Union Calendar No.

107TH CONGRESS
1ST SESSION

H. R. 2586

[Report No. 107–]

To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2002, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2001

Mr. STUMP (for himself and Mr. SKELTON) (both by request) introduced the following bill; which was referred to the Committee on Armed Services

SEPTEMBER , 2001

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

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

[For text of introduced bill, see copy of bill as introduced on July 23, 2001]

A BILL

To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2002, 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,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 2002".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

Sec. 1. Short title; findings.
Sec. 2. Organization of Act into divisions; table of contents.
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Sec. 333. Continuation of contractor manpower reporting system in Department of the Army.
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Sec. 3502. Define "war risks" to vessels to include confiscation, expropriation, nationalization, and deprivation of the vessels.
Sec. 3503. Holding obligor's cash as collateral under title XI of Merchant Marine Act, 1936.

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means—

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

(2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Army as follows:

(1) For aircraft, $1,987,491,000.

(2) For missiles, $1,097,286,000.

(3) For weapons and tracked combat vehicles, $2,367,046,000.

(4) For ammunition, $1,208,565,000.

(5) For other procurement, $4,143,986,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Navy as follows:

(1) For aircraft, $8,337,243,000.

(2) For weapons, including missiles and torpedoes, $1,476,692,000.

(3) For shipbuilding and conversion, $9,321,121,000.

(4) For other procurement, $4,157,313,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Marine Corps in the amount of $1,025,624,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement of ammunition for the Navy and the Marine Corps in the amount of $463,507,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Air Force as follows:

(1) For aircraft, $10,705,687,000.

(2) For missiles, $3,226,336,000.

(3) For ammunition, $871,344,000.

(4) For other procurement, $8,250,821,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2002 for Defense-wide procurement in the amount of $2,267,346,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Inspector General of the Department of Defense in the amount of $1,800,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 2002 the amount of $1,078,557,000 for—

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

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

SEC. 107. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the Department of Defense for procurement for carrying out health care programs, projects, and

activities of the Department of Defense in the total amount of $267,915,000.

Subtitle B—Army Programs

SEC. 111. EXTENSION OF MULTIYEAR CONTRACT FOR FAMILY OF MEDIUM TACTICAL VEHICLES.

In order to ensure that an adequate number of vehicles of the "A1" variant of the Family of Medium Tactical Vehicles program continue to be fielded to the Army, the Secretary of the Army may extend for one additional year the existing multiyear procurement contract, authorized by section 112(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648) and awarded on October 14, 1998, for procurement of vehicles under that program (notwithstanding the maximum period for such contracts otherwise applicable under section 2306b(k) of title 10, United States Code) if the Secretary determines that it is necessary to do so in order to prevent a break in production of those vehicles.

SEC. 112. REPEAL OF LIMITATIONS ON BUNKER DEFEAT MUNITIONS PROGRAM.

Section 116 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2682) is repealed.

Subtitle C—Air Force Programs

SEC. 121. RESPONSIBILITY OF AIR FORCE FOR CONTRACTS FOR ALL DEFENSE SPACE LAUNCHES.

(a) IN GENERAL.—(1) Chapter 807 of title 10, United States Code, is amended by inserting after section 8062 the following new section:

"§ 8063. Contracts for space launches: responsibility of Air Force for all Department of Defense elements

"The Secretary of the Air Force shall ensure that contracts for space launch vehicles and space launch services for all elements of the Department of Defense are prepared, negotiated, executed, and managed in a manner that maximizes launch effectiveness, minimizes cost of launch services, provides clear visibility to all elements into contract costs and functions, and, where practicable, takes advantage of commercial space launch capabilities.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8062 the following new item:

"8063. Contracts for space launches: responsibility of Air Force for all Department of Defense elements.".

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Air Force shall submit to the congressional defense committees and the congressional intelligence committees a report on the imple-

mentation of section 8063 of title 10, United States Code, as added by subsection (a).

SEC. 122. MULTI-YEAR PROCUREMENT OF C–17 AIRCRAFT.

If the Secretary of Defense certifies to the congressional defense committees before the enactment of this Act that it is in the interest of the Department of Defense to proceed with a follow-on multi-year procurement of additional C–17 aircraft, then the Secretary may, in accordance with section 2306b of title 10, United States Code, enter into a new multi-year procurement contract or extend the current multi-year procurement contract beginning in fiscal year 2002 to procure up to 60 additional C–17 aircraft in order to meet the Department's airlift requirements.

Subtitle D—Chemical Munitions Destruction

SEC. 141. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

Section 152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 50 U.S.C. 1521 note) is amended—

(1) in subsection (b)—

(A) by inserting "for that site" after "in place"; and

(B) by adding at the end the following new paragraphs:

"(4) Emergency preparedness and response capabilities have been established at the site and in the surrounding communities to respond to emergencies involving risks to public health or safety that are identified by the Secretary of Defense as being risks resulting from the storage or destruction of lethal chemical agents and munitions at the site.

"(5) The Under Secretary of Defense for Acquisition, Technology, and Logistics recommends initiation of destruction at the site after considering the recommendation by the board established by subsection (g)."; and

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

"(g) OVERSIGHT BOARDS.—(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall convene, for each site at which the chemical munitions stockpile is stored, an independent oversight board composed of—

"(A) the Secretary of the Army;

"(B) the Director of the Federal Emergency Management Agency;

"(C) the Administrator of the Environmental Protection Agency;

"(D) the President of the National Academy of Sciences;

"(E) the Governor of the State in which the site is located; and

"(F) one individual designated by the Under Secretary from a list of three local representatives of the area in which the site is located, prepared jointly by the Member of the House of Representatives who represents the Congressional District in which the site is located and the Senators representing the State in which the site is located.

"(2) Not later than six months after each such board is convened, the board shall make a recommendation to the Under Secretary whether the destruction of the chemical munitions stockpile should be initiated at the site.

"(3) The Under Secretary may not recommend initiation of destruction of the chemical munitions stockpile at a site after considering a negative recommendation of the board until 90 days after the Under Secretary provides notice to Congress of the intent to recommend initiation of destruction.".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $6,749,025,000.

(2) For the Navy, $10,863,274,000.

(3) For the Air Force, $14,455,653,000.

(4) For Defense-wide activities, $15,591,978,000, of which $217,355,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 2002.—Of the amounts authorized to be appropriated by section 201, $4,973,843,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term "basic research and applied research" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. COOPERATIVE DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL RESEARCH PROGRAM.

Of the funds authorized to be appropriated by section 201(4), $5,000,000 shall be available for the cooperative Department of Defense/Department of Veterans Affairs medical research program. The Secretary of Defense shall transfer such amount to the Secretary of Veterans Affairs for such purpose not later than 30 days after the date of the enactment of this Act.

SEC. 212. ADVANCED LAND ATTACK MISSILE PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall establish a competitive program for the development of an advanced land attack missile for the DD–21 land attack destroyer and other naval combatants.

(b) REPORT.—The Secretary of Defense shall submit to the congressional defense committees, with the submission of the budget request for the Department of Defense for fiscal year 2003, a report providing the program plan for the Advanced Land Attack Missile program, the schedule for that program, and funding required for that program.

(c) FUNDING.—Of the amount authorized to be appropriated under section 201(2) for research, development, test,

and evaluation for the Navy, $20,000,000 shall be available in PE 0603795N for the Advanced Land Attack Missile program.

SEC. 213. COLLABORATIVE PROGRAM FOR DEVELOPMENT OF ADVANCED RADAR SYSTEMS FOR NAVAL APPLICATIONS.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to develop and demonstrate advanced technologies and concepts leading to advanced radar systems for naval and other applications.

(b) DESCRIPTION OF PROGRAM.—The program under subsection (a) shall be carried out collaboratively pursuant to a memorandum of agreement to be entered into by the Director of Defense Research and Engineering, the Secretary of the Navy, and the Director of the Defense Advanced Research Projects Agency. The program shall include the following activities:

(1) Activities needed to develop and deploy advanced electronics materials, including specifically wide band gap electronics components needed to extend the range and sensitivity of naval radars.

(2) Identification of acquisition systems for use of the new technology.

(c) REPORT.—Not later than January 31, 2002, the Director of Defense Research and Engineering, the Sec-

retary of the Navy, and the Director of the Defense Advanced Research Projects Agency shall submit to the congressional defense committees a joint report on the implementation of the program under subsection (a). The report shall include the following:

(1) A description of the memorandum of agreement referred to in subsection (b).

(2) A schedule for the program.

(3) Identification of the funding required for fiscal year 2003 and for the future-years defense program to carry out the program.

(4) A list of program capability goals and objectives.

(d) FUNDING.—(1) Of the amount authorized to be appropriated for Defense-wide activities by section 201(4) for the Defense Advanced Research Projects Agency, $41,000,000 shall be available for applied research and maturation of high frequency and high power wide band gap semiconductor electronics technology to carry out the program under subsection (a).

(2) Of the amount authorized to be appropriated by section 201(2) for the Department of the Navy, $15,500,000 shall be available to carry out the program under subsection (a).

Subtitle C—Ballistic Missile Defense

SEC. 231. TRANSFER OF RESPONSIBILITY FOR PROCUREMENT FOR MISSILE DEFENSE PROGRAMS FROM BALLISTIC MISSILE DEFENSE ORGANIZATION TO MILITARY DEPARTMENTS.

(a) BUDGETING OF MISSILE DEFENSE PROCUREMENT AUTHORITY.—(1) Subsection (a) of section 224 of title 10, United States Code is amended by striking "procurement" both places it appears and inserting "research, development, test, and evaluation".

(2) Such section is further amended by striking subsections (b) and (c) and inserting the following:

"(b) COVERED PROGRAMS.—Subsection (a) applies to any ballistic missile defense program for which research, development, test, and evaluation is carried out by the Ballistic Missile Defense Organization.".

(3)(A) The heading of that section is amended to read as follows:

"§ 224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation".

(B) The item relating to section 224 in the table of sections at the beginning of chapter 9 of such title is amended to read as follows:

"224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation.".

(b) TRANSFER CRITERIA.—The Secretary of Defense shall establish, and submit to the congressional defense committees, criteria for the transfer of ballistic missile defense programs from the Ballistic Missile Defense Organization to the military departments. Those criteria shall, at a minimum, address technical maturity of the program, availability of facilities for production, and service commitment to procurement funding.

(c) NOTIFICATION OF TRANSFER.—Before responsibility for a ballistic missile defense program is transferred from the Ballistic Missile Defense Organization to the Secretary of a military department, the Secretary of Defense shall submit to the congressional defense committees notice in writing of the Secretary's intent to make that transfer. The Secretary shall include with such notice a certification that the program has met the criteria established under subsection (b) for such a transfer. The transfer may then be carried out after the end of the 60–day period beginning on the date of such notice.

SEC. 232. REPEAL OF PROGRAM ELEMENT REQUIREMENTS FOR BALLISTIC MISSILE DEFENSE PROGRAMS.

(a) REPEAL.—Section 223 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 9 of such title is amended by striking the item relating to section 223.

SEC. 233. SUPPORT OF BALLISTIC MISSILE DEFENSE ACTIVITIES OF THE DEPARTMENT OF DEFENSE BY THE NATIONAL DEFENSE LABORATORIES OF THE DEPARTMENT OF ENERGY.

(a) FUNDS TO CARRY OUT CERTAIN BALLISTIC MISSILE DEFENSE ACTIVITIES.—Of the amounts authorized to be appropriated to the Department of Defense pursuant to section 201(4), $25,000,000 shall be available, subject to subsection (b) and at the discretion of the Director of the Ballistic Missile Defense Organization, for research, development, and demonstration activities at the national laboratories of the Department of Energy in support of the missions of the Ballistic Missile Defense Organization, including the following activities:

(1) Technology development, concept demonstration, and integrated testing to enhance performance, reduce risk, and improve reliability in hit-to-kill interceptors for ballistic missile defense.

(2) Support for science and engineering teams to assess critical technical problems and prudent alternative approaches as agreed upon by the Director of

the Ballistic Missile Defense Organization and the Administrator for Nuclear Security.

(b) REQUIREMENT FOR MATCHING FUNDS FROM NNSA.—Funds shall be available as provided in subsection (a) only if the Administrator for Nuclear Security makes available matching funds for the activities referred to in subsection (a).

(c) MEMORANDUM OF UNDERSTANDING.—The activities referred to in subsection (a) shall be carried out under the memorandum of understanding entered into by the Secretary of Energy and the Secretary of Defense for the use of national laboratories for ballistic missile defense programs, as required by section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034) and modified pursuant to section 3132 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–455) to provide for jointly funded projects.

SEC. 234. MISSILE DEFENSE TESTING INITIATIVE.

(a) TESTING INFRASTRUCTURE.—(1) The Secretary of Defense shall ensure that each annual budget request of the Department of Defense—

(A) is designed to provide for comprehensive testing of ballistic missile defense programs during early stages of development; and

(B) includes necessary funding to support and improve test infrastructure and provide adequate test assets for the testing of such programs.

(2) The Secretary shall ensure that ballistic missile defense programs incorporate, to the greatest possible extent, operationally realistic test configurations (referred to as "test bed" configurations) to demonstrate system performance across a broad range of capability and, during final stages of operational testing, to demonstrate reliable performance.

(3) The Secretary shall ensure that the test infrastructure for ballistic missile defense programs is capable of supporting continued testing of ballistic missile defense systems after deployment.

(b) REQUIREMENTS FOR EARLY STAGES OF SYSTEM DEVELOPMENT.—In order to demonstrate acceptable risk and developmental stability, the Secretary of Defense shall ensure that any ballistic missile defense program incorporates, to the maximum extent practicable, the following elements during the early stages of system development:

(1) Pursuit of parallel conceptual approaches and technological paths for all critical problematic

components until effective and reliable solutions can be demonstrated.

(2) Comprehensive ground testing in conjunction with flight-testing for key elements of the proposed system that are considered to present high risk, with such ground testing to make use of existing facilities and combinations of facilities that support testing at the highest possible levels of integration.

(3) Where appropriate, expenditures to enhance the capabilities of existing test facilities, or to construct new test facilities, to support alternative complementary test methodologies.

(4) Sufficient funding of test instrumentation to ensure accurate measurement of all critical test events and, where possible, incorporation of mobile assets to enhance flexibility in test configurations.

(5) Incorporation into the program of sufficient schedule flexibility and expendable test assets, including missile interceptors and targets, to ensure that failed or aborted tests can be repeated in a prudent, but expeditious manner.

(6) Incorporation into flight-test planning for the program, where possible, of—

(A) methods referred to as "campaign testing" and "test through failure" and other appro-

priate test methods in order to reduce costs per test event;

(B) events to demonstrate engagement of multiple targets, "shoot-look-shoot", and other planned operational concepts; and

(C) exploitation of opportunities to facilitate early development and demonstration of "family of systems" concepts.

(c) SPECIFIC REQUIREMENTS FOR GROUND-BASED MID-COURSE INTERCEPTOR SYSTEMS.—For ground-based mid-course interceptor systems, the Secretary of Defense shall initiate steps during fiscal year 2002 to establish a flight-test capability of launching not less than three missile defense interceptors and not less than two ballistic missile targets to provide a realistic test infrastructure.

SEC. 235. MISSILE DEFENSE SYSTEM TEST BED FACILITIES.

(a) AUTHORITY TO ACQUIRE OR CONSTRUCT FACILITIES.—(1) The Secretary of Defense, using funds appropriated to the Department of Defense for research, development, test, and evaluation for fiscal years after fiscal year 2001 that are available for programs of the Ballistic Missile Defense Organization, may carry out construction projects, or portions of construction projects, including projects for the acquisition, improvement, or construction of facilities

of general utility, to establish and operate the Missile Defense System Test Bed Facilities.

(2) The authority provided in paragraph (1) may be used to acquire, improve, or construct facilities at a total cost not to exceed $500,000,000.

(b) AUTHORITY TO PROVIDE ASSISTANCE TO LOCAL COMMUNITIES.—(1) Subject to paragraph (2), the Secretary of Defense, using funds appropriated to the Department of Defense for research, development, test, and evaluation for fiscal years after fiscal year 2001 that are available for programs of the Ballistic Missile Defense Organization, may provide assistance, by grant or otherwise, to local communities to meet the need for increased municipal or community services or facilities resulting from the construction, installation, or operation of the Missile Defense System Test Bed Facilities.

(2) Assistance may be provided to a community under paragraph (1) only if the Secretary of Defense determines that there is an immediate and substantial increase in the need for municipal or community services or facilities as a direct result of the construction, installation, or operation of the Missile Defense System Test Bed Facilities.

Subtitle D—Other Matters

SEC. 241. ESTABLISHMENT OF UNMANNED AERIAL VEHICLE JOINT OPERATIONAL TEST BED SYSTEM.

(a) ESTABLISHMENT OF TEST BED SYSTEM.—The commander of the United States Joint Forces Command shall establish a capability (referred to as a "test bed") within the facilities and resources of that command to evaluate and ensure joint interoperability of unmanned aerial vehicle systems. That capability shall be independent of the military departments and shall be managed directly by the Joint Forces Command.

(b) REQUIRED TRANSFER OF PREDATOR UAV ASSETS.—The Secretary of the Navy shall transfer to the commander of the Joint Forces Command the two Predator unmanned aerial vehicles currently undergoing operational testing by the Navy, together with associated payloads and antennas and the associated tactical control system (TCS) ground station.

(c) USE BY JOINT FORCES COMMAND.—The items transferred pursuant to subsection (a) may be used by the commander of the United States Joint Forces Command only through the independent joint operational test bed system established pursuant to subsection (a) for testing of those items, including further development of the associated tactical control system (TCS) ground station, other aspects

of unmanned aerial vehicle interoperability, and participation in such experiments and exercises as the commander considers appropriate to the mission of that command.

(d) DEADLINE FOR TRANSFERS.—The transfers required by subsection (b) shall be completed not later than 90 days after the date of the enactment of this Act.

(e) TRANSFER WHEN NO LONGER REQUIRED BY JOINT FORCES COMMAND.—Upon a determination by the commander of the United States Joint Forces Command that any of the items transferred pursuant to subsection (a) are no longer needed by that command for use as provided in subsection (c), those items shall be transferred to the Secretary of the Air Force.

SEC. 242. DEMONSTRATION PROJECT TO INCREASE SMALL BUSINESS AND UNIVERSITY PARTICIPATION IN OFFICE OF NAVAL RESEARCH EFFORTS TO EXTEND BENEFITS OF SCIENCE AND TECHNOLOGY RESEARCH TO FLEET.

(a) PROJECT REQUIRED.—The Secretary of the Navy, acting through the Chief of Naval Research, shall carry out a demonstration project to increase access to Navy facilities of small businesses and universities that are engaged in science and technology research beneficial to the fleet.

(b) PROJECT ELEMENTS.—In carrying out the demonstration project, the Secretary shall—

(1) establish and operate a Navy Technology Extension Center at a location to be selected by the Secretary;

(2) permit participants in the Small Business Innovation Research Program (SBIR) and Small Business Technology Transfer Program (STTR) that are awarded contracts by Office of Naval Research to acccess and use Navy facilities without charge for purposes of carrying out such contracts; and

(3) permit universities, institutions of higher learning, and Federally Funded Research and Development Centers (FFRDC) collaborating with SBIR and STTR participants to use Navy facilities.

(c) REPORT.—Not later than February 1, 2004, the Secretary shall submit to Congress a report on the demonstration project. The report shall include a description of the activities carried out under the demonstration project and any recommendations for the improvement or expansion of the demonstration project that the Secretary considers appropriate.

SEC. 243. MANAGEMENT RESPONSIBILITY FOR NAVY MINE COUNTERMEASURES PROGRAMS.

Section 216(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1317), as most recently amended by section 211

of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1946), is amended by striking "through 2003" and inserting "through 2008".

SEC. 244. PROGRAM TO ACCELERATE THE INTRODUCTION OF INNOVATIVE TECHNOLOGY IN DEFENSE ACQUISITION PROGRAMS.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to provide opportunities for the increased introduction of innovative and cost-saving technology in acquisition programs of the Department of Defense. The program, to be known as the Challenge Program, shall provide an individual or activity within or outside the Department of Defense with the opportunity to propose alternatives, to be known as challenge proposals, at the component, subsystem, or system level of an existing Department of Defense acquisition program that would result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of that acquisition program.

(b) PANEL.—(1) In carrying out the Challenge Program, the Secretary of Defense shall establish a panel of highly qualified scientists and engineers (hereinafter in this section referred to as the "Panel") under the auspices of

the Under Secretary of Defense for Acquisition, Technology, and Logistics. The duty of the Panel shall be to carry out review and evaluation of challenge proposals under subsection (c).

(2) A member of the Panel may not participate in any review and evaluation of a challenge proposal under subsection (c) if at any time within the previous five years that member has, in any capacity, participated in or been affiliated with the Department of Defense program for which the challenge proposal is proposed.

(c) REVIEW AND EVALUATION OF CHALLENGE PROPOSALS.—(1) Under procedures prescribed by the Secretary, an individual or activity within or outside the Department of Defense may submit challenge proposals to the Panel.

(2) The Panel shall carry out an expedited evaluation of each challenge proposal submitted under paragraph (1) to determine whether a prima facie case has been made that the challenge proposal will result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program. If the Panel determines that such a case has not been made, the Panel may turn down the challenge proposal. In any other case, the Panel shall provide for a full review of the challenge proposal under paragraph (3).

(3) In carrying out a full review of a challenge proposal, the Panel shall ensure the following:

(A) Any incumbent that would be displaced by the implementation of the challenge proposal is provided notice of the challenge proposal and a full opportunity to demonstrate why the challenge proposal should not be implemented.

(B) Notice of the full review of the challenge proposal is published in one or more appropriate commercial publications of national circulation.

(C) If one or more other challenge proposals are submitted on matters relating to the challenge proposal being reviewed, the Panel shall, to the maximum extent practicable, carry out a full review of those other challenge proposals together with the full review of the original challenge proposal.

(4) The Secretary of Defense shall ensure that the Panel, in carrying out review and evaluation of challenge proposals under this subsection, has the authority to call upon the technical resources of the laboratories, research, development, and engineering centers, test and evaluation activities, and other elements of the Department.

(d) FINDINGS OF SUBSTANTIAL SUPERIORITY.—If, after the full review of a challenge proposal is completed, the Panel finds that the challenge proposal will result in

improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program that are substantially superior to that of the incumbent, the Panel shall submit that finding to the Under Secretary.

(e) ACTION UPON FINDINGS.—Upon receiving a finding under subsection (d), the Under Secretary shall carry out a plan to acquire and implement the challenge proposal with respect to which the finding was made. The Secretary shall carry out such plan—

(1) after canceling the contract of any incumbent that would be displaced by the implementation of the challenge proposal; or

(2) after an appropriate program milestone (such as the expiration of such a contract) has been reached.

(f) ELIMINATION OF CONFLICTS OF INTEREST.—In carrying out each review and evaluation under subsection (c), the Secretary shall ensure the elimination of conflicts of interest.

(g) FUNDING.—Of the funds authorized to be appropriated by section 201(4) for Defense-wide research, development, test, and evaluation for fiscal year 2002,

$40,000,000 shall be available in PE 63826D8Z for the Challenge Program required by this section.

(h) REPORT.—The Secretary shall submit to Congress, with the submission of the budget request for the Department of Defense for each fiscal year beginning with fiscal year 2003, a report on the implementation of this section. The report shall include the number and scope of challenge proposals submitted, reviewed and evaluated, found to be substantially superior, and implemented.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $21,015,280,000.

(2) For the Navy, $26,587,962,000.

(3) For the Marine Corps, $2,898,114,000.

(4) For the Air Force, $25,811,462,000.

(5) For Defense-wide activities, $11,922,131,000.

(6) For the Army Reserve, $1,814,246,000.

(7) For the Naval Reserve, $1,003,690,000.

(8) For the Marine Corps Reserve, $144,023,000.

(9) For the Air Force Reserve, $2,017,866,000.

(10) For the Army National Guard, $3,705,359,000.

(11) For the Air National Guard, $3,967,361,000.

(12) For the Defense Inspector General, $152,021,000.

(13) For the United States Court of Appeals for the Armed Forces, $9,096,000.

(14) For Environmental Restoration, Army, $389,800,000.

(15) For Environmental Restoration, Navy, $257,517,000.

(16) For Environmental Restoration, Air Force, $385,437,000.

(17) For Environmental Restoration, Defense-wide, $23,492,000.

(18) For Environmental Restoration, Formerly Used Defense Sites, $190,255,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $49,700,000.

(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $820,381,000.

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

(22) For Defense Health Program, $17,570,750,000.

(23) For Cooperative Threat Reduction programs, $403,000,000.

(24) For Overseas Contingency Operations Transfer Fund, $2,844,226,000.

(25) Support for International Sporting Competitions, Defense, $15,800,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $1,951,986,000.

(2) For the National Defense Sealift Fund, $407,708,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2002 from the Armed Forces Retirement Home Trust Fund the sum of $71,440,000 for the operation of the Armed

Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 2002 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

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

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

Subtitle B—Environmental Provisions

SEC. 311. INVENTORY OF EXPLOSIVE RISK SITES AT FORMER MILITARY RANGES.

(a) INVENTORY REQUIRED.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2710. Former military ranges: inventory of explosive risk sites; use of inventory; public safety issues

"(a) DEFINITIONS.—In this section:

"(1) The term 'former military range' means a military range presently located in the United States that—

"(A) is or was owned by, leased to, or otherwise possessed or used by the Federal Government;

"(B) is designated as a closed, transferred, or transferring military range (rather than as an active or inactive range); or

"(C) is or was used as a site for the disposal of military munitions or for the use of military munitions in training or research, development, testing, and evaluation.

"(2) The term 'abandoned military munitions' means unexploded ordnance and other abandoned military munitions, including components thereof and chemical weapons materiel, that pose a threat to human health or safety.

"(3) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions.

"(4) The term 'United States', in a geographic sense, includes the Commonwealth of Puerto Rico and the territories and possessions.

"(b) INVENTORY REQUIRED.—(1) The Secretary of Defense shall develop and maintain an inventory of former military ranges that are known or suspected to contain abandoned military munitions.

"(2) The information for each former military range in the inventory shall include, at a minimum, the following:

"(A) A unique identifier for the range and its current designation as either a closed, transferred, or transferring range.

"(B) An appropriate record showing the location, boundaries, and extent of the range, including identification of the State and political subdivisions of the State in which the range is located and any Tribal lands encompassed by the range.

"(C) Known persons and entities, other than a military department, with any current ownership interest or control of lands encompassed by the range.

"(D) Any restrictions or other land use controls currently in place that might affect the potential for public and environmental exposure to abandoned military munitions.

"(c) SITE PRIORITIZATION.—(1) With respect to each former military range included on the inventory, the Secretary of Defense shall assign the range a relative priority for response activities based on the overall conditions at the range. The level of response priority assigned the range shall be included with the information required by subsection (b)(2) to be maintained for the range.

"(2) In assigning the response priority for a former military range, the Secretary of Defense shall primarily consider factors relating to safety and environmental hazard potential, such as the following:

"(A) Whether there are known, versus suspected, abandoned military munitions on all or any portion of the range and the types of munitions present or suspected to be present.

"(B) Whether public access to the range is controlled, and the effectiveness of these controls.

"(C) The potential for direct human contact with abandoned military munitions at the range and evidence of people entering the range.

"(D) Whether a response action has been or is being undertaken at the range under the Formerly Used Defense Sites program or other programs.

"(E) The planned or mandated dates for transfer of the range from military control.

"(F) The extent of any documented incidents involving abandoned military munitions at or from the range. In this subparagraph, the term 'incidents' means any or all of the following: explosions, discoveries, injuries, reports, and investigations.

"(G) The potential for drinking water contamination or the release of weapon components into the air.

"(H) The potential for destruction of sensitive ecosystems and damage to natural resources.

"(d) UPDATES AND AVAILABILITY.—(1) The Secretary of Defense shall annually update the inventory and site prioritization list to reflect new information that becomes available. The inventory shall be available in published and electronic form.

"(2) The Secretary of Defense shall work with adjacent communities to provide information concerning conditions

at the former military range and response activities, and shall respond to inquiries. At a minimum, the Secretary shall notify immediately affected individuals, appropriate State, local, tribal, and Federal officials, and, when appropriate, civil defense or emergency management agencies.".

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

"2710. Former military ranges: inventory of explosive risk sites; use of inventory; public safety issues.".

(b) INITIAL INVENTORY.—The inventory required by section 2710 of title 10, United States Code, as added by subsection (a), shall be completed and made available not later than one year after the date of the enactment of this Act.

SEC. 312. NATIONAL SECURITY IMPACT STATEMENTS.

(a) EVALUATION OF NATIONAL SECURITY IMPACTS REQUIRED.—(1) Chapter 160 of title 10, United States Code, is amended by inserting after section 2710, as added by section 311, the following new section:

"§ 2711. Environmental impact statements and environmental assessments: evaluation of national security impacts of proposed action and alternatives

"(a) AGENCY ACTION.—Whenever an environmental impact statement or environmental assessment is required under section 102 of the National Environmental Policy

Act of 1969 (42 U.S.C. 4332) to be prepared in connection with a proposed Department of Defense action, the Secretary of Defense shall include as a part of the environmental impact statement or environmental assessment a detailed evaluation of the impact of the proposed action, and each alternative to the proposed action considered in the statement or assessment, on national security, including the readiness, training, testing, and operations of the armed forces.

"(b) AGENCY INPUT.—The Secretary of Defense shall also include the evaluation required by subsection (a) in any input provided by the Department of Defense as a cooperating agency to a lead agency preparing an environmental impact statement or environmental assessment.".

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

"2711. Environmental impact statements and environmental assessments: evaluation of national security impacts of proposed action and alternatives.".

(b) EFFECTIVE DATE.—Section 2711 of title 10, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act and apply with respect to any environmental impact statement or environmental assessment prepared by the Secretary of Defense that has not been released in final form as of that date.

SEC. 313. REIMBURSEMENT FOR CERTAIN COSTS IN CONNECTION WITH HOOPER SANDS SITE, SOUTH BERWICK, MAINE.

Using amounts authorized to be appropriated by section 301(15) for environmental restoration for the Navy, the Secretary of the Navy may pay $1,005,478 to the Hooper Sands Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) to reimburse the Environmental Protection Agency in full for certain response costs incurred by the Environmental Protection Agency for actions taken pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) at the Hooper Sands site in South Berwick, Maine, pursuant to an interagency agreement entered into by the Department of the Navy and the Environmental Protection Agency in January 2001.

SEC. 314. RIVER MITIGATION STUDIES.

(a) PORT OF ORANGE, SABINE RIVER.—The Secretary of Defense may conduct a study regarding mitigation needs in connection with protruding structures and submerged objects remaining from the World War II Navy ship building industry located at the former Navy installation in Orange, Texas, which create navigational hazards along the Sabine River and surrounding the Port of Orange.

(b) PHILADELPHIA NAVAL SHIPYARD, DELAWARE RIVER.—The Secretary of Defense may conduct a study regarding mitigation needs in connection with floating and partially submerged debris possibly relating to the Philadelphia Naval Shipyard in that portion of the Delaware River from Philadelphia to the mouth of the river which create navigational hazards along the river.

(c) USE OF EXISTING INFORMATION.—In conducting the studies authorized by this section, the Secretary shall take into account any information available from other studies conducted in connection with the same navigation channels.

(d) CONSULTATION.—The Secretary shall conduct the studies authorized by this section in consultation with appropriate State and local government entities and Federal agencies.

(e) REPORT ON STUDY RESULTS.—Not later than April 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report that summarizes the results of the studies conducted under this section.

(f) COST SHARING.—Nothing in this section is intended to require non-Federal cost sharing of the costs in-

curred by the Secretary of Defense to conduct the studies authorized by this section.

(g) REMOVAL AUTHORITY.—Consistent with existing laws, using funds authorized to be appropriated for these purposes, and after providing notice to Congress, the Secretary of Defense may work with the other Federal, State, local, and private entities—

(1) to remove the protruding structures and submerged objects along the Sabine River and surrounding the Port of Orange that resulted from the abandonment of the ship building industry and Navy installation in Orange, Texas; and

(2) to remove floating and partially submerged debris in the portion of the Delaware River subject to the study under subsection (b).

(h) RELATION TO OTHER LAWS AND AGREEMENTS.—This section is not intended to modify any authorities provided to the Secretary of the Army by the Water Resources Development Act of 1986 (33 U.S.C. 2201 et seq.), nor is it intended to modify any non-Federal cost-sharing responsibilities outlined in any local cooperation agreements.

SEC. 315. ELIMINATION OF ANNUAL REPORT ON CONTRACTOR REIMBURSEMENT FOR COSTS OF ENVIRONMENTAL RESPONSE ACTIONS.

Section 2706 of title 10, United States Code, is amended by striking subsection (c).

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 321. RESERVE COMPONENT COMMISSARY BENEFITS.

(a) ELIGIBILITY FOR COMMISSARY BENEFITS.—Section 1063 of title 10, United States Code, is amended—

(1) by striking subsection (a);

(2) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively; and

(3) by inserting after the section heading the following new subsections:

"(a) ELIGIBILITY.—Subject to subsection (c), the Secretary concerned shall authorize members of the Ready Reserve described in subsection (b) to have 24 days of eligibility to use commissary stores of the Department of Defense for any calendar year.

"(b) COVERED MEMBERS.—Subsection (a) applies with respect to the following members of the Ready Reserve:

"(1) A member of the Selected Reserve who is satisfactorily participating in required training as

prescribed in section 10147(a)(1) of this title or section 502(a) of title 32 in that calendar year.

"(2) A member of the Ready Reserve (other than a member described in paragraph (1)) who satisfactorily completes 50 or more points credible under section 12732(a)(2) of this title in that calendar year.

"(c) REDUCED NUMBER OF COMMISSARY VISITS FOR NEW MEMBERS.—The number of commissary visits authorized for a member of the Selected Reserve described in subsection (b)(1) who enters the Selected Reserve after the beginning of the calendar year shall be equal to twice the number of full months remaining in the calendar year.".

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

"§ 1063. Use of commissary stores: members of Ready Reserve".

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

"1063. Use of commissary stores: members of Ready Reserve.".

SEC. 322. REIMBURSEMENT FOR NONCOMMISSARY USE OF COMMISSARY FACILITIES.

Section 2685 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) REIMBURSEMENT FOR NONCOMMISSARY USE OF COMMISSARY FACILITIES.—(1) If the Secretary concerned

uses for noncommissary purposes a commissary facility whose construction was financed (in whole or in part) using the proceeds of adjustments or surcharges authorized by subsection (a) or revenues referred to in subsection (e), the Secretary concerned shall reimburse the commissary surcharge account for the depreciated value of the investment made with such proceeds and revenues.

"(2) In paragraph (1), the term 'construction' has the meaning given such term in subsection (d)(2).".

SEC. 323. CIVIL RECOVERY FOR NONAPPROPRIATED FUND INSTRUMENTALITY COSTS RELATED TO SHOPLIFTING.

Section 3701(b)(1)(B) of title 31, United States Code, is amended by inserting before the comma at the end the following: ", including actual and administrative costs related to shoplifting, theft detection, and theft prevention".

Subtitle D—Workforce and Depot Issues

SEC. 331. FISCAL YEAR 2002 LIMITATIONS ON WORKFORCE REVIEWS.

(a) WORKFORCE REVIEW DEFINED.—In this section, the term "workforce review" has the meaning given the term in section 2461a(a) of title 10, United States Code.

(b) LIMITED NUMBER OF FULL-TIME EQUIVALENT POSITIONS REVIEWED.—During fiscal year 2002, the total

number of full-time equivalent positions considered for possible change to performance by the private sector through the performance of a workforce review may not exceed the following:

(1) 328, in the case of full-time equivalent positions for civilian employees of the Department of the Army;

(2) 453, in the case of full-time equivalent positions for civilian employees of the Department of the Navy;

(3) 936, in the case of full-time equivalent positions for civilian employees of the Department of the Air Force; and

(4) 1,336, in the case of full-time equivalent positions for civilian employees of the Department of Defense, other than civilian employees of a military department.

(c) ADDITIONAL LIMITATION.—None of the full-time equivalent positions for civilian employees of the Department of the Navy that may be considered in a workforce review during fiscal year 2002 may involve civilian employees who perform functions on behalf of the Marine Corps.

SEC. 332. APPLICABILITY OF CORE LOGISTICS CAPABILITY REQUIREMENTS TO NUCLEAR AIRCRAFT CARRIERS.

Section 2464(a)(3) of title 10, United States Code, is amended by striking "nuclear aircraft carriers" and inserting "nuclear refueling of aircraft carriers".

SEC. 333. CONTINUATION OF CONTRACTOR MANPOWER REPORTING SYSTEM IN DEPARTMENT OF THE ARMY.

Section 343 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 569) is amended—

(1) by striking subsection (a) and inserting the following new subsection (a):

"(a) REPORTING REQUIREMENT FOR DEPARTMENT OF THE ARMY.—(1) Not later than March 1 of each fiscal year, the Secretary of the Army shall submit to Congress a report describing the use during the previous fiscal year of non-Federal entities to provide services to the Department of the Army.

"(2) The data collection required to prepare the report is deemed to be in compliance with the requirements of chapter 35 of title 44, United States Code, commonly known as the Paperwork Reduction Act.

"(3) The report required by this section is needed to comply with sections 115a and 129a of title 10, United States Code, and is not a procurement action.";

(2) by striking "Department of Defense" each place it appears and inserting "Department of the Army"; and

(3) by adding at the end the following new subsection:

"(d) GAO EVALUATION.—Not later than 60 days after the Secretary submits to Congress the report required under subsection (a) for a fiscal year, the Comptroller General shall submit to Congress an evaluation of the report.".

SEC. 334. LIMITATION ON EXPANSION OF WHOLESALE LOGISTICS MODERNIZATION PROGRAM.

(a) LIMITATION.—The Secretary of the Army may not authorize the expansion of the Wholesale Logistics Modernization Program beyond the original legacy systems included in the scope of the contract awarded in December 1999 until the Secretary certifies to Congress that the original legacy systems have been successfully replaced.

(b) GAO EVALUATION.—Not later than 60 days after the Secretary of the Army submits to Congress the certification required under subsection (a), the Comptroller General shall submit to Congress an evaluation of the certification.

SEC. 335. PILOT PROJECT FOR EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2474 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) PILOT PROJECT FOR THE EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.—

"(1) AMOUNTS EXCLUDED.—Amounts expended out of funds described in paragraph (2) for the performance of a depot-level maintenance and repair workload by non-Federal Government personnel at a Center of Industrial and Technical Excellence named in paragraph (4) shall not be counted for the purposes of section 2466(a) of this title if the personnel are provided by private industry pursuant to a public-private partnership undertaken by the Center under subsection (b).

"(2) FUNDS FOR FISCAL YEARS 2002 THROUGH 2006.—The funds referred to in paragraph (1) are funds available to the Air Force for depot-level maintenance and repair workloads for fiscal year 2002, 2003, 2004, 2005, or 2006, and shall not exceed 10 percent of the total funds available in any single year.

"(3) REPORTING REQUIREMENTS.—All funds covered by paragraph (1) shall be included as a separate item in the reports required under paragraphs (1), (2), and (3) of section 2466(e) of this title.

"(4) COVERED CENTERS.—(A) The Centers of Industrial and Technical Excellence referred to in paragraph (1) are the following:

"(i) Oklahoma City Air Logistics Center, Oklahoma.

"(ii) Ogden Air Logistics Center, Utah.

"(iii) Warner-Robins Air Logistics Center, Georgia.

"(B) The Secretary of the Air Force shall designate as a Center of Industrial and Technical Excellence under this section any of the air logistics centers named in subparagraph (A) that have not previously been so designated and shall specify the core competencies for which the designation is made.".

SEC. 336. PROTECTIONS FOR PURCHASERS OF ARTICLES AND SERVICES MANUFACTURED OR PERFORMED BY WORKING-CAPITAL FUNDED INDUSTRIAL FACILITIES OF THE DEPARTMENT OF DEFENSE..

(a) GENERAL RULE.—Section 2563(c) of title 10, United States Code, is amended—

(1) in paragraph (1)(B), by striking "in any case of willful misconduct or gross negligence" and inserting "as provided in paragraph (3)"; and

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

"(3) Paragraph (1)(B) does not apply in any case of willful misconduct or gross negligence or in the case of a claim by a purchaser of articles or services under this section that damages or injury arose from the failure of the Government to comply with quality, schedule, or cost performance requirements in the contract to provide the articles or services.".

(b) CONFORMING AMENDMENT.—Section 2474(e)(2)(B)(i) of such title is amended by striking "in a case of willful conduct or gross negligence" and inserting "under the circumstances described in section 2563(c)(3) of this title".

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.

(a) EDUCATIONAL AGENCIES ASSISTANCE.—Of the amount authorized to be appropriated by section 301(5) for

operation and maintenance for Defense-wide activities, $30,000,000 shall be available only for the purpose of providing educational agencies assistance to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2002, the Secretary of Defense shall notify each local educational agency that is eligible for educational agencies assistance for fiscal year 2002 of—

(1) that agency's eligibility for educational agencies assistance; and

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

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

(d) DEFINITIONS.—In this section:

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

(2) The term "local educational agency" has the meaning given that term in section 8013(9) of the El-

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

SEC. 342. AVAILABILITY OF AUXILIARY SERVICES OF DEFENSE DEPENDENTS' EDUCATION SYSTEM FOR DEPENDENTS WHO ARE HOME SCHOOL STUDENTS.

Section 1407 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926) is amended—

(1) by redesignating subsection (d) as subsection (e); and

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

"(d) AUXILIARY SERVICES AVAILABLE TO HOME SCHOOL STUDENTS.—(1) A dependent who is educated in a home school setting, but who is eligible to enroll in a school of the defense dependents' education system, shall be permitted to use or receive auxiliary services of that school without being required to either enroll in that school or register for a minimum number of courses offered by that school. The dependent may be required to satisfy other eligibility requirements applicable to students actually enrolled in that school who use or receive the same auxiliary services.

"(2) For purposes of paragraph (1), the term 'auxiliary services' includes registration in individual courses, use of academic resources, access to the library of the school,

after hours use of school facilities, and participation in music, sports, and other extracurricular and interscholastic activities.''.

SEC. 343. REPORT REGARDING COMPENSATION FOR TEACHERS EMPLOYED IN TEACHING POSITIONS IN OVERSEAS SCHOOLS OPERATED BY THE DEPARTMENT OF DEFENSE.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report evaluating the method currently used by the Secretary to fix the basic compensation for teachers and teaching positions in the Department of Defense under the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 901 et seq.). The report shall include the recommendations of the Secretary regarding a proposal to increase such compensation to reflect the average of the range of rates of basic compensation for similar teaching positions of a comparable level of duties and responsibilities for teachers employed in public schools in the District of Columbia metropolitan area, which includes the District of Columbia Public Schools, Arlington Public Schools, Alexandria City Public Schools, Fairfax County Public Schools, Montgomery County Public Schools, and Prince George's County Public Schools.

Subtitle F—Other Matters

SEC. 351. AVAILABILITY OF EXCESS DEFENSE PERSONAL PROPERTY TO SUPPORT DEPARTMENT OF VETERANS AFFAIRS INITIATIVE TO ASSIST HOMELESS VETERANS.

(a) TRANSFER AUTHORITY.—Section 2557(a) of title 10, United States Code, is amended—

(1) by striking "The Secretary" and inserting "(1) The Secretary"; and

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

"(2) The Secretary of Defense may make excess clothing, shoes, sleeping bags, and related nonlethal excess supplies available to the Secretary of Veterans Affairs for distribution to homeless veterans and programs assisting homeless veterans. The transfer of nonlethal excess supplies to the Secretary of Veterans Affairs under this paragraph shall be without reimbursement.".

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

"§ 2557. Excess nonlethal supplies: availability for homeless veteran initiatives and humanitarian relief".

(2) The table of sections at the beginning of chapter 152 of such title is amended by striking the item relating to section 2557 and inserting the following new item:

"2557. Excess nonlethal supplies: availability for homeless veteran initiatives and humanitarian relief.".

SEC. 352. CONTINUATION OF LIMITATIONS ON IMPLEMENTATION OF NAVY-MARINE CORPS INTRANET CONTRACT.

(a) EXCLUSION OF MARINE CORPS.—Subsection (c) of section 814 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–215) is amended—

(1) by striking "PROHIBITION ON INCREASE OF RATES CHARGED.—" and inserting "PROHIBITIONS.—(1)";

(2) by striking "fiscal year 2001" and inserting "fiscal year 2002"; and

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

"(2) The Navy Intranet contract may not include any activities of the Marine Corps.".

(b) LIMITATION ON PHASED IMPLEMENTATION.—Subsection (b)(4) of such section is amended—

(1) by striking "fiscal year 2001" both places it appears and inserting "fiscal year 2002"; and

(2) by striking "Marine Corps, the naval shipyards, or" both places it appears and inserting "naval shipyards or".

SEC. 353. COMPLETION AND EVALUATION OF CURRENT DEMONSTRATION PROGRAMS TO IMPROVE QUALITY OF PERSONAL PROPERTY SHIPMENTS OF MEMBERS.

(a) COMPLETION.—The Secretary of Defense shall conduct to completion all demonstration programs in the Department of Defense that were designed to improve the movement of household goods of members of the Armed Forces and were being conducted or authorized as of October 1, 2000,

(b) EVALUATION.—Not later than August 31, 2002, the Secretary of Defense shall submit to Congress a report evaluating whether the demonstration programs referred to in subsection (a), as implemented, satisfy the goals (as contained in the General Accounting Report NSIAD 97–49) for such demonstration programs previously agreed upon between the Department of Defense and representatives of private sector entities involved in the transportation of household goods for members of the Armed Forces.

(c) INTERIM REPORTS.—Not later than January 15, 2002, and April 15, 2002, the Secretary shall submit to Congress interim reports regarding the progress of the demonstration programs referred to in subsection (a).

SEC. 354. EXPANSION OF ENTITIES ELIGIBLE FOR LOAN, GIFT, AND EXCHANGE OF DOCUMENTS, HISTORICAL ARTIFACTS, AND OBSOLETE COMBAT MATERIEL.

Section 2572(a)(1) of title 10, United States Code, is amended by inserting before the period at the end the following: ", county, or other political subdivision of a State".

Subtitle G—Service Contracting Reform

SEC. 361. SHORT TITLE.

This subtitle may be cited as the "Department of Defense Service Contracting Reform Act of 2001".

SEC. 362. REQUIRED COST SAVINGS LEVEL FOR CHANGE OF FUNCTION TO CONTRACTOR PERFORMANCE.

Section 2461(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) A commercial or industrial type function of the Department of Defense may not be changed to performance by the private sector unless, as a result of the cost comparison examination required under paragraph (3)(A), that employed the most efficient organization process described

in Office of Management and Budget Circular A–76 or any successor administrative regulation or policy, at least a 10-percent cost savings would be achieved by performance of the function by the private sector over the term of the contract.

"(B) The cost savings requirement specified in subparagraph (A) does not apply to any contracts for special studies and analyses, construction services, architectural services, engineering services, medical services, scientific and technical services related to (but not in support of) research and development, and depot-level maintenance and repair services.

"(C) The Secretary of Defense may waive the cost savings requirement if—

"(i) the written waiver is prepared by the Secretary of Defense, or the relevant Assistant Secretary or agency head; and

"(ii) the written waiver is accompanied by a detailed determination that national security interests are so compelling as to preclude compliance with the requirement for a cost comparison examination.

"(D) The Secretary of Defense shall publish a copy of the waiver in the Federal Register.".

SEC. 363. APPLICABILITY OF STUDY AND REPORTING REQUIREMENTS TO NEW COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS.

(a) NEW FUNCTIONS.—Section 2461(a) of title 10, United States Code, is amended—

(1) by striking "CHANGE IN PERFORMANCE.—" and inserting "CHANGE IN OR INITIATION OF PERFORMANCE.—(1)"; and

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

"(2) In the case of a commercial or industrial type function of the Department of Defense not previously performed by Department of Defense civilian employees or a contractor, the performance of the function by the private sector may not be initiated until—

"(A) the Secretary of Defense conducts a cost comparison examination that employs the most efficient organization process described in Office of Management and Budget Circular A-76, and its supplemental handbook or any successor administrative regulation or policy; and

"(B) a determination is made that performance of the function by the private sector would be less costly over the term of the contract than performance by Department of Defense civilian employees during that same period.

"(3) This subsection does not apply to the following contracts:

"(A) A contract between the Department of Defense and the private sector for work with a contract value of less than $1,000,000 so long as the work was not divided, modified, or in any way changed for the purpose of avoiding the requirements of this section.

