program to provide opportunities
14 for the increased introduction of innovative and cost-sav-
15 ing technology in acquisition programs of the Department
16 of Defense. The program, to be known as the Defense Ac-
17 quisition Challenge Program (hereinafter in this section
18 referred to as the ‘Challenge Program’), shall provide any
19 person or activity within or outside the Department of De-
20 fense with the opportunity to propose alternatives, to be
21 known as challenge proposals, at the component, sub-
22 system, or system level of an existing Department of De-
23 fense acquisition program that would result in improve-

1 ments in performance, affordability, manufacturability, or
2 operational capability of that acquisition program.

3 “(b) PANEL.—(1) In carrying out the Challenge Pro-
4 gram, the Secretary shall establish a panel of highly quali-
5 fied scientists and engineers (hereinafter in this section
6 referred to as the ‘Panel’) under the auspices of the Under
7 Secretary of Defense for Acquisition, Technology, and Lo-
8 gistics. The duty of the Panel shall be to carry out evalua-
9 tions of challenge proposals under subsection (c).

10 “(2) A member of the Panel may not participate in
11 any evaluation of a challenge proposal under subsection
12 (c) if at any time within the previous five years that mem-
13 ber has, in any capacity, participated in or been affiliated
14 with the acquisition program for which the challenge pro-
15 posal is submitted.

16 “(c) EVALUATION BY PANEL.—(1) Under procedures
17 prescribed by the Secretary, a person or activity within
18 or outside the Department of Defense may submit chal-
19 lenge proposals to the Panel.

20 “(2) The Panel shall carry out an evaluation of each
21 challenge proposal submitted under paragraph (1) to de-
22 termine each of the following criteria:

23 “(A) Whether the challenge proposal has merit.

24 “(B) Whether the challenge proposal is likely to
25 result in improvements in performance, affordability,

1 manufacturability, or operational capability at the
2 component, subsystem, or system level of the appli-
3 cable acquisition program.

4 “(C) Whether the challenge proposal could be
5 implemented rapidly in the applicable acquisition
6 program.

7 “(3) If the Panel determines that a challenge pro-
8 posal satisfies each of the criteria specified in paragraph
9 (2), the person or activity submitting that challenge pro-
10 posal shall be provided an opportunity to submit such
11 challenge proposal for a full review and evaluation under
12 subsection (d).

13 “(d) FULL REVIEW AND EVALUATION.—(1) Under
14 procedures prescribed by the Secretary, for each challenge
15 proposal submitted for a full review and evaluation as pro-
16 vided in subsection (c)(3), the office carrying out the ap-
17 plicable acquisition program, and the prime system con-
18 tractor carrying out such program, shall jointly conduct
19 a full review and evaluation of the challenge proposal.

20 “(2) The full review and evaluation shall, independent
21 of the determination of the Panel under subsection (c)(2),
22 determine each of the matters specified in subparagraphs
23 (A), (B), and (C) of such subsection.

24 “(e) ACTION UPON FAVORABLE FULL REVIEW AND
25 EVALUATION.—(1) Under procedures prescribed by the

1 Secretary, each challenge proposal determined under a full
2 review and evaluation to satisfy each of the criteria speci-
3 fied in subsection (c)(2) shall be considered by the prime
4 system contractor for incorporation into the applicable ac-
5 quisition program as a new technology insertion at the
6 component, subsystem, or system level.

7 “(2) The Secretary shall encourage the adoption of
8 each challenge proposal referred to in paragraph (1) by
9 providing suitable incentives to the office carrying out the
10 applicable acquisition program and the prime system con-
11 tractor carrying out such program.

12 “(f) ACCESS TO TECHNICAL RESOURCES.—The Sec-
13 retary shall ensure that the Panel (in carrying out evalua-
14 tions of challenge proposals under subsection (c)) and each
15 office and prime system contractor (in conducting a full
16 review and evaluation under subsection (d)) have the au-
17 thority to call upon the technical resources of the labora-
18 tories, research, development, and engineering centers,
19 test and evaluation activities, and other elements of the
20 Department.

21 “(g) ELIMINATION OF CONFLICTS OF INTEREST.—
22 In carrying out each evaluation under subsection (c) and
23 full review under subsection (d), the Secretary shall ensure
24 the elimination of conflicts of interest.

1 “(h) REPORT.—The Secretary shall submit to Con-
2 gress, with the submission of the budget request for the
3 Department of Defense for each fiscal year during which
4 the Challenge Program is carried out, a report on the
5 Challenge Program for that fiscal year. The report shall
6 include the number and scope of challenge proposals sub-
7 mitted, evaluated, subjected to full review, and adopted.

8 “(i) SUNSET.—The authority to carry out this section
9 shall terminate on September 30, 2007.”.

10 (2) The table of sections at the beginning of such
11 chapter is amended by inserting after the item relating
12 to section 2359a (as added by section 215) the following
13 new item:

“2359b. Defense Acquisition Challenge Program.”.

14 (b) INITIAL FUNDING.—(1) Of the funds authorized
15 to be appropriated by section 201(4) for Defense-wide re-
16 search, development, test, and evaluation for fiscal year
17 2003, \$25,000,000 shall be available in program element
18 0603826D8Z for the Defense Acquisition Challenge Pro-
19 gram required by section 2359b of title 10, United States
20 Code, as added by subsection (a).

21 (2) The funds provided under paragraph (1) may be
22 used only for review and evaluation of challenge proposals,
23 and not for implementation of challenge proposals.

1 **Subtitle C—Ballistic Missile**
2 **Defense**

3 **SEC. 231. LIMITATION ON OBLIGATION OF FUNDS FOR PRO-**
4 **CUREMENT OF PATRIOT (PAC-3) MISSILES**
5 **PENDING SUBMISSION OF REQUIRED CER-**
6 **TIFICATION.**

7 None of the funds appropriated for fiscal year 2003
8 for procurement of missiles for the Army may be obligated
9 for the Patriot Advanced Capability (PAC-3) missile pro-
10 gram until the Secretary of Defense has submitted to the
11 congressional defense committees the following:

12 (1) The criteria for the transfer of responsi-
13 bility for a missile defense program from the Direc-
14 tor of the Missile Defense Agency to the Secretary
15 of a military department, as required by section
16 224(b)(2) of title 10, United States Code.

17 (2) The notice and certification with respect to
18 the transfer of responsibility for the Patriot Ad-
19 vanced Capability (PAC-3) missile program from
20 the Director to the Secretary of the Army required
21 by section 224(c) of such title.

1 **SEC. 232. RESPONSIBILITY OF MISSILE DEFENSE AGENCY**
2 **FOR RESEARCH, DEVELOPMENT, TEST, AND**
3 **EVALUATION RELATED TO SYSTEM IMPROVE-**
4 **MENTS OF PROGRAMS TRANSFERRED TO**
5 **MILITARY DEPARTMENTS.**

6 Section 224(e) of title 10, United States Code, is
7 amended—

8 (1) by striking “before a” and inserting “for
9 each”;

10 (2) by striking “is”; and

11 (3) by striking “roles and responsibilities” and
12 all that follows through the period at the end and
13 inserting “responsibility for research, development,
14 test, and evaluation related to system improvements
15 for that program remains with the Director.”.

16 **SEC. 233. AMENDMENTS TO REFLECT CHANGE IN NAME OF**
17 **BALLISTIC MISSILE DEFENSE ORGANIZATION**
18 **TO MISSILE DEFENSE AGENCY.**

19 (a) TITLE 10, UNITED STATES CODE.—Title 10,
20 United States Code, is amended as follows:

21 (1) Sections 203, 223, and 224 are each
22 amended by striking “Ballistic Missile Defense Or-
23 ganization” each place it appears and inserting
24 “Missile Defense Agency”.

25 (2)(A) The heading of section 203 is amended
26 to read as follows:

1 **“§ 203. Director of Missile Defense Agency”.**

2 (B) The item relating to such section in the
3 table of sections at the beginning of subchapter II
4 of chapter 8 is amended to read as follows:

“203. Director of Missile Defense Agency.”.

5 (b) PUBLIC LAW 107–107.—(1) Section 232 of the
6 National Defense Authorization Act for Fiscal Year 2002
7 (Public Law 107–107; 10 U.S.C. 2431 note) is amended
8 by striking “Ballistic Missile Defense Organization” each
9 place it appears and inserting “Missile Defense Agency”.

10 (2) The heading for such section is amended to read
11 as follows:

12 **“SEC. 232. PROGRAM ELEMENTS FOR MISSILE DEFENSE**
13 **AGENCY.”.**

14 (c) PUBLIC LAW 106–398.—(1) Section 3132 of the
15 Floyd D. Spence National Defense Authorization Act for
16 Fiscal Year 2001 (as enacted into law by Public Law 106–
17 398; 10 U.S.C. 2431 note) is amended by striking “Bal-
18 listic Missile Defense Organization” each place it appears
19 and inserting “Missile Defense Agency”.

20 (2) Such section is further amended in subsection (c)
21 by striking “BMDO” and inserting “MDA”.

22 (3) The section heading for such section is amended
23 to read as follows:

1 **“SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL**
2 **NUCLEAR SECURITY ADMINISTRATION AND**
3 **MISSILE DEFENSE AGENCY.”.**

4 (d) OTHER LAWS.—The following provisions are each
5 amended by striking “Ballistic Missile Defense Organiza-
6 tion” each place it appears and inserting “Missile Defense
7 Agency”:

8 (1) Section 233 of the National Defense Au-
9 thorization Act for Fiscal Year 1998 (Public Law
10 105–85; 10 U.S.C. 223 note).

11 (2) Section 234 of the National Defense Au-
12 thorization Act for Fiscal Year 1996 (Public Law
13 104–106; 10 U.S.C. 2431 note).

14 (3) Sections 235 (10 U.S.C. 2431 note) and
15 243 (10 U.S.C. 2431 note) of the National Defense
16 Authorization Act for Fiscal Year 1994 (Public Law
17 103–160).

18 **TITLE III—OPERATION AND**
19 **MAINTENANCE**

20 **Subtitle A—Authorization of**
21 **Appropriations**

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

23 Funds are hereby authorized to be appropriated for
24 fiscal year 2003 for the use of the Armed Forces and other
25 activities and agencies of the Department of Defense for

1 expenses, not otherwise provided for, for operation and
2 maintenance, in amounts as follows:

3 (1) For the Army, \$24,159,733,000.

4 (2) For the Navy, \$29,428,876,000.

5 (3) For the Marine Corps, \$3,588,512,000.

6 (4) For the Air Force, \$27,299,404,000.

7 (5) For Defense-wide activities,
8 \$14,370,037,000.

9 (6) For the Army Reserve, \$1,918,110,000.

10 (7) For the Naval Reserve, \$1,233,759,000.

11 (8) For the Marine Corps Reserve,
12 \$185,532,000.

13 (9) For the Air Force Reserve, \$2,194,719,000.

14 (10) For the Army National Guard,
15 \$4,300,767,000.

16 (11) For the Air National Guard,
17 \$4,077,845,000.

18 (12) For the Defense Inspector General,
19 \$155,165,000.

20 (13) For the United States Court of Appeals
21 for the Armed Forces, \$9,614,000.

22 (14) For Environmental Restoration, Army,
23 \$395,900,000.

24 (15) For Environmental Restoration, Navy,
25 \$256,948,000.

1 (16) For Environmental Restoration, Air Force,
2 \$389,773,000.

3 (17) For Environmental Restoration, Defense-
4 wide, \$23,498,000.

5 (18) For Environmental Restoration, Formerly
6 Used Defense Sites, \$212,102,000.

7 (19) For Overseas Humanitarian, Disaster, and
8 Civic Aid programs, \$58,400,000.

9 (20) For Drug Interdiction and Counter-drug
10 Activities, Defense-wide, \$848,907,000.

11 (21) For the Kaho'olawe Island Conveyance,
12 Remediation, and Environmental Restoration Trust
13 Fund, \$25,000,000.

14 (22) For Defense Health Program,
15 \$14,242,541,000.

16 (23) For Cooperative Threat Reduction pro-
17 grams, \$416,700,000.

18 (24) For Support for International Sporting
19 Competitions, Defense, \$19,000,000.

20 **SEC. 302. WORKING CAPITAL FUNDS.**

21 Funds are hereby authorized to be appropriated for
22 fiscal year 2003 for the use of the Armed Forces and other
23 activities and agencies of the Department of Defense for
24 providing capital for working capital and revolving funds
25 in amounts as follows:

1 (1) For the Defense Working Capital Funds,
2 \$1,504,956,000.

3 (2) For the National Defense Sealift Fund,
4 \$934,129,000.

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

6 There is hereby authorized to be appropriated for fis-
7 cal year 2003 from the Armed Forces Retirement Home
8 Trust Fund the sum of \$69,921,000 for the operation of
9 the Armed Forces Retirement Home.

10 **Subtitle B—Environmental**
11 **Provisions**

12 **SEC. 311. INCIDENTAL TAKING OF MIGRATORY BIRDS DUR-**
13 **ING MILITARY READINESS ACTIVITY.**

14 Section 3 of the Migratory Bird Treaty Act (16
15 U.S.C. 704) is amended by adding at the end the following
16 new subsection:

17 “(c)(1) Section 2 shall not apply to the incidental tak-
18 ing of a migratory bird by a member of the Armed Forces
19 during a military readiness activity authorized by the Sec-
20 retary of Defense or the Secretary of the military depart-
21 ment concerned.

22 “(2)(A) In this subsection, the term ‘military readi-
23 ness activity’ includes—

24 “(i) all training and operations of the Armed
25 Forces that relate to combat; and

1 “(ii) the adequate and realistic testing of mili-
2 tary equipment, vehicles, weapons, and sensors for
3 proper operation and suitability for combat use.

4 “(B) The term does not include—

5 “(i) the routine operation of installation oper-
6 ating support functions, such as administrative of-
7 fices, military exchanges, commissaries, water treat-
8 ment facilities, storage facilities, schools, housing,
9 motor pools, laundries, morale, welfare, and recre-
10 ation activities, shops, and mess halls;

11 “(ii) the operation of industrial activities; or

12 “(iii) the construction or demolition of facilities
13 used for a purpose described in clause (i) or (ii).”.

14 **SEC. 312. MILITARY READINESS AND THE CONSERVATION**
15 **OF PROTECTED SPECIES.**

16 (a) **LIMITATION ON DESIGNATION OF CRITICAL**
17 **HABITAT.**—Section 4(a)(3) of the Endangered Species
18 Act of 1973 (16 U.S.C. 1533(a)(3)) is amended—

19 (1) by redesignating subparagraphs (A) and
20 (B) as clauses (i) and (ii), respectively;

21 (2) by inserting “(A)” after “(3)”; and

22 (3) by adding at the end the following:

23 “(B)(i) The Secretary may not designate as critical
24 habitat any lands or other geographical areas owned or
25 controlled by the Department of Defense, or designated

1 for its use, that are subject to an integrated natural re-
2 sources management plan prepared under section 101 of
3 the Sikes Act (16 U.S.C. 670a), if the Secretary deter-
4 mines that such plan addresses special management con-
5 siderations or protection (as those terms are used in sec-
6 tion 3(5)(A)(i)).

7 “(ii) Nothing in this subparagraph affects the re-
8 quirement to consult under section 7(a)(2) with respect
9 to an agency action (as that term is defined in that sec-
10 tion).

11 “(iii) Nothing in this subparagraph affects the obliga-
12 tion of the Department of Defense to comply with section
13 9 of the Endangered Species Act of 1973, including the
14 prohibition preventing extinction and taking of endan-
15 gered species and threatened species.”.

16 (b) CONSIDERATION OF EFFECTS OF DESIGNATION
17 OF CRITICAL HABITAT.—Section 4(b)(2) of the Endan-
18 gered Species Act of 1973 (16 U.S.C. 1533(b)(2)) is
19 amended by inserting “the impact on national security,”
20 after “the economic impact,”.

1 **SEC. 313. SINGLE POINT OF CONTACT FOR POLICY AND**
2 **BUDGETING ISSUES REGARDING**
3 **UNEXPLODED ORDNANCE, DISCARDED MILI-**
4 **TARY MUNITIONS, AND MUNITIONS CON-**
5 **STITUENTS.**

6 Section 2701 of title 10, United States Code, is
7 amended by adding at the end the following new sub-
8 section:

9 “(k) UXO PROGRAM MANAGER.—(1) The Secretary
10 of Defense shall establish a program manager who shall
11 serve as the single point of contact in the Department of
12 Defense for policy and budgeting issues involving the char-
13 acterization, remediation, and management of explosive
14 and related risks with respect to unexploded ordnance, dis-
15 carded military munitions, and munitions constituents at
16 defense sites (as such terms are defined in section 2710
17 of this title) that pose a threat to human health or safety.

18 “(2) The Secretary of Defense may delegate this au-
19 thority to the Secretary of a military department, who may
20 delegate the authority to the Under Secretary of that mili-
21 tary department. The authority may not be further dele-
22 gated.

23 “(3) The program manager may establish an inde-
24 pendent advisory and review panel that may include rep-
25 resentatives of the National Academy of Sciences, non-
26 governmental organizations with expertise regarding

1 unexploded ordnance, discarded military munitions, or
2 munitions constituents, the Environmental Protection
3 Agency, States (as defined in section 2710 of this title),
4 and tribal governments. If established, the panel would re-
5 port annually to Congress on progress made by the De-
6 partment of Defense to address unexploded ordnance, dis-
7 carded military munitions, or munitions constituents at
8 defense sites and make such recommendations as the
9 panel considered appropriate.”.

10 **Subtitle C—Commissaries and Non-**
11 **appropriated Fund Instrumen-**
12 **talities**

13 **SEC. 321. AUTHORITY FOR EACH MILITARY DEPARTMENT**
14 **TO PROVIDE BASE OPERATING SUPPORT TO**
15 **FISHER HOUSES.**

16 Section 2493(f) of title 10, United States Code, is
17 amended to read as follows:

18 “(f) BASE OPERATING SUPPORT.—The Secretary of
19 a military department may provide base operating support
20 for Fisher Houses associated with health care facilities of
21 that military department.”.

1 **SEC. 322. USE OF COMMISSARY STORES AND MWR RETAIL**
2 **FACILITIES BY MEMBERS OF NATIONAL**
3 **GUARD SERVING IN NATIONAL EMERGENCY.**

4 (a) ADDITIONAL BASIS FOR AUTHORIZED USE.—
5 Section 1063a of title 10, United States Code, is
6 amended—

7 (1) in subsection (a), by inserting “or national
8 emergency” after “federally declared disaster”; and

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

11 “(3) NATIONAL EMERGENCY.—The term ‘na-
12 tional emergency’ means a national emergency de-
13 clared by the President or Congress.”.

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

16 **“§ 1063a. Use of commissary stores and MWR retail**
17 **facilities: members of National Guard**
18 **servicing in federally declared disaster or**
19 **national emergency”.**

20 (2) The table of sections at the beginning of chapter
21 54 of such title is amended by striking the item relating
22 to section 1063a and inserting the following new item:

“1063a. Use of commissary stores and MWR retail facilities: members of Na-
tional Guard servicing in federally declared disaster or national
emergency.”.

1 **SEC. 323. UNIFORM FUNDING AND MANAGEMENT OF MO-**
2 **RALE, WELFARE, AND RECREATION PRO-**
3 **GRAMS.**

4 (a) IN GENERAL.—Chapter 147 of title 10, United
5 States Code, is amended by adding at the end the fol-
6 lowing new section:

7 **“§ 2494. Uniform funding and management of morale,**
8 **welfare, and recreation programs**

9 “(a) AUTHORITY FOR UNIFORM FUNDING AND MAN-
10 AGEMENT.—Under regulations prescribed by the Sec-
11 retary of Defense, funds appropriated to the Department
12 of Defense and available for morale, welfare, and recre-
13 ation programs may be treated as nonappropriated funds
14 and expended in accordance with laws applicable to the
15 expenditures of nonappropriated funds. When made avail-
16 able for morale, welfare, and recreation programs under
17 such regulations, appropriated funds shall be considered
18 to be nonappropriated funds for all purposes and shall re-
19 main available until expended.

20 “(b) CONDITIONS ON AVAILABILITY.—Funds appro-
21 priated to the Department of Defense may be made avail-
22 able to support a morale, welfare, or recreation program
23 only if the program is authorized to receive appropriated
24 fund support and only in the amounts the program is au-
25 thorized to receive.

1 “(c) CONVERSION OF EMPLOYMENT POSITIONS.—(1)

2 The Secretary of Defense may identify positions of em-
3 ployees in morale, welfare, and recreation programs within
4 the Department of Defense who are paid with appro-
5 priated funds whose status may be converted from the sta-
6 tus of an employee paid with appropriated funds to the
7 status of an employee of a nonappropriated fund instru-
8 mentality.

9 “(2) The status of an employee in a position identi-
10 fied by the Secretary under paragraph (1) may, with the
11 consent of the employee, be converted to the status of an
12 employee of a nonappropriated fund instrumentality. An
13 employee who does not consent to the conversion may not
14 be removed from the position because of the failure to pro-
15 vide such consent.

16 “(3) The conversion of an employee from the status
17 of an employee paid by appropriated funds to the status
18 of an employee of a nonappropriated fund instrumentality
19 shall be without a break in service for the concerned em-
20 ployee. The conversion shall not entitle an employee to sev-
21 erance pay, back pay or separation pay under subchapter
22 IX of chapter 55 of title 5, or be considered an involuntary
23 separation or other adverse personnel action entitling an
24 employee to any right or benefit under such title or any
25 other provision of law or regulation.

1 “(4) In this subsection, the term ‘an employee of a
2 nonappropriated fund instrumentality’ means an employee
3 described in section 2105(c) of title 5.”.

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

“2494. Uniform funding and management of morale, welfare, and recreation
programs.”.

7 **Subtitle D—Workplace and Depot**
8 **Issues**

9 **SEC. 331. NOTIFICATION REQUIREMENTS IN CONNECTION**
10 **WITH REQUIRED STUDIES FOR CONVERSION**
11 **OF COMMERCIAL OR INDUSTRIAL TYPE**
12 **FUNCTIONS TO CONTRACTOR PERFORM-**
13 **ANCE.**

14 Subsection (c) of section 2461 of title 10, United
15 States Code, is amended to read as follows:

16 “(c) SUBMISSION OF ANALYSIS RESULTS.—(1) Upon
17 the completion of an analysis of a commercial or industrial
18 type function described in subsection (a) for possible
19 change to performance by the private sector, the Secretary
20 of Defense shall submit to Congress a report containing
21 the results of the analysis, including the results of the ex-
22 aminations required by subsection (b)(3).

23 “(2) The report shall also contain the following:

1 “(A) The date when the analysis of the function
2 was commenced.

3 “(B) The Secretary’s certification that the Gov-
4 ernment calculation of the cost of performance of
5 the function by Department of Defense civilian em-
6 ployees is based on an estimate of the most cost ef-
7 fective manner for performance of the function by
8 Department of Defense civilian employees.

9 “(C) The number of Department of Defense ci-
10 vilian employees who were performing the function
11 when the analysis was commenced and the number
12 of such employees whose employment was or will be
13 terminated or otherwise affected by changing to per-
14 formance of the function by the private sector or by
15 implementation of the most efficient organization of
16 the function.

17 “(D) The Secretary’s certification that the fac-
18 tors considered in the examinations performed under
19 subsection (b)(3), and in the making of the decision
20 regarding changing to performance of the function
21 by the private sector or retaining performance in the
22 most efficient organization of the function, did not
23 include any predetermined personnel constraint or
24 limitation in terms of man years, end strength, full-

1 time equivalent positions, or maximum number of
2 employees.

3 “(E) A statement of the potential economic ef-
4 fect of implementing the decision regarding changing
5 to performance of the function by the private sector
6 or retaining performance in the most efficient orga-
7 nization of the function on each affected local com-
8 munity, as determined in the examination under
9 subsection (b)(3)(B)(ii).

10 “(F) A schedule for completing the change to
11 performance of the function by the private sector or
12 implementing the most efficient organization of the
13 function.

14 “(G) In the case of a commercial or industrial
15 type function performed at a Center of Industrial
16 and Technical Excellence designated under section
17 2474(a) of this title or an Army ammunition plant,
18 a description of the effect that the manner of per-
19 formance of the function, and administration of the
20 resulting contract if any, will have on the overhead
21 costs of the center or ammunition plant, as the case
22 may be.

23 “(H) The Secretary’s certification that the en-
24 tire analysis is available for examination.

1 “(3)(A) If a decision is made to change the commer-
2 cial or industrial type function that was the subject of the
3 analysis to performance by the private sector, the change
4 of the function to contractor performance may not begin
5 until after the submission of the report required by para-
6 graph (1).

7 “(B) Notwithstanding subparagraph (A), in the case
8 of a commercial or industrial type function performed at
9 a Center of Industrial and Technical Excellence des-
10 igned under section 2474(a) of this title or an Army am-
11 munition plant, the change of the function to contractor
12 performance may not begin until at least 60 days after
13 the submission of the report.”.

14 **SEC. 332. WAIVER AUTHORITY REGARDING PROHIBITION**
15 **ON CONTRACTS FOR PERFORMANCE OF SE-**
16 **CURITY-GUARD FUNCTIONS.**

17 Section 2465 of title 10, United States Code, is
18 amended by adding at the end the following new sub-
19 section:

20 “(c) The Secretary of Defense or the Secretary of a
21 military department may waive the prohibition under sub-
22 section (a) regarding contracting for the performance of
23 security-guard functions at a military installation or facil-
24 ity under the jurisdiction of the Secretary if such
25 functions—

1 “(1) are or will be performed by members of
2 the armed forces in the absence of a waiver; or

3 “(2) were not performed at the installation or
4 facility before September 11, 2001.”.

5 **SEC. 333. EXCLUSION OF CERTAIN EXPENDITURES FROM**
6 **PERCENTAGE LIMITATION ON CONTRACTING**
7 **FOR PERFORMANCE OF DEPOT-LEVEL MAIN-**
8 **TENANCE AND REPAIR WORKLOADS.**

9 Section 2474(f)(2) of title 10, United States Code,
10 is amended by striking “for fiscal years 2002 through
11 2005”.

12 **SEC. 334. REPEAL OF OBSOLETE PROVISION REGARDING**
13 **DEPOT-LEVEL MAINTENANCE AND REPAIR**
14 **WORKLOADS THAT WERE PERFORMED AT**
15 **CLOSED OR REALIGNED MILITARY INSTALLA-**
16 **TIONS.**

17 (a) REPEAL.—Section 2469a of title 10, United
18 States Code, is repealed.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of chapter 146 of such title is amended
21 by striking the item relating to section 2469a.

22 **SEC. 335. CLARIFICATION OF REQUIRED CORE LOGISTICS**
23 **CAPABILITIES.**

24 Section 2464(a)(3) of title 10, United States Code,
25 is amended by striking “those capabilities that are nec-

1 essary to maintain and repair the weapon systems” and
2 inserting “those logistics capabilities (including acquisi-
3 tion logistics, supply management, system engineering,
4 maintenance, and modification management) that are nec-
5 essary to sustain the weapon systems”.

6 **Subtitle E—Defense Dependents**
7 **Education**

8 **SEC. 341. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**
9 **THAT BENEFIT DEPENDENTS OF MEMBERS**
10 **OF THE ARMED FORCES AND DEPARTMENT**
11 **OF DEFENSE CIVILIAN EMPLOYEES.**

12 (a) CONTINUATION OF DEPARTMENT OF DEFENSE
13 PROGRAM FOR FISCAL YEAR 2003.—Of the amount au-
14 thorized to be appropriated pursuant to section 301(5) for
15 operation and maintenance for Defense-wide activities,
16 \$35,000,000 shall be available only for the purpose of pro-
17 viding educational agencies assistance to local educational
18 agencies.

19 (b) NOTIFICATION.—Not later than June 30, 2003,
20 the Secretary of Defense shall notify each local edu-
21 cational agency that is eligible for educational agencies as-
22 sistance for fiscal year 2003 of—

23 (1) that agency’s eligibility for the assistance;
24 and

1 (2) the amount of the assistance for which that
2 agency is eligible.

3 (c) DISBURSEMENT OF FUNDS.—The Secretary of
4 Defense shall disburse funds made available under sub-
5 section (a) not later than 30 days after the date on which
6 notification to the eligible local educational agencies is
7 provided pursuant to subsection (b).

8 (d) DEFINITIONS.—In this section:

9 (1) The term “educational agencies assistance”
10 means assistance authorized under section 386(b) of
11 the National Defense Authorization Act for Fiscal
12 Year 1993 (Public Law 102–484; 20 U.S.C. 7703
13 note).

14 (2) The term “local educational agency” has
15 the meaning given that term in section 8013(9) of
16 the Elementary and Secondary Education Act of
17 1965 (20 U.S.C. 7713(9)).

18 **SEC. 342. AVAILABILITY OF QUARTERS ALLOWANCE FOR**
19 **UNACCOMPANIED DEFENSE DEPARTMENT**
20 **TEACHER REQUIRED TO RESIDE ON OVER-**
21 **SEAS MILITARY INSTALLATION.**

22 (a) AUTHORITY TO PROVIDE ALLOWANCE.—Sub-
23 section (b) of section 7 of the Defense Department Over-
24 seas Teachers Pay and Personnel Practices Act (20
25 U.S.C. 905) is amended by adding at the end the following

1 new sentence: “If the teacher is unaccompanied by de-
2 pendants and is required to reside on a United States mili-
3 tary installation in an overseas area, the teacher may re-
4 ceive a quarters allowance to reside in excess family hous-
5 ing at the installation notwithstanding the availability sin-
6 gle room housing at the installation.”.

7 (b) TECHNICAL CORRECTION TO REFLECT CODI-
8 FICATION.—Such section is further amended by striking
9 “the Act of June 26, 1930 (5 U.S.C. 118a)” both places
10 it appears and inserting “section 5912 of title 5, United
11 States Code”.

12 **SEC. 343. PROVISION OF SUMMER SCHOOL PROGRAMS FOR**
13 **STUDENTS WHO ATTEND DEFENSE DEPEND-**
14 **ENTS’ EDUCATION SYSTEM.**

15 Section 1402(d) of the Defense Dependents’ Edu-
16 cation Act of 1978 (20 U.S.C. 921(d)) is amended by
17 striking paragraph (2) and inserting the following new
18 paragraph (2):

19 “(2) Individuals eligible to receive a free public edu-
20 cation under subsection (a) may enroll without charge in
21 a summer school program offered under this subsection.
22 Students who are required under section 1404 to pay tui-
23 tion to enroll in a school of the defense dependents’ edu-
24 cation system shall also be charged a fee, at a rate estab-

1 lished by the Secretary, to attend a course offered as part
 2 of the summer school program.”.

3 **Subtitle F—Information** 4 **Technology**

5 **SEC. 351. AUTHORIZED DURATION OF BASE CONTRACT FOR** 6 **NAVY-MARINE CORPS INTRANET.**

7 Section 814 of the Floyd D. Spence National Defense
 8 Authorization Act for Fiscal Year 2001, as enacted into
 9 law by Public Law 106–398 (114 Stat. 1654A–215) and
 10 amended by section 362 of Public Law 107–107 (115
 11 Stat. 1065), is amended—

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

14 (2) by inserting after subsection (h) the fol-
 15 lowing new subsection (i):

16 “(i) DURATION OF BASE NAVY-MARINE CORPS
 17 INTRANET CONTRACT.—Notwithstanding section 2306c of
 18 title 10, United States Code, the base contract of the
 19 Navy-Marine Corps Intranet contract may have a term in
 20 excess of five years, but not more than seven years.”.

21 **SEC. 352. ANNUAL SUBMISSION OF INFORMATION ON NA-** 22 **TIONAL SECURITY AND INFORMATION TECH-** 23 **NOLOGY CAPITAL ASSETS.**

24 (a) REQUIREMENT TO SUBMIT INFORMATION.—Not
 25 later than the date that the President submits the budget

1 of the United States Government to Congress each year,
2 the Secretary of Defense shall submit to Congress a de-
3 scription of, and relevant budget information on, each in-
4 formation technology and national security capital asset
5 of the Department of Defense that—

6 (1) has an estimated life cycle cost (as com-
7 puted in fiscal year 2003 constant dollars), in excess
8 of \$120,000,000; and

9 (2) has a cost for the fiscal year in which the
10 description is submitted (as computed in fiscal year
11 2003 constant dollars) in excess of \$30,000,000.

12 (b) INFORMATION TO BE INCLUDED.—The descrip-
13 tion submitted under subsection (a) shall include, with re-
14 spect to each such capital asset and national security
15 system—

16 (1) the name and identifying acronym;

17 (2) the date of initiation;

18 (3) a summary of performance measurements
19 and metrics;

20 (4) the total amount of funds, by appropriation
21 account, appropriated and obligated for prior fiscal
22 years, with a specific breakout of such information
23 for the two preceding fiscal years;

24 (5) the funds, by appropriation account, re-
25 quested for that fiscal year;

1 (6) each prime contractor and the work to be
2 performed;

3 (7) a description of program management and
4 management oversight;

5 (8) the original baseline cost and most current
6 baseline information; and

7 (9) a description of compliance with the provi-
8 sions enacted in the Government Performance Re-
9 sults Act of 1993 (Public Law 103–62; 107 Stat.
10 285) and the Clinger–Cohen Act of 1996 (division D
11 of Public Law 104–106; 110 Stat. 642).

12 (c) **ADDITIONAL INFORMATION TO BE INCLUDED**
13 **FOR CERTAIN SYSTEMS.**—(1) For each information tech-
14 nology and national security system of the Department of
15 Defense that has a cost for the fiscal year in excess of
16 \$2,000,000, the Secretary shall identify that system by
17 name, function, and total funds requested for the system.

18 (2) For each information technology and national se-
19 curity system of the Department of Defense that has a
20 cost for the fiscal year in excess of \$10,000,000, the Sec-
21 retary shall identify that system by name, function, and
22 total funds requested (by appropriation account) for that
23 fiscal year, the funds appropriated for the preceding fiscal
24 year, and the funds estimated to be requested for the next
25 fiscal year.

1 (d) DEFINITIONS.—In this section:

2 (1) The term “information technology” has the
3 meaning given that term in section 5002 of the
4 Clinger–Cohen Act of 1996 (40 U.S.C. 1401(3)).

5 (2) The term “capital asset” has the meaning
6 given that term in Office of Management and Budget
7 Circular A–11.

8 (3) The term “national security system” has
9 the meaning given that term in section 5142 of the
10 Clinger–Cohen Act of 1996 (40 U.S.C. 1452).

11 **SEC. 353. IMPLEMENTATION OF POLICY REGARDING CER-**
12 **TAIN COMMERCIAL OFF-THE-SHELF INFOR-**
13 **MATION TECHNOLOGY PRODUCTS.**

14 The Secretary of Defense shall ensure that—

15 (1) the Department of Defense implements the
16 policy established by the Committee on National Se-
17 curity Systems (formerly the National Security Tele-
18 communications and Information Systems Security
19 Committee) that limits the acquisition by the Fed-
20 eral Government of all commercial off-the-shelf in-
21 formation assurance and information assurance-en-
22 abled information technology products to those prod-
23 ucts that have been evaluated and validated in ac-
24 cordance with appropriate criteria, schemes, or pro-
25 grams; and

1 (2) implementation of such policy includes uni-
2 form enforcement procedures.

3 **SEC. 354. INSTALLATION AND CONNECTION POLICY AND**
4 **PROCEDURES REGARDING DEFENSE SWITCH**
5 **NETWORK.**

6 (a) ESTABLISHMENT OF POLICY AND PROCE-
7 DURES.—Not later than 180 days after the date of the
8 enactment of this Act, the Secretary of Defense shall es-
9 tablish clear and uniform policy and procedures, applicable
10 to the military departments and Defense Agencies, regard-
11 ing the installation and connection of telecom switches to
12 the Defense Switch Network.

13 (b) ELEMENTS OF POLICY AND PROCEDURES.—The
14 policy and procedures shall address at a minimum the fol-
15 lowing:

16 (1) Clear interoperability and compatibility re-
17 quirements for certifying, installing, and connecting
18 telecom switches to the Defense Switch Network.

19 (2) Current, complete, and enforceable testing,
20 validation, and certification procedures needed to en-
21 sure the interoperability and compatibility require-
22 ments are satisfied.

23 (c) EXCEPTIONS.—(1) The Secretary of Defense may
24 specify certain circumstances in which—

1 (A) the requirements for testing, validation, and
2 certification of telecom switches may be waived; or

3 (B) interim authority for the installation and
4 connection of telecom switches to the Defense Switch
5 Network may be granted.

6 (2) Only the Assistant Secretary of Defense for Com-
7 mand, Control, Communications, and Intelligence, after
8 consultation with the Chairman of the Joint Chiefs of
9 Staff, may approve a waiver or grant of interim authority
10 under paragraph (1).

11 (d) INVENTORY OF DEFENSE SWITCH NETWORK.—
12 The Secretary of Defense shall prepare and maintain an
13 inventory of all telecom switches that, as of the date on
14 which the Secretary issues the policy and procedures—

15 (1) are installed or connected to the Defense
16 Switch Network; but

17 (2) have not been tested, validated, and cer-
18 tified by the Defense Information Systems Agency
19 (Joint Interoperability Test Center).

20 (e) TELECOM SWITCH DEFINED.—In this section,
21 the term “telecom switch” means hardware or software
22 designed to send and receive voice, data, and video signals
23 across a network.

1 **Subtitle G—Other Matters**

2 **SEC. 361. DISTRIBUTION OF MONTHLY REPORTS ON ALLO-** 3 **CATION OF FUNDS WITHIN OPERATION AND** 4 **MAINTENANCE BUDGET SUBACTIVITIES.**

5 (a) DESIGNATION OF RECIPIENTS.—Subsection (a)
6 of section 228 of title 10, United States Code, is amended
7 by striking “to Congress” and inserting “to the congres-
8 sional defense committees”.

9 (b) CONGRESSIONAL DEFENSE COMMITTEES DE-
10 FINED.—Subsection (e) of such section is amended—

11 (1) by striking “(e) O&M BUDGET ACTIVITY
12 DEFINED.—For purposes of this section, the” and
13 inserting the following:

14 “(e) DEFINITIONS.—In this section:

15 “(1) The”; and

16 (2) by adding at the end the following:

17 “(2) The term ‘congressional defense commit-
18 tees’ means the Committee on Armed Services and
19 the Committee on Appropriations of the Senate and
20 the Committee on Armed Services and the Com-
21 mittee on Appropriations of the House of Represent-
22 atives.”.

1 **SEC. 362. MINIMUM DEDUCTION FROM PAY OF CERTAIN**
2 **MEMBERS OF THE ARMED FORCES TO SUP-**
3 **PORT ARMED FORCES RETIREMENT HOME.**

4 Section 1007(i) of title 37, United States Code, is
5 amended—

6 (1) in paragraph (1), by striking “an amount
7 (determined under paragraph (3)) not to exceed
8 \$1.00.” and inserting “an amount equal to \$1.00
9 and such additional amount as may be determined
10 under paragraph (3).”; and

11 (2) in paragraph (3)—

12 (A) by striking “the amount” in the first
13 sentence and inserting “the additional amount”;
14 and

15 (B) by striking “The amount” in the sec-
16 ond sentence and inserting “The additional
17 amount”.

18 **SEC. 363. CONDITION ON CONVERSION OF DEFENSE SECU-**
19 **RITY SERVICE TO A WORKING CAPITAL**
20 **FUNDED ENTITY.**

21 The Secretary of Defense may not convert the De-
22 fense Security Service to a working capital funded entity
23 of the Department of Defense unless the Secretary sub-
24 mits, in advance, to the Committee on Armed Services of
25 the House of Representatives and the Committee on
26 Armed Services of the Senate a certification that the De-

1 fense Security Service has the financial systems in place
2 to fully support operation of the Defense Security Service
3 as a working capital funded entity under section 2208 of
4 title 10, United States Code.

5 **SEC. 364. CONTINUATION OF ARSENAL SUPPORT PROGRAM**
6 **INITIATIVE.**

7 (a) EXTENSION THROUGH FISCAL YEAR 2004.—
8 Subsection (a) of section 343 of the Floyd D. Spence Na-
9 tional Defense Authorization Act for Fiscal Year 2001 (as
10 enacted into law by Public Law 106–398; 114 Stat.
11 1654A–65) is amended by striking “and 2002” and in-
12 serting “through 2004”.

13 (b) REPORTING REQUIREMENTS.—Subsection (g) of
14 such section is amended—

15 (1) in paragraph (1), by striking “2002” and
16 inserting “2004”; and

17 (2) in paragraph (2), by striking the first sen-
18 tence and inserting the following new sentence: “Not
19 later than July 1, 2003, the Secretary of the Army
20 shall submit to the congressional defense committees
21 a report on the results of the demonstration pro-
22 gram since its implementation, including the Sec-
23 retary’s views regarding the benefits of the program
24 for Army manufacturing arsenals and the Depart-
25 ment of the Army and the success of the program

1 in achieving the purposes specified in subsection
2 (b).”.

3 **SEC. 365. TRAINING RANGE SUSTAINMENT PLAN, GLOBAL**
4 **STATUS OF RESOURCES AND TRAINING SYS-**
5 **TEM, AND TRAINING RANGE INVENTORY.**

6 (a) PLAN REQUIRED.—(1) The Secretary of Defense
7 shall develop a comprehensive plan for using existing au-
8 thorities available to the Secretary of Defense and the Sec-
9 retaries of the military departments to address problems
10 created by limitations on the use of military lands, marine
11 areas, and airspace reserved, withdrawn, or designated for
12 training and testing activities by, for, or on behalf of the
13 Armed Forces.

14 (2) The plan shall include the following:

15 (A) Goals and milestones for tracking planned
16 actions and measuring progress.

17 (B) Projected funding requirements for imple-
18 menting planned actions.

19 (C) Designation of an office in the Office of the
20 Secretary of Defense and each of the military de-
21 partments that will have lead responsibility for over-
22 seeing implementation of the plan.

23 (3) The Secretary of Defense shall submit the plan
24 to Congress at the same time as the President submits
25 the budget for fiscal year 2004 and shall submit an annual

1 report to Congress describing the progress made in imple-
2 menting the plan and any additional encroachment prob-
3 lems.

4 (b) READINESS REPORTING IMPROVEMENT.—Not
5 later than June 30, 2003, the Secretary of Defense, using
6 existing measures within the authority of the Secretary,
7 shall submit to Congress a report on the plans of the De-
8 partment of Defense to improve the Global Status of Re-
9 sources and Training System—

10 (1) to better reflect the increasing challenges
11 units of the Armed Forces must overcome to achieve
12 training requirements; and

13 (2) to quantify the extent to which encroach-
14 ment and other individual factors are making mili-
15 tary lands, marine areas, and airspace less available
16 to support unit accomplishment of training plans
17 and readiness goals.

18 (c) TRAINING RANGE INVENTORY.—The Secretary of
19 Defense shall develop and maintain a training range data
20 bank for each of the Armed Forces—

21 (1) to identify all available operational training
22 ranges;

23 (2) to identify all training capacities and capa-
24 bilities available at each training range;

1 “(i) ELIGIBILITY.—For any fiscal
2 year beginning with fiscal year 2003, a
3 heavily impacted local educational agency
4 that received a basic support payment
5 under subparagraph (A) for the prior fiscal
6 year, but is ineligible for such payment for
7 the current fiscal year under subparagraph
8 (B) or (C), as the case may be, by reason
9 of the conversion of military housing units
10 to private housing described in clause (iii),
11 shall be deemed to meet the eligibility re-
12 quirements under subparagraph (B) or
13 (C), as the case may be, for the period
14 during which the housing units are under-
15 going such conversion.

16 “(ii) AMOUNT OF PAYMENT.—The
17 amount of a payment to a heavily impacted
18 local educational agency for a fiscal year
19 by reason of the application of clause (i),
20 and calculated in accordance with subpara-
21 graph (D) or (E) (as the case may be),
22 shall be based on the number of children
23 in average daily attendance in the schools
24 of such agency for the fiscal year.

1 “(iii) CONVERSION OF MILITARY
2 HOUSING UNITS TO PRIVATE HOUSING DE-
3 SCRIBED.—For purposes of clause (i),
4 ‘conversion of military housing units to
5 private housing’ means the conversion of
6 military housing units to private housing
7 units pursuant to subchapter IV of chapter
8 169 of title 10, United States Code, or
9 pursuant to any other related provision of
10 law.”.

11 (b) EXCLUSION OF CERTAIN MILITARY BASIC AL-
12 LOWANCES FOR HOUSING FOR DETERMINATION OF ELI-
13 GIBILITY FOR FREE AND REDUCED PRICE MEALS.—Sec-
14 tion 9(b)(3) of the Richard B. Russell National School
15 Lunch Act (42 U.S.C. 1758(b)(3)) is amended by adding
16 at the end the following: “For the one-year period begin-
17 ning on the date of the enactment of this sentence, the
18 amount of a basic allowance provided under section 403
19 of title 37, United States Code, on behalf of an individual
20 who is a member of the uniformed services for housing
21 that is acquired or constructed under the authority of sub-
22 chapter IV of chapter 169 of title 10, United States Code,
23 or any other related provision of law, shall not be consid-
24 ered to be income for purposes of determining the eligi-

1 bility of a child of the individual for free or reduced price
2 lunches under this Act.”.

3 **TITLE IV—MILITARY**
4 **PERSONNEL AUTHORIZATIONS**
5 **Subtitle A—Active Forces**

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

7 The Armed Forces are authorized strengths for active
8 duty personnel as of September 30, 2003, as follows:

- 9 (1) The Army, 484,800.
10 (2) The Navy, 379,457.
11 (3) The Marine Corps, 175,000.
12 (4) The Air Force, 360,795.

13 **SEC. 402. REVISION IN PERMANENT END STRENGTH MIN-**
14 **IMUM LEVELS.**

15 (a) **REVISED END STRENGTH FLOORS.**—Section
16 691(b) of title 10, United States Code, is amended—

- 17 (1) in paragraph (1), by striking “480,000”
18 and inserting “484,800”;
19 (2) in paragraph (2), by striking “376,000”
20 and inserting “379,457”;
21 (3) in paragraph (3), by striking “172,600”
22 and inserting “175,000”; and
23 (4) in paragraph (4), by striking “358,800”
24 and inserting “360,795”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall take effect on October 1, 2002, or the
3 date of the enactment of this Act, whichever is later.

4 **SEC. 403. AUTHORITY FOR MILITARY DEPARTMENT SECRE-**
5 **TARIES TO INCREASE ACTIVE-DUTY END**
6 **STRENGTHS BY UP TO 1 PERCENT.**

7 (a) SERVICE SECRETARY AUTHORITY.—Section 115
8 of title 10, United States Code, is amended by inserting
9 after subsection (e) the following new subsection:

10 “(f) Upon determination by the Secretary of a mili-
11 tary department that such action would enhance manning
12 and readiness in essential units or in critical specialties
13 or ratings, the Secretary may increase the end strength
14 authorized pursuant to subsection (a)(1)(A) for a fiscal
15 year for the armed force under the jurisdiction of that Sec-
16 retary or, in the case of the Secretary of the Navy, for
17 any of the armed forces under the jurisdiction of that Sec-
18 retary. Any such increase for a fiscal year—

19 “(1) shall be by a number equal to not more
20 than 1 percent of such authorized end strength; and

21 “(2) shall be counted as part of the increase for
22 that armed force for that fiscal year authorized
23 under subsection (c)(1).”.

24 (b) EFFECTIVE DATE.—Subsection (f) of section 115
25 of title 10, United States Code, as added by subsection

1 (a), shall take effect on October 1, 2002, or the date of
2 the enactment of this Act, whichever is later.

3 **SEC. 404. GENERAL AND FLAG OFFICER MANAGEMENT.**

4 (a) EXCLUSION OF SENIOR MILITARY ASSISTANT TO
5 THE SECRETARY OF DEFENSE FROM LIMITATION ON AC-
6 TIVE DUTY OFFICERS IN GRADES ABOVE MAJOR GEN-
7 ERAL AND REAR ADMIRAL.—Effective on the date speci-
8 fied in subsection (e), section 525(b) of title 10, United
9 States Code, is amended by adding at the end the fol-
10 lowing new paragraph:

11 “(8) An officer while serving in a position designated
12 by the Secretary of Defense as Senior Military Assistant
13 to the Secretary of Defense, if serving in the grade of lieu-
14 tenant general or vice admiral, is in addition to the num-
15 ber that otherwise would be permitted for that officer’s
16 armed force for that grade under paragraph (1) or (2).
17 Only one officer may be designated as Senior Military As-
18 sistant to the Secretary of Defense for purposes of this
19 paragraph.”.

20 (b) INCREASE IN NUMBER OF LIEUTENANT GEN-
21 ERALS AUTHORIZED FOR THE MARINE CORPS.—Effective
22 on the date specified in subsection (e), paragraph (2)(B)
23 of such section is amended by striking “16.2 percent” and
24 inserting “17.5 percent”.

1 (c) GRADE OF CHIEF OF VETERINARY CORPS OF
2 THE ARMY.—(1) Effective on the date specified in sub-
3 section (e), chapter 307 of such title is amended by adding
4 at the end the following new section:

5 **“§ 3084. Chief of Veterinary Corps: grade**

6 “The Chief of the Veterinary Corps of the Army
7 serves in the grade of brigadier general. An officer ap-
8 pointed to that position who holds a lower grade shall be
9 appointed in the grade of brigadier general.”.

10 (2) The table of sections at the beginning of such
11 chapter is amended by adding at the end the following
12 new item:

“3084. Chief of Veterinary Corps: grade.”.

13 (d) REVIEW OF ACTIVE DUTY AND RESERVE GEN-
14 ERAL AND FLAG OFFICER AUTHORIZATIONS.—(1) The
15 Secretary of Defense shall submit to Congress a report
16 containing any recommendations of the Secretary (to-
17 gether with the rationale of the Secretary for the rec-
18 ommendations) concerning the following:

19 (A) Revision of the limitations on general and
20 flag officer grade authorizations and distribution in
21 grade prescribed by sections 525, 526, and 12004 of
22 title 10, United States Code.

23 (B) Statutory designation of the positions and
24 grades of any additional general and flag officers in
25 the commands specified in chapter 1006 of title 10,

1 United States Code, and the reserve component of-
2 fices specified in sections 3038, 5143, 5144, and
3 8038 of such title.

4 (2) The provisions of subsection (b) through (e) of
5 section 1213 of the National Defense Authorization Act
6 for Fiscal Year 1997 (Public Law 104–201; 110 Stat.
7 2694) shall apply to the report under paragraph (1) in
8 the same manner as they applied to the report required
9 by subsection (a) of that section.

10 (e) EFFECTIVE DATE.—The amendments made by
11 subsections (a), (b), and (c) shall take effect on the date
12 of the receipt by Congress of the report required by sub-
13 section (d).

14 **SEC. 405. EXTENSION OF CERTAIN AUTHORITIES RELATING**
15 **TO MANAGEMENT OF NUMBERS OF GENERAL**
16 **AND FLAG OFFICERS IN CERTAIN GRADES.**

17 (a) SENIOR JOINT OFFICER POSITIONS.—Section
18 604(e) of title 10, United States Code, is amended by
19 striking “September 30, 2003” and inserting “December
20 31, 2004”.

21 (b) DISTRIBUTION OF OFFICERS ON ACTIVE DUTY
22 IN GENERAL AND FLAG OFFICER GRADES.—Section
23 525(b)(5)(C) of such title is amended by striking “Sep-
24 tember 30, 2003” and inserting “December 31, 2004”.

1 (c) AUTHORIZED STRENGTH FOR GENERAL AND
2 FLAG OFFICERS ON ACTIVE DUTY.—Section 526(b)(3) of
3 such title is amended by striking “October 1, 2002” and
4 inserting “December 31, 2004”.

5 **Subtitle B—Reserve Forces**

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

7 (a) IN GENERAL.—The Armed Forces are authorized
8 strengths for Selected Reserve personnel of the reserve
9 components as of September 30, 2003, as follows:

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

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

13 (3) The Naval Reserve, 87,800.

14 (4) The Marine Corps Reserve, 39,558.

15 (5) The Air National Guard of the United
16 States, 106,600.

17 (6) The Air Force Reserve, 75,600.

18 (7) The Coast Guard Reserve, 9,000.

19 (b) ADJUSTMENTS.—The end strengths prescribed by
20 subsection (a) for the Selected Reserve of any reserve com-
21 ponent shall be proportionately reduced by—

22 (1) the total authorized strength of units orga-
23 nized to serve as units of the Selected Reserve of
24 such component which are on active duty (other
25 than for training) at the end of the fiscal year; and

1 (2) the total number of individual members not
2 in units organized to serve as units of the Selected
3 Reserve of such component who are on active duty
4 (other than for training or for unsatisfactory partici-
5 pation in training) without their consent at the end
6 of the fiscal year.

7 Whenever such units or such individual members are re-
8 leased from active duty during any fiscal year, the end
9 strength prescribed for such fiscal year for the Selected
10 Reserve of such reserve component shall be proportion-
11 ately increased by the total authorized strengths of such
12 units and by the total number of such individual members.

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

15 Within the end strengths prescribed in section
16 411(a), the reserve components of the Armed Forces are
17 authorized, as of September 30, 2003, the following num-
18 ber of Reserves to be serving on full-time active duty or
19 full-time duty, in the case of members of the National
20 Guard, for the purpose of organizing, administering, re-
21 cruiting, instructing, or training the reserve components:

22 (1) The Army National Guard of the United
23 States, 24,562.

24 (2) The Army Reserve, 14,070.

25 (3) The Naval Reserve, 14,572.

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

2 (5) The Air National Guard of the United
3 States, 11,697.

4 (6) The Air Force Reserve, 1,498.

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

7 The minimum number of military technicians (dual
8 status) as of the last day of fiscal year 2003 for the re-
9 serve components of the Army and the Air Force (notwith-
10 standing section 129 of title 10, United States Code) shall
11 be the following:

12 (1) For the Army National Guard of the
13 United States, 24,102.

14 (2) For the Army Reserve, 6,599.

15 (3) For the Air National Guard of the
16 United States, 22,495.

17 (4) For the Air Force Reserve, 9,911.

18 **SEC. 414. FISCAL YEAR 2003 LIMITATION ON NON-DUAL STA-**
19 **TUS TECHNICIANS.**

20 (a) ARMY.—The number of non-dual status techni-
21 cians employed by the reserve components of the Army
22 as of September 30, 2003, may not exceed the following:

23 (1) For the Army Reserve, 995.

24 (2) For the Army National Guard of the United
25 States, 1,600, to be counted within the limitation

1 specified in section 10217(c)(2) of title 10, United
2 States Code.

3 (b) AIR FORCE.—The number of non-dual status
4 technicians employed by the reserve components of the
5 Army and the Air Force as of September 30, 2003, may
6 not exceed the following:

7 (1) For the Air Force Reserve, 90.

8 (2) For the Air National Guard of the United
9 States, 350, to be counted within the limitation
10 specified in section 10217(c)(2) of title 10, United
11 States Code.

12 (c) NON-DUAL STATUS TECHNICIANS DEFINED.—In
13 this section, the term “non-dual status technician” has the
14 meaning given that term in section 10217(a) of title 10,
15 United States Code.