"(B) A contract for special studies and analyses, construction services, architectural services, engineering services, medical services, scientific and technical services related to (but not in support of) research and development, and depot-level maintenance and repair services.

"(4) The Secretary of Defense may waive the applicability of this section if—

"(A) the written waiver is prepared by the Secretary of Defense, or the relevant Assistant Secretary or agency head; and

"(B) the written waiver is accompanied by a detailed determination that—

"(i) there is no reasonable expectation that civilian employees would win a public-private competition for the function; and

"(ii) the issuance of a waiver would not serve to reduce significantly the level of or qual-

ity of competition in the future award or performance of work.

"(5) The Secretary of Defense shall publish a copy of the waiver in the Federal Register.".

(b) MINIMAL LEVELS OF PUBLIC-PRIVATE COMPETITION FOR NEW WORK.—(1) Notwithstanding the use of the waiver authority provided in section 2461 of title 10, United States Code, as amended by this section, not less than the percentage specified in paragraph (2) of the total dollars expended during a specified fiscal year for the performance by contractors of commercial or industrial type functions of the Department of Defense not previously performed by Department of Defense civilian employees or the private sector (that are not otherwise exempt from comparison under such section) shall be expended for service contracts that are awarded after the completion of cost comparison examinations.

(2) The requirements of paragraph (1) apply as follows:

(A) Not less than 10 percent, for fiscal year 2003.

(B) Not less than 20 percent, for fiscal year 2004.

(C) Not less than 30 percent, for fiscal year 2005.

(c) CLERICAL AMENDMENTS.—(1) The heading of such section 2461 is amended to read as follows:

"§ 2461. Commercial or industrial type functions: required studies and reports before conversion to, or initiation of, contractor or civilian employee performance".

(2) The item relating to such section in the table of sections at the beginning of chapter 146 of title 10, United States Code, is amended to read as follows:

"2461. Commercial or industrial type functions: required studies and reports before conversion to, or initiation of, contractor or civilian employee performance.".

SEC. 364. REPEAL OF WAIVER FOR SMALL FUNCTIONS.

Section 2461 of title 10, United States Code, is amended by striking subsection (d).

SEC. 365. REQUIREMENT FOR EQUITY IN PUBLIC-PRIVATE COMPETITIONS.

Section 2461 of title 10, United States Code, is amended by inserting after subsection (c) the following new subsection:

"(d) EQUITY IN PUBLIC-PRIVATE COMPETITION.—(1) For any fiscal year in which commercial or industrial type functions of the Department of Defense performed by Department of Defense civilian employees are studied for possible change to private sector performance, the Secretary of Defense shall subject approximately the same number of positions held by non-Federal employees under contracts with

the Department of Defense to the same cost comparison examination described in subsection (b)(3), subject to the completion of the terms of those contracts.

"(2) To the extent possible, the Secretary of Defense should, in complying with this subsection, select those contract positions held by non-Federal employees under contracts with the Department of Defense that are associated with commercial or industrial type functions that are, or have been, performed at least in part by Department of Defense civilian employees at any time on or after October 1, 1980.

"(3) Notwithstanding any limitation on the number of Department of Defense civilian employees established by law, regulation, or policy, the Department of Defense may continue to employ, or may hire, such civilian employees as are necessary to perform functions acquired through the public-private competitions required by this subsection or any other provision of this section.".

SEC. 366. REPORTING REQUIREMENTS REGARDING DEPARTMENT OF DEFENSE'S SERVICE CONTRACTOR WORKFORCE.

(a) IMPOSITION OF REPORTING REQUIREMENT.—(1) Chapter 146 of title 10, United States Code, is amended by inserting after section 2461a the following new section:

"§ 2461b. Use of private sector to perform commercial or industrial type function: contractor reporting requirements

"(a) DEFINITIONS.—In this section:

"(1) CONTRACTOR.—The term 'contractor' includes a subcontractor.

"(2) SECRETARY CONCERNED.—The term 'Secretary concerned' includes the Secretary of Defense with respect to matters concerning the Defense Agencies.

"(b) GENERAL REPORTING REQUIREMENT.—The Secretary concerned shall require each defense contractor to report to secure websites established and maintained by the Defense Agencies and military departments the same contractor direct and indirect manhour and cost information collected by the Department of the Army pursuant to part 668 of title 32, Code of Federal Regulations, as in effect on December 26, 2000, in terms of functions performed, appropriations funding the contract, and identification of the subordinate organizational elements within the Defense Agency or military department directly overseeing the contractor performance. The indirect information reported may comprise annualized rates for an entire company, which are not apportioned by specific contracts.

"(c) ASSIGNMENT OF REPORTING RESPONSIBILITY.—The Defense Agency or military department containing the

major organizational element receiving or reviewing the work performed by a defense contractor shall be responsible for collecting the data required by this section, even where all or part of the contracted work is funded by appropriations not controlled by the Secretary concerned. If the Defense Agency or military department containing the major organizational element receiving or reviewing the work performed by the contractor is different from the Defense Agency or military department containing the contracting activity, the Secretary concerned shall ensure that the contractor reports the required information to the Defense Agency or military department containing the major organizational element receiving or reviewing the work performed by the contractor.

"(d) TIMING OF CONTRACTOR REPORTING TO ASSURE DATA QUALITY.—The Secretary concerned shall require contractors to report the information described in subsection (c) to the secure web-site contemporaneous with submission of a request for payment (for example, voucher, invoice, or request for progress payment) or not later than quarterly.

"(e) CONTRACT REQUIREMENT EFFECTIVE DATE.—The Secretary concerned shall include the reporting requirement described in this section in each contract solicitation issued, contract awarded, and bilateral modification of an

existing contract executed, by the Secretary concerned after October 1, 2001.

"(f) CONTRACTOR SELF-EXEMPTION.—The Secretary concerned shall exempt a contractor from the data collection requirement imposed by this section if the contractor certifies in writing that the contractor does not have an internal system for aggregating billable hours in the direct or indirect pools, or an internal payroll accounting system, and does not otherwise have to ever provide this information to the Government. A contractor may not claim an exemption on the sole basis that the contractor is a foreign contractor, that services are provided pursuant to a firm fixed price or time and materials contract or similar instrument, that the payroll system of the contractor is performed by another person, or that the contractor has too many subcontractors. The validity of this certification is the only requirement in this section subject to audit and verification by the Secretary concerned.

"(g) REPORT TO CONGRESS AND COMPTROLLER GENERAL ACTIONS.—The Secretary concerned shall submit the information collected under subsection (c) to Congress not later than October 1 of each year for the prior fiscal year. Not later than April 1 of each year, the Comptroller General will review the information submitted for the prior fiscal year to assess compliance with this section and the effective-

ness of Department of Defense initiatives to integrate this information into its budgeting process.

"(h) PUBLICATION OF REPORTS.—After completion of the Comptroller General review under subsection (h), the Secretary concerned shall take steps to make the nonproprietary compilations of the data public on web sites, using the publication standard expressed by the Department of the Army in part 668 of title 32, Code of Federal Regulations.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2461a the following new item:

"2461b. Use of private sector to perform commercial or industrial type function: contractor reporting requirements.".

(b) EFFECTIVE DATE.—Section 2461b of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2001.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 2002, as follows:

(1) The Army, 480,000.

(2) The Navy, 376,000.

(3) The Marine Corps, 172,600

(4) The Air Force, 358,800.

SEC. 402. REVISION IN PERMANENT END STRENGTH MINIMUM LEVELS.

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

(1) in paragraph (2), by striking "372,000" and inserting "376,000"; and

(2) in paragraph (4), by striking "357,000" and inserting "358,800".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2002, as follows:

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

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 87,000.

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

(5) The Air National Guard of the United States, 108,400.

(6) The Air Force Reserve, 74,700.

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

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

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

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

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

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2002, the following number of Reserves

to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,974.

(2) The Army Reserve, 13,108.

(3) The Naval Reserve, 14,811.

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

(5) The Air National Guard of the United States, 11,591.

(6) The Air Force Reserve, 1,437.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 2002 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army National Guard of the United States, 23,128.

(2) For the Army Reserve, 5,999.

(3) For the Air National Guard of the United States, 22,422.

(4) For the Air Force Reserve, 9,818.

SEC. 414. FISCAL YEAR 2002 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

(a) LIMITATION.—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2002, may not exceed the following:

(1) For the Army Reserve, 1,095.

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

(3) For the Air Force Reserve, 90.

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

(b) NON-DUAL STATUS TECHNICIANS DEFINED.—In this section, the term "non-dual status technician" has the meaning given that term in section 10217(a) of title 10, United States Code.

SEC. 415. LIMITATIONS ON NUMBERS OF RESERVE PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES FOR ADMINISTRATION OF RESERVE COMPONENTS.

(a) OFFICERS.—The text of section 12011 of title 10, United States Code, is amended to read as follows:

"(a) LIMITATIONS.—(1) Of the total number of members of a reserve component who are serving on full-time reserve component duty at the end of any fiscal year, the

1 *number of those members who may be serving in each of*
2 *the grades of major, lieutenant colonel, and colonel may not,*
3 *as of the end of that fiscal year, exceed the number deter-*
4 *mined in accordance with the following table:*

"Total number of members of a reserve component serving on full-time reserve component duty:	*Number of officers of that reserve component who may be serving in the grade of:*		
	Major	*Lieutenant Colonel*	*Colonel*
Army Reserve:			
10,000	*1,390*	*740*	*230*
11,000	*1,529*	*803*	*242*
12,000	*1,668*	*864*	*252*
13,000	*1,804*	*924*	*262*
14,000	*1,940*	*984*	*272*
15,000	*2,075*	*1,044*	*282*
16,000	*2,210*	*1,104*	*291*
17,000	*2,345*	*1,164*	*300*
18,000	*2,479*	*1,223*	*309*
19,000	*2,613*	*1,282*	*318*
20,000	*2,747*	*1,341*	*327*
21,000	*2,877*	*1,400*	*336*
Army National Guard:			
20,000	*1,500*	*850*	*325*
22,000	*1,650*	*930*	*350*
24,000	*1,790*	*1,010*	*370*
26,000	*1,930*	*1,085*	*385*
28,000	*2,070*	*1,160*	*400*
30,000	*2,200*	*1,235*	*405*
32,000	*2,330*	*1,305*	*408*
34,000	*2,450*	*1,375*	*411*
36,000	*2,570*	*1,445*	*411*
38,000	*2,670*	*1,515*	*411*
40,000	*2,770*	*1,580*	*411*
42,000	*2,837*	*1,644*	*411*
Marine Corps Reserve:			
1,100	*106*	*56*	*20*
1,200	*110*	*60*	*21*
1,300	*114*	*63*	*22*
1,400	*118*	*66*	*23*
1,500	*121*	*69*	*24*
1,600	*124*	*72*	*25*
1,700	*127*	*75*	*26*
1,800	*130*	*78*	*27*
1,900	*133*	*81*	*28*
2,000	*136*	*84*	*29*
2,100	*139*	*87*	*30*
2,200	*141*	*90*	*31*
2,300	*143*	*92*	*32*
2,400	*145*	*94*	*33*
2,500	*147*	*96*	*34*
2,600	*149*	*98*	*35*
Air Force Reserve:			
500	*83*	*85*	*50*
1,000	*155*	*165*	*95*
1,500	*220*	*240*	*135*
2,000	*285*	*310*	*170*
2,500	*350*	*369*	*203*

"Total number of members of a reserve component serving on full-time reserve component duty:	*Number of officers of that reserve component who may be serving in the grade of:*		
	Major	*Lieutenant Colonel*	*Colonel*
3,000	*413*	*420*	*220*
3,500	*473*	*464*	*230*
4,000	*530*	*500*	*240*
4,500	*585*	*529*	*247*
5,000	*638*	*550*	*254*
5,500	*688*	*565*	*261*
6,000	*735*	*575*	*268*
7,000	*770*	*595*	*280*
8,000	*805*	*615*	*290*
10,000	*835*	*635*	*300*
Air National Guard:			
5,000	*333*	*335*	*251*
6,000	*403*	*394*	*260*
7,000	*472*	*453*	*269*
8,000	*539*	*512*	*278*
9,000	*606*	*571*	*287*
10,000	*673*	*630*	*296*
11,000	*740*	*688*	*305*
12,000	*807*	*742*	*314*
13,000	*873*	*795*	*323*
14,000	*939*	*848*	*332*
15,000	*1,005*	*898*	*341*
16,000	*1,067*	*948*	*350*
17,000	*1,126*	*998*	*359*
18,000	*1,185*	*1,048*	*368*
19,000	*1,235*	*1,098*	*377*
20,000	*1,283*	*1,148*	*380.*

"(2) Of the total number of members of the Naval Reserve who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members who may be serving in each of the grades of lieutenant commander, commander, and captain may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

"Total number of members of Naval Reserve serving on full-time reserve component duty	*Number of officers who may be serving in the grade of:*		
	Lieutenant commander	*Commander*	*Captain*
10,000	*807*	*447*	*141*
11,000	*867*	*467*	*153*
12,000	*924*	*485*	*163*
13,000	*980*	*503*	*173*
14,000	*1,035*	*521*	*183*
15,000	*1,088*	*538*	*193*
16,000	*1,142*	*555*	*203*
17,000	*1,195*	*565*	*213*
18,000	*1,246*	*575*	*223*
19,000	*1,291*	*585*	*233*

"Total number of members of Naval Reserve serving on full-time reserve component duty	*Number of officers who may be serving in the grade of:*		
	Lieutenant commander	*Commander*	*Captain*
20,000	*1,334*	*595*	*242*
21,000	*1,364*	*603*	*250*
22,000	*1,384*	*610*	*258*
23,000	*1,400*	*615*	*265*
24,000	*1,410*	*620*	*270.*

"(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in that table at the same proportion as is reflected in the nearest limit shown in the table.

"(c) REALLOCATIONS TO LOWER GRADES.—Whenever the number of officers serving in any grade for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the

two numbers may be applied to increase the number authorized under this section for any lower grade.

"(d) SECRETARIAL WAIVER.—(1) Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve officers that may be on full-time reserve component duty for a reserve component in a grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for the grade in that table.

"(2) Whenever the Secretary exercises the authority provided in paragraph (1), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice in writing of the adjustment made.

"(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term 'full-time reserve component duty' means the following duty:

"(1) Active duty described in sections 10211, 10302, 10303, 10304, 10305, 12310, or 12402 of this title.

"(2) Full-time National Guard duty (other than for training) under section 502(f) of title 32.

"(3) Active duty described in section 708 of title 32.".

(b) SENIOR ENLISTED MEMBERS.—The text of section 12012 of title 10, United States Code, is amended to read as follows:

"(a) LIMITATIONS.—Of the total number of members of a reserve component who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members in each of pay grades of E–8 and E–9 who may be serving on active duty under section 10211 or 12310, or on full-time National Guard duty under the authority of section 502(f) of title 32 (other than for training) in connection with organizing, administering, recruiting, instructing, or training the reserve components or the National Guard may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

"Total number of members of a reserve component serving on full-time reserve component duty:	*Number of members of that reserve component who may be serving in the grade of:*	
	E–8	*E–9*
Army Reserve:		
10,000	*1,052*	*154*
11,000	*1,126*	*168*
12,000	*1,195*	*180*
13,000	*1,261*	*191*
14,000	*1,327*	*202*
15,000	*1,391*	*213*
16,000	*1,455*	*224*
17,000	*1,519*	*235*
18,000	*1,583*	*246*
19,000	*1,647*	*257*
20,000	*1,711*	*268*
21,000	*1,775*	*278*
Army National Guard:		
20,000	*1,650*	*550*
22,000	*1,775*	*615*
24,000	*1,900*	*645*
26,000	*1,945*	*675*
28,000	*1,945*	*705*
30,000	*1,945*	*725*
32,000	*1,945*	*730*
34,000	*1,945*	*735*

"Total number of members of a reserve component serving on full-time reserve component duty:	*Number of members of that reserve component who may be serving in the grade of:*	
	E–8	*E–9*
36,000	*1,945*	*738*
38,000	*1,945*	*741*
40,000	*1,945*	*743*
42,000	*1,945*	*743*
Naval Reserve:		
10,000	*340*	*143*
11,000	*364*	*156*
12,000	*386*	*169*
13,000	*407*	*182*
14,000	*423*	*195*
15,000	*435*	*208*
16,000	*447*	*221*
17,000	*459*	*234*
18,000	*471*	*247*
19,000	*483*	*260*
20,000	*495*	*273*
21,000	*507*	*286*
22,000	*519*	*299*
23,000	*531*	*312*
24,000	*540*	*325*
Marine Corps Reserve:		
1,100	*50*	*11*
1,200	*55*	*12*
1,300	*60*	*13*
1,400	*65*	*14*
1,500	*70*	*15*
1,600	*75*	*16*
1,700	*80*	*17*
1,800	*85*	*18*
1,900	*89*	*19*
2,000	*93*	*20*
2,100	*96*	*21*
2,200	*99*	*22*
2,300	*101*	*23*
2,400	*103*	*24*
2,500	*105*	*25*
2,600	*107*	*26*
Air Force Reserve:		
500	*75*	*40*
1,000	*145*	*75*
1,500	*208*	*105*
2,000	*270*	*130*
2,500	*325*	*150*
3,000	*375*	*170*
3,500	*420*	*190*
4,000	*460*	*210*
4,500	*495*	*230*
5,000	*530*	*250*
5,500	*565*	*270*
6,000	*600*	*290*
7,000	*670*	*330*
8,000	*740*	*370*
10,000	*800*	*400*
Air National Guard		
5,000	*1,020*	*405*
6,000	*1,070*	*435*
7,000	*1,120*	*465*
8,000	*1,170*	*490*
9,000	*1,220*	*510*

"Total number of members of a reserve component serving on full-time reserve component duty:	*Number of members of that reserve component who may be serving in the grade of:*	
	E–8	*E–9*
10,000	*1,270*	*530*
11,000	*1,320*	*550*
12,000	*1,370*	*570*
13,000	*1,420*	*589*
14,000	*1,470*	*608*
15,000	*1,520*	*626*
16,000	*1,570*	*644*
17,000	*1,620*	*661*
18,000	*1,670*	*678*
19,000	*1,720*	*695*
20,000	*1,770*	*712.*

"(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the table in subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the table in subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in the table at the same proportion as is reflected in the nearest limit shown in the table.

"(c) REALLOCATIONS TO LOWER GRADE.—Whenever the number of officers serving in pay grade E–9 for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between

the two numbers may be applied to increase the number authorized under this section for pay grade E–8.

"(d) SECRETARIAL WAIVER.—(1) Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve enlisted members that may be on active duty or full-time National Guard duty as described in subsection (a) for a reserve component in a pay grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for that grade and reserve component in the table.

"(2) Whenever the Secretary exercises the authority provided in paragraph (1), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice in writing of the adjustment made.

"(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term 'full-time reserve component duty' has the meaning given the term in section 12011(e) of this title.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

Subtitle C—Other Matters Relating to Personnel Strengths

SEC. 421. INCREASE IN PERCENTAGE BY WHICH ACTIVE COMPONENT END STRENGTHS FOR ANY FISCAL YEAR MAY BE INCREASED.

(a) INCREASE.—Section 115(c)(1) of title 10, United States Code, is amended by striking "1 percent" and inserting "2 percent".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 422. ACTIVE DUTY END STRENGTH EXEMPTION FOR NATIONAL GUARD AND RESERVE PERSONNEL PERFORMING FUNERAL HONORS FUNCTIONS.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

"(10) Members of reserve components on active duty to prepare for and to perform funeral honors functions for funerals of veterans in accordance with section 1491 of this title.

"(11) Members on full-time National Guard duty to prepare for and perform funeral honors functions for funerals of veterans in accordance with section 1491 of this title.".

SEC. 423. INCREASE IN AUTHORIZED STRENGTHS FOR AIR FORCE OFFICERS ON ACTIVE DUTY IN THE GRADE OF MAJOR.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking the figures under the heading "Major" in the portion of the table relating to the Air Force and inserting the following:

"9,861
10,727
11,593
12,460
13,326
14,192
15,058
15,925
16,792
17,657
18,524
19,389
20,256
21,123
21,989
22,855
23,721
24,588
25,454".

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 a total of $82,279,101,000. The authorization in the preceding sentence supersedes any other authorization of

appropriations (definite or indefinite) for such purpose for fiscal year 2002.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—General Personnel Management Authorities

SEC. 501. ENHANCED FLEXIBILITY FOR MANAGEMENT OF SENIOR GENERAL AND FLAG OFFICER POSITIONS.

(a) REPEAL OF LIMIT ON NUMBER OF OFFICERS ON ACTIVE DUTY IN GRADES OF GENERAL AND ADMIRAL.—Section 528 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 32 of such title is amended by striking the item relating to section 528.

SEC. 502. ORIGINAL APPOINTMENTS IN REGULAR GRADES FOR ACADEMY GRADUATES AND CERTAIN OTHER NEW OFFICERS.

(a) REPEAL OF REQUIREMENT FOR ONE YEAR OF ACTIVE DUTY IN A RESERVE GRADE.—Section 532(e) of title 10, United States Code, is repealed.

(b) MILITARY ACADEMY GRADUATES.—Section 4353(b) of such title is amended to read as follows:

"(b) A cadet who completes the prescribed course of instruction, is qualified for an original appointment in a reg-

ular component under section 532 of this title, and meets such other criteria for appointment as a commissioned officer in the Army as may be prescribed by the Secretary of the Army shall, upon graduation, be appointed a second lieutenant in the Regular Army under section 531 of this title, unless appointed under that section in a regular component of one of the other armed forces in accordance with section 541 of this title.".

(c) NAVAL ACADEMY GRADUATES.—Section 6967 of such title is amended—

(1) by inserting "(a)" before "Under regulations"; and

(2) by adding at the end the following:

"(b) A midshipman who completes the prescribed course of instruction, is qualified for an original appointment in a regular component under section 532 of this title, and meets such other criteria for appointment as a commissioned officer in the naval service as may be prescribed by the Secretary of the Navy shall, upon graduation, be appointed an ensign in the Regular Navy or a second lieutenant in the Regular Marine Corps under section 531 of this title, unless appointed under that section in a regular component of one of the other armed forces in accordance with section 541 of this title.".

(d) AIR FORCE ACADEMY GRADUATES.—Section 9353(b) of such title is amended to read as follows:

"(b) A cadet who completes the prescribed course of instruction, is qualified for an original appointment in a regular component under section 532 of this title, and meets such other criteria for appointment as a commissioned officer in the Air Force as may be prescribed by the Secretary of the Air Force shall, upon graduation, be appointed a second lieutenant in the Regular Air Force under section 531 of this title, unless appointed under that section in a regular component of one of the other armed forces in accordance with section 541 of this title.".

(e) ROTC DISTINGUISHED GRADUATES.—Section 2106(a) of such title is amended by adding at the end the following new sentence: "However, a member of the program selected for an appointment under this section who, under regulations prescribed by the Secretary of the military department concerned, is designated or selected as a Distinguished Graduate (or the equivalent) shall be appointed as a regular officer.".

(f) OTHER COMMISSIONING PROGRAMS.—(1) Chapter 33 of such title is amended by adding at the end the following new section:

"§ 542. Distinguished Graduates of officer commissioning programs other than service academies and ROTC

"A person who is selected for an original appointment as a commissioned officer in the Army, Navy, Air Force, or Marine Corps as a result of satisfactory completion of an officer commissioning program other than the course of instruction at one of the service academies named in section 541 of this title or the Senior Reserve Officers' Training Corps program and who, under regulations prescribed by the Secretary of the military department concerned, is designated or selected as a Distinguished Graduate of that program (or the equivalent) shall be appointed as a regular officer.".

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

"542. Distinguished Graduates of officer commissioning programs other than service academies and ROTC.".

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on May 1, 2002.

SEC. 503. TEMPORARY REDUCTION OF TIME-IN-GRADE REQUIREMENT FOR ELIGIBILITY FOR PROMOTION FOR CERTAIN ACTIVE-DUTY LIST OFFICERS IN GRADES OF FIRST LIEUTENANT AND LIEUTENANT (JUNIOR GRADE).

(a) AUTHORITY.—Subsection (a) of section 619 of title 10, United States Code, is amended—

(1) in paragraph (1)(B), by inserting before the period at the end the following: ", or such shorter period as may be in effect under paragraph (6)"; and

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

"(6)(A) When the needs of the service require, the Secretary of the military department concerned may reduce to eighteen months the period of service in grade applicable for purposes of paragraph (1)(B) in the case of officers who are serving in a position that is authorized for officers in the grade of captain or, in the case of the Navy, lieutenant.

"(B) If the Secretary of the military department concerned uses the authority provided in subparagraph (A), the number of captains or, in the case of the Navy, lieutenants on the active-duty list may not exceed the number of positions for which officers in that grade are authorized by more than one percent.

"(C) The authority under subparagraph (A) and the limitation under subparagraph (B) expire on September 30, 2005.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended as follows:

(1) Subsection (a) is amended by striking "(a)(1)" and inserting "(a) TIME-IN-GRADE REQUIREMENTS.—(1)".

(2) Subsection (b) is amended by striking "(b)(1)" and inserting "(b) CONTINUED ELIGIBILITY FOR CONSIDERATION FOR PROMOTION OF OFFICERS WHO HAVE PREVIOUSLY FAILED OF SELECTION.—(1)".

(3) Subsection (c) is amended by striking "(c)(1)" and inserting "(c) OFFICERS TO BE CONSIDERED BY PROMOTION BOARDS.—(1)".

(4) Subsection (d) is amended by inserting "CERTAIN OFFICERS NOT TO BE CONSIDERED.—" after "(d)".

(c) TECHNICAL AMENDMENT.—Subsection (a)(4) of such section is amended by striking "clause (A)" and inserting "subparagraph (A)".

SEC. 504. INCREASE IN SENIOR ENLISTED ACTIVE DUTY GRADE LIMIT FOR NAVY, MARINE CORPS, AND AIR FORCE.

(a) MEMBERS IN PAY GRADE E–8.—Section 517(a) of title 10, United States Code, is amended by striking "2 percent (or, in the case of the Army, 2.5 percent)" and inserting "2.5 percent".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 505. AUTHORITY FOR LIMITED EXTENSION OF MEDICAL DEFERMENT OF MANDATORY RETIREMENT OR SEPARATION.

The text of section 640 of title 10, United States Code, is amended to read as follows:

"(a) If the Secretary of the military department concerned determines that the evaluation of the physical condition of an officer and determination of the officer's entitlement to retirement or separation for physical disability require hospitalization or medical observation and that such hospitalization or medical observation cannot be completed with confidence in a manner consistent with the member's well being before the date on which the officer would otherwise be required to retire or be separated under this title, the Secretary may defer the retirement or separation of the officer under this title.

"(b) A deferral of retirement or separation under subsection (a) may not extend for more than 30 days after completion of the evaluation requiring hospitalization or medical observation.".

SEC. 506. AUTHORITY FOR LIMITED EXTENSION ON ACTIVE DUTY OF MEMBERS SUBJECT TO MANDATORY RETIREMENT OR SEPARATION.

(a) SECTION 12305 STOP-LOSS AUTHORITY.—Section 12305 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) Upon the termination of a suspension made under the authority of subsection (a) of a provision of law otherwise requiring the separation or retirement of officers on active duty because of age, length of service or length of service in grade, or failure of selection for promotion, the Secretary concerned shall extend by up to 90 days the otherwise required separation or retirement date of any officer covered by the suspended provision whose separation or retirement date, but for the suspension, would have been before the date of the termination of the suspension or within 90 days of the date of such termination.".

(b) SECTION 123 STOP-LOSS AUTHORITY.—Section 123 of such title is amended by adding at the end the following new subsection:

"(d) Upon the termination of a suspension made under the authority of subsection (a) of a provision of law otherwise requiring the separation or retirement of officers on active duty because of age, length of service or length of service in grade, or failure of selection for promotion, the Secretary concerned shall extend by up to 90 days the otherwise required separation or retirement date of any officer covered by the suspended provision whose separation or retirement date, but for the suspension, would have been before the date of the termination of the suspension or within 90 days of the date of such termination.".

SEC. 507. CLARIFICATION OF DISABILITY SEVERANCE PAY COMPUTATION.

(a) CLARIFICATION.—Section 1212(a)(2) of title 10, United States Code, is amended by striking "for promotion" in subparagraph (C) and the first place it appears in subparagraph (D).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to members separated under section 1203 or 1206 of title 10, United States Code, on or after date of the enactment of this Act.

SEC. 508. OFFICER IN CHARGE OF UNITED STATES NAVY BAND.

(a) DETAIL AND GRADE.—Section 6221 of title 10, United States Code, is amended to read as follows:

§ 6221. United States Navy Band; officer in charge

"(a) There is a Navy band known as the United States Navy Band.

"(b) An officer of the Navy designated for limited duty under section 5589 or 5596 of this title who is serving in a grade not below lieutenant commander may be detailed by the Secretary of the Navy as Officer in Charge of the United States Navy Band. While so serving, an officer so detailed shall hold the grade of captain if recommended by the Secretary of the Navy for appointment to that grade and appointed to that grade by the President, by and with the advice and consent of the Senate. Such an appointment may be made notwithstanding section 5596(d) of this title.".

(b) CLERICAL AMENDMENT.—The item relating to section 6221 in the table of sections at the beginning of chapter 565 of such title is amended to read as follows:

"6221. United States Navy Band; officer in charge.".

SEC. 509. ONE-YEAR EXTENSION OF EXPIRATION DATE FOR CERTAIN FORCE MANAGEMENT AUTHORITIES.

(a) EARLY RETIREMENT AUTHORITY FOR ACTIVE FORCE MEMBERS.—Section 4403(i) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1293 note) is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(b) SSB AND VSI.—Sections 1174a(h)(1) and 1175(d)(3) of title 10, United States Code, are amended by striking "December 31, 2001" and inserting "December 31, 2002".

(c) SELECTIVE EARLY RETIREMENT BOARDS.—Section 638a(a) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(d) TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370 of such title is amended by striking "December 31, 2001" in subsections (a)(2)(A) and (d)(5) and inserting "December 31, 2002".

(e) MINIMUM COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT AS AN OFFICER.—Sections 3911(b), 6323(a)(2), and 8911(b) of such title are amended by striking "December 31, 2001" and inserting "December 31, 2002".

(f) TRAVEL, TRANSPORTATION, AND STORAGE BENEFITS.—Sections 404(c)(1)(C), 404(f)(2)(B)(v), 406(a)(2)(B)(v), and 406(g)(1)(C) of title 37, United States Code, and section 503(c)(1) of the National Defense Authorization Act for Fiscal Year 1991 (37 U.S.C. 406 note) are amended by striking "December 31, 2001" and inserting "December 31, 2002".

(g) EDUCATIONAL LEAVE FOR PUBLIC AND COMMUNITY SERVICE.—Section 4463(f) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143a note) is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(h) TRANSITIONAL HEALTH BENEFITS.—Subsections (a)(1), (c)(1), and (e) of section 1145 of title 10, United States Code, are amended by striking "December 31, 2001" and inserting "December 31, 2002".

(i) TRANSITIONAL COMMISSARY AND EXCHANGE BENEFITS.—Section 1146 of such title is amended by striking "December 31, 2001" both places it appears and inserting "December 31, 2002".

(j) TRANSITIONAL USE OF MILITARY HOUSING.—Paragraphs (1) and (2) of section 1147(a) of such title are amended by striking "December 31, 2001" and inserting "December 31, 2002".

(k) CONTINUED ENROLLMENT OF DEPENDENTS IN DEFENSE DEPENDENTS' EDUCATION SYSTEM.—Section 1407(c)(1) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(c)(1)) is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(l) FORCE REDUCTION TRANSITION PERIOD DEFINED FOR CERTAIN GUARD AND RESERVE BENEFITS.—Section 4411 of the National Defense Authorization Act for Fiscal

Year 1993 (10 U.S.C. 12681 note) is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(m) RETIRED PAY FOR NON-REGULAR SERVICE.—Sections 12731(f) and 12731a(b) of title 10, United States Code, are amended by striking "December 31, 2001" and inserting "December 31, 2002".

(n) AFFILIATION WITH GUARD AND RESERVE UNITS; WAIVER OF CERTAIN LIMITATIONS.—Section 1150(a) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(o) RESERVE MONTGOMERY GI BILL.—Section 16133(b)(1)(B) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

Subtitle B—Reserve Component Personnel Policy

SEC. 511. PLACEMENT ON ACTIVE-DUTY LIST OF CERTAIN RESERVE OFFICERS ON ACTIVE DUTY FOR A PERIOD OF THREE YEARS OR LESS.

(a) CLARIFICATION OF EXEMPTION.—Section 641(1)(D) of title 10, United States Code, is amended to read as follows:

"(D) on active duty under section 12301(d) of this title, other than as provided under subparagraph (C), if the call or order to active duty, under regulations prescribed by the Sec-

retary concerned, specifies a period of three years or less and continued placement on the reserve active-status list;".

(b) RETROACTIVE APPLICATION.—(1) The Secretary of the military department concerned may provide that an officer who was excluded from the active-duty list under section 641(1)(D) of title 10, United States Code, as amended by section 521 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–108), shall be considered to have been on the active-duty list during the period beginning on the date on which the officer was so excluded and ending on the date of the enactment of this Act.

(2) The Secretary of the military department concerned may provide that a Reserve officer who was placed on the active-duty list on or after October 30, 1997, shall be placed on the reserve active-status list if the officer otherwise meets the conditions specified in section 641(1)(D) of title 10, United States Code, as amended by subsection (a).

SEC. 512. EXPANDED APPLICATION OF RESERVE SPECIAL SELECTION BOARDS.

(a) SPECIAL SELECTION BOARD FOR BELOW-THE-ZONE CONSIDERATION.—Section 14502 of title 10, United States Code, is amended—

(1) in subsection (a)(1), by striking "from in or above the promotion zone";

(2) in subsection (a)(3), by inserting "for selection for promotion from in or above the promotion zone" after "for consideration"; and

(3) in subsection (b)(1), by striking "from in or above the promotion zone".

(b) TECHNICAL AMENDMENT.—Subsection (b)(1) of such section is amended by striking "under this chapter by a selection board" and inserting "by a promotion board convened under section 14101(a) of this title".

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any Reserve officer who was not considered for promotion because of administrative error, or was considered for promotion but not selected because of material error, under part III of subtitle E of title 10, United States Code, on or after October 1, 1996.

SEC. 513. EXCEPTION TO BACCALAUREATE DEGREE REQUIREMENT FOR APPOINTMENT OF RESERVE OFFICERS TO GRADES ABOVE FIRST LIEUTENANT.

Section 12205(b) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

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

"(4) The appointment to a grade in the Army Reserve of a person whose original appointment as an officer in the Army Reserve was through the Officer Candidate School program and who immediately before that original appointment was an enlisted member on active duty.".

SEC. 514. IMPROVED DISABILITY BENEFITS FOR CERTAIN RESERVE COMPONENT MEMBERS.

(a) MEDICAL AND DENTAL CARE.—Sections 1074a(a)(3) and 1076(a)(2)(C) of title 10, United States Code, are each amended by striking ", if the" and all that follows through "member's residence".

(b) ELIGIBILITY FOR DISABILITY RETIREMENT OR SEPARATION.—Sections 1204(2)(B)(iii) and 1206(2)(B)(iii) of title 10, United States Code, are each amended by striking ", if the" and all that follows through "member's residence".

(c) RECOVERY, CARE, AND DISPOSITION OF REMAINS.—Section 1481(a)(2)(D) of title 10, United States Code, is amended by striking ", if the site is outside reasonable commuting distance from the member's residence".

(d) PAY.—Sections 204(g)(1)(D), 204(h)(1)(D), and 206(a)(3)(C) of title 37, United States Code, are each

amended by striking ", if the site is outside reasonable commuting distance from the member's residence".

SEC. 515. TIME-IN-GRADE REQUIREMENT FOR RESERVE COMPONENT OFFICERS WITH A NONSERVICE CONNECTED DISABILITY.

Section 1370(d)(3)(B) of title 10, United States Code, is amended to read as follows:

"(B) A person covered by subparagraph (A) who has completed at least six months of satisfactory service in grade may be credited with satisfactory service in the grade in which serving at the time of transfer or discharge, notwithstanding failure of the person to complete three years of service in that grade, if that person—

"(i) is transferred from an active status or discharged as a reserve commissioned officer solely due to the requirements of a nondiscretionary provision of law requiring that transfer or discharge due to the person's age or years of service; or

"(ii) is retired under chapter 1223 of this title because the person no longer meets the qualification for membership in the Ready Reserve solely because of a physical disability, as determined, at a minimum, by a medical evaluation board.".

SEC. 516. RESERVE MEMBERS CONSIDERED TO BE DEPLOYED FOR PURPOSES OF PERSONNEL TEMPO MANAGEMENT.

Section 991(b) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting "active" before "service"; and

(B) by adding at the end the following: "For the purpose of applying the preceding sentence to a member of a reserve component performing active service, the housing in which the member resides when on garrison duty at the member's permanent duty station or homeport, as the case may be, shall be considered to be either the housing the member normally occupies when on garrison duty or the member's permanent civilian residence.";

(2) by striking paragraph (2);

(3) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(4) in paragraph (3) (as so redesignated), by striking "in paragraphs (1) and (2)" and inserting "in paragraph (1)".

SEC. 517. FUNERAL HONORS DUTY PERFORMED BY RESERVE AND GUARD MEMBERS TO BE TREATED AS INACTIVE-DUTY TRAINING FOR CERTAIN PURPOSES.

(a) RESERVE MEMBERS.—Section 12503(a) of title 10, United States Code, is amended by adding at the end the following new sentence: "Performance of funeral honors duty by a Reserve not on active duty shall be treated as inactive-duty training (including with respect to travel to and from such duty) for purposes of any provision of law other than sections 206 and 435 of title 37.".

(b) NATIONAL GUARD MEMBERS.—Section 115(a) of title 32, United States Code, is amended by adding at the end the following new sentence: "Performance of funeral honors duty by such a member not on active duty or full-time National Guard duty shall be treated as inactive-duty training (including with respect to travel to and from such duty) for purposes of any provision of law other than sections 206 and 435 of title 37.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to funeral honors duty performed on or after October 30, 2000.

SEC. 518. MEMBERS OF THE NATIONAL GUARD PERFORMING FUNERAL HONORS DUTY WHILE IN NON-FEDERAL STATUS.

Section 1491(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) A member of the Army National Guard of the United States or the Air National Guard of the United States who serves as a member of a funeral honors detail while in a duty status authorized under State law shall be considered to be a member of the armed forces for the purposes of the first sentence of paragraph (2).".

SEC. 519. USE OF MILITARY LEAVE FOR FUNERAL HONORS DUTY BY RESERVE MEMBERS AND NATIONAL GUARDSMEN.

Section 6323(a)(1) of title 5, United States Code, is amended by inserting "funeral honors duty (as described in section 12503 of title 10 and section 115 of title 32)," after "(as defined in section 101 of title 37),".

Subtitle C—Joint Specialty Officers and Joint Professional Military Education

SEC. 521. NOMINATIONS FOR JOINT SPECIALTY.

Paragraph (2) of section 661(b) of title 10, United States Code, is amended by striking "The Secretaries" and all that follows through "officers—" and inserting "Each officer on the active-duty list on the date of the enactment

of the National Defense Authorization Act for Fiscal Year 2002 who has not before that date been nominated for the joint specialty by the Secretary of a military department, and each officer who is placed on the active-duty list after such date, who meets the requirements of subsection (c) shall automatically be considered to have been nominated for the joint specialty. From among those officers considered to be nominated for the joint specialty, the Secretary may select for the joint specialty only officers—".

SEC. 522. JOINT DUTY CREDIT.

Paragraph (4) of section 664(i) of title 10, United States Code, is amended—

(1) in subparagraph (E), by striking "The" and inserting "Except as provided in subparagraph (F), the"; and

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

"(F) Service in a temporary joint task force assignment not involved in combat or combat-related operations may not be credited for the purposes of joint duty, unless, and only if—

"(i) the service of the officer and the nature of the joint task force not only meet all criteria of this section, except subparagraph (E), but also

any additional criteria the Secretary may establish;

"(ii) the Secretary has specifically approved the operation conducted by the joint task force as one that qualifies for joint service credit, and notifies Congress upon each approval, providing the criteria that led to that approval; and

"(iii) the operation is conducted by the joint task force in an environment where an extremely fragile state of peace and high potential for hostilities coexist.".

SEC. 523. RETROACTIVE JOINT SERVICE CREDIT FOR DUTY IN CERTAIN JOINT TASK FORCES.

(a) AUTHORITY.—In accordance with section 664(i) of title 10, United States Code, as amended by section 522, the Secretary of Defense may award joint service credit to any officer who served on the staff of a United States joint task force headquarters in an operation and during the period set forth in subsection (b) and who meets the criteria specified in such section. To determine which officers qualify for such retroactive credit, the Secretary shall undertake a case-by-case review of the records of officers.

(b) ELIGIBLE OPERATIONS.—Service in the following operations, during the specified periods, may be counted for credit under subsection (a):

(1) Operation Northern Watch, during the period beginning on August 1, 1992, and ending on a date to be determined.

(2) Operation Southern Watch, during the period beginning on August 27, 1992, and ending on a date to be determined.

(3) Operation Able Sentry, during the period beginning on June 26, 1993, and ending on February 28, 1999.

(4) Operation Joint Endeavor, during the period beginning on December 25, 1995, and ending on December 19, 1996.

(5) Operation Joint Guard, during the period beginning on December 20, 1996, and ending on June 20, 1998.

(6) Operation Desert Thunder, beginning on January 24, 1998, and ending on December 15, 1998.

(7) Operation Joint Forge, beginning on June 20, 1998, and ending on June 10, 1999.

(8) Operation Noble Anvil, beginning on March 24, 1999, and ending on July 20, 1999.

(9) Operation Joint Guardian, beginning on June 11, 1999, and ending on a date to be determined.

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report of the numbers, by service, grade, and operation, of the officers given joint service credit in accordance with this section.

SEC. 524. REVISION TO ANNUAL REPORT ON JOINT OFFICER MANAGEMENT.

Section 667 of title 10, United States Code, is amended—

(1) in paragraph (1)—

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

(B) by adding at the end the following new subparagraph:

"(B) The number of officers who meet the criteria for selection for the joint specialty but were not selected, together with the reasons why.";

(2) by amending paragraph (2) to read as follows:

"(2) The number of officers with the joint specialty, shown by grade and branch or specialty and by education.";

(3) in paragraph (3)—

(A) in subparagraph (A) and (B), by striking "nominated" and inserting "selected";

(B) by inserting "and" at the end of subparagraph (D);

(C) by striking subparagraph (E); and

(D) by redesignating subparagraph (F) as subparagraph (E);

(4) in paragraph (4)(A), by striking "nominated" and inserting "selected";

(5) in paragraph (14)—

(A) by inserting "(A)" after "(14)"; and

(B) by adding at the end the following new subparagraph:

"(B) An assessment of the extent to which the Secretary of each military department is assigning personnel to joint duty assignments in accordance with this chapter and the policies, procedures, and practices established by the Secretary of Defense under section 661(a) of this title."; and

(6) in paragraph (16), by striking "section 664(i)" in the matter preceding subparagraph (A) and in subparagraph (B) and inserting "subparagraphs (E) and (F) of section 664(i)(4)".

SEC. 525. REQUIREMENT FOR SELECTION FOR JOINT SPECIALTY BEFORE PROMOTION TO GENERAL OR FLAG OFFICER GRADE.

(a) REQUIREMENT.—Subsection (a) of section 619a of title 10, United States Code, is amended by striking "unless" and all that follows and inserting "unless—

"(1) the officer has completed a full tour of duty in a joint duty assignment (as described in section 664(f) of this title); and

"(2) for appointments after September 30, 2007, the officer has been selected for the joint specialty in accordance with section 661 of this title."

(b) WAIVER AUTHORITY.—Subsection (b) of that section is amended by striking "may waive subsection (a) in the following circumstances:" and inserting "may waive paragraph (1) or paragraph (2) of subsection (a), or both paragraphs (1) and (2) of subsection (a), in the following circumstances (except that paragraph (2) of subsection (a) may not be waived by reason of paragraph (4)):".

(c) PROPOSED LEGISLATIVE CHANGES.—Not later than December 1, 2002, the Secretary of Defense shall submit to Congress a draft proposal for such legislative changes as the Secretary considers needed to implement the amendment made by subsections (a) and (b).

SEC. 526. INDEPENDENT STUDY OF JOINT OFFICER MANAGEMENT AND JOINT PROFESSIONAL MILITARY EDUCATION REFORMS.

(a) STUDY.—The Secretary of Defense shall provide for an independent study of the joint officer management system and the joint professional military education system. The Secretary shall ensure that the entity conducting the study is provided such information and support as required. The Secretary shall include in the contract for the study a requirement that the entity conducting the study submit a report to Congress on the study not later than June 30, 2002.

(b) MATTERS TO BE INCLUDED WITH RESPECT TO JOINT OFFICER MANAGEMENT.—With respect to the joint officer management system, the entity conducting the independent study shall provide for the following:

(1) Assessment of implications for joint officer education, development, and management that would result from proposed joint organizational operational concepts (such as standing joint task forces) and from emerging officer management and personnel reforms (such as longer careers and more stabilization), that are under consideration by the Secretary of Defense.

(2) Assessment of the effectiveness of the current joint officer management system to develop and use joint specialty qualified officers in meeting both cur-

rent and future requirements for joint specialty officers.

(3) Recommendations, based on empirical and other data, to improve the effectiveness of the joint officer management system, especially with regard to the following:

(A) The proper mix and sequencing of education assignments and experience assignments (to include, with respect to both types of assignments, consideration of the type and quality, and the length, of such assignments) to qualify an officer as a joint specialty officer, as well as the implications of adopting a variable joint duty tour length and the advisability and implications of a system of qualifying officers as joint specialty officers that uses multiple shorter qualification tracks to selection as a joint specialty officer than are now codified.

(B) The system of using joint specialty officers, including the continued utility of such measures as—

(i) the required fill of positions on the joint duty assignment list, as specified in paragraphs (1) and (4) of section 661(d) of title 10, United States Code;

(ii) the fill by such officers of a required number of critical billets, as prescribed by section 661(d)(2) of such title;

(iii) the mandated fill by general and flag officers of a minimum number of critical billets, as prescribed by section 661(d)(3) of such title; and

(iv) current promotion policy objectives for officers with the joint specialty, officers serving on the Joint Staff, and officers serving in joint duty assignment list positions, as prescribed by section 662 of such title.

(C) Changes in policy and law required to provide officers the required joint specialty qualification before promotion to general or flag officer grade.

(D) A determination of the number of reserve component officers who would be qualified for designation as a joint specialty officer by reason of experience or education if the standards of existing law, including waiver authorities, were applied to them, and recommendations for a process for qualifying and employing future reserve component officers as joint specialty officers .

(c) MATTERS TO BE INCLUDED WITH RESPECT TO JOINT PROFESSIONAL MILITARY EDUCATION.—With respect to the joint professional military education system, the entity conducting the independent study shall provide for the following:

(1) The number of officers who under the current system (A) qualified as joint specialty officers by attending joint professional military education programs before their first joint duty assignment, (B) qualified as joint specialty officers after arriving at their first joint duty assignment but before completing that assignment, and (C) qualified as joint specialty officers without any joint professional military education.

(2) Recommended initiatives (include changes in officer personnel management law, if necessary) to provide incentives and otherwise facilitate attendance at joint professional military education programs before an officer's first joint duty assignment.

(3) Recommended goals for attendance at the Joint Forces Staff College en route to a first joint duty assignment.

(4) An assessment of the continuing utility of statutory requirements for use of officers following

joint professional military education, as prescribed by section 662(d) of title 10, United States Code.

(5) Determination of whether joint professional military education programs should remain principally an in-resident, multi-service experience and what role non-resident or distributive learning can or should play in future joint professional military education programs.

(6) Examination of options for the length of and increased capacity at Joint Forces Staff College, and whether other in-resident joint professional military education sources should be opened, and if opened, how they might be properly accredited and overseen to provide instruction at the level of the program designated as "joint professional military education".

(d) CHAIRMAN OF JOINT CHIEFS OF STAFF.—With respect to the roles of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the entity conducting the independent study shall—

(1) provide for an evaluation of the current roles of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and joint staff in law, policy, and implementation with regard to establishing and maintaining oversight of joint officer management, career

guidelines, and joint professional military education; and

(2) make recommendations to improve and strengthen those roles.

(e) REQUIREMENTS FOR STUDY ENTITY.—In providing for the independent study required by subsection (a), the Secretary of Defense shall ensure that the entity conducting the study—

(1) is not a Department of Defense organization; and

(2) shall, at a minimum, involve in the study, in an integral way, the following persons:

(A) The Chairman of the Joint Chiefs of Staff and available former Chairmen of the Joint Chiefs of Staff.

(B) Members and former members of the Joint Staff, the Armed Forces, the Congress, and congressional staff who are or who have been significantly involved in the development, implementation, or modification of joint officer management and joint professional military education.

(C) Experts in joint officer management and education from civilian academic and research centers.

SEC. 527. PROFESSIONAL DEVELOPMENT EDUCATION.

(a) EXECUTIVE AGENT FOR FUNDING.—(1) Effective beginning with fiscal year 2003, the Secretary of Defense shall be the executive agent for funding professional development education operations of all components of the National Defense University, including the Joint Forces Staff College. The Secretary may not delegate the Secretary's functions and responsibilities under the preceding sentence to the Secretary of a military department.

(2) Nothing in this subsection affects policies in effect on the date of the enactment of this Act with respect to—

(A) the reporting of the President of the National Defense University to the Chairman of the Joint Chiefs of Staff; or

(B) provision of logistical and base operations support for components of the National Defense University by the military departments.

(b) PREPARATION OF BUDGET REQUESTS.—Section 2162(b) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) As executive agent for funding professional development education at the National Defense University, including the Joint Forces Staff College, the Secretary of De-

fense, with the advice of the Chairman of the Joint Chiefs of Staff, shall prepare the annual budget for professional development education operations at the National Defense University and set forth that request as a separate budget request in the materials submitted to Congress in support of the budget request for the Department of Defense. Nothing in the preceding sentence affects policies in effect on the date of the enactment of this paragraph with respect to budgeting for the funding of logistical and base operations support for components of the National Defense University through the military departments.".

(c) FUNDING SOURCE.—(1) Section 2165 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) SOURCE OF FUNDS FOR PROFESSIONAL DEVELOPMENT EDUCATION OPERATIONS.—Funding for the professional development education operations of the National Defense University shall be provided from funds made available to the Secretary of Defense from the annual appropriation 'Operation and Maintenance, Defense-wide'.".

(2) Subsection (d) of section 2165 of title 10, United States Code, as added by paragraph (1), shall become effective beginning with fiscal year 2003.

SEC. 528. AUTHORITY FOR NATIONAL DEFENSE UNIVERSITY TO ENROLL CERTAIN PRIVATE SECTOR CIVILIANS.

(a) IN GENERAL.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2167. National Defense University: admission of private sector civilians to professional military education program

"(a) AUTHORITY FOR ADMISSION.—The Secretary of Defense may permit eligible private sector employees who work in organizations relevant to national security to receive instruction at the National Defense University in accordance with this section. No more than 10 full-time equivalent private sector employees may be enrolled at any one time. Upon successful completion of the course of instruction in which enrolled, any such private sector employee may be awarded an appropriate diploma or degree under section 2165 of this title.

"(b) ELIGIBLE PRIVATE SECTOR EMPLOYEES.—For purposes of this section, an eligible private sector employee is an individual employed by a private firm that is engaged in providing to the Department of Defense or other Government departments or agencies significant and substantial defense-related systems, products, or services or whose work product is relevant to national security policy or strategy.

A private sector employee admitted for instruction at the National Defense University remains eligible for such instruction only so long as that person remains employed by the same firm.

"(c) ANNUAL CERTIFICATION BY SECRETARY OF DEFENSE.—Private sector employees may receive instruction at the National Defense University during any academic year only if, before the start of that academic year, the Secretary of Defense determines, and certifies to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, that providing instruction to private sector employees under this section during that year will further national security interests of the United States.

"(d) PROGRAM REQUIREMENTS.—The Secretary of Defense shall ensure that—

"(1) the curriculum for the professional military education program in which private sector employees may be enrolled under this section is not readily available through other schools and concentrates on national security relevant issues; and

"(2) the course offerings at the National Defense University continue to be determined solely by the needs of the Department of Defense.

"(e) TUITION.—The President of the National Defense University shall charge students enrolled under this section a rate—

"(1) that is at least the rate charged for employees of the United States outside the Department of Defense, less infrastructure costs, and

"(2) that considers the value to the school and course of the private sector student.

"(f) STANDARDS OF CONDUCT.—While receiving instruction at the National Defense University, students enrolled under this section, to the extent practicable, are subject to the same regulations governing academic performance, attendance, norms of behavior, and enrollment as apply to Government civilian employees receiving instruction at the university.

"(g) USE OF FUNDS.—Amounts received by the National Defense University for instruction of students enrolled under this section shall be retained by the university to defray the costs of such instruction. The source, and the disposition, of such funds shall be specifically identified in records of the university.".

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

"2167. National Defense University: admission of private sector civilians to professional military education program.".

(b) EFFECTIVE DATE.—Section 2167 of title 10, United States Code, as added by subsection (a), shall take effect on January 1, 2002.

SEC. 529. CONTINUATION OF RESERVE COMPONENT PROFESSIONAL MILITARY EDUCATION TEST.

(a) CONTINUATION OF CONCEPT VALIDATION TEST.—During fiscal year 2002, the Secretary of Defense shall continue the concept validation test of Reserve component joint professional military education that was begun in fiscal year 2001 at the National Defense University.

(b) PILOT PROGRAM.—If the Secretary of Defense determines that the results of the concept validation test referred to in subsection (a) warrant conducting a pilot program of the concept that was the subject of the test, the Secretary shall conduct such a pilot program during fiscal year 2003.

(c) FUNDING.—The Secretary shall provide funds for the concept validation test under subsection (a) and for any pilot program under subsection (b) from funds appropriated to the Secretary of Defense in addition those appropriated for operations of the National Defense University.

Subtitle D—Military Education and Training

SEC. 531. DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER.

(a) AUTHORITY TO CONFER ASSOCIATE OF ARTS DEGREE.—Chapter 108 of title 10, United States Code, is amended by adding after section 2167, as added by section 528(a)(1), the following new section:

"§ 2168. Defense Language Institute Foreign Language Center: degree of Associate of Arts in foreign language

"(a) Subject to subsection (b), the Commandant of the Defense Language Institute may confer an Associate of Arts degree in a foreign language upon any graduate of the Foreign Language Center of the Institute who fulfills the requirements for that degree.

"(b) A degree may be conferred upon a student under this section only if the Provost of the Center certifies to the Commandant that the student has satisfied all the requirements prescribed for the degree.

"(c) The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after

the item relating to section 2167, as added by section 528(a)(2), the following new item:

"2168. Defense Language Institute Foreign Language Center: degree of Associate of Arts in foreign language.".

SEC. 532. AUTHORITY FOR THE MARINE CORPS UNIVERSITY TO AWARD DEGREE OF MASTER OF STRATEGIC STUDIES.

(a) MARINE CORPS WAR COLLEGE DEGREE.—Section 7102 of title 10, United States Code, is amended—

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

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

"(b) MARINE CORPS WAR COLLEGE.—Upon the recommendation of the Director and faculty of the Marine Corps War College of the Marine Corps University, the President of the Marine Corps University may confer the degree of master of strategic studies upon graduates of the Marine Corps War College who fulfill the requirements for that degree.".

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of such section is amended by striking "upon graduates" and all that follows and inserting "upon graduates of the Command and Staff College who fulfill the requirements for that degree.".

(2) Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by striking "subsection (a)" and inserting "subsections (a) and (b)".

(3)(A) The heading of such section is amended to read as follows:

"§ 7102. Marine Corps University: masters degrees; board of advisors".

(B) The item relating to such section in the table of sections at the beginning of chapter 609 of such title is amended to read as follows:

"7102. Marine Corps University: masters degrees; board of advisors.".

(c) CODIFICATION OF REQUIREMENT FOR BOARD OF ADVISORS.—(1) Section 7102 of title 10, United States Code, as amended by subsections (a) and (b), is further amended by adding at the end the following new subsection:

"(d) BOARD OF ADVISORS.—The Secretary of the Navy shall establish a board of advisors for the Marine Corps University. The Secretary shall ensure that the board is established so as to meet all requirements of the appropriate regional accrediting association.".

(2) Section 912 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 7102 note) is repealed.

(d) EFFECTIVE DATE.—The authority to confer the degree of master of strategic studies under section 7102(b) of title 10, United States Code (as added by subsection (a))

may not be exercised until the Secretary of Education determines, and certifies to the President of the Marine Corps University, that the requirements established by the Marine Corps War College of the Marine Corps University for that degree are in accordance with generally applicable requirements for a degree of master of arts. Upon receipt of such a certification, the President of the University shall promptly transmit a copy of the certification to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives.

SEC. 533. INCREASE IN NUMBER OF FOREIGN STUDENTS AUTHORIZED TO BE ADMITTED TO THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Subsection (a)(1) of section 4344 of title 10, United States Code, is amended by striking "40 persons" and inserting "60 persons".

(2) Subsection (b) of such section is amended—

(A) by inserting "some or all" in paragraph (2) after "unless a written waiver of"; and

(B) by striking paragraph (3).

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Military Academy to receive instruction under sec-

tion 4344 of title 10, United States Code, before the date of the enactment of this Act.

(b) UNITED STATES NAVAL ACADEMY.—(1) Subsection (a)(1) of section 6957 of title 10, United States Code, is amended by striking "40 persons" and inserting "60 persons".

(2) Subsection (b) of such section is amended—

(A) by inserting "some or all" in paragraph (2) after "unless a written waiver of"; and

(B) by striking paragraph (3).

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Naval Academy to receive instruction under section 6957 of title 10, United States Code, before the date of the enactment of this Act.

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Subsection (a)(1) of section 9344 of title 10, United States Code, is amended by striking "40 persons" and inserting "60 persons".

(2) Subsection (b) of such section is amended—

(A) by inserting "some or all" in paragraph (2) after "unless a written waiver of"; and

(B) by striking paragraph (3).

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United

States Air Force Academy to receive instruction under section 9344 of title 10, United States Code, before the date of the enactment of this Act.

SEC. 534. INCREASE IN MAXIMUM AGE FOR APPOINTMENT AS A CADET OR MIDSHIPMAN IN SENIOR RESERVE OFFICER TRAINING CORPS SCHOLARSHIP PROGRAMS.

(a) GENERAL ROTC SCHOLARSHIP PROGRAM.—Section 2107(a) of title 10, United States Code, is amended—

(1) by striking "27 years of age on June 30" and inserting "35 years of age on December 31"; and

(2) by striking ", except that" and all that follows through "on such date" the second place it appears.

(b) ARMY RESERVE AND ARMY NATIONAL GUARD ROTC SCHOLARSHIP PROGRAM.—Section 2107a(a) of such title is amended—

(1) by striking "27 years of age on June 30" and inserting "35 years of age on December 31"; and

(2) by striking ", except that" and all that follows through "on such date" the second place it appears.

SEC. 535. ACTIVE DUTY PARTICIPATION AS A CADET OR MIDSHIPMAN IN SENIOR ROTC ADVANCED TRAINING.

(a) SENIOR RESERVE OFFICER TRAINING CORPS.—Section 2104(b)(3) of title 10, United States Code, is amended by striking "a reserve component of" ".

(b) BASIC PAY.—Section 209(c) of title 37, United States Code, is amended by inserting "unless the cadet or midshipman is serving on active duty" before the period at the end.

SEC. 536. AUTHORITY TO MODIFY THE SERVICE OBLIGATION OF CERTAIN ROTC CADETS IN MILITARY JUNIOR COLLEGES RECEIVING FINANCIAL ASSISTANCE.

(a) AUTHORITY TO MODIFY AGREEMENTS.—Subsection (b) of section 2107a of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(b)";

(2) by redesignating paragraphs (1), (2), (3), (4), (5), and (6) as subparagraphs (A), (B), (C), (D), (E), and (F), respectively;

(3) by designating the sentence following subparagraph (F), as so redesignated, as paragraph (2); and

(4) by adding at the end the following new paragraph:

"(3) In the case of a cadet under this section at a military junior college, the Secretary may, at any time and with the consent of the cadet concerned, modify an agreement described in paragraph (1)(F) submitted by the cadet to reduce or eliminate the troop program unit service obligation specified in the agreement and to establish, in lieu of that obligation, an active duty service obligation. Such a modification may be made only if the Secretary determines that it is in the best interests of the United States to do so.".

(b) RETROACTIVE APPLICATION.—The authority of the Secretary of Defense under section 2107a(b)(3) of title 10, United States Code, as added by subsection (a), may be exercised with regard to any agreement described in subsection (b)(1)(F) (including agreements related to participation in the Advanced Course of the Army Reserve Officers' Training Corps at a military college or civilian institution) entered into during the period beginning on January 1, 1991 and ending on July 12, 2000.

(c) TECHNICAL AMENDMENT.—Subsection (h) of such section is amended by striking "military college" in the second sentence and inserting "military junior college".

SEC. 537. MODIFICATION OF NURSE OFFICER CANDIDATE ACCESSION PROGRAM RESTRICTION ON STUDENTS ATTENDING EDUCATIONAL INSTITUTIONS WITH SENIOR RESERVE OFFICERS' TRAINING PROGRAMS.

Section 2130a of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking "that does not have a Senior Reserve Officers' Training Program established under section 2102 of this title"; and

(2) in subsection (b)(1), by inserting before the semicolon at the end "or that has a Senior Reserve Officers' Training Program for which the student is ineligible".

SEC. 538. REPEAL OF LIMITATION ON NUMBER OF JUNIOR RESERVE OFFICERS' TRAINING CORPS (JROTC) UNITS.

Section 2031(a)(1) of title 10, United States Code, is amended by striking the second sentence.

SEC. 539. RESERVE HEALTH PROFESSIONALS STIPEND PROGRAM EXPANSION.

(a) PURPOSE OF PROGRAM.—Subsection (a) of section 16201 of title 10, United States Code, is amended—

(1) by striking "specialties critically needed in wartime";

(2) by striking "training in such specialties" and inserting "training that leads to a degree in medicine or dentistry or training in a health professions specialty that is critically needed in wartime"; and

(3) by striking "training in certain health care specialties" and inserting "health care education and training".

(b) MEDICAL AND DENTAL STUDENT STIPEND.—Such section is further amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

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

"(b) MEDICAL AND DENTAL SCHOOL STUDENTS.—(1) Under the stipend program under this chapter, the Secretary of the military department concerned may enter into an agreement with a person who—

"(A) is eligible to be appointed as an officer in a reserve component;

"(B) is enrolled or has been accepted for enrollment in an institution in a course of study that results in a degree in medicine or dentistry;

"(C) signs an agreement that, unless sooner separated, the person will—

"(i) complete the educational phase of the program;

"(ii) accept a reappointment or redesignation within the person's reserve component, if tendered, based upon the person's health profession, following satisfactory completion of the educational and intern programs; and

"(iii) participate in a residency program; and

"(D) if required by regulations prescribed by the Secretary of Defense, agrees to apply for, if eligible, and accept, if offered, residency training in a health profession skill which has been designated by the Secretary of Defense as a critically needed wartime skill.

"(2) Under the agreement—

"(A) the Secretary of the military department concerned shall agree to pay the participant a stipend, in the amount determined under subsection (f), for the period or the remainder of the period the student is satisfactorily progressing toward a degree in medicine or dentistry while enrolled in an accredited medical or dental school;

"(B) the participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Ready Reserve;

"(C) the participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

"(D) the participant shall agree to serve, upon successful completion of the program, one year in the Selected Reserve for each six months, or part thereof, for which the stipend is provided. In the case of a participant who enters into a subsequent agreement under subsection (c) and successfully completes residency training in a specialty designated by the Secretary of Defense as a specialty critically needed by the military department in wartime, the requirement to serve in the Selected Reserve may be reduced to one year for each year, or part thereof, for which the stipend was provided while enrolled in medical or dental school.".

(c) WARTIME CRITICAL SKILLS.—Subsection (c) of such section (as redesignated by subsection (b)(1)) is amended—

(1) by inserting "WARTIME" after "CRITICAL" in the heading; and

(2) by inserting "or has been appointed as a medical or dental officer in the Reserve of the armed force concerned" in paragraph (1)(B) before the semicolon at the end.

(d) SERVICE OBLIGATION REQUIREMENT.—Paragraph (2)(D) of subsection (c) of such section (as redesignated by subsection (b)(1)) and paragraph (2)(D) of subsection (d) of such section (as so redesignated) are amended by striking "two years in the Ready Reserve for each year," and inserting "one year in the Ready Reserve for each six months,".

(e) CROSS-REFERENCE.—Paragraph (2)(A) of subsection (c) of such section (as redesignated by subsection (b)(1)) and paragraph (2)(A) of subsection (d) of such section (as so redesignated) are amended by striking "subsection (e)" and inserting "subsection (f)".

SEC. 540. HOUSING ALLOWANCE FOR THE CHAPLAIN FOR THE CORPS OF CADETS, UNITED STATES MILITARY ACADEMY.

(a) AUTHORITY.—The second sentence of section 4337 of title 10, United States Code, is amended to read as follows: "Notwithstanding any other provision of law, the chaplain is entitled to the same basic allowance for housing

allowed to a lieutenant colonel, and to fuel and light for quarters in kind.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month beginning on or after the date of the enactment of this Act.

Subtitle E—Decorations, Awards, and Commendations

SEC. 541. AUTHORITY FOR AWARD OF THE MEDAL OF HONOR TO HUMBERT R. VERSACE FOR VALOR DURING THE VIETNAM WAR.

(a) WAIVER OF TIME LIMITATION.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the military service, the President may award the Medal of Honor under section 3741 of that title to Humbert R. Versace for the acts of valor referred to in subsection (b).

(b) ACTION DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Humbert R. Versace between October 29, 1963, and September 26, 1965, while interned as a prisoner-of-war by the Vietnamese Communist National Liberation Front (Viet Cong) in the Republic of Vietnam.

SEC. 542. REVIEW REGARDING AWARD OF MEDAL OF HONOR TO CERTAIN JEWISH AMERICAN AND HISPANIC AMERICAN WAR VETERANS.

(a) REVIEW REQUIRED.—The Secretary of each military department shall review the service records of each Jewish American war veteran or Hispanic American war veteran described in subsection (b) to determine whether that veteran should be awarded the Medal of Honor.

(b) COVERED JEWISH AMERICAN WAR VETERANS AND HISPANIC AMERICAN WAR VETERANS.—The Jewish American war veterans and Hispanic American war veterans whose service records are to be reviewed under subsection (a) are the following:

(1) Any Jewish American war veteran or Hispanic American war veteran who was awarded the Distinguished Service Cross, the Navy Cross, or the Air Force Cross before the date of the enactment of this Act.

(2) Any other Jewish American war veteran or Hispanic American war veteran whose name is submitted to the Secretary concerned for such purpose before the end of the one-year period beginning on the date of the enactment of this Act.

(c) CONSULTATIONS.—In carrying out the review under subsection (a), the Secretary of each military department shall consult with the Jewish War Veterans of the

United States of America and with such other veterans service organizations as the Secretary considers appropriate.

(d) RECOMMENDATION BASED ON REVIEW.—If the Secretary concerned determines, based upon the review under subsection (a) of the service records of any Jewish American war veteran or Hispanic American war veteran, that the award of the Medal of Honor to that veteran is warranted, the Secretary shall submit to the President a recommendation that the President award the Medal of Honor to that veteran.

(e) AUTHORITY TO AWARD MEDAL OF HONOR.—A Medal of Honor may be awarded to a Jewish American war veteran or Hispanic American war veteran in accordance with a recommendation of the Secretary concerned under subsection (a).

(f) WAIVER OF TIME LIMITATIONS.—An award of the Medal of Honor may be made under subsection (e) without regard to—

(1) section 3744, 6248, or 8744 of title 10, United States Code, as applicable; and

(2) any regulation or other administrative restriction on—

(A) the time for awarding the Medal of Honor; or

(B) the awarding of the Medal of Honor for service for which a Distinguished Service Cross, Navy Cross, or Air Force Cross has been awarded.

(g) DEFINITION.—For purposes of this section, the term "Jewish American war veteran" means any person who served in the Armed Forces during World War II or a later period of war and who identified himself or herself as Jewish on his or her military personnel records.

SEC. 543. AUTHORITY TO ISSUE DUPLICATE MEDAL OF HONOR.

(a) ARMY.—(1) Chapter 357 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3754. Medal of honor: duplicate medal

"A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Army may determine, as a duplicate or for display purposes only.".

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

"3754. Medal of honor: duplicate medal.".

(b) NAVY.—(1) Chapter 567 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6256. Medal of honor: duplicate medal

"A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Navy may determine, as a duplicate or for display purposes only.".

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

"6256. Medal of honor: duplicate medal.".

(c) AIR FORCE.—(1) Chapter 857 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8754. Medal of honor: duplicate medal

"A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Air Force may determine, as a duplicate or for display purposes only.".

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

"8754. Medal of honor: duplicate medal.".

(d) COAST GUARD.—(1) Chapter 13 of title 14, United States Code, is amended by inserting after section 503 the following new section:

"§ 504. Medal of honor: duplicate medal

"A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary may determine, as a duplicate or for display purposes only.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 503 the following new item:

"504. Medal of honor: duplicate medal.".

(e) DEFINITION OF MEDAL OF HONOR FOR PURPOSES OF FEDERAL UNAUTHORIZED-USE CRIME.—Section 704(b)(2)(B) of title 18, United States Code, is amended to read as follows:

"(B) As used in this subsection, 'Congressional Medal of Honor' means—

"(i) a medal of honor awarded under section 3741, 6241, or 8741 of title 10 or section 491 of title 14;

"(ii) a duplicate medal of honor issued under section 3754, 6256, or 8754 of title 10 or section 504 of title 14; or

"(iii) a replacement of a medal of honor provided under section 3747, 6253, or 8747 of title 10 or section 501 of title 14.".

SEC. 544. AUTHORITY TO REPLACE STOLEN MILITARY DECORATIONS.

(a) ARMY, NAVY, AND AIR FORCE.—Sections 3747, 6253, and 8747 of title 10, United States Code, are each amended by striking "lost or destroyed" and inserting "stolen, lost, or destroyed".

(b) COAST GUARD.—Section 501 of title 14, United States Code, is amended by inserting "stolen," before "lost,".

SEC. 545. WAIVER OF TIME LIMITATIONS FOR AWARD OF NAVY DISTINGUISHED FLYING CROSS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II or Korea (including multiple

awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 31, 2000, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 546. KOREA DEFENSE SERVICE MEDAL.

(a) ARMY.—(1) Chapter 357 of title 10, United States Code, as amended by section 543(a)(1), is further amended by adding at the end the following new section:

"§ 3755. Korea Defense Service Medal

"(a) The Secretary of the Army shall issue a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Army served in the Republic of Korea or the waters adjacent thereto during the KDSM eligibility period and met the service requirements for the award of that medal prescribed under subsection (c).

"(b) In this section, the term 'KDSM eligibility period' means the period beginning on July 28, 1954, and ending on such date after the date of the enactment of this section as may be determined by the Secretary of Defense to be appropriate for terminating eligibility for the Korea Defense Service Medal.

"(c) The Secretary of the Army shall prescribe service requirements for eligibility for the Korea Defense Service Medal. Those requirements shall not be more stringent than the service requirements for award of the Armed Forces Expeditionary Medal for instances in which the award of that medal is authorized.".

(2) The table of sections at the beginning of such chapter, as amended by section 543(a)(2), is further amended by adding at the end the following new item:

"3755. Korea Defense Service Medal.".

(b) NAVY AND MARINE CORPS.—(1) Chapter 567 of title 10, United States Code, as amended by section 543(b)(1), is further amended by adding at the end the following new section:

"§ 6257. Korea Defense Service Medal

"(a) The Secretary of the Navy shall issue a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Navy or Marine Corps served in the Republic of Korea or the waters adjacent thereto during the KDSM eligibility period and met

the service requirements for the award of that medal prescribed under subsection (c).

"(b) In this section, the term 'KDSM eligibility period' means the period beginning on July 28, 1954, and ending on such date after the date of the enactment of this section as may be determined by the Secretary of Defense to be appropriate for terminating eligibility for the Korea Defense Service Medal.

"(c) The Secretary of the Navy shall prescribe service requirements for eligibility for the Korea Defense Service Medal. Those requirements shall not be more stringent than the service requirements for award of the Armed Forces Expeditionary Medal for instances in which the award of that medal is authorized.".

(2) The table of sections at the beginning of such chapter, as amended by section 543(b)(2), is further amended by adding at the end the following new item:

"6257. Korea Defense Service Medal.".

(c) AIR FORCE.—(1) Chapter 857 of title 10, United States Code, as amended by section 543(c)(1), is further amended by adding at the end the following new section:

"§ 8755. Korea Defense Service Medal

"(a) The Secretary of the Air Force shall issue a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Air Force served in the Republic of Korea or the waters adjacent there-

to during the KDSM eligibility period and met the service requirements for the award of that medal prescribed under subsection (c).

"(b) In this section, the term 'KDSM eligibility period' means the period beginning on July 28, 1954, and ending on such date after the date of the enactment of this section as may be determined by the Secretary of Defense to be appropriate for terminating eligibility for the Korea Defense Service Medal.

"(c) The Secretary of the Air Force shall prescribe service requirements for eligibility for the Korea Defense Service Medal. Those requirements shall not be more stringent than the service requirements for award of the Armed Forces Expeditionary Medal for instances in which the award of that medal is authorized.".

(2) The table of sections at the beginning of such chapter, as amended by section 543(c)(2), is further amended by adding at the end the following new item:

"8755. Korea Defense Service Medal.".

(d) AWARD FOR SERVICE BEFORE DATE OF ENACTMENT.—The Secretary of the military department concerned shall take appropriate steps to provide in a timely manner for the issuance of the Korea Defense Service Medal, upon application therefor, to persons whose eligibility for that medal is by reason of service in the Republic of Korea

or the waters adjacent thereto before the date of the enactment of this Act.

SEC. 547. COLD WAR SERVICE MEDAL.

(a) AUTHORITY.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1134. Cold War service medal

"(a) MEDAL AUTHORIZED.—The Secretary concerned shall, upon application, issue the Cold War service medal to a person eligible to receive that medal. The Cold War service medal shall be of an appropriate design approved by the Secretary of Defense, with ribbons, lapel pins, and other appurtenances.

"(b) ELIGIBILITY.—(1) A person is eligible to receive the Cold War service medal if the person—

"(A) served on active duty during the Cold War;

"(B) has not been released from active duty with a characterization of service less favorable than honorable and has not received a discharge less favorable than an honorable discharge; and

"(C) except as provided under paragraph (3), meets the service requirements of paragraph (2).

"(2) The service requirements of this paragraph are—

"(A) in the case of a person who served on active duty during the Cold War as an enlisted member,

that the person have completed that person's initial term of enlistment and after the end of that initial term of enlistment have reenlisted for an additional term of enlistment or have been appointed as an officer; and

"(B) in the case of a person who served on active duty during the Cold War as an officer, that the person have completed that person's initial service obligation as an officer and have served in the armed forces after completing that initial service obligation.

"(3) The Secretary concerned, under regulations prescribed under this section, may waive the service requirements of paragraph (2)—

"(A) in the case of any person discharged or released from active duty for a disability incurred or aggravated in line of duty;

"(B) in the case of any person discharged for hardship under section 1173 of this title; and

"(C) under any other circumstance for which the Secretary determines that such a waiver is warranted.

"(c) ONE AWARD AUTHORIZED.—Not more than one Cold War service medal may be issued to any person.

"(d) ISSUANCE TO REPRESENTATIVE OF DECEASED.—If a person who is eligible for the Cold War service medal

dies before being issued that medal, the medal may, upon application, be issued to the person's representative, as designated by the Secretary concerned.

"(e) REPLACEMENT.—Under regulations prescribed by the Secretary concerned, a Cold War service medal that is lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was issued may be replaced without charge.

"(f) UNIFORM REGULATIONS.—The Secretary of Defense shall ensure that regulations prescribed by the Secretaries of the military departments under this section are uniform so far as is practicable.

"(g) COLD WAR DEFINED.—In this section, the term 'Cold War' means the period beginning on September 2, 1945, and ending at the end of December 26, 1991.".

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

"1134. Cold War service medal.".

SEC. 548. OPTION TO CONVERT AWARD OF ARMED FORCES EXPEDITIONARY MEDAL AWARDED FOR OPERATION FREQUENT WIND TO VIETNAM SERVICE MEDAL.

(a) IN GENERAL.—The Secretary of the military department concerned shall, upon the application of an individual who is an eligible Vietnam evacuation veteran,

award that individual the Vietnam Service Medal, notwithstanding any otherwise applicable requirements for the award of that medal. Any such award shall be made in lieu of the Armed Forces Expeditionary Medal awarded the individual for participation in Operation Frequent Wind.

(b) ELIGIBLE VIETNAM EVACUATION VETERAN.—For purposes of this section, the term "eligible Vietnam evacuation veteran" means a member or former member of the Armed Forces who was awarded the Armed Forces Expeditionary Medal for participation in military operations designated as Operation Frequent Wind arising from the evacuation of Vietnam on April 29 and 30, 1975.

Subtitle F—Matters Relating to Voting

SEC. 551. VOTING ASSESSMENTS AND ASSISTANCE FOR MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1566. Voting assistance: compliance assessments and assistance

"(a) INSPECTOR GENERAL ASSESSMENTS.—(1) The Department of Defense Inspector General shall each calendar year conduct a random and unannounced assessment

at a minimum of 15 Department of Defense installations of the compliance at those installations with—

"(A) the requirements of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.);

"(B) Department of Defense regulations regarding that Act and the Federal Voting Assistance Program carried out under that Act; and

"(C) other requirements of law regarding voting by members of the armed forces.

"(2) Each assessment under paragraph (1) shall include a review of such compliance—

"(A) within units to which are assigned, in the aggregate, not less than 20 percent of the personnel assigned to duty at that installation;

"(B) within a representative survey of members of the armed forces assigned to that installation and their dependents; and

"(C) within unit voting assistance officers to measure program effectiveness.

"(b) REGULAR MILITARY DEPARTMENT ASSESSMENTS.—The Secretary of each military department shall include in the set of issues and programs to be reviewed during any management effectiveness review or inspection an assessment of compliance with the Uniformed and Over-

seas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.) and with Department of Defense regulations regarding the Federal Voting Assistance Program.

"(c) VOTING ASSISTANCE OFFICERS.—Voting assistance officers appointed or assigned under Department of Defense regulations regarding the Federal Voting Assistance Program shall be appointed or assigned with the expectation of serving in that capacity for a minimum of 30 months. A member of the armed forces assigned to such a position may not be assigned other duties that would not be considered part of the member's primary military duties, except when a unit commander determines that insufficient personnel are available to fulfill all additional duty requirements. Performance evaluation reports pertaining to a member who has been assigned to serve as a voting assistance officer shall comment on the performance of the member as a voting assistance officer.

"(d) DELIVERY OF MAIL FROM OVERSEAS PRECEDING FEDERAL ELECTIONS.—(1) During the four months preceding a general Federal election month, the Secretary of Defense shall periodically conduct surveys of all overseas locations and vessels at sea with military units responsible for collecting mail for return shipment to the United States and all port facilities in the United States and overseas where military-related mail is collected for shipment to

overseas locations or to the United States. The purpose of each survey shall be to determine if voting materials are awaiting shipment at any such location and, if so, the length of time that such materials have been held at that location. During the fourth and third months before a general Federal election month, such surveys shall be conducted biweekly. During the second and first months before a general Federal election month, such surveys shall be conducted weekly.

"(2) The Secretary shall ensure that voting materials are transmitted expeditiously by military postal authorities at all times.

"(3) In this section, the term 'general Federal election month' means November in an even-numbered year.".

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

"1566. Voting assistance: compliance assessments and assistance.".

SEC. 552. ELECTRONIC VOTING DEMONSTRATION PROJECT.

(a) DEMONSTRATION PROJECT.—The Secretary of Defense shall carry out a demonstration project to examine voting in Federal elections by absent uniformed services voters through a long-distance electronic voting system. The demonstration project shall be carried out for voting in the regularly scheduled general election for Federal office in November 2002. Under the demonstration project, absent uni-

formed services voters participating in the project shall be provided a means, with the cooperation and assistance of State election officials of States that agree to participate in the project, to cast their ballots in that election through a long-distance electronic voting method.

(b) SCOPE OF PROJECT.—The Secretary shall determine the scope of the demonstration project under this section, including the absent uniformed services voters authorized to participate in the project. The project shall be carried out with participation of sufficient numbers of absent uniformed services voters so that the results are statistically relevant.

(c) COORDINATION WITH STATE ELECTION OFFICIALS.—The Secretary shall carry out the demonstration project under this section through cooperative agreements with State election officials of States that agree to participate in the project.

(d) REPORT TO CONGRESS.—Not later than June 1, 2003, the Secretary shall submit to Congress a report analyzing the demonstration project conducted under this section. The Secretary shall include in the report any recommendations the Secretary considers appropriate for continuing the project on an expanded basis during the next regularly scheduled general election for Federal office.

(e) ABSENT UNIFORMED SERVICES VOTER DEFINED.—In this section, the term "absent uniformed services voter" has the meaning given that term in section 107(1) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6(1)).

Subtitle G—Matters Relating to Military Spouses and Family Members

SEC. 561. IMPROVED FINANCIAL AND OTHER ASSISTANCE TO MILITARY SPOUSES FOR JOB TRAINING AND EDUCATION.

(a) EXAMINATION OF EXISTING EMPLOYMENT ASSISTANCE PROGRAMS.—(1) The Secretary of Defense shall examine existing Department of Defense and other Federal, State, and nongovernmental programs with the objective of improving retention of military personnel by increasing the employability of military spouses and assisting those spouses in gaining access to financial and other assistance for job training and education.

(2) In conducting the examination, the Secretary shall give priority to facilitating and increasing access of military spouses to existing Department of Defense, Federal, State, and nongovernmental sources for the types of financial assistance set forth in paragraph (3), but shall also specifically assess whether the Department of Defense should

begin a program for direct financial assistance to military spouses for some or all of those types of assistance and whether such a program of direct financial assistance would enhance retention.

(3) In conducting the examination pursuant to paragraph (1), the Secretary should focus on financial assistance for military spouses for one or more of the following purposes:

(A) Career-related education.

(B) Certification and license fees for employment-related purposes.

(C) Apprenticeships and internships.

(D) Technical training.

(E) Training to improve job skills.

(F) Career counseling.

(G) Skills assessment.

(H) Job-search skills.

(I) Job-related transportation.

(J) Child care.

(K) Any additional employment-related purpose specified by the Secretary for the purposes of the examination under paragraph (1).

(4) Not later than March 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the

House of Representatives a report on the results of the examination under paragraph (1).

(b) REVIEW OF DEPARTMENT OF DEFENSE POLICIES.—(1) The Secretary of Defense shall review Department of Defense policies that affect employment and education opportunities for military spouses in the Department of Defense in order to further expand those opportunities. The review shall include the consideration of providing, to the extent authorized by law, separate spouse preferences for employment by appropriated and nonappropriated fund operations.

(2) Not later than March 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the results of the review under paragraph (1).

(c) SPOUSE EMPLOYMENT ASSISTANCE.—Section 1784 of title 10, United States Code, is amended by adding at the end the following new subsections:

"(d) SPACE-AVAILABLE USE OF FACILITIES FOR SPOUSE TRAINING PURPOSES.—Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may make available to a non-Department of Defense entity space in non-excess facilities controlled by that Secretary for the purpose of the non-Department of De-

fense entity providing employment-related training for military spouses.

"(e) EMPLOYMENT BY OTHER FEDERAL AGENCIES.—The Secretary of Defense shall work with the Director of the Office of Personnel Management and the heads of other Federal departments and agencies to expand and facilitate the use of existing Federal programs and resources in support of military spouse employment.

"(f) PRIVATE-SECTOR EMPLOYMENT.—The Secretary of Defense—

"(1) shall seek to develop partnerships with firms in the private sector to enhance employment opportunities for spouses of members of the armed forces and to provide for improved job portability for such spouses, especially in the case of the spouse of a member of the armed forces accompanying the member to a new geographical area because of a change of permanent duty station of the member; and

"(2) shall work with the United States Chamber of Commerce and other appropriate private-sector entities to facilitate the formation of such partnerships.

"(g) EMPLOYMENT WITH DOD CONTRACTORS.—The Secretary of Defense shall examine and seek ways for incorporating hiring preferences for qualified spouses of members

of the armed forces into contracts between the Department of Defense and private-sector entities.".

SEC. 562. AUTHORITY TO CONDUCT SURVEYS OF DEPENDENTS AND SURVIVORS OF MILITARY RETIREES.

(a) EXTENSION OF SURVEY AUTHORITY.—Subsection (a) of section 1782 of title 10, United States Code, is amended to read as follows:

"(a) AUTHORITY.—The Secretary of Defense, in order to determine the effectiveness of Federal programs relating to military families and the need for new programs, may conduct surveys of—

"(1) members of the armed forces who are on active duty, in an active status, or retired;

"(2) family members of such members; and

"(3) survivors of retired members.".

(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking "family members" and all that follows through "armed forces" the second place it appears and inserting "persons covered by subsection (a)".

SEC. 563. CLARIFICATION OF TREATMENT OF CLASSIFIED INFORMATION CONCERNING PERSONS IN A MISSING STATUS.

Section 1506(b)(2) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking the period at the end and inserting "of all missing persons from the conflict or period of war to which the classified information pertains."; and

(3) by adding at the end the following new subparagraph:

"(B) For purposes of subparagraph (A), information shall be considered to be made reasonably available if placed in a separate and distinct file that is available for review by persons specified in subparagraph (A) upon the request of any such person either to review the separate file or to review the personnel file of the missing person concerned.".

SEC. 564. TRANSPORTATION TO ANNUAL MEETING OF NEXT-OF-KIN OF PERSONS UNACCOUNTED FOR FROM CONFLICTS AFTER WORLD WAR II.

(a) IN GENERAL.—(1) Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2647. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II

"The Secretary of Defense may provide transportation for the next-of-kin of persons who are unaccounted for from the Korean conflict, the Cold War, Vietnam War era, or

the Persian Gulf War to and from an annual meeting in the United States. Such transportation shall be provided under such regulations as the Secretary of Defense may prescribe.".

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

"2647. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.".

(b) EFFECTIVE DATE.—Section 2647 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 565. AMENDMENTS TO CHARTER OF DEFENSE TASK FORCE ON DOMESTIC VIOLENCE.

(a) MEMBERS APPOINTED FROM PRIVATE SECTOR.—Subsection (h)(1) of section 591 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 639; 10 U.S.C. 1562 note) is amended—

(1) by inserting "who is a member of the Armed Forces or civilian officer or employee of the United States" after "Each member of the task force";

(2) by striking ", but shall" and all that follows and inserting a period; and

(3) by adding at the end the following new sentence: "Other members of the task force shall be ap-

pointed in accordance with, and subject to, section 3161 of title 5, United States Code.".

(b) EXTENSION OF TERMINATION DATE.—Subsection (j) of such section is amended by striking "three years after the date of the enactment of this Act" and inserting "on April 24, 2003".

Subtitle H—Military Justice and Legal Matters

SEC. 571. REQUIREMENT THAT COURTS-MARTIAL CONSIST OF NOT LESS THAN 12 MEMBERS IN CAPITAL CASES.

(a) CLASSIFICATION OF GENERAL COURT-MARTIAL IN CAPITAL CASES.—Section 816(1)(A) of title 10, United States Code (article 16(1)(A) of the Uniform Code of Military Justice) is amended by inserting after "five members" the following: "or, in a case in which the accused may be sentenced to a penalty of death, the number of members determined under section 825a of this title (article 25a)".

(b) NUMBER OF MEMBERS REQUIRED.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 825 (article 25) the following new section:

"§ 825a. Art. 25a. Number of members in capital cases

"In a case in which the accused may be sentenced to a penalty of death, the number of members shall be not less

than 12, unless 12 members are not reasonably available because of physical conditions or military exigencies, in which case the convening authority shall specify a lesser number of members not less than five, and the court may be assembled and the trial held with not less than the number of members so specified. In such a case, the convening authority shall make a detailed written statement, to be appended to the record, stating why a greater number of members were not reasonably available.".

(2) The table of sections at the beginning of subchapter V of such chapter is amended by inserting after the item relating to section 825 (article 25) the following new item:

"825a. 25a. Number of members in capital cases.".

(c) ABSENT AND ADDITIONAL MEMBERS.—Section 829(b) of such title (article 29 of the Uniform Code of Military Justice) is amended—

(1) by inserting "(1)" after "(b)";

(2) by striking "five members" both places it appears and inserting "the applicable minimum number of members"; and

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

"(2) In this section, the term 'applicable minimum number of members' means five members or, in a case in which the death penalty may be adjudged, the number of

members determined under section 825a of this title (article 25a).".

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to offenses committed after the date of the enactment of this Act.

SEC. 572. RIGHT OF CONVICTED ACCUSED TO REQUEST SENTENCING BY MILITARY JUDGE.

(a) SENTENCING BY JUDGE.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 852 (article 52) the following new section:

"§ 852a. Art. 52a. Right of accused to request sentencing by military judge rather than by members

"(a) In the case of an accused convicted of an offense by a court-martial composed of a military judge and members, the sentence shall be tried before and adjudged by the military judge rather than the members if, after the findings are announced and before evidence in the sentencing proceeding is introduced, the accused, knowing the identity of the military judge and after consultation with defense counsel, requests orally on the record or in writing that the sentence be tried before and adjudged by the military judge rather than the members.

"(b) This section shall not apply with respect to an offense for which the death penalty may be adjudged unless the case has been previously referred to trial as a noncapital case.".

(2) The table of sections at the beginning of subchapter VII of such chapter is amended by inserting after the item relating to section 852 (article 52) the following new item:

"852a. 52a. Right of accused to request sentencing by military judge rather than by members.".

(b) EFFECTIVE DATE.—Section 852a of title 10, United States Code (article 52a of the Uniform Code of Military Justice), as added by subsection (a), shall apply with respect to offenses committed after the date of the enactment of this Act.

SEC. 573. CODIFICATION OF REQUIREMENT FOR REGULATIONS FOR DELIVERY OF MILITARY PERSONNEL TO CIVIL AUTHORITIES WHEN CHARGED WITH CERTAIN OFFENSES

(a) CODIFICATION OF EXISTING PROVISIONS.—Section 814 of title 10, United States Code (article 14 of the Uniform Code of Military Justice), is amended by adding at the end the following new subsection:

"(c) The Secretary of Defense shall ensure that the Secretaries of the military departments prescribe regulations under subsection (a) and that those regulations are uniform

throughout the armed forces under the jurisdiction of the Secretary of Defense. Those regulations shall—

"(1) specifically provide for the delivery to the appropriate civil authority for trial, in any appropriate case, of a member accused by civil authority of parental kidnapping or a similar offense, including criminal contempt arising from any such offense or from child custody matters; and

"(2) specifically address the special needs for the exercise of the authority contained in this section (article) in a case in which a member of the armed forces assigned overseas is accused of an offense by civil authority.".

(b) REPEAL OF CODIFIED PROVISIONS.—Section 721 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 10 U.S.C. 814 note), is repealed.

SEC. 574. AUTHORITY TO ACCEPT VOLUNTARY LEGAL SERVICES FOR MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—Subsection (a) of section 1588 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) Voluntary legal assistance services under section 1044 of this title.".

(b) APPLICABLE FEDERAL LAWS.—Subsection (d)(1) of such section is amended by adding at the end the following new subparagraph:

"(E) Section 1054 of this title (relating to defense of certain suits arising out of legal malpractice), in the case of persons providing voluntary legal assistance services under subsection (a)(5).".

Subtitle I—Other Matters

SEC. 581. SHIPMENT OF PRIVATELY OWNED VEHICLES WHEN MAKING PERMANENT CHANGE OF STATION MOVES WITHIN UNITED STATES.

Section 2634(h)(1) of title 10, United States Code, is amended by inserting "or when the Secretary concerned determines that the transport of a vehicle upon such a transfer is advantageous and cost-effective to the United States" before the period at the end.

SEC. 582. PAYMENT OF VEHICLE STORAGE COSTS IN ADVANCE.

Section 2634(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) Storage costs payable under this subsection may be paid in advance.".

SEC. 583. PERMANENT AUTHORITY FOR USE OF MILITARY RECRUITING FUNDS FOR CERTAIN EXPENSES AT DEPARTMENT OF DEFENSE RECRUITING FUNCTIONS.

(a) REPEAL OF TERMINATION PROVISION.—Section 520c of title 10, United States Code, is amended by striking subsection (c).

(b) TECHNICAL AMENDMENTS.—Subsection (a) of such section is amended—

(1) in paragraph (4), by striking "recruiting events" and inserting "recruiting functions"; and

(2) in paragraph (5), by striking "recruiting efforts" the first place it appears and inserting "recruiting functions".

SEC. 584. CLARIFICATION OF MILITARY RECRUITER ACCESS TO SECONDARY SCHOOL DIRECTORY INFORMATION ABOUT STUDENTS.

Section 503(c)(1) of title 10, United States Code, is amended by striking "purposes," and all that follows and inserting the following: "purposes—

"(A) the same access to secondary school students as is provided generally to post-secondary educational institutions or to prospective employers of those students; and

"(B) the same access to directory information concerning those students as is provided to a post-sec-

ondary educational institution upon an indication by a secondary school student that the student seeks to enroll or intends to enroll at that institution.".

SEC. 585. REPEAL OF REQUIREMENT FOR FINAL COMPTROLLER GENERAL REPORT RELATING TO ARMY END STRENGTH ALLOCATIONS.

Section 552 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 319; 10 U.S.C. 115 note) is repealed.

SEC. 586. POSTHUMOUS ARMY COMMISSION IN THE GRADE OF CAPTAIN IN THE CHAPLAINS CORPS TO ELLA E. GIBSON FOR SERVICE AS CHAPLAIN OF THE FIRST WISCONSIN HEAVY ARTILLERY REGIMENT DURING THE CIVIL WAR.

The President is authorized and requested to posthumously appoint Ella E. Gibson to the grade of captain in the Chaplains Corps of the Army, the commission to issue as of the date of her appointment as chaplain to the First Wisconsin Heavy Artillery regiment during the Civil War and to be considered to have been in effect during the time during which she faithfully performed the services of a chaplain to that regiment and for which Congress by law (Private Resolution 31 of the 40th Congress, approved March 3, 1869) previously provided for her to be paid the full pay and emoluments of a chaplain in the United States

Army as if she had been regularly commissioned and mustered into service.

SEC. 587. NATIONAL GUARD CHALLENGE PROGRAM.

(a) TERMINATION OF LIMITATION ON FEDERAL EXPENDITURES.—Subsection (b)(2)(A) of section 509 of title 32, United States Code, is amended by striking "in a fiscal year" and inserting "in fiscal year 2001 or 2002".

(b) MATCHING FUNDS REQUIREMENTS.—Subsection (d) of such section is amended by striking paragraphs (1) through (4) and inserting the following new paragraphs:

"(1) for fiscal years 2001 and 2002, 60 percent of the costs of operating the State program during that fiscal year; and

"(2) for fiscal year 2003 and each subsequent fiscal year, 75 percent of the costs of operating the State program during that fiscal year.".

(c) REPEAL OF CONTINGENT FUNDING FOR JROTC.—(1) Section 2033 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 102 of such title is amended by striking the item relating to section 2033.

(3) The amendments made by this subsection shall take effect on October 1, 2002.

SEC. 588. PAYMENT OF FEHBP PREMIUMS FOR CERTAIN RESERVISTS CALLED TO ACTIVE DUTY IN SUPPORT OF CONTINGENCY OPERATIONS.

(a) IN GENERAL.—Subsection (e) of section 8906 of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(3)(A) An employing agency may pay both the employee and Government contributions, and any additional administrative expenses otherwise chargeable to the employee, with respect to health care coverage for an employee described in subparagraph (B) and the family of such employee.

"(B) An employee referred to in subparagraph (A) is an employee who—

"(i) is enrolled in a health benefits plan under this chapter;

"(ii) is a member of a reserve component of the armed forces;

"(iii) is called or ordered to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10);

"(iv) is placed on leave without pay or separated from service to perform active duty; and

"(v) serves on active duty for a period of more than 30 consecutive days.

"(C) Notwithstanding the one-year limitation on coverage described in paragraph (1)(A), payment may be made under this paragraph for a period not to exceed 18 months.".

(b) CONFORMING AMENDMENT.—The matter preceding paragraph (1) in subsection (f) of such section is amended to read as follows:

"(f) The Government contribution, and any additional payments under subsection (e)(3)(A), for health benefits for an employee shall be paid—".

(c) APPLICABILITY.—The amendments made by this section apply with respect to employees called to active duty on or after December 8, 1995, and an agency may make retroactive payments to such employees for premiums paid on or after such date.

SEC. 589. 18–MONTH ENLISTMENT PILOT PROGRAM.