16 (d) TECHNICAL AMENDMENTS.—Effective October 1,
17 2002, section 10217(c)(2) of title 10, United States Code,
18 is amended—

19 (1) in the first sentence, by striking “Effective
20 October 1, 2002, the” and inserting “The”; and

21 (2) in the second sentence, by striking “after
22 the preceding sentence takes effect”.

1 **Subtitle C—Authorization of**
2 **Appropriations**

3 **SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-**
4 **TARY PERSONNEL.**

5 There is hereby authorized to be appropriated to the
6 Department of Defense for military personnel for fiscal
7 year 2003 a total of \$93,725,028,000. The authorization
8 in the preceding sentence supersedes any other authoriza-
9 tion of appropriations (definite or indefinite) for such pur-
10 pose for fiscal year 2003.

11 **TITLE V—MILITARY PERSONNEL**
12 **POLICY**

13 **SEC. 501. INCREASE IN NUMBER OF DEPUTY**
14 **COMMANDANTS OF THE MARINE CORPS.**

15 Section 5045 of title 10, United States Code, is
16 amended by striking “five” and inserting “six”.

17 **SEC. 502. EXTENSION OF GOOD-OF-THE-SERVICE WAIVER**
18 **AUTHORITY FOR OFFICERS APPOINTED TO A**
19 **RESERVE CHIEF OR GUARD DIRECTOR POSI-**
20 **TION.**

21 (a) WAIVER OF REQUIREMENT FOR SIGNIFICANT
22 JOINT DUTY EXPERIENCE.—Sections 3038(b)(4),
23 5143(b)(4), 5144(b)(4), 8038(b)(4), and 10506(a)(3)(D)
24 of title 10, United States Code, are each amended by strik-

1 ing “October 1, 2003” and inserting “December 31,
2 2004”.

3 (b) REPORT ON FUTURE IMPLEMENTATION OF RE-
4 QUIREMENT.—Not later than one year after the date of
5 the enactment of this Act, the Secretary of Defense shall
6 submit to the Committee on Armed Services of the Senate
7 and the Committee on Armed Services of the House of
8 Representatives a report setting forth the steps being
9 taken (and proposed to be taken) by the Secretary, the
10 Secretaries of the military departments, and the Chairman
11 of the Joint Chiefs of Staff to ensure that no further ex-
12 tension of the waiver authority under the sections amend-
13 ed by subsection (a) is required and that after December
14 31, 2004, appointment of officers to serve in the positions
15 covered by those sections shall be made from officers with
16 the requisite joint duty experience.

17 **Subtitle B—Reserve Component**
18 **Management**

19 **SEC. 511. REVIEWS OF NATIONAL GUARD STRENGTH AC-**
20 **COUNTING AND MANAGEMENT AND OTHER**
21 **ISSUES.**

22 (a) COMPTROLLER GENERAL ASSESSMENTS.—Not
23 later than one year after the date of the enactment of this
24 Act, the Comptroller General shall submit to Congress a

1 report on management of the National Guard. The report
2 shall include the following:

3 (1) The Comptroller General's assessment of
4 the effectiveness of the implementation of Depart-
5 ment of Defense plans for improving management
6 and accounting for personnel strengths in the Na-
7 tional Guard, including an assessment of the process
8 that the Department of Defense, the National Guard
9 Bureau, the Army National Guard and State-level
10 National Guard leadership, and leadership in the
11 other reserve components have for identifying and
12 addressing in a timely manner specific units in
13 which nonparticipation rates are significantly in ex-
14 cess of the established norms.

15 (2) The Comptroller General's assessment of
16 the effectiveness of the process for Federal recogni-
17 tion of senior National Guard officers and rec-
18 ommendations for improvement to that process.

19 (3) The Comptroller General's assessment of
20 the process for, and the nature and extent of, the
21 administrative or judicial corrective action taken by
22 the Secretary of Defense, the Secretary of the Army,
23 and the Secretary of the Air Force as a result of In-
24 spector General investigations or other investigations

1 in which allegations against senior National Guard
2 officers are substantiated in whole or in part.

3 (4) The Comptroller General's determination of
4 the effectiveness of the Federal protections provided
5 for members or employees of the National Guard
6 who report allegations of waste, fraud, abuse, or
7 mismanagement and the nature and extent to which
8 corrective action is taken against those in the Na-
9 tional Guard who retaliate against such members or
10 employees.

11 (b) SECRETARY OF DEFENSE REPORT ON DIF-
12 FERENT ARMY AND AIR FORCE PROCEDURES.—Not later
13 than six months after the date of the enactment of this
14 Act, the Secretary of Defense shall submit to Congress
15 a report on the differing Army and Air Force policies for
16 taking adverse administrative actions against National
17 Guard officers in a State status. The report shall include
18 the Secretary's determination as to whether changes
19 should be made in those policies, especially through requir-
20 ing the Air Force to adopt the same policy as the Army
21 for such administrative actions.

22 **SEC. 512. COURTS-MARTIAL FOR THE NATIONAL GUARD**
23 **WHEN NOT IN FEDERAL SERVICE.**

24 (a) MANNER OF PRESCRIBING PUNISHMENTS.—Sec-
25 tion 326 of title 32, United States Code, is amended by

1 adding at the end the following new sentence: “Punish-
2 ments shall be as provided by the laws of the respective
3 States and Territories, Puerto Rico, and the District of
4 Columbia.”.

5 (b) CONVENING AUTHORITY.—Section 327 of such
6 title is amended to read as follows:

7 **“§ 327. Courts-martial of National Guard not in Fed-
8 eral service: convening authority**

9 “(a) In the National Guard not in Federal service,
10 general, special, and summary courts-martial may be con-
11 vened as provided by the laws of the States and Terri-
12 tories, Puerto Rico, and the District of Columbia.

13 “(b) In addition to convening authorities as provided
14 under subsection (a), in the National Guard not in Federal
15 service—

16 “(1) general courts-martial may be convened by
17 the President;

18 “(2) special courts-martial may be convened—

19 “(A) by the commanding officer of a garri-
20 son, fort, post, camp, air base, auxiliary air
21 base, or other place where troops are on duty;

22 or

23 “(B) by the commanding officer of a divi-
24 sion, brigade, regiment, wing, group, detached

1 battalion, separate squadron, or other detached
2 command; and

3 “(3) summary courts-martial may be
4 convened—

5 “(A) by the commanding officer of a garri-
6 son, fort, post, camp, air base, auxiliary air
7 base, or other place where troops are on duty;
8 or

9 “(B) by the commanding officer of a divi-
10 sion, brigade, regiment, wing, group, detached
11 battalion, detached squadron, detached com-
12 pany, or other detachment.”.

13 (2) The item relating to such section in the table of
14 sections at the beginning of chapter 3 of such title is
15 amended to read as follows:

 “327. Courts-martial of National Guard not in Federal service: convening au-
 thority.”.

16 (c) REPEAL OF SUPERSEDED AND OBSOLETE PROVI-
17 SIONS.—

18 (1) Sections 328, 329, 330, 331, 332, and 333
19 of title 32, United States Code, are repealed.

20 (2) The table of sections at the beginning of
21 chapter 3 of such title is amended by striking the
22 items relating to sections 328, 329, 330, 331, 332,
23 and 333.

1 (d) PREPARATION OF MODEL STATE CODE OF MILI-
2 TARY JUSTICE AND MODEL STATE MANUAL FOR COURTS-
3 MARTIAL.—(1) The Secretary of Defense shall prepare,
4 for consideration for enactment by the States, a model
5 State code of military justice and a model State manual
6 of courts-martial for use with respect to the National
7 Guard not in Federal service. Both such models shall be
8 consistent with the recommendations contained in the re-
9 port, issued in 1998, by the panel known as the Depart-
10 ment of Defense Panel to Study Military Justice in the
11 National Guard not in Federal Service.

12 (2) The Secretary shall ensure that adequate support
13 for the preparation of such model State code and model
14 State manual (including the detailing of attorneys and
15 other staff) is provided by the General Counsel of the De-
16 partment of Defense, the Secretary of the Army, the Sec-
17 retary of the Air Force, and the Chief of the National
18 Guard Bureau.

19 (3) If the amounts available to the Chief of the Na-
20 tional Guard Bureau are not adequate for the costs re-
21 quired to provide support under paragraph (2) (including
22 costs for increased pay when members of the National
23 Guard are ordered to active duty, cost of detailed attor-
24 neys and other staff, allowances, and travel expenses), the

1 Secretary shall, upon request of the Chief of the Bureau,
2 provide such additional amounts as are necessary.

3 (4) Not later than one year after the date of the en-
4 actment of this Act, the Secretary shall submit to the
5 Committee on Armed Services of the Senate and the Com-
6 mittee on Armed Services of the House of Representatives
7 a report on the implementation of this subsection. The re-
8 port shall include proposals in final form of both the model
9 State code and the model State manual required by para-
10 graph (1) and shall set forth the efforts being made to
11 present those proposals to the States for their consider-
12 ation for enactment.

13 (5) In this subsection, the term “State” includes the
14 District of Columbia, the Commonwealth of Puerto Rico,
15 the Virgin Islands, and Guam.

16 **SEC. 513. MATCHING FUNDS REQUIREMENTS UNDER NA-**
17 **TIONAL GUARD YOUTH CHALLENGE PRO-**
18 **GRAM.**

19 Effective October 1, 2002, subsection (d) of section
20 509 of title 32, United States Code, is amended to read
21 as follows:

22 “(d) MATCHING FUNDS REQUIRED.—The amount of
23 assistance provided under this section to a State program
24 of the National Guard Challenge Program for a fiscal year

1 may not exceed 75 percent of the costs of operating the
2 State program during that fiscal year.”.

3 **Subtitle C—Reserve Component**
4 **Officer Personnel Policy**

5 **SEC. 521. EXEMPTION FROM ACTIVE STATUS STRENGTH**
6 **LIMITATION FOR RESERVE COMPONENT**
7 **GENERAL AND FLAG OFFICERS SERVING ON**
8 **ACTIVE DUTY IN CERTAIN JOINT DUTY AS-**
9 **SIGNMENTS DESIGNATED BY THE CHAIRMAN**
10 **OF THE JOINT CHIEFS OF STAFF.**

11 Section 12004 of title 10, United States Code, is
12 amended by adding at the end the following new sub-
13 section:

14 “(f)(1) A general or flag officer who is on active duty
15 but who is not counted under section 526(a) of this title
16 by reason of section 526(b)(2)(B) of this title shall also
17 be excluded from being counted under subsection (a).

18 “(2) This subsection shall cease to be effective on the
19 date specified in section 526(b)(3) of this title.”.

1 **SEC. 522. ELIGIBILITY FOR CONSIDERATION FOR PRO-**
2 **MOTION TO GRADE OF MAJOR GENERAL FOR**
3 **CERTAIN RESERVE COMPONENT BRIGADIER**
4 **GENERALS WHO DO NOT OTHERWISE QUAL-**
5 **IFY FOR CONSIDERATION FOR PROMOTION**
6 **UNDER THE ONE-YEAR RULE.**

7 Section 14301(g) of title 10, United States Code, is
8 amended to read as follows:

9 “(g) BRIGADIER GENERALS.—(1) An officer who is
10 a reserve component brigadier general of the Army or the
11 Air Force who is not eligible for consideration for pro-
12 motion under subsection (a) because the officer is not on
13 the reserve active status list (as required by paragraph
14 (1) of that subsection for such eligibility) is nevertheless
15 eligible for consideration for promotion to the grade of
16 major general by a promotion board convened under sec-
17 tion 14101(a) of this title if—

18 “(A) as of the date of the convening of the pro-
19 motion board, the officer has been in an inactive sta-
20 tus for less than one year; and

21 “(B) immediately before the date of the offi-
22 cer’s most recent transfer to an inactive status, the
23 officer had continuously served on the reserve active
24 status list or the active-duty list (or a combination
25 of the reserve active status list and the active-duty
26 list) for at least one year.

1 “(2) An officer who is a reserve component brigadier
2 general of the Army or the Air Force who is on the reserve
3 active status list but who is not eligible for consideration
4 for promotion under subsection (a) because the officer’s
5 service does not meet the one-year-of-continuous-service
6 requirement under paragraph (2) of that subsection is
7 nevertheless eligible for consideration for promotion to the
8 grade of major general by a promotion board convened
9 under section 14101(a) of this title if—

10 “(A) the officer was transferred from an inac-
11 tive status to the reserve active status list during the
12 one-year period preceding the date of the convening
13 of the promotion board;

14 “(B) immediately before the date of the offi-
15 cer’s most recent transfer to an active status, the of-
16 ficer had been in an inactive status for less than one
17 year; and

18 “(C) immediately before the date of the officer’s
19 most recent transfer to an inactive status, the officer
20 had continuously served for at least one year on the
21 reserve active status list or the active-duty list (or
22 a combination of the reserve active status list and
23 the active-duty list).”.

1 **SEC. 523. RETENTION OF PROMOTION ELIGIBILITY FOR RE-**
2 **SERVE COMPONENT GENERAL AND FLAG OF-**
3 **FICERS TRANSFERRED TO AN INACTIVE STA-**
4 **TUS.**

5 Section 14317 of title 10, United States Code, is
6 amended by adding at the end the following new sub-
7 section:

8 “(f) EFFECT OF TRANSFER OF OFFICERS IN PAY
9 GRADE O-7 TO INACTIVE STATUS.—Notwithstanding
10 subsection (a), if a reserve officer on the active-status list
11 in the grade of brigadier general or rear admiral (lower
12 half) is transferred to an inactive status after having been
13 recommended for promotion to the grade of major general
14 or rear admiral under this chapter, or after having been
15 found qualified for Federal recognition in the grade of
16 major general under title 32, but before being promoted,
17 the officer shall retain promotion eligibility and, if other-
18 wise qualified, may be promoted to the higher grade after
19 returning to an active status.”.

20 **SEC. 524. AUTHORITY FOR LIMITED EXTENSION OF MED-**
21 **ICAL DEFERMENT OF MANDATORY RETIRE-**
22 **MENT OR SEPARATION FOR RESERVE OFFI-**
23 **CERS.**

24 (a) DEFERMENT OF RETIREMENT OR SEPARATION
25 FOR MEDICAL REASONS.—Chapter 1407 of title 10,

1 United States Code, is amended by adding at the end the
2 following new section:

3 **“§ 14519. Deferment of retirement or separation for**
4 **medical reasons**

5 “(a) If the Secretary of the military department con-
6 cerned determines that the evaluation of the physical con-
7 dition of a Reserve officer and determination of the offi-
8 cer’s entitlement to retirement or separation for physical
9 disability require hospitalization or medical observation
10 and that such hospitalization or medical observation can-
11 not be completed with confidence in a manner consistent
12 with the officer’s well-being before the date on which the
13 officer would otherwise be required to be separated, re-
14 tired, or transferred to the Retired Reserve under this
15 title, the Secretary may defer the separation, retirement,
16 or transfer of the officer under this title.

17 “(b) A deferral under subsection (a) of separation,
18 retirement, or transfer to the Retired Reserve may not ex-
19 tend for more than 30 days after completion of the evalua-
20 tion requiring hospitalization or medical observation.”.

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

“14519. Deferment of retirement or separation for medical reasons.”.

1 **Subtitle D—Education and**
2 **Training**

3 **SEC. 531. AUTHORITY FOR PHASED INCREASE TO 4,400 IN**
4 **AUTHORIZED STRENGTHS FOR THE SERVICE**
5 **ACADEMIES.**

6 (a) **MILITARY ACADEMY.**—Section 4342 of title 10,
7 United States Code, is amended—

8 (1) in subsection (a), by inserting before the pe-
9 riod at the end of the first sentence the following:

10 “or such higher number as may be prescribed by the
11 Secretary of the Army under subsection (j)”;

12 (2) by adding at the end the following new sub-
13 section:

14 “(j)(1) Beginning with the 2003–2004 academic
15 year, the Secretary of the Army may prescribe annual in-
16 creases in the cadet strength limit in effect under sub-
17 section (a). For any academic year, any such increase shall
18 be by no more than 100 cadets or such lesser number as
19 applies under paragraph (3) for that year. Such annual
20 increases may be prescribed until the cadet strength limit
21 is 4,400. However, no increase may be prescribed for any
22 academic year after the 2007–2008 academic year.

23 “(2) Any increase in the cadet strength limit under
24 paragraph (1) with respect to an academic year shall be
25 prescribed not later than the date on which the budget

1 of the President is submitted to Congress under section
2 1105 of title 31 for the fiscal year beginning in the same
3 year as the year in which that academic year begins.
4 Whenever the Secretary prescribes such an increase, the
5 Secretary shall submit to Congress a notice in writing of
6 the increase. The notice shall state the amount of the in-
7 crease in the cadet strength limit and the new cadet
8 strength limit, as so increased, and the amount of the in-
9 crease in Senior Army Reserve Officers' Training Corps
10 enrollment under each of sections 2104 and 2107 of this
11 title.

12 “(3) The amount of an increase under paragraph (1)
13 in the cadet strength limit for an academic year may not
14 exceed the increase (if any) for the preceding academic
15 year in the total number of cadets enrolled in the Army
16 Senior Reserve Officers' Training Corps program under
17 chapter 103 of this title who have entered into an agree-
18 ment under section 2104 or 2107 of this title.

19 “(4) In this subsection, the term ‘cadet strength
20 limit’ means the authorized maximum strength of the
21 Corps of Cadets of the Academy.”.

22 (b) NAVAL ACADEMY.—Section 6954 of title 10,
23 United States Code, is amended—

24 (1) in subsection (a), by inserting before the pe-
25 riod at the end of the first sentence the following:

1 “or such higher number as may be prescribed by the
2 Secretary of the Navy under subsection (h)”; and

3 (2) by adding at the end the following new sub-
4 section:

5 “(h)(1) Beginning with the 2003–2004 academic
6 year, the Secretary of the Navy may prescribe annual in-
7 creases in the midshipmen strength limit in effect under
8 subsection (a). For any academic year, any such increase
9 shall be by no more than 100 midshipmen or such lesser
10 number as applies under paragraph (3) for that year.
11 Such annual increases may be prescribed until the mid-
12 shipmen strength limit is 4,400. However, no increase may
13 be prescribed for any academic year after the 2007–2008
14 academic year.

15 “(2) Any increase in the midshipmen strength limit
16 under paragraph (1) with respect to an academic year
17 shall be prescribed not later than the date on which the
18 budget of the President is submitted to Congress under
19 section 1105 of title 31 for the fiscal year beginning in
20 the same year as the year in which that academic year
21 begins. Whenever the Secretary prescribes such an in-
22 crease, the Secretary shall submit to Congress a notice
23 in writing of the increase. The notice shall state the
24 amount of the increase in the midshipmen strength limit
25 and the new midshipmen strength limit, as so increased,

1 and the amount of the increase in Senior Navy Reserve
2 Officers' Training Corps enrollment under each of sections
3 2104 and 2107 of this title.

4 “(3) The amount of an increase under paragraph (1)
5 in the midshipmen strength limit for an academic year
6 may not exceed the increase (if any) for the preceding aca-
7 demic year in the total number of midshipmen enrolled
8 in the Navy Senior Reserve Officers' Training Corps pro-
9 gram under chapter 103 of this title who have entered into
10 an agreement under section 2104 or 2107 of this title.

11 “(4) In this subsection, the term ‘midshipmen
12 strength limit’ means the authorized maximum strength
13 of the Brigade of Midshipmen.”.

14 (c) AIR FORCE ACADEMY.—Section 9342 of title 10,
15 United States Code, is amended—

16 (1) in subsection (a), by inserting before the pe-
17 riod at the end of the first sentence the following:

18 “or such higher number as may be prescribed by the
19 Secretary of the Air Force under subsection (j)”;

20 and

21 (2) by adding at the end the following new sub-
22 section:

23 “(j)(1) Beginning with the 2003–2004 academic
24 year, the Secretary of the Air Force may prescribe annual
25 increases in the cadet strength limit in effect under sub-

1 section (a). For any academic year, any such increase shall
2 be by no more than 100 cadets or such lesser number as
3 applies under paragraph (3) for that year. Such annual
4 increases may be prescribed until the cadet strength limit
5 is 4,400. However, no increase may be prescribed for any
6 academic year after the 2007–2008 academic year.

7 “(2) Any increase in the cadet strength limit under
8 paragraph (1) with respect to an academic year shall be
9 prescribed not later than the date on which the budget
10 of the President is submitted to Congress under sections
11 1105 of title 31 for the fiscal year beginning in the same
12 year as the year in which that academic year begins.
13 Whenever the Secretary prescribes such an increase, the
14 Secretary shall submit to Congress a notice in writing of
15 the increase. The notice shall state the amount of the in-
16 crease in the cadet strength limit and the new cadet
17 strength limit, as so increased, and the amount of the in-
18 crease in Senior Air Force Reserve Officers’ Training
19 Corps enrollment under each of sections 2104 and 2107
20 of this title.

21 “(3) The amount of an increase under paragraph (1)
22 in the cadet strength limit for an academic year may not
23 exceed the increase (if any) for the preceding academic
24 year in the total number of cadets enrolled in the Air
25 Force Senior Reserve Officers’ Training Corps program

1 under chapter 103 of this title who have entered into an
2 agreement under section 2104 or 2107 of this title.

3 “(4) In this subsection, the term ‘cadet strength
4 limit’ means the authorized maximum strength of Air
5 Force Cadets of the Academy.”.

6 (d) TARGET FOR INCREASES IN NUMBER OF ROTC
7 SCHOLARSHIP PARTICIPANTS.—Section 2107 of such title
8 is amended by adding at the end the following new sub-
9 section:

10 “(i) The Secretary of each military department shall
11 seek to achieve an increase in the number of agreements
12 entered into under this section so as to achieve an in-
13 crease, by the 2006–2007 academic year, of not less than
14 400 in the number of cadets or midshipmen, as the case
15 may be, enrolled under this section, compared to such
16 number enrolled for the 2002–2003 academic year. In the
17 case of the Secretary of the Navy, the Secretary shall seek
18 to ensure that not less than one-third of such increase in
19 agreements under this section are with students enrolled
20 (or seeking to enroll) in programs of study leading to a
21 baccalaureate degree in nuclear engineering or another ap-
22 propriate technical, scientific, or engineering field of
23 study.”.

1 (e) REPEAL OF LIMIT ON NUMBER OF ROTC SCHOL-
2 ARSHIPS.—Section 2107 of such title is further amended
3 by striking the first sentence of subsection (h)(1).

4 (f) REPEAL OF OBSOLETE LANGUAGE.—Section
5 4342(i) of such title is amended by striking “(beginning
6 with the 2001–2002 academic year)”.

7 **SEC. 532. ENHANCEMENT OF RESERVE COMPONENT DE-**
8 **LAYED TRAINING PROGRAM.**

9 (a) INCREASE IN TIME FOLLOWING ENLISTMENT
10 FOR COMMENCEMENT OF INITIAL PERIOD OF ACTIVE
11 DUTY FOR TRAINING.—Section 12103(d) of title 10,
12 United States Code, is amended by striking “270 days”
13 in the last sentence and inserting “one year”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 subsection (a) shall apply with respect to enlistments
16 under section 12103(d) of title 10, United States Code,
17 after the end of the 90–day period beginning on the date
18 of the enactment of this Act.

19 (c) TRANSITION.—In the case of a person who en-
20 listed under section 12103(d) of title 10, United States
21 Code, before the date of the enactment of this Act and
22 who as of such date has not commenced the required ini-
23 tial period of active duty for training under that section,
24 the amendment made by subsection (a) may be applied

1 to that person, but only with the agreement of that person
2 and the Secretary concerned.

3 **SEC. 533. PREPARATION FOR, PARTICIPATION IN, AND CON-**
4 **DUCT OF ATHLETIC COMPETITIONS BY THE**
5 **NATIONAL GUARD AND MEMBERS OF THE NA-**
6 **TIONAL GUARD.**

7 (a) ATHLETIC AND SMALL ARMS COMPETITIONS.—
8 Section 504 of title 32, United States Code, is amended
9 by adding at the end the following new subsection:

10 “(c) CONDUCT OF AND PARTICIPATION IN CERTAIN
11 COMPETITIONS.—(1) Under regulations prescribed by the
12 Secretary of Defense, members and units of the National
13 Guard may conduct and compete in a qualifying athletic
14 competition or a small arms competition so long as—

15 “(A) the conduct of, or participation in, the
16 competition does not adversely affect the quality of
17 training or otherwise interfere with the ability of a
18 member or unit of the National Guard to perform
19 the military functions of the member or unit;

20 “(B) National Guard personnel will enhance
21 their military skills as a result of conducting or par-
22 ticipating in the competition; and

23 “(C) the conduct of or participation in the com-
24 petition will not result in a significant increase in
25 National Guard costs.

1 “(2) Facilities and equipment of the National Guard,
2 including military property and vehicles described in sec-
3 tion 508(c) of this title, may be used in connection with
4 the conduct of or participation in a qualifying athletic
5 competition or a small arms competition under paragraph
6 (1).”.

7 (b) OTHER MATTERS.—Such section is further
8 amended by adding after subsection (c), as added by sub-
9 section (a) of this section, the following new subsections:

10 “(d) AVAILABILITY OF FUNDS.—(1) Subject to para-
11 graph (2) and such limitations as may be enacted in ap-
12 propriations Acts and such regulations as the Secretary
13 of Defense may prescribe, amounts appropriated for the
14 National Guard may be used to cover—

15 “(A) the costs of conducting or participating in
16 a qualifying athletic competition or a small arms
17 competition under subsection (c); and

18 “(B) the expenses of members of the National
19 Guard under subsection (a)(3), including expenses of
20 attendance and participation fees, travel, per diem,
21 clothing, equipment, and related expenses.

22 “(2) Not more than \$2,500,000 may be obligated or
23 expended in any fiscal year under subsection (c).

24 “(e) QUALIFYING ATHLETIC COMPETITION DE-
25 FINED.—In this section, the term ‘qualifying athletic com-

1 petition' means a competition in athletic events that re-
2 quire skills relevant to military duties or involve aspects
3 of physical fitness that are evaluated by the armed forces
4 in determining whether a member of the National Guard
5 is fit for military duty.”.

6 (c) **STYLISTIC AMENDMENTS.**—Such section is fur-
7 ther amended—

8 (1) in subsection (a), by inserting “AUTHOR-
9 IZED ACTIVITIES.—” after “(a)”; and

10 (2) in subsection (b), by inserting “AUTHOR-
11 IZED LOCATIONS.—” after “(b)”.

12 (d) **CONFORMING AND CLERICAL AMENDMENTS.**—

13 (1) Subsection (a) of such section is amended—

14 (A) in paragraph (1), by inserting “and” after
15 the semicolon;

16 (B) in paragraph (2), by striking “; or” and in-
17 serting a period; and

18 (C) by striking paragraph (3).

19 (2) The heading of such section is amended to read
20 as follows:

21 **“§ 504. National Guard schools; small arms competi-
22 tions; athletic competitions”.**

23 (3) The item relating to section 504 in the table of
24 sections at the beginning of chapter 5 of title 32, United
25 States Code, is amended to read as follows:

“504. National Guard schools; small arms competitions; athletic competitions.”.

1 **Subtitle E—Decorations and**
2 **Awards**

3 **SEC. 541. WAIVER OF TIME LIMITATIONS FOR AWARD OF**
4 **CERTAIN DECORATIONS TO CERTAIN PER-**
5 **SONS.**

6 (a) **WAIVER.**—Any limitation established by law or
7 policy for the time within which a recommendation for the
8 award of a military decoration or award must be sub-
9 mitted shall not apply to awards of decorations described
10 in this section, the award of each such decoration having
11 been determined by the Secretary concerned to be war-
12 ranted in accordance with section 1130 of title 10, United
13 States Code.

14 (b) **DISTINGUISHED FLYING CROSS.**—Subsection (a)
15 applies to the award of the Distinguished Flying Cross
16 (including multiple awards to the same individual) in the
17 case of each individual concerning whom the Secretary of
18 the military department concerned (or a designated official
19 acting on behalf of the Secretary of the military depart-
20 ment concerned) submitted to the Committee on Armed
21 Services of the House of Representatives and the Com-
22 mittee on Armed Services of the Senate, during the period
23 beginning on December 28, 2001, and ending on the day
24 before the date of the enactment of this Act, a notice as
25 provided in section 1130(b) of title 10, United States

1 Code, that the award of the Distinguished Flying Cross
2 to that individual is warranted and that a waiver of time
3 restrictions prescribed by law for recommendation for such
4 award is recommended.

5 **SEC. 542. OPTION TO CONVERT AWARD OF ARMED FORCES**
6 **EXPEDITIONARY MEDAL AWARDED FOR OP-**
7 **ERATION FREQUENT WIND TO VIETNAM**
8 **SERVICE MEDAL.**

9 (a) IN GENERAL.—The Secretary of the military de-
10 partment concerned shall, upon the application of an indi-
11 vidual who is an eligible Vietnam evacuation veteran,
12 award that individual the Vietnam Service Medal, notwith-
13 standing any otherwise applicable requirements for the
14 award of that medal. Any such award shall be made in
15 lieu of the Armed Forces Expeditionary Medal awarded
16 the individual for participation in Operation Frequent
17 Wind.

18 (b) ELIGIBLE VIETNAM EVACUATION VETERAN.—
19 For purposes of this section, the term “eligible Vietnam
20 evacuation veteran” means a member or former member
21 of the Armed Forces who was awarded the Armed Forces
22 Expeditionary Medal for participation in military oper-
23 ations designated as Operation Frequent Wind arising
24 from the evacuation of Vietnam on April 29 and 30, 1975.

1 **Subtitle F—Administrative Matters**

2 **SEC. 551. STAFFING AND FUNDING FOR DEFENSE PRIS-**
3 **ONER OF WAR/MISSING PERSONNEL OFFICE.**

4 (a) REQUIREMENT FOR STAFFING AND FUNDING AT
5 LEVELS REQUIRED FOR PERFORMANCE OF FULL RANGE
6 OF MISSIONS.—Subsection (a) of section 1501 of title 10,
7 United States Code, is amended by adding at the end the
8 following new paragraph:

9 “(5)(A) The Secretary of Defense shall ensure that
10 the office is provided sufficient military and civilian per-
11 sonnel levels, and sufficient funding, to enable the office
12 to fully perform its complete range of missions. The Sec-
13 retary shall ensure that Department of Defense program-
14 ming, planning, and budgeting procedures are structured
15 so as to ensure compliance with the preceding sentence
16 for each fiscal year.

17 “(B) For any fiscal year, the number of military and
18 civilian personnel assigned or detailed to the office may
19 not be less than the number requested in the President’s
20 budget for fiscal year 2003, unless a level below such num-
21 ber is expressly required by law.

22 “(C) For any fiscal year, the level of funding allo-
23 cated to the office within the Department of Defense may
24 not be below the level requested for such purposes in the

1 President’s budget for fiscal year 2003, unless such a level
2 of funding is expressly required by law.”.

3 (b) NAME OF OFFICE.—Such subsection is further
4 amended by inserting after the first sentence of paragraph
5 (1) the following new sentence: “Such office shall be
6 known as the Defense Prisoner of War/Missing Personnel
7 Office.”.

8 **SEC. 552. THREE-YEAR FREEZE ON REDUCTIONS OF PER-**
9 **SONNEL OF AGENCIES RESPONSIBLE FOR RE-**
10 **VIEW AND CORRECTION OF MILITARY**
11 **RECORDS.**

12 (a) IN GENERAL.—Chapter 79 of title 10, United
13 States Code, is amended by adding at the end the fol-
14 lowing new section:

15 **“§ 1559. Personnel limitation**

16 “(a) LIMITATION.—During fiscal years 2003, 2004,
17 and 2005, the Secretary of a military department may not
18 carry out any reduction in the number of military and ci-
19 vilian personnel assigned to duty with the service review
20 agency for that military department below the baseline
21 number for that agency until—

22 “(1) the Secretary submits to Congress a report
23 that—

24 “(A) describes the reduction proposed to
25 be made;

1 “(B) provides the Secretary’s rationale for
2 that reduction; and

3 “(C) specifies the number of such per-
4 sonnel that would be assigned to duty with that
5 agency after the reduction; and

6 “(2) a period of 90 days has elapsed after the
7 date on which the report is submitted.

8 “(b) BASELINE NUMBER.—The baseline number for
9 a service review agency under this section is—

10 “(1) for purposes of the first report with re-
11 spect to a service review agency under this section,
12 the number of military and civilian personnel as-
13 signed to duty with that agency as of January 1,
14 2002; and

15 “(2) for purposes of any subsequent report with
16 respect to a service review agency under this section,
17 the number of such personnel specified in the most
18 recent report with respect to that agency under this
19 section.

20 “(c) SERVICE REVIEW AGENCY DEFINED.—In this
21 section, the term ‘service review agency’ means—

22 “(1) with respect to the Department of the
23 Army, the Army Review Boards Agency;

1 “(2) with respect to the Department of the
2 Navy, the Board for Correction of Naval Records;
3 and

4 “(3) with respect to the Department of the Air
5 Force, the Air Force Review Boards Agency.”.

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

 “1559. Personnel limitation.”.

9 **SEC. 553. DEPARTMENT OF DEFENSE SUPPORT FOR PER-**
10 **SONS PARTICIPATING IN MILITARY FUNERAL**
11 **HONORS DETAILS.**

12 Section 1491(d) of title 10, United States Code, is
13 amended—

14 (1) by striking “To provide a” after “SUP-
15 PORT.—” and inserting “(1) To support a”;

16 (2) by redesignating paragraph (1) as subpara-
17 graph (A) and amending such subparagraph, as so
18 redesignated, to read as follows:

19 “(A) For a person who participates in a funeral
20 honors detail (other than a person who is a member
21 of the armed forces not in a retired status or an em-
22 ployee of the United States), either transportation
23 (or reimbursement for transportation) and expenses
24 or the daily stipend prescribed under paragraph
25 (2).”;

1 (3) by redesignating paragraph (2) as subpara-
2 graph (B) and in that subparagraph—

3 (A) by striking “Materiel, equipment, and
4 training for” and inserting “For”; and

5 (B) by inserting before the period at the
6 end “and for members of the armed forces in
7 a retired status, materiel, equipment, and train-
8 ing”;

9 (4) by redesignating paragraph (3) as subpara-
10 graph (C) and in that subparagraph—

11 (A) by striking “Articles of clothing for”
12 and inserting “For”; and

13 (B) by inserting “, articles of clothing”
14 after “subsection (b)(2)”; and

15 (5) by adding at the end the following new
16 paragraphs:

17 “(2) The Secretary of Defense shall prescribe annu-
18 ally a flat rate daily stipend for purposes of paragraph
19 (1)(A). Such stipend shall be set at a rate so as to encom-
20 pass typical costs for transportation and other miscella-
21 neous expenses for persons participating in funeral honors
22 details who are members of the armed forces in a retired
23 status and other persons are not members of the armed
24 forces or employees of the United States.

1 “(3) A stipend paid under this subsection to a mem-
 2 ber of the armed forces in a retired status is in addition
 3 to any compensation to which the member is entitled
 4 under section 435(a)(2) of title 37 and any other com-
 5 pensation to which the member may be entitled.”.

6 **SEC. 554. AUTHORITY FOR USE OF VOLUNTEERS AS PROC-**
 7 **TORS FOR ADMINISTRATION OF ARMED**
 8 **SERVICES VOCATIONAL APTITUDE BATTERY**
 9 **TEST.**

10 Section 1588(a) of title 10, United States Code, is
 11 amended by adding at the end the following new para-
 12 graph:

13 “(6) Voluntary services as a proctor for admin-
 14 istration to secondary school students of the test
 15 known as the ‘Armed Services Vocational Aptitude
 16 Battery’.”.

17 **SEC. 555. ANNUAL REPORT ON STATUS OF FEMALE MEM-**
 18 **BERS OF THE ARMED FORCES.**

19 (a) IN GENERAL.—Chapter 23 of title 10, United
 20 States Code, is amended by adding at the end the fol-
 21 lowing new section:

22 **“§ 488. Status of female members of the armed forces:**
 23 **annual report**

24 “(a) ANNUAL REPORT.—The Secretary of Defense
 25 shall submit to Congress an annual report on the status

1 of female members of the armed forces. Information in
2 the report shall be shown for the Department of Defense
3 as a whole and separately for each of the Army, Navy,
4 Air Force, and Marine Corps.

5 “(b) MATTERS TO BE INCLUDED.—Each report
6 under subsection (a) shall include, at a minimum, the fol-
7 lowing information with respect to female members:

8 “(1) Access to health care.

9 “(2) Positions open.

10 “(3) Assignment policies.

11 “(4) Joint spouse assignments.

12 “(5) Deployment availability rates.

13 “(6) Promotion and retention rates.

14 “(7) Assignments in nontraditional fields.

15 “(8) Assignments to command positions.

16 “(9) Selection for service schools.

17 “(10) Sexual harassment.”.

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

“488. Status of female members of the armed forces: annual report.”.

Subtitle G—Benefits

SEC. 561. VOLUNTARY LEAVE SHARING PROGRAM FOR MEMBERS OF THE ARMED FORCES.

(a) IN GENERAL.—(1) Chapter 40 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 709. Voluntary transfers of leave

“(a) PROGRAM.—The Secretary concerned shall, by regulation, establish a program under which leave accrued by a member of an armed force may be transferred to another member of the same armed force who requires additional leave because of a qualifying emergency. Any such transfer of leave may be made only upon the voluntary written application of the member whose leave is to be transferred.

“(b) APPROVAL OF COMMANDING OFFICER REQUIRED.—Any transfer of leave under a program under this section may only be made with the approval of the commanding officer of the leave donor and the leave recipient.

“(c) QUALIFYING EMERGENCY.—In this section, the term ‘qualifying emergency’, with respect to a member of the armed forces, means a circumstance that—

“(1) is likely to require the prolonged absence of the member from duty; and

1 “(2) is due to—

2 “(A) a medical condition of a member of
3 the immediate family of the member; or

4 “(B) any other hardship that the Secretary
5 concerned determines appropriate for purposes
6 of this section.

7 “(d) MILITARY DEPARTMENT REGULATIONS.—Reg-
8 ulations prescribed under this section by the Secretaries
9 of the military department shall be as uniform as prac-
10 ticable and shall be subject to approval by the Secretary
11 of Defense.”.

12 (2) The table of sections at the beginning of such
13 chapter is amended by adding at the end the following
14 new item:

“709. Voluntary transfers of leave.”.

15 (b) DEADLINE FOR IMPLEMENTING REGULATIONS.—
16 Regulations to implement section 709 of title 10, United
17 States Code, as added by subsection (a), shall be pre-
18 scribed not later than six months after the date of the
19 enactment of this Act.

20 **SEC. 562. ENHANCED FLEXIBILITY IN MEDICAL LOAN RE-**
21 **PAYMENT PROGRAM.**

22 (a) ELIGIBLE PERSONS.—Subsection (d) of section
23 2173 of title 10, United States Code, is amended by strik-
24 ing “Participants” and all that follows through “and stu-
25 dents” and inserting “Students”.

1 (b) LOAN REPAYMENT AMOUNTS.—Subsection (e)(2)
2 of such section is amended by striking the last sentence.

3 **SEC. 563. EXPANSION OF OVERSEAS TOUR EXTENSION BEN-**
4 **EFITS.**

5 Section 705(b)(2) of title 10, United States Code, is
6 amended—

7 (1) by striking “recuperative” and inserting
8 “recuperation”; and

9 (2) by inserting before the period at the end the
10 following: “, or to an alternate location at a cost not
11 to exceed the cost of transportation to the nearest
12 port in the 48 contiguous States, and return”.

13 **SEC. 564. VEHICLE STORAGE IN LIEU OF TRANSPORTATION**
14 **WHEN MEMBER IS ORDERED TO A NONFOR-**
15 **EIGN DUTY STATION OUTSIDE CONTINENTAL**
16 **UNITED STATES.**

17 (a) STORAGE COSTS AUTHORIZED.—Subsection (b)
18 of section 2634 of title 10, United States Code, is amend-
19 ed by striking paragraphs (1) and (2) and inserting the
20 following:

21 “(b)(1) When a member receives a vehicle storage
22 qualifying order, the member may elect to have a motor
23 vehicle described in subsection (a) stored at the expense
24 of the United States at a location approved by the Sec-
25 retary concerned. In the case of a vehicle storage quali-

1 fying order that is to make a change of permanent station,
2 such storage is in lieu of transportation authorized by sub-
3 section (a).

4 “(2) In this subsection, the term ‘vehicle storage
5 qualifying order’ means any of the following:

6 “(A) An order to make a change of permanent
7 station to a foreign country in a case in which the
8 laws, regulations, or other restrictions imposed by
9 the foreign country or by the United States either—

10 “(i) preclude entry of a motor vehicle de-
11 scribed in subsection (a) into that country; or

12 “(ii) would require extensive modification
13 of the vehicle as a condition to entry.

14 “(B) An order to make a change of permanent
15 station to a nonforeign area outside the continental
16 United States in a case in which the laws, regula-
17 tions, or other restrictions imposed by that area or
18 by the United States either—

19 “(i) preclude entry of a motor vehicle de-
20 scribed in subsection (a) into that area; or

21 “(ii) would require extensive modification
22 of the vehicle as a condition to entry.

23 “(C) An order under which a member is trans-
24 ferred or assigned in connection with a contingency
25 operation to duty at a location other than the per-

1 manent station of the member for a period of more
2 than 30 consecutive days but which is not considered
3 a change of permanent station.”.

4 (b) NONFOREIGN AREA OUTSIDE THE CONTINENTAL
5 UNITED STATES DEFINED.—Subsection (h) of such sec-
6 tion is amended by adding at the end the following new
7 paragraph:

8 “(3) The term ‘nonforeign area outside the con-
9 tinental United States’ means any of the following:
10 the States of Alaska and Hawaii, the Common-
11 wealths of Puerto Rico and the Northern Mariana
12 Islands, and any possession of the United States.”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section apply to orders to make a change of perma-
15 nent station to a nonforeign area outside the continental
16 United States (as such term is defined in subsection (h)(3)
17 of section 2634 of title 10, United States Code, as added
18 by subsection (b)) that are issued on or after the date of
19 the enactment of this Act.

20 **Subtitle H—Military Justice**
21 **Matters**

22 **SEC. 571. RIGHT OF CONVICTED ACCUSED TO REQUEST**
23 **SENTENCING BY MILITARY JUDGE.**

24 (a) SENTENCING BY JUDGE.—(1) Chapter 47 of title
25 10, United States Code (the Uniform Code of Military

1 Justice), is amended by inserting after section 852 (article
2 52) the following new section:

3 **“§ 852a. Art. 52a. Right of accused to request sen-**
4 **tencing by military judge rather than by**
5 **members**

6 “(a) In the case of an accused convicted of an offense
7 by a court-martial composed of a military judge and mem-
8 bers, the sentence shall be tried before and adjudged by
9 the military judge rather than the members if, after the
10 findings are announced and before evidence in the sen-
11 tencing proceeding is introduced, the accused, knowing the
12 identity of the military judge and after consultation with
13 defense counsel, requests orally on the record or in writing
14 that the sentence be tried before and adjudged by the mili-
15 tary judge rather than the members.

16 “(b) This section shall not apply with respect to an
17 offense for which the death penalty may be adjudged un-
18 less the case has been previously referred to trial as a non-
19 capital case.”.

20 (2) The table of sections at the beginning of sub-
21 chapter VII of such chapter is amended by inserting after
22 the item relating to section 852 (article 52) the following
23 new item:

“852a. 52a. Right of accused to request sentencing by military judge rather
than by members.”.

1 (b) EFFECTIVE DATE.—Section 852a of title 10,
2 United States Code (article 52a of the Uniform Code of
3 Military Justice), as added by subsection (a), shall apply
4 with respect to offenses committed on or after January
5 1, 2003.

6 **SEC. 572. REPORT ON DESIRABILITY AND FEASIBILITY OF**
7 **CONSOLIDATING SEPARATE COURSES OF**
8 **BASIC INSTRUCTION FOR JUDGE ADVO-**
9 **CATES.**

10 Not later than February 1, 2003, the Secretary of
11 Defense shall submit to the Committee on Armed Services
12 of the Senate and the Committee on Armed Services of
13 the House of Representatives a report on the desirability
14 and feasibility of consolidating the separate Army, Navy,
15 and Air Force courses of basic instruction for judge advo-
16 cates into a single course to be conducted at a single loca-
17 tion. The report shall include—

18 (1) an assessment of the advantages and dis-
19 advantages of such a consolidation;

20 (2) a recommendation as to whether such a
21 consolidation is desirable and feasible; and

22 (3) any proposal for legislative action that the
23 Secretary considers appropriate for carrying out
24 such a consolidation.

1 **TITLE VI—COMPENSATION AND**
2 **OTHER PERSONNEL BENEFITS**
3 **Subtitle A—Pay and Allowances**

4 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2003.**

5 (a) **WAIVER OF SECTION 1009 ADJUSTMENT.**—The
6 adjustment to become effective during fiscal year 2003 re-
7 quired by section 1009 of title 37, United States Code,
8 in the rates of monthly basic pay authorized members of
9 the uniformed services shall not be made.

10 (b) **INCREASE IN BASIC PAY.**—Effective on January
11 1, 2003, the rates of monthly basic pay for members of
12 the uniformed services within each pay grade are as fol-
13 lows:

COMMISSIONED OFFICERS¹

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

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	7,474.50	7,719.30	7,881.60	7,927.20	8,129.40
O-7 ...	6,210.90	6,499.20	6,633.00	6,739.20	6,930.90
O-6 ...	4,603.20	5,057.10	5,388.90	5,388.90	5,409.60
O-5 ...	3,837.60	4,323.00	4,622.40	4,678.50	4,864.80
O-4 ...	3,311.10	3,832.80	4,088.70	4,145.70	4,383.00
O-3 ³	2,911.20	3,300.30	3,562.20	3,883.50	4,069.50
O-2 ³	2,515.20	2,864.70	3,299.40	3,410.70	3,481.20
O-1 ³	2,183.70	2,272.50	2,746.80	2,746.80	2,746.80
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	8,468.70	8,547.30	8,868.90	8,961.30	9,238.20
O-7 ...	7,120.80	7,340.40	7,559.40	7,779.00	8,468.70
O-6 ...	5,641.20	5,672.10	5,672.10	5,994.60	6,564.30
O-5 ...	4,977.00	5,222.70	5,403.00	5,635.50	5,991.90
O-4 ...	4,637.70	4,954.50	5,201.40	5,372.70	5,471.10
O-3 ³	4,273.50	4,405.80	4,623.30	4,736.10	4,736.10
O-2 ³	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
O-1 ³	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	\$0.00	\$12,077.70	\$12,137.10	\$12,389.40	\$12,829.20
O-9 ...	0.00	10,563.60	10,715.70	10,935.60	11,319.60
O-8 ...	9,639.00	10,008.90	10,255.80	10,255.80	10,255.80
O-7 ...	9,051.30	9,051.30	9,051.30	9,051.30	9,096.90
O-6 ...	6,898.80	7,233.30	7,423.50	7,616.10	7,989.90
O-5 ...	6,161.70	6,329.10	6,519.60	6,519.60	6,519.60
O-4 ...	5,528.40	5,528.40	5,528.40	5,528.40	5,528.40
O-3 ³	4,736.10	4,736.10	4,736.10	4,736.10	4,736.10
O-2 ³	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
O-1 ³	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80

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

²Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is \$14,155.50, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

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

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

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

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-3E	\$0.00	\$0.00	\$0.00	\$3,883.50	\$4,069.50
O-2E	0.00	0.00	0.00	3,410.70	3,481.20
O-1E	0.00	0.00	0.00	2,746.80	2,933.70
	Over 8	Over 10	Over 12	Over 14	Over 16
O-3E	\$4,273.50	\$4,405.80	\$4,623.30	\$4,806.30	\$4,911.00
O-2E	3,591.90	3,778.80	3,923.40	4,031.10	4,031.10
O-1E	3,042.00	3,152.70	3,261.60	3,410.70	3,410.70
	Over 18	Over 20	Over 22	Over 24	Over 26
O-3E	\$5,054.40	\$5,054.40	\$5,054.40	\$5,054.40	\$5,054.40
O-2E	4,031.10	4,031.10	4,031.10	4,031.10	4,031.10
O-1E	3,410.70	3,410.70	3,410.70	3,410.70	3,410.70

WARRANT OFFICERS¹

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

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,008.10	3,236.10	3,329.10	3,420.60	3,578.10
W-3 ..	2,747.10	2,862.00	2,979.30	3,017.70	3,141.00
W-2 ..	2,416.50	2,554.50	2,675.10	2,763.00	2,838.30
W-1 ..	2,133.90	2,308.50	2,425.50	2,501.10	2,662.50
	Over 8	Over 10	Over 12	Over 14	Over 16
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,733.50	3,891.00	4,044.60	4,203.60	4,356.00
W-3 ..	3,281.70	3,467.40	3,580.50	3,771.90	3,915.60
W-2 ..	2,993.10	3,148.50	3,264.00	3,376.50	3,453.90
W-1 ..	2,782.20	2,888.40	3,006.90	3,085.20	3,203.40
	Over 18	Over 20	Over 22	Over 24	Over 26
W-5 ..	\$0.00	\$5,169.30	\$5,346.60	\$5,524.50	\$5,703.30
W-4 ..	4,512.00	4,664.40	4,822.50	4,978.20	5,137.50
W-3 ..	4,058.40	4,201.50	4,266.30	4,407.00	4,548.00
W-2 ..	3,579.90	3,705.90	3,831.00	3,957.30	3,957.30
W-1 ..	3,320.70	3,409.50	3,409.50	3,409.50	3,409.50

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

ENLISTED MEMBERS¹

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

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-9 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8 ...	0.00	0.00	0.00	0.00	0.00
E-7 ...	2,068.50	2,257.80	2,343.90	2,428.20	2,516.40
E-6 ...	1,770.60	1,947.60	2,033.70	2,117.10	2,204.10
E-5 ...	1,625.40	1,733.70	1,817.40	1,903.50	2,037.00
E-4 ...	1,502.70	1,579.80	1,665.30	1,749.30	1,824.00
E-3 ...	1,356.90	1,442.10	1,528.80	1,528.80	1,528.80
E-2 ...	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E-1 ...	³ 1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 ²	\$0.00	\$3,564.30	\$3,645.00	\$3,747.00	\$3,867.00
E-8 ...	2,975.40	3,061.20	3,141.30	3,237.60	3,342.00
E-7 ...	2,667.90	2,753.40	2,838.30	2,990.40	3,066.30
E-6 ...	2,400.90	2,477.40	2,562.30	2,636.70	2,663.10
E-5 ...	2,151.90	2,236.80	2,283.30	2,283.30	2,283.30
E-4 ...	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
E-3 ...	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
E-2 ...	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E-1 ...	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 ²	\$3,987.30	\$4,180.80	\$4,344.30	\$4,506.30	\$4,757.40
E-8 ...	3,530.10	3,625.50	3,787.50	3,877.50	4,099.20
E-7 ...	3,138.60	3,182.70	3,331.50	3,427.80	3,671.40
E-6 ...	2,709.60	2,709.60	2,709.60	2,709.60	2,709.60
E-5 ...	2,283.30	2,283.30	2,283.30	2,283.30	2,283.30
E-4 ...	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
E-3 ...	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
E-2 ...	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E-1 ...	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80

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

²Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$5,732.70, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,064.70.

1 SEC. 602. EXPANSION OF BASIC ALLOWANCE FOR HOUSING
2 LOW-COST OR NO-COST MOVES AUTHORITY
3 TO MEMBERS ASSIGNED TO DUTY OUTSIDE
4 UNITED STATES.

5 Section 403(c) of title 37, United States Code, is
6 amended by adding at the end the following new para-
7 graph:

1 “(4) In the case of a member who is assigned to duty
2 outside of the United States, the location or the cir-
3 cumstances of which make it necessary that the member
4 be reassigned under the conditions of low-cost or no-cost
5 permanent change of station or permanent change of as-
6 signment, the member may be treated as if the member
7 were not reassigned if the Secretary concerned determines
8 that it would be inequitable to base the member’s entitle-
9 ment to, and amount of, a basic allowance for housing on
10 the cost of housing in the area to which the member is
11 reassigned.”.

12 **Subtitle B—Bonuses and Special**
13 **and Incentive Pays**

14 **SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
15 **SPECIAL PAY AUTHORITIES FOR RESERVE**
16 **FORCES.**

17 (a) **SELECTED RESERVE REENLISTMENT BONUS.**—
18 Section 308b(f) of title 37, United States Code, is amend-
19 ed by striking “December 31, 2002” and inserting “De-
20 cember 31, 2003”.

21 (b) **SELECTED RESERVE ENLISTMENT BONUS.**—Sec-
22 tion 308c(e) of such title is amended by striking “Decem-
23 ber 31, 2002” and inserting “December 31, 2003”.

24 (c) **SPECIAL PAY FOR ENLISTED MEMBERS AS-**
25 **SIGNED TO CERTAIN HIGH PRIORITY UNITS.**—Section

1 308d(c) of such title is amended by striking “December
2 31, 2002” and inserting “December 31, 2003”.

3 (d) **SELECTED RESERVE AFFILIATION BONUS.**—Sec-
4 tion 308e(e) of such title is amended by striking “Decem-
5 ber 31, 2002” and inserting “December 31, 2003”.

6 (e) **READY RESERVE ENLISTMENT AND REENLIST-**
7 **MENT BONUS.**—Section 308h(g) of such title is amended
8 by striking “December 31, 2002” and inserting “Decem-
9 ber 31, 2003”.

10 (f) **PRIOR SERVICE ENLISTMENT BONUS.**—Section
11 308i(f) of such title is amended by striking “December
12 31, 2002” and inserting “December 31, 2003”.

13 **SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
14 **SPECIAL PAY AUTHORITIES FOR CERTAIN**
15 **HEALTH CARE PROFESSIONALS.**

16 (a) **NURSE OFFICER CANDIDATE ACCESSION PRO-**
17 **GRAM.**—Section 2130a(a)(1) of title 10, United States
18 Code, is amended by striking “December 31, 2002” and
19 inserting “December 31, 2003”.

20 (b) **REPAYMENT OF EDUCATION LOANS FOR CER-**
21 **TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-**
22 **LECTED RESERVE.**—Section 16302(d) of such title is
23 amended by striking “January 1, 2003” and inserting
24 “January 1, 2004”.

1 (c) ACCESSION BONUS FOR REGISTERED NURSES.—
2 Section 302d(a)(1) of title 37, United States Code, is
3 amended by striking “December 31, 2002” and inserting
4 “December 31, 2003”.

5 (d) INCENTIVE SPECIAL PAY FOR NURSE ANES-
6 THETISTS.—Section 302e(a)(1) of such title is amended
7 by striking “December 31, 2002” and inserting “Decem-
8 ber 31, 2003”.

9 (e) SPECIAL PAY FOR SELECTED RESERVE HEALTH
10 PROFESSIONALS IN CRITICALLY SHORT WARTIME SPE-
11 CIALTIES.—Section 302g(f) of such title is amended by
12 striking “December 31, 2002” and inserting “December
13 31, 2003”.

14 (f) ACCESSION BONUS FOR DENTAL OFFICERS.—
15 Section 302h(a)(1) of such title is amended by striking
16 “December 31, 2002” and inserting “December 31,
17 2003”.