(a) IN GENERAL.—(1) Chapter 333 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3264. 18–month enlistment pilot program

"(a) During the pilot program period, the Secretary of the Army shall carry out a pilot program with the objective of increasing participation of prior service persons in the Selected Reserve and providing assistance in building the pool of participants in the Individual Ready Reserve.

"(b) Under the program, the Secretary may, notwithstanding section 505(c) of this title, accept persons for original enlistment in the Army for a term of enlistment consisting of 18 months service on active duty, to be followed by three years of service in the Selected Reserve and then service in the Individual Ready Reserve to complete the military service obligation.

"(c) No more than 10,000 persons may be accepted for enlistment in the Army through the program under this section.

"(d) A person enlisting in the Army through the program under this section is eligible for an enlistment bonus under section 309 of title 37, notwithstanding the enlistment time period specified in subsection (a) of that section.

"(e) For purposes of the program under this section, the pilot program period is the period beginning on October 1, 2003, and ending on December 31, 2007.

"(f) Not later than December 31, 2007, and December 31, 2012, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the program under this section. In each such report, the Secretary shall set forth the views of the Secretary on the success of the program in meeting the objectives stated in subsection (a) and whether the program

should be continued and, if so, whether it should be modified or expanded.".

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

"3264. 18–month enlistment pilot program.".

(b) IMPLEMENTATION REPORT.—The Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the Secretary's plan for implementation of section 3264 of title 10, United States Code, as added by subsection (a). Such report shall be submitted not later than March 1, 2002.

SEC. 590. PER DIEM ALLOWANCE FOR LENGTHY OR NUMEROUS DEPLOYMENTS.

(a) FUNDING SOURCE FOR ALLOWANCE.—Section 436(a) of title 37, United States Code, is amended by adding at the end the following new sentence: "The Secretary shall pay the allowance from appropriations available for operation and maintenance for the armed force in which the member serves.".

(b) EXPANDED REPORT REGARDING MANAGEMENT OF INDIVIDUAL MEMBER DEPLOYMENTS.—Section 574(d) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–138) is amended in the second sentence

by striking paragraphs (1) and (2) and inserting the following new paragraphs:

"(1) a discussion of the experience in tracking and recording the deployments of members of the Armed Forces and the payment of the per diem allowance for lengthy or numerous deployments in accordance with section 436 of title 37, United States Code;

"(2) specific comments regarding the effect of section 991 of title 10, United States Code, and section 436 of title 37, United States Code, on the readiness of the Navy and Marine Corps given the deployment intensive mission of these services; and

"(3) any recommendations for revision of section 991 of title 10, United States Code, or section 436 of title 37, United States Code, that the Secretary considers appropriate.".

SEC. 591. CONGRESSIONAL REVIEW PERIOD FOR CHANGE IN GROUND COMBAT EXCLUSION POLICY.

Section 542(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 113 note) is amended—

(1) in paragraph (1)—

(A) by striking "not less than 90 days"; and

(B) by adding at the end the following new sentence: "Such a change may then be implemented only after the end of a period of 60 days of continuous session of Congress (excluding any day on which either House of Congress is not in session) following the date on which the report is received."; and

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

"(5) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2002.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2002 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 2002, the rates of monthly basic pay for members of the uniformed services within each pay grade are as follows:

COMMISSIONED OFFICERS [1]

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	7,180.20	7,415.40	7,571.10	7,614.90	7,809.30
O–7	5,966.40	6,371.70	6,371.70	6,418.20	6,657.90
O–6	4,422.00	4,857.90	5,176.80	5,176.80	5,196.60
O–5	3,537.00	4,152.60	4,440.30	4,494.30	4,673.10
O–4	3,023.70	3,681.90	3,927.60	3,982.50	4,210.50
O–3 [3]	2,796.60	3,170.40	3,421.80	3,698.70	3,875.70
O–2 [3]	2,416.20	2,751.90	3,169.50	3,276.30	3,344.10
O–1 [3]	2,097.60	2,183.10	2,638.50	2,638.50	2,638.50
	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	8,135.10	8,210.70	8,519.70	8,608.50	8,874.30
O–7	6,840.30	7,051.20	7,261.80	7,472.70	8,135.10
O–6	5,418.90	5,448.60	5,448.60	5,628.60	6,305.70
O–5	4,673.10	4,813.50	5,073.30	5,413.50	5,755.80
O–4	4,395.90	4,696.20	4,930.20	5,092.50	5,255.70
O–3 [3]	4,070.10	4,232.40	4,441.20	4,549.50	4,549.50
O–2 [3]	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
O–1 [3]	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50
	Over 18	Over 20	Over 22	Over 24	Over 26
O–10 [2]	$0.00	11,601.90	11,659.20	11,901.30	12,324.00
O–9	0.00	10,147.50	10,293.60	10,504.80	10,873.80
O–8	9,259.50	9,614.70	9,852.00	9,852.00	9,852.00
O–7	8,694.90	8,694.90	8,694.90	8,694.90	8,738.70
O–6	6,627.00	6,948.30	7,131.00	7,316.10	7,675.20
O–5	5,919.00	6,079.80	6,262.80	6,262.80	6,262.80
O–4	5,310.60	5,310.60	5,310.60	5,310.60	5,310.60
O–3 [3]	4,549.50	4,549.50	4,549.50	4,549.50	4,549.50
O–2 [3]	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
O–1 [3]	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50

[1] *Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades 0–7 through O–10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.*

[2] *Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is $13,598.10, regardless of cumulative years of service computed under section 205 of title 37, United States Code.*

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

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	3,698.70	3,875.70
O–2E	0.00	0.00	0.00	3,276.30	3,344.10
O–1E	0.00	0.00	0.00	2,638.50	2,818.20
	Over 8	Over 10	Over 12	Over 14	Over 16
O–3E	4,070.10	4,232.40	4,441.20	4,617.00	4,717.50
O–2E	3,450.30	3,630.00	3,768.90	3,872.40	3,872.40

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–1E	2,922.30	3,028.50	3,133.20	3,276.30	3,276.30
	Over 18	Over 20	Over 22	Over 24	Over 26
O–3E	4,855.20	4,855.20	4,855.20	4,855.20	4,855.20
O–2E	3,872.40	3,872.40	3,872.40	3,872.40	3,872.40
O–1E	3,276.30	3,276.30	3,276.30	3,276.30	3,276.30

WARRANT OFFICERS [1]

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 ...	2,889.60	3,108.60	3,198.00	3,285.90	3,437.10
W–3 ...	2,638.80	2,862.00	2,862.00	2,898.90	3,017.40
W–2 ...	2,321.40	2,454.00	2,569.80	2,654.10	2,726.40
W–1 ...	2,049.90	2,217.60	2,330.10	2,402.70	2,511.90
	Over 8	Over 10	Over 12	Over 14	Over 16
W–5 ...	$0.00	$0.00	$0.00	$0.00	$0.00
W–4 ...	3,586.50	3,737.70	3,885.30	4,038.00	4,184.40
W–3 ...	3,152.40	3,330.90	3,439.50	3,558.30	3,693.90
W–2 ...	2,875.20	2,984.40	3,093.90	3,200.40	3,318.00
W–1 ...	2,624.70	2,737.80	2,850.00	2,963.70	3,077.10
	Over 18	Over 20	Over 22	Over 24	Over 26
W–5 ...	$0.00	4,965.60	5,136.00	5,307.00	5,478.60
W–4 ...	4,334.40	4,480.80	4,632.60	4,782.00	4,935.30
W–3 ...	3,828.60	3,963.60	4,098.30	4,233.30	4,368.90
W–2 ...	3,438.90	3,559.80	3,680.10	3,801.30	3,801.30
W–1 ...	3,189.90	3,275.10	3,275.10	3,275.10	3,275.10

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

ENLISTED MEMBERS [1]

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	1,986.90	2,169.00	2,251.50	2,332.50	2,417.40
E–6	1,701.00	1,870.80	1,953.60	2,033.70	2,117.40
E–5	1,561.50	1,665.30	1,745.70	1,828.50	1,912.80
E–4	1,443.60	1,517.70	1,599.60	1,680.30	1,752.30
E–3	1,303.50	1,385.40	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	[3] 1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 8	Over 10	Over 12	Over 14	Over 16
E–9 [2]	$0.00	$3,423.90	3,501.30	3,599.40	3,714.60
E–8	2,858.10	2,940.60	3,017.70	3,110.10	3,210.30
E–7	2,562.90	2,645.10	2,726.40	2,808.00	2,892.60
E–6	2,254.50	2,337.30	2,417.40	2,499.30	2,558.10
E–5	2,030.10	2,110.20	2,193.30	2,193.30	2,193.30
E–4	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E–3	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 18	Over 20	Over 22	Over 24	Over 26
E–9 [2]	$3,830.40	3,944.10	4,098.30	4,251.30	4,467.00
E–8	3,314.70	3,420.30	3,573.00	3,724.80	3,937.80
E–7	2,975.10	3,057.30	3,200.40	3,292.80	3,526.80
E–6	2,602.80	2,602.80	2,602.80	2,602.80	2,602.80
E–5	2,193.30	2,193.30	2,193.30	2,193.30	2,193.30
E–4	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E–3	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50

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

[2] *Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is $5,382.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.*

[3] *In the case of members in pay grade E–1 who have served less than 4 months on active duty, the rate of basic pay is $1,022.70.*

1 ***SEC. 602. BASIC PAY RATE FOR CERTAIN RESERVE COMMIS-***
2 ***SIONED OFFICERS WITH PRIOR SERVICE AS***
3 ***AN ENLISTED MEMBER OR WARRANT OFFI-***
4 ***CER.***

5 *Section 203(d) of title 37, United States Code, is*
6 *amended—*
7 *(1) by inserting "(1)" after "(d)";*

(2) by striking "who is credited" and all that follows through "and enlisted member" and inserting "is described in paragraph (2)"; and

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

"(2) Paragraph (1) applies with respect to a commissioned officer in pay grade O–1, O–2, or O–3 who—

"(A) is credited with a total of over four years' active service as warrant officer or as a warrant officer and enlisted member; or

"(B) earned a total of more than 1,460 points credited under section 12732(a)(2) of title 10 while serving as a warrant officer or enlisted member.".

SEC. 603. SUBSISTENCE ALLOWANCES.

(a) BASIC ALLOWANCE FOR SUBSISTENCE.—Section 402 of title 37, United States Code, is amended—

(1) in subsection (b), by adding at the end the following new paragraph:

"(4) For purposes of implementing paragraph (2), the monthly rate of basic allowance for subsistence that was in effect for an enlisted member for calendar year 2001 shall be deemed to be $233."; and

(2) by striking subsection (d) and inserting the following new subsection:

"(d) SPECIAL RULE FOR ENLISTED MEMBERS WHO MESS SEPARATELY.—The Secretary of Defense may prescribe a basic allowance for subsistence for enlisted members at a rate higher than the rate provided for in subsection (b) when messing facilities of the United States are not available for the members."

(b) TERMINATION OF BAS TRANSITIONAL AUTHORITY.—Effective as of October 1, 2001, section 603(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–145) is amended by striking "October 1, 2001" and inserting "January 1, 2002".

(c) FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE FOR LOW-INCOME MEMBERS OF THE ARMED FORCES.—Section 402a(b)(1) of title 37, United States Code, is amended by inserting "with dependents" after "a member of the armed forces".

SEC. 604. ELIGIBILITY FOR BASIC ALLOWANCE FOR HOUSING WHILE BETWEEN PERMANENT DUTY STATIONS.

(a) REPEAL OF PAY GRADE LIMITATION.—Section 403(i) of title 37, United States Code, is amended by striking "who is in a pay grade E–4 (4 or more years of service) or above".

(b) EFFECTIVE DATE; APPLICATION.—The amendment made by this section shall take effect on January 1, 2003, and apply to members of the uniformed services in a travel or leave status between permanent duty stations on or after that date.

SEC. 605. UNIFORM ALLOWANCE FOR OFFICERS.

(a) RELATION TO INITIAL UNIFORM ALLOWANCE.—Section 416(b)(1) of title 37, United States Code, is amended by striking "$200" and inserting "$400".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as of October 1, 2000.

SEC. 606. FAMILY SEPARATION ALLOWANCE FOR CERTAIN MEMBERS ELECTING TO SERVE UNACCOMPANIED TOUR OF DUTY.

(a) AVAILABILITY OF ALLOWANCE.—Section 427(c) of title 37, United States Code, is amended—

(1) by striking "A member" in the first sentence and inserting "(1) Except as provided in paragraph (2) or (3), a member";

(2) by redesignating the second sentence as paragraph (3); and

(3) by inserting after the first sentence the following new paragraph:

"(2) A member who elects to serve an unaccompanied tour of duty because the movement of a dependent of the

member to the permanent station is denied for certified medical reasons is entitled to an allowance under subsection (a)(1)(A).".

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002. Paragraph (2) of section 427(c) of title 37, United States Code, as added by subsection (a), shall apply with respect to pay periods beginning on or after that date for a member of the uniformed services covered by such paragraph regardless of the date on which the member first made the election to serve an unaccompanied tour of duty.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking "January 1, 2002" and inserting "January 1, 2003".

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking "December 31, 2001" and inserting "December 31, 2002".

SEC. 613. ONE-YEAR EXTENSION OF OTHER BONUS AND SPECIAL PAY AUTHORITIES.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(c) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 309(e) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(d) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

(g) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.—Section 323(i) of such title is amended by striking "December 31, 2001" and inserting "December 31, 2002".

SEC. 614. CONFORMING ACCESSION BONUS FOR DENTAL OFFICERS AUTHORITY WITH AUTHORITIES FOR OTHER SPECIAL PAY AND BONUSES.

Section 302h(a)(1) of title 37, United States Code, is amended by striking "the date of the enactment of this section, and ending on September 30, 2002" and inserting "September 23, 1996, and ending on December 31, 2002".

SEC. 615. ADDITIONAL TYPE OF DUTY RESULTING IN ELIGIBILITY FOR HAZARDOUS DUTY INCENTIVE PAY.

(a) PERFORMANCE OF MARITIME BOARD AND SEARCH OPERATIONS.—Section 301(a) of title 37, United States Code, is amended—

(1) in paragraph (10), by striking "or" at the end;

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10) the following new paragraph:

"(11) involving regular participation as a member of a team conducting visit, board, search, and seizure operations aboard vessels in support of maritime interdiction operations; or".

(b) MONTHLY AMOUNT.—Subsection (c) of such section is amended—

(1) in paragraph (1), by striking "(10)" and inserting "(11)"; and

(2) in paragraph (2)(A), by striking "(11)" and inserting "(12)".

(c) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002, and apply to duty described in the amendment made by subsection (a)(2) on or after that date.

SEC. 616. EQUAL TREATMENT OF RESERVISTS PERFORMING INACTIVE-DUTY TRAINING FOR RECEIPT OF AVIATION CAREER INCENTIVE PAY.

(a) INCENTIVE PAY EQUITY FOR RESERVISTS.—Subsection (d) of section 301a of title 37, United States Code, is amended to read as follows:

"(d) MEMBERS PERFORMING INACTIVE-DUTY TRAINING.—Under regulations prescribed by the President and to the extent provided for by appropriations, in the case of a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, and who performs, under orders, duty described in subsection (a), the member is also entitled to monthly incentive pay under subsection (b) for the performance of that duty in the same manner as a member with corresponding years of aviation service who is entitled to basic pay. Such member is entitled to the incentive pay for as long as the member remains qualified for it, as provided in subsection (a). This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.".

(b) EFFECTIVE DATE; APPLICATION.—The amendment made by this section shall take effect on January 1, 2002, and apply to duty described in the amendment made by subsection (a)(2) on or after that date.

SEC. 617. SECRETARIAL DISCRETION IN PRESCRIBING SUBMARINE DUTY INCENTIVE PAY RATES.

(a) AUTHORITY OF SECRETARY OF THE NAVY; MAXIMUM RATE.—Section 301c of title 37, United States Code, is amended by striking subsection (b) and inserting the following new subsection:

"(b) MONTHLY RATES.—(1) Subject to paragraph (2), a member who meets the requirements prescribed in subsection (a) is entitled to monthly submarine duty incentive pay in an amount prescribed by the Secretary of the Navy.

"(2) The monthly amount of submarine duty incentive pay may not exceed $1,000.".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking "set forth in" each place it appears and inserting "prescribed pursuant to"; and

(2) in subsection (d), by striking "authorized by" and inserting "prescribed pursuant to".

(c) EFFECTIVE DATE; TRANSITION.—The amendments made by this section shall take effect on January 1, 2002. The tables set forth in subsection (b) of section 301c of title 37, United States Code, as in effect on December 31, 2001, shall continue to apply until the Secretary of the Navy prescribes new submarine duty incentive pay rates as authorized by the amendment made by subsection (a).

SEC. 618. IMPOSITION OF CRITICAL WARTIME SKILL REQUIREMENT FOR ELIGIBILITY FOR INDIVIDUAL READY RESERVE BONUS.

Section 308h(a)(1) of title 37, United States Code, is amended—

(1) by striking "and who" and inserting ", who is qualified in a skill or speciality designated by the Secretary concerned as critically short to meet wartime requirements, and who"; and

(2) by striking "a combat or combat support skill of".

SEC. 619. INSTALLMENT PAYMENT AUTHORITY FOR 15-YEAR CAREER STATUS BONUS.

(a) MEMBER ELECTION.—Section 322(d) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking "paid in a single lump sum of" and inserting "equal to";

(2) by redesignating paragraph (2) as paragraph (4), and in such paragraph, by striking "The bonus" and inserting "The lump sum payment of the bonus, and the first installment payment in the case of members who elect to receive the bonus in installments,"; and

(3) by inserting after paragraph (1) the following new paragraphs:

"(2) A member electing to receive the bonus under this section shall elect one of the following payment options:

"(A) A single lump sum of $30,000.

"(B) Two installments of $15,000 each.

"(C) Three installments of $10,000 each.

"(D) Four installments of $7,500 each.

"(E) Five installments of $6,000 each.

"(3) If a member elects installment payments under paragraph (2), the second installment (and subsequent installments, as applicable) shall be paid on the earlier of the following dates:

"(A) The annual anniversary date of the payment of the first installment.

"(B) January 15 of each succeeding calendar year.".

(c) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on the date of the enactment of this Act. The Secretary concerned (as defined in section 101(5) of title 37, United States Code) shall extend to each member of the uniformed services who has executed the written agreement required by subsection (a)(2) of section 322 of such title before that date, but who has not received the lump sum payment by that date, an opportunity to make the election authorized by subsection (d) of such section, as amended by subsection (a) of this section.

SEC. 620. ACCESSION BONUS FOR NEW OFFICERS.

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

"§ 324. Special pay: accession bonus for new officers

"(a) ACCESSION BONUS AUTHORIZED.—Under regulations prescribed by the Secretary concerned, a person who executes a written agreement to accept a commission as an officer of the armed forces and serve on active duty for the period specified in the agreement may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(b) LIMITATION ON AMOUNT OF BONUS.—The amount of an accession bonus under subsection (a) may not exceed $100,000.

"(c) PAYMENT METHOD.—Upon acceptance of a written agreement under subsection (a) by the Secretary concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement shall specify whether the accession bonus will be paid by the Secretary in a lump sum or installments.

"(d) RELATION TO OTHER ACCESSION BONUS AUTHORITY.—An individual may not receive a accession bonus under this section and section 302d, 302h, 302j, or 312b of this title for the same period of service.

"(e) REPAYMENT.—(1) If an individual who has entered into an agreement under subsection (a) and has received all or part of the accession bonus under the agreement fails to accept a commission as an officer or to commence or complete the total period of active duty service specified in the agreement, the Secretary concerned may require the individual to repay the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, any or all of the amount paid to the individual under the agreement.

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

"(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of a written agreement entered into under subsection (a) does not discharge the individual signing the agreement from a debt arising under such agreement or under paragraph (1).".

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

"324. Special pay: accession bonus for new officers.".

Subtitle C—Travel and Transportation Allowances

SEC. 631. MINIMUM PER DIEM RATE FOR TRAVEL AND TRANSPORTATION ALLOWANCE FOR TRAVEL PERFORMED UPON A CHANGE OF PERMANENT STATION AND CERTAIN OTHER TRAVEL.

(a) ESTABLISHMENT OF RATE.—Section 404(d) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(5) The per diem rates established under paragraph (2)(A) for travel performed in connection with a change of permanent station or for travel described in paragraph (2) or (3) of subsection (a) shall be equal to the standard per diem rates established in the Federal travel regulation for travel within the continental United States of civilian employees and their dependents, unless the Secretaries concerned determines that a higher rate for members is more appropriate.".

(b) EFFECTIVE DATE; APPLICATION.—The amendment made by this section shall take effect on January 1, 2003, and apply to travel covered by such amendment that is performed on or after that date by members of the uniformed services and their dependents.

SEC. 632. PAYMENT OR REIMBURSEMENT OF TEMPORARY SUBSISTENCE EXPENSES.

(a) INCLUSION OF OFFICERS.—Subsection (a)(2)(C) of section 404a of title 37, United States Code, is amended by striking "an enlisted member" and inserting "a member".

(b) INCREASE IN MAXIMUM DAILY AUTHORIZED RATE.—Subsection (e) of such section is amended by striking "$110" and inserting "$180".

(c) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002, and apply with respect to an order in connection with a change of permanent station issued on or after that date.

SEC. 633. INCREASED WEIGHT ALLOWANCE FOR TRANSPORTATION OF BAGGAGE AND HOUSEHOLD EFFECTS FOR JUNIOR ENLISTED MEMBERS.

(a) INCREASED WEIGHT ALLOWANCES.—The table in section 406(b)(1)(C) of title 37, United States Code, is amended—

(1) by striking the two footnotes; and

(2) by striking the items relating to pay grade E–1 through E–4 and inserting the following new items:

"E–4	*7,000*	*8,000*
"E–3	*5,000*	*8,000*
"E–2	*5,000*	*8,000*
"E–1	*5,000*	*8,000".*

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order in connection with a change of temporary or permanent station issued on or after that date.

SEC. 634. REIMBURSEMENT OF MEMBERS FOR MANDATORY PET QUARANTINE FEES FOR HOUSEHOLD PETS.

Section 406(a)(1) of title 37, United States Code, is amended in the last sentence by striking "$275" and inserting "$675".

SEC. 635. AVAILABILITY OF DISLOCATION ALLOWANCE FOR MARRIED MEMBER, WHOSE SPOUSE IS A MEMBER, ASSIGNED TO MILITARY FAMILY HOUSING.

(a) ALLOWANCE AVAILABLE.—Section 407(a)(2) of title 37, United States Code, is amended by adding at the end the following new subparagraph:

"(F) A member married to another member, both of whom are without other dependents, who actually moves to a new permanent duty station where the member is assigned to family housing provided by the United States, except that only one dislocation allowance may be paid to the married couple with respect to the move.".

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order to move for a member of a uniformed service issued on or after that date.

SEC. 636. ELIMINATION OF PROHIBITION ON RECEIPT OF DISLOCATION ALLOWANCE BY MEMBERS ORDERED TO FIRST DUTY STATION.

(a) ALLOWANCE AVAILABLE.—Section 407(e) of title 37, United States Code, is amended—

(1) by striking "FIRST OR LAST DUTY" and inserting "EFFECT OF ORDER FROM LAST DUTY STATION"; and

(2) by striking "from the member's home to the member's first duty station or".

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order to move for a member of a uniformed service issued on or after that date.

SEC. 637. PARTIAL DISLOCATION ALLOWANCE AUTHORIZED FOR HOUSING MOVES ORDERED FOR GOVERNMENT CONVENIENCE.

(a) AUTHORIZATION OF PARTIAL DISLOCATION ALLOWANCE.—Section 407 of title 37, United States Code is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection:

"(f) PARTIAL DISLOCATION ALLOWANCE.—(1) Under regulations prescribed by the Secretary concerned, a member ordered to occupy or vacate family housing provided by the United States to permit the privatization or renovation of housing or for any other reason (other than pursuant to a permanent change of station) may be paid a partial dislocation allowance of $500.

"(2) Effective on the same date that the monthly rates of basic pay for all members are increased under section 1009 of this title or another provision of law, the Secretary of Defense shall adjust the rate of the partial dislocation allowance authorized by this subsection by the percentage equal to the average percentage increase in the rates of basic pay.

"(3) Subsections (c) and (d) do not apply to the partial dislocation allowance authorized by this subsection.".

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002, and apply with respect to an order to move for a member of a uniformed service issued on or after that date.

SEC. 638. ALLOWANCES FOR TRAVEL PERFORMED IN CONNECTION WITH MEMBERS TAKING AUTHORIZED LEAVE BETWEEN CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(1) of title 37, United States Code, is amended by striking ", or his designee, or to a place no farther distant than his home of record".

SEC. 639. FUNDED STUDENT TRAVEL AS PART OF SCHOOL-SPONSORED EXCHANGE PROGRAMS.

(a) RECOGNITION OF TEMPORARY EXCHANGE PROGRAMS.—Section 430 of title 37, United States Code, is amended—

(1) in subsection (a)(3), by inserting before the comma at the end the following: "or is attending a school outside the continental United States, if the dependent is attending the school outside the continental United States for less than one year under a program approved by the school in the continental United States at which the dependent is enrolled"; and

(2) in subsection (b)(1), by striking "in the continental United States for the purpose of obtaining a formal education" in the first sentence and inserting "described in subsection (a)(3)".

(b) LIMITATION ON AMOUNT OF ALLOWANCE.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

"(3) The transportation allowance under paragraph (1) for a dependent child who is attending a school outside the continental United States for less than one year under a program approved by the school in the continental United States at which the dependent is enrolled shall not exceed the allowance the member would be paid for a trip between the school in the continental United States and the member's duty station outside the continental United States and return.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

Subtitle D—Retirement and Survivor Benefit Matters

SEC. 641. CONTINGENT AUTHORITY FOR CONCURRENT RECEIPT OF MILITARY RETIRED PAY AND VETERANS' DISABILITY COMPENSATION.

(a) RESTORATION OF RETIRED PAY BENEFITS.—Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority

"(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Subject to subsection (b), a member or former

member of the uniformed services who is entitled to retired pay (other than as specified in subsection (c)) and who is also entitled to veterans' disability compensation is entitled to be paid both without regard to sections 5304 and 5305 of title 38, subject to the enactment of qualifying offsetting legislation as specified in subsection (f).

"(b) SPECIAL RULE FOR CHAPTER 61 CAREER RETIREES.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member's retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the member's retired pay under chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

"(c) EXCEPTION.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service otherwise creditable under section 1405 of this title at the time of the member's retirement.

"(d) DEFINITIONS.—In this section:

"(1) The term 'retired pay' includes retainer pay, emergency officers' retirement pay, and naval pension.

"(2) The term 'veterans' disability compensation' has the meaning given the term 'compensation' in section 101(12) of title 38.

"(e) EFFECTIVE DATE.—If qualifying offsetting legislation (as defined in subsection (f)) is enacted, the provisions of subsection (a) shall take effect on—

"(1) the first day of the first month beginning after the date of the enactment of such qualifying offsetting legislation; or

"(2) the first day of the fiscal year that begins in the calendar year in which such legislation is enacted, if that date is later than the date specified in paragraph (1).

"(f) EFFECTIVENESS CONTINGENT ON ENACTMENT OF OFFSETTING LEGISLATION.—(1) The provisions of subsection (a) shall be effective only if—

"(A) the President, in the budget for any fiscal year, proposes the enactment of legislation that, if enacted, would be qualifying offsetting legislation; and

"(B) after that budget is submitted to Congress, there is enacted qualifying offsetting legislation.

"(2) For purposes of this subsection:

"(A) The term 'qualifying offsetting legislation' means legislation (other than an appropriations Act) that includes provisions that—

"(i) offset fully the increased outlays to be made by reason of the provisions of subsection (a) for each of the first 10 fiscal years beginning after the date of the enactment of such legislation;

"(ii) expressly state that they are enacted for the purpose of the offset described in clause (i); and

"(iii) are included in full on the PayGo scorecard.

"(B) The term 'PayGo scorecard' means the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the ten fiscal years following the date of the enactment of the legislation that is qualifying offsetting legislation for purposes of this section.".

(b) CONFORMING TERMINATION OF SPECIAL COMPENSATION PROGRAM.—Section 1413(a) of such title is amended by adding at the end the following new sentence:

"If the provisions of subsection (a) of section 1414 of this title become effective in accordance with subsection (f) of that section, payments under this section shall be terminated effective as of the month beginning on the effective date specified in subsection (e) of that section.".

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

"1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority.".

(d) PROHIBITION OF RETROACTIVE BENEFITS.—If the provisions of subsection (a) of section 1414 of title 10, United States Code, becomes effective in accordance with subsection (f) of that section, no benefit may be paid to any person by reason of those provisions for any period before the effective date specified in subsection (e) of that section.

Subtitle E—Other Matters

SEC. 651. FUNERAL HONORS DUTY ALLOWANCE FOR RETIRED MEMBERS.

(a) ALLOWANCE AUTHORIZED.—Subsection (a) of section 435 of title 37, United States Code, is amended—

(1) by inserting "(1)" before "The Secretary"; and

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

"(2) The Secretary concerned may also authorize payment of an allowance under this section to a retired member of the armed forces who performs at least two hours of duty preparing for or performing honors at the funeral of a veteran.".

(b) RELATION TO OTHER COMPENSATION.—Such section is further amended by adding at the end the following new subsection:

"(c) CONCURRENT PAYMENT.—Notwithstanding any other provision of law, the allowance paid to a retired member of the armed forces under this section shall be in addition to any other compensation to which the retired member may be entitled under this title or titles 10 or 38.".

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—TRICARE Program

SEC. 701. IMPLEMENTING COST-EFFECTIVE PAYMENT RATES UNDER THE TRICARE PROGRAM.

Not later than January 1, 2002, the Secretary of Defense shall, with respect to categories of health care providers or services for which the Secretary has not already done so and to the extent that the Secretary determines is practicable—

(1) implement the payment rates used under medicare, or similar rates based on medicare pay-

ment methods, to pay for health care services provided by institutional and noninstitutional providers under the TRICARE program; and

(2) as a condition of participation in the TRICARE program, prohibit balance billing of covered beneficiaries by institutional providers and limit balance billing by noninstitutional providers (subject to any exceptions the Secretary determines appropriate) consistent with the limiting charge percentage under medicare.

SEC. 702. WAIVER OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION REQUIREMENT.

(a) IN GENERAL.—Section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–184) is amended—

(1) in the matter preceding paragraph (1) in subsection (a), by striking "new";

(2) by striking subsection (c) and inserting the following:

"(c) EXCEPTIONS.—(1) Subject to paragraph (2), the Secretary may provide that subsection (a) shall not apply for a period of up to one year if—

"(A) the Secretary—

"(i) demonstrates significant costs would be avoided by performing specific procedures at the affected military medical treatment facility or facilities;

"(ii) determines that a specific procedure must be provided at the affected military medical treatment facility or facilities to ensure the proficiency levels of the practitioners at the facility or facilities; or

"(iii) determines that the lack of nonavailability statement data would significantly interfere with TRICARE contract administration;

"(B) the Secretary provides notification of the Secretary's intent to make an exception under this subsection to covered beneficiaries who receive care at the military medical treatment facility or facilities that will be affected by the decision to make an exception under this subsection;

"(C) the Secretary provides notification to the Committees on Armed Services of the House of Representatives and the Senate of the Secretary's intent to make an exception under this subsection, the reason for making an exception, and the date that a nonavailability statement will be required; and

"(D) 60 days have elapsed since the date of the notification described in subparagraph (C).

"(2)(A) Except as provided in subparagraph (B), the Secretary may make an exception under this subsection with respect to—

"(i) one or more services performed at a military medical treatment facility or facilities; or

"(ii) one or more services performed in a TRICARE region.

"(B) With respect to maternity care, the Secretary may make an exception under this subsection with respect to a military medical treatment facility.

"(3) In the case of health care provided in conjunction with a graduate medical education program, the period of nonapplicability described in paragraph (1) shall be, instead of one year, the period for which a residency review committee has approved the program."; and

(3) in subsection (d), by striking "October 1, 2001" and inserting "two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002".

(b) REPORT.—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the House of Representatives and the Senate a

report on the Secretary's plans for implementing such section.

SEC. 703. IMPROVEMENTS IN ADMINISTRATION OF THE TRICARE PROGRAM.

(a) EXPANSION OF TRICARE PROGRAM.—Section 1072(7) of title 10, United States Code, is amended by striking "the competitive selection of contractors to financially underwrite".

(b) REDUCTION OF CONTRACT START-UP TIME.—Section 1095c(b) of such title is amended—

(1) in paragraph (1)—

(A) by striking "The" and inserting "Except as provided in paragraph (3), the"; and

(B) by striking "contract." and all that follows through "as soon as practicable after the award of the"; and

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

"(3) The Secretary may reduce the nine-month start-up period required under paragraph (1) if—

"(A) the Secretary—

"(i) determines that a shorter period is sufficient to ensure effective implementation of all contract requirements; and

"(ii) submits notification to the Committees on Armed Services of the House of Representatives and the Senate of the Secretary's intent to reduce the nine-month start-up period; and

"(B) 60 days have elapsed since the date of such notification.".

SEC. 704. SUB-ACUTE AND LONG-TERM CARE PROGRAM REFORM.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074i the following new section:

"§ 1074j. Sub-acute care program

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish an effective, efficient, and integrated sub-acute care benefits program under this chapter (hereinafter referred to in this section as the 'program'). Except as otherwise provided in this section, the types of health care authorized under the program shall be the same as those provided under section 1079 of this title. The Secretary, after consultation with the other administering Secretaries, shall promulgate regulations to carry out this section.

"(b) BENEFITS.—(1) The program shall include a uniform skilled nursing facility benefit that shall be provided in the manner and under the conditions described in section 1861(h) and (i) of the Social Security Act (42 U.S.C.

1395x(h) and (i)), except that the limitation on the number of days of coverage under section 1812(a) and (b) of such Act (42 U.S.C. 1395d(a) and (b)) shall not be applicable under the program. Skilled nursing facility care for each spell of illness shall continue to be provided for as long as medically necessary and appropriate.

"(2) In this subsection:

"(A) The term 'skilled nursing facility' has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a)).

"(B) The term 'spell of illness' has the meaning given such term in section 1861(a) of such Act (42 U.S.C. 1395x(a)).

"(3) The program shall include a comprehensive, intermittent home health care benefit that shall be provided in the manner and under the conditions described in section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074i the following new item:

"1074j. Sub-acute care program.".

(b) EXTENDED BENEFITS FOR CERTAIN DEPENDENTS.—Section 1079 of such title is amended by striking subsections (d), (e), and (f) and inserting the following new subsections:

"(d)(1) The Secretary of Defense shall establish a program to provide extended benefits for eligible dependents, which may include the provision of comprehensive health care services, including case management services, to assist in the reduction of the disabling effects of a qualifying condition of an eligible dependent. Registration shall be required to receive the extended benefits.

"(2) The Secretary of Defense, after consultation with the other administering Secretaries, shall promulgate regulations to carry out this subsection.

"(3) In this subsection:

"(A) The term 'eligible dependent' means a dependent of a member of the uniformed services on active duty for a period of more than 30 days, as described in subparagraph (A), (D), or (I) of section 1072(2) of this title, who has a qualifying condition.

"(B) The term 'qualifying condition' means the condition of a dependent who is moderately or severely mentally retarded, has a serious physical disability, or has an extraordinary physical or psychological condition.

"(e) Extended benefits for eligible dependents under subsection (d) may include comprehensive health care services with respect to the qualifying condition of such a dependent, and include, to the extent such benefits are not

provided under provisions of this chapter other than under this section, the following:

"(1) Diagnosis.

"(2) Inpatient, outpatient, and comprehensive home health care supplies and services.

"(3) Training, rehabilitation, and special education.

"(4) Institutional care in private nonprofit, public, and State institutions and facilities and, if appropriate, transportation to and from such institutions and facilities.

"(5) Custodial care, notwithstanding the prohibition in section 1077(b)(1) of this title.

"(6) Respite care for the primary caregiver of the eligible dependent.

"(7) Such other services and supplies as determined appropriate by the Secretary, notwithstanding the limitations in subsection (a)(13).

"(f) Members shall be required to share in the cost of any benefits provided to their dependents under subsection (d) as follows:

"(1) Members in the lowest enlisted pay grade shall be required to pay the first $25 incurred each month, and members in the highest commissioned pay grade shall be required to pay the first $250 incurred

each month. The amounts to be paid by members in all other pay grades shall be determined under regulations to be prescribed by the Secretary of Defense in consultation with the administering Secretaries.

"(2) A member who has more than one dependent incurring expenses in a given month under a plan covered by subsection (d) shall not be required to pay an amount greater than would be required if the member had only one such dependent.".

(c) DEFINITIONS OF CUSTODIAL CARE AND DOMICILIARY CARE.—Section 1072 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

"(8) The term 'custodial care' means treatment or services, regardless of who recommends such treatment or services or where such treatment or services are provided, that—

"(A) can be rendered safely and reasonably by a person who is not medically skilled; or

"(B) is or are designed mainly to help the patient with the activities of daily living.

"(9) The term 'domiciliary care' means care provided to a patient in an institution or homelike environment because—

"(A) providing support for the activities of daily living in the home is not available or is unsuitable; or

"(B) members of the patient's family are unwilling to provide the care.".

(d) CONFORMING AMENDMENT.—Section 1079 of title 10, United States Code, is amended in subsection (a) by striking paragraph (17).

(e) CONTINUATION OF INDIVIDUAL CASE MANAGEMENT SERVICES FOR CERTAIN ELIGIBLE BENEFICIARIES.—(1) Notwithstanding the termination of the Individual Case Management Program by subsection (d), the Secretary of Defense shall, in any case in which the Secretary makes the determination described in paragraph (2), continue to provide payment as if such program were in effect for home health care or custodial care services provided to an eligible beneficiary that would otherwise be excluded from coverage under regulations implementing chapter 55 of title 10, United States Code.

(2) The determination referred to in paragraph (1) is a determination that discontinuation of payment for services not otherwise provided under such chapter would result in the provision of services inadequate to meet the needs of the eligible beneficiary and would be unjust to such beneficiary.

(3) For purposes of this subsection, "eligible beneficiary" means a covered beneficiary (as that term is defined in section 1072 of title 10, United States Code) who, before the effective date of this section, was provided custodial care services under the Individual Case Management Program for which the Secretary provided payment.

(f) REPORT ON INITIATIVES REGARDING LONG-TERM CARE.—The Secretary of Defense shall, not later than April 1, 2002, submit to Congress a report on the feasibility and desirability of establishing new initiatives, taking into account chapter 90 of title 5, United States Code, to improve the availability of long-term care for members and retired members of the uniformed services and their families.

(g) REFERENCE IN TITLE 10 TO LONG-TERM CARE PROGRAM IN TITLE 5.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074j (as added by subsection (a)) the following new section:

"§ 1074k. Long-term care insurance

"Provisions regarding long-term care insurance for members and certain former members of the uniformed services and their families are set forth in chapter 90 of title 5.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074j (as added by subsection (a)) the following new item:

"1074k. Long-term care insurance.".

(h) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on October 1, 2001.

SEC. 705. REIMBURSEMENT OF TRAVEL EXPENSES OF A PARENT, GUARDIAN, OR RESPONSIBLE FAMILY MEMBER OF A MINOR COVERED BENEFICIARY.

Section 1074i of title 10, United States Code, is amended by adding at the end the following new sentence: "In any case in which reimbursement of travel expenses of a covered beneficiary who is a minor and dependent is required under this section, the Secretary also shall provide reimbursement for reasonable travel expenses of the parent or guardian of, or the family member responsible for, such covered beneficiary.".

Subtitle B—Other Matters

SEC. 711. PROHIBITION AGAINST REQUIRING MILITARY RETIREES TO RECEIVE HEALTH CARE SOLELY THROUGH THE DEPARTMENT OF DEFENSE.

No provision of law (whether enacted before or after this Act) may be construed as authorizing the Secretary of Defense to take any action that would require, or have the effect of requiring, a member or former member of the Armed Forces who is entitled to retired or retainer pay to enroll to receive health care from the Federal Government

only through the Department of Defense. This section may not be superseded by a subsequent Act unless that Act—

(1) specifically refers to this section; and

(2) specifically states that such provision of law supersedes the provisions of this section.

SEC. 712. TRAUMA AND MEDICAL CARE PILOT PROGRAM.

(a) REQUIREMENT TO CONDUCT PILOT PROGRAM.—The Secretary of Defense shall conduct a pilot program under which the Brooke Army Medical Center and the Wilford Hall Air Force Medical Center in San Antonio, Texas, may charge civilians who are not covered beneficiaries under chapter 55 of title 10, United States Code, fees representing the actual costs of trauma and other medical care provided to such civilians using private sector itemized rates.

(b) USE OF FEES COLLECTED.—(1) The Brooke Army Medical Center and the Wilford Hall Air Force Medical Center may use the amounts collected under the pilot program for—

(A) trauma consortium activities;

(B) administrative, operating, and equipment costs; and

(C) readiness training.

(2) The operating budgets of those medical centers shall not be reduced as a result of fees collected under the pilot program.

(c) EFFICIENT PRACTICES.—Under the pilot program, the commander of the Brooke Army Medical Center or Wilford Hall Air Force Medical Center may authorize the use of funds appropriated to the Department of Defense for medical care for trauma and other medical care provided at such center to civilians described in subsection (a).

(d) LENGTH OF PILOT PROGRAM.—The pilot program under this section shall commence on October 1, 2001, and be conducted for a period of three years.

(e) REPORTS.—The Secretary of Defense shall submit to Congress not later than October 1st of each of 2002 through 2004 a report describing the progress and effectiveness of the pilot program carried out under this section.

SEC. 713. ENHANCEMENT OF MEDICAL PRODUCT DEVELOPMENT.

Section 980 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Funds"; and

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

"(b) The Secretary of Defense may waive the prohibition in this section with respect to a specific research project

to advance the development of a medical product necessary to the armed forces if the research project is carried out in accordance with all other applicable laws.".

SEC. 714. REPEAL OF OBSOLETE REPORT REQUIREMENT.

Section 701 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 10 U.S.C. 1074g note) is amended by striking subsection (d).

SEC. 715. CLARIFICATIONS AND IMPROVEMENTS REGARDING THE DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND.

(a) CLARIFICATION REGARDING COVERAGE.—Subsection (b) of section 1111 of title 10, United States Code, is amended to read as follows:

"(b) In this chapter:

"(1) The term 'Department of Defense retiree health care programs' means the provisions of this title or any other provision of law creating an entitlement to or eligibility for health care under a Department of Defense or uniformed services program for a member or former member of a participating uniformed service who is entitled to retired or retainer pay, and an eligible dependent under such program.

"(2) The term 'designated Department of Defense health care program' means a program described in

paragraph (1) of this subsection that is designated under section 1113(c).

"(3) The term 'eligible dependent' means a dependent (as such term is defined in section 1072(2)) described in section 1076(a)(2) (other than a dependent of a member on active duty), 1076(b), 1086(c)(2), or 1086(c)(3)).

"(4) The term 'medicare-eligible', with respect to any person, means entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

"(5) The term 'participating uniformed service' means the Army, Navy, Air Force, and Marine Corps, and any other uniformed service that is covered by an agreement entered into under subsection (c)."

(b) PARTICIPATION OF OTHER UNIFORMED SERVICES.—(1) Section 1111 of such title is further amended by adding after subsection (b), the following new subsection:

"(c) The Secretary of Defense may enter into an agreement with any other administering Secretary for participation in the Fund by a uniformed service under the jurisdiction of that Secretary. Any such agreement shall require that Secretary to make contributions to the Fund on behalf of the members of the uniformed service under the jurisdiction of that Secretary comparable to the contributions to

the Fund made by the Secretary of Defense under section 1116."

(2) Section 1112 of such title is amended by adding at the end the following new paragraph:

"(4) Amounts paid into the Fund pursuant to section 1111(c).".

(3) Section 1115 of such title is amended—

(A) in subsection (a), by inserting "participating" before "uniformed services"; and

(B) in subparagraphs (A)(ii) and (B)(ii) of subsection (b)(1), by inserting "under the jurisdiction of the Secretary of Defense" after "uniformed services".

(4) Section 1116(a) of such title is amended in paragraphs (1)(B) and (2)(B) by inserting "under the jurisdiction of the Secretary of Defense" after "uniformed services".

(c) CLARIFICATION OF PAYMENTS FROM THE FUND.—(1) The second sentence of subsection (a) of section 1111 of such title is amended by inserting "designated" before "Department of Defense retiree health care programs for medicare-eligible beneficiaries".

(2) Subsection (a) of section 1113 of such title is amended to read as follows:

"(a) There shall be paid from the Fund amounts payable for the costs of designated Department of Defense retiree health care programs for the benefit of members or

former members of a participating uniformed service who are entitled to retired or retainer pay and are medicare-eligible, and eligible dependents described in section 1111(b)(3) who are medicare-eligible.''

(3) Such section is further amended by adding at the end the following new subsection:

''(c) For purposes of payments from the Fund under subsection (a), the Secretary of Defense shall designate the program authorized by section 1086 of this title.''.

(d) TECHNICAL AMENDMENTS.—(1) The heading for section 1111 of such title is amended to read as follows:

''§ 1111. Establishment and purpose of Fund; definitions; authority to enter into agreements''.

(2) The item relating to section 1111 in the table of sections at the beginning of chapter 56 of such title is amended to read as follows:

''1111. Establishment and purpose of Fund; definitions; authority to enter into agreements.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2002.

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

Subtitle A—Acquisition Policy and Management

SEC. 801. ACQUISITION MILESTONES.

(a) TITLE 10, U.S.C.—Title 10, United States Code, is amended—

(1) in section 2366(c), subsections (b)(3)(A), (c)(3)(A), and (h)(1) of section 2432, and section 2434(a), by striking "engineering and manufacturing development" each place such words appear and inserting "system development and demonstration";

(2) in section 2400—

(A) in subsection (a)(2), by striking "engineering and manufacturing development" and inserting "system development and demonstration"; and

(B) in subsections (a)(1)(A), (a)(2), (a)(4) and (a)(5), by striking "milestone II" each place such term appears and inserting "milestone B"; and

(3) in section 2435—

(A) in subsection (b), by striking "engineering and manufacturing development" and inserting "system development and demonstration";

(B) in subsection (c)(1), by striking "demonstration and validation" and inserting "system development and demonstration";

(C) in subsection (c)(2), by striking "engineering and manufacturing development" and inserting "production and deployment"; and

(D) in subsection (c)(3), by striking "production and deployment" and inserting "full rate production".

(b) OTHER LAWS.—(1) Section 811(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–211) is amended—

(A) by striking "Milestone I" and inserting "Milestone B";

(B) by striking "Milestone II" and inserting "Milestone C"; and

(C) by striking "Milestone III" and inserting "full rate production".

(2) Section 8102(b) of the Department of Defense Appropriations Act, 2001 (Public Law 106–259; 114 Stat. 696) is amended—

(A) by striking "Milestone I" and inserting "Milestone B";

(B) by striking "Milestone II" and inserting "Milestone C"; and

(C) by striking "Milestone III" and inserting "full rate production".

SEC. 802. ACQUISITION WORKFORCE QUALIFICATIONS.

(a) QUALIFICATIONS.—Section 1724 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

"(a) CONTRACTING OFFICERS.—The Secretary of Defense shall require that, in order to qualify to serve in an acquisition position as a contracting officer with authority to award or administer contracts for amounts above the simplified acquisition threshold referred to in section 2304(g) of this title, an employee of the Department of Defense or member of the armed forces (other than the Coast Guard) must, except as provided in subsections (c) and (d)—";

(B) in paragraph (1)—

(i) by striking "mandatory"; and

(ii) by striking "at the grade level" and all that follows and inserting "(A) in

the case of an employee, serving in the position within the grade of the General Schedule in which the employee is serving, and (B) in the case of a member of the armed forces, in the member's grade;"; and

(C) in paragraph (3)(A), by inserting a comma after "business";

(2) by striking subsection (b) and inserting the following new subsection:

"(b) GS–1102 SERIES POSITIONS AND SIMILAR MILITARY POSITIONS.—(1) The Secretary of Defense shall require that in order to qualify to serve in a position in the Department of Defense that is in the GS–1102 occupational series an employee or potential employee of the Department of Defense meet the requirements set forth in paragraph (3) of subsection (a). The Secretary may not require that in order to serve in such a position an employee or potential employee meet any of the requirements of paragraphs (1) and (2) of that subsection.

"(2) The Secretary of Defense shall require that in order for a member of the armed forces to be selected for an occupational specialty within the armed forces that (as determined by the Secretary) is similar to the GS–1102 occupational series a member of the armed forces meet the requirements set forth in paragraph (3) of subsection (a).