18 **SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND**
19 **BONUS AUTHORITIES FOR NUCLEAR OFFI-**
20 **CERS.**

21 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFI-
22 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section
23 312(e) of title 37, United States Code, is amended by
24 striking “December 31, 2002” and inserting “December
25 31, 2003”.

1 (b) NUCLEAR CAREER ACCESSION BONUS.—Section
2 312b(c) of such title is amended by striking “December
3 31, 2002” and inserting “December 31, 2003”.

4 (c) NUCLEAR CAREER ANNUAL INCENTIVE
5 BONUS.—Section 312c(d) of such title is amended by
6 striking “December 31, 2002” and inserting “December
7 31, 2003”.

8 **SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND**
9 **SPECIAL PAY AUTHORITIES.**

10 (a) AVIATION OFFICER RETENTION BONUS.—Sec-
11 tion 301b(a) of title 37, United States Code, is amended
12 by striking “December 31, 2002” and inserting “Decem-
13 ber 31, 2003”.

14 (b) REENLISTMENT BONUS FOR ACTIVE MEM-
15 BERS.—Section 308(g) of such title is amended by strik-
16 ing “December 31, 2002” and inserting “December 31,
17 2003”.

18 (c) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—
19 Section 309(e) of such title is amended by striking “De-
20 cember 31, 2002” and inserting “December 31, 2003”.

21 (d) RETENTION BONUS FOR MEMBERS WITH CRIT-
22 ICAL MILITARY SKILLS.—Section 323(i) of such title is
23 amended by striking “December 31, 2002” and inserting
24 “December 31, 2003”.

1 (e) ACCESSION BONUS FOR NEW OFFICERS IN CRIT-
2 ICAL SKILLS.—Section 324(g) of such title is amended by
3 striking “December 31, 2002” and inserting “December
4 31, 2003”.

5 **SEC. 615. MINIMUM LEVELS OF HARDSHIP DUTY PAY FOR**
6 **DUTY ON THE GROUND IN ANTARCTICA OR**
7 **ON ARCTIC ICEPACK.**

8 Section 305 of title 37, United States Code, is
9 amended—

10 (1) by redesignating subsection (b) as sub-
11 section (c); and

12 (2) by inserting after subsection (a), the fol-
13 lowing new subsection:

14 “(b) DUTY IN CERTAIN LOCATIONS.—(1) In the case
15 of duty at a location described in paragraph (2) at any
16 time during a month, the member of a uniformed service
17 performing that duty is entitled to special pay under this
18 section at a monthly rate of not less than \$240, but not
19 to exceed the monthly rate specified in subsection (a). For
20 each day of that duty during the month, the member shall
21 receive an amount equal to $\frac{1}{30}$ of the monthly rate pre-
22 scribed under this subsection.

23 “(2) Paragraph (1) applies with respect to duty per-
24 formed on the ground in Antarctica or on the Arctic ice-
25 pack.”.

1 **SEC. 616. INCREASE IN MAXIMUM RATES FOR PRIOR SERV-**
2 **ICE ENLISTMENT BONUS.**

3 Section 308i(b)(1) of title 37, United States Code,
4 is amended—

5 (1) in subparagraph (A), by striking “\$5,000”
6 and inserting “\$8,000”;

7 (2) in subparagraph (B), by striking “\$2,500”
8 and inserting “\$4,000”; and

9 (3) in subparagraph (C), by striking “\$2,000”
10 and inserting “\$3,500”.

11 **SEC. 617. RETENTION INCENTIVES FOR HEALTH CARE PRO-**
12 **VIDERS QUALIFIED IN A CRITICAL MILITARY**
13 **SKILL.**

14 (a) EXCEPTION TO LIMITATION ON MAXIMUM BONUS
15 AMOUNT.—Subsection (d) of section 323 of title 37,
16 United States Code, is amended—

17 (1) by inserting “(1)” before “A member”; and

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

20 “(2) The limitation in paragraph (1) on the total
21 bonus payments that a member may receive under this
22 section does not apply with respect to an officer who is
23 assigned duties as a health care provider.”.

24 (b) EXCEPTION TO YEARS OF SERVICE LIMITA-
25 TION.—Subsection (e) of such section is amended—

1 (1) by redesignating paragraphs (1) and (2) as
2 subparagraphs (A) and (B), respectively;

3 (2) by inserting “(1)” before “A retention”;
4 and

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

7 “(2) The limitations in paragraph (1) do not apply
8 with respect to an officer who is assigned duties as a
9 health care provider during the period of active duty for
10 which the bonus is being offered.”.

11 **Subtitle C—Travel and** 12 **Transportation Allowances**

13 **SEC. 631. EXTENSION OF LEAVE TRAVEL DEFERRAL PE-** 14 **RIOD FOR MEMBERS PERFORMING CONSECU-** 15 **TIVE OVERSEAS TOURS OF DUTY.**

16 (a) AUTHORIZED DEFERRAL PERIOD.—Section 411b
17 of title 37, United States Code is amended by inserting
18 after subsection (a) the following new subsection:

19 “(b) AUTHORITY TO DEFER TRAVEL; LIMITA-
20 TIONS.—(1) Under the regulations referred to subsection
21 (a), a member may defer the travel for which the member
22 is paid travel and transportation allowances under this
23 section until anytime before the completion of the consecu-
24 tive tour at the same duty station or the completion of

1 the tour of duty at the new duty station under the order
2 involved, as the case may be.

3 “(2) If a member is unable to undertake the travel
4 before expiration of the deferral period under paragraph
5 (1) because of duty in connection with a contingency oper-
6 ation, the member may defer the travel until not more
7 than one year after the date on which the member’s duty
8 in connection with the contingency operation ends.”.

9 (b) CONFORMING AND CLERICAL AMENDMENTS.—

10 Such section is further amended—

11 (1) in subsection (a)—

12 (A) by striking “(a)(1)” and inserting “(a)
13 ALLOWANCES AUTHORIZED.—”; and

14 (B) by striking paragraph (2); and

15 (2) by striking “(b) The allowances” and insert-
16 ing “(c) LIMITATION ON ALLOWANCE RATE.—”.

17 (c) APPLICATION OF AMENDMENT.—Subsection (b)
18 of section 411b of title 37, United States Code, as added
19 by subsection (a), shall apply with respect to members of
20 the uniformed services in a deferred leave travel status
21 under such section as of the date of the enactment of this
22 Act or after that date.

1 **Subtitle D—Retired Pay and**
2 **Survivors Benefits**

3 **SEC. 641. PHASE-IN OF FULL CONCURRENT RECEIPT OF**
4 **MILITARY RETIRED PAY AND VETERANS DIS-**
5 **ABILITY COMPENSATION FOR MILITARY RE-**
6 **TIREES WITH DISABILITIES RATED AT 60**
7 **PERCENT OR HIGHER.**

8 (a) CONCURRENT RECEIPT.—Section 1414 of title
9 10, United States Code, is amended to read as follows:
10 **“§ 1414. Members eligible for retired pay who have**
11 **service-connected disabilities rated at 60**
12 **percent or higher: concurrent payment of**
13 **retired pay and veterans’ disability com-**
14 **pensation**

15 “(a) PAYMENT OF BOTH RETIRED PAY AND COM-
16 PENSATION.—Subject to subsection (b), a member or
17 former member of the uniformed services who is entitled
18 for any month to retired pay and who is also entitled for
19 that month to veterans’ disability compensation for a
20 qualifying service-connected disability (hereinafter in this
21 section referred to as a ‘qualified retiree’) is entitled to
22 be paid both for that month without regard to sections
23 5304 and 5305 of title 38. For fiscal years 2003 through
24 2006, payment of retired pay to such a member or former
25 member is subject to subsection (c).

1 “(b) SPECIAL RULES FOR CHAPTER 61 DISABILITY
2 RETIREES.—

3 “(1) CAREER RETIREES.—The retired pay of a
4 member retired under chapter 61 of this title with
5 20 years or more of service otherwise creditable
6 under section 1405 of this title at the time of the
7 member’s retirement is subject to reduction under
8 sections 5304 and 5305 of title 38, but only to the
9 extent that the amount of the member’s retired pay
10 under chapter 61 of this title exceeds the amount of
11 retired pay to which the member would have been
12 entitled under any other provision of law based upon
13 the member’s service in the uniformed services if the
14 member had not been retired under chapter 61 of
15 this title.

16 “(2) DISABILITY RETIREES WITH LESS THAN 20
17 YEARS OF SERVICE.—Subsection (a) does not apply
18 to a member retired under chapter 61 of this title
19 with less than 20 years of service otherwise cred-
20 itable under section 1405 of this title at the time of
21 the member’s retirement.

22 “(c) PHASE-IN OF FULL CONCURRENT RECEIPT.—
23 For fiscal years 2003 through 2006, retired pay payable
24 to a qualified retiree shall be determined as follows:

1 “(1) FISCAL YEAR 2003.—For a month during
2 fiscal year 2003, the amount of retired pay payable
3 to a qualified retiree is the amount (if any) of re-
4 tired pay in excess of the current baseline offset plus
5 the following:

6 “(A) For a month for which the retiree re-
7 ceives veterans’ disability compensation for a
8 qualifying service-connected disability rated as
9 total, \$750.

10 “(B) For a month for which the retiree re-
11 ceives veterans’ disability compensation for a
12 qualifying service-connected disability rated as
13 90 percent, \$500.

14 “(C) For a month for which the retiree re-
15 ceives veterans’ disability compensation for a
16 qualifying service-connected disability rated as
17 80 percent, \$250.

18 “(D) For a month for which the retiree re-
19 ceives veterans’ disability compensation for a
20 qualifying service-connected disability rated as
21 70 percent, \$250.

22 “(E) For a month for which the retiree re-
23 ceives veterans’ disability compensation for a
24 qualifying service-connected disability rated as
25 60 percent, \$125.

1 “(2) FISCAL YEAR 2004.—For a month during
2 fiscal year 2004, the amount of retired pay payable
3 to a qualified retiree is the sum of—

4 “(A) the amount specified in paragraph
5 (1) for that qualified retiree; and

6 “(B) 23 percent of the difference between
7 (i) the current baseline offset, and (ii) the
8 amount specified in paragraph (1) for that
9 member’s disability.

10 “(3) FISCAL YEAR 2005.—For a month during
11 fiscal year 2005, the amount of retired pay payable
12 to a qualified retiree is the sum of—

13 “(A) the amount determined under para-
14 graph (2) for that qualified retiree; and

15 “(B) 30 percent of the difference between
16 (i) the current baseline offset, and (ii) the
17 amount determined under paragraph (2) for
18 that qualified retiree.

19 “(4) FISCAL YEAR 2006.—For a month during
20 fiscal year 2006, the amount of retired pay payable
21 to a qualified retiree is the sum of—

22 “(A) the amount determined under para-
23 graph (3) for that qualified retiree; and

24 “(B) 64 percent of the difference between
25 (i) the current baseline offset, and (ii) the

1 amount determined under paragraph (3) for
2 that qualified retiree.

3 “(d) DEFINITIONS.—In this section:

4 “(1) RETIRED PAY.—The term ‘retired pay’ in-
5 cludes retainer pay, emergency officers’ retirement
6 pay, and naval pension.

7 “(2) VETERANS’ DISABILITY COMPENSATION.—
8 The term ‘veterans’ disability compensation’ has the
9 meaning given the term ‘compensation’ in section
10 101(13) of title 38.

11 “(3) SERVICE-CONNECTED.—The term ‘service-
12 connected’ has the meaning given that term in sec-
13 tion 101(16) of title 38.

14 “(4) QUALIFYING SERVICE-CONNECTED DIS-
15 ABILITY.—The term ‘qualifying service-connected
16 disability’ means a service-connected disability or
17 combination of service-connected disabilities that is
18 rated as not less than 60 percent disabling by the
19 Secretary of Veterans Affairs.

20 “(5) DISABILITY RATED AS TOTAL.—The term
21 ‘disability rated as total’ means—

22 “(A) a disability, or combination of disabil-
23 ities, that is rated as total under the standard
24 schedule of rating disabilities in use by the De-
25 partment of Veterans Affairs; or

1 “(B) a disability, or combination of disabili-
2 ties, for which the scheduled rating is less than
3 total but for which a rating of total is assigned
4 by reason of inability of the disabled person
5 concerned to secure or follow a substantially
6 gainful occupation as a result of service-con-
7 nected disabilities.

8 “(6) CURRENT BASELINE OFFSET.—

9 “(A) IN GENERAL.—The term ‘current
10 baseline offset’ for any qualified retiree means
11 the amount for any month that is the lesser
12 of—

13 “(i) the amount of the applicable
14 monthly retired pay of the qualified retiree
15 for that month; and

16 “(ii) the amount of monthly veterans’
17 disability compensation to which the quali-
18 fied retiree is entitled for that month.

19 “(B) APPLICABLE RETIRED PAY.—In sub-
20 paragraph (A), the term ‘applicable retired pay’
21 for a qualified retiree means the amount of
22 monthly retired pay to which the qualified re-
23 tiree is entitled, determined without regard to
24 this section or sections 5304 and 5305 of title
25 38), except that in the case of such a retiree

1 who was retired under chapter 61 of this title,
2 such amount is the amount of retired pay to
3 which the member would have been entitled
4 under any other provision of law based upon
5 the member's service in the uniformed services
6 if the member had not been retired under chap-
7 ter 61 of this title.”.

8 (b) REPEAL OF SPECIAL COMPENSATION AUTHOR-
9 ITY.—Section 1413 of title 10, United States Code, is re-
10 pealed.

11 (c) PAYMENT OF INCREASED RETIRED PAY COSTS
12 DUE TO CONCURRENT RECEIPT.—(1) Section 1465(b) of
13 such title is amended by adding at the end the following
14 new paragraph:

15 “(3) At the same time that the Secretary of Defense
16 makes the determination required by paragraph (1) for
17 any fiscal year, the Secretary shall determine the amount
18 of the Treasury contribution to be made to the Fund for
19 the next fiscal year under section 1466(b)(2)(D) of this
20 title. That amount shall be determined in the same man-
21 ner as the determination under paragraph (1) of the total
22 amount of Department of Defense contributions to be
23 made to the Fund during that fiscal year under section
24 1466(a) of this title, except that for purposes of this para-
25 graph the Secretary, in making the calculations required

1 by subparagraphs (A) and (B) of that paragraph, shall
2 use the single level percentages determined under sub-
3 section (c)(4), rather than those determined under sub-
4 section (c)(1).”.

5 (2) Section 1465(c) of such title is amended—

6 (A) in paragraph (1)—

7 (i) in subparagraph (A), by inserting be-
8 fore the semicolon at the end the following: “,
9 to be determined without regard to section
10 1414 of this title”;

11 (ii) in subparagraph (B), by inserting be-
12 fore the period at the end the following: “, to
13 be determined without regard to section 1414
14 of this title”; and

15 (iii) in the sentence following subparagraph
16 (B), by striking “subsection (b)” and inserting
17 “subsection (b)(1)”;

18 (B) by redesignating paragraph (4) as para-
19 graph (5); and

20 (C) by inserting after paragraph (3) the fol-
21 lowing new paragraph (4):

22 “(4) Whenever the Secretary carries out an actuarial
23 valuation under paragraph (1), the Secretary shall include
24 as part of such valuation the following:

1 “(A) A determination of a single level percent-
2 age determined in the same manner as applies under
3 subparagraph (A) of paragraph (1), but based only
4 upon the provisions of section 1414 of this title.

5 “(B) A determination of a single level percent-
6 age determined in the same manner as applies under
7 subparagraph (B) of paragraph (1), but based only
8 upon the provisions of section 1414 of this title.

9 Such single level percentages shall be used for the pur-
10 poses of subsection (b)(3).”.

11 (3) Section 1466(b) of such title is amended—

12 (A) in paragraph (1), by striking “sections
13 1465(a) and 1465(c)” and inserting “sections
14 1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)”;
15 and

16 (B) by adding at the end of paragraph (2) the
17 following new subparagraph:

18 “(D) The amount for that year determined by
19 the Secretary of Defense under section 1465(b)(3)
20 of this title for the cost to the Fund arising from in-
21 creased amounts payable from the Fund by reason
22 of section 1414 of this title.”.

23 (d) CLERICAL AMENDMENTS.—The table of sections
24 at the beginning of chapter 71 of such title is amended—

1 (1) by striking the item relating to section
2 1413; and

3 (2) by striking the item relating to section 1414
4 and inserting the following:

“1414. Members eligible for retired pay who have service-connected disabilities rated at 60 percent or higher: concurrent payment of retired pay and veterans’ disability compensation.”.

5 (e) EFFECTIVE DATE.—The amendments made by
6 this section shall apply with respect to retired pay payable
7 for months after September 2002.

8 **SEC. 642. CHANGE IN SERVICE REQUIREMENTS FOR ELIGI-**
9 **BILITY FOR RETIRED PAY FOR NON-REGULAR**
10 **SERVICE.**

11 (a) REDUCTION IN REQUIREMENT FOR YEARS OF
12 RESERVE COMPONENT SERVICE BEFORE RETIRED PAY
13 ELIGIBILITY.—Section 12731(a)(3) of title 10, United
14 States Code, is amended by striking “eight years” and in-
15 serting “six years”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 subsection (a) shall take effect on October 1, 2002.

18 **SEC. 643. ELIMINATION OF POSSIBLE INVERSION IN RE-**
19 **TIRED PAY COST-OF-LIVING ADJUSTMENT**
20 **FOR INITIAL COLA COMPUTATION.**

21 (a) ELIMINATION OF POSSIBLE COLA INVERSION.—
22 Section 1401a of title 10, United States Code, is
23 amended—

1 (1) in subsections (c)(1), (d), and (e), by insert-
2 ing “but subject to subsection (f)(2)” after “Not-
3 withstanding subsection (b)”;

4 (2) in subsection (c)(2), by inserting “(subject
5 to subsection (f)(2) as applied to other members
6 whose retired pay is computed on the current rates
7 of basic pay in the most recent adjustment under
8 this section)” after “shall be increased”; and

9 (3) in subsection (f)—

10 (A) by designating the text after the sub-
11 section heading as paragraph (1), indenting
12 that text two ems, and inserting “(1) PREVEN-
13 TION OF RETIRED PAY INVERSIONS.—” before
14 “Notwithstanding”; and

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

17 “(2) PREVENTION OF COLA INVERSIONS.—The
18 percentage of the first adjustment under this section
19 in the retired pay of any person, as determined
20 under subsection (c)(1), (c)(2), (d), or (e), may not
21 exceed the percentage increase in retired pay deter-
22 mined under subsection (b)(2) that is effective on
23 the same date as the effective date of such first ad-
24 justment.”.

1 (b) TECHNICAL AMENDMENTS.—Such section is fur-
2 ther amended—

3 (1) in subsection (d), by inserting “or on or
4 after August 1, 1986, if the member or former mem-
5 ber did not elect to receive a bonus under section
6 322 of title 37” after “August 1, 1986,”; and

7 (2) in subsection (e), by inserting “and elected
8 to receive a bonus under section 322 of title 37”
9 after “August 1, 1986,”.

10 **SEC. 644. TECHNICAL REVISIONS TO SO-CALLED “FORGOT-**
11 **TEN WIDOWS” ANNUITY PROGRAM.**

12 (a) CLARIFICATION OF ELIGIBILITY.—Subsection
13 (a)(1) of section 644 of the National Defense Authoriza-
14 tion Act for Fiscal Year 1998 (Public Law 105–85; 10
15 U.S.C. 1448 note) is amended—

16 (1) in subparagraph (A), by inserting after
17 “(A)” the following: “became entitled to retired or
18 retainer pay before September 21, 1972,”; and

19 (2) in subparagraph (B), by striking “was a
20 member of a reserve component of the Armed
21 Forces” and inserting “died”.

22 (b) CLARIFICATION OF INTERACTION WITH OTHER
23 BENEFITS.—(1) Subsection (a)(2) of such section is
24 amended by striking “and who” and all that follows
25 through “note)”.

1 (2) Subsection (b)(2) of such section is amended to
2 read as follows:

3 “(2) The amount of an annuity to which a surviving
4 spouse is entitled under this section for any period shall
5 be reduced (but not below zero) by any amount paid to
6 that surviving spouse for the same period under any of
7 the following provisions of law:

8 “(A) Section 1311(a) of title 38, United States
9 Code (relating to dependency and indemnity com-
10 pensation payable by the Secretary of Veterans Af-
11 fairs).

12 “(B) Chapter 73 of title 10, United States
13 Code.

14 “(C) Section 4 of Public Law 92–425 (10
15 U.S.C. 1448 note).”.

16 (c) CLARIFICATION OF DEFINITION OF SURVIVING
17 SPOUSE.—Subsection (d)(2) of such section is amended
18 by striking “the terms” and all that follows through “and
19 (8)” and inserting “such term in paragraph (9)”.

20 (d) CLARIFICATION OF EFFECTIVE DATE OF BENE-
21 FITS.—Subsection (e) of such section is amended—

22 (1) in paragraph (1), by striking “the month in
23 which this Act is enacted” and inserting “November
24 1997”;

1 (2) in paragraph (2), by striking “the first
2 month that begins after the month in which this Act
3 is enacted” and inserting “December 1997”; and

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

6 “(3) In the case of a person entitled to an annuity
7 under this section who applies for the annuity after the
8 date of the enactment of this paragraph, such annuity
9 shall be paid only for months beginning after the date on
10 which such application is submitted.”.

11 (e) SPECIFICATION IN LAW OF CURRENT BENEFIT
12 AMOUNT.—Subsection (b) of such section is amended—

13 (1) in paragraph (1), by striking “\$165” and
14 inserting “\$185.58”; and

15 (2) in paragraph (3)—

16 (A) by striking “the date of the enactment
17 of this Act” and inserting “May 1, 2002,”; and

18 (B) by striking the last sentence.

19 **Subtitle E—Reserve Component**
20 **Montgomery GI Bill**

21 **SEC. 651. EXTENSION OF MONTGOMERY GI BILL-SELECTED**
22 **RESERVE ELIGIBILITY PERIOD.**

23 Section 16133(a) of title 10, United States Code, is
24 amended by striking “10-year” and inserting “14-year”.

1 **Subtitle F—Other Matters**

2 **SEC. 661. ADDITION OF DEFINITION OF CONTINENTAL**
3 **UNITED STATES IN TITLE 37.**

4 (a) DEFINITION.—Section 101(1) of title 37, United
5 States Code, is amended by adding at the end the fol-
6 lowing new sentence: “The term ‘continental United
7 States’ means the 48 contiguous States and the District
8 of Columbia.”.

9 (b) CONFORMING AMENDMENTS.—Title 37, United
10 States Code, is amended as follows:

11 (1) Section 314(a)(3) is amended by striking
12 “the 48 contiguous States and the District of Co-
13 lumbia” and inserting “the continental United
14 States”.

15 (2) Section 403b(i) is amended by striking
16 paragraph (6).

17 (3) Section 409 is amended by striking sub-
18 section (e).

19 (4) Section 411b(a) is amended by striking “the
20 48 contiguous States and the District of Columbia”
21 both places it appears and inserting “the continental
22 United States”.

23 (5) Section 411d is amended by striking sub-
24 section (d).

1 (6) Section 430 is amended by striking sub-
2 section (f) and inserting the following new sub-
3 section (f):

4 “(f) DEFINITIONS.—In this section:

5 “(1) The term ‘formal education’ means the fol-
6 lowing:

7 “(A) A secondary education.

8 “(B) An undergraduate college education.

9 “(C) A graduate education pursued on a
10 full-time basis at an institution of higher edu-
11 cation.

12 “(D) Vocational education pursued on a
13 full-time basis at a postsecondary vocational in-
14 stitution.

15 “(2) The term ‘institution of higher education’
16 has the meaning given that term in section 101 of
17 the Higher Education Act of 1965 (20 U.S.C.
18 1001).

19 “(3) The term ‘postsecondary vocational insti-
20 tution’ has the meaning given that term in section
21 102(c) of the Higher Education Act of 1965 (20
22 U.S.C. 1002(c)).”.

1 **TITLE VII—HEALTH CARE**
2 **MATTERS**
3 **Subtitle A—Health Care Program**
4 **Improvements**

5 **SEC. 701. ELIMINATION OF REQUIREMENT FOR TRICARE**
6 **PREAUTHORIZATION OF INPATIENT MENTAL**
7 **HEALTH CARE FOR MEDICARE-ELIGIBLE**
8 **BENEFICIARIES.**

9 (a) **ELIMINATION OF REQUIREMENT.**—Section
10 1079(i) of title 10, United States Code, is amended in
11 paragraph (3) by inserting “or in the case of a person
12 eligible for health care benefits under section 1086(d)(2)
13 of this title for whom payment for such services is made
14 under subsection 1086(d)(3) of this title” after “an emer-
15 gency”.

16 (b) **EFFECTIVE DATE.**—The amendment made by
17 subsection (a) shall take effect October 1, 2004.

18 **SEC. 702. EXPANSION OF TRICARE PRIME REMOTE FOR**
19 **CERTAIN DEPENDENTS.**

20 (a) **EXPANSION OF ELIGIBILITY.**—Section 1079(p) of
21 title 10, United States Code, is amended in paragraph
22 (1)—

23 (1) by inserting “(A)” after “(1)”;

24 (2) by striking “referred to in subsection (a) of
25 a member of the uniformed services referred to in

1 1074(c)(3) of this title who are residing with the
2 member” and inserting “described in subparagraph
3 (B)”;

4 (3) by adding at the end the following new sub-
5 paragraph:

6 “(B) A dependent referred to in subparagraph (A)
7 is—

8 “(i) a dependent referred to in subsection (a) of
9 a member of the uniformed services referred to in
10 section 1074(c)(3) of this title, who is residing with
11 the member; or

12 “(ii) a dependent referred to in subsection (a)
13 of a member of the uniformed services with a perma-
14 nent duty assignment for which the dependent is not
15 authorized to accompany the member and one of the
16 following circumstances exists:

17 “(I) The dependent continues to reside at
18 the location of the former duty assignment of
19 the member (or residence in the case of a mem-
20 ber of a reserve component ordered to active
21 duty for a period of more than 30 days), and
22 that location is more than 50 miles, or approxi-
23 mately one hour of driving time, from the near-
24 est military medical treatment facility that can
25 adequately provide needed health care.

1 “(II) There is no reasonable expectation
2 the member will return to the location of the
3 former duty assignment, and the dependent
4 moves to a location that is more than 50 miles,
5 or approximately one hour of driving time, from
6 the nearest military medical treatment facility
7 that can adequately provide needed health
8 care.”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 subsection (a) shall take effect October 1, 2002.

11 **SEC. 703. ENABLING DEPENDENTS OF CERTAIN MEMBERS**
12 **WHO DIED WHILE ON ACTIVE DUTY TO EN-**
13 **ROLL IN THE TRICARE DENTAL PROGRAM.**

14 Section 1076a(k)(2) of title 10, United States Code,
15 is amended by inserting “(or, if not enrolled, if the mem-
16 ber discontinued participation under subsection (f))” after
17 “subsection (a)”.

18 **SEC. 704. IMPROVEMENTS REGARDING THE DEPARTMENT**
19 **OF DEFENSE MEDICARE-ELIGIBLE RETIREE**
20 **HEALTH CARE FUND.**

21 (a) SOURCE OF FUNDS FOR MONTHLY ACCRUAL
22 PAYMENTS INTO THE FUND.—Section 1116(c) of title 10,
23 United States Code, is amended to read as follows:

24 “(c) Amounts paid into the Fund under subsection
25 (a) shall be paid from funds available for the pay of mem-

1 bers of the participating uniformed services under the ju-
2 risdiction of the respective administering Secretaries.”.

3 (b) MANDATORY PARTICIPATION OF OTHER UNI-
4 FORMED SERVICES.—Section 1111(e) of such title is
5 amended—

6 (1) in the first sentence, by striking “may enter
7 into an agreement with any other administering Sec-
8 retary” and inserting “shall enter into an agreement
9 with each other administering Secretary”; and

10 (2) in the second sentence, by striking “Any”
11 and inserting “Each”.

12 **SEC. 705. CERTIFICATION OF INSTITUTIONAL AND NON-IN-**
13 **STITUTIONAL PROVIDERS UNDER THE**
14 **TRICARE PROGRAM.**

15 (a) IN GENERAL.—Section 1079 of title 10, United
16 States Code, is amended by adding at the end the fol-
17 lowing new subsection:

18 “(q) For purposes of designating institutional and
19 non-institutional health care providers authorized to pro-
20 vide care under this section, the Secretary of Defense shall
21 prescribe regulations (in consultation with the other ad-
22 ministering Secretaries) that will, to the extent practicable
23 and subject to the limitations of subsection (a), so des-
24 ignate any provider authorized to provide care under title

1 XVIII of the Social Security Act (42 U.S.C. 1395 et
2 seq.).”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) shall take effect October 1, 2003.

5 **SEC. 706. TECHNICAL CORRECTION REGARDING TRANSI-**
6 **TIONAL HEALTH CARE.**

7 Effective as of December 28, 2001, section
8 1145(a)(1) of title 10, United States Code, is amended
9 by inserting “(and the dependents of the member)” after
10 “separated from active duty as described in paragraph
11 (2)”. The amendment made by the preceding sentence
12 shall be deemed to have been enacted as part of section
13 736 of the National Defense Authorization Act for Fiscal
14 Year 2002 (Public Law 107–107).

15 **Subtitle B—Reports**

16 **SEC. 711. COMPTROLLER GENERAL REPORT ON TRICARE**
17 **CLAIMS PROCESSING.**

18 Not later than March 31, 2003, the Comptroller Gen-
19 eral shall submit to Congress an evaluation of the con-
20 tinuing impediments to a cost effective and provider- and
21 beneficiary-friendly system for claims processing under the
22 TRICARE program. The evaluation shall include a discus-
23 sion of the following:

1 (1) The extent of progress implementing im-
2 provements in claims processing, particularly regard-
3 ing the application of best industry practices.

4 (2) The extent of progress in simplifying claims
5 processing procedures, including the elimination of,
6 or reduction in, the complexity of the Health Care
7 Service Record requirements.

8 (3) The suitability of a medicare-compatible
9 claims processing system with the data requirements
10 necessary to administer the TRICARE program and
11 related information systems.

12 (4) The extent to which the claims processing
13 system for the TRICARE program impedes provider
14 participation and beneficiary access.

15 (5) Recommendations for improving the claims
16 processing system that will reduce processing and
17 administration costs, create greater competition, and
18 improve fraud-prevention activities.

19 **SEC. 712. COMPTROLLER GENERAL REPORT ON PROVISION**
20 **OF CARE UNDER THE TRICARE PROGRAM.**

21 Not later than March 31, 2003, the Comptroller Gen-
22 eral shall submit to Congress an evaluation of the nature
23 of, reasons for, extent of, and trends regarding network
24 provider instability under the TRICARE program, and the
25 effectiveness of efforts by the Department of Defense and

1 managed care support contractors to measure and miti-
2 gate such instability. The evaluation shall include a discus-
3 sion of the following:

4 (1) The adequacy of measurement tools of
5 TRICARE network instability and their use by the
6 Department of Defense and managed care support
7 contractors to assess network adequacy and stability.

8 (2) Recommendations for improvements needed
9 in measurement tools or their application.

10 (3) The relationship of reimbursement rates
11 and administration requirements (including
12 preauthorization requirements) to TRICARE net-
13 work instability.

14 (4) The extent of problems under the
15 TRICARE program and likely future trends with
16 and without intervention using existing authority.

17 (5) Use of existing authority by the Depart-
18 ment of Defense and TRICARE managed care sup-
19 port contractors to apply higher reimbursement
20 rates in specific geographic areas.

21 (6) Recommendations for specific fiscally pru-
22 dent measures that could mitigate negative trends or
23 improve provider and network stability.

1 **SEC. 713. REPEAL OF REPORT REQUIREMENT.**

2 Notwithstanding subsection (f)(2) of section 712 of
3 the Floyd D. Spence National Defense Authorization Act
4 for Fiscal Year 2001 (as enacted into law by Public Law
5 106-398; 114 Stat. 1654A–179), the amendment made by
6 subsection (e) of such section shall not take effect and the
7 paragraph amended by such subsection is repealed.

8 **Subtitle C—Department of Defense-**
9 **Department of Veterans Affairs**
10 **Health Resources Sharing**

11 **SEC. 721. SHORT TITLE.**

12 This subtitle may be cited as the “Department of De-
13 fense-Department of Veterans Affairs Health Resources
14 Sharing and Performance Improvement Act of 2002”.

15 **SEC. 722. FINDINGS AND SENSE OF CONGRESS CON-**
16 **CERNING STATUS OF HEALTH RESOURCES**
17 **SHARING BETWEEN THE DEPARTMENT OF**
18 **VETERANS AFFAIRS AND THE DEPARTMENT**
19 **OF DEFENSE.**

20 (a) FINDINGS.—Congress makes the following find-
21 ings:

22 (1) Federal health care resources are scarce
23 and thus should be effectively and efficiently used.

24 (2) In 1982, Congress, in Public Law 97–174,
25 authorized the sharing of health resources between
26 Department of Defense medical treatment facilities

1 and Department of Veterans Affairs health care fa-
2 cilities in order to allow more effective and efficient
3 use of those health resources.

4 (3) Health care beneficiaries of the Depart-
5 ments of Defense and Veterans Affairs, whether ac-
6 tive servicemembers, veterans, retirees, or family
7 members of active or retired servicemembers, should
8 have full access to the health care and services that
9 Congress has authorized for them.

10 (4) The Secretary of Defense and the Secretary
11 of Veterans Affairs, and the appropriate officials of
12 each of the Departments of Defense and Veterans
13 Affairs with responsibilities related to health care,
14 have not taken full advantage of the opportunities
15 provided by law to make their respective health re-
16 sources available to health care beneficiaries of the
17 other Department in order to provide improved
18 health care for the whole number of beneficiaries.

19 (5) After the many years of support and en-
20 couragement from Congress, the Departments have
21 made little progress in health resource sharing and
22 the intended results of the sharing authority have
23 not been achieved.

24 (b) SENSE OF CONGRESS.—Congress urges the Sec-
25 retary of Defense and the Secretary of Veterans Affairs—

1 (1) to commit their respective Departments to
2 significantly improve mutually beneficial sharing and
3 coordination of health care resources and services
4 during peace and war;

5 (2) to build organizational cultures supportive
6 of improved sharing and coordination of health care
7 resources and services; and

8 (3) to establish and achieve measurable goals to
9 facilitate increased sharing and coordination of
10 health care resources and services.

11 (c) PURPOSE.—It is the purpose of this Act—

12 (1) to authorize a program to advance mutually
13 beneficial sharing and coordination of health care re-
14 sources between the two Departments consistent
15 with the longstanding intent of Congress; and

16 (2) to establish a basis for improved strategic
17 planning by the Department of Defense and Depart-
18 ment of Veterans Affairs health systems to ensure
19 that scarce health care resources are used more ef-
20 fectively and efficiently in order to enhance access to
21 high quality health care for their respective bene-
22 ficiaries.

1 **SEC. 723. REVISED COORDINATION AND SHARING GUIDE-**
2 **LINES.**

3 (a) IN GENERAL.—(1) Section 8111 of title 38,
4 United States Code, is amended to read as follows:

5 **“§ 8111. Sharing of Department of Veterans Affairs**
6 **and Department of Defense health care**
7 **resources**

8 “(a) REQUIRED COORDINATION AND SHARING OF
9 HEALTH CARE RESOURCES.—The Secretary of Veterans
10 Affairs and the Secretary of Defense shall enter into
11 agreements and contracts for the mutually beneficial co-
12 ordination, use, or exchange of use of the health care re-
13 sources of the Department of Veterans Affairs and the De-
14 partment of Defense with the goal of improving the access
15 to, and quality and cost effectiveness of, the health care
16 provided by the Veterans Health Administration and the
17 Military Health System to the beneficiaries of both De-
18 partments.

19 “(b) JOINT REQUIREMENTS FOR SECRETARIES OF
20 VETERANS AFFAIRS AND DEFENSE.—To facilitate the
21 mutually beneficial coordination, use, or exchange of use
22 of the health care resources of the two Departments, the
23 two Secretaries shall carry out the following functions:

24 “(1) Develop and publish a joint strategic vision
25 statement and a joint strategic plan to shape, focus,
26 and prioritize the coordination and sharing efforts

1 among appropriate elements of the two Departments
2 and incorporate the goals and requirements of the
3 joint sharing plan into the strategic and perform-
4 ance plan of each Department under the Govern-
5 ment Performance and Results Act.

6 “(2) Jointly fund the interagency committee
7 provided for under subsection (c).

8 “(3) Continue to facilitate and improve sharing
9 between individual Department of Veterans Affairs
10 and Department of Defense health care facilities,
11 but giving priority of effort to initiatives (A) that
12 improve sharing and coordination of health resources
13 at the intraregional and nationwide levels, and (B)
14 that improve the ability of both Departments to pro-
15 vide coordinated health care.

16 “(4) Establish a joint incentive program under
17 subsection (d).

18 “(c) DOD–VA HEALTH EXECUTIVE COMMITTEE.—
19 (1) There is established an interagency committee to be
20 known as the Department of Veterans Affairs-Department
21 of Defense Health Executive Committee (hereinafter in
22 this section referred to as the ‘Committee’). The Com-
23 mittee is composed of—

24 “(A) the Deputy Secretary of the Department
25 of Veterans Affairs and such other officers and em-

1 ployees of the Department of Veterans Affairs as the
2 Secretary of Veterans Affairs may designate; and

3 “(B) the Under Secretary of Defense for Per-
4 sonnel and Readiness and such other officers and
5 employees of the Department of Defense as the Sec-
6 retary of Defense may designate.

7 “(2)(A) During odd-numbered fiscal years, the Dep-
8 uty Secretary of Veterans Affairs shall chair the Com-
9 mittee. During even-numbered fiscal years, the Under Sec-
10 retary of Defense shall chair the Committee.

11 “(B) The Deputy Secretary and the Under Secretary
12 shall determine the size and structure of the Committee,
13 as well as the administrative and procedural guidelines for
14 the operation of the Committee. The two Departments
15 shall share equally the Committee’s cost of personnel and
16 administrative support and services. Support for such pur-
17 poses shall be provided at a level sufficient for the efficient
18 operation of the Committee, including a permanent staff
19 and, as required, other temporary working groups of ap-
20 propriate departmental staff and outside experts.

21 “(3) The Committee shall recommend to the Secre-
22 taries strategic direction for the joint coordination and
23 sharing efforts between and within the two Departments
24 under this section and shall oversee implementation of
25 those efforts.

1 “(4) The Committee shall submit to the two Secre-
2 taries and to Congress an annual report containing such
3 recommendations as the Committee considers appropriate.
4 The two Secretaries shall implement the Committee’s rec-
5 ommendations unless, with respect to any such rec-
6 ommendation, either Secretary formally determines that
7 the recommendation should not be implemented or should
8 be implemented in a modified form. Upon making such
9 a determination, the Secretary making the determination
10 shall submit to Congress notice of the Secretary’s deter-
11 mination and the Secretary’s rationale for the determina-
12 tion.

13 “(5) In order to enable the Committee to make rec-
14 ommendations in its annual report under paragraph (4),
15 the Committee shall do the following:

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

19 “(B) Identify changes in policies, procedures,
20 and practices that, in the judgment of the Com-
21 mittee, would promote mutually beneficial coordina-
22 tion, use, or exchange of use of the health care re-
23 sources of the two Departments, with the goal of im-
24 proving the access to, and quality and cost effective-
25 ness of, the health care provided by the Veterans

1 Health Administration and the Military Health Sys-
2 tem to the beneficiaries of both Departments.

3 “(C) Identify and assess further opportunities
4 for the coordination and sharing of health care re-
5 sources between the Departments that, in the judg-
6 ment of the Committee, would not adversely affect
7 the range of services, the quality of care, or the es-
8 tablished priorities for care provided by either De-
9 partment.

10 “(D) Review the plans of both Departments for
11 the acquisition of additional health care resources,
12 especially new facilities and major equipment and
13 technology, in order to assess the potential effect of
14 such plans on further opportunities for the coordina-
15 tion and sharing of health care resources.

16 “(E) Review the implementation of activities
17 designed to promote the coordination and sharing of
18 health care resources between the Departments. To
19 assist in this effort, the Committee chairman, under
20 procedures jointly developed by the Secretaries of
21 both Departments, may task the Inspectors General
22 of either or both Departments.

23 “(d) JOINT INCENTIVES PROGRAM.—(1) Pursuant to
24 subsection (b)(4), the two Secretaries shall carry out a
25 program to identify, provide incentives to, implement,

1 fund, and evaluate creative coordination and sharing ini-
2 tiatives at the facility, intraregional and nationwide levels.
3 The program shall be administered by the Committee es-
4 tablished in subsection (c), under procedures jointly pre-
5 scribed by the two Secretaries.

6 “(2) To facilitate the incentive program, there is es-
7 tablished in the Treasury, effective on October 1, 2003,
8 a DOD–VA Health Care Sharing Incentive Fund. Each
9 Secretary shall annually contribute to the fund a minimum
10 of \$15,000,000 from the funds appropriated to that Sec-
11 retary’s Department. Such funds shall remain available
12 until expended.

13 “(3)(A) The implementation and effectiveness of the
14 program under this subsection shall be reviewed annually
15 by the joint Department of Defense-Department of Vet-
16 erans Affairs Inspector General review team established
17 in section 724(i) of the Department of Defense-Depart-
18 ment of Veterans Affairs Health Resources Sharing and
19 Performance Improvement Act of 2002. On completion of
20 the annual review, the review team shall submit a report
21 to the two Secretaries on the results of the review. Such
22 report shall be submitted through the Committee to the
23 Secretaries not later than December 31 of each calendar
24 year. The Secretaries shall forward each report, without
25 change, to the Committees on Armed Services and Vet-

1 erans' Affairs of the Senate and House of Representatives
2 not later than February 28 of the following year.

3 “(B) Each such report shall describe activities carried
4 out under the program under this subsection during the
5 preceding fiscal year. Each report shall include at least
6 the following:

7 “(i) An analysis of the initiatives funded by the
8 Committee, and the funds so expended by such ini-
9 tiatives, from the Health Care Sharing Incentive
10 Fund, including the purposes and effects of those
11 initiatives on improving access to care by bene-
12 ficiaries, improvements in the quality of care re-
13 ceived by those beneficiaries, and efficiencies gained
14 in delivering services to those beneficiaries.

15 “(ii) Other matters of interest, including rec-
16 ommendations from the review team to make legisla-
17 tive improvements to the program.

18 “(4) The program under this subsection shall termi-
19 nate on September 30, 2007.

20 “(e) GUIDELINES AND POLICIES FOR IMPLEMENTA-
21 TION OF COORDINATION AND SHARING RECOMMENDA-
22 TIONS, CONTRACTS, AND AGREEMENTS.—(1) To imple-
23 ment the recommendations made by the Committee under
24 subsection (c)(2), as well as to carry out other health care
25 contracts and agreements for coordination and sharing

1 initiatives as they consider appropriate, the two Secre-
2 taries shall jointly issue guidelines and policy directives.
3 Such guidelines and policies shall provide for coordination
4 and sharing that—

5 “(A) is consistent with the health care respon-
6 sibilities of the Department of Veterans Affairs
7 under this title and with the health care responsibil-
8 ities of the Department of Defense under chapter 55
9 of title 10;

10 “(B) will not adversely affect the range of serv-
11 ices, the quality of care, or the established priorities
12 for care provided by either Department; and

13 “(C) will not reduce capacities in certain spe-
14 cialized programs of the Department of Veterans Af-
15 fairs that the Secretary is required to maintain in
16 accordance with section 1706(b) of this title.

17 “(2) To facilitate the sharing and coordination of
18 health care services between the two Departments, the two
19 Secretaries shall jointly develop and implement guidelines
20 for a standardized, uniform payment and reimbursement
21 schedule for those services. Such schedule shall be imple-
22 mented no later than the beginning of fiscal year 2004
23 and shall be revised periodically as necessary.

24 “(3)(A) The guidelines established under paragraph
25 (1) shall authorize the heads of individual Department of

1 Defense and Department of Veterans Affairs medical fa-
2 cilities and service regions to enter into health care re-
3 sources coordination and sharing agreements.

4 “(B) Under any such agreement, an individual who
5 is a primary beneficiary of one Department may be pro-
6 vided health care, as provided in the agreement, at a facil-
7 ity or in the service region of the other Department that
8 is a party to the sharing agreement.

9 “(C) Each such agreement shall identify the health
10 care resources to be shared.

11 “(D) Each such agreement shall provide, and shall
12 specify procedures designed to ensure, that the availability
13 of direct health care to individuals who are not primary
14 beneficiaries of the providing Department is (i) on a refer-
15 ral basis from the facility or service region of the other
16 Department, and (ii) does not (as determined by the head
17 of the providing facility or region) adversely affect the
18 range of services, the quality of care, or the established
19 priorities for care provided to the primary beneficiaries of
20 the providing Department.

21 “(E) Each such agreement shall provide that a pro-
22 viding Department or service region shall be reimbursed
23 for the cost of the health care resources provided under
24 the agreement and that the rate of such reimbursement
25 shall be as determined in accordance with paragraph (2).

1 “(F) Each proposal for an agreement under this
2 paragraph shall be effective (i) on the 46th day after the
3 receipt of such proposal by the Committee, unless earlier
4 disapproved, or (ii) if earlier approved by the Committee,
5 on the date of such approval.

6 “(G) Any funds received through such a uniform pay-
7 ment and reimbursement schedule shall be credited to
8 funds that have been allotted to the facility of either De-
9 partment that provided the care or services, or is due the
10 funds from, any such agreement.

11 “(f) ANNUAL JOINT REPORT.—(1) At the time the
12 President’s budget is transmitted to Congress in any year
13 pursuant to section 1105 of title 31, the two Secretaries
14 shall submit to Congress a joint report on health care co-
15 ordination and sharing activities under this section during
16 the fiscal year that ended during the previous calendar
17 year.

18 “(2) Each report under this section shall include the
19 following:

20 “(A) The guidelines prescribed under subsection
21 (e) of this section (and any revision of such guide-
22 lines).

23 “(B) The assessment of further opportunities
24 identified under subparagraph (C) of subsection

1 (c)(5) for the sharing of health-care resources be-
2 tween the two Departments.

3 “(C) Any recommendation made under sub-
4 section (c)(4) of this section during such fiscal year.

5 “(D) A review of the sharing agreements en-
6 tered into under subsection (e) of this section and a
7 summary of activities under such agreements during
8 such fiscal year and a description of the results of
9 such agreements in improving access to, and the
10 quality and cost effectiveness of, the health care pro-
11 vided by the Veterans Health Administration and
12 the Military Health System to the beneficiaries of
13 both Departments.

14 “(E) A summary of other planning and activi-
15 ties involving either Department in connection with
16 promoting the coordination and sharing of Federal
17 health-care resources during the preceding fiscal
18 year.

19 “(F) Such recommendations for legislation as
20 the two Secretaries consider appropriate to facilitate
21 the sharing of health-care resources between the two
22 Departments.

23 “(3) In addition to the matters specified in paragraph
24 (2), the two Secretaries shall include in the annual report
25 under this subsection an overall status report of the

1 progress of health resources sharing between the two De-
2 partments as a consequence of the Department of De-
3 fense-Department of Veterans Affairs Health Resources
4 Sharing and Performance Improvement Act of 2002 and
5 of other sharing initiatives taken during the period covered
6 by the report. Such status report shall indicate the status
7 of such sharing and shall include appropriate data as well
8 as analyses of that data. The annual report shall include
9 the following:

10 “(A) Enumerations and explanations of major
11 policy decisions reached by the two Secretaries dur-
12 ing the period covered by the report period with re-
13 spect to sharing between the two Departments.

14 “(B) A description of any purposes of Depart-
15 ment of Defense-Department of Veterans Affairs
16 Health Resources Sharing and Performance Im-
17 provement Act of 2002 that presented barriers that
18 could not be overcome by the two Secretaries and
19 their status at the time of the report.

20 “(C) A description of progress made in new
21 ventures or particular areas of sharing and coordina-
22 tion that would be of policy interest to Congress con-
23 sistent with the intent of such Act.

24 “(D) A description of enhancements of access
25 to care of beneficiaries of both Departments that

1 came about as a result of new sharing approaches
2 brought about by such Act.

3 “(E) A description of proposals for which funds
4 are provided through the joint incentives program
5 under subsection (d), together with a description of
6 their results or status at the time of the report, in-
7 cluding access improvements, savings, and quality-
8 of-care enhancements they brought about, and a de-
9 scription of any additional use of funds made avail-
10 able under subsection (d).

11 “(g) DEFINITIONS.—For the purposes of this section:

12 “(1) The term ‘beneficiary’ means a person who
13 is a primary beneficiary of the Department of Vet-
14 erans Affairs or of the Department of Defense.

15 “(2) The term ‘direct health care’ means health
16 care provided to a beneficiary in a medical facility
17 operated by the Department or the Department of
18 Defense.

19 “(3) The term ‘head of a medical facility’ (A)
20 with respect to a medical facility of the Department,
21 means the director of the facility, and (B) with re-
22 spect to a medical facility of the Department of De-
23 fense, means the medical or dental officer in charge
24 or the contract surgeon in charge.

1 “(4) The term ‘health-care resource’ includes
2 hospital care, medical services, and rehabilitative
3 services, as those terms are defined in paragraphs
4 (5), (6), and (8), respectively, of section 1701 of this
5 title, services under sections 1782 and 1783 of this
6 title, any other health-care service, and any health-
7 care support or administrative resource.

8 “(5) The term ‘primary beneficiary’ (A) with
9 respect to the Department means a person who is el-
10 ible under this title (other than under section
11 1782, 1783, or 1784 or subsection (d) of this sec-
12 tion) or any other provision of law for care or serv-
13 ices in Department medical facilities, and (B) with
14 respect to the Department of Defense, means a
15 member or former member of the Armed Forces who
16 is eligible for care under section 1074 of title 10.

17 “(6) The term ‘providing Department’ means
18 the Department of Veterans Affairs, in the case of
19 care or services furnished by a facility of the Depart-
20 ment of Veterans Affairs, and the Department of
21 Defense, in the case of care or services furnished by
22 a facility of the Department of Defense.

23 “(7) The term ‘service region’ means a geo-
24 graphic service area of the Veterans Health Admin-
25 istration, in the case of the Department of Veterans

1 in accordance with the provisions of section 8111(e)(2) of
2 title 38, United States Code, as amended by section
3 723(a).

4 (b) SITE IDENTIFICATION.—(1) Not later than 90
5 days after the date of the enactment of this Act, the Secre-
6 taries shall jointly identify no less than five sites for the
7 conduct of the project under this section.

8 (2) For purposes of this section, a site at which the
9 resource sharing project shall be carried out is an area
10 in the United States in which—

11 (A) one or more military treatment facilities
12 and one or more VA health care facilities are situ-
13 ated in relative proximity to each other, including fa-
14 cilities engaged in joint ventures as of the date of
15 the enactment of this Act; and

16 (B) for which an agreement to coordinate care
17 and programs for patients at those facilities could be
18 implemented not later than October 1, 2004.

19 (c) CONDUCT OF PROJECT.—(1) At sites at which
20 the project is conducted, the Secretaries shall provide a
21 test of a coordinated management system for the military
22 treatment facilities and VA health care facilities partici-
23 pating in the project. Such a coordinated management
24 system for a site shall include at least one of the elements
25 specified in paragraph (2), and each of the elements speci-

1 fied in that paragraph must be included in the coordinated
2 management system for at least two of the participating
3 sites.

4 (2) Elements of a coordinated management system
5 referred to in paragraph (1) are the following:

6 (A) A budget and financial management system
7 for those facilities that—

8 (i) provides managers with information
9 about the costs of providing health care by both
10 Departments at the site;

11 (ii) allows managers to assess the advan-
12 tages and disadvantages (in terms of relative
13 costs, benefits, and opportunities) of using re-
14 sources of either Department to provide or en-
15 hance health care to beneficiaries of either De-
16 partment.

17 (B) A coordinated staffing and assignment sys-
18 tem for the personnel (including contract personnel)
19 employed at or assigned to those facilities, including
20 clinical practitioners of either Department.

21 (C) Medical information and information tech-
22 nology systems for those facilities that—

23 (i) are compatible with the purposes of the
24 project;

1 (ii) communicate with medical information
2 and information technology systems of cor-
3 responding elements of those facilities; and

4 (iii) incorporate minimum standards of in-
5 formation quality that are at least equivalent to
6 those adopted for the Departments at large in
7 their separate health care systems.

8 (d) PHARMACY BENEFIT.—(1) One of the elements
9 that shall be tested in at least two sites in accordance with
10 subsection (c) is a pharmacy benefit under which bene-
11 ficiaries of either Department shall have access, as part
12 of the project, to pharmaceutical services of the other De-
13 partment participating in the project.

14 (2) The two Secretaries shall enter into a memo-
15 randum of agreement to govern the establishment and
16 provision not later than October 1, 2004, of pharma-
17 ceutical services authorized by this section. In the case of
18 beneficiaries of the Department of Defense, the authority
19 under the preceding sentence for such access to pharma-
20 ceutical services at a VA health care facility includes au-
21 thority for medications to be dispensed based upon a pre-
22 scription written by a licensed health care practitioner
23 who, as determined by the Secretary of Defense, is a cer-
24 tified practitioner.

1 (e) AUTHORITY TO WAIVE CERTAIN ADMINISTRA-
2 TIVE POLICIES.—(1)(A) In order to carry out subsections
3 (c) and (d), the Secretary of Defense may, in the Sec-
4 retary’s discretion, waive any administrative policy of the
5 Department of Defense otherwise applicable to those sub-
6 sections (including policies applicable to pharmaceutical
7 benefits) that specifically conflicts with the purposes of the
8 project, in instances in which the Secretary determines
9 that the waiver is necessary for the purposes of the
10 project.

11 (B) In order to carry out subsections (c) and (d), the
12 Secretary of Veterans Affairs may, in the Secretary’s dis-
13 cretion, waive any administrative policy of the Department
14 of Veterans Affairs otherwise applicable to those sub-
15 sections (including policies applicable to pharmaceutical
16 benefits) that specifically conflicts with the purposes of the
17 project, in instances in which the Secretary determines
18 that the waiver is necessary for the purposes of the
19 project.

20 (C) The two Secretaries shall establish procedures for
21 resolving disputes that may arise from the effects of policy
22 changes that are not covered by other agreement or exist-
23 ing procedures.

24 (2) No waiver under paragraph (1) may alter any
25 labor-management agreement in effect as of the date of

1 the enactment of this Act or adopted by either Depart-
2 ment during the period of the project.

3 (f) USE BY DOD OF CERTAIN TITLE 38 PERSONNEL
4 AUTHORITIES.—(1) In order to carry out subsections (c)
5 and (d), the Secretary of Defense may apply to civilian
6 personnel of the Department of Defense assigned to or
7 employed at a military treatment facility participating in
8 the project any of the provisions of subchapters I, III, and
9 IV of chapter 74 of title 38, United States Code, deter-
10 mined appropriate by the Secretary.

11 (2) For such purposes, any reference in such
12 chapter—

13 (A) to the “Secretary” or the “Under Secretary
14 for Health” shall be treated as referring to the Sec-
15 retary of Defense; and

16 (B) to the “Veterans Health Administration”
17 shall be treated as referring to the Department of
18 Defense.

19 (g) FUNDING.—From amounts available for health
20 care for a fiscal year, each Secretary shall make available
21 to carry out the project not less than—

22 (1) \$5,000,000 for fiscal year 2003;

23 (2) \$10,000,000 for fiscal year 2004; and

24 (3) \$15,000,000 for each succeeding year dur-
25 ing which the project is in effect.

1 (h) DEFINITIONS.—For purposes of this section:

2 (1) The term “military treatment facility”
3 means a medical facility under the jurisdiction of the
4 Secretary of a military department.

5 (2) The term “VA health care facility” means
6 a facility under the jurisdiction of the Veterans
7 Health Administration of the Department of Vet-
8 erans Affairs.

9 (i) PERFORMANCE REQUIREMENTS.—(1) The two
10 Secretaries shall provide for a joint review team to conduct
11 an annual on-site review at each of the project locations
12 selected by the Secretaries under this section. The review
13 team shall be comprised of employees of the Offices of the
14 Inspectors General of the two Departments. Leadership
15 of the joint review team shall rotate each fiscal year be-
16 tween an employee of the Office of the Inspector General
17 of the Department of Veterans Affairs, during even-num-
18 bered fiscal years, and an employee of the Office of Inspec-
19 tor General of the Department of Defense, during odd-
20 numbered fiscal years.

21 (2) On completion of their annual joint review under
22 paragraph (1), the review team shall submit a report to
23 the two Secretaries on the results of the review. The Secre-
24 taries shall forward the report, without change, to the

1 Committees on Armed Services and Veterans' Affairs of
2 the Senate and House of Representatives.

3 (3) Each such report shall include the following:

4 (A) The strategic mission coordination between
5 shared activities.

6 (B) The accuracy and validity of performance
7 data used to evaluate sharing performance and
8 changes in standards of care or services at the
9 shared facilities.

10 (C) A statement that all appropriated funds
11 designated for sharing activities are being used for
12 direct support of sharing initiatives.

13 (D) Recommendations concerning continuance
14 of the project at each site for the succeeding 12-
15 month period.

16 (4) Whenever there is a recommendation under para-
17 graph (3)(D) to discontinue a resource sharing project
18 under this section, the two Secretaries shall act upon that
19 recommendation as soon as practicable.

20 (5) In the initial report under this subsection, the
21 joint review team shall validate the baseline information
22 used for comparative analysis.

23 (j) TERMINATION.—(1) The project, and the author-
24 ity provided by this section, shall terminate on September
25 30, 2007.

1 (2) The Secretaries may terminate the performance
2 of the project at any site when the performance of the
3 project at that site fails to meet performance expectations
4 of the Secretaries, based on recommendations from the re-
5 view team under subsection (i) or on other information
6 available to the Secretaries to warrant such action.

7 **SEC. 725. REPORT ON IMPROVED COORDINATION AND**
8 **SHARING OF HEALTH CARE AND HEALTH**
9 **CARE RESOURCES FOLLOWING DOMESTIC**
10 **ACTS OF TERRORISM OR DOMESTIC USE OF**
11 **WEAPONS OF MASS DESTRUCTION.**

12 (a) **JOINT REVIEW.**—The Secretary of Defense and
13 the Secretary of Veterans Affairs shall jointly review the
14 adequacy of current processes and existing statutory au-
15 thorities and policy governing the capability of the Depart-
16 ment of Defense and the Department of Veterans Affairs
17 to provide health care to members of the Armed Forces
18 following domestic acts of terrorism or domestic use of
19 weapons of mass destruction, both before and after any
20 declaration of national emergency. Such review shall in-
21 clude a determination of the adequacy of current authori-
22 ties in providing for the coordination and sharing of health
23 care resources between the two Departments in such
24 cases, particularly before the declaration of a national
25 emergency.

1 (b) REPORT TO CONGRESS.—A report on the review
2 under subsection (a), including any recommended legisla-
3 tive changes, shall be submitted to Congress as part of
4 the fiscal year 2004 budget submission.

5 **SEC. 726. ADOPTION BY DEPARTMENT OF VETERANS AF-**
6 **FAIRS OF DEPARTMENT OF DEFENSE PHAR-**
7 **MACY DATA TRANSACTION SYSTEM.**

8 (a) ADOPTION OF PDTS SYSTEM.—The Secretary of
9 Veterans Affairs shall adopt for use by the Department
10 of Veterans Affairs health care system the system of the
11 Department of Defense known as the “Pharmacy Data
12 Transaction System”. Such system shall be fully oper-
13 ational for the Department of Veterans Affairs not later
14 than October 1, 2004.

15 (b) IMPLEMENTATION FUNDING.—The Secretary of
16 Defense shall transfer to the Secretary of Veterans Af-
17 fairs, or shall otherwise bear the cost of, an amount suffi-
18 cient to cover three-fourths of the cost to the Department
19 of Veterans Affairs for initial computer programming ac-
20 tivities and relevant staff training expenses related to im-
21 plementation of subsection (a). Such amount shall be de-
22 termined in such manner as agreed to by the two Secre-
23 taries.

24 (c) REIMBURSEMENT PROCEDURES.—Any reim-
25 bursement by the Department of Veterans Affairs to the

1 Department of Defense for the use by the Department of
2 Veterans Affairs of the transaction system under sub-
3 section (a) shall be determined in accordance with section
4 8111(e)(2) of title 38, United States Code, as amended
5 by section 723.

6 **SEC. 727. JOINT PILOT PROGRAM FOR PROVIDING GRAD-**
7 **UATE MEDICAL EDUCATION AND TRAINING**
8 **FOR PHYSICIANS.**

9 (a) IN GENERAL.—The Secretary of Defense and the
10 Secretary of Veterans Affairs shall jointly carry out a pilot
11 program under which graduate medical education and
12 training is provided to military physicians and physician
13 employees of the Department of Defense and the Depart-
14 ment of Veterans Affairs through one or more programs
15 carried out in military medical treatment facilities of the
16 Department of Defense and medical centers of the Depart-
17 ment of Veterans Affairs. The pilot program shall begin
18 not later than January 1, 2003.

19 (b) COST-SHARING AGREEMENT.—The Secretaries
20 shall enter into an agreement for carrying out the pilot
21 program. The agreement shall establish means for each
22 Secretary to assist in paying the costs, with respect to in-
23 dividuals under the jurisdiction of that Secretary, incurred
24 by the other Secretary in providing medical education and
25 training under the pilot program.

1 (c) USE OF EXISTING AUTHORITIES.—To carry out
2 the pilot program, the Secretary of Defense and the Sec-
3 retary of Veterans Affairs may use authorities provided
4 to them under this Act, section 8111 of title 38, United
5 States Code, and other laws relating to the furnishing or
6 support of medical education and the cooperative use of
7 facilities.

8 (d) TERMINATION OF PROGRAM.—The pilot program
9 under this section shall terminate on July 31, 2008.

10 (e) REPEAL OF SUPERSEDED PROVISION.—Section
11 738 of the National Defense Authorization Act for Fiscal
12 Year 2002 (Public Law 107–107; 10 U.S.C. 1094 note;
13 115 Stat.1173) is repealed.

14 **SEC. 728. REPEAL OF CERTAIN LIMITS ON DEPARTMENT OF**
15 **VETERANS AFFAIRS RESOURCES.**

16 (a) REPEAL OF VA BED LIMITS.—Section
17 8110(a)(1) of title 38, United States Code, is amended—

18 (1) in the first sentence, by striking “at not
19 more than 125,000 and not less than 100,000”;

20 (2) in the third sentence, by striking “shall op-
21 erate and maintain a total of not less than 90,000
22 hospital beds and nursing home beds and”; and

23 (3) in the fourth sentence, by striking “to en-
24 able the Department to operate and maintain a total

1 of not less than 90,000 hospital and nursing home
2 beds in accordance with this paragraph and”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 subsection (a) shall take effect on October 1, 2003.

5 **SEC. 729. REPORTS.**

6 (a) INTERIM REPORT.—Not later than February 1,
7 2004, the Secretary of Defense and Secretary of Veterans
8 Affairs shall submit to the Committees on Veterans’ Af-
9 fairs and the Committees on Armed Services of the Senate
10 and House of Representatives a joint report on their con-
11 duct of each of the programs under this Act through the
12 end of the preceding fiscal year. The Secretaries shall in-
13 clude in the report a description of the measures taken,
14 or planned to be taken, to implement the health resources
15 sharing project under section 724 and the other provisions
16 of this Act and any cost savings anticipated, or cost shar-
17 ing achieved, at facilities participating in the project. The
18 report shall also include information on improvements in
19 access to care, quality, and timeliness, as well as impedi-
20 ments encountered and legislative recommendations to
21 ameliorate such impediments.

22 (b) ANNUAL REPORT ON USE OF WAIVER AUTHOR-
23 ITY.—Not later than one year after the date of the enact-
24 ment of this Act, and annually thereafter through comple-
25 tion of the project under section 724, the two Secretaries

1 shall submit to the committees of Congress specified in
2 subsection (a) a joint report on the use of the waiver au-
3 thority provided by section 724(e)(1). The report shall in-
4 clude a statement of the numbers and types of requests
5 for waivers under that section of administrative policies
6 that have been made during the period covered by the re-
7 port and, for each such request, an explanation of the con-
8 tent of each request, the intended purpose or result of the
9 requested waiver, and the disposition of each request. The
10 report also shall include descriptions of any new adminis-
11 trative policies that enhance the success of the project.

12 (c) PHARMACY BENEFITS REPORT.—Not later than
13 one year after pharmaceutical services are first provided
14 pursuant to section 724(d)(1), the two Secretaries shall
15 submit to the committees of Congress specified in sub-
16 section (a) a joint report on access by beneficiaries of each
17 department to pharmaceutical services of the other depart-
18 ment. The report shall describe the advantages and dis-
19 advantages to the beneficiaries and the Departments of
20 providing such access and any other matters related to
21 such pharmaceutical services that the Secretaries consider
22 pertinent, together with any legislative recommendations
23 for expanding or canceling such services.

24 (d) ANNUAL REPORT ON PILOT PROGRAM FOR
25 GRADUATE MEDICAL EDUCATION.—Not later than Janu-

1 ary 31, 2004, and January 31 of each year thereafter
2 through 2009, the two Secretaries shall submit to Con-
3 gress a joint report on the pilot program under section
4 727. The report for any year shall cover activities under
5 the program during the preceding year and shall include
6 each Secretary's assessment of the efficacy of providing
7 education and training under that program.

8 **TITLE VIII—ACQUISITION POL-**
9 **ICY, ACQUISITION MANAGE-**
10 **MENT, AND RELATED MAT-**
11 **TERS**

12 **SEC. 801. PLAN FOR ACQUISITION MANAGEMENT PROFES-**
13 **SIONAL EXCHANGE PILOT PROGRAM.**

14 (a) PLAN REQUIRED.—(1) The Secretary of Defense
15 shall develop a plan for a pilot program under which—

16 (A) an individual in the field of acquisition
17 management employed by the Department of De-
18 fense may be temporarily assigned to work in a pri-
19 vate sector organization; and

20 (B) an individual in such field employed by a
21 private sector organization may be temporarily as-
22 signed to work in the Department of Defense.

23 (2) In developing the plan under paragraph (1), the
24 Secretary shall address the following:

1 (A) The benefits of undertaking such a pro-
2 gram.

3 (B) The appropriate length of assignments
4 under the program.

5 (C) Whether an individual assigned under the
6 program should be compensated by the organization
7 to which the individual is assigned, or the organiza-
8 tion from which the individual is assigned.

9 (D) The ethics guidelines that should be applied
10 to the program and, if necessary, waivers of ethics
11 laws that would be needed in order to make the pro-
12 gram effective and attractive to both Government
13 and private sector employees.

14 (E) An assessment of how compensation of in-
15 dividuals suffering employment-related injuries
16 under the program should be addressed.

17 (b) SUBMISSION TO CONGRESS.—Not later than Feb-
18 ruary 1, 2003, the Secretary shall submit to the Commit-
19 tees on Armed Services of the Senate and the House of
20 Representatives the plan required under subsection (a).

21 **SEC. 802. EVALUATION OF TRAINING, KNOWLEDGE, AND**
22 **RESOURCES REGARDING NEGOTIATION OF**
23 **INTELLECTUAL PROPERTY ARRANGEMENTS.**

24 (a) AVAILABILITY OF TRAINING, KNOWLEDGE, AND
25 RESOURCES.—The Secretary of Defense shall evaluate the

1 training, knowledge, and resources needed by the Depart-
2 ment of Defense in order to effectively negotiate intellec-
3 tual property rights using the principles of the Defense
4 Federal Acquisition Regulation Supplement and determine
5 whether the Department of Defense currently has in place
6 the training, knowledge, and resources available to meet
7 those Departmental needs.

8 (b) REPORT.—Not later than February 1, 2003, the
9 Secretary of Defense shall submit to Congress a report
10 describing—

11 (1) the results of the evaluation performed
12 under subsection (a);

13 (2) to the extent the Department does not have
14 adequate training, knowledge, and resources avail-
15 able, actions to be taken to improve training and
16 knowledge and to make resources available to meet
17 the Department's needs; and

18 (3) the number of Department of Defense legal
19 personnel trained in negotiating intellectual property
20 arrangements.

21 **SEC. 803. LIMITATION PERIOD FOR TASK AND DELIVERY**

22 **ORDER CONTRACTS.**

23 Chapter 137 of title 10, United States Code, is
24 amended—

25 (1) in section 2304a—

1 (A) in subsection (e)—

2 (i) by inserting “(1)” before “A task”;

3 and

4 (ii) by adding at the end the following
5 new paragraphs:

6 “(2) Unless use of procedures other than competitive
7 procedures is authorized by an exception in subsection (c)
8 of section 2304 of this title and approved in accordance
9 with subsection (f) of such section, competitive procedures
10 shall be used for making such a modification.

11 “(3) Notice regarding the modification shall be pro-
12 vided in accordance with section 18 of the Office of Fed-
13 eral Procurement Policy Act (41 U.S.C. 416) and section
14 8(e) of the Small Business Act (15 U.S.C. 637(e)).”; and

15 (B) by striking subsection (f) and inserting
16 the following:

17 “(f) LIMITATION ON CONTRACT PERIOD.—The base
18 period of a task order contract or delivery order contract
19 entered into under this section may not exceed five years
20 unless a longer period is specifically authorized in a law
21 that is applicable to such contract. The contract may be
22 extended for an additional 5 years (for a total contract
23 period of not more than 10 years) through modifications,
24 options, or otherwise.”; and

25 (2) in section 2304b—

1 (A) by striking subsection (a) and insert-
2 ing the following:

3 “(a) IN GENERAL.—A task order contract (as defined
4 in section 2304d of this title) for procurement of advisory
5 and assistance services shall be subject to the require-
6 ments of this section, sections 2304a and 2304e of this
7 title, and other applicable provisions of law.”;

8 (B) by striking subsections (b), (f), and (g)
9 and redesignating subsections (c), (d), (e), (h),
10 and (i) as subsections (b) through (f);

11 (C) by amending subsection (c) (as reded-
12 icated by subparagraph (B)) to read as fol-
13 lows:

14 “(c) REQUIRED CONTENT OF CONTRACT.—A task
15 order contract described in subsection (a) shall contain the
16 same information that is required by section 2304a(b) to
17 be included in the solicitation of offers for that contract.”;
18 and

19 (D) in subsection (d) (as redesignated by
20 subparagraph (B))—

21 (i) in paragraph (1), by striking
22 “under this section” and inserting “de-
23 scribed in subsection (a)”;

24 (ii) in paragraph (2), by striking
25 “under this section”.

1 **SEC. 804. ONE-YEAR EXTENSION OF PROGRAM APPLYING**
2 **SIMPLIFIED PROCEDURES TO CERTAIN COM-**
3 **MERCIAL ITEMS; REPORT.**

4 (a) EXTENSION OF PILOT PROGRAM.—Section 4202
5 of the Clinger-Cohen Act of 1996 (divisions D and E of
6 Public Law 104–106; 110 Stat. 652; 10 U.S.C. 2304
7 note) is amended in subsection (e) by striking “January
8 1, 2003” and inserting “January 1, 2004”.

9 (b) REPORT REQUIRED.—Not later than January 15,
10 2003, the Secretary of Defense shall submit to Congress
11 a report on whether the authority to issue solicitations for
12 purchases of commercial items in excess of the simplified
13 acquisition threshold pursuant to the special simplified
14 procedures authorized by section 2304(g)(1) of title 10,
15 United States Code, section 303(g)(1) of the Federal
16 Property and Administrative Services Act of 1949, and
17 section 31(a) of the Office of Federal Procurement Policy
18 Act, should be made permanent.

19 **SEC. 805. AUTHORITY TO MAKE INFLATION ADJUSTMENTS**
20 **TO SIMPLIFIED ACQUISITION THRESHOLD.**

21 Section 4(11) of the Office of Federal Procurement
22 Policy Act (41 U.S.C. 403(11)) is amended by inserting
23 “, except that such amount may be adjusted by the Ad-
24 ministrator every five years to the amount equal to
25 \$100,000 in constant fiscal year 2002 dollars (rounded to
26 the nearest \$10,000)” before the period at the end.

1 **SEC. 806. IMPROVEMENT OF PERSONNEL MANAGEMENT**
2 **POLICIES AND PROCEDURES APPLICABLE TO**
3 **THE CIVILIAN ACQUISITION WORKFORCE.**

4 (a) PLAN REQUIRED.—The Secretary of Defense
5 shall develop a plan for improving the personnel manage-
6 ment policies and procedures applicable to the Department
7 of Defense civilian acquisition workforce based on the re-
8 sults of the demonstration project described in section
9 4308 of the Clinger–Cohen Act of 1996 (division D of
10 Public Law 104–106; 10 U.S.C. 1701 note).

11 (b) SUBMISSION TO CONGRESS.—Not later than Feb-
12 ruary 15, 2003, the Secretary shall submit to Congress
13 the plan required under subsection (a) and a report includ-
14 ing any recommendations for legislative action necessary
15 to implement the plan.

16 **SEC. 807. MODIFICATION OF SCOPE OF BALL AND ROLLER**
17 **BEARINGS COVERED FOR PURPOSES OF PRO-**
18 **CUREMENT LIMITATION.**

19 Section 2534(a)(5) of title 10, United States Code
20 is amended—

21 (1) by striking “225.71” and inserting
22 “225.70”;

23 (2) by striking “October 23, 1992” and insert-
24 ing “April 27, 2002”; and

25 (3) by adding at the end the following: “In this
26 section the term ‘ball bearings and roller bearings’

1 includes unconventional or hybrid ball and roller
2 bearings and cam follower bearings, ball screws, and
3 other derivatives of ball and roller bearings.”.

4 **SEC. 808. RAPID ACQUISITION AND DEPLOYMENT PROCE-**
5 **DURES.**

6 (a) REQUIREMENT TO ESTABLISH PROCEDURES.—
7 Chapter 141 of title 10, United States Code, is amended
8 by inserting after section 2396 the following new section:

9 “§ 2397. **Rapid acquisition and deployment proce-**
10 **dures**

11 “(a) ESTABLISHMENT.—The Secretary of Defense
12 shall establish tailored rapid acquisition and deployment
13 procedures for items urgently needed to react to an enemy
14 threat or to respond to significant and urgent safety situa-
15 tions.

16 “(b) PROCEDURES.—The procedures established
17 under subsection (a) shall include the following:

18 “(1) A process for streamlined communications
19 between the Chairman of the Joint Chiefs of Staff,
20 the acquisition community, and the testing commu-
21 nity.

22 “(2) A process for expedited technical, pro-
23 grammatic, and financial decisions.

24 “(3) An expedited procurement and contracting
25 process.

1 “(c) SPECIFIC STEPS TO BE INCLUDED.—The proce-
2 dures established under subsection (a) shall provide for
3 the following:

4 “(1) The commander of a unified combatant
5 command may notify the Chairman of the Joint
6 Chiefs of Staff of the need for an item described in
7 subsection (a) that is currently under development.

8 “(2) The Chairman may request the Secretary
9 of Defense to use rapid acquisition and deployment
10 procedures with respect to the item.

11 “(3) The Secretary of Defense shall decide
12 whether to use such procedures with respect to the
13 item and shall notify the Secretary of the appro-
14 priate military department of the decision.

15 “(4) If the Secretary of Defense decides to use
16 such procedures with respect to the item, the Sec-
17 retary of the military department shall prepare a
18 funding strategy for the rapid acquisition of the item
19 and shall conduct a demonstration of the perform-
20 ance of the item.

21 “(5) The Director of Operational Test and
22 Evaluation shall immediately evaluate the existing
23 capability of the item (but under such evaluation
24 shall not assess the capability of the item as regards

1 to the function the item was originally intended to
2 perform).

3 “(6) The Chairman of the Joint Chiefs of Staff
4 shall review the evaluation of the Director of Oper-
5 ational Test and Evaluation and report to the Sec-
6 retary of Defense regarding whether the capabilities
7 of the tested item are able to meet the urgent need
8 for the item.

9 “(7) The Secretary of Defense shall evaluate
10 the information regarding funding and rapid acquisi-
11 tion prepared pursuant to paragraph (4) and ap-
12 prove or disapprove of the acquisition of the item
13 using the procedures established pursuant to sub-
14 section (a).

15 “(d) LIMITATION.—The quantity of items of a system
16 procured using the procedures established under this sec-
17 tion may not exceed the number established for low-rate
18 initial production for the system, and any such items shall
19 be counted for purposes of the number of items of the
20 system that may be procured through low-rate initial pro-
21 duction.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 at the beginning of such chapter is amended by inserting
24 after the item relating to section 2396 the following new
25 item:

“2397. Rapid acquisition and deployment procedures.”.

1 **SEC. 809. QUICK-REACTION SPECIAL PROJECTS ACQUI-**
2 **SION TEAM.**

3 (a) ESTABLISHMENT.—Chapter 141 of title 10,
4 United States Code, is amended by inserting after section
5 2402 the following new section:

6 **“§ 2403. Quick-reaction special projects acquisition**
7 **team**

8 “The Secretary of Defense shall establish a quick-re-
9 action special projects acquisition team, the purpose of
10 which shall be to advise the Secretary on actions that can
11 be taken to expedite the procurement of urgently needed
12 systems. The team shall address problems with the inten-
13 tion of creating expeditious solutions relating to—

14 “(1) industrial-base issues such as the limited
15 availability of suppliers;

16 “(2) compliance with acquisition regulations
17 and lengthy procedures;

18 “(3) compliance with environmental require-
19 ments;

20 “(4) compliance with requirements regarding
21 small-business concerns; and

22 “(5) compliance with requirements regarding
23 the purchase of products made in the United
24 States.”.

25 (b) CLERICAL AMENDMENT.—The table of sections
26 at the beginning of such chapter is amended by inserting

1 after the item relating to section 2402 the following new
2 item:

“2403. Quick-reaction special projects acquisition team.”.

3 **SEC. 810. REPORT ON DEVELOPMENT OF ANTI-**
4 **CYBERTERRORISM TECHNOLOGY.**

5 Not later than February 1, 2003, the Secretary of
6 Defense shall submit to Congress a report on—

7 (1) efforts by the Department of Defense to
8 enter into contracts with private entities to develop
9 anticyberterrorism technology; and

10 (2) whether such efforts should be increased.

11 **SEC. 811. CONTRACTING WITH FEDERAL PRISON INDUS-**
12 **TRIES.**

13 (a) ASSURING BEST VALUE FOR NATIONAL DE-
14 FENSE AND HOMELAND SECURITY.—(1) The Department
15 of Defense or one of the military departments may acquire
16 a product or service from Federal Prison Industries, Inc.
17 only if such acquisition is made through a procurement
18 contract awarded and administered in accordance with
19 chapter 137 of title 10, United States Code, the Federal
20 Acquisition Regulation, and the Department of Defense
21 supplements to such regulation. If a contract is to be
22 awarded to Federal Prison Industries, Inc. by the Depart-
23 ment of Defense through other than competitive proce-
24 dures, authority for such award shall be based upon statu-

1 tory authority other than chapter 307 of title 18, United
2 States Code.

3 (2) The Secretary of Defense shall assure that—

4 (A) no purchase of a product or a service is
5 made by the Department of Defense from Federal
6 Prison Industries, Inc. unless the contracting officer
7 determines that—

8 (i) the product or service can be timely
9 furnished and will meet the performance needs
10 of the activity that requires the product or serv-
11 ice; and

12 (ii) the price to be paid does not exceed a
13 fair market price determined by competition or
14 a fair and reasonable price determined by price
15 analysis or cost analysis; and

16 (B) Federal Prison Industries, Inc. performs its
17 contractual obligations to the same extent as any
18 other contractor for the Department of Defense.

19 (b) PERFORMANCE AS A SUBCONTRACTOR.—(1) The
20 use of Federal Prison Industries, Inc. as a subcontractor
21 or supplier shall be a wholly voluntary business decision
22 by a Department of Defense prime contractor or subcon-
23 tractor, subject to any prior approval of subcontractors or
24 suppliers by the contracting officer which may be imposed
25 by regulation or by the contract.

1 (2) A defense contractor (or subcontractor at any
2 tier) using Federal Prison Industries, Inc. as a subcon-
3 tractor or supplier in furnishing a commercial product
4 pursuant to a contract shall implement appropriate man-
5 agement procedures to prevent introducing an inmate-pro-
6 duced product or inmate-furnished services into the com-
7 mercial market.

8 (3) Except as authorized under the Federal Acquisi-
9 tion Regulation, the use of Federal Prison Industries, Inc.
10 as a subcontractor or supplier of products or provider of
11 services shall not be imposed upon prospective or actual
12 defense prime contractors or subcontractors at any tier by
13 means of—

14 (A) a contract solicitation provision requiring a
15 contractor to offer to make use of Federal Prison
16 Industries, Inc. its products or services;

17 (B) specifications requiring the contractor to
18 use specific products or services (or classes of prod-
19 ucts or services) offered by Federal Prison Indus-
20 tries, Inc. in the performance of the contract;

21 (C) any contract modification directing the use
22 of Federal Prison Industries, Inc. its products or
23 services; or

24 (D) any other means.

1 (c) PROTECTION OF CLASSIFIED AND SENSITIVE IN-
2 FORMATION.—The Secretary of Defense shall assure that
3 Federal Prison Industries, Inc. is not permitted to provide
4 services as a contractor or subcontractor at any tier, if
5 an inmate worker has access to—

6 (1) data that is classified or will become classi-
7 fied after being merged with other data;

8 (2) geographic data regarding the location of
9 surface and subsurface infrastructure providing com-
10 munications, water and electrical power distribution,
11 pipelines for the distribution of natural gas, bulk pe-
12 troleum products and other commodities, and other
13 utilities; or

14 (3) personal or financial information about indi-
15 vidual private citizens, including information relating
16 to such person's real property, however described,
17 without giving prior notice to such persons or class
18 of persons to the greatest extent practicable.

19 (d) REGULATORY IMPLEMENTATION.—

20 (1) PROPOSED REGULATIONS.—Proposed revi-
21 sions to the Department of Defense Supplement to
22 the Federal Acquisition Regulation to implement
23 this section shall be published not later than 90 days
24 after the date of enactment of this Act and provide
25 not less than 60 days for public comment.

1 (2) FINAL REGULATIONS.—Final regulations
2 shall be published not later than 180 days after the
3 date of the enactment of this Act and shall be effective
4 on the date that is 30 days after the date of
5 publication.

6 **SEC. 812. RENEWAL OF CERTAIN PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENTS AT FUNDING LEVELS AT LEAST SUFFICIENT TO SUPPORT EXISTING PROGRAMS.**

10 Section 2413 of title 10, United States Code, is
11 amended by adding at the end the following new sub-
12 section:

13 “(d) With respect to any eligible entity that has suc-
14 cessfully performed under a cooperative agreement entered
15 into under subsection (a), the Secretary shall strive, to the
16 greatest extent practicable and subject to appropriations,
17 to renew such agreement with such entity at a level of
18 funding which is at least equal to the level of funding
19 under the cooperative agreement being renewed.”.

1 **TITLE IX—DEPARTMENT OF**
2 **DEFENSE ORGANIZATION**
3 **AND MANAGEMENT**

4 **SEC. 901. CHANGE IN TITLE OF SECRETARY OF THE NAVY**
5 **TO SECRETARY OF THE NAVY AND MARINE**
6 **CORPS.**

7 (a) CHANGE IN TITLE.—The position of the Sec-
8 retary of the Navy is hereby redesignated as the Secretary
9 of the Navy and Marine Corps.

10 (b) REFERENCES.—Any reference to the Secretary of
11 the Navy in any law, regulation, document, record, or
12 other paper of the United States shall be considered to
13 be a reference to the Secretary of the Navy and Marine
14 Corps.

15 **SEC. 902. REPORT ON IMPLEMENTATION OF UNITED**
16 **STATES NORTHERN COMMAND.**

17 Not later than September 1, 2002, the Secretary of
18 Defense shall submit to the Committees on Armed Serv-
19 ices of the Senate and the House of Representatives a re-
20 port providing an implementation plan for the United
21 States Northern Command. The report shall address the
22 following:

23 (1) The required budget for standing-up and
24 maintaining that command.

1 (2) The location of the headquarters of that
2 command and alternatives considered for that loca-
3 tion, together with the criteria used in selection of
4 that location.

5 (3) The required manning levels for the com-
6 mand, the effect that command will have on current
7 Department of Defense personnel resources, and the
8 other commands from which personnel will be trans-
9 ferred to provide personnel for that command.

10 (4) The chain of command within that com-
11 mand to the component command level and a review
12 of permanently assigned or tasked organizations and
13 units.

14 (5) The relationship of that command to the
15 Office of Homeland Security and the Homeland Se-
16 curity Council, to other Federal departments and
17 agencies, and to State and local law enforcement
18 agencies.

19 (6) The relationship of that command with the
20 National Guard Bureau, individual State National
21 Guard Headquarters, and civil first responders to
22 ensure continuity of operational plans.

23 (7) The legal implications of military forces in
24 their Federal capacity operating on United States
25 territory.

1 (8) The status of Department of Defense
2 consultations—

3 (A) with Canada regarding Canada's role
4 in, and any expansion of mission for, the North
5 American Air Defense Command; and

6 (B) with Mexico regarding Mexico's role in
7 the United States Northern Command.

8 (9) The status of Department of Defense con-
9 sultations with NATO member nations on efforts to
10 transfer the Supreme Allied Command for the Atlan-
11 tic from dual assignment with the position of com-
12 mander of the United States Joint Forces Com-
13 mand.

14 (10) The revised mission, budget, and personnel
15 resources required for the United States Joint
16 Forces Command.

17 **SEC. 903. NATIONAL DEFENSE MISSION OF COAST GUARD**
18 **TO BE INCLUDED IN FUTURE QUADRENNIAL**
19 **DEFENSE REVIEWS.**

20 Section 118(d) of title 10, United States Code, is
21 amended—

22 (1) by redesignating paragraph (14) as para-
23 graph (15); and

24 (2) by inserting after paragraph (13) the fol-
25 lowing new paragraph:

1 “(14) The national defense mission of the Coast
2 Guard.”.

3 **SEC. 904. CHANGE IN YEAR FOR SUBMISSION OF QUADREN-**
4 **NIAL DEFENSE REVIEW.**

5 Section 118(a) of title 10, United States Code, is
6 amended by striking “during a year” and inserting “dur-
7 ing the second year”.

8 **SEC. 905. REPORT ON EFFECT OF OPERATIONS OTHER**
9 **THAN WAR ON COMBAT READINESS OF THE**
10 **ARMED FORCES.**

11 (a) REPORT REQUIRED.—Not later than February
12 28, 2004, the Secretary of Defense shall submit to the
13 Committee on Armed Services of the Senate and the Com-
14 mittee on Armed Services of the House of Representatives
15 a report on the effect on the combat readiness of the
16 Armed Forces of operations other than war in which the
17 Armed Forces are participating as of the date of the en-
18 actment of this Act (hereinafter in this section referred
19 to as “current operations other than war”). Such report
20 shall address any such effect on combat readiness for the
21 Armed Forces as a whole and separately for the active
22 components and the reserve components.

23 (b) OPERATIONS OTHER THAN WAR.—For purposes
24 of this section, the term “operations other than war” in-
25 cludes the following:

1 (1) Humanitarian operations.

2 (2) Counter-drug operations.

3 (3) Peace operations.

4 (4) Nation assistance.

5 (c) MATTERS TO BE ADDRESSED.—The report shall,
6 at a minimum, address the following (shown both for the
7 Armed Forces as a whole and separately for the active
8 components and the reserve components):

9 (1) With respect to each current operation
10 other than war, the number of members of the
11 Armed Forces who are—

12 (A) directly participating in the operation;

13 (B) supporting the operation;

14 (C) preparing to participate or support an
15 upcoming rotation to the operation; or

16 (D) recovering and retraining following
17 participation in the operation.

18 (2) The cost to the Department of Defense in
19 time, funds, resources, personnel, and equipment to
20 prepare for, conduct, and recover and retrain from
21 each such operation.

22 (3) The effect of participating in such oper-
23 ations on performance, retention, and readiness of
24 individual members of the Armed Forces.

1 **SEC. 907. AUTHORITY TO ACCEPT GIFTS FOR NATIONAL DE-**
2 **FENSE UNIVERSITY.**

3 (a) IN GENERAL.—Section 2605 of title 10, United
4 States Code, is amended—

5 (1) in subsection (a)—

6 (A) by inserting “(1)” after “administra-
7 tion of”; and

8 (B) by inserting before the period at the
9 end of the first sentence “, or (2) the National
10 Defense University”;

11 (2) in subsection (b)—

12 (A) by inserting “(1)” after “(b)”;

13 (B) by striking “subsection (a)” and in-
14 serting “subsection (a)(1)”;

15 (C) by designating the last sentence as
16 paragraph (3) and in that sentence by inserting
17 “or for the benefit or use of the National De-
18 fense University, as the case may be,” after
19 “schools,”; and

20 (D) by inserting before paragraph (3), as
21 designated by subparagraph (C), the following:

22 “(2) There is established in the Treasury a fund to
23 be known as the ‘National Defense University Gift Fund’.
24 Gifts of money, and the proceeds of the sale of property,
25 received under subsection (a)(2) shall be deposited in the
26 Fund.”;

1 fiscal year (or any subdivisions thereof). Amounts of au-
2 thorizations so transferred shall be merged with and be
3 available for the same purposes as the authorization to
4 which transferred.

5 (2) The total amount of authorizations that the Sec-
6 retary may transfer under the authority of this section
7 may not exceed \$2,000,000,000.

8 (b) LIMITATIONS.—The authority provided by this
9 section to transfer authorizations—

10 (1) may only be used to provide authority for
11 items that have a higher priority than the items
12 from which authority is transferred; and

13 (2) may not be used to provide authority for an
14 item that has been denied authorization by Con-
15 gress.

16 (c) EFFECT ON AUTHORIZATION AMOUNTS.—A
17 transfer made from one account to another under the au-
18 thority of this section shall be deemed to increase the
19 amount authorized for the account to which the amount
20 is transferred by an amount equal to the amount trans-
21 ferred.

22 (d) NOTICE TO CONGRESS.—The Secretary shall
23 promptly notify Congress of each transfer made under
24 subsection (a).

1 **SEC. 1002. AUTHORIZATION OF SUPPLEMENTAL APPRO-**
2 **PRIATIONS FOR FISCAL YEAR 2002.**

3 (a) DOD AUTHORIZATIONS.—Amounts authorized to
4 be appropriated to the Department of Defense for fiscal
5 year 2002 in the National Defense Authorization Act for
6 Fiscal Year 2002 (Public Law 107–107) are hereby ad-
7 justed, with respect to any such authorized amount, by
8 the amount by which appropriations pursuant to such au-
9 thorization are increased (by a supplemental appropria-
10 tion) or decreased (by a rescission), or both, or are in-
11 creased by a transfer of funds, pursuant to the following:

12 (1) Chapter 3 of the Emergency Supplemental
13 Act, 2002 (division B of Public Law 107–117; 115
14 Stat. 2299).

15 (2) Any Act enacted after May 1, 2002, making
16 supplemental appropriations for fiscal year 2002 for
17 the military functions of the Department of Defense.

18 (b) NNSA AUTHORIZATIONS.—Amounts authorized
19 to be appropriated to the Department of Energy for fiscal
20 year 2002 in the National Defense Authorization Act for
21 Fiscal Year 2002 (Public Law 107–107) are hereby ad-
22 justed, with respect to any such authorized amount, by
23 the amount by which appropriations pursuant to such au-
24 thorization are increased (by a supplemental appropria-
25 tion) or decreased (by a rescission), or both, or are in-
26 creased by a transfer of funds, pursuant to the following:

1 (1) Chapter 5 of the Emergency Supplemental
2 Act, 2002 (division B of Public Law 107–117; 115
3 Stat. 2307).

4 (2) Any Act enacted after May 1, 2002, making
5 supplemental appropriations for fiscal year 2002 for
6 the atomic energy defense activities of the Depart-
7 ment of Energy.

8 (c) LIMITATION ON TRANSFERS PENDING SUBMIS-
9 SION OF REPORT.—Any amount provided for the Depart-
10 ment of Defense for fiscal year 2002 through a so-called
11 ‘transfer account’, including the Defense Emergency Re-
12 sponse Fund or any other similar account, may be trans-
13 ferred to another account for obligation only after the Sec-
14 retary of Defense submits to the congressional defense
15 committees a report stating, for each such transfer, the
16 amount of the transfer, the appropriation account to
17 which the transfer is to be made, and the specific purpose
18 for which the transferred funds will be used.

19 (d) EMERGENCY DESIGNATION REQUIREMENT.—(1)
20 In the case of a pending contingent emergency supple-
21 mental appropriation for the military functions of the De-
22 partment of Defense or the atomic energy defense activi-
23 ties of the Department of Energy, an adjustment may be
24 made under subsection (a) or (b) in the amount of an au-
25 thorization of appropriations by reason of that supple-

1 mental appropriation only if, and to the extent that, the
2 President transmits to Congress an official budget request
3 for that appropriation that designates the entire amount
4 requested as an emergency requirement.

5 (2) For purposes of this subsection, the term “contin-
6 gent emergency supplemental appropriation” means a
7 supplemental appropriation that—

8 (A) is designated by Congress as an emergency
9 requirement pursuant to section 251(b)(2)(A) of the
10 Balanced Budget and Emergency Deficit Control
11 Act of 1985; and

12 (B) by law is available only to the extent that
13 the President transmits to the Congress an official
14 budget request for that appropriation that includes
15 designation of the entire amount of the request as
16 an emergency requirement.

17 **SEC. 1003. UNIFORM STANDARDS THROUGHOUT DEPART-**
18 **MENT OF DEFENSE FOR EXPOSURE OF PER-**
19 **SONNEL TO PECUNIARY LIABILITY FOR LOSS**
20 **OF GOVERNMENT PROPERTY.**

21 (a) EXTENSION OF ARMY AND AIR FORCE REPORT-
22 OF-SURVEY PROCEDURES TO NAVY AND MARINE CORPS
23 AND ALL DOD CIVILIAN EMPLOYEES.—(1) Chapter 165
24 of title 10, United States Code, is amended by adding at
25 the end the following new section:

1 **“§ 2787. Reports of survey**

2 “(a) REGULATIONS.—Under such regulations as the
3 Secretary of Defense may prescribe, any officer of the
4 Army, Navy, Air Force, or Marine Corps or any civilian
5 employee of the Department of Defense designated by the
6 Secretary may act upon reports of surveys and vouchers
7 pertaining to the loss, spoilage, unserviceability,
8 unsuitability, or destruction of, or damage to, property of
9 the United States under the control of the Department
10 of Defense.

11 “(b) FINALITY OF ACTION.—Action taken under sub-
12 section (a) is final, except that action holding a person
13 pecuniarily liable for loss, spoilage, destruction, or damage
14 is not final until approved by the Secretary.”.

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

“2787. Reports of survey.”.

18 (b) EXTENSION TO MEMBERS OF THE NAVY AND
19 MARINE CORPS OF PAY DEDUCTION AUTHORITY PER-
20 TAINING TO DAMAGE OR REPAIR OF ARMS AND EQUIP-
21 MENT .—Section 1007(e) of title 37, United States Code,
22 is amended by striking “Army or the Air Force” and in-
23 serting “Army, Navy, Air Force, or Marine Corps”.

1 (c) REPEAL OF SUPERCEDED PROVISIONS.—(1) Sec-
2 tions 4835 and 9835 of title 10, United States Code, are
3 repealed.

4 (2)(A) The table of sections at the beginning of chap-
5 ter 453 of such title is amended by striking the item relat-
6 ing to section 4835.

7 (B) The table of sections at the beginning of chapter
8 953 of such title is amended by striking the item relating
9 to section 9835.

10 **SEC. 1004. ACCOUNTABLE OFFICIALS IN THE DEPARTMENT**
11 **OF DEFENSE.**

12 (a) ACCOUNTABLE OFFICIALS WITHIN THE DEPART-
13 MENT OF DEFENSE.—Chapter 165 of title 10, United
14 States Code, is amended by inserting after section 2773
15 the following new section:

16 **“§ 2773a. Departmental accountable officials**

17 “(a) DESIGNATION.—(1) The Secretary of Defense
18 may designate as a ‘departmental accountable official’ any
19 civilian employee of the Department of Defense or member
20 of the armed forces under the Secretary’s jurisdiction who
21 is described in paragraph (2). Any such designation shall
22 be in writing.

23 “(2) An employee or member of the armed forces de-
24 scribed in this paragraph is an employee or member who
25 is responsible in the performance of the employee’s or

1 member's duties for providing to a certifying official of
2 the Department of Defense information, data, or services
3 that are directly relied upon by the certifying official in
4 the certification of vouchers for payment.

5 “(b) PECUNIARY LIABILITY.—(1) The Secretary of
6 Defense may impose pecuniary liability on a departmental
7 accountable official to the extent that an illegal, improper,
8 or incorrect payment results from the information, data,
9 or services that that official provides to a certifying official
10 and upon which the certifying official directly relies in cer-
11 tifying the voucher supporting that payment.

12 “(2) The pecuniary liability of a departmental ac-
13 countable official under this subsection for such an illegal,
14 improper, or incorrect payment is joint and several with
15 that of any other officials who are pecuniarily liable for
16 such payment.

17 “(c) RELIEF FROM LIABILITY.—The Secretary of
18 Defense shall relieve a departmental accountable official
19 from liability under subsection (b) if the Secretary deter-
20 mines that the illegal, improper, or incorrect payment was
21 not the result of fault or negligence by that official.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 at the beginning of such chapter is amended by inserting
24 after the item relating to section 2773 the following new
25 item:

“2773a. Departmental accountable officials.”.

1 **SEC. 1005. IMPROVEMENTS IN PURCHASE CARD MANAGE-**
2 **MENT.**

3 (a) IN GENERAL.—Section 2784 of title 10, United
4 States Code, is amended to read as follows:

5 **“§ 2784. Management of purchase cards**

6 “(a) MANAGEMENT OF PURCHASE CARDS.—The Sec-
7 retary of Defense, acting through the Under Secretary of
8 Defense (Comptroller), shall prescribe regulations gov-
9 erning the use and control of all purchase cards and con-
10 venience checks that are issued to Department of Defense
11 personnel for official use. Those regulations shall be con-
12 sistent with regulations that apply Government-wide re-
13 garding use of purchase cards by Government personnel
14 for official purposes.

15 “(b) REQUIRED SAFEGUARDS AND INTERNAL CON-
16 TROLS.—Regulations under subsection (a) shall include
17 safeguards and internal controls to ensure the following:

18 “(1) That there is a record in the Department
19 of Defense of each holder of a purchase card issued
20 by the Department of Defense for official use, anno-
21 tated with the limitations on amounts that are appli-
22 cable to the use of each such card by that purchase
23 card holder.

24 “(2) That the holder of a purchase card and
25 each official with authority to authorize expenditures
26 charged to the purchase card are responsible for—

1 “(A) reconciling the charges appearing on
2 each statement of account for that purchase
3 card with receipts and other supporting docu-
4 mentation; and

5 “(B) forwarding that statement after being
6 so reconciled to the designated disbursing office
7 in a timely manner.

8 “(3) That any disputed purchase card charge,
9 and any discrepancy between a receipt and other
10 supporting documentation and the purchase card
11 statement of account, is resolved in the manner pre-
12 scribed in the applicable Government-wide purchase
13 card contract entered into by the Administrator of
14 General Services.

15 “(4) That payments on purchase card accounts
16 are made promptly within prescribed deadlines to
17 avoid interest penalties.

18 “(5) That rebates and refunds based on prompt
19 payment on purchase card accounts are properly re-
20 corded.

21 “(6) That records of each purchase card trans-
22 action (including records on associated contracts, re-
23 ports, accounts, and invoices) are retained in accord-
24 ance with standard Government policies on the dis-
25 position of records.

1 “(7) That an annual review is performed of the
2 use of purchase cards issued by the Department of
3 Defense to determine whether each purchase card
4 holder has a need for the purchase card.

5 “(8) That the Inspectors General of the De-
6 partment of Defense and the military services per-
7 form periodic audits with respect to the use of pur-
8 chase cards issued by the Department of Defense to
9 ensure that such use is in compliance with regula-
10 tions.

11 “(9) That appropriate annual training is pro-
12 vided to each purchase card holder and each official
13 with responsibility for overseeing the use of purchase
14 cards issued by the Department of Defense.

15 “(c) PENALTIES FOR VIOLATIONS.—The Secretary
16 shall provide in the regulations prescribed under sub-
17 section (a)—

18 “(1) that procedures are implemented providing
19 for appropriate punishment of employees of the De-
20 partment of Defense for violations of such regula-
21 tions and for negligence, misuse, abuse, or fraud
22 with respect to a purchase card, including dismissal
23 in appropriate cases; and

24 “(2) that a violation of such regulations by a
25 person subject to chapter 47 of this title (the Uni-

1 form Code of Military Justice) is punishable as a
2 violation of section 892 of this title (article 92 of the
3 Uniform Code of Military Justice).”.

4 (b) CLERICAL AMENDMENT.—The item relating to
5 section 2784 in the table of sections at the beginning of
6 chapter 165 of such title is amended to read as follows:

“2784. Management of purchase cards.”.

7 **SEC. 1006. AUTHORITY TO TRANSFER FUNDS WITHIN A**
8 **MAJOR ACQUISITION PROGRAM FROM PRO-**
9 **CUREMENT TO RDT&E.**

10 (a) PROGRAM FLEXIBILITY.—(1) Chapter 131 of
11 title 10, United States Code, is amended by inserting after
12 section 2214 the following new section:

13 **“§ 2214a. Transfer of funds: transfers from procure-**
14 **ment accounts to research and develop-**
15 **ment accounts for major acquisition pro-**
16 **grams**

17 “(a) TRANSFER AUTHORITY WITHIN MAJOR PRO-
18 GRAMS.—Subject to subsection (b), the Secretary of De-
19 fense may transfer amounts provided in an appropriation
20 Act for procurement for a covered acquisition program to
21 amounts provided in the same appropriation Act for re-
22 search, development, test, and evaluation for that pro-
23 gram.

24 “(b) CONGRESSIONAL NOTICE-AND-WAIT.—A trans-
25 fer may be made under this section only after—

1 “(1) the Secretary submits to the congressional
2 defense committees notice in writing of the Sec-
3 retary’s intent to make such transfer, together with
4 the Secretary’s justification for the transfer; and

5 “(2) a period of 30 days has elapsed following
6 the date of such notification.

7 “(c) LIMITATIONS.—From amounts appropriated for
8 the Department of Defense for any fiscal year for
9 procurement—

10 “(1) the total amount transferred under this
11 section may not exceed \$250,000,000; and

12 “(2) the total amount so transferred for any ac-
13 quisition program may not exceed \$20,000,000.

14 “(d) COVERED ACQUISITION PROGRAMS.—In this
15 section, the term ‘covered acquisition program’ means an
16 acquisition program of the Department of Defense that
17 is—

18 “(A) a major defense acquisition program for
19 purposes of chapter 144 of this title; or

20 “(B) any other acquisition program of the De-
21 partment of Defense—

22 “(i) that is designated by the Secretary of
23 Defense as a covered acquisition program for
24 purposes of this section; or

1 (b) LIMITATIONS.—(1) A contract described in sub-
2 section (c) may be entered into using funds made available
3 to the Department of Defense for fiscal year 2003 only
4 with the approval in advance in writing of the Under Sec-
5 retary of Defense (Comptroller).

6 (2) Not more than 75 percent of the funds authorized
7 to be appropriated in section 201(4) for research, develop-
8 ment, test, and evaluation for the Department of Defense
9 Financial Modernization Program (Program Element
10 65016D8Z) may be obligated until the report required by
11 subsection (a) is received by the congressional defense
12 committees.

13 (c) COVERED CONTRACTS.—Subsection (b)(1) ap-
14 plies to a contract for the procurement of any of the fol-
15 lowing:

- 16 (1) An enterprise architecture system.
17 (2) A finance or accounting system.
18 (3) A nonfinancial business and feeder system.
19 (4) An upgrade to any system specified in para-
20 graphs (1) through (3).

21 (d) DEFINITIONS.—As used in this section:

- 22 (1) FINANCIAL MANAGEMENT SYSTEM AND OP-
23 ERATIONS.—The term “financial management sys-
24 tem and operations” means financial, financial re-
25 lated, and non-financial business operations and sys-

1 days after the date (as determined by the Secretary of De-
2 fense) of the cessation of hostilities undertaken as part
3 of Operation Enduring Freedom.

4 (2) Each report shall be prepared in consultation with
5 the Chairman of the Joint Chiefs of Staff, the commander-
6 in-chief of the United States Central Command, and the
7 Director of Central Intelligence.

8 (3) Each report shall be submitted in both a classified
9 form and an unclassified form.

10 (b) MATTERS TO BE INCLUDED.—Each report shall
11 contain a discussion of accomplishments and shortcomings
12 of the overall military operation. The report shall specifi-
13 cally include the following:

14 (1) A discussion of the command, control, co-
15 ordination, and support relationship between United
16 States Special Operations Forces and Central Intel-
17 ligence Agency elements participating in Operation
18 Enduring Freedom and any lessons learned from the
19 joint conduct of operations by those forces and ele-
20 ments.

21 (2) Recommendations to improve operational
22 readiness and effectiveness.

23 (c) CONGRESSIONAL COMMITTEES.—The committees
24 referred to in subsection (a)(1) are the following:

1 **SEC. 1013. REQUIREMENT THAT DEPARTMENT OF DEFENSE**
2 **REPORTS TO CONGRESS BE ACCOMPANIED**
3 **BY ELECTRONIC VERSION.**

4 Section 480(a) of title 10, United States Code, is
5 amended by striking “shall, upon request” and all that
6 follows through “(or each” and inserting “shall provide
7 to Congress (or”.

8 **SEC. 1014. STRATEGIC FORCE STRUCTURE PLAN FOR NU-**
9 **CLEAR WEAPONS AND DELIVERY SYSTEMS.**

10 (a) PLAN REQUIRED.—The Secretary of Defense and
11 the Secretary of Energy shall jointly prepare a plan for
12 the United States strategic force structure for nuclear
13 weapons and nuclear weapons delivery systems for the pe-
14 riod of fiscal years from 2002 through 2012. The plan
15 shall—

16 (1) delineate a baseline strategic force structure
17 for such weapons and systems over such period con-
18 sistent with the Nuclear Posture Review dated Janu-
19 ary 2002;

20 (2) define sufficient force structure, force mod-
21 ernization and life extension plans, infrastructure,
22 and other elements of the defense program of the
23 United States associated with such weapons and sys-
24 tems that would be required to execute successfully
25 the full range of missions called for in the national
26 defense strategy delineated in the Quadrennial De-

1 fense Review dated September 30, 2001, under sec-
2 tion 118 of title 10, United States Code; and

3 (3) identify the budget plan that would be re-
4 quired to provide sufficient resources to execute suc-
5 cessfully the full range of missions using such force
6 structure called for in that national defense strategy.

7 (b) REPORT.—(1) The Secretary of Defense and the
8 Secretary of Energy shall submit a report on the plan to
9 the congressional defense committees. Except as provided
10 in paragraph (2), the report shall be submitted not later
11 than January 1, 2003.

12 (2) If before January 1, 2003, the President submits
13 to Congress the President’s certification that it is in the
14 national security interest of the United States that such
15 report be submitted on a later date (to be specified by
16 the President in the certification), such report shall be
17 submitted not later than such later date.

18 (c) REPORT ON OPTIONS FOR ACHIEVING, PRIOR TO
19 FISCAL YEAR 2012, PRESIDENT’S OBJECTIVE FOR OPER-
20 ATIONALLY DEPLOYED NUCLEAR WARHEADS.—Not later
21 than 90 days after the date of the enactment of this Act,
22 the Secretary of Energy shall submit to Congress a report
23 on options for achieving, prior to fiscal year 2012, a pos-
24 ture under which the United States maintains a number
25 of operationally deployed nuclear warheads at a level of

1 from 1,700 to 2,200 such warheads, as outlined in the
2 Nuclear Posture Review. The report shall include the fol-
3 lowing:

4 (1) For each of fiscal years 2006, 2008, and
5 2010, an assessment of the options for achieving
6 such posture as of such fiscal year.

7 (2) An assessment of the effects of achieving
8 such posture prior to fiscal year 2012 on cost, the
9 dismantlement workforce, and any other affected
10 matter.

11 **SEC. 1015. REPORT ON ESTABLISHMENT OF A JOINT NA-**
12 **TIONAL TRAINING COMPLEX AND JOINT OP-**
13 **POSING FORCES.**

14 (a) REPORT REQUIRED.—Not later than six months
15 after the date of the enactment of this Act, the Secretary
16 of Defense shall submit to the Committee on Armed Serv-
17 ices of the Senate and the Committee on Armed Services
18 of the House of Representatives a report that outlines a
19 plan to develop and implement a joint national training
20 complex. Such a complex may include multiple joint train-
21 ing sites and mobile training ranges and appropriate joint
22 opposing forces and shall be capable of supporting field
23 exercises and experimentation at the operational level of
24 war across a broad spectrum of adversary capabilities.

1 (b) MATTERS TO BE INCLUDED.—The report under
2 subsection (a) shall include the following:

3 (1) An identification and description of the
4 types of joint training and experimentation that
5 would be conducted at such a joint national training
6 complex, together with a description of how such
7 training and experimentation would enhance accom-
8 plishment of the six critical operational goals for the
9 Department of Defense specified at page 30 of the
10 Quadrennial Defense Review Report of the Secretary
11 of Defense issued on September 30, 2001.

12 (2) A discussion of how establishment of such
13 a complex (including joint opposing forces) would
14 promote innovation and transformation throughout
15 the Department of Defense.

16 (3) A discussion of how results from training
17 and experiments conducted at such a complex would
18 be taken into consideration in the Department of
19 Defense plans, programs, and budgeting process and
20 by appropriate decision making bodies within the
21 Department of Defense.