The Secretary may not require that in order to be selected for such an occupational specialty a member meet any of the requirements of paragraphs (1) and (2) of that subsection."; and

(3) by striking subsections (c) and (d) inserting the following new subsections:

"(c) EXCEPTIONS.—The qualification requirements imposed by the Secretary of Defense pursuant to subsections (a) and (b) shall not apply to an employee of the Department of Defense or member of the armed forces who—

"(1) served as a contracting officer with authority to award or administer contracts in excess of the simplified acquisition threshold on or before September 30, 2000;

"(2) served, on or before September 30, 2000, in a position either as an employee in the GS–1102 series or as a member of the armed forces in similar occupational specialty;

"(3) is in the contingency contracting force; or

"(4) is described in subsection (e)(1)(B).

"(d) WAIVER.—The acquisition career program board concerned may waive any or all of the requirements of subsections (a) and (b) with respect to an employee of the Department of Defense or member of the armed forces if the board certifies that the individual possesses significant po-

tential for advancement to levels of greater responsibility and authority, based on demonstrated job performance and qualifying experience. With respect to each waiver granted under this subsection, the board shall set forth in a written document the rationale for its decision to waive such requirements. Such document shall be submitted to and retained by the Director of Acquisition Education, Training, and Career Development.

"(e) DEVELOPMENTAL OPPORTUNITIES.—(1) The Secretary of Defense may—

"(A) establish or continue one or more programs for the purpose of recruiting, selecting, appointing, educating, qualifying, and developing the careers of individuals to meet the requirements in subparagraphs (A) and (B) of subsection (a)(3);

"(B) appoint individuals to developmental positions in those programs; and

"(C) separate from the civil service after a three-year probationary period any individual appointed under this subsection who, as determined by the Secretary, fails to complete satisfactorily any program described in subparagraph (A).

"(2) To qualify for any developmental program described in paragraph (1)(A), an individual shall have—

"(A) been awarded a baccalaureate degree from an accredited institution of higher education authorized to grant baccalaureate degrees; or

"(B) completed at least 24 semester credit hours or the equivalent of study from an accredited institution of higher education in any of the disciplines of accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management.

"(f) CONTINGENCY CONTRACTING FORCE.—The Secretary shall establish qualification requirements for the contingency contracting force consisting of members of the armed forces whose mission is to deploy in support of contingency operations and other operations of the Department of Defense, including—

"(1) completion of at least 24 semester credit hours or the equivalent of study from an accredited institution of higher education or similar educational institution in any of the disciplines of accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management; or

"(2) passage of an examination that demonstrates skills, knowledge, or abilities comparable to

that of an individual who has completed at least 24 semester credit hours or the equivalent of study in any of the disciplines described in paragraph (1).".

(b) CLERICAL AMENDMENT.—Section 1732(c)(2) of such title is amended by inserting a comma after "business".

SEC. 803. TWO-YEAR EXTENSION OF PROGRAM APPLYING SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS.

Section 4202(e) of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 110 Stat. 654; 10 U.S.C. 2304 note) is amended by striking "January 1, 2002" and inserting "January 1, 2004".

SEC. 804. CONTRACTS FOR SERVICES TO BE PERFORMED OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2381 the following new section:

"§ 2382. Contracts for services to be performed outside the United States

"The Secretary of Defense may enter into contracts to employ individuals or organizations to perform services in countries other than the United States without regard to laws regarding the negotiation, making, and performance of contracts and performance of work in the United States.

Individuals employed by contract to perform such services shall not by virtue of such employment be considered to be employees of the United States Government for purposes of any law administered by the Office of Personnel Management, but the Secretary may determine the applicability to such individuals of any other law administered by the Secretary concerning the employment of such individuals in countries other than the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2381 the following new item:

"2382. Contracts for services to be performed outside the United States.".

SEC. 805. CODIFICATION AND MODIFICATION OF "BERRY AMENDMENT" REQUIREMENTS.

(a) BERRY AMENDMENT REQUIREMENTS.—(1) Chapter 148 of title 10, United States Code, is amended by inserting after section 2533 the following new section:

"§ 2533a. Requirement to buy certain articles from American sources; exceptions

"(a) REQUIREMENT.—Except as provided in subsections (c) through (g), funds appropriated or otherwise available to the Department of Defense may not be used for the procurement of an item described in subsection (b) if the item is not grown, reprocessed, reused, or produced in the United States.

"(b) COVERED ITEMS.—An item referred to in subsection (a) is any of the following:

"(1) An article or item of—

"(A) food;

"(B) clothing;

"(C) tents, tarpaulins, parachutes, or covers;

"(D) cotton and other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric (including all textile fibers and yarns that are for use in such fabrics), canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles); or

"(E) any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials.

"(2) Specialty metals, including stainless steel flatware.

"(3) Hand or measuring tools.

"(c) EXCEPTION.—The Secretary of Defense or the Secretary of the military department concerned may waive the requirement in subsection (a) if—

"(1) such Secretary determines that satisfactory quality and sufficient quantity of any such article or item described in subsection (b)(1) or specialty metals (including stainless steel flatware) grown, reprocessed, reused, or produced in the United States cannot be procured as and when needed at United States market prices;

"(2) such Secretary has provided notice to the public regarding the waiver;

"(3) such Secretary has notified the Committees on Appropriations, Armed Services, and Small Business of the House of Representatives and the Senate regarding the waiver and provided a justification to such committees for the waiver; and

"(4) 30 days have elapsed since the date of the notification of such committees.

"(d) EXCEPTION FOR CERTAIN PROCUREMENTS OUTSIDE THE UNITED STATES.—Subsection (a) does not apply to the following:

"(1) Procurements outside the United States in support of combat operations.

"(2) Procurements by vessels in foreign waters.

"(3) Emergency procurements or procurements of perishable foods by an establishment located outside

the United States for the personnel attached to such establishment.

"(e) EXCEPTION FOR SPECIALTY METALS AND CHEMICAL WARFARE PROTECTIVE CLOTHING.—Subsection (a) does not preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States if—

"(1) such procurement is necessary—

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

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

"(2) any such agreement with a foreign government complies, where applicable, with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and with section 2457 of this title.

"(f) EXCEPTION FOR CERTAIN FOODS.—Subsection (a) does not preclude the procurement of foods manufactured or processed in the United States.

"(g) EXCEPTION FOR SMALL PURCHASES.—Subsection (a) does not apply to purchases for amounts not greater than the simplified acquisition threshold referred to in section 2304(g) of this title.

"(h) APPLICABILITY TO CONTRACTS AND SUBCONTRACTS FOR PROCUREMENT OF COMMERCIAL ITEMS.—This section is applicable to contracts and subcontracts for the procurement of commercial items notwithstanding section 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 430).

"(i) GEOGRAPHIC COVERAGE.—In this section, the term 'United States' includes the commonwealths, territories, and possessions of the United States.

"(j) EXCEPTION FOR COMMISSARIES, EXCHANGES, AND OTHER NONAPPROPRIATED FUND INSTRUMENTALITIES.—Subsection (a) does not apply to items purchased for resale purposes in commissaries, military exchanges, or nonappropriated fund instrumentalities operated by the military departments or the Department of Defense.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2533 the following new item:

"2533a. Requirement to buy certain articles from American sources; exceptions.".

(b) REPEAL OF SOURCE PROVISIONS.—The following provisions of law are repealed:

(1) Section 9005 of the Department of Defense Appropriations Act, 1993 (Public Law 102-396; 10 U.S.C. 2241 note).

(2) Section 8109 of the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104-208; 110 Stat. 3009–111; 10 U.S.C. 2241 note).

Subtitle B—Erroneous Payments Recovery

SEC. 811. SHORT TITLE.

This subtitle may be cited as the "Erroneous Payments Recovery Act of 2001".

SEC. 812. IDENTIFICATION OF ERRORS MADE BY EXECUTIVE AGENCIES IN PAYMENTS TO CONTRACTORS AND RECOVERY OF AMOUNTS ERRONEOUSLY PAID.

(a) PROGRAM REQUIRED.—The head of each executive agency that enters into contracts with a total value in excess of $500,000,000 in a fiscal year shall carry out a cost-effective program for identifying any errors made in paying the contractors and for recovering any amounts erroneously paid to the contractors.

(b) RECOVERY AUDITS AND ACTIVITIES.—A program of an executive agency under subsection (a) shall include recovery audits and recovery activities. The head of the executive agency shall determine, in accordance with guidance provided under subsection (c), the classes of contracts to which recovery audits and recovery activities are appropriately applied.

(c) OMB GUIDANCE.—The Director of the Office of Management and Budget shall issue guidance for the conduct of programs under subsection (a). The guidance shall include the following:

(1) Definitions of the terms "recovery audit" and "recovery activity" for the purposes of the programs.

(2) The classes of contracts to which recovery audits and recovery activities are appropriately applied under the programs.

(3) Protections for the confidentiality of—

(A) sensitive financial information that has not been released for use by the general public; and

(B) information that could be used to identify a person.

(4) Policies and procedures for ensuring that the implementation of the programs does not result in duplicative audits of contractor records.

(5) Policies regarding the types of contracts executive agencies may use for the procurement of recovery services, including guidance for use, in appropriate circumstances, of a contingency contract pursuant to which the head of an executive agency may pay a contractor an amount equal to a percentage of the total amount collected for the United States pursuant to that contract.

(6) Protections for a contractor's records and facilities through restrictions on the authority of a contractor under a contract for the procurement of recovery services for an executive agency—

(A) to require the production of any record or information by any person other than an officer, employee, or agent of the executive agency;

(B) to establish, or otherwise have, a physical presence on the property or premises of any private sector entity for the purposes of performing the contract; or

(C) to act as agents for the Government in the recovery of funds erroneously paid to contractors.

(7) Policies for the appropriate types of management improvement programs authorized by section

815 that executive agencies may carry out to address overpayment problems and the recovery of overpayments.

SEC. 813. DISPOSITION OF RECOVERED FUNDS.

(a) AVAILABILITY OF FUNDS FOR RECOVERY AUDITS AND ACTIVITIES PROGRAM.—Funds collected under a program carried out by an executive agency under section 812 shall be available to the executive agency, in such amounts as are provided in advance in appropriations Acts, for the following purposes:

(1) To reimburse the actual expenses incurred by the executive agency in the administration of the program.

(2) To pay contractors for services under the program in accordance with the guidance issued under section 812(c)(5).

(b) FUNDS NOT USED FOR PROGRAM.—Any amounts erroneously paid by an executive agency that are recovered under such a program of an executive agency and are not used to reimburse expenses or pay contractors under subsection (a)—

(1) shall be credited to the appropriations from which the erroneous payments were made that remain available for obligation as of the time such amounts were collected, shall be merged with other amounts in

those appropriations, and shall be available for the purposes and period for which such appropriations are available; or

(2) if no such appropriation remains available for obligation at that time, shall be disposed of as provided in subsection (c).

(c) OTHER DISPOSITIONS.—Of the total amount collected under such a program of an executive agency that is to be disposed of under this subsection—

(1) up to 25 percent of such amount may be expended by the head of the executive agency for carrying out any management improvement program of the executive agency under section 815; and

(2) the remainder of that total amount, including any amount not expended under paragraph (1), shall be deposited in the Treasury as miscellaneous receipts.

(d) PRIORITY OF OTHER AUTHORIZED DISPOSITIONS.—Notwithstanding subsections (b) and (c), the authority under such subsections may not be exercised to use, credit, or deposit funds collected under such a program as provided in those subsections to the extent that any other provision of law requires or authorizes the crediting of such funds to a nonappropriated fund instrumentality, revolving

fund, working-capital fund, trust fund, or other fund or account.

SEC. 814. SOURCES OF RECOVERY SERVICES.

(a) CONSIDERATION OF AVAILABLE RECOVERY RESOURCES.—(1) In carrying out a program under section 812, the head of an executive agency shall consider all resources available to that official to carry out the program.

(2) The resources considered by the head of an executive agency for carrying out the program shall include the resources available to the executive agency for such purpose from the following sources:

(A) The executive agency.

(B) Other departments and agencies of the United States.

(C) Private sector sources.

(b) COMPLIANCE WITH APPLICABLE LAW AND REGULATIONS.—Before entering into a contract with a private sector source for the performance of services under a program of the executive agency carried out under section 812, the head of an executive agency shall comply with—

(1) any otherwise applicable provisions of Office of Management and Budget Circular A–76; and

(2) any other applicable provision of law or regulation with respect to the selection between employees

of the United States and private sector sources for the performance of services.

SEC. 815. MANAGEMENT IMPROVEMENT PROGRAMS.

In accordance with guidance provided by the Director of the Office of Management and Budget under section 812, the head of an executive agency required to carry out a program under section 812 may carry out a program for improving management processes within the executive agency—

(1) to address problems that contribute directly to the occurrence of errors in the paying of contractors of the executive agency; or

(2) to improve the recovery of overpayments due to the agency.

SEC. 816. REPORTS.

(a) REQUIREMENT FOR REPORTS.—Not later than 30 months after the date of the enactment of this Act, and annually for each of the first two years following the year of the first report, the Director of the Office of Management and Budget shall submit to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate, a report on the implementation of this subtitle.

(b) CONTENT.—Each report shall include—

(1) a general description and evaluation of the steps taken by the heads of executive agencies to carry out the programs under this subtitle, including any management improvement programs carried out under section 815;

(2) the costs incurred by executive agencies to carry out the programs under this subtitle; and

(3) the amounts recovered under the programs under this subtitle.

SEC. 817. RELATIONSHIP TO AUTHORITY OF INSPECTORS GENERAL.

Nothing in this subtitle shall be construed as impairing the authority of an Inspector General under the Inspector General Act of 1978 or any other provision of law.

SEC. 818. PRIVACY PROTECTIONS.

(a) PROHIBITION.—Any nongovernmental entity that, in the course of recovery auditing or recovery activity under this subtitle, obtains information that identifies an individual or with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, may not disclose the information for any purpose other than such recovery auditing or recovery activity and governmental oversight of such activity, unless disclosure for that other purpose is authorized by the individual

to the executive agency that contracted for the performance of the recovery auditing or recovery activity.

(b) LIABILITY.—Any person that violates subsection (a) shall be liable for any damages (including nonpecuniary damages), costs, and attorneys fees incurred by the individual as a result of the violation.

SEC. 819. DEFINITION.

In this subtitle, the term "executive agency" has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. FURTHER REDUCTIONS IN DEFENSE ACQUISITION AND SUPPORT WORKFORCE

(a) REDUCTION OF DEFENSE ACQUISITION AND SUPPORT WORKFORCE.—The Secretary of Defense shall accomplish reductions in defense acquisition and support personnel positions during fiscal year 2002 so that the total number of such personnel as of October 1, 2002, is less than the total number of such personnel as of October 1, 2001, by at least 13,000.

(b) DEFENSE ACQUISITION WORKFORCE DEFINED.—For purposes of this section, the term "defense acquisition

and support personnel" has the meaning given that term in section 931(d) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2106).

SEC. 902. SENSE OF CONGRESS ON ESTABLISHMENT OF AN OFFICE OF TRANSFORMATION IN THE DEPARTMENT OF DEFENSE.

(a) FINDINGS.—Congress finds the following:

(1) The Armed Forces should give careful consideration to implementating transformation to meet operational challenges and exploit opportunities resulting from changes in the threat environment and the emergence of new technologies.

(2) A 1999 Defense Science Board report on transformation concluded that there was no overall Department of Defense vision for transformation, no road map, no metrics to measure progress, and little sense of urgency.

(3) Historic case studies have shown that within the military, as well as commercial enterprises, successful transformation must be directed from the highest levels of an organization.

(b) SENSE OF CONGRESS ON ESTABLISHMENT OF OFFICE OF TRANSFORMATION.—It is the sense of Congress that the Secretary of Defense should consider the establishment

of an Office of Transformation within the Office of the Secretary of Defense to advise the Secretary on—

(1) development of force transformation strategies to ensure that the military of the future is prepared to dissuade potential military competitors and, if that fails, to fight and win decisively across the spectrum of future conflict;

(2) ensuring a continuous and broadly focused transformation process;

(3) service and joint acquisition and experimentation efforts, funding for experimentation efforts, promising operational concepts and technologies, and other transformation activities, as appropriate; and

(D) development of service and joint operational concepts, transformation implementation strategies, and risk management strategies.

(c) SENSE OF CONGRESS ON FUNDING.—It is the sense of Congress that the Secretary of Defense should consider providing funding adequate for sponsoring selective prototyping efforts, wargames, and studies and analyses and for appropriate staffing, as recommended by the director of an Office of Transformation as described in subsection (b).

SEC. 903. REVISED JOINT REPORT ON ESTABLISHMENT OF NATIONAL COLLABORATIVE INFORMATION ANALYSIS CAPABILITY.

(a) REVISED REPORT.—At the same time as the submission of the budget for fiscal year 2003 under section 1105 of title 31, United States Code, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees and the congressional intelligence committees a revised report assessing alternatives for the establishment of a national collaborative information analysis capability.

(b) MATTERS INCLUDED.—The revised report shall cover the same matters required to be included in the DOD/CIA report, except that the alternative architectures assessed in the revised report shall be limited to architectures that include the participation of all Federal agencies involved in the collection of intelligence. The revised report shall also include a draft of legislation sufficient to carry out the preferred architecture identified in the revised report.

(c) OFFICIALS TO BE CONSULTED.—The revised report shall be prepared after consultation with all appropriate Federal officials, including the following:

(1) The Secretary of the Treasury.

(2) The Secretary of Commerce.

(3) The Secretary of State.

(4) The Attorney General.

(5) The Director of the Federal Bureau of Investigation.

(6) The Administrator of the Drug Enforcement Administration.

(7) The Director of the Defense Threat Reduction Agency.

(8) The Director of the Defense Information Systems Agency.

(d) DOD/CIA REPORT DEFINED.—In this section, the term "DOD/CIA report" means the joint report required by section 933 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–237).

SEC. 904. ELIMINATION OF TRIENNIAL REPORT BY CHAIRMAN OF THE JOINT CHIEFS OF STAFF ON ROLES AND MISSIONS OF THE ARMED FORCES.

(a) REPEAL OF REQUIREMENT FOR SEPARATE REPORT BY CHAIRMAN OF THE JOINT CHIEFS OF STAFF.—Section 153 of title 10, United States Code, is amended by striking subsection (b).

(b) ROLES AND MISSIONS CONSIDERED AS PART OF DEFENSE QUADRENNIAL REVIEW.—Subsection 118(e) of such title is amended—

(1) by inserting "(1)" before "Upon the completion";

(2) by designating the second and third sentences as paragraph (3); and

(3) by inserting after paragraph (1), as designated by paragraph (1) of this subsection, the following new paragraph:

"(2) As part of his assessment under paragraph (1), the Chairman shall provide his assessment of the assignment of functions (or roles and missions) to the armed forces and such recommendations for changes thereto as the Chairman considers necessary to achieve maximum efficiency of the armed forces. In preparing such assessment, the Chairman shall consider (among other matters) the following:

"(A) Unnecessary duplication of effort among the armed forces.

"(B) Changes in technology that can be applied effectively to warfare.".

SEC. 905. REPEAL OF REQUIREMENT FOR SEMIANNUAL REPORTS THROUGH MARCH 2003 ON ACTIVITIES OF JOINT REQUIREMENTS OVERSIGHT COUNCIL.

Section 916 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–231) is repealed.

SEC. 906. CORRECTION OF REFERENCES TO AIR MOBILITY COMMAND.

(a) REFERENCES IN TITLE 10, UNITED STATES CODE.—Sections 2554(d) and 2555(a) of title 10, United States Code, are each amended by striking "Military Airlift Command" and inserting "Air Mobility Command".

(b) REPEAL OF OBSOLETE PROVISION.—Section 8074 of such title is amended by striking subsection (c).

(c) REFERENCES IN TITLE 37, UNITED STATES CODE.—Sections 430(c) and 432(b) of title 37, United States Code, are each amended by striking "Military Airlift Command" and inserting "Air Mobility Command".

SEC. 907. ORGANIZATIONAL ALIGNMENT CHANGE FOR DIRECTOR FOR EXPEDITIONARY WARFARE.

Section 5038(a) of title 10, United States Code, is amended by striking "Office of the Deputy Chief of Naval Operations for Resources, Warfare Requirements, and Assessments" and inserting "office of the Deputy Chief of

Naval Operations with responsibility for warfare requirements and programs".

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2002 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the Committee on Armed Services of the House of Representatives to accompany its report on the bill H.R. 2586 of the One Hundred Seventh Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and re-

quirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. LIMITATION ON FUNDS FOR BOSNIA AND KOSOVO PEACEKEEPING OPERATIONS FOR FISCAL YEAR 2002.

(a) LIMITATION.—Of the amounts authorized to be appropriated by section 301(24) for the Overseas Contingency Operations Transfer Fund—

(1) no more than $1,315,600,000 may be obligated for incremental costs of the Armed Forces for Bosnia peacekeeping operations; and

(2) no more than $1,528,600,000 may be obligated for incremental costs of the Armed Forces for Kosovo peacekeeping operations.

(b) PRESIDENTIAL WAIVER.—The President may waive the limitation in subsection (a)(1), or the limitation in subsection (a)(2), after submitting to Congress the following:

(1) The President's written certification that the waiver is necessary in the national security interests of the United States.

(2) The President's written certification that exercising the waiver will not adversely affect the readiness of United States military forces.

(3) A report setting forth the following:

(A) The reasons that the waiver is necessary in the national security interests of the United States.

(B) The specific reasons that additional funding is required for the continued presence of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be, for fiscal year 2002.

(C) A discussion of the impact on the military readiness of United States Armed Forces of the continuing deployment of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be.

(4) A supplemental appropriations request for the Department of Defense for such amounts as are necessary for the additional fiscal year 2002 costs associated with United States military forces participating in, or supporting, Bosnia or Kosovo peacekeeping operations.

(c) PEACEKEEPING OPERATIONS DEFINED.—For the purposes of this section:

(1) The term "Bosnia peacekeeping operations" has the meaning given such term in section 1004(e) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2112).

(2) The term "Kosovo peacekeeping operations"—

(A) means the operation designated as Operation Joint Guardian and any other operation involving the participation of any of the Armed Forces in peacekeeping or peace enforcement activities in and around Kosovo; and

(B) includes, with respect to Operation Joint Guardian or any such other operation, each activity that is directly related to the support of the operation.

SEC. 1004. INCREASE IN LIMITATIONS ON ADMINISTRATIVE AUTHORITY OF THE NAVY TO SETTLE ADMIRALTY CLAIMS.

(a) ADMIRALTY CLAIMS AGAINST THE UNITED STATES.—Section 7622 of title 10, United States Code, is amended—

(1) in subsections (a) and (b), by striking "$1,000,000" and inserting "$15,000,000"; and

(2) in subsection (c), by striking "$100,000" and inserting "$1,000,000".

(b) ADMIRALTY CLAIMS BY THE UNITED STATES.—Section 7623 of such title is amended—

(1) in subsection (a)(2), by striking "$1,000,000" and inserting "$15,000,000"; and

(2) in subsection (c), by striking "$100,000" and inserting "$1,000,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any claim accruing on or after February 1, 2001.

Subtitle B—Naval Vessels

SEC. 1011. REVISION IN TYPES OF EXCESS NAVAL VESSELS FOR WHICH APPROVAL BY LAW IS REQUIRED FOR DISPOSAL TO FOREIGN NATIONS.

(a) REVISION IN VESSEL THRESHOLD.—Section 7307 of title 10, United States Code, is amended—

(1) in subsection (a), by striking "A naval vessel" and inserting "Except as provided in subsection (b), a combatant naval vessel";

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

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

"(b) TREATMENT OF VESSELS HELD BY FOREIGN NATIONS BY LOAN OR LEASE.—Subsection (a) shall not apply to the disposal to another nation of a vessel described in that subsection that, at the time of the disposal, is held by the nation to which the disposal is to be made pursuant to a loan or lease arrangement made under section 61 of the Arms Export Control Act (22 U.S.C. 2796) or any other provision of law."; and

(4) by adding after subsection (c), as redesignated by paragraph (2), the following new subsection:

"(d) INAPPLICABILITY OF VESSEL DISPOSALS TO AGGREGATE ANNUAL VALUE LIMITATIONS.—The value of a vessel transferred to another country under an applicable provision of law as described in subsection (c) shall not be counted for the purposes of any aggregate limit on the value of articles transferred to other countries under that provision of law during any year (or other applicable period of time).".

(b) TECHNICAL AMENDMENTS.—Subsection (a) of such section is further amended—

(1) by striking "LARGER OR NEWER" in the subsection heading and inserting "CERTAIN COMBATANT; and

(2) by striking "approved by law enacted after August 5, 1974" and inserting "specifically approved by law".

Subtitle C—Counter-Drug Activities

SEC. 1021. EXTENSION OF REPORTING REQUIREMENT REGARDING DEPARTMENT OF DEFENSE EXPENDITURES TO SUPPORT FOREIGN COUNTER-DRUG ACTIVITIES.

Section 1022 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–255) is amended—

(1) by inserting "and April 15, 2002," after "January 1, 2001,"; and

(2) by striking "fiscal year 2000" and inserting "the preceding fiscal year".

SEC. 1022. AUTHORITY TO TRANSFER TRACKER AIRCRAFT CURRENTLY USED BY ARMED FORCES FOR COUNTER-DRUG PURPOSES.

(a) TRANSFER AUTHORITY.—The Secretary of Defense may transfer to the administrative jurisdiction and operational control of another Federal agency all Tracker aircraft in the inventory of the Department of Defense.

(b) EFFECT OF FAILURE TO TRANSFER.—If the transfer authority provided by subsection (a) is not exercised by the Secretary of Defense by September 30, 2002, any Track-

er aircraft remaining in the inventory of the Department of Defense may not be used by the Armed Forces for counter-drug purposes after that date.

SEC. 1023. AUTHORITY TO TRANSFER TETHERED AEROSTAT RADAR SYSTEM CURRENTLY USED BY ARMED FORCES FOR COUNTER-DRUG PURPOSES.

(a) TRANSFER AUTHORITY.—The Secretary of Defense may transfer to the administrative jurisdiction and operational control of another Federal agency the Tethered Aerostat Radar System currently used by the Armed Forces in maritime, air, and land counter-drug detection and monitoring.

(b) EFFECT OF FAILURE TO TRANSFER.—If the transfer authority provided by subsection (a) is not exercised by the Secretary of Defense by September 30, 2002, the Tethered Aerostat Radar System may not be used by the Armed Forces for counter-drug purposes after that date.

Subtitle D—Reports

SEC. 1031. REQUIREMENT THAT DEPARTMENT OF DEFENSE REPORTS TO CONGRESS BE ACCOMPANIED BY ELECTRONIC VERSION.

(a) IN GENERAL.—Chapter 23 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

"§ 480. Department of Defense reports: submission in electronic form

"(a) REQUIREMENT.—Whenever the Secretary of Defense or any other official of the Department of Defense is required by law to submit a report to Congress (or any committee of either House of Congress), the Secretary or other official shall provide to Congress (or each such committee) a copy of the report in an electronic medium.

"(b) EXCEPTION.—Subsection (a) does not apply to a report submitted in classified form.

"(c) DEFINITION.—In this section, the term 'report' includes any certification, notification, or other communication in writing.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 481 the following new item:

"480. Department of Defense reports: submission in electronic form.".

SEC. 1032. REPORT ON DEPARTMENT OF DEFENSE ROLE IN HOMELAND SECURITY MATTERS.

The Secretary of Defense shall conduct a study on the appropriate role for the Department of Defense in homeland security matters. The Secretary shall submit to the Congress a report on the results of that study at the same time that the budget of the President for fiscal year 2003 is submitted to Congress.

SEC. 1033. REVISION OF ANNUAL REPORT TO CONGRESS ON NATIONAL GUARD AND RESERVE COMPONENT EQUIPMENT.

The text of section 10541 of title 10, United States Code, is amended to read as follows:

"(a) REQUIREMENT.—The Secretary of Defense shall submit to Congress each year, not later than March 1, a written report concerning the equipment of the National Guard and the reserve components of the armed forces. Each such report shall cover the current fiscal year and the three succeeding years.

"(b) MATTERS TO BE INCLUDED IN REPORT.—Each report under this section shall include the following (shown in the aggregate and separately for each reserve component):

"(1) A list of major items of equipment required and on-hand in the inventories of the reserve components.

"(2) A list of major items of equipment that are expected to be procured from commercial sources or transferred from the active component to the reserve components.

"(3) A statement of major items of equipment in the inventories of the reserve components that are substitutes for a required major item of equipment.

"(4) A narrative explanation of the plan of the Secretary concerned to equip each reserve component,

including an explanation of the plan to equip units of the reserve components that are short major items of equipment at the outset of war or a contingency operation.

"(5) A narrative discussing the current status of the compatibility and interoperability of equipment between the reserve components and the active forces and the effect of that level of compatibility or interoperability on combat effectiveness, together with a plan to achieve full equipment compatibility and interoperability.

"(6) A narrative discussing modernization shortfalls and maintenance backlogs within the reserve components and the effect of those shortfalls on combat effectiveness.

"(7) A narrative discussing the overall age and condition of equipment currently in the inventory of the reserve components.

"(c) MAJOR ITEMS OF EQUIPMENT.—In this section, the term 'major items of equipment' includes ships, aircraft, combat vehicles, and key combat support equipment.

"(d) FORMAT AND LEVEL OF DETAIL.—Each report under this section shall be expressed in the same format and with the same level of detail as the information presented

in the Future-Years Defense Program Procurement Annex prepared by the Department of Defense.".

Subtitle E—Other Matters

SEC. 1041. DEPARTMENT OF DEFENSE GIFT AUTHORITIES.

(a) ADDITIONAL ITEMS AUTHORIZED TO BE DONATED BY SECRETARY OF THE NAVY.—Section 7545 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "Subject to" and all that follows through "by him," and inserting "AUTHORITY TO MAKE LOANS AND GIFTS.—The Secretary of the Navy";

(B) by striking "captured, condemned," and all that follows through "to—" and inserting "items described in subsection (b) that are not needed by the Department of the Navy to any of the following:"

(C) by capitalizing the first letter after the paragraph designation in each of paragraphs (1) through (12);

(D) by striking the semicolon at the end of paragraphs (1) through (10) and inserting a period;

(E) by striking "; or" at the end of paragraph (11) and inserting a period;

(F) in paragraph (5), by striking "World War I or World War II" and inserting "a foreign war";

(G) in paragraph (6), by striking "soldiers' monument" and inserting "servicemen's monument"; and

(H) in paragraph (8), by inserting "or memorial" after "a museum";

(2) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively;

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

"(b) ITEMS ELIGIBLE FOR DISPOSAL.—This section applies to the following types of property held by the Department of the Navy:

"(1) Captured, condemned, or obsolete ordnance material.

"(2) Captured, condemned, or obsolete combat or shipboard material.

"(c) REGULATIONS.—A loan or gift made under this section shall be subject to regulations prescribed by the Secretary of the Navy and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).";

(4) in subsection (d) (as redesignated by paragraph (2)), by inserting "MAINTENANCE OF THE RECORDS OF THE GOVERNMENT.—" after the subsection designation;

(5) in subsection (e) (as redesignated by paragraph (2)), by inserting "ALTERNATIVE AUTHORITIES TO MAKE GIFTS OR LOANS.—" after the subsection designation; and

(6) by adding at the end the following new subsection:

"(f) AUTHORITY TO TRANSFER A PORTION OF A VESSEL.—The Secretary may lend, give, or otherwise transfer any portion of the hull or superstructure of a vessel stricken from the Naval Vessel Register and designated for scrapping to a qualified organization specified in subsection (a). The terms and conditions of an agreement for the transfer of a portion of a vessel under this section shall include a requirement that the transferee will maintain the material conveyed in a condition that will not diminish the historical value of the material or bring discredit upon the Navy.".

(b) CONFORMING AMENDMENTS.—Section 2572(a) of such title is amended—

(1) in paragraph (2), by striking "soldiers' monument" and inserting "servicemen's monument"; and

(2) in paragraph (4), by inserting "or memorial" after "An incorporated museum".

SEC. 1042. TERMINATION OF REFERENDUM REQUIREMENT REGARDING CONTINUATION OF MILITARY TRAINING ON ISLAND OF VIEQUES, PUERTO RICO, AND IMPOSITION OF ADDITIONAL CONDITIONS ON CLOSURE OF LIVE-FIRE TRAINING RANGE.

(a) IN GENERAL.—Title XV of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–348) is amended by striking sections 1503, 1504, and 1505 and inserting the following new sections:

"SEC. 1503. CONDITIONS ON CLOSURE OF VIEQUES NAVAL TRAINING RANGE.

"(a) REQUIRED CERTIFICATION.—The Secretary of the Navy may close the Vieques Naval Training Range on the island of Vieques, Puerto Rico, and discontinue live-fire training at that range only if—

"(1) the Chief of Naval Operations and the Commandant of the Marine Corps jointly certify that there is an alternative training facility that provides

an equivalent or superior level of training for units of the Navy and the Marine Corps stationed or deployed in the eastern United States; and

"(2) the new facility is available and fully capable of supporting such training immediately upon cessation of live-fire training on Vieques.

"(b) EQUIVALENT OR SUPERIOR LEVEL OF TRAINING DEFINED.—In this section, the term 'equal or superior level of training' refers to an ability by the Armed Forces to conduct at a single location coordinated live-fire training, including simultaneous large-scale tactical air strikes, naval surface fire support and artillery, and amphibious landing operations, as was conducted at Vieques Naval Training Range before April 19, 1999.

"SEC. 1504. NAVY RETENTION OF CLOSED VIEQUES NAVAL TRAINING RANGE.

"(a) RETENTION.—If the conditions specified in section 1503(a) are satisfied and the Secretary of the Navy terminates all Navy and Marine Corps training operations on the island of Vieques, the Secretary of the Navy shall retain administrative jurisdiction over the Live Impact Area and all other Department of Defense real properties on the eastern side of the island for possible reactivation for training use, including live-fire training, in the event a national emergency.

"(b) ADMINISTRATION.—The Secretary of the Navy may enter into a cooperative agreement with the Secretary of the Interior to provide for management of the property described in subsection (a), pending reactivation for training use, by appropriate agencies of the Department of the Interior as follows:

"(1) Management of the Live Impact Area as a wilderness area under the Wilderness Act (16 U.S.C. 1131 et seq.), including a prohibition on public access to the area.

"(2) Management of the remaining property as wildlife refuges under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).

"(c) LIVE IMPACT AREA DEFINED.—In this section, the term 'Live Impact Area' means the parcel of real property, consisting of approximately 900 acres (more or less), on the island of Vieques that is designated by the Secretary of the Navy for targeting by live ordnance in the training of forces of the Navy and Marine Corps.".

(b) CONFORMING AMENDMENT.—Section 1507(c) of such Act is amended by striking "the issuance of a proclamation described in section 1504(a) or".

SEC. 1043. REPEAL OF LIMITATION ON REDUCTIONS IN PEACEKEEPER ICBM MISSILES.

Subsection (a)(1) of section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) is amended by striking subparagraph (D).

SEC. 1044. SENSE OF THE CONGRESS ON THE IMPORTANCE OF THE KWAJALEIN MISSILE RANGE/RONALD REAGAN DEFENSE INITIATIVE TEST SITE AT KWAJALEIN ATOLL.

(a) IMPORTANCE OF MISSILE RANGE.—Congress recognizes the importance of the Kwajalein Missile Range to the Department of Defense, particularly in that—

(1) Kwajalein acts as a buffer between Hawaii and Asia and provides an important role in monitoring potential adversaries in the Pacific Theatre; and

(2) the range is the only location at which tests for United States exoatmospheric ballistic missile defense intercepts occurs.

(b) FINDINGS.—Congress finds that the Department of Defense conducted a study regarding the importance of Kwajalein Missile Range and made the following findings:

(1) The United States has an overriding defense interest in continuing the use of the Kwajalein Missile Range and facilities on Kwajalein Atoll.

(2) The requirements of United States missile defense and space surveillance programs, combined with the uniqueness of Kwajalein's location, and infrastructure investment, make renewal of the Compact in the best interest of the Department of Defense.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the United States—

(1) should work to continue the long-term relationship of the Department of Defense with the Kwajalein Missile Range/Ronald Reagan Defense Initiative Test Site at Kwajalein Atoll; and

(2) should continue to recognize the vital importance of that test site to the national security of the United States and peacekeeping efforts in Asia.

SEC. 1045. TRANSFER OF VIETNAM ERA F–4 AIRCRAFT TO NONPROFIT MUSEUM.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the nonprofit National Aviation Museum and Foundation of Oklahoma (in this section referred to as the "museum"), all right, title, and interest of the United States in and to one surplus F–4 aircraft that is flyable or that can be readily restored to flyable condition. The conveyance shall be made by means of a conditional deed of gift.

(b) CONDITION OF AIRCRAFT.—(1) The Secretary may not convey ownership of an aircraft under subsection (a) until the Secretary determines that the museum has altered the aircraft in such manner as the Secretary determines necessary to ensure that the aircraft does not have any capability for use as a platform for launching or releasing munitions or any other combat capability that it was designed to have.

(2) The Secretary is not required to repair or alter the condition of the aircraft before conveying ownership of the aircraft.

(c) REVERTER UPON BREACH OF CONDITIONS.—The Secretary shall include in the instrument of conveyance of the aircraft—

(1) a condition that the museum not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary;

(2) a condition that the museum operate and maintain the aircraft in compliance with all applicable limitations and maintenance requirements imposed by the Administrator of the Federal Aviation Administration; and

(3) a condition that if the Secretary determines at any time that the museum has conveyed an owner-

ship interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, or has failed to comply with the condition set forth in paragraph (2), all right, title, and interest in and to the aircraft, including any repair or alteration of the aircraft, shall revert to the United States, and the United States shall have the right of immediate possession of the aircraft.

(d) CONVEYANCE AT NO COST TO THE UNITED STATES.—The conveyance of the aircraft under subsection (a) shall be made at no cost to the United States. Any costs associated with the conveyance, costs of determining compliance with subsection (b), and costs of operation and maintenance of the aircraft conveyed shall be borne by the museum.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 1046. BOMBER FORCE STRUCTURE.

(a) LIMITATION.—None of the funds available to the Department of Defense for fiscal year 2002 may be obligated or expended for retiring or dismantling any of the 93 B–1B Lancer bombers in service as of June 1, 2001, or for

transferring or reassigning any of those aircraft from the unit or the facility to which assigned as of that date, until each of the following has occurred:

(1) The President transmits to Congress a national security strategy report under section 108 of the National Security Act of 1947 (50 U.S.C. 4040) as required by subsection (a)(3) of that section.

(2) The Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives the Quadrennial Defense Review (QDR) under section 118 of title 10, United States Code, that under that section is required to be submitted not later than September 30, 2001.

(3) The Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report that provides—

(A) the changes in national security considerations from those applicable to the air force bomber studies conducted during 1992 and 1995 that warrant changes in the current configuration of the bomber fleet; and

(B) the plans of the Department of Defense for assigning new missions to the National

Guard units that currently fly B–1 aircraft and for the transition of those units and their facilities from the current B–1 mission to their future missions.

(4) The Secretary of Defense submits to Congress the annual report of the Secretary for 2001 required by section 113(c) of title 10, United States Code.

(5) The Secretary of Defense submits to Congress a report on the results of the Revised Nuclear Posture Review conducted under section 1042 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–262), as required by subsection (c) of that section.

(6) The Secretary of Defense conducts, and submits to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives a report on the results of, a comprehensive study to determine—

(A) the role of manned bomber aircraft appropriate to meet the requirements derived from the National Security Strategy report referred to in paragraph (1);

(B) the amount and type of bomber force structure in the United States Air Force appro-

priate to meet the requirements derived from the National Security Strategy report referred to in paragraph (1); and

(C) the most cost effective allocation of bomber force structure, factoring in use of the reserve components of the Air Force consistent with the requirements of the National Security Strategy report referred to in paragraph (1).

(b) GAO STUDY AND REPORT.—The Comptroller General of the United States shall conduct a study on the same matters as specified in subparagraphs (A), (B), and (C) of subsection (a)(6). The Comptroller General shall submit to Congress a report containing the results of that study not later than 180 days after the date of the submission of the report referred to in subsection (a)(6)

(c) DEFINITIONS.—For purposes of this section:

(1) AMOUNT AND TYPE OF BOMBER FORCE STRUCTURE.—The term "amount and type of bomber force structure" means the required numbers of B–2 aircraft, B–52 aircraft, and B–1 aircraft consistent with the requirements of the National Security Strategy referred to in subsection (a)(1).

(2) COST EFFECTIVE ALLOCATION OF BOMBER FORCE STRUCTURE.—The term "cost effective allocation of bomber force structure" means the lowest cost

for stationing, maintaining, and operating the bomber fleet fully consistent with the requirements of the National Security Strategy referred to in subsection (a)(1).

SEC. 1047. TECHNICAL AND CLERICAL AMENDMENTS.

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

(1) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, are each amended by striking the period after "1111" in the item relating to chapter 56.

(2) Section 119(g)(2) is amended by striking "National Security Subcommittee" and inserting "Subcommittee on Defense".

(3) Section 130c(b)(3)(C) is amended by striking "subsection (f)" and inserting "subsection (g)".

(4) Section 176(a)(3) is amended by striking "Chief Medical Director" and inserting "Under Secretary for Health".

(5)(A) Section 503(c) is amended in paragraph (6)(A)(i) by striking "14101(18)" and "8801(18)" and inserting "14101" and "8801", respectively.

(B) The amendment made by subparagraph (A) shall take effect on July 1, 2002, immediately after the amendment to such section effective that date by

section 563(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 131).

(6) Section 663(e) is amended—

(A) by striking "Armed Forces Staff College" in paragraph (1) and inserting "Joint Forces Staff College"; and

(B) by striking "ARMED FORCES STAFF COLLEGE" and inserting "JOINT FORCES STAFF COLLEGE".

(7) Section 667(17) is amended by striking "Armed Forces Staff College" both places it appears and inserting "Joint Forces Staff College".

(8) Section 874(a) is amended by inserting after "a sentence of confinement for life without eligibility for parole" the following: "that is adjudged for an offense committed after October 29, 2000".

(9) Section 1056(c)(2) is amended by striking ", not later than September 30, 1991,".

(10) The table of sections at the beginning of chapter 55 is amended by transferring the item relating to section 1074i, as inserted by section 758(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law

106–398; 114 Stat. 1654A–200), so as to appear after the item relating to section 1074h.

(11) Section 1097a(e) is amended by striking "section 1072" and inserting "section 1072(2)".

(12) Sections 1111(a) and 1114(a)(1) are each amended by striking "hereafter" and inserting "hereinafter".

(13) Section 1116 is amended—

(A) in subsection (a)(2)(B), by inserting an open parenthesis before "other than for training"; and

(B) in subsection (b)(2)(D), by striking "section 111(c)(4)" and inserting "section 1115(c)(4)".

(14) The heading for subchapter II of chapter 75 is transferred within that chapter so as to appear before the table of sections at the beginning of that subchapter (as if the amendment made by section 721(c)(1) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 694) had inserted that heading following section 1471 instead of before section 1475).

(15) Section 1611(d) is amended by striking "with".

(16) Section 2166(e)(9) is amended by striking "App. 2" and inserting "App.".

(17) Section 2323(a)(1)(C) is amended—

(A) by striking "section 1046(3)" and inserting "section 365(3)";

(B) by striking "20 U.S.C. 1135d–5(3)" and inserting "20 U.S.C. 1067k"; and

(C) by striking ", which, for the purposes of this section" and all that follows through the period at the end and inserting a period.

(18) Section 2375(b) is amended by inserting "(41 U.S.C. 430)" after "section 34 of the Office of Federal Procurement Policy Act".

(19) Section 2376(1) is amended by inserting "(41 U.S.C. 403)" after "section 4 of the Office of Federal Procurement Policy Act".

(20) Section 2410f(a) is amended by inserting after "inscription" the following: ", or another inscription with the same meaning,".

(21) Section 2461a(a)(2) is amended by striking "effeciency" and inserting "efficiency".

(22) Section 2467 is amended—

(A) in subsection (a)(2)—

(i) by striking ", United States Code" in subparagraph (A); and

(ii) by striking "such" in subparagraphs (B) and (C); and

(B) in subsection (b)(2)(A), by striking "United States Code,".

(23) Section 2535 is amended—

(A) in subsection (a)—

(i) by striking "intent of Congress" and inserting "intent of Congress—";

(ii) by realigning clauses (1), (2), (3), and (4) so that each such clause appears as a separate paragraph indented two ems from the left margin; and

(iii) in paragraph (1), as so realigned, by striking "Armed Forces" and inserting "armed forces";

(B) in subsection (b)(1)—

(i) by striking "in this section, the Secretary is authorized and directed to—" and inserting "in subsection (a), the Secretary of Defense shall—"; and

(ii) by striking "defense industrial reserve" in subparagraph (A) and inserting "Defense Industrial Reserve"; and

(C) in subsection (c)—

(i) by striking paragraph (1);

(ii) by redesignating paragraph (2) as paragraph (1) and in that paragraph—

(I) by striking "means" and inserting "means—";

(II) by realigning clauses (A), (B), and (C) so that each such clause appears as a separate subparagraph indented four ems from the left margin; and

(III) by inserting "and" at the end of subparagraph (B), as so realigned; and

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

(24) Section 2541c is amended by striking "subtitle" both places it appears in the matter preceding paragraph (1) and inserting "subchapter".

(25) The second section 2555, added by section 1203(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–324), is redesignated as section 2565, and the item relating to that section in the table of sections at the beginning of chapter 152 is revised to conform to such redesignation.

(26) The second section 2582, added by section 1(a) of Public Law 106–446 (114 Stat. 1932), is redesignated as section 2583, and the item relating to that section in the table of sections at the beginning of chapter 153 is revised to conform to such redesignation.

(27)(A) Section 2693(a) is amended—

(i) in the matter preceding paragraph (1), by inserting "of Defense" after "Secretary"; and

(ii) in paragraph (3)—

(I) by inserting "to the Secretary of Defense" after "certifies";

(II) by inserting "(42 U.S.C. 3762a)" after "of 1968"; and

(III) by striking "to the public agencies referred to in section 515(a)(1) or 515(a)(3) of title I of such Act" and inserting "to a public agency referred to in paragraph (1) or (3) of subsection (a) of such section".

(B)(i) The heading of such section is amended to read as follows:

"§ 2693. Conveyance of certain property: Department of Justice correctional options program".

(ii) The item relating to such section in the table of sections at the beginning of chapter 159 is amended to read as follows:

"2693. Conveyance of certain property: Department of Justice correctional options program.".

(28) Section 3014(f)(3) is amended by striking "the number equal to" and all that follows and inserting "67.".

(29) Section 5014(f)(3) is amended by striking "the number equal to" and all that follows and inserting "74.".

(30) Section 8014(f)(3) is amended by striking "the number equal to" and all that follows and inserting "60.".

(31) Section 9783(e)(1) is amended by striking "40101(a)(2)" and inserting "40102(a)(2)".

(32) Section 12741(a)(2) is amended by striking "received" and inserting "receive".

(b) AMENDMENTS RELATING TO CHANGE IN TITLE OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS.—Title 10, United States Code, is further amended as follows:

(1) Section 133a(b) is amended by striking "shall assist the Under Secretary of Defense for Ac-

quisition and Technology" and inserting "shall assist the Under Secretary of Defense for Acquisition, Technology, and Logistics".

(2) The following provisions are each amended by striking "Under Secretary of Defense for Acquisition and Technology" and inserting "Under Secretary of Defense for Acquisition, Technology, and Logistics": sections 139(c), 139(f), 171(a)(3), 179(a)(1), 1702, 1703, 1707(a), 1722(a), 1722(b)(2)(B), 1735(c)(1), 1737(c)(1), 1737(c)(2)(B), 1741(b), 1746(a), 1761(b)(4), 1763, 2302c(a)(2), 2304(f)(1)(B)(iii), 2304(f)(6)(B), 2311(c)(1), 2311(c)(2)(B), 2350a(b)(2), 2350a(e)(1)(A), 2350a(e)(2)(B), 2350a(f)(1), 2399(b)(3), 2435(b), 2435(d)(2), 2521(a), and 2534(i)(3).

(3)(A) The heading for section 1702 is amended to read as follows:

"§ 1702. Under Secretary of Defense for Acquisition, Technology, and Logistics: authorities and responsibilities".

(B) The item relating to section 1702 in the table of sections at the beginning of subchapter I of chapter 87 is amended to read as follows:

"1702. Under Secretary of Defense for Acquisition, Technology, and Logistics: authorities and responsibilities.".