22 (4) A methodology, framework, and options for
23 selecting sites for such a complex, including consid-
24 eration of current training facilities that would ac-

1 commodate requirements among all the Armed
2 Forces.

3 (5) Options for development as part of such a
4 complex of a joint urban warfare training center
5 that could also be used for homeland defense and
6 consequence management training for Federal,
7 State, and local training.

8 (6) Cost estimates and resource requirements to
9 establish and maintain such a complex, including es-
10 timates of costs and resource requirements for the
11 use of contract personnel for the performance of
12 management, operational, and logistics activities for
13 such a complex .

14 (7) An explanation of the relationship between
15 and among such a complex and the Department of
16 Defense Office of Transformation, the Joint Staff,
17 the United States Joint Forces Command, the
18 United States Northern Command, and each ele-
19 ment of the major commands within the separate
20 Armed Forces with responsibility for experimen-
21 tation and training.

22 (8) A discussion of how implementation of a
23 joint opposing force would be established, including
24 the feasibility of using qualified contractors for the

1 function of establishing and maintaining joint oppos-
2 ing forces and the role of foreign forces.

3 (9) Submission of a time line to establish such
4 a center and for such a center to achieve initial
5 operational capability and full operational capability.

6 **SEC. 1016. REPEAL OF VARIOUS REPORTS REQUIRED OF**
7 **THE DEPARTMENT OF DEFENSE.**

8 (a) PROVISIONS OF TITLE 10.—Title 10, United
9 States Code, is amended as follows:

10 (1)(A) Section 230 is repealed.

11 (B) The table of sections at the beginning of
12 chapter 9 is amended by striking the item relating
13 to section 230.

14 (2) Section 526 is amended by striking sub-
15 section (c).

16 (3) Section 721(d) is amended—

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

18 (B) by striking “(1)” before “If an offi-
19 cer”.

20 (4) Section 986 is amended by striking sub-
21 section (e).

22 (5) Section 1095(g) is amended—

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

24 (B) by striking “(1)” after “(g)”.

1 (6) Section 1798 is amended by striking sub-
2 section (d).

3 (7) Section 1799 is amended by striking sub-
4 section (d).

5 (8) Section 2010 is amended by striking sub-
6 section (b).

7 (9) Section 2327(c)(1) is amended—

8 (A) in subparagraph (A), by striking
9 “after the date on which such head of an agen-
10 cy submits to Congress a report on the con-
11 tract” and inserting “if in the best interests of
12 the Government”; and

13 (B) by striking subparagraph (B).

14 (10) Section 2350f is amended by striking sub-
15 section (c).

16 (11) Section 2350k is amended by striking sub-
17 section (d).

18 (12) Section 2492 is amended by striking sub-
19 section (c).

20 (13) Section 2493 is amended by striking sub-
21 section (g).

22 (14) Section 2563(c)(2) is amended by striking
23 “and notifies Congress regarding the reasons for the
24 waiver”.

1 (15) Section 2611 is amended by striking sub-
2 section (e).

3 (16) Sections 4357, 6975, and 9356 are each
4 amended—

5 (A) by striking subsection (c); and

6 (B) in subsection (a), by striking “Subject
7 to subsection (c), the Secretary” and inserting
8 “The Secretary”.

9 (17) Section 4416 is amended by striking sub-
10 section (f).

11 (18) Section 5721(f) is amended—

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

13 (B) by striking “(1)” after the subsection
14 heading.

15 (19) Section 12302 is amended—

16 (A) in subsection (b), by striking the last
17 sentence; and

18 (B) by striking subsection (d).

19 (b) NATIONAL DEFENSE AUTHORIZATION ACT FOR
20 FISCAL YEAR 1995.—Section 553(b) of the National De-
21 fense Authorization Act for Fiscal Year 1995 (Public Law
22 103–337; 108 Stat. 2772; 10 U.S.C. 4331 note) is amend-
23 ed by striking the last sentence.

1 **SEC. 1017. REPORT ON THE ROLE OF THE DEPARTMENT OF**
2 **DEFENSE IN SUPPORTING HOMELAND SECU-**
3 **RITY.**

4 (a) **REPORT REQUIRED.**—Not later than December
5 31, 2002, the Secretary of Defense shall submit to the
6 congressional defense committees a report on Department
7 of Defense responsibilities, mission, and plans for military
8 support of homeland security.

9 (b) **CONTENT OF REPORT.**—The report shall include,
10 but not be limited to, a discussion of the following:

11 (1) Changes in organization regarding the roles,
12 mission, and responsibilities carried out by the De-
13 partment of Defense to support its homeland secu-
14 rity mission and the reasons for those changes based
15 upon the findings of the study and report required
16 by section 1511 of the National Defense Authoriza-
17 tion Act for Fiscal Year 2002 (Public Law 107–107;
18 115 Stat. 1271).

19 (2) Changes in the roles, missions, and respon-
20 sibilities of the Department of the Army, the De-
21 partment of the Navy, and the Department of the
22 Air Force with respect to homeland security and the
23 reasons for such changes.

24 (3) Changes in the roles, missions, and respon-
25 sibilities of unified commands with homeland secu-
26 rity missions and the reasons for such changes.

1 (4) Changes in the roles, missions, and respon-
2 sibilities of the United States Joint Forces Com-
3 mand and the United States Northern Command in
4 expanded homeland security training and experimen-
5 tation involving the Department of Defense and
6 other Federal, State, and local entities, and the rea-
7 sons for such changes.

8 (5) Changes in the roles, missions, and respon-
9 sibilities of the Army National Guard and the Air
10 National Guard in the homeland security mission of
11 the Department of Defense, and the reasons for
12 such changes.

13 (6) The status of the unconventional nuclear
14 warfare defense test bed program established in re-
15 sponse to title IX of the Department of Defense Ap-
16 propriations Act, 2002 (division A of Public Law
17 107–117; 115 Stat. 2289), including the plan and
18 program for establishing such test beds.

19 (7) The plans and status of the Department of
20 Defense homeland security biological defense pro-
21 gram, including the plans and status of—

22 (A) the biological counter terrorism re-
23 search program;

24 (B) the biological defense homeland secu-
25 rity support program;

1 (C) pilot programs for establishing biologi-
2 cal defense test beds on Department of Defense
3 installations and in selected urban areas of the
4 United States;

5 (D) programs for expanding the capacity
6 of the Department of Defense to meet increased
7 demand for vaccines against biological agents;
8 and

9 (E) any plans to coordinate Department of
10 Defense work in biological defense programs
11 with other Federal, State, and local programs.

12 (8) Recommendations for legislative changes
13 that may be required to execute the roles and mis-
14 sions set forth in Department of Defense homeland
15 security plans.

16 **SEC. 1018. REPORT ON EFFECTS OF NUCLEAR EARTH PEN-**
17 **ETRATOR WEAPONS AND OTHER WEAPONS.**

18 (a) NAS STUDY.—The Secretary of Defense shall re-
19 quest the National Academy of Sciences to conduct a
20 study and prepare a report on the anticipated short-term
21 and long-term effects of the use of a nuclear earth pene-
22 trator weapon on the target area, including the effects on
23 civilian populations in proximity to the target area and
24 on United States military personnel performing operations
25 and battle damage assessments in the target area, and the

1 anticipated short-term and long-term effects on the civil-
2 ian population in proximity to the target area if—

3 (1) a non-penetrating nuclear weapon is used to
4 destroy hard or deeply-buried targets; or

5 (2) a conventional high-explosive weapon is
6 used to destroy an adversary's weapons of mass de-
7 struction storage or production facilities, and radio-
8 active, nuclear, biological, or chemical weapons ma-
9 terials, agents, or other contaminants are released or
10 spread into populated areas.

11 (b) REPORT.—Not later than 180 days after the date
12 of the enactment of this Act, the Secretary shall submit
13 to Congress the report under subsection (a), together with
14 any comments the Secretary may consider appropriate on
15 the report. The report shall be submitted in unclassified
16 form to the maximum extent possible, with a classified
17 annex if needed.

18 **SEC. 1019. REPORT ON EFFECTS OF NUCLEAR-TIPPED BAL-**
19 **LISTIC MISSILE INTERCEPTORS AND NU-**
20 **CLEAR MISSILES NOT INTERCEPTED.**

21 (a) NAS STUDY.—The Secretary of Defense shall re-
22 quest the National Academy of Sciences to conduct a
23 study and prepare a report on the anticipated short-term
24 and long-term effects of the use of a nuclear-tipped bal-
25 listic missile interceptor, including the effects on civilian

1 populations and on United States military personnel in
2 proximity to the target area, and the immediate, short-
3 term, and long-term effects on the civilian population of
4 a major city of the United States, and the Nation as a
5 whole, if a ballistic missile carrying a nuclear weapon is
6 not intercepted and detonates directly above a major city
7 of the United States.

8 (b) REPORT.—Not later than 180 days after the date
9 of the enactment of this Act, the Secretary shall submit
10 to Congress the report under subsection (a), together with
11 any comments the Secretary may consider appropriate on
12 the report. The report shall be submitted in unclassified
13 form to the maximum extent possible, with a classified
14 annex if needed.

15 **SEC. 1020. LIMITATION ON DURATION OF FUTURE DEPART-**
16 **MENT OF DEFENSE REPORTING REQUIRE-**
17 **MENTS.**

18 (a) IN GENERAL.—Chapter 23 of title 10, United
19 States Code, is amended by inserting after section 480 the
20 following new section:

21 **“§ 480a. Recurring reporting requirements: five-year**
22 **limitation**

23 “(a) FIVE-YEAR SUNSET.—Any recurring congres-
24 sional defense reporting requirement that is established by
25 a provision of law enacted on or after the date of the en-

1 actment of the Bob Stump National Defense Authoriza-
2 tion Act for Fiscal Year 2003 (including a provision of
3 law enacted as part of that Act) shall cease to be effective,
4 with respect to that requirement, at the end of the five-
5 year period beginning on the date on which such provision
6 is enacted, except as otherwise provided by law.

7 “(b) RULE OF CONSTRUCTION.—A provision of law
8 enacted after the date of the enactment of this section may
9 not be considered to supersede the provisions of subsection
10 (a) unless that provision specifically refers to subsection
11 (a) and specifically states that it supersedes subsection
12 (a).

13 “(c) RECURRING CONGRESSIONAL DEFENSE RE-
14 PORTING REQUIREMENTS.—In this section, the term ‘re-
15 curring defense congressional reporting requirement’
16 means a requirement by law for the submission of an an-
17 nual, semiannual, or other regular periodic report to Con-
18 gress, or one or more committees of Congress, that applies
19 only to the Department of Defense or to one or more offi-
20 cers of the Department of Defense.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
22 at the beginning of such chapter is amended by inserting
23 after the item relating to section 480 the following new
24 item:

“480a. Recurring reporting requirements: five-year limitation.”.

1 **Subtitle C—Other Matters**

2 **SEC. 1021. SENSE OF CONGRESS ON MAINTENANCE OF A** 3 **RELIABLE, FLEXIBLE, AND ROBUST STRA-** 4 **TEGIC DETERRENT.**

5 It is the sense of Congress that, consistent with the
6 national defense strategy delineated in the Quadrennial
7 Defense Review dated September 30, 2001 (as submitted
8 under section 118 of title 10, United States Code), the
9 Nuclear Posture Review dated January 2002, and the
10 global strategic environment, the President should, to de-
11 fend the Nation, deter aggressors and potential adver-
12 saries, assure friends and allies, defeat enemies, dissuade
13 competitors, advance the foreign policy goals and vital in-
14 terests of the United States, and generally ensure the na-
15 tional security of the United States, take the following ac-
16 tions:

17 (1) Maintain an operationally deployed strategic
18 force of not less than 1,700 nuclear weapons for im-
19 mediate and unexpected contingencies.

20 (2) Maintain a responsive force of non-deployed
21 nuclear weapons for potential contingencies at readi-
22 ness and numerical levels determined to be—

23 (A) essential to the execution of the Single
24 Integrated Operational Plan; or

1 (B) necessary to maintain strategic flexi-
2 bility and capability in accordance with the
3 findings and conclusions of such Nuclear Pos-
4 ture Review.

5 (3) Develop advanced conventional weapons,
6 and nuclear weapons, capable of destroying—

7 (A) hard and deeply buried targets; and

8 (B) enemy weapons of mass destruction
9 and the development and production facilities of
10 such enemy weapons.

11 (4) Develop a plan to achieve and maintain the
12 capability to resume conducting underground tests
13 of nuclear weapons within one year after a decision
14 is made to resume conducting such tests, so as to
15 have the means to maintain robust and adaptive
16 strategic forces through a ready, responsive, and ca-
17 pable nuclear infrastructure, as prescribed in such
18 Nuclear Posture Review.

19 (5) Develop a plan to revitalize the Nation's nu-
20 clear weapons industry and infrastructure so as to
21 facilitate the development and production of safer,
22 more reliable, and more effective nuclear weapons.

1 **SEC. 1022. TIME FOR TRANSMITTAL OF ANNUAL DEFENSE**
2 **AUTHORIZATION LEGISLATIVE PROPOSAL.**

3 (a) IN GENERAL.—Chapter 2 of title 10, United
4 States Code, is amended by inserting after section 113 the
5 following new section:

6 **“§ 113a. Transmission of annual defense authoriza-**
7 **tion request**

8 “(a) TIME FOR TRANSMITTAL.—The Secretary of
9 Defense shall transmit to Congress the annual defense au-
10 thorization request for a fiscal year during the first 30
11 days after the date on which the President transmits to
12 Congress the budget for that fiscal year pursuant to sec-
13 tion 1105 of title 31.

14 “(b) DEFENSE AUTHORIZATION REQUEST DE-
15 FINED.—In this section, the term ‘defense authorization
16 request’, with respect to a fiscal year, means a legislative
17 proposal submitted to Congress for the enactment of the
18 following:

19 “(1) Authorizations of appropriations for that
20 fiscal year, as required by section 114 of this title.

21 “(2) Personnel strengths for that fiscal year, as
22 required by section 115 of this title.

23 “(3) Any other matter that is proposed by the
24 Secretary of Defense to be enacted as part of the
25 annual defense authorization bill for that fiscal
26 year.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 at the beginning of such chapter is amended by inserting
3 after the item relating to section 113 the following new
4 item:

“113a. Transmission of annual defense authorization request.”.

5 **SEC. 1023. TECHNICAL AND CLERICAL AMENDMENTS.**

6 (a) TITLE 10, UNITED STATES CODE.—Title 10,
7 United States Code, is amended as follows:

8 (1) Section 153 is amended by inserting “(a)
9 PLANNING; ADVICE; POLICY FORMULATION.—” at
10 the beginning of the text.

11 (2) Section 663(e)(2) is amended by striking
12 “Armed Forces Staff College” and inserting “Joint
13 Forces Staff College”.

14 (3) Section 2399(a)(2) is amended—

15 (A) in the matter preceding subparagraph
16 (A), by striking “means—” and inserting
17 “means a conventional weapons system
18 that—”; and

19 (B) in subparagraph (A), by striking “a
20 conventional weapons system that”.

21 (4)(A) Section 2410h is transferred to the end
22 of subchapter IV of chapter 87 and is redesignated
23 as section 1747.

24 (B) The item relating to that section in the
25 table of sections at the beginning of chapter 141 is

1 transferred to the end of the table of sections at the
2 beginning of subchapter IV of chapter 87 and is
3 amended to reflect the redesignation made by sub-
4 paragraph (A).

5 (5) Section 2677 is amended by striking sub-
6 section (c).

7 (6) Section 2680(e) is amended by striking
8 “the” after “the Committee on” the first place it ap-
9 pears.

10 (7) Section 2815(b) is amended by striking “for
11 fiscal year 2003 and each fiscal year thereafter” and
12 inserting “for any fiscal year”.

13 (8) Section 2828(b)(2) is amended by inserting
14 “time” after “from time to”.

15 (b) TITLE 37, UNITED STATES CODE.—Title 37,
16 United States Code, is amended as follows:

17 (1) Section 302j(a) is amended by striking
18 “subsection (c)” and inserting “subsection (d)”.

19 (2) Section 324(b) is amended by striking “(1)”
20 before “The Secretary”.

21 (c) PUBLIC LAW 107–107.—Effective as of Decem-
22 ber 28, 2001, and as if included therein as enacted, the
23 National Defense Authorization Act for Fiscal Year 2002
24 (Public Law 107–107) is amended as follows:

1 (1) Section 602(a)(2) (115 Stat. 1132) is
2 amended by striking “an” in the first quoted matter.

3 (2) Section 1410(a)(3)(C) (115 Stat. 1266) by
4 inserting “both places it appears” before “and in-
5 serting”.

6 (3) Section 3007(d)(1)(C) (115 Stat. 1352) is
7 amended by striking “2905(b)(7)(B)(iv)” and insert-
8 ing “2905(b)(7)(C)(iv)”.

9 (d) PUBLIC LAW 106–398.—Effective as of October
10 30, 2000, and as if included therein as enacted, the Floyd
11 D. Spence National Defense Authorization Act for Fiscal
12 Year 2001 (as enacted into law by Public Law 106–398)
13 is amended as follows:

14 (1) Section 577(b)(2) (114 Stat. 1654A–140) is
15 amended by striking “Federal” in the quoted matter
16 and inserting “Department of Defense”.

17 (2) Section 612(c)(4)(B) (114 Stat. 1654A–
18 150) is amended by striking the comma at the end
19 of the first quoted matter.

20 (e) PUBLIC LAW 106–65.—The National Defense
21 Authorization Act for Fiscal Year 2000 (Public Law 106–
22 65) is amended as follows:

23 (1) Section 573(b) (10 U.S.C. 513 note) is
24 amended by inserting a period at the end of para-
25 graph (2).

1 (2) Section 1305(6) (22 U.S.C. 5952 note) is
2 amended by striking the first period after “facility”.

3 (f) TITLE 14, UNITED STATES CODE.—Section
4 516(c) of title 14, United States Code, is amended by
5 striking “his section” and inserting “this section”.

6 **SEC. 1024. WAR RISK INSURANCE FOR VESSELS IN SUP-**
7 **PORT OF NATO-APPROVED OPERATIONS.**

8 Section 1205 of the Merchant Marine Act, 1936 (46
9 App. U.S.C. 1285) is amended by adding at the end the
10 following:

11 “(c) INSURANCE OF VESSELS IN SUPPORT OF
12 NATO-APPROVED OPERATIONS.—(1) Upon request made
13 under subsection (b), the Secretary may provide insurance
14 for a vessel, regardless of the country in which the vessel
15 is registered and the citizenship of its owners, that is sup-
16 porting a military operation approved by the North Atlan-
17 tic Council, including a vessel that is not operating under
18 contract with a department or agency of the United
19 States.

20 “(2) If a vessel is insured under paragraph (1) in
21 response to a request made pursuant to an international
22 agreement providing for the sharing among nations of the
23 risks involved in mutual or joint operations, the Secretary
24 of Transportation, with the concurrence of the Secretary
25 of State, may seek from another nation that is a party

1 to such agreement a commitment to indemnify the United
2 States for any amounts paid by the United States for
3 claims against such insurance.

4 “(3) Amounts received by the United States as in-
5 demnity from a nation pursuant to paragraph (2) shall
6 be deposited into the insurance fund created under section
7 1208.

8 “(4) Any obligation of a department or agency of the
9 United States to indemnify the Secretary or the insurance
10 fund for any claim against insurance provided under this
11 subsection is extinguished to the extent of any indem-
12 nification received from a nation pursuant to paragraph
13 (2) with respect to the claim.”.

14 **SEC. 1025. CONVEYANCE, NAVY DRYDOCK, PORTLAND, OR-**
15 **EGON.**

16 (a) CONVEYANCE AUTHORIZED.—The Secretary of
17 the Navy may sell Navy Drydock No. YFD-69, located in
18 Portland, Oregon, to Portland Shipyard, LLC, which is
19 the current user of the drydock.

20 (b) CONDITION OF CONVEYANCE.—The conveyance
21 under subsection (a) shall be subject to the condition that
22 the purchaser agree to retain the drydock on Swan Island
23 in Portland, Oregon, until at least September 30, 2007.

24 (c) CONSIDERATION.—As consideration for the con-
25 veyance of the drydock under subsection (a), the pur-

1 chaser shall pay to the Secretary an amount equal to the
2 fair market value of the drydock at the time of the convey-
3 ance, as determined by the Secretary.

4 (d) **ADDITIONAL TERMS AND CONDITIONS.**—The
5 Secretary may require such additional terms and condi-
6 tions in connection with the conveyance under subsection
7 (a) as the Secretary considers appropriate to protect the
8 interests of the United States.

9 **SEC. 1026. ADDITIONAL WEAPONS OF MASS DESTRUCTION**
10 **CIVIL SUPPORT TEAMS.**

11 (a) **SENSE OF CONGRESS.**—It is the sense of Con-
12 gress that the Secretary of Defense should—

13 (1) establish 23 additional teams designated as
14 Weapons of Mass Destruction Civil Support Teams
15 (for a total of 55 such teams); and

16 (2) ensure that of such 55 teams there is at
17 least one team established for each State and terri-
18 tory.

19 (b) **STATE AND TERRITORY DEFINED.**—In this sec-
20 tion, the term “State and territory” means the several
21 States, the District of Columbia, Puerto Rico, Guam, and
22 the Virgin Islands.

1 **SEC. 1027. USE FOR LAW ENFORCEMENT PURPOSES OF**
2 **DNA SAMPLES MAINTAINED BY DEPARTMENT**
3 **OF DEFENSE FOR IDENTIFICATION OF**
4 **HUMAN REMAINS.**

5 (a) IN GENERAL.—Chapter 80 of title 10, United
6 States Code, is amended by adding at the end the fol-
7 lowing new section:

8 **“§ 1566. DNA samples maintained for identification of**
9 **human remains: use for law enforcement**
10 **purposes**

11 “(a) COMPLIANCE WITH COURT ORDER.—(1) Sub-
12 ject to paragraph (2), if a valid order of a Federal court
13 (or military judge) so requires, an element of the Depart-
14 ment of Defense that maintains a repository of DNA sam-
15 ples for the purpose of identification of human remains
16 shall make available, for the purpose specified in sub-
17 section (b), such DNA samples on such terms and condi-
18 tions as such court (or military judge) directs.

19 “(2) A DNA sample with respect to an individual
20 shall be provided under paragraph (1) in a manner that
21 does not compromise the ability of the Department of De-
22 fense to maintain a sample with respect to that individual
23 for the purpose of identification of human remains.

24 “(b) COVERED PURPOSE.—The purpose referred to
25 in subsection (a) is the purpose of an investigation or pros-

1 ecution of a felony, or any sexual offense, for which no
2 other source of DNA information is available.

3 “(c) DEFINITION.—In this section, the term ‘DNA
4 sample’ has the meaning given such term in section
5 1565(c) of this title.”.

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

“1566. DNA samples maintained for identification of human remains: use for
law enforcement purposes.”.

9 **SEC. 1028. SENSE OF CONGRESS CONCERNING AIRCRAFT**
10 **CARRIER FORCE STRUCTURE.**

11 (a) FINDINGS.—Congress makes the following find-
12 ings:

13 (1) The aircraft carrier has been an integral
14 component in Operation Enduring Freedom and in
15 the homeland defense mission beginning on Sep-
16 tember 11, 2001. The aircraft carriers that have
17 participated in Operation Enduring Freedom, as of
18 May 1, 2002, are the USS Enterprise (CVN-65),
19 the USS Carl Vinson (CVN-70), the USS Kitty
20 Hawk (CV-63), the USS Theodore Roosevelt (CVN-
21 71), the USS John C. Stennis (CVN-74), and the
22 USS John F. Kennedy (CV-67). The aircraft car-
23 riers that have participated in the homeland defense
24 mission are the USS George Washington (CVN-73),

1 the USS John F. Kennedy (CV-67), and the USS
2 John C. Stennis (CVN-74).

3 (2) Since 1945, the United States has built 172
4 bases overseas, of which only 24 are currently in
5 use.

6 (3) The aircraft carrier provides an independent
7 base of operations should no land base be available
8 for aircraft.

9 (4) The aircraft carrier is an essential compo-
10 nent of the Navy.

11 (5) Both the F/A-18E/F aircraft program and
12 the Joint Strike Fighter aircraft program are pro-
13 ceeding on schedule for deployment on aircraft car-
14 riers.

15 (6) As established by the Navy, the United
16 States requires the service of 15 aircraft carriers to
17 completely fulfill all the naval commitments assigned
18 to it without gapping carrier presence.

19 (7) The Navy requires, at a minimum, at least
20 12 carriers to accomplish its current missions.

21 (b) SENSE OF CONGRESS.—It is the sense of Con-
22 gress that the number of aircraft carriers of the Navy in
23 active service should not be less than 12.

24 (c) COMMENDATION OF CREWS.—Congress hereby
25 commends the crews of the aircraft carriers that have par-

1 ticipated in Operation Enduring Freedom and the home-
2 land defense mission.

3 **SEC. 1029. ENHANCED AUTHORITY TO OBTAIN FOREIGN**
4 **LANGUAGE SERVICES DURING PERIODS OF**
5 **EMERGENCY.**

6 (a) NATIONAL FOREIGN LANGUAGE SKILLS REG-
7 ISTRY.—(1) The Secretary of Defense may establish and
8 maintain a secure data registry to be known as the “Na-
9 tional Foreign Language Skills Registry”. The data reg-
10 istry shall consist of the names of, and other pertinent
11 information on, linguistically qualified United States citi-
12 zens and permanent resident aliens who state that they
13 are willing to provide linguistic services in times of emer-
14 gency designated by the Secretary of Defense to assist the
15 Department of Defense and other Departments and agen-
16 cies of the United States with translation and interpreta-
17 tion in languages designated by the Secretary of Defense
18 as critical languages.

19 (2) The name of a person may be included in the
20 Registry only if the person expressly agrees for the per-
21 son’s name to be included in the Registry. Any such agree-
22 ment shall be made in such form and manner as may be
23 specified by the Secretary.

24 (b) AUTHORITY TO ACCEPT VOLUNTARY TRANS-
25 LATION AND INTERPRETATION SERVICES.—Section

1 1588(a) of title 10, United States Code, is amended by
2 adding at the end the following new paragraph:

3 “(6) Language translation and interpretation
4 services.”.

5 **SEC. 1030. SURFACE COMBATANT INDUSTRIAL BASE.**

6 (a) REVIEW.—The Secretary of Defense shall con-
7 duct a review of the effect of the contract award an-
8 nounced on April 29, 2002, for the lead design agent for
9 the DD(X) ship program on the industrial base for ship
10 combat system development, including the industrial base
11 for each of the following: ship systems integration, radar,
12 electronic warfare, launch systems, and other components.

13 (b) REPORT REQUIRED.—Not later than March 31,
14 2003, the Secretary shall submit to the congressional de-
15 fense committees a report based on the review under sub-
16 section (a). The report shall provide the Secretary’s as-
17 sessment of the effect of that contract award on the ship
18 combat system technology and industrial base and shall
19 describe any actions that the Secretary proposes to ensure
20 future competition across the array of technologies that
21 encompass the combat systems of future surface ships, in-
22 cluding the next generation cruiser (CG(X)), the littoral
23 combat ship (LCS), and the joint command ship
24 (JCC(X)).

1 **SEC. 1031. ENHANCED COOPERATION BETWEEN UNITED**
2 **STATES AND RUSSIAN FEDERATION TO PRO-**
3 **MOTE MUTUAL SECURITY.**

4 (a) STATEMENT OF POLICY.—It is the policy of the
5 United States to pursue greater cooperation, trans-
6 parency, and confidence with the Russian Federation re-
7 garding nuclear weapons policy, force structure, safe-
8 guards, testing, and proliferation prevention, as well as
9 nuclear weapons infrastructure, production, and dis-
10 mantlement, so as to promote mutual security, stability,
11 and trust.

12 (b) SENSE OF CONGRESS REGARDING ENHANCED
13 COOPERATION WITH RUSSIA.—It is the sense of Congress
14 that the President of the United States should continue
15 to engage the President of the Russian Federation to
16 achieve the following objectives, consistent with United
17 States national security, in the interest of promoting mu-
18 tual trust, security, and stability:

19 (1) An agreement that would seek to prevent
20 the illicit use, diversion, theft, or proliferation of tac-
21 tical nuclear weapons, and their key components and
22 materials, by—

23 (A) withdrawing deployed nonstrategic nu-
24 clear weapons;

1 (B) accounting for, consolidating, and se-
2 curing the Russian Federation's nonstrategic
3 nuclear weapons; and

4 (C) dismantling or destroying United
5 States and Russian nonstrategic nuclear weap-
6 ons in excess of each nation's legitimate defense
7 needs.

8 (2) A reciprocal program of joint visits by nu-
9 clear weapons scientists and experts of the United
10 States and the Russian Federation to the United
11 States nuclear test site in Nevada, and the Russian
12 nuclear test site at Novya Zemlya.

13 (3) A reciprocal program of joint visits and con-
14 ferences at each nation's nuclear weapons labora-
15 tories and nuclear weapons development and produc-
16 tion facilities to discuss how to improve the safety
17 and security of each nation's nuclear stockpile, nu-
18 clear materials, and nuclear infrastructure.

19 (4) A reciprocal program of joint visits and con-
20 ferences to explore greater cooperation between the
21 United States and the Russian Federation with re-
22 gard to ballistic missile defenses against intentional,
23 unauthorized, and accidental launches of ballistic
24 missiles.

1 (5) A joint commission on nonproliferation,
2 composed of senior nonproliferation and intelligence
3 officials from the United States and the Russian
4 Federation, to meet regularly in a closed forum to
5 discuss ways to prevent rogue states and potential
6 adversaries from acquiring—

7 (A) weapons of mass destruction and bal-
8 listic missiles;

9 (B) the dual-use goods, technologies, and
10 expertise necessary to develop weapons of mass
11 destruction and ballistic missiles; and

12 (C) advanced conventional weapons.

13 (6) A joint program to develop advanced meth-
14 ods for disposal of weapons-grade nuclear materials
15 excess to defense needs, including safe, proliferation
16 resistant, advanced nuclear fuel cycles that achieve
17 more complete consumption of weapons materials,
18 and other methods that minimize waste and hazards
19 to health and the environment.

20 (7) A joint program to develop methods for
21 safeguarding, treating, and disposing of spent reac-
22 tor fuel and other nuclear waste so as to minimize
23 the risk to public health, property, and the environ-
24 ment, as well as the possibility of diversion to illicit
25 purposes.

1 (8) A joint program, built upon existing pro-
2 grams, to cooperatively develop advanced methods
3 and techniques for establishing a state-of-the-art in-
4 ventory control and monitoring system for nuclear
5 weapons and material.

6 (c) REPORT.—No later than March 1, 2003, the
7 President shall submit to Congress a report (in unclassi-
8 fied or classified form as necessary) on the status of the
9 objectives under subsection (b). The report shall include
10 the following:

11 (1) A description of the actions taken by the
12 President to engage the Russian Federation to
13 achieve those objectives.

14 (2) A description of the progress made to
15 achieve those objectives.

16 (3) A description of the response of the Russian
17 Federation to the actions referred to in paragraph
18 (1).

19 (4) The President's assessment of the Russian
20 Federation's commitment to a better, closer relation-
21 ship with the United States based on the principles
22 of increased cooperation and transparency.

1 **SEC. 1032. TRANSFER OF FUNDS TO INCREASE AMOUNTS**
2 **FOR PAC-3 MISSILE PROCUREMENT AND**
3 **ISRAELI ARROW PROGRAM.**

4 (a) INCREASE FOR PAC-3 PROCUREMENT.—The
5 amount provided in section 101 for Missile Procurement,
6 Army, is hereby increased by \$65,000,000, to be available
7 for an additional 24 PAC-3 missiles.

8 (b) INCREASE FOR ISRAELI ARROW PROGRAM.—The
9 amount provided in section 201(4) for the Missile Defense
10 Agency is hereby increased by \$70,000,000, to be available
11 within program element 0603881C, Terminal Defense
12 Segment, only for the Israeli Arrow Ballistic Missile De-
13 fense System program.

14 (c) CORRESPONDING REDUCTION.—The amount pro-
15 vided in section 201(4) for research, development, test,
16 and evaluation, Defense-wide, is hereby reduced by
17 \$135,000,000, to be derived from amounts available to the
18 Missile Defense Agency.

19 **SEC. 1033. ASSIGNMENT OF MEMBERS TO ASSIST IMMIGRA-**
20 **TION AND NATURALIZATION SERVICE AND**
21 **CUSTOMS SERVICE.**

22 (a) ASSIGNMENT AUTHORITY OF SECRETARY OF DE-
23 FENSE.—Chapter 18 of title 10, United States Code, is
24 amended by inserting after section 374 the following new
25 section:

1 **“§ 374a. Assignment of members to assist border pa-**
2 **trol and control**

3 “(a) ASSIGNMENT AUTHORIZED.—Upon submission
4 of a request consistent with subsection (b), the Secretary
5 of Defense may assign members of the Army, Navy, Air
6 Force, and Marine Corps to assist—

7 “(1) the Immigration and Naturalization Serv-
8 ice in preventing the entry of terrorists, drug traf-
9 fickers, and illegal aliens into the United States; and

10 “(2) the United States Customs Service in the
11 inspection of cargo, vehicles, and aircraft at points
12 of entry into the United States to prevent the entry
13 of weapons of mass destruction, components of
14 weapons of mass destruction, prohibited narcotics or
15 drugs, or other terrorist or drug trafficking items.

16 “(b) REQUEST FOR ASSIGNMENT.—The assignment
17 of members under subsection (a) may occur only if—

18 “(1) the assignment is at the request of the At-
19 torney General, in the case of an assignment to the
20 Immigration and Naturalization Service, or the Sec-
21 retary of the Treasury, in the case of an assignment
22 to the United States Customs Service; and

23 “(2) the request of the Attorney General or the
24 Secretary of the Treasury (as the case may be) is
25 accompanied by a certification by the President that
26 the assignment of members pursuant to the request

1 is necessary to respond to a threat to national secu-
2 rity posed by the entry into the United States of ter-
3 rorists or drug traffickers.

4 “(c) TRAINING PROGRAM REQUIRED.—The Attorney
5 General or the Secretary of the Treasury (as the case may
6 be), together with the Secretary of Defense, shall establish
7 a training program to ensure that members receive general
8 instruction regarding issues affecting law enforcement in
9 the border areas in which the members may perform du-
10 ties under an assignment under subsection (a). A member
11 may not be deployed at a border location pursuant to an
12 assignment under subsection (a) until the member has
13 successfully completed the training program.

14 “(d) CONDITIONS OF USE.—(1) Whenever a member
15 who is assigned under subsection (a) to assist the Immi-
16 gration and Naturalization Service or the United States
17 Customs Service is performing duties at a border location
18 pursuant to the assignment, a civilian law enforcement of-
19 ficer from the agency concerned shall accompany the
20 member.

21 “(2) Nothing in this section shall be construed to—

22 “(A) authorize a member assigned under sub-
23 section (a) to conduct a search, seizure, or other
24 similar law enforcement activity or to make an ar-
25 rest; and

1 “(B) supersede section 1385 of title 18 (popu-
2 larly known as the ‘Posse Comitatus Act’).

3 “(e) ESTABLISHMENT OF ONGOING JOINT TASK
4 FORCES.—(1) The Attorney General or the Secretary of
5 the Treasury may establish ongoing joint task forces when
6 accompanied by a certification by the President that the
7 assignment of members pursuant to the request to estab-
8 lish a joint task force is necessary to respond to a threat
9 to national security posed by the entry into the United
10 States of terrorists or drug traffickers.

11 “(2) When established, any joint task force shall fully
12 comply with the standards as set forth in this section.

13 “(f) NOTIFICATION REQUIREMENTS.—The Attorney
14 General or the Secretary of the Treasury (as the case may
15 be) shall notify the Governor of the State in which mem-
16 bers are to be deployed pursuant to an assignment under
17 subsection (a), and local governments in the deployment
18 area, of the deployment of the members to assist the Im-
19 migration and Naturalization Service or the United States
20 Customs Service (as the case may be) and the types of
21 tasks to be performed by the members.

22 “(g) REIMBURSEMENT REQUIREMENT.—Section 377
23 of this title shall apply in the case of members assigned
24 under subsection (a).

1 “(h) TERMINATION OF AUTHORITY.—No assignment
2 may be made or continued under subsection (a) after Sep-
3 tember 30, 2005.”.

4 (b) COMMENCEMENT OF TRAINING PROGRAM.—The
5 training program required by subsection (b) of section
6 374a of title 10, United States Code, shall be established
7 as soon as practicable after the date of the enactment of
8 this Act.

9 (c) CLERICAL AMENDMENT.—The table of sections
10 at the beginning of such chapter is amended by inserting
11 after the item relating to section 374 the following new
12 item:

“374a. Assignment of members to assist border patrol and control.”.

13 **SEC. 1034. SENSE OF CONGRESS ON PROHIBITION OF USE**
14 **OF FUNDS FOR INTERNATIONAL CRIMINAL**
15 **COURT.**

16 It is the sense of Congress that none of the funds
17 appropriated pursuant to authorizations of appropriations
18 in this Act should be used for any assistance to, or to
19 cooperate with or to provide any support for, the Inter-
20 national Criminal Court.

1 **TITLE XI—CIVILIAN PERSONNEL**
2 **MATTERS**

3 **SEC. 1101. ELIGIBILITY OF DEPARTMENT OF DEFENSE**
4 **NONAPPROPRIATED FUND EMPLOYEES FOR**
5 **LONG-TERM CARE INSURANCE.**

6 (a) IN GENERAL.—Section 9001(1) of title 5, United
7 States Code, is amended—

8 (1) in subparagraph (B), by striking “and”;

9 (2) in subparagraph (C), by striking the comma
10 at the end and inserting “; and”; and

11 (3) by inserting after subparagraph (C) the fol-
12 lowing new subparagraph:

13 “(D) an employee of a nonappropriated
14 fund instrumentality of the Department of De-
15 fense described in section 2105(c),”.

16 (b) DISCRETIONARY AUTHORITY.—Section 9002 of
17 such title is amended—

18 (1) by redesignating subsections (b), (c), (d),
19 and (e) as subsections (c), (d), (e), and (f), respec-
20 tively; and

21 (2) by inserting after subsection (a) the fol-
22 lowing new subsection (b):

23 “(b) DISCRETIONARY AUTHORITY REGARDING NON-
24 APPROPRIATED FUND INSTRUMENTALITIES.—The Sec-
25 retary of Defense may determine that a nonappropriated

1 fund instrumentality of the Department of Defense is cov-
2 ered under this chapter or is covered under an alternative
3 long-term care insurance program.”.

4 **SEC. 1102. EXTENSION OF DEPARTMENT OF DEFENSE AU-**
5 **THORITY TO MAKE LUMP-SUM SEVERANCE**
6 **PAYMENTS.**

7 (a) IN GENERAL.—Section 5595(i)(4) of title 5,
8 United States Code, is amended by striking “2003” and
9 inserting “2006”.

10 (b) REPORT.—Not later than one year after the date
11 of the enactment of this Act, the President shall submit
12 to Congress a report including recommendations whether
13 the authority under section 5595(i) of title 5, United
14 States Code, should be made permanent or expanded to
15 be made Governmentwide.

16 **SEC. 1103. COMMON OCCUPATIONAL AND HEALTH STAND-**
17 **ARDS FOR DIFFERENTIAL PAYMENTS AS A**
18 **CONSEQUENCE OF EXPOSURE TO ASBESTOS.**

19 (a) PREVAILING RATE SYSTEMS.—Section
20 5343(c)(4) of title 5, United States Code, is amended by
21 inserting before the semicolon at the end the following:
22 “, and for any hardship or hazard related to asbestos, such
23 differentials shall be determined by applying occupational
24 safety and health standards consistent with the permis-
25 sible exposure limit promulgated by the Secretary of

1 Labor under the Occupational Safety and Health Act of
2 1970”.

3 (b) GENERAL SCHEDULE PAY RATES.—Section
4 5545(d) of such title is amended by inserting before the
5 period at the end of the first sentence the following: “,
6 and for any hardship or hazard related to asbestos, such
7 differentials shall be determined by applying occupational
8 safety and health standards consistent with the permis-
9 sible exposure limit promulgated by the Secretary of
10 Labor under the Occupational Safety and Health Act of
11 1970”.

12 (c) APPLICABILITY.—Subject to any vested constitu-
13 tional property rights, any administrative or judicial deter-
14 mination after the date of enactment of this Act con-
15 cerning backpay for a differential established under sec-
16 tions 5343(e)(4) or 5545(d) of such title shall be based
17 on occupational safety and health standards described in
18 the amendments made by subsections (a) and (b).

19 **SEC. 1104. CONTINUATION OF FEDERAL EMPLOYEE**
20 **HEALTH BENEFITS PROGRAM ELIGIBILITY.**

21 Paragraph (4)(B) of section 8905a(d) of title 5,
22 United States Code, is amended—

23 (1) in clause (i), by striking “2003” and insert-
24 ing “2006”; and

25 (2) in clause (ii)—

1 (A) by striking “2004” and inserting
2 “2007”; and

3 (B) by striking “2003” and inserting
4 “2006”.

5 **SEC. 1105. TRIENNIAL FULL-SCALE FEDERAL WAGE SYSTEM**
6 **WAGE SURVEYS.**

7 Section 5343(b) of title 5, United States Code, is
8 amended—

9 (1) in the first sentence, by striking “2 years”
10 and inserting “3 years”; and

11 (2) in the second sentence, by striking the pe-
12 riod at the end and inserting “, based on criteria de-
13 veloped by the Office.”.

14 **SEC. 1106. CERTIFICATION FOR DEPARTMENT OF DEFENSE**
15 **PROFESSIONAL ACCOUNTING POSITIONS.**

16 (a) IN GENERAL.—(1) Chapter 81 of title 10, United
17 States Code, is amended by adding at the end the fol-
18 lowing new section:

19 **“§ 1599d. Professional accounting positions: authority**
20 **to prescribe certification and credential**
21 **standards**

22 “(a) AUTHORITY TO PRESCRIBE PROFESSIONAL
23 CERTIFICATION STANDARDS.—The Secretary of Defense
24 may prescribe professional certification and credential
25 standards for professional accounting positions within the

1 Department of Defense. Any such standard shall be pre-
2 scribed as a Department of Defense regulation.

3 “(b) WAIVER AUTHORITY.—The Secretary may
4 waive any standard prescribed under subsection (a) when-
5 ever the Secretary determines such a waiver to be appro-
6 priate.

7 “(c) APPLICABILITY.—A standard prescribed under
8 subsection (a) shall not apply to any person employed by
9 the Department of Defense before the standard is pre-
10 scribed.

11 “(d) REPORT.—The Secretary of Defense shall sub-
12 mit to Congress a report on the Secretary’s plans to pro-
13 vide training to appropriate Department of Defense per-
14 sonnel to meet any new professional and credential stand-
15 ards prescribed under subsection (a). Such report shall be
16 prepared in conjunction with the Director of the Office
17 of Personnel Management. Such a report shall be sub-
18 mitted not later than one year after the effective date of
19 any regulations, or any revision to regulations, prescribed
20 pursuant to subsection (a).

21 “(e) DEFINITION.—In this section, the term ‘profes-
22 sional accounting position’ means a position or group of
23 positions in the GS–510, GS–511, and GS–505 series that
24 involves professional accounting work.”.

1 **SEC. 1202. STRENGTHENING THE DEFENSE OF TAIWAN.**

2 (a) IMPLEMENTATION OF TRAINING PLAN.—Not
3 later than 180 days after the date of enactment of this
4 Act, the Secretary of Defense shall implement a com-
5 prehensive plan to conduct joint operational training for,
6 and exchanges of senior officers between, the Armed
7 Forces of the United States and the military forces of Tai-
8 wan. Such plan shall include implementation of a wide
9 range of programs, activities, exercises, and arrangements
10 focused on threat analysis, military doctrine, force plan-
11 ning, logistical support, intelligence collection and anal-
12 ysis, operational tactics, techniques, and procedures, civil-
13 military relations, and other subjects designed to improve
14 the defensive capabilities of Taiwan and to enhance inter-
15 operability between the military forces of Taiwan and the
16 Armed Forces of the United States.

17 (b) SUBMISSION TO CONGRESS.—At least 30 days be-
18 fore commencing implementation of the plan described in
19 subsection (a), the Secretary of Defense shall submit the
20 plan to Congress, in classified and unclassified form as
21 necessary.

22 **SEC. 1203. ADMINISTRATIVE SERVICES AND SUPPORT FOR**
23 **FOREIGN LIAISON OFFICERS.**

24 (a) AUTHORITY.—Subchapter II of chapter 138 of
25 title 10, United States Code, is amended by adding at the
26 end the following new section:

1 **“§ 2350m. Administrative services and support for**
2 **foreign liaison officers**

3 “(a) **AUTHORITY TO PROVIDE SERVICES AND SUP-**
4 **PORT.**—The Secretary of Defense may provide administra-
5 tive services and support for foreign liaison officers per-
6 forming duties while such officers temporarily are as-
7 signed to components or commands of the armed forces.
8 Such administrative services and support may include base
9 or installation operation support services, office space,
10 utilities, copying services, fire and police protection, and
11 computer support. The Secretary may provide such ad-
12 ministrative services and support with or without reim-
13 bursement, as the Secretary considers appropriate.

14 “(b) **EXPIRATION OF AUTHORITY.**—The authority
15 under this section shall expire on September 30, 2005.”.

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

“2350m. Administrative services and support for foreign liaison officers.”.

19 (c) **REPORT.**—Not later than March 1, 2005, the
20 Secretary of Defense shall provide to the Committees on
21 Armed Services of the Senate and the House of Represent-
22 atives a report describing, as of the date of submission
23 of the report—

24 (1) the number of foreign liaison officers for
25 which support has been provided under section

1 2350m of title 10, United States Code (as added by
2 subsection (a));

3 (2) the countries from which such foreign liai-
4 son officers are or were assigned;

5 (3) the type of support provided, the duration
6 for which the support was provided, and the reasons
7 the support was provided; and

8 (4) the costs to the Department of Defense and
9 the United States of providing such support.

10 **SEC. 1204. ADDITIONAL COUNTRIES COVERED BY LOAN**
11 **GUARANTEE PROGRAM.**

12 Section 2540 of title 10, United States Code, is
13 amended—

14 (1) in subsection (b), by adding at the end the
15 following new paragraph:

16 “(5) A country that, as determined by the Sec-
17 retary of Defense in consultation with the Secretary
18 of State, assists in combatting drug trafficking orga-
19 nizations or foreign terrorist organizations.”; and

20 (2) by adding at the end the following new sub-
21 section:

22 “(d) REPORT.—The Secretary of Defense and the
23 Secretary of State, whenever the Secretaries consider such
24 action to be warranted, shall jointly submit to the Com-
25 mittees on Armed Services and Foreign Relations of the

1 Senate and the Committees on Armed Services and Inter-
2 national Relations of the House of Representatives a re-
3 port enumerating those countries to be added or removed
4 under subsection (b).”.

5 **SEC. 1205. LIMITATION ON FUNDING FOR JOINT DATA EX-**
6 **CHANGE CENTER IN MOSCOW.**

7 (a) LIMITATION.—Not more than 50 percent of the
8 funds made available to the Department of Defense for
9 fiscal year 2003 for activities associated with the Joint
10 Data Exchange Center in Moscow, Russia, may be obli-
11 gated or expended for any such activity until—

12 (1) the United States and the Russian Federa-
13 tion enter into a cost-sharing agreement as described
14 in subsection (d) of section 1231 of the Floyd D.
15 Spence National Defense Authorization Act for Fis-
16 cal Year 2001 (as enacted into law by Public Law
17 106–398; 114 Stat. 1654A–329);

18 (2) the United States and the Russian Federa-
19 tion enter into an agreement or agreements exempt-
20 ing the United States and any United States person
21 from Russian taxes, and from liability under Rus-
22 sian laws, with respect to activities associated with
23 the Joint Data Exchange Center;

24 (3) the Secretary of Defense submits to the
25 Committee on Armed Services of the Senate and the

1 Committee on Armed Services of the House of Rep-
2 resentatives a copy of each agreement referred to in
3 paragraphs (1) and (2); and

4 (4) a period of 30 days has expired after the
5 date of the final submission under paragraph (3).

6 (b) **JOINT DATA EXCHANGE CENTER.**—For purposes
7 of this section, the term “Joint Data Exchange Center”
8 means the United States-Russian Federation joint center
9 for the exchange of data to provide early warning of
10 launches of ballistic missiles and for notification of such
11 launches that is provided for in a joint United States-Rus-
12 sian Federation memorandum of agreement signed in
13 Moscow in June 2000.

14 **SEC. 1206. LIMITATION ON NUMBER OF MILITARY PER-**
15 **SONNEL IN COLOMBIA.**

16 (a) **LIMITATION.**—None of the funds available to the
17 Department of Defense may be used to support or main-
18 tain more than 500 members of the Armed Forces on duty
19 in the Republic of Colombia at any time.

20 (b) **EXCEPTIONS.**—There shall be excluded from
21 counting for the purposes of the limitation in subsection

22 (a) the following:

23 (1) A member of the Armed Forces in the Re-
24 public of Colombia for the purpose of rescuing or re-
25 trieving United States military or civilian Govern-

1 ment personnel, except that the period for which
2 such a member may be so excluded may not exceed
3 30 days unless expressly authorized by law.

4 (2) A member of the Armed Forces assigned to
5 the United States Embassy in Colombia as an
6 attaché, as a member of the security assistance of-
7 fice, or as a member of the Marine Corps security
8 contingent.

9 (3) A member of the Armed Forces in Colombia
10 to participate in relief efforts in responding to a nat-
11 ural disaster.

12 (4) Nonoperational transient military personnel.

13 (5) A member of the Armed Forces making a
14 port call from a military vessel in Colombia.

15 (c) WAIVER.—The Secretary of Defense may waive
16 the limitation in subsection (a) if he determines that such
17 waiver is in the national security interest.

18 (d) NOTIFICATION.—The Secretary shall notify the
19 congressional defense committees not later 15 days after
20 the date of the exercise of the waiver authority under sub-
21 section (c).

1 **TITLE** **XIII—COOPERATIVE**
2 **THREAT REDUCTION WITH**
3 **STATES OF THE FORMER SO-**
4 **VIET UNION**

5 **SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-**
6 **DUCTION PROGRAMS AND FUNDS.**

7 (a) SPECIFICATION OF CTR PROGRAMS.—For pur-
8 poses of section 301 and other provisions of this Act, Co-
9 operative Threat Reduction programs are the programs
10 specified in section 1501(b) of the National Defense Au-
11 thorization Act for Fiscal Year 1997 (Public Law 104-
12 201; 110 Stat. 2731; 50 U.S.C. 2362 note).

13 (b) FISCAL YEAR 2003 COOPERATIVE THREAT RE-
14 Duction FUNDS DEFINED.—As used in this title, the
15 term “fiscal year 2003 Cooperative Threat Reduction
16 funds” means the funds appropriated pursuant to the au-
17 thorization of appropriations in section 301 for Coopera-
18 tive Threat Reduction programs.

19 (c) AVAILABILITY OF FUNDS.—Funds appropriated
20 pursuant to the authorization of appropriations in section
21 301 for Cooperative Threat Reduction programs shall be
22 available for obligation for three fiscal years.

23 **SEC. 1302. FUNDING ALLOCATIONS.**

24 (a) FUNDING FOR SPECIFIC PURPOSES.—Of the
25 \$416,700,000 authorized to be appropriated to the De-

1 partment of Defense for fiscal year 2003 in section
2 301(23) for Cooperative Threat Reduction programs, the
3 following amounts may be obligated for the purposes spec-
4 ified:

5 (1) For strategic offensive arms elimination in
6 Russia, \$70,500,000.

7 (2) For strategic nuclear arms elimination in
8 Ukraine, \$6,500,000.

9 (3) For nuclear weapons transportation security
10 in Russia, \$19,700,000.

11 (4) For nuclear weapons storage security in
12 Russia, \$39,900,000.

13 (5) For activities designated as Other Assess-
14 ments/Administrative Support, \$14,700,000.

15 (6) For defense and military contacts,
16 \$18,900,000.

17 (7) For weapons of mass destruction infrastruc-
18 ture elimination activities in Kazakhstan,
19 \$9,000,000.

20 (8) For weapons of mass destruction infrastruc-
21 ture elimination activities in Ukraine, \$8,800,000.

22 (9) For chemical weapons destruction in Rus-
23 sia, \$50,000,000.

1 (10) For biological weapons facility dismantlement in the States of the former Soviet Union
2 \$11,500,000.
3

4 (11) For biological weapons facility security and safety in the States of the former Soviet Union,
5 \$34,800,000.
6

7 (12) For biological weapons collaborative research in the States of the former Soviet Union,
8 \$8,700,000.
9

10 (13) For personnel reliability programs in Russia, \$100,000.
11

12 (14) For weapons of mass destruction proliferation prevention in the States of the former Soviet
13 Union, \$40,000,000.
14

15 (b) ADDITIONAL FUNDS AUTHORIZED FOR CERTAIN
16 PURPOSES.—Of the funds authorized to be appropriated
17 to the Department of Defense for fiscal year 2003 in section 301(23) for Cooperative Threat Reduction programs,
18 \$83,600,000 may be obligated for any of the purposes
19 specified in paragraphs (1) through (4) and (9) of subsection (a) in addition to the amounts specifically authorized in such paragraphs.
20
21
22

23 (c) REPORT ON OBLIGATION OR EXPENDITURE OF
24 FUNDS FOR OTHER PURPOSES.—No fiscal year 2003 Cooperative Threat Reduction funds may be obligated or ex-
25

1 pended for a purpose other than a purpose listed in para-
2 graphs (1) through (14) of subsection (a) until 30 days
3 after the date that the Secretary of Defense submits to
4 Congress a report on the purpose for which the funds will
5 be obligated or expended and the amount of funds to be
6 obligated or expended. Nothing in the preceding sentence
7 shall be construed as authorizing the obligation or expend-
8 iture of fiscal year 2003 Cooperative Threat Reduction
9 funds for a purpose for which the obligation or expendi-
10 ture of such funds is specifically prohibited under this title
11 or any other provision of law.

12 (d) LIMITED AUTHORITY TO VARY INDIVIDUAL
13 AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any
14 case in which the Secretary of Defense determines that
15 it is necessary to do so in the national interest, the Sec-
16 retary may obligate amounts appropriated for fiscal year
17 2003 for a purpose listed in any of the paragraphs in sub-
18 section (a) in excess of the amount specifically authorized
19 for such purpose (including amounts authorized under
20 subsection (b)).

21 (2) An obligation of funds for a purpose stated in
22 any of the paragraphs in subsection (a) in excess of the
23 specific amount authorized for such purpose may be made
24 using the authority provided in paragraph (1) only after—

1 (A) the Secretary submits to Congress notifica-
2 tion of the intent to do so together with a complete
3 discussion of the justification for doing so; and

4 (B) 15 days have elapsed following the date of
5 the notification.

6 (3) The Secretary may not, under the authority pro-
7 vided in paragraph (1), obligate amounts for the purposes
8 stated any of paragraphs (5) through (13) of subsection
9 (a) in excess of 115 percent of the amount specifically au-
10 thorized for such purposes.