(4) Section 2503(b) is amended by striking "Under Secretary of Defense for Acquisition" and inserting "Under Secretary of Defense for Acquisition, Technology, and Logistics".

(c) AMENDMENTS TO SUBSTITUTE CALENDAR DATES FOR DATE-OF-ENACTMENT REFERENCES.—Title 10, United States Code, is further amended as follows:

(1) Section 130c(d)(1) is amended by striking "the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001" and inserting "October 30, 2000,".

(2) Section 184(a) is amended by striking "the date of the enactment of this section," and inserting "October 30, 2000,".

(3) Section 986(a) is amended by striking "the date of the enactment of this section," and inserting "October 30, 2000,".

(4) Section 1074g(a)(8) is amended by striking "the date of the enactment of this section" and inserting "October 5, 1999,".

(5) Section 1079(h)(2) is amended by striking "the date of the enactment of this paragraph" and inserting "February 10, 1996,".

(6) Section 1206(5) is amended by striking "the date of the enactment of the National Defense Author-

ization Act for Fiscal Year 2000," and inserting "October 5, 1999,".

(7) Section 1405(c)(1) is amended by striking "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995," and inserting "October 5, 1994,".

(8) Section 1407(f)(2) is amended by striking "the date of the enactment of this subsection—" and inserting "October 30, 2000—".

(9) Section 1408(d)(6) is amended by striking "the date of the enactment of this paragraph" and inserting "August 22, 1996,".

(10) Section 1511(b) is amended by striking "the date of the enactment of this chapter." and inserting "February 10, 1996.".

(11) Section 2461a(b)(1) is amended by striking "the date of the enactment of this section," and inserting "October 30, 2000,".

(12) Section 4021(c)(1) is amended by striking "the date of the enactment of this section." and inserting "November 29, 1989.".

(13) Section 6328(a) is amended by striking "the date of the enactment of this section" and inserting "February 10, 1996,".

(14) Section 7439 is amended—

(A) in subsection (a)(2), by striking "one year after the date of the enactment of this section," and inserting "November 18, 1998,";

(B) in subsection (b)(1), by striking "the date of the enactment of this section," and inserting "November 18, 1997,";

(C) in subsection (b)(2), by striking "the end of the one-year period beginning on the date of the enactment of this section." and inserting "November 18, 1998."; and

(D) in subsection (f)(2), by striking "the date of the enactment of this section" and inserting "November 18, 1997,".

(15) Section 12533 is amended—

(A) in each of subsections (b) and (c)(1), by striking "the date of the enactment of this section." and inserting "November 18, 1997."; and

(B) in each of subsections (c)(2) and (d), by striking "the date of the enactment of this section" and inserting "November 18, 1997,".

(16) Section 12733(3) is amended—

(A) in subparagraph (B), by striking "the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001;" and inserting "October 30, 2000;"; and

(B) in subparagraph (C), by striking "the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001" and inserting "October 30, 2000,".

(d) AMENDMENTS RELATING TO CHANGE IN TITLE OF MCKINNEY-VENTO HOMELESS ASSISTANCE ACT.—The following provisions are each amended by striking "Stewart B. McKinney Homeless Assistance Act" and inserting "McKinney-Vento Homeless Assistance Act":

(1) Sections 2814(j)(2), 2854a(d)(2), and 2878(d)(4) of title 10, United States Code.

(2) Sections 2905(b)(6)(A) and 2910(11) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(3) Section 204(b)(6)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(4) Section 2915(c)(10) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2687 note).

(5) Section 2(e)(4)(A) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103–421; 10 U.S.C. 2687 note).

(6) Section 1053(a) of the National Defense Authorization Act for Fiscal Year 1997 (110 Stat. 2650).

(e) AMENDMENTS TO REPEAL OBSOLETE PROVISIONS.—Title 10, United States Code, is further amended as follows:

(1) Section 1144 is amended—

(A) in subsection (a)(3), by striking the second sentence; and

(B) by striking subsection (e).

(2) Section 1581(b) is amended—

(A) by striking "(1)" and all that follows through "The Secretary of Defense shall deposit" and inserting "The Secretary of Defense shall deposit"; and

(B) by striking "on or after December 5, 1991,".

(3) Subsection (e) of section 1722 is repealed.

(4) Subsection 1732(a) is amended by striking the second sentence.

(5) Section 1734 is amended—

(A) in subsection (b)(1)(B), by striking "on and after October 1, 1991,"; and

(B) in subsection (e)(2), by striking the last sentence.

(6)(A) Section 1736 is repealed.

(B) The table of sections at the beginning of subchapter III of chapter 87 is amended by striking the item relating to section 1736.

(7)(A) Sections 1762 and 1764 are repealed.

(B) The table of sections at the beginning of subchapter V of chapter 87 is amended by striking the items relating to sections 1762 and 1764.

(8) Section 2112(a) is amended by striking ", with the first class graduating not later than September 21, 1982".

(9) Section 2218(d)(1) is amended by striking "for fiscal years after fiscal year 1993".

(10)(A) Section 2468 is repealed.

(B) The table of sections at the beginning of chapter 146 is amended by striking the item relating to section 2468.

(11) Section 2832 is amended—

(A) by striking "(a)" before "The Secretary of Defense"; and

(B) by striking subsection (b).

(12) Section 7430(b)(2) is amended—

(A) by striking "at a price less than" and all that follows through "the current sales price" and inserting "at a price less than the current sales price";

(B) by striking "; or" and inserting a period; and

(C) by striking subparagraph (B).

(f) PUBLIC LAW 106–398.—Effective as of October 30, 2000, and as if included therein as enacted, the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) is amended as follows:

(1) Section 525(b)(1) (114 Stat. 1654A–109) is amended by striking "subsection (c)" and inserting "subsections (a) and (b)".

(2) Section 1152(c)(2) (114 Stat. 1654A–323) is amended by inserting "inserting" after "and".

(g) PUBLIC LAW 106–65.—Effective as of October 5, 1999, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) is amended as follows:

(1) Section 531(b)(2)(A) (113 Stat. 602) is amended by inserting "in subsection (a)," after "(A)".

(2) Section 549(a)(2) (113 Stat. 611) is amended by striking "such chapter" and inserting "chapter 49 of title 10, United States Code,".

(3) Section 576(a)(3) (10 U.S.C. 1501 note; 113 Stat. 625) is amended by adding a period at the end.

(4) Section 577(a)(2) (113 Stat. 625) is amended by striking "bad conduct" in the first quoted matter and inserting "bad-conduct".

(5) Section 811(d)(3)(B)(v) (10 U.S.C. 2302 note; 113 Stat. 709) is amended by striking "Mentor-Protegee" and inserting "Mentor-Protege".

(6) Section 1052(b)(1) (113 Stat. 764) is amended by striking "'The Department" and inserting "the 'Department".

(7) Section 1053(a)(5) (10 U.S.C. 113 note; 113 Stat. 764) is amended by inserting "and" before "Marines".

(8) Section 1402(f)(2)(A) (22 U.S.C. 2778 note; 113 Stat. 799) is amended by striking "3201 note" and inserting "6305(4)".

(9) Section 2902(d) (10 U.S.C. 111 note; 113 Stat. 882) is amended by striking "section 2871(b)" and inserting "section 2881(b)".

(h) PUBLIC LAW 102–484.—The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended as follows:

(1) Section 3161(c)(6)(C) (42 U.S.C. 7274h(c)(6)(C)) is amended by striking "title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.)" and inserting "title II

of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.)".

(2) Section 4416(b)(1) (10 U.S.C. 12681 note) is amended by striking "force reduction period" and inserting "force reduction transition period".

(3) Section 4461(5) (10 U.S.C. 1143 note) is amended by adding a period at the end.

(i) OTHER LAWS.—

(1) Section 1083(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 113 note) is amended by striking "NAMES" and inserting "NAME".

(2) Section 845(d)(1)(B)(ii) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended by inserting a closed parenthesis after "41 U.S.C. 414(3))".

(3) Section 1123(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1556) is amended by striking "Armed Forces Staff College" each place it appears and inserting "Joint Forces Staff College".

(4) Section 1412(g)(2)(C)(vii) of the Department of Defense Authorization Act, 1986 (50 U.S.C.

1521(g)(2)(C)(vii)) is amended by striking "(c)(3)" and inserting "(c)(4)".

(5) Section 8336 of title 5, United States Code, is amended—

(A) in subsection (d)(2), by striking "subsection (o)" and inserting "subsection (p)"; and

(B) by redesignating the second subsection (o), added by section 1152(a)(2) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–320), as subsection (p).

(6) Section 9001(3) of title 5, United States Code, is amended by striking "and" at the end of subparagraph (A) and inserting "or".

(7) Section 318(h)(3) of title 37, United States Code, is amended by striking "subsection (a)" and inserting "subsection (b)".

(8) Section 3695(a)(5) of title 38, United States Code, is amended by striking "1610" and inserting "1611".

(9) Section 13(b) of the Peace Corps Act (22 U.S.C. 2512(b)) is amended by striking ", subject to section 5532 of title 5, United States Code".

(10) Section 127(g)(6) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note), as amended by section 311(b) of the Legislative Branch Appropriations Act, 2000 (Public Law 106–57; 113 Stat. 428), is amended—

(A) by striking "AUTHORITIES.—" and all that follows through "An individual" and inserting "AUTHORITIES.—An individual"; and

(B) by striking subparagraph (B).

(11) Section 28 of the Atomic Energy Act of 1954 (42 U.S.C. 2038) is amended in the last sentence by striking ", subject to" and all that follows through the period at the end and inserting a period.

(12) Section 3212 of the National Nuclear Security Administration Act (50 U.S.C. 2402) is amended by redesignating the second subsection (e), added by section 3159(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–469), as subsection (f).

TITLE XI—CIVILIAN PERSONNEL

SEC. 1101. UNDERGRADUATE TRAINING PROGRAM FOR EMPLOYEES OF THE NATIONAL IMAGERY AND MAPPING AGENCY.

(a) AUTHORITY TO CARRY OUT TRAINING PROGRAM.—Subchapter III of chapter 22 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 462. Undergraduate training program

"(a) AUTHORITY TO CARRY OUT PROGRAM.—The Secretary of Defense may authorize the Director of the National Imagery and Mapping Agency to establish an undergraduate training program under which civilian employees of the National Imagery and Mapping Agency may be assigned as students at accredited professional, technical, and other institutions of higher learning for training at the undergraduate level in skills critical to effective performance of the mission of the National Imagery and Mapping Agency. Such training may lead to the award of a baccalaureate degree.

"(b) PURPOSE.—The purpose of the program authorized by subsection (a) is to facilitate the recruitment of individuals, particularly minority high school students, with a demonstrated capability to develop skills critical to the mission of the National Imagery and Mapping Agency, in-

cluding skills in mathematics, computer science, engineering, and foreign languages.

"(c) REQUIREMENTS.—(1) To be eligible for assignment under subsection (a), an employee of the National Imagery and Mapping Agency must agree in writing—

"(A) to continue in the service of the National Imagery and Mapping Agency for the period of the assignment and to complete the educational course of training for which the employee is assigned;

"(B) to continue in the service of the National Imagery and Mapping Agency following completion of the assignment for a period of one-and-a-half years for each year of the assignment or part thereof;

"(C) to reimburse the United States for the total cost of education (excluding the employee's pay and allowances) provided under this section to the employee if, before the employee's completing the educational course of training for which the employee is assigned, the assignment or the employee's employment with the National Imagery and Mapping Agency is terminated either by the National Imagery and Mapping Agency due to misconduct by the employee or by the employee voluntarily; and

"(D) to reimburse the United States if, after completing the educational course of training for

which the employee is assigned, the employee's employment with the National Imagery and Mapping Agency is terminated either by the National Imagery and Mapping Agency due to misconduct by the employee or by the employee voluntarily, before the employee's completion of the service obligation period described in subparagraph (B), in an amount that bears the same ratio to the total cost of the education (excluding the employee's pay and allowances) provided to the employee as the unserved portion of the service obligation period described in subparagraph (B) bears to the total period of the service obligation described in subparagraph (B).

"(2) Subject to paragraph (3), the obligation to reimburse the United States under an agreement described in paragraph (1), including interest due on such obligation, is for all purposes a debt owing the United States.

"(3)(A) A discharge in bankruptcy under title 11, United States Code, shall not release a person from an obligation to reimburse the United States required under an agreement described in paragraph (1) if the final decree of the discharge in bankruptcy is issued within five years after the last day of the combined period of service obligation described in subparagraphs (A) and (B) of paragraph (1).

"(B) The Secretary of Defense may release a person, in whole or in part, from the obligation to reimburse the United States under an agreement described in paragraph (1) when, in his discretion, the Secretary determines that equity or the interests of the United States so require.

"(C) The Secretary of Defense shall permit an employee assigned under this section who, before commencing a second academic year of such assignment, voluntarily terminates the assignment or the employee's employment with the National Imagery and Mapping Agency, to satisfy his obligation under an agreement described in paragraph (1) by reimbursing the United States according to a schedule of monthly payments which results in completion of reimbursement by a date five years after the date of termination of the assignment or employment or earlier at the option of the employee.

"(d) DISCLOSURE REQUIRED.—(1) When an employee is assigned under this section to an institution, the Secretary shall disclose to the institution to which the employee is assigned that the National Imagery and Mapping Agency employs the employee and that the National Imagery and Mapping Agency funds the employee's education.

"(2) Efforts by the Secretary to recruit individuals at educational institutions for participation in the undergraduate training program established by this section shall

be made openly and according to the common practices of universities and employers recruiting at such institutions.

"(e) APPROPRIATION OF FUNDS REQUIRED.—The Secretary may pay, directly or by reimbursement to employees, expenses incident to assignments under subsection (a), in any fiscal year only to the extent that appropriated funds are available for such purpose.

"(f) INAPPLICABILITY OF CERTAIN LAWS.—Chapter 41 of title 5 and subsections (a) and (b) of section 3324 of title 31 shall not apply with respect to this section.

"(g) REGULATIONS.—The Secretary of Defense may prescribe such regulations as may be necessary to implement this section.".

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

"462. Undergraduate training program.".

SEC. 1102. PILOT PROGRAM FOR PAYMENT OF RETRAINING EXPENSES.

(a) AUTHORITY TO CARRY OUT PILOT PROGRAM.—(1) The Secretary of Defense may establish a pilot program to facilitate the reemployment of eligible employees of the Department of Defense who are involuntarily separated due to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station. Under the pilot program, the Secretary may pay retraining incen-

tives to encourage non-Federal employers to hire and retain such eligible employees.

(2) Under the pilot program, the Secretary may enter into an agreement with a non-Federal employer under which the employer agrees—

(A) to employ an eligible employee for at least 12 months at a salary that is mutually agreeable to the employer and the eligible employee; and

(B) to certify to the Secretary the amount of costs incurred by the employer for any necessary training (as defined by the Secretary) provided to such eligible employee in connection with the employment.

(3) The Secretary may pay a retraining incentive to the non-Federal employer upon the employee's completion of 12 months of continuous employment with that employer. The Secretary shall determine the amount of the incentive, except that in no event may such amount exceed the amount certified with respect to such eligible employee under paragraph (2)(A), or $10,000, whichever is greater.

(4) In a case in which an eligible employee does not remain employed by the non-Federal employer for at least 12 months, the Secretary may pay to the employer a prorated amount of what would have been the full retraining

incentive if the eligible employee had remained employed for such 12-month period.

(b) ELIGIBLE EMPLOYEES.—For purposes of this section, an eligible employee is an employee of the Department of Defense, serving under an appointment without time limitation, who has been employed by the Department for a continuous period of at least 12 months and who has been given notice of separation pursuant to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station, except that such term does not include—

(1) a reemployed annuitant under the retirement systems described in subchapter III of chapter 83 of title 5, United States Code, or chapter 84 of such title, or another retirement system for employees of the Federal Government;

(2) an employee who, upon separation from Federal service, is eligible for an immediate annuity under subchapter III of chapter 83 of such title, or subchapter II of chapter 84 of such title; or

(3) an employee who is eligible for disability retirement under any of the retirement systems referred to in paragraph (1).

(c) DURATION.—No incentive may be paid under the pilot program for training commenced after September 30, 2005.

(d) DEFINITIONS.—In this section:

(1) The term "non-Federal employer" means an employer that is not an Executive agency, as defined in section 105 of title 5, United States Code, or an entity in the legislative or judicial branch of the Federal Government.

(2) The term "reduction in force" has the meaning of that term as used in chapter 35 of such title 5.

(3) The term "realignment" has the meaning given that term in section 2910 of the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

SEC. 1103. PAYMENT OF EXPENSES TO OBTAIN PROFESSIONAL CREDENTIALS.

(a) IN GENERAL.—Chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 5757. Payment of expenses to obtain professional credentials

"(a) An agency may use appropriated funds or funds otherwise available to the agency to pay for—

"(1) expenses for employees to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification; and

"(2) examinations to obtain such credentials.

"(b) The authority under subsection (a) may not be exercised on behalf of any employee occupying or seeking to qualify for appointment to any position that is excepted from the competitive service because of the confidential, policy-determining, policy-making, or policy-advocating character of the position.".

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

"5757. Payment of expenses to obtain professional credentials.".

SEC. 1104. RETIREMENT PORTABILITY ELECTIONS FOR CERTAIN DEPARTMENT OF DEFENSE AND COAST GUARD EMPLOYEES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8347(q) of title 5, United States Code, is amended—

(1) in paragraph (1)(B), by striking "has 5 or more years of civilian service creditable under" and inserting "is employed subject to"; and

(2) in paragraph (2)(B)—

(A) by striking "vested"; and

(B) by striking ", as the term 'vested participant' is defined by such system".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8461(n) of such title is amended—

(1) in paragraph (1)(B), by striking "has 5 or more years of civilian service creditable under" and inserting "is employed subject to"; and

(2) in paragraph (2)(B)—

(A) by striking "vested"; and

(B) by striking ", as the term 'vested participant' is defined by such system".

SEC. 1105. REMOVAL OF REQUIREMENT THAT GRANTING CIVIL SERVICE COMPENSATORY TIME BE BASED ON AMOUNT OF IRREGULAR OR OCCASIONAL OVERTIME WORK.

Section 5543 of title 5, United States Code, is amended by striking "irregular or occasional" in each place such words appear.

SEC. 1106. APPLICABILITY OF CERTAIN LAWS TO CERTAIN INDIVIDUALS ASSIGNED TO WORK IN THE FEDERAL GOVERNMENT.

Section 3374(c)(2) of title 5, United States Code, is amended by inserting "the Ethics in Government Act of 1978, section 1043 of the Internal Revenue Code of 1986,

section 27 of the Office of Federal Procurement Policy Act," after "chapter 73 of this title,".

SEC. 1107. LIMITATION ON PREMIUM PAY.

Section 5547 of title 5, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) An employee may be paid premium pay under sections 5542, 5545 (a), (b), and (c), 5545a, and 5546 (a) and (b) of this title only to the extent that the aggregate of such employee's basic pay and premium pay under those provisions would, in any calendar year, exceed the maximum rate payable for GS–15 in effect at the end of such calendar year.

"(b) Subsection (a) shall not apply to any employee of the Federal Aviation Administration or the Department of Defense who is paid premium pay under section 5546a of this title."; and

(2) in subsection (c)—

(A) in paragraph (1), by striking "Subsections (a) and (b)" and inserting "Subsection (a)"; and

(B) in paragraph (2), by striking "pay period" and inserting "calendar year".

SEC. 1108. USE OF COMMON OCCUPATIONAL AND HEALTH STANDARDS AS A BASIS FOR DIFFERENTIAL PAYMENTS MADE AS A CONSEQUENCE OF EXPOSURE TO ASBESTOS.

(a) PREVAILING RATE SYSTEMS.—Section 5343(c)(4) of title 5, United States Code, is amended by inserting before the semicolon the following: "(and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970)".

(b) GENERAL SCHEDULE PAY RATES.—The first sentence of section 5545(d) of such title is amended by inserting before the period the following: "(and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970)".

(c) APPLICABILITY.—Any administrative or judicial determination made after the date of enactment of this Act concerning differential back payments related to asbestos under section 5343(c)(4) or 5545(d) of such title shall be based on the occupational safety and health standards described in such section, respectively.

SEC. 1109. AUTHORITY FOR DESIGNATED CIVILIAN EMPLOYEES ABROAD TO ACT AS A NOTARY.

(a) IN GENERAL.—Paragraph (4) of section 1044a(b) of title 10, United States Code, is amended—

(1) by inserting "and, when outside the United States, all civilian employees of the Department of Defense," after "duty status,"; and

(2) by inserting "or the Department of Defense" before "or by statute".

(b) CLARIFICATION OF STATUS OF CIVILIAN ATTORNEYS ACTING AS A NOTARY.—Paragraph (2) of such section is amended by striking "legal assistance officers" and inserting "legal assistance attorneys".

SEC. 1110. "MONRONEY AMENDMENT" RESTORED TO ITS PRIOR FORM.

Paragraph (2) of section 5343(d) of title 5, United States Code, is amended to read as such paragraph last read before the enactment of section 1242 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 735).

TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

SEC. 1201. CLARIFICATION OF AUTHORITY TO FURNISH NUCLEAR TEST MONITORING EQUIPMENT TO FOREIGN GOVERNMENTS.

Section 2565 of title 10, United States Code, as redesignated by section 1047(a)(25), is amended—

(1) in subsection (a)—

(A) by striking "CONVEY OR" in the subsection heading and inserting "TRANSFER TITLE TO OR OTHERWISE";

(B) in paragraph (1)—

(i) by striking "convey" and inserting "transfer title"; and

(ii) by striking "and" after "equipment;";

(C) by striking the period at the end of paragraph (2) and inserting "; and"; and

(D) by adding at the end the following new paragraph:

"(3) inspect, test, maintain, repair, or replace any such equipment."; and

(2) in subsection (b)—

(A) by striking "conveyed or otherwise provided" and inserting "provided to a foreign government";

(B) by inserting "and" at the end of paragraph (1);

(C) by striking "; and" at the end of paragraph (2) and inserting a period; and

(D) by striking paragraph (3).

SEC. 1202. ACQUISITION OF LOGISTICAL SUPPORT FOR SECURITY FORCES.

Section 5 of the Multinational Force and Observers Participation Resolution (22 U.S.C. 3424) is amended by adding at the end the following new subsection:

"(d)(1) The United States may use contractors to provide logistical support to the Multinational Force and Observers under this section in lieu of providing such support through a logistical support unit comprised of members of the United States Armed Forces.

"(2) Notwithstanding subsections (a) and (b) and section 7(b), support by a contractor under this subsection may be provided without reimbursement, whenever the President determines that such action enhances or supports the national security interests of the United States.".

SEC. 1203. REPORT ON THE SALE AND TRANSFER OF MILITARY HARDWARE, EXPERTISE, AND TECHNOLOGY FROM STATES OF THE FORMER SOVIET UNION TO THE PEOPLE'S REPUBLIC OF CHINA.

Section 1202 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 781; 10 U.S.C. 113 note) is amended by adding at the end the following new subsection:

"(d) REPORT ON SALES AND TRANSFERS FROM STATES OF THE FORMER SOVIET UNION TO CHINA.—(1) The report to be submitted under this section not later than March 1, 2002, shall include in a separate section a report describing the sales and transfer of military hardware, expertise, and technology from states of the former Soviet Union to the People's Republic of China. The report shall set forth the history of such sales and transfers since 1990, forecast possible future sales and transfers, and address the implications of those sales and transfers for the security of the United States and its friends and allies in Asia.

"(2) The report shall include analysis and forecasts of the following matters related to military cooperation between states of the former Soviet Union and the People's Republic of China:

"(A) The policy of each of those states with respect to arms sales to, and military cooperation with, the People's Republic of China.

"(B) Any laws or regulations of those states that could prohibit or limit such sales or cooperation.

"(C) The extent in each of those states of government knowledge, cooperation, or condoning of sales or transfers of military hardware, expertise, or technology to the People's Republic of China.

"(D) An itemization of sales or transfers of military hardware, expertise, or technology from any of those states to the People's Republic of China that have taken place since 1990, with a particular focus on command, control, communications, and intelligence systems.

"(E) A description of any sale or transfer of military hardware, expertise, or technology from any of those states to the People's Republic of China that is currently under negotiation or contemplation through the end of 2005.

"(F) Identification of Chinese defense industries in which technicians from states of the former Soviet Union are working and of defense industries of those states in which Chinese technicians are working and

a description in each case of the extent and the nature of the work performed by such technicians.

"(G) The extent of assistance by any of those states to key research and development programs of China, including programs for development of weapons of mass destruction and delivery vehicles for such weapons, programs for development of advanced conventional weapons, and programs for development of unconventional weapons.

"(H) The extent of assistance by any of those states to information warfare or electronic warfare programs of China.

"(I) The extent of assistance by any of those states to manned and unmanned space operations of China.

"(J) The extent to which arms sales by any of those states to the People's Republic of China are a source of funds for military research and development or procurement programs in the selling state.

"(3) The report under paragraph (1) shall include, with respect to each area of analysis and forecasts specified in paragraph (2)—

"(A) an assessment of the military effects of such sales or transfers to entities in the People's Republic of China;

"(B) an assessment of the ability of the People's Liberation Army to assimilate such sales or transfers, mass produce new equipment, or develop doctrine for use; and

"(C) the potential threat of developments related to such effects on the security interests of the United States and its friends and allies in Asia.".

SEC. 1204. LIMITATION ON FUNDING FOR JOINT DATA EXCHANGE CENTER.

(a) LIMITATION.—Funds made available to the Department of Defense for fiscal year 2002 may not be obligated or expended for any activity associated with the Joint Data Exchange Center in Moscow, Russia, until—

(1) the United States and the Russian Federation enter into a cost-sharing agreement as described in subsection (d) of section 1231 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106-398 (114 Stat. 1654A–329);

(2) the United States and the Russian Federation enter into an agreement or agreements exempting the United States and any United States person from Russian taxes, and from liability under Russian laws, with respect to activities associated with the Joint Data Exchange Center;

(3) the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a copy of each agreement referred to in paragraphs (1) and (2); and

(4) a period of 30 days has expired after the date of the final submission under paragraph (3).

(b) JOINT DATA EXCHANGE CENTER.—For purposes of this section, the term "Joint Data Exchange Center" means the United States-Russian Federation joint center for the exchange of data to provide early warning of launches of ballistic missiles and for notification of such launches that is provided for in a joint United States-Russian Federation memorandum of agreement signed in Moscow in June 2000.

SEC. 1205. EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE UNDER WEAPONS OF MASS DESTRUCTION ACT FOR SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2002.—The total amount of the assistance for fiscal year 2002 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the

Department of Defense in support of activities under that Act may not exceed $15,000,000. Such assistance may be provided for fiscal year 2002 only to support activities of an organization established for the purpose of (or otherwise given the mission of providing) a comprehensive accounting for all items, facilities, and capabilities in Iraq related to weapons of mass destruction.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking "2001" and inserting "2002".

(c) CHANGE OF QUARTERLY REPORT REQUIREMENT TO ANNUAL REPORT.—(1) Subsection (e)(1) of such section is amended—

(A) by striking "quarter of a" in the first sentence; and

(B) by striking "(for the preceding quarter and cumulatively)" and inserting "for the preceding fiscal year".

(2) The amendments made by subsection (a) shall take effect on November 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 1206. REPEAL OF REQUIREMENT FOR REPORTING TO CONGRESS ON MILITARY DEPLOYMENTS TO HAITI.

Section 1232(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 788) is repealed.

SEC. 1207. REPORT BY COMPTROLLER GENERAL ON PROVISION OF DEFENSE ARTICLES, SERVICES, AND MILITARY EDUCATION AND TRAINING TO FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS.

(a) STUDY.—The Comptroller General shall conduct a study of the following:

(1) The benefits derived by each foreign country or international organization from the receipt of defense articles, defense services, or military education and training provided after December 31, 1989, pursuant to the drawdown of such articles, services, or education and training from the stocks of the Department of Defense under section 506, 516, or 552 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318, 2321j, or 2348a) or any other provision of law.

(2) Any benefits derived by the United States from the provision of defense articles, defense services, and military education and training described in paragraph (1).

(3) The affect on the readiness of the Armed Forces as a result of the provision by the United States of defense articles, defense services, and military education and training described in paragraph (1).

(4) The cost to the Department of Defense with respect to the provision of defense articles, defense services, and military education and training described in paragraph (1).

(b) REPORTS.—(1) Not later than April 15, 2002, the Comptroller General shall submit to Congress an interim report containing the results to that date of the study conducted under subsection (a).

(2) Not later than August 1, 2002, the Comptroller General shall submit to Congress a final report containing the results of the study conducted under subsection (a).

SEC. 1208. LIMITATION ON NUMBER OF MILITARY PERSONNEL IN COLOMBIA.

(a) LIMITATION.—None of the funds available to the Department of Defense may be used to support or maintain more than 500 members of the Armed Forces on duty in the Republic of Colombia at any time.

(b) EXCEPTIONS.—There shall be excluded from counting for the purposes of the limitation in subsection (a) the following:

(1) A member of the Armed Forces in the Republic of Colombia for the purpose of rescuing or retrieving United States military or civilian Government personnel, except that the period for which such a member may be so excluded may not exceed 30 days unless expressly authorized by law.

(2) A member of the Armed Forces assigned to the United States Embassy in Colombia as an attaché, as a member of the security assistance office, or as a member of the Marine Corps security contingent.

(3) A member of the Armed Forces in Colombia to participate in relief efforts in responding to a natural disaster.

(4) Nonoperational transient military personnel.

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

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authoriza-

tion Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) FISCAL YEAR 2002 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term "fiscal year 2002 Cooperative Threat Reduction funds" means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $403,000,000 authorized to be appropriated to the Department of Defense for fiscal year 2002 in section 301(23) for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $133,400,000.

(2) For strategic nuclear arms elimination in Ukraine, $51,500,000.

(3) For nuclear weapons transportation security in Russia, $9,500,000.

(4) For nuclear weapons storage security in Russia, $56,000,000.

(5) For biological weapons proliferation prevention activities in the former Soviet Union, $17,000,000.

(6) For activities designated as Other Assessments/Administrative Support, $13,200,000.

(7) For defense and military contacts, $18,700,000.

(8) For activities related to the construction of a chemical weapons destruction facility in Russia, $35,000,000.

(9) For elimination of chemical weapons production facilities in Russia, $15,000,000.

(10) For weapons of mass destruction infrastructure elimination activities in Kazakhstan, $6,000,000.

(11) For weapons of mass destruction infrastructure elimination activities in Ukraine, $6,000,000.

(12) For activities to assist Russia in the elimination of plutonium production reactors, $41,700,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2002 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (12) of subsection (a) until 30 days after

the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2002 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2002 for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such purpose.

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for the purposes stated in subsection (a)(3) or any of paragraphs (5) through (12) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

SEC. 1303. PROHIBITION AGAINST USE OF FUNDS UNTIL SUBMISSION OF REPORTS.

No fiscal year 2002 Cooperative Threat Reduction funds may be obligated or expended until 30 days after the date of the submission of—

(1) the report required to be submitted in fiscal year 2001 under section 1308(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–341); and

(2) the multiyear plan required to be submitted for fiscal year 2001 under section 1308(h) of such Act.

SEC. 1304. REPORT ON USE OF REVENUE GENERATED BY ACTIVITIES CARRIED OUT UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report describing how the Secretary plans to monitor the

use of revenue generated by activities carried out under Cooperative Threat Reduction programs in Russia and Ukraine.

SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SECOND WING OF FISSILE MATERIAL STORAGE FACILITY.

(a) PROHIBITION.—No funds authorized to be appropriated for Cooperative Threat Reduction programs for any fiscal year may be used for the design, planning, or construction of a second wing for a storage facility for Russian fissile material.

(b) CONFORMING AMENDMENT.—Section 1304 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–341) is amended to read as follows:

"SEC. 1304. LIMITATION ON USE OF FUNDS FOR FISSILE MATERIAL STORAGE FACILITY.

Out of funds authorized to be appropriated for Cooperative Threat Reduction programs for fiscal year 2001 or any other fiscal year, not more than $412,600,000 may be used for planning, design, or construction of the first wing for the storage facility for Russian fissile material referred to in section 1302(a)(5).".

SEC. 1306. PROHIBITION AGAINST USE OF FUNDS FOR CONSTRUCTION OR REFURBISHMENT OF CERTAIN FOSSIL FUEL ENERGY PLANTS.

Section 1307 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–341) is amended—

(1) by striking the heading and inserting the following new heading:

"SEC. 1307. PROHIBITION AGAINST USE OF FUNDS FOR CONSTRUCTION OR REFURBISHMENT OF FOSSIL FUEL ENERGY PLANTS; REPORT."; and

(2) by striking subsection (a) and inserting the following new subsection:

"(a) PROHIBITION.—No funds appropriated for Cooperative Threat Reduction programs for any fiscal year may be used for the construction or refurbishment of a fossil fuel energy plant intended to provide power to local communities that receive power from nuclear energy plants that produce plutonium.".

SEC. 1307. REPORTS ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Section 1308(c)(4) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–342) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking "audits" and all that follows through "conducted" and inserting "means (including program management, audits, examinations, and other means) used"; and

(B) by striking "and that such assistance is being used for its intended purpose" and inserting ", that such assistance is being used for its intended purpose, and that such assistance is being used efficiently and effectively";

(2) in subparagraph (C), by inserting "and an assessment of whether the assistance being provided is being used effectively and efficiently" before the semicolon; and

(3) in subparagraph (D), by striking "audits, examinations, and other".

SEC. 1308. REPORT ON RESPONSIBILITY FOR CARRYING OUT COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than March 15, 2002, the Secretary of Defense shall submit to Congress a report describing—

(1) the rationale for executing Cooperative Threat Reduction programs under the auspices of the Department of Defense and the justification for maintaining responsibility for any particular project car-

ried out through Cooperative Threat Reduction programs with the Department of Defense;

(2) options for transferring responsibility for carrying out Cooperative Threat Reduction programs to an executive agency (or agencies) other than the Department of Defense, if appropriate; and

(3) how such a transfer might be carried out.

SEC. 1309. CHEMICAL WEAPONS DESTRUCTION.

Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 794) is amended by inserting before the period at the end the following: "until the Secretary of Defense submits to Congress a certification that there has been—

"(1) full and accurate disclosure by Russia of the size of its existing chemical weapons stockpile;

"(2) a demonstrated annual commitment by Russia to allocate at least $25,000,000 to chemical weapons elimination;

"(3) development by Russia of a practical plan for destroying its stockpile of nerve agents;

"(4) enactment of a law by Russia that provides for the elimination of all nerve agents at a single site; and

"(5) an agreement by Russia to destroy its chemical weapons production facilities at Volgograd and Novocheboksark".

TITLE XIV—DEFENSE SPACE REORGANIZATION

SEC. 1401. SHORT TITLE.

This title may be cited as the "Defense Space Reorganization Act of 2001".

SEC. 1402. AUTHORITY TO ESTABLISH POSITION OF UNDER SECRETARY OF DEFENSE FOR SPACE, INTELLIGENCE, AND INFORMATION.

(a) AUTHORITY TO ESTABLISH POSITION.—The President may establish in the Department of Defense the position of Under Secretary of Defense for Space, Intelligence, and Information. If that position is so established, the Under Secretary of Defense for Space, Intelligence, and Information shall perform duties and exercise powers as set forth in section 137 of title 10, United States Code, as added by subsection (e).

(b) DEADLINE FOR EXERCISE OF AUTHORITY.—The authority provided in subsection (a) may not be exercised after December 31, 2003.

(c) NOTICE OF EXERCISE OF AUTHORITY.—(1) If the authority provided in subsection (a) is exercised, the President shall immediately submit to Congress notification in

writing of the establishment of the position of Under Secretary of Defense for Space, Intelligence, and Information, together with the date as of which the position is established. If the President declines to exercise the authority provided in subsection (a), the President shall, before the date specified in subsection (b), submit to Congress a report on how the President has implemented the recommendations of the report of the Space Commission with respect to the Department of Defense.

(2) For purposes of paragraph (1), the term "report of the Space Commission" means the report of the Commission To Assess United States National Security Space Management and Organization, dated January 11, 2001, and submitted to Congress under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

(d) CONTINGENT ENACTMENT OF U.S. CODE AMENDMENTS.—If the position of Under Secretary of Defense for Space, Intelligence, and Information is established under the authority provided in subsection (a), then the amendments set forth in subsections (e) and (f) shall be executed, effective as of the date specified in the notice submitted under the first sentence of subsection (c)(1). Otherwise, those amendments shall not be executed.

(e) APPOINTMENT, DUTIES, ETC, OF UNDER SECRETARY.—(1) Subject to subsection (d), chapter 4 of title 10, United States Code, is amended—

(A) by redesignating section 137 as section 139a and transferring such section (as so redesignated) within such chapter so as to appear after section 139; and

(B) by inserting after section 136 the following new section 137:

"§ 137. Under Secretary of Defense for Space, Intelligence, and Information

"(a) There is an Under Secretary of Defense for Space, Intelligence, and Information, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Space, Intelligence, and Information shall perform such duties and exercise such powers relating to the space, intelligence, and information programs and activities of the Department of Defense as the Secretary of Defense may prescribe.

"(c) The Secretary of Defense shall designate the Under Secretary of Defense for Space, Intelligence, and Informa-

tion as the Chief Information Officer of the Department of Defense under section 3506(a)(2)(B) of title 44.

"(d) The Under Secretary of Defense for Space, Intelligence, and Information takes precedence in the Department of Defense after the Under Secretary of Defense for Personnel and Readiness.".

(2) Subject to subsection (d), section 131(b) of that title is amended—

(A) by redesignating paragraphs (6) through (11) as paragraphs (7) through (12), respectively; and

(B) by inserting after paragraph (5) the following new paragraph (6):

"(6) The Under Secretary of Defense for Space, Intelligence, and Information.".

(3) Subject to subsection (d), the table of sections at the beginning of chapter 4 of such title is amended—

(A) by striking the item relating to section 137 and inserting the following new item:

"137. Under Secretary of Defense for Space, Intelligence, and Information.";

and

(B) by inserting after the item relating to section 139 the following new item:

"139a. Director of Defense Research and Engineering.".

(f) ASSISTANT SECRETARIES OF DEFENSE.—Subject to subsection (d), section 138 of such title is amended—

(1) in subsection (a), by striking "nine" and inserting "eleven"; and

(2) in subsection (b), by inserting after paragraph (2) the following new paragraph:

"(3) Not more than three of the Assistant Secretaries may be assigned duties under the authority of the Under Secretary of Defense for Space, Intelligence, and Information and shall report to that Under Secretary.".

(g) REPORT.—Not later than 30 days before exercising the authority provided in subsection (a), the President shall submit to Congress a report on the proposed organization of the office of the Under Secretary of Defense for Space, Intelligence, and Information. If such a report has not been submitted as of April 15, 2002, the President shall submit to Congress a report, not later than that date, setting forth the President's view as of that date of the desirability of establishing the position of Under Secretary of Defense for Space, Intelligence, and Information in the Department of Defense.

SEC. 1403. AUTHORITY TO DESIGNATE UNDER SECRETARY OF THE AIR FORCE AS ACQUISITION EXECUTIVE FOR SPACE OF THE DEPARTMENT OF DEFENSE.

(a) EXECUTIVE AGENT.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter:

"CHAPTER 135—SPACE PROGRAMS

"Sec.
"2271. Executive agent.

"§ 2271. Executive agent

"(a) SECRETARY OF THE AIR FORCE.—The Secretary of the Air Force may be designated as the executive agent of the Department of Defense—

"(1) for the planning of the acquisition programs, projects, and activities of the Department that relate to space; and

"(2) for the execution of those programs, projects, and activities.

"(b) ACQUISITION EXECUTIVE.—The Secretary may designate the Under Secretary of the Air Force as the acquisition executive of the Air Force for the programs, projects, and activities referred to in subsection (a).".

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of such subtitle and the beginning of part IV

of such subtitle are amended by inserting after the item relating to chapter 134 the following new item:

"135. Space Programs ..... 2271".

SEC. 1404. MAJOR FORCE PROGRAM CATEGORY FOR SPACE PROGRAMS.

(a) REQUIREMENT.—The Secretary of Defense may create a major force program category for space programs for purposes of the future-years defense program under section 221 of title 10, United States Code.

(b) COMMENCEMENT.—If the category under subsection (a) is created, such category shall be included in each future-years defense program submitted to Congress under section 221 of title 10, United States Code, in fiscal years after fiscal year 2002.

SEC. 1405. COMPTROLLER GENERAL ASSESSMENT OF IMPLEMENTATION OF RECOMMENDATIONS OF SPACE COMMISSION.

(a) ASSESSMENT.—(1) The Comptroller General shall carry out an assessment through February 15, 2003, of the actions taken by the Secretary of Defense in implementing the recommendations in the report of the Space Commission that are applicable to the Department of Defense.

(2) For purposes of paragraph (1), the term "report of the Space Commission" means the report of the Commission To Assess United States National Security Space Management and Organization, dated January 11, 2001, and

submitted to Congress under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

(b) REPORTS.—Not later than February 15 of each of 2002 and 2003, the Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the assessment carried out under subsection (a). Each report shall set forth the results of the assessment as of the date of such report.

SEC. 1406. COMMANDER OF AIR FORCE SPACE COMMAND.

(a) IN GENERAL.—Chapter 845 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8584. Commander of Air Force Space Command

"The Secretary of Defense may require that the officer serving as commander of the Air Force Space Command not serve simultaneously as commander of the United States Space Command (or any successor combatant command with responsibility for space) or as commander of the United States element of the North American Air Defense Command.".

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

"8584. Commander of Air Force Space Command.".

SEC. 1407. AUTHORITY TO ESTABLISH SEPARATE CAREER FIELD IN THE AIR FORCE FOR SPACE.

The Secretary of the Air Force, acting through the Under Secretary of the Air Force, may establish and implement policies and procedures to develop a cadre of technically competent officers with the capability to develop space doctrine, concepts of space operations, and management of space systems for the Air Force.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE; DEFINITION.

(a) SHORT TITLE.—This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2002".

(b) DEFINITION OF FISCAL YEAR 2001 DEFENSE AUTHORIZATION ACT.—In this division, the term "Spence Act" means the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106–398 (114 Stat. 1654).

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may ac-

1 *quire real property and carry out military construction*
2 *projects for the installations and locations inside the United*
3 *States, and in the amounts, set forth in the following table:*

Army: Inside the United States

State	*Installation or location*	*Amount*
Alabama	*Anniston Army Depot*	*$5,150,000*
	Fort Rucker	*$11,400,000*
	Redstone Arsenal	*$7,200,000*
Alaska	*Fort Richardson*	*$97,000,000*
	Fort Wainwright	*$27,200,000*
Arizona	*Fort Huachuca*	*$6,100,000*
	Yuma Proving Ground	*$3,100,000*
California	*Defense Language Institute*	*$5,900,000*
	Fort Irwin	*$23,000,000*
Colorado	*Fort Carson*	*$66,000,000*
District of Columbia	*Fort McNair*	*$11,600,000*
Georgia	*Fort Benning*	*$23,900,000*
	Fort Gillem	*$43,600,000*
	Fort Gordon	*$34,000,000*
	Fort Stewart/Hunter Army Air Field	*$39,800,000*
Hawaii	*Navy Public Works Center, Pearl Harbor*	*$11,800,000*
	Pohakuloa Training Facility	*$5,100,000*
	Wheeler Army Air Field	*$50,000,000*
Kansas	*Fort Riley*	*$10,900,000*
Kentucky	*Fort Campbell*	*$88,900,000*
Louisiana	*Fort Polk*	*$21,200,000*
Maryland	*Aberdeen Proving Ground*	*$58,300,000*
	Fort Meade	*$5,800,000*
	Fort Leonard Wood	*$12,250,000*
New Jersey	*Fort Monmouth*	*$20,000,000*
	Picatinny Arsenal	*$10,200,000*
New Mexico	*White Sands Missile Range*	*$7,600,000*
New York	*Fort Drum*	*$59,350,000*
North Carolina	*Fort Bragg*	*$21,300,000*
	Sunny Point Military Ocean Terminal	*$11,400,000*
Oklahoma	*Fort Sill*	*$5,100,000*
South Carolina	*Fort Jackson*	*$3,650,000*
Texas	*Corpus Christi Army Depot*	*$10,400,000*
	Fort Sam Houston	*$9,650,000*
	Fort Bliss	*$5,000,000*
	Fort Hood	*$104,200,000*
Virginia	*Fort Belvoir*	*$35,950,000*
	Fort Eustis	*$24,750,000*
	Fort Lee	*$23,900,000*
Washington	*Fort Lewis*	*$238,200,000*
	Total:	*$1,300,710,000*

4 *(b) OUTSIDE THE UNITED STATES.—Using amounts*
5 *appropriated pursuant to the authorization of appropria-*
6 *tions in section 2104(a)(2), the Secretary of the Army may*
7 *acquire real property and carry out military construction*

projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	*Installation or location*	*Amount*
Germany	*Area Support Group, Bamberg*	*$36,000,000*
	Area Support Group, Darmstadt	*$13,500,000*
	Baumholder	*$9,000,000*
	Hanau	*$7,200,000*
	Heidelberg	*$15,300,000*
	Mannheim	*$16,000,000*
	Wiesbaden Air Base	*$26,300,000*
Korea	*Camp Carroll*	*$16,593,000*
	Camp Casey	*$8,500,000*
	Camp Hovey	*$35,750,000*
	Camp Humphreys	*$14,500,000*
	Camp Jackson	*$6,100,000*
	Camp Stanley	*$28,000,000*
Kwajalein	*Kwajalein Atoll*	*$11,000,000*
	Total:	*$243,743,000*

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

Army: Unspecified Worldwide

Location	*Installation*	*Amount*
Unspecified Worldwide	*Classified Location*	*$4,000,000*

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts, set forth in the following table:

Army: Family Housing

State or Country	*Installation or location*	*Purpose*	*Amount*
Alaska	*Fort Wainwright*	*32 Units*	*$12,000,000*
Arizona	*Fort Huachuca*	*72 Units*	*$10,800,000*
Georgia	*Fort Stewart*	*160 Units*	*$2,500,000*
Kansas	*Fort Leavenworth*	*40 Units*	*$10,000,000*
Texas	*Fort Bliss*	*76 Units*	*$13,600,000*
Korea	*Camp Humphreys*	*54 Units*	*$12,800,000*
		Total:	*$61,700,000*

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $11,592,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $220,750,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,018,077,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $1,089,416,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $243,743,000.

(3) For a military construction project at an unspecified worldwide location authorized by section 2101(c), $4,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $18,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $163,676,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $294,576,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,102,732,000.

(7) For the construction of a cadet development center at the United States Military Academy, West

Point, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261, 112 Stat. 2182), $37,900,000.

(8) For the construction of phase 2C of a barracks complex, Tagaytay Street, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 825), $17,500,000.

(9) For the construction of phase 1C of a barracks complex, Wilson Street, at Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65, 113 Stat. 825), $23,000,000.

(10) For construction of phase 2 of a basic combat training complex at Fort Leonard Wood, Missouri, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), as amended by section 2105 of this Act, $27,000,000.

(11) For the construction of phase 2 of a battle simulation center at Fort Drum, New York, authorized by section 2101(a) of the Military Construction

Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), as amended by section 2105 of this Act, $9,000,000.

(12) For the construction of phase 1 of a barracks complex, Butner Road, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), $49,000,000.

(13) For the construction of phase 1 of a barracks complex, Longstreet Road, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), $27,000,000.

(14) For the construction of a multipurpose digital training range at Fort Hood, Texas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), as amended by section 2105 of this Act, $13,000,000.

(15) For the homeowners assistance program, as authorized by section 2832(a) of title 10, United States Code, $10,119,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

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

(2) $52,000,000 (the balance of the amount authorized under section 2201 (a) for construction of a barracks complex, D Street, at Fort Richardson, Alaska);

(3) $41,000,000 (the balance of the amount authorized under section 2201 (a) for construction of phase 1 of a barracks complex, Nelson Blvd, at Fort Carson, Colorado);

(4) $36,000,000 (the balance of the amount authorized under section 2201 (a) for construction of phase 1 of a basic combat training complex at Fort Jackson, South Carolina); and

(5) $102,000,000 (the balance of the amount authorized under section 2201 (a) for construction of a barracks complex, 17th & B Streets, at Fort Lewis, Washington).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (15) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $36,168,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $75,417,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389) is amended—

(1) in the item relating to Fort Leonard Wood, Missouri, by striking "$65,400,000" in the amount column and inserting "$69,400,000";

(2) in the item relating to Fort Drum, New York, by striking "$18,000,000" in the amount column and inserting "$21,000,000";

(3) in the item relating to Fort Hood, Texas, by striking "$36,492,000" in the amount column and inserting "$39,492,000"; and

(4) by striking the amount identified as the total in the amount column and inserting "$623,074,000".

(b) CONFORMING AMENDMENTS.—Section 2104 of that Act (114 Stat. 1654A–391) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "$1,925,344,000" and inserting "$1,935,744,000";

(2) in subsection (b)(2), by striking "$22,600,000" and inserting "$27,000,000";

(3) in subsection (b)(3), by striking "$10,000,000" and inserting "$13,000,000"; and

(4) in subsection (b)(6), by striking "$6,000,000" and inserting "$9,000,000".

TITLE XXII—NAVY

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

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

Navy: Inside the United States

State	*Installation or location*	*Amount*
Arizona	*Marine Corps Air Station, Yuma*	*$22,570,000*
California	*Marine Air-Ground Task Force Training Center, Twentynine Palms*	*$75,125,000*
	Marine Corps Air Station, Camp Pendleton	*$4,470,000*
	Marine Corps Air Station, Miramar	*$3,680,000*
	Marine Corps Base, Camp Pendleton	*$96,490,000*
	Naval Air Facility, El Centro	*$23,520,000*
	Naval Air Station, Lemoore	*$10,010,000*
	Naval Air Warfare Center, China Lake	*$30,200,000*
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	*$13,730,000*
	Naval Amphibious Base, Coronado	*$8,610,000*
	Naval Construction Battalion Center, Port Hueneme	*$12,400,000*
	Naval Construction Training Center, Port Hueneme	*$3,780,000*
	Naval Station, San Diego	*$47,240,000*
District of Columbia	*Naval Air Facility, Washington*	*$9,810,000*
Florida	*Naval Air Station, Key West*	*$11,400,000*
	Naval Air Station, Whiting Field, Milton	*$2,140,000*
	Naval Station, Mayport	*$16,420,000*
	Naval Station, Pensacola	*$3,700,000*
Hawaii	*Marine Corps Base, Kaneohe*	*$24,920,000*
	Naval Magazine Lualualei	*$6,000,000*
	Naval Shipyard, Pearl Harbor	*$20,000,000*
	Naval Station, Pearl Harbor	*$40,600,000*
	Navy Public Works Center, Pearl Harbor	*$16,900,000*
Illinois	*Naval Training Center, Great Lakes*	*$82,260,000*
Indiana	*Naval Surface Warfare Center, Crane*	*$14,930,000*
Maine	*Naval Air Station, Brunswick*	*$67,395,000*
Maryland	*Naval Air Warfare Center, Patuxent River*	*$2,260,000*
	Naval Air Warfare Center, St. Inigoes	*$5,100,000*
	Naval Explosive Ordinance Disposal Technology Center, Indian Head	*$1,250,000*
Mississippi	*Naval Construction Battalion Center, Gulfport*	*$21,660,000*
	Naval Air Station, Meridian	*$3,400,000*
Missouri	*Marine Corps Support Activity, Kansas City*	*$9,010,000*
North Carolina	*Marine Corps Air Station, New River*	*$4,050,000*
	Marine Corps Base, Camp Lejeune	*$67,070,000*
Pennsylvania	*Naval Foundry and Propeller Center, Philadelphia*	*$14,800,000*
Rhode Island	*Naval Station, Newport*	*$15,290,000*
South Carolina	*Marine Corps Air Station, Beaufort*	*$8,020,000*
	Marine Corps Recruit Depot, Parris Island	*$5,430,000*
	Naval Hospital, Beaufort	*$7,600,000*
Tennessee	*Naval Support Activity, Millington*	*$3,900,000*
Texas	*Naval Air Station, Joint Reserve Base, Ft. Worth*	*$9,060,000*
Virginia	*Marine Corps Air Facility, Quantico*	*$3,790,000*
	Marine Corps Combat Dev Com	*$9,390,000*
	Naval Amphibious Base, Little Creek	*$9,090,000*
	Naval Station, Norfolk	*$139,270,000*
Washington	*Naval Air Station, Whidbey Island*	*$3,470,000*
	Naval Shipyard, Bremerton	*$14,000,000*
	Naval Station, Everett	*$6,820,000*
	Strategic Weapons Facility, Bangor	*$3,900,000*

***Navy: Inside the United States**—Continued*

State	*Installation or location*	*Amount*
	Total:	*$1,038,920,000*

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 in*
6 *the amounts, set forth in the following table:*

Navy: Outside the United States

Country	*Installation or location*	*Amount*
Greece	*Naval Support Activity Joint Headquarters Command, Larissa*	*$12,240,000*
	Naval Support Activity, Souda Bay	*$3,210,000*
Guam	*Naval Station, Guam*	*$9,300,000*
	Navy Public Works Center, Guam	*$14,800,000*
Iceland	*Naval Air Station, Keflavik*	*$2,820,000*
Italy	*Naval Air Station, Sigonella*	*$3,060,000*
Spain	*Naval Station, Rota*	*$2,240,000*
	Total:	*$47,670,000*

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) at the installations, for the pur-*
13 *poses, and in the amounts set forth in the following table:*

Navy: Family Housing

State	*Installation or location*	*Purpose*	*Amount*
Arizona	*Marine Corps Air Station, Yuma*	*51 Units*	*$9,017,000*
California	*Marine Air-Ground Task Force Training Center, Twentynine Palms*	*74 Units*	*$16,250,000*
Hawaii	*Marine Corps Base, Kaneohe*	*172 Units*	*$46,996,000*

***Navy: Family Housing**—Continued*

State	*Installation or location*	*Purpose*	*Amount*
	Naval Station, Pearl Harbor	*70 Units*	*$16,827,000*
Mississippi	*Naval Construction Battalion Center, Gulfport*	*160 Units*	*$23,354,000*
Virginia	*Marine Corps Combat Development Command, Quantico*	*81 Units*	*$10,000,000*
Italy	*Naval Air Station, Sigonella*	*10 Units*	*$2,403,000*
		Total:	*$124,847,000*

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,499,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $201,834,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and mili-

tary family housing functions of the Department of the Navy in the total amount of $2,389,605,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $980,018,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $47,670,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $10,546,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $35,392,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $332,352,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $913,823,000.

(6) For construction of phase 6 of a large anachoic chamber facility at the Patuxent River Naval Air Warfare Center, Maryland, authorized by section 2201(a) of the Military Construction Author-

ization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,770,000.

(7) For construction of the Commander-in-Chief Headquarters, Pacific Command, Camp H.M. Smith, Hawaii, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828), as amended by section 2205, $37,580,000.

(8) For repair of a pier at Naval Station, San Diego, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–396), $17,500,000.

(9) For replacement of a pier at Naval Shipyard, Bremerton, Washington, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–396), $24,460,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

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

(2) $33,240,000 (the balance of the amount authorized under section 2201(a) for replacement of a pier, increment I, at Naval Station, Norfolk, Virginia; and

(3) $20,100,000 (the balance of the amount authorized under section 2201(a) for a combined propulsion and explosives lab at Naval Air Warfare Center, China Lake, California).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (9) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $6,854,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $13,652,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECT.

(a) MODIFICATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828) is amended—

(1) in the item relating to Camp H.M. Smith, Hawaii, by striking "$86,050,000" in the amount column and inserting "$89,050,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$820,230,000".

(b) CONFORMING AMENDMENTS.—Section 2204 of that Act (113 Stat. 830) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "$2,108,087,000" and inserting "$2,111,087,000"; and

(2) in subsection (b)(3), by striking "$70,180,000" and inserting "$73,180,000".

TITLE XXIII—AIR FORCE

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

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction

1 *projects for the installations and locations inside the United*
2 *States, and in the amounts, set forth in the following table:*

Air Force: Inside the United States

State	*Installation or location*	*Amount*
Alabama	*Maxwell Air Force Base*	*$34,400,000*
Alaska	*Eareckson Air Force Base*	*$4,600,000*
	Elmendorf Air Force Base	*$32,200,000*
Arizona	*Davis-Monthan Air Force Base*	*$23,500,000*
	Luke Air Force Base	*$4,500,000*
Arkansas	*Little Rock Air Force Base*	*$10,600,000*
California	*Beale Air Force Base*	*$7,900,000*
	Edwards Air Force Base	*$21,300,000*
	Los Angeles Air Force Base	*$23,000,000*
	Travis Air Force Base	*$10,100,000*
	Vandenberg Air Force Base	*$11,800,000*
Colorado	*Buckley Air Force Base*	*$23,200,000*
	Schriever Air Force Base	*$30,400,000*
	United States Air Force Academy	*$25,500,000*
District of Columbia	*Bolling Air Force Base*	*$2,900,000*
Florida	*Cape Canaveral Air Force Station*	*$7,800,000*
	Eglin Air Force Base	*$11,400,000*
	Hurlburt Field	*$10,400,000*
	MacDill Air Force Base	*$10,000,000*
	Tyndall Air Force Base	*$20,350,000*
Georgia	*Moody Air Force Base*	*$4,900,000*
	Robins Air Force Base	*$14,650,000*
Hawaii	*Hickman Air Force Base*	*$6,300,000*
Idaho	*Mountain Home Air Force Base*	*$14,600,000*
Kansas	*McConnell Air Force Base*	*$5,100,000*
Maryland	*Andrews Air Force Base*	*$19,420,000*
Massachusetts	*Hanscom Air Force Base*	*$9,400,000*
Mississippi	*Keesler Air Force Base*	*$28,600,000*
Nevada	*Nellis Air Force Base*	*$12,600,000*
New Jersey	*McGuire Air Force Base*	*$36,550,000*
New Mexico	*Cannon Air Force Base*	*$9,400,000*
	Kirtland Air Force Base	*$19,800,000*
North Carolina	*Pope Air Force Base*	*$17,800,000*
North Dakota	*Grand Forks Air Force Base*	*$7,800,000*
Ohio	*Wright-Patterson Air Force Base*	*$5,800,000*
Oklahoma	*Altus Air Force Base*	*$20,200,000*
	Tinker Air Force Base	*$17,700,000*
South Carolina	*Shaw Air Force Base*	*$24,400,000*
Tennessee	*Arnold Air Force Base*	*$24,400,000*
Texas	*Lackland Air Force Base*	*$12,800,000*
	Laughlin Air Force Base	*$15,600,000*
	Sheppard Air Force Base	*$45,200,000*
Utah	*Hill Air Force Base*	*$44,000,000*
Virginia	*Langley Air Force Base*	*$47,300,000*
Washington	*Fairchild Air Force Base*	*$2,800,000*
	McChord Air Force Base	*$20,700,000*
Wyoming	*F E Warren Air Force Base*	*$10,200,000*
	Total:	*$822,320,000*

3 *(b) OUTSIDE THE UNITED STATES.—Using amounts*
4 *appropriated pursuant to the authorization of appropria-*
5 *tions in section 2304(a)(2), the Secretary of the Air Force*

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

Air Force: Outside the United States

Country	*Installation or location*	*Amount*
Germany	*Ramstein Air Force Base*	*$42,900,000*
	Spangdahlem Air Base	*$8,700,000*
Greenland	*Thule*	*$19,000,000*
Guam	*Andersen Air Force Base*	*$10,150,000*
Italy	*Aviano Air Base*	*$11,800,000*
Korea	*Kunsan Air Base*	*$12,000,000*
	Osan Air Base	*$101,142,000*
Turkey	*Eskisehir*	*$4,000,000*
United Kingdom	*Royal Air Force, Lakenheath*	*$11,300,000*
	Royal Air Force, Mildenhall	*$22,400,000*
Wake Island	*Wake Island*	*$25,000,000*
	Total:	*$268,392,000*

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

Air Force: Unspecified Worldwide

Location	*Installation*	*Amount*
Unspecified Worldwide	*Classified Location*	*$4,458,000*

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the

purposes, and in the amounts, set forth in the following table:

Air Force: Family Housing

State	*Installation or location*	*Purpose*	*Amount*
Arizona	*Luke Air Force Base*	*120 Units*	*$15,712,000*
California	*Travis Air Force Base*	*118 Units*	*$18,150,000*
Colorado	*Buckley Air Force Base*	*55 Units*	*$11,400,000*
Delaware	*Dover Air Force Base*	*120 Units*	*$18,145,000*
District of Columbia	*Bolling Air Force Base*	*136 Units*	*$16,926,000*
Hawaii	*Hickam Air Force Base*	*102 Units*	*$25,037,000*
Louisiana	*Barksdale Air Force Base*	*56 Units*	*$7,300,000*
South Dakota	*Ellsworth Air Force Base*	*78 Units*	*$13,700,000*
Virginia	*Langley Air Force Base*	*4 Units*	*$1,200,000*
Portugal	*Lajes Field, Azores*	*64 Units*	*$13,230,000*
		Total:	*$140,800,000*

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $24,558,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $370,879,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,526,034,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $806,020,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $268,392,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $4,458,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,250,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $84,630,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $536,237,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $866,171,000.

(7) $12,600,000 for construction of an air freight terminal and base supply complex at McGuire Air Force Base, New Jersey, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–399), as amended by section 2305.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

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

(2) $12,000,000 (the balance of the amount authorized under section 2301(a) for a maintenance depot hanger at Hill Air Force Base, Utah).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (7) of

subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $15,846,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $47,878,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2305. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECT.

(a) MODIFICATION.—The table in section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–399) is amended—

(1) in the item relating to McGuire Air Force Base, New Jersey, by striking "$29,772,000" in the amount column and inserting "$32,972,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$748,955,000".

(b) CONFORMING AMENDMENTS.—Section 2304(b)(2) of that Act (114 Stat. 1654A–402) is amended by striking "$9,400,000" and inserting "$12,600,000".

TITLE XXIV—DEFENSE AGENCIES

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

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

Defense Agencies: Inside the United States

Agency	*Installation or location*	*Amount*
Chemical Demilitarization	*Blue Grass Army Depot, Kentucky*	*$47,220,000*
Defense Education Activity	*Laurel Bay, South Carolina*	*$12,850,000*
	Marine Corps Base, Camp LeJeune, North Carolina	*$8,857,000*
Defense Logistics Agency	*Defense Distribution Depot Tracy, California*	*$30,000,000*
	Defense Distribution New Cumberland, Pennsylvania	*$19,900,000*
	Eielson Air Force Base, Alaska	*$8,800,000*
	Fort Belvoir, Virginia	*$900,000*
	Grand Forks Air Force Base, North Dakota	*$9,110,000*
	Hickam Air Force Base, Hawaii	*$29,200,000*
	McGuire Air Force Base, New Jersey	*$4,400,000*
	Minot Air Force Base, North Dakota	*$14,000,000*
	Philadelphia, Pennsylvania	*$2,429,000*
	Pope Air Force Base, North Carolina	*$3,400,000*
Special Operations Command	*Aberdeen Proving Ground, Maryland*	*$3,200,000*
	Fort Benning, Georgia	*$5,100,000*
	Fort Bragg, North Carolina	*$35,962,000*
	Fort Lewis, Washington	*$6,900,000*
	Hurlburt Field, Florida	*$13,400,000*
	MacDill Air Force Base, Florida	*$12,000,000*
	Naval Station, San Diego, California	*$13,650,000*
TRICARE Management Activity	*Andrews Air Force Base, Maryland*	*$10,250,000*
	Dyess Air Force Base, Texas	*$3,300,000*
	F. E. Warren Air Force Base, Wyoming	*$2,700,000*
	Fort Hood, Texas	*$12,200,000*
	Fort Stewart/Hunter Army Air Field, Georgia	*$11,000,000*
	Holloman Air Force Base, New Mexico	*$5,700,000*
	Hurlburt Field, Florida	*$8,800,000*
	Marine Corps Base, Camp Pendleton, California	*$1,150,000*

***Defense Agencies: Inside the United States**—Continued*

Agency	*Installation or location*	*Amount*
	Marine Corps Logistics Base, Albany, Georgia	*$5,800,000*
	Naval Air Station, Whidbey Island, Washington	*$1,900,000*
	Naval Hospital, Twentynine Palms, California	*$1,600,000*
	Naval Station, Mayport, Florida	*$24,000,000*
	Naval Station, Norfolk, Virginia	*$21,000,000*
	Schriever Air Force Base, Colorado	*$4,000,000*
Washington Headquarters Services	*Pentagon Reservation, Virginia*	*$25,000,000*
	Total:	*$325,228,000*

1 *(b) OUTSIDE THE UNITED STATES.—Using amounts*
2 *appropriated pursuant to the authorization of appropria-*
3 *tions in section 2403(a)(2), the Secretary of Defense may*
4 *acquire real property and carry out military construction*
5 *projects for the installations and locations outside the*
6 *United States, and in the amounts, set forth in the following*
7 *table:*

Defense Agencies: Outside the United States

Agency	*Installation or location*	*Amount*
Defense Education Activity	*Aviano Air Base, Italy*	*$3,647,000*
	Geilenkirchen AB, Germany	*$1,733,000*
	Heidelberg, Germany	*$3,312,000*
	Kaiserslautern, Germany	*$1,439,000*
	Kitzingen, Germany	*$1,394,000*
	Landstuhl, Germany	*$1,444,000*
	Ramstein Air Force Base, Germany	*$2,814,000*
	Royal Air Force, Feltwell, United Kingdom	*$22,132,000*
	Vogelweh Annex, Germany	*$1,558,000*
	Wiesbaden Air Base, Germany	*$1,378,000*
	Wuerzburg, Germany	*$2,684,000*
Defense Logistics Agency	*Anderson Air Force Base, Guam*	*$20,000,000*
	Camp Casey, Korea	*$5,500,000*
	Naval Station, Rota, Spain	*$3,000,000*
	Yokota Air Base, Japan	*$13,000,000*
Office Secretary of Defense	*Comalapa Air Base, El Salvador*	*$12,577,000*
TRICARE Management Activity	*Heidelberg, Germany*	*$28,000,000*
	Lajes Field, Azores, Portugal	*$3,750,000*
	Thule, Greenland	*$10,800,000*
	Total:	*$140,162,000*

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(6), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $35,600,000.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,421,319,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $370,164,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $140,162,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $24,492,000.

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

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $74,496,000.

(6) For energy conservation projects authorized by section 2402 of this Act, $35,600,000.

(7) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $532,200,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, $250,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $43,762,000, of which not more than $37,298,000 may be obligated or expended for the leasing of military family housing units worldwide.

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

(9) For the construction of phase 6 of an ammunition demilitarization facility at Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Mili-

tary Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), and section 2407 of this Act, $26,000,000.

(10) For the construction of phase 3 of an ammunition demilitarization facility at Pueblo Army Depot, Colorado, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839), $11,000,000.

(11) For construction of phase 4 of an ammunition demilitarization facility at Newport Army Depot, Indiana, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal

Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), $66,000,000.

(12) For construction of phase 4 of an ammunition demilitarization facility at Aberdeen Proving Ground, Maryland, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), as amended by section 2406 of this Act, $66,500,000.

(13) For construction of a hospital at Fort Wainwright, Alaska, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 836), $18,500,000.

(14) For construction of an aircrew water survival training facility at Naval Air Station, Whidbey Island, Washington, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 836), as amended by section 2405 of this Act, $6,600,000.

(15) For the construction of phase 2 of an ammunition demilitarization facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for

Fiscal Year 2000 (division B of Public Law 106–65, 113 Stat. 836), as amended by section 2405, $3,000,000.

(16) For construction of FHOTC Support Facilities at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $3,150,000.

(17) For replacement of a Medical/Dental Clinic, Las Flores, at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $3,800,000.

(18) For replacement of a Medical/Dental Clinic, Las Pulgas, at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $4,050,000.

(19) For replacement of a Medical/Dental Clinic, Horno, at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the

Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $4,300,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (19) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $17,857,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $10,250,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2404. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECT.

The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–402) is amended—

(1) under the agency heading relating to TRICARE Management Activity, in the item relating to Marine Corps Base, Camp Pendleton, California, by striking "$14,150,000" and inserting "$15,300,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$258,056,000".

SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 836) is amended—

(1) under the agency heading relating to TRICARE Management Activity, in the item relating to Naval Air Station, Whidbey Island, Washington, by striking "$4,700,000" inserting "$6,600,000";

(2) under the agency heading relating to Chemical Demilitarization, in the item relating to Blue Grass Army Depot, Kentucky, by striking

"$206,800,000" in the amount column and inserting "$254,030,000"; and

(3) by striking the amount identified as the total in the amount column and inserting "$636,550,000".

(b) CONFORMING AMENDMENT.—Section 2405(b)(3) of that Act (113 Stat. 839) is amended by striking "$184,000,000" and inserting "$231,230,000".

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECT.

The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193) is amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Aberdeen Proving Ground, Maryland, by striking "$186,350,000" in the amount column and inserting "$223,950,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$727,616,000".

(b) CONFORMING AMENDMENTS.—Section 2404(b)(3) of that Act (112 Stat. 2196) is amended by striking "$158,000,000" and inserting "$195,600,000".

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1995 PROJECT.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), is amended under the agency heading relating to Chemical Agents and Munitions Destruction, in the item relating to Pine Bluff Arsenal, Arkansas, by striking "$154,400,000" in the amount column and inserting "$177,400,000".

SEC. 2408. PROHIBITION ON EXPENDITURES TO DEVELOP FORWARD OPERATING LOCATION ON ARUBA FOR UNITED STATES SOUTHERN COMMAND COUNTER-DRUG DETECTION AND MONITORING FLIGHTS.

None of the funds appropriated under the heading "MILITARY CONSTRUCTION, DEFENSE-WIDE" in chapter 3 of title III of the Emergency Supplemental Act, 2000 (Public Law 106–246; 114 Stat. 579), may be used by the Secretary of Defense to develop any forward operating location on the

island of Aruba to serve as a location from which the United States Southern Command could conduct counter-drug detection and monitoring flights.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

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

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

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the amount of $162,600,000.

TITLE XXVI—GUARD AND RESERVE FACILITIES

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

(a) IN GENERAL.—There are authorized to be appropriated for fiscal years beginning after September 30, 2001, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $304,915,000; and

(B) for the Army Reserve, $173,017,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $53,291,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $197,472,000; and

(B) for the Air Force Reserve, $79,132,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

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

(1) October 1, 2004; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005.

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

(1) October 1, 2004; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2005 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) EXCEPTION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2199), authorizations set forth in the tables in subsection (b), as provided in section 2302 or 2601 of that Act, shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

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

Air Force: Extension of 1999 Project Authorizations

State	Installation or location	Project	Amount
Delaware	Dover Air Force Base	Family Housing Replacement (55 Units)	$8,998,000
Florida	Patrick Air Force Base	Family Housing Replacement (46 Units)	$9,692,000
New Mexico	Kirtland Air Force Base	Family Housing Replacement (37 Units)	$6,400,000

***Air Force: Extension of 1999 Project Authorizations**—Continued*

State	*Installation or location*	*Project*	*Amount*
Ohio	*Wright-Patterson Air Force Base*	*Family Housing Replacement (40 Units)*	*$5,600,000*

Army National Guard: Extension of 1999 Project Authorizations

State	*Installation or location*	*Project*	*Amount*
Massachusetts	*Westfield*	*Army Aviation Support Facility*	*$9,274,000*
South Carolina	*Spartanburg*	*Readiness Center.*	*$5,260,000*

1 ***SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN***
2 ***FISCAL YEAR 1998 PROJECTS.***

3 *(a) EXTENSION.—Notwithstanding section 2701 of the*
4 *Military Construction Authorization Act for Fiscal Year*
5 *1998 (division B of Public Law 105–85; 111 Stat. 1984),*
6 *authorizations set forth in the tables in subsection (b), as*
7 *provided in section 2102, 2202, or 2302 of that Act and*
8 *extended by section 2702 of the Military Construction Au-*
9 *thorization Act for Fiscal Year 2001 (division B of the*
10 *Spence Act; 114 Stat. 1654A–408), shall remain in effect*
11 *until October 1, 2002, or the date of the enactment of an*
12 *Act authorizing funds for military construction for fiscal*
13 *year 2003, whichever is later.*

14 *(b) TABLES.—The tables referred to in subsection (a)*
15 *are as follows:*

Army: Extension of 1998 Project Authorization

State	*Installation or location*	*Project*	*Amount*
Maryland	*Fort Meade*	*Family Housing Construction (56 units)*	*$7,900,000*

Navy: Extension of 1998 Project Authorizations

State	*Installation or location*	*Project*	*Amount*
California	*Naval Complex, San Diego*	*Family Housing Replacement (94 units)*	*$13,500,000*
California	*Marine Corps Air Station, Miramar*	*Family Housing Construction (166 units)*	*$28,881,000*
Louisiana	*Naval Complex, New Orleans*	*Family Housing Replacement (100 units)*	*$11,930,000*
Texas	*Naval Air Station, Corpus Christi*	*Family Housing Construction (212 units)*	*$22,250,000*

Air Force: Extension of 1998 Project Authorization

State	*Installation or location*	*Project*	*Amount*
New Mexico	*Kirtland Air Force Base*	*Family Housing Replacement (180 units)*	*$20,900,000*

1 ***SEC. 2704. EFFECTIVE DATE.***

2 *Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall*
3 *take effect on the later of—*
4 *(1) October 1, 2001; or*
5 *(2) the date of the enactment of this Act.*

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. INCREASE IN CERTAIN UNSPECIFIED MINOR MILITARY CONSTRUCTION PROJECT THRESHOLDS.

Section 2805 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking "$500,000" and inserting "$750,000";

(2) in subsection (c)(1)(A), by striking "$1,000,000" and inserting "$1,500,000"; and

(3) in subsection (c)(1)(B), by striking "$500,000" and inserting "$750,000".

SEC. 2802. EXCLUSION OF UNFORESEEN ENVIRONMENTAL HAZARD REMEDIATION FROM LIMITATION ON AUTHORIZED COST VARIATIONS.

Subsection (d) of section 2853 of title 10, United States Code, is amended to read as follows:

"(d) The limitation on cost increases in subsection (a) does not apply—

"(1) to the settlement of a contractor claim under a contract; or

"(2) to the costs associated with the required remediation of an environmental hazard in connection with a military construction project or military family housing project, such as asbestos removal, radon abatement, lead-based paint removal or abatement, or any other legally required environmental hazard remediation, if the required remediation could not have reasonably been anticipated at the time the project was approved originally by Congress.".

SEC. 2803. REPEAL OF ANNUAL REPORTING REQUIREMENT ON MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING ACTIVITIES.

(a) REPEAL.—Section 2861 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter III of chapter 169 of such title is amended by striking the item relating to section 2861.

SEC. 2804. PERMANENT AUTHORIZATION FOR ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) REPEAL OF TERMINATION PROVISION.—Section 2885 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter IV of chapter 169 of such title is amended by striking the item relating to section 2885.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. USE OF MILITARY INSTALLATIONS FOR CERTAIN RECREATIONAL ACTIVITIES.

Section 2671 of title 10, United States Code, is amended—

(1) by transferring subsection (b) to the end of the section and redesignating such subsection, as so transferred, as subsection (e); and

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

"(b) Subsection (a) shall not apply with respect to all or certain specified hunting, fishing, or trapping at a military installation or facility if the Secretary of Defense determines that the application of the State or Territory fish and game laws to such hunting, fishing, or trapping without modification could result in undesirable consequences for public safety or adverse effects on morale, welfare, or recreation activities at the installation or facility. The Secretary may not waive or modify the requirements under subsection (a)(2) regarding a license for such hunting, fishing, or trapping or any fee imposed by a State or Territory to obtain such a license.".

SEC. 2812. BASE EFFICIENCY PROJECT AT BROOKS AIR FORCE BASE, TEXAS.

(a) INDEMNIFICATION OF TRANSFEREES.—Section 136 of the Military Construction Appropriations Act, 2001 (division A of Public Law 106–246; 114 Stat. 520), is amended—

(1) by striking subsection (n);

(2) by redesignating subsection (m) as subsection (n); and

(3) by inserting after subsection (l) the following new subsection:

"(m) INDEMNIFICATION OF TRANSFEREES.—(1) With respect to the disposal of real property under subsection (e) at the Base as part of the Project, the Secretary shall hold harmless, defend, and indemnify in full the Community and other persons and entities described in paragraph (2) from and against any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to property or economic loss) that results from, or is in any manner predicated upon, the release or threatened release of any hazardous substance, pollutant or contaminant, or petroleum or petroleum derivative as a result of Department of Defense activities at the Base.

"(2) The persons and entities referred to in paragraph (1) are the following:

"(A) The Community (including any officer, agent, or employee of the Community) that acquires ownership or control of any real property at the Base as described in paragraph (1).

"(B) The State of Texas or any political subdivision of the State (including any officer, agent, or employee of the State or political subdivision) that acquires such ownership or control.

"(C) Any other person or entity that acquires such ownership or control.

"(D) Any successor, assignee, transferee, lender, or lessee of a person or entity described in subparagraphs (A) through (C).

"(3) To the extent the persons and entities described in paragraph (2) contributed to any such release or threatened release, paragraph (1) shall not apply.

"(4) No indemnification may be afforded under this subsection unless the person or entity making a claim for indemnification—

"(A) notifies the Department of Defense in writing within two years after such claim accrues or begins action within six months after the date of mail-

ing, by certified or registered mail, of notice of final denial of the claim by the Department of Defense;

"(B) furnishes to the Department of Defense copies of pertinent papers the entity receives;

"(C) furnishes evidence or proof of any claim, loss, or damage covered by this subsection; and

"(D) provides, upon request by the Department of Defense, access to the records and personnel of the entity for purposes of defending or settling the claim or action.

"(5) In any case in which the Secretary determines that the Department of Defense may be required to make indemnification payments to a person under this subsection for any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage referred to in paragraph (1), the Secretary may settle or defend, on behalf of that person, the claim for personal injury or property damage. If the person to whom the Department of Defense may be required to make indemnification payments does not allow the Secretary to settle or defend the claim, the person may not be afforded indemnification with respect to that claim under this subsection.

"(6) For purposes of paragraph (4)(A), the date on which a claim accrues is the date on which the plaintiff

knew (or reasonably should have known) that the personal injury or property damage referred to in paragraph (1) was caused or contributed to by the release or threatened release of a hazardous substance, pollutant or contaminant, or petroleum or petroleum derivative as a result of Department of Defense activities at the Base.

"(7) Nothing in this subsection shall be construed as affecting or modifying in any way section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

"(8) In this subsection, the terms 'facility', 'hazardous substance', 'release', and 'pollutant or contaminant' have the meanings given such terms in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, respectively (42 U.S.C. 9601).".

(b) DEFINITIONS.—Paragraph (9) of subsection (n) of such section, as redesignated by subsection (a)(2), is amended by striking ", who shall be a civilian official of the Department appointed by the President with the advice and consent of the Senate".

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. LEASE BACK OF BASE CLOSURE PROPERTY.

(a) 1988 LAW.—Section 204(b)(4) of the Defense Authorization Amendments and Base Closure and Realign-

ment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended—

(1) by redesignating subparagraphs (E), (F), (G), (H), and (I) as subparagraphs (F), (G), (H), (I), and (J), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph (E):

"(E)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this title (including property at an installation approved for realignment which will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, one or more portions of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

"(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

"(iii) A lease under clause (i) may not require rental payments by the United States.

"(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease. Exercise of the authority provided by this clause shall be made in consultation with the redevelopment authority concerned.

"(v) Notwithstanding clause (iii) or chapter 137 of title 10, United States Code, if a lease under clause (i) involves a substantial portion of the installation, the department or agency concerned may obtain facility services for the leased property and common area maintenance from the redevelopment authority or the redevelopment authority's assignee as a provision of the lease. The facility services and common area maintenance shall be provided at a rate no higher than the rate charged to non-Federal tenants of the transferred property. Facility services and common area maintenance covered by the lease shall not include—

"(I) municipal services that a State or local government is required by law to provide to all landowners in its jurisdiction without direct charge; or

"(II) firefighting or security-guard functions.".

(b) 1990 LAW.—Section 2905(b)(4)(E) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by adding at the end the following new clause:

"(v) Notwithstanding clause (iii) or chapter 137 of title 10, United States Code, if a lease under clause (i) involves a substantial portion of the installation, the department or agency concerned may obtain facility services for the leased property and common area maintenance from the redevelopment authority or the redevelopment authority's assignee as a provision of the lease. The facility services and common area maintenance shall be provided at a rate no higher than the rate charged to non-Federal tenants of the transferred property. Facility services and common area maintenance covered by the lease shall not include—

"(I) municipal services that a State or local government is required by law to provide to all landowners in its jurisdiction without direct charge; or

"(II) firefighting or security-guard functions.".

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2831. MODIFICATION OF LAND EXCHANGE, ROCK ISLAND ARSENAL, ILLINOIS.

(a) ADDITIONAL CONVEYANCE AUTHORIZED.—Subsection (a) of section 2832 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 857) is amended—

(1) by inserting "(1)" before "The Secretary"; and

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

"(2) The Secretary may convey to the City all right, title, and interest of the United States in and to an additional parcel of real property, including improvements thereon, at the Rock Island Arsenal consisting of approximately .513 acres.".

(b) CONSIDERATION.—Subsection (b) of such section is amended—

(1) by inserting "(1)" before "As consideration";

(2) by striking "subsection (a)" both places it appears and inserting "subsection (a)(1)"; and

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

"(2) As consideration for the conveyance under subsection (a)(2), the City shall convey to the Secretary all right, title, and interest of the City in and to a parcel of real property consisting of approximately .063 acres and construct on the parcel, at the City's expense, a new access ramp to the Rock Island Arsenal.".

SEC. 2832. MODIFICATION OF LAND CONVEYANCES, FORT DIX, NEW JERSEY.

Section 2835(c) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 2004) is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraphs (1) or (2), the Borough and Board may exchange between each other, without the consent of the Secretary, all or any portion of the property conveyed under subsection (a) so long as the property continues to be used by the grantees for economic development or educational purposes.".

SEC. 2833. LEASE AUTHORITY, FORT DERUSSY, HAWAII.

Notwithstanding section 809 of the Military Construction Authorization Act, 1968 (Public Law 90–110; 81 Stat. 309) and section 2814(b) of the Military Construction Authorization Act, 1989 (Public Law 100–456; 102 Stat. 2117), the Secretary of the Army may enter into a lease with the City of Honolulu, Hawaii, for the purpose of mak-

ing available to the City a parcel of real property at Fort DeRussy, Hawaii, for the construction of a parking facility.

SEC. 2834. LAND EXCHANGE AND CONSOLIDATION, FORT LEWIS, WASHINGTON.

(a) EXCHANGE AUTHORIZED.—(1) The Secretary of the Army may convey to the Nisqually Tribe, a federally recognized Indian tribe whose tribal lands are located within the State of Washington, all right, title, and interest of the United States in and to two parcels of real property, including any improvements thereon, consisting of approximately 138 acres at Fort Lewis, Washington, in exchange for the real property described in subsection (b).

(2) The property authorized for conveyance under paragraph (1) does not include Bonneville Power Administration transmission facilities or the right of way described in subsection (c).

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Nisqually Tribe shall—

(1) acquire from Thurston Country, Washington, several parcels of real property consisting of approximately 416 acres that are owned by the county, are within the boundaries of Fort Lewis, and are currently leased by the Army, and

(2) convey fee title over the acquired property to the Secretary.

(c) RIGHT-OF-WAY FOR BONNEVILLE POWER ADMINISTRATION.—The Secretary may use the authority provided in section 2668 of title 10, United States Code, to convey to the Bonneville Power Administration a right-of-way that authorizes the Bonneville Power Administration to use real property at Fort Lewis as a route for the Grand Coulee-Olympia and Olympia-White River electric transmission lines and appurtenances to facilitate the removal of such transmission lines from tribal lands of the Nisqually Tribe.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) and acquired under subsection (b) shall be determined by a survey satisfactory to the Secretary and the Nisqually Tribe. The cost of the survey shall be borne by the recipient of the property.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. LAND CONVEYANCE, WHITTIER-ANCHORAGE PIPELINE TANK FARM, ANCHORAGE, ALASKA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Port of Anchorage, an entity of the Municipality of Anchorage, Alas-

ka, all right, title, and interest of the United States in and to two adjoining parcels of real property, including any improvements thereon, consisting of approximately 48 acres in Anchorage, Alaska, which are known as of the Whittier-Anchorage Pipeline Tank Farm, for the purpose of permitting the Port of Anchorage to use the parcels for economic development.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the real property.

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

PART II—NAVY CONVEYANCES

SEC. 2841. TRANSFER OF JURISDICTION, CENTERVILLE BEACH NAVAL STATION, HUMBOLDT COUNTY, CALIFORNIA.

(a) TRANSFER AUTHORIZED.—The Secretary of the Navy may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior the real property, including any improvements thereon, consisting

of the closed Centerville Beach Naval Station in Humboldt County, California, for the purpose of permitting the Secretary of the Interior to manage the real property as open space or for other public purposes.

(b) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of the survey shall be borne by the Secretary of the Interior.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Navy considers appropriate to protect the interests of the United States.

SEC. 2842. LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, TOLEDO, OHIO.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the Toledo-Lucas County Port Authority, Ohio (in this section referred to as the "Port Authority"), all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 29 acres, including any improvements thereon, and comprising the Naval Weapons Industrial Reserve Plant, Toledo, Ohio.

(2) The Secretary may include in the conveyance under paragraph (1) such facilities, equipment, fixtures, and other personal property located or based on the parcel conveyed under that paragraph, or used in connection with the parcel, as the Secretary determines to be not required by the Navy for other purposes.

(b) LEASE AUTHORITY.—Until such time as the real property described in subsection (a)(1) is conveyed by deed, the Secretary may lease the real property, together with any improvements, facilities, equipment, fixtures, and other personal property thereon, to the Port Authority in exchange for security services, fire protection services, and maintenance services provided by the Port Authority for the real property.

(c) CONDITIONS OF CONVEYANCE.—(1) The conveyance under subsection (a), and any lease under subsection (b), shall be subject to the conditions that the Port Authority—

(A) accept the parcel, and any improvements, facilities, equipment, fixtures, and other personal property thereon, in their condition at the time of the conveyance or lease, as the case may be; and

(B) except as provided in paragraph (2), use the parcel, and any improvements, facilities, equipment, fixtures, and other personal property thereon, whether directly or through an agreement with a public or

private entity, for economic development, redevelopment, or retention purposes, including the creation or preservation of jobs and employment opportunities, or such other public purposes as the Port Authority determines appropriate.

(2) The Port Authority may at any time convey, lease, or sublease, as the case may be, the parcel, and any improvements, facilities, equipment, fixtures, and other personal property thereon, to a public or private entity for purposes described in paragraph (1)(B).

(d) INSPECTION.—The Secretary may permit the Port Authority to review and inspect the improvements, facilities, equipment, fixtures, and other personal property located on the parcel described in subsection (a)(1) for purposes of the conveyance authorized by that subsection and the lease authorized by subsection (b).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a)(1), and of any facilities, equipment fixtures, or other personal property to be conveyed under subsection (a)(2), shall be determined by a survey and other means satisfactory to the Secretary. The cost of any activities under the preceding sentence shall be borne by the Port Authority.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a)(1), and any lease under subsection (b), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2843. MODIFICATION OF AUTHORITY FOR CONVEYANCE OF NAVAL COMPUTER AND TELECOMMUNICATIONS STATION, CUTLER, MAINE.

Section 2853(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–430) is amended by inserting "any or" before "all right".

SEC. 2844. MODIFICATION OF LAND CONVEYANCE, FORMER UNITED STATES MARINE CORPS AIR STATION, EAGLE MOUNTAIN LAKE, TEXAS.

Section 5 of Public Law 85–258 (71 Stat. 583) is amended by inserting before the period at the end the following: "or for the protection, maintenance, and operation of other Texas National Guard facilities".

SEC. 2845. LAND TRANSFER AND CONVEYANCE, NAVAL SECURITY GROUP ACTIVITY, WINTER HARBOR, MAINE.

(a) TRANSFER OF JURISDICTION OF SCHOODIC POINT PROPERTY AUTHORIZED.—(1) The Secretary of the Navy

may transfer, without consideration, to the Secretary of the Interior administrative jurisdiction of a parcel of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 26 acres as generally depicted as Tract 15–116 on the map entitled "Acadia National Park Schoodic Point Area", numbered 123/80,418 and dated May 2001. The map shall be on file and available for inspection in the appropriate offices of the National Park Service.

(2) The transfer authorized by this subsection shall occur, if at all, concurrently with the reversion of administrative jurisdiction of a parcel of real property consisting of approximately 71 acres, as depicted as Tract 15–115 on the map referred to in paragraph (1), from the Secretary of the Navy to the Secretary of the Interior as authorized by Public Law 80–260 (61 Stat. 519) and to be executed on or about June 30, 2002.

(b) CONVEYANCE OF COREA AND WINTER HARBOR PROPERTIES AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the State of Maine, any political subdivision of the State of Maine, or any tax-supported agency in the State of Maine, all right, title, and interest of the United States in and to any of the parcels of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 485

acres and comprising the former facilities of the Naval Security Group Activity, Winter Harbor, Maine, located in Hancock County, Maine, except for the real property described in subsection (a)(1).

(c) TRANSFER OF PERSONAL PROPERTY.—The Secretary of the Navy shall transfer, without consideration, to the Secretary of the Interior in the case of the real property transferred under subsection (a), or to any recipient of such real property in the case of real property conveyed under subsection (b), any or all personal property associated with such real property so transferred or conveyed, including—

(1) the ambulances and any fire trucks or other firefighting equipment; and

(2) any personal property required to continue the maintenance of the infrastructure of such real property, including the generators and an uninterrupted power supply in building 154 at the Corea site.

(d) MAINTENANCE OF PROPERTY PENDING CONVEYANCE.—The Secretary of the Navy shall maintain any real property, including any improvements thereon, appurtenances thereto, and supporting infrastructure, to be conveyed under subsection (b) until the earlier of—

(1) the date of the conveyance of such real property under subsection (b); or

(2) September 30, 2003.

(e) INTERIM LEASE.—(1) Until such time as any parcel of real property to be conveyed under subsection (b) is conveyed by deed under that subsection, the Secretary of the Navy may lease such parcel to any person or entity determined by the Secretary to be an appropriate lessee of such parcel.

(2) The amount of rent for a lease under paragraph (1) shall be the amount determined by the Secretary to be appropriate, and may be an amount less than the fair market value of the lease.

(f) REIMBURSEMENT FOR ENVIRONMENTAL AND OTHER ASSESSMENTS.—(1) The Secretary of the Navy may require each recipient of real property conveyed under subsection (b) to reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis carried out by the Secretary with respect to such property before completing the conveyance under that subsection.

(2) The amount of any reimbursement required under paragraph (1) shall be determined by the Secretary, but may not exceed the cost of the assessment, study, or analysis for which reimbursement is required.

(3) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property transferred under subsection (a), and each parcel of real property conveyed under subsection (b), shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of any survey under the preceding sentence for real property conveyed under subsection (b) shall be borne by the recipient of the real property.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with any conveyance under subsection (b), and any lease under subsection (e), as the Secretary considers appropriate to protect the interests of the United States.

PART III—AIR FORCE CONVEYANCES

SEC. 2851. WATER RIGHTS CONVEYANCE, ANDERSEN AIR FORCE BASE, GUAM.

(a) AUTHORITY TO CONVEY.—In conjunction with the conveyance of the water supply system for Anderson Air Force Base, Guam, under the authority of section 2688 of title 10, United States Code, and in accordance with all the requirements of that section, the Secretary of the Air

Force may convey all right, title, and interest of the United States, or such lesser estate as the Secretary considers appropriate to serve the interests of the United States, in the water rights related to the following Air Force properties located on Guam:

(1) Andy South, also known as the Andersen Administrative Annex.

(2) Marianas Bonins Base Command.

(3) Andersen Water Supply Annex, also known as the Tumon Water Well or the Tumon Maui Well.

(b) ADDITIONAL REQUIREMENTS.—The Secretary may exercise the authority contained in subsection (a) only if—

(1) the Secretary determines that adequate supplies of potable groundwater exist under the main base and northwest field portions of Andersen Air Force Base to meet the current and long-term requirements of the installation for water;

(2) the Secretary determines that such supplies of groundwater are economically obtainable; and

(3) the Secretary requires the conveyee of the water rights under subsection (a) to provide a water system capable of meeting the water supply needs of the main base and northwest field portions of Anderson Air Force Base, as determined by the Secretary.

(c) INTERIM WATER SUPPLIES.—If the Secretary determines that it is in the best interests of the United States to transfer title to the water rights and utility systems at Andy South and Andersen Water Supply Annex before placing into service a replacement water system and well field on Andersen Air Force Base, the Secretary may require that the United States have the primary right to all water produced from Andy South and Andersen Water Supply Annex until the replacement water system and well field is placed into service and operates to the satisfaction of the Secretary. In exercising the authority provided by this subsection, the Secretary may retain a reversionary interest in the water rights and utility systems at Andy South and Andersen Water Supply Annex until such time as the new replacement water system and well field is placed into service and operates to the satisfaction of the Secretary.

(d) SALE OF EXCESS WATER AUTHORIZED.—(1) As part of the conveyance of water rights under subsection (a), the Secretary may authorize the conveyee of the water system to sell to public or private entities such water from Andersen Air Force Base as the Secretary determines to be excess to the needs of the United States. In the event the Secretary authorizes the conveyee to resell water, the Secretary shall negotiate a reasonable return to the United States of the value of such excess water sold by the conveyee,

which return the Secretary may receive in the form of reduced charges for utility services provided by the conveyee.

(2) If the Secretary cannot meet the requirements of subsection (b), and the Secretary determines to proceed with a water utility system conveyance under section 2688 of title 10, United States Code, without the conveyance of water rights, the Secretary may provide in any such conveyance that the conveyee of the water system may sell to public or private entities such water from Andy South and Andersen Water Supply Annex as the Secretary determines to be excess to the needs of the United States. The Secretary shall negotiate a reasonable return to the United States of the value of such excess water sold by the conveyee, which return the Secretary may receive in the form of reduced charges for utility services provided by the conveyee.

(e) TREATMENT OF WATER RIGHTS.—For purposes of section 2688 of title 10, United States Code, the water rights referred to in subsection (a) shall be considered as part of a utility system (as that term is defined in subsection (h)(2) of such section).

SEC. 2852. REEXAMINATION OF LAND CONVEYANCE, LOWRY AIR FORCE BASE, COLORADO.

The Secretary of the Air Force shall reevaluate the terms and conditions of the pending negotiated sale agreement with the Lowry Redevelopment Authority for certain

real property at Lowry Air Force Base, Colorado, in light of changed circumstances regarding the property, including changes in the flood plain designations affecting some of the property, to determine whether the changed circumstances warrant a reduction in the amount of consideration otherwise required under the agreement or other modifications to the agreement.

Subtitle E—Other Matters

SEC. 2861. TRANSFER OF JURISDICTION FOR DEVELOPMENT OF ARMED FORCES RECREATION FACILITY, PARK CITY, UTAH.

(a) TRANSFER REQUIRED.—(1) The Secretary of the Interior shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Air Force a parcel of real property in Park City, Utah, including any improvements thereon, that consists of approximately 35 acres, is located in township 2 south, range 4 east, Salt Lake meridian, and is designated as parcel 3 by the Bureau of Land Management.

(2) The transfer shall be subject to existing rights, except that the Secretary of the Interior shall terminate any lease with respect to the parcel issued under the Act of June 14, 1926 (commonly known as the Recreation and Public Purposes Act; 43 U.S.C. 689 et seq.), and still in effect as of the date of the enactment of this Act.

(3) The transfer required by this subsection shall be completed not later than one year after the date of the enactment of this Act.

(b) USE OF TRANSFERRED LAND.—(1) The Secretary of the Air Force may use the real property transferred under subsection (a) as the location for an armed forces recreation facility to be developed using nonappropriated funds.

(2) The Secretary of the Air Force may return the transferred property (or property acquired in exchange for the transferred property under subsection (c)) to the administrative jurisdiction of the Secretary of the Interior at any time upon certifying that development of the armed forces recreation facility would not be in the best interests of the Government.

(c) SUBSEQUENT CONVEYANCE AUTHORITY.—(1) In lieu of developing the armed forces recreation facility on the real property transferred under subsection (a), the Secretary of the Air Force may convey or lease the property to the State of Utah, a local government, or a private entity in exchange for other property to be used as the site of the facility.

(2) The values of the properties exchanged by the Secretary under this subsection either shall be equal, or if they are not equal, the values shall be equalized by the payment

of money to the grantor or to the Secretary as the circumstances require. The conveyance or lease shall be on such other terms as the Secretary of the Air Force considers to be advantageous to the development of the facility.