11 **SEC. 1303. PROHIBITION AGAINST USE OF FUNDS UNTIL**
12 **SUBMISSION OF REPORTS.**

13 No fiscal year 2003 Cooperative Threat Reduction
14 funds may be obligated or expended until 30 days after
15 the date of the submission of—

16 (1) the report required to be submitted in fiscal
17 year 2002 under section 1308(a) of the Floyd D.
18 Spence National Defense Authorization Act for Fis-
19 cal Year 2001 (as enacted into law by Public Law
20 106–398; 114 Stat. 1654A–341); and

21 (2) the update for the multiyear plan required
22 to be submitted for fiscal year 2001 under section
23 1205 of the National Defense Authorization Act for
24 Fiscal Year 1995 (Public Law 103–337; 22 U.S.C.
25 5952 note).

1 **SEC. 1304. REPORT ON USE OF REVENUE GENERATED BY**
2 **ACTIVITIES CARRIED OUT UNDER COOPERA-**
3 **TIVE THREAT REDUCTION PROGRAMS.**

4 Section 1308(c) of the Floyd D. Spence National De-
5 fense Authorization Act for Fiscal Year 2001 (as enacted
6 into law by Public Law 106–398; 114 Stat. 1654A–341)
7 is amended by inserting at the end the following new para-
8 graph:

9 “(6) To the maximum extent practicable, a de-
10 scription of how revenue generated by activities car-
11 ried out under Cooperative Threat Reduction pro-
12 grams in recipient States is being utilized, mon-
13 itored, and accounted for.”.

14 **SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SEC-**
15 **OND WING OF FISSILE MATERIAL STORAGE**
16 **FACILITY.**

17 No funds authorized to be appropriated for Coopera-
18 tive Threat Reduction programs for any fiscal year may
19 be used for the design, planning, or construction of a sec-
20 ond wing for a storage facility for Russian fissile material.

21 **SEC. 1306. SENSE OF CONGRESS AND REPORT REQUIRE-**
22 **MENT REGARDING RUSSIAN PROLIFERATION**
23 **TO IRAN.**

24 (a) SENSE OF CONGRESS.—It is the sense of Con-
25 gress that—

1 (1) Russian proliferation to Iran constitutes a
2 clear threat to the national security and vital inter-
3 ests of the United States and undermines the pur-
4 pose and goals of Cooperative Threat Reduction pro-
5 grams;

6 (2) such proliferation consists primarily of nu-
7 clear and missile technology, goods, and know-how,
8 and dual-use items that could contribute to the de-
9 velopment of weapons of mass destruction and bal-
10 listic missiles;

11 (3) because of ongoing Russian assistance, the
12 intelligence community estimates that Iran could at-
13 tempt to launch an intercontinental ballistic missile
14 by 2005, and could possess a nuclear weapon by
15 2010;

16 (4) Russian proliferation is providing Iran with
17 the capability to strike United States military forces,
18 interests, allies, and friends in the region with weap-
19 ons-of-mass-destruction-tipped ballistic missiles;

20 (5) the issue of Russian proliferation to Iran
21 has been raised by United States officials at the
22 highest levels of the Russian Government;

23 (6) Iran has long been identified as a State
24 sponsor of terrorism by the United States because of
25 its support of foreign terrorist organizations, and

1 the combination of terrorist organizations and weap-
2 ons of mass destruction constitutes a grave threat to
3 the national security of the United States;

4 (7) Russian proliferation to Iran raises serious
5 questions regarding the intentions of the Russian
6 Government, and its commitment to nonproliferation
7 and improved relations with the United States;

8 (8) Russian proliferation to Iran could under-
9 mine Congressional support for Cooperative Threat
10 Reduction programs; and

11 (9) the President must safeguard United States
12 national security and demonstrate United States re-
13 solve and commitment to stopping the proliferation
14 of weapons of mass destruction and ballistic missiles
15 through clear, firm, and coherent policies and strate-
16 gies that employ the full range of diplomatic and
17 economic tools at his disposal, both positive and neg-
18 ative, to halt the serious and continuing problem of
19 Russian proliferation.

20 (b) REPORT.—Not later than March 15 of 2003
21 through 2009, the President shall submit to Congress a
22 report (in unclassified and classified form as necessary)
23 describing in detail Russian proliferation of weapons of
24 mass destruction and ballistic missile goods, technology,
25 and know-how, and of dual-use items that may contribute

1 to the development of weapons of mass destruction and
2 ballistic missiles, to Iran and to other countries during the
3 year preceding the year in which the report is submitted.

4 The report shall include—

5 (1) a net assessment prepared by the Office of
6 Net Assessment of the Department of Defense; and

7 (2) a detailed description of the following:

8 (A) The number, type, and quality of di-
9 rect and dual-use weapons of mass destruction
10 and ballistic missile goods, items, and tech-
11 nology being transferred.

12 (B) The form, location, and manner in
13 which such transfers take place.

14 (C) The contribution that such transfers
15 could make to the recipient States' weapons of
16 mass destruction and ballistic missile programs,
17 and how soon such States will test, possess, and
18 deploy weapons of mass destruction and bal-
19 listic missiles.

20 (D) The impact that such transfers have,
21 or could have, on United States national secu-
22 rity, on regional friends, allies, and interests,
23 and on United States military forces deployed
24 in the region to which such transfers are being
25 made.

1 (E) The actions being taken by the United
2 States to counter and defend against capabili-
3 ties developed by the recipient States as a re-
4 sult of such transfers.

5 (F) The strategy, plan, or policy incor-
6 porating the full range of policy tools available
7 that the President intends to employ to halt
8 Russian proliferation, the rationale for employ-
9 ing such tools, and the timeline by which the
10 President expects to see material progress in
11 ending Russian proliferation of direct and dual-
12 use weapons of mass destruction and missile
13 goods, technologies, and know-how.

14 **SEC. 1307. PROHIBITION AGAINST USE OF COOPERATIVE**
15 **THREAT REDUCTION FUNDS OUTSIDE THE**
16 **STATES OF THE FORMER SOVIET UNION.**

17 No Cooperative Threat Reduction funds authorized
18 or appropriated for any fiscal year may be used for threat
19 reduction projects, programs, or activities in countries
20 other than the States of the former Soviet Union.

21 **SEC. 1308. LIMITED WAIVER OF RESTRICTION ON USE OF**
22 **FUNDS.**

23 (a) **WAIVER AUTHORITY.**—(1) The restriction de-
24 scribed in subsection (d)(5) of section 1203 of the Na-
25 tional Defense Authorization Act for Fiscal Year 1994

1 (Public Law 103–160; 107 Stat. 1779; 22 U.S.C. 5952)
2 shall not apply with respect to United States assistance
3 to Russia if the President submits to Congress a written
4 certification that waiving the restriction is important to
5 the national security interests of the United States.

6 (2) The authority under paragraph (1) shall expire
7 on December 31, 2005.

8 (b) REPORT.—Not later than 30 days after the date
9 that the President applies the waiver authority under sub-
10 section (a), the President shall submit to Congress a re-
11 port (in classified and unclassified form as necessary)
12 describing—

13 (1) the arms control agreements with which
14 Russia is not committed to complying, the form or
15 forms of noncommittal, and detailed evidence of
16 such noncommittal;

17 (2) why use of the waiver of authority was im-
18 portant to protect national security interests; and

19 (3) a strategy, plan, or policy incorporating the
20 full range of policy tools available to the President
21 for promoting Russian commitment to, and compli-
22 ance with, all relevant arms control agreements.

1 **SEC. 1309. LIMITATION ON USE OF FUNDS UNTIL SUBMIS-**
2 **SION OF REPORT ON DEFENSE AND MILI-**
3 **TARY CONTACTS ACTIVITIES.**

4 Not more than 50 percent of fiscal year 2003 Cooper-
5 ative Threat Reduction Funds may be obligated or ex-
6 pended for defense and military contacts activities until
7 the Secretary of Defense submits to Congress a report de-
8 scribing in detail the operation and success of such activi-
9 ties carried out under Cooperative Threat Reduction pro-
10 grams during fiscal years 2001 and 2002. Such report
11 shall include a description of—

12 (1) the amounts obligated or expended for such
13 activities;

14 (2) the purposes, goals, and objectives for which
15 such amounts were obligated and expended;

16 (3) a description of the activities carried out,
17 including the forms of assistance provided, and the
18 justification for each form of assistance provided;

19 (4) the success of each activity, including the
20 goals and objectives achieved for each;

21 (5) a description of participation by private sec-
22 tor entities in the United States in carrying out such
23 activities, and the participation of any other Federal
24 department or agency in such activities; and

25 (6) any other information that the Secretary
26 considers relevant to provide a complete description

1 of the operation and success of activities carried out
2 under Cooperative Threat Reduction programs.

3 **TITLE XIV—UTAH TEST AND**
4 **TRAINING RANGE**

5 **SEC. 1401. DEFINITION OF UTAH TEST AND TRAINING**
6 **RANGE.**

7 In this title, the term “Utah Test and Training
8 Range” means those portions of the military operating
9 area of the Utah Test and Training Area located solely
10 in the State of Utah. The term includes the Dugway Prov-
11 ing Ground.

12 **SEC. 1402. MILITARY OPERATIONS AND OVERFLIGHTS AT**
13 **UTAH TEST AND TRAINING RANGE.**

14 (a) FINDINGS.—The Congress finds the following:

15 (1) The testing and development of military
16 weapons systems and the training of military forces
17 are critical to ensuring the national security of the
18 United States.

19 (2) The Utah Test and Training Range is a
20 unique and irreplaceable national asset at the core
21 of the test and training mission of the Department
22 of Defense.

23 (3) Areas designated as wilderness study areas
24 are located near lands withdrawn for military use
25 and are beneath special use airspace critical to the

1 support of military test and training missions at the
2 Utah Test and Training Range.

3 (4) Continued unrestricted access to the special
4 use airspace and lands that comprise the Utah Test
5 and Training Range is a national security priority
6 and is not incompatible with the protection and
7 proper management of the natural, environmental,
8 cultural, and other resources of such lands.

9 (b) OVERFLIGHTS.—(1) Nothing in this title, the
10 Wilderness Act (16 U.S.C. 1131 et seq.), or other land
11 management laws generally applicable to federally des-
12 ignated wilderness areas or wilderness study areas in the
13 Utah Test and Training Range shall restrict or preclude
14 low-level overflights, low-level military overflights and op-
15 erations of military aircraft, helicopters, unmanned aerial
16 vehicles, military overflights or military overflights and op-
17 erations that can be seen or heard within those areas.

18 (2) Paragraph (1) precludes any restriction regarding
19 altitude or airspeed, noise level, supersonic flight, route
20 of flight, time of flight, seasonal usage, or numbers of
21 flights of any military aircraft, helicopters, unmanned aer-
22 ial vehicles, missiles, aerospace vehicles, and other military
23 weapons systems over federally designated wilderness
24 areas or wilderness study areas in the Utah Test and
25 Training Range.

1 (3) In this subsection, the term “low-level” includes
2 any flight down to and including 10 feet above ground
3 level.

4 (c) SPECIAL USE AIRSPACE AND TRAINING
5 ROUTES.—Nothing in this title, the Wilderness Act, or
6 other land management laws generally applicable to feder-
7 ally designated wilderness areas or wilderness study areas
8 in the Utah Test and Training Range shall restrict or pre-
9 clude the designation of new units of special use airspace,
10 the expansion of existing units of special use airspace, or
11 the use or establishment of military training routes over
12 federally designated wilderness areas or wilderness study
13 areas in the Utah Test and Training Range.

14 (d) COMMUNICATIONS AND TRACKING SYSTEMS.—
15 Nothing in this title, the Wilderness Act, or other land
16 management laws generally applicable to federally des-
17 igned wilderness areas or wilderness study areas in the
18 Utah Test and Training Range shall be construed to re-
19 quire the removal of existing communications, instrumen-
20 tation, or electronic tracking systems from these areas, to
21 prevent any required maintenance of such systems, or to
22 prevent the installation of new communication, instrumen-
23 tation, or other equipment necessary for effective testing
24 and training to meet military requirements so long as the
25 installation and maintenance of such systems do not re-

1 require construction of any permanent roads in any federally
2 designated wilderness area or wilderness study area.

3 (e) EMERGENCY ACCESS AND RESPONSE.—(1) Noth-
4 ing in this title, the Wilderness Act, or other land manage-
5 ment laws generally applicable to federally designated wil-
6 derness areas or wilderness study areas in the Utah Test
7 and Training Range shall restrict or preclude timely ac-
8 cess to any area necessary to respond to emergency situa-
9 tions. Immediate access, including access for emergency
10 and rescue vehicles and equipment, shall not be restricted
11 if human life or health may be in jeopardy.

12 (2) Not later than 120 days after the date of the en-
13 actment of this Act, the Secretary of the Air Force and
14 the Secretary of Interior shall enter into a memorandum
15 of understanding providing formal procedures for access
16 to the federally designated wilderness areas or wilderness
17 study areas that are located beneath airspace of the Utah
18 Test and Training Range, which may be necessary to re-
19 spond to emergency situations, to rescue downed aircrew
20 members, to investigate accident locations, to recover mili-
21 tary aircraft or other weapons systems, and to restore ac-
22 cident locations. Military operations in the Utah Test and
23 Training Range shall not be limited or restricted in any
24 way pending completion of the memorandum of under-
25 standing.

1 (f) CONTROL OR RESTRICTION OF PUBLIC AC-
2 CESS.—(1) When required by national security or public
3 safety, public access to federally designated wilderness
4 areas or wilderness study areas in the Utah Test and
5 Training Range that are located beneath airspace des-
6 igned as special use airspace may be controlled, re-
7 stricted, or prohibited entirely. Such controls, restrictions,
8 or prohibitions shall remain in force for the minimum du-
9 ration necessary. The Secretary of the Air Force shall pro-
10 vide advance notice of such controls, restrictions, or prohi-
11 bitions to the Secretary of the Interior.

12 (2) Not later than 120 days after the date of the en-
13 actment of this Act, the Secretary of the Air Force and
14 the Secretary of Interior shall enter into a memorandum
15 of understanding prescribing procedures for implementing
16 access controls, restrictions, or prohibitions. Military oper-
17 ations in the Utah Test and Training Range shall not be
18 limited or restricted in any way pending completion of the
19 memorandum of understanding.

20 **SEC. 1403. DESIGNATION AND MANAGEMENT OF LANDS IN**
21 **UTAH TEST AND TRAINING RANGE.**

22 (a) DESIGNATION.—The following Federal lands that
23 are in the Utah Test and Training Range are hereby des-
24 igned as wilderness:

1 (1) Those lands that were managed pursuant to
2 the nonimpairment standard set forth in section
3 603(c) of Public Law 94–579 (43 U.S.C. 1782(c))
4 on or before January 1, 1991.

5 (2) Those lands that were acquired by the
6 United States through donation, exchange, or other
7 method of acquisition and—

8 (A) are located entirely within the areas
9 identified in paragraph (1); or

10 (B) are located within a logical extension
11 of the boundaries of the areas identified in
12 paragraph (1).

13 (b) PLANNING PROCESS FOR FEDERAL LANDS IN
14 UTAH TEST AND TRAINING RANGE.—(1) The Secretary
15 of the Interior shall not continue the plan amendment
16 process initiated pursuant to section 202 of Public Law
17 94–579 (43 U.S.C. 1712) and published in the Federal
18 Register on March 18, 1999 (64 Fed. Reg. 13439), for
19 Federal lands located in the Utah Test and Training
20 Range.

21 (2) The Secretary of the Interior shall not develop,
22 maintain, or revise land use plans pursuant to section 202
23 of Public Law 94–579 (43 U.S.C. 1712) for Federal lands
24 located in the Utah Test and Training Range without the
25 prior concurrence of the Secretary of the Air Force and

1 the Commander-in-Chief of the military forces of the State
2 of Utah.

3 (c) WITHDRAWAL.—Subject to valid existing rights,
4 the Federal lands in the areas designated as wilderness
5 by this title are hereby withdrawn from all forms of entry,
6 appropriation, or disposal under the public land laws, from
7 location, entry, and patent under the United States min-
8 ing laws, and from disposition under all laws pertaining
9 to mineral and geothermal leasing, and mineral materials,
10 and all amendments to such laws.

11 (d) WATER.—Nothing in this title or any action
12 taken pursuant to this title shall constitute an express or
13 implied reservation of surface or groundwater by any per-
14 son, including the United States. Nothing in this title af-
15 fects any valid existing water rights in existence before
16 the date of the enactment of this Act, including any water
17 rights held by the United States. If the United States de-
18 termines that additional water resources are needed for
19 the purposes of this title, the United States shall acquire
20 such rights in accordance with the water laws of the State
21 of Utah.

22 (e) MAP AND DESCRIPTION.—(1) As soon as prac-
23 ticable after the date of the enactment of this title, the
24 Secretary of Interior shall transmit a map and legal de-
25 scription of the areas designated as wilderness by this title

1 to the Committee on Resources of the House of Represent-
2 atives and the Committee on Energy and Natural Re-
3 sources of the Senate.

4 (2) The map and legal description shall have the
5 same force and effect as if included in this title, except
6 that the Secretary of Interior may correct clerical and ty-
7 pographical errors in the map and legal description.

8 (3) The map and legal description shall be on file and
9 available for public inspection in the office of the Director
10 of the Bureau of Land Management and the office of the
11 State Director of the Bureau of Land Management in the
12 State of Utah.

13 (f) ADMINISTRATION.—(1) Subject to valid existing
14 rights and this title, the areas designated as wilderness
15 in this title shall be administered by the Secretary of Inte-
16 rior in accordance with the provisions of the Wilderness
17 Act, except that any reference in such provisions to the
18 effective date of the Wilderness Act (or any similar ref-
19 erence) shall be deemed to be a reference to the date of
20 the enactment of this Act.

21 (2) Any lands or interest in lands within the bound-
22 aries of an area designated as wilderness by this title that
23 is acquired by the United States after the date of the en-
24 actment of this Act shall be added to and administered

1 as part of the wilderness area within which the acquired
2 lands or interest in lands are located.

3 (3) The Secretary of the Interior may offer to acquire
4 lands and interest in lands located within the areas des-
5 ignated as wilderness by this title. Such lands may be ac-
6 quired at fair market value under this subsection by pur-
7 chase from willing sellers, by exchange for lands of ap-
8 proximately equal value, or by donation.

9 (4) In furtherance of the purposes and principles of
10 the Wilderness Act, management activities to maintain or
11 restore fish and wildlife populations and the habitats to
12 support such populations may be carried out within the
13 areas designated as wilderness by this title where con-
14 sistent with relevant wilderness management plans, in ac-
15 cordance with appropriate policies and guidelines such as
16 those set forth in appendix B of the Report of the Com-
17 mittee on Interior and Insular Affairs to accompany H.R.
18 2570 of the 101st Congress (H. Rept. 101–405).

19 (5) Within the areas designated as wilderness by this
20 title, the grazing of livestock, where established before the
21 date of the enactment of this Act, shall be permitted to
22 continue subject to such reasonable regulations, policies,
23 and practices as the Secretary of the Interior considers
24 necessary, as long as such regulations, policies, and prac-
25 tices fully conform with and implement the intent of Con-

1 gress regarding grazing in such areas, as such intent is
2 expressed in the Wilderness Act, section 101(f) of Public
3 Law 101–628, and House Report 101–405, Appendix A.

4 (6) Congress does not intend for the designation of
5 the wilderness in this title to lead to the creation of protec-
6 tive perimeters or buffer zones around any area designated
7 as wilderness by this title. The fact that nonwilderness ac-
8 tivities or uses can be seen or heard within the areas des-
9 ignated as wilderness by this title shall not, of itself, pre-
10 clude such activities or uses up to the boundary of that
11 wilderness.

12 (7) Until completion of a full revision of the Pony
13 Express Area Resource Management Plan, dated January
14 12, 1990, by the Salt Lake Field Office of the Bureau
15 of Land Management, the Secretary of Interior shall not
16 grant or issue any authorizations pursuant to section
17 501(a)(6) of Public Law 94–579 (43 U.S.C. 1761(a)(6))
18 upon Federal lands identified as inventory units UTU-
19 020-088, UTU-020-095, UTU-020-096, and UTU-020-
20 100, as generally depicted on the map entitled “Wilder-
21 ness Inventory, State of Utah”, dated August 1979.

22 **SEC. 1404. DESIGNATION OF PILOT RANGE WILDERNESS.**

23 Certain Federal lands in Box Elder County, Utah,
24 as generally depicted on the map entitled “Pilot Range
25 Wilderness”, and dated October 1, 2001, are hereby des-

1 ignated as wilderness, and shall be known as the Pilot
2 Range Wilderness Area.

3 **SEC. 1405. DESIGNATION OF CEDAR MOUNTAIN WILDER-**
4 **NESS.**

5 Certain Federal lands in Tooele County, Utah, as
6 generally depicted on the map entitled “Cedar Mountain
7 Wilderness”, and dated May 1, 2002, are hereby des-
8 ignated as wilderness, and shall be known as the Cedar
9 Mountain Wilderness Area.

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 2003”.

16 **TITLE XXI—ARMY**

17 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**
18 **ACQUISITION PROJECTS.**

19 (a) **INSIDE THE UNITED STATES.**—Using amounts
20 appropriated pursuant to the authorization of appropria-
21 tions in section 2104(a)(1), the Secretary of the Army
22 may acquire real property and carry out military construc-
23 tion projects for the installations and locations inside the
24 United States, and in the amounts, set forth in the fol-
25 lowing table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	\$1,900,000
	Fort Rucker	\$3,050,000
	Redstone Arsenal	\$1,950,000
Alaska	Fort Wainwright	\$111,010,000
Arizona	Fort Huachuca	\$10,400,000
	Yuma Proving Ground	\$4,500,000
Arkansas	Pine Bluff Arsenal	\$18,937,000
California	Monterey Defense Language Institute	\$1,500,000
Colorado	Fort Carson	\$5,350,000
District of Columbia	Walter Reed Army Medical Center ..	\$9,950,000
Georgia	Fort Benning	\$74,250,000
	Fort Stewart/Hunter Army Air Field	\$26,000,000
Hawaii	Schofield Barracks	\$191,000,000
Kansas	Fort Leavenworth	\$3,150,000
	Fort Riley	\$51,950,000
Kentucky	Blue Grass Army Depot	\$5,500,000
	Fort Campbell	\$106,300,000
Louisiana	Fort Polk	\$31,000,000
Maryland	Fort Detrick	\$22,500,000
Massachusetts	Natick Research Development and Engineering Center	\$4,100,000
	Fort Leonard Wood	\$15,500,000
New Jersey	Picatinny Arsenal	\$7,500,000
New York	Fort Drum	\$18,300,000
North Carolina	Fort Bragg	\$94,900,000
Pennsylvania	Letterkenny Army Depot	\$1,550,000
Texas	Fort Bliss	\$10,200,000
	Fort Hood	\$85,000,000
Virginia	Fort Lee	\$5,200,000
Washington	Fort Lewis	\$53,800,000
	Total	\$976,247,000

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
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 fol-
7 lowing table:

Army: Outside the United States

Country	Installation or location	Amount
Belgium	Supreme Headquarters, Allied Powers Europe	\$13,600,000
Germany	Area Support Group, Bamberg	\$17,200,000
	Campbell Barracks	\$8,300,000
	Coleman Barracks	\$1,350,000

Army: Outside the United States—Continued

Country	Installation or location	Amount
	Darmstadt	\$3,500,000
	Grafenwoehr	\$69,866,000
	Landstuhl	\$2,400,000
	Mannheim	\$42,000,000
	Schweinfurt	\$2,000,000
Italy	Vicenza	\$34,700,000
Korea	Camp Carroll	\$20,000,000
	Camp Castle	\$6,800,000
	Camp Hovey	\$25,000,000
	Camp Humphreys	\$36,000,000
	Camp Henry	\$10,000,000
	K16 Airfield	\$40,000,000
	Yongsan	\$12,600,000
	Total	\$345,316,000

1 (c) UNSPECIFIED WORLDWIDE.—Using the amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2104(a)(3), the Secretary of the Army
4 may acquire real property and carry out military construc-
5 tion projects for the installation and location, and in the
6 amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation	Amount
Unspecified Worldwide	Unspecified Worldwide	\$4,000,000

7 SEC. 2102. FAMILY HOUSING.

8 (a) CONSTRUCTION AND ACQUISITION.—Using
9 amounts appropriated pursuant to the authorization of ap-
10 propriations in section 2104(a)(6)(A), the Secretary of the
11 Army may construct or acquire family housing units (in-
12 cluding land acquisition and supporting facilities) at the
13 installations, for the purposes, and in the amounts set
14 forth in the following table:

Army: Family Housing

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

1 (b) **PLANNING AND DESIGN.**—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2104(a)(6)(A), the Secretary of the Army may
4 carry out architectural and engineering services and con-
5 struction design activities with respect to the construction
6 or improvement of family housing units in an amount not
7 to exceed \$15,653,000.

8 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States
11 Code, and using amounts appropriated pursuant to the
12 authorization of appropriations in section 2104(a)(6)(A),
13 the Secretary of the Army may improve existing military
14 family housing units in an amount not to exceed
15 \$234,831,000.

16 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

17 (a) **IN GENERAL.**—Funds are hereby authorized to
18 be appropriated for fiscal years beginning after September
19 30, 2002, for military construction, land acquisition, and
20 military family housing functions of the Department of the
21 Army in the total amount of \$2,935,609,000 as follows:

1 (1) For military construction projects inside the
2 United States authorized by section 2101(a),
3 \$803,247,000.

4 (2) For military construction projects outside
5 the United States authorized by section 2101(b),
6 \$345,316,000.

7 (3) For military construction projects at un-
8 specified worldwide locations authorized by section
9 2101(c), \$4,000,000.

10 (4) For unspecified minor construction projects
11 authorized by section 2805 of title 10, United States
12 Code, \$21,550,000.

13 (5) For architectural and engineering services
14 and construction design under section 2807 of title
15 10, United States Code, \$158,796,000.

16 (6) For military family housing functions:

17 (A) For construction and acquisition, plan-
18 ning and design and improvement of military
19 family housing and facilities, \$278,426,000.

20 (B) For support of military family housing
21 (including the functions described in section
22 2833 of title 10, United States Code),
23 \$1,122,274,000.

24 (7) For the construction of phase 3 of a bar-
25 racks complex, Butner Road, at Fort Bragg, North

1 Carolina, authorized by section 2101(a) of the Mili-
2 tary Construction Authorization Act for Fiscal Year
3 2001 (division B of the Floyd D. Spence National
4 Defense Authorization Act for Fiscal Year 2001, as
5 enacted into law by Public Law 106–398; 114 Stat.
6 1654A–389), \$50,000,000.

7 (8) For the construction of phase 2 of a bar-
8 racks complex, D Street, at Fort Richardson, Alas-
9 ka, authorized by section 2101(a) of the Military
10 Construction Authorization Act for Fiscal Year 2002
11 (division B of Public Law 107–107; 115 Stat.
12 1280), \$21,000,000.

13 (9) For the construction of phase 2 of a bar-
14 racks complex, Nelson Boulevard, at Fort Carson,
15 Colorado, authorized by section 2101(a) of the Mili-
16 tary Construction Authorization Act for Fiscal Year
17 2002 (division B of Public Law 107–107; 115 Stat.
18 1280), as amended by section 2105 of this Act,
19 \$42,000,000.

20 (10) For the construction of phase 2 of a basic
21 combat trainee complex at Fort Jackson, South
22 Carolina, authorized by section 2101(a) of the Mili-
23 tary Construction Authorization Act for Fiscal Year
24 2002 (division B of Public Law 107–107; 115 Stat.

1 1280), as amended by section 2105 of this Act,
2 \$39,000,000.

3 (11) For the construction of phase 2 of a bar-
4 racks complex, 17th and B Streets at Fort Lewis,
5 Washington, authorized by section 2101(a) of the
6 Military Construction Authorization Act for Fiscal
7 Year 2002 (division B of Public Law 107–107; 115
8 Stat. 1280), \$50,000,000.

9 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
10 PROJECTS.—Notwithstanding the cost variations author-
11 ized by section 2853 of title 10, United States Code, and
12 any other cost variation authorized by law, the total cost
13 of all projects carried out under section 2101 of this Act
14 may not exceed—

15 (1) the total amount authorized to be appro-
16 priated under paragraphs (1), (2), and (3) of sub-
17 section (a);

18 (2) \$18,000,000 (the balance of the amount au-
19 thorized under section 2101(a) for construction of a
20 barracks complex, Main Post, at Fort Benning,
21 Georgia);

22 (3) \$100,000,000 (the balance of the amount
23 authorized under section 2101(a) for construction of
24 a barracks complex, Capron Avenue, at Schofield
25 Barracks, Hawaii);

1 (4) \$50,000,000 (the balance of the amount au-
2 thorized under section 2101(a) for construction of a
3 barracks complex, Range Road, at Fort Campbell,
4 Kentucky); and

5 (5) \$5,000,000 (the balance of the amount au-
6 thorized under section 2101(a) for a military con-
7 struction project at Fort Bliss, Texas).

8 (c) ADJUSTMENT.—The total amount authorized to
9 be appropriated pursuant to paragraphs (1) through (11)
10 of subsection (a) is the sum of the amounts authorized
11 to be appropriated in such paragraphs, reduced by
12 \$13,676,000, which represents the combination of savings
13 resulting from adjustments to foreign currency exchange
14 rates for military construction, military family housing
15 construction, and military family housing support outside
16 the United States and savings resulting from favorable
17 bids, reduced overhead charges, and cancellations due to
18 force structure changes.

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

21 (a) MODIFICATION.—The table in section 2101(a) of
22 the Military Construction Authorization Act for Fiscal
23 Year 2002 (division B of Public Law 107-107; 115 Stat.
24 1281) is amended—

1 (1) in the item relating to Fort Carson, Colo-
 2 rado, by striking “\$66,000,000” in the amount col-
 3 umn and inserting “\$67,000,000”; and

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

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

9 (1) in paragraph (3), by striking
 10 “\$41,000,000” and inserting “\$42,000,000”; and

11 (2) in paragraph (4), by striking
 12 “\$36,000,000” and inserting “\$39,000,000”.

13 **TITLE XXII—NAVY**

14 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND** 15 **ACQUISITION PROJECTS.**

16 (a) INSIDE THE UNITED STATES.—Using amounts
 17 appropriated pursuant to the authorization of appropria-
 18 tions in section 2204(a)(1), the Secretary of the Navy may
 19 acquire real property and carry out military construction
 20 projects for the installations and locations inside the
 21 United States, and in the amounts, set forth in the fol-
 22 lowing table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	\$3,000,000
California	Auxiliary Landing Field, San Diego (San Clemente Island)	\$6,150,000
	Marine Corps Air-Ground Combat Cen- ter, Twentynine Palms	\$40,870,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	Marine Corps Air Station, Camp Pendleton	\$31,930,000
	Marine Corps Air Station, Miramar	\$12,210,000
	Marine Corps Base, Camp Pendleton	\$64,040,000
	Marine Corps Logistics Base, Barstow ..	\$4,450,000
	Naval Air Station, Lemoore	\$35,855,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	\$6,760,000
	Naval Air Weapons Station, China Lake	\$10,100,000
	Naval Post Graduate School, Monterey	\$9,020,000
	Naval Station, San Diego	\$12,210,000
Connecticut	Naval Submarine Base, New London	\$7,880,000
District of Columbia	Marine Corps Barracks	\$3,700,000
	Naval District, Washington	\$2,690,000
Florida	Naval Air Base, Jacksonville	\$13,342,000
	Naval Air Station, Pensacola	\$990,000
	Naval School Explosive Ordinance Detachment, Eglin	\$6,350,000
	Naval Station, Mayport	\$1,900,000
	Whiting Field	\$1,780,000
Georgia	Naval Submarine Base, Kings Bay	\$1,580,000
Hawaii	Naval Shipyard, Pearl Harbor	\$18,500,000
	Naval Station, Pearl Harbor	\$14,690,000
Illinois	Naval Training Center, Great Lakes	\$93,190,000
Indiana	Crane Naval Surface Weapons Station ..	\$11,610,000
Maine	Naval Shipyard, Kittery-Portsmouth	\$15,200,000
Maryland	Naval Air Facility, Andrews Air Force Base	\$9,680,000
	United States Naval Academy	\$1,800,000
Mississippi	Naval Air Station, Meridian	\$2,850,000
	Naval Construction Battalion Center, Gulfport	\$5,460,000
	Naval Station, Pascagoula	\$16,160,000
Nevada	Naval Air Station, Fallon	\$4,010,000
New Jersey	Naval Weapons Center, Lakehurst	\$5,200,000
	Naval Weapons Station Earle, Colts Neck	\$5,600,000
North Carolina	Marine Corps Air Station, Cherry Point	\$10,470,000
	Marine Corps Air Station, New River	\$6,920,000
	Marine Corps Base, Camp Lejeune	\$9,570,000
Rhode Island	Naval Station, Newport	\$6,870,000
South Carolina	Marine Corps Air Station, Beaufort	\$13,700,000
	Marine Corps Recruit Depot, Parris Is- land	\$10,490,000
	Naval Weapons Station, Charlestown	\$5,740,000
Texas	Naval Air Station, Corpus Christi	\$7,150,000
	Naval Air Station Joint Reserve Base, Fort Worth	\$8,850,000
	Naval Air Station, Kingsville	\$6,210,000
Virginia	Dam Neck Fleet Combat Training Cen- ter, Atlantic	\$3,900,000
	Little Creek Naval Amphibious Base	\$9,770,000
	Marine Corps Combat Development Command, Quantico	\$24,864,000
	Naval Air Station Oceana	\$16,490,000
	Naval Shipyard, Norfolk, Portsmouth ...	\$19,660,000
	Naval Station, Norfolk	\$171,505,000
	Naval Surface Warfare Center, Dahl- gren	\$15,830,000
	Naval Weapons Station, Yorktown	\$15,020,000
Washington	Naval Air Station, Whidbey Island	\$17,580,000
	Keyport Naval Undersea Warfare Com- mand	\$10,500,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	Naval Magazine, Indian Island	\$4,030,000
	Naval Station, Bremerton	\$45,870,000
	Naval Submarine Base, Bangor	\$22,310,000
	Puget Sound Naval Shipyard, Bremerton	\$57,132,000
	Strategic Weapons Facility, Bangor	\$7,340,000
Various Locations	Host Nation Infrastructure	\$1,000,000
	Total	\$1,009,528,000

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 locations outside the United States, and
6 in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Naval Support Activity, Bahrain	\$25,970,000
Diego Garcia	Diego Garcia, Naval Support Facility	\$11,090,000
Greece	Naval Support Activity, Joint Headquarters Command, Larissa	\$14,800,000
Guam	Commander, United States Naval Forces, Guam	\$13,400,000
Iceland	Naval Air Station, Keflavik	\$14,920,000
Italy	Naval Air Station, Sigonella	\$55,660,000
	Total	\$135,840,000

7 **SEC. 2202. FAMILY HOUSING.**

8 (a) CONSTRUCTION AND ACQUISITION.—Using
9 amounts appropriated pursuant to the authorization of ap-
10 propriations in section 2204(a)(5)(A), the Secretary of the
11 Navy may construct or acquire family housing units (in-
12 cluding land acquisition and supporting facilities) at the
13 installations, for the purposes, and in the amounts set
14 forth in the following table:

Navy: Family Housing

State or Country	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore	178 Units	\$40,981,000
	Marine Corps Air- Ground Combat Cen- ter, Twentynine Palms	76 Units	\$19,425,000
Connecticut	Naval Submarine Base, New London	100 Units	\$24,415,000
Florida	Naval Station, Mayport	1 Unit	\$329,000
Hawaii	Marine Corps Base, Kaneohe Bay	65 Units	\$24,797,000
Maine	Naval Air Station, Brunswick	26 Units	\$5,800,000
Mississippi	Naval Air Station, Me- ridian	56 Units	\$9,755,000
North Carolina	Marine Corps Base, Camp LeJeune	317 Units	\$43,650,000
Virginia	Marine Corps Base, Quantico	290 Units	\$41,843,000
United Kingdom ...	Joint Maritime Facility, St. Mawgan	62 Units	\$18,524,000
		Total	\$229,519,000

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

8 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

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

1 family housing units in an amount not to exceed
2 \$136,816,000.

3 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

4 (a) IN GENERAL.—Funds are hereby authorized to
5 be appropriated for fiscal years beginning after September
6 30, 2002, for military construction, land acquisition, and
7 military family housing functions of the Department of the
8 Navy in the total amount of \$2,308,007,000, as follows:

9 (1) For military construction projects inside the
10 United States authorized by section 2201(a),
11 \$776,806,000.

12 (2) For military construction projects outside
13 the United States authorized by section 2201(b),
14 \$133,270,000.

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

18 (4) For architectural and engineering services
19 and construction design under section 2807 of title
20 10, United States Code, \$95,745,000.

21 (5) For military family housing functions:

22 (A) For construction and acquisition, plan-
23 ning and design, and improvement of military
24 family housing and facilities, \$377,616,000.

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

4 (6) For replacement of a pier at Naval Station,
5 Norfolk, Virginia, authorized in section 2201(a) of
6 the Military Construction Authorization Act for Fis-
7 cal Year 2002 (division B of Public Law 107–107;
8 115 Stat. 1287), as amended by section 2205 of this
9 Act, \$33,520,000.

10 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
11 PROJECTS.—Notwithstanding the cost variations author-
12 ized by section 2853 of title 10, United States Code, and
13 any other cost variation authorized by law, the total cost
14 of all projects carried out under section 2201 of this Act
15 may not exceed—

16 (1) the total amount authorized to be appro-
17 priated under paragraphs (1) and (2) of subsection
18 (a);

19 (2) \$48,120,000 (the balance of the amount au-
20 thorized under section 2201(a) for a bachelors en-
21 listed quarters shipboard ashore, Naval Station,
22 Norfolk, Virginia); and

23 (3) \$2,570,000 (the balance of the amount au-
24 thorized under section 2201(b) for a quality of life
25 support facility, Naval Air Station Sigonella, Italy).

1 (c) ADJUSTMENT.—The total amount authorized to
2 be appropriated pursuant to paragraphs (1) through (6)
3 of subsection (a) is the sum of the amounts authorized
4 to be appropriated in such paragraphs, reduced by
5 \$1,340,000, which represents the combination of savings
6 resulting from adjustments to foreign currency exchange
7 rates for military construction, military family housing
8 construction, and military family housing support outside
9 the United States and savings resulting from favorable
10 bids, reduced overhead charges, and cancellations due to
11 force structure changes.

12 **SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT**
13 **CERTAIN FISCAL YEAR 2002 PROJECT.**

14 (a) MODIFICATION.—The table in section 2201(a) of
15 the Military Construction Authorization Act for Fiscal
16 Year 2002 (division B of Public Law 107–107; 115 Stat.
17 1286) is amended—

18 (1) in the item relating to Naval Station, Nor-
19 folk, Virginia, by striking “\$139,270,000” in the
20 amount column and inserting “\$139,550,000”; and

21 (2) by striking the amount identified as the
22 total in the amount column and inserting
23 “\$1,059,030,000”.

1 (b) CONFORMING AMENDMENT.—Section 2204(b)(2)
 2 of that Act (115 Stat. 1289) is amended by striking
 3 “\$33,240,000” and inserting “\$33,520,000”.

4 TITLE XXIII—AIR FORCE

5 SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND 6 LAND ACQUISITION PROJECTS.

7 (a) INSIDE THE UNITED STATES.—Using amounts
 8 appropriated pursuant to the authorization of appropria-
 9 tions in section 2304(a)(1), the Secretary of the Air Force
 10 may acquire real property and carry out military construc-
 11 tion projects for the installations and locations inside the
 12 United States, and in the amounts, set forth in the fol-
 13 lowing table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	\$8,000,000
Alaska	Clear Air Station	\$14,400,000
	Eielson Air Force Base	\$21,600,000
Arizona	Davis-Monthan Air Force Base	\$19,270,000
	Luke Air Force Base	\$13,000,000
Arkansas	Little Rock Air Force Base	\$25,600,000
California	Beale Air Force Base	\$11,740,000
	Travis Air Force Base	\$9,600,000
	Vandenberg Air Force Base	\$10,500,000
Colorado	Buckley Air National Guard Base ...	\$17,700,000
	Peterson Air Force Base	\$2,000,000
	Schriever Air Force Base	\$5,700,000
	United States Air Force Academy ...	\$9,400,000
District of Columbia	Bolling Air Force Base	\$1,500,000
Florida	Elgin Air Force Base	\$4,250,000
	Hurlburt Field	\$15,000,000
	McDill Air Force Base	\$21,000,000
	Tyndall Air Force Base	\$8,100,000
Georgia	Robins Air Force Base	\$5,400,000
Hawaii	Hickam Air Force Base	\$1,350,000
Kansas	McConnell Air Force Base	\$7,500,000
Louisiana	Barksdale Air Force Base	\$10,900,000
Maryland	Andrews Air Force Base	\$9,600,000
Massachusetts	Hanscom Air Force Base	\$7,700,000
Mississippi	Keesler Air Force Base	\$22,000,000
Nevada	Nellis Air Force Base	\$37,350,000
New Jersey	McGuire Air Force Base	\$24,631,000
New Mexico	Cannon Air Force Base	\$4,650,000
	Holloman Air Force Base	\$4,650,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
	Kirtland Air Force Base	\$21,900,000
North Carolina	Pope Air Force Base	\$9,700,000
Ohio	Wright-Patterson Air Force Base	\$25,000,000
Oklahoma	Tinker Air Force Base	\$7,500,000
South Carolina	Shaw Air Force Base	\$6,800,000
Texas	Lackland Air Force Base	\$37,300,000
	Laughlin Air Force Base	\$8,000,000
	Sheppard Air Force Base	\$24,000,000
Utah	Hill Air Force Base	\$14,500,000
Virginia	Langley Air Force Base	\$71,940,000
	Total	\$580,731,000

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 fol-
7 lowing table:

Air Force: Outside the United States

Country	Installation or location	Amount
Diego Garcia	Diego Garcia	\$17,100,000
Germany	Ramstein Air Force Base	\$71,783,000
Guam	Andersen Air Force Base	\$31,000,000
Italy	Aviano Air Force Base	\$6,600,000
Japan	Kadena Air Force Base	\$6,000,000
Korea	Osan Air Base	\$15,100,000
Spain	Naval Station, Rota	\$31,818,000
Turkey	Incirlik Air Force Base	\$1,550,000
United Kingdom	Royal Air Force, Fairford	\$19,000,000
	Royal Air Force, Lakenheath	\$13,400,000
Wake Island	Wake Island	\$24,900,000
	Total	\$238,251,000

8 (c) UNSPECIFIED WORLDWIDE.—Using the amounts
9 appropriated pursuant to the authorization of appropria-
10 tions in section 2304(a)(3), the Secretary of the Air Force
11 may acquire real property and carry out military construc-

tion projects for the installation and location, and in the amount, set forth in the following table:

Air Force: Unspecified Worldwide

Location	Installation	Amount
Unspecified Worldwide	Classified Location	\$32,562,000
	Total	\$32,562,000

SEC. 2302. FAMILY HOUSING.

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

Air Force: Family Housing

State or Country	Installation or location	Purpose	Amount
Arizona	Luke Air Force Base ..	140 Units	\$18,954,000
California	Travis Air Force Base	110 Units	\$24,320,000
Colorado	Peterson Air Force Base	2 Units	\$959,000
	United States Air Force Academy	71 Units	\$12,424,000
Delaware	Dover Air Force Base	112 Units	\$19,615,000
Florida	Eglin Air Force Base ..	Housing Office	\$597,000
	Eglin Air Force Base ..	134 Units	\$15,906,000
	MacDill Air Force Base	96 Units	\$18,086,000
Hawaii	Hickam Air Force Base	96 Units	\$29,050,000
Idaho	Mountain Home Air Force Base	95 Units	\$24,392,000
Kansas	McConnell Air Force Base	Housing Maintenance Facility	\$1,514,000
Maryland	Andrews Air Force Base	53 Units	\$9,838,000
	Andrews Air Force Base	52 Units	\$8,807,000
Mississippi	Columbus Air Force Base	Housing Office	\$412,000
	Keesler Air Force Base	117 Units	\$16,505,000
Missouri	Whiteman Air Force Base	97 Units	\$17,107,000

Air Force: Family Housing—Continued

State or Country	Installation or location	Purpose	Amount
Montana	Malmstrom Air Force Base	18 Units	\$4,717,000
New Mexico	Holloman Air Force Base	101 Units	\$20,161,000
North Carolina	Pope Air Force Base ...	Housing Maintenance Facility	\$991,000
North Dakota	Seymour Johnson Air Force Base	126 Units	\$18,615,000
	Grand Forks Air Force Base	150 Units	\$30,140,000
	Minot Air Force Base	112 Units	\$21,428,000
	Minot Air Force Base	102 Units	\$20,315,000
Oklahoma	Vance Air Force Base	59 Units	\$11,423,000
South Dakota	Ellsworth Air Force Base	Housing Maintenance Facility	\$447,000
	Ellsworth Air Force Base	22 Units	\$4,794,000
Texas	Dyess Air Force Base	85 Units	\$14,824,000
	Randolph Air Force Base	Housing Maintenance Facility	\$447,000
	Randolph Air Force Base	112 Units	\$14,311,000
Virginia	Langley Air Force Base	Housing Office	\$1,193,000
Germany	Ramstein Air Force Base	19 Units	\$8,534,000
Korea	Osan Air Base	113 Units	\$35,705,000
	Osan Air Base	Housing Supply Warehouse ...	\$834,000
United Kingdom	Royal Air Force, Lakenheath	Housing Office and Maintenance Facility	\$2,203,000
	Total		\$429,568,000

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

1 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 Subject to section 2825 of title 10, United States
4 Code, and using amounts appropriated pursuant to the
5 authorization of appropriations in section 2304(a)(6)(A),
6 the Secretary of the Air Force may improve existing mili-
7 tary family housing units in an amount not to exceed
8 \$217,286,000.

9 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
10 **FORCE.**

11 (a) IN GENERAL.—Funds are hereby authorized to
12 be appropriated for fiscal years beginning after September
13 30, 2002, for military construction, land acquisition, and
14 military family housing functions of the Department of the
15 Air Force in the total amount of \$2,495,094,000, as fol-
16 lows:

17 (1) For military construction projects inside the
18 United States authorized by section 2301(a),
19 \$580,731,000.

20 (2) For military construction projects outside
21 the United States authorized by section 2301(b),
22 \$238,251,000.

23 (3) For the military construction projects at
24 unspecified worldwide locations authorized by section
25 2301(c), \$32,562,000.

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

4 (5) For architectural and engineering services
5 and construction design under section 2807 of title
6 10, United States Code, \$76,958,000.

7 (6) For military housing functions:

8 (A) For construction and acquisition, plan-
9 ning and design, and improvement of military
10 family housing and facilities, \$681,042,000.

11 (B) For support of military family housing
12 (including functions described in section 2833
13 of title 10, United States Code), \$874,050,000.

14 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
15 PROJECTS.—Notwithstanding the cost variations author-
16 ized by section 2853 of title 10, United States Code, and
17 any other cost variation authorized by law, the total cost
18 of all projects carried out under section 2301 of this Act
19 may not exceed the total amount authorized to be appro-
20 priated under paragraphs (1), (2) and (3) of subsection
21 (a).

22 (c) ADJUSTMENT.—The total amount authorized to
23 be appropriated pursuant to paragraphs (1) through (6)
24 of subsection (a) is the sum of the amounts authorized
25 to be appropriated in such paragraphs, reduced by

1 \$10,281,000, which represents the combination of savings
 2 resulting from adjustments to foreign currency exchange
 3 rates for military construction, military family housing
 4 construction, and military family housing support outside
 5 the United States and savings resulting from favorable
 6 bids, reduced overhead charges, and cancellations due to
 7 force structure changes.

8 **TITLE XXIV—DEFENSE**
 9 **AGENCIES**

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

12 (a) INSIDE THE UNITED STATES.—Using amounts
 13 appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may
 14 acquire real property and carry out military construction
 15 projects for the installations and locations inside the
 16 United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Missile Defense Agency	Kauai, Hawaii	\$23,400,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	\$121,958,000
Defense Logistics Agency	Columbus, Ohio	\$5,021,000
	Defense Supply Center, Richmond, Virginia	\$5,500,000
	Naval Air Station, New Orleans, Louisiana	\$9,500,000
	Travis Air Force Base, California	\$16,000,000
Defense Threat Reduction Agency	Fort Belvoir, Virginia	\$76,388,000
Department of Defense Dependents Schools	Fort Bragg, North Carolina	\$2,036,000
	Fort Jackson, South Carolina	\$2,506,000
	Marine Corps Base, Camp Lejeune, North Carolina	\$12,138,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Marine Corps Base, Quantico, Virginia	\$1,418,000
	United States Military Academy, West Point, New York	\$4,347,000
	Fort Meade, Maryland	\$4,484,000
Joint Chiefs of Staff	Peterson Air Force Base, Colorado ..	\$18,400,000
National Security Agency	Fort Bragg, North Carolina	\$30,800,000
Special Operations Command	Hurlburt Field, Florida	\$11,100,000
	Naval Amphibious Base, Little Creek, Virginia	\$14,300,000
TRICARE Management Activity	Elmendorf Air Force Base, Alaska ..	\$10,400,000
	Hickam Air Force Base, Hawaii	\$2,700,000
	Total	\$372,396,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2404(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 fol-
7 lowing table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Logistics Agency	Andersen Air Force Base, Guam	\$17,586,000
	Naval Forces Marianas Islands, Guam	\$6,000,000
	Naval Station, Rota, Spain	\$23,400,000
	Royal Air Force, Fairford, United Kingdom	\$17,000,000
	Yokota Air Base, Japan	\$23,000,000
Department of Defense Dependents Schools	Kaiserslautern, Germany	\$957,000
	Lajes Field, Azores, Portugal	\$1,192,000
	Seoul, Korea	\$31,683,000
	Supreme Headquarters, Allied Powers Europe, Belgium	\$1,573,000
	Spangdahlem Air Base, Germany	\$997,000
	Vicenza, Italy	\$2,117,000
TRICARE Management Activity	Naval Support Activity, Naples, Italy	\$41,449,000
	Spangdahlem Air Base, Germany	\$39,629,000
	Total	\$206,583,000

1 **SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 Subject to section 2825 of title 10, United States
4 Code, and using amounts appropriated pursuant to the
5 authorization of appropriations in section 2404(a)(8)(A),
6 the Secretary of Defense may improve existing military
7 family housing units in an amount not to exceed
8 \$5,530,000.

9 **SEC. 2403. ENERGY CONSERVATION PROJECTS.**

10 Using amounts appropriated pursuant to the author-
11 ization of appropriations in section 2404(a)(4), the Sec-
12 retary of Defense may carry out energy conservation
13 projects under section 2865 of title 10, United States
14 Code, in the amount of \$49,531,000.

15 **SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DE-**
16 **FENSE AGENCIES.**

17 (a) IN GENERAL.—Funds are hereby authorized to
18 be appropriated for fiscal years beginning after September
19 30, 2002, for military construction, land acquisition, and
20 military family housing functions of the Department of
21 Defense (other than the military departments) in the total
22 amount of \$1,417,779,000, as follows:

23 (1) For military construction projects inside the
24 United States authorized by section 2401(a),
25 \$335,796,000.

1 (2) For military construction projects outside
2 the United States authorized by section 2401(b),
3 \$206,583,000.

4 (3) For unspecified minor construction projects
5 under section 2805 of title 10, United States Code,
6 \$16,293,000.

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

10 (5) For architectural and engineering services
11 and construction design under section 2807 of title
12 10, United States Code, \$45,432,000.

13 (6) For energy conservation projects authorized
14 by section 2403 of this Act, \$49,531,000.

15 (7) For base closure and realignment activities
16 as authorized by the Defense Base Closure and Re-
17 alignment Act of 1990 (part A of title XXIX of
18 Public Law 101–510; 10 U.S.C. 2687 note),
19 \$545,138,000.

20 (8) For military family housing functions:

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

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

1 (C) For credit to the Department of De-
2 fense Housing Improvement Fund established
3 by section 2883(a) of title 10, United States
4 Code, as amended by section 2801 of this Act,
5 \$2,000,000.

6 (9) For payment of a claim against the Hos-
7 pital Replacement project at Elmendorf Air Force
8 Base, Alaska, \$10,400,000.

9 (10) For the construction of phase 4 of an am-
10 munition demilitarization facility at Pueblo Chemical
11 Activity, Colorado, authorized by section 2401(a) of
12 the Military Construction Authorization Act for Fis-
13 cal Year 1997 (division B of Public Law 104–201;
14 110 Stat. 2775), as amended by section 2406 of the
15 Military Construction Authorization Act for Fiscal
16 Year 2000 (division B of Public Law 106–65; 113
17 Stat. 839) and section 2407 of this Act,
18 \$38,000,000.

19 (11) For the construction of phase 5 of an am-
20 munition demilitarization facility at Newport Army
21 Depot, Indiana, authorized by section 2401(a) of the
22 Military Construction Authorization Act for Fiscal
23 Year 1999 (division B of Public Law 105–261; 112
24 Stat. 2193), as amended by section 2406 of this Act,
25 \$61,494,000.

1 (12) For the construction of phase 5 of an am-
2 munition demilitarization facility at Aberdeen Prov-
3 ing Ground, Maryland, authorized by section
4 2401(a) of the Military Construction Authorization
5 Act for Fiscal Year 1999 (division B of Public Law
6 105–261; 112 Stat. 2193), as amended by section
7 2406 of the Military Construction Authorization Act
8 for Fiscal Year 2002 (division B of Public Law 107–
9 107; 115 Stat. 1299), \$30,600,000.

10 (13) For the construction of phase 3 of an am-
11 munition demilitarization facility at Blue Grass
12 Army Depot, Kentucky, authorized by section
13 2401(a) of the Military Construction Authorization
14 Act for Fiscal Year 2000 (division B of Public Law
15 106–65; 113 Stat. 835), as amended by section
16 2405 of the Military Construction Authorization Act
17 for Fiscal Year 2002 (division B of Public Law 107–
18 107; 115 Stat. 1298) and section 2405 of this Act,
19 \$10,300,000.

20 (14) For the construction of phase 3 of an am-
21 munition demilitarization support facility at Blue
22 Grass Army Depot, Kentucky, authorized by section
23 2401(a) of the Military Construction Authorization
24 Act for Fiscal Year 2000 (division B of Public Law
25 106–65; 113 Stat. 835), \$8,300,000.

1 (b) LIMITATION ON TOTAL COST OF CONSTRUCTION
2 PROJECTS.—Notwithstanding the cost variations author-
3 ized by section 2853 of title 10, United States Code, and
4 any other cost variation authorized by law, the total cost
5 of all projects carried out under section 2401 of this Act
6 may not exceed—

7 (1) the total amount authorized to be appro-
8 priated under paragraphs (1) and (2) of subsection
9 (a); and

10 (2) \$26,200,000 (the balance of the amount au-
11 thORIZED under section 2401(a) for the construction
12 of the Defense Threat Reduction Center, Fort
13 Belvoir, Virginia).