(d) ALTERNATIVE DEVELOPMENT AUTHORITY.—The Secretary of the Air Force may lease the real property transferred under subsection (a), or any property acquired pursuant to subsection (c), to another party and may enter into a contract with the party for the design, construction, and operation of the armed forces recreation facility. The Secretary of the Air Force may authorize the contractor to operate the facility as both a military and a commercial operation if the Secretary determines that such an authorization is a necessary incentive for the contractor to agree to design, construct, and operate the facility.

(e) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey. The cost of the survey shall be borne by the Secretary of the Air Force.

SEC. 2862. SELECTION OF SITE FOR UNITED STATES AIR FORCE MEMORIAL AND RELATED LAND TRANSFERS FOR THE IMPROVEMENT OF ARLINGTON NATIONAL CEMETERY, VIRGINIA.

(a) DEFINITIONS.—In this section:

(1) The term "Arlington Naval Annex" means the parcel of Federal land located in Arlington County, Virginia, that is subject to transfer to the administrative jurisdiction of the Secretary of the Army under section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 879).

(2) The term "Foundation" means the Air Force Memorial Foundation, which was authorized in Public Law 103–163 (107 Stat. 1973; 40 U.S.C. 1003 note) to establish a memorial in the District of Columbia or its environs to honor the men and women who have served in the United States Air Force and its predecessors.

(3) The term "Air Force Memorial" means the United States Air Force Memorial to be established by the Foundation.

(4) The term "Arlington Ridge tract" means the parcel of Federal land in Arlington County, Virginia, known as the Nevius Tract and transferred to the Department of the Interior in 1953, that is bounded generally by—

(A) Arlington Boulevard (United States Route 50) to the north;

(B) Jefferson Davis Highway (Virginia Route 110) to the east;

(C) Marshall Drive to the south; and

(D) North Meade Street to the west.

(5) The term "Section 29" means a parcel of Federal land in Arlington County, Virginia, that is currently administered by the Secretary of the Interior within the boundaries of Arlington National Cemetery and is identified as "Section 29".

(b) OFFER OF PORTION OF ARLINGTON NAVAL ANNEX AS SITE FOR AIR FORCE MEMORIAL.—Within 60 days after the date of the enactment of this Act, the Secretary of Defense shall offer to the Foundation an option to use, without reimbursement, up to three acres of the Arlington Naval Annex as the site within which the Foundation will construct the Air Force Memorial. The offered acreage shall include the promontory adjacent to, and the land underlying, Wing 8 of Federal Office Building #2 in the northeast quadrant of the Arlington Naval Annex.

(c) ACCEPTANCE OR REJECTION OF OFFER.—

(1) DEADLINE.—Within 90 days after the date on which the Secretary of Defense makes the offer required by subsection (b), the Foundation shall provide written notice to the Secretary of the decision of the Foundation to accept or decline the offer.

(2) EFFECT OF ACCEPTANCE.—Subject to subsection (d), if the Foundation accepts the offer of the Secretary of Defense, the Foundation shall relinquish all claims to the previously approved location for the Air Force Memorial. No other commemorative work may thereafter be established on the Arlington Naval Annex property.

(3) EFFECT OF REJECTION.—If the Foundation declines the offer of the Secretary of Defense, the Foundation may resume its efforts to construct the Air Force Memorial on the Arlington Ridge tract from the farthest point of progress. Any administrative record compiled during previous proceedings related to the siting of the memorial on the Arlington Ridge tract pursuant to Public Law 103–163 (40 U.S.C. 1003 note), shall be preserved, and all deadlines tolled, while the Foundation is considering the offer of a site for the memorial within the Arlington Naval Annex.

(d) PREPARATION FOR AND CONSTRUCTION OF AIR FORCE MEMORIAL.—

(1) PREPARATION FOR CONSTRUCTION.—Not later than two years after the date on which the Foundation accepts the offer made under subsection (b) and has available sufficient funds to construct the

Air Force Memorial, the Secretary of Defense, in coordination with the Foundation, shall remove all structures and prepare the Arlington Naval Annex site for use as may be necessary to permit construction of the memorial and appropriate access.

(2) CONSTRUCTION OF MEMORIAL.—Upon the removal of structures and preparation of the property for use as required by paragraph (1), the Secretary of Defense shall permit the Foundation to commence construction of the Air Force Memorial on the Arlington Naval Annex site.

(3) RELATION TO OTHER TRANSFER AUTHORITY.—Nothing in this section alters the deadline for transfer of the Arlington Naval Annex to the Secretary of the Army and remediation of the transferred land for use as part of Arlington National Cemetery, as required by section 2881 of the Military Construction Authorization Act for Fiscal Year 2000.

(4) OVERSIGHT.—The Secretary of Defense shall have exclusive authority in all matters relating to approval of the siting and design of the Air Force Memorial on the Arlington Naval Annex site, and the siting, design, and construction of the memorial on such site shall not be subject to the requirements of the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(e) ACCESS AND MANAGEMENT OF RESULTING AIR FORCE MEMORIAL.—The Secretary of the Army may enter into a cooperative agreement with the Foundation to provide for management of the Air Force Memorial constructed on the Arlington Naval Annex site and to guarantee public access to the memorial.

(f) LAND TRANSFER, ARLINGTON RIDGE TRACT.—

(1) TRANSFER REQUIRED.—Within 30 days after the date of the enactment of this Act, the Secretary of the Interior shall transfer, without reimbursement, to the Secretary of the Army administrative jurisdiction over the Arlington Ridge tract.

(2) USE OF LAND.—The Secretary of the Army shall incorporate the Arlington Ridge tract into Arlington National Cemetery and may designate and use up to 15 acres of that portion of the tract east of the Netherlands Carillon and Marine Corps Memorial as new in-ground burial sites, for both full casket and cremated remains, for the burial of eligible individuals in Arlington National Cemetery. Burial sites shall not be developed within 50 feet of the pathway, in existence as of the date of the enactment of this Act, that connects the Netherlands Carillon and the Marine Corps Memorial or the existing roadway that

circles the Marine Corps Memorial. No other structures shall be permitted on the Arlington Ridge tract.

(3) ACCESS AND MANAGEMENT OF EXISTING MEMORIALS.—The Secretary of the Army and the Secretary of the Interior shall enter into a cooperative agreement to continue National Park Service management of the Netherlands Carillon and the Marine Corps Memorial and to guarantee public access to these locations.

(g) LAND TRANSFER, SECTION 29.—

(1) TRANSFER REQUIRED.—Within 30 days after the date of the enactment of this Act, the Secretary of the Interior shall transfer, without reimbursement, to the Secretary of the Army administrative jurisdiction over that portion of Section 29 located more than 50 feet from Sherman Drive and located between Ord and Weitzel Drive and the southern boundary of Section 29.

(2) USE OF LAND.—The Secretary of the Army shall use the transferred property only for the development of in-ground burial sites and columbarium which are designed to meet the contours of Section 29. The Secretary of the Army shall preserve the natural setting of the parcel and the mature trees on the par-

cel to the greatest extent practicable while providing for its efficent use as burial space.

(3) MANAGEMENT OF REMAINDER.—The Secretary of the Army and the Secretary of the Interior shall enter into a cooperative agreement to continue National Park Service management of that portion of Section 29 that is not transferred under this subsection to provide a natural setting and visual buffer for Arlington House, the Robert E. Lee Memorial.

(h) REMOVAL OF ARLINGTON NAVAL ANNEX AS POSSIBLE NATIONAL MILITARY MUSEUM SITE.—

(1) EXISTING NAVY ANNEX TRANSFER.—Section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 879) is amended—

(A) in subsection (b)—

(i) by striking "(1) Subject to paragraph (2), the" and inserting "The"; and

(ii) by striking paragraph (2);

(B) by striking subsections (d), (e), and (f); and

(C) by redesignating subsections (g) and (h) as subsections (d) and (e), respectively.

(2) COMMISSION ON NATIONAL MILITARY MUSEUM.—Section 2902 of the Military Construction

Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 881; 10 U.S.C. 111 note) is amended by striking subsection (d) and inserting the following new subsection:

"(d) PROHIBITION ON CONSIDERATION OF ARLINGTON NAVAL ANNEX.—The Commission may not consider any portion of the Navy Annex property described in section 2881 as a possible site for a national military museum.".

SEC. 2863. MANAGEMENT OF THE PRESIDIO OF SAN FRANCISCO.

(a) AUTHORITY TO LEASE CERTAIN HOUSING UNITS FOR USE AS ARMY HOUSING.—Title I of division I of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333; 16 U.S.C. 460bb note) is amended by adding at the end the following new section:

"SEC. 107. AUTHORITY TO LEASE CERTAIN HOUSING UNITS WITHIN THE PRESIDIO.

"(a) AVAILABILITY OF HOUSING UNITS FOR ARMY LEASE.—The Trust shall make available for lease, to those persons designated by the Secretary of the Army, housing units specified in subsection (b).

"(b) HOUSING UNITS.—The housing units referred to in this section are identified as follows:

"(1) Liggett 715 A&B, 716 A&B, 717 A&B, 718 A&B, 719 A&B, and 720 A&B.

"(2) West Washington 1401 A&B, 1403 A&B, and 1405 B.

"(3) Infantry Terrace 340, 341, 342, and 343.

"(4) Wright Loop 1332.

"(c) REPLACEMENT OF DAMAGED OR DESTROYED HOUSING UNITS.—In the event of significant damage to or destruction of a housing unit specified in subsection (b), the Trust shall provide a substitute housing unit of equal size and accommodation.

"(d) LEASE AMOUNT.—The monthly amount charged by the Trust for the lease of a housing unit, including utilities and municipal services, under this section shall not exceed the monthly rate of the basic allowance for housing that the occupant of the housing unit is entitled to receive under section 403 of title 37, United States Code. The Department of the Army shall have no other fiscal obligations with regard to the housing units specified in subsection (b) or housing units replaced pursuant to subsection (c).

"(e) RELATIONS TO TRUST FUNDING LIMITATIONS.—The Trust shall comply with this section without regard to the requirement of section 105(b) that the Trust achieve financial self-sufficiency.".

(b) INCREASED BORROWING AUTHORITY.—Section 104(d)(3) of title I of division I of the Omnibus Parks and Public Lands Management Act of 1996, as redesignated by

section 101(13)(G) of the Omnibus Parks Technical Corrections Act of 2000 (Public Law 106–176; 114 Stat. 25), is amended—

(1) by striking "$50,000,000" and inserting "$150,000,000"; and

(2) by striking "paragraph (3) of".

SEC. 2864. EFFECT OF LIMITATION ON CONSTRUCTION OF ROADS OR HIGHWAYS, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

Section 2851 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2219), as amended by section 2881 of the Spence Act (114 Stat. 1654A–438), is amended by adding at the end the following new subsection:

"(g) LIMITATION ON CONSTRUCTION OF ROADS OR HIGHWAYS.—If a State law enacted after January 1, 2001, directly or indirectly prohibits or restricts the construction or approval of a road or highway within the easement granted under this section, the State law shall not be effective with respect to such construction or approval.".

SEC. 2865. ESTABLISHMENT OF WORLD WAR II MEMORIAL AT ADDITIONAL LOCATION ON GUAM.

Section 2886 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–441) is amended—

(1) in subsection (a), by inserting ", and on Federal lands near Yigo," after "Fena Caves";

(2) in the heading of subsection (b), by striking "MEMORIAL" and inserting "MEMORIALS"; and

(3) in subsections (b) and (c), by striking "memorial" each place it appears and inserting "memorials".

TITLE XXIX—FORT IRWIN MILITARY LAND WITHDRAWAL

SEC. 2901. SHORT TITLE.

This title may be cited as the "Fort Irwin Military Land Withdrawal Act of 2001".

SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS FOR NATIONAL TRAINING CENTER.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, all public lands and interests in lands described in subsection (c) are hereby withdrawn from all forms of appropriation under the general land laws, including the mining laws and mineral and geothermal leasing laws, and jurisdiction over such lands and interests in lands withdrawn and reserved by this title is hereby transferred to the Secretary of the Army.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army for the following purposes:

(1) The conduct of combined arms military training at the National Training Center.

(2) The development and testing of military equipment at the National Training Center.

(3) Other defense-related purposes consistent with the purposes specified in paragraphs (1) and (2).

(4) Conservation and related research purposes.

(c) LAND DESCRIPTION.—The public lands and interests in lands withdrawn and reserved by this section comprise approximately 110,000 acres in San Bernardino County, California, as generally depicted as "Proposed Withdrawal Land" on the map entitled "National Training Center—Proposed Withdrawal of Public Lands for Training Purposes," dated September 21, 2000, and filed in accordance with section 2903.

(d) CHANGES IN USE.—The Secretary of the Army shall consult with the Secretary of the Interior before using the lands withdrawn and reserved by this section for any purpose other than those purposes identified in subsection (b).

(e) INDIAN TRIBES.—Nothing in this title shall be construed as altering any rights reserved for tribal use by treaty or Federal law. The Secretary of the Army shall consult with federally recognized Indian tribes in the vicinity of

the lands withdrawn under subsection (a) before taking action affecting rights or cultural resources protected by treaty or Federal law.

SEC. 2903. MAP AND LEGAL DESCRIPTION.

(a) PREPARATION OF MAP AND LEGAL DESCRIPTION.—As soon as practicable after the date of the enactment of this Act, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and

(2) file a map and legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(b) LEGAL EFFECT.—The map and legal description shall have the same force and effect as if included in this title, except that the Secretary of the Interior may correct clerical and typographical errors in the map and legal description.

(c) AVAILABILITY.—Copies of the map and the legal description shall be available for public inspection in the following offices:

(1) The offices of the California State Director, California Desert District Office, and Riverside and

Barstow Field Offices of the Bureau of Land Management.

(2) The Office of the Commander, National Training Center and Fort Irwin.

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs incurred by the Secretary of the Interior in implementing this section.

SEC. 2904. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) GENERAL MANAGEMENT AUTHORITY.—During the period of the withdrawal and reservation made by this title, the Secretary of the Army shall manage the lands withdrawn and reserved by this title for the purposes specified in section 2902.

(b) TEMPORARY PROHIBITION ON CERTAIN USE.—Military use of the lands withdrawn and reserved by this title that result in ground disturbance, as determined by the Secretary of the Army and the Secretary of the Interior, are prohibited until the Secretary of the Army and the Secretary of the Interior certify to Congress that there has been full compliance with respect to such lands with the appropriate provisions of this title, the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environ-

mental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other applicable laws.

(c) ACCESS RESTRICTIONS.—

(1) IN GENERAL.—If the Secretary of the Army determines that military operations, public safety, or national security require the closure to the public of any road, trail, or other portion of the lands withdrawn and reserved by this title, the Secretary may take such action as the Secretary determines necessary or desirable to effect and maintain such closure.

(2) LIMITATION.—Any closure under paragraph (1) shall be limited to the minimum areas and periods that the Secretary of the Army determines are required for the purposes specified in such paragraph.

(3) NOTICE.—Immediately preceding and during any closure under paragraph (1), the Secretary of the Army shall post appropriate warning notices and take other steps, as necessary, to notify the public of the closure.

(d) INTEGRATED NATURAL RESOURCES MANAGEMENT PLAN.—The Secretary of the Army shall prepare and implement, in accordance with title I of the Sikes Act (16 U.S.C. 670 et seq.), an integrated natural resources management plan for the lands withdrawn and reserved by this

title. In addition to the elements required under the Sikes Act, the integrated natural resources management plan shall include the following:

(1) A requirement that any hunting, fishing, and trapping on the lands withdrawn and reserved by this title be conducted in accordance with section 2671 of title 10, United States Code.

(2) A requirement that the Secretary of the Army take necessary actions to prevent, suppress, and manage brush and range fires occurring within the boundaries of Fort Irwin and brush and range fires occurring outside the boundaries of Fort Irwin that result from military activities at Fort Irwin.

(e) FIREFIGHTING.—Notwithstanding section 2465 of title 10, United States Code, the Secretary of the Army may obligate funds appropriated or otherwise available to the Secretary of the Army to enter into a memorandum of understanding, cooperative agreement, or contract for fire fighting services to carry out the requirements of subsection (d)(2). The Secretary of the Army shall reimburse the Secretary of the Interior for costs incurred by the Secretary of the Interior to assist in carrying out the requirements of such subsection.

(f) CONSULTATION WITH NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.—In preparing and imple-

menting any plan, report, assessment, survey, opinion, or impact statement regarding the lands withdrawn and reserved by this title, the Secretary of the Army shall consult with the Administrator of the National Aeronautics and Space Administration whenever proposed Army actions have the potential to affect the operations or the environmental management of the Goldstone Deep Space Communications Complex. The requirement for consultation shall apply, at a minimum, to the following:

(1) Plans for military training, military equipment testing, or related activities that have the potential of impacting communications between Goldstone Deep Space Communications Complex and space flight missions or other transmission or receipt of signals from outer space by the Goldstone Deep Space Communications Complex.

(2) The integrated natural resources management plan required by subsection (d).

(3) The West Mojave Coordinated Management Plan referred to in section 2907.

(4) Any document prepared in compliance with the Endangered Species Act of 1973, the National Environmental Policy Act of 1969, and other laws applicable to the lands withdrawn and reserved by this title.

(g) USE OF MINERAL MATERIALS.—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the Materials Act of 1947, 30 U.S.C. 601 et seq.), the Secretary of the Army may use sand, gravel, or similar mineral material resources of the type subject to disposition under such Act from the lands withdrawn and reserved by this title if the use of such resources is required for construction needs of the National Training Center.

SEC. 2905. WATER RIGHTS.

(a) NO RESERVED WATER RIGHT ESTABLISHED.—Nothing in this title shall be construed—

(1) to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title; or

(2) to authorize the appropriation of water on such lands by the United States after the date of the enactment of this Act, except in accordance with applicable State law.

(b) EFFECT ON PREVIOUSLY ACQUIRED OR RESERVED WATER RIGHTS.—This section shall not be construed to affect any water rights acquired or reserved by the United States before the date of the enactment of this Act, and the

Secretary of the Army may exercise any such previously acquired or reserved water rights.

SEC. 2906. ENVIRONMENTAL COMPLIANCE AND ENVIRONMENTAL RESPONSE REQUIREMENTS.

(a) AGREEMENT CONCERNING ENVIRONMENT AND PUBLIC HEALTH.—The Secretary of the Army and the Secretary of the Interior may enter into such agreements concerning the environment and public health as are necessary, appropriate, and in the public interest to carry out the purposes of this title.

(b) RELATION TO OTHER ENVIRONMENTAL LAWS.—Nothing in this section shall be construed to alter the rights, responsibilities, and obligations of the Secretary of the Army or the Secretary of the Interior under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or other environmental laws applicable to the lands withdrawn and reserved by this title.

SEC. 2907. WEST MOJAVE COORDINATED MANAGEMENT PLAN.

(a) COMPLETION.—The Secretary of the Interior shall make every effort to complete the West Mojave Coordinated Management Plan not later than two years after the date of the enactment of this Act.

(b) CONSIDERATION OF WITHDRAWAL AND RESERVATION IMPACTS.—The Secretary of the Interior shall ensure that the West Mojave Coordinated Management Plan considers the impacts of the availability or nonavailability of the lands withdrawn and reserved by this title on the plan as a whole.

(c) CONSULTATION.—The Secretary of the Interior shall consult with the Secretary of the Army and the Administrator of the National Aeronautics and Space Administration in the development of the West Mojave Coordinated Management Plan.

SEC. 2908. RELEASE OF WILDERNESS STUDY AREAS.

Congress hereby finds and directs that lands withdrawn and reserved by this title have been adequately studied for wilderness designation pursuant to section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)), and are no longer subject to the requirement of such section pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

SEC. 2909. TRAINING ACTIVITY SEPARATION FROM UTILITY CORRIDORS.

(a) REQUIRED SEPARATION.—All military ground activity training on the lands withdrawn and reserved by this title shall remain at least 500 meters from any utility sys-

tem, in existence as of the date of the enactment of this Act, in Utility Planning Corridor D, as described in the California Desert Conservation Area Plan, dated 1980 and subsequently amended.

(b) EXCEPTION.—Subsection (a) does not modify the use of any lands used, as of the date of the enactment of this Act, by the National Training Center for training or alter any right of access granted by interagency agreement.

SEC. 2910. DURATION OF WITHDRAWAL AND RESERVATION.

(a) TERMINATION DATE.—Unless extended pursuant to section 2911, unless relinquishment is postponed by the Secretary of the Interior pursuant to section 2912(b), and except as provided in section 2912(d), the withdrawal and reservation made by this title shall terminate 25 years after the date of the enactment of this Act.

(b) LIMITATION ON SUBSEQUENT AVAILABILITY FOR APPROPRIATION.—At the time of termination of the withdrawal and reservation made by this title, the previously withdrawn lands shall not be open to any forms of appropriation under the general land laws, including the mining laws and the mineral and geothermal leasing laws, until the Secretary of the Interior publishes in the Federal Register an appropriate order that shall state the date upon which such lands shall be restored to the public domain and opened.

SEC. 2911. EXTENSION OF INITIAL WITHDRAWAL AND RESERVATION.

(a) NOTIFICATION REQUIREMENT.—Not later than three years before the termination date specified in section 2910(a), the Secretary of the Army shall notify Congress and the Secretary of the Interior concerning whether the Army will have a continuing military need, beyond the termination date, for all or any portion of the lands withdrawn and reserved by this title.

(b) PROCESS FOR EXTENSION OF WITHDRAWAL AND RESERVATION.—

(1) CONSULTATION AND APPLICATION.—If the Secretary of the Army determines that there will be a continuing military need after the termination date for any of the lands withdrawn and reserved by this title, the Secretary of the Army shall—

(A) consult with the Secretary of the Interior concerning any adjustments to be made to the extent of, or to the allocation of management responsibility for, such needed lands; and

(B) file with the Secretary of the Interior, within one year after the notice required by subsection (a), an application for extension of the withdrawal and reservation of such needed lands.

(2) APPLICATION REQUIREMENTS.—Notwithstanding any general procedure of the Department of

the Interior for processing Federal land withdrawals, an application for extension of the land withdrawal and reservation made by this title shall be considered to be complete if the application includes the information required by section 3 of Public Law 85–337 (commonly known as the Engle Act; 43 U.S.C. 157), except that no information shall be required concerning the use or development of mineral, timber, or grazing resources unless, and only to the extent, the Secretary of the Army proposes to use or develop such resources during the period of extension.

(c) SUBMISSION OF PROPOSED EXTENSION TO CONGRESS.—The Secretary of the Interior and the Secretary of the Army may submit to Congress a legislative proposal for the extension of the withdrawal and reservation made by this title. The legislative proposal shall be accompanied by an appropriate analysis of environmental impacts associated with the proposal, as required by section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

SEC. 2912. TERMINATION AND RELINQUISHMENT.

(a) NOTICE OF TERMINATION.—During the first 22 years of the withdrawal and reservation made by this title, if the Secretary of the Army determines that there is no continuing military need for the lands withdrawn and re-

served by this title, or any portion of such lands, the Secretary of the Army shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands. The notice shall specify the proposed date of relinquishment.

(b) ACCEPTANCE OF JURISDICTION.—The Secretary of the Interior may accept jurisdiction over any lands covered by a notice under subsection (a) if the Secretary of the Interior determines that the Secretary of the Army has taken or will take all environmental response and restoration activities required under applicable laws and regulations.

(c) NOTICE OF ACCEPTANCE.—If the Secretary of the Interior decides to accept jurisdiction over lands covered by a notice under subsection (a) before the termination date of the withdrawal and reservation, the Secretary shall publish in the Federal Register an appropriate order that shall—

(1) terminate the withdrawal and reservation of such lands under this title;

(2) constitute official acceptance of administrative jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which such lands shall be opened to the operation of the general land laws, in-

cluding the mining laws and the mineral and geothermal leasing laws, if appropriate.

(d) RETAINED ARMY JURISDICTION.—Notwithstanding the termination date specified in section 2910, unless and until the Secretary of the Interior accepts jurisdiction of land proposed for relinquishment pursuant to this section, such land shall remain withdrawn and reserved for the Secretary of the Army for the limited purposes of environmental response and restoration actions under section 2906 and continued land management responsibilities pursuant to the integrated natural resources management plan required under section 2904, until such environmental response and restoration activities on those lands are completed.

(e) SEVERABILITY OF FUNCTIONS.—All functions described under this section, including transfers, relinquishments, extensions, and other determinations, may be made on a parcel-by-parcel basis.

SEC. 2913. DELEGATION OF AUTHORITY.

(a) SECRETARY OF THE ARMY.—The Secretary of the Army may delegate to officials in the Department of the Army such functions as the Secretary of the Army may determine appropriate to carry out this title.

(b) SECRETARY OF THE INTERIOR.—The functions of the Secretary of the Interior under this title may be dele-

gated, except that the order described in section 2912(c) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

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.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $6,859,895,000, to be allocated as follows:

(1) WEAPONS ACTIVITIES.—For weapons activities, $5,369,488,000, to be allocated as follows:

(A) For stewardship operation and maintenance, $4,527,192,000, to be allocated as follows:

(i) For directed stockpile work, $1,043,791,000.

(ii) For campaigns, $2,036,413,000, to be allocated as follows:

(I) For operation and maintenance, $1,653,441,000.

(II) For construction, $382,972,000, to be allocated as follows:

Project 01–D–101, distributed information systems laboratory, Sandia National Laboratories, Livermore, California, $5,400,000.

Project 00–D–103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, $20,000,000.

Project 00–D–105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, $11,070,000.

Project 00–D–107, joint computational engineering laboratory,

Sandia National Laboratories, Albuquerque, New Mexico, $5,377,000.

Project 98–D–125, tritium extraction facility, Savannah River Plant, Aiken, South Carolina, $81,125,000.

Project 98–D–126, accelerator production of tritium (APT), various locations, $15,000,000.

Project 96–D–111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, $245,000,000.

(iii) For readiness in technical base and facilities, $1,446,988,000, to be allocated as follows:

(I) For operation and maintenance, $1,292,324,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of

projects authorized in prior years, and land acquisition related thereto), $154,664,000, to be allocated as follows:

Project 02–D–101, microsystems and engineering sciences applications (MESA), Sandia National Laboratories, Albuquerque, New Mexico, $2,000,000.

Project 02–D–103, project engineering and design (PED), various locations, $9,180,000.

Project 02–D–107, electrical power systems safety communications and bus upgrades, Nevada Test Site, Nevada, $3,507,000.

Project 01–D–103, preliminary project design and engineering, various locations, $45,379,000.

Project 01–D–124, highly enriched uranium (HEU) materials storage facility, Y–12 Plant, Oak Ridge, Tennessee, $9,500,000.

Project 01–D–126, weapons evaluation test laboratory, Pantex Plant, Amarillo, Texas, $7,700,000.

Project 01–D–800, sensitive compartmented information facility, Lawrence Livermore National Laboratory, Livermore, California, $12,993,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $4,400,000.

Project 99–D–104, protection of real property (roof reconstruction, phase II), Lawrence Livermore National Laboratory, Livermore, California, $2,800,000.

Project 99–D–106, model validation and system certification center, Sandia National Laboratories, Albuquerque, New Mexico, $4,955,000.

Project 99–D–125, replace boilers and controls, Kansas City

Plant, Kansas City, Missouri, $300,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City plant, Kansas City, Missouri, $22,200,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant, Amarillo, Texas, $3,300,000.

Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Plant, Aiken, South Carolina, $13,700,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 consolidation, Oak Ridge, Tennessee, $6,850,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $3,000,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $2,900,000.

(B) For facilities and infrastructure, $50,600,000.

(C) For secure transportation asset, $121,800,000, to be allocated as follows:

(i) For operation and maintenance, $77,571,000.

(ii) For program direction, $44,229,000.

(D) For safeguards and security, $448,881,000, to be allocated as follows:

(i) For operations and maintenance, $439,281,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $9,600,000, to be allocated as follows:

Project 99–D–132, stockpile management restructuring initiative, nu-

clear material safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,600,000.

(E) For program direction, $250,000,000.

(F) The total amount authorized by this paragraph is the sum of the amounts authorized to be appropriated by subparagraphs (A) through (E), reduced by $28,985,000, to be derived from a security charge for reimbursable work.

(2) DEFENSE NUCLEAR NONPROLIFERATION.—For other nuclear security activities, $773,700,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $206,102,000, to be allocated as follows:

(i) For operation and maintenance, $170,296,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisi-

tion related thereto), $35,806,000, to be allocated as follows:

Project 00–D–192, nonproliferation and international security center (NISC), Los Alamos National Laboratory, Los Alamos, New Mexico, $35,806,000.

(B) For arms control, $101,500,000.

(C) For international materials protection, control, and accounting, $138,800,000.

(D) For highly enriched uranium transparency implementation, $13,950,000.

(E) For international nuclear safety, $10,800,000.

(F) For fissile materials control and disposition, $293,089,000, to be allocated as follows:

(i) For United States surplus fissile materials disposition, $236,089,000, to be allocated as follows:

(I) For operation and maintenance, $130,089,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of

projects authorized in prior years, and land acquisition related thereto), $106,000,000, to be allocated as follows:

Project 01–D–407, highly enriched uranium blend-down, Savannah River Site, Aiken, South Carolina, $24,000,000.

Project 99–D–141, pit disassembly and conversion facility, Savannah River Site, Aiken, South Carolina, $16,000,000.

Project 99–D–143, mixed oxide fuel fabrication facility, Savannah River Site, Aiken, South Carolina, $63,000,000.

Project 99–D–142, immobilization and associated processing facility, Savannah River Site, Aiken, South Carolina, $3,000,000.

(ii) For Russian surplus fissile materials disposition, $57,000,000, to be allocated as follows:

(I) For Russian plutonium disposition, and support and oversight in the United States, $56,000,000.

(II) For advanced reactor technology, $1,000,000.

(G) For program direction, $51,459,000.

(H) The total amount authorized by this paragraph is the sum of the amounts authorized to be appropriated by subparagraphs (A) through (G), reduced by $42,000,000, to be derived from offsets and use of prior year balances.

(3) NAVAL REACTORS.—For naval reactors, $688,045,000, to be allocated as follows:

(A) For naval reactors development, $665,445,000, to be allocated as follows:

(i) For operation and maintenance, $652,245,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $13,200,000, to be allocated as follows:

Project 01–D–200, major office replacement building, Schenectady, New York, $9,000,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $4,200,000.

(B) For program direction, $22,600,000.

(4) DEFENSE NUCLEAR COUNTERINTELLIGENCE.—For defense nuclear counterintelligence, $13,662,000.

(5) OFFICE OF ADMINISTRATOR FOR NUCLEAR SECURITY.—For the Office of the Administrator for Nuclear Security, for program direction, $15,000,000.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for environmental restoration and waste management activities in carrying out programs necessary for national security in the amount of $4,646,427,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year

1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7277n), $1,050,538,000.

(2) SITE/PROJECT COMPLETION.—For site completion and project completion in carrying out environmental management activities necessary for national security programs, $920,196,000, to be allocated as follows:

(A) For operation and maintenance, $872,030,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $48,166,000, to be allocated as follows:

Project 02–D–420, FB line plutonium stabilization and packaging, Savannah River Site, Aiken, South Carolina, $20,000,000.

Project 01–D–402, Intec cathodic protection system expansion, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $3,256,000.

Project 01–D–414, preliminary project, engineering and design (PE&D), various locations, $10,254,000.

Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $5,040,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $2,700,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $1,910,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $4,244,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $762,000.

(3) POST-2006 COMPLETION.—For post-2006 completion in carrying out environmental restoration and waste management activities necessary for na-

tional security programs, $3,021,201,000, to be allocated as follows:

(A) For operation and maintenance, $1,761,979,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $6,754,000, to be allocated as follows:

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $6,754,000.

(C) For the Office of River Protection in carrying out environmental restoration and waste management activities necessary for national security programs, $832,468,000, to be allocated as follows:

(i) For operation and maintenance, $272,151,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects au-

thorized in prior years, and land acquisition related thereto), $560,317,000, to be allocated as follows:

Project 01–D–416, waste treatment and immobilization plant, Richland, Washington, $520,000,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $33,473,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $6,844,000.

(4) SCIENCE AND TECHNOLOGY DEVELOPMENT.—For science and technology development in carrying out environmental restoration and waste management activities necessary for national security programs, $196,000,000.

(5) EXCESS FACILITIES.—For excess facilities in carrying out environmental restoration and waste management activities necessary for national security programs, $1,300,000.

(6) SAFEGUARDS AND SECURITY.—For safeguards and security in carrying out environmental restoration and waste management activities necessary for national security programs, $205,621,000.

(7) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs, $355,761,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (1) through (7) of that subsection, reduced by $53,652,000, to be derived from offsets and use of prior year balances.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for other defense activities in carrying out programs necessary for national security in the amount of $502,099,000, to be allocated as follows:

(1) INTELLIGENCE.—For intelligence, $40,844,000.

(2) COUNTERINTELLIGENCE.—For counterintelligence, $32,727,000.

(3) SECURITY AND EMERGENCY OPERATIONS.—For security and emergency operations, $269,250,000, to be allocated as follows:

(A) For nuclear safeguards and security, $121,188,000.

(B) For security investigations, $44,927,000.

(C) For corporate management information programs, $20,000,000.

(D) For program direction, $83,135,000.

(4) INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE.—For independent oversight and performance assurance, $14,904,000.

(5) ENVIRONMENT, SAFETY, AND HEALTH.—For the Office of Environment, Safety, and Health, $105,293,000, to be allocated as follows:

(A) For environment, safety, and health (defense), $84,500,000.

(B) For program direction, $20,793,000.

(6) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, $21,900,000, to be allocated as follows:

(A) For worker and community transition, $19,000,000.

(B) For program direction, $2,900,000.

(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $2,893,000.

(8) NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT.—For national security programs administrative support, $25,000,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a) is the total of the amounts authorized to be appropriated by paragraphs (1) through (8) of that subsection, reduced by $10,712,000, of which $10,000,000 is to reflect an offset provided by use of prior year balances and $712,000 is to reflect an offset provided by user organizations for security investigations.

SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $126,208,000, to be allocated as follows:

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $49,332,000.

Project 97–PVT–2, advanced mixed waste treatment project Idaho Falls, Idaho, $40,000,000.

Project 97–PVT–3, transuranic waste treatment, Oak Ridge, Tennessee, $10,826,000.

Project 98–PVT–5, environmental management/waste management disposal, Oak Ridge, Tennessee, $26,050,000.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $310,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year, the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either

House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the

current estimated cost of the construction project, authorized by 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) does not apply to a construction project with a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same time period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than 5 percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than 5 percent by a transfer under such paragraph.

(c) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may be used only to provide funds for items relating to activities necessary for national security

programs that have a higher priority than the items from which the funds are transferred; and

(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committees on Armed Services of the Senate and House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT OF CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for that design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed

expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making those activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2003.

SEC. 3129. TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS AT FIELD OFFICES OF THE DEPARTMENT OF ENERGY.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project.

(b) LIMITATIONS.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary to address a risk to health, safety, or the environment or to assure the most

efficient use of defense environmental management funds at the field office.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term "program or project" means, with respect to a field office of the Department of Energy, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102.

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office,

and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term "defense environmental management funds" means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during fiscal year 2002.

SEC. 3130. TRANSFERS OF WEAPONS ACTIVITIES FUNDS AT NATIONAL SECURITY LABORATORIES AND NUCLEAR WEAPONS PRODUCTION FACILITIES.

(a) TRANSFER AUTHORITY.—The Secretary of Energy, acting through the Administrator for Nuclear Security, shall provide the head of each national security laboratory and nuclear weapons production facility with the authority to transfer weapons activities funds from a program under the jurisdiction of such laboratory or facility to another such program.

(b) LIMITATIONS.—(1) The amount transferred under subsection (a) by a laboratory or facility in a fiscal year may not exceed the lesser of—

(A) $5,000,000; and

(B) 10 percent of the total weapons activities funds available to that laboratory or facility in that fiscal year for programs under the jurisdiction of such laboratory or facility.

(2) A transfer may not be carried out under subsection (a) unless the head of the laboratory or facility determines that the transfer will result in cost savings and efficiencies.

(3) A transfer may not be carried out under subsection (a) to cover a cost overrun or scheduling delay for any program.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied, limited, or increased funds or for a new program that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Administrator for Nuclear Security, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term "program" means, with respect to a national security laboratory or nuclear weapons production facility, any of the following:

(A) A program referred to or listed in paragraph (1) of section 3101.

(B) A program not described in subparagraph (A) that is for weapons production or weapons component production of the National Nuclear Security Administration that is being carried out by the laboratory or facility, and for which weapons activities funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term "weapons activities funds" means funds appropriated to the Department of Energy pursuant to an authorization for weapons activities of the National Nuclear Security Administration in carrying out programs necessary for national security.

(3) The terms "national security laboratory" and "nuclear weapons production facility" have the meanings given such terms in section 3281 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 968; 50 U.S.C. 2471).

(f) DURATION OF AUTHORITY.—The heads of the national security laboratories and nuclear weapons production facilities may exercise the authority provided under subsection (a) during fiscal year 2002.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. TERMINATION DATE OF OFFICE OF RIVER PROTECTION, RICHLAND, WASHINGTON.

Subsection (f) of section 3139 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2250), as amended by section 3141 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–462), is amended to read as follows:

"(f) TERMINATION.—(1) The Office shall terminate on the later to occur of the following dates:

"(A) September 30, 2010.

"(B) The date on which the Assistant Secretary of Energy for Environmental Management determines, in consultation with the head of the Office, that continuation of the Office is no longer necessary to carry out the responsibilities of the Department of Energy under the Tri-Party Agreement.

"(2) The Assistant Secretary shall notify, in writing, the committees referred to in subsection (d) of a determination under paragraph (1).

"(3) In this subsection, the term 'Tri-Party Agreement' means the Hanford Federal Facility Agreement and Consent Order entered into among the Department of Energy, the Environmental Protection Agency, and the State of Washington Department of Ecology.".

SEC. 3132. ORGANIZATIONAL MODIFICATIONS FOR NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) ESTABLISHMENT OF PRINCIPAL DEPUTY ADMINISTRATOR.—(1) Subtitle A of the National Nuclear Security Administration Act is amended by inserting after section 3213 (50 U.S.C. 2403) the following new section:

"SEC. 3213A. PRINCIPAL DEPUTY ADMINISTRATOR.

"(a) IN GENERAL.—(1) There is in the Administration a Principal Deputy Administrator, who is appointed by the President, by and with the advice and consent of the Senate.

"(2) The Principal Deputy Administrator shall be appointed from among persons who—

"(A) have extensive background in national security, organizational management, and appropriate technical fields; and

"(B) are well qualified to manage the nuclear weapons, nonproliferation, and materials disposition programs of the Administration in a manner that advances and protects the national security of the United States.

"(b) DUTIES.—Subject to the authority, direction, and control of the Administrator, the Principal Deputy Administrator shall perform such duties and exercise such powers as the Administrator may prescribe, including the coordination of activities among the elements of the Administration. The Principal Deputy Administrator shall act for, and exercise the powers of, the Administrator when the Administrator is disabled or the position of Administrator is vacant.".

(2) The table of contents preceding section 3201 of such Act is amended by inserting after the item relating to section 3213 the following new item:

"Sec. 3213A. Principal Deputy Administrator."

(3) Section 5315 of title 5, United States Code, is amended—

(A) by inserting before the item relating to Deputy Administrators of the National Nuclear Security Administration the following new item:

"Principal Deputy Administrator, National Nuclear Security Administration."; and

(B) by inserting "Additional" before "Deputy Administrators of the National Nuclear Security Administration".

(b) ELIMINATION OF REQUIREMENT THAT NATIONAL SECURITY LABORATORIES AND NUCLEAR WEAPONS PRODUCTION FACILITIES REPORT TO DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS.—Section 3214 of the National Nuclear Security Administration Act (50 U.S.C. 2404) is amended by striking subsection (c).

(c) REPEAL OF DUPLICATIVE PROVISION.—Section 3245 of the National Nuclear Security Administration Act (50 U.S.C. 2443) is repealed.

SEC. 3133. CONSOLIDATION OF NUCLEAR CITIES INITIATIVE PROGRAM WITH INITIATIVES FOR PROLIFERATION PREVENTION PROGRAM.

The Administrator for Nuclear Security shall consolidate the Nuclear Cities Initiative program with the Initiatives for Proliferation Prevention program under a single management line. The consolidation shall be completely accomplished not later than July 1, 2002.

SEC. 3134. DISPOSITION OF SURPLUS DEFENSE PLUTONIUM AT SAVANNAH RIVER SITE, AIKEN, SOUTH CAROLINA.

(a) CONSULTATION REQUIRED.—The Secretary of Energy shall consult with the Governor of the State of South

Carolina regarding any decisions or plans of the Secretary related to the disposition of surplus defense plutonium located at the Savannah River Site, Aiken, South Carolina, including the plan required by subsection (b).

(b) PLAN FOR DISPOSITION.—Not later than February 1, 2002, the Secretary shall submit to Congress a plan for disposal of the surplus defense plutonium currently located at the Savannah River Site and for disposal of defense plutonium and defense plutonium materials to be shipped to the Savannah River Site in the future. The plan shall review each option considered for such disposal, identify the preferred option, and state the cost of construction and operation of the facilities required by the Department of Energy's Record of Decision for the Storage and Disposition of Weapons-Usable Fissile Materials Final Programmatic Environmental Impact Statement dated January 14, 1997. The plan shall also specify a schedule for the expeditious construction of such facilities, including milestones, and a firm schedule for funding the cost of such facilities. The plan shall specify, in addition, the means by which all such plutonium will be removed in a timely manner from the Savannah River Site for storage or disposal elsewhere.

(c) REQUIREMENT FOR ALTERNATIVE DISPOSITION.—If the Secretary determines that proceeding with construction of the Plutonium Immobilization Plant at the Savan-

nah River Site is not feasible, the Department shall modify the design of the Mixed Oxide Fuel Fabrication facility at the Savannah River Site so that it includes an immobilization capability. If the Secretary determines that proceeding with the Mixed Oxide Fuel Fabrication facility is not feasible, the Department shall proceed with construction of the Plutonium Immobilization Plant.

(d) LIMITATION ON PLUTONIUM SHIPMENTS.—If the plan required in subsection (b) is not submitted to Congress by February 1, 2002, the Secretary shall be prohibited from shipping defense plutonium or defense plutonium materials to the Savannah River Site during the period beginning on February 1, 2002, and ending on the date on which such plan is submitted to Congress.

SEC. 3135. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) SUPPORT FOR FISCAL 2002.—From amounts appropriated or otherwise made available to the Secretary of Energy by this title—

(1) $5,000,000 shall be available for payment by the Secretary for fiscal year 2002 to the not-for-profit Los Alamos National Laboratory Foundation, as chartered in accordance with section 3167(a) of the

National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2052); and

(2) $8,000,000 shall be available for extension of the contract between the Department of Energy and the Los Alamos Public Schools through fiscal year 2002.

(b) SUPPORT FOR FISCAL 2003.—Subject to the availability of appropriations, the Secretary is authorized to—

(1) make payment for fiscal year 2003 similar to the payment referred to in subsection (a)(1); and

(2) provide for a contract extension through fiscal 2003 similar to the contract extension referred to in subsection (a)(2).

(c) USE OF FUNDS.—The foundation referred to in subsection (a)(1) shall—

(1) utilize funds provided under this section as a contribution to the endowment fund for the foundation; and

(2) use the income generated from investments in the endowment fund that are attributable to payments made under this section to fund programs to support the educational needs of children in public schools in the vicinity of Los Alamos National Laboratory.

(d) REPORT.—Not later than March 1, 2002, the Secretary shall submit to the congressional defense committees a report setting forth the following:

(1) An evaluation of the requirements for continued payments beyond fiscal year 2003 into the endowment fund of the foundation referred to in subsection (a) to enable the foundation to meet the goals of the Department to support the recruitment and retention of staff at the Los Alamos National Laboratory.

(2) The Secretary's recommendations for any further support beyond fiscal year 2003 directly to the Los Alamos Public Schools.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2002, $18,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. DEFINITIONS.

In this title:

(1) The term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term "National Defense Stockpile Transaction Fund" means the fund established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

(3) The term "Market Impact Committee" means the Market Impact Committee appointed under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2002, the National Defense Stockpile Manager may obligate up to $65,200,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)), including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or

emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. DISPOSAL OF OBSOLETE AND EXCESS MATERIALS CONTAINED IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED.—Subject to subsection (b), the President may dispose of certain materials contained in the National Defense Stockpile that are obsolete or excess to stockpile requirements, in the quantities specified in the following table:

Authorized Stockpile Disposals

Material for disposal	*Quantity*
Bauxite, Refractory	*40,000 short tons*
Chromium Metal	*3,512 short tons*
Iridium	*25,140 troy ounces*
Jewel Bearings	*30,273,221 pieces*
Manganese, Ferro HC	*209,074 short tons*
Palladium	*11 troy ounces*
Quartz Crystal	*216,648 pounds*
Tantalum Metal Ingot	*120,228 pounds of contained Tantalum*
Tantalum Metal Powder	*36,020 pounds of contained Tantalum*
Thorium Nitrate	*600,000 pounds*

(b) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of materials under subsection (a), the President shall consult with the Market Impact Com-

mittee to ensure that the disposal of the materials does not disrupt the usual markets of producers, processors, and consumers of the materials.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in the table in such subsection.

SEC. 3304. EXPEDITED IMPLEMENTATION OF AUTHORITY TO DISPOSE OF COBALT FROM NATIONAL DEFENSE STOCKPILE.

Section 3305(a)(1) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 50 U.S.C. 98d note) is amended by striking "fiscal year 2003" and inserting "the two-fiscal year period ending September 30, 2003".

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $17,371,000 for fiscal year 2002 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

TITLE XXXV—MARITIME ADMINISTRATION

SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002.

Funds are hereby authorized to be appropriated for fiscal year 2002, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $89,054,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $103,978,000, of which—

(A) $100,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $3,978,000 is for administrative expenses related to loan guarantee commitments under the program.

(3) For expenses to dispose of obsolete vessels in the National Defense Reserve Fleet, $10,000,000.

SEC. 3502. DEFINE "WAR RISKS" TO VESSELS TO INCLUDE CONFISCATION, EXPROPRIATION, NATIONALIZATION, AND DEPRIVATION OF THE VESSELS.

Section 1201(c) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1281(c)) is amended to read as follows:

"(c) The term 'war risks' includes to such extent as the Secretary may determine—

"(1) all or any part of any loss that is excluded from marine insurance coverage under a 'free of capture or seizure' clause, or under analogous clauses; and

"(2) other losses from hostile acts, including confiscation, expropriation, nationalization, or deprivation.".

SEC. 3503. HOLDING OBLIGOR'S CASH AS COLLATERAL UNDER TITLE XI OF MERCHANT MARINE ACT, 1936.

Title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.) is amended by inserting after section 1108 the following:

"SEC. 1109. DEPOSIT FUND.

"(a) ESTABLISHMENT OF DEPOSIT FUND.—There is established in the Treasury a deposit fund for purposes of this section. The Secretary may, in accordance with an agreement under subsection (b), deposit into and hold in the deposit fund cash belonging to an obligor to serve as collateral for a guarantee under this title made with respect to the obligor.

"(b) AGREEMENT.—

"(1) IN GENERAL.—The Secretary and an obligor shall enter into a reserve fund or other collateral account agreement to govern the deposit, withdrawal, retention, use, and reinvestment of cash of the obligor held in the deposit fund established by subsection (a).

"(2) TERMS.—The agreement shall contain such terms and conditions as are required under this section and such additional terms as are considered by the Secretary to be necessary to protect fully the interests of the United States.

"(3) SECURITY INTEREST OF UNITED STATES.—The agreement shall include terms that grant to the United States a security interest in all amounts deposited into the deposit fund.

"(c) INVESTMENT.—The Secretary may invest and reinvest any part of the amounts in the deposit fund established by subsection (a) in obligations of the United States

with such maturities as ensure that amounts in the deposit fund will be available as required for purposes of agreements under subsection (b). Cash balances of the deposit fund in excess of current requirements shall be maintained in a form of uninvested funds and the Secretary of the Treasury shall pay interest on these funds.

"(d) WITHDRAWALS.—

"(1) IN GENERAL.—The cash deposited into the deposit fund established by subsection (a) may not be withdrawn without the consent of the Secretary.

"(2) USE OF INCOME.—Subject to paragraph (3), the Secretary may pay any income earned on cash of an obligor deposited into the deposit fund in accordance with the terms of the agreement with the obligor under subsection (b).

"(3) RETENTION AGAINST DEFAULT.—The Secretary may retain and offset any or all of the cash of an obligor in the deposit fund, and any income realized thereon, as part of the Secretary's recovery against the obligor in case of a default by the obligor on an obligation.".

Amend the title so as to read: "A bill to authorize appropriations for fiscal year 2002 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.".