14 (c) ADJUSTMENT.—The total amount authorized to
15 be appropriated pursuant to paragraphs (1) through (14)
16 of subsection (a) is the sum of the amounts authorized
17 to be appropriated in such paragraphs, reduced by
18 \$42,833,000, which represents the combination of savings
19 resulting from adjustments to foreign currency exchange
20 rates for military construction, military family housing
21 construction, and military family housing support outside
22 the United States and savings resulting from favorable
23 bids, reduced overhead charges, and cancellations due to
24 force structure changes.

1 **SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT**
2 **CERTAIN FISCAL YEAR 2000 PROJECT.**

3 (a) MODIFICATION.—The table in section 2401(a) of
4 the Military Construction Authorization Act for Fiscal
5 Year 2000 (division B of Public Law 106–65; 113 Stat.
6 835), as amended by section 2405 of the Military Con-
7 struction Authorization Act for Fiscal Year 2002 (division
8 B of Public Law 107–107; 115 Stat. 1298), is further
9 amended—

10 (1) under the agency heading relating to Chem-
11 ical Demilitarization, in the item relating to Blue
12 Grass Army Depot, Kentucky, by striking
13 “\$254,030,000” in the amount column and inserting
14 “\$290,325,000”; and

15 (2) by striking the amount identified as the
16 total in the amount column and inserting
17 “\$748,245,000”.

18 (b) CONFORMING AMENDMENT.—Section 2405(b)(3)
19 of that Act (113 Stat. 839), as so amended, is further
20 amended by striking “\$231,230,000” and inserting
21 “\$267,525,000”.

22 **SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT**
23 **CERTAIN FISCAL YEAR 1999 PROJECT.**

24 (a) MODIFICATION.—The table in section 2401(a) of
25 the Military Construction Authorization Act for Fiscal
26 Year 1999 (division B of Public Law 105–261; 112 Stat.

1 2193), as amended by section 2406 of the Military Con-
2 struction Authorization Act for Fiscal Year 2002 (division
3 B of Public Law 107–107; 115 Stat. 1299), is amended—

4 (1) under the agency heading relating to Chem-
5 ical Demilitarization, in the item relating to Newport
6 Army Depot, Indiana, by striking “\$191,550,000”
7 in the amount column and inserting
8 “\$293,853,000”; and

9 (2) by striking the amount identified as the
10 total in the amount column and inserting
11 “\$829,919,000”.

12 (b) CONFORMING AMENDMENT.—Section 2404(b)(2)
13 of that Act (112 Stat. 2196) is amended by striking
14 “\$162,050,000” and inserting “\$264,353,000”.

15 **SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT**
16 **CERTAIN FISCAL YEAR 1997 PROJECT.**

17 (a) MODIFICATION.—The table in section 2401(a) of
18 the Military Construction Authorization Act for Fiscal
19 Year 1997 (division B of Public Law 104–201; 110 Stat.
20 2775), as amended by section 2406 of the Military Con-
21 struction Authorization Act for Fiscal Year 2000 (division
22 B of Public Law 106–65; 113 Stat. 839), is further
23 amended—

24 (1) under the agency heading relating to Chem-
25 ical Demilitarization Program, in the item relating

1 to Pueblo Chemical Activity, Colorado, by striking
2 “\$203,500,000” in the amount column and inserting
3 “\$261,000,000”; and

4 (2) by striking the amount identified as the
5 total in the amount column and inserting
6 “\$607,454,000”.

7 (b) CONFORMING AMENDMENT.—Section 2406(b)(2)
8 of that Act (110 Stat. 2779), as so amended, is further
9 amended by striking “\$203,500,000” and inserting
10 “\$261,000,000”.

11 **TITLE XXV—NORTH ATLANTIC**
12 **TREATY ORGANIZATION SE-**
13 **CURITY INVESTMENT PRO-**
14 **GRAM**

15 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**
16 **ACQUISITION PROJECTS.**

17 The Secretary of Defense may make contributions for
18 the North Atlantic Treaty Organization Security Invest-
19 ment program as provided in section 2806 of title 10,
20 United States Code, in an amount not to exceed the sum
21 of the amount authorized to be appropriated for this pur-
22 pose in section 2502 and the amount collected from the
23 North Atlantic Treaty Organization as a result of con-
24 struction previously financed by the United States.

1 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

2 Funds are hereby authorized to be appropriated for
3 fiscal years beginning after September 30, 2002, for con-
4 tributions by the Secretary of Defense under section 2806
5 of title 10, United States Code, for the share of the United
6 States of the cost of projects for the North Atlantic Treaty
7 Organization Security Investment program authorized by
8 section 2501, in the amount of \$168,200,000.

9 **TITLE XXVI—GUARD AND**
10 **RESERVE FORCES FACILITIES**

11 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**
12 **TION AND LAND ACQUISITION PROJECTS.**

13 (a) IN GENERAL.—There are authorized to be appro-
14 priated for fiscal years beginning after September 30,
15 2002, for the costs of acquisition, architectural and engi-
16 neering services, and construction of facilities for the
17 Guard and Reserve Forces, and for contributions there
18 for, under chapter 1803 of title 10, United States Code
19 (including the cost of acquisition of land for those facili-
20 ties), the following amounts:

21 (1) For the Department of the Army—

22 (A) for the Army National Guard of the
23 United States, \$170,793,000; and

24 (B) for the Army Reserve, \$86,789,000.

25 (2) For the Department of the Navy, for the
26 Naval and Marine Corps Reserve, \$66,971,000.

- 1 (3) For the Department of the Air Force—
2 (A) for the Air National Guard of the
3 United States, \$119,266,000; and
4 (B) for the Air Force Reserve,
5 \$68,576,000.

6 **TITLE XXVII—EXPIRATION AND**
7 **EXTENSION OF AUTHORIZA-**
8 **TIONS**

9 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
10 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
11 **LAW.**

12 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE
13 YEARS.—Except as provided in subsection (b), all author-
14 izations contained in titles XXI through XXVI for military
15 construction projects, land acquisition, family housing
16 projects and facilities, and contributions to the North At-
17 lantic Treaty Organization Security Investment program
18 (and authorizations of appropriations therefor) shall ex-
19 pire on the later of—

20 (1) October 1, 2005; or

21 (2) the date of the enactment of an Act author-
22 izing funds for military construction for fiscal year
23 2006.

24 (b) EXCEPTION.—Subsection (a) shall not apply to
25 authorizations for military construction projects, land ac-

1 quisation, family housing projects, and facilities, and con-
2 tributions to the North Atlantic Treaty Organization Se-
3 curity Investment program (and authorizations of appro-
4 priations therefor) for which appropriated funds have been
5 obligated before the later of—

6 (1) October 1, 2005; or

7 (2) the date of the enactment of an Act author-
8 ized funds for fiscal year 2005 for military construc-
9 tion projects, land acquisition, family housing
10 projects and facilities, and contributions to the
11 North Atlantic Treaty Organization Security Invest-
12 ment program.

13 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
14 **FISCAL YEAR 2000 PROJECTS.**

15 (a) **EXTENSION OF CERTAIN PROJECTS.**—Notwith-
16 standing section 2701 of the Military Construction Au-
17 thorization Act for Fiscal Year 2000 (division B of Public
18 Law 106–65; 113 Stat. 841), authorizations set forth in
19 the tables in subsection (b), as provided in section 2302
20 or 2601 of that Act, shall remain in effect until October
21 1, 2003, or the date of the enactment of an Act author-
22 izing funds for military construction for fiscal year 2004,
23 whichever is later.

24 (b) **TABLES.**—The tables referred to in subsection (a)
25 are as follows:

Air Force: Extension of 2000 Project Authorization

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

Army National Guard: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Virginia	Fort Pickett	Multi-Purpose Range Complex—Heavy ..	\$13,500,000

1 (c) EXTENSION OF ADDITIONAL PROJECT.—Not-
2 withstanding any other provision of law, the authorization
3 set forth in the table in subsection (d), as provided in sec-
4 tion 8160 of the Department of Defense Appropriations
5 Act, 2000 (Public Law 106–79; 113 Stat. 1274), shall re-
6 main in effect until October 1, 2003, or the date of the
7 enactment of an Act authorizing funds for military con-
8 struction for fiscal year 2004, whichever is later.

9 (d) TABLE FOR EXTENSION OF ADDITIONAL
10 PROJECT.—The table referred to in subsection (c) is as
11 follows:

Army National Guard: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Pennsylvania	Connellsville	Readiness Center	\$1,700,000

12 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
13 **FISCAL YEAR 1999 PROJECTS.**

14 (a) EXTENSION.—Notwithstanding section 2701 of
15 the Military Construction Authorization Act for Fiscal

1 Year 1999 (division B of Public Law 105–261; 112 Stat.
 2 2199), authorizations set forth in the table in subsection
 3 (b), as provided in section 2302 of that Act and extended
 4 by section 2702 of the Military Construction Authoriza-
 5 tion Act for Fiscal Year 2002 (division B of Public Law
 6 107–107; 115 Stat. 1301), shall remain in effect until Oc-
 7 tober 1, 2003, or the date of the enactment of an Act
 8 authorizing funds for military construction for fiscal year
 9 2004, whichever is later.

10 (b) TABLE.—The table referred to in subsection (a)
 11 is as follows:

Air Force: Extension of 1999 Project Authorizations

State	Installation or loca- tion	Project	Amount
Delaware	Dover Air Force Base	Replace Family Housing (55 Units)	\$8,988,000
Florida	Patrick Air Force Base	Replace Family Housing (46 Units)	\$9,692,000
New Mexico	Kirtland Air Force Base	Replace Family Housing (37 Units)	\$6,400,000
Ohio	Wright-Patterson Air Force Base	Replace Family Housing (40 Units)	\$5,600,000

12 **SEC. 2704. EFFECTIVE DATE.**

13 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI
 14 of this Act shall take effect on the later of—

15 (1) October 1, 2002; or

16 (2) the date of the enactment of this Act.

1 **TITLE XXVIII—GENERAL**
2 **PROVISIONS**
3 **Subtitle A—Military Construction**
4 **Program and Military Family**
5 **Housing Changes**

6 **SEC. 2801. CHANGES TO ALTERNATIVE AUTHORITY FOR AC-**
7 **QUISITION AND IMPROVEMENT OF MILITARY**
8 **HOUSING.**

9 (a) **AUTHORIZED UTILITIES AND SERVICES.**—Sec-
10 tion 2872a(b) of title 10, United States Code, is amended
11 by adding at the end the following new paragraphs:

12 “(11) Firefighting and fire protection services.

13 “(12) Police protection services.”.

14 (b) **LEASING OF HOUSING.**—Subsection (a) of section
15 2874 of such title is amended to read as follows:

16 “(a) **LEASE AUTHORIZED.**—(1) The Secretary con-
17 cerned may enter into contracts for the lease of housing
18 units that the Secretary determines are suitable for use
19 as military family housing or military unaccompanied
20 housing.

21 “(2) The Secretary concerned shall utilize housing
22 units leased under paragraph (1) as military family hous-
23 ing or military unaccompanied housing, as appropriate.”.

24 (c) **REPEAL OF INTERIM LEASE AUTHORITY.**—Sec-
25 tion 2879 of such title is repealed.

1 (d) SPACE LIMITATIONS BY PAY GRADE.—Section
2 2880(b)(2) of such title is amended by striking “unless
3 the unit is located on a military installation”.

4 (e) DEPARTMENT OF DEFENSE HOUSING FUND.—
5 (1) Section 2883 of such title is amended by striking sub-
6 sections (a), (b), and (c) inserting the following new sub-
7 sections (a) and (b):

8 “(a) ESTABLISHMENT.—There is hereby established
9 on the books of the Treasury an account to be known as
10 the Department of Defense Housing Improvement Fund
11 (in this section referred to as the ‘Fund’).

12 “(b) CREDITS TO FUND.—There shall be credited to
13 the Fund the following:

14 “(1) Amounts authorized for and appropriated
15 to the Fund.

16 “(2) Subject to subsection (e), any amounts
17 that the Secretary of Defense transfers, in such
18 amounts as are provided for in appropriation Acts,
19 to the Fund from amounts authorized and appro-
20 priated to the Department of Defense for the acqui-
21 sition or construction of military family housing or
22 military unaccompanied housing.

23 “(3) Proceeds from the conveyance or lease of
24 property or facilities under section 2878 of this title
25 for the purpose of carrying out activities under this

1 subchapter with respect to military family housing
2 or military unaccompanied housing.

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

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

14 (2) Such section is further amended—

15 (A) by redesignating subsections (d) through
16 (g) as (c) through (f), respectively;

17 (B) in subsection (c), as so redesignated—

18 (i) in the subsection heading, by striking
19 “FUNDS” and inserting “FUND”;

20 (ii) in paragraph (1)—

21 (I) by striking “subsection (e)” and
22 inserting “subsection (d)”; and

23 (II) by striking “Department of De-
24 fense Family Housing Improvement Fund”
25 and inserting “Fund”;

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

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

4 (C) in subsection (d), as so redesignated, by
5 striking “required to be used to satisfy the obliga-
6 tion”;

7 (D) in subsection (e), as so redesignated, by
8 striking “a Fund under paragraph (1)(B) or (2)(B)
9 of subsection (c)” and inserting “the Fund under
10 subsection (b)(2)”; and

11 (E) in subsection (f), as so redesignated—

12 (i) in paragraph (1), by striking
13 “\$850,000,000” and inserting
14 “\$1,700,000,000”; and

15 (ii) in paragraph (2), by striking
16 “\$150,000,000” and inserting “\$300,000,000”.

17 (f) TRANSFER OF UNOBLIGATED AMOUNTS.—(1)

18 The Secretary of Defense shall transfer to the Department
19 of Defense Housing Improvement Fund established under
20 section 2883(a) of title 10, United States Code (as amend-
21 ed by subsection (e)), any amounts in the Department of
22 Defense Family Housing Improvement Fund and the De-
23 partment of Defense Military Unaccompanied Housing
24 Improvement that remain available for obligation as of the
25 date of the enactment of this Act.

1 (2) Amounts transferred to the Department of De-
2 fense Housing Improvement Fund under paragraph (1)
3 shall be merged with amounts in that Fund, and shall be
4 available for the same purposes, and subject to the same
5 conditions and limitations, as other amounts in that Fund.

6 (g) CONFORMING AMENDMENTS.—(1) Paragraph (3)
7 of section 2814(i) of such title is amended—

8 (A) by striking subparagraph (A) and inserting
9 the following new subparagraph (A):

10 “(A) The Secretary may transfer funds from the
11 Ford Island Improvement Account to the Department of
12 Defense Housing Improvement Fund established by sec-
13 tion 2883(a) of this title.”; and

14 (B) in subparagraph (B), by striking “a fund”
15 and inserting “the Fund”.

16 (2) Section 2871(6) of such title is amended by strik-
17 ing “Department of Defense Family Housing Improve-
18 ment Fund or the Department of Defense Military Unac-
19 companied Housing Improvement Fund” and inserting
20 “Department of Defense Housing Improvement Fund”.

21 (3) Section 2875(e) of such title is amended by strik-
22 ing “Department of Defense Family Housing Improve-
23 ment Fund or the Department of Defense Military Unac-
24 companied Housing Improvement Fund” and inserting
25 “Department of Defense Housing Improvement Fund”.

1 (h) CLERICAL AMENDMENTS.—(1) The section head-
2 ing for section 2874 of such title is amended to read as
3 follows:

4 **“§ 2874. Leasing of housing”.**

5 (2) The section heading for section 2883 of such title
6 is amended to read as follows:

7 **“§ 2883. Department of Defense Housing Improve-
8 ment Fund”.**

9 (3) The table of sections at the beginning subchapter
10 IV of chapter 169 of such title is amended—

11 (A) by striking the item relating to section
12 2874 and inserting the following new item:

“2874. Leasing of housing.”;

13 (B) by striking the item relating to section
14 2879; and

15 (C) by striking the item relating to section
16 2883 and inserting the following new item:

“2883. Department of Defense Housing Improvement Fund.”.

17 **SEC. 2802. MODIFICATION OF AUTHORITY TO CARRY OUT
18 CONSTRUCTION PROJECTS AS PART OF ENVI-
19 RONMENTAL RESPONSE ACTION.**

20 (a) AUTHORITY TO CARRY OUT UNAUTHORIZED
21 PROJECTS.—Subsection (a) of section 2810 of title 10,
22 United States Code, is amended to read as follows:

23 “(a) AUTHORITY TO CARRY OUT UNAUTHORIZED
24 CONSTRUCTION PROJECTS.—The Secretary concerned

1 may carry out a military construction project not other-
2 wise authorized by law if the Secretary determines that
3 the project is necessary to carry out a response under
4 chapter 160 of this title or the Comprehensive Environ-
5 mental Response, Compensation, and Liability Act of
6 1980 (42 U.S.C. 9601 et seq.).”.

7 (b) CONGRESSIONAL NOTIFICATION.—Subsection (b)
8 of such section is amended by striking “(1)” and the first
9 sentence and inserting “CONGRESSIONAL NOTIFICA-
10 TION.—(1) When a decision is made to carry out a mili-
11 tary construction project under this section that exceeds
12 the amount specified in section 2805(b)(1) of this title,
13 the Secretary concerned shall submit a report in writing
14 to the appropriate committees of Congress on that deci-
15 sion.”.

16 (c) DEFINITION.—Subsection (c) of such section is
17 amended—

- 18 (1) by inserting “RESPONSE DEFINED.—”
19 after “(c)”; and
20 (2) by striking “action”.

21 **SEC. 2803. LEASING OF MILITARY FAMILY HOUSING IN**
22 **KOREA.**

23 Paragraph (3) of section 2828(e) of title 10, United
24 States Code, is amended to read as follows:

1 “(3) In addition to the 450 units of family housing
2 referred to in paragraph (1) for which the maximum lease
3 amount is \$25,000 per unit per year, the Secretary of the
4 Army may lease in Korea—

5 “(A) not more than 1,175 units of family hous-
6 ing subject to that maximum lease amount; and

7 “(B) not more than 2,400 units of family hous-
8 ing subject to a maximum lease amount of \$35,000
9 per unit per year.”.

10 **SEC. 2804. PILOT HOUSING PRIVATIZATION AUTHORITY**
11 **FOR ACQUISITION OR CONSTRUCTION OF**
12 **MILITARY UNACCOMPANIED HOUSING.**

13 (a) IN GENERAL.—(1) Subchapter IV of chapter 169
14 of title 10, United States Code, is amended by inserting
15 after section 2881 the following new section:

16 **“§ 2881a. Pilot projects for acquisition or construc-**
17 **tion of military unaccompanied housing**

18 “(a) PILOT PROJECTS AUTHORIZED.—The Secretary
19 of the Navy may carry out not more than 3 pilot projects
20 under the authority of this section or another provision
21 of this subchapter to use the private sector for the acqui-
22 sition or construction of military unaccompanied housing in
23 the United States, including any territory or possession
24 of the United States.

1 “(b) ASSIGNMENT OF MEMBERS AND BASIC ALLOW-
2 ANCE FOR HOUSING.—(1) The Secretary of the Navy may
3 assign members of the armed forces to housing units ac-
4 quired or constructed under the pilot projects, and such
5 housing units shall be considered as quarters of the United
6 States or a housing facility under the jurisdiction of a uni-
7 formed service for purposes of section 403 of title 37.

8 “(2) Notwithstanding section 403(n)(2) of title 37,
9 the Secretary of Defense may set specific higher rates of
10 partial basic allowance for housing for a member of the
11 armed forces who is assigned to a housing unit acquired
12 or constructed under the pilot projects. Any increase in
13 the rate of partial basic allowance for housing to accom-
14 modate the pilot programs shall be in addition to any par-
15 tial basic allowance for housing that the member may oth-
16 erwise be eligible to receive under section 403(n) of title
17 37. A member may not sustain a reduction in partial basic
18 allowance for housing as a result of assignment to a hous-
19 ing unit acquired or constructed under the pilot projects.

20 “(c) FUNDING.—(1) The Department of Defense
21 Housing Improvement Fund shall be used to carry out ac-
22 tivities under the pilot projects.

23 “(2) Subject to 90 days prior notification to the ap-
24 propriate committees of Congress, such additional
25 amounts as the Secretary of Defense considers necessary

1 may be transferred to the Department of Defense Housing
2 Improvement Fund from amounts appropriated for con-
3 struction of military unaccompanied housing projects in
4 military construction accounts. The amounts so trans-
5 ferred shall be merged with and to be available for the
6 same purposes and for the same period of time as amounts
7 appropriated directly to the Fund.

8 “(d) REPORTS.—(1) The Secretary of the Navy shall
9 transmit to the appropriate committees of Congress a re-
10 port describing—

11 “(A) each contract for the acquisition of mili-
12 tary unaccompanied housing that the Secretary pro-
13 poses to solicit under the pilot projects;

14 “(B) each conveyance or lease proposed under
15 section 2878 of this title in furtherance of the pilot
16 projects; and

17 “(C) the proposed partial basic allowance for
18 housing rates for each contract as they vary by
19 grade of the member and how they compare to basic
20 allowance for housing rates for other contracts writ-
21 ten under the authority of the pilot programs.

22 “(2) The report shall describe the proposed contract,
23 conveyance, or lease and the intended method of participa-
24 tion of the United States in the contract, conveyance, or
25 lease and provide a justification of such method of partici-

1 pation. The report shall be submitted not later than 90
 2 days before the date on which the Secretary issues the
 3 contract solicitation or offers the conveyance or lease.

4 “(e) EXPIRATION.—Notwithstanding section 2885 of
 5 this title, the authority of the Secretary of the Navy to
 6 enter into a contract under the pilot programs shall expire
 7 September 30, 2007.”.

8 (2) The table of sections at the beginning of such sub-
 9 chapter is amended by inserting after the item relating
 10 to section 2881 the following new item:

“2881a. Pilot projects for acquisition or construction of military unaccompanied
 housing.”.

11 (b) CONFORMING AMENDMENT.—Section 2871(7) of
 12 title 10, United States Code, is amended by inserting be-
 13 fore the period at the end the following: “and transient
 14 housing intended to be occupied by members of the armed
 15 forces on temporary duty”.

16 **Subtitle B—Real Property and**
 17 **Facilities Administration**

18 **SEC. 2811. AGREEMENTS WITH PRIVATE ENTITIES TO LIMIT**
 19 **ENCROACHMENTS AND OTHER CONSTRAINTS**
 20 **ON MILITARY TRAINING, TESTING, AND OP-**
 21 **ERATIONS.**

22 (a) IN GENERAL.—Chapter 159 of title 10, United
 23 States Code, is amended by inserting after section 2684
 24 the following new section:

1 **“§ 2684a. Agreements to limit encroachments and**
2 **other constraints on military training,**
3 **testing, and operations**

4 “(a) AGREEMENTS AUTHORIZED.—The Secretary of
5 a military department may enter into an agreement with
6 a private entity described in subsection (b) to address the
7 use or development of real property in the vicinity of a
8 military installation for purposes of—

9 “(1) limiting any development or use of the
10 property that would otherwise be incompatible with
11 the mission of the installation; or

12 “(2) preserving habitat on the property in a
13 manner that is compatible with both—

14 “(A) current or anticipated environmental
15 restrictions that would or might otherwise re-
16 strict, impede, or otherwise interfere, whether
17 directly or indirectly, with current or antici-
18 pated military training, testing, or operations
19 on the installation; and

20 “(B) current or anticipated military train-
21 ing, testing, or operations on the installation.

22 “(b) COVERED PRIVATE ENTITIES.—A private entity
23 referred to in subsection (a) is any private entity that has
24 as its stated principal organizational purpose or goal the
25 conservation, restoration, or preservation of land and nat-

1 ural resources, or a similar purpose or goal, as determined
2 by the Secretary concerned.

3 “(c) INAPPLICABILITY OF CERTAIN CONTRACT RE-
4 QUIREMENTS.—Chapter 63 of title 31 shall not apply to
5 any agreement entered into under this section.

6 “(d) ACQUISITION AND ACCEPTANCE OF PROPERTY
7 AND INTERESTS.—(1) An agreement with a private entity
8 under this section—

9 “(A) may provide for the private entity to ac-
10 quire all right, title, and interest in and to any real
11 property, or any lesser interest in the property, as
12 may be appropriate for purposes of this section; and

13 “(B) shall provide for the private entity to
14 transfer to the United States, upon the request of
15 the United States, any property or interest so ac-
16 quired.

17 “(2) Property or interests may not be acquired pursu-
18 ant to an agreement under this section unless the owner
19 of the property or interests, as the case may be, consents
20 to the acquisition.

21 “(3) An agreement under this section providing for
22 the acquisition of property or interests under paragraph
23 (1)(A) shall provide for the sharing by the United States
24 and the private entity concerned of the costs of the acqui-
25 sition of the property or interests.

1 “(4) The Secretary concerned shall identify any prop-
2 erty or interests to be acquired pursuant to an agreement
3 under this section. The property or interests shall be lim-
4 ited to the minimum property or interests necessary to en-
5 sure that the property concerned is developed and used
6 in a manner appropriate for purposes of this section.

7 “(5) Notwithstanding any other provision of law, the
8 Secretary concerned may accept on behalf of the United
9 States any property or interest to be transferred to the
10 United States under paragraph (1)(B).

11 “(6) The Secretary concerned may, for purposes of
12 the acceptance of property or interests under this sub-
13 section, accept an appraisal or title documents prepared
14 or adopted by a non-Federal entity as satisfying the appli-
15 cable requirements of section 301 of the Uniform Reloca-
16 tion Assistance and Real Property Acquisition Policies Act
17 of 1970 (42 U.S.C. 4651) or section 355 of the Revised
18 Statutes (40 U.S.C. 255) if the Secretary finds that the
19 appraisal or title documents substantially comply with the
20 requirements.

21 “(e) ACQUISITION OF WATER RIGHTS.—The author-
22 ity of the Secretary of a military department to enter into
23 an agreement under subsection (a) for the acquisition of
24 real property (or an interest therein) includes the author-
25 ity to support the purchase of water rights from any avail-

1 able source when necessary to support or protect the mis-
2 sion of a military installation.

3 “(f) **ADDITIONAL TERMS AND CONDITIONS.**—The
4 Secretary concerned may require such additional terms
5 and conditions in an agreement under this section as the
6 Secretary considers appropriate to protect the interests of
7 the United States.

8 “(g) **FUNDING.**—(1) Except as provided in para-
9 graph (2), funds authorized to be appropriated for oper-
10 ation and maintenance of the Army, Navy, Marine Corps,
11 Air Force, or Defense-wide activities, including funds au-
12 thorized to be appropriated for the Legacy Resources
13 Management Program, may be used to enter into agree-
14 ments under this section.

15 “(2) In the case of a military installation operated
16 primarily with funds authorized to be appropriated for re-
17 search, development, test, and evaluation, funds author-
18 ized to be appropriated for the Army, Navy, Marine Corps,
19 Air Force, or Defense-wide activities for research, develop-
20 ment, test, and evaluation may be used to enter into agree-
21 ments under this section with respect to the installation.”.

22 (b) **CLERICAL AMENDMENT.**—The table of sections
23 at the beginning of such chapter is amended by inserting
24 after the item relating to section 2684 the following new
25 item:

“2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations.”.

1 **SEC. 2812. CONVEYANCE OF SURPLUS REAL PROPERTY**
2 **FOR NATURAL RESOURCE CONSERVATION**
3 **PURPOSES.**

4 (a) CONVEYANCE AUTHORITY.—(1) Chapter 159 of
5 title 10, United States Code, is amended by inserting after
6 section 2694 the following new section:

7 **“§ 2694a. Conveyance of surplus real property for**
8 **natural resource conservation**

9 “(a) AUTHORITY TO CONVEY.—The Secretary of a
10 military department may convey to an eligible recipient de-
11 scribed in subsection (b) any surplus real property that—

12 “(1) is under the administrative control of the
13 Secretary;

14 “(2) is suitable and desirable for conservation
15 purposes;

16 “(3) has been made available for public benefit
17 transfer for a sufficient period of time to potential
18 claimants; and

19 “(4) is not subject to a pending request for
20 transfer to another Federal agency or for conveyance
21 to any other qualified recipient for public benefit
22 transfer under the real property disposal processes
23 and authorities established pursuant to the Federal

1 Property and Administrative Services Act of 1949
2 (40 U.S.C. 471, et seq.).

3 “(b) ELIGIBLE RECIPIENTS.—The conveyance of sur-
4 plus real property under subsection (a) may be made to
5 any of the following:

6 “(1) A State or political subdivision of a State.

7 “(2) A nonprofit organization that exists for
8 the primary purpose of conservation of natural re-
9 sources on real property.

10 “(c) REVISIONARY INTEREST AND OTHER DEED RE-
11 QUIREMENTS.—(1) The deed of conveyance of any surplus
12 real property conveyed under subsection (a) disposed of
13 under this subsection shall require the property to be used
14 and maintained for the conservation of natural resources
15 in perpetuity. If the Secretary of the military department
16 that made the conveyance determines at any time that the
17 property is not being used or maintained for such purpose,
18 then, at the option of the Secretary, all or any portion
19 of the property shall revert to the United States.

20 “(2) The deed of conveyance may permit the recipient
21 of the property—

22 “(A) to convey the property to another eligible
23 entity described in subsection (b), subject to the ap-
24 proval of the Secretary of the military department

1 that made the conveyance and subject to the same
2 covenants and terms and conditions as provided in
3 the deed from the United States; and

4 “(B) to conduct incidental revenue-producing
5 activities on the property that are compatible with
6 the use of the property for conservation purposes.

7 “(3) The deed of conveyance may contain such addi-
8 tional terms, reservations, restrictions, and conditions as
9 the Secretary of the military department considers appro-
10 priate to protect the interests of the United States.

11 “(d) RELEASE OF COVENANTS.—The Secretary of
12 the military department that conveys real property under
13 subsection (a), with the concurrence of the Secretary of
14 Interior, may grant a release from a covenant included
15 in the deed of conveyance of the property under subsection
16 (c) on the condition that the recipient of the property pay
17 the fair market value, as determined by the Secretary of
18 the military department, of the property at the time of
19 the release of the covenant. The Secretary of the military
20 department may reduce the amount required to be paid
21 under this subsection to account for the value of the nat-
22 ural resource conservation benefit that has accrued to the
23 United States during the period the covenant was in ef-
24 fect, if the benefit was not taken into account in deter-
25 mining the original consideration for the conveyance.

1 “(e) LIMITATIONS.—A conveyance under subsection
2 (a) shall not be used in settlement of any litigation, dis-
3 pute, or claim against the United States, or as a condition
4 of allowing any defense activity under any Federal, State,
5 or local permitting or review process. The Secretary of a
6 military department may make a conveyance under sub-
7 section (a), with the restrictions specified in subsection
8 (c), to establish a mitigation bank, but only if the estab-
9 lishment of the mitigation bank does not occur in order
10 to satisfy any condition for permitting military activity
11 under a Federal, State, or local permitting or review pro-
12 cess.

13 “(f) CONSIDERATION.—In fixing the consideration
14 for the conveyance of real property under subsection (a)
15 or in determining the amount of any reduction of the
16 amount to be paid for the release of a covenant under sub-
17 section (d), the Secretary of the military department con-
18 cerned shall take into consideration any benefit that has
19 accrued or may accrue to the United States from the use
20 of such property for the conservation of natural resources.

21 “(g) RELATION TO OTHER CONVEYANCE AUTHORI-
22 TIES.—(1) The Secretary of a military department may
23 not make a conveyance under this section of any real prop-
24 erty to be disposed of under a base closure law in a man-

1 ner that is inconsistent with the requirements and condi-
2 tions of the base closure law.

3 “(2) In the case of real property on Guam, the Sec-
4 retary of a military department may not make a convey-
5 ance under this section unless the Government of Guam
6 has been first afforded the opportunity to acquire the real
7 property as authorized by section 1 of Public Law 106–
8 504 (114 Stat. 2309).

9 “(h) DEFINITIONS.—In this section:

10 “(1) The term ‘State’ includes the District of
11 Columbia, the Commonwealth of Puerto Rico, the
12 Commonwealth of the Northern Marianas, and the
13 territories and possessions of the United States.

14 “(2) The term ‘base closure law’ means the following:

15 “(A) Section 2687 of this title.

16 “(B) Title II of the Defense Authorization
17 Amendments and Base Closure and Realign-
18 ment Act of 1988 (10 U.S.C. 2687 note).

19 “(C) The Defense Base Closure and Re-
20 alignment Act of 1990 (part A of title XXIX of
21 Public Law 101–510; 10 U.S.C. 2687 note).

22 “(D) Any other similar authority for the
23 closure or realignment of military installations
24 that is enacted after the date of the enactment

1 of the National Defense Authorization Act for
2 Fiscal Year 2003.”.

3 (2) The table of sections at the beginning of such
4 chapter is amended by inserting after the item relating
5 to section 2694 the following new item:

“2694a. Conveyance of surplus real property for natural resource conservation.”.

6 (b) ACCEPTANCE OF FUNDS TO COVER ADMINISTRA-
7 TIVE EXPENSES.—Section 2695(b) of such title is amend-
8 ed by adding at the end the following new paragraph:

9 “(5) The conveyance of real property under sec-
10 tion 2694a of this title.”.

11 (c) AGREEMENTS WITH NONPROFIT NATURAL RE-
12 SOURCE CONSERVATION ORGANIZATIONS.—Section
13 2701(d) of such title is amended—

14 (1) in paragraph (1), by striking “with any
15 State or local government agency, or with any In-
16 dian tribe,” and inserting “any State or local gov-
17 ernment agency, any Indian tribe, or any nonprofit
18 conservation organization”; and

19 (2) by striking paragraph (3) and inserting the
20 following new paragraph:

21 “(3) DEFINITIONS.—In this subsection:

22 “(A) The term ‘Indian tribe’ has the
23 meaning given such term in section 101(36) of
24 Comprehensive Environmental Response, Com-

1 pensation, and Liability Act of 1980 (42 U.S.C.
2 9601(36)).

3 “(B) The term ‘nonprofit conservation or-
4 ganization’ means any non-governmental non-
5 profit organization whose primary purpose is
6 conservation of open space or natural re-
7 sources.”.

8 **SEC. 2813. NATIONAL EMERGENCY EXEMPTION FROM**
9 **SCREENING AND OTHER REQUIREMENTS OF**
10 **MCKINNEY-VENTO HOMELESS ASSISTANCE**
11 **ACT FOR PROPERTY USED IN SUPPORT OF**
12 **RESPONSE ACTIVITIES.**

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

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

17 (2) by inserting after subsection (h) the fol-
18 lowing new subsection (i):

19 “(i) **APPLICABILITY TO CERTAIN PROPERTY DURING**
20 **EMERGENCIES.**—The screening requirements and other
21 provisions of this section shall not apply to any property
22 that is excess property or surplus property or that is de-
23 scribed as unutilized or underutilized property if the prop-
24 erty is subject to a request for conveyance or use for the
25 purpose of directly supporting activities in response to—

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

4 “(2) an emergency or major disaster declared in
5 accordance with the Robert T. Stafford Disaster Re-
6 lief and Emergency Assistance Act (42 U.S.C. 5121
7 et seq.).”.

8 **SEC. 2814. DEMONSTRATION PROGRAM ON REDUCTION IN**
9 **LONG-TERM FACILITY MAINTENANCE COSTS.**

10 (a) PROGRAM AUTHORIZED.—The Secretary of De-
11 fense may conduct a demonstration program to assess the
12 feasibility and desirability of including facility mainte-
13 nance requirements in construction contracts for military
14 construction projects for the purpose of determining
15 whether such requirements facilitate reductions in the
16 long-term facility maintenance costs of the military de-
17 partments.

18 (b) CONTRACTS.—Not more than 12 contracts may
19 contain requirements referred to in subsection (a) for the
20 purpose of the demonstration program under this section.
21 The demonstration program may only cover contracts en-
22 tered into on or after the date of the enactment of this
23 Act.

24 (c) EFFECTIVE PERIOD OF REQUIREMENTS.—The
25 effective period of a requirement referred to in subsection

1 (a) that is included in a contract for the purpose of the
2 demonstration program under this program may not ex-
3 ceed five years.

4 (d) REPORTING REQUIREMENTS.—Not later than
5 January 31, 2005, the Secretary of Defense shall submit
6 to Congress a report on the demonstration program au-
7 thorized by this section and the related Department of the
8 Army demonstration program authorized by section 2814
9 of the Military Construction Authorization Act for Fiscal
10 Year 2002 (division B of Public Law 107–107; 115 Stat.
11 1310; 10 U.S.C. 2809 note), including the following:

12 (1) A description of all contracts entered into
13 under the demonstration programs.

14 (2) An evaluation of the demonstration pro-
15 grams and a description of the experience of the
16 Secretary of Defense and the Secretary of the Army
17 respect to such contracts.

18 (3) Any recommendations, including rec-
19 ommendations for the termination, continuation, or
20 expansion of the demonstration programs, that the
21 Secretary of Defense or the Secretary of the Army
22 considers appropriate.

23 (e) EXPIRATION.—The authority under subsection
24 (a) to include requirements referred to in that subsection

1 in contracts under the demonstration program under this
2 section shall expire on September 30, 2006.

3 (f) FUNDING.—Amounts authorized to be appro-
4 priated for a fiscal year for military construction shall be
5 available for the demonstration program under this section
6 in such fiscal year.

7 (g) CONFORMING AMENDMENT.—Section 2814 of the
8 Military Construction Authorization Act for Fiscal Year
9 2002 (division B of Public Law 107–107; 115 Stat. 1310;
10 10 U.S.C. 2809 note) is amended—

11 (1) by striking subsection (d); and

12 (2) by redesignating subsections (e) and (f) as
13 subsections (d) and (e), respectively.

14 **SEC. 2815. EXPANDED AUTHORITY TO TRANSFER PROP-**
15 **ERTY AT MILITARY INSTALLATIONS TO BE**
16 **CLOSED TO PERSONS WHO CONSTRUCT OR**
17 **PROVIDE MILITARY FAMILY HOUSING.**

18 (a) 1988 LAW.—Section 204(e)(1) of the Defense
19 Authorization Amendments and Base Closure and Re-
20 alignment Act (Public Law 100–526; 10 U.S.C. 2687
21 note) is amended by striking the last sentence.

22 (b) 1990 LAW.—Section 2905(f)(1) of the Defense
23 Base Closure and Realignment Act of 1990 (part A of title
24 XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is
25 amended by striking the last sentence.

1 **Subtitle C—Land Conveyances**

2 **PART I—ARMY CONVEYANCES**

3 **SEC. 2821. LAND CONVEYANCES, LANDS IN ALASKA NO** 4 **LONGER REQUIRED FOR NATIONAL GUARD** 5 **PURPOSES.**

6 (a) **CONVEYANCE AUTHORIZED.**—The Secretary of
7 the Army may convey to an eligible entity described sub-
8 section (b) all right, title, and interest of the United States
9 in and to any parcel of real property, including any im-
10 provements thereon, in the State of Alaska described in
11 subsection (c) if the Secretary determines the conveyance
12 would be in the public interest.

13 (b) **ELIGIBLE RECIPIENTS.**—The following entities
14 shall be eligible to receive real property under subsection
15 (a):

16 (1) The State of Alaska.

17 (2) A governmental entity in the State of Alas-
18 ka.

19 (3) A Native Corporation (as defined in section
20 3 of the Alaska Native Claims Settlement Act (43
21 U.S.C. 1602)).

22 (4) The Metlakatla Indian Community.

23 (c) **COVERED PROPERTY.**—Subsection (a) applies to
24 real property located in the State of Alaska that—

1 (1) is under the jurisdiction of the Department
2 of the Army and, before December 2, 1980, was
3 under such jurisdiction for the use of the Alaska Na-
4 tional Guard;

5 (2) is located in a unit of the National Wildlife
6 Refuge System designated in the Alaska National
7 Interest Lands Conservation Act (Public Law 96-
8 487; 16 U.S.C. 668dd note);

9 (3) is excess to the needs of the Alaska Na-
10 tional Guard and the Department of Defense; and

11 (4) the Secretary determines that—

12 (A) the anticipated cost to the United
13 States of retaining the property exceeds the
14 value of such property; or

15 (B) the condition of the property makes it
16 unsuitable for retention by the United States.

17 (d) CONSIDERATION.—The conveyance of real prop-
18 erty under this section shall, at the election of the Sec-
19 retary, be for no consideration or for consideration in an
20 amount determined by the Secretary to be appropriate
21 under the circumstances.

22 (e) USE OF CONSIDERATION.—If consideration is re-
23 ceived for the conveyance of real property under sub-
24 section (a), the Secretary may use the amounts received,

1 in such amounts as are provided in appropriations Acts,
2 to pay for—

3 (1) the cost of a survey described in subsection
4 (f) with respect to the property;

5 (2) the cost of carrying out any environmental
6 assessment, study, or analysis, and any remediation,
7 that may be required under Federal law, or is con-
8 sidered appropriate by the Secretary, in connection
9 with the property or the conveyance of the property;
10 and

11 (3) any other costs incurred by the Secretary in
12 conveying the property.

13 (f) DESCRIPTION OF PROPERTY.—The exact acreage
14 and legal description of any real property to be conveyed
15 under subsection (a) shall be determined by a survey satis-
16 factory to the Secretary.

17 (g) ADDITIONAL TERMS AND CONDITIONS.—The
18 Secretary may require such additional terms and condi-
19 tions in connection with a conveyance of real property
20 under this section as the Secretary considers appropriate
21 to protect the interests of the United States.

22 **SEC. 2822. LAND CONVEYANCE, FORT CAMPBELL, KEN-**
23 **TUCKY.**

24 (a) CONVEYANCE AUTHORIZED.—The Secretary of
25 the Army may convey, without consideration, to the City

1 of Hopkinsville, Kentucky, all right, title, and interest of
2 the United States in and to a parcel of real property at
3 Fort Campbell, Kentucky, consisting of approximately 50
4 acres and containing an abandoned railroad spur for the
5 purpose of permitting the City to use the property for
6 storm water management, recreation, transportation, and
7 other public purposes.

8 (b) DESCRIPTION OF PROPERTY.—The acreage of
9 the real property to be conveyed under subsection (a) has
10 been determined by the Secretary through a legal descrip-
11 tion outlining such acreage. No further survey of the prop-
12 erty before transfer is necessary.

13 (c) ADDITIONAL TERMS AND CONDITIONS.—The
14 Secretary may require such additional terms and condi-
15 tions in connection with the conveyance under subsection
16 (a) as the Secretary considers appropriate to protect the
17 interests of the United States.

18 **SEC. 2823. LAND CONVEYANCE, ARMY RESERVE TRAINING**

19 **CENTER, BUFFALO, MINNESOTA.**

20 (a) CONVEYANCE AUTHORIZED.—The Secretary of
21 the Army may convey, without consideration, to the Buf-
22 falo Independent School District 877 of Buffalo, Min-
23 nesota (in this section referred to as the “School Dis-
24 trict”), all right, title, and interest of the United States
25 in and to a parcel of real property, including improve-

1 ments thereon, that is located at 800 8th Street, N.E.,
2 in Buffalo, Minnesota, and contains a former Army Re-
3 serve Training Center, which is being used by the School
4 District as the site of the Phoenix Learning Center.

5 (b) DESCRIPTION OF PROPERTY.—The exact acreage
6 and legal description of the real property to be conveyed
7 under subsection (a) shall be determined by a survey satis-
8 factory to the Secretary. The cost of the survey shall be
9 borne by the School District.

10 (c) ADDITIONAL TERMS AND CONDITIONS.—The
11 Secretary may require such additional terms and condi-
12 tions in connection with the conveyance under subsection
13 (a) as the Secretary considers appropriate to protect the
14 interests of the United States.

15 **SEC. 2824. LAND CONVEYANCE, FORT BLISS, TEXAS**

16 (a) CONVEYANCE AUTHORIZED.—The Secretary of
17 the Army may convey, without consideration, to the Coun-
18 ty of El Paso, Texas (in this section referred to as the
19 “County”), all right, title, and interest of the United
20 States in and to a parcel of real property, including im-
21 provements thereon, consisting of approximately 44 acres
22 at Fort Bliss, Texas, for the purpose of facilitating the
23 construction by the State of Texas of a nursing home for
24 veterans of the Armed Forces.

1 (b) REVERSIONARY INTEREST.—If, at the end of the
2 five-year period beginning on the date the Secretary makes
3 the conveyance under subsection (a), the Secretary deter-
4 mines that a nursing home for veterans is not in operation
5 on the conveyed real property, all right, title, and interest
6 in and to the property, including any improvements there-
7 on, shall revert to the United States, and the United
8 States shall have the right of immediate entry onto the
9 property. Any determination of the Secretary under this
10 subsection shall be made on the record after an oppor-
11 tunity for a hearing.

12 (c) DESCRIPTION OF PROPERTY.—The exact acreage
13 and legal description of the real property to be conveyed
14 under subsection (a) shall be determined by a survey satis-
15 factory to the Secretary. The cost of the survey shall be
16 borne by the County.

17 (d) ADDITIONAL TERMS AND CONDITIONS.—The
18 Secretary may require such additional terms and condi-
19 tions in connection with the conveyance under subsection
20 (a) as the Secretary considers appropriate to protect the
21 interests of the United States.

22 **SEC. 2825. LAND CONVEYANCE, FORT HOOD, TEXAS.**

23 (a) CONVEYANCE AUTHORIZED.—The Secretary of
24 the Army may convey, without consideration, to the Vet-
25 erans Land Board of the State of Texas (in this section

1 referred to as the “Board”), all right, title, and interest
2 of the United States in and to a parcel of real property,
3 including any improvements thereon, consisting of ap-
4 proximately 174 acres at Fort Hood, Texas, for the pur-
5 pose of permitting the Board to establish a State-run cem-
6 etery for veterans.

7 (b) DESCRIPTION OF PROPERTY.—The exact acreage
8 and legal description of the real property to be conveyed
9 under subsection (a) shall be determined by a survey satis-
10 factory to the Secretary. The cost of the survey shall be
11 borne by the Board.

12 (c) ADDITIONAL TERMS AND CONDITIONS.—The
13 Secretary may require such additional terms and condi-
14 tions in connection with the conveyance under subsection
15 (a) as the Secretary considers appropriate to protect the
16 interests of the United States.

17 **SEC. 2826. LAND CONVEYANCE, FORT MONMOUTH, NEW**
18 **JERSEY.**

19 (a) CONVEYANCE AUTHORIZED.—The Secretary of
20 the Army may convey by sale all right, title, and interest
21 of the United States in and to a parcel of land, consisting
22 of approximately 63.95 acres of military family housing
23 known as Howard Commons, that comprises a portion of
24 Fort Monmouth, New Jersey.

1 (b) COMPETITIVE BID REQUIREMENT.—The Sec-
2 retary shall use competitive procedures for the sale author-
3 ized by subsection (a).

4 (c) CONSIDERATION.—As consideration for the con-
5 veyance authorized under subsection (a), the recipient of
6 the land shall pay an amount that is no less than fair
7 market value, as determined by the Secretary. Such recipi-
8 ent may, as in-kind consideration, build replacement mili-
9 tary family housing or rehabilitate existing military family
10 housing at Fort Monmouth, New Jersey, as agreed upon
11 by the Secretary. Any proceeds received by the Secretary
12 not used to construct or rehabilitate such military family
13 housing shall be deposited in the special account in the
14 Treasury established pursuant to section 204(h) of the
15 Federal property and Administrative Services Act of 1949
16 (40 U.S.C. 485(h)).

17 (d) DESCRIPTION OF PARCEL.—The exact acreage
18 and legal description of the parcel to be conveyed under
19 subsection (a) shall be determined by a survey that is sat-
20 isfactory to the Secretary. The cost of the survey shall be
21 borne by the recipient of the parcel.

22 (e) ADDITIONAL TERMS AND CONDITIONS.—The
23 Secretary may require such additional terms and condi-
24 tions in connection with the conveyance under subsection

1 (a) as the Secretary considers appropriate to protect the
2 interests of the United States.

3 **PART II—NAVY CONVEYANCES**

4 **SEC. 2831. LAND CONVEYANCE, MARINE CORPS AIR STA-**
5 **TION, MIRAMAR, SAN DIEGO, CALIFORNIA.**

6 (a) CONVEYANCE AUTHORIZED.—The Secretary of
7 the Navy may convey to the ENPEX Corporation, Incor-
8 porated (in this section referred to as the “Corporation”),
9 all right, title, and interest of the United States in and
10 to a parcel of real property, including any improvements
11 thereon, at Marine Corps Air Station Miramar, San
12 Diego, California, consisting of approximately 60 acres
13 and appurtenant easements and any other necessary inter-
14 ests in real property for the purpose of permitting the Cor-
15 poration to use the property for the production of electric
16 power and related ancillary activities.

17 (b) CONSIDERATION.—(1) As consideration for the
18 conveyance under subsection (a), the Corporation shall—

19 (A) convey to the United States all right, title,
20 and interest of the Corporation in and to a parcel
21 of real property in the San Diego area that is suit-
22 able for military family housing, as determined by
23 the Secretary; and

24 (B) if the parcel conveyed under subparagraph

25 (A) does not contain housing units suitable for use

1 as military family housing, design and construct
2 such military family housing units and supporting
3 facilities as the Secretary considers appropriate.

4 (2) The total combined value of the real property and
5 military family housing conveyed by the Corporation under
6 this subsection shall be at least equal to the fair market
7 value of the real property conveyed to the Secretary under
8 subsection (a), including any severance costs arising from
9 any diminution of the value or utility of other property
10 at Marine Corps Air Station Miramar attributable to the
11 prospective future use of the property conveyed under sub-
12 section (a).

13 (3) The Secretary shall determine the fair market
14 value of the real property to be conveyed under subsection
15 (a) and the fair market value of the consideration to be
16 provided under this subsection. Such determinations shall
17 be final.

18 (c) REVERSIONARY INTEREST.—(1) Subject to para-
19 graph (2), if the Secretary determines at any time that
20 the property conveyed under subsection (a) is not being
21 used in accordance with the purpose of the conveyance
22 specified in such subsection, all right, title, and interest
23 in and to the property, including any improvements there-
24 on, shall revert, at the option of the Secretary, to the
25 United States, and the United States shall have the right

1 of immediate entry onto the property. Any determination
2 of the Secretary under this subsection shall be made on
3 the record after an opportunity for a hearing.

4 (2) If Marine Corps Air Station Miramar is no longer
5 used as a Federal aviation facility, paragraph (1) shall no
6 longer apply, and the Secretary shall release, without con-
7 sideration, the reversionary interest retained by the
8 United States under such paragraph.

9 (d) ADMINISTRATIVE EXPENSES.—(1) The Corpora-
10 tion shall make funds available to the Secretary to cover
11 costs to be incurred by the Secretary, or reimburse the
12 Secretary for costs incurred, to carry out the conveyance
13 under subsection (a), including survey costs, costs related
14 to environmental documentation, and other administrative
15 costs related to the conveyance. This paragraph does not
16 apply to costs associated with the removal of explosive ord-
17 nance from the parcel and environmental remediation of
18 the parcel.

19 (2) Section 2695(c) of title 10 United States Code,
20 shall apply to any amount received under paragraph (1).
21 If the amounts received in advance under such paragraph
22 exceed the costs actually incurred by the Secretary, the
23 Secretary shall refund the excess amount to the Corpora-
24 tion.

1 (e) DESCRIPTIONS OF PROPERTY.—The exact acre-
2 age and legal descriptions of the real property to be con-
3 veyed by the Secretary under subsection (a) and the prop-
4 erty to be conveyed by the Corporation under subsection
5 (b) shall be determined by a survey satisfactory to the Sec-
6 retary.

7 (f) EXEMPTIONS.—Section 2696 of title 10, United
8 States Code, does not apply to the conveyance authorized
9 by subsection (a), and the authority to make the convey-
10 ance shall not be considered to render the property excess
11 or underutilized.

12 (g) ADDITIONAL TERMS AND CONDITIONS.—The
13 Secretary may require such additional terms and condi-
14 tions in connection with the conveyances authorized by
15 this section as the Secretary considers appropriate to pro-
16 tect the interests of the United States.

17 **SEC. 2832. BOUNDARY ADJUSTMENTS, MARINE CORPS**
18 **BASE, QUANTICO, AND PRINCE WILLIAM FOR-**
19 **EST PARK, VIRGINIA.**

20 (a) BOUNDARY ADJUSTMENTS AND RELATED
21 TRANSFERS.—(1) The Secretary of the Navy and the Sec-
22 retary of the Interior shall adjust the boundaries of Ma-
23 rine Corps Base, Quantico, Virginia, and Prince William
24 Forest Park, Virginia, to conform to the boundaries de-
25 picted on the map entitled “Map Depicting Boundary Ad-

1 justments Proposed With March 10, 1998, MOU Between
2 Prince William Forest Park and Marine Corps Base
3 Quantico”.

4 (2) As part of the boundary adjustment, the Sec-
5 retary of the Navy shall transfer, without reimbursement,
6 to the administrative jurisdiction of the Secretary of the
7 Interior approximately 352 acres of land, as depicted on
8 the map, and the Secretary of the Interior shall retain ad-
9 ministrative jurisdiction over approximately 1,034 acres of
10 land, which is a portion of the Department of Interior land
11 commonly known as the Quantico Special Use Permit
12 Land.

13 (3) As part of the boundary adjustment, the Sec-
14 retary of the Interior shall transfer, without reimburse-
15 ment, to the administrative jurisdiction of the Secretary
16 of the Navy approximately 3398 acres of land, as depicted
17 on the map.

18 (b) EFFECT OF SUBSEQUENT DETERMINATION
19 PROPERTY IS EXCESS.—(1) If land transferred or re-
20 tained under paragraph (2) or (3) of subsection (a) is sub-
21 sequently determined to be excess to the needs of the Fed-
22 eral agency that received or retained the land, the head
23 of that Federal agency shall offer to return administrative
24 jurisdiction over the land, without reimbursement, to the

1 Federal agency from which the land was received or re-
2 tained.

3 (2) If the offer under paragraph (1) is not accepted
4 within 90 days or is otherwise rejected, the head of the
5 Federal agency holding the land may proceed to dispose
6 of the land under then current law and regulations gov-
7 erning the disposal of excess property.

8 **PART III—AIR FORCE CONVEYANCES**

9 **SEC. 2841. LAND CONVEYANCES, WENDOVER AIR FORCE**
10 **BASE AUXILIARY FIELD, NEVADA.**

11 (a) CONVEYANCES AUTHORIZED TO WEST
12 WENDOVER, NEVADA.—(1) The Secretary of the Interior
13 may convey, without consideration, to the City of West
14 Wendover, Nevada, all right, title, and interest of the
15 United States in and to the following:

16 (A) The lands at Wendover Air Force Base
17 Auxiliary Field, Nevada, identified in Easement No.
18 AFMC–HL–2–00–334 that are determined by the
19 Secretary of the Air Force to be no longer required
20 for Air Force purposes.

21 (B) The lands at Wendover Air Force Base
22 Auxiliary Field identified for disposition on the map
23 entitled “West Wendover, Nevada–Excess”, dated
24 January 5, 2001, that are determined by the Sec-

1 retary of the Air Force to be no longer required for
2 Air Force purposes.

3 (2) The purposes of the conveyances under this sub-
4 section are—

5 (A) to permit the establishment and mainte-
6 nance of runway protection zones; and

7 (B) to provide for the development of an indus-
8 trial park and related infrastructure.

9 (3) The map referred to in paragraph (1)(B) shall
10 be on file and available for public inspection in the offices
11 of the Director of the Bureau of Land Management and
12 the Elko District Office of the Bureau of Land Manage-
13 ment.

14 (b) CONVEYANCE AUTHORIZED TO TOOELE COUNTY,
15 UTAH.—(1) The Secretary of the Interior may convey,
16 without consideration, to Tooele County, Utah, all right,
17 title, and interest of the United States in and to the lands
18 at Wendover Air Force Base Auxiliary Field identified in
19 Easement No. AFMC–HL–2–00–318 that are determined
20 by the Secretary of the Air Force to be no longer required
21 for Air Force purposes.

22 (2) The purpose of the conveyance under this sub-
23 section is to permit the establishment and maintenance
24 of runway protection zones and an aircraft accident poten-

1 tial protection zone as necessitated by continued military
2 aircraft operations at the Utah Test and Training Range.

3 (c) PHASED CONVEYANCES.—The land conveyances
4 authorized by subsections (a) and (b) may be conducted
5 in phases. To the extent practicable, the first phase of the
6 conveyances should involve at least 3,000 acres.

7 (d) MANAGEMENT OF CONVEYED LANDS.—The
8 lands conveyed under subsections (a) and (b) shall be
9 managed by the City of West Wendover, Nevada, City of
10 Wendover, Utah, Tooele County, Utah, and Elko County,
11 Nevada—

12 (1) in accordance with the provisions of an
13 Interlocal Memorandum of Agreement entered into
14 between the Cities of West Wendover, Nevada, and
15 Wendover, Utah, Tooele County, Utah, and Elko
16 County, Nevada, providing for the coordinated man-
17 agement and development of the lands for the eco-
18 nomic benefit of both communities; and

19 (2) in a manner that is consistent with such
20 provisions of the easements referred to subsections
21 (a) and (b) that, as jointly determined by the Sec-
22 retary of the Air Force and Secretary of the Inte-
23 rior, remain applicable and relevant to the operation
24 and management of the lands following conveyance

1 and are consistent with the provisions of this sec-
2 tion.

3 (e) **ADDITIONAL TERMS AND CONDITIONS.**—The
4 Secretary of the Air Force and the Secretary of the Inte-
5 rior may jointly require such additional terms and condi-
6 tions in connection with the conveyances required by sub-
7 sections (a) and (b) as the Secretaries consider appro-
8 priate to protect the interests of the United States.

9 **Subtitle D—Other Matters**

10 **SEC. 2861. EASEMENT FOR CONSTRUCTION OF ROADS OR** 11 **HIGHWAYS, MARINE CORPS BASE, CAMP PEN-** 12 **DLETON, CALIFORNIA.**

13 Section 2851(a) of the Military Construction Author-
14 ization Act for Fiscal Year 1999 (division B of Public Law
15 105–261; 112 Stat. 2219), as amended by section 2867
16 of the National Defense Authorization Act for Fiscal Year
17 2002 (Public Law 107–107; 115 Stat. 1334) is amended
18 in the first sentence by striking “easement to construct”
19 and all that follows through the period at the end and
20 inserting “easement to construct, operate, and maintain
21 a restricted access highway, notwithstanding any provision
22 of State law that would otherwise prevent the Secretary
23 from granting the easement or the Agency from con-
24 structing, operating, or maintaining the restricted access
25 highway.”.

1 **SEC. 2862. SALE OF EXCESS TREATED WATER AND WASTE-**
2 **WATER TREATMENT CAPACITY, MARINE**
3 **CORPS BASE, CAMP LEJEUNE, NORTH CARO-**
4 **LINA.**

5 (a) **SALE AUTHORIZED.**—The Secretary of the Navy
6 may provide to Onslow County, North Carolina, or any
7 authority or political subdivision organized under the laws
8 of North Carolina to provide public water or sewage serv-
9 ices in Onslow County (in this section referred to as the
10 “County”), treated water and wastewater treatment serv-
11 ices from facilities at Marine Corps Base, Camp Lejeune,
12 North Carolina, if the Secretary determines that the provi-
13 sion of these utility services is in the public interest and
14 will not interfere with current or future operations at
15 Camp Lejeune.

16 (b) **INAPPLICABILITY OF CERTAIN REQUIRE-**
17 **MENTS.**—Section 2686 of title 10, United States Code,
18 shall not apply to the provision of public water or sewage
19 services authorized by subsection (a).

20 (c) **CONSIDERATION.**—As consideration for the re-
21 ceipt of public water or sewage services under subsection
22 (a), the County shall pay to the Secretary an amount (in
23 cash or in kind) equal to the fair market value of the serv-
24 ices. Amounts received in cash shall be credited to the base
25 operation and maintenance accounts of Camp Lejeune.

1 (d) EXPANSION.—The Secretary may make minor ex-
2 pansions and extensions and permit connections to the
3 public water or sewage systems of the County in order
4 to furnish the services authorized under subsection (a).
5 The Secretary shall restrict the provision of services to the
6 County to those areas in the County where residential de-
7 velopment would be compatible with current and future
8 operations at Camp Lejeune.

9 (e) ADMINISTRATIVE EXPENSES.—The Secretary
10 may require the County to reimburse the Secretary for
11 the costs incurred by the Secretary to provide public water
12 or sewage services to the County under subsection (a).

13 (2) Section 2695(c) of title 10 United States Code,
14 shall apply to any amount received under this subsection.

15 (f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-
16 retary may require such additional terms and conditions
17 in connection with the provision of public water or sewage
18 services under this section as the Secretary considers ap-
19 propriate to protect the interests of the United States.

20 **SEC. 2863. RATIFICATION OF AGREEMENT REGARDING**
21 **ADAK NAVAL COMPLEX, ALASKA, AND RE-**
22 **LATED LAND CONVEYANCES.**

23 (a) RATIFICATION OF AGREEMENT.—The document
24 entitled the “Agreement Concerning the Conveyance of
25 Property at the Adak Naval Complex”, and dated Sep-

1 tember 20, 2000, executed by the Aleut Corporation, the
2 Department of the Interior, and the Department of the
3 Navy, together with any technical amendments or modi-
4 fications to the boundaries that may be agreed to by the
5 parties, is hereby ratified, confirmed, and approved and
6 the terms, conditions, procedures, covenants, reservations,
7 indemnities and other provisions set forth in the Agree-
8 ment are declared to be obligations and commitments of
9 the United States as a matter of Federal law. Modifica-
10 tions to the maps and legal descriptions of lands to be
11 removed from the National Wildlife Refuge System within
12 the military withdrawal on Adak Island set forth in Public
13 Land Order 1949 may be made only upon agreement of
14 all Parties to the Agreement and notification given to the
15 Committee on Resources of the House of Representatives
16 and the Committee on Energy and Natural Resources of
17 the Senate. The acreage conveyed to the United States
18 by the Aleut Corporation under the Agreement, as modi-
19 fied, shall be at least 36,000 acres.

20 (b) REMOVAL OF LANDS FROM REFUGE.—Effective
21 on the date of conveyance to the Aleut Corporation of the
22 Adak Exchange Lands as described in the Agreement, all
23 such lands shall be removed from the National Wildlife
24 Refuge System and shall neither be considered as part of
25 the Alaska Maritime National Wildlife Refuge nor subject

1 to any laws pertaining to lands within the boundaries of
2 the Alaska Maritime National Wildlife Refuge. The con-
3 veyance restrictions imposed by section 22(g) of the Alas-
4 ka Native Claims Settlement Act (43 U.S.C. 1621(g)) for
5 land in the National Wildlife Refuge System shall not
6 apply. The Secretary shall adjust the boundaries of the
7 Refuge so as to exclude all interests in lands and land
8 rights, surface and subsurface, received by the Aleut Cor-
9 poration in accordance with this section and the Agree-
10 ment.

11 (c) RELATION TO ALASKA NATIVE CLAIMS SETTLE-
12 MENT ACT.—Lands and interests therein exchanged and
13 conveyed by the United States pursuant to this section
14 shall be considered and treated as conveyances of lands
15 or interests therein under the Alaska Native Claims Set-
16 tlement Act, except that receipt of such lands and inter-
17 ests therein shall not constitute a sale or disposition of
18 land or interests received pursuant to such Act. The public
19 easements for access to public lands and waters reserved
20 pursuant to the Agreement are deemed to satisfy the re-
21 quirements and purposes of section 17(b) of the Alaska
22 Native Claims Settlement Act.

23 (d) REACQUISITION AUTHORITY.—The Secretary of
24 the Interior is authorized to acquire by purchase or ex-
25 change, on a willing seller basis only, any land conveyed

1 to the Aleut Corporation under the Agreement and this
2 section. In the event any of the lands are subsequently
3 acquired by the United States, they shall be automatically
4 included in the National Wildlife Refuge System. The laws
5 and regulations applicable to refuge lands shall then apply
6 to these lands and the Secretary shall then adjust the
7 boundaries accordingly.

8 (e) CONVEYANCE OF NAVY PERSONAL PROPERTY.—
9 Notwithstanding any other provision of law, and for the
10 purposes of the transfer of property authorized by this sec-
11 tion, Department of Navy personal property that remains
12 on Adak Island is deemed related to the real property and
13 shall be conveyed by the Department of the Navy to the
14 Aleut Corporation, at no additional cost, when the related
15 real property is conveyed by the Department of the Inte-
16 rior.

17 (f) ADDITIONAL CONVEYANCE.—The Secretary of
18 the Interior shall convey to the Aleut Corporation those
19 lands identified in the Agreement as the former landfill
20 sites without charge to the Aleut Corporation's entitle-
21 ment under the Alaska Native Claims Settlement Act.

22 (g) VALUATION.—For purposes of section 21(c) of
23 the Alaska Native Claims Settlement Act, the receipt of
24 all property by the Aleut Corporation shall be entitled to

1 a tax basis equal to fair value on date of transfer. Fair
2 value shall be determined by replacement cost appraisal.

3 (h) CERTAIN PROPERTY TREATED AS NOT DEVEL-
4 OPED.—Any property, including, but not limited to, ap-
5 purtenances and improvements, received pursuant to this
6 section shall, for purposes of section 21(d) of the Alaska
7 Native Claims Settlement Act and section 907(d) of the
8 Alaska National Interest Lands Conservation Act be treat-
9 ed as not developed until such property is actually occu-
10 pied, leased (other than leases for nominal consideration
11 to public entities) or sold by the Aleut Corporation, or,
12 in the case of a lease or other transfer by the Aleut Cor-
13 poration to a wholly owned development subsidiary, actu-
14 ally occupied, leased, or sold by the subsidiary.

15 (i) CERTAIN LANDS UNAVAILABLE FOR SELEC-
16 TION.—Upon conveyance to the Aleut Corporation of the
17 lands described in Appendix A of the Agreement, the lands
18 described in Appendix C of the Agreement will become un-
19 available for selection under the Alaska Native Claims Set-
20 tlement Act.

21 (j) MAPS.—The maps included as part of Appendix
22 A to the Agreement depict the lands to be conveyed to
23 the Aleut Corporation. The maps are on file at the Region
24 7 Office of the United States Fish and Wildlife Service
25 and the offices of the Alaska Maritime National Wildlife

1 Refuge in Homer, Alaska. The written legal descriptions
2 of the lands to be conveyed to the Aleut Corporation are
3 also part of Appendix A. In case of discrepancies, the
4 maps shall control.

5 (k) DEFINITIONS.—In this section:

6 (1) The term “Agreement” means the agree-
7 ment ratified, confirmed, and approved under sub-
8 section (a).

9 (2) The term “Aleut Corporation” means the
10 Alaskan Native Regional Corporation known as the
11 Aleut Corporation incorporated in the State of Alas-
12 ka pursuant to the Alaska Native Claims Settlement
13 Act (43 U.S.C. 1601 et seq.).

14 **SEC. 2864. SPECIAL REQUIREMENTS FOR ADDING MILI-**
15 **TARY INSTALLATION TO CLOSURE LIST.**

16 Section 2914(d) of the Defense Base Closure and Re-
17 alignment Act of 1990 (part A of title XXIX of Public
18 Law 101–510; 10 U.S.C. 2687 note), as added by section
19 3003 of the Military Construction Authorization Act for
20 Fiscal Year 2002 (division B of Public Law 107–107; 155
21 Stat, 1346), is amended—

22 (1) by redesignating paragraphs (4) and (5) as
23 paragraphs (5) and (6), respectively; and

24 (2) by inserting after paragraph (3) the fol-
25 lowing new paragraph (4):

1 “(4) LIMITATION ON AUTHORITY TO REC-
2 COMMEND ADDITIONAL INSTALLATION FOR CLO-
3 SURE.—Notwithstanding paragraph (3), the decision
4 of the Commission to add a military installation to
5 the Secretary’s list of installations recommended for
6 closure must be unanimous, and at least two mem-
7 bers of the Commission must have visited the instal-
8 lation during the period of the Commission’s review
9 of the list.”.

10 **DIVISION C—DEPARTMENT OF**
11 **ENERGY NATIONAL SECURITY**
12 **AUTHORIZATIONS AND**
13 **OTHER AUTHORIZATIONS**
14 **TITLE XXXI—DEPARTMENT OF**
15 **ENERGY NATIONAL SECURITY**
16 **PROGRAMS**
17 **Subtitle A—National Security**
18 **Programs Authorizations**

19 **SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-**
20 **TION.**

21 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
22 are hereby authorized to be appropriated to the Depart-
23 ment of Energy for fiscal year 2003 for the activities of
24 the National Nuclear Security Administration in carrying

1 out programs necessary for national security in the
2 amount of \$8,034,349,000, to be allocated as follows:

3 (1) For weapons activities, \$5,937,000,000.

4 (2) For defense nuclear nonproliferation activi-
5 ties, \$1,074,630,000.

6 (3) For naval reactors, \$706,790,000.

7 (4) For the Office of the Administrator for Nu-
8 clear Security, \$315,929,000.

9 (b) AUTHORIZATION OF NEW PLANT PROJECTS.—

10 From funds referred to in subsection (a) that are available
11 for carrying out plant projects, the Secretary may carry
12 out new plant projects as follows:

13 (1) For weapons activities, the following new
14 plant projects:

15 Project 03–D–101, Sandia underground
16 reactor facility (SURF), Sandia National Lab-
17 oratories, Albuquerque, New Mexico,
18 \$2,000,000.

19 Project 03–D–103, project engineering and
20 design, various locations, \$15,539,000.

21 Project 03–D–121, gas transfer capacity
22 expansion, Kansas City Plant, Kansas City,
23 Missouri, \$4,000,000.

1 Project 03–D–122, prototype purification
2 facility, Y–12 plant, Oak Ridge, Tennessee,
3 \$20,800,000.

4 Project 03–D–123, special nuclear mate-
5 rials requalification, Pantex plant, Amarillo,
6 Texas, \$3,000,000.

7 (2) For naval reactors, the following new plant
8 project:

9 Project 03–D–201, cleanroom technology
10 facility, Bettis Atomic Power Laboratory, West
11 Mifflin, Pennsylvania, \$7,200,000.

12 **SEC. 3102. ENVIRONMENTAL AND OTHER DEFENSE ACTIVI-**
13 **TIES.**

14 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
15 are hereby authorized to be appropriated to the Depart-
16 ment of Energy for fiscal year 2003 for environmental res-
17 toration and waste management activities and other de-
18 fense activities in carrying out programs necessary for na-
19 tional security in the amount of \$7,366,510,000, to be al-
20 located as follows:

21 (1) For defense environmental restoration and
22 waste management, \$4,544,133,000.

23 (2) For defense environmental management
24 cleanup reform in carrying out environmental res-

1 toration and waste management activities necessary
2 for national security programs, \$800,000,000.

3 (3) For defense facilities closure projects,
4 \$1,091,314,000.

5 (4) For defense environmental management pri-
6 vatization, \$158,399,000.

7 (5) For other defense activities in carrying out
8 programs necessary for national security,
9 \$457,664,000.

10 (6) For defense nuclear waste disposal for pay-
11 ment to the Nuclear Waste Fund established in sec-
12 tion 302(c) of the Nuclear Waste Policy Act of 1982
13 (42 U.S.C. 10222(c)), \$315,000,000.

14 (b) AUTHORIZATION OF NEW PLANT PROJECT.—
15 From funds referred to in subsection (a) that are available
16 for carrying out plant projects, the Secretary may carry
17 out, for environmental restoration and waste management
18 activities, the following new plant project:

19 Project 03–D–403, immobilized high-level waste
20 interim storage facility, Richland, Washington,
21 \$6,363,000.

1 **Subtitle B—Department of Energy**
2 **National Security Authoriza-**
3 **tions General Provisions**

4 **SEC. 3120. SHORT TITLE; DEFINITIONS.**

5 (a) SHORT TITLE.—This subtitle may be cited as the
6 “Department of Energy National Security Authorizations
7 General Provisions Act”.

8 (b) DEFINITIONS.—In this subtitle:

9 (1) The term “DOE national security author-
10 ization” means an authorization of appropriations
11 for activities of the Department of Energy in car-
12 rying out programs necessary for national security.

13 (2) The term “congressional defense commit-
14 tees” means—

15 (A) the Committee on Armed Services and
16 the Committee on Appropriations of the Senate;
17 and

18 (B) the Committee on Armed Services and
19 the Committee on Appropriations of the House
20 of Representatives.

21 (3) The term “minor construction threshold”
22 means \$5,000,000.

23 **SEC. 3121. REPROGRAMMING.**

24 (a) IN GENERAL.—Except as provided in sections
25 3129 and 3130, the Secretary of Energy may not use

1 amounts appropriated pursuant to a DOE national secu-
2 rity authorization for a program—

3 (1) in amounts that exceed, in a fiscal year, the
4 amount authorized for that program by that author-
5 ization for that fiscal year; or

6 (2) which has not been presented to, or re-
7 quested of, Congress,

8 until the Secretary submits to the congressional defense
9 committees a report referred to in subsection (b) with re-
10 spect to that program and a period of 30 days has elapsed
11 after the date on which such committees receive the re-
12 port.

13 (b) REPORT.—The report referred to in subsection
14 (a) is a report containing a full and complete statement
15 of the action proposed to be taken and the facts and cir-
16 cumstances relied upon in support of the proposed action.

17 (c) COMPUTATION OF DAYS.—In the computation of
18 the 30-day period under subsection (a), there shall be ex-
19 cluded any day on which either House of Congress is not
20 in session because of an adjournment of more than three
21 days to a day certain.

22 (d) LIMITATIONS.—

23 (1) TOTAL AMOUNT OBLIGATED.—In no event
24 may the total amount of funds obligated pursuant to
25 a DOE national security authorization for a fiscal

1 year exceed the total amount authorized to be appro-
2 priated by that authorization for that fiscal year.

3 (2) PROHIBITED ITEMS.—Funds appropriated
4 pursuant to a DOE national security authorization
5 may not be used for an item for which Congress has
6 specifically denied funds.

7 **SEC. 3122. MINOR CONSTRUCTION PROJECTS.**

8 (a) AUTHORITY.—Using operation and maintenance
9 funds or facilities and infrastructure funds authorized by
10 a DOE national security authorization, the Secretary of
11 Energy may carry out minor construction projects.

12 (b) ANNUAL REPORT.—The Secretary shall submit
13 to the congressional defense committees on an annual
14 basis a report on each exercise of the authority in sub-
15 section (a) during the preceding fiscal year. Each report
16 shall provide a brief description of each minor construction
17 project covered by the report.

18 (c) COST VARIATION REPORTS TO CONGRESSIONAL
19 COMMITTEES.—If, at any time during the construction of
20 any minor construction project authorized by a DOE na-
21 tional security authorization, the estimated cost of the
22 project is revised and the revised cost of the project ex-
23 ceeds the minor construction threshold, the Secretary shall
24 immediately submit to the congressional defense commit-
25 tees a report explaining the reasons for the cost variation.

1 (d) MINOR CONSTRUCTION PROJECT DEFINED.—In
2 this section, the term “minor construction project” means
3 any plant project not specifically authorized by law for
4 which the approved total estimated cost does not exceed
5 the minor construction threshold.

6 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

7 (a) IN GENERAL.—

8 (1) CONSTRUCTION COST CEILING.—Except as
9 provided in paragraph (2), construction on a con-
10 struction project which is in support of national se-
11 curity programs of the Department of Energy and
12 was authorized by a DOE national security author-
13 ization may not be started, and additional obliga-
14 tions in connection with the project above the total
15 estimated cost may not be incurred, whenever the
16 current estimated cost of the construction project ex-
17 ceeds by more than 25 percent the higher of—

18 (A) the amount authorized for the project;

19 or

20 (B) the amount of the total estimated cost
21 for the project as shown in the most recent
22 budget justification data submitted to Congress.

23 (2) EXCEPTION WHERE NOTICE-AND-WAIT
24 GIVEN.—An action described in paragraph (1) may
25 be taken if—

1 (A) the Secretary of Energy has submitted
2 to the congressional defense committees a re-
3 port on the actions and the circumstances mak-
4 ing such action necessary; and

5 (B) a period of 30 days has elapsed after
6 the date on which the report is received by the
7 committees.

8 (3) COMPUTATION OF DAYS.—In the computa-
9 tion of the 30-day period under paragraph (2), there
10 shall be excluded any day on which either House of
11 Congress is not in session because of an adjourn-
12 ment of more than three days to a day certain.

13 (b) EXCEPTION FOR MINOR PROJECTS.—Subsection
14 (a) does not apply to a construction project with a current
15 estimated cost of less than the minor construction thresh-
16 old.

17 **SEC. 3124. FUND TRANSFER AUTHORITY.**

18 (a) TRANSFER TO OTHER FEDERAL AGENCIES.—
19 The Secretary of Energy may transfer funds authorized
20 to be appropriated to the Department of Energy pursuant
21 to a DOE national security authorization to other Federal
22 agencies for the performance of work for which the funds
23 were authorized. Funds so transferred may be merged
24 with and be available for the same purposes and for the

1 same time period as the authorizations of the Federal
2 agency to which the amounts are transferred.

3 (b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—

4 (1) TRANSFERS PERMITTED.—Subject to para-
5 graph (2), the Secretary of Energy may transfer
6 funds authorized to be appropriated to the Depart-
7 ment of Energy pursuant to a DOE national secu-
8 rity authorization between any such authorizations.
9 Amounts of authorizations so transferred may be
10 merged with and be available for the same purposes
11 and for the same period as the authorization to
12 which the amounts are transferred.

13 (2) MAXIMUM AMOUNTS.—Not more than 5
14 percent of any such authorization may be trans-
15 ferred between authorizations under paragraph (1).
16 No such authorization may be increased or de-
17 creased by more than 5 percent by a transfer under
18 such paragraph.

19 (c) LIMITATIONS.—The authority provided by this
20 subsection to transfer authorizations—

21 (1) may be used only to provide funds for items
22 relating to activities necessary for national security
23 programs that have a higher priority than the items
24 from which the funds are transferred; and

1 (2) may not be used to provide funds for an
2 item for which Congress has specifically denied
3 funds.

4 (d) NOTICE TO CONGRESS.—The Secretary of En-
5 ergy shall promptly notify the Committee on Armed Serv-
6 ices of the Senate and the Committee on Armed Services
7 of the House of Representatives of any transfer of funds
8 to or from any DOE national security authorization.

9 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**
10 **TION DESIGN.**

11 (a) REQUIREMENT OF CONCEPTUAL DESIGN.—

12 (1) IN GENERAL.—Subject to paragraph (2)
13 and except as provided in paragraph (3), before sub-
14 mitting to Congress a request for funds for a con-
15 struction project that is in support of a national se-
16 curity program of the Department of Energy, the
17 Secretary of Energy shall complete a conceptual de-
18 sign for that project.

19 (2) REQUESTS FOR CONCEPTUAL DESIGN
20 FUNDS.—If the estimated cost of completing a con-
21 ceptual design for a construction project exceeds
22 \$3,000,000, the Secretary shall submit to Congress
23 a request for funds for the conceptual design before
24 submitting a request for funds for the construction
25 project.

1 (3) EXCEPTIONS.—The requirement in para-
2 graph (1) does not apply to a request for funds—

3 (A) for a construction project the total es-
4 timated cost of which is less than the minor
5 construction threshold; or

6 (B) for emergency planning, design, and
7 construction activities under section 3126.

8 (b) AUTHORITY FOR CONSTRUCTION DESIGN.—

9 (1) IN GENERAL.—Within the amounts author-
10 ized by a DOE national security authorization, the
11 Secretary of Energy may carry out construction de-
12 sign (including architectural and engineering serv-
13 ices) in connection with any proposed construction
14 project if the total estimated cost for such design
15 does not exceed \$600,000.

16 (2) SPECIFIC AUTHORITY REQUIRED.—If the
17 total estimated cost for construction design in con-
18 nection with any construction project exceeds
19 \$600,000, funds for that design must be specifically
20 authorized by law.

21 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**
22 **SIGN, AND CONSTRUCTION ACTIVITIES.**

23 (a) AUTHORITY.—The Secretary of Energy may use
24 any funds available to the Department of Energy pursuant
25 to a DOE national security authorization, including funds

1 authorized to be appropriated for advance planning, engi-
2 neering, and construction design, and for plant projects,
3 to perform planning, design, and construction activities
4 for any Department of Energy national security program
5 construction project that, as determined by the Secretary,
6 must proceed expeditiously in order to protect public
7 health and safety, to meet the needs of national defense,
8 or to protect property.

9 (b) LIMITATION.—The Secretary may not exercise
10 the authority under subsection (a) in the case of a con-
11 struction project until the Secretary has submitted to the
12 congressional defense committees a report on the activities
13 that the Secretary intends to carry out under this section
14 and the circumstances making those activities necessary.

15 (c) SPECIFIC AUTHORITY.—The requirement of sec-
16 tion 3125(b)(2) does not apply to emergency planning, de-
17 sign, and construction activities conducted under this sec-
18 tion.

19 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**
20 **RITY PROGRAMS OF THE DEPARTMENT OF**
21 **ENERGY.**

22 Subject to the provisions of appropriation Acts and
23 section 3121, amounts appropriated pursuant to a DOE
24 national security authorization for management and sup-
25 port activities and for general plant projects are available

1 for use, when necessary, in connection with all national
2 security programs of the Department of Energy.

3 **SEC. 3128. AVAILABILITY OF FUNDS.**

4 (a) IN GENERAL.—Except as provided in subsection
5 (b), amounts appropriated for operation and maintenance
6 or for plant projects may, when so specified in an appro-
7 priations Act, remain available until expended.

8 (b) EXCEPTION FOR NNSA FUNDS.—Amounts ap-
9 propriated for the National Nuclear Security Administra-
10 tion pursuant to a DOE national security authorization
11 for a fiscal year shall remain available to be expended—

12 (1) only until the end of that fiscal year, in the
13 case of amounts appropriated for the Office of the
14 Administrator for Nuclear Security; and

15 (2) only in that fiscal year and the two suc-
16 ceeding fiscal years, in all other cases.

17 **SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MAN-**
18 **AGEMENT FUNDS.**

19 (a) TRANSFER AUTHORITY FOR DEFENSE ENVIRON-
20 MENTAL MANAGEMENT FUNDS.—The Secretary of En-
21 ergy shall provide the manager of each field office of the
22 Department of Energy with the authority to transfer de-
23 fense environmental management funds from a program
24 or project under the jurisdiction of that office to another
25 such program or project.

1 (b) LIMITATIONS.—

2 (1) NUMBER OF TRANSFERS.—Not more than
3 one transfer may be made to or from any program
4 or project under subsection (a) in a fiscal year.

5 (2) AMOUNTS TRANSFERRED.—The amount
6 transferred to or from a program or project in any
7 one transfer under subsection (a) may not exceed
8 \$5,000,000.

9 (3) DETERMINATION REQUIRED.—A transfer
10 may not be carried out by a manager of a field office
11 under subsection (a) unless the manager determines
12 that the transfer is necessary—

13 (A) to address a risk to health, safety, or
14 the environment; or

15 (B) to assure the most efficient use of de-
16 fense environmental management funds at the
17 field office.

18 (4) IMPERMISSIBLE USES.—Funds transferred
19 pursuant to subsection (a) may not be used for an
20 item for which Congress has specifically denied
21 funds or for a new program or project that has not
22 been authorized by Congress.

23 (c) EXEMPTION FROM REPROGRAMMING REQUIRE-
24 MENTS.—The requirements of section 3121 shall not
25 apply to transfers of funds pursuant to subsection (a).

1 (d) NOTIFICATION.—The Secretary, acting through
2 the Assistant Secretary of Energy for Environmental
3 Management, shall notify Congress of any transfer of
4 funds pursuant to subsection (a) not later than 30 days
5 after such transfer occurs.

6 (e) DEFINITIONS.—In this section—

7 (1) the term “program or project” means, with
8 respect to a field office of the Department of En-
9 ergy, a program or project that is for environmental
10 restoration or waste management activities necessary
11 for national security programs of the Department,
12 that is being carried out by that office, and for
13 which defense environmental management funds
14 have been authorized and appropriated; and

15 (2) the term “defense environmental manage-
16 ment funds” means funds appropriated to the De-
17 partment of Energy pursuant to an authorization for
18 carrying out environmental restoration and waste
19 management activities necessary for national secu-
20 rity programs.

21 **SEC. 3130. TRANSFER OF WEAPONS ACTIVITIES FUNDS.**

22 (a) TRANSFER AUTHORITY FOR WEAPONS ACTIVI-
23 TIES FUNDS.—The Secretary of Energy shall provide the
24 manager of each field office of the Department of Energy
25 with the authority to transfer weapons activities funds

1 from a program or project under the jurisdiction of that
2 office to another such program or project.

3 (b) LIMITATIONS.—

4 (1) NUMBER OF TRANSFERS.—Not more than
5 one transfer may be made to or from any program
6 or project under subsection (a) in a fiscal year.

7 (2) AMOUNTS TRANSFERRED.—The amount
8 transferred to or from a program or project in any
9 one transfer under subsection (a) may not exceed
10 \$5,000,000.

11 (3) DETERMINATION REQUIRED.—A transfer
12 may not be carried out by a manager of a field office
13 under subsection (a) unless the manager determines
14 that the transfer—

15 (A) is necessary to address a risk to
16 health, safety, or the environment; or

17 (B) will result in cost savings and effi-
18 ciencies.

19 (4) LIMITATION.—A transfer may not be car-
20 ried out by a manager of a field office under sub-
21 section (a) to cover a cost overrun or scheduling
22 delay for any program or project.

23 (5) IMPERMISSIBLE USES.—Funds transferred
24 pursuant to subsection (a) may not be used for an
25 item for which Congress has specifically denied

1 funds or for a new program or project that has not
2 been authorized by Congress.

3 (c) EXEMPTION FROM REPROGRAMMING REQUIRE-
4 MENTS.—The requirements of section 3121 shall not
5 apply to transfers of funds pursuant to subsection (a).

6 (d) NOTIFICATION.—The Secretary, acting through
7 the Administrator for Nuclear Security, shall notify Con-
8 gress of any transfer of funds pursuant to subsection (a)
9 not later than 30 days after such transfer occurs.

10 (e) DEFINITIONS.—In this section—

11 (1) the term “program or project” means, with
12 respect to a field office of the Department of En-
13 ergy, a program or project that is for weapons ac-
14 tivities necessary for national security programs of
15 the Department, that is being carried out by that of-
16 fice, and for which weapons activities funds have
17 been authorized and appropriated; and

18 (2) the term “weapons activities funds” means
19 funds appropriated to the Department of Energy
20 pursuant to an authorization for carrying out weap-
21 ons activities necessary for national security pro-
22 grams.

1 **SEC. 3131. SCOPE OF AUTHORITY TO CARRY OUT PLANT**
2 **PROJECTS.**

3 In carrying out programs necessary for national secu-
4 rity, the authority of the Secretary of Energy to carry out
5 plant projects includes authority for maintenance, restora-
6 tion, planning, construction, acquisition, modification of
7 facilities, and the continuation of projects authorized in
8 prior years, and land acquisition related thereto.

9 **Subtitle C—Program Authoriza-**
10 **tions, Restrictions, and Limita-**
11 **tions**

12 **SEC. 3141. ONE-YEAR EXTENSION OF PANEL TO ASSESS THE**
13 **RELIABILITY, SAFETY, AND SECURITY OF THE**
14 **UNITED STATES NUCLEAR STOCKPILE.**

15 Section 3159 of the Strom Thurmond National De-
16 fense Authorization Act for Fiscal Year 1999 (42 U.S.C.
17 2121 note) is amended—

18 (1) in subsection (d), by striking “February 1,
19 2002,” and inserting “February 1 of 2002 and
20 2003,”; and

21 (2) in subsection (g), by striking “three years”
22 and all that follows through the period at the end
23 and inserting “April 1, 2003.”.

1 **SEC. 3142. TRANSFER TO NATIONAL NUCLEAR SECURITY**
2 **ADMINISTRATION OF DEPARTMENT OF DE-**
3 **FENSE'S COOPERATIVE THREAT REDUCTION**
4 **PROGRAM RELATING TO ELIMINATION OF**
5 **WEAPONS GRADE PLUTONIUM IN RUSSIA.**

6 (a) TRANSFER OF PROGRAM.—There are hereby
7 transferred to the Administrator for Nuclear Security the
8 following:

9 (1) The program, within the Cooperative
10 Threat Reduction program of the Department of
11 Defense, relating to the elimination of weapons
12 grade plutonium in Russia.

13 (2) All functions, powers, duties, and activities
14 of that program performed before the date of the en-
15 actment of this Act by the Department of Defense.

16 (b) TRANSFER OF ASSETS.—(1) So much of the
17 property, records, and unexpended balances of appropria-
18 tions, allocations, and other funds employed, used, held,
19 available, or to be made available in connection with the
20 program transferred by subsection (a) are transferred to
21 the Administrator for use in connection with the program
22 transferred.

23 (2) Funds so transferred—

24 (A) shall be credited to the appropriation ac-
25 count of the Department of Energy for the activities
26 of the National Nuclear Security Administration in

1 carrying out defense nuclear nonproliferation activi-
2 ties; and

3 (B) remain subject to such limitations as ap-
4 plied to such funds before such transfer.

5 (c) REFERENCES.—Any reference in any other Fed-
6 eral law to the Secretary of Defense (or an officer of the
7 Department of Defense) or the Department of Defense
8 shall, to the extent such reference pertains to a function
9 transferred by this section, be deemed to refer to the Ad-
10 ministrator for Nuclear Security or the National Nuclear
11 Security Administration, as applicable.

12 **SEC. 3143. REPEAL OF REQUIREMENT FOR REPORTS ON**
13 **OBLIGATION OF FUNDS FOR PROGRAMS ON**
14 **FISSILE MATERIALS IN RUSSIA.**

15 Section 3131 of the National Defense Authorization
16 Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.
17 617; 22 U.S.C. 5952 note) is amended—

18 (1) in subsection (a), by striking “(a) AUTHOR-
19 ITY.—”; and

20 (2) by striking subsection (b).

1 **SEC. 3144. ANNUAL CERTIFICATION TO THE PRESIDENT**
2 **AND CONGRESS ON THE CONDITION OF THE**
3 **UNITED STATES NUCLEAR WEAPONS STOCK-**
4 **PILE.**

5 (a) **CERTIFICATION REQUIRED.**—(1) Not later than
6 January 15 of each year, each official specified in sub-
7 section (b)(1) shall submit to the Secretary concerned a
8 certification regarding the safety, reliability, and perform-
9 ance of each nuclear weapon type in the active stockpile
10 of the United States for which such official is responsible.

11 (2) Not later than February 1 of each year, the Sec-
12 retary of Defense and the Secretary of Energy shall each
13 submit to the President and the Congress—

14 (A) each certification, without change, sub-
15 mitted under paragraph (1) to that Secretary;

16 (B) each report, without change, submitted
17 under subsection (d) to that Secretary;

18 (C) the comments of that Secretary with re-
19 spect to each such certification and each such re-
20 port; and

21 (D) any other information that the Secretary
22 considers appropriate.

23 (b) **COVERED OFFICIALS AND SECRETARIES.**—(1)
24 The officials referred to in subsection (a) are the following:

1 (A) The head of each national security labora-
2 tory, as defined in section 3281 of the National Nu-
3 clear Security Administration Act (50 U.S.C. 2471).

4 (B) The commander of the United States Stra-
5 tegic Command.

6 (2) In this section, the term “Secretary concerned”
7 means—

8 (A) the Secretary of Energy, with respect to
9 matters concerning the Department of Energy; and

10 (B) the Secretary of Defense, with respect to
11 matters concerning the Department of Defense.

12 (c) USE OF “RED TEAMS” FOR LABORATORY CER-
13 TIFICATIONS.—The head of each national security labora-
14 tory shall, to assist in the certification process required
15 by subsection (a), establish one or more teams of experts
16 known as “red teams”. Each such team shall—

17 (1) subject to challenge the matters covered by
18 that laboratory’s certification, and submit the results
19 of such challenge, together with findings and rec-
20 ommendations, to the head of that laboratory; and

21 (2) carry out peer review of the certifications
22 carried out by the other laboratories, and submit the
23 results of such peer review to the head of the labora-
24 tory concerned.

1 (d) REPORT ACCOMPANYING CERTIFICATION.—Each
2 official specified in subsection (b)(1) shall submit with
3 each such certification a report on the stockpile steward-
4 ship and management program of the Department of En-
5 ergy. The report shall include the following:

6 (1) An assessment of the adequacy of the
7 science-based tools and methods being used to deter-
8 mine the matters covered by the certification.

9 (2) An assessment of the capability of the man-
10 ufacturing infrastructure required by section 3137
11 of the National Defense Authorization Act for Fiscal
12 Year 1996 (42 U.S.C. 2121 note) to identify and fix
13 any inadequacy with respect to the matters covered
14 by the certification.

15 (3) An assessment of the need of the United
16 States to resume testing of nuclear weapons and the
17 readiness of the United States to resume such test-
18 ing, together with an identification of the specific
19 tests the conduct of which might have value and the
20 anticipated value of conducting such tests.

21 (4) An identification and discussion of any
22 other matter that adversely affects the ability to ac-
23 curately determine the matters covered by the cer-
24 tification.

1 (5) In the case of a report submitted by the
2 head of a national security laboratory, the findings
3 and recommendations submitted by the “red teams”
4 under subsection (c) that relate to such certification,
5 and a discussion of those findings and recommenda-
6 tions.

7 (6) In the case of a report submitted by the
8 head of a national security laboratory, a discussion
9 of the relative merits of other weapon types that
10 could accomplish the mission of the weapon type
11 covered by such certification.

12 (e) CLASSIFIED FORM.—Each submission required
13 by this section shall be made only in classified form.

14 **SEC. 3145. PLAN FOR ACHIEVING ONE-YEAR READINESS**
15 **POSTURE FOR RESUMPTION BY THE UNITED**
16 **STATES OF UNDERGROUND NUCLEAR WEAP-**
17 **ONS TESTS.**

18 (a) PLAN REQUIRED.—The Secretary of Energy, in
19 consultation with the Administrator for Nuclear Security,
20 shall prepare a plan for achieving, not later than one year
21 after the date on which the plan is submitted under sub-
22 section (c), a one-year readiness posture for resumption
23 by the United States of underground nuclear weapons
24 tests.

1 (b) DEFINITION.—For purposes of this section, a
2 one-year readiness posture for resumption by the United
3 States of underground nuclear weapons tests is achieved
4 when the Department of Energy has the capability to re-
5 sume such tests, if directed by the President to resume
6 such tests, not later than one year after the date on which
7 the President so directs.

8 (c) REPORT.—The Secretary shall include with the
9 budget justification materials submitted to Congress in
10 support of the Department of Energy budget for fiscal
11 year 2004 (as submitted with the budget of the President
12 under section 1105(a) of title 31, United States Code) a
13 report on the plan required by subsection (a). The report
14 shall include the plan and a budget for implementing the
15 plan.

16 **SEC. 3146. PROHIBITION ON DEVELOPMENT OF LOW-YIELD**
17 **NUCLEAR WEAPONS.**

18 (a) UNITED STATES POLICY.—It shall be the policy
19 of the United States not to conduct development which
20 could lead to the production by the United States of a
21 new low-yield nuclear weapon, including a precision low-
22 yield warhead.

23 (b) LIMITATION.—The Secretary of Energy may not
24 conduct, or provide for the conduct of, development which
25 could lead to the production by the United States of a

1 low-yield nuclear weapon which, as of the date of the en-
2 actment of this Act, has not entered production.

3 (c) EFFECT ON OTHER DEVELOPMENT.—Nothing in
4 this section shall prohibit the Secretary of Energy from
5 conducting, or providing for the conduct of, development
6 necessary—

7 (1) to design a testing device that has a yield
8 of less than five kilotons;

9 (2) to modify an existing weapon for the pur-
10 pose of addressing safety and reliability concerns; or

11 (3) to address proliferation concerns.

12 (d) DEFINITIONS.—In this section—

13 (1) the term “low-yield nuclear weapon” means
14 a nuclear weapon that has a yield of less than five
15 kilotons; and

16 (2) the term “development” does not include
17 concept definition studies, feasibility studies, or de-
18 tailed engineering design work.

19 (e) CONFORMING REPEAL.—Section 3136 of the Na-
20 tional Defense Authorization Act for Fiscal Year 1994 (42
21 U.S.C. 2121 note) is repealed.

1 **Subtitle D—Matters Relating to De-**
2 **fense Environmental Manage-**
3 **ment**

4 **SEC. 3151. DEFENSE ENVIRONMENTAL MANAGEMENT**
5 **CLEANUP REFORM PROGRAM.**

6 (a) PROGRAM REQUIRED.—From funds made avail-
7 able pursuant to section 3102(a)(2) for defense environ-
8 mental management cleanup reform, the Secretary of En-
9 ergy shall carry out a program to reform DOE environ-
10 mental management activities. In carrying out the pro-
11 gram, the Secretary shall allocate, to each site for which
12 the Secretary has submitted to the congressional defense
13 committees a site performance management plan, the
14 amount of those funds that such plan requires.

15 (b) TRANSFER AND MERGER OF FUNDS.—Funds so
16 allocated shall, notwithstanding section 3124, be trans-
17 ferred to the account for DOE environmental management
18 activities and, subject to subsection (c), shall be merged
19 with and be available for the same purposes and for the
20 same period as the funds available in such account. The
21 authority provided by section 3129 shall apply to funds
22 so transferred.

23 (c) LIMITATION ON USE OF ALL MERGED FUNDS.—
24 Upon a transfer and merger of funds under subsection (b),
25 all funds in the merged account that are available with

1 respect to the site may be used only to carry out the site
2 performance management plan for such site.

3 (d) SITE PERFORMANCE MANAGEMENT PLAN DE-
4 FINED.—For purposes of this section, a site performance
5 management plan for a site is a plan, agreed to by the
6 applicable Federal and State agencies with regulatory ju-
7 risdiction with respect to the site, for the performance of
8 activities to accelerate the reduction of environmental risk
9 in connection with, and to accelerate the environmental
10 cleanup of, the site.

11 (e) DOE ENVIRONMENTAL MANAGEMENT ACTIVI-
12 TIES DEFINED.—For purposes of this section, the term
13 “DOE environmental management activities” means envi-
14 ronmental restoration and waste management activities of
15 the Department of Energy in carrying out programs nec-
16 essary for national security.

17 **SEC. 3152. REPORT ON STATUS OF ENVIRONMENTAL MAN-**
18 **AGEMENT INITIATIVES TO ACCELERATE THE**
19 **REDUCTION OF ENVIRONMENTAL RISKS AND**
20 **CHALLENGES POSED BY THE LEGACY OF THE**
21 **COLD WAR.**

22 (a) REPORT REQUIRED.—The Secretary of Energy
23 shall prepare a report on the status of those environmental
24 management initiatives specified in subsection (b) that are
25 being undertaken to accelerate the reduction of the envi-

1 ronmental risks and challenges that, as a result of the leg-
2 acy of the Cold War, are faced by the Department of En-
3 ergy, contractors of the Department, and applicable Fed-
4 eral and State agencies with regulatory jurisdiction.

5 (b) CONTENTS.—The report shall include the fol-
6 lowing matters:

7 (1) A discussion of the progress made in reduc-
8 ing such risks and challenges in each of the fol-
9 lowing areas:

10 (A) Acquisition strategy and contract man-
11 agement.

12 (B) Regulatory agreements.

13 (C) Interim storage and final disposal of
14 high-level waste, spent nuclear fuel, transuranic
15 waste, and low-level waste.

16 (D) Closure and transfer of environmental
17 remediation sites.

18 (E) Achievements in innovation by contrac-
19 tors of the Department with respect to acceler-
20 ated risk reduction and cleanup.

21 (F) Consolidation of special nuclear mate-
22 rials and improvements in safeguards and secu-
23 rity.

1 (2) An assessment of the progress made in
2 streamlining risk reduction processes of the environ-
3 mental management program of the Department.

4 (3) An assessment of the progress made in im-
5 proving the responsiveness and effectiveness of the
6 environmental management program of the Depart-
7 ment.

8 (4) Any proposals for legislation that the Sec-
9 retary considers necessary to carry out such initia-
10 tives, including the justification for each such pro-
11 posal.

12 (c) INITIATIVES COVERED.—The environmental man-
13 agement initiatives referred to in subsection (a) are the
14 initiatives arising out of the report titled “Top-to-Bottom
15 Review of the Environmental Management Program” and
16 dated February 4, 2002, with respect to the environmental
17 restoration and waste management activities of the De-
18 partment of Energy in carrying out programs necessary
19 for national security.

20 (d) SUBMISSION OF REPORT.—On the date on which
21 the budget justification materials in support of the De-
22 partment of Energy budget for fiscal year 2004 (as sub-
23 mitted with the budget of the President under section
24 1105(a) of title 31, United States Code) are submitted
25 to Congress, the Secretary shall submit to the congress-

1 sional defense committees the report required by sub-
2 section (a).

3 **TITLE XXXII—DEFENSE NU-**
4 **CLEAR FACILITIES SAFETY**
5 **BOARD**

6 **SEC. 3201. AUTHORIZATION.**

7 There are authorized to be appropriated for fiscal
8 year 2003, \$19,000,000 for the operation of the Defense
9 Nuclear Facilities Safety Board under chapter 21 of the
10 Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

11 **TITLE XXXIII—NATIONAL**
12 **DEFENSE STOCKPILE**

13 **SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE**
14 **STOCKPILE FUNDS.**

15 (a) OBLIGATION OF STOCKPILE FUNDS.—During fis-
16 cal year 2003, the National Defense Stockpile Manager
17 may obligate up to \$76,400,000 of the funds in the Na-
18 tional Defense Stockpile Transaction Fund established
19 under subsection (a) of section 9 of the Strategic and Crit-
20 ical Materials Stock Piling Act (50 U.S.C. 98h) for the
21 authorized uses of such funds under subsection (b)(2) of
22 such section, including the disposal of hazardous materials
23 that are environmentally sensitive.

24 (b) ADDITIONAL OBLIGATIONS.—The National De-
25 fense Stockpile Manager may obligate amounts in excess

1 of the amount specified in subsection (a) if the National
2 Defense Stockpile Manager notifies Congress that extraor-
3 dinary or emergency conditions necessitate the additional
4 obligations. The National Defense Stockpile Manager may
5 make the additional obligations described in the notifica-
6 tion after the end of the 45-day period beginning on the
7 date on which Congress receives the notification.

8 (c) LIMITATIONS.—The authorities provided by this
9 section shall be subject to such limitations as may be pro-
10 vided in appropriations Acts.

11 **TITLE XXXIV—NAVAL**
12 **PETROLEUM RESERVES**

13 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

14 (a) AMOUNT.—There are hereby authorized to be ap-
15 propriated to the Secretary of Energy \$21,069,000 for fis-
16 cal year 2003 for the purpose of carrying out activities
17 under chapter 641 of title 10, United States Code, relating
18 to the naval petroleum reserves.

19 (b) PERIOD OF AVAILABILITY.—Funds appropriated
20 pursuant to the authorization of appropriations in sub-
21 section (a) shall remain available until expended.

1 **TITLE XXXV—MARITIME**
2 **ADMINISTRATION**

3 **SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FIS-**
4 **CAL YEAR 2003.**

5 Funds are hereby authorized to be appropriated for
6 fiscal year 2003, to be available without fiscal year limita-
7 tion if so provided in appropriations Acts, for the use of
8 the Department of Transportation for the Maritime Ad-
9 ministration as follows:

10 (1) For expenses necessary for operations and
11 training activities, \$93,132,000.

12 (2) For expenses under the loan guarantee pro-
13 gram authorized by title XI of the Merchant Marine
14 Act, 1936 (46 App. U.S.C. 1271 et seq.),
15 \$54,126,000, of which—

16 (A) \$50,000,000 is for the cost (as defined
17 in section 502(5) of the Federal Credit Reform
18 Act of 1990 (2 U.S.C. 661a(5))) of loan guar-
19 antees under the program; and

20 (B) \$4,126,000 is for administrative ex-
21 penses related to loan guarantee commitments
22 under the program.

23 (3) For expenses to dispose of obsolete vessels
24 in the National Defense Reserve Fleet, including
25 provision of assistance under section 7 of Public

1 Law 92-402 (as amended by this title),
2 \$20,000,000.

3 **SEC. 3502. AUTHORITY TO CONVEY VESSEL USS SPHINX**
4 **(ARL-24).**

5 (a) IN GENERAL.—Notwithstanding any other law,
6 the Secretary of Transportation may convey the right,
7 title, and interest of the United States Government in and
8 to the vessel USS SPHINX (ARL-24), to the Dunkirk
9 Historical Lighthouse and Veterans Park Museum (a not-
10 for-profit corporation, in this section referred to as the
11 “recipient”) for use as a military museum, if—

12 (1) the recipient agrees to use the vessel as a
13 nonprofit military museum;

14 (2) the vessel is not used for commercial trans-
15 portation purposes;

16 (3) the recipient agrees to make the vessel
17 available to the Government when the Secretary re-
18 quires use of the vessel by the Government;

19 (4) the recipient agrees that when the recipient
20 no longer requires the vessel for use as a military
21 museum—

22 (A) the recipient will, at the discretion of
23 the Secretary, reconvey the vessel to the Gov-
24 ernment in good condition except for ordinary
25 wear and tear; or

1 (B) if the Board of Trustees of the recipi-
2 ent has decided to dissolve the recipient accord-
3 ing to the laws of the State of New York,
4 then—

5 (i) the recipient shall distribute the
6 vessel, as an asset of the recipient, to a
7 person that has been determined exempt
8 from taxation under the provisions of sec-
9 tion 501(c)(3) of the Internal Revenue
10 Code, or to the Federal Government or a
11 State or local government for a public pur-
12 pose; and

13 (ii) the vessel shall be disposed of by
14 a court of competent jurisdiction of the
15 county in which the principal office of the
16 recipient is located, for such purposes as
17 the court shall determine, or to such orga-
18 nizations as the court shall determine are
19 organized exclusively for public purposes;

20 (5) the recipient agrees to hold the Government
21 harmless for any claims arising from exposure to as-
22 bestos after conveyance of the vessel, except for
23 claims arising from use by the Government under
24 paragraph (3) or (4); and

1 (6) the recipient has available, for use to re-
2 store the vessel, in the form of cash, liquid assets,
3 or a written loan commitment, financial resources of
4 at least \$100,000.

5 (b) DELIVERY OF VESSEL.—If a conveyance is made
6 under this Act, the Secretary shall deliver the vessel at
7 the place where the vessel is located on the date of enact-
8 ment of this Act, in its present condition, without cost to
9 the Government.

10 (c) OTHER UNNEEDED EQUIPMENT.—The Secretary
11 may also convey any unneeded equipment from other ves-
12 sels in the National Defense Reserve Fleet in order to re-
13 store the USS SPHINX (ARL-24) to museum quality.

14 (d) RETENTION OF VESSEL IN NDRF.—The Sec-
15 retary shall retain in the National Defense Reserve Fleet
16 the vessel authorized to be conveyed under subsection (a),
17 until the earlier of—

18 (1) 2 years after the date of the enactment of
19 this Act; or

20 (2) the date of conveyance of the vessel under
21 subsection (a).

1 **SEC. 3503. FINANCIAL ASSISTANCE TO STATES FOR PREPA-**
2 **RATION OF TRANSFERRED OBSOLETE SHIPS**
3 **FOR USE AS ARTIFICIAL REEFS.**

4 (a) IN GENERAL.—Public Law 92–402 (16 U.S.C.
5 1220 et seq.) is amended by redesignating section 7 as
6 section 8, and by inserting after section 6 the following:

7 **“SEC. 7. FINANCIAL ASSISTANCE TO STATE TO PREPARE**
8 **TRANSFERRED SHIP.**

9 “(a) ASSISTANCE AUTHORIZED.—The Secretary,
10 subject to the availability of appropriations, may provide,
11 to any State to which an obsolete ship is transferred under
12 this Act, financial assistance to prepare the ship for use
13 as an artificial reef, including for—

14 “(1) environmental remediation;

15 “(2) towing; and

16 “(3) sinking.

17 “(b) AMOUNT OF ASSISTANCE.—The Secretary shall
18 determine the amount of assistance under this section with
19 respect to an obsolete ship based on—

20 “(1) the total amount available for providing
21 assistance under this section;

22 “(2) the benefit achieved by providing assist-
23 ance for that ship; and

24 “(3) the cost effectiveness of disposing of the
25 ship by transfer under this Act and provision of as-

1 assistance under this section, compared to other dis-
2 posal options for the vessel.

3 “(c) TERMS AND CONDITIONS.—The Secretary—

4 “(1) shall require a State seeking assistance
5 under this section to provide cost data and other in-
6 formation determined by the Secretary to be nec-
7 essary to justify and document the assistance; and

8 “(2) may require a State receiving such assist-
9 ance to comply with terms and conditions necessary
10 to protect the environment and the interests of the
11 United States.”.

12 (b) CONFORMING AMENDMENT.—Section 4(4) of
13 such Act (16 U.S.C. 1220a(4)) is amended by inserting
14 “(except for any financial assistance provided under sec-
15 tion 7)” after “at no cost to the Government”.

16 **SEC. 3504. INDEPENDENT ANALYSIS OF TITLE XI INSUR-**
17 **ANCE GUARANTEE APPLICATIONS.**

18 Section 1104A of the Merchant Marine Act, 1936 (46
19 App. U.S.C. 1274) is amended—

20 (1) by adding at the end of subsection (d) the
21 following:

22 “(4) The Secretary may obtain independent analysis
23 of an application for a guarantee or commitment to guar-
24 antee under this title.”; and

1 (2) in subsection (f) by inserting “(including for
2 obtaining independent analysis under subsection
3 (d)(4))” after “applications for a guarantee”.

 Passed the House of Representatives May 10 (legis-
lative day, May 9), 2002.

Attest:

JEFF TRANDAHL,

Clerk.

Calendar No. 379

107TH CONGRESS
2^D SESSION

H. R. 4546

AN ACT

To authorize appropriations for fiscal year 2003 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.

MAY 16 (legislative day, MAY 9), 2002

Read twice and placed on the calendar